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For Immediate Release

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Notice Concerning Acquisition of Assets (4 Properties)

HEIWA REAL ESTATE REIT, Inc. (hereinafter referred to as the “Investment Corporation”) announced today that HEIWA REAL ESTATE Asset Management CO., LTD. (hereinafter referred to as the “Asset Management Company”), the company to which the Investment Corporation entrusts its asset management operations, decided to execute the acquisition of asset (hereinafter referred to as the “Acquisition”). The details are as follows.

Details

1. Overview of the acquisitions

Property Number	Property Name	Type of Specified Asset	Investment Category	Investment Area	Proposed Acquisition Price (million yen) (Note 3)	Appraisal Value (million yen)
Of-38	ACROSS SHINKAWA BUILDING (Additional acquisition 5.67%)	Trust beneficial interest in real estate	Office	Primary investment area (Chuo-ku, Tokyo)	500	750
Of-45	KABUTO-CHO UNI-SQUARE (Additional acquisition 41.93%) (Note 1)	Trust beneficial interest in real estate	Office	Primary investment area (Chuo-ku, Tokyo)	1,480	1,600
Re-93	HF HAKATA-HIGASHI RESIDENCE II (Note 2)	Real estate	Residence	Regional investment area (Fukuoka City, Fukuoka)	1,198.5	1,370
Re-94	HF FUKUOKA RESIDENCE EAST (Note 2)	Real estate	Residence	Regional investment area (Fukuoka City, Fukuoka)	1,180	1,440
Total					4,358.5	5,160

(Note 1) As a result of the additional acquisition, the Investment Corporation will own the entire property.

(Note 2) The name of this property is currently “RESIDENCE 18” and “RESIDENCE 19”, but it is to be changed to “HF HAKATA-HIGASHI RESIDENCE II ” and “HF FUKUOKA RESIDENCE EAST” on October 1, 2021 after the Investment Corporation has acquired it. Accordingly, its name after the change is recorded.

(Note 3) “Proposed acquisition price” is the price described in the trust beneficial interest transaction agreement or real estate transaction agreement (consumption tax excluded), and does not include the amounts of settlement for fixed property tax, city planning tax, etc.

- (1) Agreement execution date: March 12, 2021
- (2) Scheduled acquisition date: March 19, 2021 ACROSS SHINKAWA BUILDING (Additional acquisition 5.67%)
March 23, 2021 KABUTO-CHO UNI-SQUARE (Additional acquisition 41.93%)
March 24, 2021 HF HAKATA-HIGASHI RESIDENCE II
HF FUKUOKA RESIDENCE EAST
- (3) Acquisition financing: Cash on hand and borrowings
- (4) Payment method: Lump-sum payment at time of delivery

2. Reason for the acquisition

The Investment Corporation’s Articles of Incorporation stipulates that the “targets and policies of asset management” is to ensure the steady growth of the investment portfolio and medium- to long-term sustainable profit. Under the Articles of Incorporation, the Investment Corporation seeks to expand its assets through continuous property acquisitions and to improve the quality and profitability of the portfolio by replacing assets. In this case, the Investment Corporation seeks expansion of 235 million yen in the NOI yield, 203 million yen in the NOI yield after depreciation, and 801.5 million yen in unrealized gain (difference between appraisal value and acquisition price) by additionally acquiring the unit ownership parts of two office building properties it already owns located in Chuo-ku, Tokyo, and newly acquiring two residential properties located in Fukuoka City.

- (1) ACROSS SHINKAWA BUILDING (Additional acquisition 5.67%)
 - This transaction is intended to improve property operation efficiency and expand revenue through the additional acquisition of unit ownership rights with respect to ACROSS SHINKAWA BUILDING, which is already partially owned by the Investment Corporation. After acquisition, the Investment Corporation's owned share of the building will be 34.51%.
 - The Property to be acquired is located on Eitai Street, a main road in Tokyo, and it is a 5 minutes’ walk from Kayabacho Station on the Tokyo Metro Tozai Line and Hibiya Line. Hatchobori Station on the JR Keiyo line and Tokyo Metro Hibiya Line and Suitengumae Station on the Tokyo Metro Hanzomon Line are also within walking distance where it can be accessed from multiple railroad lines and stations. It is near Hakozaki Junction on the Metropolitan Expressway as well as Tokyo City Air Terminal, giving the property exceptional accessibility to various destinations by car and to the airport.
 - The exterior and entrance are harmonized through a calm design that creates a sense of luxury and the overall building grade, including the materials used, is high for the area. The Kayabacho/Hatchobori/Shinkawa area in which the property is located has many small and mid-sized offices and the acquired property is very competitive compared with these.
 - The NOI yield, which is calculated from the acquisition price and appraisal NOI, and the NOI yield after depreciation are high at 6.7% and 6.5% respectively, and, based on the appraisal value, an increase in unrealized gain of approximately 250 million yen is expected.
- (2) KABUTO-CHO UNI-SQUARE (Additional acquisition 41.93%)
 - The property to be acquired is located about a 4 minutes’ walk from Kayabacho Station of the Hibiya Line and the Tozai Line of the Tokyo Metro, about a 5 minutes’ walk from Hacchobori Station of the JR Keiyo

Line and the Hibiya Line of the Tokyo Metro and about a 13 minutes' walk from Tokyo Station where several lines intersect, therefore multiple train lines are available. In addition, the property offers excellent access to not only main areas in Tokyo but also wide-ranging areas including other regions by Shinkansen and car, due to proximity to main roads such as Eitai Dori, Showa Dori and the inner Circular Route.

- Nihonbashi Kabutocho, where the property to be acquired is located, has been developing as a financial district where the securities industry centered on the Tokyo Stock Exchange, the futures trading industry centered on the Tokyo Commodity Exchange in Nihonbashi Horidomecho, and related companies and industry groups and peripheral industries have collected since early times. Recently, the redevelopment of large buildings has also progressed because the Tokyo Metropolitan government announced policy of developing the area from Otemachi to Nihonbashi Kabutocho as a financial hub by establishing the International Financial City Tokyo vision for a special financial business zone. For this reason, in the Acquisition area, it is possible to anticipate the expansion of new demand and the development of the neighborhood associated with progress in the special business zone projects and redevelopment projects in Kabutocho, in addition to conventional stable office demand.
- The NOI yield, which is calculated from the acquisition price and appraisal NOI, is high at 4.4%, and since the Investment Corporation will own the entire property as a result of this acquisition, improvement of asset value and improvement of liquidity in the real estate sales market are expected. In addition, Kabutocho, where the acquired property is located, is the birthplace of Heiwa Real Estate Co., Ltd., which is the sponsor of the Investment Corporation and which owns, manages and operates many offices, including the Tokyo Stock Exchange Building, in the area. It is hoped that the change in property management company to Heiwa Real Estate Co., Ltd. will improve tenant satisfaction, maintain the occupancy rate at a stable high level, and further reduce various expenses. Due to these effects of the acquisition, the unrealized gain of approximately 370 million yen is expected from the appraisal value (3,980 million yen) of the entire building.

