



For Immediate Release

To Whom It May Concern

Nomura Real Estate Master Fund, Inc.

Securities Code: 3462

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Notice Concerning Acquisition and Disposition of Domestic Real Estate
and Trust Beneficial Interests in Domestic Real estate

Nomura Real Estate Master Fund, Inc. (“NMF” or the “Fund”) announces the decision made today by Nomura Real Estate Asset Management Co., Ltd., a licensed asset management company retained by the Fund to provide asset management services, to acquire and dispose of properties (the “Acquisition” or the “Disposition” or collectively the “Transaction”), as described below.

1. Summary of Assets to Be Acquired/Disposed of

(1) Summary of Asset to Be Acquired

Property Name	Use	Scheduled Date of Purchase and Sales Agreement	Scheduled Date of Acquisition	Seller	Presence of Intermediary	Anticipated Acquisition Price (¥ million)(Note 1)
SOMPO CARE La vie Re Residence Yoga	Healthcare facility	March 17, 2023	May 31, 2023	Undisclosed (Note 2)	Yes (Note 3)	2,850
Grapes Tsujido Nishi-Kaigan						1,820
SOMPO CARE Sompo no ie Omori-Nishi						1,462
SOMPO CARE La vie Re Residence Shonan Tsujido						1,150
Total						7,282

(Note 1) The amounts stated exclude acquisition-related costs, property tax, city planning tax, consumption tax and local consumption tax.

(Note 2) The seller is the same domestic stock company, but since the seller's consent for disclosure has not been obtained, it is not disclosed.

(Note 3) The brokerage involved in the acquisition is not considered a related party under the Act on Investment Trusts and Investment Corporation (“Investment Trust Act”).

(Note 4) Of the assets to be acquired, Grapes Tsujido Nishi-kaigan and SOMPO CARE Sompo no ie Omori-Nishi are trust beneficial interest in trust of real estate, and other properties are real estate.

(Note 5) Regarding the acquisition of the above four properties, it is rational that the purchase and sale of the other 3 properties will all be executed on the scheduled acquisition date, and that the sale and purchase of the assets to be transferred below will all be executed on the scheduled transfer date.

The above property to be acquired is referred to hereinafter collectively as the “Assets to be Acquired.”



(2) Summary of Asset to Be Disposed of

Property Name	Use	Scheduled Date of Purchase and Sales Agreement	Scheduled Date of Disposition	Transferee	Presence of Intermediary	Scheduled Transfer Price (¥ million)	Book Value (Note 2) (¥ million)	Difference (Note 3) (¥ million)
NMF Tenjin-Minami Building	Office	March 17, 2023	May 31, 2023	Tokyo Tatemono Co., Ltd.	None	3,040	2,002	1,037
PRIME URBAN Otsuka	Residential			Tokyo Tatemono Real Estate Sales Co., Ltd.	Yes (Note 4)	772	661	110
Total						3,812	2,664	1,147

(Note 1) The amounts stated exclude adjustment amounts of both property taxes and city planning taxes, as well as consumption taxes and local consumption tax, etc.

(Note 2) Anticipated book value at the date of disposition.

(Note 3) This is only a reference value which is the difference between the scheduled transfer price and the anticipated book value, therefore, it is different from gain or loss on sale.

(Note 4) The brokerage involved in the disposition is not considered a related party under the Act on Investment Trust Act

(Note 5) Regarding the transfer of the above two properties, if the sales contract for each property stipulates that the other properties will be transferred on the scheduled transfer date and all the above assets to be acquired will be sold on the scheduled acquisition date, it will be reasonable. Prospects are a prerequisite for executing a trade.

The above property is referred to hereinafter as the “Assets to be Disposed of.” The Assets to be Acquired and Assets to be Disposed of may be separately referred to as the “Asset.”

2. Reasons for the Transaction

The Fund determined that the Transaction would help secure stable income and steady growth of the Fund’s portfolio over the medium to long term, in line with the asset management objectives and policies specified in the Fund’s Articles of Incorporation.

The Fund has always considered healthcare facilities to be an investment designation as the subsector of residential facilities. With the number of the elderly population, people certified for support need and long-term care increasing recently, the Fund has concluded that this market is a sector with a certain degree of marketability and the potential of a future market, which led to having made the investment.

The Transaction is a transaction to transfer and acquire properties for the purpose of replacing assets with an operating company, and is a crossover deal that straddles sectors, which is unique to comprehensive REIT. The assets to be acquired in the Transaction are not only favorably located and highly accessible but also ones that are managed by an operator with an abundant track record in management and high creditworthiness. Additionally, the assets to be acquired are not ones with a future significant concern as candidates for disposition in opportunities for external growth strategy. However, the Fund has concluded that the enhancement of investor gains can be realized by asset replacement with excellent healthcare facilities with stable cash flows and the securing of gain on sale, and decided on the disposition as a result of discussions with the counterparty. This is a transaction that materialized through a robust relationship with the operating company, and with assets replacement by the Transaction, the improvement of portfolio quality will also be realized. Please refer to 3. Summary of Assets to Be Acquired/Disposed of below for details of the reasons for Assets to be Acquired and the reasons for Assets to be Disposed of.

The profits on sale related to the Disposition will be directed to raising the distribution level or internal reserves with the intention of stabilizing future distributions, while considering the future management status of the existing portfolio and others.



Reference: The portfolio indicators of the properties

Property Name	Assets to be acquired				Assets to be Disposed of	
	SOMPO CARE La vie Re Residence Yoga	Grapes Tsujido Nishi-Kaigan	SOMPO CARE Sompno ie Omori-Nishi	SOMPO CARE La vie Re Residence Shonan Tsujido	NMF Tenjin-Minami Building	PRIME URBAN Otsuka
NOI yield (Note 1)	6.7%	7.7%	4.7%	6.4%	5.0%	5.0%
Asset age (Note 2)	6.2 years	6.8 years	8.5 years	5.9 years	15.2 years	16.7 years

(Note1) Regarding the assets to be acquired, the value entered is calculated by dividing the NOI based on the direct capitalization approach recorded in the appraisal summary by the anticipated acquisition price. In respect of the assets to be disposed of, the value entered is calculated by dividing the total NOI for the 13th fiscal period ended February 28, 2022 and the 14th fiscal period ended August 31, 2022 by the Anticipated Disposition Price. The value is rounded to the first decimal place.

(Note2) The asset age entered is as of the scheduled date of Acquisition for the Asset to be Acquired and as of the scheduled transfer date for the Asset to be Disposed of.

3. Summary of Assets to Be Acquired/Disposed of

(1) Summary of Asset to Be Acquired

SOMPO CARE La vie Re Residence Yoga

<Reasons for the Acquisition>

The main strengths of the Asset to be Acquired are as follows.

- The asset is a seven-minute walk from Yoga Station and a nine-minute walk from Sakura-shimmachi Station of Tokyu Den-en-toshi Line, and boasts the excellent convenience of transportation and daily living with a high concentration of supermarkets, drugstores and others in the surrounding area.
- The population aged 75 and over (from 2015 to 2045) in Setagaya Ward, where the asset is located, outgrows the national average, which equipped the asset with advantages as a senior home.
- Since Sompo Care Inc., which is a tenant and the operator of the Asset, has an industry-leading scale of business, strong creditworthiness, and a good record of operation, and also its rent burden ratio in the tenant and operator income is judged to be on an appropriate level, stable asset management profits can be expected over the medium to long term.

<Summary of the Asset to be Acquired>

Property Name	SOMPO CARE La vie Re Residence Yoga	
Type of Asset	Real estate	
Location (Note1)	Registry	3-612 Yoga, Setagaya Ward, Tokyo
	Street	3-6-3 Yoga, Setagaya Ward, Tokyo
Access	Seven-minute walk from Yoga Station in Tokyu Den-en-toshi Line Nine-minute walk from Sakura-shimmachi Station in Tokyu Den-en-toshi Line	
Completion Date (Note1)	March 9, 2017	
Use (Note1)	Senior home	
Structure (Note1)	Six-floor steel reinforced concrete structure with flat roof	
Leasing Units	120	
Architect	IAO Takeda Architects Associates Co., Ltd.	
Builder	Fujita Corporation	
Building Inspection Agency	Public interest incorporated foundation Tokyo Bosai-Kensetsu Machi-zukuri Center	
Area (Note1)	Land	3,525.88 m ²



	Floor Area	8,380.68 m ²			
Type of Ownership	Land	Leasehold ^(Note2)			
	Building	Ownership			
Building Coverage Ratio		70% ^(Note3)			
Floor Area Ratio		200% ^(Note4)			
Collateral		None			
Property Management Company ^(Note5)		HASEKO LIVENET, Inc.			
Master Leasing Company		None			
Type of Master Leasing ^(Note6)		None			
Seismic Risk (PML) ^(Note7)		8.8% (Based on the Earthquake PML Appraisal Report as of March 2023 by Sompo Risk Management Inc.)			
Notes		-			
Anticipated Acquisition Price		¥2,850 million			
Appraisal Value and Method		¥3,390 million (Based on the capitalization approach as of March 1, 2023) (Appraiser: Japan Valuers Co., Ltd.)			
Appraisal NOI ^(Note8)		¥190 million			
Leasing Status (As of February 28, 2023) ^(Note9)					
Total Number of Tenants		1			
Representative Tenant		Sompo Care Inc. ^(Note10)			
Total Rental Income(Annual)		Undisclosed			
Security Deposits		Undisclosed			
Occupancy Rate		100.0%			
Total Leased Floor Space		8,462.26 m ²			
Total Leasable Floor Space		8,462.26 m ²			
Historical Occupancy Rates	February 2019	February 2020	February 2021	February 2022	February 2023
	100.0%	100.0%	100.0%	100.0%	100.0%
Status of Residents and Overview of the Facility (Entry date of the disclosure statement: July 1, 2021) ^(Note 11)					
Operator		Sompo Care Inc.			
Establishment Date		May 19, 2017			
Type of Facility		Private senior home with nursing care			
Number of Rooms		120			
Type of Rights for Residence		Building lease contract			
Resident Capacity (people)		216			
Range of Living Floor Space		28.02 m ² -73.16 m ²			
Number of Residents		122			
Entering Requirements ^(Note 12)		Self-reliant, Certified for support need and long-term care			
Resident Capacity Rate ^(Note 13)		88.3%			
Average Required Level of Nursing Care of Residents ^(Note 14)		1.3			
Average Age of Residents		86.7 years old			
Service Fee Payment Method ^(Note 15)		One-time fee method	Monthly fee method		
	One-time entrance fee	-	-		
	Monthly fee	-	¥246-507 thousand		
Staff Engaged in Nursing Care		-			
Staff at Nighttime (Number of staff members at minimum)		-			
Cooperating Medical Institutions		Medical corporation association Sofuku-kai, Fukuro Clinic Todoroki Medical corporation association Takanawa-kai, Takanawa Dental Clinic			

(Note 1) Location and Other Items

Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2) Land leasehold contract

Lessor: Tokyo Prefecture

Type of leasehold: Ordinary fixed-term land leasehold



Leasehold period: From June 1, 2015 to May 31, 2065

(Note 3) Building Coverage Ratio

The asset is located in a category 1 medium-to-high-rise exclusive residential area, which is applicable to the ratio of 60%. However, the asset is eligible for a relief since it falls under the category of corner lots designated by the Specific Administrative Agency. Accordingly, the applied building ratio is 70%.

