

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 Lease Contract with New Tenants

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

Furthermore, the broker of the acquisition of the Assets to be Acquired and the counterparties under the lease agreements related to the Assets to be Acquired fall under interested party, etc. as defined in Article 201 Paragraph 1 of the Act on Investment Trusts and Investment Corporations (hereinafter referred to as the "Investment Trusts Act") and Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (hereinafter referred to as the "Enforcement Order of the Investment Trusts Act"), and they also fall under the category of interested party prescribed in the "Rules on Transactions with Interested Parties" which are the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR's assets. Upon deciding on the brokerage of the acquisition of the Assets to be Acquired and signing of the lease agreements related to the Assets to be Acquired, the Asset Manager has conducted deliberations and approval processes in accordance with laws and regulations and such rules.

1. Overview of the Assets to be Acquired

Type	Asset type	Property no. (Note 1)	Property name	Location	Planned acquisition price (million yen) (Note 2)	Planned acquisition date
Real Estate Properties etc.	Hotel	HTL-17	KOKO HOTEL Tsukiji Ginza	Chuo-ku, Tokyo	17,000	August 30, 2024
	Hotel	HTL-18	KOKO HOTEL Residence Asakusa Kappabashi	Taito-ku, Tokyo	4,300	
	Hotel	HTL-19	KOKO HOTEL Residence Asakusa Tawaramachi	Taito-ku, Tokyo	5,900	
	Hotel	HTL-20	KOKO HOTEL Osaka Shinsaibashi	Chuo-ku, Osaka-shi, Osaka	7,500	
Total (4 properties)					34,700	

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

(Note 2) "Planned acquisition price" indicates the planned sale and purchase price stated in the sale and purchase agreements with the sellers 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.

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- (1) Signing date : August 19, 2024
 (2) Planned acquisition date : August 30, 2024
 (delivery and settlement date)
 (3) Sellers : Please refer to “4. Planned Seller Profile” below.
 (4) Acquisition financing : Proceeds from the issuance of new investment units through public offering (Primary offering) (Note 3) for which resolution was made at the Board of Directors meeting of SAR held today, planned new borrowings (Note 4) and cash on hand etc.
 (5) Settlement method : Payment of entire amount on planned acquisition date
 (6) Presence or absence of broker : Presence
 Please refer to “7. Overview of Broker” below.

(Note 3) For further details, please refer to “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” announced today.

(Note 4) For further details, please refer to “Notice Concerning Debt Financing (Green Loans)” announced today.

Of the Assets to be Acquired, SAR has acquired “Building-Housing Energy-Efficiency Labeling System (BELS)” Evaluation and Certification (Note). Details are as follows.

Asset type	Property no.	Property name	Location	Certification rating
Hotel	HTL-17	KOKO HOTEL Tsukiji Ginza	Chuo-ku, Tokyo	★★★★
Hotel	HTL-19	KOKO HOTEL Residence Asakusa Tawaramachi	Taito-ku, Tokyo	★★★

(Note) Outline of BELS: Under the Act on the Improvement of Energy Consumption Performance of Buildings (Act No.53 of 2015; including its amendments) (“Building Energy Efficiency Act”), real estate business operators are required to make efforts to display the energy-saving performance of buildings. BELS is a system in which third-party institutions evaluate the energy-saving performance of buildings based on the evaluation standards set by the Ministry of Land, Infrastructure, Transport and Tourism, and the certification rating is given on a 7-point scale.

For the details of BELS, please refer to the following website.

<https://www.hyoukakyukai.or.jp/bels/bels.html> (Japanese only)

2. Reason for the Acquisition and the Leasing

The Acquisition is a substantial progress toward the mid-term target of “Asset size of 300 billion yen by 2026,” which was set in the Mid-term Plan (announced in March 2021), by realizing the promotion of a continuous external growth strategy through asset allocation that leverages the strengths of a diversified REIT, and by increasing capital through public offering for four consecutive years. Following the acquisition of properties through the public offering in 2023, we will acquire properties with high asset value and high potential for internal growth. The Assets to be Acquired, the four hotels, are properties for which the Asset Manager has preferential negotiating rights through sponsor support and will be acquired by utilizing such preferential negotiating rights.

Through the Acquisition, SAR’s asset size (Note 1) will expand to 276.5 billion yen, and at the same time, the average portfolio building age of the entire portfolio will become shorter to 20.0 years and will enhance the portfolio. Going forward, SAR will continue to aim to achieve the asset-size objective in the Mid-term Plan by utilizing sponsor support as well as leveraging on the Asset Manager’s unique network.

With respect to the Assets to be Acquired, the 4 hotel properties, affiliate companies of Polaris Holdings Co., Ltd (hereinafter referred to as “Polaris Group”, including Polaris Holdings Co., Ltd.), which have a track record of operating 47 buildings and 8,205 rooms within Star Asia Group (as of the end of March 2024, including future planned operations) are expected to be the hotel operators, and the acquisition is expected to promote efficient hotel operations by their skillful area management leveraged by their hotel management track record. The forms of contracts of the Assets to be Acquired are all “fixed rent + floating rent” and the forms have advantage in reflecting directly to the rents as to the relatively high GOP margin realized by Polaris Group’s efficient hotel operation.

Following is a summary of the forms of contracts.

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Property no.	Property name	Location	Fixed rents + Floating rents	
			Monthly fixed rents= expected annual GOP (Note 2)/12 × 30% (in thousands of yen)	floating rents
HTL-17	KOKO HOTEL Tsukiji Ginza	Chuo-ku, Tokyo	22,700	Based on performance of each month: GOP × 85% - fixed rents
HTL-18	KOKO HOTEL Residence Asakusa Kappabashi	Taito-ku, Tokyo	6,700	
HTL-19	KOKO HOTEL Residence Asakusa Tawaramachi	Taito-ku, Tokyo	8,900	
HTL-20	KOKO HOTEL Osaka Shinsaibashi	Chuo-ku, Osaka-shi, Osaka	11,700	
Total			50,000	

(Note 1) "Asset Size" is calculated based on the (planned) acquisition prices (however, for properties which SAR has assumed from former Sakura Sogo REIT Investment Corporation due to the merger, the calculation is based on the acceptance price basis), and includes the securities (the preferred equity securities and the mezzanine loan debts), and the calculation has excluded "Urban Park Namba" which is decided to be transferred as of the date of this document.

(Note 2) "GOP" is the abbreviation for "Gross Operating Profit", and in Japanese is translated as "Eigyo-ara-rieki" or "Eigyo-so-rieki", and means the amount calculated by subtracting the operating expenses (labor costs, cleaning, utilities, advertising and other expenses) directly related to the revenues from the hotel operations. The same applies below.

The main reasons behind the decisions to acquire and lease each of the Assets to be Acquired are described below. The tenants of the Assets to be Acquired satisfy the tenant selection standards described in the "Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties" announced on April 30, 2024.

<KOKO HOTEL Tsukiji Ginza>

KOKO HOTEL Tsukiji Ginza is a limited-service type hotel located at an approximately 6-minute walk from "Tsukiji" Station on the Tokyo Metro Hibiya Line. The hotel is situated in a rare and valuable location, as the Tsukiji Outer Market is nearby, and also within walking distance from the Ginza area, one of Japan's leading commercial districts. Furthermore, the hotel is close to the planned redevelopment site of the former Tsukiji market, and internal growth is expected in the mid- to long-term.

In terms of property characteristics, the hotel is relatively new as construction was completed in December 2020, and is equipped with the latest facilities, with a total of 188 guest rooms, mainly double, triple, and quadruple rooms accommodating two or more people.

Furthermore, in terms of hotel operations management, Polaris Group, a member of the Star Asia Group, is the operator, and through area management together with "KOKO HOTEL Ginza 1-chome" held by SAR, efficient operation is achieved through mutual cooperation of transportation of guests and by providing mutual support for hotel staff, etc., realizing a high GOP ratio.

The decision to acquire the property was made based on comprehensive consideration of the above-mentioned location characteristics, property characteristics, and operational aspects, etc., as it was determined that, in addition to the property's asset value, stable earnings can be expected from the property over the mid- to long-term and that future internal growth will mainly contribute to improvement of growth of portfolio earnings.

<KOKO HOTEL Residence Asakusa Kappabashi, KOKO HOTEL Residence Asakusa Tawaramachi>

KOKO HOTEL Residence Asakusa Kappabashi is a residence-type hotel located at an approximately 4-minute walk from "Asakusa" Station on the Tsukuba Express line. KOKO HOTEL Residence Asakusa Tawaramachi is also a residence-type hotel located at an approximately 2-minute walk from "Tawaramachi" Station on the Tokyo Metro Ginza Line. Both hotels are located in the Asakusa area which has abundant leisure demand and is highly appealing to both domestic and foreign tourists.

In terms of property characteristics, KOKO HOTEL Residence Asakusa Kappabashi and KOKO HOTEL Residence Asakusa Tawaramachi are relatively new hotels, whose construction was completed in November 2020 and November 2021, respectively, and are equipped with the latest facilities. Furthermore, the hotels can accommodate group guests in a single room without splitting rooms, which is a highly rare service even in Tokyo, and given usage by mainly inbound groups and families, the hotels boast both high average number of guests, and high average number of nights stayed per stay.

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Furthermore, in terms of hotel operations management, both hotels are operated by Polaris Group, and through the area management of operations, an extremely high GOP ratio is achieved, by conducting efficient operations through mutual cooperation of transportation of guests and by providing mutual support for hotel staff, etc.

