

To All Concerned Parties

REIT Issuer:
 KDX Realty Investment Corporation
 Representative: Hiroaki Momoi, Executive Director
 (Securities Code: 8972)

Asset Management Company:
 Kenedix Real Estate Fund Management, Inc.
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Notice Concerning Acquisition of Property (COMBOX Komyoike (Additional Interest))

KDX Realty Investment Corporation (“KDXR”) announced today that Kenedix Real Estate Fund Management, Inc. (the “Asset Management Company”), the asset management company for KDXR, decided to acquire the following property (the “Acquisition”).

1. Overview of the Acquisition

Property Number	Property Name	Location	Anticipated Acquisition Price (Millions of Yen) (Note 1)	Appraisal NOI Yield (%) (Note 2)	Brokerage
C2012	COMBOX Komyoike (Compartmentalized ownership, 6.8% of the total exclusively owned floor area and right of site)	Izumi, Osaka	460	5.4	No

(1) Contract Date: April 25, 2024

(2) Scheduled Acquisition Date: July 1, 2024

(3) Seller: Please refer to “4. Overview of the Seller” for details.

(4) Acquisition Funds: Cash on hand

(5) Settlement Method: Payment in full at settlement

(Note 1) “Anticipated Acquisition Price” is the purchase price (excluding acquisition costs, settlement of property tax and city planning tax, and consumption tax, etc.) indicated in the trust beneficiary interest sale and purchase contract, and is rounded down to the nearest million yen. The same shall apply hereafter.

(Note 2) “Appraisal NOI Yield” is calculated by dividing the appraisal NOI of the property as on the appraisal report as of February 29, 2024 by the anticipated acquisition price for the property and rounded to the first decimal place.

“Appraisal NOI” refers to NOI (Net Operating Income) before depreciation expenses, which is calculated by deducting the operating expenses from the operating revenues described in the appraisal report, and thus, differs from NCF (Net Cash Flow) which is calculated by adding the profit from the investment of tenant deposits to and deducting capital expenditures from NOI. The appraisal NOI here is the NOI calculated using the direct capitalization method.

2. Reason for the Acquisition

KDXR owns a trust beneficiary interest in the compartmentalized ownership of the property (93.2% of the floor area and right of site) as trust assets, and has now become able to acquire the remaining compartmentalized ownership. Following the Acquisition, KDXR will own all of the compartmentalized ownership and expect improvement in liquidity and asset value of the property in addition to enhancing efficiency of the management and operation of the property.

Largest neighborhood shopping center in the area in front of Komyoike Station, comprising a number of major specialty stores as tenants

(i) Location

The property is located on the limits of both Izumi and Sakai Cities, and connected to the nearest station, Komyoike Station on the Semboku Rapid Railway Line, by a pedestrian deck. From Komyoike Station to

Namba Station in the center of Osaka City takes about 30 minutes (direct connection) on the Semboku Rapid Railway Line, providing good access to the city center.

(ii) Building

This property is the urban station-front shopping center with multiple large-scale speciality stores located in the central commercial area of “Semboku New Town Komyoike district”. The property has approximately 34 stores, consisting of supermarket, a home electronic wholesaler, Uniqlo Co. Ltd. and multiple large stores.

(iii) Characteristics of the Trade Area

According to the 2020 Population Census, the population within one-kilometer radius is 26,000 people, within three-kilometer radius is 138,000 people and within five-kilometer radius is 304,000 people, and comparing to that of 2015, within one-kilometer radius is 98.2%, within three-kilometer radius is 97.8% and within five-kilometer radius is 97.1%. Although the market along Semboku Rapid Railway is moving toward maturity in this area, targeting families will allow us to capture a wider market by car use.

