

For Immediate Release

REIT Issuer:

ORIX JREIT Inc. (TSE: 8954)
Hiroshi Miura
Executive Director

Asset Management Company:

ORIX Asset Management Corporation
Mitsuru Tanaka
President and CEO

Inquiries:

Tomonao Nishitani
Finance and Investor Relations Department
TEL : +81 3 5776 3323

**ORIX JREIT Announces Acquisition of “Cross Residence Takadanobaba”,
“Cross Residence Rikugien” and “Cross Residence Kanda Jimbocho”
and Disposition of “MG Shirokanedai Building”**

TOKYO, January 25, 2024 — ORIX JREIT Inc. (“OJR”) announced that its asset management company, ORIX Asset Management Corporation (“OAM”), passed a resolution on the acquisition and disposition of properties, as described below.

1. Exchange Summary

1) The Acquisition Summary

OJR will acquire the Property^(Note1) after completion of construction. ^(Note2)

| Property name ^(Note 3) | Cross Residence Takadanobaba | Cross Residence Rikugien | Cross Residence Kanda Jimbocho |
|----------------------------------------------|--------------------------------------------|-------------------------------------------|-------------------------------------------|
| Specified asset category | Real Estate | Real Estate | Real Estate |
| Type | Residential Property | Residential Property | Residential Property |
| Area ^(Note 4) | 6 Central Tokyo Wards (Shinjuku-ku, Tokyo) | Remaining Tokyo Wards (Toshima-ku, Tokyo) | 6 Central Tokyo Wards (Chiyoda-ku, Tokyo) |
| Contract date | January 25, 2024 | | |
| Acquisition date ^(Note 5) | March 1, 2024 | March 29, 2024 | May 31, 2024 |
| Acquisition price | 8,400 million yen | 1,980 million yen | 2,275 million yen |
| Appraisal value ^(Note 6) | 9,730 million yen | 2,320 million yen | 2,590 million yen |
| NOI yield ^(Note 7) | 3.8% | 3.8% | 3.6% |
| Yield after depreciation ^(Note 8) | 3.0% | 3.0% | 3.0% |

2) The Disposition Summary

| | |
|------------------------------------------------------------|------------------------------------------|
| Property name | MG Shirokanedai Building |
| Specified asset category | Real estate trust beneficiary interest |
| Type | Office |
| Area ^(Note 4) | 6 Central Tokyo Wards (Minato-ku, Tokyo) |
| Contract date | January 25, 2024 |
| Disposition date ^(Note 5) | April 1, 2024 |
| Disposition price | 8,780 million yen |
| Appraisal value | 8,780 million yen |
| Book value ^(Note 9, 10) | 8,326 million yen |
| Estimated gain/loss on disposition ^(Note 9, 10) | 402 million yen |

3) Transaction party: Not-disclosed ^(Note 11)

4) Intermediary: None

Note:

1. "Property" refers to each property or collectively to all the properties indicated above. "Acquisition" refers to the acquisition of the Property and "Disposition" refers to the disposition of the Property. "The Exchange" collectively refers to the Acquisition and the Disposition.
2. OJR will acquire the Property after completion of construction. The completion is scheduled as follows. Cross Residence Takadanobaba: January 2024, Cross Residence Rikugien: February 2024 and Cross Residence Kanda Jimbocho: April 2024.
3. As the construction of Property is not yet completed as of today, the property name describes the name that OJR will use after the acquisition.
4. "6 Central Tokyo Wards" refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya and Shinagawa wards and "Remaining Tokyo Wards" refers to the remaining Tokyo wards other than the "6 central Tokyo wards."
5. The purchase and sale agreements pertaining to the Exchange (hereinafter in this note, "Purchase and Sale Agreements") falls under the category of Forward Commitment as provided in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. set by the Financial Services Agency, since they are postdated purchase and sale agreements where the settlement and delivery of the properties will be conducted later than one month after the conclusion of such agreements.

<Financial Impact on OJR in the case where the forward commitment cannot be fulfilled.>

In this regard, the Purchase and Sale Agreements stipulate cancellation provisions as follows:

- i. In the event either the seller or the purchaser commits a material breach of the Purchase and Sale Agreements (such party, hereinafter, the "Breaching Party"), the other party (hereinafter the "Cancelling Party") may set a certain reasonable period and demand the Breaching Party to remedy the breach within such period. If the Breaching Party fails to remedy its breach within such period, the Cancelling Party may cancel the transactions under Purchase and Sale Agreements that have not been completed at the time of such cancellation. Provided, however, that in case it is evident that it is impossible to remedy its breach within a reasonable period, the Cancelling Party may immediately cancel without prior notice the transactions under Purchase and Sale Agreements that have not been completed at the time of such cancellation.
 - ii. In the event the Purchase and Sale Agreement is cancelled due to the reason mentioned in i) above, the Breaching Party shall immediately pay to the Cancelling Party as a penalty amount equivalent to 20% of the amount of acquisition price or disposition price of the Property that are the subject of the breach of obligations mentioned in i) above (if the breach is recognized in multiple transactions, or in matters concerning the seller or the purchaser (other than matters concerning each Property), the acquisition price or disposition price of the Property that should have been most immediately completed after the occurrence of breach). Even if the damage incurred or born by the Cancelling Party exceeds the amount of the penalty, the Cancelling Party may not claim against the Breaching Party an amount in excess of the penalty. Even if the amount of such damage is less than the amount of the penalty, the Breaching Party may not claim a reduction of the penalty.
 - iii. If any of Purchase and Sale Agreements (including a part of the Purchase Agreement for the Acquisition) is cancelled or terminated, the portion of the Purchase and Sale Agreements that have not been completed as of that time shall be deemed to have been cancelled.
6. As the construction of Property is not yet completed, OJR has conducted "appraisal for non-completed building, etc.", in accordance with the real estate appraisal standards defined by the Ministry of Land, Infrastructure and Transport. Please refer to "9. Appraisal Summary" for details.
 7. The "NOI Yield" of Property is calculated by dividing Net Operating Income based on the direct capitalization method indicated in the appraisal report at the time of decision to acquire by the acquisition price. The figures are rounded to the one decimal place.
 8. The "Yield after Depreciation" of Property is calculated by dividing (Net Operating Income based on the direct capitalization method indicated in the appraisal report at the time of decision to acquire – Depreciation expense estimated by OAM) by the acquisition price. The figures are rounded to the one decimal place.
 9. Figures are rounded down to the nearest million yen.
 10. Book value is an estimate as of disposition date. Estimated gain/loss on transfer is pro forma amount based on the book value and assumed disposition expenses. The amount is subject to change.
 11. The transaction party is a Japanese company, however, the name of the company is not disclosed because the consent of the company could not be obtained.