The decision to acquire the property was made based on comprehensive consideration of the above-mentioned location characteristics, property characteristics, and operational aspects, etc., as it was determined that stable earnings can be expected from the property over the mid- to long-term and that future internal growth will contribute mainly to the improvement of the growth of portfolio earnings.

<KOKO HOTEL Osaka Shinsaibashi>

KOKO HOTEL Osaka Shinsaibashi is a limited service-type hotel located at an approximate 3-minute walk from "Shinsaibashi" Station on the Osaka Metro Midosuji Line and Nagahori Tsurumi-ryokuchi Line. It is conveniently located with easy access to "Namba" Station, the gateway to Kansai International Airport, and is also within walking distance to the Shinsaibashi area with its concentration of commercial retail facilities as well as "Dotonbori", one of Osaka's most popular tourist spots, making it a suitable base for business and leisure travelers.

In terms of property characteristics, it has a massive exterior and a total of 211 guest rooms, mainly double and twin bedrooms that can accommodate two or more people.

Furthermore, in terms of hotel operations management, Polaris Group is the operator, and through area management together with "KOKO HOTEL Osaka Namba" held by SAR, the hotel has achieved a high GOP ratio by conducting efficient operations through mutual cooperation of transportation of guests and by providing mutual support for hotel staff, etc.

The decision to acquire the property was made based on comprehensive consideration of the above-mentioned location characteristics, property characteristics, and operational aspects, etc., as it was determined that the property is expected to generate stable earnings over the mid- to long-term and that future internal growth will contribute mainly to the improvement of growth of portfolio earnings.

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3. Summary of Assets to be Acquired

Overview of Assets to be Acquired is shown in the tables (1) - (4) 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) KOKO HOTEL Tsukiji Ginza

Property No.	HTL-17	Property name	KOKO HOTEL Tsukiji Ginza		Type	HOTEL
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		Mitsubishi UFJ Trust and Banking Corporation	
Planned acquisition price	17,000 million yen		Planned acquisition date		August 30, 2024	
Appraised value	18,800 million yen		Seller		GK Tsukiji Hotel Kanri	
Location	6-803-3 Tsukiji, Chuo-ku, Tokyo and others					
Indication of residential address	6-8-8 Tsukiji, Chuo-ku, Tokyo					
Nearest station	Approx. 6-minute walk from “Tsukiji” Station of Tokyo Metro Hibiya Line					
Land	Type of ownership	Proprietary ownership				
	Site area	829.96㎡ (Note 1)	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		500% (Note 2)	
Building	Type of ownership	Proprietary ownership				
	Total floor area	6,086.48㎡ (annexed building Included)	Use		Hotel	
	Construction completion	December 15, 2020	Structure and floors		Steel-framed structure 11F	
Property management company	Tokyo Capital Management Co., Ltd.		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2034					
Status of leasing (Note 3)						
Total leasable area	6,086.48㎡		Monthly rent (including common area maintenance fee)		-	
Total leased area	6,086.48㎡		Security and guarantee deposits		-	
Total number of tenants	1					
Occupancy rate						
	December 2023	January 2024	February 2024	March 2024	April 2024	
	100.0%	100.0%	100.0%	100.0%	100.0%	
Special notation	Not applicable.					

(Note 1) Site area includes setback area of 2.99㎡.

(Note 2) The permitted FAR is 700% due to relaxation by the district planning.

(Note 3) SAR which is the master lease company is expecting to sign the lease agreement described below with KOKO HOTELS CO., LTD. on the same day as the planned acquisition date.

- Form of contract: fixed-term building lease agreement
- Contract period: August 30, 2024 to August 31, 2039
- Rent: fixed rent (22,700,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

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Property Features/ Key Points of Evaluation

- In addition to being within walking distance to Ginza, the hotel can capture both business and tourist demand by taking advantage of its rarity and location superiority as a hotel close to the redevelopment project of the former Tsukiji Market site.
- The hotel is located with high transportation convenience, at an approximate 6-minute walk from “Tsukiji” Station on the Tokyo Metro Hibiya Line and an approximate 9-minute walk from “Higashi-Ginza” Station on the Toei Subway Asakusa Line and Tokyo Metro Hibiya Line.
- The hotel has 188 rooms and all rooms can accommodate 2-4 persons and accommodation demand can be expected for group guests such as school trip students, sports groups, inbound group tourists, etc.
- Due to the location feature and the room-type composition, the hotel is expected to capture in particular tourism demand over the mid- to long-term and is expected to have earnings growth potential.
- The decision to acquire the property was made after confirming KOKO HOTEL Tsukiji Ginza's past operational performance and the assumed stable occupancy period based on the appraisal report, and further comparing them with SAR's assumptions under its business forecast.
- The property, which was acquired by the sponsor group through its extensive relationship network, is planned to be acquired by utilizing preferential negotiation rights which SAR has obtained from the sponsor group.

<Performance results, anticipated figures during stable operation as stated in the appraisal report and preconditions for performance forecast of SAR >

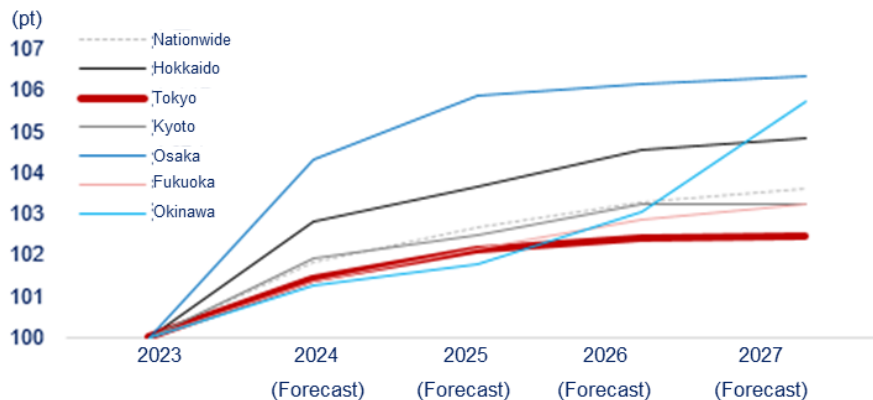
	Feb. 2024	March 2024	April 2024	May 2024	Anticipated figures during stable operation as stated in the appraisal report	Preconditions for performance forecast of FP2025/07
Occupancy rate	94.2%	95.2%	93.8%	94.4%	89.0%	89.6%
ADR (JPY)	21,761	27,835	28,080	23,425	23,000	23,556
RevPAR (JPY)	20,508	26,489	26,348	22,107	20,470	21,104

*The “anticipated figures during stable operation as stated in the appraisal report” are values estimated by a real estate appraiser for the appraisal report based on past performance and future forecasts. There is no guarantee that these figures will match actual performance, and may actually differ significantly. The same applies below.

**The “Preconditions for performance forecast of FP 2025/07” are estimated values calculated by the Asset Manager based on certain assumptions as of the date of this document for the 2025 July period performance forecast. They do not guarantee the realization of these values, and there is a possibility that the actual numbers may vary significantly. The same applies below.

<Forecast of # of accommodation facilities supply by region>

Regarding increase in the number of accommodation facilities, Tokyo is lagging with below average growth.

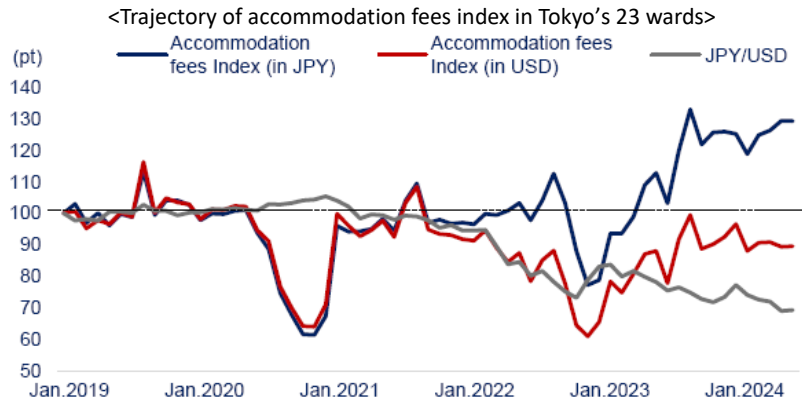


Sources: Created by the Asset Manager based on “Monthly Hoteres” published by Ohta publication Co., Ltd. and “Statistical Survey on Accommodation and Travel” published by the Japan Tourism Agency

(Note) The figures for “Forecast of # of accommodation facilities supply by region” are estimates calculated by taking the total accommodation facilities inventory for each region at the end of 2023 and adding to the number of new accommodation facilities that have actually been supplied or are to be supplied in 2024 and beyond. The inventory of each region at the end of 2023 was calculated by taking the number of accommodation facilities used and dividing it by the occupancy rate, and dividing the quotient by the number of days in the period covered (365 days). The category “accommodation facilities” is calculated by excluding “common lodging house” and “company/organization lodging facilities” from the types of accommodation facilities defined as “ryokan (Japanese inn),” “resort hotel,” “business hotel,” “city hotel,” “common lodging house,” and “company/organization lodging facilities” in the Japan Tourism Agency’s “Statistical Survey on Accommodation and Travel” The number of accommodation facilities that have been supplied or are to be supplied in 2024 and beyond

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was based on the data available as of June 15, 2024 and does not include the number of accommodation facilities that were unplanned at that time. These estimates have been presented in order to provide an idea of how the number of accommodation facilities are expected to trend over the next few years, and the actual figures may deviate significantly.



