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For Immediate Release

REIT Issuer

HEIWA REAL ESTATE REIT, Inc.

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(Securities Code: 8966)

Asset Management Company

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Notice Concerning Transfer of Asset (HF KYUDAIBYOINMAE RESIDENCE)

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 transfer of asset. The details are as follows.

Details

1. Overview of the transfer

Property number	Property name	Type of specified asset	Transfer price (million yen) (Note 1)	Book value (million yen) (Note 2)	Estimated gain (Note 3)
Re-67	HF KYUDAIBYOINMAE RESIDENCE	Trust beneficial interest	641	363	244

(Note 1) “Transfer price” is the price described in the trust beneficial interest transaction agreement (consumption tax excluded), and does not include the amounts of settlement for fixed property tax, city planning tax, etc.

(Note 2) “Book value” is estimated amount as of November 30, 2021. Furthermore, amounts below a million yen have been rounded off.

(Note 3) The amount is calculated as the difference between the scheduled transfer price and the aggregate value of book value and fees related to the transfer and is for reference only. Therefore, the amount is different from the actual gain (loss).

(Note 4) The above asset for transfer shall be referred to as the “Property”.

- (1) Agreement execution date: November 9, 2021
- (2) Scheduled transfer date: November 29, 2021
- (3) Method of settlement: Lump-sum payment at time of delivery

2. Reason for the transfer

The above matter refers to the transfer of a 15-year-old property with a total of 47 units (including one retail premises) located in Hakata-ku, Fukuoka-shi, Fukuoka Prefecture. Its objectives is to increase the capacity to acquire properties in the future through efficient portfolio management, the realization of a gain on transfer and an increase in cash on hand.

As the property is the smallest in its portfolio with an acquisition price of 426 million yen, the Investment Corporation has been considering the timing of the transfer from the perspective of efficient portfolio management. Moreover, the property was acquired at the then current market price in 2010 in connection with the merger between the Investment Corporation and Japan Single-residence REIT Inc. in that year. The asset value of the property increased thanks to subsequent initiatives to improve profitability and a recovery of the real estate market. The appraisal value of the property at the end of the fiscal period ended May 31, 2021 (39th period) was 536 million yen (unrealized profit margin: 47.3%), exceeding the book value by 173 million. The transfer price is expected to be higher, at 641 million yen (the estimated realized gain after fees related to the transfer will be 244 million yen, and realized gain ratio will be 67.1%).

The Investment Corporation will appropriate the gain on the transfer to distributions for the current fiscal period. By generating returns to unitholders and retaining the balance on hand, the Investment Corporation plans to increase sources for the future for its growth mainly through the acquisition of properties.

3. Details of the asset to be transferred

Property number / Property name		Re-67 HF KYUDAIBYOINMAE RESIDENCE				
Type of asset		Beneficiary right of real estate in trust				
Location (Note 1)		(Building address on real estate registry) 4-30-8 Chiyo, Hakata-ku, Fukuoka City, Fukuoka (Lot Number) 4-9-1 Chiyo, Hakata-ku, Fukuoka City, Fukuoka				
Land	Form of ownership	Ownership				
	Area (Note 1)	400.00 m ²				
	Use district (Note 2)	Commercial district				
	Building coverage ratio (Note 3)	80%				
	Floor area ratio (Note 4)	400%				
Building	Form of ownership	Ownership				
	Use (Note 1)	Residence and store				
	Structure/Floors (Note 1)	Reinforced concrete flat roof 13 floors above ground				
	Total floor space (Note 1)	1,650.19 m ²				
	Construction completion date (Note 1)	January 30, 2007				
Book value (Note 5)		363,870 thousand yen				
Tenant details (Note 6)						
	Total leasable units	47 units (including one retail premises)				
	Total leased units	45 units				
	Total rent income	35,868 thousand yen				
	Leasehold and security deposits	4,717 thousand yen				
	Total leased floor space	1,462.00 m ²				
	Total leasable floor space	1,525.09 m ²				
	Occupancy rates	May. 2019	Nov. 2019	May. 2020	Nov. 2020	May. 2021
	92.59%	100.00%	92.60%	100.00%	94.97%	

Overview of real estate appraisal report	Appraiser	Chuo Real Estate Appraisal Co., Ltd.
	Value Date	May 31, 2021
	Appraisal Value	536,000 thousand yen
Other items of special note	-	

(Note 1) "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.

