

For Immediate Release

Real Estate Investment Trust Securities Issuer  
Star Asia Investment Corporation  
Representative: Atsushi Kato, Executive Director  
(Code: 3468)

Asset Management Company  
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Notice Concerning Acquisition of Real Estate Beneficiary Interests in Trust  
and entering into Lease Contracts

Star Asia Investment Management Co., Ltd. (the “Asset Manager”), to which Star Asia Investment Corporation (“SAR”) entrusts the management of its assets, announces today its decision to acquire and lease real estate beneficiary interests in trust of the following three real estate properties (the “Assets to be Acquired”, and the entire transaction to acquire these beneficiary interests is referred to as the “Acquisitions”).

1. Overview of the Assets to be Acquired

Asset type	Property no. (Note 1)	Property name	Location	Planned acquisition price (million yen) (Note 4)
Office	OFC-24	Urban Center Fujisawa (Note 2)	Fujisawa-shi, Kanagawa	2,054
Retail	RTL-06	abeno nini (Retail) (Note 3)	Osaka-shi, Osaka	9,500
Hotel	HTL-09	abeno nini (Hotel) (Note 3)	Osaka-shi, Osaka	3,600
Total (3 properties)				15,154

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

(Note 2) The current name of the property is “GRAFARE FUJISAWA”. However, it is planned to change the name of the property to the above, on the date of acquisition of the Assets to be Acquired.

(Note 3) “abeno nini” is a sectional ownership building comprised of a retail facility, a hotel, and residence. The part of retail facility portion and the hotel portion which SAR expects to acquire have been described separately by usage each as a single property. The same applies below.

(Note 4) “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 1, 2022  
(2) Planned acquisition date : August 18, 2022 (delivery and settlement date)  
(3) Sellers : Please refer to “4. Seller Profile” below  
(4) Acquisition financing : Proceeds from the issuance of new investment units through public offering (Primary offering) (Note 5) for which

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resolution was made at the Board of Directors meeting of SAR held on today, planned new borrowings (Note 6) and money on hand to be planned etc.

(5) Settlement method : Payment of entire amount on planned acquisition date

(6) Presence or absence of : Presence

broker Please refer to “6.Overview of Broker” below.

(Note 5) For further details, please refer to “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” announced today.

(Note 6) For further details, please refer to “Notice Concerning Debt Financing (Green Loan)” announced today.

## 2. Reason for the Acquisitions and Leasing

The Acquisitions are to be made to acquire properties which are anticipated to provide stable mid- to long-term income and which have potential for internal growth, in order to realize promotion of the continual external growth strategy aiming to achieve the target of “Asset Size of JPY 300 billion by 2026” established in SAR’s Mid-term Business Plan (announced in March 2021).

Furthermore, the Assets to be Acquired are properties to be acquired under bilaterally negotiated transactions using the Asset Manager’s own unique network. Also going forward, SAR will continue to aim to achieve the asset size target of the Mid-term Business plan by utilizing the Asset Manager’s own unique network, in addition to utilizing Sponsor support.

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” dated April 27, 2022.

### 【Urban Center Fujisawa】

Urban Center Fujisawa is a multi-tenant mid-sized office building located close to a station at an approximate 7-minute walk from “Fujisawa” Station on the JR Tokaido Main Line, offering direct access to “Tokyo” Station and “Yokohama” Station. The property is located in an area where there are many office buildings and multi-family residential apartment buildings etc., and given this background area, the building is capable of meeting the needs of community-based tenants in the trade area surrounding Fujisawa city. Furthermore, the property is located along the main road connecting “Fujisawa” Station and “Tsujiido” Station on the JR Tokaido Main Line and has convenient traffic access for automobile users, and so has strong location competitiveness.

As to property features, the building is 8 floors high and has 1 basement floor, with an open atmosphere floor that takes in light from 2 sides (south and east sides), with a view of Enoshima Island and Miura peninsula from the upper floors. In addition to being located in a highly convenient location close to a train station as described above, also given that Fujisawa-shi is the largest population area in the Shonan area (see Note) and a community-based area, the current tenants consist of an administrative office, an employment support facility, and a call center of a large company, which match the location characteristics, and SAR believes that stable income can be anticipated in the mid- to long-term and there is also potential demand for satellite offices which is expected to continue even after the convergence of COVID-19 pandemic.

Furthermore, due to the convenience of the property’s location near “Fujisawa” Station and the presence of convenient living facilities in front of the station, as well as its excellent living environment, SAR believes that repositioning the property into a multi-family residential apartment building is also conceivable.

The acquisition was decided, given that as a result of comprehensively considering the location features and property features described above, it has been determined that it is possible to earn stable mid- to long-term income from the property and that it will contribute to increase income stability of the portfolio.

(Note) “Shonan area” is the name of a district defined by Kanagawa Prefecture, and includes Hiratsuka-shi, Fujisawa-shi, Chigasaki-shi, Hadano-shi, Isehara-shi, Samukawa-machi, Oiso-machi and Ninomiya-machi. The same applies below.

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**【abeno nini (Retail)/ abeno nini (Hotel)】**

abeno nini (Retail) and abeno nini (Hotel) are large multi-use facilities complex with retail facilities, hotel, and residences directly connected by underground passageway to “Tennoji” Station, one of Osaka’s largest terminal stations, on the JR Osaka Loop Line, Osaka Metro Midosuji Line, and Tanimachi Line and “Osaka Abenobashi” Station on the Kintetsu Minami Osaka Line. The lower 2<sup>nd</sup> basement to 4<sup>th</sup> floors have retail facilities, the middle 3<sup>rd</sup> to 11<sup>th</sup> floors are the hotel floors, and the upper 13<sup>th</sup> to 24<sup>th</sup> floors are residences. The targets of the acquisition this time are a part of retail facilities portion and the whole of the hotel portion.

<Retail>

In the neighborhood, there are some various retail facilities including “Abeno HARUKAS (English notation : Osaka Harukas)”, and it is a highly prosperous commercial area developed under the Abeno-chiku Type II urban redevelopment project completed in 2018. Furthermore, as the property is located on the traffic flow line of the pedestrian deck which connects “Tennoji” Station and adjacent retail facilities, the property is pedestrian-friendly and highly migratory.

The tenants are mainly comprised of visit-type shops which require the highly convenient traffic locations of being directly connected to a terminal where many people pass by, such as banks, an international school, and restaurants etc.

<Hotel>

As the property is located along a major road, it is highly visible and competitively located suitable for hotels. Furthermore, it has good access to “Kansai International Airport” and “Shin-Osaka” Station which are access points to places abroad and in Japan, respectively, and to the sightseeing resource of “Universal Studios Japan” and “Kyocera Dome Osaka” where many events are held, and it is possible to attract both business demand and sightseeing demand. Additionally, stable income has been secured by fixed rents under a fixed-term building lease agreement with Resorttrust, Inc. SAR believes that the financial status of the hotel will improve due to the recovery of domestic accommodation demand following the convergence of COVID-19 pandemic as well as recovery of inbound demand envisioned to occur in the future, and internal growth is expected going forward by changing the rent structure at latest after the end of the lease contract term.

The acquisition was decided, given that as a result of comprehensively considering the location features and property features described above, it has been determined that it is possible to earn stable mid- to long-term income from the properties and that it will contribute to improve income stability of the portfolio.

In the Asset Manager’s Management Guidelines which prescribe the basic rules for investment management, SAR has established the Tokyo Area (see Note) as the main target investment area, and prescribed that for the time being the investment ratio in the same area should be at least 70% (on acquisition price basis). After the Acquisitions, the Tokyo Area ratio of the entire portfolio will become 66.7%. 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 72.4%.

“abeno nini (Retail)” and “abeno nini (Hotel)” both comprise a part of a single large building, their usage differ and are conceived to have differing risk-return characteristics from the perspectives of risks related to business cycles, and leaving of tenants and rent reductions of each property. Also, “abeno nini” is a sectional ownership building and it is possible to sell and purchase each of “abeno nini (Retail)” and “abeno nini (Hotel)” independently, so SAR views the two properties as separate transaction targets.

Taking into account such circumstances, the Management Guidelines has been partially amended today, and the definition of mid-sized assets has been revised. For further details, please refer to “Notice Concerning Partial Amendment to the Management Guidelines of the Asset Manager” announced today.

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.

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(Note) SAR has classified investment target areas into “Tokyo Area”, “Greater Tokyo Area”, “Osaka Area”, “Nagoya Area”, “Fukuoka Area”, “Sapporo Area” and other ordinance-designated cities, and has designated investment areas within each classification by asset type (usage). With respect to offices and retail facilities, the 23 wards of Tokyo, Kawasaki-shi, and Yokohama-shi which SAR believes have high demand for such properties are defined as “Tokyo Area”, and for residences, logistic facilities, hotels, and student residences, given their feature that demand is expected from areas other than the above, Tokyo, Kanagawa, Saitama, and Chiba prefectures are defined as the “Tokyo Area”. The same applies below.

