

For Immediate Release

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

Star Asia Investment Management Co., Ltd. (the "Asset Manager"), to which Star Asia Investment Corporation ("SAR") entrusts the management of its assets, announces today its decision to acquire and lease real estate beneficiary interests in trust of five real estate properties (the "Asset to be Acquired" and the entire transaction to acquire these beneficiary interests is referred to as the "Acquisition") and to transfer beneficiary interests in trust of one real estate property (the "Assets to be Transferred" and the entire transaction to transfer these beneficiary interests is referred to as the "Transfer") (the entire transactions to acquire and transfer these beneficiary interests is referred to as the "Transactions").

SAR deems the acquisition of "GLANSIT AKIHABARA" (a property to be acquired through the Acquisition) and the Transfer (the transfer of "Urban Park Shin-Yokohama") as asset replacement to be conducted in accordance with the active management strategy in pursuit of maximization of unitholders' value of SAR. For details of asset replacement, please refer to "2. Reason for the Acquisition, Leasing, and Transfer, (2) Asset to be Transferred (position as asset replacement)" below. Concerning the implementation policy for asset replacement, please refer to our press release dated July 23, 2018 entitled "Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust."

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

(1) Overview of Assets to be Acquired

Asset type	Property no. (Note 1)	Property name	Location	Planned acquisition price (mm yen) (Note2)
Office	OFC-11	Amusement Media Gakuin Honkan	Shibuya-ku, Tokyo	2,580
Office	OFC-12	Higashi-Kobe Center Building	Higashinada-ku, Kobe-shi, Hyogo	7,440
Hotel	HTL-06	GLANSIT AKIHABARA	Chiyoda-ku, Tokyo	2,500
Hotel	HTL-07	Best Western Tokyo Nishikasai Grande	Edogawa-ku, Tokyo	3,180
Hotel	HTL-08	Hotel WBF Art Stay Namba	Naniwa-ku, Osaka-shi, Osaka	2,000
Total (5 properties)				17,700

(Note 1) As for "Property no.," please refer to "3. Description of Assets to be Acquired and Leased" below.

(Note 2) "Planned acquisition price" indicates the planned sale and purchase price stated in the sale and purchase agreement for the Assets to be Acquired, after 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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Contract date : August 21, 2018
Planned acquisition date : September 6, 2018 (delivery and settlement date)
Sellers : Please refer to “5. Planned Seller and Transferee Profile (1) Planned Seller Profile” below.
Acquisition financing : Proceeds from the issuance of new investment units through public offering (primary offering) for which resolution was made at the Board of Directors meeting of SAR held on August 21, 2018^(Note 3), new borrowings^(Note 4) and cash on hand.
Settlement method : Payment of entire amount on planned acquisition date.
(Note 3) Please refer to “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” announced today for details.
(Note 4) Please refer to “Notice Concerning Debt Financing” announced today for details.

(2) Overview of Asset to be Transferred

Asset type	Property no. (Note 1)	Property name	Location	Planned sales price (mm yen) ^(Note 2)
Residence	RSC-04	Urban Park Shin-Yokohama	Kohoku-ku, Yokohama-shi, Kanagawa	2,775
Total (1 property)				2,775

(Note 1) As for “Property no.”, please refer to “3. Description of Assets to be Acquired and Leased” below.

(Note 2) The sales prices of the Asset to be Transferred stated in the sales and purchase agreement for the Asset to be Transferred (excluding transfer expenses, consumption tax and local consumption tax) is stated and amounts are rounded to the nearest million yen.

Contract date : August 21, 2018
Planned transfer date : October 11, 2018 (delivery and settlement date)
Transferee : Please refer to “5. Planned Seller and Transferee Profile (2) Planned Transferee Profile” below.
Planned sales price : 2,775 million yen
Book value : 2,578 million yen (as of January 31, 2018)
Gain on transfer (estimate)^(Note) : 177 million yen
Settlement method : SAR will receive deposit of 277,500,000 yen on the contract date of the sale and purchase agreement of beneficiary interest in trust and rest of the amount will be paid on the planned transfer date
Use of gain on transfer : Proceeds from the sale of the property excluding miscellaneous expense will be appropriated to a portion of the repayment of borrowings.
Special notation : Please refer to “4. Description of Assets to be Transferred (1) Urban Park Shin-Yokohama ‘Special notation’” below.

(Note) Estimated gain on transfer based on the book value as of the end of January 2018 is stated. Actual gain on transfer may differ from the above estimated amount.

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

<1> Assets to be Acquired

SAR holds the investment policy of “prioritized focused investment in the Tokyo metropolitan area (70% or more investment ratio of the Tokyo metropolitan area among all investment)”, “continuous ‘income stability’ and ‘growth’ through diversification of asset types”, “investment primarily in middle-sized assets^(Note 1)”, and “strategic investment in large-size assets^(Note 3) exclusively in 5 central wards of Tokyo^(Note 2).” In line with this policy, SAR is aiming to realize a steady growth as a diversified REIT.

Through the Acquisition, SAR aims to expand the asset size and diversify risks through the increase in the number of properties held, as well as mainly to ensure the growth in medium to long-term profitability.

Shown below are key reasons for the investment decision for each of the selected assets.

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Furthermore, SAR judges that the lessees of the Assets to be Acquired satisfy the criteria for the selection of tenants (set by the Asset Manager) stated in the “Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties” dated April 27, 2018.

(Note 1) Middle-sized assets mean real estate, etc. whose acquisition prices are under 10 billion yen.

(Note 2) 5 central wards of Tokyo mean Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku.

(Note 3) Large-sized assets mean real estate, etc. whose acquisition prices are 10 billion yen or more.

[Office]

(1) Amusement Media Gakuin Honkan

Amusement Media Gakuin Honkan is an office building, approx. 7-minute walk from Ebisu Station on the JR Yamanote, Saikyo and Shonan-Shinjuku Lines and the Tokyo Metro Hibiya Line.

The Ebisu area, where the property is located, is in high-quality business and residential environment. It has a high concentration of companies, in particular such as foreign owned companies, IT-related companies, and creative companies such as advertisement and content industries. In addition, the area is also characterized as a quiet residential area with closer proximity to home, where residence and small stores exist.

In terms of the physical features, although this building has been fully leased by a single tenant at present, the property has a structure and specifications that can be leased by floor. The office room is pillar- and column-free space, and has an open atmosphere with a ceiling height on the standard floor of 2,700 mm.

As a result of comprehensive consideration on the characteristics of the location and property, SAR decided to acquire the property by using the Sponsor support after determining that the acquisition would contribute to the stability of medium to long-term revenue and enhancement of the stability of the portfolio revenue.

(2) Higashi-Kobe Center Building

Higashi-Kobe Center Building is a multi-tenant office building, approx. 9-minute walk from Settsu-Motoyama Station on the JR Tokaido Main Line.

Higashinada-ku, where the property is located, is the hinterland of the high-class residential area and has good access to commercial areas such as an 11-minute boarding to Sannomiya Station and 17-minute boarding to Osaka Station from Settsu Motoyama on the JR Tokaido Line.

In terms of the physical features, the property has competitive specifications such as individual air-conditioning units and raised floors, etc. Furthermore, having a large parking space for 180 cars on the premises and for 112 cars off the premises, the property is capable of attracting diversified demands including visit-type stores and tenants covering wide areas.

As a result of comprehensive consideration on the characteristics of the location and property, SAR decided to acquire the property through a negotiated transaction through a unique network of the Asset Manager after determining that the acquisition would contribute to the stability of medium to long-term revenue and enhancement of the stability of the portfolio revenue.

[Hotel]

(3) GLANSIT AKIHABARA

GLANSIT AKIHABARA is a capsule hotel, approx. 4-minute walk from Akihabara Station on the JR Yamanote, Keihin-Tohoku and Sobu Lines and approx. 2-minute walk from Suehirocho Station on the Tokyo Metro Ginza Line.

The Akihabara area, where the property is located, is famous nationwide as a mecca of electronics and subcultures, and having good transportation convenience, it has a strong appeal for both business and leisure travelers.

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In terms of the physical features, the property has a high appeal to a variety of guests with three types of rooms depending on the intended use with private capsules, twin capsules and standard capsules, and large bathing areas.

As a result of comprehensive consideration on the characteristics of the location and property, SAR decided to acquire the property by using the Sponsor support after determining that the acquisition would contribute to the stability of medium to long-term revenue and enhancement of the stability of the portfolio revenue.

SAR will acquire GLANSIT AKIHABARA to replace Urban Park Shin-Yokohama, the Asset to be Transferred.

(4) Best Western Tokyo Nishikasai Grande

Best Western Tokyo Nishikasai Grande is a business hotel, approx. 5-minute walk from Nishikasai Station on the Tokyo Metro Tozai Line.

The property has a good access to major business areas and sightseeing spots in Tokyo, which can attract both business travelers and leisure travelers. Located in a straight-line distance of approx. 4 km from Maihama Station on the JR Keiyo Line, the nearest station to Tokyo Disney Resort (“TDR”), and offers free shuttle bus to TDR, it can also attract leisure travelers visiting there.

In terms of the physical features, the property has a great appeal to a variety of guests with three types of guest rooms depending on the intended use with seven single bedrooms, seven double bedrooms and 91 twin bedrooms, as well as restaurant on the first floor.

As a result of comprehensive consideration on the characteristics of the location and property, SAR decided to acquire the property by using the Sponsor Support after determining that the acquisition would contribute to the stability of medium to long-term revenue and enhancement of the stability of the portfolio revenue.

(5) Hotel WBF Art Stay Namba

Hotel WBF Art Stay Namba is a business hotel, approx. 2-minute walk from Ebisucho Station on the Osaka Metro Sakaisuji Line.

The Namba area, where the property is located, is one of Osaka’s leading commercial areas offering convenient access to sight-seeing spots and business district in Osaka, and it is ideally suited to efficiently accommodate both business- and tourism-based demand.

In terms of the physical features, the property has a great appeal to a variety of guests with total 100 of “artistic-taste” rooms, as well as restaurant on the first floor.

As a result of comprehensive consideration on the characteristics of the location and property, SAR decided to acquire the property by using the Sponsor support after determining that the acquisition would contribute to the stability of medium to long-term revenue and enhancement of the stability of the portfolio revenue.

<2> Asset to be Transferred

Urban Park Shin-Yokohama

While SAR had been implementing measures toward improvement of occupancy rate and cost reduction of Urban Park Shin-Yokohama since its acquisition, SAR started exploring possibilities of asset transfer looking at the property’s small contribution to the portfolio revenue in light of actual-based NOI Yield after Depreciation^(Note) that had hovered at 2.6% on an acquisition price basis for one year until the end of the 4th Fiscal Period ended January 2018 as well as the postponement of a railway project that should have led to improvement of access to the property. As a result, SAR determined to transfer Urban Park Shin-Yokohama as it entered into an asset transfer agreement with a realty investor who had offered a higher transfer price that exceeds the appraisal value of the property evaluating it from different angles placing emphasis on the property’s value as an asset located in Tokyo Metropolitan Area and based on the assumption of certain revenue inflows in the future.

SAR is to realize a capital gain on the Transfer in the 6th fiscal period ending January 31, 2019.

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(Note) Actual-based NOI Yield after Depreciation of Asset to be Transferred is calculated by dividing the sum of the actual NOI after depreciation (rent revenue – rent expenses including depreciation) for the 3rd fiscal period ended July 31, 2017 and the 4th fiscal period ended January 31, 2018 by the acquisition price, rounded to the first decimal place. The same shall apply hereinafter.

(Position as asset replacement)

There are three rounds of asset replacement that SAR has conducted or plans to conduct with the aim to enhance its portfolio and return capital gains to unitholders in accordance with the active management strategy in pursuit of maximization of unitholders' value since the listing in April 2016. (Concerning the third round of asset replacement, which means the Acquisition of "Hotel WBF Fukuoka Tenjin Minami" and the transfer of "Hakata-eki Higashi 113 Building" both of which are explained in "Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust" announced on July 23, 2018, SAR is planning to conduct an acquisition of "Hotel WBF Fukuoka Tenjin Minami" by September 6, 2018 as described in the announcement dated August 21, 2018 entitled "Notice Concerning Determination of the Planned Acquisition Date and Change of the Funds for Acquisition" and is planning to transfer "Hakata-eki Higashi 113 Building" through two-step approach i.e. (i) transfer of 49% quasi-co-ownership interest in December 2018 and (ii) transfer of the remaining 51% in February 2019. For further details, please refer to the press releases mentioned above. The third round of asset replacement is expected to allow SAR to enhance its portfolio through asset replacement and record capital gains for two consecutive fiscal periods ending January 31, 2019 and July 31, 2109 in a row through the afore-said two-step transfer of "Hakata-eki Higashi 113 Building."

SAR is placing the acquisition of "GLANSIT AKIHABARA" and the transfer of "Urban Park Shin-Yokohama" as an asset replacement of the same kind as the aforesaid three rounds of asset replacement. SAR has determined to acquire "GLANSIT AKIHABARA," comparing it with other properties under management of the sponsor group in terms of property size, revenue stability, and growth potential during the process of exploring the transfer plan of "Urban Park Shin-Yokohama." SAR has determined to conduct its fourth round of asset replacement by evaluating its appropriateness in light of the implementation policy for asset replacement mentioned below. For further details, please refer to the announcement dated July 23, 2018 entitled "Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust."

