



January 5, 2023

To All Concerned Parties

Name of REIT Issuer:
Nippon Building Fund Inc.
Koichi Nishiyama, Executive Director
(TSE Code: 8951)

Contact:
Asset Management Company
Nippon Building Fund Management Ltd.
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Notice of Acquisition of Assets
(IIDABASHI GRAND BLOOM (Additional Acquisition) and one other property)

Nippon Building Fund Inc. (“NBF”) and Nippon Building Fund Management Ltd. (“NBFM”), to which NBF entrusts asset management services, hereby provide notice of the decision made on January 5, 2023 on the acquisition of assets (the “Acquisition”, hereinafter) as follows:

Description

1. Outline of Assets to be Acquired

Names of Assets	Seller (*1)	Acquisition Price (*2)
I. IIDABASHI GRAND BLOOM (Additional Acquisition)	Mitsui Fudosan Co., Ltd. ("Mitsui Fudosan")	25,400 million yen
II. Toyosu Bayside Cross Tower (Additional Acquisition)		21,600 million yen
Total		47,000 million yen

- (1) Date of Contract : January 5, 2023
(2) Date of Acquisition : March 31, 2023 (anticipated)
(3) Intermediary : None
(4) Acquisition Funds : Loans and cash on hand (anticipated)
(5) Method of Settlement : Lump-sum payment at the time of delivery

*1 Please refer to Section 4 hereinbelow for the outline of the seller of the Acquisition.

*2 Miscellaneous acquisition costs, such as the settled fixed assets tax and city-planning tax as well as consumption tax are excluded.



2. Outline of Forward Commitment etc.

The sales contracts of the Acquisitions I and II will be made pursuant to forward commitments (settlement/handover occurring one month after the execution of the contract). In case the sales contract is terminated due to a violation of contractual commitments by NBF, NBF shall be required to pay to the seller 10% of the acquisition price.

Notwithstanding the foregoing, NBF shall not be obliged to pay such penalty for the reason that it is unable to pay the acquisition price due to difficulty in procuring funds.

3. Outline of Assets to be Acquired

< I. IIDABASHI GRAND BLOOM (Additional Acquisition) >

(1) Reason for Acquisition

The acquisition is being undertaken with the intention of enhancing NBF's portfolio of properties in the 23 wards of Tokyo in accordance with the asset management objectives and policies set forth in NBF's Articles of Incorporation. In pursuing the acquisition set forth herein, NBFM deemed the following points especially attractive.

① Location

The property is located in the Iidabashi area where multiple lines such as the JR, Tokyo Metro and Toei Subway Line are available, boasting extremely excellent access to major areas in Tokyo including the Tokyo Station area and Shinjuku Station area, and offers high transport convenience as it is located within a one-minute walk from Iidabashi Station on the JR Chuo and Sobu lines and a two-minute walk from Iidabashi Station on the Tokyo Metro Line and Toei Subway Line.

② Features

The property is a relatively new building (9 years old) and is a large office building with a rentable standard floor area of approximately 805 tsubo (2,659.66 m²), a ceiling height of 2,800 mm, an OA floor of 100 mm and electric capacity of 60 VA/m² etc. It is a highly competitive property with premier BCP (*) functions, such as an emergency power generator that can continue for approximately 72 hours, approximately 100 m² of warehouse space for stocking disaster prevention items, approximately 1,300 m² of space (common areas on the lower floors) for those who have difficulty returning home, and a filtration device to convert well water for disaster prevention into drinking water. It has the "Iidabashi Sakura Terrace", the retail facility on the lower floors which contains restaurants and other stores to satisfy the needs of office workers and local residents. Such mixed-use redeveloped property with retail facilities is rare in this area and this landmark property is eye-catching. Furthermore, it has "Work Styling Iidabashi" on the 2nd floor (office lobby floor) which meets diversifying office needs, located next to residential areas. It has also achieved a rank of "S" in CASBEE for Real Estate.

③ Expanding Sectional Ownership

NBF has sectional ownership of approximately 58.55% of the area available for exclusive ownership of the property, and through the Acquisition (approximately 12.14% of the area available for exclusive ownership), NBF will have sectional ownership of approximately 70.69% of the area available for exclusive ownership.

* "BCP" is an abbreviation for Business Continuity Plan, which outlines how a business will continue critical business functions in the event of emergencies such as natural disasters.



(2) Outline of the Asset

Name of Asset to be Acquired	IIDABASHI GRAND BLOOM (Additional Acquisition)
Type of Specified Asset	Real property
Type of Ownership	Land: ownership (*3) Building: sectional ownership (office space in the part of the 8th floor and the 28th-30th floors: 9,199.50 m ² (exclusive area ratio: approximately 12.14%)) (*4)
Location	(Description in Real Property Registry) Land: 102, Fujimi 2-chome, Chiyoda-ku, Tokyo Building: 102, Fujimi 2-chome, Chiyoda-ku, Tokyo (Street Address) 10-2, Fujimi 2-chome, Chiyoda-ku, Tokyo
Use (primary use listed in Real Property Registry)	Office and retail store, etc. (entire floor area)
Square meters (Description in Real Property Registry)	Land: site area 11,061.91 m ² (entire site) Building: total floor area 122,280.29 m ² (entire building)
Structure (Description in Real Property Registry)	Steel-framed, flat roof, 30 floors above ground and 2 floors below ground
Completion of Construction (Description in Real Property Registry)	April 23, 2014
Matters Related to Earthquake Resistance	Earthquake PML 1.9% (obtained from the building condition investigation report prepared by Engineering & Risk Services Corporation)
Existence of Secured Interests (liens)	None
Appraisal Value (Date of Valuation)	¥28,800 million (November 30, 2022)
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Description of Tenants	<ul style="list-style-type: none"> · Mitsui Fudosan will be the sole tenant as NBF is scheduled to lease the acquired portion of the property to Mitsui Fudosan. Mitsui Fudosan is scheduled to sublease it to sublessees. · In addition, part of the 1st-6th floors, the 7th-10th and the 13th-30th floors of the property, including the acquired portion of the property (part of the 8th floor and the 28th-30th floors), are the "Unitary Management Portion" subject to a "Memorandum for Unitary Management" conducted between each of the sectional owners and Mitsui Fudosan, and rental revenues from and rental costs for the Unitary Management Portion are received and borne by the sectional owners according to the ratio of rights in such unitary management. The proportion of its operating rights for the acquired portion of the property is approximately 14.94% (or approximately 80.16% including the existing interest in the property (approximately 65.21%)). The tenancy situation of the portion subject to leasing in the acquired property as of October 31, 2022 is as follows.