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### 3. Summary of Assets to be Acquired

Overview of Assets to be Acquired is shown in the tables (1)-(3) below. For a glossary of the terms used in the tables, please refer to “Reference Material 5 The terms used in the table of Description of Assets to be Acquired” below.

#### (1) Urban Center Fujisawa

Property No.	OFC-24	Property name	Urban Center Fujisawa		Type	Office
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		Sumitomo Mitsui Trust Bank, Limited	
Planned acquisition price	2,054 million yen		Planned acquisition date		August 18, 2022	
Appraised value	2,200 million yen		Seller		Not disclosed (Note)	
Location	987-12 Fujisawa aza naka yokosuka, Fujisawa-shi, Kanagawa					
Indication of residential address	1031 Fujisawa, Fujisawa-shi, Kanagawa					
Nearest station	Approx. 7-minute walk from “Fujisawa” Station of JR Tokaido Main Line					
Land	Type of ownership	Proprietary ownership				
	Site area	1,005.52 m <sup>2</sup>	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		400%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	4,392.71 m <sup>2</sup>	Use		Office/Residence/Parking	
	Construction completion	April 9, 1991	Structure and floors		Steel-framed reinforced concrete Structure with 1 basement / 8 floors above ground	
Property management company	CBRE K.K.		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2032					
Status of leasing (as of the end of April 2022)						
Total leasable are	3,396.17 m <sup>2</sup>		Monthly rent (including common area maintenance fee)		12,034 thousand yen	
Total leased area	3,298.18 m <sup>2</sup>		Security and guarantee deposits		84,390,960 yen	
Total number of tenants	6					
Occupancy rate						
	December 2021	January 2022	February 2022	March 2022	April 2022	
	100.0%	100.0%	100.0%	100.0%	97.1%	
Special notation	Not applicable.					

(Note) Not disclosed, because approval for disclosure has not been obtained from the Seller.

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Property Description and Acquisition Highlight based on the investigation by the Asset Manager

(1) Property Description

- i) A multi-tenant type mid-sized office building located at an approximate 7-minute walk from “Fujisawa” Station on the JR Tokaido Main Line.
- ii) Located along the main road connecting “Fujisawa” Station on the JR Tokaido Main Line and “Tsujiido” Station on the JR Tokaido Main Line, and is also conveniently located for automobile users.
- iii) The floors have an open atmosphere taking in lights from two sides (south and east sides), and the upper floors have a view of Enoshima Island and Miura peninsula.
- iv) Potential demand can be expected for community-based offices as well as satellite offices even after the convergence of COVID-19 pandemic.

(2) Acquisition Highlight

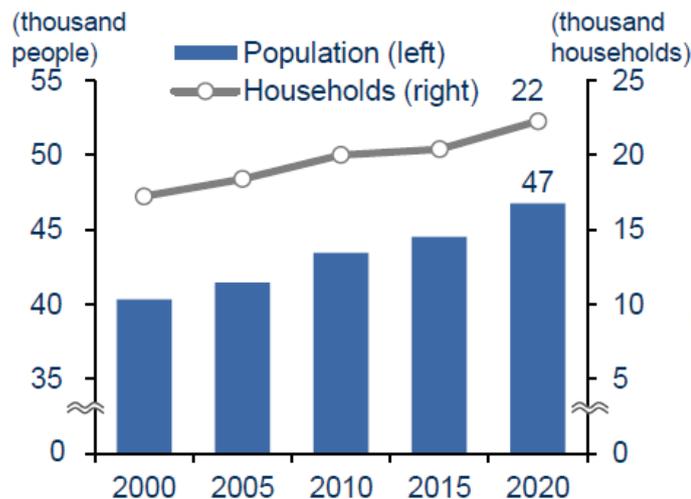
The property is expected to be acquired under a bilaterally negotiated transaction, based on property information obtained using the Asset Manager’s own unique network.

Market analysis and independent analysis by the Asset Manager

(1) Demographic analysis of Fujisawa-shi

Given the favorable natural environment and residential environment, population and number of households of Fujisawa-shi have continued to show an increasing trend, and given the recent trend of proximity between workplace and home and telework needs, the Asset Manager believes that the population and number of households of the area will remain stable going forward.

<Fujisawa City Fujisawa area (Note) population and households>



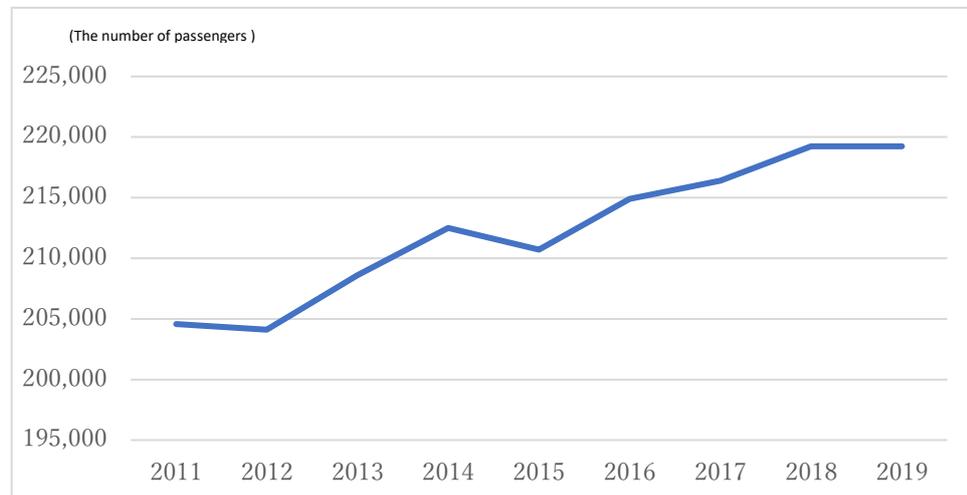
Source: Prepared by the Asset Manager, based on data by Fujisawa City “Trend in population and households (estimation based on national censuses)” (as of October 1st for each year)

(Note) “Fujisawa City, Fujisawa area” refers to one of the 13 districts of Fujisawa City designated by the municipal government. The area consists of Asahi-cho, Fujisawa (south), Fujisawa 1-5, Hon-cho 1-4, a part of Kugenuma, Kugenumashinmei 1-5, Nishitomi, Nishitomi 1-2, Daigiri, Daigiri 1-3 and Fujigaoka 1-3.

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- (2) Transition of Daily Average Number of Passengers using JR Tokaido Main Line “Fujisawa” Station.  
 Daily Average Number of Passengers using “Fujisawa” Station has remained above 200,000 persons, and the trend of increase has continued from 2012 to 2019.  
 The Asset Manager is of the view that the number of passengers will continue to be stable given an increase in the population.

<Transition of the Number of Passengers using JR Tokaido Main Line “Fujisawa” Station>



Source: Prepared by the Asset Manager based on “Digital national land information 2019 (data on number of passengers by station)”, published by Ministry of Land, Infrastructure, Transport and Tourism.

**Comprehensive Evaluation by SAR: High Prospect for Stability of Income**

Due to the reasons stated below, SAR believes that the property will be able to obtain stable income in the mid-to long-term.

- (1) The population and the number of households in Fujisawa-shi is showing an increasing trend.
- (2) The property is a multi-tenant type mid-sized office building located at an approximate 7-minute walk from “Fujisawa” Station on the JR Tokaido Main Line, and the current tenants consist of an administrative office, a labor support facility, and a call center of a large company, and stable income is anticipated in the mid- to long-term given compatibility with location characteristics of being conveniently located close to a train station, being the largest population area in the Shonan area, and being a community-based area.
- (3) The surrounding area has convenient living facilities and also the area excels as a living environment, usage through repositioning by rebuilding into a multi-family residence is also conceivable.