<Implementation policy for asset replacement and points considered in implementing asset replacement >

1. Future revenue contribution of the assets to be replaced (Strengthen the portfolio)
 - Since the actual-base NOI Yield after Depreciation of "Urban Park Shin-Yokohama," a property that SAR is to transfer, underperforms the average of entire portfolio, the property's contribution to the portfolio revenue of SAR is considered to be small.
 - Existence of a real estate investor with different valuation bases (focusing on owning assets in the metropolitan area while pursuing a secured profit) for the planned transferee of "Urban Park Shin-Yokohama" who offers a higher price than the appraisal value.
2. Real Estate Market Conditions by Asset Type
 - Expectation for revenue growth of hotel assets due to the tightening of supply-demand balance following the enforcement of the Private Lodging Business Act (the New Private Lodging Business Act) and the subsequent exit of illegal operators of private lodging facilities.
 - The area around Akihabara is expected to attract inbound tourists steadily thinking of its popularity among foreign tourists and its location in easy reach of major sightseeing spots located in the Tokyo Metropolitan Area.
3. Level of the investment unit price of SAR
 - It is deemed that timely asset replacement generating capital gains, which will absorb finance cost, will allow SAR to realize the maximization of unitholders' interests on a long term basis through profitable expansion of AUM without damaging short-term interests of unitholders.

Urban Park Shin-Yokohama is a property whose contribution to the portfolio revenue is small thinking of its stand-alone actual-based NOI Yield after Depreciation that had hovered at 2.6% on an acquisition price basis in the

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4th Fiscal Period ended January 2018. Also considering the postponement of a railway project that should have led to improvement of access to the property, SAR has determined to opt for “transfer” rather than “holding” deeming it to be the better way toward maximization of unitholders’ interests.

Since “GLANSIT AKIHABARA,” a property to be acquired in this arrangement of asset replacement, is a newly built building that was completed in September 2017, it is possible to limit the repair expenses and other capital expenditures. Furthermore, with its 3.3% of the appraisal NOI Yield after Depreciation (Note), the property has more contribution to the portfolio revenue of SAR than “Urban Park Shin-Yokohama” In addition, thanks to the characteristics of the location and property mentioned above, a chance of benefiting from the rising demand of inbound tourism as well as the domestic demand of business travelers and leisure travelers because of the aforesaid location and property features exists, and therefore the hotel operator is expected to show solid business performance. Thus, SAR deems it as an asset that can achieve the stability of revenues under the leasing contract of fixed-rate rent system when compared with other properties of the hotel sector, an asset class that can benefit from revenue growth potential.

SAR believes that the improvement of portfolio’s profitability and subsequent increase of distributable profit will be possible in light of the above mentioned factors.

(Note) Appraisal NOI yield after Depreciation of the properties to be acquired is calculated by dividing the total net operating income by direct capitalization method as shown in the appraisal report (deducting assumed depreciation amount calculated by the Asset Manager) of the properties to be acquired by the planned acquisition price, rounded to the first decimal place.

3. Description of Assets to be Acquired and Leased

Please refer to Table (1) – Table (6) below, for the detail of each of the Assets to be Acquired. For the terms used in the tables, please refer to the below.

a. Explanation on “Property no.” and “Type”

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

b. Explanation on “Overview of specified asset”

(a) “Trust expiration date” column: Herein is shown the planned date of trust expiration as of the planned acquisition date of September 6, 2018.

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

(c) “Planned Acquisition Date” column: Herein is shown the planned MMDDYY of acquisition by SAR.

(d) “Location” column: Herein is shown the certified address in registry. “Indication of residential address” column: Herein is shown the postal address. If postal address is not available, registered address of the property (if there are two or more of them, one is selected) is shown.

(e) “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

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column in accordance with the relevant laws and regulations (the Building Standards Act, the Urban Planning Act, etc.).

(f) "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 of the representative building, etc. as recorded in registry. It possibly might not be equal to the actual structure. As for the building with compartmentalized ownership, the structure and the number of floors for the entire building are shown.
- (g) "Property management company" column: Herein is shown the name of the property management company ("PM Company"), to which property management operation is (planned to be) entrusted as of today.
- (h) "Master lease company" column: Herein is shown the name of the master lease company, to which master lease operation is (planned to be) entrusted, as of today.

c. Explanation on "Status of leasing"

- (a) "Total leasable area" column: Herein is shown the sum total of leasable floor areas of buildings of the Assets to be Acquired (in case common space is also leased, area of that space is included in the total). The figure does not include the area of the land lots leasable for parking and other purposes. Leasable area is counted not from registry data but from area data as described in lease agreements or from area data as calculated by using the architectural drawings of the buildings, so it possibly might not be equal to the total floor area as recorded in registry. Please note that the source data for the column represent what were provided by the current owner(s) of the Assets to be Acquired as of May 31, 2018.
- (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 May 31, 2018 out of the leasable area. The figure does not include the area of the land lots to be leased for parking and other purposes. Please note that the source data for the column represent what were provided by the current owner(s) of the Assets to be Acquired as of May 31, 2018.
- (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 place. Please note that the source data for the column represent what were provided by the current owner(s) of the Assets to be Acquired as of May 31, 2018.
- (d) "Total number of tenants" column: Herein is shown the total number of tenants as confirmed with the lease agreements effective as of May 31, 2018 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 (a lease agreement in which the master lessee receives rent from end tenants and pay the same amount to the lessor) is executed for any of the Assets to be Acquired, total number of the actual (end) tenants under the master lease agreement for the asset is shown herein.

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(e) "Monthly rent (including common area maintenance fee)" column: Herein is shown the total of rent amounts as described in lease agreements with respective tenants as of May 31, 2018 (confined to room rents; excluding the charges for warehouses, sign boards and parking lots; but including the common service expenses; and free rent cases as of the same date are not considered), after rounded to the nearest thousand yen.

(f) "Security and guarantee deposits" column: Herein is shown the sum total of refundable deposits as required in lease agreements effective as of May 31, 2018 (only for the tenants who actually were in respective rooms at the time) of the Assets to be Acquired. In case master lease agreement is executed for any of the Assets to be Acquired, sum total of refundable deposits as described in the individual lease agreements with respective (end) tenants is calculated to be shown in the column.

d. Explanation on "Special notations"

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

e. Explanation on "Summary of real estate appraisal report"

(a) "Summary of real estate appraisal report" column: Herein is shown a summary of respective appraisal report, which was prepared either by Daiwa Real Estate Appraisal Co., Ltd., or The Tanizawa Sogo Appraisal Co., Ltd. for the Assets to be Acquired.

(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 Daiwa Real Estate Appraisal Co., Ltd., or The Tanizawa Sogo Appraisal Co., Ltd. who conducted appraisal is an interested party of neither SAR nor the Asset Manager.

f. Explanation on "Property information and acquisition highlight based on the survey by the Asset Manager"

Herein is shown a description on the basic features and characteristics of each of the Assets to be Acquired as prepared by the Asset Manager from the appraisal report, market reports and from their own research, as well as a description on the background of its acquisition (if it is an acquisition from Sponsor Group, background story on the acquisition by the group is described; and if it is an acquisition from the Asset Manager's own origination, background story on the sourcing is described). "<Sponsor fund>" means an acquisition from the Sponsor Group, "<external acquisition>" means an acquisition from a third-party, "<negotiated transaction>" means an acquisition from a third party on a negotiation basis, and "<warehousing>" means an acquisition utilizing the warehousing function of the Sponsor Group, respectively.

g. Explanation on "Demographic analysis etc., market analysis and independent analysis by the Asset Manager"

Herein is shown the result of the Asset Manager's own market analysis based on the information from various real estate-specialized information providers and other publicly available information.

h. Explanation on "Comprehensive evaluation by SAR"

Herein is shown SAR's independent comprehensive evaluation based on f. and g. above.

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(1) Amusement Media Gakuin Honkan

Property no.	OFC-11	Property name	Amusement Media Gakuin Honkan	Type	Office
Overview of specified asset					
Type of specified asset		Beneficiary interest in trust	Trustee	Sumitomo Mitsui Trust Bank, Limited	
Trust expiration date		September 30, 2028	Security	Unsecured	
Planned acquisition price		2,580 million yen	Planned acquisition date	September 6, 2018 ^(Note 1)	
Appraisal value		2,660 million yen	Seller	GK El Toro	
Location		2-84-12 Higashi, Shibuya-ku, Tokyo and other			
Indication of residential address		2-29-8 Higashi, Shibuya-ku, Tokyo			
Nearest station		Approx. 7-minute walk from Ebisu Station on JR Line and Tokyo Metro Hibiya Line			
Land	Type of ownership	Proprietary ownership			
	Site area	433.21m ²	Use district	Quasi-industrial district	
	Building coverage ratio	60%	Floor area ratio	400%	
Building	Type of ownership	Proprietary ownership			
	Total floor area	1,892.18m ²	Use	Office / Retail / Parking	
	Construction completion	November 2, 1994	Structure and floors	Steel-framed reinforced concrete / Steel-framed structure / Galvanized steel sheet roofing 1 floor below ground / 8 floors above ground	
Property management company		Sun Frontier Fudousan Co., Ltd.	Master lease company	SAR	
Status of leasing					
Total leasable area		1,892.18m ²	Total number of tenants	1	
Total leased area		Not disclosed ^(Note 2)	Monthly rent (including common area maintenance fee)	Not disclosed ^(Note 2)	
Occupancy rate		100.0%	Security and guarantee deposits	Not disclosed ^(Note 2)	
Special notation					
Not applicable.					

(Note 1) Planned acquisition date may change depending on the change of the payment date of the offering.

(Note 2) The information is undisclosed as consent to disclosure has not been obtained from end tenants.

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(unit: yen)

Summary of real estate appraisal report		
Property name	Amusement Media Gakuin Honkan	
Appraisal value	2,660,000,000	
Appraisal firm	Daiwa Real Estate Appraisal Co., Ltd.	
Date of value	July 1, 2018	
Item	Details	Description, etc.
Indicated value by income approach	2,660,000,000	Estimated by emphasizing the indicated value by DCF method and verifying with the indicated value by direct capitalization method.
Indicated value by direct capitalization method	2,720,000,000	
(1) Operating revenue ((a)-(b))	125,788,248	
(a) Gross potential income	126,868,248	
(b) Vacancy loss, etc.	1,080,000	
(2) Operating expenses	21,508,809	
Maintenance and management fee	960,000	Appraised based on current contract amount judged appropriate.
Utilities expenses	7,212,000	Appraised based on actual data.
Repair expenses	2,125,917	Appraised based on repair expense on ER judged appropriate.
Property management fee	2,385,265	Determined that estimates are reasonable and appraised amount 2.0% equivalent of rent income, etc.
Tenant leasing cost, etc.	162,000	Appraised based on the tenant leasing cost, etc. of similar real estate.
Property taxes	8,405,000	Appraised based on actual data.
Insurance premium	121,627	Appraised based on estimates judged appropriate.
Other expenses	137,000	Appraised based on actual data.
(3) Net operating income (NOI=(1)-(2))	104,279,439	
(4) Financial interests on deposits	739,688	Appraised investment return as 1.0%.
(5) Capital expenditures	4,486,083	Appraised based on renewal expense on ER judged appropriate.
(6) Net cash flow (NCF=(3)+(4)-(5))	100,533,044	
(7) Capitalization rate	3.7%	Appraised based on comparison with past deals for similar real estate as the standard method.
Indicated value by DCF method	2,640,000,000	
Discount rate	3.5%	Appraised based on a combination of the method of comparing with past deals for similar real estate and the method of reflecting the characteristics of the real estate to the capitalization rate of the financial asset.
Terminal capitalization rate	3.9%	Appraised based on capitalization rate and comprehensively taking into account the uncertainty of the market.
Indicated value by cost approach	1,530,000,000	
Ratio of land	85.9%	
Ratio of building	14.1%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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Property information and acquisition highlight based on the survey by the Asset Manager

(1) Property information

- An office building, approx. 7-minute walk from Ebisu Station on the JR Yamanote, Saikyo and Shonan Shinjuku Lines and the Tokyo Metro Hibiya Line
- Located in high-quality business and residential environment consisting of quiet residential area and small stores
- Pillar- and column-free space, and an open atmosphere with a ceiling height on the standard floor of 2,700 mm.

(2) Acquisition highlight

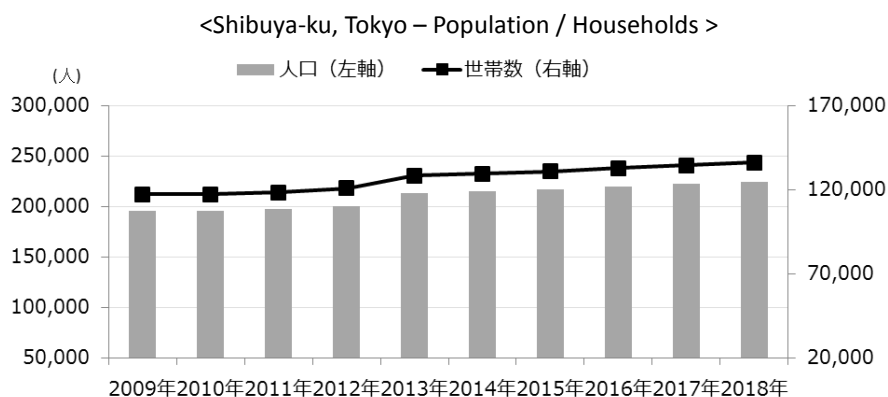
The property, which is owned by the Sponsor Group through an acquisition executed in a form of a negotiated transaction using the wide range of business relations, will be acquired by utilizing the Sponsor support <Sponsor fund>

Demographic analysis etc., market analysis and independent analysis by the Asset Manager

(1) Demographic analysis, etc.