2. Future Outlook

There will be no change in the earnings and distributions forecast for the 44th fiscal period from September 1, 2023 through February 29, 2024 and the 45th fiscal period from March 1, 2024 through August 31, 2024 announced in "Financial Results for the 43rd Fiscal Period" dated October 20, 2023.

As for gain on Disposition (402 million yen) we expect to record during the 45th fiscal period from March 1, 2024 through August 31, 2024, OJR is planning to partially set it aside as internal reserves to stabilize future DPU by applying "Special provisions for taxation in case of replacement by purchase of specified assets" in Article 65-7 of the Act on Special Measures Concerning Taxation.

Furthermore, proceeds from Disposition will be used for various initiatives that contribute to the stable growth in unitholder value, such as future property acquisition and the repayment of loans.

3. Purpose of the Exchange

OJR aims to achieve stable growth of unitholder value through careful selection in properties from the perspectives of growth potential, profitability and stability by leveraging our strength, “ORIX Synergy (Note1),” “Direct PM (Note2)” and “Diversified REIT (Note3)”. At present, we are conducting asset replacement focused on improving portfolio quality.

Under this policy, despite challenging acquisition environment, OJR decided on this exchange with a third party where we can further utilize our strengths and anticipate stable demand in the middle to long term.

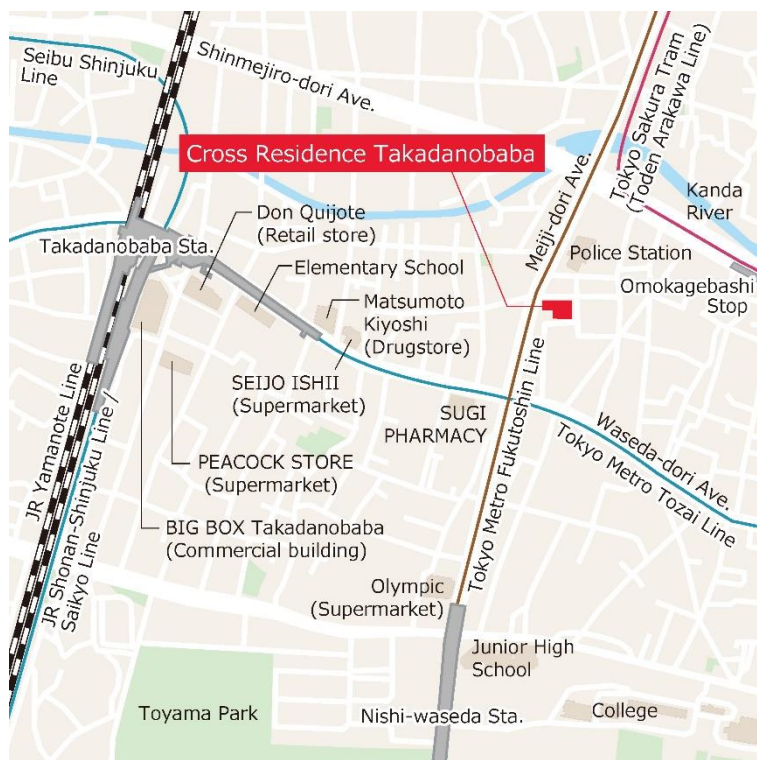
Note:

1. The “ORIX Synergy” refers to the cooperative relationship between ORIX Corporation and its group companies, and OJR.
2. The “Direct PM” refers to the supplemental work of property management operations including leasing activities and activities to improve property value by OAM while utilizing the ORIX Synergy.
3. The “Diversified REIT” refers to real estate investment incorporations that invest in various types of property such as offices, retail facilities, residential properties, logistics facilities, hotels and others.

