

March 25, 2024

For Immediate Release

REIT Issuer

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Asset Management Company

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Notice Concerning Asset Acquisition and Transfer

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 and transfer of assets (hereinafter referred to as the “Acquisition” and “Transfer” respectively, and collectively as the “Transaction”). The details are as follows.

Details

1. Overview of the Transaction

Overview of the Acquisition

Property Number	Property Name	Type of Specified Asset	Investment Category	Investment Area (Note 2)	Proposed Acquisition Price (million yen)(Note 3)	Appraisal Value (million yen)
Re-109	HF HIKIFUNE RESIDENCE (Note 1)	Trust beneficial interest in real estate	Residence	Primary investment area (Sumida-ku, Tokyo)	1,380	1,670

(Note 1) The name of this property is currently “N-stage HIKIFUNE”, but it is to be changed to “HF HIKIFUNE RESIDENCE” on September 1, 2024 after the Investment Corporation has acquired it. Accordingly, its name after the change is recorded. The same will apply below.

(Note 2) The Primary Investment Area refers to the 23 Wards of Tokyo, the Secondary Investment Area refers to Tokyo excluding the Primary Investment Area, major urban areas in Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture, and the Regional Investment Area refers to major urban areas in the metropolitan area excluding the Primary Investment Area and the Secondary Investment Area. The metropolitan area is the urban area and the surrounding municipalities that are socially and economically connected to Tokyo and the central cities of the metropolitan area are the special wards of Tokyo and the government-designated cities. The same will apply below.

(Note 3) “Proposed Acquisition Price” is the price described in the trust beneficial interest transaction agreement (Excluding consumption tax and other dues and expenses required for acquisition, such as leasehold transfer approval fees paid to the leaseholder (land owner)), and does not include the amounts of settlement for fixed property tax, city planning tax, etc.

- (1) Agreement execution date: March 25, 2024  
 (2) Scheduled acquisition date: March 29, 2024  
 (3) Seller: Undisclosed (Note)

- (4) Acquisition financing: Cash on hand  
 (5) Payment method: Lump-sum payment at time of delivery  
 (6) Brokerage: Not applicable

(Note) Not disclosed as consent cannot be obtained from the seller. The seller does not fall under a party with a special interest in the Investment Corporation and the Asset Management Company.

#### Overview of the Transfer

Property Number	Property Name	Type of Specified Asset	Proposed Transfer Price (Note 1)	Book Value (million yen) (Note 2)	Estimated gain (Note 3) (million yen)
Of-31	HF NIHONBASHI HAMACHO BUILDING	Trust beneficial interest in real estate	3,520 million yen 1: 1,760 million yen (50% quasi-co-ownership) 2: 1,760 million yen (50% quasi-co-ownership)	1,994	1,471

(Note 1) The transfer will be made in two parts. “Proposed 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 scheduled the transfer date. Furthermore, amounts below a million yen have been rounded off. The same will apply below.

(Note 3) “Estimated gain” is the difference between the scheduled transfer price and the sum of the book value and fees related to the transfer. Since the gain has been calculated for reference only, it may differ from the amount of actual gain (loss) on transfer.

(Note 4) “Book value” and “Estimated gain” are amounts below a million yen have been rounded off.

- (1) Agreement execution date: March 25, 2024  
 (2) Scheduled transfer date: 1. April 12, 2024  
 2. June 3, 2024  
 (3) Transferee: Undisclosed (Note1)  
 (4) Method of settlement: Lump-sum payment at time of delivery  
 (5) Brokerage: Applicable (Note2)

(Note 1) Not disclosed as consent cannot be obtained from the transferee. The transferee does not fall under a party with a special interest in the Investment Corporation and the Asset Management Company.

(Note 2) The broker does not fall under a party with a special interest in the Investment Corporation and the Asset Management Company.

## 2. Reason for the Transaction

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.

The Investment Corporation has decided to acquire one recently built residential building and to transfer a 37-year-old office building based on the belief that these transactions would help realize the policy above and improve unitholder value. Please refer to 3. Details of the property to be acquired for an outline of the property acquisition and 4. Details of the property to be transferred for an outline of the property transfer.