Shibuya-ku, Tokyo keeps trend of growing in population and the number of households. The Asset Manager believes that the area will keep growing steadily in population from now on too.

Although there was a temporary decrease in terms of the number of offices and the number of employees in 2012, both figures showed a recovery in 2014 and kept the same level in 2016.

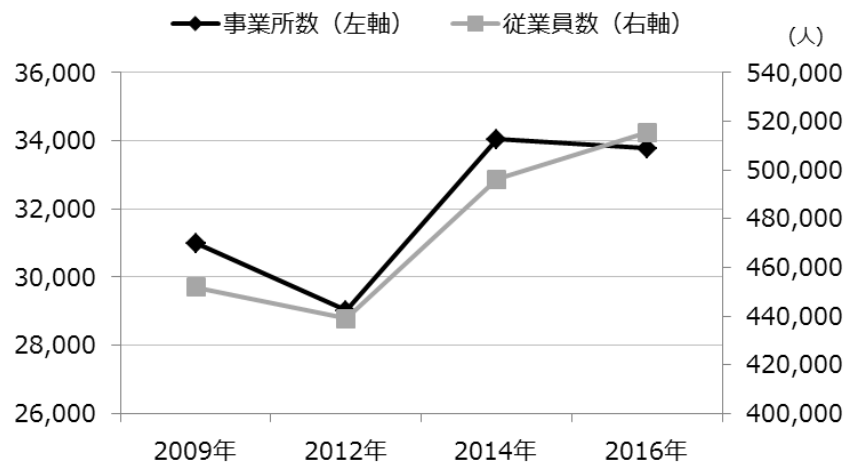


*Note: Figures from 2009 to 2013 are as of the each fiscal period (March 31) and figures from 2014 to 2018 are as of January 1 for each year

*Source: Prepared by the Asset Manager based on “Counts of Population, Vital Events and Households derived from the Basic Resident Registration,” Statistics Bureau, Ministry of Internal Affairs and Communications

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<Shibuya-ku, Tokyo – Business establishments / Employees >



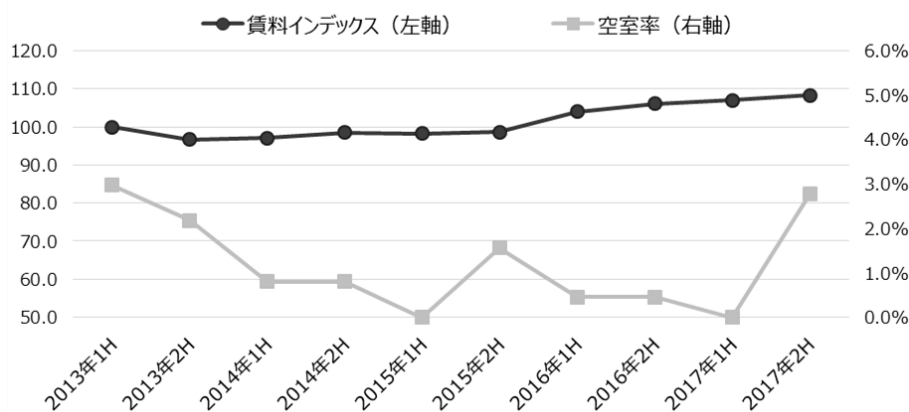
*Source: Prepared by the Asset Manager based on “2009 Economic Census for Business Frame”, “2012 Economic Census for Business Frame”, “2014 Economic Census for Business Frame” and “2016 Economic Census for Business Frame”, Statistics Bureau, Ministry of Internal Affairs and Communications, Ministry of Economy, Trade and Industry

(2) Market analysis

Overall rent has been rising since the second half of 2015 and kept shifting stable, as shown in the figure below of transition of rent index.

Also as shown in the figure below of transition of vacancy rate, it has shown a declining trend, approx. 3% or below, since the first half of 2013. The Asset Manager believes that such stable demands for office space will be maintained in the area.

<Shibuya-ku, Tokyo – Average Rent Index / Vacancy Rate >



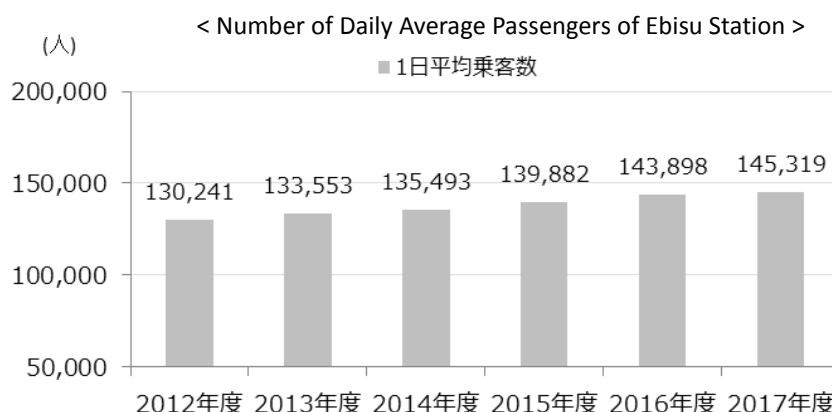
*Source: Made by Japan Real Estate Institute based on the data disclosed by J-REIT (Offices in Shibuya-ku, Tokyo, aged from 21 years to less than 30 years, with total floor area from 1,500 tsubo to less than 5,000 tsubo (excluding properties traded during the period above)).

*Note: 1H refers to the first half (January to June) and 2H refers to the second half (July to December).

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(3) Independent analysis by the Asset Manager

Number of Daily Average Passengers using Ebisu Station on the JR Line has been constantly increasing since the fiscal year 2012, and the Asset Manager believes that this trend will continue.



*Source: Prepared by the Asset Manager based on “Number of Passengers by Station,” JR East

Moreover, Ebisu ranked as the No. 1 residential area in the “Questionnaire Which City You Want to Live (metropolitan area version) 2017.”

順位	駅	ポイント
1位	恵比寿駅	683
2位	自由が丘駅	541
3位	二子玉川駅	488
4位	吉祥寺駅	470
5位	目黒駅	428
6位	品川駅	345
7位	中目黒駅	339
8位	横浜駅	333
9位	表参道駅	327
10位	広尾駅	296

*Source: “Questionnaire Which City You Want to Live (metropolitan area version) 2017”
“Mansion Trend Research” by Major 7.

The questionnaire (Top 3) made to internet members of companies participating Major 7 (Sumitomo Realty & Development Co., Ltd., DAIKYO INCORPORATED, TOKYU LAND CORPORATION, Tokyo Tatemono Co., Ltd., Nomura Real Estate Development Co., Ltd., Mitsui Fudosan Residential Co., Ltd. and Mitsubishi Jisho Residence Co., Ltd.). Ranking was made counting No. 1 as three points, No. 2 as two points and No. 3 as one point.

Comprehensive evaluation by SAR: Evaluation on income stability and growth

For the following reasons, SAR believes the property can gain stable revenue over the medium to long-term and can also expect income growth from increased rent, etc. into the future.

- (1) Expected to gain stable revenue as a professional school occupies an entire building over the long term
- (2) Very attractive area for companies as Ebisu area has a high concentration of companies, in particular such as foreign companies, IT-related companies, and creative companies such as advertisement and content industries
- (3) Further development of the area is expected considering that it not only has characteristics of an office area, but also has characteristics of residential and tourism areas such as Ebisu Garden Place

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(2) Higashi-Kobe Center Building

Property no.	OFC-12	Property name	Higashi-Kobe Center Building		Type	Office
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust		Trustee	Sumitomo Mitsui Trust Bank, Limited	
Trust expiration date		September 30, 2028		Security	Unsecured	
Planned acquisition price		7,440 million yen		Planned acquisition date	September 6, 2018 ^(Note 1)	
Appraisal value		7,470 million yen		Seller	SA Harbor Bridge Fund GK	
Location		8-21 Motoyamaminami-cho, Higashinada-ku, Kobe-shi, Hyogo and other				
Indication of residential address		8-6-26 Motoyamaminami-cho, Higashinada-ku, Kobe-shi, Hyogo				
Nearest station		Approx. 9-minute walk from Settsu Motoyama Station on JR Tokaido Main Line				
Land	Type of ownership	Proprietary ownership				
	Site area	8,488.11㎡ ² (Note 2)(Note 3)	Use district	Category 2 residential district / Neighborhood commercial district		
	Building coverage ratio	60%	Floor area ratio	300%		
Building	Type of ownership	Proprietary ownership				
	Total floor area	25,740.46㎡	Use	Office / Retail / Garage		
	Construction completion	January 6, 1992	Structure and floors	Steel-framed / Steel-framed reinforced concrete structure 14 floors above ground		
Property management company		CBRE Inc.	Master lease company	SAR		
Status of leasing						
Total leasable area		16,931.82㎡	Total number of tenants	46		
Total leased area		16,219.54㎡	Monthly rent (including common area maintenance fee)	41,935 thousand yen		
Occupancy rate		95.8%	Security and guarantee deposits	248,943,342 yen		
Special notation						
<p>The floor area ratio and other certain requirements for this building have been relaxed as permitted under the comprehensive design system in accordance with Article 59-2 of the Building Standards Act because this building has a public open space. Part of the public open space has been being leased from a third party since 1964 under the relevant lease agreement as renewed or revised. However, the leasehold has not been registered and there is no registered building on the leased land, which means that the leasehold has not been perfected against third parties. Therefore, there is a possibility that if the leased land is sold or otherwise its ownership is transferred to a third party, the lessee of the land (Trustee) may not be able to assert its leasehold against the purchaser or transferee, or that the landowner may refuse to accept renewal of the lease agreement without any due reasons. In such case, the relaxation of the floor area ratio and other requirements for this building may not be permitted. Please note, however, that the lease agreement provides that the landowner must obtain the consent of the lessee if it intends to sell or transfer the leased land to a third party and that the lessee may purchase the leased land in priority to other persons.</p> <p>Some issues about the building, equipment, etc. of this property pointed out in the building inspection report and the regular inspection report on the building's equipment have not been yet fixed as of today. The seller has agreed that it will fix such issues at its own expense and on its own responsibility by the end of December, 2018.</p>						

(Note 1) Planned acquisition date may change depending on the change of the payment date of the offering.

(Note 2) 794.18 m² of Site area are rented from the third party.

(Note 3) Including the set-back area of 3.69 m².

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(unit: yen)

Summary of real estate appraisal report		
Property name	Higashi-Kobe Center Building	
Appraisal value	7,470,000,000	
Appraisal firm	The Tanizawa Sogo Appraisal Co., Ltd.	
Date of value	July 1, 2018	
Item	Details	Description, etc.
Indicated value by income approach	7,470,000,000	Estimated by using the indicated value by DCF method as standard and verifying with the indicated value by direct capitalization method.
Indicated value by direct capitalization method	7,620,000,000	Appraised by deducting the estimated leasehold renewal fee of 16,500 thousand yen.
(1) Operating revenue ((a)-(b))	739,345,400	
(a) Gross potential income	781,682,349	
(b) Vacancy loss, etc.	42,336,949	Appraised by taking into account the average cycle period as an office building.
(2) Operating expenses	308,739,731	
Maintenance and management fee	44,700,005	Appraised based on contract estimates, etc.
Utilities expenses	130,036,378	Appraised based on actual data.
Repair expenses	21,275,000	Appraised based on the ER and similar cases.
Property management fee	7,105,511	Appraised based on PM contract estimates.
Tenant leasing cost, etc.	4,673,723	Appraised by estimating the annual tenant turnover.
Property taxes	58,365,300	Appraised by reference to actual data.
Insurance premium	2,553,000	Appraised based on standard rate.
Other expenses	40,030,814	Appraised based on actual data (rent, parking, etc.).
(3) Net operating income (NOI=(1)-(2))	430,605,669	
(4) Financial interests on deposits	2,626,261	Appraised investment return as 1.0%.
(5) Capital expenditures	51,060,000	Appraised based on the ER and similar cases.
(6) Net cash flow (NCF=(3)+(4)-(5))	382,171,930	
(7) Capitalization rate	5.0%	Appraised by comparing with cap rate of similar real estate.
Indicated value by DCF method	7,400,000,000	
Discount rate	5.1%	Appraised by taking into account individual risk and calculating the base cap rate of office buildings based on cap rate of financial instruments.
Terminal capitalization rate	5.2%	Appraised based on the capitalization rate and reflecting uncertainty of future prediction.
Indicated value by cost approach	7,480,000,000	Estimated by making depreciation adjustment to replacement cost.
Ratio of land	64.5%	
Ratio of building	35.5%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined by using the indicated value by income approach as standard and by verifying with the indicated value by cost approach.	

