

Investor Presentation

Fiscal Period Ended **August 31, 2021**

October 15, 2021



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1. Financial Results

Financial Highlights for August 2021 Period

DPU

6,118 yen

+68 yen vs Forecast

+262 yen vs Feb. 2021

Operation Status

- ◆ Acquisition 1 logistics property **5.9 Bn yen**
- Sale 1 residential property **3.5 Bn yen**
- ◆ NOI yield **5.0 %**
(-0.2 p.p. vs Feb. 2021)
- ◆ NOI yield after depreciation **3.7 %**
(-0.2 p.p. vs Feb. 2021)
- ◆ Occupancy rate **99.3 %**
(-0.1 p.p. vs Feb. 2021)

Financial Status

- ◆ Refinancing of loans **8.5 Bn yen**
- ◆ Issuance of green bonds **4.0 Bn yen**
(Repayment of loans)
- ◆ NAV per unit **287,831 yen**
(+7,801 yen vs Feb. 2021)
- ◆ LTV (excluding goodwill) **45.0 %**
(-0.1 p.p. vs Feb. 2021)

NOI yield

Asset class	NOI (mil yen)	Acquisition price (mil yen)	NOI yield	NOI yield after depreciation
Logistics	10,265	412,171	5.0%	3.8%
Residential	5,918	242,533	4.8%	3.2%
Retail	3,244	123,219	5.2%	4.2%
Hotel	380	19,110	4.0%	2.9%
Other	749	27,260	5.5%	4.0%
Total	20,560	824,293	5.0%	3.7%

(Note) NOI yield and NOI yield after depreciation are based on annualized NOI for the period ended Aug. 2021. Excluding the one property sold in Mar. 2021.

Period end occupancy

Asset class	Feb. 2021	Aug. 2021	Change
Logistics	100.0%	100.0%	—
Residential	96.5%	95.6%	-0.9 p.p.
Retail	99.8%	99.8%	—
Hotel	100.0%	100.0%	—
Other	99.8%	99.8%	—
Total	99.4%	99.3%	-0.1 p.p.

Financial Impact of COVID-19

- ◆ While rents were reduced for some hotel and retail tenants in Aug. 2021, the amount was within expectation
- ◆ Feb. 2022 and Aug. 2022 forecasts factored in a similar level of impact as Aug. 2021

Impact of COVID-19 in Aug. 2021 Period

Asset class	Investment ratio	Impact of COVID-19	
Logistics	50.0%	79.4%	No impact
Residential	29.4%		
Retail	14.9%	20.6%	Limited impact
Hotel	2.3%		
Other assets	3.3%		

◆ Temporarily reduced rent of some retail tenants in residential properties

◆ Most of the retail properties are subject to sublease type master lease agreements with Daiwa House Group or land with leasehold interest

◆ Investment ratio of hotel properties is low and 6 out of 8 hotels including hotels in multi-use properties have fixed-rent lease agreements with Daiwa House Group

Temporary Rent Reduction

	Total number of tenants		Request for rent reduction		(Number of tenants) Temporary rent reduction		Temporary rent reduction	
	Feb. 2021	Aug. 2021	Feb. 2021	Aug. 2021	Feb. 2021	Aug. 2021	Feb. 2021	Aug. 2021
Retail tenants in residential	113	112	3	3	1	3	0 mil yen	2 mil yen
Retail	84	85	4	13	2	13	1 mil yen	19 mil yen
Hotel (including retail tenants)	15	15	2	4	2	3	75 mil yen	84 mil yen
Other assets	79	79	5	—	4	—	2 mil yen	— mil yen
Total	291	291	14	20	9	19	79 mil yen	106 mil yen
							COVID-19 subsidy (other rental revenue)	2 mil yen / 7 mil yen

Impact on Feb. 2022 and Aug. 2022 Forecasts

	Feb. 2022 Forecast	Aug. 2022 Forecast
Estimated temporary rent reduction due to COVID-19	104 mil yen	104 mil yen
Per unit impact	45 yen	45 yen
DPU forecast	5,750 yen	5,600 yen

No change to estimated impact of temporary rent reduction due to COVID-19 based on a view that hotel operating environment continues to be tough while sales of retail tenants are more stable

Statement of Income for August 2021 Period

- ◆ Gain on sale of 1 residential property and acquisition of 1 logistics property led to DPU of 6,118 yen
- ◆ Revenue and income both exceeded the forecast while impact of COVID-19 remained limited

	(mil yen)				
	Feb. 2021 Actual	Aug. 2021 Actual	Period-on period change	Aug. 2021 Forecast	Actual vs Forecast
Operating revenue	28,097	29,571	1,474	29,411	159
Rental revenue	27,260	27,362	102	27,202	160
Gain on sale of properties	836	2,208	1,371	2,209	-0
Operating expenses	15,525	16,455	929	16,433	22
Rental expenses	11,179	12,081	902	12,027	54
Rental expenses (excluding depreciation)	5,908	6,810	901	6,732	78
Depreciation	5,271	5,271	0	5,295	-23
Operating expenses other than rental expenses	4,346	4,373	27	4,405	-31
Amortization of goodwill	1,982	1,982	—	1,982	—
Operating income	12,571	13,116	544	12,978	137
Non-operating income	18	17	-1	14	2
Non-operating expenses	1,490	1,513	22	1,527	-13
Interest and borrowing related expenses	1,488	1,511	22	1,525	-13
Ordinary income	11,099	11,619	520	11,466	153
Net income	11,098	11,619	520	11,465	153
Retained earnings brought forward	779	676	-103	676	—
Distribution in excess of earnings (Allowance for temporary difference adjustments)	1,657	1,693	35	1,772	-79
Total distribution	12,859	13,435	575	13,285	149
Retained earnings carried forward	676	553	-122	628	-74
				(yen)	
Distributions per unit (DPU)	5,856	6,118	262	6,050	68
Distribution of earnings	5,101	5,347	246	5,243	104
Distribution in excess of earnings	755	771	16	807	-36
Allowance for temporary difference adjustments	755	771	16	807	-36
Other distributions in excess of earnings	—	—	—	—	—

Major Variation Factors (vs Forecast)

[Contribution to income]

- ◆ Increase in operating revenue 159 mil yen
 - Increase in rent revenue and lease renewal fee at residential properties
 - Increase in utility reimbursements
- ◆ Increase in operating expenses -22 mil yen
 - Increase in repairs and maintenance expenses by carrying out repair work ahead of schedule
 - Increase in restoration costs
- ◆ Decrease in non-operating expenses 13 mil yen
 - Decrease in interest expenses

Major Variation Factors (period-on-period)

[Contribution to income]

- ◆ Increase in operating revenue 1,474 mil yen
 - Increase in gain on sale of properties
 - Decrease in revenue of 3 properties sold in Dec. 2020, Jan. 2021 and Mar. 2021
 - Contribution of 1 property acquired in Apr. 2021
- ◆ Increase in operating expenses -929 mil yen
 - Increase in repairs and maintenance expenses
 - Property taxes for acquisitions in 2020

Capex, Repairs, and Restoration Costs

(mil yen)

	Feb. 2021	Aug. 2021
Capex	1,734	2,645
Repairs and maintenance expenses	1,021	1,571
Restoration costs	279	374
Total	3,035	4,592

Balance Sheet for August 2021 Period

- ◆ LTV (excluding goodwill) 45.0% (-0.1 p.p. vs Feb. 2021)
- ◆ Increase in unrealized gain mainly due to the compression of the cap rates (+17.1 Bn yen vs Feb. 2021)

	(mil yen)		
	Feb. 2021	Aug. 2021	Period-on period change
Total assets	901,386	900,310	-1,075
Current assets	49,565	48,327	-1,238
Non-current assets	851,674	851,823	149
Investment properties	778,754	781,047	2,293
Intangible assets	67,375	65,345	-2,029
Goodwill	61,449	59,466	-1,982
Total liabilities	410,800	410,843	43
Current liabilities	38,810	48,439	9,629
Interest-bearing debt	30,358	39,858	9,500
Non-current liabilities	371,989	362,403	-9,586
Interest-bearing debt	348,200	338,700	-9,500
Net assets	490,586	489,467	-1,119
Unitholders' capital	231,766	231,766	—
Capital surplus, net	247,617	245,959	-1,657
LTV (excluding goodwill)	45.1 %	45.0 %	-0.1 p.p.
LTV (including goodwill)	42.0 %	42.0 %	— p.p.
Number of investment units issued	2,196,000 units	2,196,000 units	— units
Net Assets per unit	223,400 yen	222,890 yen	-510 yen
NAV per unit (Note)	280,030 yen	287,831 yen	7,801 yen

(Note) NAV per unit: (Unitholders' capital + capital surplus, net + unrealized gain or loss) / number of investment units issued

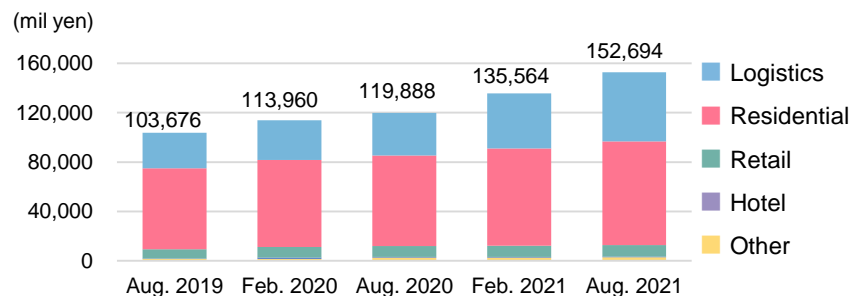
Major Variation Factors (period-on-period)

- ◆ Decrease in total assets -1,075 mil yen
 - Sale of 1 property in Mar. 2021
 - Acquisition of 1 property in Apr. 2021
 - Amortization of goodwill
- ◆ Decrease in net assets -1,119 mil yen
 - Recording of allowance for temporary difference adjustments related to amortization of goodwill

Unrealized Gain by Asset Class

Asset class	Book value	Appraisal value	Unrealized gain
Logistics	399,345	455,270	55,924
Residential	220,279	304,277	83,997
Retail	121,602	131,079	9,476
Hotel	18,835	19,180	344
Other assets	26,358	29,310	2,951
Total	786,421	939,116	152,694

Trend of Unrealized Gain



Financial Forecasts for February 2022 & August 2022 Periods

- ◆ DPU Forecast of 5,750 yen for Feb. 2022 (contribution of 4 acquisitions despite decrease in gain on sale)
- ◆ DPU Forecast of 5,600 yen for Aug. 2022 (stabilized DPU)

	Aug. 2021 Actual	Feb. 2022 Forecast	Vs Aug. 2021 Actual	Aug. 2022 Forecast	Vs. Feb. 2022 Forecast
	(mil yen)				
Operating revenue	29,571	30,142	570	29,145	-996
Rental revenue	27,362	28,806	1,443	29,145	338
Gain on sale of properties	2,208	1,335	-872	—	-1,335
Operating expenses	16,455	16,840	385	16,485	-355
Property taxes	2,166	2,156	-10	2,397	240
Depreciation	5,271	5,646	374	5,700	53
Amortization of goodwill	1,982	1,982	—	1,982	—
Operating income	13,116	13,301	185	12,660	-641
Interest and borrowing related expenses	1,511	1,595	83	1,642	47
Investment unit issuance expenses	—	185	185	—	-185
Ordinary income	11,619	11,520	-99	11,011	-509
Net income	11,619	11,520	-99	11,010	-509
Retained earnings brought forward	676	553	-122	552	-1
Distribution in excess of earnings (Allowance for temporary difference adjustments)	1,693	1,818	125	1,835	16
Distribution in excess of earnings (Other distributions in excess of earnings)	—	—	—	134	134
Total distribution	13,435	13,340	-95	12,992	-348
Retained earnings carried forward	553	552	-1	541	-11
	(yen)				
Distributions per unit (DPU)	6,118	5,750	-368	5,600	-150
Distribution of earnings	5,347	4,966	-381	4,751	-215
Distribution in excess of earnings	771	784	13	849	65
Allowance for temporary difference adjustments	771	784	13	791	7
Other distributions in excess of earnings	—	—	—	58	58

Major Variation Factors for Feb. 2022 Forecast vs Aug. 2021 Actual

- [Contribution to income]
- ◆ Increase in operating revenue 570 mil yen
 - Contribution of 4 properties acquired in Sep. and Oct. 2021
 - Decrease in gain on sale of properties
 - ◆ Increase in operating expenses -385 mil yen
 - Expenses for 4 properties acquired in Sep. and Oct. 2021
 - ◆ Recording of investment unit issuance expenses -185 mil yen

Major Variation Factors for Aug. 2022 Forecast vs Feb. 2022 Forecast

- [Contribution to income]
- ◆ Decrease in operating revenue -996 mil yen
 - Absence of gain on sale of properties
 - ◆ Decrease in operating expenses 355 mil yen
 - Decrease in repairs and maintenance expenses
 - Property taxes for acquisitions in 2021

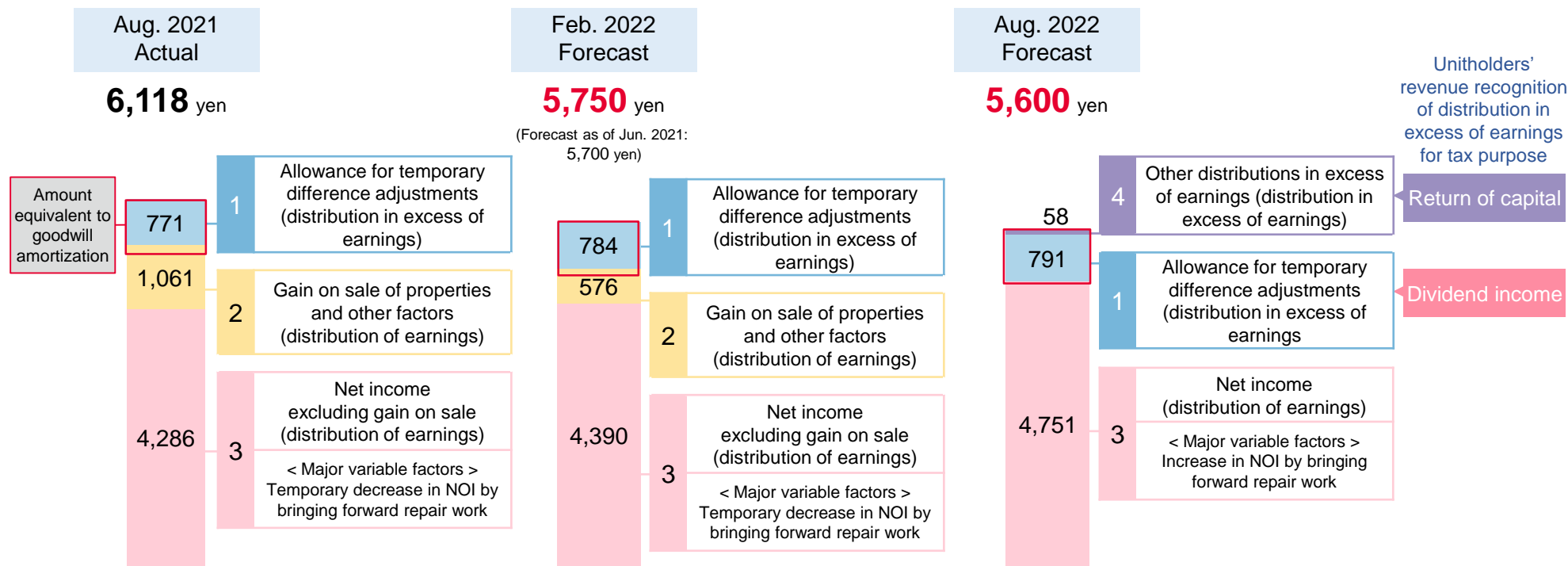
Capex, Repairs, and Restoration Costs

	Aug. 2021 Actual	Feb. 2022 Forecast	Aug. 2022 Forecast
	(mil yen)		
Capex	2,645	2,305	968
Repairs and maintenance expenses	1,571	1,511	702
Restoration costs	374	309	370
Total	4,592	4,126	2,041

Breakdown of DPU

- ◆ Policy is to distribute amount equiv. to goodwill amortization (1,982 mil yen / period) on top of net income
- ◆ Distributing gain on sale in Aug. 2021 and Feb. 2022 periods and strategically bringing forward repair work

Breakdown of DPU



Distribution Policy of Amount Equivalent to Goodwill Amortization

Aug. 2021 and Feb. 2022

- ◆ Distribution of allowance for temporary difference adjustments^(Note)
- ◆ With recording of gain on sale of properties, other distributions in excess of earnings (return of capital for tax purpose) are not distributed due to reduction of other distributions in excess of earnings using part of the funds from gain on sale of properties

Aug. 2022

- ◆ In case distribution of allowance for temporary difference adjustments is less than goodwill amortization, the amount of difference will be distributed as other distributions in excess of earnings (return of capital for tax purpose)

(Note) Distribution of allowance for temporary difference adjustments will vary depending on the amount of tax-accounting differences and valuation and translation adjustments and other factors.

2. Initiatives to Pursue Growth

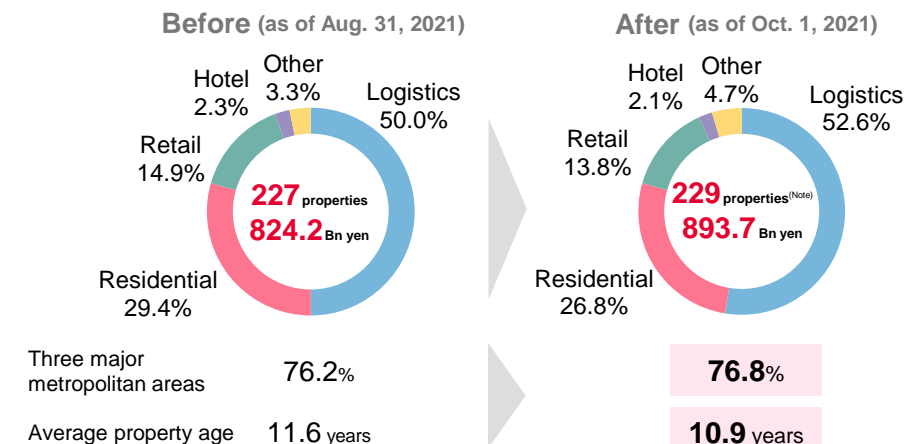
Overview of Equity Offering in August 2021

- ◆ Raised 37.4 Bn yen of equity from global equity offering
- ◆ Acquired 4 properties (4.5% appraisal NOI yield), 72.3 Bn yen, from pipeline of Daiwa House Group

Overview of Equity Offering

Offering structure	Global offering (Reg. S + 144A)	Number of units newly issued	124,000 units
Launch date	August 18, 2021	Japanese tranche	72,300 units
Pricing date	August 25, 2021	Greenshoe option	9,000 units
Issue price	301,791 yen	International tranche	42,700 units
Paid-in amount	292,552 yen	Number of units outstanding post-offering	2,320,000 units
Total issue price	37,422 mil yen	Same boat investment	2,000 units

Portfolio Before and After Equity Offering



(Note) DHR acquired 4 properties including 1 additional acquisition in Sep. and Oct. 2021 and sold 1 property in Sep. 2021.

Overview of Acquisitions in Sep. and Oct. 2021

Property name	Asset class	Location	Acquisition price (mil yen)	Appraisal value (mil yen)	NOI yield (Note)	NOI yield after depreciation (Note)	Occupancy rate	Property age (years)	(Average) remaining lease term (years)	Acquisition date
DPL Nagareyama III	Logistics	Nagareyama City, Chiba	32,000	32,100	4.5 %	3.4 %	100.0 %	1.0	Not disclosed	Oct. 1, 2021
D Project Wako A (50% of co-ownership interest)	Logistics	Wako City, Saitama	10,750	11,200	4.0 %	3.3 %	100.0 %	6.4	18.6	Sep. 3, 2021
D Project Hiratsuka	Logistics	Hiratsuka City, Kanagawa	15,200	15,200	4.5 %	3.4 %	100.0 %	0.5	Not disclosed	Oct. 1, 2021
GRANODE Hiroshima (additional acquisition of 50% co-ownership interest)	Other assets	Hiroshima City, Hiroshima	14,400	15,350	4.8 %	3.4 %	99.5 %	2.4	5.9	Sep. 3, 2021
Total / Average			72,350	73,850	4.5 %	3.4 %	100.0 %	2.0	6.9	

(Note) NOI yield and NOI yield after depreciation are based on appraisal NOI.

Acquisitions in September and October 2021 (1)

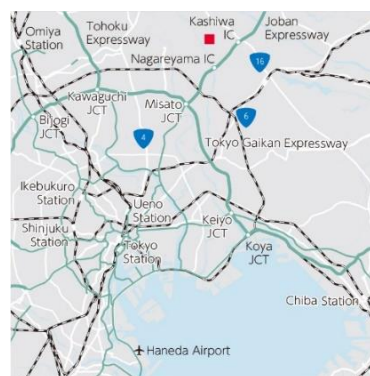
LM-006 DPL Nagareyama III

Logistics (Multi-tenant Type)

Large-scale logistics facility developed in collaboration with government agencies



- Logistics property located within 25km from central Tokyo that can serve as a hub for broad area distribution covering Tokyo, Saitama and Chiba, supported by good traffic access via Nagareyama IC on the Joban Expressway (approx. 2.7km) and National Route 16
- Located within walking distance from the nearest station, Unga Station, on the Tobu Urban Park Line (approx. 1.6km)
- 4-storied with a gross floor area of 106,917.34 m²
- Trucks can access upper floors via a ramp with designated slots for trucks on two sides of the 1st and 3rd floors. The property can process frequent warehousing and distribution with high efficiency



Acquisition date	Oct. 1, 2021
Location	Nagareyama City, Chiba
Construction date	Oct. 14, 2020
Acquisition price	32,000 mil yen
Appraisal value	32,100 mil yen
Appraisal NOI yield	4.5%
Appraisal NOI yield after depreciation	3.4%
Leasable area	106,859.16 m ²
Main tenant	Not disclosed

DPL Nagareyama Project

Mega project by Daiwa House Group consists of 4 multi-tenant type logistics facilities with a total site area of approx. 320,000m²

Name	(Scheduled) Completion	Gross floor area	Site area
DPL Nagareyama III	Oct. 2020	106,917 m ²	53,937 m ²
DPL Nagareyama I (Acquired)	Mar. 2018	128,360 m ²	66,579 m ²
DPL Nagareyama II	Nov. 2022	120,802 m ²	60,662 m ²
DPL Nagareyama IV	Oct. 2021	270,795 m ²	135,592 m ²
Total	—	626,874 m ²	316,770 m ²



Acquisitions in September and October 2021 (2)

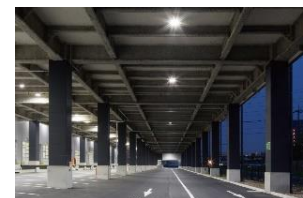
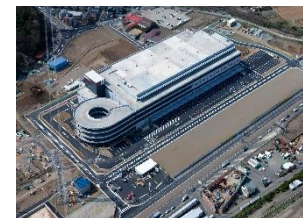
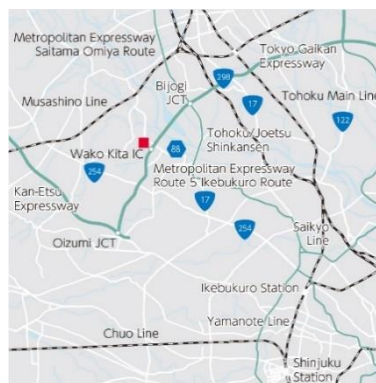
LB-065 D Project Wako A (50% of co-ownership interest)

Logistics (BTS Type)

Logistics facility developed as a “mega logistics hub” of Japan Post



- Located within 25km from central Tokyo, accessible to southern Saitama and northern Tokyo via National Routes 298 and 254
- A large-scale logistics base allowing access to the entire Tokyo metropolitan area leveraging the proximity to Wako Kita IC of Tokyo Gaikan Expressway (approx. 0.4 km)
- 6-storied with a gross floor area of 57,198.77 m²
- Equipped with 407 parking slots and ramps connecting to the 1st, 3rd and 4th floors that enhance efficiency in delivery operation



Acquisition date	Sep. 3, 2021
Location	Wako City, Saitama
Construction date	Apr. 1, 2015
Acquisition price	10,750 mil yen
Appraisal value	11,200 mil yen
Appraisal NOI yield	4.0%
Appraisal NOI yield after depreciation	3.3%
Leasable area	39,258.06 m ²
Main tenant	Japan Post

Acquisitions in September and October 2021 (3)

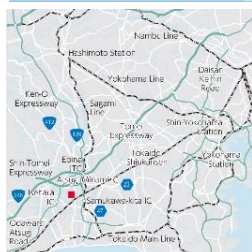
LB-066 D Project Hiratsuka

Logistics (BTS Type)

BTS-type logistics facility developed for Japan Logistic Systems, a global 3PL operator



Acquisition date	Oct. 1, 2021
Location	Hiratsuka City, Kanagawa
Construction date	Apr. 1, 2021
Acquisition price	15,200 mil yen
Appraisal value	15,200 mil yen
Appraisal NOI yield	4.5%
Appraisal NOI yield after depreciation	3.4%
Leasable area	65,272.52 m ²
Main tenant	Japan Logistics Systems



- Located approx. 3.5km from Atsugi IC on the Tomei Expressway
- Logistics hub of a wide area covering the Tama district and the entire Tokyo metropolitan area through access to the Ken-O Expressway via Ebara JCT
- 5-storied with a gross floor area of 54,299.55 m²
- Equipped with ramps to each of the 1st to 3rd floors that enhance efficiency in delivery operation

(Note) A net Zero Energy Building ("ZEB") is a building aimed at annual zero primary energy balance by saving as much energy as possible with such means as better heat insulation and high-efficiency equipment as well as generating energy by solar power generation and other power generation methods, while maintaining a comfortable environment. It is possible to obtain ZEB certification under the BELS certification system, and the evaluation is represented in four stages (ZEB, Nearly ZEB, ZEB Ready, and ZEB Oriented) depending on the achievement status of zero energy.