The property to be acquired is an eight-minute walk from Keisei-Hikifune Station on the Keisei Oshiage Line. The Keisei Oshiage Line shares tracks with the Toei Subway Asakusa Line and the Keikyu Main Line, and tenants of the property are able to easily access major Tokyo train stations without changing trains. It takes around 15 minutes (ride

time; the same applies hereafter) to travel from Keisei-Hikifune Station to Nihonbashi Station. The ride from the Keisei-Hikifune Station to Shinagawa Station and Haneda Airport Station is around 30 minutes and around 50 minutes, respectively. The property is within walking distance of Hikifune Station on the Tobu Isesaki Line and the Tobu Kameido Line. The Tobu Isesaki Line shares tracks with the Tokyo Metro Hanzomon Line. The property is conveniently located regarding public transportation. The property has a supermarket on the first floor, and the entrance to the supermarket faces the community's Kirakira Tachibana Shopping Street. The area is home to many small establishments, such as restaurants and delicatessens, which exude a charming ambiance of old downtown. There are multiple retail facilities around Hikifune Station which make living in the area convenient. In Sumida-ku, Tokyo, where the property is located, the population and number of households are increasing. Tokyo Skytree opened near the property in May 2012, and the area's popularity is increasing as a residential area. The Investment Corporation anticipates stable demand for properties in the area.

The Investment Corporation purchased the property to be transferred in December 2013. The appraisal value of the property at the end of the fiscal period ended November 30, 2023 (44th Fiscal Period) was 2,660 million yen (33.4% unrealized gain margin), exceeding the book value by 665 million yen. The transfer price is expected to surpass even this appraisal value, standing at 3,520 million yen (the estimated realized gain after taking transfer-related fees into consideration will be 1,471 million yen, and the realized gain ratio, which will be calculated based on the book value and the estimated realized gain, will be 73.7%). The Investment Corporation has been enhancing unitholder value by continually replacing assets to improve the quality of its portfolio and realize gains. It has recorded gains on transfer in the 13 consecutive fiscal periods since the 32nd Fiscal Period. The Investment Corporation plans to transfer a 50% quasi-co-ownership interest in the 45th and the 46th Fiscal Periods, resulting in gains on transfer in 15 consecutive fiscal periods. The Investment Corporation has decided to transfer the property in order to record gains on transfer exceeding unrealized gains in the coming two fiscal periods, which would allow for the realization of its unitholder return policy and enable the payment of consistent distributions. Appraisal value of the property to be acquired is 1,670 million yen, its unrealized gain based on the planned acquisition price is 290 million yen, and the unrealized gain margin is 21.0%. The Investment Corporation estimates that the Transaction will result in an increase of 952 yen in net asset value per unit.

The Investment Corporation will continue to pursue the improvement of profitability and the quality of its portfolio and aim for the steady growth of managed assets and stable medium- to long-term profits from the perspective of increasing unitholder value.

### 3. Details of the property to be acquired

The property to be acquired consists of 20 units with 1K layouts with floor space ranging from 25.20 m<sup>2</sup> to 29.52 m<sup>2</sup> and 12 units with 1LDK layouts with floor space ranging from 42.69 m<sup>2</sup> to 45.66 m<sup>2</sup>, and a 351.31 m<sup>2</sup> space available for a store. We expect to accommodate demand mainly from single-person households and DINKs. In terms of the level of the facilities provided, the property considers security with the installed automatic locks, security cameras, video intercoms and other equipment. Moreover, the building is equipped with separated baths and toilets, bathroom dehumidifiers, electric toilet seats, home delivery boxes, and other features. As it is five years old, the property is relatively new. For these reasons, the property is considered as highly competitive, comparing it with neighboring properties.

The NOI yield, which is calculated from the acquisition price and appraisal NOI, and the NOI yield after depreciation are 4.0% and 3.4% respectively.

Property number / Property name		Re-109 HF HIKIFUNE RESIDENCE	
Type of asset		Trust beneficial interest in real estate	
Location (Note 1)		(Building address on real estate registry) 3-62-8, Kyojima, Sumida-ku, Tokyo (Lot Number) 3-20-15, Kyojima, Sumida-ku, Tokyo	
Land	Form of ownership	Ownership	
	Area (Note 1)	697.07 m <sup>2</sup>	
	Use district (Note 2)	Neighborhood commercial district	Quasi-industrial district
	Building coverage ratio (Note 3)	80%	80%
	Floor area ratio (Note 4)	300%	300% • 200%
Building	Form of ownership	Ownership	
	Use (Note 1)	Residence and Store	
	Structure/Floors (Note 1)	Reinforced concrete flat roof 5 floors above ground	
	Total floor space (Note 1)	1,717.79 m <sup>2</sup>	
	Construction completion date (Note 1)	February 1, 2019	
Collateral		None	
Property management company		Apaman Property Co, Ltd.	
Master lease company		Apaman Property Co, Ltd.	
Master lease type		Pass through	
Tenant details (Note 5)			
	Total leasable units	33 (including 1 store unit)	
	Total leased units	33	
	Total rent income	58,558 thousand yen	
	Leasehold and security deposits	9,672 thousand yen	
	Total leased floor space	1,424.77 m <sup>2</sup>	
	Total leasable floor space	1,424.77 m <sup>2</sup>	
	Occupancy rates (Based on Floor Space)	100%	
NOI yield (Note 6)		4.0%	
Outline of the engineering report	Survey company	Tokyo Bldg.-Tech Center Co., Ltd.	
	Survey date	February 7, 2024	
	Replacement value	440,000 thousand yen	
	Probable maximum loss (PML)	10.0%	
	Long-term repairs (next 15 years)	37,280 thousand yen	
Overview of real estate appraisal report	Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD..	
	Value date	March 1, 2024	
	Appraisal value	1,670,000 thousand yen	
Other items of special note		<ul style="list-style-type: none"> <li>• Parts of clotheslines, lighting covers, bulbs, and concrete of the adjacent property to the southwest cross the boundary into the property to be acquired. A memorandum has been concluded regarding the crossing of the boundary.</li> <li>• Parts of wall-mounted clotheslines, ventilation fan hoods, water heaters, and protectors of the adjacent property to the southwest cross the boundary into the property to be acquired. A memorandum will be concluded regarding the crossing of the boundary.</li> </ul>	