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Property information and acquisition highlight based on the survey by the Asset Manager

(1) Property information

- A multi-tenant office building, located in the convenient place where runs through the Hankyu Dentetsu Line, the JR Tokaido Main Line and the Hanshin Electric Railway, approx. 9-minute walk from Settsu Motoyama Station on the JR Tokaido Main Line
- The standard office floor area is 1,042.44m². Units can be divided based on tenant needs (existing tenants rent rooms of 57.42m² - 1,387.82m²)
- The property has highly diversified tenants of 46 with the maximum exposure to a single tenant of only approximately 8.2% (1,387.82m²) out of the total leasable area (16,931.82m²), and is expected to generate stable revenue based on its occupancy rate of 95.8%
- The property has competitive specs such as 8 elevators, ceiling height of 2,500mm, individual air conditioning, OA floors, etc. and can satisfy demand from tenants in various industries, allowing for high tenant retention
- The building is in the same region as Ashiya, Nishinomiya, Okamoto, and other such luxury housing areas, and houses community-based tenants (mobile phone shops, photo studios, etc.) who emphasize easy access to residential areas

(2) Acquisition highlight

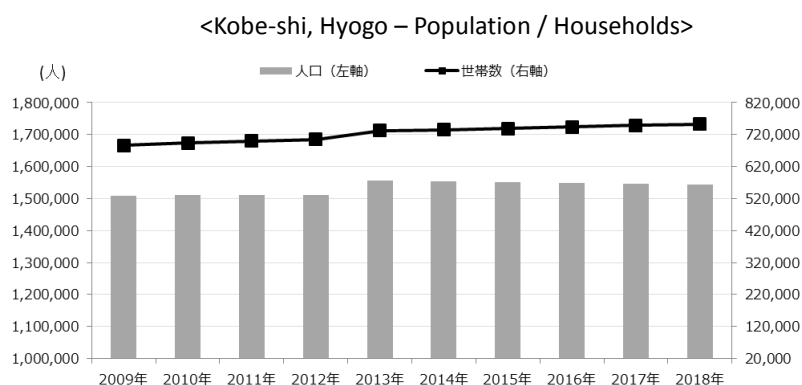
The property will be acquired through a negotiated transaction by acquiring an individual property via a unique network of the Asset Manager <external acquisition> <negotiated transaction>

Demographic analysis etc., market analysis and independent analysis by the Asset Manager

(1) Demographic analysis, etc.

The population remains largely flat and the number of households keeps growing in Kobe-shi, Hyogo. Therefore, the Asset Manager believes that the population and the number of households in the area will keep steadily growing in the future.

There was decrease in terms of the number of offices in 2012, but figure showed a recovery in 2014. There was temporary decrease in 2016 again in terms of the number of offices. The number of employees remains almost the same.

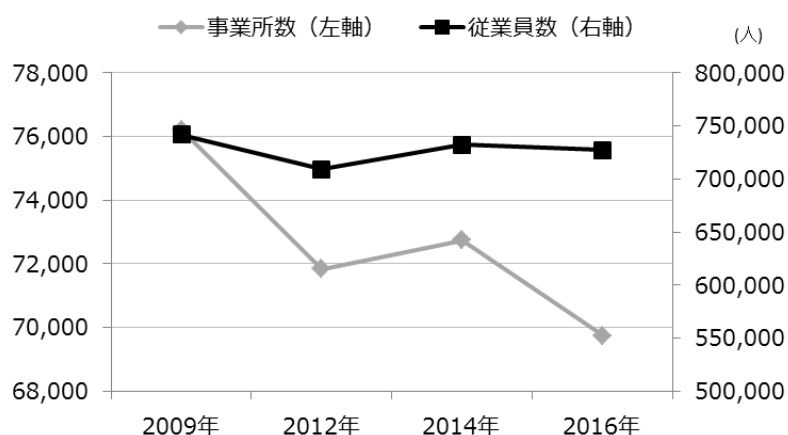


***Note:** Figures from 2009 to 2013 are as of the each fiscal period (March 31) and figures from 2014 to 2018 are as of January 1 for each year

***Source:** Prepared by the Asset Manager based on “Counts of Population, Vital Events and Households derived from the Basic Resident Registration,” Statistics Bureau, Ministry of Internal Affairs and Communications

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<Kobe-shi, Hyogo – Business Establishments / Employees>



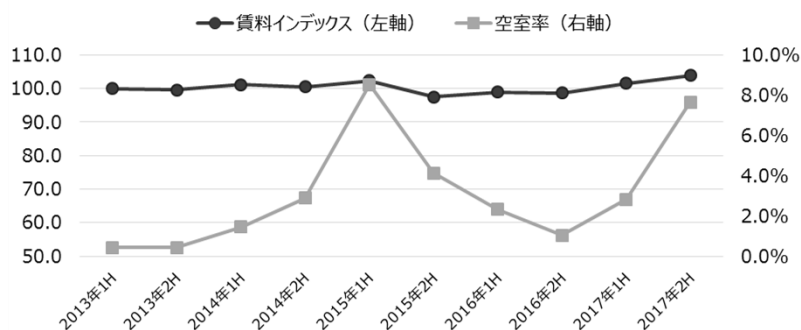
*Source: Prepared by the Asset Manager based on “2009 Economic Census for Business Frame”, “2012 Economic Census for Business Frame”, “2014 Economic Census for Business Frame” and “2016 Economic Census for Business Frame”, Statistics Bureau, Ministry of Internal Affairs and Communications, Ministry of Economy, Trade and Industry

(2) Market analysis

Overall rent has kept hovering at around the same level since the first half of 2013, as shown in the figure below of transition of rent index.

As shown in the chart below, although vacancy rate increased to the first half of 2015, it decreased to approx. 1.0% to the second half of 2016, and then again increased in 2017. However, the Asset Manager believes that it will remain flat or show a recovery given the historical trends in the area.

<Kobe-shi, Hyogo – Average Rent Index / Vacancy Rate >



*Source: Made by Japan Real Estate Institute based on the data disclosed by J-REIT (All offices in Kobe-shi, Hyogo, (excluding properties traded during the period above)).

*Note: 1H refers to the first half (January to June) and 2H refers to the second half (July to December).

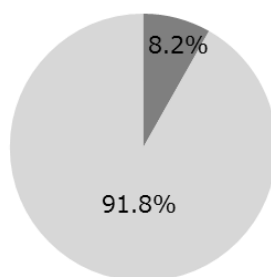
(3) Independent analysis by the Asset Manager

The property has good access to metropolitan areas such as Osaka and Kobe. It also provides easy access from the residential area, offering convenience for commuting, and therefore there is a high appeal to companies.

Also as shown in the chart below, the property has highly diversified tenants with the maximum exposure to a single tenant of only approximately 8.2% (1,387.82m²) out of the total leasable area (16,931.82m²). The Asset Manager believes the property could be stably operated for those reasons above.

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< Higashi-Kobe Center Building – Tenant diversification ratio>



*Source: Prepared by the Asset Manager based on lease contracts effective as of the end of May 2018

Comprehensive evaluation by SAR: Evaluation on income stability and growth

For the following reasons, SAR believes the property can gain stable revenue over the medium to long-term and can also expect income growth from increased rent, etc. into the future.

- (1) Provides convenient access to office and commercial areas since the building is centrally located between Osaka and Kobe, with an 11-minute boarding to Sannomiya Station and 17-minute boarding to Osaka Station from Settsu Motoyama on the JR Tokaido Main Line, the closest station to the property
- (2) The property has specifications satisfying a wide range of tenant needs and is competitive amongst properties in the surrounding area
- (3) There is parking space for 180 cars on the premises and for 112 cars off the premises, which is very appealing to a wide range of retail tenants, particularly stores seeking their customers to visit their shop and tenants which conduct brand area marketing

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(3) GLANSIT AKIHABARA

Property no.	HTL-06	Property name	GLANSIT AKIHABARA		Type	Hotel
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust	Trustee		Mizuho Trust & Banking Co., Ltd.	
Trust expiration date		September 30, 2028	Security		Unsecured	
Planned acquisition price		2,500 million yen	Planned acquisition date		September 6, 2018 ^(Note 1)	
Appraisal value		2,520 million yen	Seller		GK Lightning	
Location		4-41-16 Sotokanda, Chiyoda-ku, Tokyo and other				
Indication of residential address		4-4-6 Sotokanda, Chiyoda-ku, Tokyo				
Nearest station		Approx. 4-minute walk from Akihabara Station on JR Yamanote Line and Tokyo Metro Hibiya Line				
Land	Type of ownership	Proprietary ownership				
	Site area	167.74m ² ^(Note 2)	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		700%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	1,081.97m ²	Use		Hotel	
	Construction completion	September 20, 2017	Structure and floors		Steel-framed / Steel-framed reinforced concrete structure, 1 floor below ground / 10 floors above ground	
Property management company		Marimo Co., Ltd.	Master lease company		SAR	
Status of leasing						
Total leasable area		1,089.06m ²	Total number of tenants		1	
Total leased area		Not disclosed ^(Note 3)	Monthly rent (including common area maintenance fee)		Not disclosed ^(Note 3) ^(Note 4)	
Occupancy rate		100.0%	Security and guarantee deposits		Not disclosed ^(Note 3)	
Special notation						
Not applicable.						

(Note 1) Planned acquisition date may change depending on the change of the payment date of the offering.

(Note 2) Including the set-back area of 8.67m².

(Note 3) The information is undisclosed as consent to disclosure has not been obtained from end tenants.

(Note 4) The rent is comprised of fixed rent.

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(unit: yen)

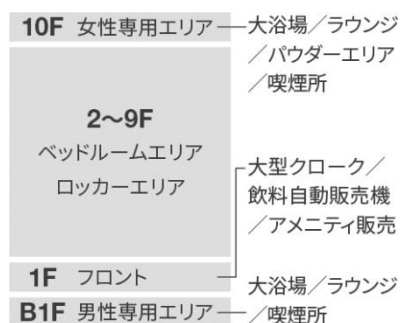
Summary of real estate appraisal report		
Property name	GLANSIT AKIHABARA	
Appraisal value	2,520,000,000	
Appraisal firm	The Tanizawa Sogo Appraisal Co., Ltd.	
Date of value	July 1, 2018	
Item	Details	Description, etc.
Indicated value by income approach	2,520,000,000	Estimated by using the indicated value by DCF method as standard and verifying with the indicated value by direct capitalization method.
Indicated value by direct capitalization method	2,580,000,000	
(1) Operating revenue ((a)-(b))	106,738,560	
(a) Gross potential income	106,738,560	
(b) Vacancy loss, etc.	0	Unrecorded by taking into account contract, etc.
(2) Operating expenses	8,799,564	
Maintenance and management fee	0	Unrecorded as tenant owes.
Utilities expenses	0	Unrecorded as tenant owes.
Repair expenses	320,000	Appraised based on the ER and similar cases.
Property management fee	2,134,771	Appraised based on verbal confirmation from client.
Tenant leasing cost, etc.	0	Unrecorded by taking into account contract, etc.
Property taxes	5,587,100	Appraised by reference to actual data.
Insurance premium	224,000	Appraised by reference to the level of similar real estate.
Other expenses	533,693	Appraised based on actual data.
(3) Net operating income (NOI=(1)-(2))	97,938,996	
(4) Financial interests on deposits	711,590	Appraised investment return as 1.0%.
(5) Capital expenditures	800,000	Appraised based on the ER and similar cases.
(6) Net cash flow (NCF=(3)+(4)-(5))	97,850,586	
(7) Capitalization rate	3.8%	Appraised by comparing with cap rate of similar real estate.
Indicated value by DCF method	2,490,000,000	
Discount rate	3.7%	Appraised by taking into account individual risk and calculating the base cap rate of hotels based on cap rate of financial instruments.
Terminal capitalization rate	4.0%	Appraised based on the capitalization rate and reflecting uncertainty of future prediction.
Indicated value by cost approach	2,510,000,000	Estimated by making depreciation adjustment to replacement cost.
Ratio of land	84.9%	
Ratio of building	15.1%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined by using the indicated value by income approach as standard and by verifying with the indicated value by cost approach.	

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Property information and acquisition highlight based on the survey by the Asset Manager

(1) Property information

- A capsule hotel, approx. 4-minute walk from Akihabara Station on the JR Yamanote, Keihin-Tohoku and Sobu Lines and approx. 2-minute walk from Suehirocho Station on the Tokyo Metro Ginza Line
- The Akihabara area is famous nationwide as an electronics district and subcultural broadcasting point, and having good transportation convenience with the access to three JR lines and Tokyo Metro Ginza Line
- Provides three types of rooms: private room, private twin room, and standard type room and has a large big bath, appealing to various customers



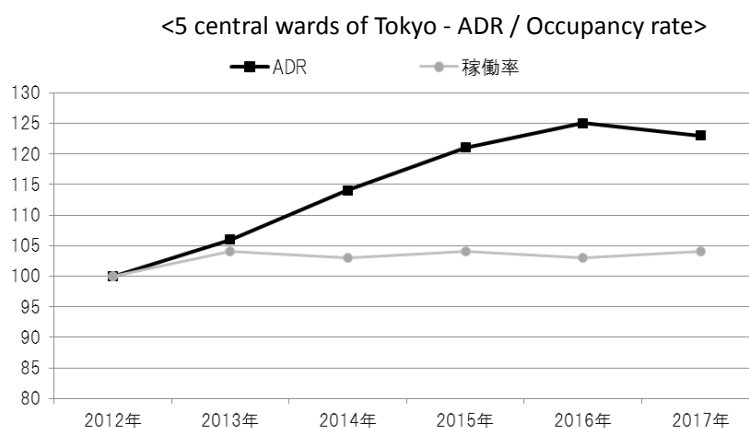
(2) Acquisition highlight

The property, which is owned by the Sponsor Group through an acquisition executed in a form of a negotiated transaction using the wide range of business relations, will be acquired by utilizing the Sponsor support <Sponsor fund>

Market analysis and independent analysis by the Asset Manager

(1) Market analysis

Average Daily Rate (ADR) and indices of occupancy rate in 5 central wards of Tokyo (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku; the same shall apply hereinafter) increased in 2017 to approx. 123 and approx. 104, respectively, assuming the figure in 2012 is 100, as shown in the chart below. Therefore, the hotel demand in 5 central wards of Tokyo is expected to continue steady growth.



