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For Immediate Release

Real Estate Investment Trust Securities Issuer  
Star Asia Investment Corporation  
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(Code: 3468)

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Notice Concerning Acquisition and Lease Contract with New Tenants, and Transfer, of Real Estate  
Beneficiary Interests in Trust

Star Asia Investment Management Co., Ltd. (the "Asset Manager"), to which Star Asia Investment Corporation ("SAR") entrusts the management of its assets, announces today of its decision to acquire real estate beneficiary interests in trust for 11 real estate properties (hereinafter referred to as "Assets to be Acquired", and such acquisition to be referred to as the "Acquisition") and lease of those real estate properties, and the transfer of real estate beneficiary interests in trust for 1 real estate property (hereinafter referred to as "Asset to be Transferred", and such transfer to be referred to as the "Transfer", and the "Acquisition" and "Transfer" is collectively referred to as the "Initiative"), as described below.

SAR has positioned the acquisition related to "Urban Park Umejima" within the Acquisition and the Transfer (the transfer of "Urban Park Koenji") as the 10<sup>th</sup> asset replacement, as a part of active management pursuing the maximization of unitholders' interest. Concerning such asset replacement, please refer to the section "2. Reason for the Acquisition, Leasing, and the Transfer - (2) Asset to be Transferred" below.

Furthermore, the broker of the Acquisition and the counterparties (including those who will succeed to the position of lessee, which is scheduled in December 2023.) under the lease agreements related to the 7 hotel properties (of the Assets to be Acquired, this refers to the 7 properties which are hotels. The same applies below.) fall under interested party, etc. as defined in Article 201 Paragraph 1 of the Act on Investment Trusts and Investment Corporations (hereinafter referred to as the "Investment Trusts Act") and Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (hereinafter referred to as the "Enforcement Order of the Investment Trusts Act"), and they also fall under the category of interested party prescribed in the "Rules on Transactions with Interested Parties" which are the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR's assets. Upon deciding on the intermediation of the Acquisition and signing of the lease agreements related to the above-mentioned 7 hotel properties, the Asset Manager has conducted deliberations and approval processes in accordance with laws and regulations and such rules.

Note: This press release does not in any way constitute any part of an offering of securities for investment. This press release has been prepared for the purpose of announcing to the public certain matters relating to the acquisition and lease contract with new tenants, and transfer, of real estate beneficiary interests in trust, and not for the purpose of soliciting any investment, within or outside of Japan. Additionally, this press release is not an offer of securities for sale in the United States. SAR's securities have not been, and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. No offering or sale of securities in the United States will be made in connection with the above-mentioned acquisitions. This press release is not for publication, distribution or release, directly or indirectly in or into the United States of America.

1. Overview of the Assets to be Acquired and Asset to be Transferred

(1) Overview of the Assets to be Acquired

Asset type	Property no. (Note 1)	Property name	Location	Planned acquisition price (million yen) (Note 2)	Planned acquisition date
Hotel	HTL-10	KOKO HOTEL Ginza 1-Chome	Chuo-ku, Tokyo	17,800	September 1, 2023
Hotel	HTL-11	KOKO HOTEL Sapporo Ekimae	Chuo-ku, Sapporo-shi, Hokkaido	6,700	
Hotel	HTL-12	KOKO HOTEL Fukuoka Tenjin	Chuo-ku, Fukuoka-shi, Fukuoka	5,000	
Hotel	HTL-13	KOKO HOTEL Hiroshima Ekimae	Minami-ku, Hiroshima-shi, Hiroshima	4,100	
Hotel	HTL-14	KOKO HOTEL Kagoshima Tenmonkan	Kagoshima-shi, Kagoshima	3,800	
Hotel	HTL-15	Fino Hotel Sapporo Odori	Chuo-ku, Sapporo-shi, Hokkaido	4,200	
Hotel	HTL-16	Best Western Plus Fukuoka Tenjin-minami	Chuo-ku, Fukuoka-shi, Fukuoka	3,800	
Residence	RSC-22	Urban Park Mitaka	Mitaka-shi, Tokyo	743	December 1, 2023
Residence	RSC-23	Urban Park Kamata Minami I	Ota-ku, Tokyo	641	
Residence	RSC-24	Urban Park Kamata Minami II	Ota-ku, Tokyo	1,375	
Residence	RSC-25	Urban Park Umejima	Adachi-ku, Tokyo	1,032	
Total (11 properties)				49,191	

(Note 1) As for "Property no.", please refer to "Reference Material 5 The terms used in the table of Description of Assets to be Acquired and Asset to be Transferred" below.

(Note 2) "Planned acquisition price" indicates the planned sale and purchase price stated in the sale and purchase agreement with the seller for the Assets to be Acquired, rounded to the nearest million yen. The planned sale and purchase price does not include consumption tax, local consumption tax and various expenses required for the acquisition.

- (1) Contract date : August 7, 2023 (Note 3)
- (2) Planned acquisition date (delivery and settlement date) : September 1, 2023 and December 1, 2023
- (3) Sellers : Please refer to "5. Planned Seller and Transferee Profile" below.
- (4) Acquisition financing : Proceeds from the issuance of new investment units through public offering (Primary offering) (Note 4) for which resolution was made at the Board of Directors meeting of SAR held on today, planned new borrowings (Note 5) and money on hand to be planned etc.
- (5) Settlement method : Payment of entire amount on planned acquisition date
- (6) Presence or absence of broker : Presence  
Please refer to "8. Overview of Broker" below.

(Note 3) With respect to "Urban Park Mitaka", "Urban Park Kamata Minami I", "Urban Park Kamata Minami II", and "Urban Park Umejima", SAR has entered into agreements for succession of status as purchaser under the beneficiary interests in trust sale and purchase agreements for each of the properties from each of Star Asia Sogo Kaihatsu K.K., Godo Kaisha Djebel, and Godo Kaisha Corrida on August 7, 2023. With respect to such succession of status, SAR will not pay any consideration to each of Star Asia Sogo Kaihatsu K.K., Godo Kaisha Djebel, and Godo Kaisha Corrida.

(Note 4) For further details, please refer to "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" announced today.

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(Note 5) For further details, please refer to “Notice Concerning Debt Financing” announced today.

(2) Overview of Asset to be Transferred

Asset type	Property no. (Note 1)	Property name	Location	Planned sales price (million yen) (Note2)	Planned transfer date
Residence	RSC-09	Urban Park Koenji	Suginami-ku, Tokyo	1,315	August 31, 2023
Total (1 property)				1,315	

(Note 1) As for “Property no.”, please refer to “Reference Material 5 The terms used in the table of Description of Assets to be Acquired and Asset to be Transferred” below.

(Note 2) “Planned sales price” indicates the planned sale and purchase price stated in the sales and purchase agreement with the purchaser for the Asset to be Transferred, rounded to the nearest million yen. The planned sale and purchase price does not include consumption tax, local consumption tax and various expenses required for the transfer.

- (1) Contract date : August 7, 2023  
(2) Planned transfer date : August 31, 2023  
(delivery and settlement date)  
(3) Transferee : Please refer to “5. Planned Seller and Transferee Profile” below.  
(4) Planned sales price : 1,315 million yen  
(5) Book value<sup>(Note3)</sup> : 1,184 million yen  
(6) Gain on transfer (estimate) : 109 million yen  
(7) Settlement method : 67,107,080 yen to be received as deposit money on the signing date of sale and purchase agreement, and the remaining amount is to be received in lump-sum payment on the planned transfer date.  
(8) Presence or absence of broker : Presence  
(9) Use of sales proceeds : Proceeds from the sale of the property will be appropriated to a portion of the purchase price of the Assets to be Acquired.  
(10) Special notation : Please refer to “4. Description of Asset to be Transferred” below.

(Note 3) The book value as of January 31, 2023 is stated.

2. Reason for the Acquisition, Leasing, and the Transfer

(1) Assets to be Acquired

The Acquisition realizes promotion of the continued external growth strategy aiming towards achievement of the objective formulated in SAR’s mid-term business plan (announced in March 2021) of “achieving asset size of 300 billion yen by 2026”. Through public offerings conducted for 3 consecutive years, properties which are anticipated to achieve internal growth and properties which are anticipated to bring stable revenues in the mid- to long -term will be acquired.

The Assets to be Acquired are composed of 7 accommodation-specialized hotels with internal growth potential and 4 relatively new residential properties which are anticipated to bring stable revenues. Through this Initiative, SAR’s asset size (Note 1) will expand to 242.2 billion yen, and at the same time, the average portfolio building age of the entire portfolio will become shorter and will enhance the portfolio.

Going forward, SAR will continue to aim to achieve the asset-size objective in the mid-term business plan by utilizing sponsor support as well as leveraging on the Asset Manager’s unique network.

Of the Assets to be Acquired, particularly with respect to the 7 hotel properties, an affiliate company of Polaris Holdings Co., Ltd (hereinafter referred to as “Polaris Group”, including Polaris Holdings Co., Ltd.), which has a track record of operating 48 buildings and 8,722 rooms within Star Asia Group (as of the end of June 2023, including future planned operations) is expected to be the hotel operator, and the acquisition is expected to promote efficient hotel operations.

The forms of contracts of the 7 hotel properties expected to be acquired are all “fixed rent + floating rent”, and furthermore, by having shops such as restaurants on the lower floors of “KOKO HOTEL Ginza 1-Chome”,

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“KOKO HOTEL Sapporo Ekimae”, “KOKO HOTEL Fukuoka Tenjin”, “KOKO HOTEL Hiroshima Ekimae”, “KOKO HOTEL Kagoshima Tenmonkan”, and “Fino Hotel Sapporo Odori”, it is possible to reduce revenue downside risk by adopting the strategy of supporting sales to hotel tenants.

Following is a summary of the forms of contracts.

Property no.	Property name	Location	Fixed rents + floating rents		
			Monthly fixed rents (in thousands of yen)		floating rents
			1 <sup>st</sup> year (Note 2)	2 <sup>nd</sup> year and thereafter (Note 2)	
HTL-10	KOKO HOTEL Ginza 1-Chome	Chuo-ku, Tokyo	15,600	23,300	Based on performance of each month: GOP (Note 3)×85% — Fixed rent (provided that, only to the extent exceeding the fixed rent portion)
HTL-11	KOKO HOTEL Sapporo Ekimae	Chuo-ku, Sapporo-shi, Hokkaido	7,600	11,400	
HTL-12	KOKO HOTEL Fukuoka Tenjin	Chuo-ku, Fukuoka-chi, Fukuoka	5,500	8,200	
HTL-13	KOKO HOTEL Hiroshima Ekimae	Minami-ku, Hiroshima-shi, Hiroshima	5,100	7,700	
HTL-14	KOKO HOTEL Kagoshima Tenmonkan	Kagoshima-shi, Kagoshima	5,000	7,500	
HTL-15	Fino Hotel Sapporo Odori	Chuo-ku, Sapporo-shi, Hokkaido	4,200	6,300	
HTL-16	Best Western Plus Fukuoka Tenjin-minami	Chuo-ku, Fukuoka-shi, Fukuoka	7,600	11,400	
<b>Total</b>			<b>50,600</b>	<b>75,800</b>	

(Note 1) “Asset Size” is calculated based on the (planned) acquisition prices (however, for properties which SAR has assumed from former Sakura Sogo REIT Investment Corporation due to the merger, the calculation is based on the acceptance price basis), and includes the preferred equity securities issued by the TMK which holds beneficiary interest in trust related to the trust established over “HAKUSAN HOUSE”, and the calculation has excluded “Urban Park Gokokuji” and “Urban Park Koenji” which are planned to be transferred as of the date of this document as well as the mezzanine loan debts which have already been acquired.

(Note 2) “1<sup>st</sup> year” and “2<sup>nd</sup> year and thereafter” means, respectively, starting from September 1, 2023 which is the planned acquisition date of the Assets to be Acquired (the 7 hotel properties), 1 year from September 1, 2023 to August 31, 2024, and thereafter starting from September 1 2024.

(Note 3) “GOP” is the abbreviation for “Gross Operating Profit”, and in Japanese is translated as “Eigyo-ara-rieki” or “Eigyo-so-rieki”, and means the amount calculated by subtracting the operating expenses (labor costs, cleaning, utilities, advertising and other expenses) directly related to sales from the sales revenues of the hotel as a whole. The same applies below.

The main reasons behind the decisions to acquire and lease each of the Assets to be Acquired are described below.

The tenants of the Assets to be Acquired satisfy the tenant selection standards described in the “Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties” announced on April 28, 2023.

#### 【KOKO HOTEL Ginza 1-Chome】

KOKO HOTEL Ginza 1-Chome is located at an approximate 1-minute walk from “Ginza 1-Chome” station on the Tokyo Metro Yurakucho Line, and is an accommodation-specialized hotel situated in the Ginza Area, which is a representative commercial area in Japan. The hotel is accessible by using 5 other lines and 4 stations including JR Lines, Tokyo metro Lines and the Toei Subway Line, and has excellent access to main sightseeing spots in the Tokyo metropolitan area. Furthermore, the hotel can be accessed by using the bus from Narita Airport and Haneda Airport.

As to property features, the hotel is relatively new as construction was completed in 2014 and has the latest

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facilities and equipment, with a total of 305 guest rooms mainly centered on rooms which can accommodate 2 or more guests such as semi-double, double, and twin rooms, and is suitable for both business demand and travel demand.

As a result of comprehensively considering the location features and property features etc. described above, the decision to acquire the property was made, given that stable income from the property is anticipated in the mid- to long-term, and also given future internal growth, it was judged that the property would contribute mainly to the improvement of growth of portfolio revenues.

**【KOKO HOTEL Sapporo Ekimae】**

KOKO HOTEL Sapporo Ekimae is an accommodation-specialized hotel located at an approximate 4-minute walk from “Odori” station on the Sapporo Municipal Subway Tozai Line. The hotel is highly conveniently situated very close to “Sapporo Ekimae-dori”, which is one of the main streets for sightseeing in Sapporo. It is also located at an approximate 1-minute walk from the Sapporo Ekimae underground walkway “Chi-ka-ho”, which is directly connected to “Sapporo” station on the JR Line, and is also close to the bus station for the airport bus which connects New Chitose Airport and “Sapporo” station on the JR Line. Given highly convenient transportation access by both train and bus, and also give its good access to main sightseeing spots such as Odori Park and the Sapporo clock tower, it is a location highly appealing for sightseeing demand in addition to business demand. Of the Assets to be Acquired, the hotel operator for both this property as well as Fino Hotel Sapporo Odori is Polaris Group, which is expected to have a synergy effect in terms of both attracting customers and managing expenses in operating these two hotels in the Sapporo district.

As to property features, the hotel is relatively new as construction was completed in 2015 and has the latest facilities and equipment, with a total of 224 guest rooms mainly centered on rooms which can accommodate 2 or more guests such as semi-double, double, and twin rooms, and is suitable for both business demand and travel demand.

As a result of comprehensively considering the location features and property features etc. described above, the decision to acquire the property was made, given that stable income from the property is anticipated in the mid- to long-term, and also given future internal growth, it was judged that the property would contribute mainly to the improvement of growth of portfolio revenues.

**【KOKO HOTEL Fukuoka Tenjin】**

KOKO HOTEL Fukuoka Tenjin is accommodation-specialized hotel located at an approximate 4-minute walk from “Tenjin-Minami” station on the Fukuoka City Subway Nanakuma Line. As it is located in the Tenjin area, which is said to be the sightseeing and business center of Kyushu, the location is highly appealing not only for business demand but also for sightseeing demand. In 2019, Fukuoka Airport was privatized, and in 2025 additional runways are expected to begin operations, and it is forecasted that inbound demand will expand in the mid- to long-term mainly from Asia where it is expected that the number of travelers will increase given the increase in airport processing capacity.

As to property features, the hotel has a total of 159 guest rooms mainly centered on rooms which can accommodate 2 or more guests such as semi-double, double, and twin rooms, and is suitable for both travel demand and business demand.

As a result of comprehensively considering the location features and property features etc. described above, the decision to acquire the property was made, given that stable income from the property is anticipated in the mid- to long-term, and also given future internal growth, it was judged that the property would contribute mainly to the improvement of growth of portfolio revenues.

**【KOKO HOTEL Hiroshima Ekimae】**

KOKO HOTEL Hiroshima Ekimae is an accommodation-specialized hotel located at an approximate 5-minute walk from “Hiroshima” station on the JR Sanyo Main Line. It is a relatively new as construction was completed in 2019, and is a highly visible hotel as it faces the main street. Hiroshima-shi which is the center of the Chugoku region gathers headquarters and branch offices of companies and is also close to entertainment districts such as Kamiyacho, Nagarekawa, and Hatchobori, and therefore can bring in business demand. Also,

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there is good access to sightseeing spots such as the Peace Memorial Park which has the Atomic Bomb Dome and Miyajima where there is the world cultural heritage Itsukushima Shrine, and has abundant sightseeing demand including for inbound visitors. In July 2023, flights to Vietnam began service, and also in 2025 a new station building is expected to be completed as a part of the large-scale redevelopment project of “Hiroshima” station which are expected to further boost the number of sightseeing visitors.