(3) HF HAKATA-HIGASHI RESIDENCE II

- Located an 8-minute walk from Higashi-Hie Station on the Fukuoka City Subway Kuko Line and with Hakata Station one stop (3 minutes) and Tenjin Station four stops (9 minutes) away from the nearest station, the acquired property has excellent access to the center of Fukuoka City, a major commercial hub. Besides convenient access to Fukuoka City, the property is ideally located for access to other regions of Japan, with good access to Fukuoka Airport and in close proximity to the Fukuoka Urban Expressway Circular Route.
- In terms of the level of facilities provided, co-owned areas are equipped with home delivery boxes and security cameras, while exclusively owned areas are fitted with automatic door locks, TV door phones and other facilities. The property was built to meet high-level requirements of single-person and DINK households, which are the target market, and it is sufficiently competitive compared with neighboring properties.
- The NOI yield, which is calculated from the acquisition price and appraisal NOI, and the NOI yield after depreciation are high at 5.5% and 4.7% respectively, and based on the appraisal value, unrealized gain of approximately 170 million yen is expected.

(4) HF FUKUOKA RESIDENCE EAST

- Situated an 8-minute walk from Yusu Station on the JR Sasaguri Line and with Hakata Station two stops (8

minutes) away from the nearest station, the property has excellent access to the center of Fukuoka City. Besides convenient access to Fukuoka City, the property is ideally located for access to other regions of Japan, with good access to Fukuoka Airport and in close proximity to the Fukuoka Urban Expressway Circular Route.

- In terms of the level of facilities provided, co-owned areas are equipped with security cameras, while exclusively owned areas are fitted with automatic door locks, TV door phones and other facilities. The property was built to meet the general requirements of single-person and DINK households, which are the target market, and it is sufficiently competitive compared with neighboring properties. The parking lot also meets the need to commute to work by car, providing 86 parking spaces, which is equivalent to 73% of the total number of units.
- The NOI yield, which is calculated from the acquisition price and appraisal NOI, and the NOI yield after depreciation are high at 6.1% and 4.6% respectively, and based on the appraisal value, unrealized gain of approximately 260 million yen is expected.

3. Details of the property to be acquired

Of-38 ACROSS SHINKAWA BUILDING

Property number / Property name		Of-38 ACROSS SHINKAWA BUILDING
Type of asset (Note1)		Trust beneficial interest in real estate
Trustee (Planned)		Sumitomo Mitsui Trust Bank, Limited
Trust term (Planned)		From January 20, 2003 to January 31, 2027
Location (Note 2)		(Building address on real estate registry) 1-6-6, 1-6-40 Shinkawa Chuo-ku, Tokyo (Lot number) 1-8-8, 1-8-15 Shinkawa Chuo-ku, Tokyo
Land	Form of ownership	Share ownership
	Area (Note 2)	Total area 2,133.42 m ² Share ownership 69.76 m ² (of 88.23 m ² , the right of site ratio is 61332/77565) (561.90 m ² including already owned section of the building)
	Use district (Note 3)	Commercial district
	Building coverage ratio (Note 4)	80%
	Floor area ratio (Note 4)	800.3%
Building	Form of ownership (Note 5)	Classification ownership
	Use (Note 2)	Office, residence and store
	Structure/Floors (Note 2)	Steel beam/steel-framed reinforced concrete, flat roof, 14 floors above ground with 2 floors in the basement
	Total floor space (Note 2,5)	Total floor space 17,817.98 m ² Classification ownership 1,010.27 m ² (6,148.97 m ² including already owned section of the building)
	Construction completion date (Note 2)	June 27, 1994
	Construction client	YAMABOSHI KANEBOSHI CO., LTD., Makihara Honten Co., Ltd., Towa Real Estate Development Co., Ltd.
	Constructor	Joint venture of Fujita Corporation, Takenaka Corporation, SHIMIZU CORPORATION and Matsui Construction Co., Ltd.
	Architect	RUI SEKKEISHITSU co., ltd.
	Structural designer	RUI SEKKEISHITSU co., ltd.

	Building certification	Chuo-ku, Tokyo
Collateral		None
Property management company		Heiwa Real Estate Co., Ltd.
Master lease company		Heiwa Real Estate Co., Ltd.
Master lease type		Pass through
Tenant details (Note 6)		
	Total number of tenant	2
	Total rent income	31,992 thousand yen
	Leasehold and security deposits	11,317 thousand yen
	Total leased floor space	624.72 m ²
	Total leasable floor space	624.72 m ²
	Occupancy rates (Based on Floor Space)	100% (as of January 31, 2021)
NOI yield (Note 7)		6.7%
Outline of the engineering report (Note 8)	Survey company	Tokyo Bldg.-Tech Center Co., Ltd.
	Survey date	February 5, 2021
	Replacement value	286,505 thousand yen
	Probable maximum loss (PML)	2.3%
	Long-term repairs (next 15years)	45,770 thousand yen
Overview of real estate appraisal report	Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
	Value date	January 31, 2021
	Appraisal value	750,000 thousand yen
Other items of special note	The district plan has been in effect since July 1997 in Chuo-ku, Tokyo. However, the trust real estate is not subject to the regulation of the district plan because the confirmation application is made before the enforcement of the district plan. Therefore, the trust real estate does not meet the height limit of the current district plan and is a so-called existing non-conforming building.	

(Note1) The acquired property is actual real estate and after acquisition, on the same date as the acquisition date, the Investment Corporation will create beneficiary rights on the acquired property and replace the units it already owns with the beneficiary rights.

(Note2) "Location (excluding indication of residential address)," "Area," "Use," "Structure/Floor" "Total floor space" and "Construction completion date" are as stated in the real estate registry.

(Note3) "Use district" is the type of use district as listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.

(Note4) "Building coverage ratio" is the ratio of the building area of the building to the site area as stipulated in Article 53 of the Building Standards Act. The "Floor area ratio" is the ratio of the total floor space of the building to the site area as stipulated in Article 52 of the Building Standards Act. In addition, the property to be acquired satisfies the requirements for modifying the setback regulation from road width, setback regulation from site boundary, and the floor area ratio limit because it is a building that allows for the application of an integrated design system. In regards to the property's floor area ratio, an increased floor area ratio of up to 800.30% is applied compared to the statutory floor area ratio of 700%.

(Note5) The parts the Investment Corporation plans to acquire are the first-floor retail part of the building and a portion of the third-floor office part, and the Investment Corporation's share of the exclusively owned area is 5.67% of the total exclusively owned area of the building. Combined with the share of the exclusively owned area the Investment Corporation already owns (28.84%), the Investment Corporation's share of the building is 34.51%. The area for the co-ownership interest part is calculated by multiplying the total floor area of the building by 5.67%, which is the Investment Corporation's share of the exclusively owned area.

(Note6) Figures in "Tenant details" are as of January 31, 2021.

Furthermore, "Total rent income" is the annualized figure (multiplied by 12) of the monthly rent (including common expenses but not including fees for the usage of parking, storage rooms and such as well as consumption tax) as of January 31, 2021, based on lease agreements and sub-leasing agreements concluded between the trustee or the Investment Corporation and the master lease company or end tenants, with amounts below a thousand yen round off.

(Note7) “NOI yield” indicates the NOI yield calculated by using the net operating income (NOI) for the 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 for the property, and is rounded to the first decimal place.

(Note8) The replacement value is the replacement value of the entire building stated in the engineering report multiplied by the Investment Corporation's share of the exclusively owned area (5.67%), and rounded down to the nearest million yen.