Source: Created by the Asset Manager based on "2020-base Consumer Price Index data" published by the Ministry of Internal Affairs and Communications

(Note) The "Trajectory of accommodation fees index in Tokyo's 23 wards" are based on the data on accommodation fees available in the 2020-Base Consumer Price Index published by the Ministry of Internal Affairs and Communications. The accommodation fee figure for January 2019 has been indexed to 100.

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Summary of Real Estate Appraisal Report		
Property name	KOKO HOTEL Tsukiji Ginza	
Appraisal value	18,800,000,000 yen	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2024	
Item	Details	Description, etc.
Indicated value by income approach	18,800,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value of direct capitalization approach	19,000,000,000	
(1) Operating revenue ((a)-(b))	782,938,000	
(a) Gross potential income	782,938,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	36,686,000	
Maintenance and management Fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	1,358,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,800,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	32,817,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	711,000	Appraised based on the insurance agreement and the level of similar real estate.
Other expenses	0	No expenses expected.
(3) Net operating income (NOI= (1)-(2))	746,252,000	
(4) Financial interests on deposits	0	No deposit applicable
(5) Capital expenditures	3,256,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	22,285,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF= (3) +(4)-(5) -(6))	720,711,000	
(8) Capitalization rate	3.8%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value of DCF method	18,600,000,000	
Discount Rate	3.6%	Appraised by comprehensively taking into account the individual characteristics of the subject real estate, etc.
Terminal capitalization rate	3.9%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risk, and other factors. etc.
Indicated value by cost approach	17,600,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	84.1%	
Ratio of building	15.3%	
Ratio of FF&E	0.6%	
Matters considered in reconciliation of indicated values and determination of appraisal values	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(2) KOKO HOTEL Residence Asakusa Kappabashi

Property no.	HTL-18	Property name	KOKO HOTEL Residence Asakusa Kappabashi		Type	Hotel
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust		Trustee		Sumitomo Mitsui Trust Bank, Limited
Planned acquisition price		4,300 million yen		Planned acquisition date		August 30, 2024
Appraisal value		5,060 million yen		Seller		GK Pearl Cap
Location		3-24-30, Nishi-asakusa Taito-ku, Tokyo and others				
Indication of residential address		3-24-2, Nishi-asakusa Taito-ku, Tokyo				
Nearest station		Approx. 4-minute walk from "Asakusa" Station of Tsukuba Express Line				
Land	Type of ownership	Proprietary ownership				
	Site area	261.16m ²	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		600% (Note1)	
Building	Type of ownership	Proprietary ownership				
	Total floor area	1,608.74m ²	Use		Hotel	
	Construction completion	November 27, 2020	Structure and floors		Steel-framed structure 12F	
Property management company	Tokyo Capital Management Co., Ltd.		Master lease company		SAR	
Type of master lease	Pass-through		Security		Unsecured	
Trust expiration date	August 31, 2034					
Status of leasing (Note)						
Total leasable area	1,608.74m ²	Monthly rent (including common area maintenance fee)		-		
Total leased area	1,608.74m ²	Security and guarantee deposits		-		
Total number of tenants	1					
Occupancy rate						
	December 2023	January 2024	February 2024	March 2024	April 2024	
	100.0%	100.0%	100.0%	100.0%	100.0%	
Special notation	Not applicable					

(Note 1) The standard floor-area ratio is 480% due to the width of the front road. However, the floor-area ratio allowed is 600% due to the application of a relaxation rule based on the distance to the specified road.

(Note 2) SAR which is the master lease company is expecting to sign the lease agreement described below with FINO HOTELS CO., LTD on the same day as the planned acquisition date.

- Form of contract: fixed-term building lease agreement
- Contract period: August 30, 2024 to August 31, 2039
- Rent: fixed rent (6,700,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

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Property Features/ Key Points of Evaluation

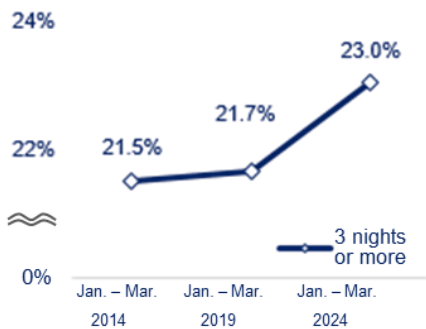
- The property is located at an approximate 4-minute walk from "Asakusa" Station on the Tsukuba Express Line, an approximate 10-minute walk from "Tawaramachi" Station on the Tokyo Metro Ginza Line, and at an approximate 10-minute walk from "Iriya" Station on the Tokyo Metro Hibiya Line.
- Major tourist attraction spots such as Sensoji Temple, Nakamise Street, and Tokyo Sky Tree are concentrated in the surrounding area, and the hotel is expected to attract tourist demand including foreigners.
- The number of rooms is 42, all guest rooms can be used by groups of 4 to 6 people, and the double occupancy ratio is high, and average length of stay is long. In addition, based on area management together with KOKO HOTEL Residence Asakusa Tawaramachi, high hotel operational efficiency and high GOP margin are realized.
- Given the hotel's locational feature and room type composition, the hotel can capture tourism demand in particular, and revenue growth potential can be expected as accommodation demand increases.
- The decision to acquire the property was made based on confirming KOKO HOTEL Residence Asakusa Kappabashi's past operational performance and the assumed stable occupancy period in the appraisal report, and further by comparing them with the assumptions of SAR's business forecast.
- The property, which was acquired by the sponsor group through its extensive relationships, is planned to be acquired by SAR by utilizing the preferential negotiation rights which it has acquired from the sponsor group.

< Performance results, anticipated figures during stable operation as stated in the appraisal report and preconditions for performance forecast of SAR >

	Feb. 2024	March 2024	April 2024	May 2024	Anticipated figures during stable operation as stated in the appraisal report	Preconditions for performance forecast of FP2025/07
Occupancy rate	76.8%	88.3%	92.8%	91.8%	80.0%	85.9%
ADR (JPY)	31,652	37,024	38,374	29,993	34,400	34,428
RevPAR (JPY)	24,324	32,701	35,603	27,528	27,520	29,582

<Percentage of number of stays of 3 or more nights by Domestic traveler>

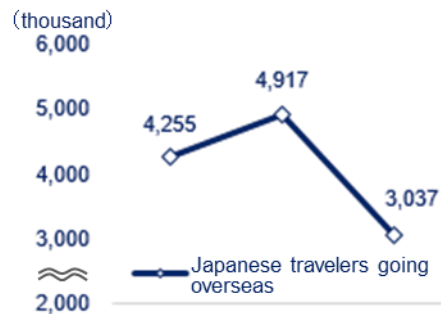
Domestic travelers are staying longer on average with the travelers spending 3 nights or more increasing.



Source: Created by the Asset Manager based on "Travel and Tourism Consumption Trend Survey", published by the Japan Tourism Agency

<Japanese travelers going overseas>

Japanese travelers going overseas have not returned to pre-covid levels and are assumed to show a preference for domestic travel



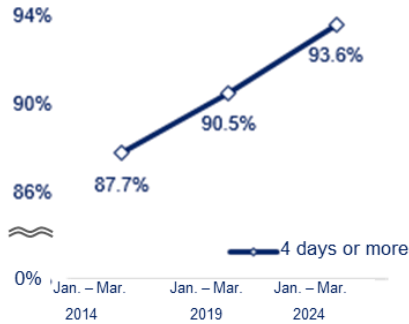
Source: Created by the Asset Manager based on "Inbound Visitor Statistics", published by the Japan National Tourism Organization (JNTO)

(Note) The number of "Japanese travelers going overseas" is rounded to the nearest thousand.

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<Percentage of the number of inbound guests staying 4 days or more>

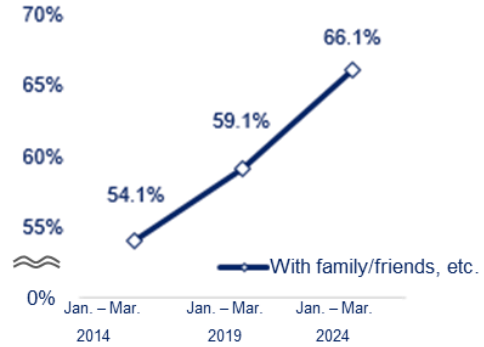
The percentage of foreign visitors staying in Japan for 4 days or more is increasing and longer stays tend to be prolonged.



(Note) The "Percentage of the number of inbound guests staying 4 days or more" is calculated based on the dates of arrival and departure.

<Percentage of accompanying persons for inbound guests to Japan>

Percentage of accompanying foreign visitors to Japan is increasing.



(Note) The category "With Family/friends, etc." is calculated by dividing the total number of respondents by the number of respondents who selected "spouse/partner," "family/relatives," or "friends" as options under "accompanying persons on this trip" among "traveling alone," "family/relatives," "friends," "spouse/partner," "colleagues," or "others," in the survey of spending trends of foreign visitors to Japan for each respective period.