As to property features, the hotel has a total of 250 guest rooms mainly centered on rooms which can accommodate 2 or more guests, and is suitable for both travel demand and business demand.

As a result of comprehensively considering the location features and property features etc. described above, the decision to acquire the property was made, given that stable income from the property is anticipated in the mid- to long-term, and also given future internal growth, it was judged that the property would contribute mainly to the improvement of growth of portfolio revenues.

#### **【KOKO HOTEL Kagoshima Tenmonkan】**

KOKO HOTEL Kagoshima Tenmonkan is an accommodation-specialized hotel located at an approximate 4-minute walk from “Tenmonkan-dori” station on the Kagoshima City tram Line. The hotel has good access to Kagoshima Airport, as it is also located at an approximate 3-minute walk from the “Tenmonkan” bus stop to catch the bus to Kagoshima Airport. Kagoshima shi is a major city in the South Kyushu region which has many local government agency offices as well as branch offices of major corporations. Furthermore, as it is located in “Tenmonkan” which is the largest downtown district within Kagoshima shi, it is possible to attract business demand. Also, it is also possible to obtain sightseeing visitors going on a historical excursion of historical sites in Kagoshima shi and visitors to Sakurajima. At Kagoshima Airport, the extension of the international airline terminal building was completed in 2020 and the enhancement of the Airport’s processing capacity is expected to contribute to increase in the number of travelers post COVID-19. In addition, once the additional runway at Fukuoka Airport expected to be completed in 2025 comes into service, along with the increase in travelers making trips within the Kyushu region, it is anticipated that inbound travelers will also increase in Kagoshima-shi.

As to property features, the hotel has a total of 295 guest rooms mainly centered on rooms which can accommodate 2 or more guests, and is suitable for both travel demand and business demand.

As a result of comprehensively considering the location features and property features etc. described above, the decision to acquire the property was made, given that stable income from the property is anticipated in the mid- to long-term, and also given future internal growth, it was judged that the property would contribute mainly to the improvement of growth of portfolio revenues.

#### **【Fino Hotel Sapporo Odori】**

Fino Hotel Sapporo Odori is an accommodation-specialized hotel located at an approximate 3-minute walk from “Odori” station on the Sapporo Municipal Subway Namboku Line. The hotel is situated along the train street which is a major street and is highly visible, and it is also close to the bus stop for the bus connecting JR “Sapporo” station to New Chitose Airport. It also has good access to sightseeing spots within Sapporo shi such as Odori Park and the Sapporo clock tower, as well as to downtown areas such as Susukino. Furthermore, it is conveniently located as a center for sightseeing, and not limited to business use. Of the Assets to be Acquired, the hotel operator for both this property and KOKO HOTEL Sapporo Ekimae is Polaris Group, which is expected to have a synergy effect in terms of both attracting customers and managing expenses in operating these two hotels in the Sapporo district.

As to property features, as construction was completed in 2020, it has functional facilities and also the entire building has a clean image. The hotel has a total of 145 guest rooms mainly centered on rooms which can accommodate 2 or more guests, and there are also rooms which can accommodate up to 4 guests, and the hotel is highly appealing not only for business demand but also for travel demand including group travel and family travel.

As a result of comprehensively considering the location features and property features etc. described above, the decision to acquire the property was made, given that stable income from the property is anticipated in the mid- to long-term, and also given future internal growth, it was judged that the property would contribute mainly to the improvement of growth of portfolio revenues.

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**【Best Western Plus Fukuoka Tenjin-minami】**

Best Western Plus Fukuoka Tenjin-minami is an accommodation-specialized hotel located at an approximate 5-minute walk from “Tenjin-Minami” station on the Fukuoka City Subway Nanakuma Line, and an approximate 11-minute walk from “Tenjin” station on the Fukuoka City Subway Airport Line. It has good access from “Hakata” station, which is a terminal station of the bullet train (shinkansen) as well as from Fukuoka Airport, and entertainment district of “Tenjin” station area and the “Hakata Nakasu Area” are also within walking distance, and the hotel can attract both business demand and travel demand.

As to property features, construction was completed in 2020, and the hotel has a restaurant and a fitness room. It has a total of 236 guest rooms which are mainly centered on rooms of double and twin rooms, but also has triple and four-bed rooms, and may attract group travel and family travel guests suitable for travel demand in addition to business demand.

As a result of comprehensively considering the location features and property features etc. described above, the decision to acquire the property was made, given that stable income from the property is anticipated in the mid- to long-term, and also with future internal growth, it was judged that the property would contribute mainly to improvement in the growth of portfolio revenues.

**【Urban Park Mitaka】**

Urban Park Mitaka is a newly constructed residence (construction completed in June 2023) located at an approximate 16-minute walk from “Mitaka” station on the JR Chuo Line. The nearest “Mitaka” station is accessible to “Shinjuku” station on the JR Line in approximately 14 minutes and “Tokyo” station on the JR Line in approximately 35 minutes. Given the good access to the city center, it is highly convenient for commuting, and also, as the region is a combination of both residences and commerce, there are retail facilities which will be convenient for everyday life, and there are also cultural centers and green parks, making for a favorable residential environment. It is an area where stable leasing demand can be expected mainly from family residents.

As to property features, as construction was completed in June 2023, it is a newly-built residential property 3-stories high with a total of 14 housing units with 4LDK and 3LDK floor plans, and which have the latest housing equipment.

Given the favorable location features and property features, it is believed that occupancy rates will stabilize at an early stage. As a result of comprehensively considering the location features and property features etc. described above, the decision to acquire the property was made, given that stable income from the property is anticipated in the mid- to long-term, it was judged that the property would contribute mainly to the improvement of stability of portfolio revenues.

**【Urban Park Kamata Minami I, Urban Park Kamata Minami II】**

Urban Park Kamata Minami I and Urban Park Kamata Minami II are residences located at an approximate 10-minute walk from “Zoshiki” station on the Keikyu Main Line and an approximate 12-minute walk from “Kojiya” station on the Keikyu Airport Line.

From the nearest station, it is possible to access “Tokyo” station on the JR Line in approximately 32 minutes and “Keikyu Kawasaki” station on the Keikyu Main Line in approximately 3 minutes, and “Yokohama” station on the JR Line in approximately 18 minutes. The properties are located in a highly convenient area given good access not only from the Tokyo area but also to business centers and commercial centers, and also has convenient living facilities in the surrounding area.

As to property features, Urban Park Kamata Minami I is a relatively new residence whose construction was completed on September 29, 2022, and has the latest housing equipment. It is composed of a total of 36 housing units with floor plans of 1DK and 1LDK. Urban Park Kamata Minami II is a residence whose construction is not yet completed and is expected to be completed on October 31, 2023, and which will have the latest housing equipment. It is composed of a total of 71 housing units with floorplans ranging from 1R to 2DK, and will be highly appealing to single-person households and small households.

As a result of comprehensively considering the location features and property features etc. described above, the decision to acquire the property was made, given that stable income from the property is anticipated in

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the mid- to long-term, it was judged that the property would contribute to the improvement of the stability of portfolio revenues.

**【Urban Park Umejima】**

Urban Park Umejima is a single-type residential property whose construction is not yet completed, located at an approximate 12-minute walk from “Umejima” station on the Tobu Isesaki Line. In the surrounding area, in addition to the shopping street in front of Umejima station, there are many convenient living facilities such as hospitals, schools, and clinics, and there is a retail facility which will enhance living convenience and has a favorable housing environment with parks and greenery. A large-scale super market has also opened in front of the station in June 2023. The nearest “Umejima” station is approximately 35 minutes from “Tokyo” station and has good access to major business areas.

As to property features, construction is expected to be completed in November 2023 with the latest housing equipment. It is expected to have a total of 46 housing units with floor plans ranging from 1K to 2LDK, and will be highly appealing to single-person households or small households.

The property is expected to be acquired immediately after construction completion, and given its location features and property features, we believe it is possible to stabilize occupancy rates at an early stage.

(2) Asset to be Transferred

**【Urban Park Koenji】**

Urban Park Koenji is a single-type residence located at an approximate 4-minute walk from “Koenji” station on the JR Chuo Line.

The Koenji area where the property is located has good access to the main areas in Tokyo such as Shinjuku, by use of the JR Chuo Line, Sobu Line, and Tokyo Metro Tozai Line. Furthermore, there are many shopping streets in front of the station, and is a residential property highly appealing to mainly to the young adults and single-person households. Due to COVID-19, there were periods between 2020 and 2021 when college students and business bachelors moved out and the occupancy rate declined, but more recently occupancy rates have recovered and the property is making stable earnings. However, there was concern for maintaining future revenues from the property, as it is a 35.7-year-old building (as of the end of May 2023), and also if it should happen that the property is to be rebuilt, it would be subject to restrictions under the construction guidelines for housing complexes etc. stipulated by Suginami Ward of Tokyo which provides for minimum exclusive use floor areas per housing unit. Under such circumstances, we searched for and found a real estate investor who could put high value on the area of the property and present a purchase price which exceeds the appraisal value, and reached an agreement, and therefore the assignment was decided. It was judged that replacing the property with the newly built “Urban Park Umejima” would strengthen the portfolio.

In the Asset Manager’s Management Guidelines which prescribe the basic rules for investment management, SAR has established the Tokyo Area (Note) as the main target investment area, and prescribed that the investment ratio in the same area should be at least 70% on acquisition price basis, in principle. After the Acquisition, the Tokyo Area ratio of the entire portfolio will become 63.4%. Although the investment ratio in the Tokyo Area will be estimated to become lower than 70%, if the 3 suburban retail facilities, “La Park Kishiwada”, “Suroy Mall Chikushino”, and “Seiyu Minakuchi”, which have been considered to be sold are excluded, the calculated Tokyo Area ratio is 67.7%.

As SAR will continue to uphold the investment policy of maintaining at least 70% (on acquisition price basis) of investments in the Tokyo Area going forward as the main investment target area, there are no changes made to the investment ratios set by area prescribed in the Management Guidelines.

(Note) SAR has classified investment target areas into “Tokyo Area” and “Major Metropolitan Areas”, and has designated investment areas within each classification by asset type (usage). Tokyo, Kanagawa, Saitama, and Chiba prefectures are defined as the “Tokyo Area”. The same applies below.

3. Summary of Assets to be Acquired

Overview of Assets to be Acquired is shown in the tables (1)-(11) below. For a glossary of the terms used in

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the tables, please refer to “Reference Material 5 The terms used in the table of Description of Assets to be Acquired and Asset to be Transferred” below.

(1) KOKO HOTEL Ginza 1-chome

Property No.	HTL-10	Property name	KOKO HOTEL Ginza 1-chome		Type	HOTEL
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust		Trustee		Mizuho Trust & Banking Co., Ltd.
Planned acquisition price		17,800 million yen		Planned acquisition date		September 1, 2023
Appraised value		18,600 million yen		Seller		GK Dart
Location		1-5-37 Ginza, Chuo-ku, Tokyo and others				
Indication of residential address		1-9-5 Ginza, Chuo-ku, Tokyo				
Nearest station		Approx. 1-minute walk from “Ginza 1-chome” Station of Tokyo Metro Yurakucho Line				
Land	Type of ownership	Proprietary ownership				
	Site area	848.78m <sup>2</sup>	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		700% (Note1)	
Building	Type of ownership	Proprietary ownership				
	Total floor area	7,299.11m <sup>2</sup>	Use		Hotel	
	Construction completion	October 29, 2014	Structure and floors		Steel-framed reinforced concrete structure B1/12F	
Property management company	Tokyo Capital Management Co.,Ltd.		Master lease company		SAR	
Type of master lease		Pass-through		Security		Unsecured
Trust expiration date		August 31, 2033				
Status of leasing (Note 2)						
Total leasable are		7,299.11m <sup>2</sup>	Monthly rent (including common area maintenance fee)		-	
Total leased area		7,299.11m <sup>2</sup>	Security and guarantee deposits		10,492,600yen	
Total number of tenants		1				
Occupancy rate						
		January 2023	February 2023	March 2023	April 2023	May 2023
		-	-	-	-	-
Special notation		Not applicable.				

(Note 1) The permitted FAR is 800% due to relaxation of FAR restrictions in high-level use districts.

(Note 2) SAR which is the master lease company is expecting to sign the lease agreement described below with KOKO HOTEL Ginza 1-chome Godo Kaisha on the same day as the planned acquisition date. KOKO HOTEL Ginza 1-chome Godo Kaisha is planning to outsource the management of the Property on the same day to KOKO HOTELS Co., Ltd. Once KOKO HOTELS Co., Ltd. acquires a travel operating business license, it is planned that KOKO HOTELS Co., Ltd. will succeed to KOKO HOTEL Ginza 1-chome Godo Kaisha's status as lessee.

- Form of contract: fixed-term building lease agreement
- Contract period: September 1, 2023 to August 31, 2038
- Rent: 1<sup>st</sup> year: fixed rent (15,600,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)  
2<sup>nd</sup> year and thereafter: fixed rent (23,300,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)

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- Security deposit: Includes security deposits etc. received from sub-leases.

Property Features/ Key Points of Evaluation

- A highly competitive hotel located in the Ginza area which is one of Japan's representative commercial districts.
- The location has highly convenient transportation access, as it is located at an approximate 1-minute walk from the nearest "Ginza 1-chome" station on the Tokyo Metro Yurakucho Line.
- Given the rarity and location superiority as a hotel located in the Ginza area, the hotel is able to take in both business demand and travel demand.
- Given convenient transportation access, the property has good access to nearby tourism resources, and also as it is envisioned that accommodation demand from Japan and abroad is expected to further increase, growth in revenues is expected.

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Summary of Real Estate Appraisal Report		
Property name	KOKO HOTEL Ginza 1-chome	
Appraisal value	18,600,000,000 yen	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Description, etc.
Indicated value by income approach	18,600,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value of direct capitalization approach	18,800,000,000	
(1) Operating revenue ((a)-(b))	787,926,000	
(a) Gross potential income	787,926,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	67,911,000	
Maintenance and management Fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	3,758,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,440,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	62,183,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	530,000	Appraised based on the insurance agreement and the level of similar real estate.
Other expenses	0	
(3) Net operating income (NOI=(1)-(2))	720,015,000	
(4) Financial interests on deposits	105,000	Appraised investment return as 1.0%.
(5) Capital expenditures	9,081,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	15,932,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF=(3)+(4)-(5)-(6))	695,107,000	
(8) Capitalization rate	3.7%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value of DCF method	18,300,000,000	
Discount Rate	3.4%	Appraised by comprehensively taking into account the individual characteristics of the subject real estate, etc.
Terminal capitalization rate	3.8%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risk, and other factors. etc.
Indicated value by cost approach	18,600,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	90.4%	
Ratio of building	9.4%	
Ratio of FF&E	0.2%	
Matters considered in reconciliation of indicated values and determination of appraisal values	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(2) KOKO HOTEL Sapporo Ekimae

Property no.	HTL-11	Property name	KOKO HOTEL Sapporo Ekimae		Type	Hotel
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		Mitsubishi UFJ Trust and Banking Corporation	
Planned acquisition price	6,700 million yen		Planned acquisition date		September 1, 2023	
Appraisal value	7,040 million yen		Seller		GK Dart	
Location	3-10, Kita 1-jo Nishi 3-chome, Chuo-ku, Sapporo-shi, Hokkaido					
Indication of residential address	3-10, Kita 1-jo Nishi 3-chome, Chuo-ku, Sapporo-shi, Hokkaido					
Nearest station	Approx. 4-minute walk from "Odori" Station of Sapporo Municipal Subway Tozai Line					
Land	Type of ownership	Proprietary ownership				
	Site area	734.34 m <sup>2</sup>	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		800%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	5,886.67 m <sup>2</sup>	Use		Hotel/Shop/Parking	
	Construction completion	October 20, 2015	Structure and floors		Steel-framed B1/12F	
Property management company	Tokyo Capital Management Co., Ltd.		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2033					
Status of leasing (Note)						
Total leasable area	5,886.67 m <sup>2</sup>		Monthly rent (including common area maintenance fee)		-	
Total leased area	5,886.67 m <sup>2</sup>		Security and guarantee deposits		41,417,070 yen	
Total number of tenants	1					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	-	-	-	-	-	
Special notation	Not applicable					

(Note) SAR which is the master lease company is expecting to sign the lease agreement described below with KOKO HOTEL Sapporo Ekimae Godo Kaisha on the same day as the planned acquisition date. KOKO HOTEL Sapporo Ekimae Godo Kaisha is planning to outsource the management of the Property on the same day to KOKO HOTELS Co., Ltd. Once KOKO HOTELS Co., Ltd. acquires a travel operating business license, it is planned that KOKO HOTELS Co., Ltd. will succeed to KOKO HOTEL Sapporo Ekimae Godo Kaisha's status as lessee.