(Note 4) Floor Area Ratio

The designated floor area ratio of the land of the asset is 200%, applicable to category 1 medium-to-high rise exclusive residential areas.

(Note 5) Property Management Company

Refers to the property management company that is scheduled to be appointed after acquisition.

(Note 6) Master Lease

The master lease scheme that is scheduled to apply after the Acquisition is stated. The “Pass-through type” refers to the format in which the master lease company pays the amount, equivalent of the total of rents based on the lease contract with the end tenant.

(Note 7) PML (Probable Maximum Loss)

PML shows the degree of damage to be caused by the largest-scale earthquake (a large earthquake that may occur once in 475 years = a large earthquake with a 10% chance of occurring in 50 years) during the anticipated period of use (50 years = the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the repurchase cost.

(Note 8) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income - operating expenses) described in the real estate appraisal report with March 1, 2023 as the appraisal date.

(Note 9) Leasing Status

“Total Number of Tenants” is stated as “1” because, for the purpose of subleasing, all of the rooms are leased as a block, and then, the lessee under such lease contract subleases each of the rooms to residents.

“Total Rental Income” and “Security Deposits” are undisclosed, since a consent had not been obtained from tenants.

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of February 28, 2023 by Total Leasable Floor Space.

“Total Leased Floor Space indicates the total floor space leased to end tenants as of February 28, 2023.

“Total Leasable Floor Space is the total floor space of offices, retail facilities, logistics facilities, residential facilities, accommodations, etc. (if the common area, etc. are leased, the floor space thereof is included.)

(Note 10) Overview of Lease Contract with Representative Tenant

Agreement format:

A fixed-term building lease contract for the purpose of using the asset as a home for the elderly with nursing care, long-term care insurance service offices, such as home-visit care business site, and authorized childcare center.

Contract period: From April 1, 2022 to May 31, 2064.

Rent revision: If the rent has come to be recognized as unreasonable even during the lease period, the lessor and the lessee may request a revision of the rent of the other party only by giving a written notice no later than six months prior to the starting date of each such lease period renewed every five years from September 1, 2025, and may revise the rent upon consultation.

Contract renewal: Not renewable

Early termination: Earlier termination: Earlier termination in the middle of the above contract period will not be allowed, in principle. However, the lessee may terminate this contract after January 1, 2034 even during the above contract period (1) in the event that the lessee notifies the lessor in writing 12 months before the termination date and pays the fine set forth in the lease contract to the lessor, or (2) the lessee pays the fine set forth in the lease contract in addition to 12-month's worth of rents, the lessee can terminate this contract immediately.

(Note 11) Status of Residents and Overview of the Facility

The status of residents and the overview of the facility are described based on information, etc. cited in the disclosure statement or the website of the asset. The items described as “-” is omitted since they are not found in the disclosure statement or the website of the asset.

(Note 12) Entering Requirements

Regarding the entering requirements, only subjects related to the required level of nursing care in the requirements for entering the asset are described.

(Note 13) Resident Capacity Rate

The resident capacity rate may differ from the ratio calculated by dividing the number of residents by capacity due to circumstances, such as including residents who are absent temporarily.

(Note 14) Average Required Level of Nursing Care of Residents

The average required level of nursing care of residents is expressed as the value calculated by dividing the total of multifiers in accordance with the required level of nursing care, described in the table below, by the number of residents.

Required level of nursing care	Self-reliant	Support need 1	Support need 2	Long-term care 1	Long-term care 2	Long-term care 3	Long-term care 4	Long-term care 5	Others



Multifiler	0	0.375	1	1	2	3	4	5	1
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(Note 15) Service Fee Payment Method

The “one time fee method” in the service fee payment method is a method of paying part of the service fee related to the health care facility in a lump. The “monthly fee method” is a method of dividing and paying the said service monthly. The monthly usage fee is the monthly fee displayed in the important matter manual or the price list obtained from the operator. Some residents pay nursing care fee and other charges in addition to one-time entrance fee and monthly service fee.

Grapes Tsujido Nishi-Kaigan

<Reasons for the Acquisition>

The main strengths of the Asset to be Acquired are as follows.

- The Asset is highly conveniently located for transportation and everyday life since it is a 20-minute walk from Tsujido Station on the JR Tokaido Main Line and a 1-minute walk from Tsujido-Danchi-Nishi Station of Kanagawa Chuo Kotsu (bus service) and there are complex commercial facilities such as Terrace Mall Shonan in the surrounding area.
- Fujisawa City, where the Asset is located, has a population growth rate of persons aged 75 or older (from 2015 to 2045) above the national average, is an ideal place for senior citizens' housing in many respects.
- Since Sompo Care Inc., which is a tenant and the operator of the Asset, has an industry-leading scale of business, strong creditworthiness, and a good record of operation, and also its rent burden ratio in the tenant and operator income is judged to be on an appropriate level, stable asset management profits can be expected over the medium to long term.

<Summary of the Asset to be Acquired>

Property Name		Grapes Tsujido Nishi-Kaigan
Type of Asset		Trust beneficial interest in trust of real estate
Trustee		Sumitomo Mitsui Trust Bank, Limited
Location ^(Note1)	Registry	2-7181-38 (and one other parcel of land) Tsujido-Nishikaigan, Fujisawa City, Kanagawa
	Street	2-12-2 Tsujido-Nishikaigan, Fujisawa City, Kanagawa
Access		20-minute walk from Tsujido Station on the JR Tokaido Main Line 1-minute walk from Tsujido-Danchi-Nishi Station of Kanagawa Chuo Kotsu
Completion Date ^(Note1)		July 15, 2016
Use ^(Note1)		Senior home
Structure ^(Note1)		Five-floor steel reinforced concrete structure with flat roof
Leasing Units		158
Architect		Daisue Construction Co., Ltd.
Builder		Daisue Construction Co., Ltd.
Building Inspection Agency		Bureau Veritas Japan Co., Ltd.
Area ^(Note1)	Land	4,222.05 m ²
	Floor Area	8,140.58 m ²
Type of Ownership	Land	Leasehold ^(Note2)
	Building	Ownership
Building Coverage Ratio		40% ^(Note3)
Floor Area Ratio		200% ^(Note4)
Collateral		None
Property Management Company ^(Note5)		HASEKO LIVENET, Inc.
Master Leasing Company		None
Type of Master Leasing ^(Note6)		None
Seismic Risk (PML) ^(Note7)		7.2%(Based on the Earthquake PML Appraisal Report as of March 2023 by Sompo Risk Management Inc.)
Notes		-



Anticipated Acquisition Price	¥1,820 million				
Appraisal Value and Method	¥2,290 million (Based on the capitalization approach as of March 1, 2023) (Appraiser: Japan Valuers Co., Ltd.)				
Appraisal NOI ^(Note8)	¥140 million				
Leasing Status (As of February 28, 2023) ^(Note9)					
Total Number of Tenants	1				
Representative Tenant	Sompo Care Inc. ^(Note10)				
Total Rental Income(Annual)	Undisclosed				
Security Deposits	Undisclosed				
Occupancy Rate	100.0%				
Total Leased Floor Space	8,132.47 m ²				
Total Leasable Floor Space	8,132.47 m ²				
Historical Occupancy Rates	February 2019	February 2020	February 2021	February 2022	February 2023
	100.0%	100.0%	100.0%	100.0%	100.0%
Status of Residents and Overview of the Facility (Entry date of the disclosure statement: August 1, 2021) ^(Note 11)					
Operator	Sompo Care Inc.				
Establishment Date	October 1, 2016				
Type of Facility	Private senior home with nursing care				
Number of Rooms	158				
Type of Rights for Residence	Building lease contract				
Resident Capacity (people)	250				
Range of Living Floor Space	18.80 m ² -67.59 m ²				
Number of Residents	172				
Entering Requirements ^(Note 12)	Self-reliant, Certified for support need and long-term care				
Resident Capacity Rate ^(Note 13)	-				
Average Required Level of Nursing Care of Residents ^(Note 14)	0.6				
Average Age of Residents	82.2 years old				
Service Fee Payment Method ^(Note15)		One-time fee method	Monthly fee method		
	One-time entrance fee	-	-		
	Monthly fee	-	¥126-401 thousand		
Staff Engaged in Nursing Care	-				
Staff at Nighttime (Number of staff members at minimum)	-				
Cooperating Medical Institutions	Medical Corporation Association Seiryukai Fujisawa Neurosurgery Hospital Medical Corporation Hasegawakai Shonan Hospital				

(Note 1) Location and Other Items

Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2) Land leasehold contract

Lessor: Undisclosed (Undisclosed as consent has not been obtained from the lessor.)

