

For Immediate Release

Real Estate Investment Trust Securities Issuer
 1-1-1 Akasaka, Minato-ku, Tokyo
 XYMAX REIT Investment Corporation
 Representative Executive Director Shotaro Kanemitsu
 (Securities Code 3488)

Asset Management Company
 XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation

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Notice Concerning Acquisition of Domestic Trust Beneficiary Right in Real Estate (Valor Kachigawa Store (Leasehold land) (50% quasi-co-ownership interest)) and Disposition of Domestic Real Estate Trust Beneficiary Right (Renaissance 21 Chihaya)

XYMAX REIT Investment Corporation (hereinafter "XYMAX REIT") hereby announces that XYMAX REAL ESTATE INVESTMENT ADVISORS Corporation (hereinafter the "Asset Management Company"), the asset management company to which XYMAX REIT entrusts the management of its assets, decided to acquire and dispose asset (hereinafter the "Acquisition" and the "Disposition," , and together with the Acquisition and the Disposition, the "Transactions") as described below.

1. Overview of the Acquisition

(1) Asset to Be Acquired

Category	Property No. (Note 1)	Property name	Location	Anticipated acquisition price(million yen) (Note 2)	Appraisal value (million yen) (Note 3)	Existence of intermediary
Retail	RT-06	Valor Kachigawa Store (Leasehold land) (50% quasi-co-ownership interest)	Kasugai City, Aichi Prefecture	3,245	3,330	None

(2) Scheduled purchase and sale agreement : January 27, 2022

(3) Scheduled payment date and acquisition date : January 31, 2022

(4) Sellers : Please refer to "6. Profile of Seller/Assignee" below.

(5) Acquisition Funds : Borrowings (Note 4) and cash on hand

(6) Settlement method : Full payment upon settlement

(Note 1) "Property No." refers to the property codes and numbers according to the type of the asset held by XYMAX REIT. For each code, OF represents Office, RT represents Retail, HT represents Hotel, and OT represents other. The same shall apply hereinafter.

(Note 2) "Anticipated acquisition price" is the purchase price of the Asset to Be Acquired as set forth in the purchase and sale agreement. The purchase price does not include national and local consumption taxes nor acquisition costs and is rounded down to

the nearest million yen. The same shall apply hereinafter.

(Note 3)The figures is equivalent to the quasi-co-ownership interest (50%) in trust beneficiary rights that the Investment Corporation plans to acquire.

(Note 4)Please refer to the "Notice Concerning Borrowings of Funds" announced today for more detail.

2. Overview of the sale

- (1) Asset to Be Disposed :Beneficiary right in a trust with real estate as the trust property (hereinafter referred to as the "Disposition of Beneficiary Right")
- (2) Property name : Renaissance 21 Chihaya
- (3) Scheduled sales price (Note 1) :3,280million yen(scheduled to sale the beneficiary rights in two installments in the form of quasi-co-ownership interest (50% quasi-co-ownership interest in each case), and the sales price of each case is as follows:
1. 1,640 million yen (50% quasi-co-ownership interest)
 2. 1,640 million yen (50% quasi-co-ownership interest)
- (4) Assumed book value (Note 2) : 2,748 million yen
- (5) Difference between the estimated sales price: 531 million yen
And the assumed book value (Note 3)
- (6) Scheduled purchase and sale agreement : January 27, 2022
- (7) Scheduled date of sale : 1. January 31, 2022
2. March 31, 2022
- (8) Assignee : Please refer to "6. Profile of Seller/Assignee" below.
- (9) Use of Transfer Price : To be used for the acquisition of Asset to Be Acquired, etc.
- (10) Settlement method : Lump-sum settlement at the time of respective transfer

(Note 1)Figures for "Scheduled sales price" are rounded down to the nearest million yen for the purchase and sales price of the Asset to Be Disposed (excluding various expenses such as consumption tax, local consumption tax, transfer expenses, and settlement amount of fixed property tax and city planning tax) stated in the purchase and sale agreement related to the Asset to Be Disposed.

(Note 2)"Assumed book value" is rounded down to the nearest million yen as of the end of the August 2021 (7th fiscal period).

(Note 3)This is a reference figure calculated as the difference between the Scheduled sales price and the assumed book value, and differs from the gain or loss on transfer.

3. Reasons for the Transactions

The XYMAX REIT intends to improve the quality of its portfolio by acquiring new properties that meet the investment criteria in the Asset Management Guidelines (hereinafter referred to as "Management Guidelines"), while comprehensively taking into account current and future real estate market trends and the characteristics (profitability, age of building, area, etc.) of each property, and updating the portfolio through the sale of owned properties.