Total Number of End Tenants	34 (*5)
Total Rental Revenues	Approximately ¥1,195 million (annual / rental portion) (*6)
Lease Deposit	Approximately ¥1,107 million (rental portion) (*6)
Total Rentable Area	Approximately 9,689.12 m ² (based on the owned interests) (*6)
Total Rented Area	Approximately 9,689.12 m ² (the same as above) (*6)
Occupancy Rate	99.7% (*5)
Other Special Matters	<ul style="list-style-type: none"> · The property has been developed integrally with the adjacent Park Court Chiyoda-fujimi The Tower and the church building. The sites for the property, Park Court Chiyoda-fujimi The Tower, and the church building are certified as one complex under the Building Standards Act. Certain regulations will be applied to the complex as the site of the property (e.g., floor area ratio and building coverage) under the Building Standards Act. · The property is a building under sectional ownership, and is subject to regulations regarding sectional ownership. Furthermore, the regulations stipulate preferential negotiation rights to be granted to other sectional owners when sectional ownership is to be sold, and prohibition of separate disposition of area available for exclusive ownership and site area and of co-ownership interests in common areas, etc., among other matters.

*3 The asset to be acquired accounts for 13.13% of the site rights at 102, Fujimi 2-chome, Chiyoda-ku, Tokyo.

*4 The target of the acquisition includes 13.13% co-ownership interest in the common area pertaining to the building (including ancillary facilities, etc.).

*5 Total number and occupancy rate of end tenants shows the total number and occupancy rate of tenants that occupy the acquired portion of the property and the Unitary Management Portion outside the acquired portion of the property.

*6 Total rental revenues, lease deposit, total rentable area and total rented area were calculated based on the rent roll (as of October 31, 2022) received from Mitsui Fudosan according to the ratio of rights in unitary management, and differ from the amount NBF receives and the area NBF rents after delivery of the property. Amounts are rounded down to the nearest million yen.



< II. Toyosu Bayside Cross Tower (Additional Acquisition) >

(1) Reason for Acquisition

The acquisition is being undertaken with the intention of enhancing NBF's portfolio of properties in the 23 wards of Tokyo in accordance with the asset management objectives and policies set forth in NBF's Articles of Incorporation. In pursuing the acquisition set forth herein, NBFM deemed the following points especially attractive.

① Location

The property is conveniently located in the area with easy access to major areas in Tokyo, including the Tokyo Station area, being connected to "Toyosu" Station on the Tokyo Metro Yurakucho Line and Yurikamome Line. It offers high transport convenience as it is located in the center of Toyosu, an area undergoing redevelopment into a residential and office zone and is adjacent Toyosu Park via the Toyosu Park Bridge and "LaLaport Toyosu 1" via a pedestrian deck.

② Features

The property is a relatively new building (3 years old) with high quality features, including a standard rental floor area of approximately 1,025 tsubo (3,388.56 m²), a ceiling height of 2,800 mm, an OA floor of 150 mm, and an electric capacity of 60VA/m², etc. The building is equipped with a gas cogeneration system that can supply electricity and heat as long as city gas is supplied even during power outages. In addition, it has an emergency power generator that can be used for approximately 72 hours, providing a high level of BCP support. The property is highly competitive, containing retail and hotel floors in addition to office floors, with "LaLaport Toyosu 3" on the floors from the 1st basement floor to the 4th floor above ground, and "Mitsui Garden Hotel Toyosu Bayside Cross" on the floors from the 33rd floor to the 36th floor. It has also achieved a rank of "S" in NBF's self-assessment in CASBEE for Real Estate.

③ Services

A portion of the office space contains outdoor terraces, open stairways, etc., and the exterior contains the outdoor space which includes "Ping Pong Forest" and "Cross Plaza" to provide new spaces and services different from standard offices, a comfortable work environment for building users. It is also installed "+C (Plus Cross)" facility in the common area on the 3rd floor which has rental conference rooms, a mini-gym, shower rooms, a lounge, concentration booths and relaxing rooms to support to enhance office workers productivity.

④ Expansion of Share

NBF has sectional ownership of approximately 8.56% of the area available for exclusive ownership of the property, and through the Acquisition (approximately 12.42% of the area available for exclusive ownership ratio), NBF will have sectional ownership of approximately 20.97% of the area available for exclusive ownership.



(2) Outline of the Asset

Name of Asset to be Acquired	Toyosu Bayside Cross Tower (Additional Acquisition)
Type of Specified Asset	Real property
Type of Ownership	Land: ownership (*7) Building: sectional ownership (office space in the 18th-21st floors: 13,229.23m ² : (exclusive area ratio: approximately 12.42%)) (*8)
Location	(Description in Real Property Registry) Land : 15-12, Toyosu 2-chome, Koto-ku, Tokyo 15-13, Toyosu 2-chome, Koto-ku, Tokyo Building : 15-12, Toyosu 2-chome, Koto-ku, Tokyo (Street Address) 2-1 Toyosu 2-chome, Koto-ku, Tokyo
Use (primary use listed in Real Property Registry)	Office, retail store, hotel, day nursery, etc. (entire floor area)
Square meters (Description in Real Property Registry)	Land: site area 19,733.22 m ² (entire site) Building: total floor area 178,504.10 m ² (entire building)
Structure (Description in Real Property Registry)	Steel-framed and reinforced concrete structure with flat roof; 36 floors above ground and 2 floors below ground
Completion of Construction (Description in Real Property Registry)	March 31, 2020
Matters Related to Earthquake Resistance	Earthquake PML 1.3% (obtained from the building condition investigation report prepared by Engineering & Risk Services Corporation)
Existence of Secured Interests (liens)	None
Appraisal Value (Date of Valuation)	¥21,900 million (November 30, 2022)
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Description of Tenants	<ul style="list-style-type: none"> · Mitsui Fudosan will be the sole tenant as NBF is scheduled to lease the acquired portion of the property to Mitsui Fudosan. Mitsui Fudosan is scheduled to sublease it to sublessees. · In addition, the 4th-32nd floors (including the outdoor terrace on the 32nd floor) of the property, including the acquired portion of the property (the 18th-21st floors), are the “Unitary Management Portion” subject to a “Memorandum for Unitary Management” conducted between each of the sectional owners and Mitsui Fudosan, and rental revenues from and rental costs for the Unitary Management Portion are received and borne by the sectional owners according to the ratio of rights in such unitary management. The proportion of its operating rights for the acquired portion of the property is approximately 14.65% (or approximately 24.74% with adding the existing interest in the property (approximately 10.09%)). · The tenancy situation of the portion subject to leasing in the acquired property as of October 31, 2022 is as follows.