	<ul style="list-style-type: none"> <li>• Parts of a fence and concrete of the adjacent property to the south cross the boundary into the property to be acquired. A memorandum has been concluded regarding the crossing of the boundary.</li> </ul>
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(Note 1) “Location (excluding indication of residential address),” “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. Regarding the property to be acquired, the building coverage ratio for the quasi-industrial district within 40m of a neighboring commercial area and the boundary line of the city planning road to the west is 300%, and the ratio for the quasi-industrial district that is more than 40m away is 200%. The weighted average of the two districts is 294.64%.

(Note 4) 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.

(Note 5) Figures in “Tenant details” are as of February 29, 2024. 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 lease agreements and sub-leasing agreements concluded between the seller and end tenants, with amounts below a thousand yen round off. We are in the process of renovating all of the units of the property to be acquired.

(Note 6) “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.

#### 4. Details of the property to be transferred

Property number / Property name		Of-31 HF NIHONBASHI HAMACHO BUILDING				
Type of asset		Trust beneficial interest in real estate				
Location (Note 1)		(Building address on real estate registry) 1-22-1 Nihonbashi Hamacho, Chuo-ku, Tokyo, and 5 others (Lot Number) 1-2-1 Nihonbashi Hamacho, Chuo-ku, Tokyo				
Land	Form of ownership	Ownership				
	Area (Note 1)	599.34 m <sup>2</sup>				
	Use district (Note 2)	Commercial district				
	Building coverage ratio (Note 3)	80%				
	Floor area ratio (Note 4)	700%				
Building	Form of ownership	Ownership				
	Use (Note 1)	Residence, Parking				
	Structure/Floors (Note 1)	Steel beam / steel-framed reinforced concrete Flat roof 9 floors above ground				
	Total floor space (Note 1)	4,226.25 m <sup>2</sup>				
	Construction completion date (Note 1)	February 15, 1987				
Transfer value		3,520,000 thousand yen				
Book value (Note 5)		1,994,744 thousand yen				
Difference between transfer value and book value		1,525,255 thousand yen				
Tenant details (Note 5)						
	Total number of tenants	8				
	Total rent income	155,637 thousand yen				
	Leasehold and security deposits	102,921 thousand yen				
	Total leased floor space	3,286.58 m <sup>2</sup>				
	Total leasable floor space	3,286.58 m <sup>2</sup>				
Occupancy rates		Nov. 2021	May 2022	Nov. 2022	May 2023	Nov.2023
		100%	100%	100%	100%	100%

Overview of real estate appraisal report	Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
	Value date	November 30, 2023
	Appraisal value	2,660,000 thousand yen
Other items of special note	<ul style="list-style-type: none"> <li>• Superficies are registered for a part of the property to be transferred (the superfiary is the Tokyo Metropolitan Government; the purpose is to own underground high-speed railway facilities; the period is during the lifetime of the underground high-speed railway facilities; and the rent is free). Under the superficies registration agreement, certain restrictions are imposed on the construction of buildings and other structures. Additionally, if any buildings or other structures are constructed, prior consultation with the Tokyo Metropolitan Government is required.</li> <li>• Parts of the iron door and curb of the property to be transferred cross the boundary into the adjacent property to the north. In addition, a portion of the concrete-covered compacted-earth foundation and other structures of the adjacent property to the north crosses the boundary into the trust property. A memorandum has been concluded regarding the crossing of the boundary.</li> <li>• A part of the concrete foundation of the adjacent property to the northeast crosses the boundary into the property to be transferred. A memorandum has been concluded regarding the crossing of the boundary.</li> <li>• A gate of the property to be transferred crosses the boundary into the adjacent property to the east. A memorandum has been concluded regarding this matter.</li> <li>• We received a notice of cancellation dated February 9, 2024 from one tenant (leased floor space: 377.00 m<sup>2</sup>) to the effect that the tenant will vacate the property on September 30, 2024.</li> <li>• We received a notice of cancellation dated February 27, 2024 from one tenant (leased floor space: 377.00 m<sup>2</sup>) to the effect that the tenant will vacate the property on August 31, 2024.</li> </ul>	

