

For Translation Purposes Only

Real Estate Investment Trust Securities Issuer
Samty Residential Investment Corporation
1-8-3 Marunouchi, Chiyoda-ku, Tokyo
Masafumi Takahashi, Executive Director
(Securities Code: 3459)

Asset Management Company:
Samty Asset Management Co., Ltd.
Masafumi Takahashi, Representative Director
Inquiries: Hidekazu Nizawa
Director
Business Management Division
Phone: + 81-3-5220-3841

Notice Concerning Completion of Acquisition of Properties

Samty Residential Investment Corporation (“Samty Residential”) today completed acquisition of the following 24 properties as announced in “Notice Concerning Acquisition of Properties” dated July 12, 2021. In addition, Samty Residential again announces the overview of “S-FORT Nakaitabashi” as details concerning “Leased area,” “Number of tenants,” “Monthly rental revenue” and “Security and guarantee deposits,” which were undecided at the time of the announcement, have been finalized. Changes from “Notice Concerning Acquisition of Properties” dated July 12, 2021, are underlined.

1. Completion of Acquisition of Properties

<Acquisition Assets>

Property number	Property name	Location	Acquisition price ^(Note) (million yen)
Major Regional Cities			
A-73	S-FORT Kego Tower	Chuo-ku, Fukuoka-shi	4,320
A-74	S-RESIDENCE Aoi II	Higashi-ku, Nagoya-shi	1,820
A-75	S-FORT Meiekiminami 5-Chome	Nakamura-ku, Nagoya-shi	684
A-76	S-FORT Hakozaki Higashi	Higashi-ku, Fukuoka-shi	680
A-77	S-RESIDENCE Meiekiminami	Nakamura-ku, Nagoya-shi	665
A-78	S-FORT Kanayama	Nakagawa-ku, Nagoya-shi	612
A-79	S-FORT Izumi Chuo	Izumi-ku, Sendai-shi	545
A-80	S-RESIDENCE Soen EAST	Chuo-ku, Sapporo-shi	477
A-81	S-FORT Yagoto	Tempaku-ku, Nagoya-shi	442
A-82	S-FORT Sapporo Kita5-Jo	Chuo-ku, Sapporo-shi	405
A-83	S-FORT Sapporo Motomachi	Higashi-ku, Sapporo-shi	385
Other Regional Cities			
B-38	S-FORT Kokura	Kokurakita-ku, Kitakyushu-shi	1,400
B-39	S-FORT Niigata Ekimae	Chuo-ku, Niigata-shi	1,395
B-40	S-FORT Takasaki	Takasaki-shi, Gunma	1,098
B-41	S-FORT Yokkaichi arcam	Yokkaichi-shi, Mie	823
B-42	S-FORT Kagoshima Chuo	Kagoshima-shi, Kagoshima	787
B-43	S-FORT Heisei Keyakidori	Minami-ku, Kumamoto-shi	755
B-44	S-FORT Yokkaichi zeal	Yokkaichi-shi, Mie	612

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Greater Tokyo Area			
C-33	S-FORT Nakaitabashi	Itabashi-ku, Tokyo	3,365
C-34	S-FORT Kameido	Koto-ku, Tokyo	1,248
C-35	S-FORT Gyotoku	Ichikawa-shi, Chiba	919
C-36	S-FORT Funabashi Kaijin	Funabashi-shi, Chiba	898
C-37	S-FORT Funabashi Honcho	Funabashi-shi, Chiba	768
C-38	S-FORT Hachioji	Hachioji-shi, Tokyo	462
Total			25,565

(Note) "Acquisition price" is the amount that was required for the acquisition of the acquired asset excluding various costs such as commission fees, taxes and public dues, etc. (the amount of the price of purchase of the real estate, provided in the sales agreement etc.), rounded down to the nearest million yen.