Source: Created by the Asset Manager based on "Report on Consumption Trends of Inbound Visitors", published by the Japan Tourism Agency

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Summary of real estate appraisal report		
Property name	KOKO HOTEL Residence Asakusa Kappabashi	
Appraisal value	5,060,000,000 yen	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2024	
Item	Details	Details
Indicated value by income approach	5,060,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	5,110,000,000	
(1) Operating revenue ((a)-(b))	226,721,000	
(a) Gross potential income	226,721,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	10,348,000	
Maintenance and management fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	266,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,800,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	8,156,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	126,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	0	No expenses expected.
(3) Net operating income (NOI=(1)-(2))	216,373,000	
(4) Financial interests on deposits	0	No deposit applicable
(5) Capital expenditures	620,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	6,351,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF=(3)+(4)-(5)-(6))	209,402,000	
(8) Capitalization rate	4.1%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	5,010,000,000	
Discount rate	3.9%	Appraised by comprehensively taking into account the individual characteristics, etc. of the subject property.
Terminal capitalization rate	4.2%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	1,970,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	68.1%	
Ratio of building	30.0%	
Ratio of FF&E	1.9%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(3) KOKO HOTEL Residence Asakusa Tawaramachi

Property no.	HTL-19	Property name	KOKO HOTEL Residence Asakusa Tawaramachi		Type	Hotel
Overview of specified asset						
Type of specified asset	Beneficiary interest in trust		Trustee		Sumitomo Mitsui Trust Bank, Limited	
Planned acquisition price	5,900 million yen		Planned acquisition date		August 30, 2024	
Appraisal value	6,780 million yen		Seller		GK Pearl Cap	
Location	2-6-13 Kotobuki, Taito-ku, Tokyo					
Indication of residential address	2-8-12 Kotobuki, Taito-ku, Tokyo					
Nearest station	Approx. 2-minute walk from "Tawaramachi" Station of Tokyo Metro Ginza Line					
Land	Type of ownership	Proprietary ownership				
	Site area	296.66 m ²	Use district	Commercial district		
	Building coverage ratio	80%	Floor area ratio	700%		
Building	Type of ownership	Proprietary ownership				
	Total floor area	2,226.57 m ²	Use	Hotel		
	Construction completion	November 22, 2021	Structure and floors	Steel-framed structure 11F		
Property management company	Tokyo Capital Management Co., Ltd.		Master lease company	SAR		
Type of master lease	Pass-through		Security	Unsecured		
Trust expiration date	August 31, 2034					
Status of leasing (Note)						
Total leasable area	2,226.57 m ²		Monthly rent (including common area maintenance fee)	-		
Total leased area	2,226.57 m ²		Security and guarantee deposits	-		
Total number of tenants	1					
Occupancy rate						
	December 2023	January 2024	February 2024	March 2024	April 2024	
	100.0%	100.0%	100.0%	100.0%	100.0%	
Special notation	Not applicable					

(Note) SAR which is the master lease company is expecting to sign the lease agreement described below with FINO HOTELS CO., LTD on the same day as the planned acquisition date.

- Form of contract: fixed-term building lease agreement
- Contract period: August 30, 2024 to August 31, 2039
- Rent: fixed rent (8,900,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

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Property Features/ Key Points of Evaluation

- The property is located at an approximate 2-minute walk from "Tawaramachi" Station on the Tokyo Metro Ginza Line and a 7-minute walk from "Asakusa" Station on the Toei Asakusa Line.
- The property is located near major tourist attraction spots such as Senso-ji Temple, Nakamise Street, and Tokyo Sky Tree, and is expected to attract tourist demand including foreigners.
- The number of rooms is 47, all rooms can be used by groups of 4 to 6 people, and the double occupancy ratio is high, and average length of stay is long. In addition, based on area management together with KOKO HOTEL Residence Asakusa Kappabashi, high hotel operational efficiency and high GOP margin are realized.
- Given the hotel's locational feature and room type composition, the hotel can capture tourism demand in particular, and revenue growth potential can be expected as accommodation demand increases.
- The decision to acquire the property was made based on confirming KOKO HOTEL Residence Asakusa Tawaramachi's past operational performance and the assumed stable occupancy period based on the appraisal report, and further by comparing them with the assumptions of SAR's business forecast.
- The property, which was acquired by the sponsor group through its extensive relationships, is planned to be acquired by SAR by utilizing the preferential negotiation rights which it has acquired from the sponsor group.

< Performance results, anticipated figures during stable operation as stated in the appraisal report and preconditions for performance forecast of SAR >

	Feb. 2024	March 2024	April 2024	May 2024	Anticipated figures during stable operation as stated in the appraisal report	Preconditions for performance forecast of FP2025/07
Occupancy rate	86.5%	88.8%	91.6%	93.0%	84.0%	85.9%
ADR (JPY)	34,889	40,964	43,191	35,300	38,500	39,634
RevPAR (JPY)	30,179	36,382	39,576	32,829	32,340	34,048

Please refer to the data on "Percentage of number of stays of 3 or more nights by Domestic traveler", "Japanese travelers going overseas", "Percentage of the number of inbound guests staying 4 days or more" and "Percentage of accompanying persons for foreign visitors to Japan" stated in the "Property Features/ Key Points of Evaluation" of KOKO HOTEL Residence Asakusa Kappabashi.

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Summary of real estate appraisal report		
Property name	KOKO HOTEL Residence Asakusa Tawaramachi	
Appraisal value	6,780,000,000	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2024	
Item	Details	Details
Indicated value by income approach	6,780,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	6,840,000,000	
(1) Operating revenue ((a)-(b))	302,896,000	
(a) Gross potential income	302,896,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	13,428,000	
Maintenance and management fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	363,000	Booked by referring to actual past expenses, and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,800,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	11,085,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	180,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	0	No expenses expected.
(3) Net operating income NOI= (1)-(2))	289,468,000	
(4) Financial interests on deposits	0	No deposit applicable
(5) Capital expenditures	847,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	8,352,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow NCF = (3) + (4) - (5) - (6)	280,269,000	
(8) Capitalization rate	4.1%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	6,710,000,000	
Discount rate	3.9%	Appraised by comprehensively taking into account the individual characteristics, etc. of the subject property.
Terminal capitalization rate	4.2%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	3,220,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	70.8%	
Ratio of building	27.7%	
Ratio of FF&E	1.5%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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(4) KOKO HOTEL Osaka Shinsaibashi

Property no.	HTL-20	Property name	KOKO HOTEL Osaka Shinsaibashi		Type	Hotel
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust		Trustee		Sumitomo Mitsui Trust Bank, Limited
Planned acquisition price		7,500 million yen		Planned acquisition date		August 30, 2024
Appraisal value		7,990 million yen		Seller		GK Mon Talisman
Location		3-10-6 Minamisenba, Chuo-ku, Osaka-shi, Osaka				
Indication of residential address		3-3-17 Minamisenba, Chuo-ku, Osaka-shi, Osaka				
Nearest station		Approx. 3-minute walk from “Shinsaibashi” Station of Osaka Metro Midosuji Line / Nagahori Tsurumiryokuchi Line				
Land	Type of ownership	Proprietary ownership				
	Site area	1,636.96m ² (Note1)	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		600%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	8,881.68m ²	Use		Hotel / Clinic	
	Construction completion	April 19, 2005	Structure and floors		Steel-framed reinforced concrete structure B1/10F	
Property management company		Tokyo Capital Management Co., Ltd.		Master lease company		SAR
Type of master lease		Pass-through		Security		Unsecured
Trust expiration date		August 31, 2034				
Status of leasing (Note2)						
Total leasable area		8,881.68m ²	Monthly rent (including common area maintenance fee)		-	
Total leased area		8,881.68m ²	Security and guarantee deposits		65,344 thousand yen	
Total number of tenants		1				
Occupancy rate						
		December 2023	January 2024	February 2024	March 2024	April 2024
		100.0%	100.0%	100.0%	100.0%	100.0%
Special notation		Not applicable				

(Note 1) Site area includes approximately 162.4m² of road setback area.

(Note 2) SAR which is the master lease company is expecting to sign the lease agreement described below with KOKO HOTELS CO., LTD. on the same day as the planned acquisition date.

- Form of contract: fixed-term building lease agreement
- Contract period: August 30, 2024 to August 31, 2039
- Rent: fixed rent (11,700,000 yen per month) + floating rent (actual GOP x 85% - fixed rent)
- Security deposit: Includes security deposits etc. received from sub-leases.

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Property Features/ Key Points of Evaluation

- The property is located at an approximate 3-minute walk from "Shinsaibashi" Station on the Osaka Metro Midosuji Line and Nagahori Tsurumi-ryokuchi Line. From the nearest station, it takes approximately 14 minutes to "Shin-Osaka" Station and approximately 7 minutes to "Umeda" Station, giving it a high locational advantage with good access to major areas in Osaka.
- The area surrounding "Shinsaibashi" Station is one of Osaka's representative commercial districts, and also has strong business demand as a location where the headquarters and branches of various companies are situated.
- Given the property's locational feature of being close to a concentrated commercial district, revenues growth can be expected.
- The hotel has 211 rooms, and since Polaris Group joined as a hotel operator, the room type has been changed from single rooms to twin rooms, and the double occupancy rate (average number of guests) has increased, successfully attracting leisure demand.
- Rental income from tenants such as the clinic on the basement floor and the restaurant on the first floor contribute to the GOP margin.
- The decision to acquire the property was made based on confirming KOKO HOTEL Osaka Shinsaibashi's past operational performance and the assumed stable occupancy period based on the appraisal report, and further by comparing them with the assumptions of SAR's business forecast.
- The property, which was acquired by the sponsor group through its extensive relationships, is planned to be acquired by SAR by utilizing the preferential negotiation rights which it has acquired from the sponsor group.