OT-006 GRANODE Hiroshima

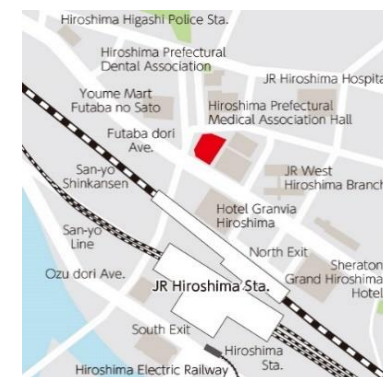
(additional acquisition of 50% co-ownership interest)

Other Assets

Large-scale multi-use property consisting of office, hotel and retail facilities



Acquisition date	Sep. 3, 2021
Location	Hiroshima City, Hiroshima
Construction date	Mar. 29, 2019
Acquisition price	14,400 mil yen
Appraisal value	15,350 mil yen
Appraisal NOI yield	4.8%
Appraisal NOI yield after depreciation	3.4%
Leasable area	14,962.23 m ²
Main tenant	Daiwa House Realty Management



- Property with high visibility, located in a highly competitive area within walking distance of approx. 4 minutes from JR Hiroshima Station, providing convenient transportation for both business travelers and tourists
- Property consisting of one of the largest office floors in Hiroshima City, hotel with 197 guest rooms, and retail facilities on the 1st and 2nd floors
- Anti-seismic property with strong BCP initiatives, including a 72-hour supply of electricity generated by an emergency generator and a space for power generators for tenants



Progress in Mid-Term Growth Strategy

Over the 3 Years after the Merger
(Sep. 2016 – Aug. 2019)

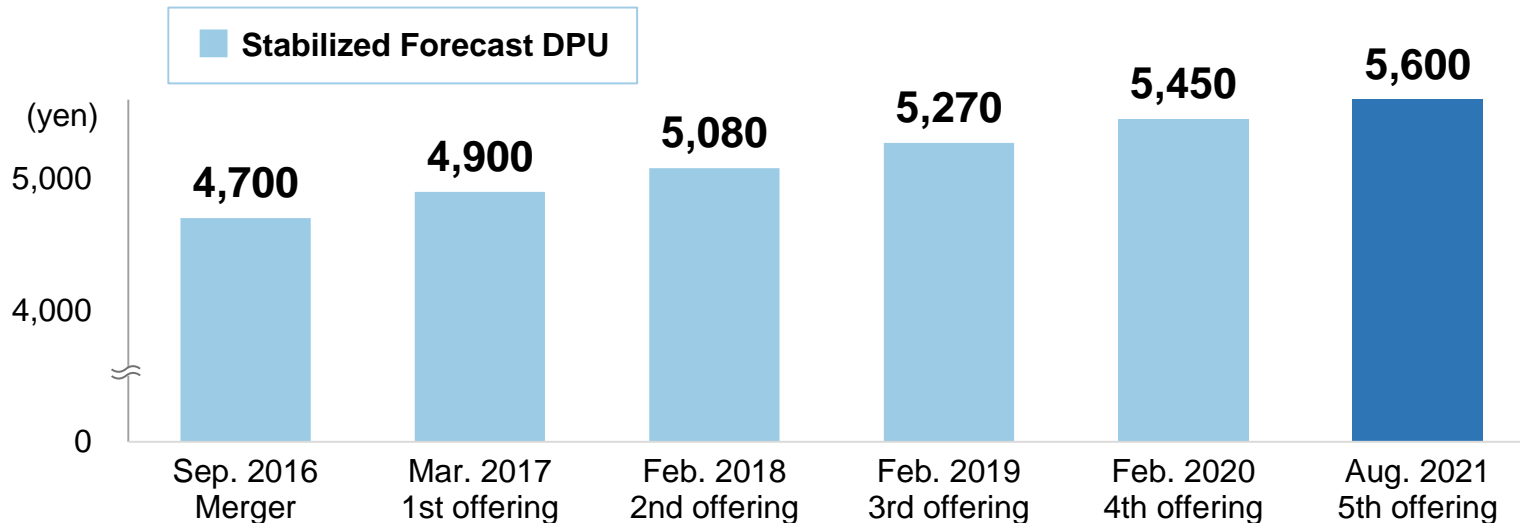
Mid-Term Growth Strategy
(Sep. 2019 – Sep. 2021)

Target

AUM 800 Bn yen



Stabilized DPU 5,600 yen

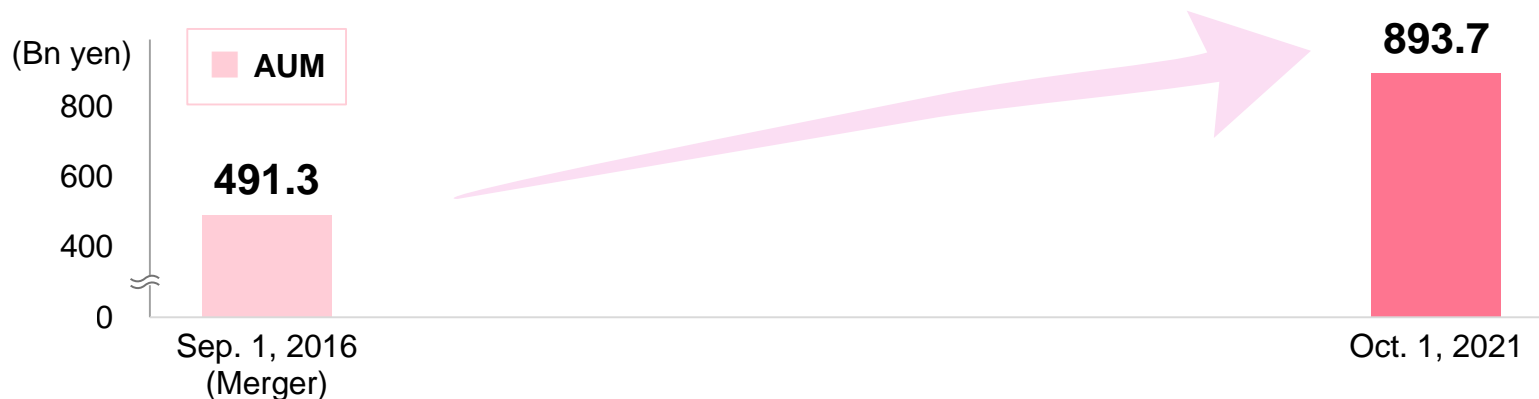


(Note) Stabilized forecast DPU represents forecast DPU adjusted for property taxes to be expensed.

Mid-term target expected to be achieved

Growth of Stabilized Forecast DPU (after the Merger)

+900 yen
+19.1%



Growth of AUM (after the Merger)

+402.4 Bn yen
+81.9%

**Business Value
(Economic Value)**

×

**Social Value
(Non-Financial Value)**

=

**Maximization of
Unitholder Value**

External Growth

- Selectively acquire highly competitive properties, mainly logistics properties by leveraging the abundant sponsor pipeline
- Improve portfolio quality by promoting portfolio rebalancing utilizing the flexibility as a diversified and large-scale REIT and abundant unrealized gain
- Secure property acquisition opportunities by utilizing various acquisition schemes

Internal Growth

- Steadily increase rent mainly at the residential properties
- Increase rent by additional investment in value enhancement measures such as installation of solar power generation equipment and LED light
- Conduct strategic renovation work and planned large-scale repair

Finance

- Equity financing attentive to NAV and growth of DPU
- Control LTV (excluding goodwill) at around 45% with an upper limit at 50%
- Lengthen debt maturity and decrease debt financing costs
- Effective use of cash on hand

Business Value

Social Value

ESG

- Commit to promoting sustainability by introduction of sustainability index-linked fee (asset management fee and remuneration for Executive Director and officers of the Asset Manager)
- Reduce GHG emissions and improve ESG rating by third parties including GRESB and CDP
- Increase the ratio of properties with environmental certification (on a gross floor area basis) to 70% in timely manner
- Promote ownership of DHR units through the Investment the Unit Ownership Program

Pipeline of Daiwa House Group

Logistics

Property name	Type	Location	Completion (planned)	No. of floors	GFA
D Project Jonanjima	BTS	Ota Ward, Tokyo	Apr. 2014	8	49,959 m ²
D Project Isehara	BTS	Isehara City, Kanagawa	Dec. 2021	5	61,910 m ²
D Project Ibaraki A	BTS	Ibaraki City, Osaka	Sep. 2017	4	90,486 m ²
D Project Ibaraki B	BTS	Ibaraki City, Osaka	Apr. 2018	4	60,163 m ²
DPL Isehara	Multi-tenant	Isehara City, Kanagawa	May 2021	5	73,980 m ²
DPL Hiratsuka	Multi-tenant	Hiratsuka City, Kanagawa	Jan. 2022	4	121,223 m ²
DPL Shinyokohama I	Multi-tenant	Yokohama City, Kanagawa	Mar. 2022	6	101,134 m ²
DPL Yokohama Totsuka	Multi-tenant	Yokohama City, Kanagawa	Jun. 2022	4	125,571 m ²
DPL Sakado	Multi-tenant	Sakado City, Saitama	Apr. 2020	4	178,712 m ²
DPL Misato II	Multi-tenant	Misato City, Saitama	Oct. 2021	5	67,058 m ²
DPL Ichikawa	Multi-tenant	Ichikawa City, Chiba	May 2016	5	87,312 m ²
DPL Nagareyama IV	Multi-tenant	Nagareyama City, Chiba	Oct. 2021	4	270,795 m ²

Retail

Property Name	Type	Location	Completion	No. of Floors	GFA
iiias Okinawa Toyosaki	Mall	Tomigusuku City, Okinawa	Mar. 2020	4	135,000 m ²

Hotel

Property name	Type	Location	Completion	No. of floors	GFA
Daiwa Roynet Hotel Tokyo Ariake	Hotel / retail / convention	Koto Ward, Tokyo	Sep. 2018	17 + 1 basement	21,600 m ²

Other Assets

Property name	Type	Location	Completion	No. of floors	GFA / No. of units
D Tower Nishi-Shinjuku	Office / service apartment / retail	Shinjuku Ward, Tokyo	Mar. 2020	29 + 2 basements	39,460 m ²

D Project Jonanjima



D Project Ibaraki B



DPL Ichikawa



iiias Okinawa Toyosaki



Daiwa Roynet Hotel Tokyo Ariake



D Tower Nishi-Shinjuku



(Source) Daiwa House Industry Co., Ltd.

(Note) There are no planned acquisitions as of the date of this document.

3. Operation Status

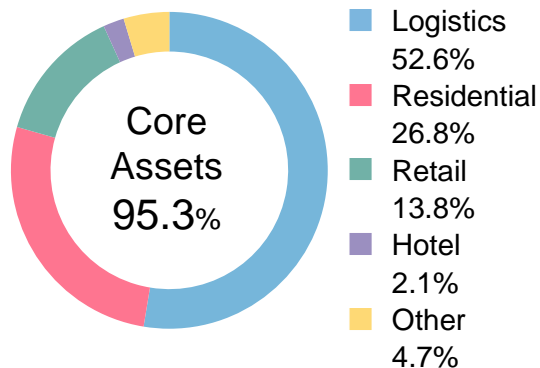
Portfolio Summary (as of October 1, 2021)

	Portfolio	Logistics	Residential	Retail	Hotel	Other
Acquisition price	893,733 mil yen	470,121 mil yen	239,623 mil yen	123,219 mil yen	19,110 mil yen	41,660 mil yen
Number of properties	229 properties	66 properties	129 properties	23 properties	5 properties	6 properties
NOI yield (adjusted for property taxes)	4.9 %	4.9 %	4.8 %	5.2 %	4.0 %	5.2 %
NOI yield after depreciation (adjusted for property taxes)	3.6 %	3.7 %	3.2 %	4.2 %	2.9 %	3.8 %
Average property age	10.9 years	8.5 years	15.6 years	13.6 years	9.2 years	4.6 years
Occupancy rate	99.6 %	100.0 %	97.4 %	99.8 %	100.0 %	99.7 %
Area breakdown	Greater Tokyo 65.5 % Greater Nagoya 3.4 % Greater Osaka 7.8 % Other 23.2 %	Greater Tokyo 72.2 % Greater Nagoya 3.5 % Greater Osaka 5.0 % Other 19.4 %	Greater Tokyo 85.7 % Greater Nagoya 3.1 % Greater Osaka 9.1 % Other 2.1 %	Greater Tokyo 26.5 % Greater Nagoya 1.9 % Greater Osaka 18.8 % Other 52.8 %	Greater Tokyo 25.1 % Greater Nagoya 23.5 % Greater Osaka 7.7 % Other 43.6 %	Greater Tokyo 8.2 % Other 91.8 %

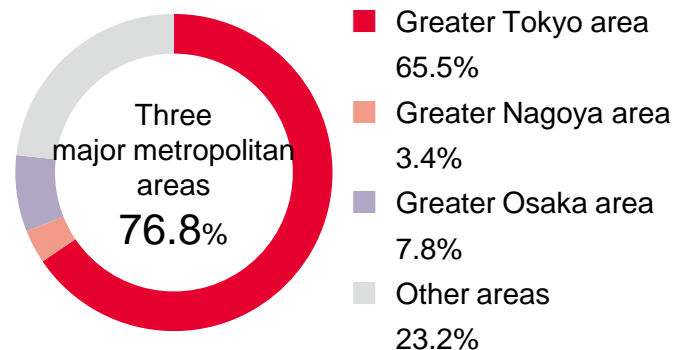
(Note) NOI yield and NOI yield after depreciation are based on annualized NOI (excluding the properties sold in Mar. and Sep. 2021 and adjusted for property taxes to be expensed) for the period ended Aug. 2021 and appraisal NOI of the properties acquired in Sep. and Oct. 2021.

Occupancy rate is as of Sep. 30, 2021. As for DPL Nagareyma III and D Project Hiratsuka, occupancy rate is as of the acquisition date (Oct. 1, 2021).

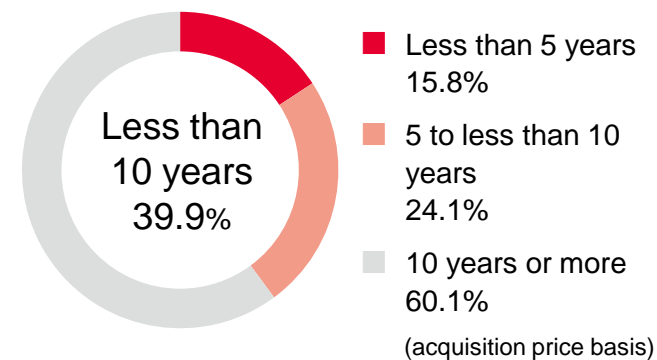
Portfolio by Asset Class



Portfolio by Area



Portfolio by Property Age



Operation Status of Logistics Properties

Operation Status

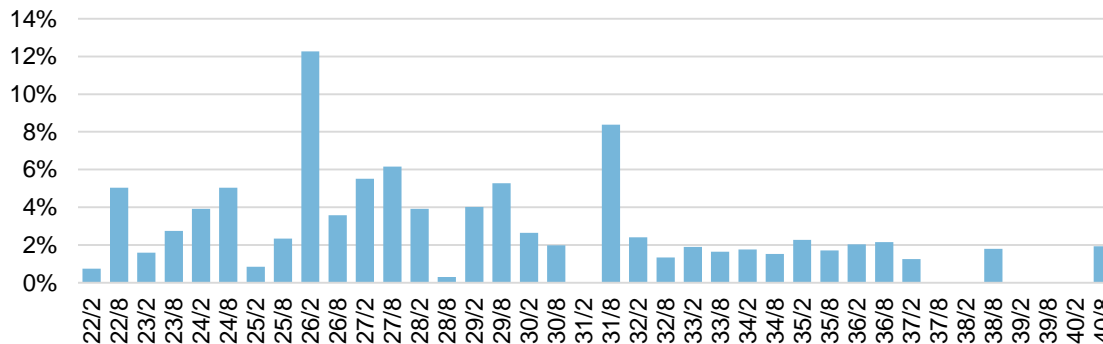
- ◆ Acquired 1 property in Apr. 2021 (acquisition price: 5,930 mil yen)
- ◆ Acquired 3 properties in Sep. and Oct. 2021 (total acquisition price: 57,950 mil yen)
- ◆ Period-end occupancy at 100.0%
- ◆ < 2 BTS type properties >
Capex (installation of LED lights) → Increased rental revenue
- ◆ < 3 BTS type properties >
Capex (Replacement of freezing equipment, AC installation, renovation of freezing and refrigerating equipment) → Increased rental revenue

Rent Revision / Lease Contract Renewal

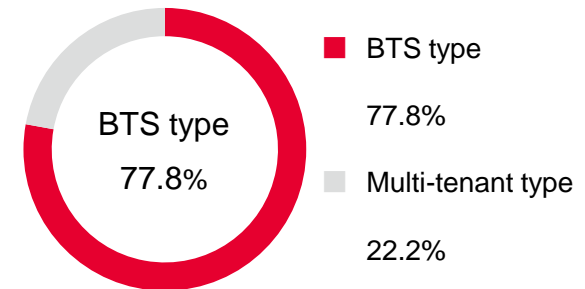
- ◆ Lease contract renewal:
 - 1 tenant in multi-tenant type property → Renewed contract with rent increase
 - 1 BTS type property → Renewed contract on equal terms

Lease Expiration Ladder (annual rent basis)

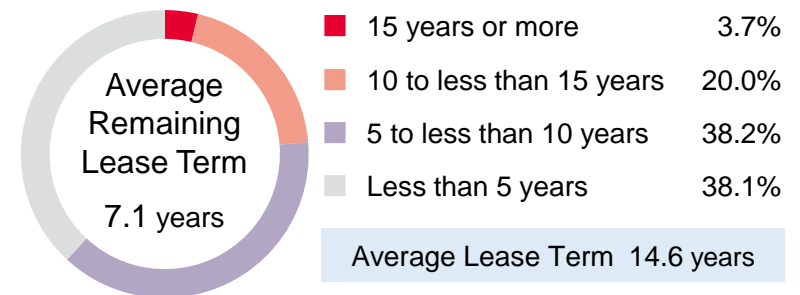
■ Stable cash flow based on long-term lease contracts



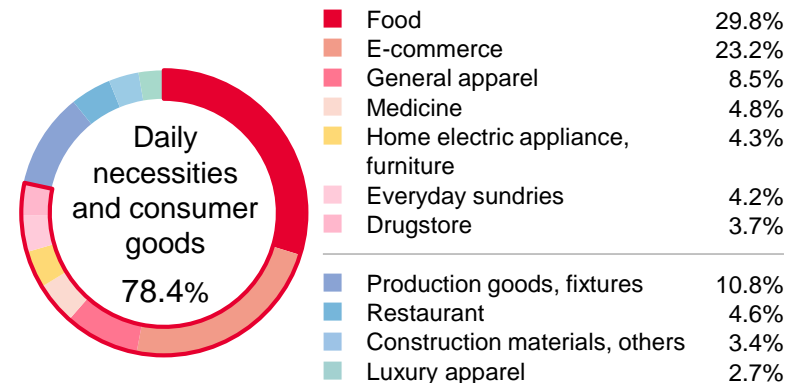
Type (acquisition price basis)



Remaining Lease Term (annual rent basis)



Type of Handling Goods (annual rent basis)



As of Oct. 1, 2021

Operation Status of Residential Properties

Operation Status

- ◆ Sold 1 property in Mar. 2021 (sale price: 3,515 mil yen)
- ◆ Sold 1 property in Sep. 2021 (sale price: 3,740 mil yen)
- ◆ Average occupancy at 95.9% (-0.1 p.p.) vs forecast of 96.0%
- ◆ Conducted major renovations for 12 properties

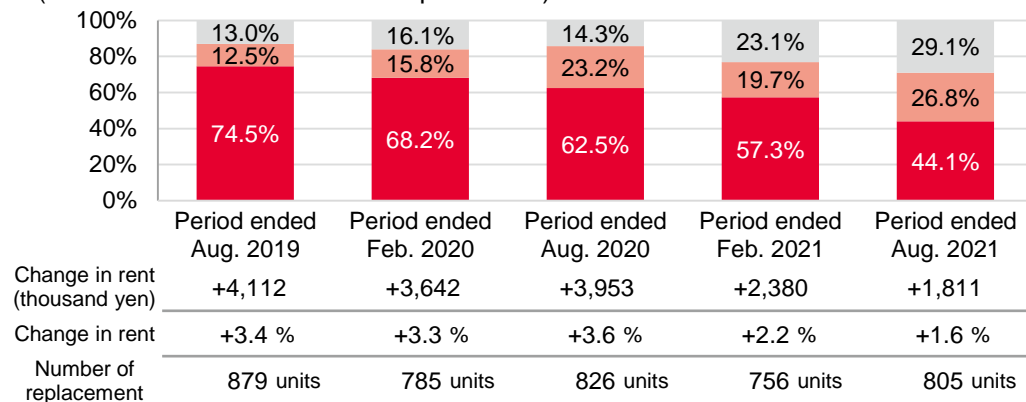
Rents

- ◆ Monthly rent at tenant replacement increased for 13 consecutive periods
Total: +1,811 thousand yen, or +1.6% vs before replacement
5 central wards of Tokyo: +1,365 thousand yen, or +3.1%
- ◆ Monthly rent at lease contract renewal: +1,211 thousand yen
- ◆ Monthly rent of sublease master lease agreements +1,133 thousand yen
- ◆ Performed upgrade work for 62 units of 25 properties
→ Contracts signed for 46 units with 6.0% increase in rents

Monthly Rent at Tenant Replacement

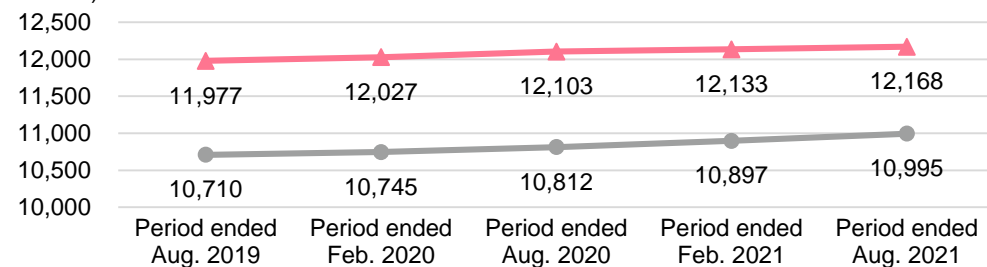
(Ratio of the number of tenant replacement)

■ Rent increase ■ Rent decrease
■ Unchanged

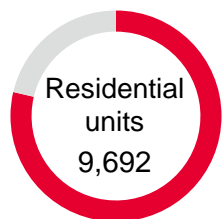


Average Monthly Rent

(yen/tsubo)

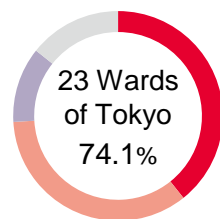


Unit Type (number of units basis) Area (acquisition price basis)



- Compact type (60m² or less) 78.7%
- Family type (more than 60m²) 21.3%

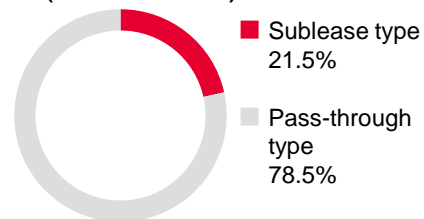
As of Oct. 1, 2021



- 5 central wards of Tokyo 39.3%
- 23 wards other than 5 central wards of Tokyo 34.8%
- Greater Tokyo area excluding Tokyo 11.6%
- Other 14.3%

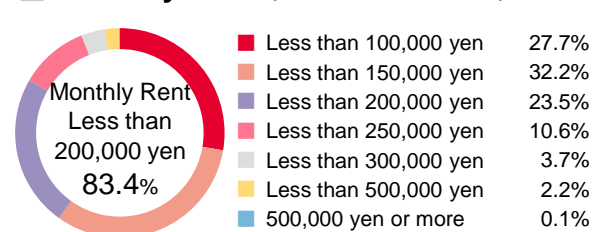
As of Oct. 1, 2021

Master Lease Type (annual rent basis)



As of Aug. 31, 2021

Monthly Rent (number of units basis)



As of Aug. 31, 2021

Operation Status of Retail Properties

- ◆ Period-end occupancy remained at a high level of 99.8%

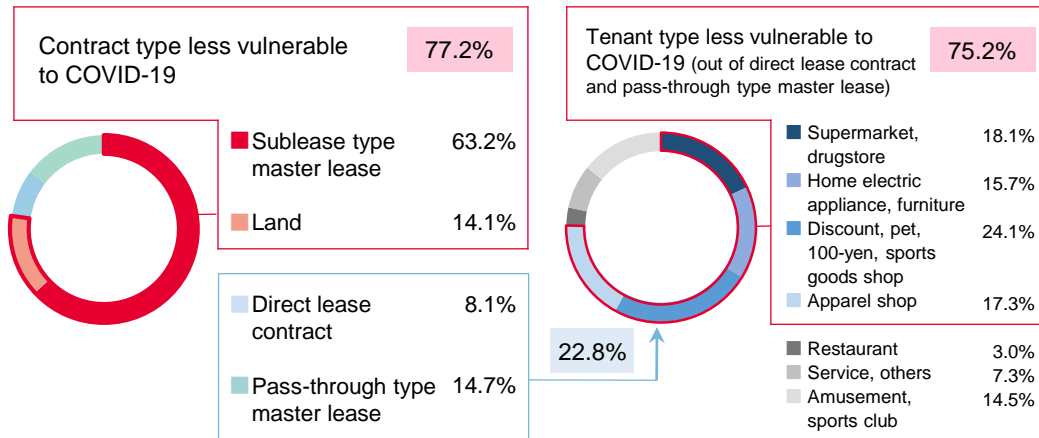
Move-outs: None

Move-in: 1 unit (hair salon)

Rent Revision / Lease Contract Renewal of Major Tenants

- ◆ Lease contract renewal: 1 tenant → Renewed contract on equal terms

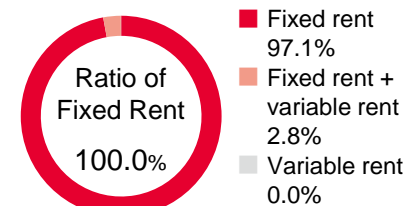
Lease Contract Type (annual rent basis)



Remaining Lease Term (annual rent basis)



Rent Type (leased area basis)



As of Aug. 31, 2021

Rent Revision / Lease Contract Renewal of Hotel Space

- ◆ Rent revision / lease contract renewal: None

Temporary Rent Reduction due to COVID-19

- ◆ Aug. 2021 Period: Reduced rent of some tenants
- ◆ Feb. 2022 and Aug. 2022 periods: Forecasts factored in a similar level of impact as Aug. 2021

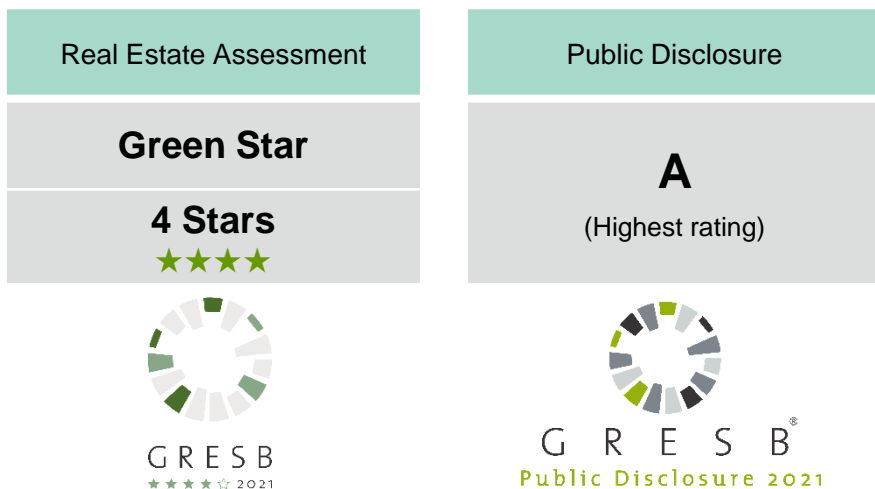
Rent Type of Hotel Tenants in

Hotel Properties, Retail Properties and Other Assets

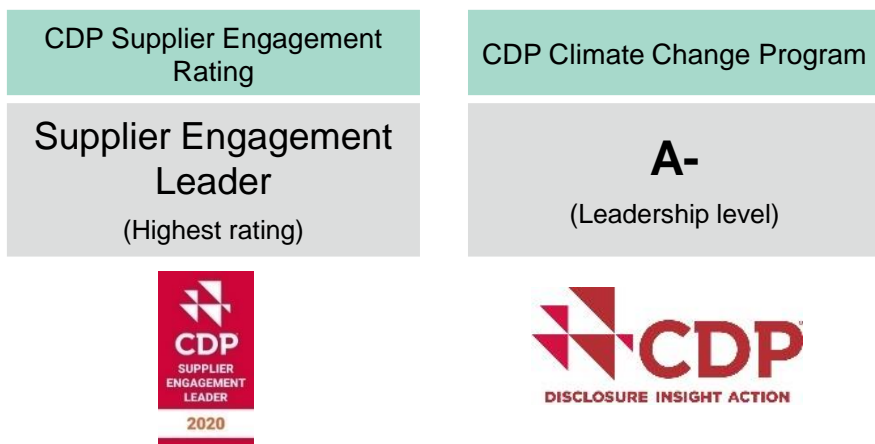
- ◆ Daiwa Roynet Hotel Yokohama Kannnai: Fixed
- ◆ Daiwa Roynet Hotel Nagoya Shinkansenguchi: Fixed
- ◆ Daiwa Roynet Hotel Mito (COMBOX310): Fixed
- ◆ Daiwa Roynet Hotel Naha-Omoromachi (Naha Shin-Toshin Center Building): Fixed + Variable
- ◆ Daiwa Roynet Hotel Hiroshima-Ekimae (GRANODE Hiroshima): Fixed
- ◆ Super Hotel JR Nara Station Sanjo Street: Not disclosed
- ◆ AGORA Kanazawa: Not disclosed
- ◆ Candeo Hotels Nagasaki Shinchi Chinatown: Fixed

- ◆ Issued our first Sustainability Report in Jul. 2021
- ◆ Awarded the “4 Stars” in GRESB real estate assessment for two consecutive years

2021 GRESB Assessment






2020 CDP Score (First-time Participation)

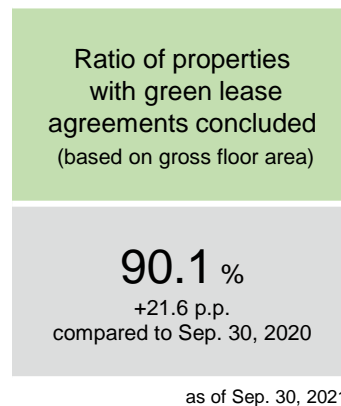


Promotion of Environmental Certifications

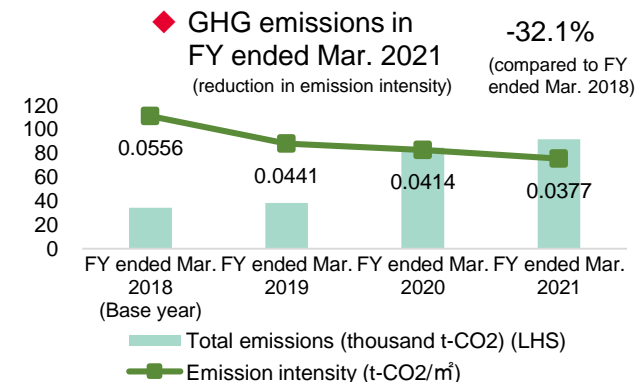
- ◆ Improved the ratio of properties with environmental certification to **64.0%**

	 DBJ Green Building	 BELS	 CASBEE
★★★★★	5 properties	11 properties	7 properties
★★★★☆	8 properties	4 properties	5 properties
★★★☆☆	12 properties	4 properties	
★★☆☆☆	5 properties	14 properties	
★☆☆☆☆		4 properties	
Number of certified properties	30 properties	37 properties	12 properties
Certified ratio (based on gross floor area)	48.6 %	51.1 %	27.0 %
Certified ratio compared to Sep 30, 2020	+6.8 p.p.	+16.3 p.p.	+13.9 p.p. as of Sep. 30, 2021

Green Lease Agreement



Improvement in Environmental Performance



* Of the properties owned, the properties for which the requisite data are available are used for calculation. Intensity is calculated by dividing total CO₂ emissions by intensity denominator (gross floor area (m²)).

