

March 13, 2023

For Immediate Release

Real Estate Investment Trust:

MIRAI Corporation

Michio Suganuma, Executive Director

(Securities Code: 3476)

Asset Management Company:

Mitsui Bussan & IDERA Partners Co., Ltd.

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Notice Concerning Acquisition of Real Estate Trust Beneficiary in Japan (“Fiel Johoku”)

Mitsui Bussan & IDERA Partners Co., Ltd. (hereinafter the “Asset Manager”), the asset management company of MIRAI Corporation (hereinafter “MIRAI”) announces today that MIRAI has decided to make acquisition (hereinafter the “Acquisition”) of an asset as follows.

1. Overview of the Acquisition

(1) The Asset to be Acquired

Asset Category/ Asset Type (Note 1)		Name	Agreement Date (Note 2)	Acquisition Date	Seller	Acquisition Price (million yen) (Note 3)
Core Asset	Residential	Fiel Johoku	March 13, 2023	March 31, 2023	Not disclosed (Note 4)	2,210

(Note1) “Asset Category/Asset Type” is a classification based on the usage of assets. For details, please refer to Reference Material 2 “Descriptions of the details of the Asset to be Acquired.”

(Note2) “Agreement Date” is the signing date of the sale and purchase agreement with the seller.

(Note3) “Acquisition Price” shows the sale and purchase value of the Asset to be Acquired that is stated in the sale and purchase agreement with the seller. The sale and purchase value does not include national or local consumption tax or expenses necessary for the acquisition, and it is rounded down to the nearest million yen. The same shall apply hereinafter.

(Note4) “Not disclosed” due to the absence of the seller’s consent.

(2) Funds for Acquisition: Own funds (scheduled)

(including disposition proceeds of “My Square Building” and “MEGA Don Quijote Izumi-Chuo”)

(3) Payment Method: The entire amount will be paid on the Acquisition Date

(4) Brokerage: No

2. Reasons for the Acquisition

Points
<ul style="list-style-type: none"> ● Asset acquisition that will lead to portfolio stabilization based on MIRAI Mid-Term Management Plan 2025 “Smart Defense & Offense with Aligned Interest” ● Progress in risk diversification: MIRAI acquires its first residential asset as a step toward advancing asset type diversification ● NAV improvement: Acquisition at a discount (Acquisition price 11.6% discount to appraisal value)

MIRAI announced MIRAI Mid-Term Management Plan in “Presentation Material for 12th Fiscal Period (ended April 30, 2022)” on June 15, 2022, with a completion target of 2025 and has been striving to implement portfolio management that considers “Smart Defense” under uncertain market environment and “Offense with Aligned Interest” following market recovery.



MIRAI has decided on the Acquisition as a further measure to stabilize the portfolio, considering properties of various asset types to achieve the quantitative target of “Smart Defense & Offense with Aligned Interest” and building a portfolio with both stability and growth potential through multiple asset replacements.

< “Smart Defense & Offense with Aligned Interest” initiatives to build a portfolio with both stability and growth potential >

May 2022 : Disposition of “Comfort Hotel Nagano”

October 2022 : Acquisition of “MI Terrace Sendai Hirose-dori” and Disposition of “Orico Hakataeki Minami Building”

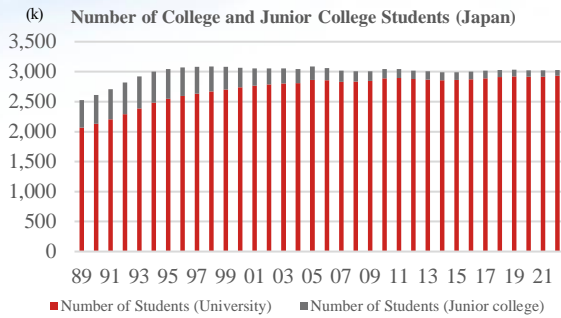
March 2023 : Disposition of “My Square Building” and “MEGA Don Quijote Izumi-Chuo”

Acquisition of “Fiel Johoku” (first residential asset)

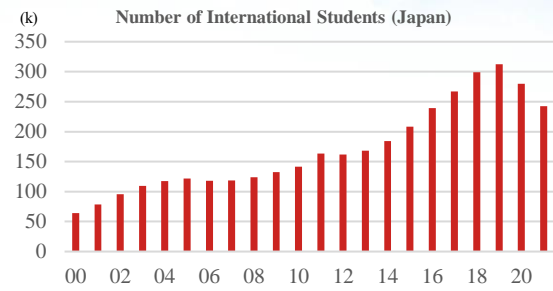
(Note) The years and months indicate when the press releases were released.