This transaction was realized through collaboration with the Sponsor Group, and this acquisition involves the acquisition of leasehold land of retail facility with high profit stability, also, for which long-term and stable lease contracts have been concluded with the lessee who has a good business relationship with the Sponsor Group, through face-to-face negotiations. We have comprehensively considered and decided to replace the assets (acquisition of Asset to Be Acquired and disposition of Asset to Be Disposed) because of 1. Profitability and stability of the Asset to Be Acquired, 2. The positioning of the Asset to Be Disposed within the portfolio and the Scheduled sales price, etc. XYMAX REIT believes the Transactions would contribute to the improvement of unitholder value.

XYMAX REIT intends to implement strategic and continuous asset replacements in the future.

In the course of the Transactions, the acquisition (Jan 31, 2022) will be conducted ahead of another portion of disposition (March 31, 2022). This will enable us to earn rent revenues from the Asset to Be Acquired at an early stage and secure a portion of rent revenues from the Asset to Be Disposed for a certain period of time. At the same time, by diversifying the timing of this transfer, it will be possible to distribute gains on the transfer

in a dispersed manner.

The Asset to Be Acquired is the retail facility and categorized as Main Asset in the portfolio of XYMAX REIT and the details are as follow;

(1) Characteristics of the property

- ✓ This is a leasehold land for a retail facility located seven minutes on foot from Kachigawa Station of the JR Central Main Line.
- ✓ The Asset to Be Acquired is subject to a long-term fixed-term leasehold establishment agreement for business use with the lessee with a remaining term of 24.5 years, which are not cancelable, and are expected to provide a high level of earnings stability.
- ✓ The retail facility on the Asset to Be Acquired is composed of 100-yen stores, daily-use stores such as drugstores and specialty stores for infants and children's general merchandise, centered on food supermarkets, and we expect stable store sales. In addition, we believe it has advantages as a retail because the store has three entrances and exits, have a highly convenient flat parking lot that can accommodate 346 units, and have a high accessibility by passenger vehicles.

(2) Overview of Trading Area

① Location and Transportation Access

- ✓ This is an area located within the walking distance of Kachigawa Station, which had 35,000 passengers per day in 2019, and is accessible to Nagoya Station by train in 20 minutes. As a result, there are many commuters in Nagoya City.

② Characteristics of the surrounding trading area

- ✓ The population of the trading area based on the 2015 Population Census is about 11,000 within 5 minutes of driving hours and about 49,000 within 10 minutes, showing an increasing trend of 108.8% and 104.0% compared to 2010, respectively.
- ✓ The population composition of the retail area is high in the 30s-40s age, with 12.8% of households aged less than 6 in the 1km area, which is high compared to the national average of 8.7%, while 29.2% of households aged 65 or older are low compared to the national average of 40.7%. This location is suitable for retail facilities centered on food supermarkets because it is a trading area with a large number of families at the child-rearing stage.
- ✓ Kasugai City's passenger car ownership rate is 122.9%, and a car society is formed in which vehicles are used for shopping, so roadside retail facilities have a better advantage than locations in front of stations.

4. Summary of Asset to Be Acquired

The summary of Asset to Be Acquired is as follows.

Refer to Reference 3 "Explanation of matters stated in Summary of Asset to Be Acquired" for explanations of matters stated in the columns in the table.

Property Name	Valor Kachigawa Store ((leasehold land) (50% quasi-co-ownership interest))	Category		Retail
		Property No.		RT-06
Summary of Specified Assets				
Expected date of acquisition	January 31, 2022	Type of specific assets		Trust beneficiary right (50% quasi-co-ownership interest) (Note 1)
Anticipated acquisition price	3,245 million yen	Outline of Trust Beneficial Right	Trustee	Mitsubishi UFJ Trust and Banking Corporation
Appraised value (appraisal date)	3,330 million yen (January 1, 2022)		Trust maturity date	End of February, 2026
Location residence indication)	2-1-1, Ono-cho, Kasugai-shi, Aichi			
Transportation	7-minute walk from Kachigawa Station on the JR Chuo Line			