Type of leasehold: Ordinary fixed-term land leasehold

Leasehold period: From April 30, 2015 to April 30, 2065

(Note 3) Building Coverage Ratio

The Asset is located in a category I medium-to-high-rise exclusive residential zone where the building coverage ratio is 60%. However, under the restriction applicable to a scenic zone, the applied ratio is 40%.

(Note 4) Floor Area Ratio

The designated floor area ratio of the land of the asset is 200%, applicable to category 1 medium-to-high rise exclusive residential areas.

(Note 5) Property Management Company

Refers to the property management company that is scheduled to be appointed after acquisition.

(Note 6) Master Lease

The master lease scheme that is scheduled to apply after the Acquisition is stated. The “Pass-through type” refers to the format in which the master lease company pays the amount, equivalent of the total of rents based on the lease contract with the end tenant.

(Note 7) PML (Probable Maximum Loss)

PML shows the degree of damage to be caused by the largest-scale earthquake (a large earthquake that may occur once in 475 years = a large earthquake with a 10% chance of occurring in 50 years) during the anticipated period of use (50 years = the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the repurchase cost.



(Note 8) Appraisal NOI

Appraisal NOI” is the annual NOI (operating income - operating expenses) described in the real estate appraisal report with March 1, 2023 as the appraisal date.

(Note 9) Leasing Status

“Total Number of Tenants” is stated as “1” because, for the purpose of subleasing, all of the rooms are leased as a block, and then, the lessee under such lease contract subleases each of the rooms to residents.

“Total Rental Income” and “Security Deposits” are undisclosed, since a consent had not been obtained from tenants.

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of February 28, 2023 by Total Leasable Floor Space.

“Total Leased Floor Space indicates the total floor space leased to end tenants as of February 28, 2023.

“Total Leasable Floor Space is the total floor space of offices, retail facilities, logistics facilities, residential facilities, accommodations, etc. (if the common area, etc. are leased, the floor space thereof is included.)

(Note 10) Overview of Lease Contract with Representative Tenant

Agreement format: Fixed-term building lease contract intended for the use as serviced senior citizens' housing or a long-term care insurance service office including home-visit care companies

Contract period: From April 1, 2022 to April 30, 2064.

Rent revision: If the rent has come to be recognized as unreasonable even during the lease period, the lessor and the lessee may request a revision of the rent of the other party only by giving a written notice no later than six months prior to the starting date of each such lease period renewed every five years from September 1, 2025, and may revise the rent upon consultation.

Contract renewal: Not renewable

Early termination: Earlier termination: Earlier termination in the middle of the above contract period will not be allowed, in principle. However, the lessee may terminate this contract after January 1, 2034 even during the above contract period (1) in the event that the lessee notifies the lessor in writing 12 months before the termination date and pays the fine set forth in the lease contract to the lessor, or (2) the lessee pays the fine set forth in the lease contract in addition to 12-month's worth of rents, the lessee can terminate this contract immediately.

(Note 11) Status of Residents and Overview of the Facility

The status of residents and the overview of the facility are described based on information, etc. cited in the disclosure statement or the website of the asset. The items described as “-” is omitted since they are not found in the disclosure statement or the website of the asset.

(Note 12) Entering Requirements

Regarding the entering requirements, only subjects related to the required level of nursing care in the requirements for entering the asset are described.

(Note 13) Resident Capacity Rate

The description is omitted because it is not described in the the important matter manual.

(Note 14) Average Required Level of Nursing Care of Residents

The average required level of nursing care of residents is expressed as the value calculated by dividing the total of multifiers in accordance with the required level of nursing care, described in the table below, by the number of residents.

Required level of nursing care	Self-reliant	Support need 1	Support need 2	Long-term care 1	Long-term care 2	Long-term care 3	Long-term care 4	Long-term care 5	Others
Multifiler	0	0.375	1	1	2	3	4	5	1

(Note 15) Service Fee Payment Method

The “one time fee method” in the service fee payment method is a method of paying part of the service fee related to the health care facility in a lump. The “monthly fee method” is a method of dividing and paying the said service monthly. The monthly usage fee is the monthly fee displayed in the important matter manual or the price list obtained from the operator. Some residents pay nursing care fee and other charges in addition to one-time entrance fee and monthly service fee.

SOMPO CARE Sompō no ie Omori-Nishi

<Reasons for the Acquisition>

The main strengths of the Asset to be Acquired are as follows.

- The Asset is highly conveniently located for transportation and everyday life since it is a 10-minute walk from Umeyashiki Station on the Keikyu Main Line and a 13-minute walk from Kamata Station on the JR Keihin-Tohoku Line, and there are hospitals, supermarkets, and convenience stores in the surrounding area.
- Ota Ward, where the Asset is located, has a population growth rate of persons aged 75 or older (from 2015 to 2045) above the national average, is an ideal place for senior citizens' housing in many respects.



- The Asset is a paid assisted-living nursing home (specified facility) for which the approval of the undertaking from the government has been obtained, for which stable nursing care income of the tenant (operator) can be expected.
- Since Sompo Care Inc., which is a tenant and the operator of the Asset, has an industry-leading scale of business, strong creditworthiness, and a good record of operation, and also its rent burden ratio in the tenant and operator income is judged to be on an appropriate level, stable asset management profits can be expected over the medium to long term.

<Summary of the Asset to be Acquired>

Property Name		SOMPO CARE Sompo no ie Omori-Nishi			
Type of Asset		Trust beneficial interest in trust of real estate			
Trustee		Sumitomo Mitsui Trust Bank, Limited			
Location ^(Note1)	Registry	7-99-1 Omori-Nishi, Ota Ward, Tokyo			
	Street	7-6-30 Omori-Nishi, Ota Ward, Tokyo			
Access		10-minute walk from Umeyashiki Station on the Keikyū Main Line 13-minute walk from Kamata Station on the JR Keihin-Tohoku Line			
Completion Date ^(Note1)		November 19, 2014			
Use ^(Note1)		Senior home			
Structure ^(Note1)		Five-floor reinforced concrete structure with a flat roof and 1 basement floor			
Leasing Units		56			
Architect		Institute of New Architecture Inc.			
Builder		KOKUNE Corporation			
Building Inspection Agency		Bureau Veritas Japan Co., Ltd.			
Area ^(Note1)	Land	801.98 m ²			
	Floor Area	2,293.27 m ²			
Type of Ownership	Land	Ownership			
	Building	Ownership			
Building Coverage Ratio		70% ^(Note2)			
Floor Area Ratio		300% ^(Note3)			
Collateral		None			
Property Management Company ^(Note4)		HASEKO LIVENET, Inc.			
Master Leasing Company		None			
Type of Master Leasing ^(Note5)		None			
Seismic Risk (PML) ^(Note6)		4.3%(Based on the Earthquake PML Appraisal Report as of March 2023 by Sompo Risk Management Inc.)			
Notes		-			
Anticipated Acquisition Price		¥1,462 million			
Appraisal Value and Method		¥1,840 million (Based on the capitalization approach as of March 1, 2023) (Appraiser: Japan Valuers Co., Ltd.)			
Appraisal NOI ^(Note7)		¥68 million			
Leasing Status (As of February 28, 2023) ^(Note8)					
Total Number of Tenants		1			
Representative Tenant		Sompo Care Inc. ^(Note9)			
Total Rental Income(Annual)		Undisclosed			
Security Deposits		Undisclosed			
Occupancy Rate		100.0%			
Total Leased Floor Space		2,360.33 m ²			
Total Leasable Floor Space		2,360.33 m ²			
Historical Occupancy Rates	February 2019	February 2020	February 2021	February 2022	February 2023
	100.0%	100.0%	100.0%	100.0%	100.0%
Status of Residents and Overview of the Facility (Entry date of the disclosure statement: September 1, 2021) ^(Note 10)					
Operator		Sompo Care Inc.			
Establishment Date		January 17, 2015			



Type of Facility	Serviced senior citizens' housing / Paid assisted-living nursing home		
Number of Rooms	56		
Type of Rights for Residence	Building lease contract		
Resident Capacity (people)	61		
Range of Living Floor Space	18.60 m ² -53.67 m ²		
Number of Residents	50		
Entering Requirements ^(Note 11)	Self-reliant, Certified for support need and long-term care		
Resident Capacity Rate ^(Note 12)	85.7%		
Average Required Level of Nursing Care of Residents ^(Note 13)	1.7		
Average Age of Residents	86.3 years old		
Service Fee Payment Method ^(Note 14)		One-time fee method	Monthly fee method
	One-time entrance fee	-	-
	Monthly fee	-	¥244-490 thousand
Staff Engaged in Nursing Care ^(Note 15)	3:1 or more		
Staff at Nighttime (Number of staff members at minimum)	1		
Cooperating Medical Institutions	Medical Corporation Association Nakajima-Kinenkai Omori Sanno Hospital Medical Corporation Association Takawakai Sunflower Building Dental Clinic Mitsukoshi Pharmacy		

(Note 1) Location and Other Items

Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2) Building Coverage Ratio

The Asset is located in a semi industrial zone where the building coverage ratio is 60% in principle. However, with the relaxation of the restriction applicable to a corner lot designated by the designated administrative agency, the applied ratio is 70%.

(Note 3) Floor Area Ratio

The designated floor area ratio of the Asset's land is 300%, which is applicable to semi industrial zones.

(Note 4) Property Management Company

Refers to the property management company that is scheduled to be appointed after acquisition.

(Note 5) Master Lease

The master lease scheme that is scheduled to apply after the Acquisition is stated. The "Pass-through type" refers to the format in which the master lease company pays the amount, equivalent of the total of rents based on the lease contract with the end tenant.

(Note 6) PML (Probable Maximum Loss)

PML shows the degree of damage to be caused by the largest-scale earthquake (a large earthquake that may occur once in 475 years = a large earthquake with a 10% chance of occurring in 50 years) during the anticipated period of use (50 years = the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the repurchase cost.

(Note 7) Appraisal NOI

"Appraisal NOI" is the annual NOI (operating income - operating expenses) described in the real estate appraisal report with March 1, 2023 as the appraisal date.

