

Additional Documentation for Press Releases

“Notice Concerning Acquisition of Domestic Assets (Nagoya Heiwa Building)”

February 10, 2026

Nagoya Heiwa Building



Location	Nagoya City, Aichi
Total floor space	Entire building: 8,964.70m ² (Acquisition of 70% quasi co-ownership interest)
Construction date	March 22, 2004
Proposed acquisition price	5,110 million yen
Appraisal value (as of January 2026)	5,453 million yen
Scheduled acquisition date	March 2, 2026
NOI yield (Note1)	4.0%
NOI yield after depreciation (Note1)	3.6%
Rent gap (Note 2)	-10.2%

(Note 1) NOI Yield = NOI ÷ Proposed acquisition price NOI Yield After Depreciation = (NOI - Depreciation) ÷ Proposed acquisition price

NOI is NOI for 12 months, which serves as the assumption for the value indicated by the income approach under the direct capitalization method shown in the appraisal report of acquired asset.

Depreciation is based on estimates made by the Investment Corporation according to the service life of assets.

(Note 2) Rent gap = (monthly contract rent per tsubo for the property - market rent) / monthly contract rent per tsubo for the property x 100

Market rent refers to the maximum rent per tsubo including CAM fees which, according to the appraisal of CBRE K.K., is a reasonable level of rent under a new contract as of December 2025, based on comprehensive consideration of a range of factors including contracts concluded most recently for the property, contracts concluded for competing properties with the same use in the surrounding area, and the market environment.

Monthly contract rent per tsubo is calculated by dividing the total amount of monthly rent specified in the lease agreement for the property to be acquired valid as of December 2025 and monthly rent specified in the lease agreement to be concluded, by the total leasable area of the property.

- The Asset to be Acquired is a 5-minute walk from Sakae Station on the Nagoya Municipal Subway Higashiyama Line and Meijo Line and a 5-minute subway ride from Nagoya Station, the largest terminal station in the Chubu region. The transportation convenience of the Asset to be Acquired is excellent. The Sakae area where the Asset to be Acquired is located is lined with department stores such as Matsuzakaya and Mitsukoshi and commercial facilities, and together with the Meieki area around Nagoya Station, is a representative downtown area of Nagoya City. In addition, cultural facilities such as the Nagoya City Art Museum and the Nagoya City Science Museum are located nearby, and several large-scale buildings are scheduled for completion, making the surrounding area one of the commercial and cultural centers of Nagoya City.
- The Asset to be Acquired is equipped with air conditioning in individual spaces and includes mechanical parking facilities for up to 45 vehicles. In addition to the convenient access to multiple subway lines mentioned above, The Asset to be acquired offers features that cater to tenants that rely on vehicles for business purposes. The rent gap at the time of acquisition is **-10.2%**, and internal growth is anticipated due to a potential increase in rent income. Furthermore, the Asset to be Acquired offers ample space of approximately 234 tsubo per standard floor, and can be divided into up to eight sections per floor. This flexibility is expected to help secure stable demand from tenants seeking small- and medium-sized office spaces, which constitute the core target segment of the Investment Corporation's office portfolio.
- Heiwa Real Estate Co.,Ltd., the sponsor company of the Asset Management Company, owns a total of 6 properties in the Sakae area, including the Nagoya Stock Exchange Building. Sakae, where Heiwa Real Estate has long conducted business since its establishment, is not only a highly important area for Heiwa Real Estate's base in the Chubu region, but also one of the areas where the Company is most adept at property management. We believe that the acquisition of the acquired property, which is in this area, will be of great benefit to our portfolio management.

History of property acquisition and disposition

(after the change of sponsor)

Acquisition																			
Disposition																			
Acquisition																			
Disposition																			

(note) Excluding the properties that succeeded by the merger with Japan Shingle-Residence REIT Inc. on October 1, 2010

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Asset Management Company

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