- Form of contract: fixed-term building lease agreement
- Contract period: September 1, 2023 to August 31, 2038
- Rent: 1<sup>st</sup> year: fixed rent (7,600,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)  
2<sup>nd</sup> year and thereafter: fixed rent (11,400,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

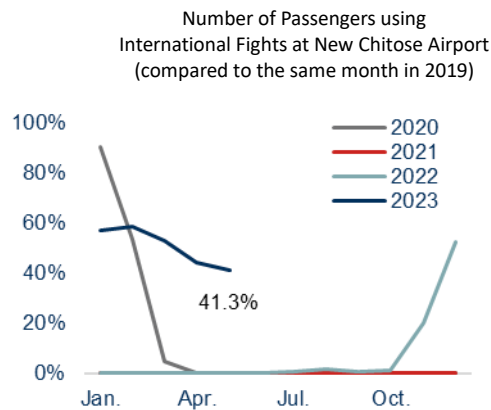
Note: This press release does not in any way constitute any part of an offering of securities for investment. This press release has been prepared for the purpose of announcing to the public certain matters relating to the acquisition and lease contract with new tenants, and transfer, of real estate beneficiary interests in trust, and not for the purpose of soliciting any investment, within or outside of Japan. Additionally, this press release is not an offer of securities for sale in the United States. SAR's securities have not been, and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. No offering or sale of securities in the United States will be made in connection with the above-mentioned acquisitions. This press release is not for publication, distribution or release, directly or indirectly in or into the United States of America.

Property Features/ Key Points of Evaluation

- The property has highly convenient transportation access, as it is located at an approximate 4-minute walk from “Odori” station on the Sapporo Municipal Subway Tozai Line. It is also located in a highly busy area nearby “Sapporo Ekimae-dori” which is one of the main streets of sightseeing in Sapporo.
- The hotel offers mainly semi-double, double, and twin rooms which can accommodate 2 or more guests, suitable for business demand and travel demand.
- Given the location feature and room-type composition, it can in particular take in travel demand, and given the increase in accommodation demand, growth in revenues is expected.

<Trend of travel demand in the Sapporo Area>

- The number of international flight passengers of New Chitose Airport has shown a trend of recovery since autumn of 2022, however, more recently use has remained at around 50% of the same month in 2019.
- Also with respect to the number of tourists including foreigners visiting Sapporo has transitioned at below 1 million visitors per month, and has not shown recovery to the levels of 2019.



Source: Prepared by the Asset Manager based on the Ministry of Land, Infrastructure, Transport and Tourism’s “Airport Management Status” and Tokyo Regional Civil Aviation Bureau’s “Summary table of the overview of use of airports within the jurisdiction”



Source: Prepared by the Asset Manager based on Sapporo City’s “Tourism Statistics Data”.

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Summary of real estate appraisal report		
Property name	KOKO HOTEL Sapporo Ekimae	
Appraisal value	7,040,000,000 yen	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	7,040,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	7,170,000,000	
(1) Operating revenue ((a)-(b))	361,316,000	
(a) Gross potential income	361,316,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	35,164,000	
Maintenance and management fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	2,764,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,320,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	30,622,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	458,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	0	
(3) Net operating income (NOI=(1)-(2))	326,152,000	
(4) Financial interests on deposits	410,000	Appraised investment return as 1.0%.
(5) Capital expenditures	6,706,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	11,335,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF=(3)+(4)-(5)-(6))	308,521,000	
(8) Capitalization rate	4.3%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	6,910,000,000	
Discount rate	4.1%	Appraised by comprehensively taking into account the individual characteristics, etc. of the subject property.
Terminal capitalization rate	4.5%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	6,720,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	71.0%	
Ratio of building	28.2%	
Ratio of FF&E	0.8%	
Matters considered in reconciliation of indicated values and determination of appraisal value		Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.

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(3) KOKO HOTEL Fukuoka Tenjin

Property no.	HTL-12	Property name	KOKO HOTEL Fukuoka Tenjin		Type	Hotel
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		Mitsubishi UFJ Trust and Banking Corporation	
Planned acquisition price	5,000 million yen		Planned acquisition date		September 1, 2023	
Appraisal value	5,370 million yen		Seller		GK Dart	
Location	1-370 Imaizumi, Chuo-ku, Fukuoka-shi, Fukuoka and others					
Indication of residential address	1-22-14 Imaizumi, Chuo-ku, Fukuoka-shi, Fukuoka					
Nearest station	Approx. 4-minute walk from "Tenjin Minami" Station of Fukuoka city subway Nanakuma Line					
Land	Type of ownership	Proprietary ownership				
	Site area	752.89m <sup>2</sup> (Note1)	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		600%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	4,404.91m <sup>2</sup>	Use		Hotel	
	Construction completion	August 20, 2007	Structure and floors		Reinforced concrete structure 14F	
Property management company	OHI Co.,Ltd.		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2033					
Status of leasing (Note 2)						
Total leasable area	4,404.91m <sup>2</sup>		Monthly rent (including common area maintenance fee)		-	
Total leased area	4,404.91m <sup>2</sup>		Security and guarantee deposits		9,818,400 yen	
Total number of tenants	1					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	-	-	-	-	-	
Special notation	Not applicable					

(Note 1) Includes the setback area of 7.33m<sup>2</sup>.

(Note 2) SAR which is the master lease company is expecting to sign the lease agreement described below with KOKO HOTEL Fukuoka Tenjin Godo Kaisha on the same day as the planned acquisition date. KOKO HOTEL Fukuoka Tenjin Godo Kaisha is planning to outsource the management of the Property on the same day to KOKO HOTELS Co., Ltd. Once KOKO HOTELS Co., Ltd. acquires a travel operating business license, it is planned that KOKO HOTELS Co., Ltd. will succeed to KOKO HOTEL Fukuoka Tenjin Godo Kaisha's status as lessee.

- Form of contract: fixed-term building lease agreement
- Contract period: September 1, 2023 to August 31, 2038
- Rent: 1<sup>st</sup> year: fixed rent (5,500,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)  
2<sup>nd</sup> year and thereafter: fixed rent (8,200,000yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

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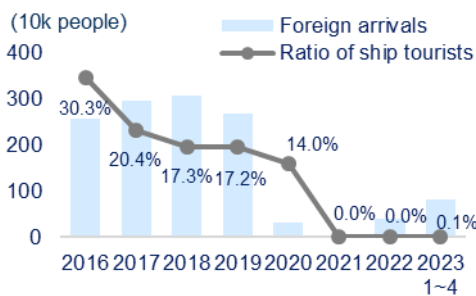
Property Features/ Key Points of Evaluation

- The property has highly convenient transportation access, as it is located at an approximate 4-minute walk from “Tenjin-Minami” station on the Fukuoka City Subway Nanakuma Line, and also has good access to areas surrounding Tenjin Station which is a commercial district in Fukuoka.
- The hotel offers mainly double or twin rooms, and can take in both travel demand and business demand.
- At Fukuoka Airport, newly installed runways are expected to start operations in 2025, and it is expected that the number of travelers will increase given the increase in airport processing capacity.
- Given the location feature of being close to a commercial district, and also as it is envisioned that the number of air travelers will increase, and given the increase in accommodation demand, growth in revenues is expected.

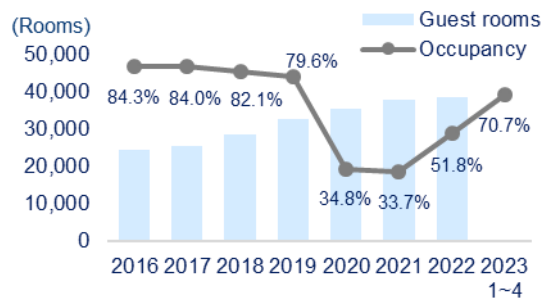
<Trend of travel demand in Fukuoka Tenjin Area>

- Although the number of foreigners entering in Japan is sharply recovering in 2023, ship tourism has not yet recovered, and it is anticipated that demand will recover further once ship sightseeing restarts and the number of tourists from China recovers.
- Given the increase in travel demand domestically and also from abroad, the number of guest rooms showed an increasing trend even during COVID-19, and occupancy rates showed signs of recovery since 2022.

Transition of the number of foreigners entering Japan from Fukuoka Airport and Hakata Port



Number of Guest Rooms and Room Occupancy Rates in Fukuoka City



Source of above two charts:

Prepared by the Asset Manager based on Ministry of Justice “Immigration Control Statistics”, Japan Tourism Agency “Overnight Trips Statistics Survey”, Fukuoka City Tourism Statistics “Tourism in Fukuoka City (MICE)” 2018 and 2023 editions

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Summary of real estate appraisal report		
Property name	KOKO HOTEL Fukuoka Tenjin	
Appraisal value	5,370,000,000	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	5,370,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	5,430,000,000	
(1) Operating revenue ((a)-(b))	277,131,000	
(a) Gross potential income	277,131,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	34,143,000	
Maintenance and management fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	2,976,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,440,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	29,391,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	336,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	0	
(3) Net operating income (NOI=(1)-(2))	242,988,000	
(4) Financial interests on deposits	98,000	Appraised investment return as 1.0%.
(5) Capital expenditures	7,223,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	7,706,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF=(3)+(4)-(5)-(6))	228,157,000	
(8) Capitalization rate	4.2%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	5,300,000,000	
Discount rate	3.9%	Appraised by comprehensively taking into account the individual characteristics, etc. of the subject property.
Terminal capitalization rate	4.3%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	5,780,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	85.3%	
Ratio of building	13.7%	
Ratio of FF&E	1.0%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(4) KOKO HOTEL Hiroshima Ekimae

Property no.	HTL-13	Property name	KOKO HOTEL Hiroshima Ekimae		Type	Hotel
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust		Trustee		Mizuho Trust & Banking Co., Ltd.
Planned acquisition price		4,100 million yen		Planned acquisition date		September 1, 2023
Appraisal value		4,280 million yen		Seller		GK Dart
Location		10-2 Kyobashi-cho, Minami-ku, Hiroshima-shi, Hiroshima				
Indication of residential address		10-3 Kyobashi-cho, Minami-ku, Hiroshima-shi, Hiroshima				
Nearest station		Approx. 5-minute walk from "Hiroshima" Station of JR Sanyo Line				
Land	Type of ownership	Proprietary ownership				
	Site area	534.09m <sup>2</sup>	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		900%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	5,370.75m <sup>2</sup>	Use		Hotel	
	Construction completion	December 17, 2019	Structure and floors		Steel-framed reinforced concrete structure B1/14F	
Property management company		OHI Co.,Ltd.		Master lease company		SAR
Type of master lease		Pass-through		Security		Unsecured
Trust expiration date		August 31, 2033				
Status of leasing (Note)						
Total leasable area		5,370.75m <sup>2</sup>	Monthly rent (including common area maintenance fee)		-	
Total leased area		5,370.75m <sup>2</sup>	Security and guarantee deposits		4,359,100 yen	
Total number of tenants		1				
Occupancy rate						
		January 2023	February 2023	March 2023	April 2023	May 2023
		-	-	-	-	-
Special notation		Not applicable				

(Note) SAR which is the master lease company is expecting to sign the lease agreement described below with KOKO HOTEL Hiroshima Ekimae Godo Kaisha on the same day as the planned acquisition date. KOKO HOTEL Hiroshima Ekimae Godo Kaisha is planning to outsource the management of the Property on the same day to KOKO HOTELS Co., Ltd. Once KOKO HOTELS Co., Ltd. acquires a travel operating business license, it is planned that KOKO HOTELS Co., Ltd. will succeed to KOKO HOTEL Hiroshima Ekimae Godo Kaisha's status as lessee.

- Form of contract: fixed-term building lease agreement
- Contract period: September 1, 2023 to August 31, 2038
- Rent: 1<sup>st</sup> year: fixed rent (5,100,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)  
2<sup>nd</sup> year and thereafter: fixed rent (7,700,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

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Property Features/ Key Points of Evaluation

- The property has highly convenient transportation access, as it is located at an approximate 5-minute walk from “Hiroshima” station on the JR Sanyo Main Line, and also the hotel is highly visible as it is facing the main street extending from the front side of “Hiroshima” station.
- Hiroshima shi which is the center of Chugoku Region is a city where headquarters and branches of companies are concentrated, and as the property is located very close to busy areas such as Kamiyacho, Nagarekawa, and Hatchobori, it is possible to attract business demand.
- As the property has good access to the Peace Memorial Park which has the Atomic Bomb Dome and Miyajima where there is the world cultural heritage Itsukushima Shrine, attracting travel demand including foreigners is anticipated.
- Future recovery of business demand is also anticipated and growth in revenues is expected.

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Summary of real estate appraisal report		
Property name	KOKO HOTEL Hiroshima Ekimae	
Appraisal value	4,280,000,000 yen	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	4,280,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	4,350,000,000	
(1) Operating revenue ((a)-(b))	240,168,000	
(a) Gross potential income	240,168,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	27,734,000	
Maintenance and management fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	1,764,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,440,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	24,119,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	411,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	0	
(3) Net operating income (NOI=(1)-(2))	212,434,000	
(4) Financial interests on deposits	44,000	Appraised investment return as 1.0%.
(5) Capital expenditures	4,211,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	12,581,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF=(3)+(4)-(5)-(6))	195,686,000	
(8) Capitalization rate	4.5%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	4,200,000,000	
Discount rate	4.3%	Appraised by comprehensively taking into account the individual characteristics, etc. of the subject property.
Terminal capitalization rate	4.7%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	3,570,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	41.1%	
Ratio of building	56.8%	
Ratio of FF&E	2.1%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(5) KOKO HOTEL Kagoshima Tenmonkan

Property no.	HTL-14	Property name	KOKO HOTEL Kagoshima Tenmonkan		Type	Hotel
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		Mitsubishi UFJ Trust and Banking Corporation	
Planned acquisition price	3,800 million yen		Planned acquisition date		September 1, 2023	
Appraisal value	4,260 million yen		Seller		GK Dart	
Location	4-14 Higashi Sengoku-cho, Kagoshima-shi, Kagoshima and others					
Indication of residential address	4-24 Higashi Sengoku-cho, Kagoshima-shi, Kagoshima					
Nearest station	Approx. 4-minute walk from “Tenmonkan-dori” Station of Streetcar Line					
Land	Type of ownership	Proprietary ownership				
	Site area	882.69㎡	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		500%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	4,622.48㎡(including the attached building)	Use		Hotel/Shop	
	Construction completion	April 19, 2019	Structure and floors		Steel-framed 13F	
Property management company	OHI Co.,Ltd.		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2033					
Status of leasing (Note)						
Total leasable area	4,622.48㎡		Monthly rent (including common area maintenance fee)		-	
Total leased area	4,622.48㎡		Security and guarantee deposits		3,824,000 yen	
Total number of tenants	1					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	-	-	-	-	-	
Special notation	Not applicable					

(Note) SAR which is the master lease company is expecting to sign the lease agreement described below with KOKO HOTEL Kagoshima Tenmonkan Godo Kaisha on the same day as the planned acquisition date. KOKO HOTEL Kagoshima Tenmonkan Godo Kaisha is planning to outsource the management of the Property on the same day to KOKO HOTELS Co., Ltd. Once KOKO HOTELS Co., Ltd. acquires a travel operating business license, it is planned that KOKO HOTELS Co., Ltd. will succeed to KOKO HOTEL Kagoshima Tenmonkan Godo Kaisha's status as lessee.

- Form of contract: fixed-term building lease agreement
- Contract period: September 1, 2023 to August 31, 2038
- Rent: 1<sup>st</sup> year: fixed rent (5,000,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)  
2<sup>nd</sup> year and thereafter: fixed rent (7,500,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

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Property Features/ Key Points of Evaluation

- The property has highly convenient transportation access, as it is located at an approximate 4-minute walk from “Tenmoka-dori” station on the Kagoshima City tram Line, and an approximate 3-minute walk from the “Tenmonkan” bus station of Kagoshima Airport shuttle bus providing good access from Kagoshima Airport.
- Kagoshima City has many governmental agency offices as well as branch offices of major corporations, and also as the property is located in “Tenmonkan” which is the largest downtown district in Kagoshima City, it is possible to attract business demand.
- At Kagoshima Airport, extension and renovation of the international line terminal building was completed in 2020 and the enhancement of the Airport’s processing capacity is expected to contribute to increase in the number of travelers post COVID-19.
- Given the location features of being a busy area and convenient transportation access, increase in future travel demand and growth in revenues is expected.