(Note 8) Leasing Status

"Total Number of Tenants" is stated as "1" because, for the purpose of subleasing, all of the rooms are leased as a block, and then, the lessee under such lease contract subleases each of the rooms to residents.

"Total Rental Income" and "Security Deposits" are undisclosed, since a consent had not been obtained from tenants.

"Occupancy Rate" is calculated by dividing Total Leased Floor Space as of February 28, 2023 by Total Leasable Floor Space.

"Occupancy Rate" is calculated by dividing Total Leased Floor Space as of February 28, 2023 by Total Leasable Floor Space. "Total Leasable Floor Space is the total floor space of offices, retail facilities, logistics facilities, residential facilities, accommodations, etc. (if the common area, etc. are leased, the floor space thereof is included.)

(Note 9) Overview of Lease Contract with Representative Tenant

Agreement format: Regular building lease contract for the provision of serviced senior citizens' housing and specified facility resident daily nursing care

Contract period: From September 1, 2020 to December 31, 2037.

Rent revision: If the rent has come to be recognized as unreasonable even during the lease period, the lessor and the lessee may request a revision of the rent of the other party only by giving a written notice no later than six months prior to the starting date of each such lease period renewed every five years from September 1, 2025, and may revise the rent upon consultation.



Contract renewal: Unless either of the lessor or the lessee manifests a different intention in writing no later than 12 months prior to the expiration of the above contract period, the contract will be renewed automatically for an additional five years each on the same terms and conditions as those effective at the expiration of the original or any such extended period thereof.

Earlier termination: Earlier termination in the middle of the above contract period will not be allowed, in principle. However, the lessee may terminate this contract after January 1, 2034 even during the above contract period (1) in the event that the lessee notifies the lessor in writing 12 months before the termination date and pays the fine set forth in the lease contract to the lessor, or (2) the lessee pays the fine set forth in the lease contract in addition to 12-month's worth of rents, the lessee can terminate this contract immediately.

(Note 10) Status of Residents and Overview of the Facility

The status of residents and the overview of the facility are described based on information, etc. cited in the disclosure statement or the website of the asset. The items described as “-“ is omitted since they are not found in the disclosure statement or the website of the asset.

(Note 11) Entering Requirements

Regarding the entering requirements, only subjects related to the required level of nursing care in the requirements for entering the asset are described.

(Note 12) Resident Capacity Rate

The resident capacity rate may differ from the ratio calculated by dividing the number of residents by capacity due to circumstances, such as including residents who are absent temporarily.

(Note 13) Average Required Level of Nursing Care of Residents

The average required level of nursing care of residents is expressed as the value calculated by dividing the total of multifiers in accordance with the required level of nursing care, described in the table below, by the number of residents.

Required level of nursing care	Self-reliant	Support need 1	Support need 2	Long-term care 1	Long-term care 2	Long-term care 3	Long-term care 4	Long-term care 5	Others
Multifiler	0	0.375	1	1	2	3	4	5	1

(Note 14) Service Fee Payment Method

The “one time fee method” in the service fee payment method is a method of paying part of the service fee related to the health care facility in a lump. The “monthly fee method” is a method of dividing and paying the said service monthly. The monthly usage fee is the monthly fee displayed in the important matter manual or the price list obtained from the operator. Some residents pay nursing care fee and other charges in addition to one-time entrance fee and monthly service fee.

(Note 15) Staff Engaged in Nursing Care

Staff engaged in nursing care indicate the proportion of the number of people respectively in accordance with the full-time equivalent method of nursing and nursing-care staff members to users of the asset.

SOMPO CARE La vie Re Residence Shonan Tsujido

<Reasons for the Acquisition>

The main strengths of the Asset to be Acquired are as follows.

- The Asset is highly conveniently located for transportation and everyday life since it is a 3-minute walk from Tsujido Station on the JR Tokaido Main Line and there are complex retail facilities in the surrounding area.
- Chigasaki City, where the Asset is located, has a population growth rate of persons aged 75 or older (from 2015 to 2045) above the national average, is an ideal place for senior citizens' housing in many respects.
- Since Sompo Care Inc., which is a tenant and the operator of the Asset, has an industry-leading scale of business, strong creditworthiness, and a good record of operation, and also its rent burden ratio in the tenant and operator income is judged to be on an appropriate level, stable asset management profits can be expected over the medium to long term.

<Summary of the Asset to be Acquired>

Property Name	SOMPO CARE La vie Re Residence Shonan Tsujido	
Type of Asset	Real estate	
Location ^(Note1)	Registry	5001 Akamatsu-cho, Chigasaki City, Kanagawa
	Street	13-16 Akamatsu-cho, Chigasaki City, Kanagawa
Access	3-minute walk from Tsujido Station on the JR Tokaido Main Line	



Completion Date ^(Note1)	July 3, 2017				
Use ^(Note1)	Senior home				
Structure ^(Note1)	Six-floor steel reinforced concrete structure with flat roof				
Leasing Units	70				
Architect	IAO Takeda Architects Associates Co., Ltd.				
Builder	Fujita Corporation				
Building Inspection Agency	Japan Constructive Inspect Association				
Area ^(Note1)	Land	2,000.56 m ²			
	Floor Area	4,121.51 m ²			
Type of Ownership	Land	Leasehold ^(Note2)			
	Building	Ownership			
Building Coverage Ratio	60% ^(Note3)				
Floor Area Ratio	200% ^(Note4)				
Collateral	None				
Property Management Company ^(Note5)	HASEKO LIVENET, Inc.				
Master Leasing Company	None				
Type of Master Leasing ^(Note6)	None				
Seismic Risk (PML) ^(Note7)	8.6% (Based on the Earthquake PML Appraisal Report as of March 2023 by Sompo Risk Management Inc.)				
Notes	-				
Anticipated Acquisition Price	¥1,150 million				
Appraisal Value and Method	¥1,580 million (Based on the capitalization approach as of March 1, 2023) (Appraiser: Japan Valuers Co., Ltd.)				
Appraisal NOI ^(Note8)	¥73 million				
Leasing Status (As of February 28, 2023) ^(Note9)					
Total Number of Tenants	1				
Representative Tenant	Sompo Care Inc. ^(Note10)				
Total Rental Income(Annual)	Undisclosed				
Security Deposits	Undisclosed				
Occupancy Rate	100.0%				
Total Leased Floor Space	4,270.10 m ²				
Total Leasable Floor Space	4,270.10 m ²				
Historical Occupancy Rates	February 2019	February 2020	February 2021	February 2022	February 2023
	100.0%	100.0%	100.0%	100.0%	100.0%
Status of Residents and Overview of the Facility (Entry date of the disclosure statement: August 1, 2021) ^(Note 11)					
Operator	Sompo Care Inc.				
Establishment Date	August 31, 2017				
Type of Facility	Serviced senior citizens' housing				
Number of Rooms	70				
Type of Rights for Residence	Building lease contract				
Resident Capacity (people)	128				
Range of Living Floor Space	25.49 m ² -64.75 m ²				
Number of Residents	69				
Entering Requirements ^(Note 12)	Self-reliant, Certified for support need and long-term care				
Resident Capacity Rate ^(Note 13)	-				
Average Required Level of Nursing Care of Residents ^(Note 14)	0.7				
Average Age of Residents	81.5 years old				
Service Fee Payment Method ^(Note 15)		One-time fee method	Monthly fee method		
	One-time entrance fee	-	-		
	Monthly fee	-	¥232-378 thousand		
Staff Engaged in Nursing Care	-				
Staff at Nighttime (Number of staff members at minimum)	-				



Cooperating Medical Institutions	Medical Corporation Hasegawakai Shonan Hospital Medical Corporation MBS Shonan Ishiguro Clinic
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(Note 1) Location and Other Items

Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2) Land leasehold contract

Lessor: Individual

Type of leasehold: Ordinary land leasehold right

Leasehold period: From June 1, 2016 to May 31, 2046

(Note 3) Building Coverage Ratio

The designated building coverage ratio of the Asset's land is 60%, which is applicable to category I residential zone.

(Note 4) Floor Area Ratio

The designated floor area ratio of the Asset's land is 200%, which is applicable to category I residential zone.

(Note 5) Property Management Company

Refers to the property management company that is scheduled to be appointed after acquisition.

(Note 6) Master Lease

The master lease scheme that is scheduled to apply after the Acquisition is stated. The "Pass-through type" refers to the format in which the master lease company pays the amount, equivalent of the total of rents based on the lease contract with the end tenant.

(Note 7) PML (Probable Maximum Loss)

PML shows the degree of damage to be caused by the largest-scale earthquake (a large earthquake that may occur once in 475 years = a large earthquake with a 10% chance of occurring in 50 years) during the anticipated period of use (50 years = the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the repurchase cost.

(Note 8) Appraisal NOI

"Appraisal NOI" is the annual NOI (operating income - operating expenses) described in the real estate appraisal report with March 1, 2023 as the appraisal date.

(Note 9) Leasing Status

"Total Number of Tenants" is stated as "1" because, for the purpose of subleasing, all of the rooms are leased as a block, and then, the lessee under such lease contract subleases each of the rooms to residents.

"Total Rental Income" and "Security Deposits" are undisclosed, since a consent had not been obtained from tenants.

"Occupancy Rate" is calculated by dividing Total Leased Floor Space as of February 28, 2023 by Total Leasable Floor Space.

"Total Leased Floor Space indicates the total floor space leased to end tenants as of February 28, 2023.

"Total Leasable Floor Space is the total floor space of offices, retail facilities, logistics facilities, residential facilities, accommodations, etc. (if the common area, etc. are leased, the floor space thereof is included.)

(Note 10) Overview of Lease Contract with Representative Tenant

Agreement format: Regular building lease contract intended for the use as serviced senior citizens' housing or a place of business for long-term care insurance service including places of home-visit care business

Contract period: From September 1, 2020 to December 31, 2037.

Rent revision: If the rent has come to be recognized as unreasonable even during the lease period, the lessor and the lessee may request a revision of the rent of the other party only by giving a written notice no later than six months prior to the starting date of each such lease period renewed every five years from September 1, 2025, and may revise the rent upon consultation.