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Summary of Real Estate Appraisal Report		
Property name	Urban Center Fujisawa	
Appraisal value	2,200,000,000	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2022	
Item	Details	Description, etc.
Indicated value by income approach	2,200,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value of direct capitalization approach	2,220,000,000	
(1) Operating revenue ((a)-(b))	153,508,000	
(a) Gross potential income	160,519,000	Recorded based on an appraisal of the rent that can be received stably over the medium to long term, based on the current rent.
(b) Vacancy loss, etc.	7,011,000	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	38,017,000	
Maintenance and management Fee	6,700,000	Recorded by taking into account the individual characteristics of the subject real estate, etc. based on the actual data and the level of similar real estate.
Utilities expenses	14,550,000	Recorded by the actual data taking into consideration the occupancy rate, etc. of the leased portion
Repair expenses	3,970,000	Recorded by taking into account the actual data, with reference to the repair expenses on the ER and the expenses of the level of similar real estate
Property management fee	2,931,000	Appraised based on the conditions of agreement and the level of similar real estate
Tenant leasing cost, etc.	1,095,000	Appraised based on the anticipated turnover period of the tenant.
Property taxes	8,367,000	Recorded by taking into account the actual data and the details of burden adjustment measures, etc.
Insurance premium	304,000	Appraised based on the insurance agreement and the level of similar real estate.
Other expenses	100,000	Recorded by the actual data.
(3) Net operating income (NOI=(1)-(2))	115,491,000	
(4) Financial interests on deposits	746,000	Appraised investment return as 1.0%.
(5) Capital expenditures	9,520,000	Appraised based on the repair expenses on the ER and the level of similar real estate.
(6) Net cash flow (NCF=(3)+(4)-(5))	106,717,000	
(7) Capitalization rate	4.8%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value of DCF method	2,180,000,000	
Discount Rate	4.6%	Appraised by comprehensively taking into account the individual characteristics of the subject real estate, etc.
Terminal capitalization rate	5.0%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risk, and other factors.etc
Indicated value by cost approach	1,990,000,000	Estimated by multiplying the total of the land price and the building price by marketability correction rate.
Ratio of land	78.9%	
Ratio of building	21.1%	
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) abeno nini (Retail)

Property no.	RTL-06	Property name	abeno nini (Retail)		Type	Retail
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		Mitsubishi UFJ Trust and Banking Corporation	
Planned acquisition price	9,500 million yen		Planned acquisition date		August 18, 2022	
Appraisal value	9,800 million yen		Seller		Not disclosed (Note 1)	
Location	1-4000 Abeno suji, Abeno-ku, Osaka-shi, Osaka					
Indication of residential address	1-5-10 Abeno suji, Abeno-ku, Osaka-shi, Osaka					
Nearest station	Directly connected to "Tennoji" Station on the JR Osaka Loop Line, Osaka Metro Midosuji Line, Tanimachi Line, as well as "Osaka Abenobashi" Station on the Kintetsu Minami Osaka Line.					
Land	Type of ownership	Proprietary ownership (site right approximately 23.3%)				
	Site area	633.90m <sup>2</sup> (Note 2)	Use district	Commercial district		
	Building coverage ratio	80%	Floor area ratio	800%		
Building	Type of ownership	Proprietary ownership (Compartmentalized ownership)				
	Total floor area	4,866.82m <sup>2</sup> (Note 3)	Use	Bank/Retail/Office		
	Construction completion	January 31, 2012	Structure and floors	Reinforced concrete structure 2 floors below ground / 24 floors above ground (Note 4)		
Property management company	JLL Mall Management		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2032					
Status of leasing (as of the end of April 2022)						
Total leasable area	3,481.03m <sup>2</sup>		Monthly rent (including common area maintenance fee)		36,680 thousand yen	
Total leased area	3,481.03m <sup>2</sup>		Security and guarantee deposits		148,168,190 yen	
Total number of tenants	5					
Occupancy rate						
	December 2021	January 2022	February 2022	March 2022	April 2022	
	100.0%	100.0%	100.0%	100.0%	100.0%	
Spetial notation	Not applicable					

(Note 1) Not disclosed, as approval for disclosure has not been obtained from the Seller.

(Note 2) The property is a sectional ownership building. The figure is calculated by multiplying the right of site ratio (233,199,448/1,000,000,000) of the retail facility portion of the sectional ownership building expected to be acquired by SAR, by the registered area of the land on which the building is located (2,718.29m<sup>2</sup>), and rounded to the second decimal point.

(Note 3) The property is a sectional ownership building. The figure is calculated by multiplying the exclusive ownership area ratio of 19.6% as prescribed in the management bylaws of the retail facility portion expected to be acquired by SAR, by the gross floor area of the entire building (24,827.45m<sup>2</sup>(the gross floor area of the entire building as stated in the register)), and rounded to the second decimal point.

(Note 4) The property is a sectional ownership building. The building structure and number of stories of the entire building including the property to be acquired is stated. The exclusive ownership portion of the retail facility expected to be acquired by SAR is comprised of 5 floors, the 2<sup>nd</sup> basement floor and 1<sup>st</sup> to 4<sup>th</sup> floors (however, only a portion of the 2<sup>nd</sup> basement floor and 1<sup>st</sup> and 2<sup>nd</sup> floors).

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Property Description and Acquisition Highlight based on the investigation by the Asset Manager

(1) Property Description

- i) A large multi-use facility complex directly connected to “Tennoji” Station on the JR Osaka Loop Line, Osaka Metro Midosuji Line, Tanimachi Line, as well as “Osaka Abenobashi” Station on the Kintetsu Minami Osaka Line.
- ii) Construction was completed in 2012 as a part of the Abeno-chiku Type II Urban Redevelopment Project which was completed in 2018.
- iii) The redevelopment project has been completed, and the surrounding areas have many retail facilities and is a highly busy commercial area.
- iv) It is located on the traffic flow line of the adjacent retail facilities connected by a pedestrian deck to “Tennoji” Station, and is highly migratory.

(2) Acquisition Highlight

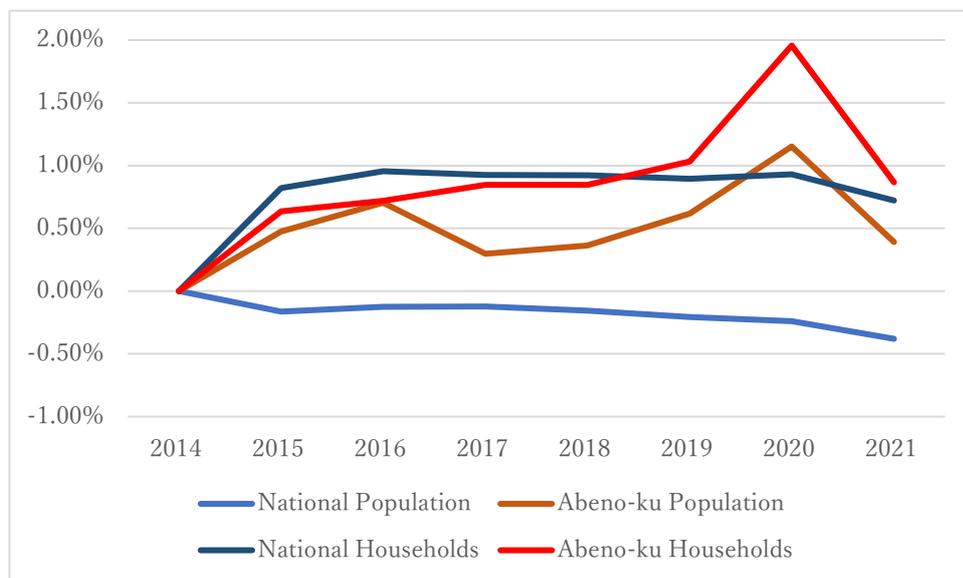
The property is expected to be acquired under a bilaterally negotiated transaction, based on property information obtained using the Asset Manager’s own unique network.

Market analysis and independent analysis by the Asset Manager

(1) Demographics Analysis of Abeno-ku, Osaka-shi

In Abeno-ku, Osaka-shi, the population increase ratio against the preceding year has continued to be positive since 2014, and has turned to a rising trend from 2018 to 2020, and in 2020 the increase ratio against the preceding year exceeded 1%. Although in 2021 the population increase ratio was less than 0.5%, while the national increase ratio continued to be negative, the Asset Manager believes that the ratio at Abeno-ku will continue to be stable going forward, also given the background of completion of the Abeno-ku Type II Urban Redevelopment Project.

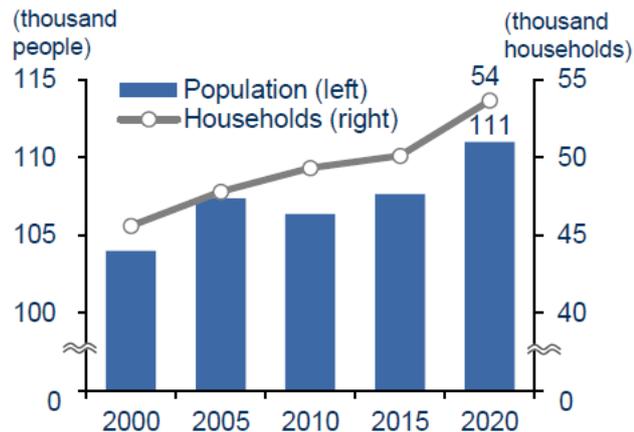
<Abeno-ku, Osaka-shi, Osaka and National - Population increase ratio against preceding year>



Source: Prepared by the Asset Manager based on data on population and households by municipality based on the basic resident register, published by the Ministry of Internal Affairs and Communications.