< Performance results, anticipated figures during stable operation as stated in the appraisal report and preconditions for performance forecast of SAR >

	Feb. 2024	March 2024	April 2024	May 2024	Anticipated figures during stable operation as stated in the appraisal report	Preconditions for performance forecast of FP2025/07
Occupancy rate	81.7%	87.5%	90.2%	86.1%	86.0%	89.1%
ADR (JPY)	10,155	11,699	11,758	10,725	11,500	11,682
RevPAR (JPY)	8,293	10,234	10,608	9,236	9,890	10,414

<The number of passengers at Kansai International Airport (to the same month of 2019)(Note)>

The number of passengers at Kansai International Airport has been rising since around autumn of 2022, but has not recovered to the 2019 level. However, further growth is expected on the back of increased tourism and business demand, and inbound travel.

Expo 2025 Osaka, Kansai, which is scheduled to be held for six months from April to October 2025, is expected to attract many domestic and foreign visitors.



Source: Created by the Asset Manager based on "Monthly usage status" released by Kansai Airports

(Note) "The number of passengers at Kansai International Airport (to the same month of 2019)" shows how the international and domestic passenger traffic for the given months in each year compare, in percentage terms, to the international and domestic passenger traffic for the same month in 2019.

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Summary of real estate appraisal report		
Property name	KOKO HOTEL Osaka Shinsaibashi	
Appraisal value	7,990,000,000	
Appraisal firm	Japan Real Estate Institute	
Date of value	July 1, 2024	
Item	Details	Details
Indicated value by income approach	7,990,000,000	Estimated by correlation of the indicated value by direct capitalization method and the indicated value by DCF method.
Indicated value by direct capitalization method	8,060,000,000	
(1) Operating revenue ((a)-(b))	395,700,000	
(a) Gross potential income	395,700,000	Rent has been booked based on the assessment of GOP under a stable operating period, and such assessment has been made based on the lease agreement etc.
(b) Vacancy loss, etc.	0	Not booked based on comprehensive judgment of the contract terms and attributes and creditworthiness etc. of the lessee(s).
(2) Operating expenses	48,949,000	
Maintenance and management fee	0	Not booked as the cost is borne by the lessee.
Utilities expenses	0	Not booked as the cost is borne by the lessee.
Repair expenses	8,270,000	Booked by referring to actual past expenses and also taking into account future management and operations plans, expense levels for similar real estate properties, and repair and renewal costs in the ER.
Property management fee	1,800,000	Booked by referring to the planned terms of agreement, and also by taking into account the fee levels for similar real estate properties and the individual features of the subject real estate property.
Tenant leasing cost, etc.	0	Not booked in this report.
Property taxes	37,847,000	Booked by taking into consideration tax-related documents and the contents of burden adjustment measures.
Insurance premium	1,032,000	Appraised based on the insurance contract and the level of similar real estate.
Other expenses	0	No expenses expected.
(3) Net operating income (NOI= (1)-(2))	346,751,000	
(4) Financial interests on deposits	653,000	Appraised investment return as 1.0%.
(5) Capital expenditures	19,975,000	Assessed by referring to levels of capital expenditures of similar real estate properties and repair and renewal expense in the ER.
(6) FF&E reserve	12,973,000	Appraised by referring to FF&E reserve levels of similar real estate.
(7) Net cash flow (NCF= (3)+(4)-(5)-(6))	314,456,000	
(8) Capitalization rate	3.9%	Appraised by comprehensively taking into account the competitiveness of the subject real estate, etc.
Indicated value by DCF method	7,920,000,000	
Discount rate	3.7%	Appraised by comprehensively taking into account the individual characteristics, etc. of the subject property.
Terminal capitalization rate	4.0%	Appraised by comprehensively taking into account future trends, riskiness of the subject property, market risks, etc.
Indicated value by cost approach	7,790,000,000	Estimated by multiplying the total of the land price and the building price and FF&E price by marketability correction rate.
Ratio of land	79.9%	
Ratio of building	18.3%	
Ratio of FF&E	1.8%	
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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4. Planned Seller Profile

1) KOKO HOTEL Tsukiji Ginza

Name	GK Tsukiji Hotel Kanri
Location	5-1-4, Toranomom, Minato-ku, Tokyo
Representative	Representative partner: Ippanshadanhoujin Ansei Operational executor: Takaaki Fukunaga
Main business description	<ol style="list-style-type: none"> 1. Acquisition, ownership and disposition of beneficiary interest in trust of real estate 2. Acquisition, ownership and disposition of loan claims 3. Acquisition, ownership and disposition of corporate bonds, silent partnership interest and other securities 4. Sales, leasing, management, acquisition, ownership, disposition and use of real estate 5. All businesses incidental to the above
Capital	300,000 yen
Established	October 25, 2019
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The afore-mentioned company does not fall under the category of related party of SAR and the Asset Manager. The afore-mentioned company does not fall under the category of interested party, etc. as provided in the Investment Trusts Act or the Enforcement Order of the Investment Trusts Act; however, since it is an investment vehicle for which the interested party has entered into an investment advisory agreement it falls under the category of interested party prescribed in the "Rules on Transactions with Interested Parties", which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR's assets. Upon making decisions on the acquisition of assets, the Asset Manager undergoes deliberations and approval processes in accordance with laws and regulations and such rules.

2) KOKO HOTEL Residence Asakusa Kappabashi, KOKO HOTEL Residence Asakusa Tawaramachi

Name	GK Pearl Cap
Location	5-1-4, Toranomom, Minato-ku, Tokyo
Representative	Representative partner: Ippanshadanhoujin Ansei Operational executor: Takaaki Fukunaga
Main business description	<ol style="list-style-type: none"> 1. Acquisition, ownership and disposition of beneficiary interest in trust of real estate 2. Acquisition, ownership and disposition of loan claims 3. Acquisition, ownership and disposition of corporate bonds, silent partnership interest and other securities 4. Sales, leasing, management, acquisition, ownership, disposition and use of real estate 5. All businesses incidental to the above
Capital	300,000 yen
Established	March 24, 2022
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The afore-mentioned company does not fall under the category of related party of SAR and the Asset Manager. The afore-mentioned company does not fall under the category of interested party, etc. as provided in the Investment Trusts Act or the Enforcement Order of the Investment Trusts Act; however, since it is an investment vehicle with which the interested party has entered into a discretionary investment agreement, it falls under the category of interested party prescribed in the "Rules on Transactions with Interested Parties", which is the

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	voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR's assets. Upon making decisions on the acquisition of assets, the Asset Manager undergoes deliberations and approval processes in accordance with laws and regulations and such rules.
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3) KOKO HOTEL Osaka Shinsaibashi

Name	GK Mon Talisman
Location	5-1-4, Toranomom, Minato-ku, Tokyo
Representative	Representative partner: Ippanshadanhoujin Ansei Operational executor: Takaaki Fukunaga
Main business description	<ol style="list-style-type: none"> 1. Acquisition, ownership and disposition of beneficiary interest in trust of real estate 2. Acquisition, ownership and disposition of loan claims 3. Acquisition, ownership and disposition of corporate bonds, silent partnership interest and other securities 4. Sales, leasing, management, acquisition, ownership, disposition and use of real estate 5. All businesses incidental to the above
Capital	300,000 yen
Established	February 22, 2022
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The afore-mentioned company does not fall under the category of related party of SAR and the Asset Manager. The afore-mentioned company does not fall under the category of interested party, etc. as provided in the Investment Trusts Act or the Enforcement Order of the Investment Trusts Act; however, since it is an investment vehicle with which the interested party has entered into a discretionary investment agreement, it falls under the category of interested party prescribed in the "Rules on Transactions with Interested Parties", which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR's assets. Upon making decisions on the acquisition of assets, the Asset Manager undergoes deliberations and approval processes in accordance with laws and regulations and such rules.

5. Summary of tenants and hotel operators

The operators of the Assets to be acquired will be as follows.

1) KOKO HOTEL Tsukiji Ginza, KOKO HOTEL Osaka Shinsaibashi

Name	KOKO HOTELS CO., LTD.
Location	1-12-3, Iwamoto-cho, Chiyoda-ku, Tokyo
Representative	Representative Director Takahiro Tsujikawa
Main business description	<ol style="list-style-type: none"> 1. Management of hotels, restaurants, sports facilities, golf courses, spas and other bathing facilities, and entrustment of management 2. Operation, entrustment of management, management, purchase and sale, and consulting of hotels, restaurants, sports facilities, golf courses, spas, and other bathing facilities 3. Planning, operation, and entrustment of training and education for hotel employees and cooks 4. Worker dispatch business 5. Traveling and travel agency business 6. mail order business using the Internet 7. shopping and home delivery of daily necessities 8. Leasing, buying and selling trademark rights, design rights, utility model rights, patent rights and technical knowledge 9. Planning, management and consulting of various events 10. investment and investment advisory business 11. Buying, selling, exchanging, leasing, managing and brokering real estate 12. Sale of alcoholic beverages, cigarettes, stamps, foodstuffs, specialty souvenirs, clothing and other daily sundries

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	13. Any and all businesses incidental or related to each of the preceding items
Capital	1 million yen
Established	September 8, 2020
Net asset	The information is undisclosed as consent to disclosure has not been obtained from the company.
Total asset	
Major shareholders and shareholding ratio	Polaris Holdings Co., Ltd. 100%
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or not	The afore-mentioned company does not fall under the category of related party of SAR and the Asset Manager. The afore-mentioned company falls under interested party, etc. defined in the Investment Trusts Act and the Enforcement Order of the Investment Trusts Act and falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties”, which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets. Upon deciding to the lease of such property, the Asset Manager plans to conduct deliberations and approval processes in accordance with laws and regulations and such rules.