Total Number of End Tenants	3 (*9)
Total Rental Revenues	Approximately ¥1,206 million (annual / rental portion) (*10)
Lease Deposit	Approximately ¥1,206 million (rental portion) (*10)
Total Rentable Area	13,407.05 m ² (based on the owned interests) (*10)
Total Rented Area	13,407.05 m ² (the same as above) (*10)
Occupancy Rate	100% (*9)
Other Special Matters	<ul style="list-style-type: none"> · The property is developed together with several sites and buildings, including existing buildings such as the Toyosu Police Box and the subway entrance of the Tokyo Metro Yurakucho Line, etc., as well as the adjacent SMBC Toyosu Building, etc. The building has been certified under the Building Standard Law of Japan for the Interconnected Building Design System (*11). The entire certified area is divided into multiple sites for each building, and the building coverage ratio restrictions and floor-area ratio relaxation, etc. are applied to each site according to their respective characteristics. · The land at 15-13, Toyosu 2-chome, Koto-ku, Tokyo is co-owned. The co-owners are subject to the co-ownership agreement on acquisition of the property. The agreement stipulates the right of preferential negotiation of other co-owners in the event of transfer of co-ownership, restrictions on transfer and establishment of security, prohibition of request for partition of the land in co-ownership, and other matters. · The property is a building under sectional ownership and is subject to the basic agreement among the owners of sectional ownership and the management agreement concerning such sectional ownership. The basic agreement among the owners of sectional ownership provides for preferential negotiating rights for other owners of sectional ownership when transferring exclusive areas, and the management agreement provides for prohibition of separate disposal of exclusive areas, rights to use the site, and co-ownership interests in common areas, etc. · The Toyosu Park Bridge (pedestrian bridge), which is a related asset of the property, is a so-called common area of the complex, etc. and is subject to the complex management agreement concerning the common ownership of the complex. The complex management agreement stipulates the prohibition of separate disposal of the co-ownership interest in the Toyosu Park Bridge and the site of the property, etc. · NBF has confirmed with Engineering Risk and Service Corporation that the site includes a former factory site, part of which contains soil contaminated by arsenic, and that there is an area requiring notification at the time of change of shape based on the Soil Contamination Countermeasures Act, and that the site has been properly managed in accordance with the act.

*7 The asset to be acquired accounts for 13.67% of the site rights at 15-12, Toyosu 2-chome, Koto-ku, Tokyo and 13.67% co-ownership interest in the common area at 15-13, Toyosu 2-chome, Koto-ku, Tokyo.

*8 The asset to be acquired includes the co-ownership interests (approximately 12.36%) in the entire common areas, etc. (including ancillary facilities, etc.) that are pertaining to the building and the co-ownership interests (approximately 8.88%) of the common areas of the complex, etc.



- *9 Total number and occupancy rate of end tenants shows the total number and occupancy rate of tenants that occupy the acquired portion of the property and the Unitary Management Portion outside the acquired portion of the property.
- *10 Total rental revenues, lease deposit, total rentable area and total rented area were calculated based on the rent roll (as of October 31, 2022) received from Mitsui Fudosan according to the ratio of rights in unitary management, and differ from the amount NBF receives and the area NBF rents after delivery of the property. Amounts are rounded down to the nearest million yen.
- *11 This is a system in which building regulations are applied to buildings constructed within a land area consisting of multiple sites, based on a rational design that assumes the existence of existing buildings, by deeming the multiple buildings to be located on the same site, as long as they are approved by the specified administrative agency.



4. Outline of the Seller of Acquired Assets

Name	Mitsui Fudosan Co., Ltd.
Location	1-1, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo
Name and Title of Representative	President and Chief Executive Officer Masanobu Komoda
Description of Business	Real estate etc.
Capital	¥340,552 million (as of September 30, 2022)
Date of Establishment	July 15, 1941
Net Assets	¥2,974,756 million (as of September 30, 2022)
Total Assets	¥8,748,249 million (as of September 30, 2022)
Major Investor and Investment Ratio	The Master Trust Bank of Japan, Ltd. (trust account) (18.35%), Custody Bank of Japan, Ltd. (trust account) (8.32%) (as of September 30, 2022)
Relationship between NBF/NBFM and Mitsui Fudosan	
Capital Relationship	Shareholder of NBFM (investment ratio: 46%). Holds 57,630 investment units of NBF.
Personnel Relationship	Certain personnel seconded to NBFM.
Business Relationship	NBF's contractor of office management services, new tenant arranger, broker for real property sale and purchase etc., tenant of NBF's properties, etc.
Related parties	Not a related party to NBF. Parent company of NBFM and a related party.

5. Status of Owners of Acquired Assets

Name of Assets	Status of Owners of Acquired Assets		
		Previous owner (seller)	Earlier previous owner
IIDABASHI GRAND BLOOM (Additional Acquisition)	Corporate Name	Mitsui Fudosan	N/A
	Relationship with a Specially Interested Party	Interested party of NBFM	N/A
	Background/Reason for Acquisition	Newly constructed	N/A
	Acquisition Price	—	N/A
	Date of Acquisition	April 23, 2014	N/A
Toyosu Bayside Cross Tower (Additional Acquisition)	Corporate Name	Mitsui Fudosan	N/A
	Relationship with a Specially Interested Party	Interested party of NBFM	N/A
	Background/Reason for Acquisition	Newly constructed	N/A
	Acquisition Price	—	N/A
	Date of Acquisition	March 31, 2020	N/A



6. Forecasts of Operating Results for the Periods ending December 31, 2022 and June 30, 2023

There will be no change to the forecast during the period ending December 31, 2022 and June 30, 2023, as the Acquisition will have little impact upon the management situation of NBF during such period.