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<Abeno-ku, Osaka-shi, Osaka – Transition of Population and Number of Households>



Source: Prepared by the Asset Manager based on Population Census published by the Statistics Bureau, Ministry of Internal Affairs and Communications

(2) Daily Average Number of Passengers using “Tennoji” Station

The nearest “Tennoji” Station has one of the most passenger usage within Osaka for each train line, and given the increase in the population of Abeno-ku, the Asset Manager believes that this trend will continue going forward.

<Daily Average Number of Passengers, etc. using “Tennoji” Station and “Osaka Abenobashi” Station>

JR Nishi Nihon busiest station with the most passengers (1 day average for FY 2020)			Osaka Metrobusiest station with the most passengers (Nov 2021)		Kinki Nippon Railway busiest station with the most passengers (Nov 2021)	
Rank	Name of Station	Number of people	Name of Station	Number of people	Name of Station	Number of people
1	Osaka	290,317	Umeda	172,966	<b>Osaka Abenobashi</b>	<b>134,925</b>
2	Kyoto	127,178	Namba	132,318	Tsuruhashi	124,506
3	<b>Tennoji</b>	<b>108,718</b>	<b>Tennoji</b>	<b>112,034</b>	Osaka Numba	101,192
4	Kyobashi	94,147	Honmachi	88,764	Kintetsu Nagoya	80,878
5	Sannomiya	91,978	Yodoyabashi	86,117	Kyoto	63,506

Source: West Japan Railway Company  
“2021 JR West Japan seen by Data”

Source: Osaka Metro Co. Ltd.  
(Osaka Metro)  
“Number of passengers by Train Station and Train Line  
(Traffic Survey Date November 16, 2021)”

Source: Kintetsu Railway Co. Ltd.  
“Number of passengers by Train Station  
(Traffic Survey Date November 9, 2021)”

Comprehensive Evaluation by SAR: High Prospect for Growth of Income

Due to the reasons stated below, SAR believes that the property will be able to obtain stable income in the mid-to long-term.

- (1) JR and Osaka Metro Midosuji Line “Tennoji” Station is one of the leading stations in terms of number of passengers in Osaka area.
- (2) As the property is connected on the B2 floor by underground passageway and on the 2<sup>nd</sup> floor by pedestrian deck, it is expected to have high potential as a roadside store on multiple floors (B2F, 1F, 2F), and internal growth can be expected at the timing of replacement of tenants.

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Summary of real estate appraisal report		
Property name	abeno nini (Retail)	
Appraisal value	9,800,000,000	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2022	
Item	Details	Details
Indicated value by income approach	9,800,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	10,000,000,000	
(1) Operating revenue ((a)-(b))	443,224,000	
(a) Gross potential income	452,269,000	Recorded the rent amount assessed to be stably receivable in the mid- to long-term, based on the current rent and new rent assuming new leases will be entered into.
(b) Vacancy loss, etc.	9,045,000	Recorded taking into account the occupancy status of similar real estate, supply and demand trends, and the status of the subject real estate property, etc.
(2) Operating expenses	50,420,000	
Maintenance and management fee	100,000	Recorded consumable supplies expense etc.
Utilities expenses	0	Not recorded, as utility expense for the exclusive-use area is borne by the lessee, and that of the common-use area is managed from the administrative maintenance fees paid to the management association.
Repair expenses	1,300,000	Appraised based on the repair expenses on the ER and the level of similar real estate.
Property management fee	2,400,000	Appraised based on the conditions of agreement and the level of similar real estate
Tenant leasing cost, etc.	1,718,000	Appraised based on the anticipated turnover period of the tenant.
Property taxes	16,508,000	Recorded taking into account actual amounts paid and the contents of burden adjustment measures etc.
Insurance premium	251,000	Appraised based on the insurance agreement and the level of similar real estate.
Other expenses	28,143,000	Booked administrative maintenance fees payable to the management association.
(3) Net operating income (NOI=(1)-(2))	392,804,000	
(4) Financial interests on deposits	1,512,000	Appraised investment return as 1.0%.
(5) Capital expenditures	3,190,000	Appraised based on the capital expenditures on the ER and the level of similar real estate.
(6) Net cash flow (NCF=(3)+(4)-(5))	391,126,000	
(7) Capitalization rate	3.9%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	9,600,000,000	
Discount rate	3.7%	Appraised by comprehensively taking into account the individuality of the subject real estate, etc.
Terminal capitalization rate	4.1%	Assessed by comprehensively taking into account future trends, risks of the subject real estate, and market condition risks, etc.
Indicated value by cost approach	9,620,000,000	Estimated by multiplying the total of the land price and the building price by marketability correction rate.
Ratio of land	86.2%	
Ratio of building	13.8%	
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) abeno nini (Hotel)

Property no.	HTL-09	Property name	abeno nini (Hotel)		Type	Hotel
Status of master leasing						
Type of specified asset	Beneficiary interest in trust		Trustee		Mitsubishi UFJ Trust and Banking Corporation	
Planned sales price	3,600 million yen		Planned transfer date		August 18, 2022	
Appraisal value	3,670 million yen		Seller		Not disclosed (Note 1)	
Location	1-4000 Abeno suji, Abeno-ku, Osaka-shi, Osaka					
Indication of residential address	1-5-10 Abeno suji, Abeno-ku, Osaka-shi, Osaka					
Nearest station	Directly connected to “Tennoji” Station on the JR Osaka Loop Line, Osaka Metro Midosuji Line, Tanimachi Line, as well as “Osaka Abenobashi” Station on the Kintetsu Minami Osaka Line.					
Land	Type of ownership	Proprietary ownership (site right 21.6%)				
	Site area	586.44m <sup>2</sup> (Note 2)	Use district	Commercial district		
	Building coverage ratio	80%	Floor area ratio	800%		
Building	Type of ownership	Proprietary ownership (Compartmentalized ownership)				
	Total floor area	7,764.81m <sup>2</sup> (Note 3)	Use	Hotel		
	Construction completion	January 31, 2012	Structure and floors	Reinforced concrete structure 2 floors below ground / 24 floors above ground (Note 4)		
Property management company	JLL Mall Management		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2032					
Status of leasing (as of the end of April 2022)						
Total leasable area	5,553.84m <sup>2</sup>		Monthly rent (including common area maintenance fee)		Not disclosed (Note 5)	
Total leased area	Not disclosed (Note 5)		Security and guarantee deposits		Not disclosed (Note 5)	
Total number of tenants	1					
Occupancy rate						
	December 2021	January 2022	February 2022	March 2022	April 2022	
	100.0%	100.0%	100.0%	100.0%	100.0%	
Special notation	Not applicable.					

(Note 1) Not disclosed, because approval for disclosure has not been obtained from the Seller.

(Note 2) The property is a sectional ownership building. The figure is calculated by multiplying the right of site ratio (215,739,820/1,000,000,000) of the hotel portion of the sectional ownership building expected to be acquired by SAR, by the registered area of the land on which the building is located (2,718.29m<sup>2</sup>), and rounded to the second decimal point.

(Note 3) The property is a sectional ownership building. The figure is calculated by multiplying the exclusive ownership area ratio of 31.3% as prescribed in the management bylaws of the hotel portion expected to be acquired by SAR, by the gross floor area of the entire building (24,827.45m<sup>2</sup>(the gross floor area of the entire building as stated in the register)), and rounded to the second decimal point.

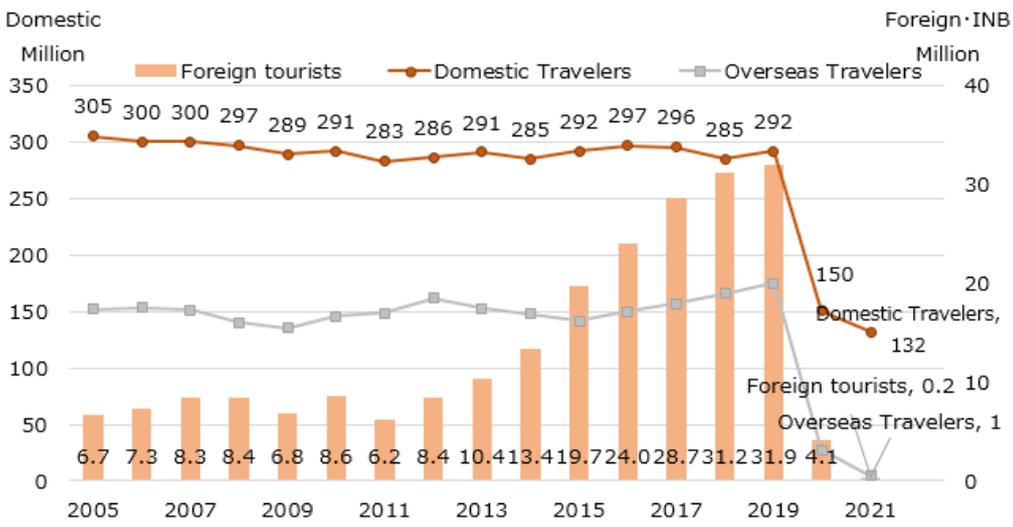
(Note 4) The property is a sectional ownership building. The building structure and number of stories of the entire building including the property to be

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acquired is stated. The exclusive ownership portion of the hotel portion expected to be acquired by SAR is comprised of 10 floors, the 1<sup>st</sup> floor and the 3<sup>rd</sup> to 11<sup>th</sup> floors (however, only a portion of the 1<sup>st</sup> floor).