*Source: Japan Hotel Appraisal Co., Ltd.

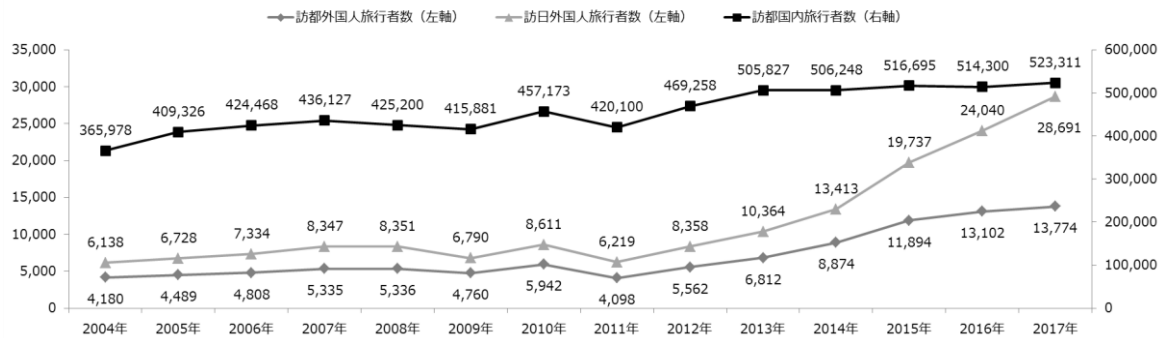
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(2) Independent analysis by the Asset Manager

As to the inbound demand, as shown in the chart below, the number of foreign visitors to Japan has been rapidly increasing in recent years, and exceeded 28 million in 2017. The foreign visitors from Asia for sightseeing in Tokyo account for a large proportion of all guests stayed in the property owing to good access to major sightseeing spots in Tokyo. This trend is expected to continue.

Furthermore, the number of domestic visitors to Tokyo has been also increasing, exceeding 500 million each year since 2013, and the demand for domestic visitors to Tokyo is also robust as shown in the chart below.

<Number of inbound visitors and domestic visitors to Tokyo, and number of inbound visitors to Japan>



*Source: Prepared by the Asset Manager based on “Inbound travelers to Japan and Tokyo and domestic travelers to Tokyo,” Bureau of Industrial and Labor Affairs, Tokyo Metropolitan Government

As shown in the chart below, the Akihabara area is ranked fifth among the sightseeing spots in Tokyo in terms of the number of foreign visitors, showing its popularity as an electronics quarter and subcultural broadcasting point, and the Asset Manager believes that the demand for accommodation in the area will remain strong in the future.

<Top 10 popular destination among inbound visitors>



*Note: FY2015 and FY2016 use the data from April of each year to March of the next year of each. FY2017 uses the data from January 1 to December 31 of the year. The sum of each year could be more than 100% due to the allowance of multiple answers

*Source: Prepared by the Asset Manager based on “Survey report on behavioral characteristics of inbound travelers by country,” Tokyo Metropolitan Government

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<Major sightseeing spots and business / commercial district around GLANSIT AKIHABARA>



The property has a good access to sightseeing spots such as Ginza, Asakusa and Ryogoku-Kokugikan, commercial district and business district such as Otemachi. In addition, Ginza and Asakusa are included in the “Top 10 popular destination among inbound visitors” above.

Comprehensive evaluation by SAR: Evaluation on income stability

For the following reasons, SAR believes the property can gain stable revenue over the medium to long-term

- (1) A capsule hotel located in Akihabara, one of the most major sightseeing areas in Tokyo
- (2) High appeal to the both leisure and business travelers due to its location on a busy area as well as its good traffic convenience
- (3) Strong appeal to a variety of guests with three types of rooms
- (4) Completed relatively recently in September 2017 and expected to lower repair costs

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(4) Best Western Tokyo Nishikasai Grande

Property no.	HTL-07	Property name	Best Western Tokyo Nishikasai Grande		Type	Hotel
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust		Trustee	Sumitomo Mitsui Trust Bank, Limited	
Trust expiration date		September 30, 2028		Security	Unsecured	
Planned acquisition price		3,180 million yen		Planned acquisition date	September 6, 2018 ^(Note 1)	
Appraisal value		3,200 million yen		Seller	GK Byte	
Location		6-19-27 Nishikasai, Edogawa-ku, Tokyo and other				
Indication of residential address		6-19-18 Nishikasai, Edogawa-ku, Tokyo				
Nearest station		Approx. 5-minute walk from Nishikasai Station on Tokyo Metro Tozai Line				
Land	Type of ownership	Proprietary ownership				
	Site area	657.00m ²	Use district		Neighborhood commercial district	
	Building coverage ratio	80%	Floor area ratio		400%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	2,755.19m ²	Use		Hotel	
	Construction completion	February 7, 2017	Structure and floors		Steel-framed structure 8 floors above ground	
Property management company		Shimizu Comprehensive Development Corporation	Master lease company		SAR	
Status of leasing						
Total leasable area		2,755.19m ²	Total number of tenants		1	
Total leased area		2,755.19m ²	Monthly rent (including common area maintenance fee)		11,667 thousand yen ^(Note 2)	
Occupancy rate		100.0%	Security and guarantee deposits		116,670,000 yen	
Special notation						
Not applicable.						

(Note 1) Planned acquisition date may change depending on the change of the payment date of the offering.

(Note 2) Rents are comprised of fixed rents and variable rents.

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(unit: yen)

Summary of real estate appraisal report		
Property name	Best Western Tokyo Nishikasai Grande	
Appraisal value	3,200,000,000	
Appraisal firm	The Tanizawa Sogo Appraisal Co., Ltd.	
Date of value	July 1, 2018	
Item	Details	Description, etc.
Indicated value by income approach	3,200,000,000	Estimated by using the indicated value by DCF method as standard and verifying with the indicated value by direct capitalization method.
Indicated value by direct capitalization method	3,220,000,000	
(1) Operating revenue ((a)-(b))	140,004,000	
(a) Gross potential income	140,004,000	
(b) Vacancy loss, etc.	0	Unrecorded by taking into account contract, etc.
(2) Operating expenses	14,291,124	
Maintenance and management fee	540,000	Based on the agreement.
Utilities expenses	0	Unrecorded as tenant owes.
Repair expenses	740,000	Appraised based on the ER and similar cases.
Property management fee	1,440,000	Appraised based on verbal confirmation from client.
Tenant leasing cost, etc.	0	Unrecorded by taking into account contract, etc.
Property taxes	10,213,100	Appraised by reference to actual data.
Insurance premium	518,000	Appraised by reference to the level of similar real estate.
Other expenses	840,024	Appraised based on actual data.
(3) Net operating income (NOI=(1)-(2))	125,712,876	
(4) Financial interests on deposits	1,166,700	Appraised investment return as 1.0%.
(5) Capital expenditures	1,110,000	Appraised based on the ER and similar cases.
(6) Net cash flow (NCF=(3)+(4)-(5))	125,769,576	
(7) Capitalization rate	3.9%	Appraised by comparing with cap rate of similar real estate.
Indicated value by DCF method	3,190,000,000	
Discount rate	3.8%	Appraised by taking into account individual risk and calculating the base cap rate of hotels based on cap rate of financial instruments.
Terminal capitalization rate	4.1%	Appraised based on the capitalization rate and reflecting uncertainty of future prediction.
Indicated value by cost approach	3,200,000,000	Estimated by making depreciation adjustment to replacement cost.
Ratio of land	73.0%	
Ratio of building	27.0%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined by using the indicated value by income approach as standard and by verifying with the indicated value by cost approach.	

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Property information and acquisition highlight based on the survey by the Asset Manager

(1) Property information

- A business hotel, approx. 5-minute walk from Nishikasai Station on the Tokyo Metro Tozai Line
- A hotel with great appeal to a variety of guests with three types of guest rooms depending on the intended use with seven single bedrooms, seven double bedrooms and 91 twin bedrooms, as well as restaurant on the first floor
- Has a flexibility to complement the customer base with the neighboring hotel owned by SAR, "BEST WESTERN Tokyo Nishikasai," as the same tenant operates the both hotels

(2) Acquisition highlight

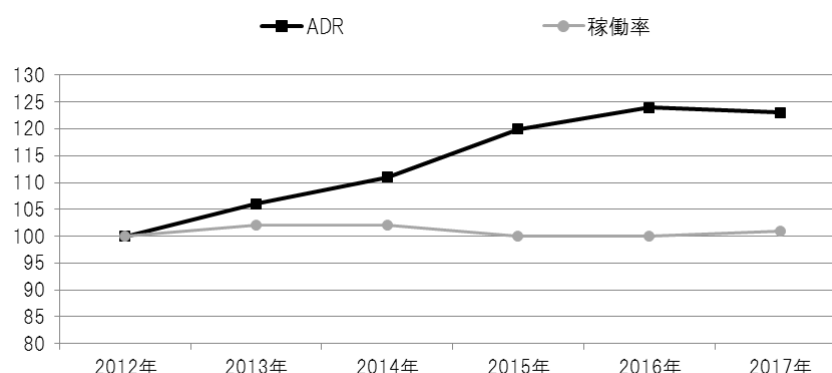
The property, which is owned by the Sponsor Group through an acquisition executed in a form of a negotiated transaction using the wide range of business relations, will be acquired by utilizing the Sponsor support <Sponsor fund>

Market analysis and independent analysis by the Asset Manager

(1) Market analysis

ADR and indices of occupancy rate in 18 of 23 wards of Tokyo, excluding 5 central wards of Tokyo (namely, Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku from 23 wards of Tokyo), increased in 2017 to approx. 123 and approx. 101, respectively, assuming the figure in 2012 is 100, as shown in the chart below. Therefore, the hotel demand in 18 wards of Tokyo is expected to continue steady growth.

<Ex. 5 central wards of Tokyo - ADR / Occupancy rate>



*Source: Japan Hotel Appraisal Co., Ltd.

(2) Independent analysis by the Asset Manager

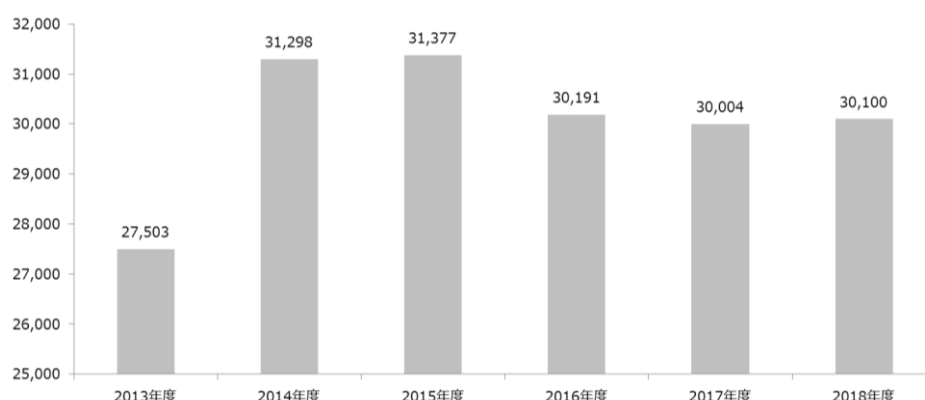
Characterized by the location in the Nishikasai area, this hotel is expected to attract both business travelers and leisure travelers as it has a good access to major business areas and sightseeing spots in Tokyo.

As to business trip accommodations, it is also expected that the hotel will attract demand of business travelers in a balanced manner not only who are visiting companies located along the Tozai Line, but also who are visiting companies located in the proximity of Kyobashi or Nihonbashi and IT-related companies located in Toyosu, as the Tozai Line is the hotel's main railway transportation.

As to leisure trip accommodations, the hotel guests are dominated by visitors to TDR. As shown in the chart below, the annual admission at TDR has constantly exceeded 30 million since 2014 and TDR is planning to introduce new products to achieve the highest number of visitors in 2020, so the demand related to TDR is expected to remain solid. Furthermore, the property has complimentary bus service to TDR. That will be the key catalyst to efficiently attract various types of visitors to TDR.