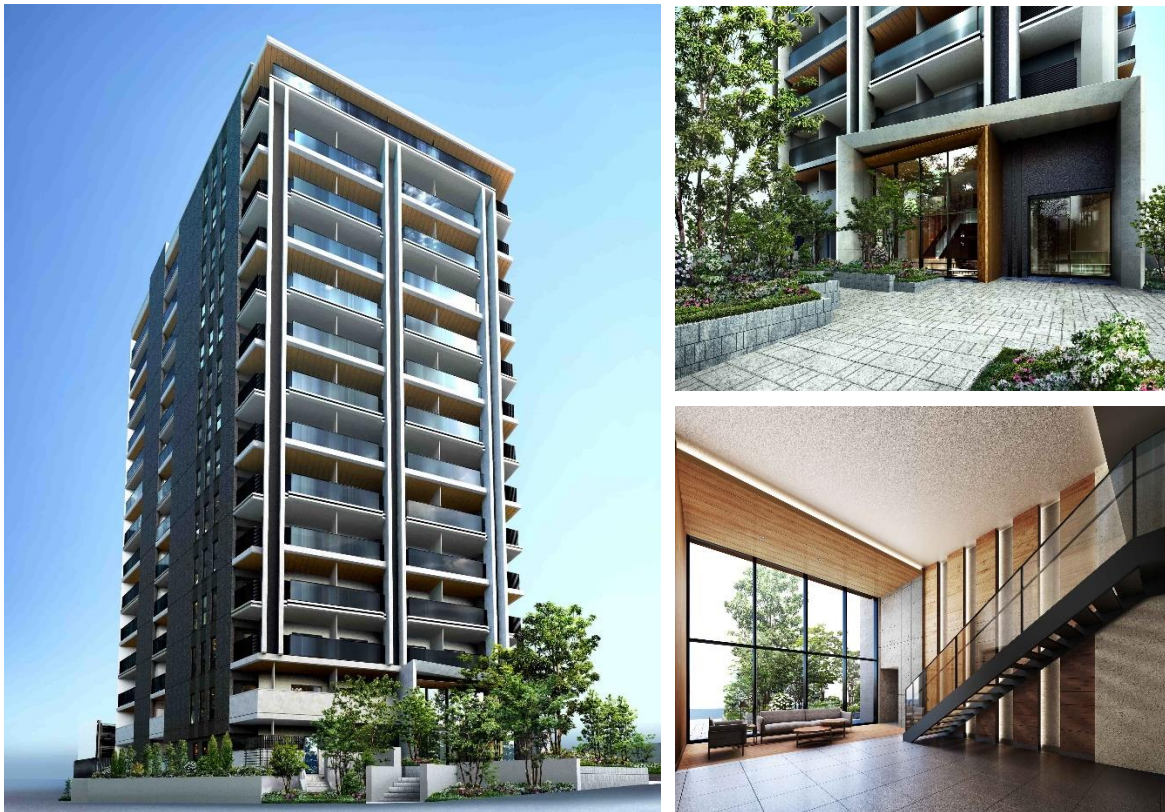
1) Purpose of the Acquisition of “Cross Residence Takadanobaba”

- Conveniently located approximately a 5-minute walk from “Nishi-waseda” station on Tokyo Metro Fukutoshin Line, approximately a 6-minute walk from “Takadanobaba” station on Tokyo Metro Tozai Line and approximately a 10-minute walk from “Takadanobaba” station on JR Yamanote Line and Seibu Shinjuku Line, and with easy access to Shinjuku, Shibuya, Ikebukuro, Otemachi and Nihombashi, etc. without any transfers.
- The vicinity of Waseda-dori Ave. and Meiji-dori Ave. offers high lifestyle convenience of many commercial facilities, shopping streets, supermarkets, convenience stores, drug stores and restaurants.
- An entrance hall with a classy two-story atrium, lounge and study room unique to large-scale property, and OJR’s highly experienced single type (Under 40m²) and compact type (Under 60m², Over 40m²) residential property located in central Tokyo.
(Newly built with 187 rentable units: 67% for 1R/1K/1DK units, 27% for 1LDK units, 6% for 2LDK/3LDK units)

Map



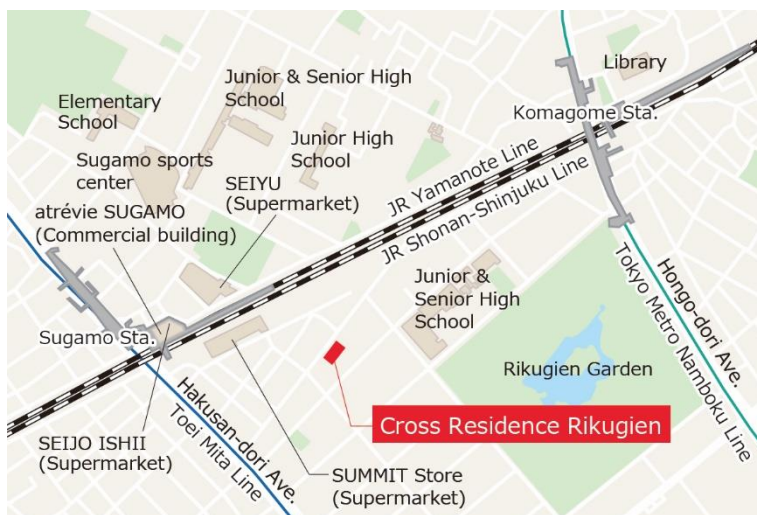
Rendering



2) Purpose of the Acquisition of “Cross Residence Rikugien”