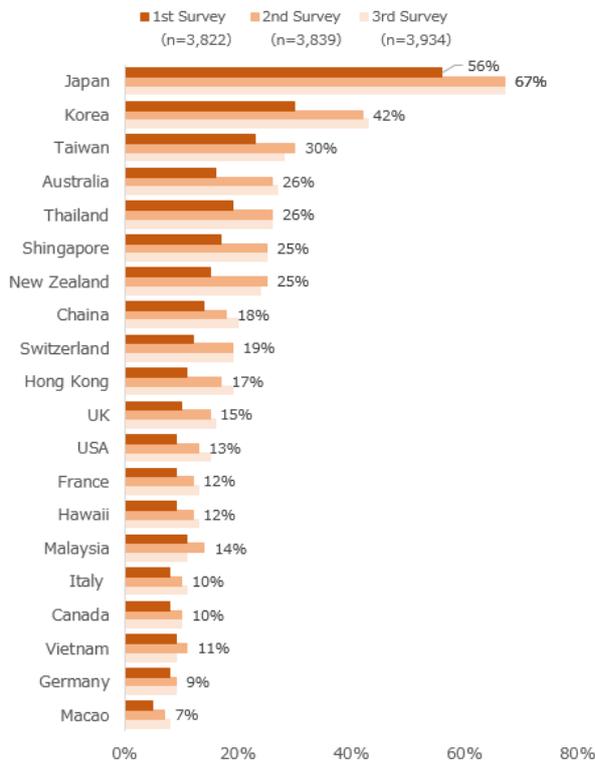
(Note 5) Not disclosed, as consent has not been obtained from the end tenant.

Property Description and Acquisition Highlight based on the investigation by the Asset Manager
<p>(1) Property Description</p> <ul style="list-style-type: none"> <li>i) A large multi-use facility complex directly connected to “Tennoji” Station on the JR Osaka Loop Line, Osaka Metro Midosuji Line, Tanimachi Line, as well as “Osaka Abenobashi” Station on the Kintetsu Minami Osaka Line.</li> <li>ii) Construction was completed in 2012 as a part of the Abeno-chiku Type II Urban Redevelopment Project which was completed in 2018.</li> <li>iii) The property is highly visible given that it is located along a major road, and the location is advantageous and suitable for hotels.</li> <li>iv) It has good access to sightseeing areas and main areas of Osaka, and is expected to take in recovery of accommodation demand going forward.</li> </ul> <p>(2) Acquisition Highlight</p> <p>The property is expected to be acquired under a bilaterally negotiated transaction, based on property information obtained using the Asset Manager’s own unique network.</p>

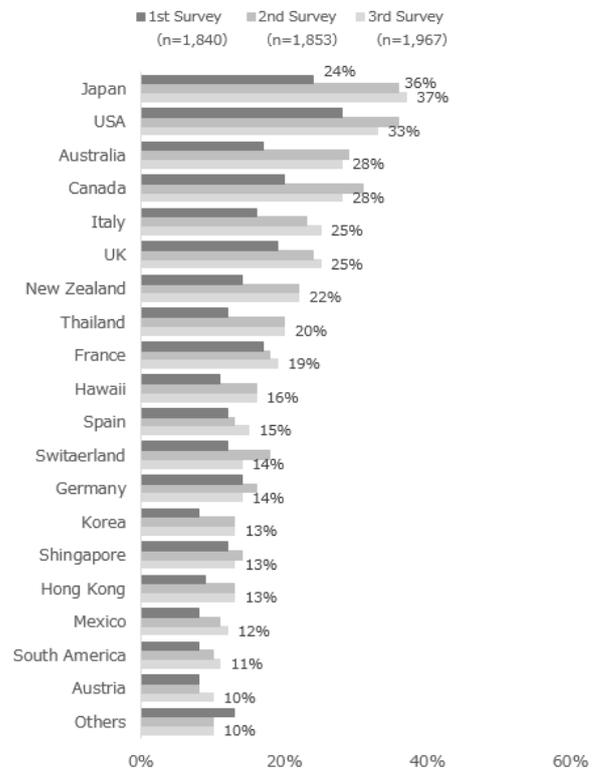
Market analysis and independent analysis by the Asset Manager																																																																								
<p>(1) Transition of Average Number of Passengers per Day at “Tennoji” Station Same as abeno nini (Retail).</p> <p>(2) Transition of Number of Travelers</p> <p>The number of foreign travelers visiting Japan has increased rapidly from 2011 to 2019; however, due to the effects of COVID-19 pandemic, the number drastically decreased in 2020 and 2021. However, in surveys on the foreign country or region where people wish to travel to next, Japan has ranked at the top among people living in Asia as well as in Europe, the U.S., and Australia. Furthermore, according to the “inbound heat map (2019/customers/all purposes)” prepared by Japan Hotel Appraisal Co., Ltd., Osaka ranks 2<sup>nd</sup> next to Tokyo in terms of visit ratio, so the Asset Manager believes that sightseeing demand is expected to recover after the convergence of the COVID-19 pandemic.</p> <p style="text-align: center;">&lt;Transition of Domestic Travelers, Foreign Tourists and Overseas Travelers&gt;</p>  <table border="1"> <caption>Transition of Domestic Travelers, Foreign Tourists and Overseas Travelers (2005-2021)</caption> <thead> <tr> <th>Year</th> <th>Domestic Travelers (Million)</th> <th>Overseas Travelers (Million)</th> <th>Foreign tourists (Million·INB)</th> </tr> </thead> <tbody> <tr><td>2005</td><td>305</td><td>150</td><td>6.7</td></tr> <tr><td>2006</td><td>300</td><td>155</td><td>7.3</td></tr> <tr><td>2007</td><td>300</td><td>150</td><td>8.3</td></tr> <tr><td>2008</td><td>297</td><td>140</td><td>8.4</td></tr> <tr><td>2009</td><td>289</td><td>135</td><td>6.8</td></tr> <tr><td>2010</td><td>291</td><td>145</td><td>8.6</td></tr> <tr><td>2011</td><td>283</td><td>150</td><td>6.2</td></tr> <tr><td>2012</td><td>286</td><td>165</td><td>8.4</td></tr> <tr><td>2013</td><td>291</td><td>155</td><td>10.4</td></tr> <tr><td>2014</td><td>285</td><td>150</td><td>13.4</td></tr> <tr><td>2015</td><td>292</td><td>145</td><td>19.7</td></tr> <tr><td>2016</td><td>297</td><td>150</td><td>24.0</td></tr> <tr><td>2017</td><td>296</td><td>155</td><td>28.7</td></tr> <tr><td>2018</td><td>285</td><td>165</td><td>31.2</td></tr> <tr><td>2019</td><td>292</td><td>175</td><td>31.9</td></tr> <tr><td>2020</td><td>150</td><td>10</td><td>4.1</td></tr> <tr><td>2021</td><td>132</td><td>1</td><td>1</td></tr> </tbody> </table> <p>Source: A market report prepared by Japan Hotel Appraisal Co., Ltd. based on request from the Asset Manager based on (1) regarding the number of domestic and overseas travelers, figures disclosed in JTB News Release (Forecast of Travelling Trends) and (2) regarding INB (inbound) number, figures announced by the Japan National Tourism Organization (JNTO)</p>	Year	Domestic Travelers (Million)	Overseas Travelers (Million)	Foreign tourists (Million·INB)	2005	305	150	6.7	2006	300	155	7.3	2007	300	150	8.3	2008	297	140	8.4	2009	289	135	6.8	2010	291	145	8.6	2011	283	150	6.2	2012	286	165	8.4	2013	291	155	10.4	2014	285	150	13.4	2015	292	145	19.7	2016	297	150	24.0	2017	296	155	28.7	2018	285	165	31.2	2019	292	175	31.9	2020	150	10	4.1	2021	132	1	1
Year	Domestic Travelers (Million)	Overseas Travelers (Million)	Foreign tourists (Million·INB)																																																																					
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< Countries/regions you would like to travel abroad next >  
(Residents of Asia)



< Countries/regions you would like to travel abroad next >  
(Residents of Europe, the United States and Australia)



※Prepared based on “Survey of Foreign Travelers from Asia, Europe, the United States and Australia Travelling in Japan” published by Development Bank of Japan (DBJ)/ Japan Travel Bureau Foundation (JTBF).