MIRAI has identified the acquisition of new core assets as one of its key investment policies in its portfolio construction strategy under “Smart Defense & Offense with Aligned Interest,” and believes that residential assets (housing), which have continued to enjoy stable operation during the COVID-19 disaster, are an asset class that meets the above policy. The Asset to be Acquired is an asset that belongs to the student apartment category among residential assets. It is expected to have stable occupancy rate in the future, as the number of college students has remained stable due to higher college enrollment rate despite a long-term downward trend of the population of 18-year-olds, in addition to the expected recovery of international students post-COVID-19 pandemic. Further, since rents for residential assets can be expected to increase in line with inflation in Japan, MIRAI believes that these assets can contribute to stable portfolio growth from both of the aspect of “Smart Defense & Offense with Aligned Interest.” As the acquisition price is 11.6% lower than the appraisal value, an improvement in NAV (Net Asset Value, which refers to the net asset value based on appraisal) can also be expected.

(Reference) Market Data on the Student Apartment Market



Source: Prepared by TMAX Valuation from the Basic School Survey by the Ministry of Education, Culture, Sports, Science and Technology



Source: Prepared by TMAX Valuation based on the Japan Student Services Organization's "Survey of International Student Enrollment for 2021" (as of May 1 of each year).

(Reference) Price and Profitability of the Asset to be Acquired

Name	Acquisition Price (million yen)	Appraisal Value (million yen)	Appraisal NOI Yield (Note 1)	NOI Yield after Depreciation (Note 2)
Fiel Johoku	2,210	2,500	5.2%	4.4%

(Note1) "Appraisal NOI Yield" is calculated by dividing the appraisal NOI by the Acquisition Price rounding to the nearest tenth. Appraisal NOI refers to the net operating income (NOI) obtained by subtracting operating expenses from operating revenues stated in the appraisal report, and it is income before subtracting depreciation. It differs from net cash flow (NCF) which is derived by adding investment management profits on investment from security deposit and subtracting the capital expenditures. The above appraisal NOI means the 1st year NOI under DCF method (if any specific factors for the 1st year, it means the 2nd or the 3rd year NOI).

(Note2) "NOI Yield after Depreciation" is calculated by subtracting depreciation from the appraisal NOI and dividing by the expected Acquisition Price rounding to the nearest tenth. Depreciation is estimated value calculated by the Asset Manager using straight-line method with certain assumptions. The same shall apply hereinafter.

3. Details of the Asset to be Acquired

Property Name	Fiel Johoku	Asset Category	Core Asset
		Asset Type	Residential

Overview of the Specified Asset

Acquisition Date	March 31, 2023	Type of Specified Assets		Trust Beneficiary	
Acquisition Price	2,210 million yen	Overview of Trust Beneficiaries	Trustee	Mitsubishi UFJ Trust and Banking Corporation	
Appraisal Value (Appraisal Date)	2,500 million yen (February 28, 2023)		Expiry Date of Trust	March 31, 2033	
Nearest Station	17-minute walk from “Enshubyoin” Station of Enshu Railway and 1-minute walk from “U Hall” bus stop of Entetsu Bus				
Address (Residential Address)	1-9-20, Johoku, Naka-ku, Hamamatsu-shi, Shizuoka				
Land	Lot Number	1-38-1 and 38-2, Johoku, Naka-ku, Hamamatsu-shi, Shizuoka	Building	Date of Building	February 9, 2001
	Building Coverage Ratio	90% (Note)		Structure	9-story flat roof reinforced concrete structure
	Floor Area Ratio	300%		Usage	Apartment
	Use Districts	Neighborhood commercial district		Gross Floor Area	8,747.08 sqm
	Site Area	3,077.38 sqm		Number of Parking Spaces	42
	Ownership Structure	Ownership rights		Ownership Structure	Ownership rights
PM Company	Haseko Livenet, Inc.	ML Company	MIRAI Corporation		
Special Comment	None				

(Note) Specified building coverage ratio is 80%. However, the building has received relaxation to 90% for the corner lot.