(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. The asset to be transferred is a fireproof building in a commercial district and a fire prevention district, so the building-to-land ratio has been relaxed to 100%.

(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 29, 2024. 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 lease agreements or sub-leasing agreements concluded between the Investment Corporation, the trustee or the master lease company and the end tenants.

(Note 6) Amounts are rounded down to the nearest thousand yen.

## 5. Overview of the seller and the transferee

(The property to be acquired) Re-109 HF HIKIFUNE RESIDENCE

The seller is a domestic specified purpose 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.

(The property to be transferred) Of-31 HF NIHONBASHI HAMACHO BUILDING

The transferee is a domestic specified purpose 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.

## 6. Outlook

For the impact of the Transaction on the management status forecast for the fiscal period ending May 2024 (45th Fiscal period) and the fiscal period ending November 2024 (46th Fiscal period), please refer to the “Notice Concerning Revision of Management Status Forecasts for Fiscal Period Ending May 2024 (45th Fiscal Period) and November 2024 (46th Fiscal Period)” published today.

## 7. Overview of the appraisal report (the property to be acquired)

Property number / Property name	Re-109 HF HIKIFUNE RESIDENCE	
Appraisal value	1,670,000 thousand yen	
Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.	
Value date	March 1, 2024	
Item	Content (thousand yen) (Note)	Overview, etc.
Value	1,670,000	Estimated by linking indicated value by DCF method and indicated value by direct capitalization method.
	Value indicated by the income approach (direct capitalization method)	1,730,000
	Effective gross income	71,265
	Potential total profits	74,016
	Losses from vacancies, etc.	2,751
	Operating expenses	15,500
	Management fees	2,999
	Property management fee	1,185
	Utilities expenses	4,809
	Maintenance and repair cost	657
	Tenant advertisement expenses, etc.	1,750
	Public charges and taxes	3,856
	Casualty insurance premiums	88
	Other expenses	155
	Net operating income (NOI)	55,764
	Interest on lump-sum payments	106
	Capital expenditures	2,170
	Net cash flow (NCF)	53,700
	Capitalization rate	3.1%
	Value indicated by the income	1,640,000

	approach (discounted cash flow method)		
	Discount rate	2.9%	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	3.3%	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	1,910,000	
	Percentage of land	78.5%	
	Percentage of building	21.5%	
	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.

#### 8. Overview of the appraisal report (the property to be transferred)

Property number / Property name	Of-31 HF NIHONBASHI HAMACHO BUILDING	
Appraisal value	2,660,000 thousand yen	
Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.	
Value date	November 30, 2023	
Item	Content (thousand yen) (Note)	Overview, etc.
Value	2,660,000	Estimated by linking indicated value by DCF method and indicated value by direct capitalization method.
	Value indicated by the income approach (direct capitalization method)	2,690,000
	Effective gross income	178,918
	Potential total profits	188,110
	Losses from vacancies, etc.	9,191
	Operating expenses	53,274
	Management fees	11,382
	Property management fee	4,789
	Utilities expenses	16,700
	Maintenance and repair cost	902
	Tenant advertisement expenses, etc.	964
	Public charges and taxes	15,833
	Casualty insurance premiums	202
	Other expenses	2,500
	Net operating income (NOI)	125,644
	Interest on lump-sum payments	918
	Capital expenditures	10,946
	Net cash flow (NCF)	115,615
	Capitalization rate	4.3%



	Value indicated by the income approach (discounted cash flow method)	2,640,000	
	Discount rate	4.1%	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	4.5%	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	2,440,000	
	Percentage of land	94.1%	
	Percentage of building	5.9%	
	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.