(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) "Book value" is estimated amount as of November 30, 2021. Furthermore, amounts below a thousand yen have been rounded off.

(Note 6) Figures in "Tenant details" are as of September 30, 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) based on the sub-leasing agreements between the master lease company and the tenants, with amounts below a thousand yen round off.

4. Overview of the transferee

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

5. Broker Profile

(1)	Name	Heiwa Real Estate Co., Ltd.
(2)	Head office address	1-10 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo
(3)	Name and title of representative	Kiyoyuki Tsuchimoto, Representative Director and President
(4)	Line of business	1. Building Business 2. Asset Management Business
(5)	Capital stock	21,492 million yen (Note)
(6)	Date of incorporation	July 1947
(7)	Relationship with the Investment Corporation and the Asset Management Company and the Company	
	Capital relationship	Heiwa Real Estate Co., Ltd. owns 135,845 units (13.59% of total investment units issued) of the Investment Corporation's investment units as of May 31, 2021. In addition, Heiwa Real Estate owns 4,968 shares (100% of total shares issued) of the Asset Management Company's shares, and falls within the scope of interested persons, etc. as defined in the Financial Instruments and Exchange Act ("Financial Instruments Act") and the Act on Investment Trusts and Investment Corporations ("Investment Trusts Act").
	Personnel relationship	Of the officers and employees of the Asset Management Company, 4 persons (excluding part-time directors) is dispatched from Heiwa Real Estate as of today.
	Business relationship	In the fiscal period ended May 31, 2021 (39th period), the Investment Corporation purchased assets (2 properties) for which Heiwa Real Estate Co., Ltd. was entrusted with master lease and property management services. The Investment Corporation switched the contractor of said services over to Heiwa Real Estate Property Management Co., Ltd. as of October 1, 2021. In addition, the Investment Corporation acquired assets (4 properties) from Heiwa Real Estate Co., Ltd. in the fiscal period ending November 30, 2021 (40th period).
	Whether or not a related party	Heiwa Real Estate falls under related party of the Investment Corporation and the Asset Management Company. In addition, Heiwa Real Estate falls under interested party of the Asset Management Company.
	Brokerage fee	19.23 million yen (consumption tax excluded)

(Note) Figures are as of March 31, 2021.