Overview of Lease

Total Rentable Area	7,043.20 sqm	Occupancy Ratio	100.0%
Principal Tenant	Co-op Living Service Tokai Co., Ltd.	Number of Tenants	1
Annual Rent	131 million yen	Guarantee Deposit	16 million yen

Overview of Summary of Engineering Report

Survey Company	Daiwa Real Estate Appraisal Co., Ltd	Urgent Repairs	-
Date of the Report	March 2023	Long-term Repairs	21,048 thousand yen

Overview of Seismic Risk Analysis

Survey Company	Tokio Marine dR Co., Ltd.	PML	11.0%
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Collateral

Not applicable

Overview of the Real Estate Appraisal Report	
Appraisal Value	2,500 million yen
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	February 28, 2023

(million yen)

Item	Details	Remarks, etc.
Valuation	2,500	
Value based on the direct capitalization method	2,630	
Operating revenues	156	
Potential gross revenues: Sum of (a) through (d)	158	
(a) Rental revenues from rooms for rent including common area charges	153	Consideration was given to current contracts and market levels
(b) Utilities revenues	-	
(c) Parking revenues	3	Consideration was given to current income, etc.
(d) Other revenues	1	
Losses from vacancy, etc.	1	Consideration was given to current occupancy rate, market vacancy rate, etc.
Operating expenses	21	
Maintenance expenses	0	Based on the actual amount
Utilities expenses	-	Paid by the tenant
Repair expenses	4	Annual average based on the engineering report
PM fees	1	Assessed value obtained based on actual amount
Advertisement and leasing expenses, etc.	2	Assessed based on end-tenant rents, etc.
Taxes and public dues	10	Actual amount for FY2022 and planned amount for FY2023
Property and casualty insurance premiums	0	Estimate
Other expenses	1	Actual amount of construction management fees, etc.
Net operating income	135	
Investment gains on lump-sum payment	0	Investment yield 1.0%
Capital expenditures	16	Annual average based on the engineering report
Net cash flow	118	
Capitalization rate	4.5%	Assessed based on discount rate analysis under DCF method and taking into consideration of potential changes of net profit and disposition price which are not reflected in the discount rate and also taking into the consideration the yield of similar properties
Value based on DCF method	2,460	
Discount rate	4.2%	Assessed by combining the method of determining the yield by adding the individual characteristics of real estate to the yield of financial assets and the method of determining the yield by comparing it with transaction cases of similar properties, and by referring to the results of real estate investor surveys
Terminal capitalization rate	4.6%	Assessed by judging risks such as the uncertainty of the revenue forecast after the holding period in comparison with the cap rate and the possibility of an increase in capital expenditure, etc., based on the characteristics of the real estate market and the potential of the subject property
Value based on cost approach	1,310	
Ratio of land	72.5%	
Ratio of building	27.5%	
Other matters to which the appraiser pays attention in the appraisal	Considering that the subject property is a leasing property and that this case seeks a price that represents the investment profitability to show to investors, etc., the valuation estimated above is judged to be the most persuasive price. The valuation was obtained higher than the value based on cost approach, mainly due to the fact that the subject property is leased as a single building and can receive stable rents. Since the cost approach is based on cost and the capitalization approach is based on profitability, the valuation, which better reflects profitability, is believed to have exceeded the value based on cost approach.	

Characteristics of the Property

<Location>

- The property is located 17-minute walk from “Enshubyoin” Station of Enshu Railway and 1-minute walk from “U Hall” bus stop of Entetsu Bus.
- This property is an apartment for students only, and is conveniently located for commuting to major universities in Hamamatsu City. It is 5 minutes to Shizuoka University Hamamatsu Campus and 7 minutes to Shizuoka University of Art and Culture by bicycle.
- It has a good living environment with residential areas and parks in the surrounding area, and is also conveniently located with a convenience store within a 1-minute walk.