4. Financial Status

Financial Status (1)

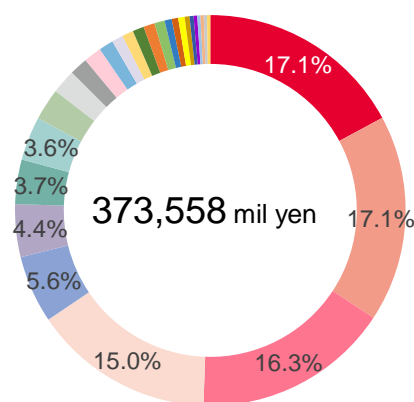
- ◆ Controlling LTV (excluding goodwill) at around 45%
- ◆ Issued green bond of 4.0 Bn yen in Apr. 2021 and financed our first green loan of 10.5 Bn yen in Sep. 2021

Financial Status (as of October 1, 2021)

Credit Rating

Interest-bearing debt		Long-term interest-bearing debt ratio	Average interest rate	LTV (excluding goodwill)	JCR
407,558 mil yen		88.0 %	0.66 %	45.1 %	AA (Stable)
Loans	Of the loans, Green Loans				
373,558 mil yen	10,500 mil yen				
Bonds	Of the bonds, Green Bonds	Fixed interest ratio	Average remaining maturity	LTV (including goodwill)	R&I
34,000 mil yen	15,000 mil yen	96.4 %	4.6 years	42.3 %	AA- (Stable)

Lender Formation



Lender	Amount (mil yen)	Lender	Amount (mil yen)
Sumitomo Mitsui Trust Bank	64,029	Nippon Life Insurance	5,600
Sumitomo Mitsui Banking Corporation	63,990	Shinkin Central Bank	5,500
MUFG Bank	60,844	Mitsui Sumitomo Insurance	4,500
Mizuho Bank	56,020	Bank of Fukuoka	3,500
Development Bank of Japan	20,900	Nishi-Nippon City Bank	3,500
Norinchukin Bank	16,310	Dai-ichi Life Insurance	3,500
Aozora Bank	13,761	Chiba Bank	3,465
Resona Bank	13,500	77 Bank	3,200
Mizuho Trust & Banking	9,878	Chugoku Bank	2,200
Shinsei Bank	7,500	Iyo Bank	2,000
		Bank of Kyoto	2,000
		Yamanashi Chuo Bank	1,500
		Shizuoka Bank	1,260
		Japan Post Insurance	1,100
		Taiyo Life Insurance	1,000
		Yamaguchi Bank	1,000
		Kansai Mirai Bank (New)	1,000
		Keiyo Bank (New)	1,000

Financial Status (2)

- ◆ Further lengthening and diversifying debt maturities and fixing interest rates
- ◆ Reducing interest cost at loan refinancing while lengthening debt maturities

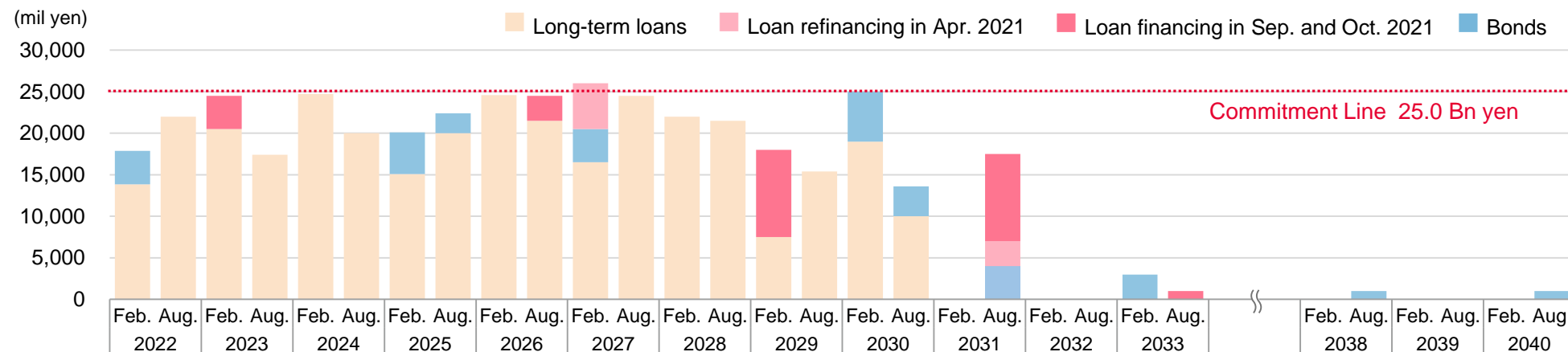
Debt Financing in Aug. 2021 Period

	Apr. 2021		Apr. 2021		
	Loan repayment	Loan refinancing	Loan repayment	Issuance of green bond	Loan refinancing
Amount (mil yen)	3,000	3,000	9,500	4,000	5,500
Interest rate	1.05 %	0.70 %	0.40 %	0.50 %	0.28 %
Maturity	7.0 years	10.0 years	4.1 years	10.0 years	5.4 years

Debt Financing in Feb. 2022 Period

	Sep. and Oct. 2021
	Loan financing
Amount (mil yen)	29,000
Average interest rate	0.43 %
Average maturity	7.2 years

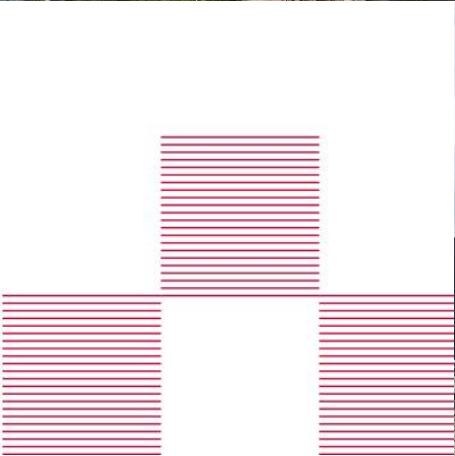
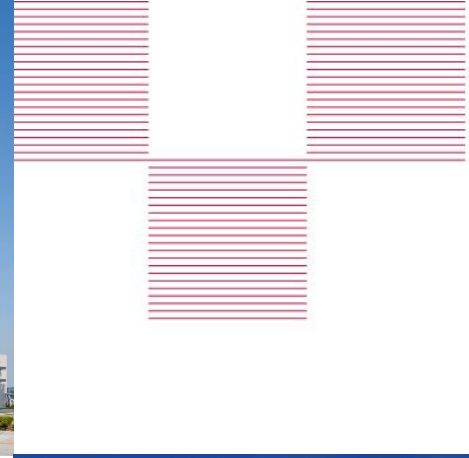
Diversified Maturity Ladder



As of Oct. 1, 2021



Appendix



Track Record of Asset Size Growth

Total Acquisition Price of Properties Acquired since the Merger

69 properties **434.4** Bn yen
(including additional acquisition)

Growth of Asset Size since the Merger

+81.9%
Increase in asset size after the merger
402.4 Bn yen

Acquisitions from Pipeline of Daiwa House Group since the Merger

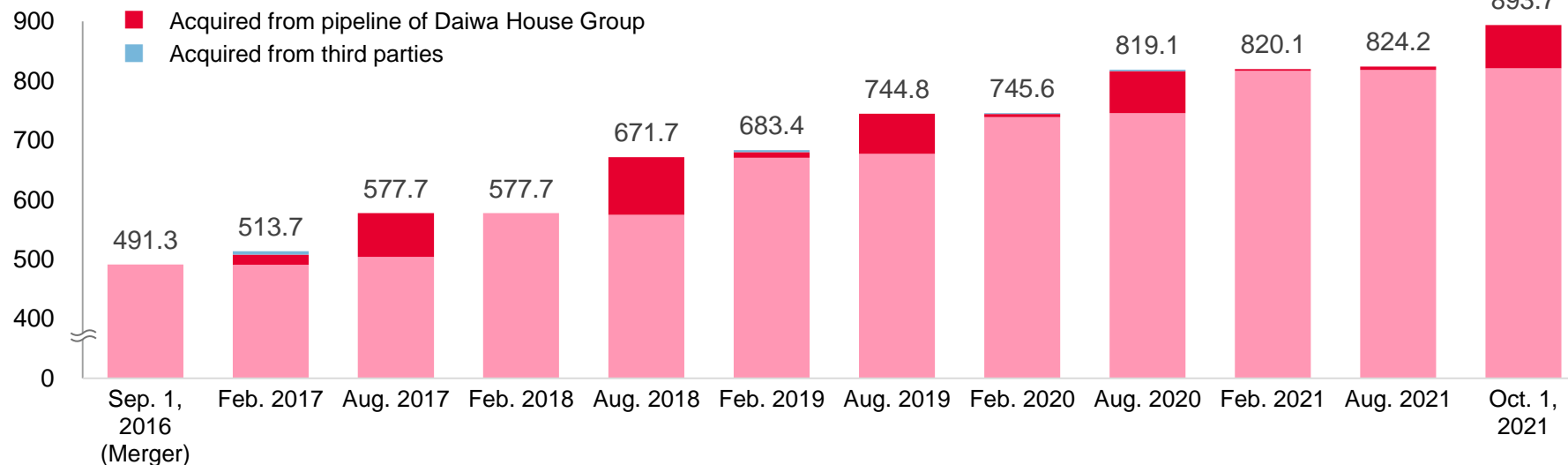
97.0% (65 properties / 69 properties)
(acquisition price basis)

Acquisitions Developed by Daiwa House Group since the Merger

96.6% (65 properties / 69 properties)
(acquisition price basis)

Asset Size (acquisition price)

(Bn yen)



NOI yield

* Adjusted for property taxes

5.2 % 5.3 % 5.4 % 5.4 % 5.3 % 5.3 % 5.2 % 5.2 % 5.1 % 5.2 % 5.0 % 4.9 %

NOI yield

after depreciation

* Adjusted for property taxes

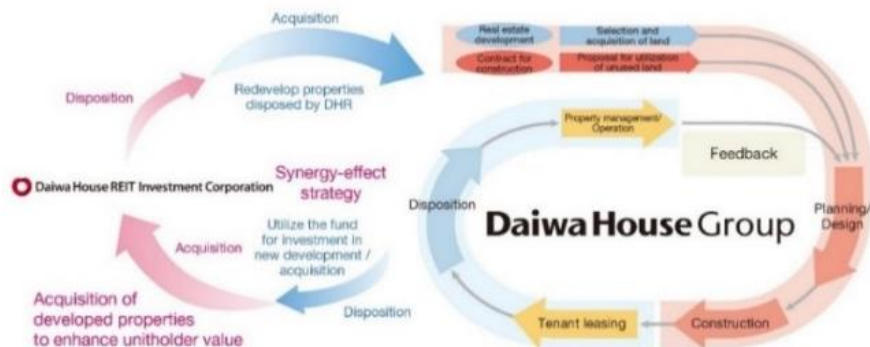
3.8 % 4.0 % 4.0 % 4.1 % 4.0 % 4.0 % 3.9 % 3.9 % 3.8 % 3.9 % 3.7 % 3.6 %

(Note) NOI yield and NOI yield after depreciation are based on annualized NOI adjusted for property taxes to be expensed and excluding the properties sold during the period.
NOI as of Sep. 1, 2016 (Merger) is based on NOI of Daiwa House Residential and former Daiwa House REIT for the period ended Aug. 31, 2016 preceding the merger.
NOI as of Oct. 1, 2021 is based on NOI for the period ended Aug. 2021 (excluding the property sold in Sep. 2021) and appraisal NOI of the acquisitions in Sep. and Oct. 2021.

Leveraging Value Chain of Daiwa House Group

Value Chain of Daiwa House Group

- Comprehensive and integrated capabilities from acquisition of land, design and construction, to management and operation



6th Medium-Term Management Plan of Daiwa House Group

- Daiwa House Group revised investment plans for real estate development of logistics, business and corporate facilities from the initial amount of 350 Bn yen to 650 Bn yen in its 6th Medium-Term Plan covering the fiscal year ending March 2020 through the fiscal year ending March 2022
- Plans for sale of development properties were also revised from 400 Bn yen to 670 Bn yen

	(Bn yen)			
Real estate Investment plan	Real estate development 1,000			
	Logistics, Business and Corporate Facilities 650	Rental Housing 50	Commercial Facilities 150	Overseas 150
Real estate Sale plan	Sale of development properties 670			

Next-gen Logistics Center Proposed by Daiwa House Group

- Daiwa House Group, with the application of advanced technologies, offers next-generation logistics center to solve logistics problems including lack of human resources, rising labor costs, rising transportation costs, deteriorating loading efficiency and equipment installation cost

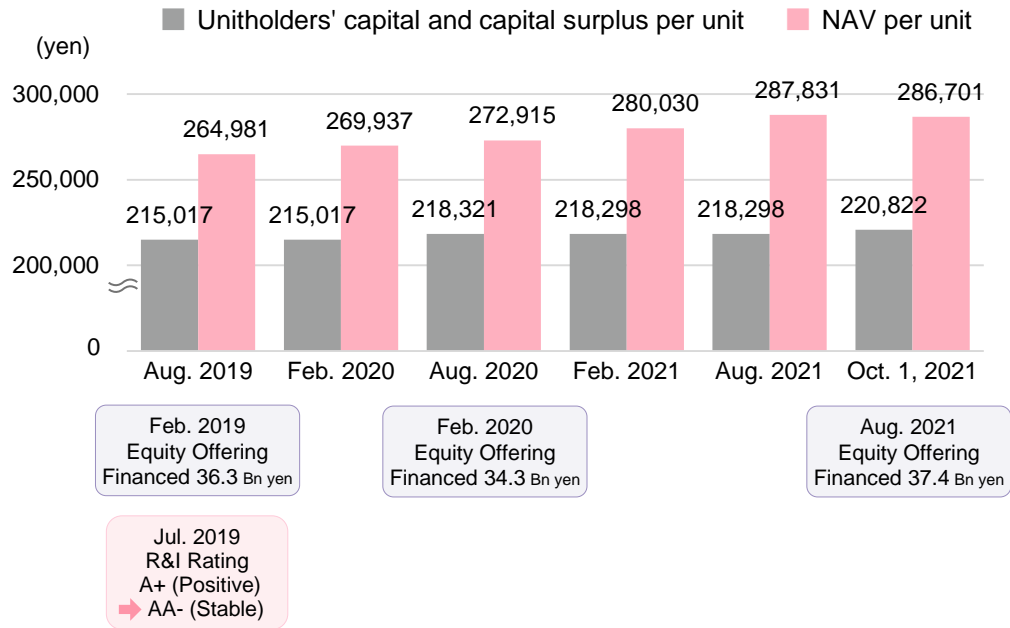
Real Estate Available for Sale of Daiwa House Group

	(Bn yen)		
As of June 30, 2021	Being rented	Not being rented	Total
Logistics, business & corporate facilities	220.4	489.8	710.2
Rental housing	21.7	18.6	40.4
Commercial facilities	73.0	32.9	105.9

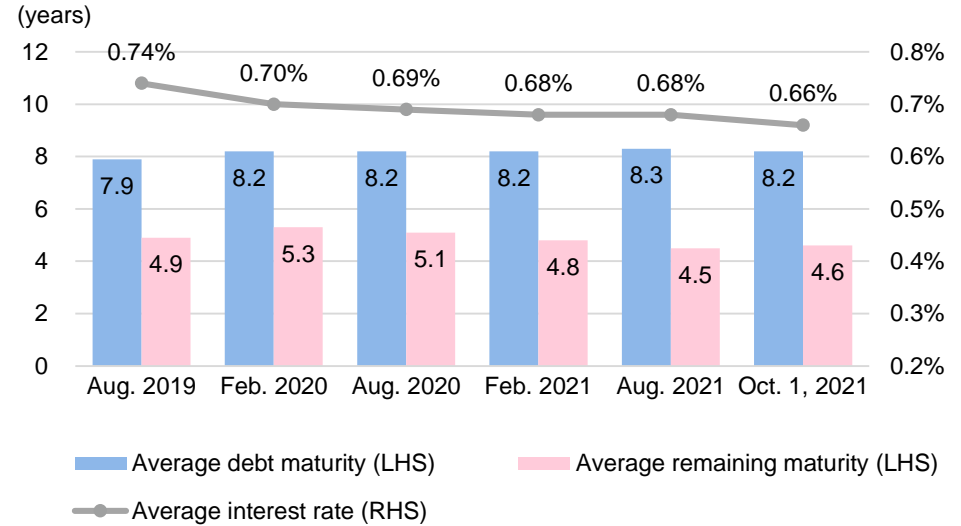
(Source) Daiwa House Industry Co., Ltd.

Key Financial Indicators

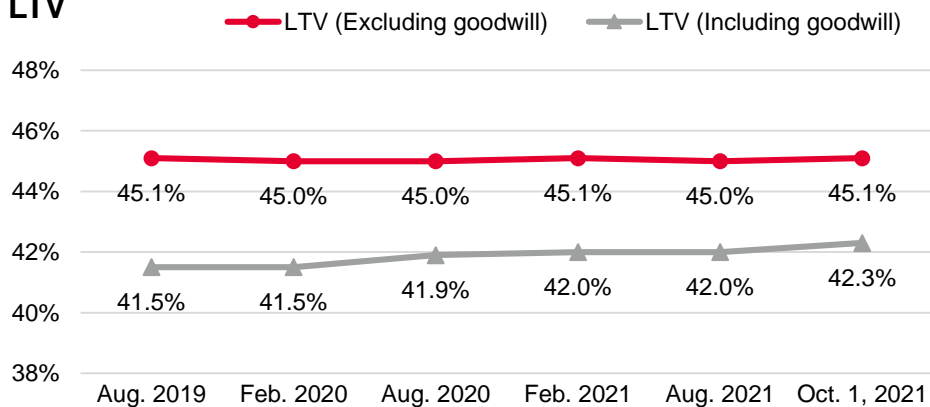
NAV per Unit



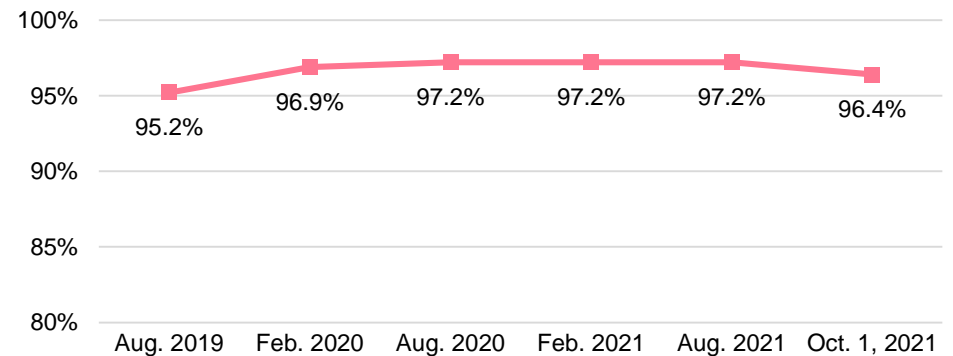
Average Debt Maturity / Average Remaining Maturity / Average Interest Rate



LTV



Fixed Interest Ratio



Historical Financial Data

	Aug. 2019	Feb. 2020	Aug. 2020	Feb. 2021 (A)	Aug. 2021 (B)	Change (B-A)
Operating days	184 days	182 days	184 days	181 days	184 days	3 days
Operating Revenue	24,877 mil yen	25,018 mil yen	26,613 mil yen	28,097 mil yen	29,571 mil yen	1,474 mil yen
Operating Income	10,702 mil yen	10,559 mil yen	11,574 mil yen	12,571 mil yen	13,116 mil yen	544 mil yen
Gain (loss) on sale of properties	154 mil yen	306 mil yen	— mil yen	836 mil yen	2,208 mil yen	1,371 mil yen
Ordinary Income	9,166 mil yen	9,126 mil yen	9,936 mil yen	11,099 mil yen	11,619 mil yen	520 mil yen
Net Income	9,166 mil yen	9,125 mil yen	9,936 mil yen	11,098 mil yen	11,619 mil yen	520 mil yen
DPU	5,773 yen	6,040 yen	5,427 yen	5,856 yen	6,118 yen	262 yen
Number of investment units issued	2,075,000 units	2,075,000 units	2,196,000 units	2,196,000 units	2,196,000 units	—
Payout ratio	130.6%	137.3%	119.4%	100.9%	101.1%	0.2 p.p.
Total Assets	841,236 mil yen	839,931 mil yen	899,579 mil yen	901,386 mil yen	900,310 mil yen	-1,075 mil yen
Net Assets	463,170 mil yen	460,341 mil yen	491,302 mil yen	490,586 mil yen	489,467 mil yen	-1,119 mil yen
Unitholders' Capital	198,492 mil yen	198,492 mil yen	231,766 mil yen	231,766 mil yen	231,766 mil yen	—
Capital Surplus, net	247,667 mil yen	247,667 mil yen	247,667 mil yen	247,617 mil yen	245,959 mil yen	-1,657 mil yen
Interest-bearing debt	348,768 mil yen	348,758 mil yen	376,558 mil yen	378,558 mil yen	378,558 mil yen	—
LTV (Excluding goodwill)	45.1%	45.0%	45.0%	45.1%	45.0%	-0.1 p.p.
LTV (Including goodwill)	41.5%	41.5%	41.9%	42.0%	42.0%	—
Net Assets per unit	223,214 yen	221,851 yen	223,725 yen	223,400 yen	222,890 yen	-510 yen
NAV per unit ^(Note 1)	264,981 yen	269,937 yen	272,915 yen	280,030 yen	287,831 yen	7,801 yen
FFO per unit ^(Note 2)	7,598 yen	7,526 yen	7,789 yen	7,982 yen	7,594 yen	-388 yen

(Note 1) NAV per unit: (Unitholders' capital + capital surplus, net + appraisal value of properties – book value of properties) / number of investment units issued

(Note 2) FFO per unit: (Net income + depreciation + amortization + amortization of investment corporation bond issuance costs + amortization of trademark rights + amortization of software +/- loss or gain on sale of properties +/- extraordinary loss or gain) / number of investment units issued

Historical Portfolio Data

	Aug. 2019	Feb. 2020	Aug. 2020	Feb. 2021 (A)	Aug. 2021 (B)	Change (B-A)	
Number of properties	228 properties	225 properties	228 properties	227 properties	227 properties	—	
Total acquisition price	744,823 mil yen	745,625 mil yen	819,114 mil yen	820,103 mil yen	824,293 mil yen	4,190 mil yen	
Ratio of logistics properties	50.9%	50.1%	49.6%	49.5%	50.0%	0.5 p.p.	
Ratio of residential properties	33.1%	33.0%	30.1%	29.8%	29.4%	-0.4 p.p.	
Ratio of retail properties	12.8%	13.0%	15.0%	15.0%	14.9%	-0.1 p.p.	
Ratio of hotel properties	1.4%	2.1%	1.9%	2.3%	2.3%	—	
Ratio of other assets	1.7%	1.7%	3.3%	3.3%	3.3%	—	
Number of properties acquired	13 properties	2 properties	4 properties (Note 1)	1 property	1 property	- properties	
Acquisition price	67,090 mil yen	6,600 mil yen	73,489 mil yen	3,140 mil yen	5,930 mil yen	2,790 mil yen	
Number of properties sold	1 property	5 properties	- properties	2 properties	1 property	-1 property	
Sale price	5,755 mil yen	5,967 mil yen	- mil yen	2,775 mil yen	3,515 mil yen	740 mil yen	
Unrealized gain (loss)	103,676 mil yen	113,960 mil yen	119,888 mil yen	135,564 mil yen	152,694 mil yen	17,130 mil yen	
Leasable area	2,751 thousand m ²	2,734 thousand m ²	2,980 thousand m ²	2,979 thousand m ²	2,983 thousand m ²	4 thousand m ²	
Occupancy rate	99.4%	99.5%	99.4%	99.4%	99.3%	-0.1 p.p.	
Real estate	Rental revenue	24,722 mil yen	24,712 mil yen	26,613 mil yen	27,260 mil yen	27,362 mil yen	102 mil yen
	Rental expenses	10,062 mil yen	10,278 mil yen	10,737 mil yen	11,179 mil yen	12,081 mil yen	902 mil yen
	Rental income	14,660 mil yen	14,433 mil yen	15,876 mil yen	16,080 mil yen	15,281 mil yen	-799 mil yen
Depreciation	4,764 mil yen	4,806 mil yen	5,174 mil yen	5,271 mil yen	5,271 mil yen	0 mil yen	
NOI (Note 2)	19,424 mil yen	19,239 mil yen	21,050 mil yen	21,352 mil yen	20,552 mil yen	-799 mil yen	
NOI yield (Note 3)	5.2%	5.2%	5.2%	5.2%	5.0%	-0.2 p.p.	

(Note 1) Includes additional acquisition of 70% co-ownership interest in iias Tsukuba.

(Note 2) NOI: Real estate rental business revenue – real estate rental business expenses + depreciation

(Note 3) NOI yield is annualized and excluding the properties sold during the period.