2. Details of the Acquired Asset “C-33 S-FORT Nakaitabashi”

Property name		S-FORT Nakaitabashi				
Location		72-6 Yayoi-cho, Itabashi-ku, Tokyo				
Type of specified asset		Real estate trust beneficiary interest				
Acquisition price		3,365 million yen				
Trustee		Sumitomo Mitsui Trust Bank, Limited				
Trust establishment date		August 3, 2021				
Trust expiration date		August 31, 2031				
Planned acquisition date		August 3, 2021				
Land	Type of ownership	Ownership				
	Site area	1,527.54 m ² (Note 1)				
	Building coverage ratio	80% / 60%				
	Floor area ratio	400% / 300%				
	Zoning	Neighborhood commercial district / Category 1 residential district				
Building	Type of ownership	Ownership				
	Use	Apartment				
	Total floor area	5,106.19 m ²				
	Completion date	March 24, 2008				
	Structure and floors	Reinforced concrete structure, flat roof, 11 floors with 1 basement floor				
	No. of leasable units	141 units				
Collateral		None				
Property management company		Samty Property Management Co., Ltd.				
Master lease company		Samty Property Management Co., Ltd.				
Master lease type		Pass-through lease (Note 2)				
Appraisal value (date of value)		3,370 million yen (May 1, 2021)				
Real estate appraiser		The Tanizawa Sogo Appraisal Co., Ltd.				
Probable maximum loss (PML value)		6.0%				
Overview of leasing						
Total leasable area		3,946.25 m ²				
Leased area		<u>3,946.25 m²</u> (Note 2)				
Number of tenants		<u>1</u> (Note 2)				
Monthly rental revenue		<u>13,579 thousand yen</u> (Note 2)				
Security and guarantee deposits		<u>294 thousand yen</u> (Note 2)				
Occupancy rate	January 2021	February 2021	March 2021	April 2021	May 2021	
	- (Note 2)	- (Note 2)	- (Note 2)	- (Note 2)	- (Note 2)	
Characteristics of the property		<p>The property is about an 8-minute walk from Naka-Itabashi Station on the Tobu Tojo Line and has single- and compact-type units. It offers excellent access to the center of business and commercial areas as it takes about 8 minutes from Naka-Itabashi Station to Ikebukuro Station using the Tobu Tojo Line and about 30 minutes to Tokyo Station by transferring to the Tokyo Metro Marunouchi Line at Ikebukuro Station.</p> <p>In addition, the Naka-Itabashi shopping district, where many restaurants and retail stores concentrate, is around Naka-Itabashi Station, and the property also offers high living convenience. Therefore, stable rental demand from single working adults commuting to central Tokyo can be anticipated.</p> <p>With such characteristics, the property is believed to have a high level of competitiveness in the leasing market shared with areas of similar supply and demand.</p>				
Special remarks		Not applicable.				

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(Note 1) Self-managed sidewalk portion (about 116 m²), private road burden portion based on Article 42, Paragraph 1, Item 3 of the Building Standards Act (about 67 m²) and private road burden portion based on Article 42, Paragraph 2 of the Building Standards Act (about 48.72 m²) are included.

(Note 2) The property is not yet occupied as of May 31, 2021. Concerning the property, effective as of August 3, 2021, a pass-through master lease agreement between the trustee and Samty Property Management Co., Ltd., and a lease agreement between Samty Property Management Co., Ltd. and Samty Co., Ltd (“Samty”), the seller of the property, have been concluded. The agreement stipulates that Samty guarantees lease as the end tenant until July 31, 2022, in principle, with the number of vacancies as of August 3, 2021 as the upper limit, and units that are occupied as of August 3, 2021 or become newly vacant after the conclusion of the agreement are not subject to Samty’s lease.

Overview of the lease agreement			
Name of tenant	Monthly rent (million yen)	Contract period	Security and guarantee deposits (million yen)
Samty Co., Ltd.	<u>13</u> ^(Note 3)	From August 3, 2021 to July 31, 2023	-
Rent revision: There is no rent revision clause. Cancellation: The lessee may terminate this agreement upon consultation on and after August 1, 2022, or when there are only 7 remaining units subject to this agreement. However, even before August 3, 2021, when the tenant arranges an end tenant to replace the tenant under the same conditions as the rental conditions of the lease agreement for Samty Property Management Co., Ltd. and a new lease agreement is concluded between Samty Property Management Co., Ltd. and the new end tenant, Samty may cancel the lease agreement with Samty Property Management Co., Ltd. on the day before the start date of the new lease agreement, but only for the target dwelling unit.			

(Note 3) Based on the above cancellation provisions, if the lease agreement is partially canceled, the monthly rent paid by Samty will decrease.

3. Future Outlook

There will be no changes to the business results forecasts for the fiscal period ending January 2022 (13th fiscal period) (from August 1, 2021 to January 31, 2022) and the fiscal period ending July 2022 (14th fiscal period) (from February 1, 2022 to July 31, 2022) announced in “Notice Concerning Revisions to the Forecast of Management Status and Distribution per Unit for 13th Fiscal Period Ending January 2022 and Forecast of Management Status and Distribution per Unit for 14th Fiscal Period Ending July 2022” dated July 12, 2021, as the impact of the above on the business results are factored into the forecasts.

*Samty Residential Investment Corporation website: <https://samty-residential.com/en/>