<Specification>

- It is a large-scale student apartment with a total of 280 units, all of which are 1K-type units, making it a rarity in terms of scale compared to surrounding properties.
- It was designed as a University Co-op’s original apartment, and offers a full range of services for students, such as free internet access.
- In addition to the residential units, there is a management center and a resident manager’s office on the first floor, and common facilities include a garbage disposal area, mail boxes, home delivery lockers, and vending machines.
- The standard floor has an interior corridor, which allows residents to come and go without being affected by wind and rain, and the auto-locking entrance and resident manager provide excellent security.
- The rooms are fully furnished with separate bathroom and toilet, air conditioner, balcony, wash stand, IH stove (1 burner), indoor washing machine installation space, closet, shoe case, etc.
- 42 parking spaces, 172 bicycle parking spaces, and 70 motorcycle parking spaces are located on the premises to accommodate various means of commuting.

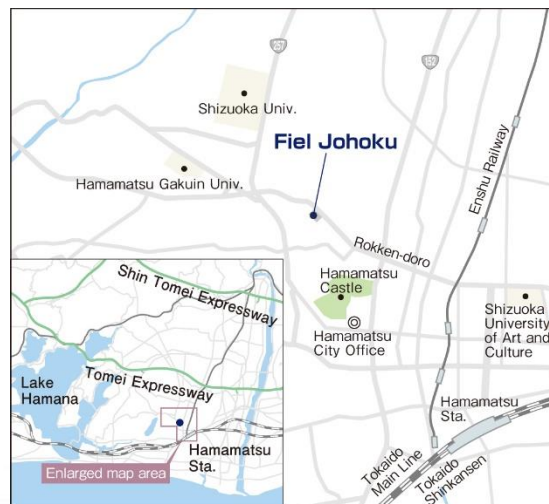
<Others>

- Co-op Living Service Tokai Co., Ltd. leases to the member of each university co-op.
- Shizuoka University is the largest national university in Shizuoka Prefecture, with approximately 4,400 students enrolled at the Hamamatsu Campus, which houses the Faculty of Informatics, the Faculty of Engineering, the Graduate School of Integrated Science and Technology, and other science departments.

Picture



Map of property



4. Overview of the Seller

The seller is a Japanese corporation, however the name is not disclosed because the seller has not consented. The seller is not defined as a related party, etc. in Article 201, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended), and not an interested party under the stakeholder transaction rule of the Asset Manager. In addition, there are no capital, personal, or business relationships to be noted between MIRAI or the Asset Manager and the seller, and the seller is not a related party of MIRAI or the Asset Manager.

5. Description of the Seller

The seller is not a stakeholder in relation to MIRAI and the Asset Manager.

6. Transactions with Interested Parties, etc.

There is no transaction with interested parties.

7. Future Outlook

Impact to the operation from the Acquisition to the fiscal period ending April 2023 (the 14th fiscal period) and fiscal period ending October 2023 (the 15th fiscal period) is minimal and there is no change to the forecasts as of now. New acquisitions utilizing disposition proceeds from the disposition announced in the press release “Notice Concerning Disposition of Real Estate Trust Beneficiaries in Japan (“My Square Building” and “MEGA Don Quijote Izumi-Chuo”)” dated March 3, 2023, are being planned and the updated outlook will be announced once conditions for the operation have been determined including usage of the disposition gain.

<Reference> Forecasts for the Fiscal Period Ending April 2023 and Actual for the Fiscal Period Ended October 2022
(as of December 15, 2022)

	Operating revenue (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Net profit (million yen)	Distributions per unit (yen) (including distributions in excess of earnings)	Distributions per unit (yen) (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit (yen)
Forecasts for the fiscal period ending April 2023	5,720	2,575	2,278	2,277	1,285	1,285	-
Actual for the fiscal period ended October 2022	5,666	2,611	2,324	2,324	1,313	1,313	-

(Note) Forecasts are calculated as of December 15, 2022 based on the assumptions. Actual operating revenue, operating profit, ordinary profit, net profit and distributions per unit (excluding distributions in excess of earnings) are subject to change due to various factors such as additional acquisition or sale of real estate in the future, changes in the real estate market, the actual number of new investment units to be issued as well as their issuance price, fluctuations of interest rate and any other changes in circumstances surrounding MIRAI. In addition, the forecasts are not a guarantee of any actual financial performances or amount of distributions.