Forecasts of current period performance (as announced on August 15, 2022) and actual results for the previous period

	Operating revenues	Operating income	Income before income taxes	Net income	Distribution per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
	Yen in millions	Yen in millions	Yen in millions	Yen in millions	Yen	Yen
1H 2022 (42nd period) -Actual	52,215	26,806	25,440	25,439	13,476	—
2H 2022 (43rd period) –Forecast	47,326	21,442	20,071	20,071	11,500	—
1H 2023 (44th period) -Forecast	44,532	18,439	17,057	17,057	11,500	—

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7. Summary of Appraisal Reports

< IIDABASHI GRAND BLOOM (Additional Acquisition) >

Property Name	IIDABASHI GRAND BLOOM
Appraisal Value	¥28,800,000 thousand
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of Valuation	November 30, 2022

Item	Breakdown (in thousands of yen)	Remarks
Appraisal value based on income method	28,800,000	Estimated by combining the appraisal values under the DCF method and the direct capitalization method
Appraisal value based on direct capitalization method	29,700,000	
(1) Operating Revenue ((i) - (ii))	1,229,055	
(i) Effective gross income	1,266,723	Estimated based on income consisting of rents, common area charges, utility charges, facility charges etc. which are deemed stable on a mid- and-long-term basis
(ii) Losses from vacancy, etc.	37,669	Estimated based on a vacancy rate which is deemed stable on a mid- and-long-term basis
(2) Operating Expenses	348,476	
Building Maintenance Costs/ Property Management Fees	191,597	Estimated based on past results verified applying the level of maintenance costs/property management fees for similar real properties
Utilities Expenses	56,274	Estimated based on past results verified applying the level of utilities expenses for similar real properties
Repair Expenses	14,593	Estimated based on the Engineering Report as well as the level of repair expenses for similar real properties
Leasing Expenses, etc.	9,951	Estimated based on the assumed turnover rate and the level of leasing expenses for similar real properties
Taxes & Public Duties	73,393	Estimated based on actual taxes in fiscal 2022
Insurance Premiums	286	Estimated based on insurance rates etc. for similar real properties
Other Expenses	2,383	Recorded by also taking into consideration the interest based on past results for welcome service costs.
(3) Net Operating Income ((1)-(2))	880,578	
(4) Investment Income from Temporary Deposits	11,344	Estimated applying investment return of 1.0%
(5) Capital Expenditure	88,688	Recorded by also taking into consideration the level of the above repair expenses based on the reserve for repairs specified by the management association
(6) Net Income ((3)+(4)-(5))	803,234	
(7) Capitalization Rate	2.7%	Estimated taking into consideration examples of transactions for similar real properties, as well as conditions e.g. location, building condition, rights, contractual terms etc. of the Property
Appraisal value based on DCF method	28,400,000	
Discount Rate	2.5%	Estimated based on comparison with examples of transactions for similar real properties as well as returns on financial assets adjusted by individual characteristics of the Property
Terminal Capitalization Rate	2.9%	Estimated taking into consideration the characteristics of net income adopted in determining the capitalization rate as well as future uncertainty, liquidity and marketability etc.
Integrated value based on cost method	20,900,000	
Proportion of land	79.9%	
Proportion of building	20.1%	

*Amounts less than one thousand yen are rounded to the nearest thousand.

Matters specifically considered in adjustment of estimated amounts and determination of appraisal value	None
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(Note) The maintenance fees and PM fees for the part of the property in relation to the additional acquisition are combined, as the disclosure of each fee on a separate basis may impact the businesses of the anticipated providers of building management and PM operations, as well as impair efficient outsourcing by NBF and harm the interests of unitholders.



< Toyosu Bayside Cross Tower (Additional Acquisition)>

Property Name	Toyosu Bayside Cross Tower
Appraisal Value	¥21,900,000 thousand
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of Valuation	November 30, 2022

Item	Breakdown (in thousands of yen)	Remarks
Appraisal value based on income method	21,900,000	Estimated by combining the appraisal values under the DCF method and the direct capitalization method
Appraisal value based on direct capitalization method	22,200,000	
(1) Operating Revenue ((i) - (ii))	1,207,686	
(i) Effective gross income	1,243,456	Estimated based on income consisting of rents, common area charges, utility charges, facility charges etc. which are deemed stable on a mid- and-long-term basis
(ii) Losses from vacancy, etc.	35,771	Estimated based on a vacancy rate which is deemed stable on a mid- and-long-term basis
(2) Operating Expenses	458,896	
Building Maintenance Costs/ Property Management Fees	284,133	Estimated based on past results verified applying the level of maintenance costs/property management fees for similar real properties
Utilities Expenses	51,101	Estimated based on past results verified applying the level of utilities expenses for similar real properties
Repair Expenses	11,769	Estimated based on the Engineering Report as well as the level of repair expenses for similar real properties
Leasing Expenses, etc.	9,638	Estimated based on the assumed turnover rate and the level of leasing expenses for similar real properties
Taxes & Public Duties	100,293	Estimated based on actual taxes in fiscal 2022 etc.
Insurance Premiums	1,961	Estimated based on insurance rates etc. for similar properties
Other Expenses	0	-
(3) Net Operating Income ((1)-(2))	748,790	
(4) Investment Income from Temporary Deposits	10,988	Estimated applying investment return of 1.0%
(5) Capital Expenditure	27,461	Estimated based on the Engineering Report as well as the level of capital expenditure for similar real properties
(6) Net Income ((3)+(4)-(5))	732,317	
(7) Capitalization Rate	3.3%	Estimated taking into consideration examples of transactions for similar real properties, as well as conditions e.g., location, building condition, rights, contractual terms etc. of the property
Appraisal value based on DCF method	21,800,000	
Discount Rate	3.1%	Estimated based on comparison with examples of transactions for similar real properties as well as returns on financial assets adjusted by individual characteristics of the property
Terminal Capitalization Rate	3.5%	Estimated taking into consideration the characteristics of net income adopted in determining the capitalization rate as well as future uncertainty, liquidity and marketability
Integrated value based on cost method	20,800,000	
Proportion of land	72.8%	
Proportion of building	27.2%	

*Amounts of less than one thousand yen are rounded to the nearest thousand.