2) KOKO HOTEL Residence Asakusa Kappabashi, KOKO HOTEL Residence Asakusa Tawaramachi

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

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	property, the Asset Manager plans to conduct deliberations and approval processes in accordance with laws and regulations and such rules.
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6. Status of Parties Related to the Acquisition

1) KOKO HOTEL Tsukiji Ginza

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Tsukiji Hotel Kanri	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, however, since it is an investment vehicle for which the interested party has entered into an investment advisory agreement it falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	April 30, 2021	—

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

2) KOKO HOTEL Residence Asakusa Kappabashi, KOKO HOTEL Residence Asakusa Tawaramachi

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Pearl Cap	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, however, since it is an investment vehicle with which the interested party has entered into a discretionary investment agreement, it falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	May 20, 2022	—

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

3) KOKO HOTEL Osaka Shinsaibashi

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Mon Talisman	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, however, since it is an investment vehicle with which the interested party has entered into a discretionary investment agreement, it falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	April 28, 2022	—

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

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7. Overview of Broker

a) Overview of Broker

Name	Star Asia Asset Advisors Co., Ltd.
Location	Atago Green Hills MORI Tower, 18 th Floor, 2-5-1 Atago, Minato-ku, Tokyo
Representative	CEO Keiji Watanabe
Main business description	1. Investment management business prescribed in the Financial Instruments and Exchange Act. 2. Type II financial instruments business prescribed in the Financial Instruments and Exchange Act. 3. Investment advisory and agency business prescribed in the Financial Instruments and Exchange Act. 4. Comprehensive real estate investment advisory business. 5. Business based on the Real Estate Specified Joint Enterprise Act. 6. Building lots and buildings transaction business. 7. The business of leasing, management, and operation of real estate. 8. to 11. Omitted 12. All businesses incidental to the above
Capital	50 million yen
Established	May 2, 2008
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital tie to be noted between SAR / the Asset Manager and the abovementioned company.
Personnel relationship	There is no personnel relationship to report.
Business relationship	In the fiscal period ended January 31, 2024 (16th fiscal period), SAR engaged in asset acquisition with the aforementioned company, which acted as an intermediary.
Related party or not	The afore-mentioned company does not fall under the category of related party of SAR and the Asset Manager. The aforementioned company falls under the category of interested party, etc. as defined in Article 201 Paragraph 1 of the Investment Trusts Act and Article 123 of the Enforcement Order of the Investment Trusts Act, and falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties”, which is the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets. Upon determination of the retention as broker, the Asset Manager has performed deliberation and approval in accordance with laws and regulations and such rules.

b) Breakdown and value of the brokerage commissions

Breakdown of brokerage commission	Brokerage commissions for the sale and purchase of beneficiary interest in trust.	
Amount of brokerage commission (Excluding consumption tax and local consumption tax)	KOKO HOTEL Tsukiji Ginza	2,500,000 yen
	KOKO HOTEL Residence Asakusa Kappabashi	2,500,000 yen
	KOKO HOTEL Residence Asakusa Tawaramachi	2,500,000 yen
	KOKO HOTEL Osaka Shinsaibashi	2,500,000 yen
	Total	10,000,000 yen

8. Interested-Party Transactions

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

The broker of the Acquisition under the lease agreements related to the Assets to be Acquired fall under interested party, etc. under the Investment Trusts Act, and they also fall under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” which are the voluntary rules set forth by the Asset Manager for preventing conflict of interests regarding its management of SAR’s assets.

Upon deciding on the signing of related transaction agreements above, the Asset Manager has conducted deliberations and approval processes in accordance with laws and regulations and such rules.

9. The Acquisition schedule

August 19, 2024	the Acquisition decided Signed the beneficiary interest in trust sale and purchase agreements of the Assets to be Acquired
August 30, 2024	Acquire the Assets to be Acquired (planned) Pay the purchase proceeds for the Assets to be Acquired (planned) Sign the master lease agreements, lease agreements and property management agreements (planned)

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10. Settlement method

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

11. Future outlook

As a result of the Acquisition, there will be certain changes made to the assumptions for the forecasts for operating results and distribution for the 18th Fiscal Period Ending January 31, 2025 described in “(REIT) Financial Report for Fiscal Period Ended January 31, 2024” announced on March 15, 2024. For further details, please refer to “Notice Concerning Revision to Forecasts for Operating Results and Distribution for the 17th Fiscal Period Ended July 31, 2024 and Revision to Forecasts for Operating Results for the 18th Fiscal Period Ending January 31, 2025 and Forecasts for Operating Results and Distribution for the 19th Fiscal Period Ending July 31, 2025” 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
- 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 and Distribution for the 17th Fiscal Period Ended July 31, 2024 and Revision to Forecasts for Operating Results for the 18th Fiscal Period Ending January 31, 2025 and Forecasts for Operating Results and Distribution for the 19th Fiscal Period Ending July 31, 2025
- Notice Concerning Debt Financing (Green Loans)

*SAR HP URL: <https://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 2)
Office	21	74,947	27.1
Retail	6	28,854	10.4
Residence	20	37,453	13.5
Logistics	8	29,950	10.8
Hotel	22	103,794	37.5
Student residence (Preferred equity securities)	1	1,562	0.6
Total	78	276,561	100.0

< Investment Areas >

Area	(Planned) Acquisition Price (million yen)	Investment ratio (%) (Note 2)
Tokyo Area	183,408	66.3
Major Metropolitan Areas	Osaka, Nagoya, Fukuoka area	18.6
	Other areas	15.1
Total	276,561	100.0

(Note 1) Mezzanine loan debts and preferred securities are classified based on the asset type (use) and region of the underlying real estate.

(Note 2) 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 3) Property No. RSC-05 "Urban Park Namba" which is managed as of the date of this document, a sale and purchase agreement has been signed on August 2, 2024 to the effect that it will be transferred on September 6, 2024 has been excluded from the description of the portfolio after the Acquisition.

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Reference Material 2 Portfolio list after the Acquisition

<Real Estate Properties>

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	3,110	1.1
OFC-03	Honmachibashi Tower	Chuo-ku, Osaka-Shi, Osaka	6,065	7,100	2.2
OFC-04	Nishi-Shinjuku Matsuya Building	Shibuya-ku, Tokyo	1,763	2,740	0.6
OFC-06	Urban Center Shibuya East (Note 5)	Shibuya-ku, Tokyo	2,042	3,290	0.7
OFC-08	Urban Center Yokohama West (Note 5)	Kanagawa-ku, Yokohama-Shi, Kanagawa	6,320	8,420	2.3
OFC-09	Hakata-eki East Place	Hakata-ku, Fukuoka-Shi, Fukuoka	2,286	3,290	0.8
OFC-10	Nihonbashi Hamacho Park Building	Chuo-ku, Tokyo	1,450	1,510	0.5
OFC-11	Amusement Media Gakuin Honkan	Shibuya-ku, Tokyo	2,580	2,810	0.9
OFC-12	Higashi Kobe Center Building	Higashinada-ku, Kobe-Shi, Hyogo	7,600	7,530	2.7
OFC-13	Amusement Media Gakuin Shinkan	Shibuya-ku, Tokyo	1,020	1,230	0.4
OFC-14	Urban Center Shinjuku	Shinjuku-ku, Tokyo	11,200	11,700	4.0
OFC-15	Urban Center Kanda Suda-cho	Chiyoda-ku, Tokyo	5,350	5,440	1.9
OFC-16	Urban Center Kanda Tsukasamachi	Chiyoda-ku, Tokyo	4,590	4,600	1.7
OFC-17	Takadanobaba Access	Shinjuku-ku, Tokyo	3,990	3,920	1.4
OFC-18	Azabu Amerex BLDG.	Minato-ku, Tokyo	2,780	2,890	1.0
OFC-19	Hiei-Kudan BLDG.	Chiyoda-ku, Tokyo	2,400	2,400	0.9
OFC-20	Urban Center Shin-Yokohama	Kohoku-ku, Yokohama-Shi, Kanagawa	2,300	2,570	0.8
OFC-21	The Portal Akihabara	Chiyoda-ku, Tokyo	1,510	1,490	0.5
OFC-22	Urban Center Tachikawa	Tachikawa-Shi, Tokyo	1,804	2,050	0.7
OFC-23	Urban Center Hakata	Hakata-ku, Fukuoka-shi, Fukuoka	2,870	3,280	1.0
OFC-24	Urban Center Fujisawa	Fujisawa-Shi, Kanagawa	2,054	2,200	0.7
Office Subtotal			74,947	83,570	27.1
RTL-01	La Park Kishiwada	Kishiwada-Shi, Osaka	5,400	5,170	2.0
RTL-02	Suroy Mall Chikushino	Chikushino-Shi, Fukuoka	6,550	6,580	2.4
RTL-03	Seiyu Minakuchi	Koka- hi, Shiga	3,320	3,320	1.2
RTL-05	BAGUS Ikebukuro West	Toshima-ku, Tokyo	2,984	3,500	1.1
RTL-06	abeno nini (Retail)	Abeno-ku, Osaka-Shi, Osaka	9,500	10,500	3.4
RTL-07	Urban Forum Warabi	Kawaguchi-shi, Saitama	1,100	1,210	0.4
Retail Subtotal			28,854	30,280	10.4
RSC-01	Urban Park Azabujuban	Minato-ku, Tokyo	2,045	2,950	0.7
RSC-02	Urban Park Daikanyama	Shibuya-ku, Tokyo	6,315	10,100	2.3
RSC-07	Urban Park Kashiwa	Kashiwa-Shi, Chiba	1,186	1,210	0.4
RSC-08	Urban Park Ryokuchi Koen	Suita-Shi, Osaka	1,550	1,730	0.6
RSC-10	Urban Park Ichigao	Aoba-ku, Yokohama-Shi, Kanagawa	1,810	2,180	0.7
RSC-11	Urban Park Gyotoku	Ichikawa-Shi, Chiba	1,430	1,620	0.5
RSC-12	Shiroi Logiman	Shiroi-Shi, Chiba	2,470	2,520	0.9