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Summary of real estate appraisal report		
Property name	KOKO HOTEL Kagoshima Tenmonkan	
Appraisal value	4,260,000,000	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	4,260,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	4,320,000,000	
(1) Operating revenue ((a)-(b))	254,748,000	
(a) Gross potential income	254,748,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	22,416,000	
Maintenance and management fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	2,308,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,440,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	18,322,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	346,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	0	
(3) Net operating income (NOI=(1)-(2))	232,332,000	
(4) Financial interests on deposits	38,000	Appraised investment return as 1.0%.
(5) Capital expenditures	5,514,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	10,898,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF=(3)+(4)-(5)-(6))	215,958,000	
(8) Capitalization rate	5.0%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	4,190,000,000	
Discount rate	4.8%	Appraised by comprehensively taking into account the individual characteristics, etc. of the subject property.
Terminal capitalization rate	5.2%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	2,580,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	31.8%	
Ratio of building	64.0%	
Ratio of FF&E	4.2%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(6) Fino Hotel Sapporo Odori

Property no.	HTL-15	Property name	Fino Hotel Sapporo Odori		Type	Hotel
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		Sumitomo Mitsui Trust Bank, Limited	
Planned acquisition price	4,200 million yen		Planned acquisition date		September 1, 2023	
Appraisal value	4,250 million yen		Seller		GK Tenjin Hotel Kanri	
Location	6-8-1, Minami 1-jo Nishi, Chuo-ku, Sapporo-shi, Hokkaido and others					
Indication of residential address	6-8-1, Minami 1-jo Nishi, Chuo-ku, Sapporo-shi, Hokkaido					
Nearest station	Approx. 3-minute walk from "Odori" Station of Sapporo Municipal Subway Namboku Line					
Land	Type of ownership	Proprietary ownership				
	Site area	626.34 m <sup>2</sup>	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		600%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	3,854.01 m <sup>2</sup>	Use		Hotel	
	Construction completion	June 9, 2020	Structure and floors		Reinforced concrete structure 10F	
Property management company	Tokyo Capital Management Co., Ltd.		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2033					
Status of leasing (Note)						
Total leasable area	3,854.01 m <sup>2</sup>		Monthly rent (including common area maintenance fee)		-	
Total leased area	3,854.01 m <sup>2</sup>		Security and guarantee deposits		4,000,000 yen	
Total number of tenants	1					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	-	-	-	-	-	
Special notation	Not applicable					

(Note) SAR which is the master lease company is expecting to sign the lease agreement described below with Fino Hotels Co. Ltd. on the same day as the planned acquisition date.

- Contract period: September 1, 2023 to August 31, 2038.
- Rent: 1<sup>st</sup> year: fixed rent (4,200,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)  
2<sup>nd</sup> year and thereafter: fixed rent (6,300,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

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Property Features/ Key Points of Evaluation

- The property is located at an approximate 3-minute walk from Odori Station on the Sapporo Municipal Subway Namboku Line, and has an entrance and exit along Densha-dori, a major street, making it a highly visible hotel.
- It is mainly composed of twin rooms and double rooms, and also, there are guest rooms which can accommodate 4 guests and is highly appealing towards group travel and family travel guests.
- Given the location feature and room-type composition, it can take in travel demand in particular, and also given the increase in accommodation demand, growth in revenues is expected.

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Summary of real estate appraisal report		
Property name	Fino Hotel Sapporo Odori	
Appraisal value	4,250,000,000	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	4,250,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	4,320,000,000	
(1) Operating revenue ((a)-(b))	214,961,000	
(a) Gross potential income	214,961,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	21,077,000	
Maintenance and management fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	779,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,440,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	18,568,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	290,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	0	
(3) Net operating income (NOI=(1)-(2))	193,884,000	
(4) Financial interests on deposits	38,000	Appraised investment return as 1.0%.
(5) Capital expenditures	1,892,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	6,322,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF=(3)+(4)-(5)-(6))	185,708,000	
(8) Capitalization rate	4.3%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	4,170,000,000	
Discount rate	4.1%	Appraised by comprehensively taking into account the individual characteristics, etc. of the subject property.
Terminal capitalization rate	4.5%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	4,130,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	61.1%	
Ratio of building	37.5%	
Ratio of FF&E	1.4%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(7) Best Western Plus Fukuoka Tenjin-minami

Property no.	HTL-16	Property name	Best Western Plus Fukuoka Tenjin-minami		Type	Hotel
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		Sumitomo Mitsui Trust Bank, Limited	
Planned acquisition price	3,800 million yen		Planned acquisition date		September 1, 2023	
Appraisal value	4,390 million yen		Seller		GK Tenjin Hotel Kanri	
Location	3-8-16 Haruyoshi, Chuo-ku, Fukuoka-shi, Fukuoka and others					
Indication of residential address	3-13-19 Haruyoshi, Chuo-ku, Fukuoka-shi, Fukuoka					
Nearest station	Approx. 5-minute walk from “Tenjin Minami” Station of Fukuoka city subway Nanakuma Line					
Land	Type of ownership	Right of fixed-term Sublease (Note 1)				
	Site area	1,788.92 m <sup>2</sup> (Note 2)	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		400%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	7,322.03 m <sup>2</sup> (including the attached building)	Use		Hotel	
	Construction completion	April 3, 2020	Structure and floors		Steel-framed 13F	
Property management company	OHI Co., Ltd.		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2033					
Status of leasing (Note 3)						
Total leasable area	7,322.03 m <sup>2</sup>		Monthly rent (including common area maintenance fee)		-	
Total leased area	7,322.03 m <sup>2</sup>		Security and guarantee deposits		0 yen	
Total number of tenants	1					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	-	-	-	-	-	
Special notation	When the building is to be leased to a third party, the consent of the land owner is required.					

(Note 1) A general fixed-term subleasehold agreement has been executed with a term of validity from April 28, 2021 to July 31, 2078.

(Note 2) Including the set-back area of 1.14 m<sup>2</sup>.

(Note 3) SAR which is the master lease company is expecting to sign the lease agreement described below with Fino Hotels Co. Ltd. on the same day as the planned acquisition date.

- Form of contract: fixed-term building lease agreement
- Contract period: September 1, 2023 to August 31, 2033
- Rent: 1<sup>st</sup> year: fixed rent (7,600,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)  
2<sup>nd</sup> year and thereafter: fixed rent (11,400,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

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Property Features/ Key Points of Evaluation

- The property has highly convenient transportation access, as it is located at an approximate 5-minute walk from “Tenjin-minami” station on the Fukuoka City Subway Nanakuma Line, and an approximate 11-minute walk from “Tenjin” station on the Fukuoka City Subway Airport Line.
- It is within walking distance from the busy area surrounding “Tenjin” station and “Hakata Nakasu Area”, and can take in travel demand.
- Fukuoka Airport is expected to start operating an additional runway in 2025, and increase in the number of travelers is anticipated given the increase in process capacity of the Airport.
- Given the location feature of being close to a commercial district and also the expectation that the number of persons traveling by air will increase, and also given the increase in accommodation demand, growth in revenues is expected.

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Summary of real estate appraisal report		
Property name	Best Western Plus Fukuoka Tenjin-minami	
Appraisal value	4,390,000,000	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	4,390,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	4,430,000,000	
(1) Operating revenue ((a)-(b))	372,048,000	
(a) Gross potential income	372,048,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	115,937,000	
Maintenance and management fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	2,333,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,440,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	19,487,000	Not booked for land as it is leased land. Taxes for building is booked based on the building tax related documents.
Insurance premium	553,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	92,124,000	Appraised taking into account the land rent and the rent revision provisions in the fixed-term land-lease agreement.
(3) Net operating income (NOI=(1)-(2))	256,111,000	
(4) Financial interests on deposits	-2,640,000	Appraised investment return as 1.0% on security deposits, etc. based on fixed-term lease contracts, booked investment loss.
(5) Capital expenditures	5,692,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	17,508,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF=(3)+(4)-(5)-(6))	230,271,000	
(8) Capitalization rate	5.2%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	4,340,000,000	
Discount rate	4.5%	Appraised by comprehensively taking into account the individual characteristics, etc. of the subject property.
Terminal capitalization rate	5.5%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	4,010,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	24.2%	
Ratio of building	73.0%	
Ratio of FF&E	2.8%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(8) Urban Park Mitaka

Property no.	RSC-22	Property name	Urban Park Mitaka		Type	Residence
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		SMBC Trust Bank Ltd.	
Planned acquisition price	743 million yen		Planned acquisition date		September 1, 2023	
Appraisal value	1,010 million yen		Seller		Meiho Enterprise Co.,Ltd.	
Location	6-479, KamiRenjaku, Mitaka-shi, Tokyo and others					
Indication of residential address	6-12-18, KamiRenjaku, Mitaka-shi, Tokyo					
Nearest station	Approx. 16-minute walk from “Mitaka” Station of JR Chuo Line					
Land	Type of ownership	Proprietary ownership				
	Site area	947.92m <sup>2</sup>	Use district		Neighborhood commercial zone	
	Building coverage ratio	80%	Floor area ratio		200% (Note 1)	
Building	Type of ownership	Proprietary ownership				
	Total floor area	1,201.39m <sup>2</sup>	Use		Residence	
	Construction completion	June 8, 2023	Structure and floors		Steel-framed with alloy plated steel sheet 3F	
Property management company	Apaman Property Co.,Ltd.		Master lease company		Apaman Property Co.,Ltd.	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2033					
Status of leasing (as of the end of May 2023)						
Total leasable area	1,179.94m <sup>2</sup>		Monthly rent (including common area maintenance fee)		—	
Total leased area	—		Security and guarantee deposits		—	
Total number of tenants	—					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	—	—	—	—	—	
Special notation	Not applicable					

(Note 1) The building is built on two types of use districts (neighborhood commercial district and category 1 residential district), and the weighted average permitted FAR is 280.95%. However, since the land in question is an alley-like site, the floor-area ratio allowed is approximately 125% due to building restrictions such as the Tokyo Metropolitan Safety Ordinance.

(Note 2) As date of completion was June 8, 2023, it was not yet in operation as of the end of May 2023.

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Property Features/ Key Points of Evaluation
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|---|
| <ul style="list-style-type: none"> <li>➤ The property is located at an approximate 16-minute walk from “Mitaka” station on the JR Chuo Line, and is a residence which is highly convenient for commuting given good access to central Tokyo, as it is an approximate 14-minutes to “Shinjuku” station on the JR Lines and an approximate 35-minutes to “Tokyo” station on the JR Lines from the nearest “Mitaka” station.</li> <li>➤ In addition to having retail facilities which will be convenient for everyday life, there are also cultural centers and green parks, making for a favorable residential environment.</li> <li>➤ It is a newly built resident with construction completed in June 2023, and has the latest housing equipment. It is a family type residence, 3 stories high with 4LDK and 3LDK floor plans (average exclusive area of more than 84㎡).</li> <li>➤ It is a residence which is expected to have stable occupancy, as it is newly built with a nice residential environment, and has ample housing unit floor area and will be highly appealing to families.</li> </ul> |
|---|

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Summary of real estate appraisal report		
Property name	Urban Park Mitaka	
Appraisal value	1,010,000,000 yen	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	1,010,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	1,020,000,000	
(1) Operating revenue ((a)-(b))	45,068,000	
(a) Gross potential income	47,485,000	Booked by appraising rents which may be received stably in the mid- to long-term, based on the new rent levels.
(b) Vacancy loss, etc.	2,417,000	Recorded by taking into account the occupancy status of similar properties, supply and demand trends, and the status of the subject property, etc.
(2) Operating expenses	8,199,000	
Maintenance and management fee	1,000,000	Recorded by taking into account the individual characteristics of the subject real estate, etc. based on the level of similar real estate.
Utilities expenses	500,000	Recorded by taking into account the individual characteristics of the subject real estate, etc. based on the level of similar real estate.
Repair expenses	527,000	Booked by taking into account expense levels for similar real estate properties and repair and renewal costs in the ER, in addition to the cost for restoration to the original state which is normally assumed.
Property management fee	860,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	1,716,000	Leasing fees etc. and renewal fees have been booked by referring to the contract terms of the subject real estate property and the leasing conditions etc. of similar real estate properties and also by taking into account replacement rates and occupancy rates etc.
Property taxes	3,523,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	73,000	Appraised based on the insurance agreement and the level of similar real estate.
Other expenses	0	
(3) Net operating income (NOI=(1)-(2))	36,869,000	
(4) Financial interests on deposits	34,000	Appraised investment return as 1.0%.
(5) Capital expenditures	189,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) Net cash flow (NCF=(3)+(4)-(5))	36,714,000	
(7) Capitalization rate	3.6%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	996,000,000	
Discount rate	3.4%	Appraised, taking into account the individual characteristics of the subject property, etc., with reference to the investment yields of similar properties.
Terminal capitalization rate	3.7%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	1,010,000,000	Estimated by multiplying the total of the land price and the building price by marketability correction rate.
Ratio of land	66.1%	
Ratio of building	33.9%	
Matters considered in reconciliation of indicated values and determination of appraisal value		Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.

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(9) Urban Park Kamata Minami I

Property no.	RSC-23	Property name	Urban Park Kamata Minami I		Type	Residence
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		SMBC Trust Bank Ltd.	
Planned acquisition price	641 million yen		Planned acquisition date		December 1, 2023	
Appraisal value	864 million yen		Seller		Jyukyo. Co, Ltd	
Location	1-20-2, Higashirokugo, Ota-ku, Tokyo and others					
Indication of residential address	1-11-5, Higashirokugo, Ota-ku, Tokyo					
Nearest station	Approx. 10-minute walk from “Zoshiki” Station of Keikyu Line					
Land	Type of ownership	Land lease				
	Site area	502.47 m <sup>2</sup>	Use district		Quasi-industrial zone	
	Building coverage ratio	60%	Floor area ratio		200%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	1,239.35 m <sup>2</sup>	Use		Residence	
	Construction completion	September 29, 2022	Structure and floors		Reinforced concrete structure 5F	
Property management company	Goodworks Co., Ltd.		Master lease company		Goodworks Co., Ltd.	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	November 30, 2033					
Status of leasing (as of the end of May 2023)						
Total leasable area	971.00 m <sup>2</sup>		Monthly rent (including common area maintenance fee)		3,532 thousand yen	
Total leased area	930.07 m <sup>2</sup>		Security and guarantee deposits		347 thousand yen	
Total number of tenants	35					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	52.4%	73.5%	92.1%	97.3%	95.8%	
Special notation	Not applicable					

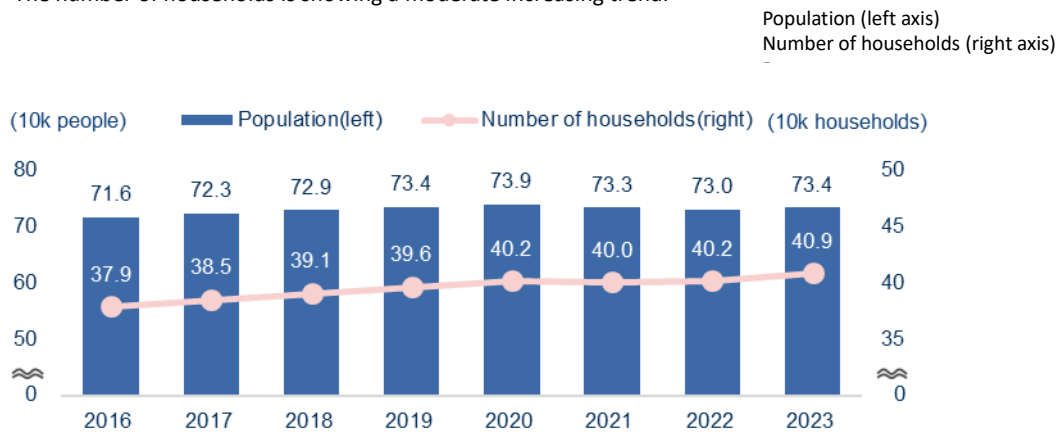
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**Property Features/ Key Points of Evaluation**

- The property is located at an approximate 10-minute walk from “Zoshiki” station on the Keikyu Main Line and an approximate 12-minute walk from “Kojiya” station on the Keikyu Airport Line, and can access “Tokyo” station on the JR Line in approximately 32 minutes, “Keikyu Kawasaki” station on the Keikyu Main Line in approximately 3 minutes, and “Yokohama” station on the JR Line in approximately 18 minutes, making it a residential property with good access to business centers and commercial districts, not just limited to the Tokyo area.
- It is a relatively new residence which was completed on September 29, 2022 equipped with the latest housing facilities, and the floor plans of 1DK and 1LDK making it a residence highly appealing to single persons and small families.
- The number of households in Ota Ward is showing an increasing trend, and also given its highly convenient transportation access and the fact that it is relatively newly built, stable occupancy is anticipated.

**<Demographics of Ota Ward, Tokyo>**

- The population of Ota ward has transitioned stably since 2016.
- The number of households is showing a moderate increasing trend.



Source: Prepared by the Asset Manager based on “Basic Resident Register” of Ota Ward, Tokyo.  
 Note: Population and number of households figures stated are as of July 1 of each year.