※Responses were obtained from all persons surveyed, other than those who answered “No” regarding traveling abroad for sightseeing after the convergence of the COVID-19 pandemic, and those who answered “No intention to consider travelling abroad again given the current circumstances” on the timing of reconsidering travelling abroad for sightseeing.

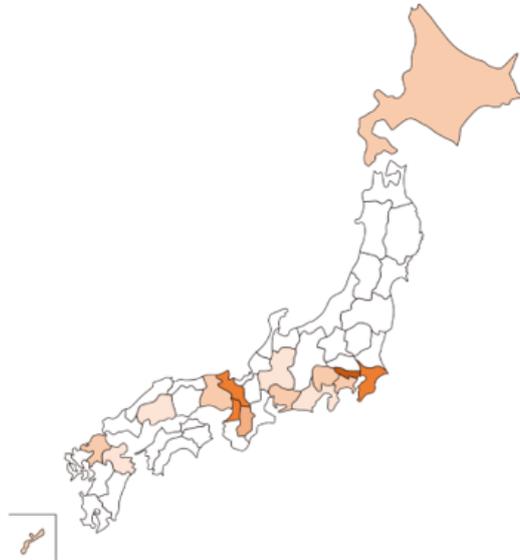
※When the “country or region the respondent wants to travel to” and the “respondent’s country/region” or “nearby country” are the same, response for such country or region are excluded from the number of samples.

Source: A market report prepared by Japan Hotel Appraisal Co., Ltd. based on request from the Asset Manager. (First survey: June, 2020 / Second Survey: December, 2020 / Third Survey: October, 2021)

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<Inbound heat map by visit rate by prefectures (2019/customers/all purposes)>

Rank	Prefectures	Visit rate
1	Tokyo	47.2%
2	Osaka	38.6%
3	Chiba	35.1%
4	Kyoto	27.8%
5	Nara	11.7%
6	Aichi	9.0%
7	Fukuoka	8.7%
8	Hokkaido	8.0%
9	Kanagawa	7.8%
10	Okinawa	6.1%
11	Hyogo	6.0%
12	Yamanash	5.5%
13	Shizuoka	4.8%
14	Oita	3.3%
15	Hiroshima	3.0%
16	Gifu	3.0%
17	Nagano	2.9%
18	Ishikawa	2.0%
19	Kumamot	1.9%
20	Nagasaki	1.5%

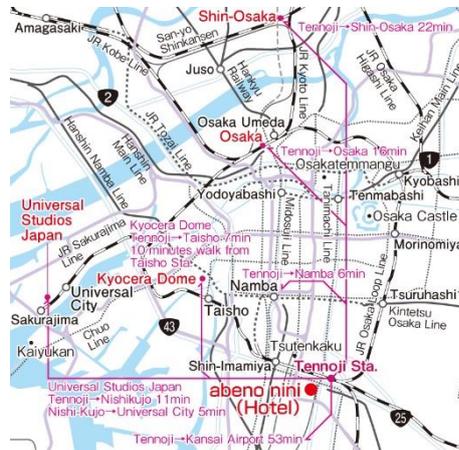


Source: A market report prepared by Japan Hotel Appraisal Co., Ltd. on request from the Asset Manager based on figures in “Accommodation Travel Statistics Survey (Japan Tourism Agency)”.

(3) Independent analysis by the Asset Manager

The property has good access to “Kansai International Airport” and “Shin-Osaka” Station, which are main access points for Japan and abroad, as well as to sightseeing spots such as “Universal Studios Japan” and “Kyocera Dome Osaka” where many events are held, and the Asset Manager believes that the property can attract both business demand and sightseeing demand.

<Access to Major Areas>



Source: Prepared by the Asset Manager based on various publicized data.

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Comprehensive Evaluation by SAR: High Prospect for Stability of Income

Due to the reasons stated below, SAR believes that the property will be able to obtain stable income in the mid-to long-term.

- (1) JR and Osaka Metro Midosuji Line “Tennoji” Station is one of the largest number of passengers in Osaka.
- (2) The property has good access to “Kansai International Airport” and “Shin-Osaka” Station, which are main access points for Japan and abroad, as well as to sightseeing spots such as “Universal Studios Japan” and “Kyocera Dome Osaka” where many events are held, and the Asset Manager believes that the property can attract both business demand and sightseeing demand.
- (3) A fixed-term building lease agreement has been signed, and stability of income can be secured.
- (4) There is possibility for internal growth going forward by recovery of accommodation demand.

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(Unit: yen)

Summary of real estate appraisal report		
Property name	abeno nini (Hotel)	
Appraisal value	3,670,000,000	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2022	
Item	Details	Description, etc.
Indicated value by income approach	3,670,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method
Indicated value by direct capitalization method	3,720,000,000	
(1) Operating revenue ((a)-(b))	231,862,000	
(a) Gross potential income	231,862,000	Appraised and recorded rent based on the bearable rent determined from a medium-to long-term perspective, judging that the current rent is at a slightly low level
(b) Vacancy loss, etc.	0	Not recorded, given that as the lease is a bulk lease under a long-term fixed-term lease agreement, it is determined appropriate to consider vacancy risk within the capitalization rate.
(2) Operating expenses	56,280,000	
Maintenance and management fee	100,000	Recorded consumable supplies expense etc.
Utilities expenses	0	The exclusive area is borne by the lessee, and the common area is not accounted for as it is paid out of the management fee to the management association.
Repair expenses	2,293,000	Recorded by taking actual data into account, with reference to the repair expenses on the ER and the expenses the level of similar real estate
Property management fee	1,200,000	Appraised based on the conditions of agreement and the level of similar real estate
Tenant leasing cost, etc.	0	The cap rate was used in consideration of the hotel business and the content of the lease contract.
Property taxes	27,588,000	Recorded by taking into account the actual data and the details of burden adjustment measures, etc.
Insurance premium	609,000	Appraised based on the insurance agreement and the level of similar real estate.
Other expenses	24,490,000	Recorded by management fees to the management association and fees for the use of the terrace
(3) Net operating income (NOI=(1)-(2))	175,582,000	
(4) Financial interests on deposits	1,159,000	Appraised investment return as 1.0%.
(5) Capital expenditures	5,620,000	Appraised based on the repair expenses on the ER and the level of similar real estate.
(6) Net cash flow (NCF=(3)+(4)-(5))	171,121,000	
(7) Capitalization rate	4.6%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	3,620,000,000	
Discount rate	3.9%	Appraised by comprehensively taking into account the individual characteristics of the subject real estate, etc.
Terminal capitalization rate	4.3%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risk, and other factors.etc.
Indicated value by cost approach	3,660,000,000	Estimated by multiplying the total of the land price and the building price by marketability correction rate.
Ratio of land	86.2%	Appraised by comprehensively taking into account the individual characteristics of the subject real estate, etc.
Ratio of building	13.8%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risk, and other factors.etc.
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. Seller Profile

##### (1) Urban Center Fujisawa

The Seller, which is a domestic operating company, is not disclosed, as consent for such disclosure has not been obtained. The Seller and SAR/the Asset Manager have no capital relationship, personnel relationship, or business relationship worthy of note. The Seller does not fall under a related party to SAR or the Asset Manager or an interested party etc. under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951; including any subsequent amendments) (hereinafter referred to as the “Investment Trusts Act”).

##### (2) abeno nini (Retail), abeno nini (Hotel)

The Seller is a Godo Kaisha (G.K.; limited liability company) in Japan. However, it cannot be disclosed, as consent for such disclosure has not been obtained from the Seller. The Seller and SAR/the Asset Manager have no capital relationship, personnel relationship, or business relationship worthy of note. The Seller does not fall under a related party to SAR or the Asset Manager or an interested party etc. under the Investment Trusts Act.

#### 5. Status of Parties Related to the Acquisition of the Property

There are no acquisitions from persons who have special interest relationships with SAR or the Asset Manager.

#### 6. Overview of Broker

##### (1) Urban Center Fujisawa

###### (i) Overview of broker

Name	Jones Lang LaSalle, Inc.
Location	2-13-10, Nagata-cho, Chiyoda-ku, Tokyo
Representative	Representative Director, Toshinobu Kasai
Main business description	1. Consultant and research of real estate investment 2. Sales, trading, leasing, management of real estate; and agent and brokerage of such 3. Appraisal and consultant of real estate 4. through 24. (Omitted) 25. All business incidental to the above
Capital	195 million yen
Established	April 23, 1985
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	SAR and the Asset Manager entrust property management services to the relevant company (the broker). Also, there are no business relationship to note between interested parties or affiliate companies of SAR and the Asset Manager and interested parties or affiliate companies of the relevant company.
Related party or not	The aforementioned company does not fall under the category of related party of SAR/the Asset Manager.

###### (ii) Breakdown and value of the brokerage commission

Not disclosed due to inevitable reasons, as consent for disclosure has not been obtained from the broker.