6. Outlook

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

7. Overview of the appraisal report

Property number / Property name	Re-67 HF KYUDAIBYOINMAE RESIDENCE	
Appraisal value	536,000 thousand yen	
Appraiser	Chuo Real Estate Appraisal Co.,Ltd.	
Value date	May 31, 2021	
Item	Content (1,000 yen) (Note)	Overview, etc.
Value	536,000	Posted the value based on the discounted cash flow (DCF) method, associating the value calculated by means of the direct capitalization method.
Value indicated by the income approach (direct capitalization method)	537,000	
Effective gross income	36,622	
Potential total profits	38,559	Assessed expected rents and common area expenses (new rents, etc.) for the property when it is newly leased, taking into account the rents and common area expenses under the current lease contracts, etc. and the levels of rents and common area expenses of comparable real estate.
Losses from vacancies, etc.	1,937	Assessed stable occupancy rates (vacancy rates) over medium- to long-term, taking into account actual occupancy rates of the property and comparable real estate and future market trend forecast, etc.
Operating expenses	8,654	
Management fees	2,379	Assessed based on the current contract terms, taking into account actual expenses in the past and the levels of expenses of comparable real estate, etc.
Property management fee	728	Assessed based on the terms of the current property management contract, taking into account the levels of expenses of comparable real estate and expected tenants' renewal rates, etc.
Utilities expenses	528	Assessed based on actual results in the past and the levels of expenses of comparable real estate, etc.
Maintenance and repair cost	1,106	Assessed, taking into account actual results in the past and the levels of expenses of comparable real estate, etc.
Tenant advertisement expenses, etc.	552	Assessed based on the terms of the current property management contract and actual results in the past, taking into account the levels of expenses of comparable real estate and expected tenants' renewal rates (average turnover period), etc.
Public charges and taxes	2,720	Used the most recent actual amount.
Casualty insurance premiums	77	Used the most recent actual amount.
Other expenses	564	
Net operating income (NOI)	27,968	
Interest on lump-sum payments	45	Assessed the investment yield at 1.0%.
Capital expenditures	2,789	Capital expenditure shall be posted by levelling off, on an annual basis, expenses for major renewals, facility replacement, etc. to be incurred in the future. Posted the yearly average of estimated renewal expenses based on the engineering report.
Net cash flow (NCF)	25,224	
Capitalization rate	4.7%	Assessed, using as a guide investment yields on transactions, etc. involving comparable real estate and taking into account the conditions of the location, the specifications of the building, rights and other individual features of the property.
Value indicated by the income approach (discounted cash flow method)	535,000	
Discount rate	4.5%	Assessed, based on the calculation method that uses a comparison with cases involving transactions of comparable real estate, taking

			into account the method of incorporating the individual features of real estate into financial asset yields.
	Terminal capitalization rate	4.9%	Assessed, mainly taking into account the risk of declining asset values due to aged deterioration for the period until the time of the sale of the property.
	Value indicated by the cost approach using the cost accounting method	376,000	
	Percentage of land	41.5%	
	Percentage of building	58.5%	
	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) Portfolio list after the Property transfer

	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	0.79
	Of-06	HF MONZENNAKACHO BUILDING	Koto-ku, Tokyo	I	2,500	1.28
	Of-07	HF HAMAMATSUCHO BUILDING	Minato-ku, Tokyo	I	1,530	0.78
	Of-08	HF TAMEIKE BUILDING	Minato-ku, Tokyo	I	2,700	1.38
	Of-09	GRACE BUILDING SENGAKUJIMAE	Minato-ku, Tokyo	I	1,220	0.62
	Of-11	HF NIHONBASHI ODENMACHO BUILDING	Chuo-ku, Tokyo	I	2,150	1.10
	Of-12	HF HATCHOBORI BUILDING	Chuo-ku, Tokyo	I	3,092	1.58
	Of-17	HATCHOBORI MF BUILDING	Chuo-ku, Tokyo	I	1,110	0.57
	Of-18	M2 HARAJUKU	Shibuya-ku, Tokyo	I	3,418	1.75
	Of-20	FUNABASHI FACE BUILDING	Funabashi City, Chiba	II	3,900	2.00
	Of-21	ADESSO NISHIAZABU	Minato-ku, Tokyo	I	640	0.33
	Of-23	HF IKEBUKURO BUILDING	Toshima-ku, Tokyo	I	1,314	0.67
	Of-24	HF YUSHIMA BUILDING	Bunkyo-ku, Tokyo	I	1,624	0.83
	Of-25	KAYABACHO HEIWA BUILDING	Chuo-ku, Tokyo	I	4,798	2.46
	Of-27	KOBE KYUKYORYUCHI HEIWA BUILDING	Kobe City, Hyogo	III	2,310	1.18
	Of-29	SAKAE MINAMI BUILDING	Nagoya City, Aichi	III	1,580	0.81
	Of-30	HF SAKURADORI BUILDING	Nagoya City, Aichi	III	4,900	2.51
	Of-31	HF NIHONBASHI HAMACHO BUILDING	Chuo-ku, Tokyo	I	1,900	0.97
	Of-32	HF SENDAI HONCHO BUILDING	Sendai City, Miyagi	III	2,700	1.38
	Of-33	HF UENO BUILDING	Taito-ku, Tokyo	I	3,400	1.74
	Of-34	KOJIMACHI HF BUILDING	Chiyoda-ku, Tokyo	I	1,350	0.69
	Of-35	HF KUDAN MINAMI BUILDING	Chiyoda-ku, Tokyo	I	2,720	1.39
	Of-36	HF KANDA OGAWAMACHI BUILDING	Chiyoda-ku, Tokyo	I	3,150	1.61
	Of-37	NISSO 5 BUILDING	Yokohama City, Kanagawa	II	3,100	1.59
Of-38	ACROSS SHINKAWA BUILDING	Chuo-ku, Tokyo	I	3,750	1.92	
Of-39	SENJU MILDIX II	Adachi-ku, Tokyo	I	1,650	0.85	
Of-40	ARK Mori Building	Minato-ku, Tokyo	I	3,085	1.58	
Of-41	Nihonbashi Horidomecho First	Chuo-ku, Tokyo	I	2,140	1.10	
Of-42	Southern Sky Tower Hachioji	Hachioji City, Tokyo	II	1,600	0.82	