Of-45 KABUTO-CHO UNI-SQUARE

Property number / Property name		Of-45 KABUTO-CHO UNI-SQUARE		
Type of asset		Trust beneficial interest in real estate		
Trustee (Planned)		Sumitomo Mitsui Trust Bank, Limited		
Trust term (Planned)		From March 23, 2021 to March 31, 2031		
Location (Note 1)		(Building address on real estate registry) 21-7 Nihonbashi Kabutocho, Chuo-ku, Tokyo (Lot Number) 226-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo (5 lots)		
Land	Form of ownership	Share ownership		
	Area (Note 1)	Total area	646.36 m ²	
		Share ownership	239.81 m ²	
	Use district (Note 2)	Commercial district		
	Building coverage ratio(Note 3)	80%		
Floor area ratio(Note 4)	600%			
Building	Form of ownership (Note1)	Classification ownership (Partially shared)		
	Use (Note 1)	Office, Parking, Storage		
	Structure/Floors (Note 1)	Steel-framed reinforced concrete with flat roof, 1 floor below ground and 8 floors above ground		
	Total floor space (Note 1,5)	Total floor space	4,229.47 m ²	
		Proprietary area	1,726.34 m ² (4,229.47 m ² including already owned section of the building))	
	Construction completion date (Note 1)	March 31, 1993		
	Construction client	Kato real estate corporation, Ishikawajima-Harima Heavy Industries Co.,Ltd. (Current name: IHI Corporation)		
	Constructor	Toda Okumura Joint Venture		
	Architect	TODA CORPORATION first-class architect office		
	Structural designer	TODA CORPORATION first-class architect office		
Building certification	Chuo-ku, Tokyo			
Collateral	None			
Property management company	Heiwa Real Estate Co., Ltd.			
Master lease company	Heiwa Real Estate Co., Ltd.			
Master lease type	Pass through			
Tenant details (Note 6)				
	Total number of tenant	5		
	Total rent income	95,788 thousand yen		
	Leasehold and security deposits	65,245 thousand yen		
	Total leased floor space	1,313.66 m ²		
	Total leasable floor space	1,313.66 m ²		
	Occupancy rates (Based on floor space)	100% (as of January 31, 2021)		
NOI yield (Note 7)		4.4%		
		Survey company	Tokyo Bldg.-Tech Center Co., Ltd.	

NOI yield (Note 8)	Survey date	February 12, 2021
	Replacement value(Note 8)	433,000 thousand yen
	Probable maximum loss (PML)	5.9%
	Long-term repairs (next 15years) (Note 8)	67,600 thousand yen
Overview of real estate appraisal report	Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
	Value date	February 28, 2021
	Appraisal value	1,600,000 thousand yen
Other items of special note	The appraisal value is calculated based on a limited price due to the Investment Corporation will own the property in its entirety, restoring the property's market potential and increasing its economic value. The appraisal value of the entire building as a result of the acquisition will be 3.98 billion yen.	

(Note1) "Location (excluding indication of residential address)," "Area," "Use," "Structure/Floor" "Total floor space" and "Construction completion date" are as stated in the real estate registry.

(Note 2) "Use district" is the type of use district as listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.

(Note 3) "Building coverage ratio" is the ratio of the building area of the building to the site area as stipulated in Article 53 of the Building Standards Act. The building coverage ratio is eased to 100% because this property is a fire-resistant building in the fire prevention district.

(Note 4) "Floor area ratio" is the ratio of the total floor space of the building to the site area as stipulated in Article 52 of the Building Standards Act.

(Note5) The additional acquisition section of the Investment Corporation is the value calculated by multiplying the exclusive area of the 2nd to 3rd floors, the partial area of the 1st and 4th floors, and the exclusive area of the 1st basement floor by the shared ownership ratio, and the common area. The figures are calculated by multiplying the total floor area by the co-ownership ratio (41.93%) based on the agreement between classification ownership.

(Note6) Figures in "Tenant details" are as of January 31, 2021.

Furthermore, "Total rent income" is the annualized figure (multiplied by 12) of the monthly rent (including common expenses but not including fees for the usage of parking, storage rooms and such as well as consumption tax) as of January 31, 2021, based on lease agreements and sub-leasing agreements concluded between the trustee or the Investment Corporation and the master lease company or end tenants, with amounts below a thousand yen round off.

(Note7) "NOI yield" indicates the NOI yield calculated by using the net operating income (NOI) for the 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 for the property, and is rounded to the first decimal place.

(Note8) The replacement value is the replacement value of the entire building stated in the engineering report multiplied by the Investment Corporation's share of the exclusively owned area (41.93%), and rounded down to the nearest million yen.

Re-93 HF HAKATA-HIGASHI RESIDENCE II

Property number / Property name		Re-93 HF HAKATA-HIGASHI RESIDENCE II
Type of asset		Real estate
Location (Note 1)		(Building address on real estate registry) 1-9-27 Yutaka, Hakata-ku, Fukuoka City, Fukuoka (Lot Number) 1-214-1 Yutaka, Hakata-ku, Fukuoka City, Fukuoka
Land	Form of ownership	Ownership
	Area (Note 1)	1,802.87 m ²
	Use district (Note 2)	Quasi-industrial district
	Building coverage ratio(Note 3)	60%
	Floor Area Ratio (Note 4)	200%
Building	Form of ownership	Ownership
	Use (Note 1)	Residence, Office
	Structure/Floors (Note 1)	Reinforced concrete with flat roof, 10 floors above ground
	Total floor space (Note 1)	3,653.80 m ² (Including annex building (dust collection shed)14.00 m ²)

	Construction completion date (Note 1)	February 5, 2006	
	Construction client	FUKUSAN Co., Ltd.	
	Constructor	Daito Trust Construction Co., Ltd.	
	Architect	Daito Trust Construction Co., Ltd. Fukuoka Branch	
	Structural designer	Daito Trust Construction Co., Ltd. Fukuoka Branch	
	Building certification	Kyusyu Housing Guarantee Co.,Ltd.	
Collateral		None	
Property management company		Miyoshi Asset Management Co., Ltd	
Master lease company		Miyoshi Asset Management Co., Ltd	
Master lease type		Pass through	
Tenant details (Note 5)			
	Total leasable units	110 (one of which is an office)	
	Total leased units	110	
	Total rent income	77,546 thousand yen	
	Leasehold and security deposits	6,504 thousand yen	
	Total leased floor space	3,508.62 m ²	
	Total leasable floor space	3,533.50 m ²	
	Occupancy rates (Based on floor space)	99.3% (as of February 28, 2021)	
NOI yield (Note 6)		5.6%	
Outline of the engineering report	Survey company	Tokyo Bldg.-Tech Center Co., Ltd.	
	Survey date	January 21, 2021	
	Replacement Value	660,000 thousand yen	
	Probable maximum loss (PML)	2.9%	
	Long-term repairs (next 15years)	92,220 thousand yen	
Overview of real estate appraisal report	Appraiser	Daiwa Real Estate Appraisal Co., Ltd.	
	Value date	January 31, 2021	
	Appraisal value	1,370,000 thousand yen	
Other items of special note		-	

(Note1) “Location (excluding indication of residential address),” “Area,” “Use,” “Structure/Floor” “Total floor space” and “Construction completion date” are as stated in the real estate registry.