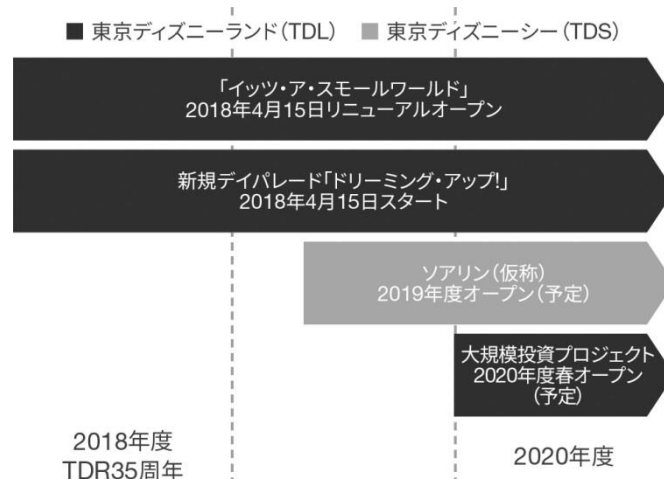
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<TDR theme park attendance (thousands of people)>



*Source: Prepared by the Asset Manager based on the “Theme Park Data” in the “FACT BOOK 2018,” Oriental Land Co., Ltd.

<TDR major new products>



*Source: Prepared by the Asset Manager based on the “2020 Medium-Term Plan,” Oriental Land Co., Ltd. as of April 27, 2017

The inbound demand and the demand for domestic visitors to Japan are the same as GLANSIT AKIHABARA. Additionally, MICE (Meeting, Incentive, Convention & Exhibition) demands will be another catalyst to attract visitors joining events held at large facilities including Tokyo Big Sight, Tokyo International Forum and Tokyo Tatsumi International Swimming Center. All in all, the Asset Manager believes that the hotel is expected to meet various demands for accommodation in an efficient manner.

Comprehensive evaluation by SAR: Evaluation on income stability and growth

For the following reasons, SAR believes the property can gain stable revenue over the medium to long-term and can also expect income growth from increased rent, etc. into the future.

- (1) Located in a 5-minute walk from the Nishikasai station on the Tozai Line, capable of attracting diversified demands for accommodation including demand of business travelers related to companies located along the Tozai line, leisure travelers visiting TDR and other sightseeing spots, inbound tourists mainly from Asia, as well as MICE demands related to various events held in Tokyo
- (2) Strong appeal to the both business and leisure guests with various types of rooms
- (3) Completed relatively recently in February 2017 and expected to lower repair costs

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(5) Hotel WBF Art Stay Namba

Property no.	HTL-08	Property name	Hotel WBF Art Stay Namba		Type	Hotel
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust		Trustee	Mitsubishi UFJ Trust and Banking Corporation	
Trust expiration date		September 30, 2028		Security	Unsecured	
Planned acquisition price		2,000 million yen		Planned acquisition date	September 6, 2018 ^(Note 1)	
Appraisal value		2,030 million yen		Seller	GK Topcat	
Location		5-2-3 Nipponbashi, Naniwa-ku, Osaka-shi, Osaka				
Indication of residential address		5-8-25 Nipponbashi, Naniwa-ku, Osaka-shi, Osaka				
Nearest station		Approx. 2-minute walk from Ebisucho Station on Osaka Metro Sakaisuji Line				
Land	Type of ownership	Proprietary ownership				
	Site area	335.31m ²	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		600%	
Building	Type of ownership	Proprietary ownership				
	Total floor area	2,061.38m ²	Use		Hotel	
	Construction completion	April 7, 2017	Structure and floors		Steel-framed reinforced concrete structure 9 floor above ground	
Property management company		BEST PROPERTY CORPORATION	Master lease company		—	
Status of leasing						
Total leasable area		2,061.46m ²	Total number of tenants		1	
Total leased area		Not disclosed ^(Note 2)	Monthly rent (including common area maintenance fee)		Not disclosed ^(Note 2) ^(Note 3)	
Occupancy rate		100.0%	Security and guarantee deposits		Not disclosed ^(Note 2)	
Special notation						
Not applicable.						

(Note 1) Planned acquisition date may change depending on the change of the payment date of the offering.

(Note 2) The information is undisclosed as consent to disclosure has not been obtained from end tenants.

(Note 3) Rents are comprised of fixed rents and variable rents.

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(unit: yen)

Summary of real estate appraisal report		
Property name	Hotel WBF Art Stay Namba	
Appraisal value	2,030,000,000	
Appraisal firm	Daiwa Real Estate Appraisal Co., Ltd.	
Date of value	July 1, 2018	
Item	Details	Description, etc.
Indicated value by income approach	2,030,000,000	Estimated by emphasizing the indicated value by DCF method and verifying with the indicated value by direct capitalization method.
Indicated value by direct capitalization method	2,050,000,000	
(1) Operating revenue ((a)-(b))	100,747,512	
(a) Gross potential income	100,747,512	
(b) Vacancy loss, etc.	0	
(2) Operating expenses	9,257,731	
Maintenance and management fee	0	Unrecorded as tenant owes.
Utilities expenses	0	Unrecorded as tenant owes.
Repair expenses	652,200	Appraised by reference to repair expenses of similar real estate.
Property management fee	1,800,000	Appraised based on estimates.
Tenant leasing cost, etc.	0	Unrecorded as tenant is expected to stay long term.
Property taxes	6,315,300	Appraised based on actual data.
Insurance premium	116,077	Appraised based on estimates judged appropriate.
Other expenses	374,154	Appraised based on actual data.
(3) Net operating income (NOI=(1)-(2))	91,489,781	
(4) Financial interests on deposits	485,000	Appraised investment return as 1.0%.
(5) Capital expenditures	1,557,020	Appraised by reference to renewal expense of similar real estate.
(6) Net cash flow (NCF=(3)+(4)-(5))	90,417,761	
(7) Capitalization rate	4.4%	Appraised based on comparison with past deals for similar real estate as the standard method.
Indicated value by DCF method	2,020,000,000	
Discount rate	4.2%	Appraised based on a combination of the method of comparing with past deals for similar real estate and the method of reflecting the characteristics of the real estate to the capitalization rate of the financial asset.
Terminal capitalization rate	4.6%	Appraised based on capitalization rate and comprehensively taking into account the uncertainty of the market.
Indicated value by cost approach	1,720,000,000	
Ratio of land	65.0%	
Ratio of building	35.0%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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Property information and acquisition highlight based on the survey by the Asset Manager

(1) Property information

- A business hotel, approx. 2-minute walk from Ebisucho Station on the Osaka Metro Sakaisuji Line
- Strong appeal to a variety of guests with total 100 of “artistic-taste” rooms, as well as restaurant on the first floor

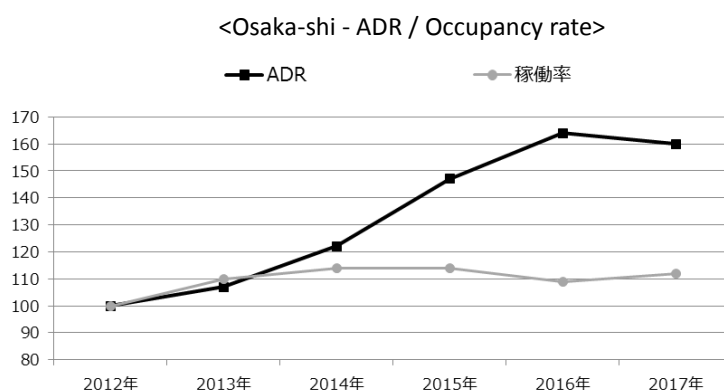
(2) Acquisition highlight

The property, which is owned by the Sponsor Group through an acquisition executed in a form of a negotiated transaction using the wide range of business relations, will be acquired by utilizing the Sponsor support <Sponsor fund>

Market analysis and independent analysis by the Asset Manager

(1) Market analysis

ADR and indices of occupancy rate in Osaka increased in 2017 to approx. 160 and approx. 112, respectively, assuming the figure in 2012 is 100, as shown in the chart below. Therefore, the hotel demand in Osaka is expected to continue steady growth.

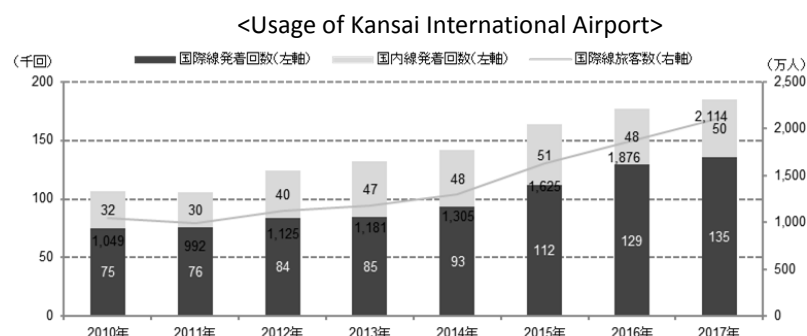


*Source: Japan Hotel Appraisal Co., Ltd.

(2) Independent analysis by the Asset Manager

The number of aircraft departures to and arrivals at Kansai International Airport reached a record high in the fiscal year 2017 since the opening, as the number of foreign visitors using the Airport has continued to increase in recent years due to flights between many Asian countries and a significant increase in LCCs.

In addition to such high inbound demand, the hotel is located near Namba, one of Osaka's leading commercial areas. Therefore, the Asset Manager believes that the hotel will maintain high ADR and occupancy rate.



*Note: Rounded to the nearest decimal place

*Source: Prepared by the Asset Manager based on disclosures by Kansai Airports

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Comprehensive evaluation by SAR: Evaluation on income stability
For the following reasons, SAR believes the property can gain stable revenue over the medium to long-term. (1) Located in the Namba area, one of Osaka’s leading commercial areas (2) A good access to the both business and tourism area enables to accommodate significant business- and tourism-based demand (3) Due to the impact of strong in-bound demand in Osaka, further hotel demand is expected (4) Completed relatively recently in April 2017 and expected to lower repair costs

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4. Description of Assets to be Transferred

(1) Urban Park Shin-Yokohama

Property no.	RSC-04	Property name	Urban Park Shin-Yokohama		Type	Residence
Overview of specified asset						
Type of specified asset		Beneficiary interest in trust		Trustee	Mitsubishi UFJ Trust and Banking Corporation	
Trust expiration date		April 30, 2026		Security	Unsecured	
Planned sales price		2,775 million yen		Planned transfer date	October 11, 2018	
Location		2-18-10 Shin-Yokohama, Kohoku-ku Yokohama-shi, Kanagawa and other				
Indication of residential address		2-18-5 Shin-Yokohama, Kohoku-ku Yokohama-shi, Kanagawa				
Nearest station		Approx. 9-minute walk from Shin-Yokohama Station on the JR Shinkansen and Yokohama Line, etc.				
Land	Type of ownership	Proprietary ownership				
	Site area	862.00m ²	Use district		Commercial district	
	Building coverage ratio	80%	Floor area ratio		600% ^(Note 1)	
Building	Type of ownership	Proprietary ownership				
	Total floor area	5,171.12m ²	Use		Apartment / Parking / Retail	
	Construction completion	May 30, 2009	Structure and floors		Steel-framed structure 1 floor below ground / 10 floors above ground	
Property management company		HASEKO LIVENET, Inc.		Master lease company	HASEKO LIVENET, Inc.	
Status of master leasing			Pass-through			
Total leasable area		3,989.11m ²		Total number of tenants	68	
Total leased area		3,825.27m ²		Monthly rent (including common area maintenance fee)	11,455,000 yen	
Occupancy rate						
		January 2018	February 2018	March 2018	April 2018	May 2018
		99.10%	97.12%	99.18%	97.63%	95.89%
Security and guarantee deposits			16,137,000 yen			
Special notation						
SAR is planning to settle the transfer on October 11, 2018, and thus the sales and purchase agreement falls under the forward commitment, etc. In case where the SAR or the buyer is in breach of any agreement or any representations and warranties provided in the Trust Beneficiary Interest Sales and Purchase Agreement and such breach is so material that the purpose of the agreement cannot be achieved, the non-breaching party may cancel the agreement after giving notice to the other party for a reasonable period of time, and may claim against the other party the amount equivalent to 20% of the sales price as a penalty at the same time as the exercise of the right of cancellation.						

(Note 1) Permitted floor area ratio (FAR) of the building is 597% due to the front road width.