- Located approximately a 4-minute walk from “Sugamo” station on JR Yamanote Line and Toei Mita Line, and with good access to public transport lines with 2 stations and 3 lines including “Komagome” station on Tokyo Metro Namboku Line.
- Excellent living environment located in a quiet residential neighborhood and high lifestyle convenience in the vicinity of Sugamo station with supermarkets, convenience stores, drug stores and restaurants.
- OJR’s highly experienced single type (Under 40m²) and compact type (Under 60m², Over 40m²) residential property located in central Tokyo.
(Newly built with 42 rentable units: 24% for 1K/1DK units, 60% for 1LDK units, 16% for 2LDK units)

Map



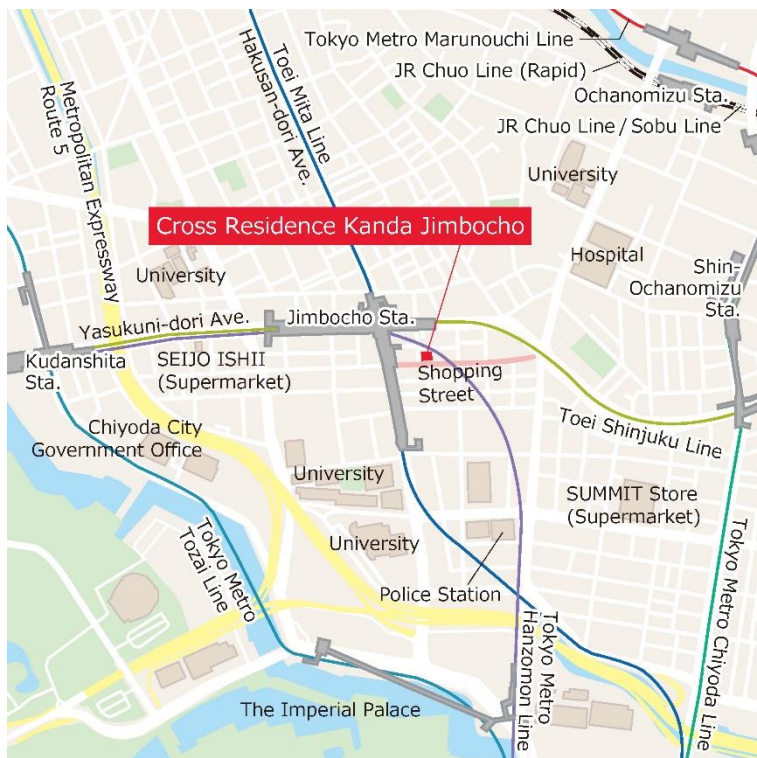
Rendering



3) Purpose of the Acquisition of “Cross Residence Kanda Jimbocho”

- Conveniently located approximately a 1-minute walk from “Jimbocho” station on Tokyo Metro Hanzomon Line, Toei Shinjuku Line and Toei Mita Line, and with easy access to terminal stations, major business areas and commercial centered areas.
- The vicinity offers high lifestyle convenience with convenience stores, drug stores, restaurants and retail stores as well as some supermarkets within walking distance.
- OJR’s highly experienced single type (Under 40m²) and compact type (Under 60m², Over 40m²) residential property located in central Tokyo.
(Newly built with 44 rentable units: 68% for 1DK units, 27% for 1LDK units, 5% for 2LDK units)

Map



Rendering



4) Purpose of the Disposition of “MG Shirokanedai building”

- We estimate a large amount of additional repair costs to be incurred due to building age and limited potential for further growth as office, which may have a risk of unrealized loss.

4. Summary of Property to be Acquired

1) Cross Residence Takadanobaba

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Property name | | Cross Residence Takadanobaba |
| Specified asset category | | Real Estate |
| Address ^(Note 1) | | 3-29-9 Nishi-waseda, Shinjuku-ku, Tokyo |
| Public transit access | | Approx. 5-minute walk from “Nishi-waseda” station on Tokyo Metro Fukutoshin Line, Approx. 6-minute walk from “Takadanobaba” station on Tokyo Metro Tozai Line, Approx. 10-minute walk from “Takadanobaba” station on JR Yamanote Line and Seibu Shinjuku Line |
| Land | Registered Area | 1,514.62 m ² |
| | Type of ownership | Full ownership |
| Building | Registered usage | Residence (Building permit) |
| | Registered completion date | January 2024 (Scheduled) |
| | Type of ownership | Full ownership |
| | Registered Area | 7,913.10 m ² (Building permit) |
| | Registered construction | Reinforced concrete, 14 floors |
| Earthquake resistance | | PML ^(Note 2) : 4% *Based on the report by Sompo Risk Management Inc. |
| Collateral | | None |
| Summary of the Engineering Report | | |
| | Reporting Company | Japan Constructive Inspect Association CO.,LTD |
| | Date of inspection | December 1, 2023 through January 18, 2024 (desk survey) |
| | Maintenance Cost (Total amount of 12 years from the date of inspection) | 18 million yen ^(Note 3) |
| | Replacement Cost | 1,674 million yen ^(Note 3) |
| Summary of Rental status (Estimated numbers calculated in estimated NOI described below as the property is still under construction.) | | |
| | Number of tenants | 1 *Pass through-type master lease agreement is scheduled to be executed at the time of acquisition. |
| | Gross rental income excluding parking | 30 million yen per month ^(Note 3) |
| | Security deposits including parking | - |
| | Total rent space | - |
| | Total rentable space | 6,064.72 m ² |
| Occupancy rate of end tenants during past 5 years | | - (due to under construction) |
| Special notes | | None |
| Estimated net operating income (NOI) | | 315 million yen per annum ^(Note 3) Estimated net operating income (NOI) represents the estimated revenue / expenditure balance under stabilized occupancy excluding extraordinary factors that may occur after acquisition. The precondition is as below; the figure is not what OAM expects for the current fiscal year. - Occupancy rate: 96.1% (Occupancy of end-tenants) |