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

**【Attachment】**

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

(Attachment 2) Portfolio list after the Transaction

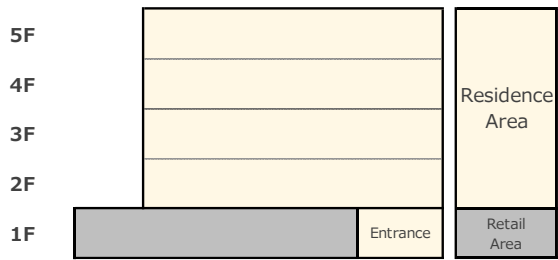
(Attachment 1) Picture and Map of the property to be acquired

Re-109 HF HIKIFUNE RESIDENCE

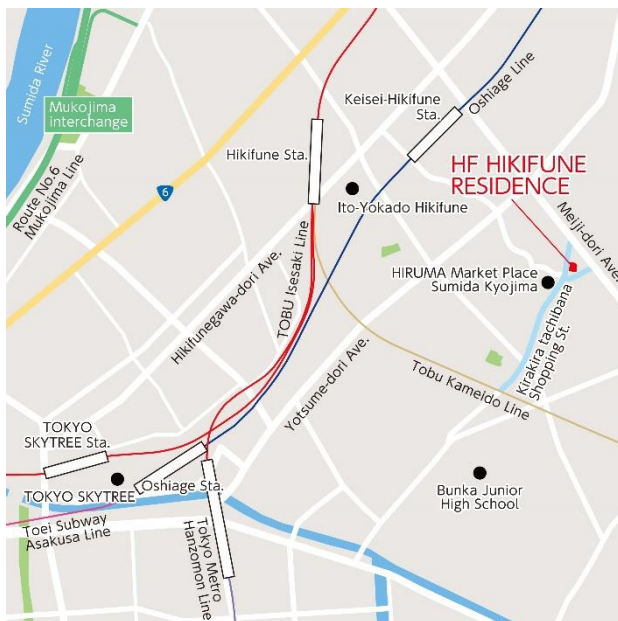
(Pictures, conceptual image)



<Conceptual image of the property to be acquired >



(Map)



(View from the property to be acquired)



## (Attachment 2) Portfolio list after the Acquisition of the properties

	Property No.	Property Name	Location	Investment Area (Note 1)	(Scheduled) Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Office	Of-05	SUITENGU HEIWA BUILDING	Chuo-ku, Tokyo	I	1,550	0.66
	Of-06	HF MONZENNAKACHO BUILDING	Koto-ku, Tokyo	I	2,500	1.06
	Of-07	HF HAMAMATSUCHO BUILDING	Minato-ku, Tokyo	I	1,530	0.65
	Of-08	HF TAMEIKE BUILDING	Minato-ku, Tokyo	I	2,700	1.15
	Of-11	HF NIHONBASHI ODENMACHO BUILDING	Chuo-ku, Tokyo	I	2,150	0.91
	Of-12	HF HATCHOBORI BUILDING	Chuo-ku, Tokyo	I	3,092	1.32
	Of-17	HATCHOBORI MF BUILDING	Chuo-ku, Tokyo	I	1,110	0.47
	Of-18	M2 HARAJUKU	Shibuya-ku, Tokyo	I	3,418	1.45
	Of-20	FUNABASHI FACE BUILDING	Funabashi City, Chiba	II	3,900	1.66
	Of-21	ADESSO NISHIAZABU	Minato-ku, Tokyo	I	640	0.27
	Of-23	HF IKEBUKURO BUILDING	Toshima-ku, Tokyo	I	1,314	0.56
	Of-24	HF YUSHIMA BUILDING	Bunkyo-ku, Tokyo	I	1,624	0.69
	Of-25	KAYABACHO HEIWA BUILDING	Chuo-ku, Tokyo	I	4,798	2.04
	Of-27	KOBE KYUKYORYUCHI HEIWA BUILDING	Kobe City, Hyogo	III	2,310	0.98
	Of-29	SAKAE MINAMI BUILDING	Nagoya City, Aichi	III	1,580	0.67
	Of-30	HF SAKURADORI BUILDING	Nagoya City, Aichi	III	4,900	2.08
	Of-31	HF NIHONBASHI HAMACHO BUILDING	Chuo-ku, Tokyo	I	-	-
	Of-32	HF SENDAI HONCHO BUILDING	Sendai City, Miyagi	III	2,700	1.15
	Of-33	HF UENO BUILDING	Taito-ku, Tokyo	I	3,400	1.45
	Of-34	KOJIMACHI HF BUILDING	Chiyoda-ku, Tokyo	I	1,350	0.57
	Of-35	HF KUDAN MINAMI BUILDING	Chiyoda-ku, Tokyo	I	2,720	1.16
	Of-36	HF KANDA OGAWAMACHI BUILDING	Chiyoda-ku, Tokyo	I	3,150	1.34
	Of-37	NISSO 5 BUILDING	Yokohama City, Kanagawa	II	3,100	1.32
	Of-38	ACROSS SHINKAWA BUILDING	Chuo-ku, Tokyo	I	3,750	1.60
	Of-39	SENJU MILDIX II	Adachi-ku, Tokyo	I	1,650	0.70
	Of-40	ARK Mori Building	Minato-ku, Tokyo	I	3,085	1.31
	Of-41	Nihonbashi Horidomecho First	Chuo-ku, Tokyo	I	2,140	0.91
	Of-42	Southern Sky Tower Hachioji	Hachioji City, Tokyo	II	1,600	0.68
Of-43	HAMACHO HEIWA BUILDING	Chuo-ku, Tokyo	I	3,100	1.32	
Of-44	KINSICHO SQUARE BUILDING	Sumida-ku, Tokyo	I	2,840	1.21	
Of-45	HF NIHONBASHI KABUTOCHO BUILDING	Chuo-ku, Tokyo	I	3,580	1.52	
Of-46	HF SENDAI ICHIBANCHO BUILDING	Sendai City, Miyagi	III	2,501	1.06	
Of-47	OSAKI CN BUILDING	Shinagawa-ku, Tokyo	I	5,160	2.20	
Of-48	Faret East Building	Tachikawa City, Tokyo	II	1,610	0.69	