(Note 2) “Use district” is the type of use district as listed in Article 8, Paragraph 1, and Item 1 of the City Planning Act.

(Note 3) “Building coverage ratio” is the ratio of the building area of the structure to the site area, as stipulated in Article 53 of the Building Standards Act.

(Note 4) “Floor area ratio” is the ratio is the ratio of the total floor space of the building to the site area as stipulated in Article 52 of the Building Standards Act.

(Note 5) Figures in “Tenant details” are as of February 28, 2021. Furthermore, “Total rent income” is the annualized figure (multiplied by 12) of the monthly rent (including common expenses but not including fees for the usage of parking, storage rooms and such as well as consumption tax) as of February 28, 2021, based on lease agreements and sub-leasing agreements concluded between the seller and end tenants, with amounts below a thousand yen round off.

(Note 6) “NOI Yields” indicates the NOI yield calculated by using the net operating income (NOI) for the 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 for this property, and is rounded to the first decimal place.

Re-94 HF FUKUOKA RESIDENCE EAST

Property number / Property name	Re-94 HF FUKUOKA RESIDENCE EAST
Type of asset	Real estate
Location (Note 1)	(Building address on real estate registry)

		14-22 Futamataseshinmachi, Higashi-ku, Fukuoka City, Fukuoka (Lot Number) 939-1,939-3, Futamataseshinmachi, Higashi-ku, Fukuoka City, Fukuoka
Land	Form of ownership	Ownership
	Area (Note 1)	2,308.60 m ²
	Use district (Note 2)	Quasi-industrial district
	Building coverage ratio(Note 3)	60%
	Floor area ratio (Note 4)	200%
Building	Form of ownership	Ownership
	Use (Note 1)	Residence
	Structure/Floors (Note 1)	Reinforced concrete with flat roof, 10 floors above ground
	Total floor space (Note 1)	4,283.07 m ² (Including annex building (dust collection shed)13.34 m ²)
	Construction completion date (Note 1)	January 4, 2007
	Construction client	Individual person
	Constructor	Daito Trust Construction Co., Ltd.
	Architect	Daito Trust Construction Co., Ltd. Fukuoka Branch
	Structural designer	Daito Trust Construction Co., Ltd. Fukuoka Branch
	Building certification	Kyusyu Housing Guarantee Co., Ltd.
Collateral	None	
Property management company	Miyoshi Asset Management Co., Ltd	
Master lease company	Miyoshi Asset Management Co., Ltd	
Master lease type	Pass through	
Tenant details (Note 5)		
	Total leasable units	119
	Total leased units	114
	Total rent income	81,214thousand yen
	Leasehold and security deposits	5,136thousand yen
	Total leased floor space	4,007.90 m ²
	Total leasable floor space	4,187.98 m ²
	Occupancy rates (Based on floor space)	95.7% (as of February 28, 2021)
NOI yield (Note 6)		6.1%
Outline of the engineering report	Survey company	Tokyo Bldg.-Tech Center Co., Ltd.
	Survey date	January 21, 2021
	Replacement value	763,000thousand yen
	Probable maximum loss (PML)	2.1%
	Long-term repairs (next 15years)	105,300thousand yen
Overview of real estate appraisal report	Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
	Value date	January 31, 2021
	Appraisal value	1,440,000thousand yen
Other items of special note		-

(Note1) "Location (excluding indication of residential address)," "Area," "Use," "Structure/Floor" "Total floor space" and "Construction completion date" are as stated in the real estate registry.

(Note 2) "Use district" is the type of use district as listed in Article 8, Paragraph 1, and Item 1 of the City Planning Act.

(Note 3) "Building coverage ratio" is the ratio of the building area of the structure to the site area, as stipulated in Article 53 of the Building Standards Act.

- (Note 4) "Floor area ratio" is the ratio of the total floor space of the building to the site area as stipulated in Article 52 of the Building Standards Act.
- (Note 5) Figures in "Tenant details" are as of February 28, 2021. Furthermore, "Total rent income" is the annualized figure (multiplied by 12) of the monthly rent (including common expenses but not including fees for the usage of parking, storage rooms and such as well as consumption tax) as of February 28, 2021, based on lease agreements and sub-leasing agreements concluded between the seller and end tenants, with amounts below a thousand yen round off.
- (Note 6) "NOI yields" indicates the NOI yield calculated by using the net operating income (NOI) for the 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 for this property, and is rounded to the first decimal place.

5. Overview of the seller

- Of-38 ACROSS SHINKAWA BUILDING
Of-45 KABUTO-CHO UNI-SQUARE
Re-93 HF HAKATA-HIGASHI RESIDENCE II
Re-94 HF FUKUOKA RESIDENCE EAST

The seller is a domestic business company, but it is undisclosed due to consent cannot be obtained. The seller is not a party that has a special interest relationship with the Investment Corporation or the Asset Management Company.

6. Status of previous owner, etc. of the property to be acquired

- Of-38 ACROSS SHINKAWA BUILDING
Of-45 KABUTO-CHO UNI-SQUARE
Re-93 HF HAKATA-HIGASHI RESIDENCE II
Re-94 HF FUKUOKA RESIDENCE EAST

The acquisition of the property is not acquisition from any persons having a special interest in the Investment Company or the Asset Management Company.

7. Broker Profile

- Of-38 ACROSS SHINKAWA BUILDING
Re-93 HF HAKATA-HIGASHI RESIDENCE II
Re-94 HF FUKUOKA RESIDENCE EAST

The broker is a domestic business company, but it is undisclosed due to consent cannot be obtained. The broker is not a party that has a special interest relationship with the Investment Corporation or the Asset Management Company.

- Of-45 KABUTO-CHO UNI-SQUARE
None

8. Transactions with Interested Parties

In addition to interested persons, etc. as defined in the Financial Instruments Act and the Investment Trusts Act, the Asset Management Company regulates transactions involving conflicts of interest with interested parties, stipulating in its internal regulations that an "interested party" shall refer collectively to: (i) A company, etc. that holds more than 10% of the voting rights of all shareholders of the Asset Management Company; (ii) A company,

etc. in which more than 50% of the voting rights of all its shareholders are held by (i); or (iii) A company, etc. to which (i) or (ii) provides advice, etc. on the management and administration of its assets.

Heiwa Real Estate, which acted as the property management in ACROSS SHINKAWA BUILDING and KABUTO-CHO UNI-SQUARE among the acquired properties, falls under the interested party, the above transactions were resolved at the meeting of the Investment Corporation's Board of Directors held today based on the unanimous approval of the Investment Committee, Compliance Committee, and the Board of Directors of the Asset Management Company according to its internal rules.

9. Outlook

For the impact of the acquisitions on the management status forecast for the fiscal period ending May 2021 (the 39th Fiscal Period) and November 2021 (the 40th Fiscal Period) published in the 38th Fiscal Period Financial Report dated January 20, 2021 is minor, and the management status forecasts will remain unchanged.