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RSC-13	Urban Park Sekime	Jyoto-ku, Osaka-Shi, Osaka	2,150	2,460	0.8
RSC-14	Urban Park Imazato	Ikuno-ku, Osaka-Shi, Osaka	993	1,110	0.4
RSC-15	Urban Park Yoyogi	Shibuya-ku, Tokyo	1,740	1,990	0.6
RSC-16	Urban Park Tokiwadai Koen	Hodogaya-ku, Yokohama-Shi, Kanagawa	3,506	4,190	1.3
RSC-17	Urban Park Mitsuike Koen	Tsurumi-ku, Yokohama-Shi, Kanagawa	3,160	3,690	1.1
RSC-18	Urban Park Ryogoku	Sumida-ku, Tokyo	1,115	1,310	0.4
RSC-19	Urban Park Mizonokuchi	Takatsu-ku, Kawasaki-Shi Kanagawa	2,019	2,100	0.7
RSC-20	Urban Park Miyamaedaira	Miyamae-ku, Kawasaki-Shi Kanagawa	1,060	1,250	0.4
RSC-21	Urban Park Tsurumi	Tsurumi-ku, Yokohama-Shi Kanagawa	1,113	1,190	0.4
RSC-22	Urban Park Mitaka	Mitaka-shi, Tokyo	743	1,010	0.3
RSC-23	Urban Park Kamata Minami I	Ota-ku, Tokyo	641	879	0.2
RSC-24	Urban Park Kamata Minami II	Ota-ku, Tokyo	1,375	1,770	0.5
RSC-25	Urban Park Umejima	Adachi-ku, Tokyo	1,032	1,150	0.4
Residence Subtotal			37,453	47,444	13.5
LGC-01	Iwatsuki Logistics	Iwatsuki-ku, Saitama-Shi, Saitama	6,942	7,650	2.9
LGC-02	Yokohama Logistics	Kanagawa-ku, Yokohama-Shi, Kanagawa	3,560	4,260	1.5
LGC-03	Funabashi Logistics	Funabashi-Shi, Chiba	7,875	8,770	3.3
LGC-04	Baraki Logistics	Ichikawa-Shi, Chiba	4,700	5,220	2.0
LGC-05	Tokorozawa Logistics	Tokorozawa-Shi, Saitama	1,300	1,550	0.5
LGC-07	Funabashi Nishiura Logistics II	Funabashi-Shi, Chiba	821	907	0.3
LGC-08	Matsubushi Logistics	Kitakatsushika, Saitama	2,755	3,300	1.1
LGC-09	Funabashi Hi-Tech Park Factory I	Funabashi-Shi, Chiba	1,998	2,200	0.7
Logistics facility Subtotal			29,950	33,857	10.8
HTL-01	R&B Hotel Umeda East	Kita-ku, Osaka-Shi, Osaka	2,069	2,320	0.7
HTL-03	REMBRANDT STYLE Tokyo Nishikasai	Edogawa-ku, Tokyo	3,827	3,460	1.4
HTL-04	BEST WESTERN Yokohama	Tsurumi-ku, Yokohama-Shi, Kanagawa	3,248	3,160	1.2
HTL-05	The BREAKFAST HOTEL FUKUOKA TENJIN	Chuo-ku, Fukuoka-Shi, Fukuoka	1,970	1,990	0.7
HTL-06	GLANSIT AKIHABARA	Chiyoda-ku, Tokyo	2,500	2,440	0.9
HTL-07	REMBRANDT STYLE Tokyo Nishikasai Grande	Edogawa-ku, Tokyo	3,180	3,110	1.1
HTL-08	KOKO HOTEL Osaka Namba	Naniwa-ku, Osaka-Shi, Osaka	2,000	1,560	0.4
HTL-09	abeno nini (Hotel)	Abeno-ku, Osaka-Shi, Osaka	3,600	3,850	1.3
HTL-10	KOKO HOTEL Ginza 1-Chome	Chuo-ku, Tokyo	17,800	19,100	6.4
HTL-11	KOKO HOTEL Sapporo Ekimae	Chuo-ku, Sapporo-Shi, Hokkaido	6,700	7,080	2.4
HTL-12	KOKO HOTEL Fukuoka Tenjin	Chuo-ku, Fukuoka-Shi, Fukuoka	5,000	5,410	1.8
HTL-13	KOKO HOTEL Hiroshima Ekimae	Minami-ku, Hiroshima -Shi, Hiroshima	4,100	4,320	1.5
HTL-14	KOKO HOTEL Kagoshima Tenmonkan	Kagoshima-shi, Kagoshima	3,800	4,280	1.4
HTL-15	KOKO HOTEL Sapporo Odori	Chuo-ku, Sapporo-Shi, Hokkaido	4,200	4,270	1.5
HTL-16	Best Western Plus Fukuoka Tenjin-minami	Chuo-ku, Fukuoka-Shi, Fukuoka	3,800	4,410	1.4

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HTL-17	KOKO HOTEL Tsukiji Ginza	Chuo-ku, Tokyo	17,000	18,800	6.1
HTL-18	KOKO HOTEL Residence Asakusa Kappabashi	Taito-ku, Tokyo	4,300	5,060	1.6
HTL-19	KOKO HOTEL Residence Asakusa Tawaramachi	Taito-ku, Tokyo	5,900	6,780	2.1
HTL-20	KOKO HOTEL Osaka Shinsaibashi	Chuo-ku, Osaka-shi, Osaka	7,500	7,990	2.7
Hotel Subtotal			102,494	71,200	37.1
Real Estate Properties Total			273,699	303,506	99.0

<Securities>

Asset No.	Name of the Security	Type	Interest rate	Acquisition Price (million yen) (Note 2)	Investment ratio (%) (Note 4)
MEZ-07	Star Asia Mezzanine Loan Debt Investment Series 7	Corporate bonds	Base rate +5.0%	400	0.1
MEZ-08	Star Asia Mezzanine Loan Debt Investment Series 8 Class A Beneficial Interest	Trust beneficiary interest	Base rate +5.3%	430	0.2
	Star Asia Mezzanine Loan Debt Investment Series 8 Class B Beneficial Interest		Base rate +7.3%	340	0.1
MEZ-09	Star Asia Mezzanine Loan Debt Investment Series 9	Trust beneficiary interest	Base rate +5.0%	130	0.0
TK-03	GSA JP Project 1 Tokutei Mokuteki Kaisha (TMK) Preferred Equity Securities	Preferred equity security	Lending Fee: 4.0%	1,562	0.6
Securities Subtotal				2,862	1.0
Total				276,561	100

(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 Assets 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 already acquired assets, except for "Minami-Azabu Shibuya Building", and "Planned Acquisition Price" means the planned sale and purchase proceeds as stated in the agreement signed with the Seller in relation to the Assets to be Acquired, and each price is stated by rounding the amounts of less than 1 million yen to the nearest 1 million yen. The Acquisition Price and the Planned Acquisition Price do not include consumption tax, local consumption tax, or expenses required for acquisition. However, with respect to "Minami-Azabu Shibuya Building", as it is based on a sale and purchase agreement for multiple properties where no price is established for each individual property, the amount derived by prorating the total sales price of the multiple properties based on the ratio of the appraisal values of each individual property as of the time of their acquisition is stated as the "Acquisition Price". In addition, for the property succeeded by the merger, the appraisal value stated in the real estate appraisal report with the date of value as of the July 31, 2020, which is the accepted price, is stated.

(Note 3) The appraisal was commissioned to Japan Real Estate Institute, Daiwa Real Estate Appraisal Corporation and Tanizawa Sogo Appraisal Co., "Real estate appraisal value" states the appraisal values stated in the real estate appraisal reports based on the price which is rounded to the nearest 1 million yen as the end of January 31, 2024, for Already Acquired Assets (Real Estate Etc.), 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, 2024 with respect to "Urban Forum Warabi", which was acquired on August 16, 2024 and the Assets to be Acquired.