Property No.	Property Name	Location	Investment Area (Note 1)	(Scheduled) Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)	
Of-49	HF ESAKA BUILDING	Suita City, Osaka	III	2,500	1.06	
Of-50	Shinsaibashi FRONT Building	Osaka City, Osaka	III	7,300	3.11	
Of-51	SAKAE CENTER BUILDING	Nagoya-City, Aichi	III	4,000	1.70	
Of-52	IWAMOTOCHO TWIN BUILDING	Chiyoda-ku, Tokyo	I	3,380	1.44	
Of-53	IWAMOTOCHO TWIN SAKAE BUILDING	Chiyoda-ku, Tokyo	I	400	0.17	
Of-54	STAGE NISHIKI	Nagoya-City, Aichi	III	2,100	0.89	
Of-55	Kitahama 1-Chome Heiwa Building	Osaka City, Osaka	III	3,370	1.43	
Of-56	Heiwa Real Estate Kitahama Building	Osaka City, Osaka	III	1,650	0.70	
Of-57	PRIME TOWER YOKOHAMA	Nagoya-City, Aichi	II	3,800	1.62	
Of-58	SHINWA ESAKA BUILDING	Osaka-City, Osaka	III	5,001	2.13	
Office Subtotal				<b>120,053</b>	<b>51.08</b>	
Residence	Re-03	HF ICHIKAWA RESIDENCE	Ichikawa City, Chiba	II	430	0.18
	Re-05	HF MEGURO RESIDENCE	Meguro-ku, Tokyo	I	660	0.28
	Re-09	HF KASAI RESIDENCE	Edogawa-ku, Tokyo	I	650	0.28
	Re-11	HF WAKABAYASHI-KOEN RESIDENCE	Setagaya-ku, Tokyo	I	3,610	1.54
	Re-12	HF HIMONYA RESIDENCE	Meguro-ku, Tokyo	I	1,560	0.66
	Re-14	HF MINAMIAZABU RESIDENCE	Minato-ku, Tokyo	I	1,370	0.58
	Re-16	HF GAKUGEIDAIGAKU RESIDENCE	Meguro-ku, Tokyo	I	1,000	0.43
	Re-17	HF HIGASHIKANDA RESIDENCE	Chiyoda-ku, Tokyo	I	1,100	0.47
	Re-18	HF HIGASHINIHONBASHI RESIDENCE	Chuo-ku, Tokyo	I	1,210	0.51
	Re-19	HF NERIMA RESIDENCE	Nerima-ku, Tokyo	I	690	0.29
	Re-20	HF SHIROKANETAKANAWA RESIDENCE	Minato-ku, Tokyo	I	4,030	1.71
	Re-21	HF MEIDAIMAE RESIDENCE	Setagaya-ku, Tokyo	I	1,070	0.46
	Re-22	HF NIHONBASHI RESIDENCE	Chuo-ku, Tokyo	I	1,130	0.48
	Re-23	HF KAMISHAKUJII RESIDENCE	Nerima-ku, Tokyo	I	950	0.40
	Re-24	HF KINSHICHO RESIDENCE	Sumida-ku, Tokyo	I	1,100	0.47
	Re-25	HF GINZA RESIDENCE EAST	Chuo-ku, Tokyo	I	5,940	2.53
	Re-26	HF SHIN-YOKOHAMA RESIDENCE	Yokohama City, Kanagawa	II	3,350	1.43
	Re-30	HF MAGOME RESIDENCE	Ota-ku, Tokyo	I	1,630	0.69
	Re-31	HF GAKUGEIDAIGAKU RESIDENCE II	Meguro-ku, Tokyo	I	1,650	0.70
Re-33	HF KAMEIDO RESIDENCE	Koto-ku, Tokyo	I	1,050	0.45	
Re-34	HF TANASHI RESIDENCE	Nishi-tokyo City, Tokyo	II	911	0.39	
Re-38	LA RESIDENCE DE SHIROKANEDAI	Minato-ku, Tokyo	I	730	0.31	

