



**For Immediate Release**

To Whom It May Concern

**Nomura Real Estate Master Fund, Inc.**

Securities Code: 3462

Shuhei Yoshida, Executive Director

Asset Management Company: Nomura Real Estate Asset Management Co., Ltd.

Koki Miura, President & Chief Executive Officer

Inquiries: Hiroshi Ishigooka

Executive Officer

Head of NMF Investment Management Group

TEL +81-3-3365-8767 [nmf3462@nomura-re.co.jp](mailto:nmf3462@nomura-re.co.jp)

**Notice Concerning Disposition of Properties in Japan and Beneficial Interest in Real Property Trust in Japan**

Nomura Real Estate Master Fund, Inc. (“NMF” or the “Fund”) announces that Nomura Real Estate Asset Management Co., Ltd., a licensed asset management company retained by the Fund to provide asset management services, decided to dispose of properties (the “Dispositions”) as described below.

1. Summary of Assets to Be Disposed of

Property Name	Use	Date of Purchase and Sales Agreement	Schedule Date of Disposition	Transfer	Intermediary	Scheduled Transfer Price (¥ million) (Note 1)	Book Value (¥ million) (Note 2)	Difference (Note 3) (¥ million)
NMF Nagoya Yanagibashi Building	Office	March 20, 2023	April 7, 2023	Undisclosed (Note 4)	Yes (Note 5)	4,410	2,520	1,889
PRIME URBAN Yoyogi	Residential	March 22, 2023	March 31, 2023	Undisclosed (Note 4)	Yes (Note 5)	6,283 (Note 6)	339	1,827 (Note 6)
PRIME URBAN Nishi Shinjuku II							803	
PRIME URBAN Sangen Jaya III							708	
PRIME URBAN Shinagawa Nishi							502	
PRIME URBAN Komagome							440	
PRIME URBAN Kasai II							849	
PRIME URBAN Asakusa							379	
PRIME URBAN Gyotoku Ekimae							433	
Total							10,693	



- (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) Undisclosed, as consent has not obtained from the transferee.
- (Note 5) Of the assets to be disposed of, the brokerage involved in the disposition of NMF Nagoya Yanagibashi Building is not considered a related party under the Act on Investment Trusts and Investment Corporations ("Investment Trust Act"). The brokerage involved in the dispositions of the other properties, Nomura Real Estate Solutions Co., Ltd., is considered a related party under the Investment Trust Act.
- (Note 6) Of the assets to be disposed of, the dispositions of PRIME URBAN Yoyogi, PRIME URBAN Nishi Shinjuku II, PRIME URBAN Sangen Jaya III, PRIME URBAN Shinagawa Nishi, PRIME URBAN Komagome, PRIME URBAN Kasai II, PRIME URBAN Asakusa, and PRIME URBAN Gyotoku Ekimae (collectively the "Eight Residential Facility Properties") are based on a single sale agreement with the same transferee. The planned transfer prices of individual properties are undisclosed, as consent has not been obtained from the transferee. Accordingly, the differences between the planned transfer prices and the book values of individual properties are also undisclosed. The planned transfer price of PRIME URBAN Gyotoku Ekimae exceeds the anticipated book value at the date of disposition but falls below the appraisal value at the end of the most recent period (February 28, 2023). The planned transfer prices of the other individual properties exceed both the anticipated book values at the date of disposition and the appraisal values at the end of the most recent period (February 28, 2023).
- (Note 7) Of the assets to be disposed of, those relating to NMF Nagoya Yanagibashi Building and PRIME URBAN Komagome are beneficial interests in a trust in which a real estate is entrusted, and the others are the actual real properties. However, through consultation with the transferee, NMF will conclude a trust agreement as of the same date as the scheduled date of disposition and dispose of them as beneficial interests in a trust.

The above assets to be disposed of are individually referred to as the "Asset" or collectively the "Assets."

## 2. Reasons for the Disposition

The Fund has continuously replaced assets as an external growth strategy mainly by acquiring sponsor developed properties and selling properties where there are concerns about their future competitive advantage. The Fund decided to implement the Disposition as part of such asset replacement pursuant to comprehensive consideration of the possibility of a future decline in competitiveness including rising repair costs as the buildings age and the future supply situation.

The profits on sale 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.

## 3. Summary of the Asset to be Disposed of

### NMF Nagoya Yanagibashi Building

#### <Reasons for the Disposition>

The Fund selected the property based on the consideration of future area trends as well as decreasing competitiveness and increasing expense due to an increase in the building age, and decided on the Disposition because it can secure profits on sale.

#### <Summary of the Asset to be Disposed of>

Property Name		NMF Nagoya Yanagibashi Building
Type of Asset		Beneficial interest in a trust in which a real estate is entrusted
Trustee of Trust		Sumitomo Mitsui Trust Bank, Ltd.
Term of Trust Agreement		From September 29, 2005 to September 30, 2025
Location (Note 1)	Registry	1-1606 (comprising three parcels of land) Meieki-Minami, Nakamura Ward, Nagoya City, Aichi
	Street	1-16-28 Meieki-Minami, Nakamura Ward, Nagoya City, Aichi
Access		Seven-minute walk from Nagoya Station on the JR Line, the Higashiyama Subway Line, and the Sakura-dori Subway Line
Completion Date (Note 1)		March 18, 1991
Use (Note 1)		Office



Structure (Note 1)		Twelve-floor steel-framed reinforced structure with a flat roof and 2 basement floors				
Area(Note 1)	Land	934.20 m <sup>2</sup>				
	Floor Area	7,363.25 m <sup>2</sup>				
Type of Ownership	Land	Ownership				
	Building	Ownership				
Building Coverage Ratio		100%(Note 2)				
Floor Area Ratio		800%				
Collateral		None				
Property Management Company		Nomura Real Estate Partners Co., Ltd.				
Master Leasing Company		-				
Type of Master Leasing		-				
Seismic Risk (PML)(Note 3)		4.0% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sampo Risk Management Inc.)				
Notes		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Investment Trust Act.				
Acquisition Price		¥2,280 million				
Scheduled Transfer Price		¥4,410 million				
Book Value(Note 4)		¥2,520 million				
Difference		¥1,889 million				
Appraisal Value and Method		¥2,230 million (Based on the capitalization approach as of February 28, 2023) (Appraiser: Japan Valuers Co., Ltd.)				
Appraisal NOI (Note 5)		¥132 million				
<b>Leasing Status (As of January 31, 2023) (Note 6)</b>						
Total Number of Tenants	18					
Total Rental Income(Annual)	¥200 million(including common area charges)					
Security Deposits	¥157 million					
Occupancy Rate	93.6%					
Total Leased Floor Space	4,356.57 m <sup>2</sup>					
Total Leasable Floor Space	4,655.74 m <sup>2</sup>					
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022	
	96.8%	100.0%	100.0%	100.0%	83.0%	

(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) 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 coverage ratio is 100%.

(Note 3) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 4) Book Value

Anticipated book value at the date of disposition.

(Note 5) Appraisal NOI

"Appraisal NOI" is the annual NOI (operating income operating expenses) described in the real estate appraisal report with February 28, 2023 as the appraisal date.

(Note 6) 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 as of January 31, 2023, 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).

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of January 31, 2023, by Total Leasable Floor Space.

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of January 31, 2023.

“Total Leasable Floor Space” is the total floor space of offices, retail facilities, logistics facilities, residential facilities, accommodations, etc. within the Asset that can be leased as of January 31, 2023 (if the common area, etc. are leased, the floor space thereof is included).

## Eight Residential Facility Properties

### <Reasons for the Disposition>

The Fund selected the properties based on the comprehensive consideration of factors such as decreasing competitiveness and increasing expense due to an increase in the building age and the portfolio balance, and decided on the Dispositions because they can secure profits on sale.