(End)

* URL: <https://3476.jp/en/>

This press release is the English translation of the announcement in Japanese on MIRAI’s website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

<Reference Material>

Reference Material 1: Portfolio List after the Acquisition

Reference Material 2: Descriptions of the details of the Asset to be Acquired

Reference Material 1: Portfolio List after the Acquisition

Asset Category	Asset Type	Area	Property Name	Acquisition Price (million yen) (Note 1)	Ratio (%) (Note 2)	Acquisition Date
Core Asset	Office	Tokyo	Shinagawa Seaside Park Tower (quasi-co-ownership 63.4%) (Note 3)	20,288	12.6	December 16, 2016
	Office	Tokyo	Kawasaki Tech Center	23,182	14.4	December 16, 2016
	Office	Tokyo	Shinjuku Eastside Square (quasi-co-ownership 5%) (Note 3)	10,000	6.2	December 16, 2016
	Office	Tokyo	Tokyo Front Terrace (quasi-co-ownership 50.2%) (Note 3)	10,592	6.6	October 26, 2017
	Office	Nagoya	MI Terrace Nagoya-Fushimi	8,886	5.5	June 1, 2018
	Office	Others	Hiroshima Rijo-dori Building	2,250	1.4	March 31, 2020
	Office	Osaka	BizMiiX Yodoyabashi	2,041	1.3	November 1, 2018
	Office	Osaka	TCA Building	2,120	1.3	January 28, 2021
	Office	Others	Ehime Building/Hiroshima	2,780	1.7	January 12, 2022
	Office	Others	MI Terrace Sendai Hirose-dori	2,022	1.3	November 1, 2022
	Retail	Tokyo	Shibuya World East Building	3,200	2.0	December 16, 2016
	Retail	Tokyo	THINGS Aoyama	2,912	1.8	January 9, 2020
	Retail	Others	MI Cube Sendai Clisroad	1,330	0.8	March 31, 2020
	Retail	Tokyo	AEON Kasai (Note 3)	9,420	5.9	December 16, 2016
	Retail	Osaka	CAINZ MALL Hikone (land)	3,598	2.2	March 31, 2021
	Retail	Others	Maxvalu Takatori (land)	950	0.6	March 31, 2021
	Retail	Tokyo	Tsurumi Fuga 1 (Note 3)	5,300	3.3	January 12, 2022
	Retail	Nagoya	BIGMOTOR Ginan (land)	1,080	0.7	January 12, 2022
	Hotel	Others	Hotel Sunroute Niigata	2,108	1.3	December 16, 2016
	Hotel	Others	Daiwa Roynet Hotel Akita	2,042	1.3	December 16, 2016
	Hotel	Others	Super Hotel Sendai / Hirose-dori	1,280	0.8	December 16, 2016
	Hotel	Osaka	Super Hotel Osaka / Tennoji	1,260	0.8	December 16, 2016
	Hotel	Tokyo	Super Hotel Saitama / Omiya	1,123	0.7	December 16, 2016
	Hotel	Osaka	Super Hotel Kyoto Karasuma Gojo	1,030	0.6	December 16, 2016
	Hotel	Nagoya	EN HOTEL Ise	1,800	1.1	March 1, 2018
	Hotel	Others	Comfort Hotel Kitakami	820	0.5	March 1, 2018
	Hotel	Tokyo	Hotel Wing International Select Ueno /Okachimachi	3,720	2.3	May 15, 2018
	Hotel	Others	Smile Hotel Naha City Resort	4,000	2.5	November 1, 2018
	Hotel	Others	Smile Hotel Hakataeki-Mae	3,800	2.4	November 1, 2018
	Hotel	Nagoya	Smile Hotel Nagoya-Sakae	2,950	1.8	November 1, 2018
	Residential	Others	Fiel Johoku	2,210	1.4	March 31, 2023
Growth Asset (Core-plus Asset)	Retail	Osaka	Mi-Nara	4,944	3.1	October 26, 2017
Growth Asset (New Type Asset)	Industrial	Osaka	Rokko Island DC (quasi-co-ownership 92.45%) (Note 3)	7,996	5.0	November 1, 2018
	Industrial	Tokyo	Odawara Material Storage and Delivery Center (land)	2,300	1.4	March 1, 2021
	Industrial	Tokyo	Yokohama-Daikokucho Maintenance Center (land)	1,490	0.9	March 25, 2022
	Educational	Tokyo	Tokyo Eiseigakuen Senmongakko	3,900	2.4	January 9, 2020
Total				160,726	100.0	-