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Summary of real estate appraisal report		
Property name	Urban Park Kamata Minami I	
Appraisal value	864,000,000 yen	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	864,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	878,000,000	
(1) Operating revenue ((a)-(b))	43,737,000	
(a) Gross potential income	46,360,000	Booked by appraising rents which may be received stably in the mid- to long-term, based on the current rent levels.
(b) Vacancy loss, etc.	2,623,000	Recorded by taking into account the occupancy status of similar properties, supply and demand trends, and the status of the subject property, etc.
(2) Operating expenses	11,770,000	
Maintenance and management fee	1,716,000	Booked by referring to actual past figures and levels of similar real estate, and also by considering the individual characteristics of the subject real estate property.
Utilities expenses	700,000	Booked by referring to actual past figures and levels of similar real estate, and also by considering the individual characteristics of the subject real estate property.
Repair expenses	586,000	Booked by referring to actual costs, and taking into account expense levels for similar real estate properties and repair and renewal costs in the ER, in addition to the cost for restoration to the original state which is normally assumed.
Property management fee	766,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	2,527,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Property taxes	3,001,000	Not booked for land as it is leased land. Property tax for the building is assessed based on the replacement cost etc.
Insurance premium	74,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	2,400,000	Booked the land rent etc.
(3) Net operating income (NOI=(1)-(2))	31,967,000	
(4) Financial interests on deposits	16,000	Appraised investment return as 1.0%.
(5) Capital expenditures	363,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) Net cash flow (NCF=(3)+(4)-(5))	31,620,000	
(7) Capitalization rate	3.6%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	849,000,000	
Discount rate	3.2%	Appraised, taking into account the individual characteristics of the subject property, etc., with reference to the investment yields of similar properties.
Terminal capitalization rate	3.8%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	880,000,000	Estimated by multiplying the total of the land price and the building price by marketability correction rate.
Ratio of land	60.0%	
Ratio of building	40.0%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(10) Urban Park Kamata Minami II

Property no.	RSC-24	Property name	Urban Park Kamata Minami II		Type	Residence
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		SMBC Trust Bank Ltd.	
Planned acquisition price	1,375 million yen		Planned acquisition date		December 1, 2023	
Appraisal value	1,720 million yen		Seller		Jyukyo. Co, Ltd	
Location	1-20-1, Higashirokugo, Ota-ku, Tokyo and others					
Indication of residential address	-					
Nearest station	Approx. 10-minute walk from “Zoshiki” Station of Keikyu Line					
Land	Type of ownership	Land lease				
	Site area	1,031.39㎡	Use district		Quasi-industrial zone	
	Building coverage ratio	60%	Floor area ratio		200%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	2,323.83㎡	Use		Residence	
	Construction completion	October 31, 2023 (Planned)	Structure and floors		Reinforced concrete structure 6F	
Property management company	Goodworks Co., Ltd.		Master lease company		Goodworks Co., Ltd.	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	November 30, 2033					
Status of leasing (as of the end of May 2023)						
Total leasable area	1,962.97㎡		Monthly rent (including common area maintenance fee)		-	
Total leased area	-		Security and guarantee deposits		-	
Total number of tenants	-					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	-	-	-	-	-	
Special notation	Not applicable					

(Note) As construction is expected to be completed at the end of October 2023, it has not commenced operations as of the end of May 2023.

Property Features/ Key Points of Evaluation	
➤	The property is adjacent to “Urban Park Kamata Minami I” and is located at an approximate 10-minute walk from “Zoshiki” station on the Keikyu Main Line and an approximate 12-minute walk from “Kojiya” station on the Keikyu Airport Line, and can access “Tokyo” station on the JR Line in approximately 32 minutes, “Keikyu Kawasaki” station on the Keikyu Main Line in approximately 3 minutes, and “Yokohama” station on the JR Line in approximately 18 minutes, making it a residential property with good access to business centers and commercial districts, not just limited to the Tokyo area.
➤	The property is a newly built residence whose construction is expected to be completed on October 31, 2023. It will be equipped with the latest housing facilities, and the floor plans range from 1R to 2DK making it a residence highly appealing to single persons and small families.
➤	The number of households in Ota Ward is showing an increasing trend, and also given its highly convenient transportation access and the fact that it is a newly built property, stable occupancy is anticipated.

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(Unit: yen)

Summary of real estate appraisal report		
Property name	Urban Park Kamata Minami II	
Appraisal value	1,720,000,000 yen	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	1,720,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	1,740,000,000	
(1) Operating revenue ((a)-(b))	88,019,000	
(a) Gross potential income	93,295,000	Booked by appraising rents which may be received stably in the mid- to long-term, based on the new rent levels.
(b) Vacancy loss, etc.	5,276,000	Recorded by taking into account the occupancy status of similar properties, supply and demand trends, and the status of the subject property, etc.
(2) Operating expenses	23,118,000	
Maintenance and management fee	3,512,000	Recorded by taking into account the individual characteristics of the subject real estate, etc. based on the level of similar real estate.
Utilities expenses	1,500,000	Recorded by taking into account the individual characteristics of the subject real estate, etc. based on the level of similar real estate.
Repair expenses	1,156,000	Booked by taking into account expense levels for similar real estate properties and repair and renewal costs in the ER, in addition to the cost for restoration to the original state which is normally assumed.
Property management fee	1,541,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	5,045,000	Leasing fees etc. and renewal fees have been booked by referring to the contract terms of the subject real estate property and the leasing conditions etc. of similar real estate properties and also by taking into account replacement rates and occupancy rates etc.
Property taxes	5,432,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	132,000	Appraised based on the insurance agreement and the level of similar real estate.
Other expenses	4,800,000	Booked the land rent, etc.
(3) Net operating income (NOI=(1)-(2))	64,901,000	
(4) Financial interests on deposits	64,000	Appraised investment return as 1.0%.
(5) Capital expenditures	683,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) Net cash flow (NCF=(3)+(4)-(5))	64,282,000	
(7) Capitalization rate	3.7%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	1,700,000,000	
Discount rate	3.2%	Appraised, taking into account the individual characteristics of the subject property, etc., with reference to the investment yields of similar properties.
Terminal capitalization rate	3.8%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	1,750,000,000	Estimated by multiplying the total of the land price and the building price by marketability correction rate.
Ratio of land	61.7%	
Ratio of building	38.3%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(11) Urban Park Umejima

Property no.	RSC-25	Property name	Urban Park Umejima		Type	Residence
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		SMBC Trust Bank Ltd.	
Planned acquisition price	1,032 million yen		Planned acquisition date		December 1, 2023	
Appraisal value	1,140 million yen		Seller		INVALANCE Ltd.	
Location	3-1443-23, Umeda, Adachi-ku, Tokyo and others					
Indication of residential address	-					
Nearest station	Approx. 12-minute walk from “Umejima” Station of Tobu Isesaki Line					
Land	Type of ownership	Proprietary ownership				
	Site area	770.37m <sup>2</sup> (Note1)	Use district		Industrial zone	
	Building coverage ratio	60%	Floor area ratio		200%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	1,805.78m <sup>2</sup>	Use		Residence	
	Construction completion	November 30, 2023 (Planned)	Structure and floors		Reinforced concrete structure 5F	
Property management company	Goodworks Co., Ltd.		Master lease company		Goodworks Co., Ltd.	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	November 30, 2033					
Status of leasing (as of the end of May 2023)						
Total leasable area	1,446.10m <sup>2</sup>		Monthly rent (including common area maintenance fee)		-	
Total leased area	-		Security and guarantee deposits		-	
Total number of tenants	-					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	-	-	-	-	-	
Special notation	Not applicable					

(Note 1) The site area includes the set-back portion (north side 0.91m<sup>2</sup> and south side 12.57m<sup>2</sup>), however, it is planned to subdivide such portion and donate it to Adachi Ward by construction completion.

(Note 2) As the building is expected to complete construction at the end of November 2023, it has not commenced operations as of the end of May 2023.

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Property Features/ Key Points of Evaluation

- The property is located at an approximate 12-minute walk from “Umejima” station on the Tobu Railway Isesaki Line, and is a residence with good access to commercial districts, and can access “Tokyo” station in approximately 35 minutes by going through “Ueno” station.
- In the surrounding area, there is the Umejima Ekimae-dori shopping street, as well as hospitals, schools, clinics and other convenient living facilities, and in addition to retail facilities which will increase living convenience, there are parks and greenery making for a favorable residential environment.
- A newly built residence expected to be completed in November 2023, with the latest housing equipment. The floor plans range from 1K to 2LDK making it a residence highly appealing to single persons and small households.
- It is a newly built residence with highly convenient transportation access, and stable occupancy is anticipated.

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Summary of real estate appraisal report		
Property name	Urban Park Umejima	
Appraisal value	1,140,000,000 yen	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2023	
Item	Details	Details
Indicated value by income approach	1,140,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	1,140,000,000	
(1) Operating revenue ((a)-(b))	55,037,000	
(a) Gross potential income	58,494,000	Booked by appraising rents which may be received stably in the mid- to long-term, based on the new rent levels.
(b) Vacancy loss, etc.	3,457,000	Recorded by taking into account the occupancy status of similar properties, supply and demand trends, and the status of the subject property, etc.
(2) Operating expenses	12,548,000	
Maintenance and management fee	2,100,000	Recorded by taking into account the individual characteristics of the subject real estate, etc. based on the level of similar real estate.
Utilities expenses	790,000	Recorded by taking into account the individual characteristics of the subject real estate, etc. based on the level of similar real estate.
Repair expenses	819,000	Booked by taking into account expense levels for similar real estate properties and repair and renewal costs in the ER, in addition to the cost for restoration to the original state which is normally assumed.
Property management fee	1,071,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	3,042,000	Leasing fees etc. and renewal fees have been booked by referring to the contract terms of the subject real estate property and the leasing conditions etc. of similar real estate properties and also by taking into account replacement rates and occupancy rates etc.
Property taxes	4,351,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	99,000	Appraised based on the insurance agreement and the level of similar real estate.
Other expenses	276,000	Booked other expenses.
(3) Net operating income (NOI=(1)-(2))	42,489,000	
(4) Financial interests on deposits	39,000	Appraised investment return as 1.0%.
(5) Capital expenditures	465,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) Net cash flow (NCF=(3)+(4)-(5))	42,063,000	
(7) Capitalization rate	3.7%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	1,130,000,000	
Discount rate	3.4%	Appraised, taking into account the individual characteristics of the subject property, etc., with reference to the investment yields of similar properties.
Terminal capitalization rate	3.7%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	1,270,000,000	Estimated by multiplying the total of the land price and the building price by marketability correction rate.
Ratio of land	61.0%	
Ratio of building	39.0%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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#### 4. Description of the Asset to be Transferred

The Asset to be Transferred is described in the table below. With respect to the various terms stated in the table, please refer to “Reference Material 5: The terms used in the tables of Description of Assets to be Acquired and Asset to be Transferred.”

Property no.	RSC-09	Property name	Urban Park Koenji		Type	Residence
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust		Trustee		Sumitomo Mitsui Trust Bank, Limited
Planned transfer price		1,315 million yen		Planned transfer date		August 31, 2023
Appraisal value		1,180 million yen		Buyer		A.D.Works Co., Ltd.
Location		3-992-30, Koenji Kita, Suginami-ku, Tokyo and others				
Indication of residential address		3-19-12, Koenji Kita, Suginami-ku, Tokyo				
Nearest station		Approx. 4-minute walk from “Koenji” Station of JR Chuo Line				
Land	Type of ownership	Proprietary ownership				
	Site area	988.26㎡ (Note 1)	Use district		Category 1 mid/high-rise oriented residential zone	
	Building coverage ratio	60%	Floor area ratio		200% (Note 2)	
Building	Type of ownership	Proprietary ownership				
	Total floor area	1,524.34㎡	Use		Residence	
	Construction completion	October 13, 1987	Structure and floors		Reinforced concrete structure 4F	
Property management company	SHIMIZU COMPREHENSIVE DEVELOPMENT		Master lease company		SHIMIZU COMPREHENSIVE DEVELOPMENT	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	February 29, 2028					
Status of leasing (as of the end of May 2023)						
Total leasable area	1,365.48㎡		Monthly rent (including common area maintenance fee)		5,765 thousand yen	
Total leased area	1,365.48㎡		Security and guarantee deposits		3,910 thousand yen	
Total number of tenants	75					
Occupancy rate						
	January 2023	February 2023	March 2023	April 2023	May 2023	
	97.7%	96.4%	97.6%	97.6%	100.0%	
Special notation	Not applicable					

(Note 1) Including the set-back area of 7.10m<sup>2</sup>

(Note 2) Permitted floor area ratio (FAR) of the building due to front road width is 160%.

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(Unit: yen)

Summary of real estate appraisal report		
Property name	Urban Park Koenji	
Appraisal value	1,180,000,000	
Appraisal firm	The Tanizawa Sogo Appraisal Co., Ltd.	
Date of value	January 31, 2023	
Item	Details	Description, etc.
Indicated value by income approach	1,180,000,000	Estimated by emphasizing the indicated value by DCF method and verifying with the indicated value by direct capitalization method.
Indicated value by direct capitalization method	1,210,000,000	
(1) Operating revenue ((a)-(b))	69,445,656	
(a) Gross potential income	73,017,752	Appraised and recorded the rent that can be received stably in the medium to long term based on the new rent level.
(b) Vacancy loss, etc.	3,572,096	Appraised by taking into account the occupancy status of similar properties, supply and demand trends, and the status of the subject property, etc.
(2) Operating expenses	17,402,725	
Maintenance and management fee	2,425,092	Based on the Property Management contract and actual data.
Utilities expenses	3,359,081	Appraised based on actual data.
Repair expenses	3,732,644	Booked by taking into account expense levels for similar real estate properties and repair and renewal costs in the ER, in addition to the cost for restoration to the original state which is normally assumed.
Property Management fee	1,478,161	Based on the Property Management contract.
Tenant leasing cost, etc.	2,406,250	Leasing fees etc. and renewal fees have been booked by referring to the contract terms of the subject real estate property and the leasing conditions etc. of similar real estate properties and also by taking into account replacement rates and occupancy rates etc.
Property taxes	2,094,800	Appraised based on tax-related documents.
Insurance premium	101,110	Appraised based on Insurance contract.
Other expenses	1,805,587	Appraised based on actual data.
(3) Net operating income (NOI=(1)-(2))	52,042,931	
(4) Financial interests on deposits	50,799	Appraised investment return as 1.0%.
(5) Capital expenditures	6,300,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) Net cash flow (NCF=(3)+(4)-(5))	45,793,730	
(7) Capitalization rate	3.8%	Appraised by comprehensively taking into account case examples of similar real estate properties, the marketability of the subject real estate property, and trends in the real estate investment market.
Indicated value by DCF method	1,170,000,000	
Discount rate	3.9%	Appraised by taking into account the real estate-specific risk, liquidity risk, individual risks associated with the subject property, etc., from the yield of financial instruments.
Terminal capitalization rate	4.0%	Appraised based on the capitalization rate and reflecting uncertainty of future prediction.
Indicated value by cost approach	1,110,000,000	
Ratio of land	89.2%	
Ratio of building	10.8%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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5. Planned Seller and Transferee Profile

(1) Planned Seller Profile

- ① KOKO HOTEL Ginza1-chome, KOKO HOTEL Sapporo Ekimae, KOKO HOTEL Fukuoka Tenjin, KOKO HOTEL Hiroshima Ekimae, KOKO HOTEL Kagoshima Tenmonkan

Name	GK Dart
Location	5-1-4, Toranomom, Minato-ku, Tokyo
Representative	Representative partner: Ippanshadanhoujin Kiel Operational executor: Takaaki Fukunaga
Main business description	1. Acquisition, ownership and disposition of beneficiary interest in trust of real estate 2. Acquisition, ownership and disposition of loan claims 3. Acquisition, ownership and disposition of corporate bonds, silent partnership interest and other securities 4. Sales, leasing, management, acquisition, ownership, disposition and use of real estate 5. All businesses incidental to the above
Capital	300,000 yen
Established	May 14, 2020
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The aforementioned company does not fall under the category of interested party, etc. as provided in the Investment Trusts Act or the Enforcement Order of the Investment Trusts Act; however, it falls under the category of interested party prescribed in the "Rules on Transactions with Interested Parties", which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR's assets. Upon making decisions on the acquisition of assets, the Asset Manager undergoes deliberations and approval processes in accordance with laws and regulations and such rules.