##### (2) abeno nini (Retail), abeno nini (Hotel)

###### (i) 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.

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	6. Building lots and buildings transaction business. 7. The business of leasing, management, and operation of real estate. 8. -11. Omitted 12. All business 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 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 the relevant rules.
Personnel relationship	As of today, the auditor of the Asset Management Company concurrently serves as the auditor of the relevant company.
Business relationship	In the fiscal period ended January 31, 2022 (12th 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 provided in 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 the relevant rules.

(ii) Breakdown and value of the brokerage commissions

Breakdown of brokerage commission	Brokerage commissions for the sale and purchase of trust beneficial interests.	
Amount of brokerage commission (Excluding consumption tax and local consumption tax)	abeno nini (Retail)	1,000,000 yen
	abeno nini (Hotel)	1,000,000 yen
	Total	2,000,000 yen

7. Interested-Party Transactions

The intermediary of the acquisitions of “abeno nini (Retail)” and “abeno nini (Hotel)” falls under an interested party defined under Article 201 of the Investment Trusts Act and Article 123 of the Enforcement Order of the Investment Trusts Act.

Upon deciding on the acquisition of assets or intermediation, the Asset Manager conducts deliberations and resolutions in accordance with laws and regulations and relevant rules.

8. Schedule for the Acquisition

August 1, 2022	Acquisition decided
	Sign the Trust Beneficial Interest Sale and Purchase Agreement
August 18, 2022 (planned)	Acquisition of beneficiary interest in trust (planned)
	Payment of acquisition price (planned)
	Conclusion of a master lease agreement and a property management agreement (planned)

9. Settlement method

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

10. Future outlook

As a result of the Acquisition of Real Estate Beneficiary Interests in Trust and entering into Lease Contracts, there will be certain changes made to the assumptions for the forecasts for operating results described in “(REIT) Financial Report for Fiscal Period Ended January 31, 2022” announced on March 16, 2022. For further

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details, please refer to “Notice Concerning Revision to Forecasts for Operating Results for the 14th Fiscal Period Ending January 31, 2023 and Forecasts for Operating Results and Distribution for the 15th Fiscal Period Ending July 31, 2023” announced today.

<Appendix>

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

<Reference>

Other press releases announced today

- Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units
- Notice Concerning Revision to Forecasts for Operating Results for the 14th Fiscal Period Ending January 31, 2023 and Forecasts for Operating Results and Distribution for the 15th Fiscal Period Ending July 31, 2023
- Notice Concerning Debt Financing (Green Loan)
- Notice Concerning Partial Amendment to the Management Guidelines of the Asset Manager
- Notice Concerning Acquisition of Assessment Certification in CASBEE for Real Estate
- Notice Concerning Change of Name of Properties

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

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Reference Material 1 Summary of portfolio after the Acquisition

< Asset type (use) >

Asset type (use)	Number of Property	(Planned) Acquisition Price (million yen)	Investment ratio (%) (Note 1)
Office	21	74,787	38.4
Retail	5	27,754	14.2
Residence	19	37,779	19.4
Logistics	9	30,365	15.6
Hotel	9	24,144	12.4
Total	63	194,829	100.0

< Investment Areas >

Area		(Planned) Acquisition Price (million yen)	Investment ratio (%) (Note 1)	
Tokyo Area	Five central wards of Tokyo (Note 2)	56,248	28.9	66.7
	Other areas in Greater Tokyo	73,720	37.8	
Outside the Tokyo Area		64,861	33.3	
Total		194,829	100.0	

(Note 1) 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%.

(Note 2) The five central wards of Tokyo are Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, and Shibuya-ku.

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Reference Material 2 Portfolio list after the Acquisition

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	3,010	1.5
OFC-03	Honmachibashi Tower	Chuo-ku, Osaka-Shi, Osaka	6,065	6,840	3.1
OFC-04	Nishi-Shinjuku Matsuya Building	Shibuya-ku, Tokyo	1,763	2,600	0.9
OFC-06	Shibuya MK Building	Shibuya-ku, Tokyo	2,042	3,240	1.0
OFC-08	Asahi Building	Kanagawa-ku, Yokohama-Shi, Kanagawa	6,320	8,200	3.2
OFC-09	Hakata-eki East Place	Hakata-ku, Fukuoka-Shi, Fukuoka	2,286	2,910	1.2
OFC-10	Nihonbashi Hamacho Park Building	Chuo-ku, Tokyo	1,450	1,500	0.7
OFC-11	Amusement Media Gakuin Honkan	Shibuya-ku, Tokyo	2,580	2,710	1.3
OFC-12	Higashi Kobe Center Building	Higashinada-ku, Kobe-Shi, Hyogo	7,440	7,390	3.8
OFC-13	Amusement Media Gakuin Shinkan	Shibuya-ku, Tokyo	1,020	1,190	0.5
OFC-14	Seishin BLDG.	Shinjuku-ku, Tokyo	11,200	11,500	5.7
OFC-15	Urban Center Kanda Suda-cho	Chiyoda-ku, Tokyo	5,350	5,370	2.7
OFC-16	Urban Center Kanda Tsukasamachi	Chiyoda-ku, Tokyo	4,590	4,570	2.4
OFC-17	Takadanobaba Access	Shinjuku-ku, Tokyo	3,990	3,990	2.0
OFC-18	Azabu Amerex BLDG.	Minato-ku, Tokyo	2,780	2,890	1.4
OFC-19	Hiei-Kudan BLDG.	Chiyoda-ku, Tokyo	2,400	2,380	1.2
OFC-20	Urban Center Shin-Yokohama	Yokohama-Shi, Kanagawa	2,300	2,500	1.2
OFC-21	The Portal Akihabara	Chiyoda-ku, Tokyo	1,510	1,490	0.8
OFC-22	Urban Center Tachikawa	Tachikawa-Shi, Tokyo	1,804	1,930	0.9
OFC-23	Urban Center Hakata	Hakata-ku, Fukuoka-shi, Fukuoka	2,870	3,030	1.5
OFC-24	Urban Center Fujisawa	Fujisawa-Shi, Kanagawa	2,054	2,200	1.1
Office Subtotal			74,787	81,440	38.4
RTL-01	La Park Kishiwada	Kishiwada-Shi, Osaka	5,400	5,210	2.8
RTL-02	Suroy Mall Chikushino	Chikushino-Shi, Fukuoka	6,550	6,540	3.4
RTL-03	Seiyu Minakuchi	Koka- hi, Shiga	3,320	3,310	1.7
RTL-05	BAGUS Ikebukuro West	Toshima-ku, Tokyo	2,984	3,240	1.5
RTL-06	abeno nini (Retail)	Abeno-ku, Osaka-Shi, Osaka	9,500	9,800	4.9
Retail Subtotal			27,754	27,990	14.2
RSC-01	Urban Park Azabujuban	Minato-ku, Tokyo	2,045	2,500	1.0
RSC-02	Urban Park Daikanyama	Shibuya-ku, Tokyo	6,315	8,450	3.2
RSC-05	Urban Park Namba	Naniwa-ku, Osaka-Shi, Osaka	1,490	1,630	0.8
RSC-06	Urban Park Gokokuji	Toshima-ku, Tokyo	1,460	1,510	0.7
RSC-07	Urban Park Kashiwa	Kashiwa-Shi, Chiba	1,186	1,190	0.6
RSC-08	Urban Park Ryokuchi Koen	Suita-Shi, Osaka	1,550	1,640	0.8
RSC-09	Urban Park Koenji	Suginami-ku, Tokyo	1,167	1,180	0.6
RSC-10	Urban Park Ichigao	Aoba-ku, Yokohama-Shi, Kanagawa	1,810	1,890	0.9