Land	Lot number	1-1, Ono-cho 2-chome, Kasugai-shi, Aichi		Site Area	20,509.10 m ² (Note 2)	
	Building coverage ratio	60%		Floor-area ratio	200%	
	Zoning	Industrial area		Type of ownership	Quasi-co-ownership interest (50%)	
Buildings	Construction date	-		Structure and number of floors	-	
	Use	-		Total floor area	-	
	Architect	-		Builder	-	
	Construction confirmation	-		Type of ownership	-	
ML company (planned)		-		ML Type	-	
PM company		Jones Lang LaSalle Incorporated				
Remarks • Upon the acquisition of the asset (50% quasi-co-ownership interest in the trust beneficiary right of this property), the XYMAX REIT has entered into a Quasi-Co-Owners Agreement (hereinafter the "Agreement") with the seller of the asset. The main contents of this Agreement are as follows. (1) Special provision regarding Non-Split clause of Beneficiary Right in the Trust (for a period of five years from the date of this Agreement and to be renewed thereafter unless there is a manifestation of intention to refuse renewal) (2) In the event each quasi-co-owner wishes to sell its quasi-co-ownership interest to a third party, the other quasi-co-owner has been granted the right of preferential negotiation rights for the purchase of the quasi-co-ownership interest held by the other quasi-co-owners. (Note 1) The XYMAX REIT plans to acquire a quasi-co-ownership interest (50%) in the trust beneficiary right in this property. The seller will continue to retain a quasi-co-ownership interest (50%) in the trust beneficiary right. (Note 2) The entire land area is shown in this table.						
Outline of the lease						
Leasable area		10,254.55 m ² (Note 1)		Leased area		10,254.55 m ² (Note 1)
Occupancy rate		100%		Number of tenants		1
Annual rent		Undisclosed (Note 2)		Lease deposits		Undisclosed (Note 2)
(Note 1) Figures are calculated by multiplying the leased area stipulated in the lease agreement for this property by the ratio of the quasi-co-ownership interest of the beneficial interest acquired by the XYMAX REIT (50%).						
(Note 2) Since the approval of the lessee for the disclosure of information has not been obtained, the information has not been disclosed due to this unavoidable reason.						
Outline of Engineering Report (Note)						
Inspection company		-		Date of investigation		-
Urgent and short-term repair expenses.		-		Long-term repair expenses (annual average)		-
(NOTE) Separately, we have obtained a Soil Contamination Risk Assessment Report from Field Partners Co., Ltd.						
Outline of Earthquake Risk Analysis, etc.						
Inspection company		-		PML		-
State of collaterals		None				
Changes of occupancy rate		End of March 2017	End of March 2018	End of March 2019	End of March 2020	End of March 2021
		100.0%	100.0%	100.0%	100.0%	100.0%

Overview of the Appraisal Report			
Property name	Valor Kachigawa Store (Leasehold <u>land</u>)		
Appraisal value	3,330,000 thousand yen		
Name of appraiser	Tanizawa Co., Ltd.		
Appraisal date	January 1, 2022		
Item	Details (Thousand yen)	Outline, etc.	
Value based on income approach	3,330,000	Calculated using the capitalized value based on the DCF method.	
Value based on direct capitalization method	-	Only DCF method is applied.	
(1) Operating revenue	-	-	
(i. - ii)			
i Effective gross revenue	-	-	
ii Loss from vacancy, etc.	-	-	
(2) Operating expenses	-	-	
(a. +b. +c. +d. +e. +f. +g. +h.)			
a. Maintenance and management fee	-	-	
b. Utility expenses	-	-	
c. Repair expenses	-	-	
d. PM fee	-	-	
e. Tenant leasing expenses, etc.	-	-	
f. Taxes and public dues	-	-	
g. Insurance premiums	-	-	
h. Other expenses	-	-	
(3) Net operating income ((1)-(2))	-	-	
(4) Gain from investment of deposits	-	-	
(5) Capital expenditures	-	-	
Net income ((3)+(4)-(5))	-	-	
Capitalization rate	-	-	
DCF-based Value based on income approach	3,330,000	-	
Discount rate	4.1%	Assessment based on a comprehensive consideration of the content of the current lease agreement, etc., based on a comparison with trade cases of similar real estate and an accumulation method that adds the individuality of real estate to the yield of financial assets.	
Terminal capitalization rate	-	-	
Cost approach value	-	-	
Land ratio	-	-	
Building ratio	-	-	
Other items considered by real estate appraiser upon appraisal	None in particular.		

(NOTE) Figures are equivalent to the quasi-co-ownership interest (50%) of the trust beneficiary right the XYMAX REIT plans to acquire.

5. Summary of Asset to Be Disposed

A summary of Asset to Be Disposed is as follows:

Please refer to Reference 3 “Explanation of matters stated in Summary of Assets to Be Acquired” for explanations of matters stated in the columns in the table.