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(unit: yen)

Summary of real estate appraisal report		
Property name	Urban Park Shin-Yokohama	
Appraisal value	2,580,000,000	
Appraisal firm	Daiwa Real Estate Appraisal Co., Ltd.	
Date of value	January 31, 2018	
Item	Details	Description, etc.
Indicated value by income approach	2,580,000,000	Estimated by emphasizing the indicated value by DCF method and verifying with the indicated value by direct capitalization method.
Indicated value by direct capitalization method	2,620,000,000	
(1) Operating revenue ((a)-(b))	152,716,068	
(a) Gross potential income	160,523,730	
(b) Vacancy loss, etc.	7,807,662	Recorded by taking into consideration the average vacancy rate in the area, and competitiveness of the subject real estate, etc.
(2) Operating expenses	31,178,354	
Maintenance and management fee	6,612,000	Appraised by confirming the actual date is appropriate by verifying the level of similar real estate.
Utilities expenses	1,592,263	Appraised by reference to the level of similar real estate and historical data.
Repair expenses	3,844,603	Appraised by reference to the level of similar real estate and the engineering report.
Property management fee	2,978,672	Recorded 2.0% of rent revenues etc. based on the current contract by verifying the level of similar real estate.
Tenant leasing cost, etc.	5,610,823	Recorded the rent for two months paid by a new tenant by reference to the tenant leasing cost, etc. of similar real estate
Property taxes	9,509,100	Appraised based on actual data.
Insurance premium	230,893	Recorded the actual data by reference to the level of similar real estate.
Other expenses	800,000	Appraised by reference to the level of similar real estate and historical data of discretionary reserve for maintenance and management fee and other miscellaneous costs
(3) Net operating income (NOI=(1)-(2))	121,537,714	
(4) Financial interests on deposits	136,421	Appraised investment return as 1.0%.
(5) Capital expenditures	3,664,183	Appraised based on the engineering report by reference to the level of similar real estate.
(6) Net cash flow (NCF=(3)+(4)-(5))	118,009,952	
(7) Capitalization rate	4.5%	Appraised by comprehensively taking into consideration of competitiveness of the subject real estate.
Indicated value by DCF method	2,560,000,000	
Discount rate	4.3%	Appraised by comprehensively taking into consideration of competitiveness of the subject real estate.
Terminal capitalization rate	4.7%	Appraised by reflecting aging risk, market trend risk, etc.
Indicated value by cost approach	2,490,000,000	Estimated by making depreciation adjustment to replacement cost.
Ratio of land	60.9%	
Ratio of building	39.1%	
Matters considered in reconciliation of indicated values and determination of appraisal value	Determined using the indicated value by income approach as standard and by reference to the indicated value by cost approach.	

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5. Planned Seller and Transferee Profile

(1) Planned Seller Profile

①Amusement Media Gakuin Honkan

Name	GK El Toro
Location	5-1-4 Toranomon, Minato-ku, Tokyo
Representative	Representative partner: Ippanshadanhoujin Shichirigahama Operational executor: Takaaki Fukunaga
Main business description	1. Acquisition, ownership and disposition of beneficiary interest in trust of real estate 2. Acquisition, ownership and disposition of loan claims 3. Acquisition, ownership and disposition of corporate bonds, silent partnership interest and other securities 4. Sales, leasing, management, acquisition, ownership, disposition and use of real estate 5. All business incidental to the above
Capital	100,000 yen
Established	July 27, 2015
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 no	The Seller does not fall under the category of interested person, etc. as provided in the Act on Investment Trusts and Investment Corporations (Act No.198 of 1951; including its amendments) (the “Investment Trusts Act”), but 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 acquisition of the assets, the Asset Manager has performed deliberation and approval in accordance with the voluntary rules.

②Higashi-Kobe Center Building

©Ngasari KREB Center Building

Name	SA Harbor Bridge Fund GK
Location	c/o TOKYO UNITED GROUP, 2-9-15 Yotsuya, Shinjuku-ku, Tokyo
Representative	Representative partner: SA Harbor Holdings Ippanshadanhoujin Operational executor: Takuya Ikeda
Main business description	1. Acquisition, ownership, management and disposition of securities and beneficiary interest in trust 2. Acquisition, ownership and disposition of real estate for sale 3. Acquisition, ownership and disposition of loan claims 4. All business incidental to the above
Capital	100,000 yen
Established	April 11, 2018
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 no	The Seller does not fall under the category of interested person, etc. as provided in the Investment Trust Act.

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

③GLANSIT AKIHABARA

SPECIAL ADMINISTRATOR	
Name	GK Lightning
Location	5-1-4 Toranomon, Minato-ku, Tokyo
Representative	Representative partner: Ippanshadanhoujin Koshigoe Operational executor: Takaaki Fukunaga
Main business description	1. Acquisition, ownership and disposition of beneficiary interest in trust of real estate 2. Acquisition, ownership and disposition of loan claims 3. Acquisition, ownership and disposition of corporate bonds, silent partnership interest and other securities 4. Sales, leasing, management, acquisition, ownership, disposition and use of real estate 5. All business incidental to the above
Capital	100,000 yen
Established	October 1, 2015
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 no	The Seller does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties”, 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 acquisition of the assets, the Asset Manager has performed deliberation and approval in accordance with the voluntary rules.

④Best Western Tokyo Nishikasai Grande

Name	GK Byte
Location	5-1-4 Toranomom, Minato-ku, Tokyo
Representative	Representative partner: Ippanshadanhoujin Shinko Operational executor: Takaaki Fukunaga
Main business description	1. Acquisition, ownership, and disposition of beneficiary interest in trust of real estate 2. Acquisition, ownership and disposition of loan claims 3. Acquisition, ownership and disposition of corporate bonds, silent partnership interest and other securities 4. Sales, leasing, management, acquisition, ownership, disposition and use of real estate 5. All business incidental to the above
Capital	100,000 yen
Established	July 27, 2015
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 no	The Seller does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties”, 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 acquisition of the assets, the Asset Manager has performed deliberation and approval in accordance with the voluntary rules.

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⑤ Hotel WBF Art Stay Namba

③Note: W&P Art Stay Nambo

Name	GK Topcat
Location	5-1-4 Toranomom, Minato-ku, Tokyo
Representative	Representative partner: Ippanshadanhoujin Sarushima Operational executor: Takaaki Fukunaga
Main business description	1. Acquisition, ownership, and disposition of beneficiary interest in trust of real estate 2. Acquisition, ownership and disposition of loan claims 3. Acquisition, ownership and disposition of corporate bonds, silent partnership interest and other securities 4. Sales, leasing, management, acquisition, ownership, disposition and use of real estate 5. All business incidental to the above
Capital	100,000 yen
Established	October 20, 2015
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 no	The Seller does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties”, 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 acquisition of the assets, the Asset Manager has performed deliberation and approval in accordance with the voluntary rules.

(2) Planned Transferee Profile

Name	Kyushu Railway Company
Location	3-25-21 Hakata-ekimae, Hakata-ku, Fukuoka-shi
Representative	Toshihiko Aoyagi, President and Representative Director
Main business description	1. Passenger railway services 2. Freight railway services 3. Marine transportation services 4. Passenger vehicle transportation business 5. Travel agency business 6. ~26. Omitted
Capital	16 billion yen
Established	April 1, 1987
Net asset	383,201 million yen (consolidated)
Total asset	749,573 million yen (consolidated)
Major shareholders and shareholding ratio	Morgan Stanley MUFG Securities Co., Ltd. 5.55% (as of March 31, 2018)
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 no	The Seller does not fall under the category of interested person, etc. as provided in the Investment Trust Act.

(Note) “Interested parties” are (i) the Interested Parties of the Asset Manager as provided in Article 201, Paragraph 1 of the Investment Trust Act, (ii) the shareholders and officers of the Asset Manager, (iii) SPCs which execute an investment management agreement with the shareholders of the Asset Manager, (iv) SPCs a majority of investment of which are made by the Asset Manager and the shareholders of the Asset Manager, (v) Star Asia Management Limited, Star Asia Management Japan Limited, Star Asia Asset Management LLC, Star Asia Group LLC, Star Asia Asset Advisors Co., Ltd., Star Asia Sogo Kaihatsu Co., Ltd., Malcolm F. MacLean IV, Taro Masuyama, as well as investment vehicles invested by funds under management of Malcolm F. MacLean IV and Taro Masuyama (excluding minority investment) which (a) are located in Japan to own or acquire real estates or other investment assets and (b) own or acquire the investment units of SAR. This applies to any other assets described below.

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

(1) Amusement Media Gakuin Honkan

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK El Toro	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	September 30, 2016	—

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

(2) Higashi-Kobe Center Building

The asset has not been acquired from any parties who have special interests in SAR or the Asset Manager.

(3) GLANSIT AKIHABARA

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Lightning	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	2,112 million yen	—
Acquisition period	October 30, 2017	—

The current owner strategically decided to acquire “GLANSIT AKIHABARA,” before the completion, taking development risks.

Upon acquisition, the Asset Manager conducted due diligence pursuant to its internal rules and considered and verified whether the planned acquisition price of SAR is appropriate. Given that the planned acquisition price of SAR is below the appraisal value, the Asset Manager believes that the planned acquisition price of SAR is appropriate.

(4) Best Western Tokyo Nishikasai Grande

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Byte	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	(Note)	—
Acquisition period	February 28, 2017	—

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

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(5) Hotel WBF Art Stay Namba

	Current owner, current trustee	Previous owner, previous trustee
Company name	GK Topcat	Other than the one in a relationship of special interest
Relationship with parties who have special interests	The company does not fall under the category of interested person, etc. as provided in the Investment Trusts Act, but falls under the category of interested party prescribed in the “Rules on Transactions with Interested Parties” set forth by the Asset Manager.	—
Acquisition background and reason, etc.	Acquired for investment management purpose	—
Acquisition price	1,650 million yen	—
Acquisition period	April 27, 2018	—

The current owner strategically decided to acquire “Hotel WBF Art Stay Namba,” newly completed on April 7, 2018, while the occupancy rate is unknown.

Upon acquisition, the Asset Manager conducted due diligence pursuant to its internal rules and considered and verified whether the planned acquisition price of SAR is appropriate. Given that the planned acquisition price of SAR is below the appraisal value, the Asset Manager believes that the planned acquisition price of SAR is appropriate.

7. Transaction with interested person, etc.

The Acquisitions are not transactions with interested person, etc., as provided in the Investment Trusts Act, but each sellers in the asset acquisition other than Higashi-Kobe Center Building 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 on the acquisition of the asset other than Higashi-Kobe Center Building, the Asset Manager has performed deliberation and approval in accordance with the voluntary rules.

The Transfer is not transactions with interested person, etc., as provided in the Investment Trusts Act.

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8. Overview of broker

(1) Amusement Media Gakuin Honkan、GLANSIT AKIHABARA、Best Western Tokyo Nishikasai Grande、Hotel WBF Art Stay Namba

1) Overview of broker

Name	Jones Lang LaSalle, Inc.
Location	2-13-10 Nagata-cho, Chiyoda-ku, Tokyo
Representative	Toshinobu Kawanishi, President and Representative Director
Main business description	1. Consultant and research of real estate investment 2. Trading and bartering of real estate 3. ~25. Omitted
Capital	195 million yen
Established	April 23, 1985
Relationship with SAR or the Asset Manager	
Capital relationship	There is no capital relationship to report.
Personnel relationship	There is no personnel relationship to report.
Business relationship	There is no business relationship to report.
Related party or no	The company does not fall under the category of related party of SAR/the Asset Manager.

2) Breakdown and value of the brokerage commission

Since the consent has not been obtained from the broker, the information is not disclosed as an undisclosed case due to unavoidable reasons.

(2) Higashi-Kobe Center Building

1) Overview of broker

Name	Tokyu Livable, Inc.
Location	1-9-5 Dogenzaka, Shibuya-ku, Tokyo
Representative	Shinji Sakai, President
Main business description	1. Real Estate brokerage 2. Seller agency 3. Property Sales
Capital	1,396.3 million yen
Established	March 10, 1972
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 no	The company does not fall under the category of related party of SAR/the Asset Manager.

2) Breakdown and value of the brokerage commission

Since the consent has not been obtained from the broker, the information is not disclosed as an undisclosed case due to unavoidable reasons.

(3) Urban Park Shin-Yokohama

As for name, etc. and breakdown and value of the brokerage commission, since the consent has not been obtained from the domestic company as the broker, the information is not disclosed.

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9. Schedule for the Transactions

(1) Schedule for the Acquisitions

August 21, 2018	Acquisition decided Conclusion of a sale and purchase agreement of beneficiary interest in trust
September 6, 2018 (Planned Acquisition Date)	Acquisition of beneficiary interest in trust (planned) Payment of acquisition price (planned) Conclusion of a master lease agreement and property management agreement (planned)

(2) Schedule for the Transfer

August 21, 2018	Transfer decided Conclusion of a sale and purchase agreement of beneficiary interest in trust Receipt of deposit (277,500,000 yen)
October 11, 2018 (Planned Transfer Date)	Transfer of beneficiary interest in trust (planned) Receive of transfer price after deduction of deposit (planned)

10. Settlement method

The acquisition prices of the Acquisitions will be settled in lump sum payment on September 6, 2018. As for the Asset to be Transferred, SAR will receive deposit of 277,500,000 yen on the contract date of the sale and purchase agreement of beneficiary interest in trust and rest of the amount will be paid on the scheduled transfer date.

11. Future outlook

As a result of the Transactions, there will be a change in assumption described in “Notice Concerning Revision to Forecasts for Operating Results and Distribution for the 5th Fiscal Period Ending July 31, 2018 and 6th Fiscal Period Ending January 31, 2019” announced as of July 23, 2018. Please refer to “Notice Concerning Revision to Forecasts for Operating Results for the 6th Fiscal Period Ending January 31, 2019 and Forecasts for Operating Results and Distribution for the 7th Fiscal Period Ending July 31, 2019” announced as of August 21, 2018 for further details.