Matters specifically considered in adjustment of estimated amounts and determination of appraisal value	None
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(Note) The maintenance fees and PM fees for the part of the property in relation to the additional acquisition are combined, as the disclosure of each fee on a separate basis may impact the businesses of the anticipated providers of building management and PM operations, as well as impair efficient outsourcing by NBF and harm the interests of unitholders.



<Attached Materials>

- 【Reference Material 1】 Exterior Appearance, Floor Plan, etc. of Assets to be Acquired
 - I. IIDABASHI GRAND BLOOM (Additional Acquisition)
 - II. Toyosu Bayside Cross Tower (Additional Acquisition)
- 【Reference Material 2】 Summary of Portfolio after the Acquisition

【Reference Material 1】 Exterior Appearance, Floor Plan, etc. of Assets to be Acquired

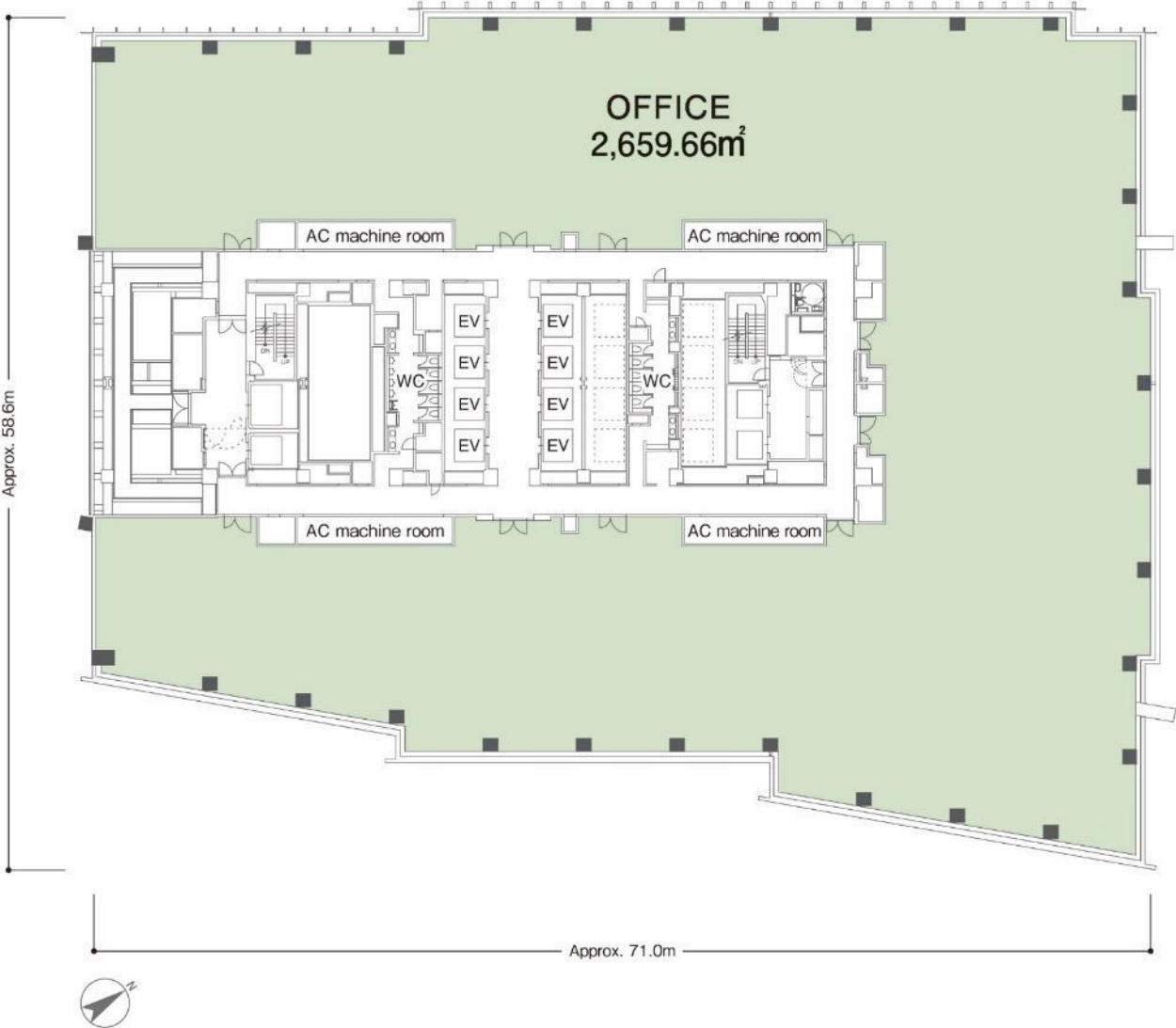
I. IIDABASHI GRAND BLOOM (Additional Acquisition)

