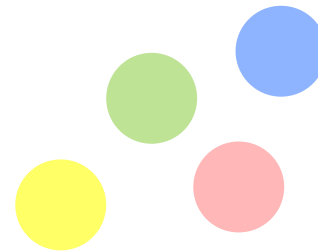


Fiscal Period Ended April, 2022

15th Financial Results Briefing



SEKISUI HOUSE REIT, INC.

June 17, 2022

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Executive Summary

1 Business performance Aim to maintain DPU of around JPY 1,700

- FP 15 DPU was JPY 1,698, unchanged from guidance and down JPY 105 (P/P -5.8%)
- DPU forecast is JPY 1,688 for FP 16 (2022/10) and JPY 1,680 for FP 17 (2023/4)
Maintain a policy of around JPY 1,700 by increasing NOI with replacement of assets, recording a gain on disposition, and utilizing internal reserves, etc.

2 Growth strategy Improve profitability through replacement of assets and buyback

- The disposition of The Ritz-Carlton, Kyoto
Planned disposition price: JPY 23.0 billion, gain on disposition (expected): JPY 0.6 billion, NOI yield: 1.7%, building age: 8.7 years
- The acquisition of 2 residential properties (Prime Maison EGOTANOMORI, Prime Maison Waseda dori)
Planned acquisition price: JPY 12.7 billion, average appraisal NOI yield: 4.9%, average building age: 3.6 years
- Buyback
Total acquisition price: JPY 4.0 billion (maximum)

3 ESG Steady implementation of initiatives to achieve KPIs

- New acquisition of green certifications (10 residential properties, 3 office buildings)
Percentage of portfolio with green certifications (based on total floor area) result: 66.0% (as of the date of this document)
- Introduction of renewable energy (106 residential properties, 2 office buildings)
Portfolio CO₂ emissions intensity: 45% reduction compared to FY 2018 (approximate value due to switch)
- Borrowings through Positive Impact Finance
Procured JPY 6.0 billion via SHR's first Positive Impact Finance loan agreement, term: 7 years, interest rate: 0.665%
- Inclusion in the MSCI Japan ESG Select Leaders Index

Operational Status by Asset (FP 15 Results)

Office building: Vacancies emerging, but occupancy has been determined for some

Residential: Maintained occupancy rate in the 96% range; showing a gradual recovery trend

	FP 15 (results)
Office building	<ul style="list-style-type: none"> Avg. occupancy rate during FP: 97.3%, occupancy rate at the end of FP (as of the end of April 2022): 97.9% Vacancy at 2 properties in the Tokyo area have emerged. Garden City Shinagawa Gotenyama filled 1,189.94m² in March, Akasaka Garden City filled 508.55m² in November and 311.03m² in February. Maintained stable operation for the 4 properties in the Osaka and Nagoya areas with an occupancy rate of 100.0%. Gotenyama SH Building is on a long-term lease to a single tenant with 8.7 years remaining on the lease.
Residential	<ul style="list-style-type: none"> Avg. occupancy rate during FP: 96.5%, occupancy rate at the end of FP (as of the end of April 2022): 96.5% Implemented occupancy-oriented measures, such as the provision of free rent, etc. Rate of change in rent decreased to around -0.1%. By area, major cities nationwide performed well; by room type, family type performed well. On the other hand, trends in Tokyo 23 wards and single unit type continue to show relative weakness.
(Retail tenants)	<ul style="list-style-type: none"> Shortened business hours due to the issuance of emergency declarations continued to affect the food and service industry. There have been continued requests for rent concessions (abatement or deferrals), but the impact is negligible.
Hotel	<ul style="list-style-type: none"> Domestic tourism demand stagnated due to measures such as preventing the spread of COVID-19, but since March when pre-emergency measures have been lifted, weekends showed gradual recovery. Close to zero inbound demand continued due to severe immigration restrictions. Both The Ritz-Carlton, Kyoto and St. Regis Hotel Osaka recorded income of fixed rent only.

* Retail tenants refers to tenants engaged in restaurants or service industries that occupy mainly lower floors of office buildings or the first floor of residential buildings.

Financial Result (FP 15)

Vs. Previous FP: NOI increased due to asset replacement in FP 14 and FP 15, but both revenue and operating income decreased due to the disappearance of gain on disposition

Vs. Guidance: Increase in income due to reductions in SG&A and non-operating expenses

	FP 15 (Ended Apr. 2022) Result	Vs. Previous FP	Vs. Guidance	FP 14 (Ended Oct. 2021) Result	FP 15 Guidance (Announced on Dec. 15, 2021)
Operating Revenue	14,756 JPY million	(2,534) JPY million	+8 JPY million	17,291 JPY million	14,748 JPY million
Operating Income	7,625 JPY Million	(1,787) JPY million	+22 JPY million	9,413 JPY million	7,603 JPY million
Ordinary Income	6,746 JPY million	(1,774) JPY million	+43 JPY million	8,520 JPY million	6,702 JPY million
Net Income	6,745 JPY million	(1,774) JPY million	+43 JPY million	8,520 JPY million	6,701 JPY million
Reversal of Internal Reserve	778 JPY million	+370 JPY million	(43) JPY million	408 JPY million	822 JPY million
Internal Reserve	— JPY million	+1,195 JPY million	— JPY million	(1,195) JPY million	— JPY million
Total Distribution	7,524 JPY million	(208) JPY million	— JPY Million	7,732 JPY million	7,524 JPY million
Net Income per unit	1,522 JPY	(464) JPY	+10 JPY	1,986 JPY	1,512 JPY
DPU	1,698 JPY	(105) JPY	— JPY	1,803 JPY	1,698 JPY