10. Overview of the appraisal report

Property name	ACROSS SHINKAWA BUILDING(Additional Acquisition)	
Appraisal value	750,000thousand yen	
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.	
Value date	January 31, 2021	
Item	Content (thousand yen) (Note)	Overview, etc.
Value	750,000	Estimated by linking indicated value by DCF method and indicated value by direct capitalization method.
	Value indicated by the income approach (direct capitalization method)	
	Effective gross income	46,179
	Potential total profits	48,421
	Losses from vacancies, etc.	2,242
	Operating expenses	12,612
	Management fees	5,561
	Property management fee	1,024
	Utilities expenses	2,041
	Maintenance and repair cost	364
	Tenant advertisement expenses, etc.	268
	Public charges and taxes	3,166
	Casualty insurance premiums	51
	Other expenses	136
	Net operating income (NOI)	33,567
	Interest on lump-sum payments	322
	Capital expenditures	2,687

	Net cash flow (NCF)	31,201	
	Capitalization rate	3.9%	Assessment made after comprehensively taking into account criteria of the location, building and other factors of the target real estate as well as examples of transactions of comparable real estate.
	Value indicated by the income approach (discounted cash flow method)	728,000	
	Discount rate	3.7%	Assessment made by comparing with the discount rate related to the transactions of comparable real estate, investment yields of other financial products.
	Terminal capitalization rate	4.1%	Assessment made after taking into account the marketability of the target real estate upon the expiration of the holding period based on the capitalization rate.
	Value indicated by the cost approach using the cost accounting method	1,280,000	
	Percentage of land	93.6%	
	Percentage of building	6.4%	
	Other notable items regarding the appraisal as stated by the appraiser	—	

(Note) The balance above is based on that in the appraisal report and is not that of the Investment Corporation or the Asset Management Company

Property name	KABUTO-CHO UNI-SQUARE(Additional Acquisition)		
Appraisal value	1,600,000thousand yen		
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.		
Value date	February 28, 2021		
Item	Content (thousand yen) (Note)	Overview, etc.	
Value	1,560,000	Estimated by linking indicated value by DCF method and indicated value by direct capitalization method.	
	Value indicated by the income approach (direct capitalization method)	1,600,000	
	Effective gross income	89,043	
	Potential total profits	93,627	Assessment based on current rental levels in contract, new rental levels for comparable real estate in the same area with the same demand and supply as well as their trends, and taking into account the medium- to long-term competitiveness of the target real estate.
	Losses from vacancies, etc.	4,583	Assessed the vacancy rate that is recognized to be stable over the medium to long term.
	Operating expenses	24,548	
	Management fees	7,990	Posted making a validation based on the standard of comparable real estate based on building maintenance fees.
	Property Management fee	2,556	Posted making a validation based on the standard of comparable real estate from the PM contract.
	Utilities expenses	3,995	Assessment made for posting based on the standard of comparable real estate and the actual results of the past fiscal years
	Maintenance and repair cost	377	Of the renewed maintenance and repair costs stated in ER, posted the portion equal to the 15-year average for maintenance and repair costs.
	Tenant advertisement expenses, etc.	535	Posted in reference to tenant-seeking costs of comparable real estate.
	Public charges and taxes	7,964	Assessment based on actual payments
	Casualty insurance premiums	85	Assessment based on actual payments
	Other expenses	1,044	Posted in reference to actual numbers from past fiscal years.
	Net operating income (NOI)	64,495	
	Interest on lump-sum payments	625	Assessment on the investment yield made at 1.0% after comprehensively considering the interest rate levels of both the investment and replacement.

	Capital expenditures	4,309	The average annual renovation expense stated in the engineering report is posted.
	Net cash flow (NCF)	60,810	
	Capitalization rate	3.8%	Assessment made after comprehensively taking into account criteria of the location, building and other factors of the target real estate as well as examples of transactions of comparable real estate.
	Value indicated by the income approach (discounted cash flow method)	1,540,000	
	Discount rate	3.6%	Assessment made by comparing with the discount rate related to the transactions of comparable real estate, investment yields of other financial products.
	Terminal capitalization rate	4.0%	Assessment made after taking into account the marketability of the target real estate upon the expiration of the holding period based on the capitalization rate.
	Value indicated by the cost approach using the cost accounting method	1,660,000	
	Percentage of land	93.1%	
	Percentage of building	6.9%	
	Other notable items regarding the appraisal as stated by the appraiser	—	

(Note) The balance above is based on that in the appraisal report and is not that of the Investment Corporation or the Asset Management Company

Property name	HF HAKATA-HIGASHI RESIDENCE II	
Appraisal value	1,370,000thousand yen	
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.	
Value date	January 31, 2021	
Item	Content (thousand yen) (Note)	Overview, etc.
Value	1,370,000	Estimated by linking indicated value by DCF method and indicated value by direct capitalization method.
	Value indicated by the income approach (direct capitalization method)	1,390,000
	Effective gross income	83,300
	Potential total profits	87,549
	Losses from vacancies, etc.	4,248
	Operating expenses	16,820
	Management fees	1,800
	Property Management fee	1,632
	Utilities expenses	1,026
	Maintenance and repair cost	2,731
	Tenant advertisement expenses, etc.	2,677
	Public charges and taxes	5,525
	Casualty insurance premiums	132
	Other expenses	1,295
	Net operating income (NOI)	66,480

	Interest on lump-sum payments	67	Assessment on the investment yield made at 1.0% after comprehensively considering the interest rate levels of both the investment and replacement.
	Capital expenditures	5,356	The 15-year average annual renovation expense stated in the engineering report is posted.
	Net cash flow (NCF)	61,192	
	Capitalization rate	4.4%	Assessment made after comprehensively taking into account criteria of the location, building and other factors of the target real estate as well as examples of transactions of comparable real estate.
	Value indicated by the income approach (discounted cash flow method)	1,360,000	
	Discount rate	4.2%	Assessment made by comparing with the discount rate related to the transactions of comparable real estate, investment yields of other financial products.
	Terminal capitalization rate	4.6%	Assessment made after taking into account the marketability of the target real estate upon the expiration of the holding period based on the capitalization rate.
	Value indicated by the cost approach using the cost accounting method	1,590,000	
	Percentage of land	74.6%	
	Percentage of building	25.4%	
	Other notable items regarding the appraisal as stated by the appraiser	—	

(Note)The balance above is based on that in the appraisal report and is not that of the Investment Corporation or the Asset Management Company

Property name	HF FUKUOKA RESIDENCE EAST	
Appraisal value	1,440,000thousand yen	
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.	
Value date	January 31, 2021	
Item	Content (thousand yen) (Note)	Overview, etc.
Value	1,440,000	Estimated by linking indicated value by DCF method and indicated value by direct capitalization method.
	Value indicated by the income approach (direct capitalization method)	1,460,000
	Effective gross income	91,382
	Potential total profits	96,086
	Losses from vacancies, etc.	4,704
	Operating expenses	20,051
	Management fees	2,832
	Property Management fee	1,789
	Utilities expenses	1,063
	Maintenance and repair cost	3,709
	Tenant advertisement expenses, etc.	3,127
	Public charges and taxes	5,902
	Casualty insurance premiums	152
		Assessment based on current rental levels in contract, new rental levels for comparable real estate in the same area with the same demand and supply as well as their trends, and taking into account the medium- to long-term competitiveness of the target real estate.
		Posted based on the actual vacancy rate of the target real estate and a standard vacancy rate of comparable real estate
		Posted making a validation based on the standard of comparable real estate based on building maintenance fees.
		Posted making a validation based on the standard of comparable real estate from the PM contract.
		Assessment made for posting based on the standard of comparable real estate and the actual results of the past fiscal years
		The average annual maintenance and repair cost stated in the engineering report is posted. Tenant replacement expenses are posted in consideration of the replacement rate and vacancy rate.
		Assessment based on the tenant advertisement expenses for comparable real estate, etc.
		Assessment based on actual payments
		With reference to insurance premiums for comparable real estate, an amount equivalent to 0.02% of building replacement cost is posted.