- ② Fino Hotel Sapporo Odori, Best Western Plus Fukuoka Tenjin Minami

Name	GK Tenjin Hotel Kanri
Location	5-1-4, Toranomom, Minato-ku, Tokyo
Representative	Representative partner: Ippanshadanhoujin Kiel Operational executor: Takaaki Fukunaga
Main business description	1. Acquisition, ownership and disposition of beneficiary interest in trust of real estate 2. Acquisition, ownership and disposition of loan claims 3. Acquisition, ownership and disposition of corporate bonds, silent partnership interest and other securities 4. Sales, leasing, management, acquisition, ownership, disposition and use of real estate 5. All businesses incidental to the above
Capital	300,000 yen
Established	October 28, 2020
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The aforementioned company does not fall under the category of interested party, etc. as provided in the Investment Trusts Act or the Enforcement Order of the Investment Trusts Act;

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	<p>however, it falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties”, which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets. Upon making decisions on the acquisition of assets, the Asset Manager undergoes deliberations and approval processes in accordance with laws and regulations and such rules.</p>
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③ Urban Park Mitaka

Name	Meiho Enterprise Co.,Ltd.
Location	5F Meguro Yamanote Place, 2-10-11 Meguro, Meguro-ku, Tokyo
Representative	Chairman & Representative Director Mitsuru Yabuki
Main business description	<ol style="list-style-type: none"> <li>1. Investment management business prescribed in the Financial Instruments and Exchange Act.</li> <li>2. Type II financial instruments business prescribed in the Financial Instruments and Exchange Act.</li> <li>3. Investment advisory and agency business prescribed in the Financial Instruments and Exchange Act.</li> <li>4. Comprehensive real estate investment advisory business.</li> <li>5. Business based on the Real Estate Specified Joint Enterprise Act.</li> <li>6. Building lots and buildings transaction business.</li> <li>7. The business of leasing, management, and operation of real estate.</li> <li>8. to 11. Omitted</li> <li>12. All other businesses incidental to each of the above items.</li> </ol>
Capital	614,403,750 yen
Established	September 9, 1968
Net asset	5,530,203 thousand yen
Total asset	13,937,584 thousand yen
Major shareholders and shareholding ratio	Mitsuru Yabuki 30.69%
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The company does not fall under the category of interested person, etc. of SAR or the Asset Manager.

(Note) SAR, as of the date of this document, has signed an agreement regarding succession of status to the effect that SAR will succeed to the position as purchaser under the beneficiary interest in trust sale and purchase agreement for the relevant property from Star Asia Sogo Kaihatsu Co., Ltd.

④ Urban Park Kamata Minami I, Urban Park Kamata Minami II

Name	Jyukyo. Co, Ltd
Location	1-1-4, Kotesashi-cho, Tokorozawa-shi, Saitama
Representative	Representative Director Hisato Yasunaga
Main business description	<ol style="list-style-type: none"> <li>1. Sale and purchase, brokerage, and management of real estate</li> <li>2. Construction works contracting business</li> <li>3. Sale of wooden materials and new building materials</li> <li>4. Hotel operations</li> <li>5. Food and beverage business</li> <li>6. Non-life insurance agency business</li> <li>7. Warehousing business</li> <li>8. All other businesses incidental to each of the above items.</li> </ol>
Capital	100 million yen
Established	April 19,1979
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	
Relationship with SAR or the Asset Manager	

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Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The company does not fall under the category of interested person, etc. of SAR or the Asset Manager.

(Note) SAR, as of the date of this document, has signed an agreement regarding succession of status to the effect that SAR will succeed to the position as purchaser under the beneficiary interest in trust sale and purchase agreement for the relevant property from Godo Kaisha Djebel.

⑤ Urban Park Umejima

Name	INVALANCE Ltd.
Location	2-1-1, Yoyogi, Shibuya-ku, Tokyo
Representative	Representative Director Yutaka Takahashi
Main business description	<ol style="list-style-type: none"> <li>1. The business of sale and purchase, exchange, brokerage, leasing, management, and development of real estate.</li> <li>2. Business related to asset management consulting.</li> <li>3. Business related to the coordination and promotion of the formation, management and operation of real estate funds.</li> <li>4. to 21. Omitted</li> <li>22. All other businesses incidental to each of the above items.</li> </ol>
Capital	143 million yen
Established	May 17, 2004
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The company does not fall under the category of interested person, etc. of SAR or the Asset Manager.

(Note) SAR, as of the date of this document, has signed an agreement regarding succession of status to the effect that SAR will succeed to the position as purchaser under the beneficiary interest in trust sale and purchase agreement for the relevant property from Godo Kaisha Corrida.

(2) Planned Transferee Profile

Name	A.D.Works Co., Ltd.
Location	2-2-3 Uchisaiwai-cho, Chiyoda-ku, Tokyo
Representative	Representative Director Hideo Tanaka
Main business description	<ol style="list-style-type: none"> <li>1. Sale of real estate and brokerage service.</li> <li>2. Leasing, supervision, holding and management services of real estate.</li> <li>3. Real estate appraisal service.</li> <li>4. Consulting work related to real estate.</li> <li>5. Consulting work related to personal property.</li> <li>6. Civil engineering, measurement, and design services.</li> <li>7. Civil engineering and construction works.</li> <li>8. Management of a registered architect office.</li> <li>9. to 30. Omitted</li> <li>31. All businesses incidental to the above.</li> </ol>
Capital	100 million yen
Established	May 5, 1936
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and	

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shareholding ratio	
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	In the fiscal period ended January 31, 2022 (the 12th fiscal period), SAR has signed a sale and purchase agreement for property acquisition with the aforementioned company, and has acquired one property. Also, in the fiscal period ending July 31, 2023 (the 15th fiscal period), SAR has signed a sale and purchase agreement with the company for the sale of a property, which is separate from the Asset to be Transferred, and is expecting to sell 1 property. Other than these transactions, there are no business relationship to report.
Related party or not	The company does not fall under the category of interested person, etc. of SAR or the Asset Manager.

## 6. Summary of tenants and hotel operators

(1) After December 2023, the operators of the five hotel properties will be as follows.

KOKO HOTEL Ginza 1-Chome, KOKO HOTEL Sapporo Ekimae, KOKO HOTEL Fukuoka Tenjin、KOKO HOTEL Hiroshima Ekimae, KOKO HOTEL Kagoshima Tenmonkan

Name	KOKO HOTELS CO.,LTD.
Location	1-12-3、Iwamoto-cho, Chiyoda-ku, Tokyo
Representative	Representative Director Takahiro Tsujikawa
Main business description	<ol style="list-style-type: none"> <li>1. Management of hotels, restaurants, sports facilities, golf courses, spas and other bathing facilities, and entrustment of management</li> <li>2. Operation, entrustment of management, management, purchase and sale, and consulting of hotels, restaurants, sports facilities, golf courses, spas, and other bathing facilities</li> <li>3. Planning, operation, and entrustment of training and education for hotel employees and cooks</li> <li>4. Worker dispatch business</li> <li>5. Traveling and travel agency business</li> <li>6. mail order business using the Internet</li> <li>7. shopping and home delivery of daily necessities</li> <li>8. Leasing, buying and selling trademark rights, design rights, utility model rights, patent rights and technical knowledge</li> <li>9. investment and investment advisory business</li> <li>10. Buying, selling, exchanging, leasing, managing and brokering real estate</li> <li>11. Sale of alcoholic beverages, cigarettes, stamps, foodstuffs, specialty souvenirs, clothing and other daily sundries</li> <li>12. Any and all businesses incidental or related to each of the preceding items</li> </ol>
Capital	1 million yen
Established	September 8, 2020
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	Polaris Holdings Co., Ltd.100%
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The afore-mentioned company falls under interested party, etc. defined in the Investment Trusts Act and the Enforcement Order of the Investment Trusts Act and falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties”, which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets. Upon deciding to the lease of such property, the Asset Manager plans to conduct deliberations and approval processes in accordance with laws and regulations and such rules.

(Note)The tenants as of the scheduled acquisition date are as follows, but the lessee status is scheduled to be succeeded after

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December 2023.

KOKO HOTEL Ginza 1-Chome  
KOKO HOTEL Sapporo Ekimae  
KOKO HOTEL Fukuoka Tenjin  
KOKO HOTEL Hiroshima Ekimae  
KOKO HOTEL Kagoshima Tenmonkan

GK KOKO HOTEL Ginza 1-Chome  
GK KOKO HOTEL Sapporo Ekimae  
GK KOKO HOTEL Fukuoka Tenjin  
GK KOKO HOTEL Hiroshima Ekimae  
GK KOKO HOTEL Kagoshima Tenmonkan

(2) Fino Hotel Sapporo Odori, Best Western Plus Fukuoka Tenjin Minami

Name	FINO HOTELS CO.,LTD
Location	1-12-3、Iwamoto-cho, Chiyoda-ku, Tokyo
Representative	Representative Director Shigeru Takakura
Main business description	<ol style="list-style-type: none"> <li>1. Management of hotels, restaurants, sports facilities, golf courses, spas and other bathing facilities, and entrustment of management</li> <li>2. Operation, entrustment of management, management, purchase and sale, and consulting of hotels, restaurants, sports facilities, golf courses, spas, and other bathing facilities</li> <li>3. Planning, operation, and entrustment of training and education for hotel employees and cooks</li> <li>4. General and specific worker dispatch services</li> <li>5. Traveling and travel agency business</li> <li>6. Mail order business using the Internet</li> <li>7. Shopping and home delivery of daily necessities</li> <li>8. Leasing, buying and selling trademark rights, design rights, utility model rights, patent rights and technical knowledge</li> <li>9. Planning, management and consulting of various events</li> <li>10. Money lending business</li> <li>11. Leasing and rental of cruisers and marine leisure goods</li> <li>12. Investment and investment advisory business</li> <li>13. Buying, selling, exchanging, leasing, managing, and brokering real estate</li> <li>14. Sale of alcoholic beverages, cigarettes, stamps, foodstuffs, specialty souvenirs, clothing and other daily sundries</li> <li>15. All businesses incidental and related to each of the preceding items</li> </ol>
Capital	10 million yen
Established	April 3, 2007
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	Polaris Holdings Co., Ltd.100%
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The afore-mentioned company falls under interested party, etc. defined in the Investment Trusts Act and the Enforcement Order of the Investment Trusts Act and falls under the category of interested party prescribed in the "Rules on Transactions with Interested Parties", which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR's assets. Upon deciding to the lease of such property, the Asset Manager plans to conduct deliberations and approval processes in accordance with laws and regulations and such rules.

7. Status of Parties Related to the Acquisition of the Property

(1) KOKO HOTEL Ginza 1-Chome,

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Dart	Other than the one in a relationship of special interest
Relationship with parties	The company does not fall under the category of	—

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who have special interests	interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	July 7,2022	—

(Note) Omitted as the current owner has owned the property for over one year.

(2) KOKO HOTEL Sapporo Ekimae

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Dart	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	July 7,2022	—

(Note) Omitted as the current owner has owned the property for over one year.

(3) KOKO HOTEL Fukuoka Tenjin

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Dart	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	July 7,2022	—

(Note) Omitted as the current owner has owned the property for over one year.

(4) KOKO HOTEL Hiroshima Ekimae

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Dart	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and	Acquired for investment management purpose	—

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reason, etc.		
Acquisition price	(Note)	—
Acquisition period	July 7,2022	—

(Note) Omitted as the current owner has owned the property for over one year.

(5) KOKO HOTEL Kagoshima Tenmonkan

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Dart	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	July 7,2022	—

(Note) Omitted as the current owner has owned the property for over one year.

(6) Fino Hotel Sapporo Odori

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Tenjin Hotel Kanri	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	December 28, 2021	—

(Note) Omitted as the current owner has owned the property for over one year.

(7) Best Western Plus Fukuoka Tenjin-minami

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Tenjin Hotel Kanri	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	April 28, 2021	—

(Note) Omitted as the current owner has owned the property for over one year.

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(8)Urban Park Mitaka,Urban Park Kamata Minami I,Urban Park Kamata Minami II,Urban Park Umejima  
There are no acquisitions from persons who have special interest relationships with SAR or the Asset Manager.

#### 8. Overview of Broker

(1)KOKO HOTEL Ginza 1-Chome, KOKO HOTEL Sapporo Ekimae, KOKO HOTEL Fukuoka Tenjin, KOKO HOTEL Hiroshima Ekimae, KOKO HOTEL Kagoshima Tenmonkan, Fino Hotel Sapporo Odori, Best Western Plus Fukuoka Tenjin Minami, Urban Park Mitaka, Urban Park Kamata Minami I, Urban Park Kamata Minami II, Urban Park Umejima

##### ① Overview of Broker

Name	Star Asia Asset Advisors Co., Ltd.
Location	Atago Green Hills MORI Tower, 18 <sup>th</sup> Floor, 2-5-1 Atago, Minato-ku, Tokyo
Representative	CEO Keiji Watanabe
Main business description	1. Investment management business prescribed in the Financial Instruments and Exchange Act. 2. Type II financial instruments business prescribed in the Financial Instruments and Exchange Act. 3. Investment advisory and agency business prescribed in the Financial Instruments and Exchange Act. 4. Comprehensive real estate investment advisory business. 5. Business based on the Real Estate Specified Joint Enterprise Act. 6. Building lots and buildings transaction business. 7. The business of leasing, management, and operation of real estate. 8. to 11. Omitted 12. All businesses incidental to the above
Capital	50 million yen
Established	May 2, 2008
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital tie to be noted between SAR / the Asset Manager and the abovementioned company, however the aforementioned company falls under interested party, etc. as defined in Article 201 Paragraph 1 of the Investment Trusts Act and Article 123 of the Enforcement Order of the Investment Trusts Act; and falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties”, which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets. Upon determination of retention as broker, the Asset Manager has performed deliberation and approval in accordance with laws and regulations and such rules.
Personnel relationship	There is no personnel relationship to report.
Business relationship	In the fiscal period ended January 31, 2023 (14th fiscal period), SAR engaged in asset acquisition with the aforementioned company, which acted as an intermediary.
Related party or not	The aforementioned company falls under the category of interested party, etc. as defined in Article 201 Paragraph 1 of the Investment Trusts Act and Article 123 of the Enforcement Order of the Investment Trusts Act, and falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties”, which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets. Upon determination of the retention as broker, the Asset Manager has performed deliberation and approval in accordance with laws and regulations and such rules.

##### ② Breakdown and value of the brokerage commissions

Breakdown of brokerage commission	Brokerage commissions for the sale and purchase of beneficiary interest in trust.	
Amount of brokerage commission (Excluding consumption tax and local consumption tax)	KOKO HOTEL Ginza 1-Chome	2,000,000 yen
	KOKO HOTEL Sapporo Ekimae	2,000,000 yen
	KOKO HOTEL Fukuoka Tenjin	2,000,000 yen
	KOKO HOTEL Hiroshima Ekimae	2,000,000 yen
	KOKO HOTEL Kagoshima Tenmonkan	2,000,000 yen
	Fino Hotel Sapporo Odori	2,000,000 yen
	Best Western Plus Fukuoka Tenjin-minami	2,000,000 yen
	Urban Park Mitaka	2,000,000 yen
Urban Park Kamata Minami I	2,000,000 yen	

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	Urban Park Kamata Minami II	2,000,000 yen
	Urban Park Umejima	2,000,000 yen
	Total	22,000,000 yen

(2) Urban Park Koenji

As for name, etc. and breakdown and value of the brokerage commission, since the consent has not been obtained from the domestic company as the broker, the information is not disclosed. The broker does not fall under the category of interested party, etc. under the Investment Trusts Act or “Interested Parties” as defined in the “Rules on Transactions with Interested Parties” which are internal rules of the Asset Manager.

9. Interested-Party Transactions

The sellers of the 7 hotel properties do not fall under interested party, etc. under the Investment Trusts Act; however, they fall under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” which are the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets.

The sellers of Urban Park Mitaka, Urban Park Kamata Minami I, Urban Park Kamata Minami II, Urban Park Umejima do not fall under interested party, etc. under the Investment Trusts Act; however, Star Asia Sogo Kaihatsu Co., Ltd., Godo Kaisha Djebel and Godo Kaisha Corrida who are the initial purchasers under the sale and purchase agreement (the predecessors of the succession of status of purchaser) fall under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” which are the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets. Upon deciding on the Acquisition, the Asset Manager has conducted deliberations and approval processes in accordance with laws and regulations and such rules.

The broker of the Acquisition and the counterparties (including those who will succeed to the position of lessee, which is scheduled in December 2023.) under the lease agreements related to 7 hotel properties fall under interested party, etc. under the Investment Trusts Act, and they also fall under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” which are the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets.

Upon deciding on the intermediation of the Acquisition and signing of the lease agreements related to the 7 hotel properties, the Asset Manager has conducted deliberations and approval processes in accordance with laws and regulations and such rules.

10. Impact on SAR’s finance in the case where the forward commitments etc. are not performed.

The beneficiary interest in trust sale and purchase agreements for the 3 properties under the Acquisition (Urban Park Kamata Minami I, Urban Park Kamata Minami II, and Urban Park Umejima) fall under forward commitments etc. by an investment company (Note) as set forth in the “Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.” prescribed by the Financial Services Agency.

The beneficiary interest in trust sale and purchase agreements for “Urban Park Kamata Minami I”, “Urban Park Kamata Minami II” and “Urban Park Umejima” stipulate that in certain cases such as when the initial purchaser (includes SAR as successor to the status of initial purchaser. The same applies below) and/or the seller has breached the terms of agreement or representations and warranties set forth in the beneficiary interest in trust sale and purchase agreement or when bankruptcy proceedings commence with respect to the initial purchaser or seller, the other party has the right to terminate the agreement. It is provided that if an agreement is terminated pursuant to such provision, the amount of 20% of the sale and purchase proceeds is payable as penalty (liquidated damages).