Balance Sheets

	(thousand yen)	
	Period ended Feb. 2021	Period ended Aug. 2021
Assets		
Current assets		
Cash and deposits	32,327,392	30,285,987
Cash and deposits in trust	16,299,065	17,036,123
Operating accounts receivable	264,766	331,493
Prepaid expenses	672,881	637,149
Other	2,561	36,645
Allowance for doubtful accounts	(1,498)	(274)
Total current assets	49,565,169	48,327,124
Non-current assets		
Investment properties		
Buildings, net	19,971,367	20,016,971
Structures, net	180,364	186,666
Machinery and equipment, net	294,845	288,476
Tools, furniture and fixtures, net	260,353	277,892
Land	21,711,324	21,711,324
Buildings in trust, net	338,518,240	337,918,486
Structures in trust, net	8,053,306	7,970,586
Machinery and equipment in trust, net	1,369,566	1,249,302
Tools, furniture and fixtures in trust, net	903,465	940,776
Land in trust	387,101,719	389,983,140
Construction in progress in trust	389,488	504,011
Total investment properties	778,754,043	781,047,636
Intangible assets		
Goodwill	61,449,024	59,466,797
Leasehold rights in trust	5,925,048	5,877,635
Trademark rights	945	667
Total intangible assets	67,375,018	65,345,100
Investments and other assets		
Investment securities	9,428	9,446
Long-term prepaid expenses	2,036,722	1,874,253
Guarantee deposits	99	99
Lease and guarantee deposits in trust	3,498,978	3,547,353
Total investments and other assets	5,545,228	5,431,152
Total non-current assets	851,674,290	851,823,888
Deferred assets		
Investment corporation bond issuance costs	147,124	159,880
Total deferred assets	147,124	159,880
Total assets	901,386,584	900,310,893

	(thousand yen)	
	Period ended Feb. 2021	Period ended Aug. 2021
Liabilities		
Current liabilities		
Operating accounts payable	1,731,563	2,683,411
Current portion of investment corporation bonds	4,000,000	4,000,000
Current portion of long-term loans	26,358,000	35,858,000
Accounts payable – other	88,102	89,369
Accrued expenses	1,706,448	1,676,979
Income taxes payable	605	605
Accrued consumption taxes	1,191,971	325,919
Advances received	3,196,677	3,293,588
Unearned revenue	202,267	182,962
Deposits received	254,618	246,831
Derivatives liabilities	10,302	14,569
Other	69,603	67,520
Total current liabilities	38,810,159	48,439,755
Non-current liabilities		
Investment corporation bonds	26,000,000	30,000,000
Long-term loans	322,200,000	308,700,000
Long-term unearned revenue	394,277	308,816
Tenant leasehold and security deposits	333,342	333,710
Tenant leasehold and security deposits in trust	21,739,562	21,857,568
Asset retirement obligations	658,347	664,585
Derivatives liabilities	664,385	539,144
Total non-current liabilities	371,989,915	362,403,826
Total liabilities	410,800,075	410,843,582
Net assets		
Unitholders' equity		
Unitholders' capital	231,766,153	231,766,153
Surplus		
Capital surplus	247,667,563	247,667,563
Allowance for temporary difference adjustments	(50,508)	(1,708,488)
Capital surplus, net	247,617,055	245,959,075
Unappropriated retained earnings	11,877,987	12,295,795
Total surplus	259,495,043	258,254,871
Total unitholders' equity	491,261,196	490,021,024
Deferred gains or losses on hedges	(674,687)	(553,713)
Total net assets	490,586,508	489,467,310
Total liabilities and net assets	901,386,584	900,310,893

Statements of Income

	(thousand yen)	
	Period ended Feb. 2021	Period ended Aug. 2021
Operating revenue		
Rental revenue	26,102,923	26,103,268
Other rental revenue	1,157,287	1,259,726
Gain on sale of real estate properties	836,795	2,208,587
Total operating revenue	28,097,006	29,571,582
Operating expenses		
Rental expenses	11,179,703	12,081,795
Asset management fees	1,792,206	1,775,306
Asset custody fees	39,665	39,730
Administrative service fees	98,381	99,332
Directors' remuneration	6,600	6,600
Amortization of goodwill	1,982,226	1,982,226
Provision of allowance for doubtful accounts	626	-
Other operating expenses	426,506	470,572
Total operating expenses	15,525,917	16,455,564
Operating Income	12,571,089	13,116,017
Non-operating income		
Interest income	165	177
Reversal of allowance for doubtful accounts	-	1,222
Gain on forfeiture of unclaimed distributions	4,552	5,409
Gain on adjustment of liabilities	9,624	10,326
Interest on tax refund	4,390	-
Other	17	17
Total non-operating income	18,750	17,152
Non-operating expenses		
Interest expenses	1,093,457	1,100,508
Interest expenses on investment corporation bonds	82,887	94,446
Amortization of investment corporation bond issuance costs	12,663	13,096
Borrowing related expenses	299,505	303,260
Other	2,000	2,000
Total non-operating expenses	1,490,514	1,513,311
Ordinary Income	11,099,325	11,619,858
Extraordinary income	-	17,679
Extraordinary losses	-	17,328
Income before income taxes	11,099,325	11,620,208
Total income taxes	605	605
Net income	11,098,720	11,619,603
Retained earnings brought forward	779,267	676,191
Unappropriated retained earnings	11,877,987	12,295,795

Statements of Cash Distributions

	(yen)	
	Period ended Feb. 2021	Period ended Aug. 2021
I Unappropriated retained earnings	11,877,987,944	12,295,795,753
II Amount added to distributions in excess of earnings		
Allowance for temporary difference adjustments	1,657,980,000	1,693,116,000
III Distributions	12,859,776,000	13,435,128,000
[Distributions per unit]	[5,856]	[6,118]
Of the above, earnings distributions	11,201,796,000	11,742,012,000
[Of the above, earnings distributions per unit]	[5,101]	[5,347]
Of the above, allowance for temporary difference adjustments	1,657,980,000	1,693,116,000
[Of the above, distributions in excess of earnings per unit associated with the allowance for temporary difference adjustments]	[755]	[771]
IV Retained earnings carried forward	676,191,944	553,783,753

Rental Revenue and Expenses

	(thousand yen)	
	Period ended Feb. 2021	Period ended Aug. 2021
A. Real estate rental revenue		
Rental revenue		
Rent	25,543,608	25,546,684
Common area charges	559,314	556,584
Total rental revenue	26,102,923	26,103,268
Other rental revenue		
Facility charges	437,506	431,429
Incidental revenue	362,007	411,211
Other	357,773	417,084
Total other rental revenue	1,157,287	1,259,726
Total real estate rental revenue	27,260,211	27,362,994
B. Real estate rental expenses		
Rental expenses		
Management fees	1,500,676	1,529,941
Utilities	404,932	428,069
Taxes and public dues	1,978,501	2,166,782
Repairs and maintenance expenses	1,021,181	1,571,777
Restoration costs	279,613	374,684
Insurance expenses	32,477	32,849
Custodian fees	62,247	57,964
Depreciation	5,271,595	5,271,752
Other operating expenses	628,476	647,973
Total real estate rental expenses	11,179,703	12,081,795
C. Income from real estate rental business (A-B)	16,080,507	15,281,199

ESG Initiatives (1) Environmental Initiatives

Promotion of Environmental Certification

◆ Improved the ratio of properties with environmental certification

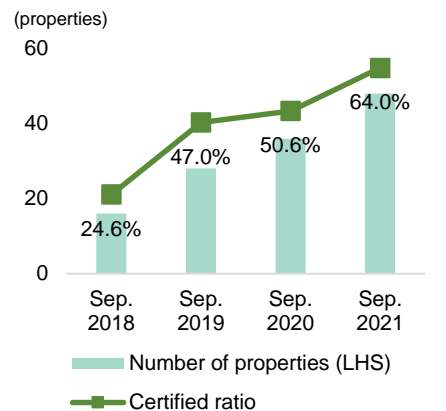
Number of certified properties

48 properties
+12 properties
compared to Sep. 30, 2020

Certified ratio
(based on gross floor area)

64.0 %
+13.4 p.p.
compared to Sep. 30, 2020

as of Sep 30, 2021



Promotion of Green Lease Agreement

◆ Implemented initiatives to reduce environmental burden in cooperation with tenants

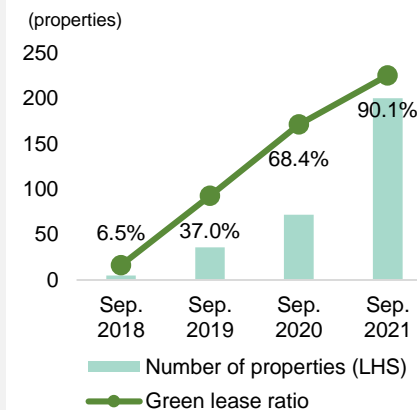
Number of properties with green lease agreements concluded

200 properties
+128 properties
compared to Sep. 30, 2020

Ratio of properties with green lease agreements concluded
(based on gross floor area)

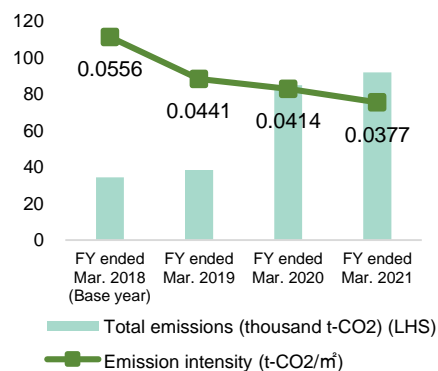
90.1 %
+21.6 p.p.
compared to Sep. 30, 2020

as of Sep 30, 2021

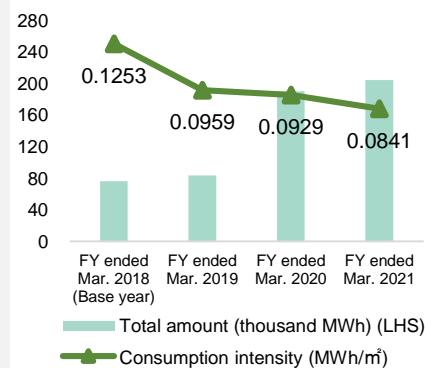


Improvement in Environmental Performance

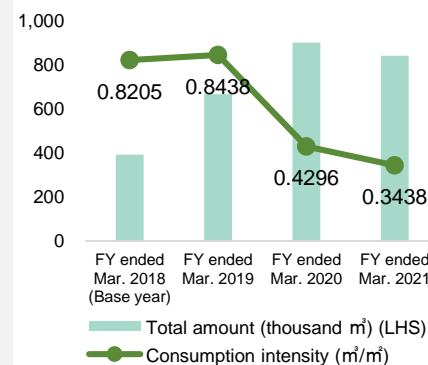
◆ GHG emissions



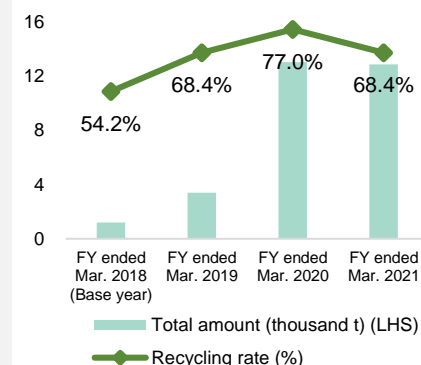
◆ Energy consumption



◆ Water consumption



◆ Waste management (recycling rate)



(Note) The aggregation period is from every April to the following March. Of the properties owned, the properties for which the requisite data are available are used for calculation. Intensity is calculated by dividing total amount of electricity usage and CO₂ emissions by intensity denominator (gross floor area (m²)).

Social Contribution

- ◆ Temporary evacuation facility in the event of disasters (DPL Nagareyama I)
- DHR has entered into an agreement with Nagareyama City, Chiba and cooperated with the city to use Nagareyama I as a temporary evacuation facility for neighboring residents and others in the event of disasters such as large-scale flooding
- Ramps for accessing the vehicle passageways on each floor allow evacuees arriving by car to quickly evacuate to the passageways of upper floors while remaining in their cars to prevent the spread of COVID-19

- The latest BCP measures are taken including a seismic isolation structure and back-up power supply. Nagareyama I can accommodate up to 1,200 people and has a stockpile of emergency supply for 500 people



Expansion work of storage cabinets

- DHR carried out expansion work of storage cabinets in August 2021 to enhance the function in the event of disasters



DPL Nagareyama I

HR Development in Asset Manager (FY ended Mar. 2021)

- ◆ Providing healthy work environment

< Leave system >

- Childcare leave / granny leave
- Family care leave
- Planned annual paid leave
- Community co-creation leave

< Welfare programs >

- Support for official qualification exams
- Cumulative investment unit investment program
- Investment unit ownership program
- Daiwa House Group employee incentive plan
- Emergency support allowance

- ◆ Work-life balance

- Average overtime work 13 hours/month
- Paid leave taken 71%
- Number of employees who took childcare leave / granny leave 3
- Number of employees who took family care leave 6

- ◆ Training for all directors and employees

- Number of training sessions 62

- ◆ Diversity

- Female employees 39%

- ◆ Number of professional credentials (including successful candidates)

- ARES certified master 27
- Real estate transaction agent 58
- Real estate appraiser 2
- First-class architect 2
- Certified real estate consulting master 6
- Certified building manager 9
- CASBEE accredited professional for building 2
- CASBEE accredited professional for real estate 1

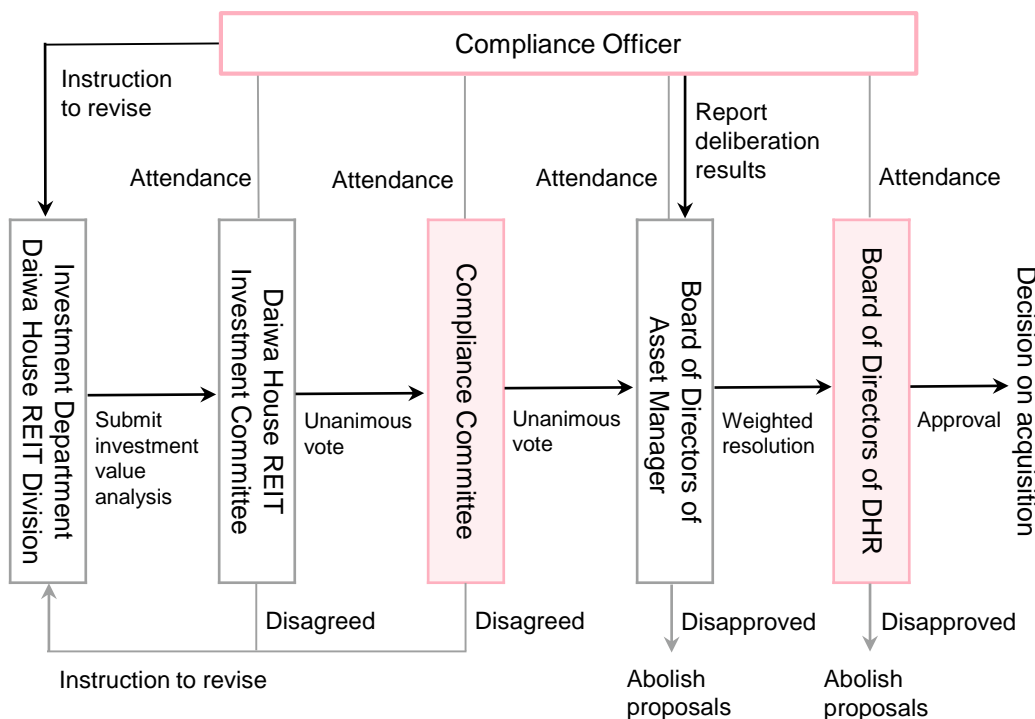
Number of directors and employees as of Sep. 30, 2021: 66

ESG Initiatives (3) Governance Initiatives

Ensuring Involvement of Third Parties in Decision-Making Flow to Protect Unitholders' Interests

- ◆ Flow at the time of the decision to acquire assets from interested parties

Following the unanimous vote at the compliance committee including the **third-party outside experts**, weighted resolution by the board of directors of the Asset Manager and approval by the board of directors of DHR consisting of **only third-party members** are required



Attendance at the board of directors meetings of DHR by the executive director and supervisory directors in the period ended Aug. 2021	100% (6 out of 6 board meeting)
--	------------------------------------

Same Boat Investment by Daiwa House

- ◆ Investment in DHR units (same boat investment)

In order to align interests between our unitholders and Daiwa House, Daiwa House intends to continue holding our units

Daiwa House's investment in DHR (% of ownership)	191,200 units (8.2%)
--	-------------------------

As of Sep 28, 2021

Main Proposals at the 13th General Meeting of Unitholders Scheduled on Nov. 30, 2021

- ◆ Introduction of sustainability index-linked fee
 - Reduction of asset management fee I linked to assets and establishment of asset management fee III linked to the following sustainability indices
 1. Reduction in GHG emissions
 2. GRESB rating
 3. CDP score
- ◆ Appointment of Directors

	Current	Candidate
Executive Director	Toshiharu Asada	Toshiharu Asada Incumbent
Supervisory Director	Tetsuya Iwasaki Koji Ishikawa	Junko Kogayu New Hiroshi Ishikawa Incumbent
Male / Female ratio	100% / 0%	67% / 33%
Average tenure	8.6 years (as of Nov. 30, 2021)	3.3 years (as of Dec. 1, 2021)

(Note) The above proposals shall take effect upon approval by the General Meeting of Unitholders.

Introduction of Sustainability Index-linked Fee

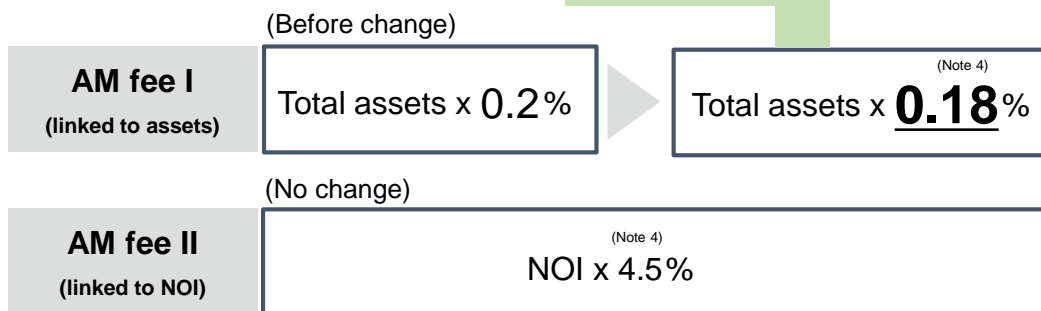
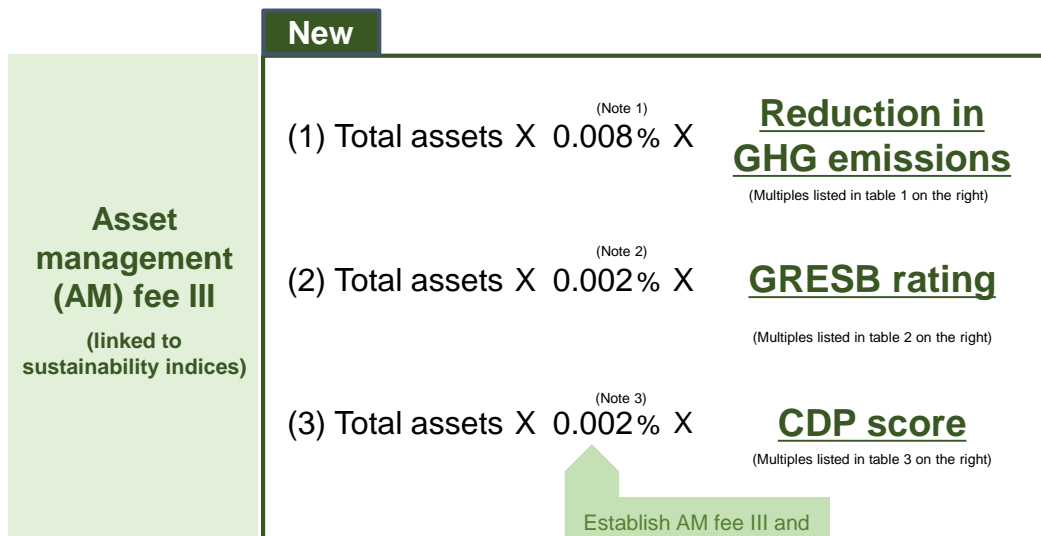
- ◆ Newly establishing sustainability index-linked fee (AM fee III)*
- ◆ Remuneration for Executive Director of DHR and officers of the Asset Manager will also be linked

First initiative in-REITs

Enhancing commitment to ESG issues
Improving governance

(Note) Upon approval by the General Meeting of Unitholders scheduled on Nov. 30, 2021, the proposed asset management fees shall be applied to the fee incurred after Mar. 1, 2022.

Asset Management Fee Structure (Proposed)



(Note 1) The upper limit is 0.012% for the index (1) of asset management fee III.
 (Note 2) The upper limit is 0.004% for the index (2) of asset management fee III.
 (Note 3) The upper limit is 0.004% for the index (3) of asset management fee III.
 (Note 4) The upper limit is 0.4% for the asset management fee I and 5.0% for the asset management fee II.

Table 1

Multiple	1 - GHG Emissions Reduction Ratio	
		* -32.2% in FY ended Mar. 2021 (applied multiple is 1.322)

* GHG emissions reduction ratio: ((b) - (a)) / (a)
 (a): GHG emissions intensity in FY ended Mar. 2018 (Apr. 2017 - Mar. 2018) 0.0556 (t-CO₂/m²)
 (b): GHG emissions intensity in the immediately preceding FY (Apr. - Mar.) (t-CO₂/m²)

Table 2

GRESB rating	★	★★	★★★	★★★★	★★★★★
Multiple	0.8	0.9	1.0	1.1	1.2

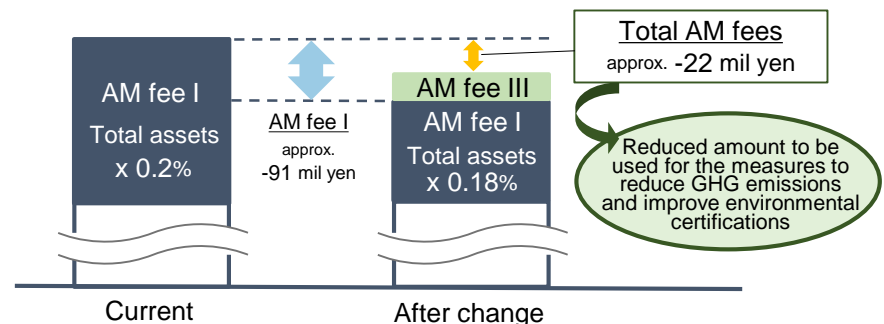
* Multiple is determined based on the rating in the immediately preceding fiscal period.

Table 3

CDP score	D-	D	C-	C	B-	B	A-	A
Multiple	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3

* Multiple is determined based on the score in the immediately preceding fiscal period.

Fee Calculation (Simulation for Aug. 2022 Period)



(Note) Calculated based on GHG emissions for the period from Apr. 2020 to Mar. 2021, 2021 GRESB rating and 2020 CDP score.

ESG Initiatives (4) Daiwa House Group Initiatives

External Evaluation of Daiwa House Group

EcoVadis Sustainability Ratings

EcoVadis evaluates a network of more than 75,000 suppliers of 200 business categories in 160 countries

Ranked within the top 5% in global construction industry and awarded the “Gold” (highest) rating in sustainability assessment by EcoVadis since 2019

Bloomberg Gender-Equality Index

Designated as a company advancing gender equality in the workplace, such as action guideline, internal company statistics, personnel system, product development and transparency in gender reporting



FTSE4Good Index Series FTSE Blossom Japan Index



Included

MSCI World ESG Leaders Index MSCI Japan ESG Select Leaders Index MSCI Japan Empowering Women Index

Included

For an explanation about the MSCI logos, please refer to the following link.
<https://www.daiwahouse.com/sustainable/csr/esg/evaluation/index.html>



S&P/JPX Carbon Efficient Index



Included, Decile category: 2

* Ranked 2nd on a scale of 1-10 in real estate sector

Dow Jones Sustainability Indices

Included
Member of DJSI Asia Pacific



* Within the top 30% of the real estate sector in Japan, Asia, and Oceanian regions

CDP Climate Change 2020

Named on CDP's prestigious “A List” for three consecutive years



CDP Supplier Engagement Rating

Named on CDP Supplier Engagement Leaderboard for two consecutive years as one of the highest-rated companies

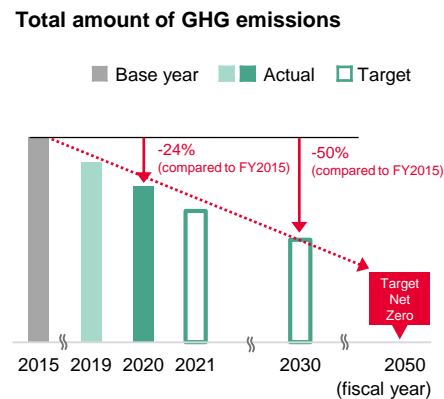


Source: Daiwa House Industry Co., Ltd.

Environmental Initiatives of Daiwa House Group

Revision of the group's long-term environmental vision to become carbon neutral in 2050 in its efforts to tackle climate change

- Daiwa House Group set its long-term environmental vision in 2016
- Taking on the challenge of “Zero Environmental Impacts” in 2055, the 100th anniversary of Daiwa House
- Regarding climate change, Daiwa House Group advanced its target to become carbon neutral in 2050 in response to national policy



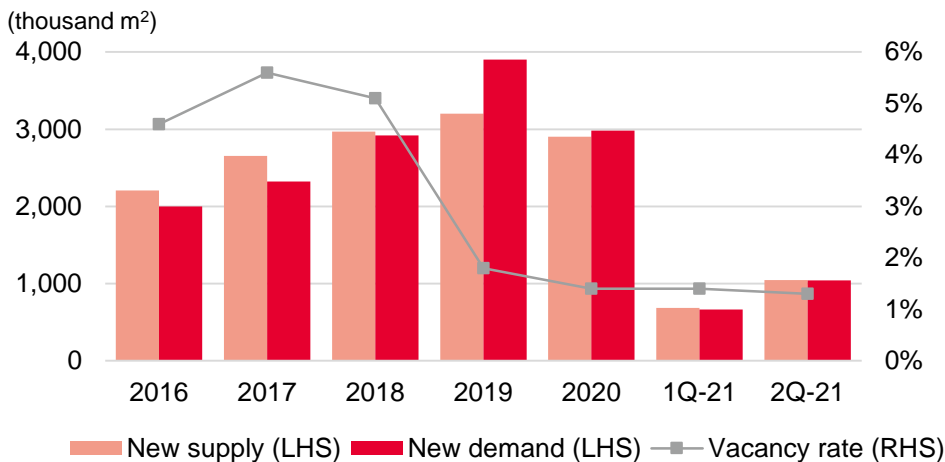
“Future Co-creation Center (training facility)” in Nara achieving ZEB (Zero Energy Building)

- “Future Co-creation Center” scheduled to open in Oct. 2021 is designed with the concept of “a training facility where you can feel nature in harmony with wind, light and water”
- Scheduled to be awarded three international certifications of “LEED” (environment), “SITES” (landscape) and “WELL” (health) for the first time in Japan
- Advanced building awarded domestic certifications of “JHEP” (biodiversity) and “BELS” (energy saving)

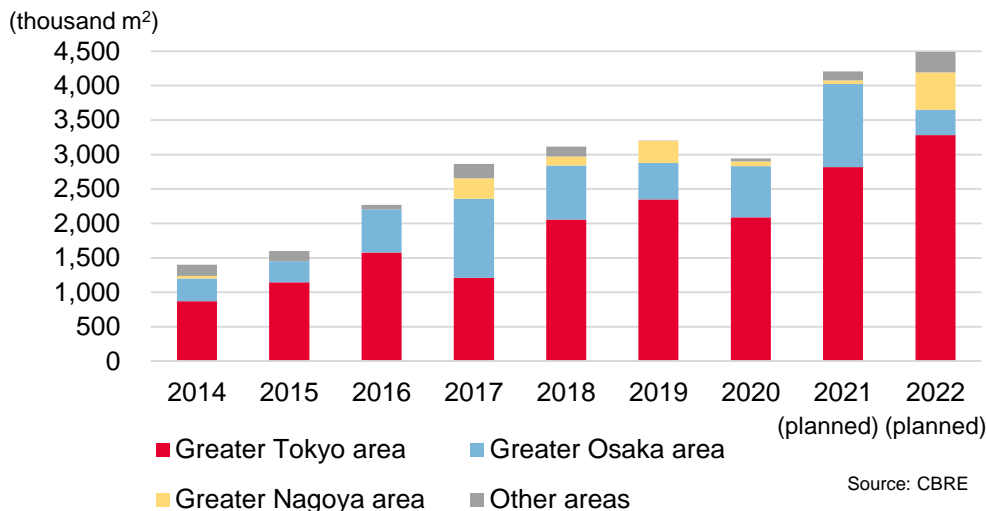


Market Environment for Logistics Properties

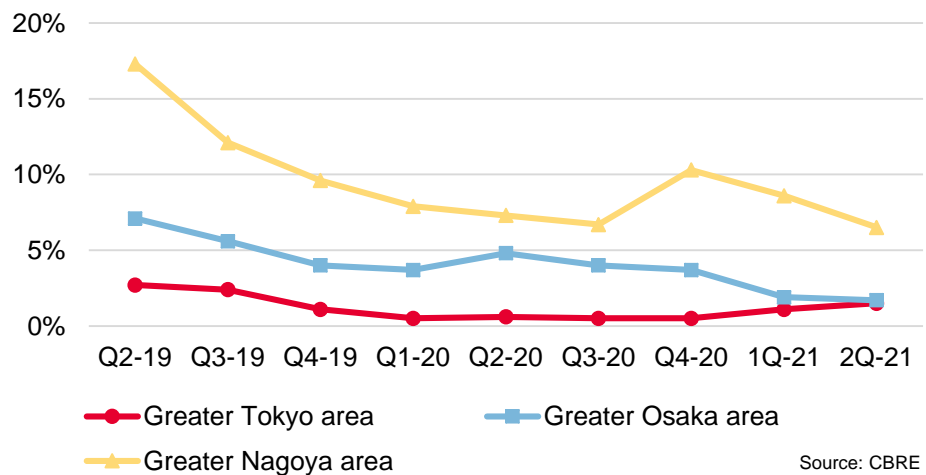
Supply and Demand of Medium-to Large-scale Logistics Properties in the Three Major Metropolitan Areas