Premises Name	Renaissance 21 Chihaya		Category	Others (Residential)	
			Property No.	OT-01	
Summary of Specified Assets					
Expected date of sale	1st sale January 31, 2022 (50% quasi-co-ownership interest) 2nd sale March 31, 2022 (50% quasi-co-ownership interest)		Type of specified assets		Trust beneficiary rights
Estimated sale price	3,280 million yen		Outline of Trust beneficiary right	Trustee	Mitsubishi UFJ Trust and Banking Corporation
Appraisal value (appraisal date)	3,280 million yen (As of August 31, 2021)			Trust maturity date	End of February, 2028
Location	4-25, Chihaya 5-chome, Higashi-ku, Fukuoka-shi, Fukuoka				
Transportation	6-minute walk from Chihaya Station on the JR Kagoshima Main Line or Nishitetsu Chihaya Station on the Kaizuka Line of the West Japan Railway Company.				
Land	Location	2332, Chihaya 5-chome, Higashi-ku, Fukuoka-shi, Fukuoka, etc.	Site Area		2,644.63 m ²
	Building coverage ratio	80%	Floor-area ratio		400%
	Zoning	Commercial area	Type of ownership		Ownership
Buildings	Construction date	October 19, 2006	Structure and number of floors		Steel-framed reinforced concrete building with 14 floors of flat roof
	Use	Multiple residential and retail	Total floor area		10,856.15 m ²
	Architect	Tei architectural design office	Builder		Nishimatsu Construction Co., Ltd. Kyushu Branch
	Construction confirmation	Japan ERI Co.,Ltd.	Type of ownership		Ownership
ML company	Miyosi asset Management Co., Ltd.				
ML Type	Pass-through type				
PM company	Miyosi asset Management Co., Ltd.				
Remarks	<p>· Upon the acquisition of the asset (50% quasi-co-ownership interest in the trust beneficiary right of this property), the XYMAX REIT has entered into a Quasi-Co-Owners Agreement (hereinafter the "Agreement") with the seller of the asset. The main contents of this Agreement are as follows.</p> <p>(1) Special provision regarding Non-Split clause of Beneficiary Right in the Trust (for a period of five years from the date of this Agreement and to be renewed thereafter unless there is a manifestation of intention to refuse renewal)</p> <p>(2) In the event each quasi-co-owner wishes to sell its quasi-co-ownership interest to a third party, the other quasi-co-owner has been granted the right of preferential negotiation rights for the purchase of the quasi-co-ownership interest held by the other quasi-co-owners.</p>				
Outline of the leasing					
Leasable area	10,290.99 m ²		Leased area		10,095.21 m ²
Occupancy rate	98.1%		Number of tenants		139
Annual rent	208 million yen		Lease deposits		23 million yen
Profit and loss information (the total of actual results for the fiscal periods ending February 28, 2021 and 2021)					
Income	206 million yen				
NOI	162 million yen				
Profit	122 million yen				
Changes of occupancy rate	End of August, 2019	End of February, 2020	End of August, 2020	End of February, 2021	End of August, 2021
	92.7%	91.0%	96.7%	99.0%	96.5%

Summary of the Appraisal Report		
Property name	Renaissance 21 Chihaya	
Appraisal value	3,280,000 thousand yen	
Name of the appraiser	Tanizawa Sogo Appraisal Co., Ltd.	
Appraisal date	August 31, 2021	
Item	Details (Thousands of yen)	Outline, etc.
Value based on income approach	3,280,000	Assessed mainly based on DCF-based value and compare it with the value based on the direct capitalization method.
Capitalized value by the direct capitalization method	3,340,000	-
(1) Operating revenue ((i)-(ii))	224,854	-
(i) Possible total return	237,179	Assessed based on the rent level recognized to be stable level, considering actual rent and recent leasing results, etc.
(ii) Loss on vacancy, etc.	12,325	Assessed based on the vacancy rate recognized to be stable, considering occupancy trend and market conditions, etc.
(2) Operating expenses (a. +b. +c. +d. +e. +f. +g. +h.)	55,559	-
a. Maintenance and management fee	11,731	Assessed based on ML/PM/BM contract (including memorandums of amendments) and revenue/expenditure results, etc.
b. Utility costs	3,704	Assessed based on the actual balance of payments, etc.
c. Repair expense	11,138	Assessed based on ER, similar events, etc.
d. PM fee	6,509	Assessment based on ML, PM, BM Agreement (including memorandum of amendments), etc.
e. Expenses for tenant leasing, etc.	4,084	Assume that 25.0% of tenants will be replaced annually in housing and 10.0% in retail spaces.
f. Public taxes and impositions	17,356	Actual amount based on information of fiscal 2021 tax and public dues.
g. Casualty insurance premium	584	Actual amount based on client presentation materials. Earthquake insurance is not included.
h. Other expenses	449	Assessed based on earnings performance, etc.
(3) Net operating income ((1)-(2))	169,294	-
(4) Gain from investment of deposits	262	Assessed investment profit with investment yield of 1.0%.
(5) Capital expenditures	9,065	Assessed based on ER, similar events, etc.
Net income ((3)+(4)-(5))	160,492	-
Capitalization rate	4.8%	Assessed by comprehensively considering the location, building, and other conditions of the subject property and by referring to capitalization rate of similar properties in the same trading area..
DCF-based Value based on income approach	3,250,000	-
Discount rate	4.9%	Assessed by setting the base yield of residence based on the accumulation method based on the yields of financial instruments and adjusting individual risks of the subject property.
Terminal capitalization rate	5.0%	Assessed by taking into account future forecast uncertainty based on the capitalization rate.
Cost approach value	3,050,000	-
Land ratio	56.7%	-
Building ratio	43.3%	-
Other items considered by real estate appraiser upon appraisal	None in particular.	