Property No.	Property Name	Location	Investment Area (Note 1)	Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Of-43	HAMACHO HEIWA BUILDING	Chuo-ku, Tokyo	I	3,100	1.59
Of-44	KINSICHO SQUARE BUILDING	Sumida-ku, Tokyo	I	2,840	1.45
Of-45	KABUTO-CHO UNI-SQUARE	Chuo-ku, Tokyo	I	3,580	1.83
Of-46	TORYO BUILDING	Sendai City, Miyagi	III	2,501	1.28
Of-47	OSAKI CN BUILDING	Shinagawa-ku, Tokyo	I	5,160	2.64
Of-48	Faret East Building	Tachikawa City, Tokyo	II	1,010	0.52
Office Subtotal				89,072	45.73
Re-03	HF ICHIKAWA RESIDENCE	Ichikawa City, Chiba	II	430	0.22
Re-05	HF MEGURO RESIDENCE	Meguro-ku, Tokyo	I	660	0.34
Re-09	HF KASAI RESIDENCE	Edogawa-ku, Tokyo	I	650	0.33
Re-11	HF WAKABAYASHI-KOEN RESIDENCE	Setagaya-ku, Tokyo	I	3,610	1.85
Re-12	HF HIMONYA RESIDENCE	Meguro-ku, Tokyo	I	1,560	0.80
Re-14	HF MINAMIAZABU RESIDENCE	Minato-ku, Tokyo	I	1,370	0.70
Re-16	HF GAKUGEIDAIGAKU RESIDENCE	Meguro-ku, Tokyo	I	1,000	0.51
Re-17	HF HIGASHIKANDA RESIDENCE	Chiyoda-ku, Tokyo	I	1,100	0.56
Re-18	HF HIGASHINIHONBASHI RESIDENCE	Chuo-ku, Tokyo	I	1,210	0.62
Re-19	HF NERIMA RESIDENCE	Nerima-ku, Tokyo	I	690	0.35
Re-20	HF SHIROKANETAKANAWA RESIDENCE	Minato-ku, Tokyo	I	4,030	2.06
Re-21	HF MEIDAIMAE RESIDENCE	Setagaya-ku, Tokyo	I	1,070	0.55
Re-22	HF NIHONBASHI RESIDENCE	Chuo-ku, Tokyo	I	1,130	0.58
Re-23	HF KAMISHAKUJII RESIDENCE	Nerima-ku, Tokyo	I	950	0.49
Re-24	HF KINSHICHO RESIDENCE	Sumida-ku, Tokyo	I	1,100	0.56
Re-25	HF GINZA RESIDENCE EAST	Chuo-ku, Tokyo	I	5,940	3.04
Re-26	HF SHIN-YOKOHAMA RESIDENCE	Yokohama City, Kanagawa	II	3,350	1.72
Re-29	HF HAKUSAN RESIDENCE	Bunkyo-ku, Tokyo	I	2,350	1.20
Re-30	HF MAGOME RESIDENCE	Ota-ku, Tokyo	I	1,630	0.83
Re-31	HF GAKUGEIDAIGAKU RESIDENCE II	Meguro-ku, Tokyo	I	1,650	0.85
Re-33	HF KAMEIDO RESIDENCE	Koto-ku, Tokyo	I	1,050	0.54
Re-34	HF TANASHI RESIDENCE	Nishi-tokyo City, Tokyo	II	911	0.47
Re-35	HF SHIBA-KOEN RESIDENCE	Minato-ku, Tokyo	I	836	0.43
Re-36	HF MITA RESIDENCE	Minato-ku, Tokyo	I	1,080	0.55