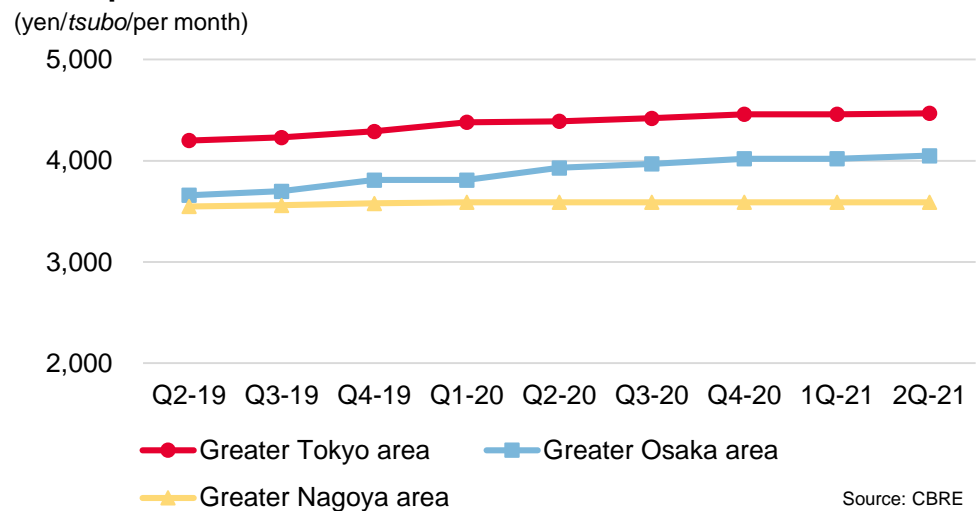
Development of Medium-to Large-scale Logistics Properties



Vacancy Rate of Large Multi-Tenant Logistics Properties

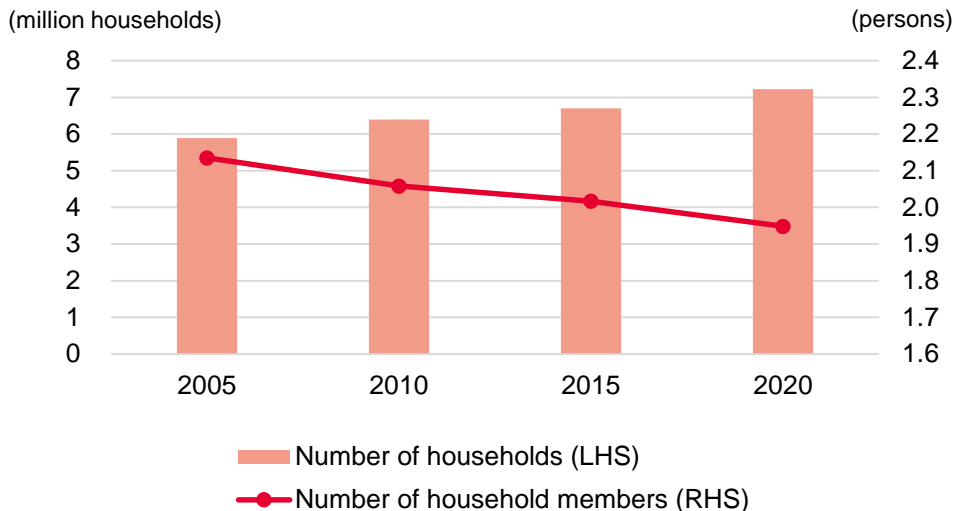


Effective Rent Index of Large Multi-Tenant Logistics Properties



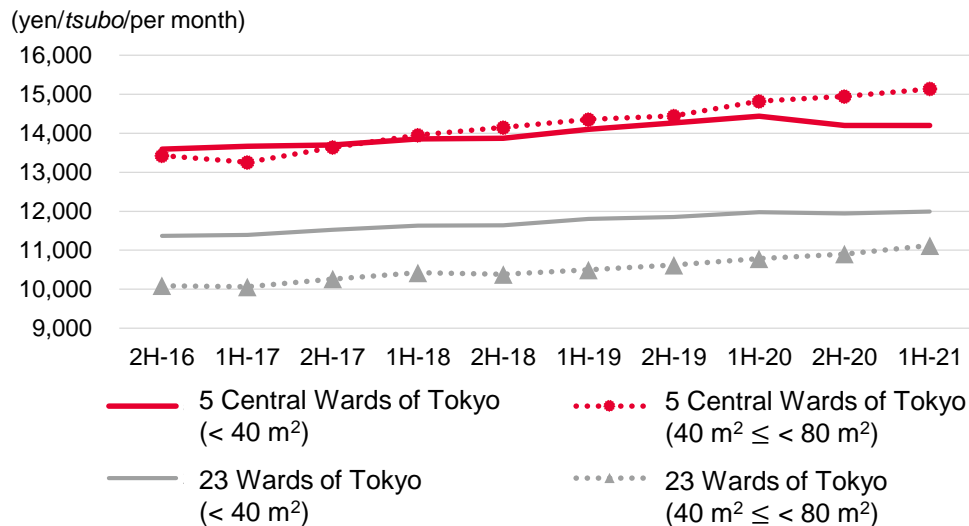
Market Environment for Residential Properties

Number of Households in Tokyo



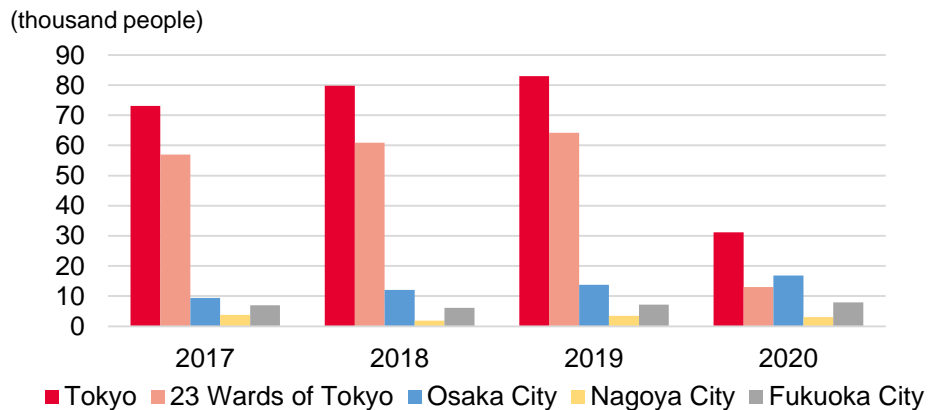
Source: "Population Census", Statistics Bureau, Ministry of Internal Affairs and Communications

Rent Per Tsubo for Apartments in 23 Wards of Tokyo



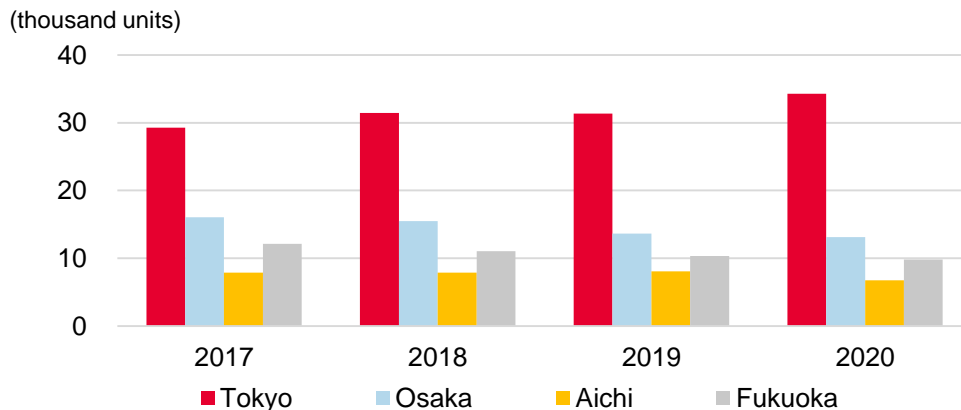
Source: Compiled by the Asset Manager from data published by Japan Real Estate Institute in "Housing Market Index".

Net Population Inflow of All Nationalities by Area



Source: "Report on Internal Migration", Statistics Bureau, Ministry of Internal Affairs and Communications

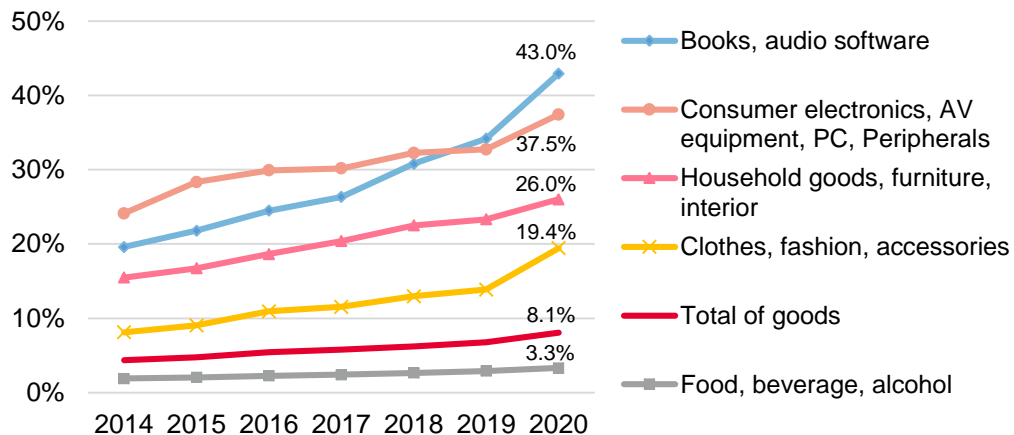
Starts of Rental Apartments



Note: Based on the aggregate of rental apartments with steel-reinforced concrete and reinforced concrete structure.
 Source: "Housing Stars", Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism

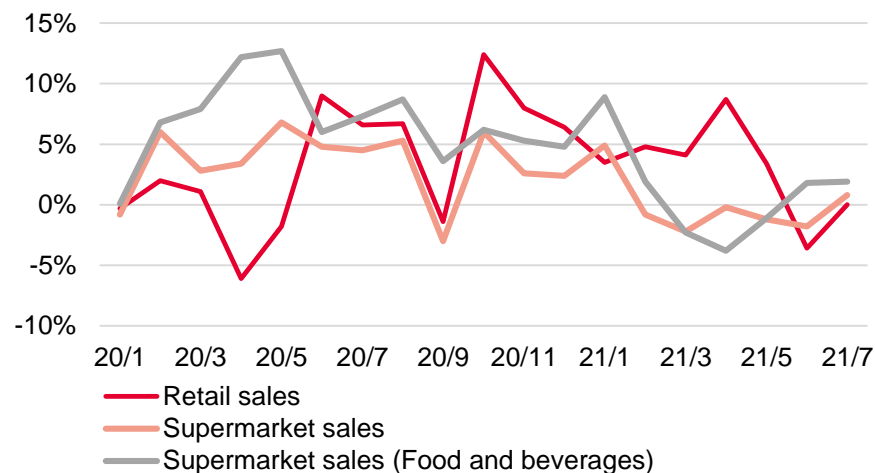
Market Environment for Retail and Hotel Properties

■ BtoC E-Commerce Ratio by Category of Goods



Source: "E-Commerce Market Survey", Ministry of Economy, Trade and Industry, or METI

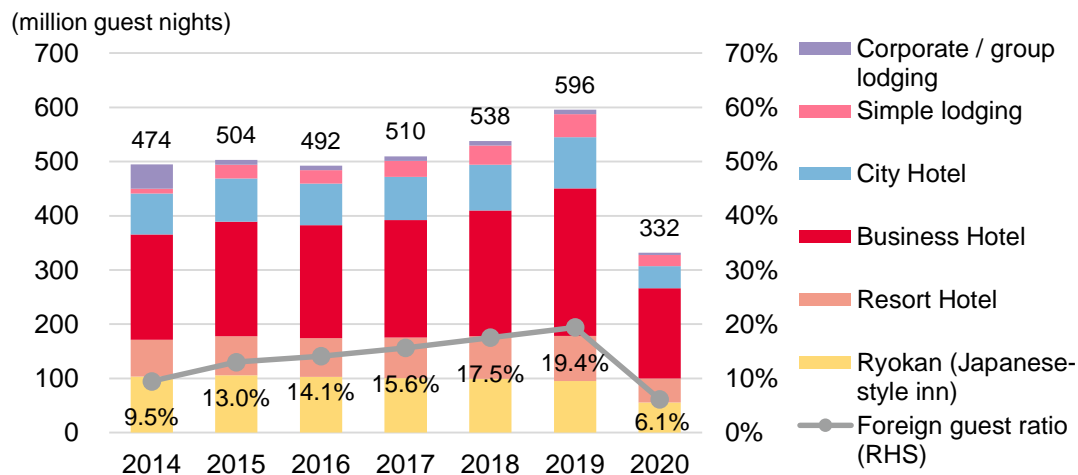
■ Retail Sales (YoY Change)



Note: Retail sales exclude sales of cars and fuel.

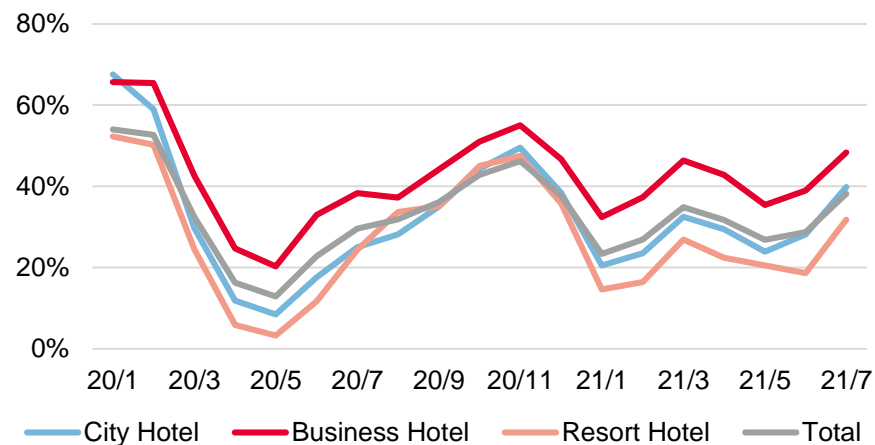
Source: "Monthly Report on the Current Survey of Commerce", Ministry of Economy, Trade and Industry, or METI

■ Number of Overnight Guests by Accommodation Type and Foreign Guest Ratio



Source: "Accommodation Survey", Japan Tourism Agency

■ Guest Room Occupancy Rate of Accommodation Facilities



Source: "Accommodation Survey", Japan Tourism Agency

Portfolio List (1)

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note 1)	Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note 1)
LB-001	D Project Machida	Machida City, Tokyo	9,200	1.0%	50,490.39	100.0%	LB-043	D Project Tatebayashi	Tatebayashi City, Gunma	3,100	0.3%	13,521.56	100.0%
LB-002	D Project Hachioji	Hachioji City, Tokyo	15,400	1.7%	62,394.17	100.0%	LB-044	D Project Kakegawa	Kakegawa City, Shizuoka	6,000	0.7%	39,341.44	100.0%
LB-003	D Project Aikawa-Machi	Aiko District, Kanagawa	3,390	0.4%	14,240.84	100.0%	LB-045	D Project Hiroshima Seifu	Hiroshima City, Hiroshima	3,820	0.4%	19,004.72	100.0%
LB-005	D Project Urayasu I	Urayasu City, Chiba	9,280	1.0%	36,515.81	100.0%	LB-046	D Project Tosu II	Tosu City, Saga	1,700	0.2%	13,012.50	100.0%
LB-006	D Project Urayasu II	Urayasu City, Chiba	26,000	2.9%	72,320.01	100.0%	LB-047	D Project Kawagoe IV	Kawagoe City, Saitama	5,600	0.6%	24,684.47	100.0%
LB-007	D Project Akanehama	Narashino City, Chiba	2,950	0.3%	11,663.39	100.0%	LB-048	D Project Kuki VII	Kuki City, Saitama	1,040	0.1%	3,225.46	100.0%
LB-008	D Project Noda	Noda City, Chiba	6,210	0.7%	29,232.53	100.0%	LB-049	D Project Chibakita	Chiba City, Chiba	7,640	0.9%	24,368.86	100.0%
LB-009	D Project Inuyama	Inuyama City, Aichi	10,790	1.2%	54,197.80	100.0%	LB-050	D Project Matsudo II	Matsudo City, Chiba	8,200	0.9%	25,305.82	100.0%
LB-011	D Project Neyagawa	Neyagawa City, Osaka	5,980	0.7%	11,151.51	100.0%	LB-051	D Project Tomisato II	Tomisato City, Chiba	6,900	0.8%	40,870.56	100.0%
LB-013	D Project Morioka	Takizawa City, Iwate	1,200	0.1%	9,558.32	100.0%	LB-052	D Project Osaka Hirabayashi	Osaka City, Osaka	3,600	0.4%	22,485.08	100.0%
LB-015	D Project Tsuchiura	Tsuchiura City, Ibaraki	3,390	0.4%	17,448.86	100.0%	LB-053	D Project Sendai Izumi II	Sendai City, Miyagi	7,300	0.8%	39,580.46	100.0%
LB-018	D Project Fukuoka Umi	Kasuya District, Fukuoka	4,240	0.5%	24,729.56	100.0%	LB-054	D Project Kaminokawa	Kawachi District, Tochigi	7,900	0.9%	52,239.75	100.0%
LB-019	D Project Tosu	Tosu City, Saga	5,740	0.6%	17,858.01	100.0%	LB-055	D Project Fuji	Fuji City, Shizuoka	3,600	0.4%	23,795.40	100.0%
LB-020	D Project Kuki I	Kuki City, Saitama	3,900	0.4%	22,708.72	100.0%	LB-056	D Project Tosu III	Tosu City, Saga	9,200	1.0%	65,215.07	100.0%
LB-021	D Project Kuki II	Kuki City, Saitama	8,120	0.9%	50,490.00	100.0%	LB-057	D Project Kitahachioji I	Hachioji City, Tokyo	4,300	0.5%	16,523.82	100.0%
LB-022	D Project Kawagoe I	Kawagoe City, Saitama	3,530	0.4%	16,150.88	100.0%	LB-058	D Project Kitahachioji II	Hachioji City, Tokyo	5,700	0.6%	21,402.20	100.0%
LB-023	D Project Kawagoe II	Kawagoe City, Saitama	4,850	0.5%	19,872.00	100.0%	LB-059	D Project Kitahachioji III	Hachioji City, Tokyo	7,300	0.8%	26,275.05	100.0%
LB-024	DPL Inuyama	Inuyama City, Aichi	3,940	0.4%	21,628.50	100.0%	LB-060	D Project Itabashi Shingashi	Itabashi Ward, Tokyo	12,300	1.4%	33,763.46	100.0%
LB-025	D Project Fukuoka Hakozaki	Fukuoka City, Fukuoka	4,340	0.5%	34,710.80	100.0%	LB-061	D Project Sagamihara	Sagamihara City, Kanagawa	3,900	0.4%	16,599.30	100.0%
LB-026	D Project Kuki III	Kuki City, Saitama	7,630	0.9%	26,937.41	100.0%	LB-062	D Project Kuki VIII	Kuki City, Saitama	6,100	0.7%	29,410.54	100.0%
LB-027	D Project Kuki IV	Kuki City, Saitama	5,520	0.6%	26,460.00	100.0%	LB-063	D Project Yokkaichi	Yokkaichi City, Mie	1,490	0.2%	6,185.46	100.0%
LB-028	D Project Kuki V	Kuki City, Saitama	8,280	0.9%	47,320.89	100.0%	LB-064	D Project Ibaraki Ishioka	Ishioka City, Ibaraki	4,050	0.5%	24,493.54	100.0%
LB-029	D Project Kuki VI	Kuki City, Saitama	5,140	0.6%	29,244.66	100.0%	LB-065	D Project Wako A	Wako City, Saitama	10,750	1.2%	39,258.06	100.0%
LB-030	D Project Yashio	Yashio City, Saitama	6,400	0.7%	21,965.04	100.0%	LB-066	D Project Hiratsuka	Hiratsuka City, Kanagawa	15,200	1.7%	65,272.52	100.0%
LB-031	D Project Nishiyodogawa	Osaka City, Osaka	10,300	1.2%	39,584.80	100.0%	LM-001	DPL Misato	Misato City, Saitama	16,831	1.9%	55,864.47	100.0%
LB-032	D Project Matsudo	Matsudo City, Chiba	7,370	0.8%	26,776.67	100.0%	LM-002	DPL Fukuoka Kasuya	Kasuya District, Fukuoka	13,300	1.5%	73,754.20	100.0%
LB-033	D Project Hibiki Nada	Kitakyushu City, Fukuoka	2,080	0.2%	23,933.75	100.0%	LM-003	DPL Kitakyushu	Kitakyushu City, Fukuoka	3,510	0.4%	26,672.98	100.0%
LB-034	D Project Morioka II	Takizawa City, Iwate	1,280	0.1%	4,481.00	100.0%	LM-004	DPL Nagareyama I	Nagareyama City, Chiba	32,600	3.6%	124,489.93	100.0%
LB-035	D Project Kawagoe III	Kawagoe City, Saitama	7,200	0.8%	39,572.32	100.0%	LM-005	DPL Shin-Narashino	Narashino City, Chiba	5,930	0.7%	12,686.32	100.0%
LB-036	D Project Kazo	Kazo City, Saitama	3,300	0.4%	18,437.60	100.0%	LM-006	DPL Nagareyama III	Nagareyama City, Chiba	32,000	3.6%	106,859.16	100.0%
LB-037	D Project Urayasu III	Urayasu City, Chiba	8,500	1.0%	39,441.32	100.0%							
LB-038	D Project Tomisato	Tomisato City, Chiba	5,000	0.6%	36,113.25	100.0%							
LB-039	D Project Kyotanabe	Kyotanabe City, Kyoto	3,520	0.4%	10,965.68	100.0%							
LB-040	D Project Sendai Izumi	Sendai City, Miyagi	1,510	0.2%	10,764.05	100.0%							
LB-041	D Project Oyama	Oyama City, Tochigi	2,000	0.2%	14,106.91	100.0%							
LB-042	D Project Sano	Sano City, Tochigi	1,780	0.2%	15,668.44	100.0%							

Portfolio List (2)

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note 1)	Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note 1)
RE-001	Qiz Ebisu	Shibuya Ward, Tokyo	7,650	0.9%	5,230.39	93.8%	RE-037	Castalia Ginza III	Chuo Ward, Tokyo	2,880	0.3%	3,494.42	94.4%
RE-002	Castalia Azabujuban Shichimenzaka	Minato Ward, Tokyo	4,500	0.5%	3,492.93	96.0%	RE-038	Castalia Kayabacho	Chuo Ward, Tokyo	2,707	0.3%	4,602.95	95.5%
RE-003	Castalia Shibakoen	Minato Ward, Tokyo	2,630	0.3%	2,707.51	95.5%	RE-039	Castalia Takanawa	Minato Ward, Tokyo	7,430	0.8%	10,408.26	92.6%
RE-004	Castalia Ginza	Chuo Ward, Tokyo	2,520	0.3%	2,226.42	86.2%	RE-040	Castalia Higashi Nihonbashi	Chuo Ward, Tokyo	3,520	0.4%	6,442.28	99.4%
RE-005	Castalia Hiroo	Minato Ward, Tokyo	2,220	0.2%	1,621.59	100.0%	RE-041	Castalia Shinjuku	Shinjuku Ward, Tokyo	2,950	0.3%	3,150.80	100.0%
RE-006	Castalia Nihonbashi	Chuo Ward, Tokyo	1,200	0.1%	1,458.73	86.3%	RE-042	Castalia Ichigaya	Shinjuku Ward, Tokyo	940	0.1%	1,546.34	93.5%
RE-007	Castalia Hacchobori	Chuo Ward, Tokyo	2,300	0.3%	2,969.57	93.3%	RE-043	Shibaura Island Bloom Tower	Minato Ward, Tokyo	7,580	0.8%	16,849.50	96.7%
RE-008	Castalia Azabujuban	Minato Ward, Tokyo	2,910	0.3%	2,400.00	96.7%	RE-044	Castalia Hatsudai	Shibuya Ward, Tokyo	2,030	0.2%	3,077.05	97.2%
RE-009	Castalia Azabujuban II	Minato Ward, Tokyo	2,690	0.3%	2,094.58	90.5%	RE-045	Castalia Hatsudai II	Shibuya Ward, Tokyo	1,900	0.2%	2,339.42	89.5%
RE-010	Castalia Shinjuku Natsumezaka	Shinjuku Ward, Tokyo	1,865	0.2%	1,917.62	98.5%	RE-046	Castalia Ebisu	Shibuya Ward, Tokyo	1,420	0.2%	1,659.71	88.1%
RE-011	Castalia Ginza II	Chuo Ward, Tokyo	1,800	0.2%	1,817.56	92.1%	RE-047	Castalia Meguro Kamurozaka	Shinagawa Ward, Tokyo	4,500	0.5%	4,967.97	96.4%
RE-012	Castalia Shibuya Sakuragaoka	Shibuya Ward, Tokyo	1,400	0.2%	1,123.80	85.9%	RE-048	Castalia Toritsudaigaku	Meguro Ward, Tokyo	648	0.1%	863.70	96.9%
RE-013	Castalia Nishi Azabu Kasumicho	Minato Ward, Tokyo	2,143	0.2%	2,779.77	88.2%	RE-049	Castalia Yukigaya	Ota Ward, Tokyo	1,110	0.1%	1,542.30	97.1%
RE-014	Castalia Ochanomizu	Chiyoda Ward, Tokyo	1,770	0.2%	2,559.21	100.0%	RE-050	Castalia Yutenji	Meguro Ward, Tokyo	1,450	0.2%	1,380.35	100.0%
RE-015	Castalia Sangubashi	Shibuya Ward, Tokyo	1,393	0.2%	1,898.47	100.0%	RE-051	Castalia Otsuka	Toshima Ward, Tokyo	1,480	0.2%	1,871.70	96.2%
RE-016	Castalia Suitengu	Chuo Ward, Tokyo	1,279	0.1%	1,940.94	92.3%	RE-052	Castalia Kikukawa	Sumida Ward, Tokyo	817	0.1%	1,168.18	98.0%
RE-017	Castalia Suitengu II	Chuo Ward, Tokyo	1,138	0.1%	1,858.34	85.3%	RE-053	Castalia Meguro	Meguro Ward, Tokyo	844	0.1%	1,414.73	85.7%
RE-018	Castalia Shintomicho	Chuo Ward, Tokyo	932	0.1%	1,444.52	94.2%	RE-054	Castalia Otsuka II	Toshima Ward, Tokyo	1,040	0.1%	1,784.50	94.9%
RE-019	Castalia Shintomicho II	Chuo Ward, Tokyo	825	0.1%	1,244.54	88.3%	RE-055	Castalia Jiyugaoka	Meguro Ward, Tokyo	1,200	0.1%	1,472.47	95.6%
RE-020	Castalia Harajuku	Shibuya Ward, Tokyo	887	0.1%	1,225.26	100.0%	RE-056	Castalia Mejiro	Toshima Ward, Tokyo	988	0.1%	1,658.90	100.0%
RE-021	Castalia Yoyogi Uehara	Shibuya Ward, Tokyo	608	0.1%	811.95	96.0%	RE-057	Castalia Ikebukuro	Toshima Ward, Tokyo	2,570	0.3%	3,644.35	98.8%
RE-022	Castalia Sendagaya	Shibuya Ward, Tokyo	555	0.1%	803.03	91.7%	RE-058	Castalia Kaname-cho	Toshima Ward, Tokyo	1,140	0.1%	1,624.06	100.0%
RE-023	Castalia Shinjuku 7 chome	Shinjuku Ward, Tokyo	464	0.1%	957.60	97.3%	RE-059	Castalia Tower Shinagawa Seaside	Shinagawa Ward, Tokyo	7,380	0.8%	12,732.35	98.3%
RE-024	Castalia Ningyocho	Chuo Ward, Tokyo	947	0.1%	1,747.90	100.0%	RE-060	Castalia Yakumo	Meguro Ward, Tokyo	857	0.1%	1,276.91	79.7%
RE-025	Castalia Ningyocho II	Chuo Ward, Tokyo	1,070	0.1%	1,826.80	97.4%	RE-061	Castalia Togoshiekimae	Shinagawa Ward, Tokyo	1,560	0.2%	2,014.12	100.0%
RE-026	Castalia Shin-Ochanomizu	Chiyoda Ward, Tokyo	914	0.1%	1,308.38	97.1%	RE-062	Castalia Honjo Azumabashi	Sumida Ward, Tokyo	996	0.1%	2,255.88	98.4%
RE-027	Castalia Higashi Nihonbashi II	Chuo Ward, Tokyo	1,370	0.2%	2,117.46	89.8%	RE-063	Castalia Kitazawa	Setagaya Ward, Tokyo	742	0.1%	1,220.16	100.0%
RE-028	Castalia Jinbocho	Chiyoda Ward, Tokyo	1,160	0.1%	1,628.80	90.2%	RE-064	Castalia Monzenkacho	Koto Ward, Tokyo	503	0.1%	887.94	100.0%
RE-029	Castalia Shintomicho III	Chuo Ward, Tokyo	675	0.1%	972.51	86.9%	RE-065	Castalia Kamiikedai	Ota Ward, Tokyo	198	0.0%	414.45	85.6%
RE-030	Castalia Shinjuku Gyoen	Shinjuku Ward, Tokyo	2,720	0.3%	3,594.16	100.0%	RE-066	Castalia Morishita	Koto Ward, Tokyo	832	0.1%	1,383.90	100.0%
RE-031	Castalia Takanawadai	Minato Ward, Tokyo	860	0.1%	1,147.44	91.3%	RE-067	Castalia Wakabayashikoen	Setagaya Ward, Tokyo	776	0.1%	1,425.43	96.5%
RE-032	Castalia Higashi Nihonbashi III	Chuo Ward, Tokyo	666	0.1%	1,105.20	100.0%	RE-068	Castalia Asakusabashi	Taito Ward, Tokyo	792	0.1%	1,537.84	100.0%
RE-033	Castalia Shinjuku Gyoen II	Shinjuku Ward, Tokyo	486	0.1%	668.79	88.9%	RE-069	Castalia Iriya	Taito Ward, Tokyo	546	0.1%	1,415.15	94.9%
RE-034	Castalia Shintomicho IV	Chuo Ward, Tokyo	400	0.0%	681.00	95.0%	RE-070	Castalia Kita Ueno	Taito Ward, Tokyo	2,641	0.3%	4,197.66	96.6%
RE-035	Castalia Takanawadai II	Minato Ward, Tokyo	1,190	0.1%	1,567.84	95.1%	RE-071	Castalia Morishita II	Koto Ward, Tokyo	686	0.1%	1,275.60	97.6%
RE-036	Castalia Minami Azabu	Minato Ward, Tokyo	642	0.1%	882.67	88.3%	RE-072	Castalia Minowa	Taito Ward, Tokyo	1,430	0.2%	2,406.41	94.8%