6. Profile of Seller/Assignee

Name	Japan Metropolitan Fund Investment Corporation
Address	Tokyo Building 7-3, Marunouchi 2-chome, Chiyoda-ku Tokyo
Title/Name of Representative	Executive Officer Masahiko Nishida
Description of Businesses	Assets are mainly invested in real estate and other assets.
Total amount of investment	411,878 million yen (as of August 31, 2021)
Date of Establishment	September 14, 2001
Net assets	623,671 million yen (as of August 31, 2021)
Total assets	1,235,720 million yen (as of August 31, 2021)
Major shareholders and their shareholding ratio	The Master Trust Bank of Japan, Ltd. (Trust Account) (17.57%) Custody Bank of Japan, Ltd. (Trust account) (15.37%) The Nomura Trust and Banking Co., Ltd. (Investment Trust Account) (4.46%) Custody Bank of Japan, Ltd. (Securities Investment Trust Account) (3.05%) SMBC Nikko Securities Inc. (2.46%) (As of the end of August 2021)
Relationship between the investment corporation and asset management company and the said company	
Capital relationship	There is no capital relationship between the Investment Corporation and the Asset Management Company.
Personnel relationship	There is no capital relationship between the Investment Corporation and the Asset Management Company.
Business relationship	There is no capital relationship between the Investment Corporation and the Asset Management Company.
Status of relationship	There is no capital relationship between the Investment Corporation and the Asset Management Company.

7. Transactions with interested parties

Xymax Trust Corporation, the brokerage agent for the Asset to Be Disposed is the parent company of Asset Management Company and falls under the category of an interested party set forth in Paragraph 1 Article 201 of the Enforcement Order of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended) (hereinafter referred to as the "Investment Trust Act") and Article 123 of the Act on Investment Trust and Investment Corporations (Cabinet Order No. 480 of 2000, as amended thereafter), as well as an interested party set forth in the REIT Stakeholder Transaction Management Rules, which are internal rules of the Asset Management Company Accordingly, in entering into brokerage agreement related to the purchase and sale agreement of said beneficiary right in trust, the Asset Management Company has conducted the required deliberations and resolutions in accordance with the provisions of the Rules on the Management of Transactions of Interested Persons.

8. Status of Acquisition for Property, etc.

Not applicable as the seller of the Asset to Be Acquired is not a special related party both of the XYMAX REIT and the Asset Management Company

9. Outline of intermediation
(1) Outline of the intermediary in the Acquisition

Not applicable.

(2) Outline of the intermediation in the Transfer

Name	Xymax Trust Corporation
Address	1-1-1, Akasaka, Minato-ku, Tokyo
Job Title/Name of Representative	Motoyuki Oyama President and Representative Director

Business description	(1) Management and operation of office buildings, retail facilities, and other type of real estate (2) Planning, design, construction, supervision, contracting, and consulting services related to buildings, construction, and equipment construction (3) Ownership, sale, purchase, leasing, supervision and brokerage of real estate, agency services, and appraisal of real estate
Capital	30 million yen (as of March 31, 2021)
Date of establishment	November 1, 2005
Major shareholders and their shareholding ratio	Xymax Corporation (100%)
Relationship between the XYMAX REIT and the Asset Management Company and the said company	
Capital relationship	XYMAX REIT is a 100% subsidiary of Xymax Corporation, the parent company of the Asset Management Company. Xymax Corporation holds 5.59% of XYMAX REIT's outstanding units as of today.
Personnel relationship	Corresponds to the concurrent position of director and corporate auditor of the Asset Management Company.
Business relationship	XYMAX REIT, the Asset Management Company and Xymax Corporation have entered into the Spencer Support Agreement.
To the related parties Applicable situation	Xymax Corporation is the parent company of the Asset Management Company, and is the related party of XYMAX REIT and the Asset Management Company.
Brokerage fees, etc. Amount	Brokerage fees for the sale and purchase of trust beneficiary right. ¥98,460,000 (Excluding taxes)