Contract renewal: Unless either of the lessor or the lessee manifests a different intention in writing no later than 12 months prior to the expiration of the above contract period, the contract will be renewed automatically for an additional five years each on the same terms and conditions as those effective at the expiration of the original or any such extended period thereof.

Earlier termination: Earlier termination in the middle of the above contract period will not be allowed, in principle. However, the lessee may terminate this contract after January 1, 2034 even during the above contract period (1) in the event that the lessee notifies the lessor in writing 12 months before the termination date and pays the fine set forth in the lease contract to the lessor, or (2) the lessee pays the fine set forth in the lease contract in addition to 12-month's worth of rents, the lessee can terminate this contract immediately.

(Note 11) Status of Residents and Overview of the Facility

The status of residents and the overview of the facility are described based on information, etc. cited in the disclosure statement or the website of the asset. The items described as "-" is omitted since they are not found in the disclosure statement or the website of the asset.

(Note 12) Entering Requirements

Regarding the entering requirements, only subjects related to the required level of nursing care in the requirements for entering the asset are described.

(Note 13) Resident Capacity Rate

The description is omitted because it is not described in the the important matter manual.

(Note 14) Average Required Level of Nursing Care of Residents

The average required level of nursing care of residents is expressed as the value calculated by dividing the total of multifiers in accordance



with the required level of nursing care, described in the table below, by the number of residents.

Required level of nursing care	Self-reliant	Support need 1	Support need 2	Long-term care 1	Long-term care 2	Long-term care 3	Long-term care 4	Long-term care 5	Others
Multifiler	0	0.375	1	1	2	3	4	5	1

(Note 15) Service Fee Payment Method

The “one time fee method” in the service fee payment method is a method of paying part of the service fee related to the health care facility in a lump. The “monthly fee method” is a method of dividing and paying the said service monthly. The monthly usage fee is the monthly fee displayed in the important matter manual or the price list obtained from the operator. Some residents pay nursing care fee and other charges in addition to one-time entrance fee and monthly service fee.

(2) Summary of Asset to Be Disposed of

<Reasons for the Disposition>

The Fund decided to make the Dispositions based on the judgment that the profits on sale to be secured and the portfolio quality to be improved by the Dispositions, in addition to the acquisition of excellent properties by property replacement, would contribute to the medium-to-long-term investor value.

<Summary of the Asset to Be Disposed of>

Property Name		NMF Tenjin-Minami Building
Type of Asset		Trust beneficial interest in trust of real estate
Trustee		Sumitomo Mitsui Trust Bank, Limited
Location (Note1)	Registry	3-6-15 Watanabedori, Chuo Ward, Fukuoka City, Fukuoka
	Street	3-6-15 Watanabedori, Chuo Ward, Fukuoka City, Fukuoka
Access		4-minute walk from Watanabe-dori Station on the Fukuoka City Subway Nanakuma Line 4-minute walk from Tenjin-minami Station on the Fukuoka City Subway Nanakuma Line 5-minute walk from Nishitetsu Fukuoka (Tenjin) Station on the Nishitetsu Omuta Line
Completion Date (Note1)		February 18, 2008
Use (Note1)		Office
Structure (Note1)		Ten-floor steel framed structure with flat roof
Area (Note1)	Land	745.32 m ²
	Floor Area	4,603.61 m ² (Note2)
Type of Ownership	Land	Ownership
	Building	Ownership
Building Coverage Ratio		100%(Note3)
Floor Area Ratio		600%
Collateral		None
Property Management Company		XYMAX KYUSHU Corporation
Master Leasing Company		-
Type of Master Leasing		-
Seismic Risk (PML)(Note4)		0.1% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sampo Risk Management Inc.)
Type of Ownership		There are no applicable matters.
Acquisition Price		¥2,230 million
Scheduled Transfer Price		¥3,040 million
Book Value (Note5)		¥2,002 million
Difference		¥1,037 million
Appraisal Value and Method		¥3,030 million (Based on the capitalization approach as of August 31, 2022)(Appraiser: Japan Real Estate Institute)



Appraisal NOI ^(Note6)	¥140 million				
Leasing Status (As of January 31, 2023) ^(Note7)					
Total Number of Tenants	21				
Total Rental Income(Annual)	¥185 million (including common area charges)				
Security Deposits	¥151 million				
Occupancy Rate	98.1%				
Total Leased Floor Space	3,681.07 m ²				
Total Leasable Floor Space	3,751.85 m ²				
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022
	100.0%	100.0%	100.0%	100.0%	96.5%

(Note 1) Location and Other Items

Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2) Floor Area

Including the attached parking lot of 52.69 m².

(Note 3) Building Coverage Ratio

The Asset is located in a commercial zone where the building coverage ratio is 80% in principle. However, because the Asset is a certified fireproof building in a fire prevention zone, the applied ratio is 100%.

(Note 4) PML(Probable Maximum Loss)

PML shows the degree of damage to be caused by the largest-scale earthquake (a large earthquake that may occur once in 475 years = a large earthquake with a 10% chance of occurring in 50 years) during the anticipated period of use (50 years = the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the repurchase cost.

(Note 5) Book Value

Anticipated book value at the date of disposition.

(Note 6) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income - operating expenses) described in the real estate appraisal report with August 31, 2022 as the appraisal date.

(Note 7) Leasing Status

“Total Number of Tenants” is the total number of end tenants actually leasing space in the building of the Asset to be Acquired as of today.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements with the end tenants actually leasing space in the building of the Asset as of today (rounded down to the nearest million yen). The figure does not include any other incidental rent that may be agreed upon in connection with the said lease agreements, such as parking fees, signboard fees and warehouse fees.

“Security Deposits” indicates the amount of security and other deposits specified in the aforementioned lease agreements (rounded down to the nearest million yen).

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of today.

“Total Leasable Floor Space” is the total floor space of offices, retail facilities, logistics facilities, residential facilities, hotels, etc. within the Asset that can be leased as of today (if any common area, etc. is leased, the floor space thereof is included).

Property Name	PRIME URBAN Otsuka	
Type of Asset	Real estate	
Location ^(Note1)	Registry	1-832-11 Nishisugamo, Toshima Ward, Tokyo
	Street	1-3-4 Nishisugamo, Toshima Ward, Tokyo
Access	8-minute walk from Otsuka Station on the JR Yamanote Line 3-minute walk from Sugamoshinden Station on the Toden Arakawa Line	
Completion Date ^(Note1)	September 7, 2006	
Use ^(Note1)	Apartment	
Structure ^(Note1)	Six-floor steel reinforced concrete structure with flat roof	
Leasing Units	46	
Area ^(Note1)	Land	386.23 m ²
	Floor Area	1,094.23 m ²
Type of	Land	Ownership



Ownership	Building	Ownership			
Building Coverage Ratio		80%			
Floor Area Ratio		400%			
Collateral		None			
Property Management Company		Nomura Real Estate Partners Co., Ltd.			
Master Leasing Company		Nomura Real Estate Partners Co., Ltd.			
Type of Master Leasing		Pass through			
Seismic Risk (PML) ^(Note2)		4.4% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sampo Risk Management Inc.)			
Type of Ownership		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Act on Investment Trusts and Investment Corporations.			
Acquisition Price		¥730 million			
Scheduled Transfer Price		¥772 million			
Book Value ^(Note3)		¥661 million			
Difference		¥110 million			
Appraisal Value and Method		¥767 million (Based on the capitalization approach as of August 31, 2022)(Appraiser: Daiwa Real Estate Appraisal Co., Ltd.)			
Appraisal NOI ^(Note4)		¥35 million			
Leasing Status (As of January 31, 2023) ^(Note5)					
Total Number of Tenants	1				
Total Rental Income(Annual)	¥45 million (including common area charges)				
Security Deposits	¥3 million				
Occupancy Rate	95.7%				
Total Leased Floor Space	903.99m ²				
Total Leasable Floor Space	944.99m ²				
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022
	97.9%	95.7%	97.9%	100.0%	100.0%

(Note 1) Location and Other Items

Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2)PML(Probable Maximum Loss)

PML shows the degree of damage to be caused by the largest-scale earthquake (a large earthquake that may occur once in 475 years = a large earthquake with a 10% chance of occurring in 50 years) during the anticipated period of use (50 years = the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the repurchase cost.

(Note 3)Book Value

Anticipated book value at the date of disposition.

(Note 4) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income - operating expenses) described in the real estate appraisal report with August 31, 2022 as the appraisal date.

(Note 5) Leasing Status

“Total Number of Tenants” is the total number of end tenants actually leasing space in the building of the Asset to be Acquired as of today.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements with the end tenants actually leasing space in the building of the Asset as of today (rounded down to the nearest million yen). The figure does not include any other incidental rent that may be agreed upon in connection with the said lease agreements, such as parking fees, signboard fees and warehouse fees.

“Security Deposits” indicates the amount of security and other deposits specified in the aforementioned lease agreements (rounded down to the nearest million yen).

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of today.

“Total Leasable Floor Space” is the total floor space of offices, retail facilities, logistics facilities, residential facilities, hotels, etc. within the Asset that can be leased as of today (if any common area, etc. is leased, the floor space thereof is included).

4. Summary of Seller of Asset to Be Acquired



As the seller of the Asset to be Acquired, which is a domestic joint-stock company, has not obtained the customer's consent for the disclosure, this information is not disclosed. As of today, neither the Fund nor the Asset Management Company has any notable capital, personnel or transactional relationship with the customer, and the customer is not a related party of either the Fund or the Asset Management Company.

5. Summary of Transferee of the Asset to Be Disposed of

The summary of the transferee of the Asset to be Disposed of is as follows.