Property No.	Property Name	Location	Investment Area (Note 1)	Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Re-38	LA RESIDENCE DE SHIROKANEDAI	Minato-ku, Tokyo	I	730	0.37
Re-39	HF GINZA RESIDENCE EAST II	Chuo-ku, Tokyo	I	1,460	0.75
Re-40	HF HATCHOBORI RESIDENCE II	Chuo-ku, Tokyo	I	1,890	0.97
Re-41	HF HATCHOBORI RESIDENCE III	Chuo-ku, Tokyo	I	793	0.41
Re-42	HF GINZA RESIDENCE	Chuo-ku, Tokyo	I	944	0.48
Re-43	HF KOMAZAWA-KOEN RESIDENCE TOWER	Setagaya-ku, Tokyo	I	6,520	3.34
Re-45	HF NAKANOSHIMA RESIDENCE	Osaka City, Osaka	III	453	0.23
Re-46	HF AWAZA RESIDENCE	Osaka City, Osaka	III	577	0.30
Re-47	HF MARUNOUCHI RESIDENCE	Nagoya City, Aichi	III	624	0.32
Re-48	HF HIRAO RESIDENCE	Fukuoka City, Fukuoka	III	1,780	0.91
Re-49	HF KAWARAMACHI NIJO RESIDENCE	Kyoto City, Kyoto	III	534	0.27
Re-53	HF SHIJYO KAWARAMACHI RESIDENCE	Kyoto City, Kyoto	III	1,820	0.93
Re-54	LA RESIDENCE DE SENDAGI	Bunkyo-ku, Tokyo	I	820	0.42
Re-55	HF SENDAGI RESIDENCE	Bunkyo-ku, Tokyo	I	870	0.45
Re-56	HF KOMAZAWA-KOEN RESIDENCE	Setagaya-ku, Tokyo	I	615	0.32
Re-57	HF MUSASHIKOYAMA RESIDENCE	Shinagawa-ku, Tokyo	I	842	0.43
Re-58	HF KOKUBUNJI RESIDENCE	Kokubunji City, Tokyo	II	839	0.43
Re-59	HF HISAYAODORI RESIDENCE	Nagoya City, Aichi	III	1,080	0.55
Re-60	HF KARASUMA KURAMAGUCHI RESIDENCE	Kyoto City, Kyoto	III	572	0.29
Re-61	HF NISHI-SHINJUKU RESIDENCE WEST	Shinjuku-ku, Tokyo	I	1,990	1.02
Re-62	HF NISHI-SHINJUKU RESIDENCE EAST	Shinjuku-ku, Tokyo	I	1,170	0.60
Re-63	HF HIGASHI-SHINJUKU RESIDENCE	Shinjuku-ku, Tokyo	I	1,360	0.70
Re-64	HF HIGASHI-SHINSAIBASHI RESIDENCE	Osaka City, Osaka	III	566	0.29
Re-65	HF KITA-YOBANCHO RESIDENCE	Sendai City, Miyagi	III	809	0.41
Re-66	HF ATAGOBASHI RESIDENCE	Sendai City, Miyagi	III	684	0.35
Re-67	HF KYUDAIBYOIN-MAE RESIDENCE	Fukuoka City, Fukuoka	III	-	-
Re-68	HF ASAKUSABASHI RESIDENCE	Taito-ku, Tokyo	I	771	0.39
Re-69	HF ICHIBANCHO RESIDENCE	Sendai City, Miyagi	III	834	0.43
Re-70	HF HIGASHI-NAKANO RESIDENCE	Nakano-ku, Tokyo	I	942	0.48
Re-72	HF WASEDA RESIDENCE	Shinjuku-ku, Tokyo	I	2,090	1.07