	Other expenses	1,473	Posted in reference to actual numbers from past fiscal years.
	Net operating income (NOI)	71,331	
	Interest on lump-sum payments	64	Assessment on the investment yield made at 1.0% after comprehensively considering the interest rate levels of both the investment and replacement.
	Capital expenditures	5,836	The 15-year average annual renovation expense stated in the engineering report is posted.
	Net cash flow (NCF)	65,558	
	Capitalization rate	4.5%	Assessment made after comprehensively taking into account criteria of the location, building and other factors of the target real estate as well as examples of transactions of comparable real estate.
	Value indicated by the income approach (discounted cash flow method)	1,430,000	
	Discount rate	4.3%	Assessment made by comparing with the discount rate related to the transactions of comparable real estate, investment yields of other financial products.
	Terminal capitalization rate	4.7%	Assessment made after taking into account the marketability of the target real estate upon the expiration of the holding period based on the capitalization rate.
	Value indicated by the cost approach using the cost accounting method	1,140,000	
	Percentage of land	56.8%	
	Percentage of building	43.2%	
	Other notable items regarding the appraisal as stated by the appraiser	—	

(Note) The balance above is based on that in the appraisal report and is not that of the Investment Corporation or the Asset Management Company

* Investment Corporation Website: <https://www.heiwa-re.co.jp/en/>

【Attachment】

(Attachment 1) Picture and Map of the properties to be acquired

(Attachment 2) Portfolio list after the acquisition of the properties

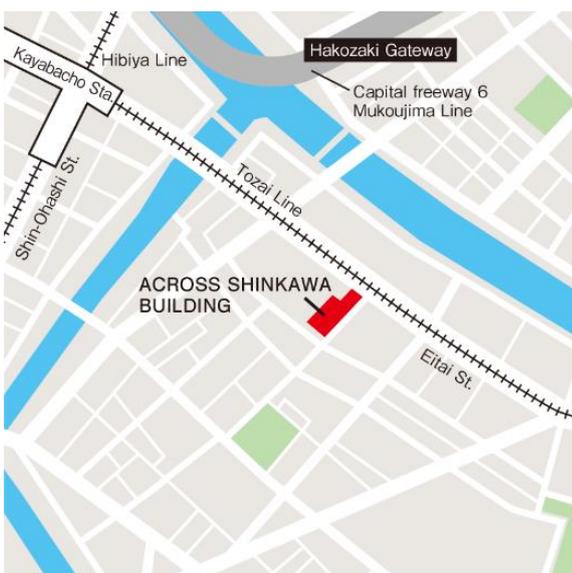
(Attachment 1) Picture and Map of the properties to be acquired

Of-38 ACROSS SHINKAWA BUILDING

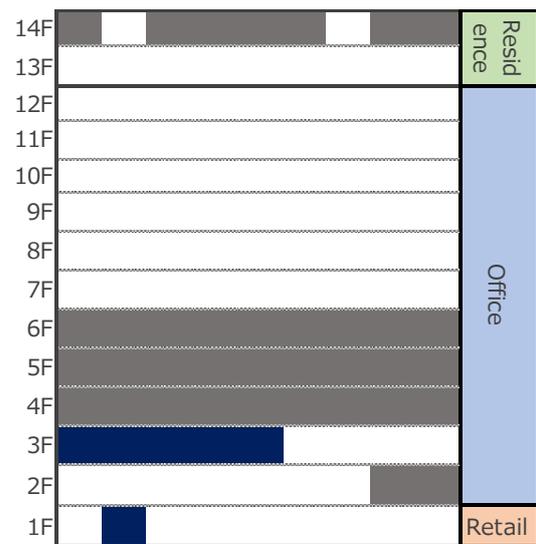
(Pictures)



(Map)



(Section to be acquired)



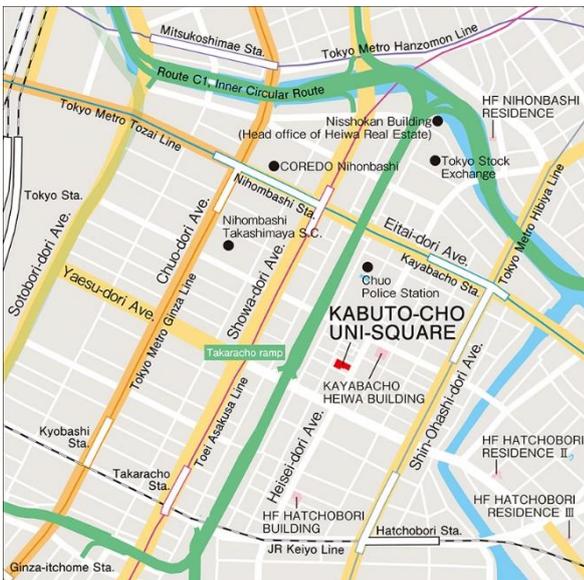
Section already owned(28.84%)

Section to be acquired(5.67%)

Of-45 KABUTO-CHO UNI-SQUARE
(Pictures)



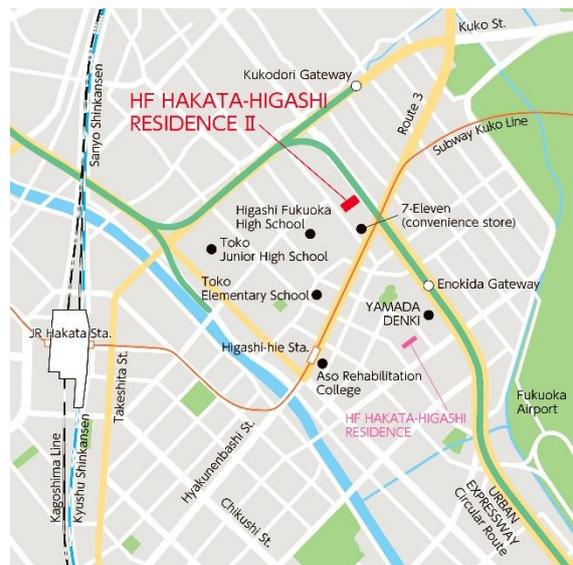
(Map)



Re-93 HF HAKATA-HIGASHI RESIDENCE II
(Pictures)



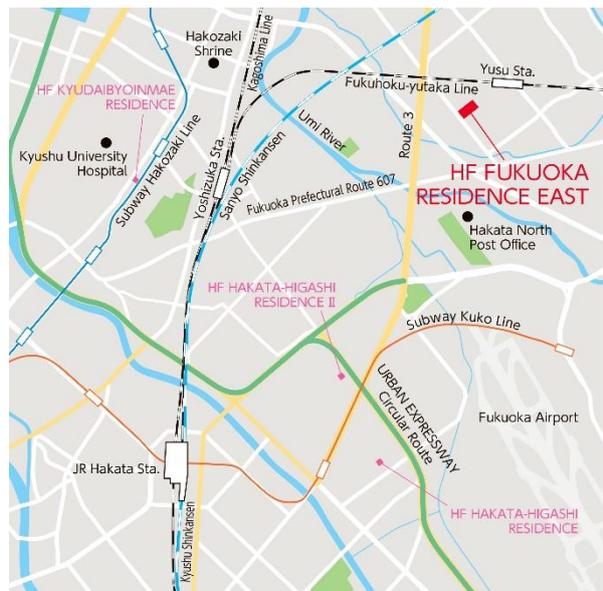
(Map)