NMF Tenjin-Minami Building

Company Name	Tokyo Tatemono Co., Ltd.
Head Office	1-9-9 Yaesu, Chuo Ward, Tokyo (Registration statement)
Representative	Hitoshi Nomura, President & CEO
Principal Business	Development, leasing, and management of office buildings, commercial facilities, etc. Development, sale, leasing, and management of condominiums and detached houses Transactions, brokerage, and solutions of real estate as well as development and management of parking lots Leisure business, logistics facilities development, asset management, overseas business, and real estate appraisal business
Capital	¥92.4 billion (as of December 31, 2021)
Established	October 1, 1896
Net Assets	¥406.9 billion (as of December 31, 2021)
Total Assets	¥1,474.9 billion (as of December 31, 2021)
Major Shareholder (Shareholding Ratio)	The Master Trust Bank of Japan, Ltd. (17.4%) (As of December 31, 2021)
Relationships with the Fund and/or the Asset Management Company and the Seller	
Capital	Neither the Fund nor the Asset Management Company has any notable capital relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable capital relationship with those associated with the relevant company.
Personal	Neither the Fund nor the Asset Management Company has any notable personal relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable personal relationship with those associated with the relevant company.
Transactions	Neither the Fund nor the Asset Management Company has any notable transactions with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable transactions with those associated with the relevant company.
Related Party Status	The said company does not fall under a related party of either the Fund or the Asset Management Company. In addition, the persons or companies associated with the said company do not fall under related parties of either the Fund or the Asset Management Company.

PRIME URBAN Otsuka

Company Name	Tokyo Tatemono Real Estate Sales Co., Ltd.
Head Office	1-5-20 Yaesu, Chuo Ward, Tokyo
Representative	Kengo Fukui, President & CEO
Principal Business	Brokerage business Asset solutions business Leasing business
Capital	¥4.3 billion (as of December 31, 2021)
Established	January 25, 1954
Net Assets	¥24.6 billion (as of December 31, 2021)
Total Assets	¥60.4 billion (as of December 31, 2021)



Major Shareholder (Shareholding Ratio)	Tokyo Tatemono Co., Ltd. (100.0%) (As of December 31, 2021)	
Relationships with the Fund and/or the Asset Management Company and the Seller		
Capital	Neither the Fund nor the Asset Management Company has any notable capital relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable capital relationship with those associated with the relevant company.	
Personal	Neither the Fund nor the Asset Management Company has any notable personal relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable personal relationship with those associated with the relevant company.	
Transactions	Neither the Fund nor the Asset Management Company has any notable transactions with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable transactions with those associated with the relevant company.	
Related Party Status	The said company does not fall under a related party of either the Fund or the Asset Management Company. In addition, the persons or companies associated with the said company do not fall under related parties of either the Fund or the Asset Management Company.	

6. Summary of Operator of Healthcare Facilities

Company Name	Sompo Care Inc.	
Head Office	12-8, Higashishinagawa 4-chome, Shinagawa Ward, Tokyo	
Representative	Takamitsu Washimi, President & COO	
Principal Business	Operation of paid nursing home, serviced senior citizens' housing, and group homes Homecare services business	
Capital	¥3.9 billion (as of March 31, 2022)	
Net sales	¥130,782 million (as of March 31, 2022)	
Established	May 26, 1997	
Attribution	A subsidiary of Sompo Holdings, Inc. listed on the Prime Market of the Tokyo Stock Exchange	
Number of operating facilities (Note)	Undisclosed	
Number of operating rooms (Note)	Undisclosed	
Relationships with the Fund and/or the Asset Management Company and the Seller		
Capital	Neither the Fund nor the Asset Management Company has any notable capital relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable capital relationship with those associated with the relevant company.	
Personal	Neither the Fund nor the Asset Management Company has any notable personal relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable personal relationship with those associated with the relevant company.	
Transactions	Neither the Fund nor the Asset Management Company has any notable transactions with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable transactions with those associated with the relevant company.	
Related Party Status	The said company does not fall under a related party of either the Fund or the Asset Management Company. In addition, the persons or companies associated with the said company do not fall under related parties of either the Fund or the Asset Management Company.	

(Note) As the “number of operating facilities” and the “number of operating rooms” are not disclosed by the operator, this information is undisclosed.



7. Status of Owner of the Asset to be Acquired

The Assets to be Acquired are not acquired from parties who have special interests in the Fund or the Asset Management Company.

8. Transactions with Related Parties

There are no transactions with related parties.

9. Form of Payment, etc.

(1) Form of Payment

Regarding the Acquisition, on the scheduled date of acquisition, the Fund will pay the seller the entire purchase price of the Asset to be Acquired in a lump sum by using cash on hand and borrowings.

In addition, regarding the Disposition, on the scheduled date of disposition, the Fund will receive from the transferee the sale price of the Asset to be Disposed of. The Fund plans to use the cash obtained through the sale of the Property for portfolio management, including the repayment of borrowings and the acquisition of properties.

(2) Impact on the Financial Position of the Fund in Case of a Failure to Fulfill Our Forward Commitment

Each sale agreement associated with the Acquisition (the “Sale Agreement”) is considered to be a forward commitment (Note) as stipulated in the Financial Services Agency’s “Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.” The Sale Agreement includes the provisions below.

(Note) Defined as purchase and sale agreements or similar contract which are signed one month or more in advance of the actual date on which the purchase price is paid and the property is transferred to the purchaser.

- 1) Where there is material breach of terms of the sales agreement by the seller or buyer (hereinafter such seller or buyer shall be referred to as the “violating party”), the non-violating party may cancel the agreement by written notice to the violating party. In such a case, the non-violating party may require the violating party to pay a penalty charge that is equivalent to 20% of the sale price. Even if the damage suffered due to the cancellation exceeds an amount that is equivalent to 20% of the sale price, neither party may request an increase of the penalty charge. On the other hand, even if the damage suffered due to the cancellation fails to reach an amount that is equivalent to 20% of the sale price, neither party may request a decrease of the penalty charge.
- 2) Where any of sales based on the other three agreements is not conducted, any non-violating party may cancel the agreement by written notice to the violating party. In such a case, neither party may demand any compensation for the damage from the other party.

10. Schedule for the Transaction

March 17, 2023	Conclusion of a purchase agreement for the acquisition of the Asset Conclusion of sale agreements for the dispositions of the Assets
May 31, 2023	Acquisition of the Asset to be Acquired Dispositions of the Assets to be Disposed of



11. Outlook

As the effect of the Transaction on the operating status of the entire portfolio for the fiscal period ending August 2023 (March 1, 2023 to August 31, 2023) is immaterial, there is currently no change in the outlook for the fiscal period ending August 2023. In addition, the profits on sale, which will be generated from the Transaction in the fiscal period ending August 2023, will be directed to internal reserves with the intention of raising the distribution level or stabilizing future distributions, while considering the future management status of the existing portfolio and others.



12. Appraisal Summary

(1) Assets to be Acquired

Property Name	SOMPO CARE La vie Re Residence Yoga
Appraisal Value	¥3,390,000,000
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	March 1, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	3,390,000,000	Determined by associating the price calculated by the direct capitalization approach with the price calculated by the discounted cash flow approach
Price Calculated by the Direct Capitalization Approach	3,430,000,000	
(1) Operating Income	Undisclosed	(Undisclosed)
Total Potential Income, sum of (a) to (d)	Undisclosed	
(a) Rental Income including Common Service Expenses	Undisclosed	
(b) Utilities Costs Income	Undisclosed	
(c) Parking Lot Income	Undisclosed	
(d) Other Income	Undisclosed	
Losses due to Vacancies, etc.	Undisclosed	
Bad Debt Loss	Undisclosed	
(2) Operating Expenses	Undisclosed	
Maintenance Costs	Undisclosed	
Utilities Costs	Undisclosed	
Repair Costs	Undisclosed	
Property Management Fees	Undisclosed	
Advertisement for Leasing Costs, etc.	Undisclosed	
Taxes	Undisclosed	
Insurance Premium	Undisclosed	
Other Expenses	Undisclosed	
(3) Net Operating Income from Leasing Business ((1)-(2))	190,409,799	
(4) Profit through Management of Temporary Deposits, etc.	Undisclosed	(Undisclosed)
(5) Capital Expenditure Reserve	Undisclosed	
(6) Net Cash Flow ((3)+(4)-(5))	184,112,951	
(7) Capitalization Rate	- %	
Price Calculated by the Discounted Cash Flow Approach	3,340,000,000	
Discount Rate	4.4%	Calculated in consideration of the property's local and specific characteristics, referring to the yields of transactions of surrounding properties and other factors
Terminal Capitalization Rate	- %	
Cost Approach Price	3,210,000,000	
Ratio of Land	71%	
Ratio of Building	29%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	The property is a serviced senior residence in Setagaya Ward, Tokyo, and the neighborhood and surrounding area is a residential area with many detached houses and apartment buildings. In this area, the land is a three-way lot with a large scale, and has high utilization efficiency as a residential site including health care facilities. In addition, the building has been properly maintained and repaired, and is expected to have stable occupancy in the future. Taking the above factors into consideration, the appraisal value was determined by focusing on the income value that appropriately reflects the investment profitability value.	

Note: The information that is subject to a confidentiality obligation to the lessee and information that can be used to calculate the said information is included. Therefore, that information is not disclosed because disclosure of such information may cause a disadvantage to NMF due to a breach of confidentiality obligations, etc., and ultimately may be detrimental to the interests of unitholders.

Therefore, the information is not disclosed.