2) Cross Residence Rikugien

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Property name | | Cross Residence Rikugien |
| Specified asset category | | Real Estate |
| Address ^(Note 1) | | 1-4 Sugamo, Toshima-ku, Tokyo |
| Public transit access | | Approx. 4-minute walk from “Sugamo” station on JR Yamanote Line and Toei Mita Line. |
| Land | Registered Area | 611.69 m ² |
| | Type of ownership | Full ownership |
| Building | Registered usage | Residence (Building permit) |
| | Registered completion date | February 2024 (Scheduled) |
| | Type of ownership | Full ownership |
| | Registered Area | 1,800.87 m ² (Building permit) |
| | Registered construction | Reinforced concrete, 9 floors |
| Earthquake resistance | | PML ^(Note 2) : 7% *Based on the report by Sompo Risk Management Inc. |
| Collateral | | None |
| Summary of the Engineering Report | | |
| | Reporting Company | Japan Constructive Inspect Association CO.,LTD |
| | Date of inspection | December 1, 2023 through December 12, 2023 (desk survey) |
| | Maintenance Cost (Total amount of 12 years from the date of inspection) | 3 million yen ^(Note 3) |
| | Replacement Cost | 373 million yen ^(Note 3) |
| Summary of Rental status (Estimated numbers calculated in estimated NOI described below as the property is still under construction.) | | |
| | Number of tenants | 1 *Pass through-type master lease agreement is scheduled to be executed at the time of acquisition. |
| | Gross rental income excluding parking | 7 million yen per month ^(Note 3) |
| | Security deposits including parking | - |
| | Total rent space | - |
| | Total rentable space | 1,432.55 m ² |
| Occupancy rate of end tenants during past 5 years | | - (due to under construction) |
| Special notes | | None |
| Estimated net operating income (NOI) | | 74 million yen per annum ^(Note 3) Estimated net operating income (NOI) represents the estimated revenue / expenditure balance under stabilized occupancy excluding extraordinary factors that may occur after acquisition. The precondition is as below; the figure is not what OAM expects for the current fiscal year. - Occupancy rate: 96.2% (Occupancy of end-tenants) |

3) Cross Residence Kanda Jimbocho

| | | |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Property name | | Cross Residence Kanda Jimbocho |
| Specified asset category | | Real Estate |
| Address ^(Note 1) | | 1-5 Kanda-jimbocho, Chiyoda-ku, Tokyo |
| Public transit access | | Approx. 1-minute walk from “Jimbocho” station on Tokyo Metro Hanzomon Line, Toei Shinjuku Line and Toei Mita Line |
| Land | Registered Area | 226.66 m ² |
| | Type of ownership | Full ownership |
| Building | Registered usage | Residence (Building permit) |
| | Registered completion date | April 2024 (Scheduled) |
| | Type of ownership | Full ownership |
| | Registered Area | 1,680.23 m ² (Building permit) |
| | Registered construction | Reinforced concrete, 13 floors |
| Earthquake resistance | | PML ^(Note 2) : 8% *Based on the report by Sompo Risk Management Inc. |
| Collateral | | None |
| Summary of the Engineering Report | | |
| Reporting Company | | Japan Constructive Inspect Association CO.,LTD |
| Date of inspection | | December 1, 2023 through December 12, 2023 (desk survey) |
| Maintenance Cost (Total amount of 12 years from the date of inspection) | | 3 million yen ^(Note 3) |
| Replacement Cost | | 347 million yen ^(Note 3) |
| Summary of Rental status (Estimated numbers calculated in estimated NOI described below as the property is still under construction.) | | |
| Number of tenants | | 1 *Pass through-type master lease agreement is scheduled to be executed at the time of acquisition. |
| Gross rental income excluding parking ^(Note 4) | | 8 million yen per month ^(Note 3) |
| Security deposits including parking ^(Note 4) | | - |
| Total rent space | | - |
| Total rentable space | | 1,331.56 m ² |
| Occupancy rate of end tenants during past 5 years | | - (due to under construction) |
| Special notes | | None |
| Estimated net operating income (NOI) | | 81 million yen per annum ^(Note 3) Estimated net operating income (NOI) represents the estimated revenue / expenditure balance under stabilized occupancy excluding extraordinary factors that may occur after acquisition. The precondition is as below; the figure is not what OAM expects for the current fiscal year. - Occupancy rate: 96.1% (Occupancy of end-tenants) |

Note:

1. The “Address” column shows the residence indication if there is, and if there is none, the building address recorded in the registry. Accordingly, the address may differ from the lot number recorded in the registry.
2. PML (Probable Maximum Loss) expresses the ratio of the assumed potential damage on buildings, which could occur once in 475 years based on probability statistics, against replacement cost. The earthquake risk of a building is evaluated based on the risk curve that shows the relationship of amount of expected loss (horizontal axis) and probability to exceed the year that the seismic motion causes its loss (vertical axis). The risk curve is evaluated based on the damage distribution considering the uncertainty of damage due to earthquake resistance performance of the building and the behavior of the seismic motion, etc. The figure of PML is rounded to the whole number.
3. Figures are rounded down to the nearest million yen.
4. There is no car parking space at “Cross Residence Kanda Jimbocho”.