Property No.	Property Name	Location	Investment Area (Note 1)	Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Re-73	HF WASEDA RESIDENCE II	Shinjuku-ku, Tokyo	I	872	0.45
Re-74	HF WAKAMATSU KAWATA RESIDENCE	Shinjuku-ku, Tokyo	I	1,158	0.59
Re-75	HF SENDAI RESIDENCE EAST	Sendai City, Miyagi	III	1,638	0.84
Re-76	HF NISHIKOEN RESIDENCE	Sendai City, Miyagi	III	1,310	0.67
Re-77	HF BANSUI-DORI RESIDENCE	Sendai City, Miyagi	III	790	0.40
Re-78	HF KANNAI RESIDENCE	Yokohama City, Kanagawa	II	1,800	0.92
Re-79	HF MEIEKI-KITA RESIDENCE	Nagoya City, Aichi	III	2,160	1.11
Re-80	HF HIGASHI-SAPPORO RESIDENCE	Sapporo City, Hokkaido	III	1,560	0.80
Re-81	HF HAKATA-HIGASHI RESIDENCE	Fukuoka City, Fukuoka	III	880	0.45
Re-82	HF SENDAI ITSUTSUBASHI RESIDENCE	Sendai City, Miyagi	III	850	0.44
Re-83	HF TABATA RESIDENCE	Kita-ku, Tokyo	I	1,100	0.56
Re-84	HF RYOGOKU RESIDENCE	Sumida-ku, Tokyo	I	1,400	0.72
Re-85	HF HACHIOJI RESIDENCE	Hachioji City, Tokyo	II	1,120	0.57
Re-86	HF MITA RESIDENCE II	Minato-ku, Tokyo	I	1,210	0.62
Re-87	HF MONZEN-NAKACHO RESIDENCE	Koto-ku, Tokyo	I	945	0.48
Re-88	HF MINAMI-SUNAMACHI RESIDENCE	Koto-ku, Tokyo	I	900	0.46
Re-89	HF SENDAI NAGAMACHI RESIDENCE	Sendai City, Miyagi	III	1,030	0.53
Re-90	HF SHOKOJI AKABANE RESIDENCE	Kita-ku, Tokyo	I	1,150	0.59
Re-91	HF SENDAI HONCHO RESIDENCE	Sendai City, Miyagi	III	1,070	0.55
Re-92	HF OHORI RESIDENCE BAYSIDE	Fukuoka City, Fukuoka	III	1,150	0.59
Re-93	HF HAKATA-HIGASHI RESIDENCE II	Fukuoka City, Fukuoka	III	1,198	0.61
Re-94	HF FUKUOKA RESIDENCE EAST	Fukuoka City, Fukuoka	III	1,180	0.60
Re-95	HF SHOKOJI AKABANE RESIDENCE II	Kita-ku, Tokyo	I	1,690	0.87
Re-96	HF YAHIRO RESIDENCE	Sumida-ku, Tokyo	I	1,220	0.62
Re-97	HF SETAGAYAKAMIMACHI RESIDENCE	Setagaya-ku, Tokyo	I	700	0.36
Re-98	HF SOKA RESIDENCE	Soka-City, Tokyo	II	1,300	0.67
Residence Subtotal				105,718	54.27
Portfolio Total				194,790	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.