Exterior Appearance



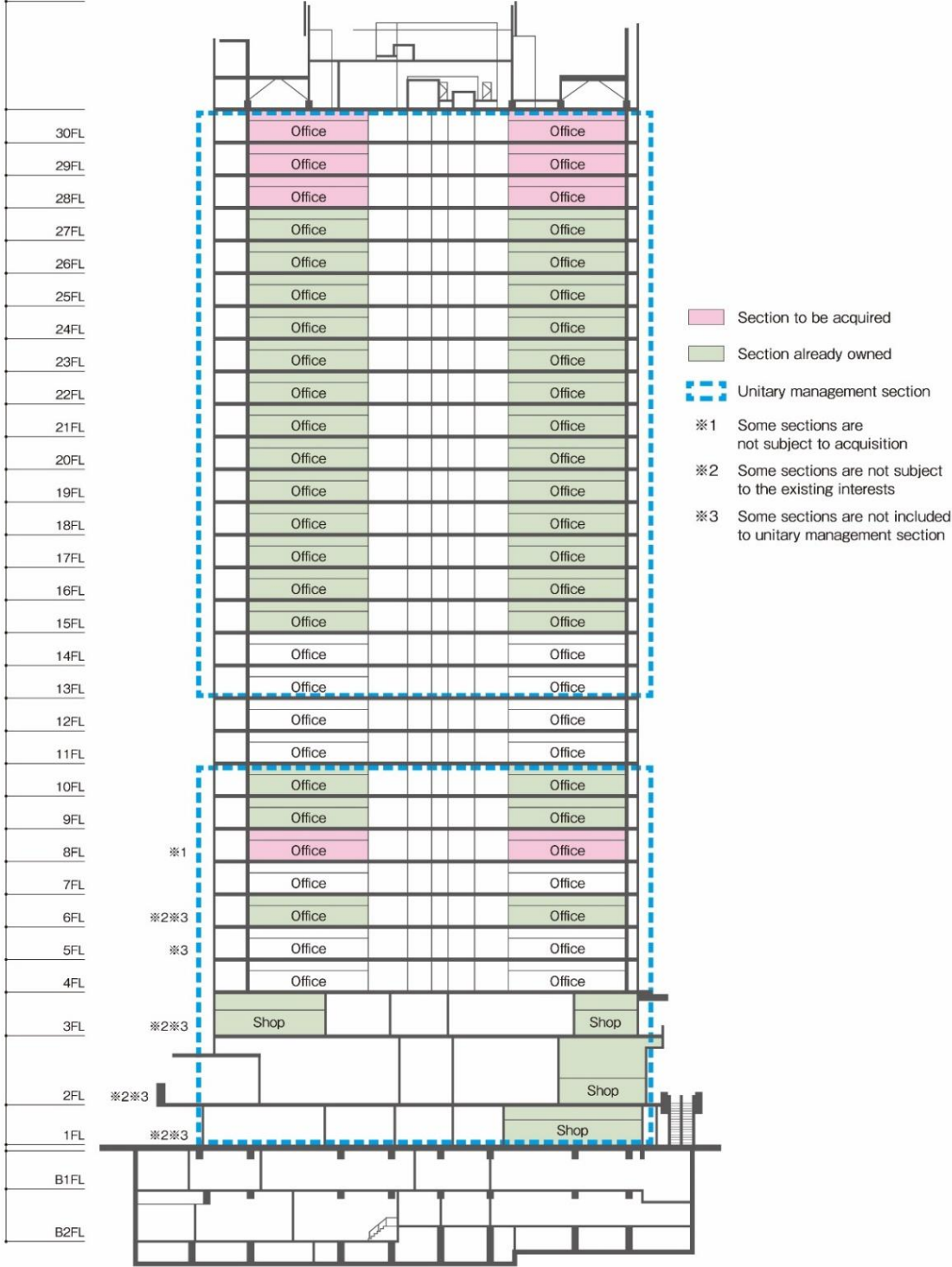


28th Floor Plan





Cross-sectional Drawing of the Property



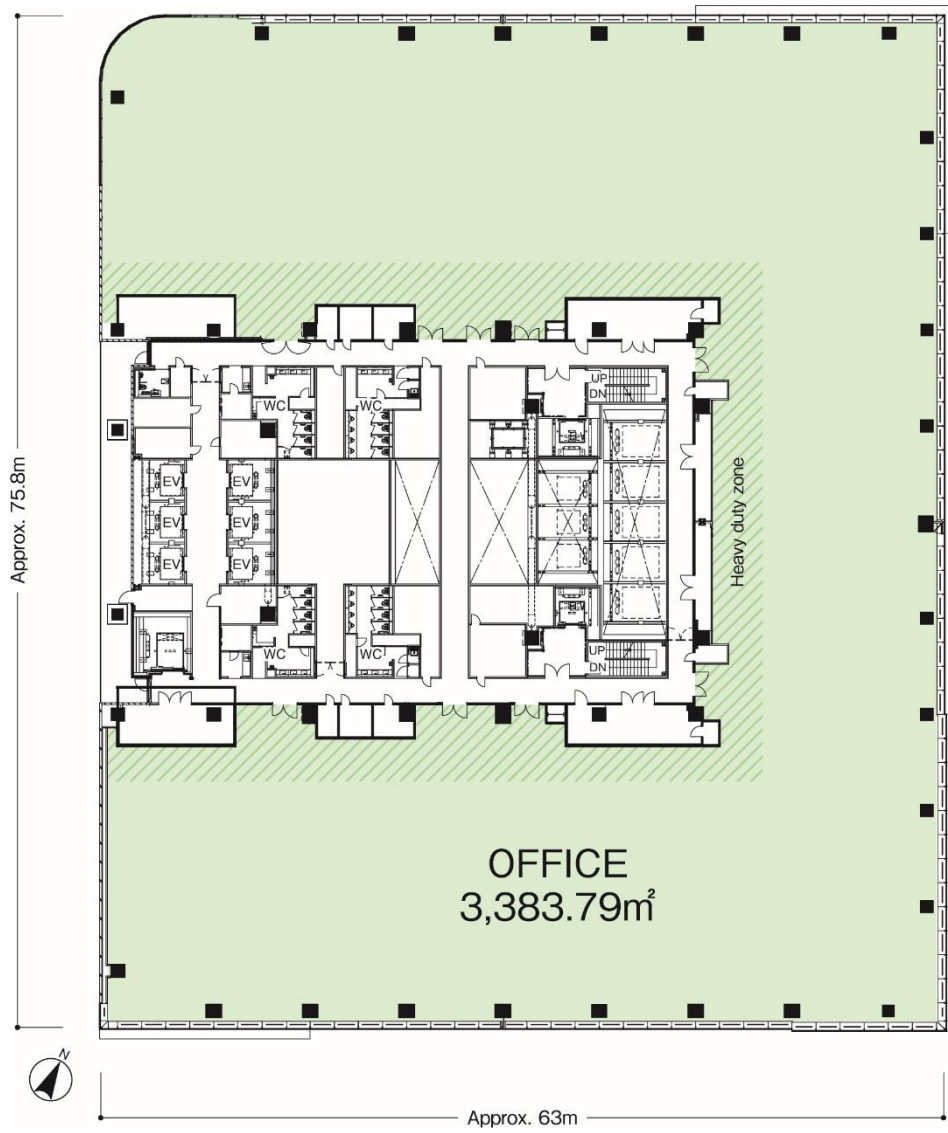


II. Toyosu Bayside Cross Tower (Additional Acquisition)
Exterior Appearance



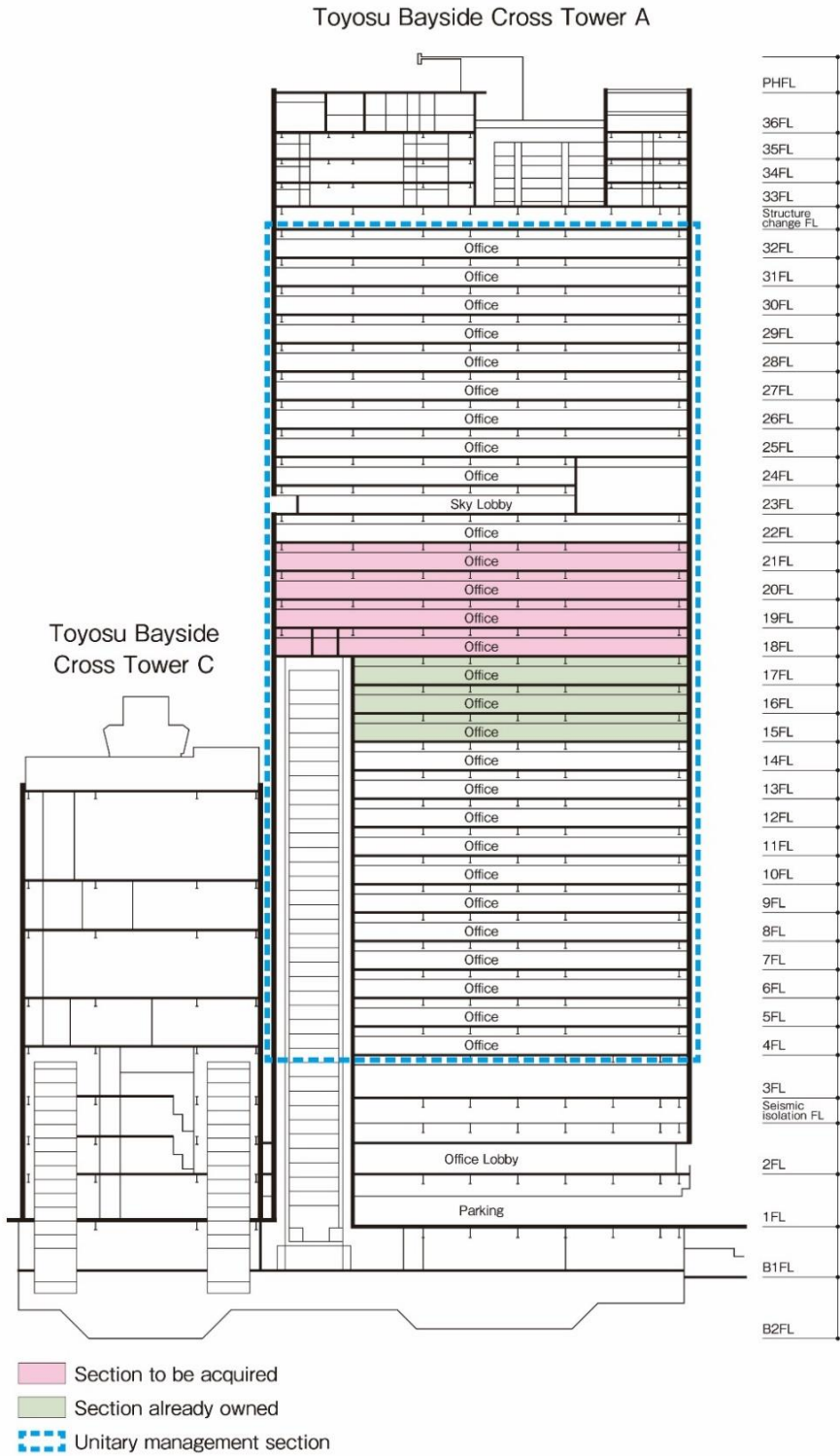


21st Floor Plan





Cross-sectional Drawing of the Property





[Reference Material 2] Summary of Portfolio after the Acquisition

Area	Property Name	Acquisition Price (\ in thousands) (Note 1)	Percentage	Percentage of each area	Value (Real Estate Appraisal Value) (\ in thousands) (Note 2)
Central 5 Wards	Shinjuku Mitsui Bldg.	170,000,000	11.5%	59.9%	177,000,000
	IIDABASHI GRAND BLOOM	113,509,102	7.7%		125,000,000
	IIDABASHI GRAND BLOOM(Additional Acquisition)(Note 4)	25,400,000	1.7%		28,800,000
	Roppongi T-CUBE	62,800,000	4.3%		62,400,000
	GranTokyo South Tower	47,000,000	3.2%		48,900,000
	Nishi-Shinjuku Mitsui Bldg.	45,271,040	3.1%		45,000,000
	Celestine Shiba Mitsui Bldg.	42,000,000	2.9%		51,900,000
	NBF Shinagawa Tower	36,300,000	2.5%		49,500,000
	Shiba NBF Tower	32,000,000	2.2%		29,300,000
	NBF Platinum Tower	31,000,000	2.1%		63,600,000
	NBF COMODIO Shiodome	28,800,000	2.0%		36,600,000
	G-BASE TAMACHI	28,200,000	1.9%		29,500,000
	Toranomon Kotohira Tower	24,543,000	1.7%		35,900,000
	NBF Shibuya Garden Front	20,269,000	1.4%		33,200,000
	NBF Ginza Street Bldg.	17,000,000	1.2%		18,600,000
	Shinjuku Mitsui Bldg. No.2	16,285,400	1.1%		20,700,000
	Kowa Nishi-Shinbashi Bldg. B	13,473,200	0.9%		14,700,000
	River City M-SQUARE	13,350,000	0.9%		13,800,000
	NBF Toranomon Bldg.	13,337,000	0.9%		17,900,000
	Shinbashi M-SQUARE	11,900,000	0.8%		14,800,000
	NBF ALLIANCE	9,126,000	0.6%		12,900,000
	Yotsuya Medical Bldg.	8,800,000	0.6%		7,980,000
	NBF Shibuya East	8,000,000	0.5%		9,960,000
	NBF Shibakouen Bldg.	6,770,000	0.5%		8,450,000
	NBF Takanawa Bldg.	6,667,200	0.5%		7,570,000
	NBF Akasaka Sanno Square	6,250,000	0.4%		7,410,000
	NBF Kandasudacho Bldg.	5,960,000	0.4%		8,700,000