10. Matters concerning forward commitments, etc.

The scheduled date of this transfer is March 31, 2022 for the second scheduled date of transfer of the asset, and is more than one month after the date of conclusion of the purchase and sale agreement. Therefore, the purchase and sale agreement falls under the category of forward commitments, etc. stipulated in the Financial Services Agency's "Comprehensive Supervisory Guidelines for Financial Instruments Business Operators, etc." (referred to the purchase and sale agreement with an earlier date that requires settlement and delivery of properties after one month or more has elapsed from the date of conclusion of the contract and other similar contracts).

Under the purchase and sale agreement, in the event either party breaches any of the agreed matters stipulated in the purchase and sale agreement or the representations and warranties of either party stipulated in the purchase and sale agreement are found to be untrue or inaccurate, the other party may terminate the purchase and sale agreement by making a representation and warranty that is in violation of the agreed matters or that is not true or accurate, if the party requests the party to rectify any grounds that are contrary to such representations and warranties or promptly cure such breach within a reasonable period of time, and such correction or cure is not carried out within such period of time, or if it is obvious that the purpose of the purchase and sale agreement cannot be achieved due to such breach, representation, or breach of warranty, the other party who has made such representation and warranty that is in violation of the agreed matters or is not true or accurate. In addition, in the event the purchase and sale agreement is cancelled, the breaching party may be charged an amount equivalent to 20% of the sales price (excluding the amount equivalent to the consumption tax and local consumption tax) as a penalty. Since the XYMAX REIT is the seller and there are no financing risks or other concerns with respect to the execution of the Purchase and Sales Agreement, it is unlikely that the XYMAX REIT will be liable for damages and have a material impact on its financial condition, etc.

11. Future Outlook

Regarding the prospects of operation for the period ended February 2022 (September 1, 2021 to February 28, 2022) and the period ended August 2022 (March 1, 2022 to August 31, 2022) due to this transaction, please refer to the "Notice Concerning Revision of the Operating Forecasts and Distribution Forecast for the Fiscal Period Ending February 2022 (the 8th Fiscal Period) and the Fiscal Period Ending August 2022 (the 9th Fiscal Period)" of this date.

*Website address of the Investment Corporation: <https://xymaxreit.co.jp/>

(For reference)

Notice Concerning Revision of the Operating Forecasts and Distribution Forecast for the Fiscal Period Ending February 2022 (the 8th Fiscal Period) and the Fiscal Period Ending August 2022 (the 9th Fiscal Period) dated January 27, 2022

Notice Concerning Borrowings of Funds dated January 27, 2022

Supplementary Material dated January 27, 2022

<Attachments>

Reference Material 1	Photograph and location map of the Asset to Be Acquired
Reference Material 2	Portfolio Status after the Transactions
Reference Material 3	Explanation of items to be described in the details of the assets to be traded in the Transactions herein.

Valor Kachigawa Store (Leasehold land)



Category	Property no.	Property name	Location	(Expected) acquisition date	(Anticipated) acquisition price (million yen) (Note 1)	Share of portfolio (%) (Note 2)
Office	OF-01	XYMAX Nishi-Shimbashi Building	Minato-ku, Tokyo	February 16, 2018	2,500	7.0
	OF-02	XYMAX Iwamotocho Building	Chiyoda-ku, Tokyo	February 16, 2018	4,250	11.9
	OF-03	XYMAX Shinjuku-Gyoen Building	Shinjuku-ku, Tokyo	February 16, 2018	5,020	14.0
	OF-04	XYMAX Kamiyacho Building	Minato-ku, Tokyo	February 16, 2018	880	2.5
	OF-05	XYMAX Higashi-Azabu Building	Minato-ku, Tokyo	February 16, 2018	1,550	4.3
	OF-06	XYMAX Higashi-Ueno Building	Taito-ku, Tokyo	February 16, 2018	1,150	3.2
	OF-07	XYMAX Hachioji Building	Hachioji-shi, Tokyo	February 16, 2018	2,600	7.3
	OF-08	XYMAX Mita Building	Minato-ku, Tokyo	July 1, 2021	668	1.9
	Subtotal/Average			-	-	18,618
Retail facilities	RT-01	Muza Kawasaki	Kawasaki-shi, Kanagawa	February 16, 2018	4,100	11.4
	RT-02	Life Kawasaki Miyuki Store	Kawasaki-shi, Kanagawa	February 16, 2018	790	2.2
	RT-03	Vita Seiseki-Sakuragaoka	Tama-shi, Tokyo	February 16, 2018	3,100	8.6
	RT-04	Life Fukuizumi Store	Sakai-shi, Osaka	September 1, 2020	1,065	3.0
	RT-05	The Park House Totsuka Front (the Retail Portions of 1st and 2nd Floors)	Yokohama-shi, Kanagawa	July 1, 2021	540	1.5
	RT-06	Valor Kachigawa store (Leasehold land) (Note 4)	Kasugai-shi, Aichi	January 31, 2022	3,245	9.0
	Subtotal/Average			-	-	12,840
Hotel	HT-01	Hotel Vista Sendai	Sendai-shi, Miyagi	February 16, 2018	4,400	12.3
	Subtotal/Average			-	-	4,400
Total/Average			-	-	35,858	100.0