3. Overview of the Property

Property Name		COMBOX Komyoike
Type of Specified Asset		Real Property ^(Note 1)
Location		824-36 Murodo, Izumi, Osaka
Land ^(Note 2)	Form of Ownership	Co-ownership interest
	Land Area	17,027.63 m ²
	Zoning	Commercial area
	Building Coverage Ratio	80%
	Floor-area Ratio	400%
Building	Form of Ownership	Compartmentalized ownership (retail stores) and co-ownership interests of Compartmentalized ownership (parking area)
	Gross Floor Area ^(Note 2)	44,737.41 m ²
	Completion Date ^(Note 2)	March 23, 2004
	Usage ^(Note 3)	Amusement centers, parking
	Type	Urban Station-Front SC
Structure / No. of Floors ^(Note 2)		4-story reinforced concrete, flat roof with a one-floor basement
Earthquake PML		4.3%
Anticipated Acquisition Price		460 million yen
Appraisal	Appraisal Value	500 million yen
	Date of Appraisal	February 29, 2024
	Appraiser	Daiwa Real Estate Appraisal Co. Ltd.
	Outline	Please refer to “10. Summary of Appraisal Report” below.
Collateral		None
Master Lease Company		Daiwa House Realty Mgt. Co., Ltd.
Type of Master Lease		Rent guarantee
Property Management Company		Kenedix Real Estate Fund Management, Inc.
Sub-Property Management Company		KAFER Co., Ltd.
Details of Tenant		(as of March 31, 2024)
	Number of Tenants	1 (1) ^(Note 4)
	Total Leasable Area	1,340.25m ² ^(Note 4)
	Total Leased Area	1,340.25m ² ^(Note 4)
	Occupancy Rate	100.0%
	Monthly Rent	Not disclosed ^(Note 5)
	Security and Guarantee Deposit	Not disclosed ^(Note 5)
Remarks	<ul style="list-style-type: none"> This asset is a compartmentalized ownership building; the agreement with co-owners in other proprietary parts in the property stipulate that any existing co-owners hoping to sell their ownership interest (or any beneficiary with proprietary parts as the trust property hoping to sell their trust beneficiary right) must offer to sell their interest (or their trust 	

	<p>beneficiary right) preferentially to the other co-owners (or beneficiary). However, the quasi co-ownership agreement will terminate upon the Acquisition by KDXR.</p> <ul style="list-style-type: none"> • There is an attached building that have not been confirmed to be in compliance with the Building Standard Law, as well as facilities that are in violation of the Building Standard Law and the Fire Prevention Law. However, the lessee shall be responsible for and bear the cost of remediation.
Other	<p>(Note 1) As of today, KDXR owns a portion of the property and plans to acquire the compartmentalized ownership (6.8% of the floor area and right of site) from the seller. Furthermore after the acquisition of the real estate, KDXR plans to place the additionally acquired portion of the property in trust with MUTB as trustee. The trust period is from July 21, 2004 to March 31, 2036.</p> <p>(Note 2) Refer to the entire land and building of the property.</p> <p>(Note 3) Refer to the exclusive area of the building.</p> <p>(Note 4) The values and area correspond to the compartmentalized ownership that KDXR intends to acquire.</p> <p>(Note 5) Not disclosed as the tenant’s consent has not been obtained.</p>

- “Location” is the indication of the residential address. In case there is no indication of the residential address, it is the building address under the lot address or the building location indicated in the certificate of registered matters (if there are multiple buildings, the location of one of the buildings). If the building has not been completed as of today, the lot number of the land is indicated (if there is more than one lot, the lot number of one of them).
- “Building Coverage Ratio” and “Floor-area Ratio” are the designated building-to-land ratio and designated floor-area ratio provided in the city plan.

The designated building-to-land ratio may be relaxed or restricted due to the fact that the property is a fireproof building in a fire zone or for other reasons and may differ from the building-to-land ratio actually applied. The designated floor area ratio may differ from the actual applicable building-to-land ratio. The same shall apply hereafter.
- “Type” for retail facility is among NSC (Neighborhood Shopping Center), SM (Supermarket), CSC (Community Shopping Center), Urban Station-Front SC (Urban Station-Front Shopping Center) and SS (Specialty Store). The same shall apply hereafter.
- “Earthquake PML” indicates the figure described in the earthquake PML valuation report (level 2) prepared by Sompo Risk Management Inc. in April, 2024. The same shall apply hereafter.
- “Master Lease Company” is the master lease company scheduled to execute the master lease agreement for the property. The same shall apply hereafter.
- “Type of Master Lease” is described as follows; “Pass through” for those with a master lease agreement without a rent guarantee concluded or scheduled to be concluded, “Rent guarantee” for those with a master lease agreement with a rent guarantee concluded or scheduled to be concluded, “Rent variable” for those with a master lease agreement with a rent variable concluded or scheduled to be concluded, and “-” in the case that the owner has or will conclude a lease agreement directly with the end tenant, or where there is no end tenant. The same shall apply hereafter.
- “Property Management Company” indicates the property management company that has entered into or will enter into a property management agreement for the property. The same applies below.
- “Sub-Property Management Company” indicates the sub-property management company that has entered into or will enter into the operational management service agreement for the property. The same applies below.
- “Number of Tenants” indicates the number of lessees. Where one lessee leases more than one section of the property, the lessee is counted as a tenant for each section leased within the property. Where pass-through type master lease agreements are entered into, the number of master lessees is with the number of end-tenants indicated in parentheses.
- “Total Leasable Area” is the floor area described in the lease agreements that is leasable at the property (in case where the property contains more than one building, the sum of the leasable floor area of such buildings). The same shall apply hereafter.
- “Total Leased Area” is the total leased floor area described in the lease agreements which are actually executed with tenants. (However, the leased floor area of warehouses and land (including parking lot) is not included.) The same shall apply hereafter.
- “Occupancy Rate” is the ratio of the “Total Leased Areas” (based on the lease agreements) to the “Total Leasable Area” of the property rounded to the first decimal place.
- “Monthly Rent” indicates the amount agreed upon in the lease agreement with each tenant (including common area charges and excluding the retail facility’s rent for warehouses and consumption taxes) and rounding the number down to the nearest

thousand yen.