Portfolio List (3)

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note 1)	Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note 1)
RE-073	Castalia Oyamadai	Setagaya Ward, Tokyo	533	0.1%	857.32	94.1%	RE-116	Castalia Sakaisuji Honmachi	Osaka City, Osaka	1,490	0.2%	3,471.39	96.0%
RE-074	Castalia Nakano	Nakano Ward, Tokyo	1,060	0.1%	1,613.86	100.0%	RE-117	Castalia Shin-Umeda	Osaka City, Osaka	1,376	0.2%	3,279.90	97.9%
RE-075	Castalia Yoga	Setagaya Ward, Tokyo	923	0.1%	1,472.38	98.4%	RE-118	Castalia Abeno	Osaka City, Osaka	4,368	0.5%	10,920.75	100.0%
RE-076	Castalia Sumiyoshi	Koto Ward, Tokyo	948	0.1%	1,362.60	100.0%	RE-119	Castalia Sakae	Nagoya City, Aichi	1,010	0.1%	2,836.00	97.7%
RE-077	Castalia Monzennakacho II	Koto Ward, Tokyo	2,160	0.2%	3,038.98	100.0%	RE-123	Castalia Higashi Hie	Fukuoka City, Fukuoka	960	0.1%	3,061.60	92.7%
RE-078	Castalia Oshiage	Sumida Ward, Tokyo	1,100	0.1%	1,785.24	97.7%	RE-124	Castalia Tower Nagahoribashi	Osaka City, Osaka	3,400	0.4%	8,747.40	97.3%
RE-079	Castalia Kuramae	Taito Ward, Tokyo	1,260	0.1%	1,994.93	100.0%	RE-125	Castalia Sannomiya	Kobe City, Hyogo	1,230	0.1%	3,071.60	94.4%
RE-080	Castalia Nakanobu	Shinagawa Ward, Tokyo	1,790	0.2%	2,421.82	95.3%	RE-126	Castalia Kotodaikoen	Sendai City, Miyagi	481	0.1%	1,684.10	97.6%
RE-081	Royal Parks Toyosu	Koto Ward, Tokyo	7,360	0.8%	18,112.03	100.0%	RE-127	Castalia Ichibancho	Sendai City, Miyagi	783	0.1%	2,800.32	98.4%
RE-082	Castalia Togoshi	Shinagawa Ward, Tokyo	1,770	0.2%	2,629.59	98.3%	RE-128	Castalia Omachi	Sendai City, Miyagi	656	0.1%	2,149.08	93.1%
RE-083	Castalia Ooimachi	Shinagawa Ward, Tokyo	1,181	0.1%	1,413.75	96.9%	RE-129	Castalia Uemachidai	Osaka City, Osaka	2,190	0.2%	5,415.39	98.6%
RE-084	Castalia Omori	Ota Ward, Tokyo	1,500	0.2%	2,046.36	90.8%	RE-130	Castalia Tower Higobashi	Osaka City, Osaka	2,670	0.3%	6,230.20	93.3%
RE-085	Castalia Mishuku	Setagaya Ward, Tokyo	1,900	0.2%	2,640.86	97.0%	RE-132	Castalia Fushimi	Nagoya City, Aichi	2,260	0.3%	7,022.69	88.9%
RE-086	Castalia Arakawa	Arakawa Ward, Tokyo	1,660	0.2%	3,797.92	98.9%	RE-133	Castalia Meieki Minami	Nagoya City, Aichi	720	0.1%	1,822.10	91.3%
RE-087	Castalia Omori II	Ota Ward, Tokyo	2,370	0.3%	2,818.70	92.7%	RE-134	Castalia Yakuin	Fukuoka City, Fukuoka	930	0.1%	2,784.83	95.8%
RE-088	Castalia Nakameguro	Meguro Ward, Tokyo	3,800	0.4%	3,166.71	94.0%	RE-135	Castalia Mibu	Kyoto City, Kyoto	1,193	0.1%	2,828.39	100.0%
RE-089	Castalia Meguro Chojyamaru	Shinagawa Ward, Tokyo	2,030	0.2%	2,123.77	93.1%	RE-136	Castalia Tsutsujigaoka	Sendai City, Miyagi	1,208	0.1%	4,471.11	95.7%
RE-090	Castalia Meguro Takaban	Meguro Ward, Tokyo	1,750	0.2%	1,961.52	96.8%	RE-138	Royal Parks Namba	Osaka City, Osaka	2,830	0.3%	10,354.15	100.0%
RE-091	Castalia Omori III	Shinagawa Ward, Tokyo	1,520	0.2%	2,004.80	93.3%	RE-139	Castalia Shigahondori	Nagoya City, Aichi	1,730	0.2%	5,086.69	95.8%
RE-093	Castalia Meguro Tairamachi	Meguro Ward, Tokyo	1,165	0.1%	1,278.52	96.7%	RE-140	Castalia Kyoto Nishioji	Kyoto City, Kyoto	973	0.1%	2,035.37	95.0%
RE-094	Royal Parks SEASIR	Adachi Ward, Tokyo	4,350	0.5%	17,269.74	100.0%	RE-141	Castalia Ningyocho III	Chuo Ward, Tokyo	2,000	0.2%	2,897.06	98.3%
RE-095	Castalia Honkomagome	Bunkyo Ward, Tokyo	1,520	0.2%	2,224.41	94.5%	RE-142	Royal Parks Urmejima	Adachi Ward, Tokyo	2,020	0.2%	6,828.78	100.0%
RE-096	Cosmo Heim Musashikosugi	Kawasaki City, Kanagawa	1,674	0.2%	4,208.83	100.0%	RE-143	Castalia Shinsakae II	Nagoya City, Aichi	1,800	0.2%	4,425.46	100.0%
RE-097	Castalia Tsurumi	Yokohama City, Kanagawa	666	0.1%	1,452.09	100.0%	RM-001	ACROSSMALL Shinkamagaya	Kamagaya City, Chiba	7,770	0.9%	41,742.84	100.0%
RE-098	Castalia Funabashi	Funabashi City, Chiba	704	0.1%	1,552.01	91.0%	RM-002	FOLEO Hirakata	Hirakata City, Osaka	4,580	0.5%	16,390.96	94.0%
RE-099	Castalia Nishi Funabashi	Funabashi City, Chiba	783	0.1%	1,597.32	95.1%	RM-003	QIZ GATE URAWA	Saitama City, Saitama	4,270	0.5%	9,720.49	100.0%
RE-105	Castalia Nogeiyama	Yokohama City, Kanagawa	325	0.0%	744.90	96.7%	RM-004	UNICUS Takasaki	Takasaki City, Gunma	3,000	0.3%	9,277.08	100.0%
RE-106	Castalia Ichikawa	Ichikawa City, Chiba	461	0.1%	876.89	100.0%	RM-005	ACROSSPLAZA Miyoshi (Land)	Iruma District, Saitama	3,740	0.4%	24,018.00	100.0%
RE-107	Royal Parks Hanakoganei	Kodaira City, Tokyo	5,300	0.6%	18,153.57	100.0%	RM-006	DREAM TOWN ALI	Aomori City, Aomori	8,100	0.9%	22,196.81	100.0%
RE-108	Castalia Musashikosugi	Kawasaki City, Kanagawa	1,680	0.2%	2,179.80	93.7%	RM-007	ASOBOX (Land)	Kitakyushu City, Fukuoka	1,600	0.2%	11,207.90	100.0%
RE-109	Royal Parks Wakabadai	Inagi City, Tokyo	4,360	0.5%	21,367.93	100.0%	RM-008	FOLEO Ome Imai	Ome City, Tokyo	3,800	0.4%	8,637.91	100.0%
RE-110	Pacific Royal Court Minatomirai Urban Tower	Yokohama City, Kanagawa	9,100	1.0%	26,294.49	100.0%	RM-009	FOLEO Otsu Ichiriyama	Otsu City, Shiga	8,100	0.9%	62,917.73	100.0%
RE-111	L-Place Shinkoyasu	Yokohama City, Kanagawa	1,720	0.2%	3,009.74	100.0%	RM-010	FOLEO Hakata	Fukuoka City, Fukuoka	3,200	0.4%	23,230.77	100.0%
RE-112	Royal Parks Musashikosugi	Kawasaki City, Kanagawa	1,060	0.1%	3,808.97	100.0%	RM-011	ACROSSMALL Semboku (Land)	Sakai City, Osaka	3,250	0.4%	30,824.72	100.0%
							RM-012	iias Tsukuba	Tsukuba City, Ibaraki	34,120	3.8%	138,900.39	100.0%

Portfolio List (4)

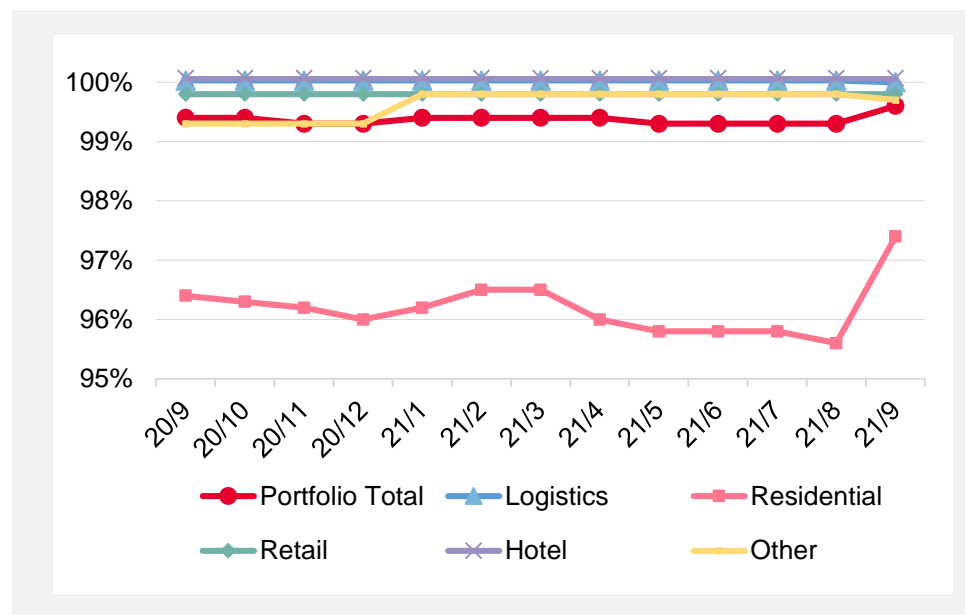
Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note 1)
RR-001	LIFE Sagami-hara Wakamatsu	Sagami-hara City, Kanagawa	1,670	0.2%	2,973.44	100.0%
RR-002	FOLEO Sendai Miyanomori	Sendai City, Miyagi	6,960	0.8%	19,845.72	100.0%
RR-003	ACROSSPLAZA Inazawa (Land)	Inazawa City, Aichi	2,390	0.3%	31,981.70	100.0%
RR-004	Sports Depo and GOLF5 Koku-higashi IC Store	Kitakyushu City, Fukuoka	2,230	0.2%	8,899.89	100.0%
RR-005	Hiratsuka Retail Property (Land)	Hiratsuka City, Kanagawa	5,620	0.6%	28,002.92	100.0%
RR-006	Royal Home Center Morinomiya (Land)	Osaka City, Osaka	4,500	0.5%	6,669.74	100.0%
RR-007	Aoyama Tailor Bunkyo Sengoku Ekimae Store	Bunkyo Ward, Tokyo	750	0.1%	1,066.95	100.0%
RR-008	FOLEO Shobu	Kuki City, Saitama	5,000	0.6%	19,104.17	100.0%
RR-009	Hapias Kaita (Land)	Aki District, Hiroshima	1,400	0.2%	13,415.52	100.0%
RU-001	COMBOX310	Mito City, Ibaraki	4,480	0.5%	30,517.69	100.0%
RU-002	Sports Plaza Ibaraki	Ibaraki City, Osaka	2,689	0.3%	9,470.27	100.0%
HO-001	Daiwa Roynet Hotel Yokohama Kannai	Yokohama City, Kanagawa	4,800	0.5%	7,932.37	100.0%
HO-002	Super Hotel JR Nara Station Sanjo Street	Nara City, Nara	1,470	0.2%	2,637.18	100.0%
HO-003	Daiwa Roynet Hotel Nagoya Shinkansenguchi	Nagoya City, Aichi	4,500	0.5%	7,605.41	100.0%
HO-004	AGORA Kanazawa	Kanazawa City, Ishikawa	5,200	0.6%	7,011.58	100.0%
HO-005	Candeo Hotels Nagasaki Shinchi Chinatown	Nagasaki City, Nagasaki	3,140	0.4%	6,770.65	100.0%
OT-001	Urban Living Inage	Chiba City, Chiba	930	0.1%	4,177.52	100.0%
OT-002	Aburatsubo Marina HILLS	Miura City, Kanagawa	1,100	0.1%	3,901.14	100.0%
OT-003	Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)	Naha City, Okinawa	7,600	0.9%	13,480.00	100.0%
OT-004	Sharp Hiroshima Building	Hiroshima City, Hiroshima	1,850	0.2%	3,064.89	100.0%
OT-005	Nursery Room Berry Bear Omori Nishi Welcia Ota Omori Nishi Store	Ota Ward, Tokyo	1,380	0.2%	1,345.60	100.0%
OT-006	GRANODE Hiroshima	Hiroshima City, Hiroshima	28,800	3.2%	29,924.46	99.5%

Asset class	Number of properties	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note 2)
Logistics Properties	66 properties	470,121	52.6%	2,095,298.05	100.0%
Residential Properties	129 properties	239,623	26.8%	444,747.73	97.4%
Retail Properties	23 properties	123,219	13.8%	571,013.61	99.8%
Hotel Properties	5 properties	19,110	2.1%	31,957.19	100.0%
Other Assets	6 properties	41,660	4.7%	55,893.61	99.7%
Portfolio Total	229 properties	893,733	100.0%	3,198,910.19	99.6%

(Note 1) Occupancy rate is as of Aug. 31, 2021 for each property and as of the date of acquisition for the properties acquired in Sep. and Oct. 2021.

(Note 2) Occupancy rate is as of Sep. 30, 2021 for asset class subtotals and portfolio total. Logistics properties subtotal, other assets subtotal and portfolio total include the properties acquired in Sep. and Oct. 2021.

Monthly Occupancy Rate



Rent Revision Schedule of Logistics Properties (1)

Property number	Property name	Tenant	2022		2023		2024		2025		2026		Rent revision	Expiry
			Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.		
LB-001	D Project Machida	Hitachi HC Capital Inc.											No revision	2027/2/28
LB-002	D Project Hachioji	Mitsubishi Shokuhin Co., Ltd.											2024/2/27	Not disclosed
LB-002	D Project Hachioji	Tokyo Logistics Factory CO. LTD											2024/2/27	2029/2/28
LB-003	D Project Aikawa-Machi	Toward Co., Ltd.											Not disclosed	2032/7/31
LB-005	D Project Urayasu I	Nakano Shokai Co., Ltd.											No revision	2026/2/28
LB-006	D Project Urayasu II	The Sumitomo Warehouse Co., Ltd.											Not disclosed	2027/5/31
LB-007	D Project Akanehama	Oisix ra daichi Inc.									Expiry		—	2025/10/10
LB-008	D Project Noda	Mitsubishi Shokuhin Co., Ltd.											2022/10/1	Not disclosed
LB-009	D Project Inuyama	Takihyo Co., Ltd.											2025/1/1	2029/12/31
LB-009	D Project Inuyama (Additional acquisition)	Takihyo Co., Ltd.											2022/4/1	2032/3/31
LB-011	D Project Neyagawa	NH Foods, Ltd.											2024/8/1	Not disclosed
LB-013	D Project Morioka	Mitsubishi Shokuhin Co., Ltd.											No revision	Not disclosed
LB-015	D Project Tsuchiura	Yamato Transport Co., Ltd.											2024/4/1	2029/4/14
LB-018	D Project Fukuoka Umi A	Nippon Express Co., Ltd										Expiry	No revision	2026/1/20
LB-018	D Project Fukuoka Umi B	CREATE CORPORATION	Expiry										No revision	2022/4/15
LB-018	D Project Fukuoka Umi C	Fuji Logitech Co., Ltd.										Expiry	—	2026/5/31
LB-018	D Project Fukuoka Umi D	Japan Beverage Holdings Inc.										Expiry	2022/4/1	2026/8/31
LB-019	D Project Tosu (Existing building)	NH Foods, Ltd.											—	Not disclosed
LB-019	D Project Tosu (Extended building)	NH Foods, Ltd.											No revision	Not disclosed
LB-020	D Project Kuki I	TRANCOM Co., Ltd.											2021/10/5	2031/10/4
LB-021	D Project Kuki II	Seven & i Holdings Co., Ltd.											—	2023/6/30
LB-022	D Project Kawagoe I	Daiwa Logistics Co., Ltd.											—	2026/4/30
LB-023	D Project Kawagoe II	Daiwa Logistics Co., Ltd.											2022/9/3	2027/9/2
LB-024	DPL Inuyama	Sagawa Global Logistics Co., Ltd.											2023/10/1	2028/9/30
LB-025	D Project Fukuoka Hakozaki	Nakano Shokai Co., Ltd.											No revision	2032/9/30
LB-026	D Project Kuki III	S.D.Logi CO., LTD.											2023/6/28	2033/6/30
LB-027	D Project Kuki IV	Chuo Bussan Corporation											No revision	2029/6/30
LB-028	D Project Kuki V	Hitachi Transport System, Ltd.	Expiry										—	2022/6/30
LB-029	D Project Kuki VI	Sagawa Global Logistics Co., Ltd.											2023/8/9	2024/2/9
LB-030	D Project Yashio	Tohto CO-OP											2022/8/1	2031/7/31
LB-030	D Project Yashio	Ryutsu Service Co., Ltd.											2022/8/1	2031/7/31
LB-031	D Project Nishiyodogawa	Araki Express											No revision	2036/3/31
LB-032	D Project Matsudo	Asahi Logistics Corp.											2023/4/9	2031/4/30

Rent Revision Schedule of Logistics Properties (2)

Property number	Property name	Tenant	2022		2023		2024		2025		2026		Rent revision	Expiry
			Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.		
LB-033	D Project Hibiki Nada	Nippon Express Co., Ltd	Expiry → Contract renewed										No revision	2026/9/30
LB-034	D Project Morioka II	Nichirei Logistics Group Inc.											—	2035/10/31
LB-035	D Project Kawagoe III	Hitachi Transport System Kanto Co., Ltd.						Expiry					2024/4/1	2024/6/30
LB-036	D Project Kazo	Itochu Logistics Corp.						Expiry					—	2025/2/28
LB-037	D Project Urayasu III	Daiwa Logistics Co., Ltd.							Expiry				2022/6/1	2025/8/31
LB-038	D Project Tomisato	Tokyo Nohin Daiko Co., Ltd.								Expiry			No revision	2026/1/31
LB-039	D Project Kyotanabe	Hutech norin Co., Ltd.											2022/9/28	2032/10/31
LB-040	D Project Sendai Izumi	Mitsubishi Shokuhin Co., Ltd.											—	Not disclosed
LB-041	D Project Oyama	Mitsubishi Shokuhin Co., Ltd.											Not disclosed	Not disclosed
LB-042	D Project Sano	Toryusha Co., Ltd.											No revision	2029/6/30
LB-043	D Project Tatebayashi	Hitachi Transport System Kanto Co., Ltd.											2025/9/1	2030/8/31
LB-044	D Project Kakegawa	Hitachi Transport System Central Japan Co., Ltd.											2024/8/1	2034/7/31
LB-045	D Project Hiroshima Seifu	MITSUI FOODS Co., Ltd.											Not disclosed	Not disclosed
LB-046	D Project Tosu II	Marukyo Transportation Co., Ltd.					Expiry						—	2024/1/2
LB-047	D Project Kawagoe IV	Daiwa Logistics Co., Ltd.								Expiry			—	2026/1/31
LB-048	D Project Kuki VII	Nichirei Logistics Group Inc.											Not disclosed	Not disclosed
LB-049	D Project Chibakita	Hitachi Transport System Metropolitan Co., Ltd.									Expiry		No revision	2026/6/30
LB-050	D Project Matsudo II	Mitsubishi Shokuhin Co., Ltd.											Not disclosed	Not disclosed
LB-051	D Project Tomisato II	Tokyo Nohin Daiko Co., Ltd.											No revision	2027/2/28
LB-052	D Project Osaka Hirabayashi	Itochu-Shokuhin Co., Ltd.											Not disclosed	2030/6/29
LB-053	D Project Sendai Izumi III	Kokubu Group Corp.											Not disclosed	Not disclosed
LB-054	D Project Kaminokawa	Hitachi Transport System Kanto Co., Ltd.											Not disclosed	Not disclosed
LB-055	D Project Fuji	Hitachi Transport Central Japan Co., Ltd.											2023/10/1	2033/9/30
LB-056	D Project Tosu III	Not disclosed											Not disclosed	Not disclosed
LB-057	D Project Kitahachioji I	Sanritsu Corporation									Expiry		—	2026/3/31
LB-058	D Project Kitahachioji II	Hutech norin Co., Ltd.											2022/2/1	2032/1/31
LB-059	D Project Kitahachioji III	Mitsubishi Shokuhin Co., Ltd.											Not disclosed	Not disclosed
LB-059	D Project Kitahachioji III	Sanritsu Corporation											Not disclosed	Not disclosed
LB-060	D Project Itabashi Shingashi	Kokubu Group Corp.											Not disclosed	Not disclosed
LB-061	D Project Sagamihara	Daiwa Logistics Co., Ltd.											2025/4/1	2035/3/31
LB-062	D Project Kuki III	ESCO CO., LTD.											No revision	2036/9/30
LB-063	D Project Yokkaichi	Kintetsu Logistics Systems, Inc.											Not disclosed	Not disclosed
LB-064	D Project Ibaraki Ishioka	Kokubu Group Corp.											Not disclosed	Not disclosed

Rent Revision Schedule of Logistics Properties (3)

Property number	Property name	Tenant	2022		2023		2024		2025		2026		Rent revision	Expiry
			Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.		
LB-065	D Project Wako A	Japan Post											Not disclosed	Not disclosed
LB-066	D Project Hiratsuka	Japan Logistics System											Not disclosed	Not disclosed
LM-001	DPL Misato	Kokubu Group Corp.											2023/10/15	2023/11/14
LM-001	DPL Misato	ARATA CORPORATION											No revision	2027/2/28
LM-001	DPL Misato	Kato Sangyo Co., Ltd.											Not disclosed	Not disclosed
LM-001	DPL Misato	Nitori Co., Ltd.					Expiry						No revision	2023/10/31
LM-002	DPL Fukuoka Kasuya	UNIQLO CO., LTD. Mitsui & Co. Global Logistics, Ltd. and others											Not disclosed	Not disclosed
LM-003	DPL Kitakyushu	YAMAE HISANO Co., Ltd. KYUSO COMPANY LTD. and others											Not disclosed	Not disclosed
LM-004	DPL Nagareyama I	Yamato Transport Co., Ltd. SENKO Co., Ltd. and others											Not disclosed	Not disclosed
LM-005	DPL Shin-Narashino	Not disclosed											Not disclosed	Not disclosed
LM-006	DPL Nagareyama III	Not disclosed											Not disclosed	Not disclosed

Rent Revision / Lease Contract Renewal of Logistics Properties

Period ending Feb. 2022

Rent revision - 2 tenants

Contract expiry - 1 tenant

→ 1 tenant renewed contract on equal terms

Period ending Aug. 2022

Rent revision - 5 tenants

Contract expiry - 2 tenants

As of Oct. 15, 2021

Rent Revision Schedule of Retail Properties

Property number	Property name	Tenant	Rent type	2022		2023		2024		2025		2026		Rent revision	Expiry
				Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.		
RM-001	ACROSSMALL Shinkamagaya	Daiwa House Realty Mgt. Co., Ltd.	Fixed											2022/12/12	2027/11/30
RM-002	FOLEO Hirakata	Core tenant A	Fixed											2022/1/1	2026/12/8
RM-002	FOLEO Hirakata	Core tenant B	Fixed											2022/1/1	2026/12/14
RM-003	QiZ GATE URAWA	Core tenant A	Fixed											No revision	2027/5/31
RM-003	QiZ GATE URAWA	Core tenant B	Fixed											2023/3/27	2028/3/26
RM-004	UNICUS Takasaki	P&D Consulting Co., Ltd.	Fixed											2023/12/9	2028/11/19
RM-005	ACROSSPLAZA Miyoshi (Land)	Daiwa House Realty Mgt. Co., Ltd.	Fixed											2022/10/1	2034/9/29
RM-006	DREAM TOWN ALi	Core tenant A	Fixed + Variable											No revision	2027/12/21
RM-006	DREAM TOWN ALi	Core tenant B	Fixed											No revision	2027/11/30
RM-006	DREAM TOWN ALi	Core tenant C	Fixed + Variable											No revision	2028/6/30
RM-007	ASOBOX (Land)	Daiwa House Realty Mgt. Co., Ltd.	Fixed											2022/9/1	2037/8/31
RM-008	FOLEO Ome Imai	Belc CO., LTD.	Fixed											Not disclosed	Not disclosed
RM-008	FOLEO Ome Imai	Yamada Denki Co., Ltd.	Fixed											Not disclosed	2037/6/8
RM-009	FOLEO Otsu Ichiriyama	Daiwa House Realty Mgt. Co., Ltd.	Fixed											2028/4/3	2038/4/30
RM-010	FOLEO Hakata	Daiwa House Realty Mgt. Co., Ltd.	Fixed											2028/4/3	2038/4/30
RM-011	ACROSSMALL Semboku (Land)	Daiwa House Realty Mgt. Co., Ltd.	Fixed											2022/9/1	2038/12/31
RM-012	iias Tsukuba	Daiwa House Industry Co., Ltd.	Fixed											2029/4/5	2039/4/30
RR-001	LIFE Sagamiyama Wakamatsu	LIFE CORPORATION	Fixed											2022/5/22	2027/5/21
RR-002	FOLEO Sendai Miyanomori	Daiwa House Industry Co., Ltd.	Fixed											No revision	2022/11/30
RR-003	ACROSSPLAZA Inazawa (Land)	Daiwa House Realty Mgt. Co., Ltd.	Fixed											No revision	2034/2/24
RR-004	Sports Depo and GOLF5 Kokurahigashi IC Store	Alpen Co., Ltd.	Fixed											Not disclosed	2027/11/28
RR-005	Hiratsuka Retail Property (Land)	Not disclosed	Not disclosed											Not disclosed	Not disclosed
RR-006	Royal Home Center Morinomiya (Land)	Royal Home Center Co., Ltd.	Fixed											2022/9/1	2048/3/31
RR-007	Aoyama Tailor Bunkyo Sengoku Ekimae Store	Aoyama Trading Co., Ltd.	Fixed											Not disclosed	Not disclosed
RR-008	FOLEO Shobu	Daiwa House Industry Co., Ltd.	Fixed											2029/4/5	2039/4/30
RR-009	Hapias Kaita (Land)	Daiwa House Realty Mgt. Co., Ltd.	Fixed											2022/9/1	2039/12/31
RU-001	COMBOX310	Daiwa House Realty Mgt. Co., Ltd.	Fixed											—	2028/12/31
RU-002	Sports Plaza Ibaraki	Daiwa House Realty Mgt. Co., Ltd.	Fixed											No division	2040/8/31