	NBF Ogawamachi Bldg.	5,420,000	0.4%		6,950,000
	Sumitomo Densetsu Bldg.	5,365,000	0.4%		6,030,000
	NBF Higashi-Ginza Square	5,200,000	0.4%		8,390,000
Panasonic Tokyo Shiodome Bldg.	5,075,000	0.3%	5,980,000		
Nihonbashi Kabuto-cho M-SQUARE	4,850,000	0.3%	5,580,000		
NBF Hatchobori Terrace	4,528,349	0.3%	5,710,000		
Ryukakusan Bldg.	4,050,000	0.3%	4,910,000		
Jingumae M-SQUARE	3,700,000	0.3%	5,050,000		
23 Wards of Tokyo	NBF Osaki Bldg.	66,660,000	4.5%	83.9%	85,900,000
	Gate City Ohsaki	57,281,060	3.9%		71,300,000
	NBF Toyosu Canal Front	35,200,000	2.4%		38,600,000
	Ueno East Tower	35,000,000	2.4%		39,400,000
	NBF Toyosu Garden Front	25,018,000	1.7%		29,700,000
	Osaki Bright Core - Bright Plaza	24,380,000	1.7%		25,600,000
	Nakameguro GT Tower	24,380,000	1.7%		25,600,000
	Toyosu Bayside Cross Tower (Note 3)	14,700,000	1.0%		15,000,000
	Toyosu Bayside Cross Tower(Additional Acquisition)(Note 4)	21,600,000	1.5%		21,900,000
	OSAKI BRIGHT TOWER	13,970,000	0.9%		14,500,000
	NBF Ueno Bldg.	10,400,000	0.7%		9,840,000
	NBF Ikebukuro East	8,630,000	0.6%		13,500,000
	Higashi Gotanda Square	8,350,000	0.6%		8,640,000
	NBF Ikebukuro Tower	4,695,000	0.3%		5,760,000
	NBF Ikebukuro City Bldg.	4,428,000	0.3%		5,950,000



Area	Property Name	Acquisition Price (\ in thousands) (Note 1)	Percentage	Percentage of each area	Value (Real Estate Appraisal Value) (\ in thousands) (Note 2)
Other Greater Tokyo	Chofu South Gate Bldg.	9,320,000	0.6%	4.1%	9,950,000
	Yokohama ST Bldg.	16,749,300	1.1%		21,200,000
	Parale Mitsui Bldg.	3,800,000	0.3%		4,860,000
	Tsukuba Mitsui Bldg.	8,875,500	0.6%		8,850,000
	S-ino Omiya North Wing	16,816,345	1.1%		24,000,000
	NBF Urawa Bldg.	2,000,000	0.1%		2,220,000
	NBF Matsudo Bldg.	2,455,000	0.2%		2,520,000
Other Cities	Sapporo L-Plaza	4,404,405	0.3%	12.0%	8,080,000
	NBF Sapporo Minami Nijo Bldg.	1,870,300	0.1%		1,590,000
	Sumitomo Mitsui Banking Nagoya Bldg.	14,900,000	1.0%		16,800,000
	Nagoya Mitsui New Bldg.	13,200,000	0.9%		13,900,000