(Note 1) "Acquisition Price" shows the purchase and sale value of each asset to be acquired that is stated in the sale and purchase agreement entered with the sellers. The purchase and sale values do not include national or local consumption tax or expenses necessary for the acquisition, and it is rounded down to the nearest million yen. Although the acquisition price of "Mi-Nara" on its sales and purchase agreement is 4,100 million yen, the acquisition price is defined as total investment amount of 4,944 million yen including the additional investment made following the acquisition for the renewal of the property. For "Mi-Nara", the total investment including the additional investment of 4,944 million yen is defined as acquisition price. Also, the acquisition price of "BizMiiX Yodoyabashi" on its sale and purchase agreement is 1,750 million yen, the acquisition price is defined as total investment amount of 2,041 million yen including the additional investment made following the acquisition for the conversion of the property. For "BizMiiX Yodoyabashi", the total investment including the additional investment of 2,041 million yen is defined as acquisition price.

(Note 2) "Ratio" is the ratio against the total of the acquisition price of each property, and the value is rounded to the first decimal place.

(Note 3) Where the asset is owned by sectional ownership or is quasi-co-owned, the value in relation to the sectional ownership and quasi-co-ownership interest belonging to MIRAI is shown.

Reference Material 2: Descriptions of the details of the Asset to be Acquired

Items (A) to (M) below explain the description in the columns of “3. Details of the Asset to be Acquired” above. The descriptions are as of the end of February 2023 unless otherwise stated.

- A) “Asset Category/Asset Type”
- “Core Asset” means core assets of MIRAI’s portfolio. Specifically, it refers to traditional investment real estate such as offices, retail, hotels, residential and logistics facilities for which the utilization ratio is (or is likely to be) more than 80% and for which MIRAI judges that stable rent revenue can be expected.
 - “Growth Asset (New Type Asset)” refers to assets with less real estate investment and management track record in the market compared to core assets and are less competitive and MIRAI determines that there is a potential for market expansion in the future.
- B) “Nearest Station”
- The walking time required in the section “Nearest Station” is calculated on the assumption that one minute is required to walk 80 meters, and the calculated value is rounded up when a fraction beyond the first decimal point is included, based on the Fair Competition Rule on the indication of real property (Fair Trade Commission Notice No.23 in 2005) and the enforcement regulation on the Fair Competition Rule on the indication of real property (Approval No.107 by the Fair Trade Commission in 2005).
- C) “Address (Residential Address)/ (Lot Number)”
- “Address (Residential Address)” shows the residence indication of the property. If the residence indication is not implemented, the location or locations (any one of them) of the building on the registry is shown. “Address (Lot Number)” shows the lot number of the asset.
- D) “Land”
- “Lot Number” is described based on the registry.
 - “Building Coverage Ratio” and “Floor Area Ratio” are the values provided by relevant laws such as the Building Standards Act and the Urban Planning Act. Depending on the Asset to be Acquired, certain easing measures or restrictions may be applied to the “Building Coverage Ratio” and “Floor Area Ratio” in the table below.
 - “Use Districts” describe the types of use districts under Article 8, Section 1, paragraph 1 of the Urban Planning Act.
 - “Site Area” is based on the description in the registry, and it may not match the current state. If the Asset to be Acquired is a co-ownership stake of land, the entire parcel is shown.
 - “Ownership Structure” describes the type of rights that a beneficiary of the trust on the Asset to be Acquired holds or will hold.
- E) “Building”
- “Date of Building” describes the construction date in the registry.
 - “Structure” is based on the description in the registry.
 - “Usage” describes the main types of buildings in the registry.
 - “Gross Floor Area” is based on the description of the registry. If the Asset to be Acquired is strata title ownership interest, the floor area of the strata title ownership is shown. If the Asset to be Acquired is a co-ownership, the total floor area of the entire building is shown.
 - “Number of Parking Spaces” shows the number of cars the car park can accommodate. This car park is secured within the site (including the car park inside the building) of the Asset to be Acquired as of the end of February 2023. Where a co-owned share and sectional ownership will be acquired, the number of cars to be parked in relation to the entire Asset to be Acquired is shown.
 - “Ownership Structure” describes the types of rights that a beneficiary of the trust on the Asset to be Acquired holds or will hold.
- F) “PM Company”
- “PM Company” describes the companies that will enter into a valid property management contract as of the acquisition date.
- G) “Master Lease Company”
- “Master Lease Company” describes the companies that will enter into a valid master lease contract as of the acquisition date.