5. Summary of Property to be Disposed

| | | | | | |
|----------------------------------------------------|----------------------------------------------|-------------|-------------|-------------|-------------|
| Property name | MG Shirokanedai Building | | | | |
| Type of ownership | Real estate trust beneficiary interest | | | | |
| Address ^(Note 1) | 5-12-7 Shirokanedai, Minato-ku, Tokyo | | | | |
| Registered usage | Office | | | | |
| Appraisal value (Date of value) | 8,780 million yen (January 1, 2024) | | | | |
| Summary of Rental status (As of November 30, 2023) | | | | | |
| Number of tenants | 4 | | | | |
| Gross rental income excluding parking | 36 million yen per month ^(Note 2) | | | | |
| Security deposits including parking | 385 million yen ^(Note 2) | | | | |
| Total rent space | 4,984.87m ² | | | | |
| Total rentable space | 4,984.87m ² | | | | |
| Occupancy rate during past 5 years | August 2019 | August 2020 | August 2021 | August 2022 | August 2023 |
| | 100% | 100% | 100% | 100% | 100% |

Note:

1. The "Address" column shows the residence indication if there is, and if there is none, the building address recorded in the registry. Accordingly, the address may differ from the lot number recorded in the registry.
2. Figures are rounded down to the nearest million yen.

6. Profile of the Transaction Party

The transaction party is a Japanese company, however, the name of the company is not disclosed because the consent of the company could not be obtained.

There is no capital, personal and business relationship among OJR, OAM and the company. In addition, the company is not a "related party" to OJR nor OAM.

7. Information of the Transaction Party

The Exchange is not from any party and not to any party having a special interest in OJR nor OAM.

8. Payment terms

Settlement terms: 100% on each delivery

Funding method: Cash on hand and proceeds from the Disposition

The Exchange is based on the assumption that the Acquisition and the Disposition will be conducted taken as a whole. If the execution of either the Acquisition or the Disposition is suspended for any reason, the transactions of the Property that have not been completed at that time will be cancelled.

9. Appraisal Summary

1) Cross Residence Takadanobaba

| | |
|---------------------------------------|--------------------------------------|
| Name of asset | Cross Residence Takadanobaba |
| Date of value | December 1, 2023 |
| Appraisal value (In thousands of yen) | 9,730,000 |
| Appraiser | Chuo Real Estate Appraisal Co., Ltd. |

(In thousands of yen)

| Item | Content | Grounds |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Income Approach Value | 9,730,000 | Income Approach value is determined with emphasis on valuation by the DCF method, taking valuation by the direct capitalization method into consideration |
| Valuation by the Direct Capitalization Method | 10,100,000 | |
| (1) Gross Operating Revenue [(a)-(g)] | 389,470 | |
| (a) Effective gross revenue [(b) + (c) + (d) + (e) + (f)] | 405,934 | |
| (b) Rental income | 356,606 | Assessed taking factors such as the level of rents and CAM charges at similar properties into consideration |
| (c) CAM income | 27,471 | Same as above |
| (d) Utility reimbursement | 0 | Not recognized because tenant areas are covered by the individual agreements of tenants |
| (e) Parking Fee income | 9,240 | Assessed taking factors such as the level of parking use at similar properties into consideration |
| (f) Other income | 12,617 | Assessed based mainly on estimates |
| (g) Vacancy loss | 16,464 | Assessed taking factors such as the actual occupancy of similar properties and future market trend forecasts into consideration |
| (2) Operating Expenses | 74,284 | |
| Maintenance Expense | 10,916 | Assessed based mainly on estimates |
| Utility Expense | 4,211 | Assessed taking factors such as level of expenses at similar properties into consideration |
| Repair Expense | 5,281 | Assessed taking into consideration estimated repair expenses based on the ER and our assessment calculated from a medium-to-long-term stable perspective based on details of the building such as use, building age, structure and management status |
| Property Management Fee | 6,298 | Assessed based on expected contract conditions |
| Tenant Advertisement Cost | 16,521 | Assessed based on expected contract conditions |
| Tax and Public Dues | 27,011 | Assessed based on most recent actual amounts |
| Casualty Insurance | 386 | Assessed based mainly on estimates |
| Other Expenses | 3,660 | Assessed based mainly on estimates |
| (3) Net Operating Income [(1)-(2)] | 315,186 | |
| (4) Profit from Managing Security Deposit | 287 | Assessed based on rate of return of 1.0% |
| (5) Capital Expenditure | 3,150 | Assessed taking into consideration estimated renewal cost based on the ER and our assessment calculated from a medium-to-long-term stable perspective based on details of the building such as use, building age, structure and management status |
| (6) Net Revenue [(3)+(4)-(5)] | 312,323 | |
| (7) Cap Rate | 3.1% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration the individual features of the property such as location, building specs and rights and benefits |
| Valuation by DCF Method | 9,570,000 | |
| Discount Rate | 2.9% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration factors such as the individual features of the property and valuation scenarios |
| Terminal Cap Rate | 3.3% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration factors such as the individual features of the property, valuation scenarios, future market risks and other risk premiums |
| Cost Approach Value | 9,250,000 | |
| Ratio of Land | 78.2% | |
| Ratio of Building | 21.8% | |
| Additional considerations made in the reconciliation of evaluation | Determined by adopting income approach value in reference to cost approach value as demand for the subject property is considered to emphasize profitability | |