The planned transfer price of PRIME URBAN Gytoku Ekimae falls below the appraisal value at the end of the most recent period (February 28, 2023) though it exceeds the anticipated book value at the date of disposition, and the total planned transfer price of the Eight Residential Facility Properties, which is the object of a single transaction, exceeds the total anticipated book value at the end of the most recent period (February 28, 2023). Based on the above sale terms, the Fund determined that the Dispositions are reasonable.

### <Summary of the Asset to be Disposed of>

Property Name		PRIME URBAN Yoyogi
Type of Asset		Real estate
Location (Note 1)	Registry	3-51-3 Yoyogi, Shibuya Ward, Tokyo
	Street	3-51-3 Yoyogi, Shibuya Ward, Tokyo
Access		Five-minute walk from Minamishinjuku Station on the Odakyu Odawara Line
Completion Date (Note 1)		September 30, 2003
Use (Note 1)		Apartment
Structure (Note 1)		Seven-floor steel-reinforced concrete structure with a flat roof and 1 basement floor
Leasing Units		19
Area (Note 1)	Land	121.95 m <sup>2</sup> (Note 2)
	Floor Area	551.63 m <sup>2</sup>
Type of Ownership	Land	Ownership
	Building	Ownership
Building Coverage Ratio		70%(Note 3)
Floor Area Ratio		400%
Collateral		None
Property Management Company		Nomura Real Estate Partners Co., Ltd.
Master Leasing Company (Note 5)		Nomura Real Estate Partners Co., Ltd.
Type of Master Leasing (Note 5)		Pass through
Seismic Risk (PML) (Note 6)		6.4% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sompo Risk Management Inc.)
Notes		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Investment Trust Act.



Acquisition Price	¥359 million				
Scheduled Transfer Price	Undisclosed <sup>(Note 4)</sup>				
Book Value <sup>(Note 7)</sup>	¥339 million				
Difference	Undisclosed <sup>(Note 4)</sup>				
Appraisal Value and Method	¥357 million (Based on the capitalization approach as of February 28, 2023) (Appraiser: Chuo Real Estate Appraisal Co., Ltd.)				
Appraisal NOI <sup>(Note 8)</sup>	¥15 million				
<b>Leasing Status (As of January 31, 2023)</b> <sup>(Note 9)</sup>					
Total Number of Tenants	1				
Total Rental Income(Annual)	¥22 million (including common area charges)				
Security Deposits	¥1 million				
Occupancy Rate	100.0%				
Total Leased Floor Space	439.56 m <sup>2</sup>				
Total Leasable Floor Space	439.56 m <sup>2</sup>				
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022
	100.0%	100.0%	90.1%	87.8%	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) Land Area

Includes an area of approximately 2.90 m<sup>2</sup> which is regarded as a road under Article 42, paragraph (2) of the Building Standards Act.

(Note 3) Building Coverage Ratio

The Asset is located in a category II residential zone where the building coverage ratio is 60% in principle. However, because the Asset is a certified fireproof building in a fire prevention zone, the applied coverage ratio is 70%.

(Note 4) Undisclosed because consent has not been obtained from the transferee. Accordingly, the difference between the scheduled transfer price and the book value is also undisclosed. The planned transfer price of the Asset exceeds both the anticipated book value at the date of disposition and the appraisal value at the end of the most recent period (February 28, 2023).

(Note 5) Master Lease

The master lease agreement to be concluded is a “pass-through type” lease, which takes a form such that a master lease company pays the Fund the same amount as the total rent based on lease agreements between the master lease company and end-tenants.

(Note 6) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 7) Book Value

Anticipated book value at the date of disposition.

(Note 8) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income operating expenses) described in the real estate appraisal report with February 28, 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 agreement (the master lease agreement) sub leases each of the rooms to the end tenants.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of January 31, 2023, 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).

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of January 31, 2023, by Total Leasable Floor Space.

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of January 31, 2023.

“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 January 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

Property Name		PRIME URBAN Nishi Shinjuku II				
Type of Asset		Real estate				
Location (Note 1)	Registry	5-533-16 Nishi Shinjuku, Shinjuku Ward, Tokyo				
	Street	5-6-4 Nishi Shinjuku, Shinjuku Ward, Tokyo				
Access		Five-minute walk from Nishi Shinjuku 5-chome Station on the Toei Subway Oedo Line				
Completion Date (Note 1)		February 5, 2007				
Use (Note 1)		Apartment				
Structure (Note 1)		Fourteen-floor steel-framed reinforced concrete structure with a flat roof and 1 basement floor				
Leasing Units		46				
Area (Note 1)	Land	180.26 m <sup>2</sup> (Note 2)				
	Floor Area	1,365.40 m <sup>2</sup>				
Type of Ownership	Land	Ownership				
	Building	Ownership				
Building Coverage Ratio		100%(Note 3)				
Floor Area Ratio		700%				
Collateral		None				
Property Management Company		Nomura Real Estate Partners Co., Ltd.				
Master Leasing Company (Note 5)		Nomura Real Estate Partners Co., Ltd.				
Type of Master Leasing (Note 5)		Pass through				
Seismic Risk (PML) (Note 6)		4.3% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sompo Risk Management Inc.)				
Notes		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Investment Trust Act.				
Acquisition Price		¥885 million				
Scheduled Transfer Price		Undisclosed (Note 4)				
Book Value (Note 7)		¥803 million				
Difference		Undisclosed (Note 4)				
Appraisal Value and Method		¥1,020 million (Based on the capitalization approach as of February 28, 2023) (Appraiser: Tanizawa Sogo Appraisal Co., Ltd.)				
Appraisal NOI (Note 8)		¥39 million				
Leasing Status (As of January 31, 2023) (Note 9)						
Total Number of Tenants	1					
Total Rental Income (Annual)	¥55 million (including common area charges)					
Security Deposits	¥4 million					
Occupancy Rate	97.9%					
Total Leased Floor Space	1,138.03 m <sup>2</sup>					
Total Leasable Floor Space	1,162.55 m <sup>2</sup>					
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022	



	100.0%	97.8%	100.0%	95.7%	95.8%
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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 Area

Includes an area of approximately 1.77 m<sup>2</sup> which is regarded as a road under Article 42, paragraph (2) of the Building Standards Act.

(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 coverage ratio is 100%.

(Note 4) Undisclosed because consent has not been obtained from the transferee. Accordingly, the difference between the scheduled transfer price and the book value is also undisclosed. The planned transfer price of the Asset exceeds both the anticipated book value at the date of disposition and the appraisal value at the end of the most recent period (February 28, 2023).

(Note 5) Master Lease

The master lease agreement to be concluded is a “pass-through type” lease, which takes a form such that a master lease company pays the Fund the same amount as the total rent based on lease agreements between the master lease company and end-tenants.

(Note 6) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 7) Book Value

Anticipated book value at the date of disposition.

(Note 8) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income operating expenses) described in the real estate appraisal report with February 28, 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 agreement (the master lease agreement) sub leases each of the rooms to the end tenants.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of January 31, 2023, 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).

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of January 31, 2023, by Total Leasable Floor Space.

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of January 31, 2023.