- H) “Special Comment”
- In principle, “Special Comment” describes items that are considered critical based on the information as of the end of February 2023.
 - a) in terms of the interests and use of each asset; and
 - b) in consideration of the impact on the appraisal value of the asset, profitability and ease of disposal
- I) “Overview of Lease”
- “Overview of Lease” are based on figures and information provided by current owners of assets or trust beneficiaries to be acquired and shows contents of effective lease contracts as of the end of February 2023 unless otherwise stated.
 - For “Total Rentable Area”, the area that is rentable based on the lease contract or the building drawings of the building pertaining to the Asset to be Acquired as of the end of February 2023 is stated. In case of land asset, the area of the land is listed. However, the number of tenants of incidental areas such as parking lots and warehouses is not included. If the Asset to be Acquired is a co-ownership or quasi-co-ownership, it is calculated based on the proportion of ownership.
 - For “Occupancy Ratio”, the ratio of the total leased area to the total rentable area of the Asset to be Acquired as of the end of February 2023 is stated, rounded to one decimal place.
 - For “Principal Tenant”, the tenant with the largest leased area of the total leased area of the Asset to be Acquired as of the end of February 2023 is stated. For properties with a fixed-rent master lease under which MIRAI will receive a certain amount of rent regardless of changes in the rents of end tenants, the Master Lease Company under the agreement to be concluded on the Asset to be Acquired is stated. In addition, if consent regarding disclosure is not obtained from the end tenants, “Not disclosed” is stated in the “Principal Tenant” column.
 - For “Number of Tenants,” the number of tenants of the Asset to be Acquired is stated based on the lease contract of the Asset to be Acquired as of the end of February 2023 (limited to those who have already moved in as of this date). However, if a master lease contract is concluded for the Asset to be Acquired, the total number of end tenants (limited to those who have already moved in as of this date) is stated for properties with a pass-through master lease in which MIRAI receives rents from the end tenants as they are, in principle. For properties with a fixed-rent master lease under which MIRAI will receive a certain amount of rent, regardless of changes in the rents of end tenants, only the Master Lease Company is stated as the tenant in the number of tenants, and the number of tenants based on the lease contract between the Master Lease Company and the end tenants for the Asset to be Acquired is stated in parentheses. In addition, if only land with leasehold is acquired, the total number of the land lessees is stated. However, the number of tenants of incidental areas such as parking lots and warehouses is not included.
 - For “Annual Rent,” the annualized amount calculated by multiplying the monthly rent (including rent for rooms and common area charges (if any) and excluding rent for incidental areas such as parking lots and warehouses) by 12 is stated for the building indicated in the lease contract of each Asset to be Acquired as of the end of February 2023 (limited to those who have already moved in as of this date), rounded down to the nearest million yen. In this calculation, the Annual Rent is calculated based on the upper limit of fixed rent provided for in the agreement. In addition, for properties in which The Master Lease Company becomes sublessor to tenants, the annualized amount that is calculated by multiplying the monthly rent in the lease contract concluded with the end tenants by 12 is stated for properties with a pass-through master lease in which MIRAI receives rents from the end tenants as they are, in principle, while the annualized amount that is calculated by multiplying the monthly rent in the master lease contract by 12 is stated for properties with a fixed-rent master lease in which MIRAI will receive a certain amount of rent, regardless of changes in the rents of end tenants. Free rent and rent holidays as of the same date are not taken into account. If consent regarding disclosure is not obtained from the end tenants, “Not disclosed” is stated. If the Asset to be Acquired is a co-ownership or quasi-co-ownership, it is calculated based on the proportion of ownership.
 - For “Guarantee Deposits,” the total amount of guarantee deposits required under the lease contract of each Asset to be Acquired as of the end of February 2023 (limited to those for tenants who have already moved in as of this date) is stated, rounded down to the nearest million yen. However, guarantee deposits for incidental areas such as parking lots and warehouses are not included. If a master lease contract is concluded for the Asset to be Acquired, the total amount of guarantee deposits under the lease contract concluded with the end tenants is stated, rounded down to the nearest million yen. If consent regarding disclosure is not obtained from the end tenants, “Not