Rent Revision / Lease Contract Renewal of Retail Properties

Period ending Feb. 2022

Rent revision - 7 tenants
 → 3 tenants revised rent with rent increase (linked to property taxes)
 → 2 tenants revised rent on equal terms
 Contract expiry - None

Period ending Aug. 2022

Rent revision - 1 tenant
 Contract expiry - None

Appraisal Value Comparison (1)

Property number	Property name	Acquisition price	Book value Aug. 2021	Unrealized gain (loss)	(mil yen)			(%)									Appraiser (Note 2)
					Appraisal value (Note 1)			Feb. 2021			Aug. 2021			Change			
					Feb. 2021	Aug. 2021	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
LB-001	D Project Machida	9,200	9,213	1,086	10,000	10,300	300	4.2	4.1/4.2	4.4	4.1	4.0/4.1	4.3	-0.1	-0.1	-0.1	Tanizawa
LB-002	D Project Hachioji	15,400	14,878	2,621	17,000	17,500	500	4.2	4.2	4.4	4.1	4.1	4.3	-0.1	-0.1	-0.1	Tanizawa
LB-003	D Project Aikawa-Machi	3,390	3,678	1,011	4,570	4,690	120	4.4	4.4	4.6	4.3	4.3	4.5	-0.1	-0.1	-0.1	Tanizawa
LB-005	D Project Urayasu I	9,280	9,192	907	10,100	10,100	0	3.8	3.9	4.0	3.8	3.9	4.0	0.0	0.0	0.0	Tanizawa
LB-006	D Project Urayasu II	26,000	25,404	2,795	28,200	28,200	0	3.8	3.8/3.9	4.0	3.8	3.8/3.9	4.0	0.0	0.0	0.0	Tanizawa
LB-007	D Project Akanehama	2,950	2,943	226	3,050	3,170	120	4.3	4.4	4.5	4.2	4.3	4.4	-0.1	-0.1	-0.1	Tanizawa
LB-008	D Project Noda	6,210	5,903	816	6,490	6,720	230	4.5	4.4/4.5	4.7	4.4	4.3/4.4	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-009	D Project Inuyama	10,790	10,282	2,007	12,020	12,290	270	4.6	4.5/4.6	4.8	4.5	4.4/4.5	4.7	-0.1	-0.1	-0.1	Tanizawa
LB-011	D Project Neyagawa	5,980	5,737	882	6,460	6,620	160	4.4	4.4/4.5	4.6	4.3	4.3/4.4	4.5	-0.1	-0.1	-0.1	Tanizawa
LB-013	D Project Morioka	1,200	1,138	11	1,210	1,150	-60	6.0	5.9	6.2	6.0	5.9	6.2	0.0	0.0	0.0	Tanizawa
LB-015	D Project Tsuchiura	3,390	3,157	542	3,630	3,700	70	5.0	4.9/5.0	5.2	4.9	4.8/4.9	5.1	-0.1	-0.1	-0.1	Tanizawa
LB-018	D Project Fukuoka Umi	4,240	4,066	1,013	4,980	5,080	100	4.8	4.5/4.7	5.0	4.7	4.4/4.6	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-019	D Project Tosu	5,740	5,287	1,012	6,130	6,300	170	4.9	4.9/5.0	5.1	4.8	4.8/4.9	5.0	-0.1	-0.1	-0.1	Tanizawa
LB-020	D Project Kuki I	3,900	3,702	867	4,350	4,570	220	4.5	4.5/4.6	4.7	4.4	4.4/4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-021	D Project Kuki II	8,120	7,597	1,652	9,140	9,250	110	4.5	4.5/4.6	4.7	4.4	4.4/4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-022	D Project Kawagoe I	3,530	3,368	671	3,960	4,040	80	4.5	4.5/4.6	4.7	4.4	4.4/4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-023	D Project Kawagoe II	4,850	4,640	979	5,480	5,620	140	4.5	4.5/4.6	4.7	4.4	4.4/4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-024	DPL Inuyama	3,940	3,721	688	4,320	4,410	90	4.6	4.5/4.6	4.8	4.5	4.4/4.5	4.7	-0.1	-0.1	-0.1	Tanizawa
LB-025	D Project Fukuoka Hakozaki	4,340	4,143	666	4,700	4,810	110	4.5	4.4	4.7	4.4	4.3	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-026	D Project Kuki III	7,630	7,181	1,658	8,640	8,840	200	4.5	4.5/4.6	4.7	4.4	4.4/4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-027	D Project Kuki IV	5,520	5,198	1,121	6,200	6,320	120	4.5	4.5/4.6	4.7	4.4	4.4/4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-028	D Project Kuki V	8,280	7,836	1,563	9,180	9,400	220	4.5	4.5/4.6	4.7	4.4	4.4/4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-029	D Project Kuki VI	5,140	4,822	1,007	5,690	5,830	140	4.5	4.5/4.6	4.7	4.4	4.4/4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-030	D Project Yashio	6,400	6,085	814	6,900	6,900	0	4.3	3.8	4.6	4.3	3.8	4.6	0.0	0.0	0.0	JREI
LB-031	D Project Nishiyodogawa	10,300	9,691	2,208	11,100	11,900	800	4.6	4.3	4.8	4.5	4.2	4.7	-0.1	-0.1	-0.1	JREI
LB-032	D Project Matsudo	7,370	7,065	994	7,910	8,060	150	4.3	4.0	4.4	4.2	3.9	4.3	-0.1	-0.1	-0.1	JREI
LB-033	D Project Hibiki Nada	2,080	1,956	193	2,110	2,150	40	5.6	5.5/5.7	5.8	5.5	5.4/5.6	5.7	-0.1	-0.1	-0.1	Tanizawa
LB-034	D Project Morioka II	1,280	1,206	113	1,320	1,320	0	6.0	5.7/5.8/ 5.9	6.2	6.0	5.7/5.8/ 5.9	6.2	0.0	0.0	0.0	Tanizawa
LB-035	D Project Kawagoe III	7,200	6,859	1,320	8,010	8,180	170	4.4	4.4/4.5	4.6	4.3	4.3/4.4	4.5	-0.1	-0.1	-0.1	Tanizawa
LB-036	D Project Kazo	3,300	3,196	563	3,690	3,760	70	4.7	4.7/4.8	4.9	4.6	4.6/4.7	4.8	-0.1	-0.1	-0.1	Tanizawa
LB-037	D Project Urayasu III	8,500	8,487	1,462	9,980	9,950	-30	3.8	3.7/3.8/ 3.9	4.0	3.8	3.7/3.8/ 3.9	4.0	0.0	0.0	0.0	Tanizawa
LB-038	D Project Tomisato	5,000	4,709	790	5,390	5,500	110	4.7	4.7/4.8	4.9	4.6	4.6/4.7	4.8	-0.1	-0.1	-0.1	Tanizawa

Appraisal Value Comparison (2)

Property number	Property name	Acquisition price	Book value Aug. 2021	Unrealized gain (loss)	(mil yen)			(%)									Appraiser (Note 2)
					Appraisal value (Note 1)			Feb. 2021			Aug. 2021			Change			
					Feb. 2021	Aug. 2021	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
LB-039	D Project Kyotanabe	3,520	3,398	551	3,860	3,950	90	5.3	4.9	5.6	5.2	4.8	5.5	-0.1	-0.1	-0.1	JREI
LB-040	D Project Sendai Izumi	1,510	1,426	193	1,620	1,620	0	5.2	4.9	5.4	5.1	4.8	5.3	-0.1	-0.1	-0.1	JREI
LB-041	D Project Oyama	2,000	1,894	185	2,090	2,080	-10	5.4	5.5	5.6	5.3	5.4	5.5	-0.1	-0.1	-0.1	Tanizawa
LB-042	D Project Sano	1,780	1,667	212	1,850	1,880	30	5.4	5.4/5.5	5.6	5.3	5.3/5.4	5.5	-0.1	-0.1	-0.1	Tanizawa
LB-043	D Project Tatebayashi	3,100	2,925	404	3,280	3,330	50	5.4	5.4/5.5	5.6	5.3	5.3/5.4	5.5	-0.1	-0.1	-0.1	Tanizawa
LB-044	D Project Kakegawa	6,000	5,725	424	6,140	6,150	10	5.7	5.5	5.9	5.6	5.4	5.8	-0.1	-0.1	-0.1	JREI
LB-045	D Project Hiroshima Seifu	3,820	3,640	569	4,110	4,210	100	5.3	4.8	5.7	5.2	4.7	5.6	-0.1	-0.1	-0.1	JREI
LB-046	D Project Tosu II	1,700	1,596	373	1,940	1,970	30	4.9	4.9/5.0	5.1	4.8	4.8/4.9	5.0	-0.1	-0.1	-0.1	Tanizawa
LB-047	D Project Kawagoe IV	5,600	5,456	803	6,120	6,260	140	4.5	4.6	4.7	4.4	4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-048	D Project Kuki VII	1,040	1,026	173	1,170	1,200	30	4.6	4.6/4.7	4.8	4.5	4.5/4.6	4.7	-0.1	-0.1	-0.1	Tanizawa
LB-049	D Project Chibakita	7,640	7,476	1,193	8,470	8,670	200	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	Daiwa
LB-050	D Project Matsudo II	8,200	7,969	900	8,680	8,870	190	4.3	4.0	4.4	4.2	3.9	4.3	-0.1	-0.1	-0.1	JREI
LB-051	D Project Tomisato II	6,900	6,624	755	7,220	7,380	160	4.7	4.7/4.8	4.9	4.6	4.6/4.7	4.8	-0.1	-0.1	-0.1	Tanizawa
LB-052	D Project Osaka Hirabayashi	3,600	3,580	769	4,240	4,350	110	4.7	4.5/4.6/ 4.9	—	4.6	4.4/4.5/ 4.8	—	-0.1	-0.1	—	Tanizawa
LB-053	D Project Sendai Izumi II	7,300	6,952	877	7,670	7,830	160	5.1	4.9	5.3	5.0	4.8	5.2	-0.1	-0.1	-0.1	JREI
LB-054	D Project Kaminokawa	7,900	7,593	606	8,210	8,200	-10	5.4	5.5	5.6	5.4	5.5	5.6	0.0	0.0	0.0	Tanizawa
LB-055	D Project Fuji	3,600	3,443	206	3,640	3,650	10	5.6	5.4	5.9	5.6	5.4	5.9	0.0	0.0	0.0	JREI
LB-056	D Project Tosu III	9,200	8,805	1,014	9,630	9,820	190	5.0	4.9/5.1	5.2	4.9	4.8/5.0	5.1	-0.1	-0.1	-0.1	Tanizawa
LB-057	D Project Kitahachioji I	4,300	4,253	416	4,530	4,670	140	4.4	4.0	4.6	4.3	3.9	4.5	-0.1	-0.1	-0.1	JREI
LB-058	D Project Kitahachioji II	5,700	5,638	521	6,000	6,160	160	4.4	4.1	4.6	4.3	4.0	4.5	-0.1	-0.1	-0.1	JREI
LB-059	D Project Kitahachioji III	7,300	7,220	709	7,730	7,930	200	4.4	4.0	4.6	4.3	3.9	4.5	-0.1	-0.1	-0.1	JREI
LB-060	D Project Itabashi Shingashi	12,300	12,420	879	12,700	13,300	600	4.1	4.1	4.3	4.0	4.0	4.2	-0.1	-0.1	-0.1	Tanizawa
LB-061	D Project Sagamihara	3,900	3,827	352	4,080	4,180	100	4.2	4.2	4.4	4.1	4.1	4.3	-0.1	-0.1	-0.1	Tanizawa
LB-062	D Project Kuki VIII	6,100	5,971	528	6,350	6,500	150	4.5	4.4	4.7	4.4	4.3	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-063	D Project Yokkaichi	1,490	1,466	63	1,500	1,530	30	5.3	5.2/5.3	5.5	5.2	5.1/5.2	5.4	-0.1	-0.1	-0.1	Tanizawa
LB-064	D Project Ibaraki Ishioka	4,050	3,959	330	4,200	4,290	90	5.0	5.0	5.2	4.9	4.9	5.1	-0.1	-0.1	-0.1	Tanizawa
LM-001	DPL Misato	16,831	16,369	3,030	19,000	19,400	400	4.0	4.0/4.1	4.2	3.9	3.9/4.0	4.1	-0.1	-0.1	-0.1	Tanizawa
LM-002	DPL Fukuoka Kaseya	13,300	12,937	1,962	13,900	14,900	1,000	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	JREI
LM-003	DPL Kitakyushu	3,510	3,351	348	3,630	3,700	70	5.4	5.3/5.4/ 5.5	5.6	5.3	5.2/5.3/ 5.4	5.5	-0.1	-0.1	-0.1	Tanizawa
LM-004	DPL Nagareyama I	32,600	32,413	2,086	33,800	34,500	700	4.2	4.2/4.3	4.4	4.1	4.1/4.2	4.3	-0.1	-0.1	-0.1	Tanizawa
LM-005	DPL Shin-Narashino	5,930	5,957	202	6,170	6,160	-10	4.8	4.2	5.3	4.8	4.2	5.3	0.0	0.0	0.0	JREI
Logistics Properties Total		412,171	399,345	55,924	445,440	455,270	9,830	—	—	—	—	—	—	—	—	—	—

Appraisal Value Comparison (3)

Property number	Property name	Acquisition price	Book value Aug. 2021	Unrealized gain (loss)	(mil yen)			Appraisal value (Note 1)									Change			Appraiser (Note 2)
					Appraisal value (Note 1)			Feb. 2021			Aug. 2021			Change						
					Feb. 2021	Aug. 2021	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF					
									CR	DR		TCR	CR		DR	TCR	CR	DR	TCR	
RE-001	Qiz Ebisu	7,650	7,381	2,338	9,450	9,720	270	3.6	3.8	3.8	3.5	3.7	3.7	-0.1	-0.1	-0.1	Tanizawa			
RE-002	Castalia Azabujuban Shichimenzaka	4,500	4,108	581	4,610	4,690	80	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	Chuo			
RE-003	Castalia Shibakoen	2,630	2,372	147	2,500	2,520	20	3.9	4.0	4.1	3.8	3.9	4.0	-0.1	-0.1	-0.1	Tanizawa			
RE-004	Castalia Ginza	2,520	2,278	251	2,410	2,530	120	3.9	3.9	4.1	3.8	3.8	4.0	-0.1	-0.1	-0.1	Tanizawa			
RE-005	Castalia Hiroo	2,220	2,032	97	2,070	2,130	60	3.7	3.8	3.9	3.6	3.7	3.8	-0.1	-0.1	-0.1	Tanizawa			
RE-006	Castalia Nihonbashi	1,200	1,065	204	1,250	1,270	20	4.0	4.0	4.2	3.9	3.9	4.1	-0.1	-0.1	-0.1	Tanizawa			
RE-007	Castalia Hacchobori	2,300	2,017	452	2,410	2,470	60	4.0	4.0	4.2	3.9	3.9	4.1	-0.1	-0.1	-0.1	Tanizawa			
RE-008	Castalia Azabujuban	2,910	2,766	163	2,860	2,930	70	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	Chuo			
RE-009	Castalia Azabujuban II	2,690	2,496	243	2,740	2,740	0	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	Chuo			
RE-010	Castalia Shinjuku Natsumezaka	1,865	1,765	-45	1,700	1,720	20	4.0	3.8	4.2	3.9	3.7	4.1	-0.1	-0.1	-0.1	Chuo			
RE-011	Castalia Ginza II	1,800	1,611	308	1,830	1,920	90	3.9	3.9	4.1	3.8	3.8	4.0	-0.1	-0.1	-0.1	Tanizawa			
RE-012	Castalia Shibuya Sakuragaoka	1,400	1,344	-24	1,260	1,320	60	3.7	3.9	3.9	3.6	3.8	3.8	-0.1	-0.1	-0.1	Tanizawa			
RE-013	Castalia Nishi Azabu Kasumicho	2,143	2,297	402	2,640	2,700	60	3.8	3.9	4.0	3.7	3.8	3.9	-0.1	-0.1	-0.1	Tanizawa			
RE-014	Castalia Ochanomizu	1,770	1,657	822	2,410	2,480	70	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	JREI			
RE-015	Castalia Sangubashi	1,393	1,457	282	1,690	1,740	50	3.9	4.1	4.1	3.8	4.0	4.0	-0.1	-0.1	-0.1	Tanizawa			
RE-016	Castalia Suitengu	1,279	1,178	471	1,630	1,650	20	4.0	4.0	4.2	3.9	3.9	4.1	-0.1	-0.1	-0.1	Tanizawa			
RE-017	Castalia Suitengu II	1,138	1,061	398	1,450	1,460	10	3.9	4.0	4.1	3.8	3.9	4.0	-0.1	-0.1	-0.1	Tanizawa			
RE-018	Castalia Shintomicho	932	883	316	1,180	1,200	20	4.0	4.0	4.2	3.9	3.9	4.1	-0.1	-0.1	-0.1	Tanizawa			
RE-019	Castalia Shintomicho II	825	793	266	1,040	1,060	20	4.0	4.0	4.2	3.9	3.9	4.1	-0.1	-0.1	-0.1	Tanizawa			
RE-020	Castalia Harajuku	887	864	215	1,050	1,080	30	3.7	3.5	3.9	3.6	3.4	3.8	-0.1	-0.1	-0.1	JREI			
RE-021	Castalia Yoyogi Uehara	608	640	156	776	797	21	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	JREI			
RE-022	Castalia Sendagaya	555	542	171	684	714	30	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	JREI			
RE-023	Castalia Shinjuku 7 chome	464	428	169	583	598	15	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	JREI			
RE-024	Castalia Ningyocho	947	865	644	1,480	1,510	30	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	JREI			
RE-025	Castalia Ningyocho II	1,070	961	658	1,570	1,620	50	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	JREI			
RE-026	Castalia Shin-Ochanomizu	914	833	376	1,180	1,210	30	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	JREI			
RE-027	Castalia Higashi Nihonbashi II	1,370	1,247	662	1,870	1,910	40	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	JREI			
RE-028	Castalia Jinbocho	1,160	1,085	544	1,610	1,630	20	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	JREI			
RE-029	Castalia Shintomicho III	675	590	272	847	863	16	3.9	3.6	4.2	3.8	3.5	4.1	-0.1	-0.1	-0.1	JREI			
RE-030	Castalia Shinjuku Gyoen	2,720	2,540	1,029	3,490	3,570	80	3.9	4.1	4.1	3.8	4.0	4.0	-0.1	-0.1	-0.1	Tanizawa			
RE-031	Castalia Takanawadai	860	806	373	1,150	1,180	30	3.7	3.5	3.9	3.6	3.4	3.8	-0.1	-0.1	-0.1	JREI			
RE-032	Castalia Higashi Nihonbashi III	666	587	304	870	892	22	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	Daiwa			

Appraisal Value Comparison (4)

Property number	Property name	Acquisition price	Book value Aug. 2021	Unrealized gain (loss)	(mil yen)			(%)									Appraiser (Note 2)
					Appraisal value (Note 1)			Feb. 2021			Aug. 2021			Change			
					Feb. 2021	Aug. 2021	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
RE-033	Castalia Shinjuku Gyoen II	486	456	134	579	591	12	3.9	4.1	4.1	3.8	4.0	4.0	-0.1	-0.1	-0.1	Tanizawa
RE-034	Castalia Shintomicho IV	400	386	169	538	556	18	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	Daiwa
RE-035	Castalia Takanawadai II	1,190	1,131	428	1,500	1,560	60	3.7	3.5	3.9	3.6	3.4	3.8	-0.1	-0.1	-0.1	JREI
RE-036	Castalia Minami Azabu	642	604	236	818	841	23	3.6	3.4	3.8	3.5	3.3	3.7	-0.1	-0.1	-0.1	JREI
RE-037	Castalia Ginza III	2,880	2,722	627	3,220	3,350	130	3.9	3.9	4.1	3.8	3.8	4.0	-0.1	-0.1	-0.1	Tanizawa
RE-038	Castalia Kayabacho	2,707	2,481	1,088	3,470	3,570	100	4.0	4.0	4.2	3.9	3.9	4.1	-0.1	-0.1	-0.1	Tanizawa
RE-039	Castalia Takanawa	7,430	7,313	2,076	9,190	9,390	200	3.8	4.1	4.0	3.7	4.0	3.9	-0.1	-0.1	-0.1	Tanizawa
RE-040	Castalia Higashi Nihonbashi	3,520	3,230	1,209	4,320	4,440	120	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	Chuo
RE-041	Castalia Shinjuku	2,950	2,779	930	3,620	3,710	90	3.9	4.1	4.1	3.8	4.0	4.0	-0.1	-0.1	-0.1	Tanizawa
RE-042	Castalia Ichigaya	940	856	583	1,410	1,440	30	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Chuo
RE-043	Shibaura Island Bloom Tower	7,580	6,225	3,274	9,440	9,500	60	-	3.5	5.6	-	3.4	5.6	-	-0.1	0.0	JREI
RE-044	Castalia Hatsudai	2,030	1,960	599	2,500	2,560	60	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	Daiwa
RE-045	Castalia Hatsudai II	1,900	1,825	544	2,330	2,370	40	3.6	3.4	3.8	3.5	3.3	3.7	-0.1	-0.1	-0.1	Morii
RE-046	Castalia Ebisu	1,420	1,376	413	1,770	1,790	20	3.5	3.3	3.7	3.4	3.2	3.6	-0.1	-0.1	-0.1	Morii
RE-047	Castalia Meguro Kamurozaka	4,500	3,989	970	4,830	4,960	130	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	Daiwa
RE-048	Castalia Toritsudaigaku	648	564	-16	543	548	5	4.8	4.6	5.1	4.7	4.5	5.0	-0.1	-0.1	-0.1	Chuo
RE-049	Castalia Yukigaya	1,110	975	254	1,200	1,230	30	4.0	4.1	4.2	3.9	4.0	4.1	-0.1	-0.1	-0.1	Tanizawa
RE-050	Castalia Yutenji	1,450	1,290	119	1,380	1,410	30	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	Chuo
RE-051	Castalia Otsuka	1,480	1,337	392	1,710	1,730	20	4.0	3.8	4.2	3.9	3.7	4.1	-0.1	-0.1	-0.1	Chuo
RE-052	Castalia Kikukawa	817	720	175	882	896	14	4.1	4.2	4.3	4.0	4.1	4.2	-0.1	-0.1	-0.1	Tanizawa
RE-053	Castalia Meguro	844	857	412	1,230	1,270	40	3.9	3.6	4.1	3.8	3.5	4.0	-0.1	-0.1	-0.1	JREI
RE-054	Castalia Otsuka II	1,040	950	509	1,420	1,460	40	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	JREI
RE-055	Castalia Jiyugaoka	1,200	1,170	389	1,510	1,560	50	3.7	3.5	3.9	3.6	3.4	3.8	-0.1	-0.1	-0.1	JREI
RE-056	Castalia Mejiro	988	903	276	1,150	1,180	30	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	Chuo
RE-057	Castalia Ikebukuro	2,570	2,374	785	3,090	3,160	70	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	Daiwa
RE-058	Castalia Kaname-cho	1,140	1,071	308	1,340	1,380	40	4.0	4.2	4.2	3.9	4.1	4.1	-0.1	-0.1	-0.1	Tanizawa
RE-059	Castalia Tower Shinagawa Seaside	7,380	6,690	3,089	9,550	9,780	230	4.0	4.0	4.2	3.9	3.9	4.1	-0.1	-0.1	-0.1	Tanizawa
RE-060	Castalia Yakumo	857	817	73	869	891	22	3.9	4.1	4.1	3.8	4.0	4.0	-0.1	-0.1	-0.1	Tanizawa
RE-061	Castalia Togoshiekimae	1,560	1,425	894	2,270	2,320	50	4.0	3.8	4.2	3.9	3.7	4.1	-0.1	-0.1	-0.1	JREI
RE-062	Castalia Honjo Azumabashi	996	951	368	1,280	1,320	40	4.2	4.3	4.4	4.1	4.2	4.3	-0.1	-0.1	-0.1	Tanizawa
RE-063	Castalia Kitazawa	742	736	185	916	922	6	3.8	3.6	4.0	3.8	3.6	4.0	0.0	0.0	0.0	JREI
RE-064	Castalia Monzennakacho	503	459	184	630	644	14	4.2	4.3	4.4	4.1	4.2	4.3	-0.1	-0.1	-0.1	Tanizawa

Appraisal Value Comparison (5)

Property number	Property name	Acquisition price	Book value Aug. 2021	Unrealized gain (loss)	(mil yen)			(%)									Appraiser (Note 2)
					Appraisal value (Note 1)			Feb. 2021			Aug. 2021			Change			
					Feb. 2021	Aug. 2021	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
RE-065	Castalia Kamiikedai	198	175	66	237	242	5	4.5	4.1	4.7	4.4	4.0	4.6	-0.1	-0.1	-0.1	JREI
RE-066	Castalia Morishita	832	770	399	1,140	1,170	30	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	JREI
RE-067	Castalia Wakabayashikoen	776	732	201	907	934	27	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	Daiwa
RE-068	Castalia Asakusabashi	792	713	326	1,010	1,040	30	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	Chuo
RE-069	Castalia Iriya	546	501	213	703	715	12	4.6	4.4	4.8	4.5	4.3	4.7	-0.1	-0.1	-0.1	Chuo
RE-070	Castalia Kita Ueno	2,641	2,397	742	3,080	3,140	60	4.1	4.2	4.3	4.0	4.1	4.2	-0.1	-0.1	-0.1	Tanizawa
RE-071	Castalia Morishita II	686	590	326	895	917	22	4.1	4.2	4.3	4.0	4.1	4.2	-0.1	-0.1	-0.1	Tanizawa
RE-072	Castalia Minowa	1,430	1,293	426	1,650	1,720	70	4.1	4.2	4.3	4.0	4.1	4.2	-0.1	-0.1	-0.1	Tanizawa
RE-073	Castalia Oyamadai	533	507	121	615	629	14	4.0	4.1	4.2	3.9	4.0	4.1	-0.1	-0.1	-0.1	Tanizawa
RE-074	Castalia Nakano	1,060	974	395	1,330	1,370	40	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	JREI
RE-075	Castalia Yoga	923	853	356	1,180	1,210	30	3.9	4.1	4.1	3.8	4.0	4.0	-0.1	-0.1	-0.1	Tanizawa
RE-076	Castalia Sumiyoshi	948	840	269	1,090	1,110	20	4.1	4.2	4.3	4.0	4.1	4.2	-0.1	-0.1	-0.1	Tanizawa
RE-077	Castalia Monzennakacho II	2,160	1,919	1,100	2,940	3,020	80	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	JREI
RE-078	Castalia Oshiage	1,100	946	323	1,240	1,270	30	4.2	4.5/4.3	4.4	4.1	4.4/4.2	4.3	-0.1	-0.1	-0.1	Tanizawa
RE-079	Castalia Kuramae	1,260	1,096	513	1,570	1,610	40	4.1	4.3/4.2	4.3	4.0	4.2/4.1	4.2	-0.1	-0.1	-0.1	Tanizawa
RE-080	Castalia Nakanobu	1,790	1,632	907	2,490	2,540	50	4.0	3.8	4.2	3.9	3.7	4.1	-0.1	-0.1	-0.1	Chuo
RE-081	Royal Parks Toyosu	7,360	5,627	5,172	10,600	10,800	200	4.4	4.1	4.7	4.3	4.0	4.6	-0.1	-0.1	-0.1	Chuo
RE-082	Castalia Togoshi	1,770	1,525	1,024	2,510	2,550	40	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Chuo
RE-083	Castalia Ooimachi	1,181	1,108	601	1,700	1,710	10	3.5	3.3	3.7	3.5	3.3	3.7	0.0	0.0	0.0	Morii
RE-084	Castalia Omori	1,500	1,397	502	1,870	1,900	30	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Chuo
RE-085	Castalia Mishuku	1,900	1,769	700	2,420	2,470	50	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Chuo
RE-086	Castalia Arakawa	1,660	1,512	847	2,320	2,360	40	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	Chuo
RE-087	Castalia Omori II	2,370	2,191	968	3,090	3,160	70	3.7	3.5	3.9	3.6	3.4	3.8	-0.1	-0.1	-0.1	Morii
RE-088	Castalia Nakameguro	3,800	3,729	1,270	4,880	5,000	120	3.5	3.3	3.7	3.4	3.2	3.6	-0.1	-0.1	-0.1	Morii
RE-089	Castalia Meguro Choijamaru	2,030	1,977	672	2,610	2,650	40	3.5	3.3	3.7	3.4	3.2	3.6	-0.1	-0.1	-0.1	Morii
RE-090	Castalia Meguro Takaban	1,750	1,722	397	1,990	2,120	130	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	Morii
RE-091	Castalia Omori III	1,520	1,436	463	1,850	1,900	50	3.7	3.5	3.9	3.6	3.4	3.8	-0.1	-0.1	-0.1	Morii
RE-093	Castalia Meguro Tairamachi	1,165	1,176	243	1,420	1,420	0	3.4	3.2	3.6	3.4	3.2	3.6	0.0	0.0	0.0	Morii
RE-094	Royal Parks SEASIR	4,350	3,868	1,311	5,220	5,180	-40	5.0	4.8/5.2	-	4.9	4.7/5.1	-	-0.1	-0.1	-	Morii
RE-095	Castalia Honkomagome	1,520	1,472	497	1,930	1,970	40	3.8	3.6	4.0	3.7	3.5	3.9	-0.1	-0.1	-0.1	Morii
RE-096	Cosmo Heim Musashikosugi	1,674	1,648	561	2,170	2,210	40	4.6	4.4	4.8	4.5	4.3	4.7	-0.1	-0.1	-0.1	Chuo
RE-097	Castalia Tsurumi	666	568	235	789	804	15	4.9	4.7	5.1	4.8	4.6	5.0	-0.1	-0.1	-0.1	Chuo