However, the execution of the beneficiary interest in trust sale and purchase agreements for “Urban Park Kamata Minami I” and “Urban Park Kamata Minami II” is subject to the condition that SAR completes funds procurement, and even in the case where funds procurement through public offering or borrowings is not completed and SAR is not able to procure the amount of proceeds under the sale and purchase agreements, it is believed that the likelihood that SAR will be held contractually liable under the agreements is limited, and the possibility that such case will have a direct material impact on SAR’s finance and distributions etc. is low.

Furthermore, with respect to “Urban Park Umejima”, even in the case where funds procurement cannot be made for the amount or proceeds payable under the sale and purchase agreement, such amount can be settled by use of SAR’s own funds, and therefore it is believed that the likelihood that SAR will be held contractually liable under the agreements is limited, and the possibility that such case will have a direct material impact on SAR’s finance and distributions etc. is low.

(Note) This refers to forward dated sale and purchase agreements, where it is intended that settlement or delivery is to occur after 1 month or more from the date of signing of the agreement, and any other similar agreements.

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## 11. Initiative schedule

### (1) Schedule for the Acquisition

August 7, 2023	Acquisition decided Signed the agreements for succession of status as purchaser (for 4 residential properties) Signed the beneficiary interest in trust sale and purchase agreements (for 7 hotel properties)
September 1, 2023 (planned acquisition date of 8 properties)	Acquire the beneficiary interest in trust (planned) Pay the purchase proceeds for 8 properties (planned) Sign the master lease agreements, lease agreements and property management agreements (planned)
December 1, 2023 (planned acquisition date of 3 properties)	Acquire the beneficiary interest in trust (planned) Pay the purchase proceeds for 3 properties (planned) Sign the master lease agreements and property management agreements (planned)

### (2) Schedule for the Transfer

August 7, 2023	Transfer decided Signed the beneficiary interest in trust sale and purchase agreement Receipt of deposit (planned)
August 31, 2023	Transfer of beneficiary interest in trust (planned) Receipt of remaining transfer proceeds (planned)

## 12. Settlement method

The settlement for the Assets to be Acquired is expected to take place by making lump-sum payment of the acquisition price on the planned acquisition dates. The settlement for the Asset to be Transferred is expected to take place by receiving lump-sum payment of the transfer price on the scheduled transfer date.

## 13. Future outlook

As a result of the Initiative, there will be certain changes made to the assumptions for the forecasts for operating results and distribution described in “(REIT) Financial Report for Fiscal Period Ended January 31, 2023” announced on March 16, 2023. For further details, please refer to “Notice Concerning Revision to Forecasts for Operating Results and Distribution for the 16th Fiscal Period Ending January 31, 2024 and Forecasts for Operating Results and Distribution for the 17th Fiscal Period Ending July 31, 2024” announced today.

### <Appendix>

- Reference Material 1 Summary of portfolio after the Initiative
- Reference Material 2 Portfolio list after the Initiative
- Reference Material 3 Summary of earthquake risk analysis
- Reference Material 4 Location maps / photos of exterior
- Reference Material 5 The terms used in the table of Description of Assets to be Acquired and Asset to be Transferred

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<Reference>

Other press releases announced today

- Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units
- Notice Concerning the Decision on the Transfer Date of Urban Park Gokokuji (the Asset)
- Notice Concerning Revision to Forecasts for Operating Results and Distribution for the 16th Fiscal Period Ending January 31, 2024 and Forecasts for Operating Results and Distribution for the 17th Fiscal Period Ending July 31, 2024
- Notice Concerning Debt Financing
- Notice Concerning Signing of Preferential Negotiation Rights Agreement for the Acquisition of Assets

\*SAR HP URL: <https://starasia-reit.com/en/>

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Reference Material 1 Summary of portfolio after the Initiative

< Asset type (use) >

Asset type (use)	Number of Property	(Planned) Acquisition Price (million yen)	Investment ratio (%) (Note)
Office	21	74,787	30.9
Retail	5	27,754	11.5
Residence	21	38,943	16.1
Logistics	8	29,663	12.2
Hotel	16	69,544	28.7
Student residence (Preferred equity securities)	1	1,562	0.6
Total	72	242,253	100.0

< Investment Areas >

Area		(Planned) Acquisition Price (million yen)	Investment ratio (%) (Note)	
Tokyo Area		153,650	63.4	
Major Metropolitan Areas	Osaka, Nagoya, Fukuoka	47,093	19.4	36.6
	Other areas	41,510	17.1	
Total		242,253	100.0	

(Note) Ratios have been calculated based on the total (planned) acquisition price, and stated by rounding to the 1st decimal point. Therefore, ratios may not add up to 100%.

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Reference Material 2 Portfolio list after the Initiative

Property No.	Property Name	Location (Note 1)	(Planned) Acquisition Price (million yen) (Note 2)	Real estate appraisal value (million yen) (Note 3)	Investment ratio (%) (Note 4)
OFC-01	Minami-Azabu Shibuya Building	Minato-ku, Tokyo	2,973	3,040	1.2
OFC-03	Honmachibashi Tower	Chuo-ku, Osaka-Shi, Osaka	6,065	7,090	2.5
OFC-04	Nishi-Shinjuku Matsuya Building	Shibuya-ku, Tokyo	1,763	2,660	0.7
OFC-06	Urban Center Shibuya East(Note 5)	Shibuya-ku, Tokyo	2,042	3,290	0.8
OFC-08	Urban Center Yokohama West(Note 5)	Kanagawa-ku, Yokohama-Shi, Kanagawa	6,320	8,390	2.6
OFC-09	Hakata-eki East Place	Hakata-ku, Fukuoka-Shi, Fukuoka	2,286	3,140	0.9
OFC-10	Nihonbashi Hamacho Park Building	Chuo-ku, Tokyo	1,450	1,500	0.6
OFC-11	Amusement Media Gakuin Honkan	Shibuya-ku, Tokyo	2,580	2,790	1.1
OFC-12	Higashi Kobe Center Building	Higashinada-ku, Kobe-Shi, Hyogo	7,440	7,320	3.1
OFC-13	Amusement Media Gakuin Shinkan	Shibuya-ku, Tokyo	1,020	1,240	0.4
OFC-14	Seishin BLDG.	Shinjuku-ku, Tokyo	11,200	11,700	4.7
OFC-15	Urban Center Kanda Suda-cho	Chiyoda-ku, Tokyo	5,350	5,440	2.2
OFC-16	Urban Center Kanda Tsukasamachi	Chiyoda-ku, Tokyo	4,590	4,630	1.9
OFC-17	Takadanobaba Access	Shinjuku-ku, Tokyo	3,990	3,990	1.7
OFC-18	Azabu Amerex BLDG.	Minato-ku, Tokyo	2,780	2,910	1.2
OFC-19	Hiei-Kudan BLDG.	Chiyoda-ku, Tokyo	2,400	2,390	1.0
OFC-20	Urban Center Shin-Yokohama	Kohoku-ku, Yokohama-Shi, Kanagawa	2,300	2,590	1.0
OFC-21	The Portal Akihabara	Chiyoda-ku, Tokyo	1,510	1,490	0.6
OFC-22	Urban Center Tachikawa	Tachikawa-Shi, Tokyo	1,804	1,980	0.7
OFC-23	Urban Center Hakata	Hakata-ku, Fukuoka-shi, Fukuoka	2,870	3,200	1.2
OFC-24	Urban Center Fujisawa	Fujisawa-Shi, Kanagawa	2,054	2,200	0.9
Office Subtotal			74,787	82,980	31.1
RTL-01	La Park Kishiwada	Kishiwada-Shi, Osaka	5,400	5,240	2.2
RTL-02	Suroy Mall Chikushino	Chikushino-Shi, Fukuoka	6,550	6,290	2.7
RTL-03	Seiyu Minakuchi	Koka- hi, Shiga	3,320	3,330	1.4
RTL-05	BAGUS Ikebukuro West	Toshima-ku, Tokyo	2,984	3,410	1.2
RTL-06	abeno nini (Retail)	Abeno-ku, Osaka-Shi, Osaka	9,500	10,100	3.9
Retail Subtotal			27,754	28,370	11.5
RSC-01	Urban Park Azabujuban	Minato-ku, Tokyo	2,045	2,930	0.8
RSC-02	Urban Park Daikanyama	Shibuya-ku, Tokyo	6,315	10,100	2.6
RSC-05	Urban Park Namba	Naniwa-ku, Osaka-Shi, Osaka	1,490	1,550	0.6
RSC-07	Urban Park Kashiwa	Kashiwa-Shi, Chiba	1,186	1,200	0.5
RSC-08	Urban Park Ryokuchi Koen	Suita-Shi, Osaka	1,550	1,720	0.6
RSC-10	Urban Park Ichigao	Aoba-ku, Yokohama-Shi, Kanagawa	1,810	2,170	0.8
RSC-11	Urban Park Gyotoku	Ichikawa-Shi, Chiba	1,430	1,600	0.6

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RSC-12	Shiroi Logiman	Shiroi-Shi , Chiba	2,470	2,520	1.0
RSC-13	Urban Park Sekime	Jyoto-ku, Osaka-Shi, Osaka	2,150	2,460	0.9
RSC-14	Urban Park Imazato	Ikuno-ku, Osaka-Shi, Osaka	993	1,100	0.4
RSC-15	Urban Park Yoyogi	Shibuya-ku, Tokyo	1,740	1,990	0.7
RSC-16	Urban Park Tokiwadai Koen	Hodogaya-ku, Yokohama-Shi, Kanagawa	3,506	3,960	1.5
RSC-17	Urban Park Mitsuike Koen	Tsurumi-ku, Yokohama-Shi, Kanagawa	3,160	3,580	1.3
RSC-18	Urban Park Ryogoku	Sumida-ku, Tokyo	1,115	1,280	0.5
RSC-19	Urban Park Mizonokuchi	Takatsu-ku, Kawasaki-Shi Kanagawa	2,019	2,100	0.8
RSC-20	Urban Park Miyamaedaira	Miyamae-ku, Kawasaki-Shi Kanagawa	1,060	1,260	0.4
RSC-21	Urban Park Tsurumi	Tsurumi-ku, Yokohama-Shi Kanagawa	1,113	1,190	0.5
RSC-22	Urban Park Mitaka	Mitaka-shi, Tokyo	743	1,010	0.3
RSC-23	Urban Park Kamata Minami I	Ota-ku, Tokyo	641	864	0.3
RSC-24	Urban Park Kamata Minami II	Ota-ku, Tokyo	1,375	1,720	0.6
RSC-25	Urban Park Umejima	Adachi-ku, Tokyo	1,032	1,140	0.4
Residence Subtotal			38,943	47,444	16.1
LGC-01	Iwatsuki Logistics	Iwatsuki-ku, Saitama-Shi, Saitama	6,942	7,690	2.9
LGC-02	Yokohama Logistics	Kanagawa-ku, Yokohama-Shi, Kanagawa	3,560	4,340	1.5
LGC-03	Funabashi Logistics	Funabashi-Shi, Chiba	7,875	8,930	3.3
LGC-04	Baraki Logistics	Ichikawa-Shi, Chiba	4,700	5,030	2.0
LGC-05	Tokorozawa Logistics	Tokorozawa-Shi, Saitama	1,300	1,550	0.5
LGC-07	Funabashi Nishiura Logistics II	Funabashi-Shi, Chiba	821	891	0.3
LGC-08	Matsubushi Logistics	Kitakatsushika, Saitama	2,755	3,240	1.1
LGC-09	Funabashi Hi-Tech Park Factory I	Funabashi-Shi, Chiba	1,710	1,710	0.7
Logistics facility Subtotal			29,663	33,381	12.3
HTL-01	R&B Hotel Umeda East	Kita-ku, Osaka-Shi, Osaka	2,069	2,280	0.9
HTL-02	Smile Hotel Namba	Naniwa-ku, Osaka-Shi, Osaka	1,750	1,440	0.7
HTL-03	REMBRANDT STYLE Tokyo Nishikasai	Edogawa-ku, Tokyo	3,827	3,470	1.6
HTL-04	BEST WESTERN Yokohama	Tsurumi-ku, Yokohama-Shi, Kanagawa	3,248	3,210	1.3
HTL-05	The BREAKFAST HOTEL FUKUOKA TENJIN	Chuo-ku, Fukuoka-Shi , Fukuoka	1,970	1,920	0.8
HTL-06	GLANSIT AKIHABARA	Chiyoda-ku, Tokyo	2,500	2,440	1.0
HTL-07	REMBRANDT STYLE Tokyo Nishikasai Grande	Edogawa-ku, Tokyo	3,180	3,140	1.3
HTL-08	KOKO HOTEL Osaka Namba	Naniwa-ku, Osaka-Shi, Osaka	2,000	1,420	0.8
HTL-09	abeno nini (Hotel)	Abeno-ku, Osaka-Shi, Osaka	3,600	3,690	1.5
HTL-10	KOKO HOTEL Ginza 1-Chome	Chuo-ku, Tokyo	17,800	18,600	7.4
HTL-11	KOKO HOTEL Sapporo Ekimae	Chuo-ku, Sapporo-Shi, Hokkaido	6,700	7,040	2.8
HTL-12	KOKO HOTEL Fukuoka Tenjin	Chuo-ku, Fukuoka-Shi, Fukuoka	5,000	5,370	2.1

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HTL-13	KOKO HOTEL Hiroshima Ekimae	Minami-ku, Hiroshima -Shi, Hiroshima	4,100	4,280	1.7
HTL-14	KOKO HOTEL Kagoshima Tenmonkan	Kagoshima-shi, Kagoshima	3,800	4,260	1.6
HTL-15	Fino Hotel Sapporo Odori	Chuo-ku, Sapporo-Shi, Hokkaido	4,200	4,250	1.7
HTL-16	Best Western Plus Fukuoka Tenjin- minami	Chuo-ku, Fukuoka-Shi, Fukuoka	3,800	4,390	1.6
Hotel Subtotal			69,544	71,200	28.9
Total			240,691	263,375	100.0

(Note 1) "Location" states the minimum individual administrative division in the region where the assets held by SAR as of today (hereinafter "Already Acquired Assets (Real Estate Etc.)") and the Asset to be Acquired are located.

(Note 2) "Acquisition price" means the sale and purchase proceeds described in the sale and purchase agreement related to each acquired asset (real estate properties etc.), and "Planned Acquisition Price" means the planned sale and purchase proceeds as stated in the agreement signed with the Seller in relation to the Asset to be Acquired, and each price is stated by rounding the amounts of less than 1 million yen to the nearest 1 million yen. The Acquisition Price and the Planned Acquisition Price do not include consumption tax, local consumption tax, or expenses required for acquisition. However, with respect to "Minami-Azabu Shibuya Building", as it is based on a sale and purchase agreement for multiple properties where no price is established for each individual property, the amount derived by prorating the total sales price of the multiple properties based on the ratio of the appraisal values of each individual property as of the time of their acquisition is stated as the "Acquisition Price". In addition, for the property succeeded by the merger, the appraisal value stated in the real estate appraisal report with the date of value as of the end of July 2020, which is the accepted price, is stated.

(Note 3) The appraisal was commissioned to Japan Real Estate Institute, Daiwa Real Estate Appraisal Corporation and Tanizawa Sogo Appraisal Co., "Real estate appraisal value" states the appraisal values stated in the real estate appraisal reports based on the price which is rounded to the nearest 1 million yen as the end of January, 2023, for already acquired properties, and the appraisal value stated in the real estate appraisal report based on the price which is rounded to the nearest 1 million yen as of July 1, 2023 with respect to the Assets to be Acquired.

(Note 4) "Investment ratio" shows the ratio of the (planned) acquisition price of each of acquired assets or Asset to be Acquired against the sum of the (planned) acquisition price for acquired assets and Asset to be Acquired rounded to the first decimal point.

(Note 5) On July 1, 2023, the property name of "Shibuya MK Building" has been changed to "Urban Center Shibuya East" and the property name of "Asahi Building" has been changed to "Urban Center Yokohama West", respectively, and the above chart has stated the property names after such changes. The same applies below.

(Note 6) Property No. LGC-10 "Funabashi Hi-Tech Park Factory II" has been assigned on February 20, 2023, and with respect to Property No. RSC-06 "Urban Park Gokokuji" which is managed as of the date of this document, a sale and purchase agreement has been signed on March 16, 2023 to the effect that it will be sold on August 31, 2023 or such other planned transfer date agreed between SAR and the planned purchaser. Likewise, with respect to Property No. RSC-09 "Urban Park Koenji" which is managed as of the date of this document, a sale and purchase agreement has been signed on August 7, 2023, with the planned transfer date on August 31, 2023. Therefore, each of such properties have been excluded from the description of the portfolio after execution of the Initiative.