“Security and Guarantee Deposit” is the total of the security deposit (in case there is any portion that is not required to be returned due to special provision of deduction of security deposits, amortization of security deposits, etc. in each lease agreements or the sublease agreements, it is the amount after such amount is deducted) and the balance of the guarantee deposit as stipulated in the lease agreements or the sublease agreements, and the figures are rounded down to the nearest thousand yen.

4. Overview of the Seller

Company Name	Japan Estate Co., Ltd.
Location	2-5-8, Imabashi, Osaka-shi, Osaka
Title and Name of Representative	Hiroshi Nishida, Representative Director
Description of Business	1. Purchase and sale, exchange, brokerage, leasing, appraisal and use of real estate, and agent for purchase and sale, exchange and leasing of real estate 2. Consulting of real estate 3. Development, creation and sale of residential, commercial and industrial site 4. through 9. Omitted 10. Any and all business incidental to each of the preceding items
Amount of Capital	50 million yen
Date of Incorporation	June 7, 2005
Net Assets	6,506 million yen (as of May 31, 2023)
Total Assets	24,181 million yen (as of May 31, 2023)
Major Shareholder and Ratio	Not disclosed as the seller’s consent has not been obtained.
Relationship between the Seller and KDXR / the Asset Management Company	
Capital Relationship	There is no special capital relationship between KDXR or the Asset Management Company and the seller.
Personnel Relationship	There is no special personnel relationship between KDXR or the Asset Management Company and the seller.
Business Relationship	There is no special business relationship between KDXR or the Asset Management Company and the seller.
Related-Party Relationships	The seller is not deemed a related-party with special interests relating to KDXR or the Asset Management Company.

5. Property Acquirer and Previous Owner’s Profile

Details are omitted since the seller of the property is not special related party of KDXR or the Asset Management Company.

6. Brokerage

There is no brokerage for the Acquisition.

7. Related-Party Transactions

There are no related-party transactions for the Acquisition.

8. Schedule of the Acquisition

Acquisition Decision Date / Contract Date	April 25, 2024
Payment Date / Acquisition Date	July 1, 2024 (scheduled) ^(Note)

(Note) The Acquisition falls under the forward commitments, etc. by the investment corporation as specified in the Financial Services Agency “Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.”. If



KDXR violates any of the provisions of the purchase and sale agreement and the agreement is canceled for the reason that purposes of the agreement cannot be fulfilled due to such violation, KDXR shall pay an amount equivalent to a predetermined rate of the purchase price less consumption tax as a penalty fee. Such penalty fee is set at 10 %.

9. Outlook

The impact of the Acquisition on the financial results for the fiscal period ending October 31, 2024 (from May 1, 2024 to October 31, 2024) is minimal. Therefore, the forecasts of financial results for the fiscal periods remain unchanged. There is no impact to the forecasts of fiscal period ending April 30, 2024 (November 1, 2023 to April 30, 2024) as the Acquisition is scheduled for July 1, 2024.

10. Summary of Appraisal Report

Property Name	COMBOX Komyoike
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Appraisal Value	500,000,000 yen ^(Note)
Appraiser	Daiwa Real Estate Appraisal Co. Ltd.
Date of Appraisal	February 29, 2024