	Property No.	Property Name	Location	Investment Area (Note 1)	(Scheduled) Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Residence	Re-39	HF GINZA RESIDENCE EAST II	Chuo-ku, Tokyo	I	1,460	0.62
	Re-40	HF HATCHOBORI RESIDENCE II	Chuo-ku, Tokyo	I	1,890	0.80
	Re-42	HF GINZA RESIDENCE	Chuo-ku, Tokyo	I	944	0.40
	Re-43	HF KOMAZAWA-KOEN RESIDENCE TOWER	Setagaya-ku, Tokyo	I	6,520	2.77
	Re-47	HF MARUNOUCHI RESIDENCE	Nagoya City, Aichi	III	624	0.27
	Re-48	HF HIRAO RESIDENCE	Fukuoka City, Fukuoka	III	1,780	0.76
	Re-49	HF KAWARAMACHI NIJO RESIDENCE	Kyoto City, Kyoto	III	534	0.23
	Re-53	HF SHIJYO KAWARAMACHI RESIDENCE	Kyoto City, Kyoto	III	1,820	0.77
	Re-54	LA RESIDENCE DE SENDAGI	Bunkyo-ku, Tokyo	I	820	0.35
	Re-55	HF SENDAGI RESIDENCE	Bunkyo-ku, Tokyo	I	870	0.37
	Re-56	HF KOMAZAWA-KOEN RESIDENCE	Setagaya-ku, Tokyo	I	615	0.26
	Re-57	HF MUSASHIKOYAMA RESIDENCE	Shinagawa-ku, Tokyo	I	842	0.36
	Re-58	HF KOKUBUNJI RESIDENCE	Kokubunji City, Tokyo	II	839	0.36
	Re-59	HF HISAYAODORI RESIDENCE	Nagoya City, Aichi	III	1,080	0.46
	Re-60	HF KARASUMA KURAMAGUCHI RESIDENCE	Kyoto City, Kyoto	III	572	0.24
	Re-61	HF NISHI-SHINJUKU RESIDENCE WEST	Shinjuku-ku, Tokyo	I	1,990	0.85
	Re-62	HF NISHI-SHINJUKU RESIDENCE EAST	Shinjuku-ku, Tokyo	I	1,170	0.50
	Re-63	HF HIGASHI-SHINJUKU RESIDENCE	Shinjuku-ku, Tokyo	I	1,360	0.58
	Re-64	HF HIGASHI-SHINSAIBASHI RESIDENCE	Osaka City, Osaka	III	566	0.24
	Re-65	HF KITA-YOBANCHO RESIDENCE	Sendai City, Miyagi	III	809	0.34
	Re-66	HF ATAGOBASHI RESIDENCE	Sendai City, Miyagi	III	684	0.29
	Re-68	HF ASAKUSABASHI RESIDENCE	Taito-ku, Tokyo	I	771	0.33
	Re-69	HF ICHIBANCHO RESIDENCE	Sendai City, Miyagi	III	834	0.35
	Re-70	HF HIGASHI-NAKANO RESIDENCE	Nakano-ku, Tokyo	I	942	0.40
	Re-72	HF WASEDA RESIDENCE	Shinjuku-ku, Tokyo	I	2,090	0.89
	Re-73	HF WASEDA RESIDENCE II	Shinjuku-ku, Tokyo	I	872	0.37
	Re-74	HF WAKAMATSU KAWATA RESIDENCE	Shinjuku-ku, Tokyo	I	1,158	0.49
	Re-75	HF SENDAI RESIDENCE EAST	Sendai City, Miyagi	III	1,638	0.70
	Re-76	HF NISHIKOEN RESIDENCE	Sendai City, Miyagi	III	1,310	0.56
Re-77	HF BANSUI-DORI RESIDENCE	Sendai City, Miyagi	III	790	0.34	
Re-78	HF KANNAI RESIDENCE	Yokohama City, Kanagawa	II	1,800	0.77	
Re-79	HF MEIEKI-KITA RESIDENCE	Nagoya City, Aichi	III	2,160	0.92	