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Reference Material 3 Summary of earthquake risk analysis

Type	Property no.	Property name	PML (%)	
Office	OFC-01	Minami-Azabu Shibuya Building	11.6	
	OFC-03	Honmachibashi Tower	5.5	
	OFC-04	Nishi-Shinjuku Matsuya Building	5.5	
	OFC-06	Urban Center Shibuya East	7.2	
	OFC-08	Urban Center Yokohama West	6.2	
	OFC-09	Hakata-eki East Place	4.7	
	OFC-10	Nihonbashi Hamacho Park Building	7.4	
	OFC-11	Amusement Media Gakuin Honkan	7.6	
	OFC-12	Higashi-Kobe Center Building	8.6	
	OFC-13	Amusement Media Gakuin Shinkan	9.6	
	OFC-14	Seishin BLDG.	5.5	
	OFC-15	Urban Center Kanda Suda-cho	8.4	
	OFC-16	Urban Center Kanda Tsukasamachi	9.4	
	OFC-17	Takadanobaba Access	3.5	
	OFC-18	Azabu Amerex BLDG.	10.2	
	OFC-19	Hiei-Kudan BLDG.	3.6	
	OFC-20	Urban Center Shin-Yokohama	4.4	
	OFC-21	The Portal Akihabara	8.2	
	OFC-22	Urban Center Tachikawa	4.5	
	OFC-23	Urban Center Hakata	3.6	
	OFC-24	Urban Center Fujisawa	9.7	
	Retail	RTL-01	La Park Kishiwada	14.8
		RTL-02	Suroy Mall Chikushino	2.2
		RTL-03	Seiyu Minakuchi	4.2
RTL-05		BAGUS Ikebukuro West	4.6	
RTL-06		abeno nini (Retail)	6.2	
Residence	RSC-01	Urban Park Azabujuban	7.5	
	RSC-02	Urban Park Daikanyama	8.1	
	RSC-05	Urban Park Namba	8.1	
	RSC-07	Urban Park Kashiwa	4.9	
	RSC-08	Urban Park Ryokuchi Koen	6.4	
	RSC-10	Urban Park Ichigao	9.8	
	RSC-11	Urban Park Gyotoku	5.1	
	RSC-12	Shiroi Logiman	3.5	
	RSC-13	Urban Park Sekime	11.5	







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	RSC-14	Urban Park Imazato	12.0
	RSC-15	Urban Park Yoyogi	7.7
	RSC-16	Urban Park Tokiwadai Koen	9.6
	RSC-17	Urban Park Mitsuike Koen	9.7
	RSC-18	Urban Park Ryogoku	6.0
	RSC-19	Urban Park Mizonokuchi	10.4
	RSC-20	Urban Park Miyamaedairai	4.5
	RSC-21	Urban Park Tsurumi	9.9
	RSC-22	Urban Park Mitaka	7.6
	RSC-23	Urban Park Kamata Minami I	4.3
	RSC-24	Urban Park Kamata Minami II	8.0
	RSC-25	Urban Park Umejima	2.6
Logistics	LGC-01	Iwatsuki Logistics	3.9
	LGC-02	Yokohama Logistics	13.0
	LGC-03	Funabashi Logistics	5.7
	LGC-04	Baraki Logistics	3.8
	LGC-05	Tokorozawa Logistics	9.5
	LGC-07	Funabashi Nishiura Logistics II	2.9
	LGC-08	Matsubushi Logistics	2.2
	LGC-09	Funabashi Hi-Tech Park Factory I	5.7
	Hotel	HTL-01	R&B Hotel Umeda East
HTL-02		Smile Hotel Namba	9.2
HTL-03		REMBRANT STYLE Tokyo Nishikasai	9.0
HTL-04		BEST WESTERN Yokohama	11.1
HTL-05		The BREAKFAST HOTEL FUKUOKA TENJIN	5.0
HTL-06		GLANSIT AKIHABARA	3.7
HTL-07		REMBRANT STYLETokyo Nishikasai Grande	6.1
HTL-08		KOKO HOTEL Osaka Namba	6.7
HTL-09		abeno nini (Hotel)	6.2
HTL-10		KOKO HOTEL Ginza 1-Chome	5.9
HTL-11		KOKO HOTEL Sapporo Ekimae	2.2
HTL-12		KOKO HOTEL Fukuoka Tenjin	4.3
HTL-13		KOKO HOTEL Hiroshima Ekimae	2.3
HTL-14		KOKO HOTEL Kagoshima Tenmonkan	6.5
HTL-15		Fino Hotel Sapporo Odori	4.2
HTL-16		Best Western Plus Fukuoka Tenjin-minami	3.2
Entire portfolio (71 properties) <sup>(Note)</sup>			2.4

(Note)The figure in the entire portfolio column is the PML for the entire portfolio of the Existing Assets / Assets to be Acquired (portfolio PML) based on “portfolio earthquake risk evaluation report” prepared by Tokio Marine DR Co., Ltd. dated July 2023.

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Reference Material 4 Location maps / photos of exterior

<p>HTL-10 KOKO HOTEL Ginza 1-Chome</p> 	
<p>HTL-11 KOKO HOTEL Sapporo Ekimae</p> 	
<p>HTL-12 KOKO HOTEL Fukuoka Tenjin</p> 	

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**HTL-13 KOKO HOTEL Hiroshima Ekimae**



**HTL-14 KOKO HOTEL Kagoshima Tenmonkan**



**HTL-15 Fino Hotel Sapporo Odori**



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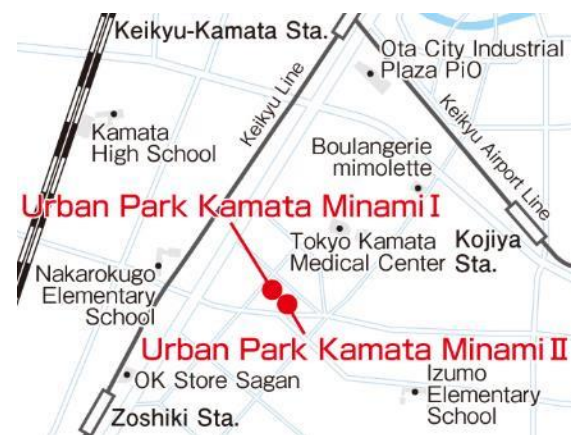
**HTL-16 Best Western Plus Fukuoka Tenjin-minami**



**RSC-22 Urban Park Mitaka**



**RSC-23 Urban Park Kamata Minami I**

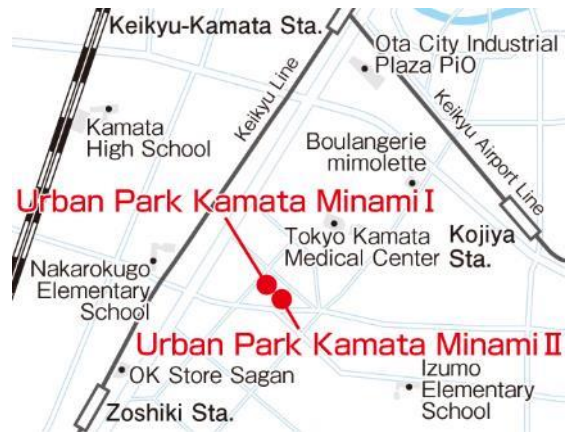


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RSC-24 Urban Park Kamata Minami II



✂Completion rendering



RSC-25 Urban Park Umejima



✂Completion rendering



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Reference Material 5 The terms used in the table of Description of Assets to be Acquired and Asset to be Transferred

**(a) Explanation on “Property no.” and “Type”**

Property Number column and Type column: Each of Assets to be Acquired and Asset to be Transferred by SAR is categorized by use of OFC (office), RTL (commercial / retail), RSC (residence), LGC (logistics), or HTL (hotel). Then, for each category, serial numbers are given to the assets in the category. In case of a property which could straddle two or more categories, it shall fall under the category from which the property generates the largest sum of assumed rent income.

**(b) Explanation on “Overview of specified asset”**

a. “Planned Acquisition price” and “Planned Transfer price” column: Herein is shown the planned acquisition price or sale price of the Assets to be Acquired and transfer price of the Asset to be Transferred as described in the purchase and sale agreement of the Assets to be Acquired and Asset to be Transferred (excluding consumption taxes, local consumption taxes, and expenses necessary for the acquisition), after rounded to the nearest million yen.

b. “Planned Acquisition Date” and “Planned Transfer Date” column: Herein is shown the planned MMDDYY of acquisition and transfer by SAR.

c. “Location” column: Herein is shown the certified address in registry. “Indication of residential address” column: Herein is shown the postal address. If postal address is not available and when the building has not been completed as of the date of this document, “-” is indicated.

d. “Land” column:

- i. “Type of ownership” column: Herein is shown the type of right(s) held by respective trustee of the Assets to be Acquired and Asset to be Transferred.
- ii. “Site area” column: Herein is shown the land area as recorded in registry, unless otherwise noted. For this reason, it possibly might not be equal to the actual.
- iii. “Use district” column: Herein is shown the type of use in accordance with Article 8, Paragraph 1 and Item 1 of the Urban Planning Act (Act No.100 of 1968; including its amendments) (“Urban Planning Act”).
- iv. “Building coverage ratio” column and “Floor area ratio” column: Herein is shown the pertinent figure in each column in accordance with the relevant laws and regulations (the Building Standards Act, the Urban Planning Act, etc.)

e. “Building” column:

- i. “Type of ownership” column. Herein is shown the type of right(s) held by respective trustee of the Assets to be Acquired and Asset to be Transferred.
- ii. “Total floor area” column: Herein is shown the sum total of floor areas as recorded in registry, unless otherwise noted. For this reason, it possibly might not be equal to the actual figure. In cases where the building has not yet been completed as of the date of this document, the information is based on the confirmation certificate and may be subject to change in the future.
- iii. “Use” column: Herein is shown the registered use or, if multiple uses are registered the representative use from what are recorded in registry, it possibly might not be equal to the actual representative use. As for the building with compartmentalized ownership, the type of use for the exclusively owned space by SAR is shown. In cases where the building has not yet been completed as of the date of this document, the information is based on the confirmation certificate and may be subject to change in the future.
- iv. “Construction completion” column: Herein is shown MMDDYY of the representative building first built as recorded in registry. If the building is not yet completed as of the date of this document, the date of completion is indicated as of the date of this document and may be changed in the future.

Note: This press release does not in any way constitute any part of an offering of securities for investment. This press release has been prepared for the purpose of announcing to the public certain matters relating to the acquisition and lease contract with new tenants, and transfer, of real estate beneficiary interests in trust, and not for the purpose of soliciting any investment, within or outside of Japan. Additionally, this press release is not an offer of securities for sale in the United States. SAR’s securities have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. No offering or sale of securities in the United States will be made in connection with the above-mentioned acquisitions. This press release is not for publication, distribution or release, directly or indirectly in or into the United States of America.



v. “Structure and floors” column: Herein is shown the structure and number of floors of the representative building, etc. as recorded in registry. It possibly might not be equal to the actual structure and number of floors. As for the building with compartmentalized ownership, the structure and the number of floors for the entire building are shown. In cases where the building has not yet been completed as of the date of this document, the information is based on the confirmation certificate and may be subject to change in the future.

f. “Property management company” column: Herein is shown the name of property management company (“PM Company”), to which property management operation is (planned to be) entrusted as of today

g. “Master lease company” column: Herein is shown the name of the master lease company, to which master lease operation is (planned to be) entrusted, as of today.

**(c) Explanation on “Status of leasing”**

a. “Total leasable area” column: Herein is shown the sum total of leasable floor areas of buildings of the Assets to be Acquired and Asset to be Transferred (in case common space is also leased, area of that space is included in the total). The figure does not include the area of the land lots leasable for parking and other purposes. Leasable area is counted not from registry data but from area data as described in lease agreements or from area data as calculated by using the architectural drawings of the buildings, so it possibly might not be equal to the total floor area as recorded in registry.

Please note that, unless noted otherwise, the source data for the column represent what were provided by the current owner(s) of the Assets to be Acquired as of May 31, 2023, and the information as of the end of January 2023 for the Asset to be Transferred. With respect to the Assets to be Acquired (7 hotel properties), the figures stated are based on each lease agreement expected to be signed after SAR acquires the properties (the same applies hereinafter, under the “Status of Leasing” sections, unless otherwise stated in the annotations). Furthermore, in cases where the building construction is not yet completed as of the end of May 31, 2023, “Total leasable area” states the total leasable area planned as of May 31, 2023, and there is a possibility that such area may change in the future.

b. “Total leased area” column: Herein is shown the sum total of the floor areas to be leased as described in lease agreement for each of the Assets to be Acquired and Asset to be Transferred as of May 31, 2023 out of the leasable area. The figure does not include the area of the land lots to be leased for parking and other purposes. Please note that the source data for the column represent what were provided by the current owner(s) of the Assets to be Acquired as of May 31, 2023. In cases where building construction is not completed as of May 31, 2023, it is written as “—”.

c. “Occupancy rate” column: Herein is shown the percentage of total leased floor area over the total leasable floor area of the Assets to be Acquired and Asset to be Transferred, after rounded to the first decimal point. Please note that the source data for the column represent what were provided by the current owner(s) of the Assets to be Acquired as of May 31, 2023. In addition, if the building is not yet completed as of the end of May 2023, “-” is indicated. In addition, the seven hotel properties are described as “-” because they are managed by the seller by entering into a management consignment agreement as of today.

d. “Total number of tenants” column: Herein is shown the total number of tenants as confirmed with the lease agreements effective as of May 31, 2023 of the Assets to be Acquired. In case a specific tenant uses two or more rooms in one of the Assets to be Acquired and Asset to be Transferred, such tenant is counted only once for the asset. Also, in case a specific tenant signs lease agreements for rooms in two or more assets, the tenant shall be counted for each of the assets separately. In case a pass-through type of master lease agreement (a lease agreement in which the master lessee receives rent from end tenants and pay the same amount to the lessor) is executed for any of the Assets to be Acquired and Asset to be Transferred, total number of the actual (end) tenants under the master lease agreement for the asset is shown herein. In addition, “-” is indicated when the building is not yet completed as of the end of May 2023.

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e. “Monthly rent (including common area maintenance fee)” column: Herein is shown the total of rent amounts as described in lease agreements with respective tenants as of last day of May, 2023 (confined to room rents; excluding the charges for warehouses, sign boards and parking lots; but including the common service expenses; and free rent cases as of the same date are not considered), after rounded to the nearest thousand yen. In addition, “-” is indicated when the building is not yet completed as of the end of May 2023. Furthermore, with respect to the Assets to be Acquired (7 hotel properties), as of the date of this document, it is written as “—”, because the properties are managed by the sellers by signing management entrustment agreements.

f. “Security and guarantee deposits” column: Herein is shown the sum total of refundable deposits as required in lease agreements effective as of May 31, 2023 (only for the tenants who actually were in respective rooms at the time) of the Assets to be Acquired. In case a pass-through type of master lease agreement is executed for any of the Assets to be Acquired, sum total of refundable deposits as described in the individual lease agreements with respective (end) tenants is calculated to be shown in the column.

In cases where building construction is not completed as of May 31, 2023, it is written as “—”.

**(d) Explanation on “Special notations”**

Special notation column: Herein is shown a description not only on the items considered material in relation to the involved rights and assumed uses but also the other items considered material in relation to appraisal value of, profitability of, and disposability of the Assets to be Acquired and Asset to be Transferred..

**(e) Explanation on “Summary of real estate appraisal report”**

a. “Summary of real estate appraisal report” column: Herein is shown a summary of respective appraisal report, which was prepared either by Japan Real Estate Institute and Tanizawa Sogo Appraisal Co., Ltd for the Assets to be Acquired and Asset to be Transferred. If there are multiple discount rate, the discount rate the appraiser adopted taking the current operating status into consideration is stated.

b. “Appraisal value” column: Herein is shown only the opinions on the value of respective property as of the date of appraisal, expressed by the appraiser who did the appraisal of the property, in accordance with the Act on Real Estate Appraisal (Act No.152 of 1963; including its amendments) and commonly accepted appraisal standards for real estate properties, etc.

c. In case appraisal is once again undertaken for the same property, its result could be different from the previous result because appraiser and/ or appraisal method and/ or appraisal timing is different. Also, it is requested to note that any appraisal result for any property is not what guarantees or promises the actual tradability of the property at the appraised value whether for right now or for any moment in the future.

d. None of Japan Real Estate Institute and Tanizawa Sogo Appraisal Co., Ltd who conducted appraisal is an interested party of neither SAR nor the Asset Manager.

e. In cases where the building is not yet completed as of the date of this document, the “Appraisal of Uncompleted Buildings, etc.,” which came into effect on November 1, 2014 (partially amended on May 1, 2014) in the Real Estate Appraisal Standards established by the Ministry of Land, Infrastructure, Transport and Tourism, has been conducted.

**(f) Explanation on “Property Features/ Key Points of Evaluation”**

The basic characteristics, features, etc. of the property are described based on the Asset Manager's own investigation, in reference to real estate appraisal reports and market reports, etc.

*This is an English translation of the announcement in Japanese dated August 7, 2023. However, no assurance or warranties are given for the completeness or accuracy of this English translation.*

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