2) Cross Residence Rikugien

| | |
|---------------|--------------------------|
| Name of asset | Cross Residence Rikugien |
|---------------|--------------------------|

| | |
|---------------------------------------|--------------------------------------|
| Date of value | December 1, 2023 |
| Appraisal value (In thousands of yen) | 2,320,000 |
| Appraiser | Chuo Real Estate Appraisal Co., Ltd. |

(In thousands of yen)

| Item | Content | Grounds |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Income Approach Value | 2,320,000 | Income Approach value is determined with emphasis on valuation by the DCF method, taking valuation by the direct capitalization method into consideration |
| Valuation by the Direct Capitalization Method | 2,400,000 | |
| (1) Gross Operating Revenue [(a)-(g)] | 94,396 | |
| (a) Effective gross revenue [(b) + (c) + (d) + (e) + (f)] | 98,702 | |
| (b) Rental income | 86,470 | Assessed taking factors such as the level of rents and CAM charges at similar properties into consideration |
| (c) CAM income | 6,119 | Same as above |
| (d) Utility reimbursement | 0 | Not recognized because tenant areas are covered by the individual agreements of tenants |
| (e) Parking Fee income | 2,940 | Assessed taking factors such as the level of parking use at similar properties into consideration |
| (f) Other income | 3,173 | Assessed based mainly on estimates |
| (g) Vacancy loss | 4,306 | Assessed taking factors such as the actual occupancy of similar properties and future market trend forecasts into consideration |
| (2) Operating Expenses | 19,419 | |
| Maintenance Expense | 3,610 | Assessed based mainly on estimates |
| Utility Expense | 993 | Assessed taking factors such as level of expenses at similar properties into consideration |
| Repair Expense | 1,232 | Assessed taking into consideration estimated repair expenses based on the ER and our assessment calculated from a medium-to-long-term stable perspective based on details of the building such as use, building age, structure and management status |
| Property Management Fee | 1,891 | Assessed based on expected contract conditions |
| Tenant Advertisement Cost | 4,202 | Assessed based on expected contract conditions |
| Tax and Public Dues | 6,407 | Assessed based on most recent actual amounts |
| Casualty Insurance | 88 | Assessed based mainly on estimates |
| Other Expenses | 996 | Assessed based mainly on estimates |
| (3) Net Operating Income [(1)-(2)] | 74,977 | |
| (4) Profit from Managing Security Deposit | 69 | Assessed based on rate of return of 1.0% |
| (5) Capital Expenditure | 704 | Assessed taking into consideration estimated renewal cost based on the ER and our assessment calculated from a medium-to-long-term stable perspective based on details of the building such as use, building age, structure and management status |
| (6) Net Revenue [(3)+(4)-(5)] | 74,342 | |
| (7) Cap Rate | 3.1% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration the individual features of the property such as location, building specs and rights and benefits |
| Valuation by DCF Method | 2,280,000 | |
| Discount Rate | 2.9% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration factors such as the individual features of the property and valuation scenarios |
| Terminal Cap Rate | 3.3% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration factors such as the individual features of the property, valuation scenarios, future market risks and other risk premiums |
| Cost Approach Value | 2,110,000 | |
| Ratio of Land | 78.2% | |
| Ratio of Building | 21.8% | |
| Additional considerations made in the reconciliation of evaluation | Determined by adopting income approach value in reference to cost approach value as demand for the subject property is considered to emphasize profitability | |

3) Cross Residence Kanda Jimbocho

| | |
|---------------|--------------------------------|
| Name of asset | Cross Residence Kanda Jimbocho |
|---------------|--------------------------------|

| | |
|---------------------------------------|--------------------------------------|
| Date of value | December 1, 2023 |
| Appraisal value (In thousands of yen) | 2,590,000 |
| Appraiser | Chuo Real Estate Appraisal Co., Ltd. |

(In thousands of yen)

| Item | Content | Grounds |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Income Approach Value | 2,590,000 | Income Approach value is determined with emphasis on valuation by the DCF method, taking valuation by the direct capitalization method into consideration |
| Valuation by the Direct Capitalization Method | 2,690,000 | |
| (1) Gross Operating Revenue [(a)-(g)] | 100,441 | |
| (a) Effective gross revenue [(b) + (c) + (d) + (e) + (f)] | 104,045 | |
| (b) Rental income | 95,570 | Assessed taking factors such as the level of rents and CAM charges at similar properties into consideration |
| (c) CAM income | 5,247 | Same as above |
| (d) Utility reimbursement | 0 | Not recognized because tenant areas are covered by the individual agreements of tenants |
| (e) Parking Fee income | 0 | None |
| (f) Other income | 3,228 | Assessed based mainly on estimates |
| (g) Vacancy loss | 3,604 | Assessed taking factors such as the actual occupancy of similar properties and future market trend forecasts into consideration |
| (2) Operating Expenses | 19,215 | |
| Maintenance Expense | 3,515 | Assessed based mainly on estimates |
| Utility Expense | 925 | Assessed taking factors such as level of expenses at similar properties into consideration |
| Repair Expense | 1,109 | Assessed taking into consideration estimated repair expenses based on the ER and our assessment calculated from a medium-to-long-term stable perspective based on details of the building such as use, building age, structure and management status |
| Property Management Fee | 1,981 | Assessed based on expected contract conditions |
| Tenant Advertisement Cost | 4,451 | Assessed based on expected contract conditions |
| Tax and Public Dues | 6,164 | Assessed based on most recent actual amounts |
| Casualty Insurance | 82 | Assessed based mainly on estimates |
| Other Expenses | 988 | Assessed based mainly on estimates |
| (3) Net Operating Income [(1)-(2)] | 81,226 | |
| (4) Profit from Managing Security Deposit | 77 | Assessed based on rate of return of 1.0% |
| (5) Capital Expenditure | 653 | Assessed taking into consideration estimated renewal cost based on the ER and our assessment calculated from a medium-to-long-term stable perspective based on details of the building such as use, building age, structure and management status |
| (6) Net Revenue [(3)+(4)-(5)] | 80,650 | |
| (7) Cap Rate | 3.0% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration the individual features of the property such as location, building specs and rights and benefits |
| Valuation by DCF Method | 2,540,000 | |
| Discount Rate | 2.8% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration factors such as the individual features of the property and valuation scenarios |
| Terminal Cap Rate | 3.2% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration factors such as the individual features of the property, valuation scenarios, future market risks and other risk premiums |
| Cost Approach Value | 2,480,000 | |
| Ratio of Land | 83.1% | |
| Ratio of Building | 16.9% | |
| Additional considerations made in the reconciliation of evaluation | Determined by adopting income approach value in reference to cost approach value as demand for the subject property is considered to emphasize profitability | |