<Reference Materials>

- Reference Material 1: Portfolio list after the Transactions
- Reference Material 2: Summary of earthquake risk analysis
- Reference Material 3: Location maps/photos of exterior of properties

<Reference>

Other Press Releases Announced as of Today

- Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units
- Notice Concerning Revision to Forecasts for Operating Results for the 6th Fiscal Period Ending January 31, 2019 and Forecasts for Operating Results and Distribution for the 7th Fiscal Period Ending July 31, 2019
- Notice Concerning Debt Financing
- Notice Concerning Partial Amendment to the Management Guidelines of the Asset Manager
- Notice Concerning Execution of Agreement on Preferential Negotiation Rights to secure Acquisition Pipeline for Future Growth
- Notice Concerning Determination of the Planned Acquisition Date and Change of the Funds for Acquisition
- Supplementary Material on Press Releases (Acquisition of Properties through Public Offering) Announced as of Today

* This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

* Star Asia Investment Corporation website address: <http://starasia-reit.com/en/>

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Reference Material 1 Portfolio list after the Transactions

<Real Estate, etc.>

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	3,150	2.9
OFC-03	Honmachibashi Tower	Chuo-ku, Osaka-shi, Osaka	6,065	6,920	6.0
OFC-04	Nishi-Shinjuku Matsuya Building	Shibuya-ku, Tokyo	1,763	2,430	1.7
OFC-05	Alphabet Seven	Minato-ku, Tokyo	1,725	2,330	1.7
OFC-06	Shibuya MK Building	Shibuya-ku, Tokyo	2,042	2,810	2.0
OFC-08	Asahi Building	Kanagawa-ku, Yokohama-shi, Kanagawa	6,320	6,890	6.2
OFC-09	Hakata-eki East Place	Hakata-ku, Fukuoka-shi, Fukuoka	2,286	2,480	2.3
OFC-10	Nihonbashi Hamacho Park Building	Chuo-ku, Tokyo	1,450	1,520	1.4
OFC-11	Amusement Media Gakuin Honkan	Shibuya-ku, Tokyo	2,580	2,660	2.5
OFC-12	Higashi-Kobe Center Building	Higashinada-ku, Kobe-shi, Hyogo	7,440	7,470	7.3
Office subtotal			34,644	38,660	34.2
RSC-01	Urban Park Azabujuban	Minato-ku, Tokyo	2,045	2,170	2.0
RSC-02	Urban Park Daikanyama	Shibuya-ku, Tokyo	6,315	7,310	6.2
RSC-05	Urban Park Namba	Naniwa-ku, Osaka-shi, Osaka	1,490	1,610	1.5
RSC-06	Urban Park Gokokuji	Toshima-ku, Tokyo	1,460	1,510	1.4
RSC-07	Urban Park Kashiwa	Kashiwa-shi, Chiba	1,186	1,190	1.2
RSC-08	Urban Park Ryokuchi Koen	Suita-shi, Osaka	1,550	1,570	1.5
RSC-09	Urban Park Koenji	Suginami-ku, Tokyo	1,167	1,170	1.2
Residence subtotal			15,213	16,530	15.0
LGC-01	Iwatsuki Logistics	Iwatsuki-ku, Saitama-shi, Saitama	6,942	7,130	6.8
LGC-02	Yokohama Logistics	Kanagawa-ku, Yokohama-shi, Kanagawa	3,560	4,050	3.5
LGC-03	Funabashi Logistics	Funabashi-shi, Chiba	7,875	8,560	7.8
LGC-04	Baraki Logistics	Ichikawa-shi, Chiba	4,700	4,890	4.6
LGC-05	Tokorozawa Logistics	Tokorozawa-shi, Saitama	1,300	1,400	1.3
LGC-06	Funabashi Nishiura Logistics I	Funabashi-shi, Chiba	3,000	3,010	3.0
LGC-07	Funabashi Nishiura Logistics II	Funabashi-shi, Chiba	821	833	0.8
LGC-08	Matsubushi Logistics	Kitakatsushika-gun, Saitama	2,755	2,850	2.7
Logistics subtotal			30,953	32,723	30.5
HTL-01	R&B Hotel Umeda East	Kita-ku, Osaka-shi, Osaka	2,069	2,290	2.0
HTL-02	Smile Hotel Namba	Naniwa-ku, Osaka-shi, Osaka	1,750	1,750	1.7
HTL-03	BEST WESTERN Tokyo Nishikasai	Edogawa-ku, Tokyo	3,827	3,890	3.8
HTL-04	BEST WESTERN Yokohama	Tsurumi-ku, Yokohama-shi, Kanagawa	3,248	3,270	3.2
HTL-05	Hotel WBF Fukuoka Tenjin Minami (Note 5)	Chuo-ku, Fukuoka-shi, Fukuoka	1,970	1,990	1.9
HTL-06	GLANSIT AKIHABARA	Chiyoda-ku, Tokyo	2,500	2,520	2.5
HTL-07	Best Western Tokyo Nishikasai Grande	Edogawa-ku, Tokyo	3,180	3,200	3.1
HTL-08	Hotel WBF Art Stay Namba	Naniwa-ku, Osaka-shi, Osaka	2,000	2,030	2.0
Hotel subtotal			20,544	20,940	20.3
Real Estate etc. Total			101,354	108,853	100.0

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(Note 1) "Location" indicates the minimum independent administrative district of which each asset held by SAR as of today (the "Existing Assets (real estate, etc.)") and Assets to be Acquired is located except for mezzanine loan debt described in the <Mezzanine> below.

(Note 2) "(Planned) acquisition price" indicates, except for Minami-Azabu Shibuya Building, the sale and purchase price stated in each sale and purchase contract for Existing Assets (real estate, etc.), and "planned acquisition price" indicates the planned sale and purchase price stated in the sale and purchase agreement for Assets to be Acquired, rounded to the nearest million yen. The sale and purchase price or the planned sale and purchase price does not include consumption tax, local consumption tax and various expenses required for the acquisition. As to Minami-Azabu Shibuya Building, since price for each property is not set in the sale and purchase agreement, the total sale and purchase price of the property is divided proportionally based on the ratio of appraisal value of the property at the time of acquisition and indicated as "(planned) acquisition price."

(Note 3) "Real estate appraisal values" is the opinions of value stated in the real estate appraisal report with January 31, 2018 as the date of valuation for Existing Assets (real estate, etc.), November 1, 2017 as the date of valuation for Nihonbashi Hamacho Park Building, Urban Park Ryokuchi Koen, Urban Park Koenji, Funabashi Nishiura Logistics I and Funabashi Nishiura Logistics II acquired during the 5th Fiscal Period, July 1, 2018 as the date of valuation for Assets to be Acquired including Hotel WBF Fukuoka Tenjin Minami, each rounded to the nearest million yen.

(Note 4) "Investment ratio" is the ratio of (planned) acquisition price for each Existing Assets (real estate, etc.) / Assets to be Acquired to the total of (planned) acquisition prices of each Existing Assets (real estate, etc.) / Assets to be Acquired each rounded to the first decimal place.

(Note 5) Hotel WBF Fukuoka Tenjin Minami is the asset to be acquired described in "Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust" announced as of July 23, 2018.

(Note 6) The anticipated transferred asset (Urban Park Shin-Yokohama) and Hakata-eki Higashi 113 Building as the anticipated transferred asset described in "Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust" announced as of July 23, 2018 are excluded.

<Mezzanine>

	Asset no.	Asset type	Asset name (overview)	Investment ratio (%) (Note 1)	Acquisition price (million yen) (Note 2)	Interest rate (Note 3)	Acquisition date	Investment ratio to the entire portfolio (%) (Note 4)
Mezzanine loan debt	MEZ-01	Corporate bond	The 1st Unsecured Subordinate Bonds issued by the Haneda Hotel Development GK (Series A) (Name: Star Asia Mezzanine Loan Debt Investment Series 1)	54.5	400 (Note 5)	Base rate (Note 6) +5.0%	October 31, 2017	0.4
	MEZ-02	Beneficiary interest in trust	Subordinate beneficiary interest of trust with loan claims (non-recourse loan) to the GK Japan B Asset as main asset in trust, which holds Sasazuka South Building as collateral asset (Name: Star Asia Mezzanine Loan Debt Investment Series 2)	45.5	334	Base rate (Note 7) +5.0%	December 22, 2017	0.3
	Mezzanine loan debt Total			100.0	734	—	—	0.7

(Note 1) "Investment ratio" is the acquisition price expressed as a percentage of the sum total of mezzanine loan debt.

(Note 2) "Acquisition price" is the sale and purchase price in the bond transfer agreement and the sale price of beneficiary interest in the beneficiary interest transfer agreement (each do not include transfer-related costs), each rounded down to the nearest million yen.

(Note 3) "Interest rate" includes the dividend from the invested mezzanine loan debt.

(Note 4) "Investment ratio to the entire portfolio" is the acquisition price of each mezzanine loan debt as a percentage of the sum total of (scheduled) acquisition price of the portfolio (including Existing Assets (real estate, etc.) and Assets to be Acquired) including the mezzanine loan debt after the Transactions and the transactions described in "Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust" announced as of July 23, 2018.

(Note 5) "400" means 400 million yen of total issued bonds amount of 701 million yen.

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- (Note 6) Base rate is JBA 3-month JPY TIBOR. The Japanese yen TIBOR can be confirmed on the website of the JBA TIBOR Administration (<http://www.jbatibor.or.jp/english/rate/>). The same applies hereinafter. For each interest calculation period, the rate announced at 11 a.m. (Tokyo time) two business days prior to the last day of the previous calculation period of the relevant calculation period (the first date is two business days prior to the closing date of the senior loan which will be made closing with the payment of the bond) will be applied as the base rate.
- (Note 7) Base rate is JBA 3-month JPY TIBOR. For each interest calculation period, the rate announced at 11 a.m. (Tokyo time) two business days prior to the last day of the previous calculation period of the relevant calculation period (the first date is December 20, 2017) will be applied as the base rate.

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Reference Material 2 Summary of earthquake risk analysis

Type	Property no.	Property name	PML (%)
Office Residence	OFC-01	Minami-Azabu Shibuya Building	12.6
	OFC-03	Honmachibashi Tower	2.7
	OFC-04	Nishi-Shinjuku Matsuya Building	12.2
	OFC-05	Alphabet Seven	7.8
	OFC-06	Shibuya MK Building	13.1
	OFC-08	Asahi Building	4.8
	OFC-09	Hakata-eki East Place	7.3
	OFC-10	Nihonbashi Hamacho Park Building	12.1
	OFC-11	Amusement Media Gakuin Honkan	12.5
	OFC-12	Higashi-Kobe Center Building	Higher bldg.: 4.7 Lower bldg.: 12.1
Residence	RSC-01	Urban Park Azabujuban	7.2
	RSC-02	Urban Park Daikanyama	Existing bldg.: 12.7 Bldg. A: 10.2 Bldg. B: 7.9
	RSC-05	Urban Park Namba	13.2
	RSC-06	Urban Park Gokokuji	9.2
	RSC-07	Urban Park Kashiwa	10.0
	RSC-08	Urban Park Ryokuchi Koen	Apartment house: 8.8 Parking bldg.: 4.0
	RSC-09	Urban Park Koenji	A bldg.: 6.7 B bldg.: 6.9
Logistics	LGC-01	Iwatsuki Logistics	12.2
	LGC-02	Yokohama Logistics	10.8
	LGC-03	Funabashi Logistics	Bldg. 1-A: 13.9 Bldg. 1-B: 14.4 Bldg. 2: 11.1
	LGC-04	Baraki Logistics	10.9
	LGC-05	Tokorozawa Logistics	Warehouse: 9.7 Office: 3.8
	LGC-06	Funabashi Nishiura Logistics I	Warehouse: 8.8 Office: 13.5
	LGC-07	Funabashi Nishiura Logistics II	Office: 14.3 Factory: 15.9 Warehouse: 14.0
	LGC-08	Matsubushi Logistics	9.8
Hotel	HTL-01	R&B Hotel Umeda East	11.4
	HTL-02	Smile Hotel Namba	12.3
	HTL-03	BEST WESTERN Tokyo Nishikasai	13.3
	HTL-04	BEST WESTERN Yokohama	7.9
	HTL-05	Hotel WBF Fukuoka Tenjin Minami ^(Note 2)	7.8
	HTL-06	GLANSIT AKIHABARA	7.5
	HTL-07	Best Western Tokyo Nishikasai Grande	9.0
	HTL-08	Hotel WBF Art Stay Namba	11.0
Entire portfolio (33 properties) ^(Note 3)			2.63

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- (Note 1) The figure in the entire portfolio column is the PML for the entire portfolio of the Existing Assets (real estate, etc.) / Assets to be Acquired (portfolio PML) based on “portfolio earthquake risk evaluation report” prepared by Deloitte Tohmatsu Property Risk Solution Co., Ltd. dated July 2018.
- (Note 2) Hotel WBF Fukuoka Tenjin Minami is the asset to be acquired described in “Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust” announced as of July 23, 2018.
- (Note 3) The anticipated transferred asset (Urban Park Shin-Yokohama) and Hakata-eki Higashi 113 Building as the anticipated transferred asset described in “Notice Concerning Acquisition and Transfer (Asset Replacement) of Real Estate Beneficiary Interests in Trust” announced as of July 23, 2018 are excluded.

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1. OFC-11 Amusement Media Gakuin Honkan



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2. OFC-12 Higashi-Kobe Center Building



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3. HTL-06 GLANSIT AKIHABARA



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4. HTL-07 Best Western Tokyo Nishikasai Grande



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