- disclosed” is stated. If the Asset to be Acquired is a co-ownership or quasi-co-ownership, it is calculated based on the proportion of ownership.
- For the Asset to be Acquired, lease contracts with end tenants are deemed to be in effect and are included in the calculation for “Occupancy Ratio”, “Number of Tenants”, “Annual Rent”, “Guarantee Deposit” and others so long as the agreements are in effect as of the end of February 2023 even if they may be cancelled or notice of cancellation may be submitted.
- J) “Overview of Summary of Engineering Report”
- For “Urgent Repairs,” expenses that are stated as repair and renewal expenses that are deemed to be necessary urgently or within approximately one year from the inspection date in the building condition inspection report are stated by rounding down to the nearest thousand yen.
 - For “Long-term Repairs,” the annual average amount or the amount converted to the annual average amount of expenses stated as repair and renewal expenses that are expected for 12 years from the inspection date in the building condition inspection report is stated by rounding down to the nearest thousand yen. If the Asset to be Acquired is a co-ownership interest or a quasi-co-ownership interest of the building, it is calculated according to ownership percentage.
- K) “Collateral”
- “None” is stated when the collateral is canceled after the Acquisition.
- L) “Overview of the Real Estate Appraisal Report”
- For “Overview of the Real Estate Appraisal Report,” the general description of the real estate appraisal report (hereinafter “Appraisal Report”) that was commissioned by MIRAI and prepared by Japan Valuers Co., Ltd. to appraise the Asset to be Acquired based on the points to note for the appraisal of real estate under the Act on Investment Trusts and Investment Corporations as well as the Act on Real Property Appraisal (Act No. 152 of 1963 including subsequent amendments; hereinafter “Act on Real Property Appraisal”) and the real property appraisal standards are stated. The real estate appraisal is only the judgement and opinions of the appraiser at a certain point in time, and does not guarantee the adequacy or accuracy of their content or tradability at the Appraisal Value.
 - There is no special interest between MIRAI and the Asset Manager and Japan Valuers Co., Ltd. which conducted the real estate appraisal.
 - Unless otherwise noted, amounts are rounded down to the nearest million yen. Values in percentages are rounded to one decimal place.
- M) “Characteristics of the Property”
- “Characteristics of the Property” indicates the point of view for property acquisition of MIRAI. In principle, it is based on the description of “Market Research for Fiel Johoku (Student Apartment)” prepared by TMAX Valuation and partially based on the material obtained by the Asset Manager to state the basic nature, characteristics, and features of the area in which the Asset to be Acquired is located. The reports are only the judgement and opinions of the external experts who created them at a certain point in time, and they do not guarantee the adequacy or accuracy of their content. Environmental changes, etc. after the reports were prepared are not reflected.