“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 January 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

Property Name		PRIME URBAN Sangen Jaya III
Type of Asset		Real estate
Location (Note 1)	Registry	5-8-2 Kamiyama, Setagaya Ward, Tokyo
	Street	5-38-12 Kamiyama, Setagaya Ward, Tokyo
Access		Six-minute walk from Shoin-jinja-mae Station on the Tokyu Setagaya Line
Completion Date (Note 1)		March 4, 1992
Use (Note 1)		Residence
Structure (Note 1)		Eight-floor steel-framed reinforced concrete/steel-reinforced concrete structure with a flat roof
Leasing Units		47



Area <sup>(Note 1)</sup>	Land	409.68 m <sup>2</sup>			
	Floor Area	1,105.76 m <sup>2</sup>			
Type of Ownership	Land	Ownership (right of site share 100%)			
	Building	Ownership (unit ownership share 100%)			
Building Coverage Ratio		80%			
Floor Area Ratio		300%			
Collateral		None			
Property Management Company		Nomura Real Estate Partners Co., Ltd.			
Master Leasing Company <sup>(Note 3)</sup>		Nomura Real Estate Partners Co., Ltd.			
Type of Master Leasing <sup>(Note 3)</sup>		Pass through			
Seismic Risk (PML) <sup>(Note 4)</sup>		7.4% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sompo Risk Management Inc.)			
Notes		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Investment Trust Act.			
Acquisition Price		¥718 million			
Scheduled Transfer Price		Undisclosed <sup>(Note 2)</sup>			
Book Value <sup>(Note 5)</sup>		¥708 million			
Difference		Undisclosed <sup>(Note 2)</sup>			
Appraisal Value and Method		¥694 million (Based on the capitalization approach as of February 28, 2023) (Appraiser: Daiwa Real Estate Appraisal Co., Ltd.)			
Appraisal NOI <sup>(Note 6)</sup>		¥35 million			
Leasing Status (As of January 31, 2023) <sup>(Note 7)</sup>					
Total Number of Tenants	1				
Total Rental Income(Annual)	¥47 million (including common area charges)				
Security Deposits	¥3 million				
Occupancy Rate	98.2%				
Total Leased Floor Space	999.89 m <sup>2</sup>				
Total Leasable Floor Space	1,018.72 m <sup>2</sup>				
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022
	90.8%	100.0%	96.6%	94.6%	93.0%

(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) Undisclosed because consent has not been obtained from the transferee. Accordingly, the difference between the scheduled transfer price and the book value is also undisclosed. The planned transfer price of the Asset exceeds both the anticipated book value at the date of disposition and the appraisal value at the end of the most recent period (February 28, 2023).

(Note 3) Master Lease

The master lease agreement to be concluded is a “pass-through type” lease, which takes a form such that a master lease company pays the Fund the same amount as the total rent based on lease agreements between the master lease company and end-tenants.

(Note 4) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement 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 February 28, 2023 as the appraisal date.

(Note 7) 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 agreement (the master lease agreement) sub leases each of the rooms to the end tenants.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of January 31, 2023, 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).

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of January 31, 2023, by Total Leasable Floor Space.

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of January 31, 2023.

“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 January 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

Property Name		PRIME URBAN Shinagawa Nishi
Type of Asset		Real estate
Location (Note 1)	Registry	6-603-5 Yutaka-cho, Shinagawa Ward, Tokyo
	Street	6-24-13 Yutaka-cho, Shinagawa Ward, Tokyo
Access		One-minute walk from Nakanobu Station on the Toei Subway Asakusa Line
Completion Date (Note 1)		January 13, 1992
Use (Note 1)		Store/Apartment
Structure (Note 1)		Ten-floor steel-framed reinforced concrete/steel-reinforced concrete structure with a flat roof
Leasing Units		46
Area (Note 1)	Land	313.32 m <sup>2</sup> (Note 2)
	Floor Area	1,106.16 m <sup>2</sup>
Type of Ownership	Land	Ownership
	Building	Ownership
Building Coverage Ratio		100%(Note 3)
Floor Area Ratio		400%
Collateral		None
Property Management Company		Nomura Real Estate Partners Co., Ltd.
Master Leasing Company (Note 5)		Nomura Real Estate Partners Co., Ltd.
Type of Master Leasing (Note 5)		Pass through
Seismic Risk (PML) (Note 6)		5.8% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sompo Risk Management Inc.)
Notes		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Investment Trust Act.
Acquisition Price		¥494 million
Scheduled Transfer Price		Undisclosed (Note 4)
Book Value (Note 7)		¥502 million
Difference		Undisclosed (Note 4)
Appraisal Value and Method		¥472 million (Based on the capitalization approach as of February 28, 2023) (Appraiser: Daiwa Real Estate Appraisal Co., Ltd.)
Appraisal NOI (Note 8)		¥31 million



Leasing Status (As of January 31, 2023) <sup>(Note 9)</sup>					
Total Number of Tenants	1				
Total Rental Income(Annual)	¥43 million (including common area charges)				
Security Deposits	¥6 million				
Occupancy Rate	97.9%				
Total Leased Floor Space	941.54 m <sup>2</sup>				
Total Leasable Floor Space	961.25 m <sup>2</sup>				
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022
	97.9%	100.0%	97.9%	93.8%	97.9%

(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 Area

Includes an area of approximately 33.04 m<sup>2</sup> which is regarded as a road under Article 42, paragraph (2) of the Building Standards Act.

(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 coverage ratio is 100%.

(Note 4) Undisclosed because consent has not been obtained from the transferee. Accordingly, the difference between the scheduled transfer price and the book value is also undisclosed. The planned transfer price of the Asset exceeds both the anticipated book value at the date of disposition and the appraisal value at the end of the most recent period (February 28, 2023).

(Note 5) Master Lease

The master lease agreement to be concluded is a “pass-through type” lease, which takes a form such that a master lease company pays the Fund the same amount as the total rent based on lease agreements between the master lease company and end-tenants.

(Note 6) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 7) Book Value

Anticipated book value at the date of disposition.

(Note 8) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income operating expenses) described in the real estate appraisal report with February 28, 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 agreement (the master lease agreement) sub leases each of the rooms to the end tenants.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of January 31, 2023, 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).

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of January 31, 2023, by Total Leasable Floor Space.

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of January 31, 2023.

“Total Leasable Floor Space” is the total floor space of offices, retail facilities, logistics facilities, residential facilities, hotels, etc. within the As set that can be leased as of January 31, 2023 (if the common area, etc. is leased, the floor space thereof



is included).

Property Name		PRIME URBAN Komagome			
Type of Asset		Beneficial interest in a trust in which a real estate is entrusted			
Trustee of Trust		Mitsubishi UFJ Trust and Banking Corporation			
Term of Trust Agreement		From February 28, 2016 to February 27, 2026			
Location (Note 1)	Registry	6-517-20 (comprising two parcels of land) Komagome, Toshima Ward, Tokyo			
	Street	6-12-15 Komagome, Toshima Ward, Tokyo			
Access		Six-minute walk from Komagome Station on the Tokyo Metro Namboku Line			
Completion Date (Note 1)		September 1, 1988			
Use (Note 1)		Apartment/Residence			
Structure (Note 1)		Four-floor steel-reinforced concrete structure with a flat roof and 1 basement floor			
Leasing Units		22			
Area (Note 1)	Land	(i) 704.91 m <sup>2</sup> (ii) 126.10 m <sup>2</sup> (Note 2)			
	Floor Area	1,374.14 m <sup>2</sup>			
Type of Ownership	Land	Ownership (Partially co-owned)			
	Building	Ownership (unit ownership share 100%)			
Building Coverage Ratio		80%(Note 3)			
Floor Area Ratio		174%(Note 4)			
Collateral		None			
Property Management Company		Nomura Real Estate Partners Co., Ltd.			
Master Leasing Company <sup>(Note 6)</sup>		Nomura Real Estate Partners Co., Ltd.			
Type of Master Leasing <sup>(Note 6)</sup>		Pass through			
Seismic Risk (PML) <sup>(Note 7)</sup>		5.6% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sampo Risk Management Inc.)			
Notes		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Investment Trust Act.			
Acquisition Price		¥437 million			
Scheduled Transfer Price		Undisclosed <sup>(Note 5)</sup>			
Book Value <sup>(Note 8)</sup>		¥440 million			
Difference		Undisclosed <sup>(Note 5)</sup>			
Appraisal Value and Method		¥455 million (Based on the capitalization approach as of February 28, 2023) (Appraiser: Chuo Real Estate Appraisal Co., Ltd.)			
Appraisal NOI (Note 9)		¥26 million			
Leasing Status (As of January 31, 2023) <sup>(Note 10)</sup>					
Total Number of Tenants	1				
Total Rental Income(Annual)	¥36 million (including common area charges)				
Security Deposits	¥3 million				
Occupancy Rate	96.2%				
Total Leased Floor Space	954.65 m <sup>2</sup>				
Total Leasable Floor Space	991.94 m <sup>2</sup>				
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022
	100.0%	96.0%	100.0%	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) Land Area

(i) is an area of the owned land, and (ii) is an area of the co-owned land (the ratio of the Fund's share is a half). (i) includes an area of approximately 14.65 m<sup>2</sup> (setback part) which is regarded as a road under Article 42, paragraph (2) of the Building Standards Act. (ii) is an area whose location is designated as a road under Article 42, paragraph (1), item (v) of the Building Standards Act and an area which is regarded as a road (private road part) under Article 42, paragraph (2) of the Building Standards Act.