	Property No.	Property Name	Location	Investment Area (Note 1)	(Scheduled) Acquisition Price (million yen) (Note 2)	Investment Ratio (%) (Note 2)
Residence	Re-80	HF HIGASHI-SAPPORO RESIDENCE	Sapporo City, Hokkaido	III	1,560	0.66
	Re-81	HF HAKATA-HIGASHI RESIDENCE	Fukuoka City, Fukuoka	III	880	0.37
	Re-82	HF SENDAI ITSUTSUBASHI RESIDENCE	Sendai City, Miyagi	III	850	0.36
	Re-83	HF TABATA RESIDENCE	Kita-ku, Tokyo	I	1,100	0.47
	Re-84	HF RYOGOKU RESIDENCE	Sumida-ku, Tokyo	I	1,400	0.60
	Re-85	HF HACHIOJI RESIDENCE	Hachioji City, Tokyo	II	1,120	0.48
	Re-86	HF MITA RESIDENCE II	Minato-ku, Tokyo	I	1,210	0.51
	Re-87	HF MONZEN-NAKACHO RESIDENCE	Koto-ku, Tokyo	I	945	0.40
	Re-88	HF MINAMI-SUNAMACHI RESIDENCE	Koto-ku, Tokyo	I	900	0.38
	Re-89	HF SENDAI NAGAMACHI RESIDENCE	Sendai City, Miyagi	III	1,030	0.44
	Re-90	HF SHOKOJI AKABANE RESIDENCE	Kita-ku, Tokyo	I	1,150	0.49
	Re-91	HF SENDAI HONCHO RESIDENCE	Sendai City, Miyagi	III	1,070	0.46
	Re-92	HF OHORI RESIDENCE BAYSIDE	Fukuoka City, Fukuoka	III	1,150	0.49
	Re-93	HF HAKATA-HIGASHI RESIDENCE II	Fukuoka City, Fukuoka	III	1,198	0.51
	Re-94	HF FUKUOKA RESIDENCE EAST	Fukuoka City, Fukuoka	III	1,180	0.50
	Re-95	HF SHOKOJI AKABANE RESIDENCE II	Kita-ku, Tokyo	I	1,690	0.72
	Re-96	HF YAHIRO RESIDENCE	Sumida-ku, Tokyo	I	1,220	0.52
	Re-97	HF SETAGAYAKAMIMACHI RESIDENCE	Setagaya-ku, Tokyo	I	700	0.30
	Re-98	HF SOKA RESIDENCE	Soka-City, Saitama	II	1,300	0.55
	Re-99	HF UENO IRIYA RESIDENCE	Taito-ku, Tokyo	I	900	0.38
Re-100	HF TSUJIDO RESIDENCE	Fujisawa-City, Kanagawa	II	1,870	0.80	
Re-101	HF KAWAGUCHIEKIMAE RESIDENCE	Kawaguchi-City, Saitama	II	1,260	0.54	
Re-102	HF HIGASHIOGU RESIDENCE	Arakawa-ku, Tokyo	I	1,210	0.51	
Re-103	HF IMAIKE-MINAMI RESIDENCE	Nagoya-City, Aichi	III	860	0.37	
Re-104	HF FUSHIMI RESIDENCE	Nagoya-City, Aichi	III	610	0.26	
Re-105	HF NAKANO-SAKAUE RESIDENCE	Nakano-ku, Tokyo	I	1,050	0.45	
Re-106	HF UENO RESIDENCE EAST	Taito-ku, Tokyo	I	2,500	1.06	
Re-107	HF OMORIMACHI RESIDENCE	Ota-ku, Tokyo	I	1,200	0.51	
Re-108	HF KITASENJU RESIDENCE	Adachi-ku, Tokyo	I	2,510	1.07	
Re-109	HF HIKIFUNE RESIDENCE	Sumida-ku, Tokyo	I	1,380	0.59	
Residence Subtotal					<b>114,979</b>	<b>48.92</b>
Portfolio Total					<b>235,032</b>	<b>100.00</b>

(Note 1) The Investment Area column entries are as follows:

I: Investment in the Primary Investment Area (The 23 Wards of Tokyo)

II: Investment in the Secondary Investment Area (Tokyo, outside the Primary Investment Area), and major urban areas in Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture)

III: Investment in the Regional Investment Area (major urban areas in the metropolitan area excluding the Primary Investment Area and the Secondary Investment Area).

The metropolitan area is the urban area including the central wards that are the main districts of Tokyo, the government-designated cities, and the surrounding municipalities that are socially and economically connected to Tokyo.

(Note 2) Figures for the (scheduled) 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.

(Note 3) Of-58 SHINWA ESAKA BUILDING will be acquired as of June 14, 2024. For details, please refer to “Notice Concerning Acquisition of Domestic Assets (HF KITASENJU RESIDENCE and SHINWA ESAKA BUILDING)” released publicly on January 30, 2024.