Property Name	Grapes Tsujido Nishi-Kaigan
Appraisal Value	¥2,290,000,000
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	March 1, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	2,290,000,000	Determined by associating the price calculated by the direct capitalization approach with the price calculated by the discounted cash flow approach
Price Calculated by the Direct Capitalization Approach	2,310,000,000	
(1) Operating Income	Undisclosed	(Undisclosed)
Total Potential Income, sum of (a) to (d)	Undisclosed	
(a) Rental Income including Common Service Expenses	Undisclosed	
(b) Utilities Costs Income	Undisclosed	
(c) Parking Lot Income	Undisclosed	
(d) Other Income	Undisclosed	
Losses due to Vacancies, etc.	Undisclosed	
Bad Debt Loss	Undisclosed	
(2) Operating Expenses	Undisclosed	
Maintenance Costs	Undisclosed	
Utilities Costs	Undisclosed	
Repair Costs	Undisclosed	
Property Management Fees	Undisclosed	
Advertisement for Leasing Costs, etc.	Undisclosed	
Taxes	Undisclosed	
Insurance Premium	Undisclosed	
Other Expenses	Undisclosed	
(3) Net Operating Income from Leasing Business ((1)-(2))	140,202,584	
(4) Profit through Management of Temporary Deposits, etc.	Undisclosed	(Undisclosed)
(5) Capital Expenditure Reserve	Undisclosed	
(6) Net Cash Flow ((3)+(4)-(5))	133,205,107	
(7) Capitalization Rate	- %	
Price Calculated by the Discounted Cash Flow Approach	2,270,000,000	
Discount Rate	4.9%	Calculated in consideration of the property's local and specific characteristics, referring to the yields of transactions of surrounding properties and other factors
Terminal Capitalization Rate	- %	
Cost Approach Price	1,460,000,000	
Ratio of Land	43%	
Ratio of Building	57%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	The property is a serviced senior residence in Fujisawa City, Kanagawa Prefecture, and the neighborhood and surrounding area is a residential area with many mid-rise apartment buildings on large lots. In this area, the land is a large, well-shaped lot, and has high utilization efficiency as a residential site including health care facilities. In addition, the building has been properly maintained and repaired, and is expected to have stable occupancy in the future. Taking the above factors into consideration, the appraisal value was determined by focusing on the income value that appropriately reflects the investment profitability value.	

Note: The information that is subject to a confidentiality obligation to the lessee and information that can be used to calculate the said information is included. Therefore, that information is not disclosed because disclosure of such information may cause a disadvantage to NMF due to a breach of confidentiality obligations, etc., and ultimately may be detrimental to the interests of unitholders. Therefore, the information is not disclosed.



Property Name	SOMPO CARE Sompo no ie Omori-Nishi
Appraisal Value	¥1,840,000,000
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	March 1, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	1,840,000,000	Determined by associating the price calculated by the direct capitalization approach with the price calculated by the discounted cash flow approach
Price Calculated by the Direct Capitalization Approach	1,870,000,000	
(1) Operating Income	Undisclosed	(Undisclosed)
Total Potential Income, sum of (a) to (d)	Undisclosed	
(a) Rental Income including Common Service Expenses	Undisclosed	
(b) Utilities Costs Income	Undisclosed	
(c) Parking Lot Income	Undisclosed	
(d) Other Income	Undisclosed	
Losses due to Vacancies, etc.	Undisclosed	
Bad Debt Loss	Undisclosed	
(2) Operating Expenses	Undisclosed	
Maintenance Costs	Undisclosed	
Utilities Costs	Undisclosed	
Repair Costs	Undisclosed	
Property Management Fees	Undisclosed	
Advertisement for Leasing Costs, etc.	Undisclosed	
Taxes	Undisclosed	
Insurance Premium	Undisclosed	
Other Expenses	Undisclosed	
(3) Net Operating Income from Leasing Business ((1)-(2))	68,865,069	
(4) Profit through Management of Temporary Deposits, etc.	Undisclosed	(Undisclosed)
(5) Capital Expenditure Reserve	Undisclosed	
(6) Net Cash Flow ((3)+(4)-(5))	67,221,577	
(7) Capitalization Rate	3.6%	Calculated in consideration of the property's local and specific characteristics, referring to the yields of transactions of surrounding properties and other factors
Price Calculated by the Discounted Cash Flow Approach	1,800,000,000	
Discount Rate	3.4%	Calculated in consideration of the property's local and specific characteristics, referring to the yields of transactions of surrounding properties and other factors
Terminal Capitalization Rate	3.8%	Calculated with consideration of the above capitalization rate and other factors such as the probable future movement of the yield on investment
Cost Approach Price	1,310,000,000	
Ratio of Land	85.0%	
Ratio of Building	15.0%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	The property is a paid nursing home in Ota Ward, Tokyo. The neighborhood and surrounding area is a quiet residential area with mainly apartment buildings and detached houses, as well as nursing homes. In this area, the land is a corner lot of a large scale, and has high utilization efficiency as a residential site including a healthcare facility. In addition, the building has been properly maintained and repaired, and is expected to have stable occupancy in the future. Taking the above factors into consideration, the appraisal value was determined by focusing on the income value that appropriately reflects the investment profitability value.	

Note: The information that is subject to a confidentiality obligation to the lessee and information that can be used to calculate the said information is included. Therefore, that information is not disclosed because disclosure of such information may cause a disadvantage to NMF due to a breach of confidentiality obligations, etc., and ultimately may be detrimental to the interests of unitholders.

Therefore, the information is not disclosed.



Property Name	SOMPO CARE La vie Re Residence Shonan Tsujido
Appraisal Value	¥1,580,000,000
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	March 1, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	1,580,000,000	Determined by associating the price calculated by the direct capitalization approach with the price calculated by the discounted cash flow approach
Price Calculated by the Direct Capitalization Approach	1,610,000,000	
(1) Operating Income	Undisclosed	(Undisclosed)
Total Potential Income, sum of (a) to (d)	Undisclosed	
(a) Rental Income including Common Service Expenses	Undisclosed	
(b) Utilities Costs Income	Undisclosed	
(c) Parking Lot Income	Undisclosed	
(d) Other Income	Undisclosed	
Losses due to Vacancies, etc.	Undisclosed	
Bad Debt Loss	Undisclosed	
(2) Operating Expenses	Undisclosed	
Maintenance Costs	Undisclosed	
Utilities Costs	Undisclosed	
Repair Costs	Undisclosed	
Property Management Fees	Undisclosed	
Advertisement for Leasing Costs, etc.	Undisclosed	
Taxes	Undisclosed	
Insurance Premium	Undisclosed	
Other Expenses	Undisclosed	
(3) Net Operating Income from Leasing Business ((1)-(2))	73,082,404	
(4) Profit through Management of Temporary Deposits, etc.	Undisclosed	(Undisclosed)
(5) Capital Expenditure Reserve	Undisclosed	
(6) Net Cash Flow ((3)+(4)-(5))	69,353,573	
(7) Capitalization Rate	4.3%	Calculated in consideration of the property's local and specific characteristics, referring to the yields of transactions of surrounding properties and other factors
Price Calculated by the Discounted Cash Flow Approach	1,550,000,000	
Discount Rate	4.1%	Calculated in consideration of the property's local and specific characteristics, referring to the yields of transactions of surrounding properties and other factors
Terminal Capitalization Rate	4.5%	Calculated with consideration of the above capitalization rate and other factors such as the probable future movement of the yield on investment
Cost Approach Price	1,060,000,000	
Ratio of Land	57%	
Ratio of Building	43%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	The property is a serviced senior residence in Chigasaki City, Kanagawa Prefecture, and the neighborhood is mainly a residential area with apartment buildings. In this area, the land is a two-sided lot with a large scale, and has high utilization efficiency as a residential site including health care facilities. In addition, the building has been properly maintained and repaired, and is expected to have stable occupancy in the future. Taking the above factors into consideration, the appraisal value was determined by focusing on the income value that appropriately reflects the investment profitability value.	

Note: The information that is subject to a confidentiality obligation to the lessee and information that can be used to calculate the said information is included. Therefore, that information is not disclosed because disclosure of such information may cause a disadvantage to NMF due to a breach of confidentiality obligations, etc., and ultimately may be detrimental to the interests of unitholders.

Therefore, the information is not disclosed.



(2) Assets to be Disposed of

Property Name	NMF Tenjin-Minami Building
Appraisal Value	¥3,030,000,000
Appraiser	Japan Real Estate Institute
Appraisal Date	August 31, 2022

(Yen)		
Item	Amount or Percentage	Grounds
Capitalization Approach Price	3,030,000,000	Calculated by associating the price calculated by the direct capitalization approach with the price calculated by the discounted cash flow approach
Price Calculated by the Direct Capitalization Approach	3,050,000,000	Calculated by reducing stable medium-to long-term net cash flow based on the capitalization rate
(1) Operating Income (a)-b)	196,679,000	
(a) Gross Rental Income	212,100,000	Calculated based on appropriate rent levels recognized as stable over the medium to long term
(b) Losses due to Vacancies, etc.	15,421,000	Calculated on the assumption of a stable occupancy rate over the medium to long term
(2) Operating Expenses	56,598,000	
Maintenance Costs	14,500,000	Calculated with reference to the actual amounts in past fiscal years and cost levels for similar properties
Utilities Costs	11,700,000	Calculated with reference to the actual amounts in past fiscal years and other factors
Repair Costs	5,447,000	Recorded with consideration of the actual amounts in past fiscal years, the cost level of similar properties, the annual average amount of repair and renewal costs given in the engineering report and other factors
Property Management Fees	3,600,000	Calculated with reference to the current compensation fee rate, compensation fee rates adopted to similar properties and other factors
Advertisement for Leasing Costs, etc.	2,474,000	Recorded the annual average amount calculated based on assumed turnover period of lessee
Taxes	18,471,000	Calculated based on data related to taxes
Insurance Premium	256,000	Recorded based on the judgement that the actual amount is reasonable
Other Expenses	150,000	Recorded lease-related expenses, etc.
(3) Net Operating Income from Leasing Business (NOI=(1)-(2))	140,081,000	
(4) Profit through Management of Temporary Deposits, etc.	1,625,000	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	10,567,000	Calculated based on the assumption of average allocations each period, capital expenditure levels at similar properties, the building's age, the annual average repair and renewal costs given in the engineering report and other factors
(6) Net Cash Flow (NCF=(3)+(4)-(5))	131,139,000	
(7) Capitalization Rate	4.3%	Calculated in comprehensive consideration of the property's conditions of location, building and other conditions
Price Calculated by the Discounted Cash Flow Approach	3,010,000,000	
Discount Rate	4.1%	Calculated with comprehensive consideration of the property's specific characteristics with reference to yields on investments in similar properties
Terminal Capitalization Rate	4.4%	Calculated based on a comprehensive consideration of factors such as the yield on similar property transactions, the probable future movement of the yield on investment, risks of the property as an investment, general forecasts of the economic growth rate
Cost Approach Price	2,930,000,000	
Ratio of Land	76.1%	
Ratio of Building	23.9%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	The Watanabe-dori district, where the property is located, is close to the Tenjin area and has excellent accessibility to the city center. The building has specifications and facilities that meet the needs of recent tenants, and the leasable area on each floor can be subdivided into smaller sections, making it easy to make effective use of the space. The appraisal value was determined in light of the above factors.	