(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% in principle. However, because the Asset is in a corner lot and is a certified fireproof building in a quasi-fire prevention zone, the applied coverage ratio is 80%.

(Note 4) Floor Area Ratio

While the maximum floor area ratio for the Asset is designated as 300% in principle, the regulation on the width of the front road (approx. 4.35 m X 40%) is prioritized.

(Note 5) Undisclosed because the consent has not been obtained from the transferee. Accordingly, the difference between the scheduled transfer price and the book value is also undisclosed. The planned transfer price of the Asset exceeds both the anticipated book value at the date of disposition and the appraisal value at the end of the most recent period (February 28, 2023).

(Note 6) Master Lease

The master lease agreement to be concluded is a “pass-through type” lease, which takes a form such that a master lease company pays the Fund the same amount as the total rent based on lease agreements between the master lease company and end-tenants.

(Note 7) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 8) Book Value

Anticipated book value at the date of disposition.

(Note 9) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income operating expenses) described in the real estate appraisal report with February 28, 2023 as the appraisal date.

(Note 10) 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 agreement (the master lease agreement) sub leases each of the rooms to the end tenants.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of January 31, 2023, 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).

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of January 31, 2023, by Total Leasable Floor Space.

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of January 31, 2023.

“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 January 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

Property Name		PRIME URBAN Kasai II
Type of Asset		Real estate
Location (Note 1)	Registry	7-9-6 (comprising two parcels of land) Higashi Kasai, Edogawa Ward, Tokyo
	Street	7-9-7 Higashi Kasai, Edogawa Ward, Tokyo
Access		Seven-minute walk from Kasai Station on the Tokyo Metro Tozai Line



Completion Date <sup>(Note 1)</sup>		February 28, 2006			
Use <sup>(Note 1)</sup>		Apartment			
Structure <sup>(Note 1)</sup>		Ten-floor steel reinforced concrete structure with flat roof			
Leasing Units		68			
Area <sup>(Note 1)</sup>	Land	502.89 m <sup>2</sup>			
	Floor Area	1,563.11 m <sup>2</sup>			
Type of Ownership	Land	Ownership			
	Building	Ownership			
Building Coverage Ratio		70% <sup>(Note 2)</sup>			
Floor Area Ratio		300%			
Collateral		None			
Property Management Company		Nomura Real Estate Partners Co., Ltd.			
Master Leasing Company <sup>(Note 4)</sup>		Nomura Real Estate Partners Co., Ltd.			
Type of Master Leasing <sup>(Note 4)</sup>		Pass through			
Seismic Risk (PML) <sup>(Note 5)</sup>		6.1% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sompo Risk Management Inc.)			
Notes		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Investment Trust Act.			
Acquisition Price		¥981 million			
Scheduled Transfer Price		Undisclosed <sup>(Note 3)</sup>			
Book Value <sup>(Note 6)</sup>		¥849 million			
Difference		Undisclosed <sup>(Note 3)</sup>			
Appraisal Value and Method		¥1,030 million (Based on the capitalization approach as of February 28, 2023) (Appraiser: Chuo Real Estate Appraisal Co., Ltd.)			
Appraisal NOI <sup>(Note 7)</sup>		¥47 million			
Leasing Status (As of January 31, 2023) <sup>(Note 8)</sup>					
Total Number of Tenants	1				
Total Rental Income(Annual)	¥62 million(including common area charges)				
Security Deposits	¥4 million				
Occupancy Rate	97.1%				
Total Leased Floor Space	1,395.55 m <sup>2</sup>				
Total Leasable Floor Space	1,437.84 m <sup>2</sup>				
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022
	97.1%	100.0%	98.5%	100.0%	97.1%

(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 category I medium-to-high-rise exclusive residential zone where the building coverage ratio is 60% in principle. However, because the Asset is a certified fireproof building in a quasi-fire prevention zone, the applied coverage ratio is 70%.

(Note 3) Undisclosed because the consent has not been obtained from the transferee. Accordingly, the difference between the scheduled transfer price and the book value is also undisclosed. The planned transfer price of the Asset exceeds both the anticipated book value at the date of disposition and the appraisal value at the end of the most recent period (February 28, 2023).

(Note 4) Master Lease

The master lease agreement to be concluded is a “pass-through type” lease, which takes a form such that a master lease company pays the Fund the same amount as the total rent based on lease agreements between the master lease company



and end-tenants.

(Note 5) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 6) Book Value

Anticipated book value at the date of disposition.

(Note 7) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income operating expenses) described in the real estate appraisal report with February 28, 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 agreement (the master lease agreement) sub leases each of the rooms to the end tenants.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of January 31, 2023, 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).

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of January 31, 2023, by Total Leasable Floor Space.

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of January 31, 2023.

“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 January 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

Property Name		PRIME URBAN Asakusa
Type of Asset		Real estate
Location (Note 1)	Registry	3-8-2 (comprising two parcels of land) Asakusa, Taito Ward, Tokyo
	Street	3-33-11 Asakusa, Taito Ward, Tokyo
Access		Ten-minute walk from Asakusa Station on the Tokyo Metro Ginza Line
Completion Date (Note 1)		February 23, 1987
Use (Note 1)		Apartment
Structure (Note 1)		Seven-floor steel reinforced concrete structure with flat roof
Leasing Units		22
Area (Note 1)	Land	311.07 m <sup>2</sup>
	Floor Area	1,101.69 m <sup>2</sup>
Type of Ownership	Land	Ownership
	Building	Ownership
Building Coverage Ratio		100%(Note 2)
Floor Area Ratio		360%(Note 3)
Collateral		None
Property Management Company		Nomura Real Estate Partners Co., Ltd.
Master Leasing Company (Note 5)		Nomura Real Estate Partners Co., Ltd.
Type of Master Leasing (Note 5)		Pass through
Seismic Risk (PML) (Note 6)		7.3% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sompo Risk Management Inc.)
Notes		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Investment Trust Act.



Acquisition Price	¥384 million				
Scheduled Transfer Price	Undisclosed <sup>(Note 4)</sup>				
Book Value <sup>(Note 7)</sup>	¥379 million				
Difference	Undisclosed <sup>(Note 4)</sup>				
Appraisal Value and Method	¥354 million (Based on the capitalization approach as of February 28, 2023) (Appraiser: Chuo Real Estate Appraisal Co., Ltd.)				
Appraisal NOI <sup>(Note 8)</sup>	¥20 million				
<b>Leasing Status (As of January 31, 2023)</b> <sup>(Note 9)</sup>					
Total Number of Tenants	1				
Total Rental Income(Annual)	¥27 million(including common area charges)				
Security Deposits	¥2 million				
Occupancy Rate	90.9%				
Total Leased Floor Space	797.30 m <sup>2</sup>				
Total Leasable Floor Space	876.70 m <sup>2</sup>				
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022
	100.0%	95.6%	100.0%	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) 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 coverage ratio is 100%.