4) MG Shirokanedai Building

| Name of asset | MG Shirokanedai Building | |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of value | January 1, 2024 | |
| Appraisal value (In thousands of yen) | 8,780,000 | |
| Appraiser | Chuo Real Estate Appraisal Co., Ltd. | |
| (In thousands of yen) | | |
| Item | Content | Grounds |
| Income Approach Value | 8,780,000 | Income Approach value is determined with emphasis on valuation by the DCF method, taking valuation by the direct capitalization method into consideration |
| Valuation by the Direct Capitalization Method | 9,050,000 | |
| (1) Gross Operating Revenue [(a)-(g)] | 487,747 | |
| (a) Effective gross revenue [(b) + (c) + (d) + (e) + (f)] | 509,234 | |
| (b) Rental income | 458,693 | Assessed taking factors such as rent and CAM charges under the current lease agreement and other arrangements and the level of rents and CAM charges at similar properties into consideration |
| (c) CAM income | 0 | |
| (d) Utility reimbursement | 30,507 | Assessed based on actual data, taking the level of utilities income of similar properties into consideration |
| (e) Parking Fee income | 19,200 | Assessed taking factors such as the parking fee under the current agreement and the level of parking fees at similar properties into consideration |
| (f) Other income | 834 | Assessed based mainly on contract conditions |
| (g) Vacancy loss | 21,487 | Medium-to-long-term occupancy rate (vacancy rate), etc. is assessed taking factors such as actual occupancy data of the target real estate and similar properties and future market trend forecasts into consideration |
| (2) Operating Expenses | 128,951 | |
| Maintenance Expense | 26,918 | Assessed based on contract conditions, taking factors such as past data and level of expenses of similar properties into consideration |
| Utility Expense | 33,881 | Assessed based on actual past data, taking factors such as level of expenses of similar properties into consideration |
| Repair Expense | 8,056 | Assessed based mainly on ER |
| Property Management Fee | 6,633 | Assessed based on contract conditions |
| Tenant Advertisement Cost | 5,874 | Same as above |
| Tax and Public Dues | 47,097 | Assessed based on most recent actual amounts |
| Casualty Insurance | 492 | Same as above |
| Other Expenses | 0 | |
| (3) Net Operating Income [(1)-(2)] | 358,796 | |
| (4) Profit from Managing Security Deposit | 3,673 | Assessed based on rate of return of 1.0% |
| (5) Capital Expenditure | 36,828 | Assessed based on ER |
| (6) Net Revenue [(3)+(4)-(5)] | 325,641 | |
| (7) Cap Rate | 3.6% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration the individual features of the property such as location, building specs and rights and benefits |
| Valuation by DCF Method | 8,660,000 | |
| Discount Rate | 3.2% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration factors such as the individual features of the property and valuation scenarios |
| Terminal Cap Rate | 3.8% | Assessed with reference to investment yields of transactions including similar properties and taking into consideration factors such as the individual features of the property, valuation scenarios, future market risks and other risk premiums |
| Cost Approach Value | 9,190,000 | |
| Ratio of Land | 93.0% | |
| Ratio of Building | 7.0% | |
| Additional considerations made in the reconciliation of evaluation | Determined by adopting income approach value in reference to cost approach value as demand for the subject property is considered to emphasize profitability | |

Reference

OJR's earnings and distributions forecast for the 44th fiscal period and the 43rd performance results announced on October 20, 2023

| | Operating revenues (million yen) | Operating income (million yen) | Ordinary income (million yen) | Net income (million yen) | Distributions per unit excluding distribution in excess of earnings (yen) | Distributions per unit in excess of earnings (yen) |
|--------------------------------------|-------------------------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------|
| Forecast FP44 (Feb. 2024) | 26,006 | 12,200 | 11,124 | 11,107 | 3,900 | - |
| Actual result FP43 (Aug. 2023) | 25,698 | 8,999 | 7,918 | 7,904 | 3,744 | - |

Note: This is the English translation of original Japanese documents and is provided solely for information purposes. If there are any discrepancies between the translation and the Japanese original, the latter shall prevail.