(Note 4) "Investment ratio" shows the ratio of the (planned) acquisition price of each of Already Acquired Assets (Real Estate Etc.), each of already acquired assets (Securities) or Assets to be Acquired against the sum of the (planned) acquisition price for Already Acquired Assets (Real Estate Etc.), already acquired assets (Securities) and Assets to be Acquired rounded to the first decimal point.

Real estate investment corporations, under securities listing regulations of the Tokyo Stock Exchange (TSE), are only permitted to hold assets other than real estate etc., real estate-related assets and current assets up to a maximum of 5% of the total amount of assets under management. The ratio of "real estate etc., real estate-related assets and current assets" to the total amount of SAR's assets under management after the Acquisition is expected to be no less than 95%. * Determined based on the amount calculated by deducting the book value as of January 31, 2024 of the assets already transferred or which SAR has decided to transfer as of today from the total assets of the balance sheet as of January 31, 2024, and then adding the acquisition price of "Urban Forum Warabi," "Star Asia Mezzanine Loan Debt Investment Series 9" and the Assets to be Acquired.

(Note 5) On January 1, 2024, the property name of "Seishin Building" has been changed to "Urban Center Shinjuku" and on April 1, 2024, the property name of "FINO Hotel Sapporo-Odori" has been changed to "KOKO Hotel Sapporo-Odori" and the above chart has stated the property names after such changes. The same applies below.

(Note 6) Property No. RSC-05 "Urban Park Namba" which is managed as of the date of this document, a sale and purchase agreement has been signed on August 2, 2024 to the effect that it will be transferred on September 6, 2024 has been excluded from the description of the portfolio after the Acquisition.

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Reference Material 3 Summary of earthquake risk analysis

Type	Property no.	Property name	PML (%)	
Office	OFC-01	Minami-Azabu Shibuya Building	11.6	
	OFC-03	Honmachibashi Tower	5.5	
	OFC-04	Nishi-Shinjuku Matsuya Building	5.5	
	OFC-06	Urban Center Shibuya East	7.2	
	OFC-08	Urban Center Yokohama West	6.2	
	OFC-09	Hakata-eki East Place	4.7	
	OFC-10	Nihonbashi Hamacho Park Building	7.4	
	OFC-11	Amusement Media Gakuin Honkan	7.6	
	OFC-12	Higashi-Kobe Center Building	8.6	
	OFC-13	Amusement Media Gakuin Shinkan	9.6	
	OFC-14	Urban Center Shinjuku	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	
RTL-07		Urban Forum Warabi	4.3	
Residence		RSC-01	Urban Park Azabujuban	7.5
	RSC-02	Urban Park Daikanyama	8.1	
	RSC-07	Urban Park Kashiwa	4.9	
	RSC-08	Urban Park Ryokuchi Koen	6.4	
	RSC-10	Urban Park Ichigao	9.8	
	RSC-11	Urban Park Gyotoku	5.1	
	RSC-12	Shiroi Logiman	3.5	
	RSC-13	Urban Park Sekime	11.5	
	RSC-14	Urban Park Imazato	12.0	
	RSC-15	Urban Park Yoyogi	7.7	
	RSC-16	Urban Park Tokiwadai Koen	9.6	

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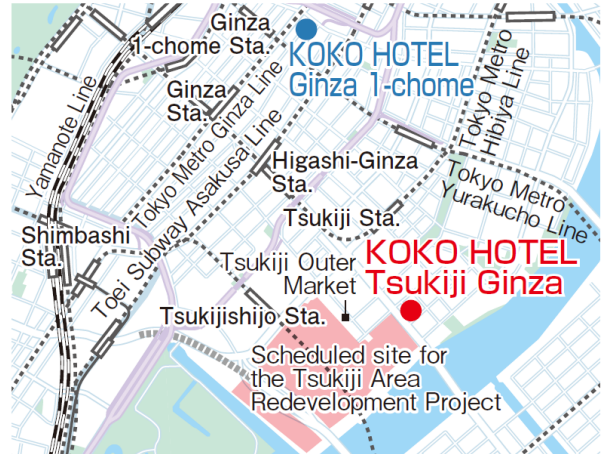
	RSC-17	Urban Park Mitsuike Koen	9.7
	RSC-18	Urban Park Ryogoku	6.0
	RSC-19	Urban Park Mizonokuchi	10.4
	RSC-20	Urban Park Miyamaedairai	4.5
	RSC-21	Urban Park Tsurumi	9.9
	RSC-22	Urban Park Mitaka	7.6
	RSC-23	Urban Park Kamata Minami I	4.3
	RSC-24	Urban Park Kamata Minami II	8.0
	RSC-25	Urban Park Umejima	2.6
Logistics	LGC-01	Iwatsuki Logistics	3.9
	LGC-02	Yokohama Logistics	13.0
	LGC-03	Funabashi Logistics	5.7
	LGC-04	Baraki Logistics	3.8
	LGC-05	Tokorozawa Logistics	9.5
	LGC-07	Funabashi Nishiura Logistics II	2.9
	LGC-08	Matsubushi Logistics	2.2
	LGC-09	Funabashi Hi-Tech Park Factory I	5.7
		Funabashi Hi-Tech Park Factory I (Building Extension Portion)	3.2
Hotel	HTL-01	R&B Hotel Umeda East	9.0
	HTL-03	REMBRANT STYLE Tokyo Nishikasai	9.0
	HTL-04	BEST WESTERN Yokohama	11.1
	HTL-05	The BREAKFAST HOTEL FUKUOKA TENJIN	5.0
	HTL-06	GLANSIT AKIHABARA	3.7
	HTL-07	REMBRANT STYLETokyo Nishikasai Grande	6.1
	HTL-08	KOKO HOTEL Osaka Namba	6.7
	HTL-09	abeno nini (Hotel)	6.2
	HTL-10	KOKO HOTEL Ginza 1-Chome	5.9
	HTL-11	KOKO HOTEL Sapporo Ekimae	2.2
	HTL-12	KOKO HOTEL Fukuoka Tenjin	4.3
	HTL-13	KOKO HOTEL Hiroshima Ekimae	2.3
	HTL-14	KOKO HOTEL Kagoshima Tenmonkan	6.5
	HTL-15	KOKO HOTEL Sapporo Odori	4.2
	HTL-16	Best Western Plus Fukuoka Tenjin-minami	3.2
	HTL-17	KOKO HOTEL Tsukiji Ginza	5.1
	HTL-18	KOKO HOTEL Residence Asakusa Kappabashi	3.0
	HTL-19	KOKO HOTEL Residence Asakusa Tawaramachi	3.1
	HTL-20	KOKO HOTEL Osaka Shinsaibashi	14.7
	Entire portfolio (74 properties) (Note)		

(Note)The figure in the entire portfolio column is the PML for the entire portfolio of the Already Acquired Assets (Real Estate Etc. and the Assets to be Acquired (portfolio PML) as of the date of this document based on "portfolio earthquake risk evaluation report" prepared by Tokio Marine dR Co., Ltd. dated June 2024.

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Reference Material 4 Location maps / photos

HTL-17 KOKO HOTEL Tsukiji Ginza

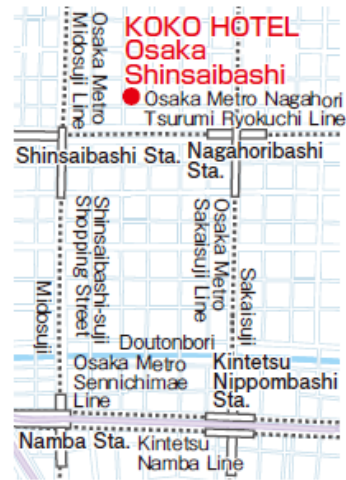


HTL-18 KOKO HOTEL Residence Asakusa Kappabashi / HTL-19 KOKO HOTEL Residence Asakusa Tawaramachi



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HTL-20 KOKO HOTEL Osaka Shinsaibashi



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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 the Assets to be Acquired and the Already Acquired Assets (Real Estate Etc.) 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 “Asset no.”

Asset Number: Each of already acquired assets (Securities) acquired by SAR is categorized by mezzanine loan debt (MEZ), anonymous association investment or preferred securities (TK) and serial number is given to the assets in the category.

(c) Explanation on “Overview of specified asset”

a. “Planned Acquisition price” column: Herein is shown the sale price of the Assets to be Acquired as described in the purchase and sale 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.

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.

h. “Type of master lease” column: Herein is shown whether the property is a pass-through master lease or a rent-guaranteed master lease.

i. “Security” column: Herein is shown a summary of the security, if any, to be borne by SAR.

(d) Explanation on “Status of leasing”

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

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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, 2024. With respect to the Assets to be Acquired, the figures stated are based on each lease agreement expected to be signed after SAR acquires the properties (the same applies hereinafter, under the “Status of Leasing” sections, unless otherwise stated in the annotations).

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, 2024 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, 2024.

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) for the Assets to be Acquired as of April 30, 2024.

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, 2024 of the Assets 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 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, 2024 (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. With respect to the Assets to be Acquired, as of the date of this document, it is written as “—”, because the properties are managed by the sellers by signing management entrustment agreements.

f. “Security and guarantee deposits” column: Herein is shown the sum total of refundable deposits as required in lease agreements effective as of April 30, 2024 (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, total amount of refundable deposits as described in the individual lease agreements with respective (end) tenants is calculated to be shown in the column.

(e) 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.

(f) 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 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.

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

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

This is an English translation of the announcement in Japanese dated August 19, 2024. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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