Property Name	PRIME URBAN Otsuka
Appraisal Value	¥767,000,000
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	August 31, 2022

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	767,000,000	Calculated by evaluating the capitalization approach price with the direct capitalization approach, using the capitalization approach price calculated by the discounted cash flow approach as the baseline.
Price Calculated by the Direct Capitalization Approach	780,000,000	Calculated by reducing stable medium-to long-term net cash flow based on the capitalization rate
(1) Operating Income (a-b)	45,716,968	
(a) Gross Rental Income	48,246,320	Calculated based on appropriate rent levels recognized as stable over the medium to long term.
(b) Losses due to Vacancies, etc.	2,529,352	Calculated on the assumption of a stable occupancy rate over the medium to long term
(2) Operating Expenses	10,627,701	
Maintenance Costs	1,734,000	Recorded based on the judgment that the current contract price is reasonable
Utilities Costs	514,602	Calculated based on actual amounts in the past fiscal years
Repair Costs	2,244,539	Calculated repair cost based on annual average amount in the Engineering Report. Calculated tenant replacement cost, considering the replacement ratio and vacancy ratio.
Property Management Fees	1,357,851	Recorded based on the judgment that the current contract is reasonable
Advertisement for Leasing Costs, etc.	2,061,632	Calculated with reference to the level of similar properties
Taxes	2,291,800	Calculated based on actual amounts in the fiscal year 2022
Insurance Premium	73,277	Recorded based on the judgement that the actual amount is reasonable
Other Expenses	350,000	Calculated based on actual amounts
(3) Net Operating Income from Leasing Business (NOI=(1)-(2))	35,089,267	
(4) Profit through Management of Temporary Deposits, etc.	49,048	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	4,727,668	Calculated in consideration of the annual average renewal fees given in the engineering report and CM fee
(6) Net Cash Flow (NCF=(3)+(4)-(5))	30,410,647	
(7) Capitalization Rate	3.9%	
Price Calculated by the Discounted Cash Flow Approach	762,000,000	
Discount Rate	3.7%	Calculated with comprehensive consideration of the property's specific characteristics with reference to yields on investments in similar properties
Terminal Capitalization Rate	4.1%	Calculated, combining comparison with the transaction cases of similar properties and a method where the yield of the financial asset is calculated with its specific characteristics taken into account, and also referring to investors' opinions
Cost Approach Price	593,000,000	
Ratio of Land	69.5%	
Ratio of Building	30.5%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	<p>We determined that the property is located in the same supply and demand zone as the residential and mixed (residential and commercial) areas centered on Otsuka Station on the JR Yamanote Line, within walking distance from Sugamo Station on the Yamanote Line and Shin-Otsuka Station on the Tokyo Metro Marunouchi Line. Considering 5 the property's competitiveness in the rental housing market and the real estate market, we judged that the best use would be keeping the property as a medium-rise condominium.</p> <p>While demanders in the real estate market, in which the property is involved, are assumed to be mainly investors, the demanders show a strong tendency to make transactions with a focus on the property's profitability and investment profitability. Therefore, we decided that the capitalization approach price would relatively be more convincing than the cumulative price in the Transaction.</p>	



Exhibits

Exhibit 1 Overview of the Portfolio after the Transaction

Exhibit 2 Photos and Maps of the Asset to be Acquired

*Nomura Real Estate Master Fund, Inc.'s website: <https://www.nre-mf.co.jp/en/>



Overview of the Portfolio after the Transaction

(¥ million)

Sector \ Area	Greater Tokyo Area (Note1)	Other Areas	(Anticipated) Total Acquisition Price (by Sector)	Investment Ratio (%) (Note2)
Office	403,585	67,380	470,965	42.6
Retail	109,888	67,890	177,779	16.1
Logistics	220,472	3,460	223,932	20.3
Residential (including healthcare facilities)	191,052	30,681	221,733	20.1
Hotels	—	6,250	6,250	0.6
Others	4,900	—	4,900	0.4
(Anticipated) Total Acquisition Price (by Area)	929,898	175,661	1,105,560	100.0
Investment Ratio (%) (Note 2)	84.1	15.9	100.0	

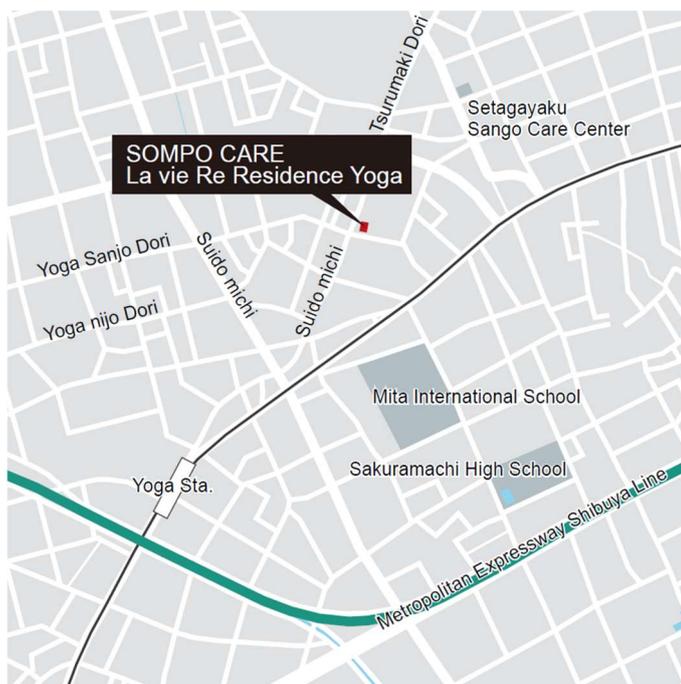
(Note1) “Greater Tokyo Area” refers to Tokyo Prefecture, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture. “Other Areas” refers to cabinet-order designated cities, prefectural capitals, and cities having a population of at least 100,000 and their peripheral areas, excluding those in Greater Tokyo Area.

(Note2) “Investment Ratio” indicates the ratio of the (anticipated) total acquisition price of properties for each use or in each area to the (anticipated) total acquisition price of the entire portfolio. As the figures are rounded to the first decimal place, they may not add up to exactly 100%.

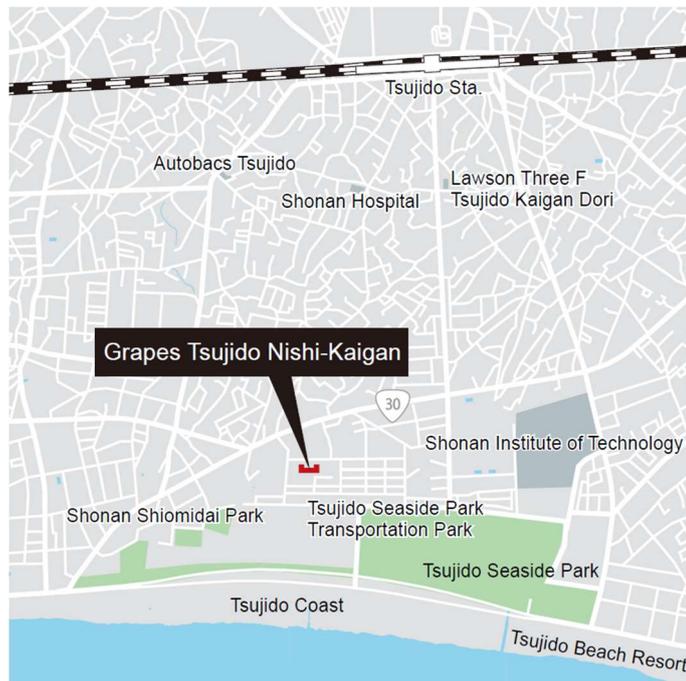


Exterior view and guide map of properties scheduled to be acquired

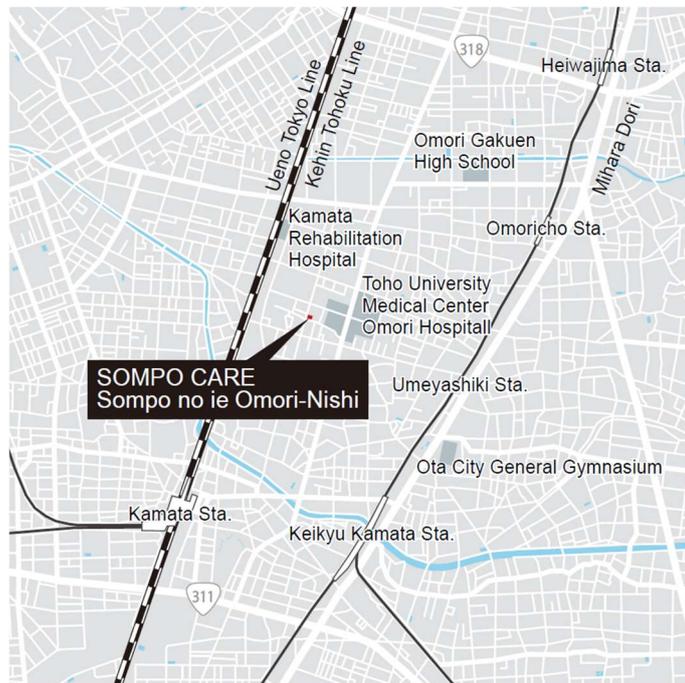
SOMPO CARE La vie Re Residence Yoga



Grapes Tsujido Nishi-Kaigan



SOMPO CARE Sampo no ie Omori-Nishi



SOMPO CARE La vie Re Residence Shonan Tsujido