(Note 3) Floor Area Ratio

While the maximum floor area ratio for the Asset is designated as 400% in principle, the regulation on the width of the front road (6.00 m X 60%) is prioritized.

(Note 4) Undisclosed because consent has not been obtained from the transferee. Accordingly, the difference between the scheduled transfer price and the book value is also undisclosed. The planned transfer price of the Asset exceeds both the anticipated book value at the date of disposition and the appraisal value at the end of the most recent period (February 28, 2023).

(Note 5) Master Lease

The master lease agreement to be concluded is a “pass-through type” lease, which takes a form such that a master lease company pays the Fund the same amount as the total rent based on lease agreements between the master lease company and end-tenants.

(Note 6) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 7) Book Value

Anticipated book value at the date of disposition.

(Note 8) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income operating expenses) described in the real estate appraisal report with February 28, 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 agreement (the master lease agreement) sub leases each of the rooms to the end tenants.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of January 31, 2023, 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).

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of January 31, 2023, by Total Leasable Floor Space.

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of January 31, 2023.

“Total Leasable Floor Space” is the total floor space of offices, retail facilities, logistics facilities, residential facilities, hotels, etc. within the As set that can be leased as of January 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

Property Name		PRIME URBAN Gyotoku Ekimae				
Type of Asset		Real estate				
Location (Note 1)	Registry	2-26-8 Gyotoku Ekimae, Ichikawa City, Chiba				
	Street	2-26-11 Gyotoku Ekimae, Ichikawa City, Chiba				
Access		Four-minute walk from Gyotoku Station on the Tokyo Metro Tozai Line				
Completion Date (Note 1)		May 27, 2006				
Use (Note 1)		Apartment				
Structure (Note 1)		Five-floor steel reinforced concrete structure with flat roof				
Leasing Units		37				
Area (Note 1)	Land	427.00 m <sup>2</sup>				
	Floor Area	821.47 m <sup>2</sup>				
Type of Ownership	Land	Ownership				
	Building	Ownership				
Building Coverage Ratio		60%				
Floor Area Ratio		200%				
Collateral		None				
Property Management Company		Nomura Real Estate Partners Co., Ltd.				
Master Leasing Company (Note 3)		Nomura Real Estate Partners Co., Ltd.				
Type of Master Leasing (Note 3)		Pass through				
Seismic Risk (PML) (Note 4)		5.9% (Based on the Earthquake PML Appraisal Report as of September 2022 by Sompo Risk Management Inc.)				
Notes		Nomura Real Estate Partners Co. Ltd., the property management company, is considered a related party under the Investment Trust Act.				
Acquisition Price		¥488 million				
Scheduled Transfer Price		Undisclosed (Note 2)				
Book Value (Note 5)		¥433 million				
Difference		Undisclosed (Note 2)				
Appraisal Value and Method		¥575 million (Based on the capitalization approach as of February 28, 2023) (Appraiser: Japan Real Estate Institute)				
Appraisal NOI (Note 6)		¥25 million				
Leasing Status (As of January 31, 2023) (Note 7)						
Total Number of Tenants	1					
Total Rental Income (Annual)	¥30 million (including common area charges)					
Security Deposits	¥2 million					
Occupancy Rate	94.6%					
Total Leased Floor Space	736.19 m <sup>2</sup>					
Total Leasable Floor Space	778.19 m <sup>2</sup>					
Historical Occupancy Rates	February 2018	February 2019	February 2020	February 2021	February 2022	





	100.0%	100.0%	97.3%	97.3%	94.6%
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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) Undisclosed because consent has not been obtained from the transferee. Accordingly, the difference between the scheduled transfer price and the book value is also undisclosed. The planned transfer price of the Asset exceeds both the anticipated book value at the date of disposition and the appraisal value at the end of the most recent period (February 28, 2023). The planned transfer price of the Asset exceeds the anticipated book value at the date of disposition but falls below the appraisal value at the end of the most recent period (February 28, 2023).

(Note 3) Master Lease

The master lease agreement to be concluded is a “pass-through type” lease, which takes a form such that a master lease company pays the Fund the same amount as the total rent based on lease agreements between the master lease company and end-tenants.

(Note 4) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement 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 February 28, 2023 as the appraisal date.

(Note 7) 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 agreement (the master lease agreement) sub leases each of the rooms to the end tenants.

“Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of January 31, 2023, 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).

“Occupancy Rate” is calculated by dividing Total Leased Floor Space as of January 31, 2023, by Total Leasable Floor Space.

“Total Leased Floor Space” indicates the total floor space leased to end tenants as of January 31, 2023.

“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 January 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

#### 4. Summary of Transferees of the Assets to Be Disposed of

Detailed information other than that the transferees are domestic specific purpose companies or domestic limited liability companies is not disclosed because consent to the disclosure of detailed information has not been obtained from the transferees.

As of today, neither the Fund nor the Asset Management Company has any notable capital, personnel or transactional relationships with the transferees, and the transferees are not related parties of either the Fund or the Asset Management Company.

#### 5. Summary of Brokerage

##### Eight Residential Facility Properties

Company Name	Nomura Real Estate Solutions Co., Ltd.
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Head Office	1-26-2 Nishi-Shinjuku, Shinjuku Ward, Tokyo
Representative	Kenichi Maeda, President
Principal Business	Brokerage of residential real estate, brokerage of commercial real estate, consignment sales business, insurance agency business, and operation of information website on real estate
Capital	¥1,000 million (as of April 1, 2022)
Established	November 6, 2000
Relationships with the Fund and/or the Asset Management Company and the Seller	
Capital	As a wholly owned subsidiary of Nomura Real Estate Holdings, Inc., which also holds 100% interests of the shares of the Asset Management Company, Nomura Real Estate Solutions Co., Ltd. is a related party of the Asset Management Company as defined in the Investment Trust Act.
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	Nomura Real Estate Solutions Co., Ltd. does not fall under the definition of a related party of the Fund for the accounting purpose. However, the said company is a related party of the Asset Management Company as it is a subsidiary of a common parent company, as stated above.
Brokerage fee	188,490 thousand yen (excluding consumption tax and local consumption tax.)

#### 6. Transactions with Related Parties

The brokerage of the Dispositions involved in the Eight Residential Facility Properties, Nomura Real Estate Solutions Co., Ltd., is a related party under the Investment Trust Act, as stated above. Accordingly, the consignment of the brokerage service and the terms therefor, including the fees, have been duly examined and approved by the Asset Management Company's compliance committee and investment committee pursuant to its investment committee rules, rules of compliance, compliance manual, rules concerning transactions with related parties, and other relevant internal rules and guidelines.

#### 7. Form of Payment, etc.

Regarding the disposition, on the scheduled sale date, the Fund will receive from the seller the entire purchase price of the Property to Be Sold in a lump sum. 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.

#### 8. Schedule for the Transactions

March 20, 2023	Conclusion of a sale agreement for the disposition of NMF Nagoya Yanagibashi Building
March 22, 2023	Conclusion of sale agreements for the dispositions of the Eight Residential Facility Properties



March 31, 2023	Dispositions of the Eight Residential Facility Properties
April 7, 2023	Disposition of NMF Nagoya Yanagibashi Building

## 9. Outlook

Regarding the impacts of the Transactions on the Fund's management status in the fiscal periods ended February 28, 2023 (September 1, 2022 to February 28, 2023) and ending August 31, 2023 (March 1, 2023 to August 31, 2023), please refer to "Notice Concerning Revised Forecasts of Financial Results for the Fiscal Periods Ending August 31, 2023" announced as of today.