(Note 1) "(Anticipated) acquisition price" refers to the transaction amount excluding acquisition expenses, (brokerage fees, tax and dues, etc.) listed in respective purchase and sale agreement, and is rounded down to the nearest million yen.

(Note 2) "Share of portfolio" is the percentage of acquisition price or (anticipated) acquisition price of each portfolio asset versus the total of acquisition price and (anticipated) acquisition prices, rounded to one decimal place.

(Note 3) Renaissance 21 Chihaya is not stated because it plans to transfer a 50% quasi-co-ownership interest in the trust beneficiary right to Japan Metropolitan Fund Investment Corporation on January 31, 2022, and to transfer a 50% quasi-co-ownership interest in the remaining trust beneficiary right on March 31, 2022.

(Note 4) "(Anticipated) acquisition price" related to the Valor Kachigawa Store (Leasehold land) is the price based on the 50% quasi-co-ownership interest to be acquired by the XYMAX REIT.

Reference 3 Explanation of matters to be stated in Summary of Assets to Be Acquired

(a) Explanation of the “Category” and “Property No.”

- “Category” refers to Office, Retail, Hotel, and Other that XYMAX REIT has invested and will invest in.
- “Property No.” is numbered as OF for Office, RT for Retail, HT for Hotel, and OT for Other.

(b) Explanation of the “Summary of the Specified Asset”

- “Expected date of acquisition” indicates the expected date of acquisition of the trust beneficiary right contained under the purchase and sale agreement for the Asset to Be Acquired. “Scheduled date of sale” indicates the expected date of acquisition of the trust beneficiary right under the purchase and sale agreement for the Asset to Be Disposed.
- “Type of the specified asset” describes the type of real estate and other assets as specified assets and the assets incidental or related thereto.
- “Anticipated acquisition price” rounds down the sales price (excluding consumption tax, local consumption tax, and brokerage fees) stated in the purchase and sale agreement pertaining to the Assets to Be Acquired to the nearest million yen.
- “Appraisal value (appraisal date)” refers to Appraisal value stated in the real estate appraisal report relating to the Asset to Be Acquired prepared by Tanizawa Sogo Appraisal Co., Ltd.
- Outline of Trust beneficiary right lists the terms of the trust agreement entered into with Trustee for the Assets to Be Acquired.
- In principle, the “Location” describes the residential address.
- “Transportation” describes the time (rounded up to the nearest minute) when the distance from the nearest station calculated by Asset Management Company is walked at 80 meters per minute or the time indicated in the real estate appraisal report or Engineering Report.
- “Lot number” describes the building’s location on the real estate register (or location of one of them if there is more than one).
- “Site area” is based on the description in the real estate registry (including the leased land area if any) and may not coincide with the current situation.
- Land’s “Building coverage ratio” refers, in principle, to the ratio of the building area of a building to site area set forth in Article 53 of the Building Standards Act (Law No. 201 of 1950, including subsequent revisions; the same shall apply hereinafter), and includes the upper limit of building coverage ratio (designated building coverage ratio), if any, set forth in the City Planning in accordance with Zoning, etc. The specified building coverage ratio may be relaxed, increased or reduced due to fire-resistant buildings in the Fire Protection Geographic Area or for other reasons and may differ from building coverage ratio actually applied.
- “Floor-area ratio” refers to the ratio of the total area of buildings to Site Area set forth in Article 52 of the Building Standards Act, and includes the upper limit (designated floor-area ratio) of floor-area ratio set forth in the city plan according to Zoning, etc. (if there are two or more such values, both). The specified floor-area ratio may be relaxed, increased or decreased due to the width of the road to be connected to the site or for other reasons, and may differ from floor-area ratio actually applied.
- “Zoning” describes the types of Zoning (if there are more than one) listed in Article 8, Clause 1, item 1 of the Urban Planning Law (Law No. 100 of 1968, including any subsequent revisions).
- The “Type of ownership” of land and building describes the types of rights pertaining to the Assets owned by XYMAX REIT.