Re-94 HF FUKUOKA RESIDENCE EAST
(Pictures)



(Map)



(Attachment 2) Portfolio list after the acquisition of the properties

	Property No.	Property Name	Location	Investment Area (Note 1)	Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Office	Of-05	SUITENGU HEIWA BUILDING	Chuo-ku, Tokyo	I	1,550	0.84
	Of-06	HF MONZENNAKACHO BUILDING	Koto-ku, Tokyo	I	2,500	1.36
	Of-07	HF HAMAMATSUCHO BUILDING	Minato-ku, Tokyo	I	1,530	0.83
	Of-08	HF TAMEIKE BUILDING	Minato-ku, Tokyo	I	2,700	1.47
	Of-09	GRACE BUILDING SENGAKUJIMAE	Minato-ku, Tokyo	I	1,220	0.66
	Of-11	HF NIHONBASHI ODENMACHO BUILDING	Chuo-ku, Tokyo	I	2,150	1.17
	Of-12	HF HATCHOBORI BUILDING	Chuo-ku, Tokyo	I	3,092	1.68
	Of-17	HATCHOBORI MF BUILDING	Chuo-ku, Tokyo	I	1,110	0.60
	Of-18	M2 HARAJUKU	Shibuya-ku, Tokyo	I	3,418	1.86
	Of-20	FUNABASHI FACE BUILDING	Funabashi City, Chiba	II	3,900	2.12
	Of-21	ADESSO NISHIAZABU	Minato-ku, Tokyo	I	640	0.35
	Of-23	HF IKEBUKURO BUILDING	Toshima-ku, Tokyo	I	1,314	0.71
	Of-24	HF YUSHIMA BUILDING	Bunkyo-ku, Tokyo	I	1,624	0.88
	Of-25	KAYABACHO HEIWA BUILDING	Chuo-ku, Tokyo	I	4,798	2.61
	Of-27	KOBE KYUKYORYUCHI HEIWA BUILDING	Kobe City, Hyogo	III	2,310	1.25
	Of-29	SAKAE MINAMI BUILDING	Nagoya City, Aichi	III	1,580	0.86
	Of-30	HF SAKURADORI BUILDING	Nagoya City, Aichi	III	4,900	2.66
	Of-31	HF NIHONBASHI HAMACHO BUILDING	Chuo-ku, Tokyo	I	1,900	1.03
	Of-32	HF SENDAI HONCHO BUILDING	Sendai City, Miyagi	III	2,700	1.47
	Of-33	HF UENO BUILDING	Taito-ku, Tokyo	I	3,400	1.85
	Of-34	KOJIMACHI HF BUILDING	Chiyoda-ku, Tokyo	I	1,350	0.73
	Of-35	HF KUDAN MINAMI BUILDING	Chiyoda-ku, Tokyo	I	2,720	1.48
	Of-36	HF KANDA OGAWAMACHI BUILDING	Chiyoda-ku, Tokyo	I	3,150	1.71
	Of-37	NISSO 5 BUILDING	Yokohama City, Kanagawa	II	3,100	1.68
	Of-38	ACROSS SHINKAWA BUILDING	Chuo-ku, Tokyo	I	3,750	2.04
	Of-39	SENJU MILDIX II	Adachi-ku, Tokyo	I	1,650	0.90
	Of-40	ARK Mori Building	Minato-ku, Tokyo	I	3,085	1.68
	Of-41	Nihonbashi Horidomecho First	Chuo-ku, Tokyo	I	2,140	1.16
	Of-42	Southern Sky Tower Hachioji	Hachioji City, Tokyo	II	1,600	0.87
	Of-43	HAMACHO HEIWA BUILDING	Chuo-ku, Tokyo	I	3,100	1.68
	Of-44	KINSICHO SQUARE BUILDING	Sumida-ku, Tokyo	I	2,840	1.54
Of-45	KABUTO-CHO UNI-SQUARE	Chuo-ku, Tokyo	I	3,580	1.94	
Of-46	TORYO BUILDING	Sendai City, Miyagi	III	2,501	1.36	
Office Subtotal					82,902	45.02
	Re-03	HF ICHIKAWA RESIDENCE	Ichikawa City, Chiba	II	430	0.23

Property No.	Property Name	Location	Investment Area (Note 1)	Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Re-05	HF MEGURO RESIDENCE	Meguro-ku, Tokyo	I	660	0.36
Re-09	HF KASAI RESIDENCE	Edogawa-ku, Tokyo	I	650	0.35
Re-11	HF WAKABAYASHI-KOEN RESIDENCE	Setagaya-ku, Tokyo	I	3,610	1.96
Re-12	HF HIMONYA RESIDENCE	Meguro-ku, Tokyo	I	1,560	0.85
Re-14	HF MINAMIAZABU RESIDENCE	Minato-ku, Tokyo	I	1,370	0.74
Re-16	HF GAKUGEIDAIGAKU RESIDENCE	Meguro-ku, Tokyo	I	1,000	0.54
Re-17	HF HIGASHIKANDA RESIDENCE	Chiyoda-ku, Tokyo	I	1,100	0.60
Re-18	HF HIGASHINIHONBASHI RESIDENCE	Chuo-ku, Tokyo	I	1,210	0.66
Re-19	HF NERIMA RESIDENCE	Nerima-ku, Tokyo	I	690	0.37
Re-20	HF SHIROKANETAKANAWA RESIDENCE	Minato-ku, Tokyo	I	4,030	2.19
Re-21	HF MEIDAIMAE RESIDENCE	Setagaya-ku, Tokyo	I	1,070	0.58
Re-22	HF NIHONBASHI RESIDENCE	Chuo-ku, Tokyo	I	1,130	0.61
Re-23	HF KAMISHAKUJII RESIDENCE	Nerima-ku, Tokyo	I	950	0.52
Re-24	HF KINSHICHO RESIDENCE	Sumida-ku, Tokyo	I	1,100	0.60
Re-25	HF GINZA RESIDENCE EAST	Chuo-ku, Tokyo	I	5,940	3.23
Re-26	HF SHIN-YOKOHAMA RESIDENCE	Yokohama City, Kanagawa	II	3,350	1.82
Re-29	HF HAKUSAN RESIDENCE	Bunkyo-ku, Tokyo	I	2,350	1.28
Re-30	HF MAGOME RESIDENCE	Ota-ku, Tokyo	I	1,630	0.89
Re-31	HF GAKUGEIDAIGAKU RESIDENCE II	Meguro-ku, Tokyo	I	1,650	0.90
Re-33	HF KAMEIDO RESIDENCE	Koto-ku, Tokyo	I	1,050	0.57
Re-34	HF TANASHI RESIDENCE	Nishi-tokyo City, Tokyo	II	911	0.49
Re-35	HF SHIBA-KOEN RESIDENCE	Minato-ku, Tokyo	I	836	0.45
Re-36	HF MITA RESIDENCE	Minato-ku, Tokyo	I	1,080	0.59
Re-38	LA RESIDENCE DE SHIROKANEDAI	Minato-ku, Tokyo	I	730	0.40
Re-39	HF GINZA RESIDENCE EAST II	Chuo-ku, Tokyo	I	1,460	0.79
Re-40	HF HATCHOBORI RESIDENCE II	Chuo-ku, Tokyo	I	1,890	1.03
Re-41	HF HATCHOBORI RESIDENCE III	Chuo-ku, Tokyo	I	793	0.43
Re-42	HF GINZA RESIDENCE	Chuo-ku, Tokyo	I	944	0.51
Re-43	HF KOMAZAWA-KOEN RESIDENCE TOWER	Setagaya-ku, Tokyo	I	6,520	3.54
Re-45	HF NAKANOSHIMA RESIDENCE	Osaka City, Osaka	III	453	0.25
Re-46	HF AWAZA RESIDENCE	Osaka City, Osaka	III	577	0.31
Re-47	HF MARUNOUCHI RESIDENCE	Nagoya City, Aichi	III	624	0.34
Re-48	HF HIRAO RESIDENCE	Fukuoka City, Fukuoka	III	1,780	0.97
Re-49	HF KAWARAMACHI NIJO RESIDENCE	Kyoto City, Kyoto	III	534	0.29