## 10. Appraisal Summary

Property Name	NMF Nagoya Yanagibashi Building
Appraisal Value	2,230,000,000
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	February 28, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	2,230,000,000	Calculated taking into account the capitalization approach price determined using both the direct capitalization approach
Price Calculated by the Direct Capitalization Approach	2,230,000,000	Calculated by reducing based on the capitalization rate the standard level of net revenue recognized as stable over the medium to long term calculated with reference to the cash flow analysis using the discounted cash flow approach
(1) Operating Income (a)-(b)	224,697,499	
(a) Gross Rental Income	236,826,017	Calculated based on consideration of current rents, rent levels
(b) Losses due to Vacancies, etc.	12,128,518	Calculated on the assumption of a stable occupancy rate over the medium to long term
(2) Operating Expenses	91,708,751	
Maintenance Costs	19,803,000	Calculated based on consideration of the contract amount, and for fluctuating portions, actual amounts
Utilities Costs	18,450,000	Calculated based on actual amounts and the general levels
Repair Costs	10,927,083	Calculated with reference to the engineering report
Property Management Fees	6,537,511	Calculated with reference to the contract amount, the general levels and other factors
Advertisement for Leasing	1,557,384	Calculated with reference to the contract amount, the general levels and other factors
Taxes	33,550,313	Calculated based on actual amounts recorded in fiscal 2022
Insurance Premium	458,053	Calculated with reference to the contract amount, the general levels and other factors
Other Expenses	425,407	Calculated based on consideration of CATV usage fee and various inspection costs
(3) Net Operating Income from Leasing Business (NOI = (1) - (2))	132,988,748	
(4) Profit through Management of Temporary Deposits, etc.	1,883,756	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	32,396,333	Calculated with reference to the engineering report
(6) Net Cash Flow (NCF = (3) + (4) - (5))	102,476,171	
(7) Capitalization Rate	4.6%	
Price calculated by the discounted cash flow approach	2,230,000,000	
Discount Rate	4.4%	Calculated with comprehensive consideration of the property's specific characteristics with reference to yields on investments
Terminal Capitalization Rate	4.8%	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
Cost Approach Price	5,390,000,000	
Ratio of Land	94.7%	
Ratio of Building	5.3%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	The Property is located in a prime commercial area surrounding Nagoya Station, which is the busiest area in the city, where high-rise store and office buildings are densely built along Hirokoji-dori, a main street in Nagoya City. There are redevelopment projects around Nagoya Station in addition to the Linear Chuo Shinkansen project, and this area is expected to continue to develop as a central district of Nagoya City. In addition, the Property is expected to continue to operate stably as a store and office building of a certain grade. In view of the above factors, the appraisal value was determined with an emphasis on the capitalization approach price appropriately reflecting the value for typical investors.	



(Yen)

Property Name	PRIME URBAN Yoyogi
Appraisal Value	¥357,000,000
Appraiser	Chuo Real Estate Appraisal Co., Ltd.
Appraisal Date	February 28, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	357,000,000	Calculated with an emphasis on the capitalization approach price calculated using the discounted cash flow approach, associating it also with the capitalization approach price calculated using the direct capitalization approach
Price Calculated by the Direct Capitalization Approach	360,000,000	Calculated by reducing stable medium-to long-term net cash
(1) Operating Income (a)-(b)	22,290,000	
(a) Gross Rental Income	23,818,000	Calculated based on appropriate rent levels recognized as stable over the medium to long term.
(b) Losses due to Vacancies, etc.	1,528,000	Calculated based on a stable occupancy rate (vacancy rate) over the medium to long term, taking into consideration the occupancy results of the property and similar properties as well as the future market outlook and other factors
(2) Operating Expenses	6,812,000	
Maintenance Costs	1,582,000	Calculated on the assumption of a stable occupancy rate (vacancy rate) over the medium to long term, taking into consideration the occupancy results of the property and similar properties as well as the future market outlook and other factors
Utilities Costs	397,000	Calculated based on past results taking in consideration cost levels at similar properties and other factors
Repair Costs	1,493,000	The total amount of small-scale repair costs and restoration costs is recorded.
Property Management Fees	1,113,000	The total amount of property management fees and construction management fees is recorded.
Advertisement for Leasing	1,108,000	The total amount of brokerage fees and other expenses, advertisement cost and renewal fees is recorded.
Taxes	1,042,000	The most recent results were adopted.
Insurance Premium	43,000	The most recent results were adopted.
Other Expenses	34,000	CATV usage fee
(3) Net Operating Income from Leasing Business (NOI = (1) - (2))	15,478,000	
(4) Profit through Management of Temporary Deposits, etc.	17,000	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	2,546,000	Large-scale repair costs and facility renewal costs expected to be incurred are recorded equally in each year, and the annual
(6) Net Cash Flow (NCF = (3) + (4) - (5))	12,949,000	
(7) Capitalization Rate	3.6%	Calculated based on consideration of the particular characteristics of the Property such as locational conditions, building conditions, and ownership and interests concerned, with reference to the investment yields involved in the transactions, etc. of comparable properties
Price calculated by the discounted cash flow approach	355,000,000	
Discount Rate	3.4%	Calculated with comprehensive consideration of the property's specific characteristics with reference to yields on investments
Terminal Capitalization Rate	3.8%	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
Cost Approach Price	329,000,000	
Ratio of Land	74.2%	
Ratio of Building	25.8%	Calculated taking into account the capitalization approach price determined using both the direct capitalization approach



Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	—
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Property Name	PRIME URBAN Nishi Shinjuku II
Appraisal Value	¥1,020,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal Date	February 28, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	1,020,000,000	Calculated using the capitalization approach by using the value calculated using the discounted cash flow approach as the baseline and evaluating it using the direct capitalization approach
Price Calculated by the Direct Capitalization Approach	1,030,000,000	Calculated by reducing the standardized net cash flow (NCF) by the capitalization rate
(1) Operating Income (a)-(b)	54,876,779	
(a) Gross Rental Income	57,668,491	Calculated based on the rent levels in the market and other factors
(b) Losses due to Vacancies, etc.	2,791,712	Calculated based on the medium-to-long term leveled vacancy rate
(2) Operating Expenses	15,333,745	
Maintenance Costs	2,232,096	Calculated based on the current contract and the income and expenditure results
Utilities Costs	837,036	Calculated based on the income and expenditure results and other factors
Repair Costs	2,819,179	The restoration costs, and building repair costs calculated with consideration given to building age and similar cases, etc. with reference to the ER are recorded
Property Management Fees	1,597,186	Calculated based on the current contract
Advertisement for Leasing	1,630,405	Calculated based on the current contract
Taxes	3,114,100	Calculated based on the fiscal year 2022 information
Insurance Premium	85,520	Calculated based on the insurance premiums list
Other Expenses	3,018,223	Calculated based on the income and expenditure results and other factors
(3) Net Operating Income from Leasing Business (NOI = (1) - (2))	39,543,034	
(4) Profit through Management of Temporary Deposits, etc.	41,244	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	4,462,000	The amount calculated with consideration given to building age and similar cases, etc. with reference to the ER is recorded
(6) Net Cash Flow (NCF = (3) + (4) - (5))	35,122,278	
(7) Capitalization Rate	3.4%	Calculated based mainly on the yields of similar rental condominium transactions, with reference to the characteristics of the area surrounding the property, the property's particular characteristics and other factors
Price calculated by the discounted cash flow approach	1,010,000,000	
Discount Rate	3.4%	Calculated with reference to the individual risks for the property and other factors
Terminal Capitalization Rate	3.6%	Calculated based on the capitalization rate, with consideration given to levels of future forecast uncertainty
Cost Approach Price	686,000,000	
Ratio of Land	73.3%	
Ratio of Building	26.7%	



Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	—
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Property Name	PRIME URBAN Sangen JayaIII
Appraisal Value	¥694,000,000
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	February 28, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	694,000,000	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	702,000,000	Calculated by reducing stable medium-to long-term net cash
(1) Operating Income (a)-(b)	48,048,344	
(a) Gross Rental Income	50,419,772	Calculated based on appropriate rent levels recognized as stable over the medium to long term.
(b) Losses due to Vacancies, etc.	2,371,428	Calculated on the assumption of a stable occupancy rate over the medium to long term
(2) Operating Expenses	12,788,140	
Maintenance Costs	1,805,208	Recorded based on the judgment that the current contract amount is reasonable
Utilities Costs	813,780	Calculated with reference to the actual amounts recorded in the past fiscal years
Repair Costs	4,493,264	Repair cost: Calculated based on the annual average amount equivalent to repair cost given in the engineering report Tenant replacement cost: Calculated in consideration of the replacement and vacancy rates
Property Management Fees	1,441,654	Recorded based on the judgment that the current contract
Advertisement for Leasing	2,035,494	Calculated with reference to the levels of similar properties
Taxes	1,823,400	Calculated based on actual amounts recorded in the fiscal year 2022
Insurance Premium	87,050	Recorded based on the judgement that the actual amount is reasonable
Other Expenses	288,290	Calculated and recorded with reference to the actual amounts recorded in the past fiscal years
(3) Net Operating Income from Leasing Business (NOI = (1) - (2))	35,260,204	
(4) Profit through Management of Temporary Deposits, etc.	36,083	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	6,526,930	Calculated in consideration of the annual average amount equivalent to renewal fees given in the engineering report and CM fee
(6) Net Cash Flow (NCF = (3) + (4) - (5))	28,769,357	
(7) Capitalization Rate	4.1%	Calculated with reference to the yields on investments in similar properties and investors' opinions with consideration of the characteristics of the area surrounding the property and the property's particular characteristics
Price calculated by the discounted cash flow approach	690,000,000	
Discount Rate	3.9%	Calculated by comparing to the investment yields in similar properties and considering the yield on the financial asset with the property's specific characteristics taken into account, and also referring to investors' opinions



	Terminal Capitalization Rate	4.3%	Calculated based on the above capitalization rate with comprehensive consideration of the probable future movement of the yield on investment, risks of the property as an investment, general forecasts of the economic growth rate and price trends in real estate and rents
	Cost Approach Price	516,000,000	
	Ratio of Land	83.6%	
	Ratio of Building	16.4%	
	Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	—	

Property Name	PRIME URBAN Shinagawa Nishi
Appraisal Value	¥472,000,000
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	February 28, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	472,000,000	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	476,000,000	Calculated by reducing stable medium-to long-term net cash
(1) Operating Income (a)-(b)	42,346,595	
(a) Gross Rental Income	44,510,603	Calculated based on consideration of current rents, rent levels
(b) Losses due to Vacancies, etc.	2,164,008	Calculated based on consideration of the current vacancy rate, vacancy rates in the market and other factors
(2) Operating Expenses	11,292,072	
Maintenance Costs	2,013,204	Recorded based on the judgment that the current contract
Utilities Costs	453,461	Calculated and recorded with reference to the actual amounts recorded in the past fiscal years
Repair Costs	3,952,008	Repair cost: Calculated based on the annual average amount of repair cost given in the engineering report Tenant replacement cost: Calculated in consideration of the replacement and vacancy rates
Property Management Fees	993,568	Recorded based on the judgment that the current contract
Advertisement for Leasing	1,796,154	Calculated and recorded with reference to the cost levels at comparable properties and other factors
Taxes	1,795,300	Calculated based on actual amounts recorded in the fiscal year 2022
Insurance Premium	79,087	Recorded based on the judgement that the actual amount is reasonable
Other Expenses	209,290	Calculated and recorded with reference to the actual amounts recorded in the past fiscal years
(3) Net Operating Income from Leasing Business (NOI = (1) - (2))	31,054,523	
(4) Profit through Management of Temporary Deposits, etc.	61,080	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	11,590,108	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))	19,525,495	
(7) Capitalization Rate	4.1%	Calculated with reference to the yields on investments in similar properties and investors' opinions with consideration of the characteristics of the area surrounding the property and the property's particular characteristics
Price calculated by the discounted cash flow approach	470,000,000	





	Discount Rate	3.9%	Calculated by comparing to the investment yields in similar properties and considering the yield on the financial asset with the property's specific characteristics taken into account, and also referring to investors' opinions
	Terminal Capitalization Rate	4.3%	Calculated based on the above capitalization rate with comprehensive consideration of the probable future movement of the yield on investment, risks of the property as an investment, general forecasts of the economic growth rate and price trends in real estate and rents
	Cost Approach Price	449,000,000	
	Ratio of Land	81.9%	
	Ratio of Building	18.1%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	—		

Property Name	PRIME URBAN Komagome
Appraisal Value	¥455,000,000
Appraiser	Chuo Real Estate Appraisal Co., Ltd.
Appraisal Date	February 28, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	455,000,000	Calculated with an emphasis on the capitalization approach price calculated using the discounted cash flow approach, associating it also with the capitalization approach price calculated using the direct capitalization approach
Price Calculated by the Direct Capitalization Approach	452,000,000	Calculated by reducing stable medium-to-long-term net cash
(1) Operating Income (a)-(b)	36,433,000	
(a) Gross Rental Income	38,519,000	Calculated based on appropriate rent levels recognized as stable over the medium to long term.
(b) Losses due to Vacancies, etc.	2,086,000	Calculated based on a stable occupancy rate (vacancy rate) over the medium to long term, taking into consideration the occupancy results of the property and similar properties as well as the future market outlook and other factors
(2) Operating Expenses	9,768,000	
Maintenance Costs	2,083,000	Calculated based on the current BM contract conditions in consideration of the past results, the cost levels at similar
Utilities Costs	1,131,000	Calculated based on past results taking in consideration cost levels at similar properties and other factors
Repair Costs	1,946,000	The total amount of small-scale repair costs and restoration costs is recorded.
Property Management Fees	1,130,000	The total amount of property management fees and construction management fees is recorded.
Advertisement for Leasing	1,310,000	The total amount of brokerage fees and other expenses, advertisement cost and renewal fees is recorded.
Taxes	2,062,000	The most recent results were adopted.
Insurance Premium	70,000	The most recent results were adopted.
Other Expenses	36,000	CATV usage fee
(3) Net Operating Income from Leasing Business (NOI = (1) - (2))	26,665,000	
(4) Profit through Management of Temporary Deposits, etc.	27,000	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	8,169,000	Large-scale repair costs and facility renewal costs expected to be incurred are recorded equally in each year, and the annual
(6) Net Cash Flow (NCF = (3) + (4) - (5))	18,523,000	



	(7) Capitalization Rate	4.1%	Calculated based on consideration of the particular characteristics of the Property such as locational conditions, building conditions, and ownership and interests concerned, with reference to the investment yields involved in the transactions, etc. of comparable properties
	Price calculated by the discounted cash flow approach	456,000,000	
	Discount Rate	3.9%	Calculated with comprehensive consideration of the property's specific characteristics with reference to yields on investments
	Terminal Capitalization Rate	4.3%	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
	Cost Approach Price	550,000,000	
	Ratio of Land	88.9%	
	Ratio of Building	11.1%	
	Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	—	