- “Construction date” indicates the date of the new construction of the main building described in the real estate register.
- “Structure and number of floors” is based on real estate registers for the main building.
- “Use” is based on building types of entries in the real estate registry for the main building.
- “Total floor area” includes the floor area of the attached building based on the description in the real estate register.
- “Architect,” “Constructor” and “Inspection agency” are listed in the name of the company or institution at the time the building was designed and constructed.
- “ML company” and “PM company” represent the master leasing company and PM company for the Asset to Be Acquired or the Asset to Be Disposed. “ML type” is the master lease type of the Asset to Be Acquired or the Asset to Be Disposed (pass-through type, fixed rent type, or variable rent type).
- In addition to matters that are considered to be important for rights and use relating to the Asset to Be Acquired or the Asset to Be Disposed as of today, remarks include matters that are considered to be of importance considering the appraised value, profitability, and impact on disposal potential.

(c) “Overview of Leasing”

- “Leasable area” represents the sum of leased area based on building drawing and other drawings attached to the lease agreements as of the end of December 2021 and the vacant area based on building drawing and other drawings.
- “Leased area” presents the totals of leased area based on the lease agreements relating to the Asset to Be Acquired or the Asset to Be Disposed as of the end of December 2021 and building drawings attached to the lease agreements. In the event that a master lease agreement has been concluded for the Assets to Be Acquired or the Asset to Be Disposed, the total area actually concluded and leased with the end tenant is rounded to the nearest third decimal place.
- “Occupancy rate” represents the ratio of leased area to leasable area related to the Asset to Be Acquired or the Asset to Be Disposed as of today, rounded off to the first decimal place.
- “Number of tenants” presents the sum of number of tenants on the Asset to Be Acquired or the Asset to Be Disposed under a lease agreement entered into as of the end of December 2021. (the total number of end tenants if the pass-through master lease agreement is concluded).
- “Annual rent revenue” rounds down the sum of the annual rent (one-year rent calculated in accordance with the provisions of the lease agreement if only the monthly rent is provided) including the CAM set forth in the respective lease agreement for which the Asset to Be Acquired or the Asset to Be Disposed has been executed as of the end of December 2021 to the nearest million yen.
- “Security deposit” with respect to tenants already occupied, rounds down the sum of the security deposit specified in the respective lease agreement as of today to the nearest million yen. In addition, in the event that the master lease agreement has been concluded for the Asset to Be Acquired or the Asset to Be Disposed and if the security deposit is equal to the total of the security deposit stipulated in the lease agreements concluded with the end tenants, the sum of the security deposit and is rounded down to the nearest million yen.

(d) Explanation concerning the “Outline of Engineering Report”

- “Short-term repair expenses” and “Long-term repair expenses (annual averages)” are stated based on Engineering Report.



- “Short-term repair expenses” refers to the cost of repairing and renewing defects that require repairs, etc. in preference to daily maintenance, and describes the estimated total amount of repair expenses required within one year from the date of Engineering Report.
- “Long-term repair expenses (annual average)” refers to the cost of repair and renewal for the purpose of maintaining functions or safety in operation for aging deterioration. The aggregate amount of repair expenses and renewal costs required within 12 years from the date of Engineering Report is converted into the annual average amount by the Asset Management Company and rounded off to the nearest thousand yen.

(d) Explanation of the “Outline of Earthquake Risk Analysis, etc.”

- “PML” means the expected loss rate (Probable Maximum Loss) due to earthquakes. Although there is no uniform and rigorous definition of PML, this document defines expected losses and probabilities for large and small earthquakes that may occur in 475 years as the percentage of expected losses relative to building replacement cost calculated and statistically processed. PML is calculated based on the ground conditions, geographic area factors, and structural considerations. PML figures are based on Seismic Risk Evaluation Report dated June 2021 issued by Tokio Marine & Nichido Risk Consulting Co., Ltd.

(E) Explanation of the “Status of collaterals”

- If the collaterals are cancelled after the acquisition of the Asset to Be Acquired, stated as “None.”