Unit: Yen

Item	Breakdown	Basis
Income Capitalization Approach Value	415,000,000	Calculated based on the DCF method in conjunction with the value based on direct capitalization method.
Value based on Direct Capitalization Method	425,000,000	Calculated by dividing the standardized NCF that is expected to remain stable over the medium term by the cap rate.
(1) Gross Operating Revenue	29,716,716	
General Operating Revenue	29,716,716	Calculated based on the leasing terms and conditions and the rent levels for similar real estates.
Vacancy-Related Loss	0	Not calculated, as tenant reshuffling is not assumed.
(2) Operating Expenses	4,683,146	
Maintenance Fees	0	None on assumption that the expenses are borne by lessees.
Utility Expenses	0	None on assumption that the expenses are borne by lessees.
Repairs	0	None on assumption that the expenses are borne by lessees.
PM Fees	262,661	Calculated by taking the PM fees for similar real estates and the uniqueness of the property into account, referring to the remuneration based on contract terms and conditions.
Tenant Marketing Expenses	0	Not calculated, as tenant reshuffling is not assumed.
Property Taxes	4,240,200	Calculated by taking standard tax amounts and tax burden adjustment measures from tax documents into account.
Insurance Expenses	125,285	Calculated in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.
Other Property-Related Expenses	55,000	Land rent and promotional expenses, etc. are included as other property related expenses.
(3) Net Operating Income (NOI=(1)-(2))	25,033,570	
(4) One-Time Gain	178,300	Assessed income from investments by using an investment return of 1.0%.
(5) Capital Expenditure	2,688,355	Calculated based on the average annual renewal fee described in the engineering report.
(6) Net Cash Flow (NCF=(3)+(4)-(5))	22,523,515	
(7) Cap Rate	5.3%	Calculated based on overall evaluation of the location, building specifications and contract terms for the property.
Value based on DCF Method	411,000,000	
Discount Rate	4.9%	Calculated based on the investment yield of comparable properties, taking into account the unique features of the property.
Terminal Cap Rate	5.3%	Calculated by taking into account the transaction yield of comparable properties and the future uncertainties/liquidity/marketability of the property.
Value based on Cost Method	560,000,000	
Ratio of Land	75.7%	
Ratio of Building	24.3%	

The appraiser's points to consider upon appraisal other than the above	None
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(Note) The appraised value represents the value of the compartmentalized ownership of 6.8% of the entire property that KDXR intends to acquire. The appraisal value is a limited value that takes into account an income value of 415,000,000 yen and an incremental value of 98,000,000 yen. The appraisal value of the entire property's land and building after the Acquisition is 5,790,000,000 yen.

< Attached Materials >

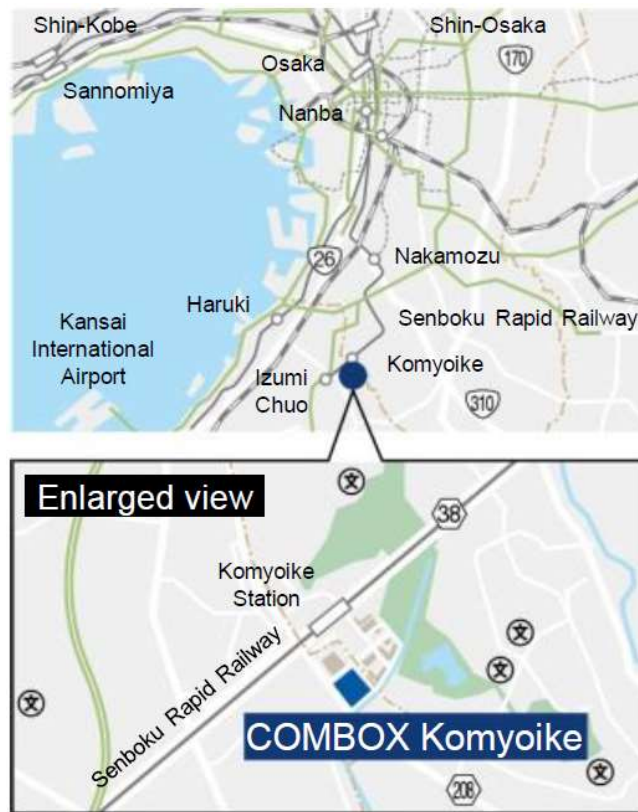
- Reference Material 1: Photograph and Map of the Property
- Reference Material 2: Status of Property Portfolio of KDXR (After the Acquisition)

KDXR's Website: <https://www.kdx-reit.com/eng/>

[Provisional Translation Only]

This document is an English translation of the original Japanese document and is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

Reference Material 1: Photograph and Map of the Property



Reference Material 2: Status of Property Portfolio of KDXR (After the Acquisition)

Property Type	Number of Properties	(Anticipated) Acquisition Price (Millions of Yen)	Investment Ratio ^(Note) (%)
Office Buildings	94	435,936	36.9
Residential Properties	143	320,374	27.1
Retail Facilities	61	291,461	24.6
Logistics Facilities	12	21,312	1.8
Hotels	4	30,930	2.6
Healthcare Facilities	39	82,417	7.0
Portfolio Total	353	1,182,431	100.0

(Note) “Investment Ratio” indicates the ratio of (Anticipated) Acquisition Price of each asset type to Portfolio Total and is rounded to the first decimal place.