Appraisal Value Comparison (6)

Property number	Property name	Acquisition price	Book value Aug. 2021	Unrealized gain (loss)	(mil yen)			(%)									Appraiser (Note 2)
					Appraisal value (Note 1)			Feb. 2021			Aug. 2021			Change			
					Feb. 2021	Aug. 2021	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
RE-098	Castalia Funabashi	704	666	172	830	839	9	4.7	4.7/4.5	4.9	4.6	4.4	4.8	-0.1	-0.1	-0.1	Tanizawa
RE-099	Castalia Nishi Funabashi	783	718	291	998	1,010	12	4.9	4.7	5.1	4.8	4.6	5.0	-0.1	-0.1	-0.1	JREI
RE-105	Castalia Nogeeyama	325	300	46	329	347	18	4.8	4.6	5.0	4.7	4.5	4.9	-0.1	-0.1	-0.1	JREI
RE-106	Castalia Ichikawa	461	407	175	572	583	11	4.7	4.6	5.0	4.6	4.5	4.9	-0.1	-0.1	-0.1	JREI
RE-107	Royal Parks Hanakoganei	5,300	4,576	2,153	6,620	6,730	110	4.8	4.6/5.0	—	4.7	4.5/4.9	—	-0.1	-0.1	—	Daiwa
RE-108	Castalia Musashikosugi	1,680	1,606	403	2,020	2,010	-10	4.0	3.8	4.2	3.9	3.7	4.1	-0.1	-0.1	-0.1	Morii
RE-109	Royal Parks Wakabadai	4,360	3,548	1,321	4,830	4,870	40	5.0	4.8/5.2	—	4.9	4.7/5.1	—	-0.1	-0.1	—	Daiwa
RE-110	Pacific Royal Court Minatomirai Urban Tower	9,100	7,621	4,078	11,700	11,700	0	4.5	4.3/4.7	—	4.4	4.2/4.6	—	-0.1	-0.1	—	Morii
RE-111	L-Place Shinkoyasu	1,720	1,612	617	2,190	2,230	40	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	JREI
RE-112	Royal Parks Musashikosugi	1,060	921	458	1,380	1,380	0	4.5	4.3/4.7	—	4.4	4.2/4.6	—	-0.1	-0.1	—	Morii
RE-116	Castalia Sakaisuji Honmachi	1,490	1,261	668	1,900	1,930	30	4.3	4.4	4.5	4.2	4.3	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-117	Castalia Shin-Umeda	1,376	1,223	516	1,690	1,740	50	4.4	4.5	4.6	4.3	4.4	4.5	-0.1	-0.1	-0.1	Tanizawa
RE-118	Castalia Abeno	4,368	4,027	1,832	5,660	5,860	200	4.3	4.4	4.5	4.2	4.3	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-119	Castalia Sakae	1,010	895	404	1,270	1,300	30	4.6	4.4	4.8	4.5	4.3	4.7	-0.1	-0.1	-0.1	Chuo
RE-123	Castalia Higashi Hie	960	846	283	1,080	1,130	50	4.6	4.8	4.8	4.5	4.7	4.7	-0.1	-0.1	-0.1	Tanizawa
RE-124	Castalia Tower Nagahoribashi	3,400	2,840	2,059	4,790	4,900	110	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	Chuo
RE-125	Castalia Sannomiya	1,230	1,074	505	1,560	1,580	20	4.7	4.5	4.9	4.6	4.4	4.8	-0.1	-0.1	-0.1	Daiwa
RE-126	Castalia Kotodaikoen	481	393	194	580	588	8	5.0	5.0	5.2	4.9	4.9	5.1	-0.1	-0.1	-0.1	Daiwa
RE-127	Castalia Ichibancho	783	668	310	967	979	12	5.0	5.0	5.2	4.9	4.9	5.1	-0.1	-0.1	-0.1	Daiwa
RE-128	Castalia Omachi	656	579	267	847	847	0	5.0	5.0	5.2	4.9	4.9	5.1	-0.1	-0.1	-0.1	Daiwa
RE-129	Castalia Uemachidai	2,190	1,976	953	2,860	2,930	70	4.4	4.2	4.6	4.3	4.1	4.5	-0.1	-0.1	-0.1	Daiwa
RE-130	Castalia Tower Higobashi	2,670	2,290	1,429	3,650	3,720	70	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	Chuo
RE-132	Castalia Fushimi	2,260	1,873	1,326	3,250	3,200	-50	4.4	4.2	4.6	4.3	4.1	4.5	-0.1	-0.1	-0.1	JREI
RE-133	Castalia Meieki Minami	720	630	379	1,000	1,010	10	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Morii
RE-134	Castalia Yakuin	930	860	409	1,240	1,270	30	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Morii
RE-135	Castalia Mibu	1,193	1,042	537	1,550	1,580	30	4.4	4.2	4.6	4.3	4.1	4.5	-0.1	-0.1	-0.1	JREI
RE-136	Castalia Tsutsujigaoka	1,208	1,118	761	1,850	1,880	30	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	Morii
RE-137	Castalia Ohori Bay Tower (Note 3)	2,910	2,391	1,348	3,740	3,740	0	5.1	4.9	5.3	5.1	4.9	5.3	0.0	0.0	0.0	Morii
RE-138	Royal Parks Namba	2,830	2,375	594	2,950	2,970	20	5.2	5.1/5.5	—	5.1	5.0/5.4	—	-0.1	-0.1	—	Daiwa
RE-139	Castalia Shigahondori	1,730	1,505	794	2,200	2,300	100	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	JREI
RE-140	Castalia Kyoto Nishioji	973	967	152	1,100	1,120	20	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Morii
RE-141	Castalia Ningyocho III	2,000	1,941	878	2,730	2,820	90	3.7	3.5	3.9	3.6	3.4	3.8	-0.1	-0.1	-0.1	JREI

Appraisal Value Comparison (7)

Property number	Property name	Acquisition price	Book value Aug. 2021	Unrealized gain (loss)	(mil yen)			(%)									Appraiser (Note 2)
					Appraisal value (Note 1)			Feb. 2021			Aug. 2021			Change			
					Feb. 2021	Aug. 2021	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
RE-142	Royal Parks Umejima	2,020	1,855	314	2,170	2,170	0	5.0	4.8/5.2	—	4.9	4.7/5.1	—	-0.1	-0.1	—	Morii
RE-143	Castalia Shinsakae II	1,800	1,775	244	1,980	2,020	40	4.7	4.5	4.9	4.6	4.4	4.8	-0.1	-0.1	-0.1	Daiwa
Residential Properties Total		242,533	220,279	83,997	298,324	304,277	5,953	—	—	—	—	—	—	—	—	—	—
RM-001	ACROSSMALL Shinkamagaya	7,770	7,326	1,363	8,650	8,690	40	5.3	5.0	5.5	5.3	5.0	5.5	0.0	0.0	0.0	JREI
RM-002	FOLEO Hirakata	4,580	4,373	296	4,670	4,670	0	5.8	5.3	5.9	5.8	5.3	5.9	0.0	0.0	0.0	JREI
RM-003	QiZ GATE URAWA	4,270	4,122	337	4,450	4,460	10	5.3	4.9	5.4	5.3	4.9	5.4	0.0	0.0	0.0	JREI
RM-004	UNICUS Takasaki	3,000	2,893	326	3,220	3,220	0	5.9	5.6	6.1	5.9	5.6	6.1	0.0	0.0	0.0	JREI
RM-005	ACROSSPLAZA Miyoshi (Land)	3,740	3,740	220	3,960	3,960	0	—	4.2	—	—	4.2	—	—	0.0	—	Tanizawa
RM-006	DREAM TOWN ALI	8,100	7,812	427	8,250	8,240	-10	5.5	5.2	5.7	5.5	5.2	5.7	0.0	0.0	0.0	JREI
RM-007	ASOBOX (Land)	1,600	1,617	342	1,960	1,960	0	—	4.8	—	—	4.8	—	—	0.0	—	JREI
RM-008	FOLEO Ome Imai	3,800	3,686	263	3,940	3,950	10	5.1	4.6	5.4	5.1	4.6	5.4	0.0	0.0	0.0	JREI
RM-009	FOLEO Otsu Ichiriyama	8,100	8,031	718	8,750	8,750	0	5.3	5.1	5.6	5.3	5.1	5.6	0.0	0.0	0.0	JREI
RM-010	FOLEO Hakata	3,200	3,081	638	3,700	3,720	20	4.7	4.5	5.0	4.7	4.5	5.0	0.0	0.0	0.0	JREI
RM-011	ACROSSMALL Semboku (Land)	3,250	3,383	496	3,870	3,880	10	—	4.3	—	—	4.3	—	—	0.0	—	Tanizawa
RM-012	iiias Tsukuba	34,120	34,015	284	34,300	34,300	0	5.0	4.8	5.3	5.0	4.8	5.3	0.0	0.0	0.0	JREI
RR-001	LIFE Sagamihara Wakamatsu	1,670	1,640	209	1,850	1,850	0	4.6	4.1	4.6	4.6	4.1	4.6	0.0	0.0	0.0	JREI
RR-002	FOLEO Sendai Miyanomori	6,960	6,818	701	7,480	7,520	40	5.5	5.2	5.7	5.5	5.2	5.7	0.0	0.0	0.0	JREI
RR-003	ACROSSPLAZA Inazawa (Land)	2,390	2,390	210	2,600	2,600	0	—	4.9	—	—	4.9	—	—	0.0	—	JREI
RR-004	Sports Depo and GOLF5 Kukurahigashi IC Store	2,230	2,117	342	2,400	2,460	60	6.0	6.1	6.2	6.0	6.1	6.2	0.0	0.0	0.0	Tanizawa
RR-005	Hiratsuka Retail Property (Land)	5,620	5,857	842	6,680	6,700	20	—	4.0	—	—	4.0	—	—	0.0	—	Tanizawa
RR-006	Royal Home Center Morinomiya (Land)	4,500	4,541	738	5,280	5,280	0	—	4.0	—	—	4.0	—	—	0.0	—	Tanizawa
RR-007	Aoyama Tailor Bunkyo Sengoku Ekimae Store	750	765	13	770	779	9	4.2	3.8	4.3	4.2	3.8	4.3	0.0	0.0	0.0	JREI
RR-008	FOLEO Shobu	5,000	4,934	185	5,150	5,120	-30	5.1	4.8	5.3	5.1	4.8	5.3	0.0	0.0	0.0	JREI
RR-009	Hapias Kaita (Land)	1,400	1,471	58	1,520	1,530	10	—	4.8	—	—	4.8	—	—	0.0	—	Tanizawa
RU-001	COMBOX310	4,480	4,286	383	4,660	4,670	10	5.5	5.3	5.7	5.5	5.3	5.7	0.0	0.0	0.0	Daiwa
RU-002	Sports Plaza Ibaraki	2,689	2,693	76	2,710	2,770	60	4.7	4.5	4.9	4.7	4.5	4.9	0.0	0.0	0.0	Daiwa
Retail Properties Total		123,219	121,602	9,476	130,820	131,079	259	—	—	—	—	—	—	—	—	—	—

Appraisal Value Comparison (8)

Property number	Property name	Acquisition price	Book value Aug. 2021	Unrealized gain (loss)	(mil yen)			Appraisal value (Note 1)									Appraiser (Note 2)		
					Appraisal value (Note 1)			Feb. 2021			Aug. 2021			Change			Appraiser (Note 2)		
					Feb. 2021	Aug. 2021	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF				
									CR	DR		TCR	CR		DR	TCR		CR	DR
HO-001	Daiwa Roynet Hotel Yokohama Kannai	4,800	4,691	338	5,020	5,030	10	4.6	4.4	4.8	4.6	4.4	4.8	0.0	0.0	0.0	Daiwa		
HO-002	Super Hotel JR Nara Station Sanjo Street	1,470	1,432	47	1,480	1,480	0	4.8	4.7	5.0	4.8	4.7	5.0	0.0	0.0	0.0	Daiwa		
HO-003	Daiwa Roynet Hotel Nagoya Shinkansenguchi	4,500	4,494	-174	4,400	4,320	-80	4.0	3.8	4.2	4.0	3.8	4.2	0.0	0.0	0.0	Daiwa		
HO-004	AGORA Kanazawa	5,200	5,101	108	5,290	5,210	-80	5.3	5.1	5.5	5.4	5.2	5.6	0.1	0.1	0.1	Daiwa		
HO-005	CANDEO HOTELS Nagasaki Shinchi Chinatown	3,140	3,115	24	3,190	3,140	-50	5.0	4.8	5.2	5.0	4.8	5.2	0.0	0.0	0.0	Daiwa		
Hotel Properties Total		19,110	18,835	344	19,380	19,180	-200	—	—	—	—	—	—	—	—	—	—		
OT-001	Urban Living Inage	930	799	480	1,280	1,280	0	5.3	5.1	5.5	5.3	5.1	5.5	0.0	0.0	0.0	Daiwa		
OT-002	Aburatsubo Marina HILLS	1,100	1,006	223	1,230	1,230	0	6.3	5.9	6.3	6.3	5.9	6.3	0.0	0.0	0.0	JREI		
OT-003	Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)	7,600	7,120	999	8,110	8,120	10	5.3	5.1	5.5	5.3	5.1	5.5	0.0	0.0	0.0	Daiwa		
OT-004	Sharp Hiroshima Building	1,850	1,798	151	1,950	1,950	0	5.3	5.1	5.5	5.3	5.1	5.5	0.0	0.0	0.0	JREI		
OT-005	Nursery Room Bery Bear Omori Nishi Welcia Ota Omori Nishi Store	1,380	1,383	-3	1,380	1,380	0	4.3	4.1	4.5	4.3	4.1	4.5	0.0	0.0	0.0	Daiwa		
OT-006	GRANODE Hiroshima	14,400	14,249	1,100	15,350	15,350	0	4.4	4.2	4.6	4.4	4.2	4.6	0.0	0.0	0.0	JREI		
Other Assets Total		27,260	26,358	2,951	29,300	29,310	10	—	—	—	—	—	—	—	—	—	—		
Portfolio Total		824,293	786,421	152,694	923,264	939,116	15,852	—	—	—	—	—	—	—	—	—	—		
Acquisitions in Sep. and Oct. 2021																			
LB-065	D Project Wako A	10,750	—	—	—	11,200	—	—	—	—	3.8	3.5	4.1	—	—	—	JREI		
LB-066	D Project Hiratsuka	15,200	—	—	—	15,200	—	—	—	—	4.3	4.3/4.4	4.5	—	—	—	Tanizawa		
LM-006	DPL Nagareyama III	32,000	—	—	—	32,100	—	—	—	—	4.3	4.2/4.4	4.5	—	—	—	Tanizawa		
OT-006	GRANODE Hiroshima (additional acquisition)	14,400	—	—	—	15,350	—	—	—	—	4.4	4.2	4.6	—	—	—	JREI		
Total of Acquisitions in Sep. and Oct. 2021		72,350	—	—	—	73,850	—	—	—	—	—	—	—	—	—	—	—		

(Note 1) As for the property acquired in the period ended Aug. 2021, appraisal value for the period ended Feb. 2021 is based on the appraisal value at the time of the acquisition.

Appraisal value for the period ended Feb. 2021 excludes the property sold in the period ended Aug. 2021.

(Note 2) "Tanizawa": The Tanizawa Sogo Appraisal Co., Ltd., "Chuo": Chuo Real Estate Appraisal Co., Ltd., "JREI": Japan Real Estate Institute, "Daiwa": Daiwa Real Estate Appraisal Co., Ltd., "Mori": JLL Mori Valuation & Advisory K.K.

(Note 3) Sold as of Sep. 30, 2021.

Unitholder Status

Number of Unitholders and Units by Unitholder Type

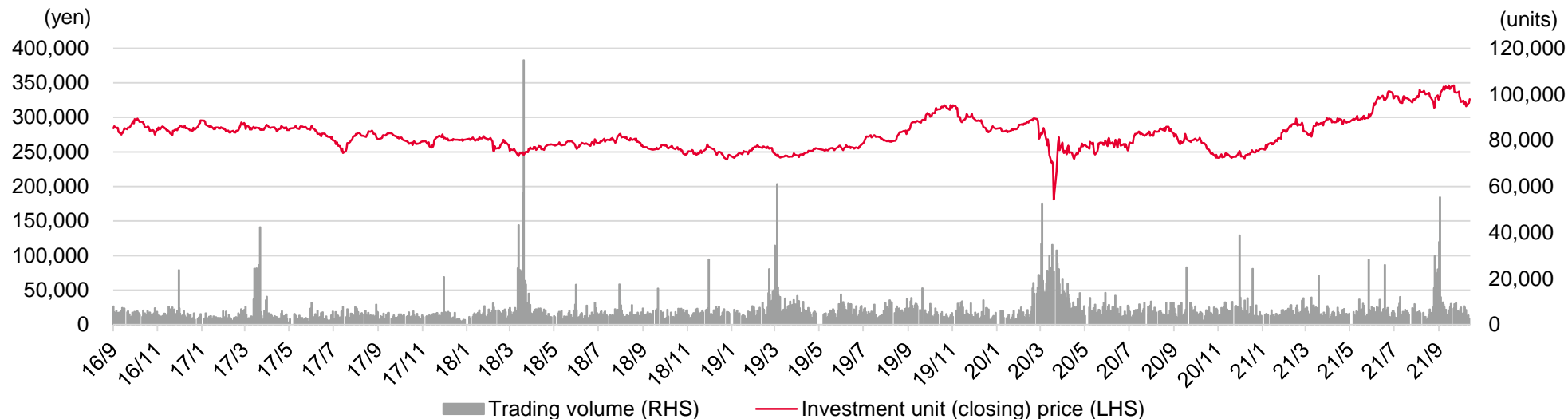
Unitholder type	Period ended Feb. 2021				Period ended Aug. 2021			
	Number of unitholders		Number of units		Number of unitholders		Number of units	
	Unitholders	(%)	Units	(%)	Unitholders	(%)	Units	(%)
Individuals and others	17,847	93.6	103,882	4.7	16,656	93.4	94,310	4.3
Financial institutions	221	1.2	1,236,011	56.3	216	1.2	1,191,645	54.3
Banks / trust banks	73	0.4	1,097,017	50.0	74	0.4	1,050,227	47.8
City banks	—	—	—	—	—	—	—	—
Regional banks	58	0.3	141,875	6.5	60	0.3	138,620	6.3
Trust banks	15	0.1	955,142	43.5	14	0.1	911,607	41.5
Life insurance companies	9	0.0	34,859	1.6	9	0.1	34,255	1.6
Non-life insurance companies	—	—	—	—	1	0.0	100	0.0
Other financial institutions	139	0.7	104,135	4.7	132	0.7	107,063	4.9
Shinkin banks	75	0.4	37,025	1.7	69	0.4	33,908	1.5
Others	64	0.3	67,110	3.1	63	0.4	73,155	3.3
Other domestic corporations	410	2.2	226,364	10.3	367	2.1	225,832	10.3
Foreign corporations and individuals	554	2.9	507,413	23.1	574	3.2	522,816	23.8
Securities firms	27	0.1	122,330	5.6	26	0.1	161,397	7.3
Total	19,059	100.0	2,196,000	100.0	17,839	100.0	2,196,000	100.0

Major Unitholders

Name	Period ended Aug. 2021	
	Number of units owned	Ownership (%)
Custody Bank of Japan, Ltd. (Trust Account)	404,347	18.4
The Master Trust Bank of Japan, Ltd. (Trust Account)	298,936	13.6
Daiwa House Industry Co., Ltd.	189,200	8.6
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	82,031	3.7
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	66,784	3.0
SMBC Nikko Securities Inc.	60,838	2.8
STATE STREET BANK WEST CLIENT - TREATY 505234	45,235	2.1
JAPAN SECURITIES FINANCE CO., LTD.	33,334	1.5
SSBTC CLIENT OMNIBUS ACCOUNT	26,669	1.2
STATE STREET BANK AND TRUST COMPANY 505103	24,973	1.1
Total	1,232,347	56.1

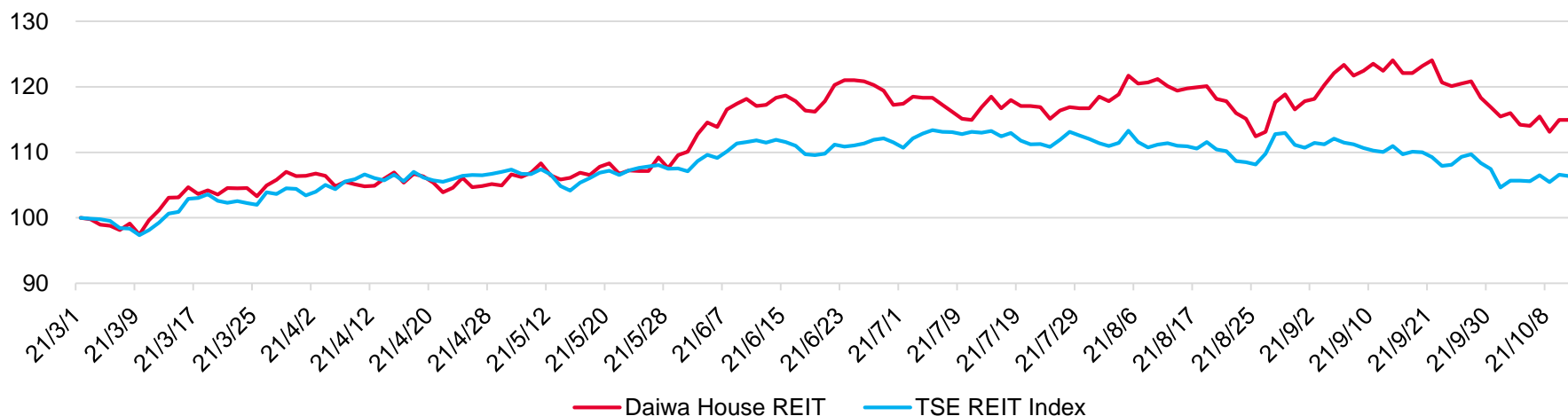
Unit Price Performance

Unit Price and Trading Volume



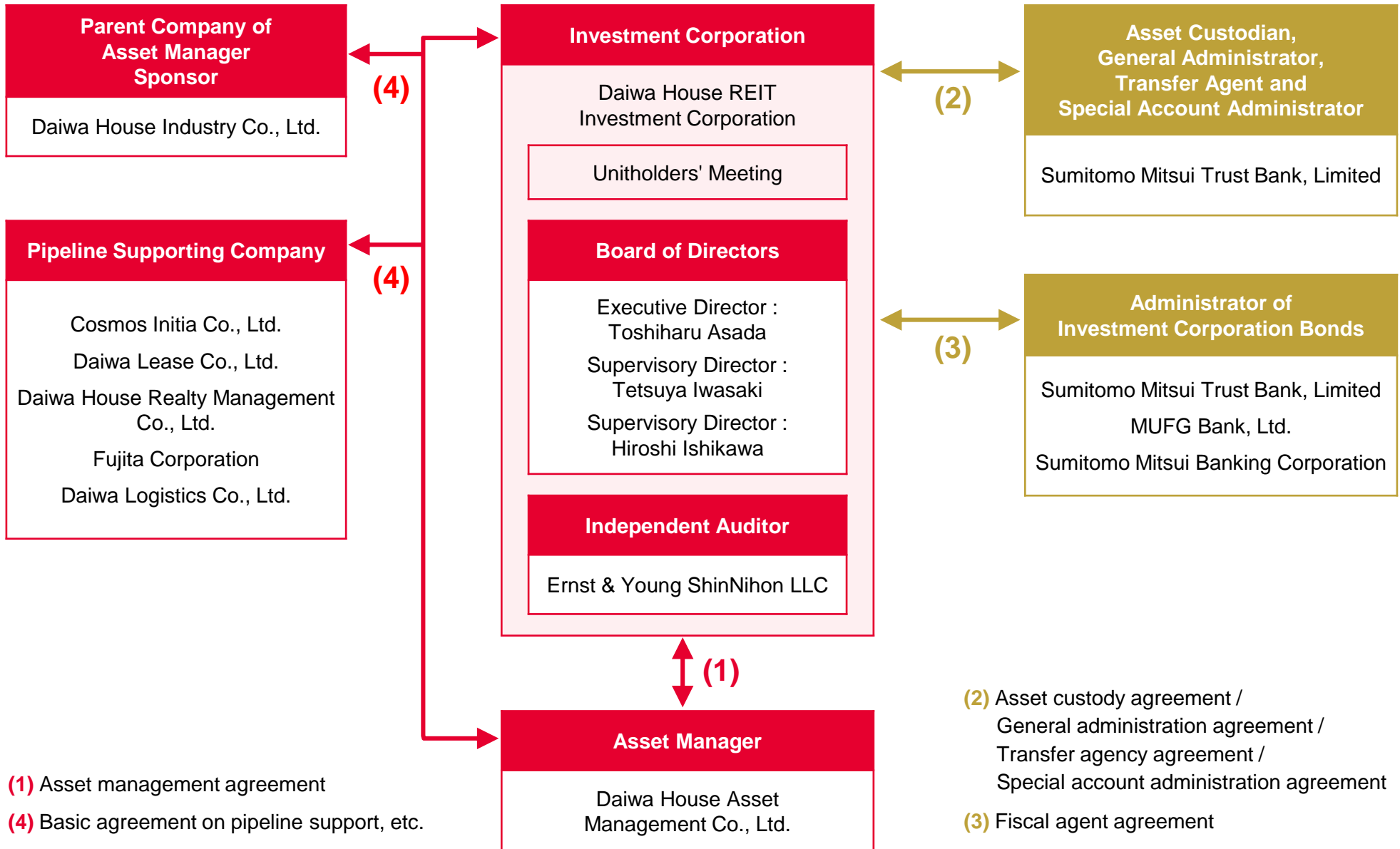
(Note) Investment unit price since Sep. 1, 2016 (effective date of the merger) is shown.

Relative Unit Price Performance



(Note) Indexed with the Mar. 1, 2021 (start of the period ended Aug. 2021) closing prices of DHR's unit and TSE REIT Index.

REIT Structure



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