Property Name	PRIME URBAN Kasai II
Appraisal Value	¥1,030,000,000
Appraiser	Chuo Real Estate Appraisal Co., Ltd.
Appraisal Date	February 28, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	1,030,000,000	Calculated with an emphasis on the capitalization approach price calculated using the discounted cash flow approach, associating it also with the capitalization approach price calculated using the direct capitalization approach
Price Calculated by the Direct Capitalization Approach	1,040,000,000	Calculated by reducing stable medium-to long-term net cash
(1) Operating Income (a)-(b)	64,103,000	
(a) Gross Rental Income	66,888,000	Calculated based on appropriate rent levels recognized as stable over the medium to long term.
(b) Losses due to Vacancies, etc.	2,785,000	Calculated based on a stable occupancy rate (vacancy rate) over the medium to long term, taking into consideration the occupancy results of the property and similar properties as well as the future market outlook and other factors
(2) Operating Expenses	16,540,000	
Maintenance Costs	2,761,000	Calculated based on the current BM contract conditions in consideration of the past results, the cost levels at similar
Utilities Costs	828,000	Calculated based on past results taking in consideration cost levels at similar properties and other factors
Repair Costs	4,567,000	The total amount of small-scale repair costs and restoration costs is recorded.
Property Management Fees	1,921,000	The total amount of property management fees and construction management fees is recorded.
Advertisement for Leasing	2,905,000	The total amount of brokerage fees and other expenses, advertisement cost and renewal fees is recorded.
Taxes	3,057,000	The most recent results were adopted.
Insurance Premium	93,000	The most recent results were adopted.
Other Expenses	408,000	CATV usage fee
(3) Net Operating Income from Leasing Business (NOI = (1) - (2))	47,563,000	
(4) Profit through Management of Temporary Deposits, etc.	96,000	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	6,224,000	Large-scale repair costs and facility renewal costs expected to be incurred are recorded equally in each year, and the annual



	(6) Net Cash Flow (NCF = (3) + (4) - (5))	41,435,000	
	(7) Capitalization Rate	4.0%	Calculated based on consideration of the particular characteristics of the Property such as locational conditions, building conditions, and ownership and interests concerned, with reference to the investment yields involved in the transactions, etc. of comparable properties
	Price calculated by the discounted cash flow approach	1,020,000,000	
	Discount Rate	3.8%	Calculated with comprehensive consideration of the property's specific characteristics with reference to yields on investments
	Terminal Capitalization Rate	4.2%	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
	Cost Approach Price	560,000,000	
	Ratio of Land	57.7%	
	Ratio of Building	42.3%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	-		

Property Name	PRIME URBAN Asakusa
Appraisal Value	¥354,000,000
Appraiser	Chuo Real Estate Appraisal Co., Ltd.
Appraisal Date	February 28, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	354,000,000	Calculated with an emphasis on the capitalization approach price calculated using the discounted cash flow approach, associating it also with the capitalization approach price calculated using the direct capitalization approach
Price Calculated by the Direct Capitalization Approach	356,000,000	Calculated by reducing stable medium-to long-term net cash
(1) Operating Income (a)-(b)	31,201,000	
(a) Gross Rental Income	32,582,000	Calculated based on appropriate rent levels recognized as stable over the medium to long term.
(b) Losses due to Vacancies, etc.	1,381,000	Calculated based on a stable occupancy rate (vacancy rate) over the medium to long term, taking into consideration the occupancy results of the property and similar properties as well as the future market outlook and other factors
(2) Operating Expenses	10,235,000	
Maintenance Costs	2,104,000	Calculated based on the current BM contract conditions in consideration of the past results, the cost levels at similar
Utilities Costs	1,005,000	Calculated based on past results taking in consideration cost levels at similar properties and other factors
Repair Costs	2,306,000	The total amount of small-scale repair costs and restoration costs is recorded.
Property Management Fees	1,579,000	The total amount of property management fees and construction management fees is recorded.
Advertisement for Leasing	1,723,000	The total amount of brokerage fees and other expenses, advertisement cost and renewal fees is recorded.
Taxes	1,454,000	The most recent results were adopted.
Insurance Premium	58,000	The most recent results were adopted.
Other Expenses	6,000	Utility pole use fee
(3) Net Operating Income from Leasing Business (NOI = (1) - (2))	20,966,000	
(4) Profit through Management of Temporary Deposits, etc.	24,000	Calculated based on an investment yield of 1.0%



(5) Capital Expenditure Reserve	6,385,000	Large-scale repair costs and facility renewal costs expected to be incurred are recorded equally in each year, and the annual
(6) Net Cash Flow (NCF = (3) + (4) - (5))	14,605,000	
(7) Capitalization Rate	4.1%	Calculated based on consideration of the particular characteristics of the Property such as locational conditions, building conditions, and ownership and interests concerned, with reference to the investment yields involved in the transactions, etc. of comparable properties
Price calculated by the discounted cash flow approach	353,000,000	
Discount Rate	3.9%	Calculated with comprehensive consideration of the property's specific characteristics with reference to yields on investments
Terminal Capitalization Rate	4.3%	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
Cost Approach Price	247,000,000	
Ratio of Land	81.4%	
Ratio of Building	18.6%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	—	

Property Name	PRIME URBAN Gyotoku Ekimae
Appraisal Value	¥575,000,000
Appraiser	Japan Real Estate Institute
Appraisal Date	February 28, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	575,000,000	Calculated taking into account the capitalization approach price determined using both the direct capitalization approach
Price Calculated by the Direct Capitalization Approach	580,000,000	Calculated by reducing stable medium-to long-term net cash
(1) Operating Income (a)-(b)	32,333,000	
(a) Gross Rental Income	34,034,000	Calculated based on appropriate rent levels recognized as stable over the medium to long term.
(b) Losses due to Vacancies, etc.	1,701,000	Calculated on the assumption of a stable occupancy rate over the medium to long term
(2) Operating Expenses	7,291,000	
Maintenance Costs	1,556,000	Calculated with reference to the actual amounts in past fiscal years and cost levels for comparable properties
Utilities Costs	320,000	Calculated with reference to the actual amounts in past fiscal years and cost levels for comparable properties
Repair Costs	1,828,000	Recorded based on a consideration of restoration cost calculated, the annual average amount of repair and renewal costs given in the engineering report and other factors
Property Management Fees	925,000	Calculated with reference to the current compensation fee rate, compensation fee rates adopted to similar properties and other factors
Advertisement for Leasing	1,047,000	Calculated with reference to the current contract conditions, the rental conditions at similar properties in the surrounding area and other factors
Taxes	1,568,000	Calculated based on the tax base amounts in the fiscal year 2022
Insurance Premium	47,000	Calculated with reference to the premium based on the current insurance contract, the premium rates at similar properties and other factors
Other Expenses	0	There are no specific expenses to record as other expenses.



	(3) Net Operating Income from Leasing Business (NOI=(1)-(2))	25,042,000	
	(4) Profit through Management of Temporary Deposits, etc.	24,000	Calculated based on an investment yield of 1.0%
	(5) Capital Expenditure Reserve	3,035,000	Calculated based on the assumption of average allocations each period, capital expenditure levels at similar properties, the building's age, the annual average maintenance and renewal fees given in the engineering report and other factors
	(6) Net Cash Flow (NCF = (3) + (4) - (5))	22,031,000	
	(7) Capitalization Rate	3.8%	Calculated based on a comprehensive consideration of the property's conditions of location, building and others
	Price calculated by the discounted cash flow approach	570,000,000	
	Discount Rate	3.6%	Calculated with comprehensive consideration of the property's specific characteristics with reference to yields on investments
	Terminal Capitalization Rate	3.9%	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
	Cost Approach Price	371,000,000	
	Ratio of Land	64.2%	
	Ratio of Building	35.8%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	—		

[Exhibit]

Exhibit Overview of the Portfolio after the Transaction

\*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 (Note 1)	Other Areas	(Anticipated) Total Acquisition Price (by Sector)	Investment Ratio (%) (Note 2)
Office	403,585	65,100	468,685	42.7
Retail	109,888	67,890	177,779	16.2
Logistics	220,472	3,460	223,932	20.4
Residential	186,306	30,681	216,987	19.8
Hotels	-	6,250	6,250	0.6
Others	4,900	—	4,900	0.4
(Anticipated) Total Acquisition Price (by Area)	925,152	173,381	1,098,534	100.0
Investment Ratio (%) (Note 2)	84.2	15.8	100.0	

(Note 1) "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.

(Note 2) "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%.