	Nagoya Mitsui Main Bldg.	13,050,000	0.9%		14,000,000
	NBF Nagoya Hirokoji Bldg.	7,232,000	0.5%		6,750,000
	Nakanoshima Mitsui Bldg.	44,000,000	3.0%		47,600,000
	Aqua Dojima NBF Tower	17,810,000	1.2%		20,500,000
	Nakanoshima Central Tower	14,900,000	1.0%		19,200,000
	Shinanobashi Mitsui Bldg.	14,400,000	1.0%		13,800,000
	Sakaisuji-Honmachi Center Bldg.	12,700,000	0.9%		14,700,000
	Hiroshima Fukuromachi Bldg.	2,215,000	0.2%		2,340,000
	NBF Matsuyama Nichigin-mae Bldg.	3,310,000	0.2%		3,890,000
	Hakata Gion M-SQUARE	8,000,000	0.5%		12,300,000
NBF Kumamoto Bldg.	4,500,000	0.3%	4,100,000		
Total		1,472,875,202	100.0%	100%	1,710,610,000

(Note 1) "Acquisition Price" represents, in principle, the price for which NBF acquired the property. As for the property to be acquired, the figure represents the sale and purchase price set forth in the relevant sale and purchase contract, etc. at the time of the decision to acquire the said property (excluding miscellaneous acquisition costs, fixed assets tax, etc.).

(Note 2) "Value(Real Estate Appraisal Value)" represents the appraisal value as of the end of 1H/22(as of June 30, 2022).

(Note 3) "Toyosu Bayside Cross Tower" was acquired as of November 1, 2022.

The "Appraisal Value" of "Toyosu Bayside Cross Tower" is as of August 31, 2022.

(Note 4) "Shin-Kawasaki Mitsui Bldg." will be disposed as of January 11, 2023.

(Note 5) "IIDABASHI GRAND BLOOM(Additional Acquisition)", "Toyosu Bayside Cross Tower(Additional Acquisition)" will be acquired as of March 31, 2023.

The "Appraisal Value" of "IIDABASHI GRAND BLOOM(Additional Acquisition)" and "Toyosu Bayside Cross Tower(Additional Acquisition)" is as of November 30, 2022.

End

This English language notice is a translation of the Japanese language notice dated January 5, 2023 and was prepared solely for reference purposes. The Japanese language release should be referred to as the original. Neither NBF nor NBFM makes any warranties as to the accuracy or completeness of this English language notice.