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RSC-11	Urban Park Gyotoku	Ichikawa-Shi, Chiba	1,430	1,530	0.7
RSC-12	Shiroi Logiman	Shiroi-Shi , Chiba	2,470	2,460	1.3
RSC-13	Urban Park Sekime	Osaka-Shi, Osaka	2,150	2,210	1.1
RSC-14	Urban Park Imazato	Osaka-Shi, Osaka	993	990	0.5
RSC-15	Urban Park Yoyogi	Shibuya-ku, Tokyo	1,740	1,760	0.9
RSC-16	Urban Park Tokiwadai Koen	Hodogaya-ku, Yokohama-Shi, Kanagawa	3,506	3,770	1.8
RSC-17	Urban Park Mitsuike Koen	Tsurumi-ku, Yokohama-Shi, Kanagawa	3,160	3,330	1.6
RSC-18	Urban Park Ryogoku	Sumida-ku, Tokyo	1,115	1,190	0.6
RSC-19	Urban Park Mizonokuchi	Takatsu-ku, Kawasaki-Shi Kanagawa	2,019	2,100	1.0
RSC-20	Urban Park Miyamaedaira	Miyamae-ku, Kawasaki-Shi Kanagawa	1,060	1,150	0.5
RSC-21	Urban Park Tsurumi	Tsurumi-ku, Yokohama-Shi Kanagawa	1,113	1,190	0.6
Residence Subtotal			37,779	43,230	19.4
LGC-01	Iwatsuki Logistics	Iwatsuki-ku, Saitama-Shi, Saitama	6,942	7,660	3.9
LGC-02	Yokohama Logistics	Kanagawa-ku, Yokohama-Shi, Kanagawa	3,560	4,330	2.0
LGC-03	Funabashi Logistics	Funabashi-Shi, Chiba	7,875	8,870	4.4
LGC-04	Baraki Logistics	Ichikawa-Shi, Chiba	4,700	4,980	2.6
LGC-05	Tokorozawa Logistics	Tokorozawa-Shi, Saitama	1,300	1,520	0.7
LGC-07	Funabashi Nishiura Logistics II	Funabashi-Shi, Chiba	821	890	0.4
LGC-08	Matsubushi Logistics	Kitakatsushika, Saitama	2,755	2,970	1.4
LGC-09	Funabashi Hi-Tech Park Factory I	Funabashi-Shi, Chiba	1,710	1,710	0.9
LGC-10	Funabashi Hi-Tech Park Factory II	Funabashi-Shi, Chiba	702	704	0.4
Logistics facility Subtotal			30,365	33,634	15.6
HTL-01	R&B Hotel Umeda East	Kita-ku, Osaka-Shi, Osaka	2,069	2,270	1.1
HTL-02	Smile Hotel Namba	Naniwa-ku, Osaka-Shi, Osaka	1,750	1,410	0.9
HTL-03	REMBRANDT STYLE Tokyo Nishikasai	Edogawa-ku, Tokyo	3,827	3,530	2.0
HTL-04	BEST WESTERN Yokohama	Tsurumi-ku, Yokohama-Shi, Kanagawa	3,248	3,200	1.7
HTL-05	The BREAKFAST HOTEL FUKUOKA TENJIN	Chuo-ku, Fukuoka-Shi , Fukuoka	1,970	1,920	1.0
HTL-06	GLANSIT AKIHABARA	Chiyoda-ku, Tokyo	2,500	2,440	1.3
HTL-07	REMBRANDT STYLE Tokyo Nishikasai Grande	Edogawa-ku, Tokyo	3,180	3,130	1.6
HTL-08	KOKO HOTEL Osaka Namba	Naniwa-ku, Osaka-Shi, Osaka	2,000	1,410	1.0
HTL-09	abeno nini (Hotel)	Abeno-ku, Osaka-Shi, Osaka	3,600	3,670	1.8
Hotel Subtotal			24,144	22,980	12.4
<b>Total</b>			<b>194,829</b>	<b>209,274</b>	<b>100.0</b>

(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

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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”.

(Note 3) “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, 2022, 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, 2022 with respect to the Asset 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.

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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	Shibuya MK Building	7.2	
	OFC-08	Asahi Building	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-06	Urban Park Gokokuji	5.1	
	RSC-07	Urban Park Kashiwa	4.9	
	RSC-08	Urban Park Ryokuchi Koen	6.4	
	RSC-09	Urban Park Koenji	10.4	
	RSC-10	Urban Park Ichigao	9.8	
	RSC-11	Urban Park Gyotoku	5.1	

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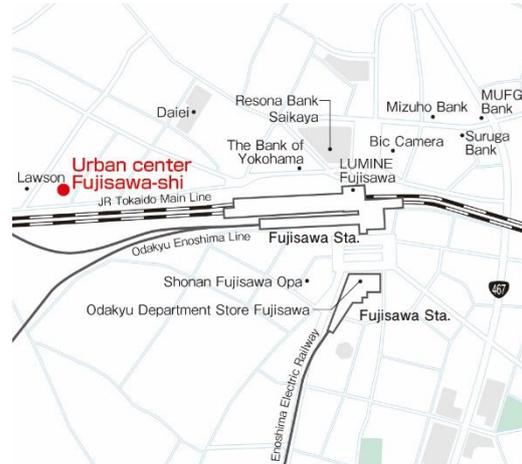
	RSC-12	Shiroi Logiman	3.5
	RSC-13	Urban Park Sekime	11.5
	RSC-14	Urban Park Imazato	12.0
	RSC-15	Urban Park Yoyogi	7.7
	RSC-16	Urban Park Tokiwadai Koen	9.6
	RSC-17	Urban Park Mitsuike Koen	9.7
	RSC-18	Urban Park Ryogoku	6.0
	RSC-19	Urban Park Mizonokuchi	10.4
	RSC-20	Urban Park Miyamaedairai	4.5
	RSC-21	Urban Park Tsurumi	9.9
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
	LGC-10	Funabashi Hi-Tech Park Factory II	5.6
	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
Entire portfolio (63 properties) <sup>(Note)</sup>			2.5

(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 2022.

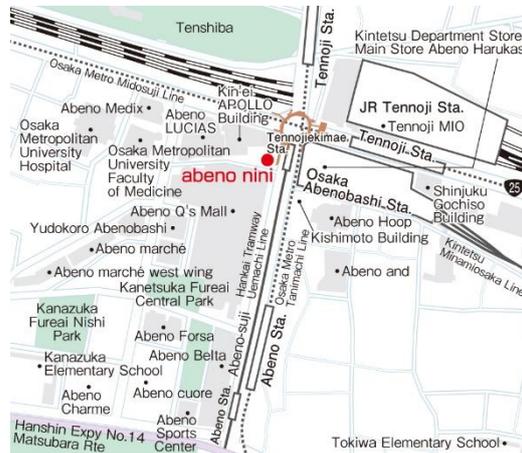
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Reference Material 4 Location maps / photos of exterior of Assets to be Acquired

OFC-24 Urban Center Fujisawa



RTL-06 abeno nini (Retail) / HTL-09 abeno nini (Hotel)



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

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

Property Number column and Type column: Each of Assets to be Acquired 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” column: Herein is shown the planned acquisition price of the Assets to be Acquired as described in the purchase agreement of the Assets to be Acquired (excluding consumption taxes, local consumption taxes, and expenses necessary for the acquisition), after rounded to the nearest million yen.

b. “Planned Acquisition Date” column: Herein is shown the planned MMDDYY of acquisition 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, registered address of the property (if there are two or more of them, one is selected) is shown.

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 .
- 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.
- 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.
- 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.
- iv. “Construction completion” column: Herein is shown MMDDYY of the representative building first built as recorded in registry.
- 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.

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”**

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a. “Total leasable area” column: Herein is shown the sum total of leasable floor areas of buildings of the Assets to be Acquired (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 April 30, 2022.

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 as of April 30, 2022 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 April 30, 2022.

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, 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 April 30, 2022.

d. “Total number of tenants” column: Herein is shown the total number of tenants as confirmed with the lease agreements effective as of April 30, 2022 of the Asset to be Acquired. In case a specific tenant uses two or more rooms in one of the Assets to be Acquired, 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, total number of the actual (end) tenants under the master lease agreement for the asset is shown herein.

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 April 30, 2022 (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.

f. “Security and guarantee deposits” column: Herein is shown the sum total of refundable deposits as required in lease agreements effective as of April 30, 2022 (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.

**(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.

**(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 for the Assets to be Acquired. 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

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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 who conducted appraisal is an interested party of neither SAR nor the Asset Manager.

**(f) Explanation of the Section entitled “Property Description and Acquisition Highlight based on the investigation by the Asset Manager”**

The Asset Manager has described, by making reference to real estate appraisal reports and market reports etc. and by taking into account the results of individual investigations made on its own, the basic attributes and characteristics of the relevant properties, and has also described the background leading to acquisition of the relevant properties (i.e. for those properties acquired from sponsor groups, the name of the sponsor group, and with respect to properties acquired based on sale information obtained by the Asset Manager individually and on its own, the background to such acquisition). The “<Sponsor Fund>” means it has been acquired from a sponsor group, “<Outside Acquisition>” means it has been obtained from a third party, “<Bilateral Negotiated Transaction>” means it has been acquired based on bilateral negotiations from a third party, and “<Warehousing>” means that it has been obtained by using the warehousing function of a sponsor group.

**(g) Explanation regarding the Section “Demographic Analysis etc., Market Analysis, and the Asset Manager’s Individual Analysis”**

The Asset Manager has described its own individual market analysis made based on information from various real estate information specialized firms and disclosed materials.

**(h) Explanation regarding the Section “Comprehensive Evaluation by SAR”**

SAR’s own individual assessments are stated taking into account paragraphs f. and g. above.

*This is an English translation of the announcement in Japanese dated August 1, 2022. However, no assurance or warranties are given for the completeness or accuracy of this English translation.*

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