Property No.	Property Name	Location	Investment Area (Note 1)	Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Re-53	HF SHIYO KAWARAMACHI RESIDENCE	Kyoto City, Kyoto	III	1,820	0.99
Re-54	LA RESIDENCE DE SENDAGI	Bunkyo-ku, Tokyo	I	820	0.45
Re-55	HF SENDAGI RESIDENCE	Bunkyo-ku, Tokyo	I	870	0.47
Re-56	HF KOMAZAWA-KOEN RESIDENCE	Setagaya-ku, Tokyo	I	615	0.33
Re-57	HF MUSASHIKOYAMA RESIDENCE	Shinagawa-ku, Tokyo	I	842	0.46
Re-58	HF KOKUBUNJI RESIDENCE	Kokubunji City, Tokyo	II	839	0.46
Re-59	HF HISAYAODORI RESIDENCE	Nagoya City, Aichi	III	1,080	0.59
Re-60	HF KARASUMA KURAMAGUCHI RESIDENCE	Kyoto City, Kyoto	III	572	0.31
Re-61	HF NISHI-SHINJUKU RESIDENCE WEST	Shinjuku-ku, Tokyo	I	1,990	1.08
Re-62	HF NISHI-SHINJUKU RESIDENCE EAST	Shinjuku-ku, Tokyo	I	1,170	0.64
Re-63	HF HIGASHI-SHINJUKU RESIDENCE	Shinjuku-ku, Tokyo	I	1,360	0.74
Re-64	HF HIGASHI-SHINSAIBASHI RESIDENCE	Osaka City, Osaka	III	566	0.31
Re-65	HF KITA-YOBANCHO RESIDENCE	Sendai City, Miyagi	III	809	0.44
Re-66	HF ATAGOBASHI RESIDENCE	Sendai City, Miyagi	III	684	0.37
Re-67	HF KYUDAIBYOIN-MAE RESIDENCE	Fukuoka City, Fukuoka	III	426	0.23
Re-68	HF ASAKUSABASHI RESIDENCE	Taito-ku, Tokyo	I	771	0.42
Re-69	HF ICHIBANCHO RESIDENCE	Sendai City, Miyagi	III	834	0.45
Re-70	HF HIGASHI-NAKANO RESIDENCE	Nakano-ku, Tokyo	I	942	0.51
Re-72	HF WASEDA RESIDENCE	Shinjuku-ku, Tokyo	I	2,090	1.14
Re-73	HF WASEDA RESIDENCE II	Shinjuku-ku, Tokyo	I	872	0.47
Re-74	HF WAKAMATSU KAWATA RESIDENCE	Shinjuku-ku, Tokyo	I	1,158	0.63
Re-75	HF SENDAI RESIDENCE EAST	Sendai City, Miyagi	III	1,638	0.89
Re-76	HF NISHIKOEN RESIDENCE	Sendai City, Miyagi	III	1,310	0.71
Re-77	HF BANSUI-DORI RESIDENCE	Sendai City, Miyagi	III	790	0.43
Re-78	HF KANNAI RESIDENCE	Yokohama City, Kanagawa	II	1,800	0.98
Re-79	HF MEIEKI-KITA RESIDENCE	Nagoya City, Aichi	III	2,160	1.17
Re-80	HF HIGASHI-SAPPORO RESIDENCE	Sapporo City, Hokkaido	III	1,560	0.85
Re-81	HF HAKATA-HIGASHI RESIDENCE	Fukuoka City, Fukuoka	III	880	0.48
Re-82	HF SENDAI ITSUTSUBASHI RESIDENCE	Sendai City, Miyagi	III	850	0.46
Re-83	HF TABATA RESIDENCE	Kita-ku, Tokyo	I	1,100	0.60
Re-84	HF RYOGOKU RESIDENCE	Sumida-ku, Tokyo	I	1,400	0.76
Re-85	HF HACHIOJI RESIDENCE	Hachioji City, Tokyo	II	1,120	0.61

Property No.	Property Name	Location	Investment Area (Note 1)	Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Re-86	HF MITA RESIDENCE II	Minato-ku, Tokyo	I	1,210	0.66
Re-87	HF MONZEN-NAKACHO RESIDENCE	Koto-ku, Tokyo	I	945	0.51
Re-88	HF MINAMI-SUNAMACHI RESIDENCE	Koto-ku, Tokyo	I	900	0.49
Re-89	HF SENDAI NAGAMACHI RESIDENCE	Sendai City, Miyagi	III	1,030	0.56
Re-90	HF SHOKOJI AKABANE RESIDENCE	Kita-ku, Tokyo	I	1,150	0.62
Re-91	HF SENDAI HONCHO RESIDENCE	Sendai City, Miyagi	III	1,070	0.58
Re-92	HF OHORI RESIDENCE BAYSIDE	Fukuoka City, Fukuoka	III	1,150	0.62
Re-93	HF HAKATA-HIGASHI RESIDENCE II	Fukuoka City, Fukuoka	III	1,198	0.65
Re-94	HF FUKUOKA RESIDENCE EAST	Fukuoka City, Fukuoka	III	1,180	0.64
Residence Subtotal				101,234	54.98
Portfolio Total				184,136	100.00

(Note 1) The Investment Area column entries are in accordance with the following basis:

Investment in the Primary Investment Area (Tokyo 23 Wards) is entered as "I," investment in the Secondary Investment Area (Tokyo (other than the Primary Investment Area), and major urban areas of Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture) is entered as "II," and investment in the Regional Investment Area (major urban areas of government-ordinance-designated cities other than the Primary and Secondary Investment Area) is entered as III."

(Note 2) Figures for the acquisition price are rounded off to the nearest specified unit, and figures for the investment ratio are rounded to the second decimal place. Accordingly, the figures may not necessarily add up to the figures in the total columns.