Balance of Internal Reserve (after distribution of FP 15) : JPY 1,410 million (JPY 417 million in RTA (Reserve for Temporary Difference Adjustments) and JPY 993 million in reserve for reduction entry)

	NOI		NOI Yield		Average occupancy rate during the period	
	FP 15 (Result)	Vs. Previous FP	FP 15 (Result)	Vs. Previous FP	FP 15 (Result)	Vs. Previous FP
Office building	5,275 JPY million	+196 JPY million	4.0 %	(0.1) pt.	97.3 %	(1.0) pt.
Residential	5,554 JPY million	(6) JPY million	4.4 %	(0.1) pt.	96.5 %	+0.3 pt.
Hotel	524 JPY million	+3 JPY million	2.7 %	+0.1 pt.	100.0 %	— pt.
Entire portfolio	11,354 JPY million	+193 JPY million	4.1 %	(0.1) pt.	96.9 %	— pt.

Analysis of Change Factors in FP 15

Vs. FP 14 Results

Office building

Higher property-related operating income (due to additional acquisition of Akasaka GC)	JPY +261 Million
Lower rent revenue (existing properties)	JPY (77) Million
Lower utilities revenue (existing properties)	JPY (27) Million
Lower repair expenses (existing properties)	JPY +18 Million

Residential

Disappearance of gain on disposition (disposition in FP 14)	JPY (2,452) Million
Higher property-related operating income (due to asset replacement in FP 14 and FP 15)	JPY +19 Million
Higher rent revenue (existing properties)	JPY +41 Million
Lower other miscellaneous income (existing properties, insurance claim income)	JPY (17) Million

Hotel

Lower repair expenses	JPY +5 Million
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SG&A

Lower asset management fees	JPY +398 Million
Lower taxes and public charges	JPY +116 Million

Vs. FP 15 Guidance

Higher property-related operating income (due to additional acquisition of Akasaka GC)	JPY +13 Million
Lower rent revenue (existing properties)	JPY (22) Million
Higher utilities revenue (existing properties)	JPY +14 Million
Lower other lease expenses (existing properties, leasing-related expenses)	JPY +24 Million

Lower property-related operating income (due to property acquisition in FP 14 and FP 15)	JPY (16) Million
Higher rent revenue (existing properties)	JPY +19 Million
Higher utilities expenses (existing properties)	JPY (16) Million
Higher repair expenses (existing properties)	JPY (19) Million

Lower repair expenses	JPY +4 Million
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Lower taxes and public charges	JPY +2 Million
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- Major factors are listed in parentheses.
- Existing properties refers to owned properties as of the end of FP 13, excluding properties disposed of in FP 14.

Operational Status by Asset (FP 16 / FP 17 Assumptions)

Office building: All vacancies and floor reductions have been confirmed; to focus on leasing activities

Residential: Occupancy rates expected to remain steady; full-scale increase in rent will take time

	FP 16 and FP 17 (forecasts and assumptions)
Office building	<ul style="list-style-type: none"> Assumed avg. occupancy rate during FP: FP 16 at 96.6%, FP 17 at 95.8%. Floor reduction and lease cancellation (total: 5,439.30m²) has been determined for Garden City Shinagawa Gotenyama in FY 16. A need to move and floor expansion for an existing tenant of Akasaka Garden City resulted in a net floor increase of 579.48m²; however, 3 tenants with a total of 1,211.77m² are scheduled to cancel. Leasing activities including the provision of free rent, splitting up the space, and other concessions will be promoted for a total of 8,901.15m² in vacancy space (equivalent to approximately 6.5% of the office building portfolio).
Residential	<ul style="list-style-type: none"> Assumed avg. occupancy rate during FP: FP 16 at 96.2%, FP 17 at 96.3%. Aim to continue focusing on occupancy rates. Rent increase is also taken into consideration, but it will take time for full-scale rent increases. Demand is expected to gradually recover due to the bottoming out of deterioration in operation of single unit type in Tokyo 23 wards and the fluctuation in population trending positively, in addition to an upward trend in the jobs-to-applicants ratio.
Hotel	<ul style="list-style-type: none"> Domestic demand is expected to recover to a certain extent. Assuming to book only fixed rent as revenue for The St. Regis Osaka in FP 16 and FP 17. As for The Ritz-Carlton, Kyoto, it is assumed that variable component will be difficult to incur until at least the fiscal period ending April 30, 2024 (FP 19), thus planning disposition to Sekisui House, the sponsor, within FP 16 and expect to record a gain in disposition of JPY 613 million.

Financial Forecast (FP 16/FP 17)

Operating income to increase in FP 16 due to the record of gain on disposition

Office NOI to decrease, but residential NOI expected to increase due to replacement of assets

	FP 16 (Ending Oct. 2022) Forecast	Vs. FP 15 (Ended Apr. 2022) Result	FP 17 (Ending Apr. 2023) Forecast	Vs. FP 16 (Ending Oct. 2022) Forecast
Operating Revenue	15,610 JPY million	+854 JPY million	15,188 JPY million	(421) JPY million
Operating Income	7,893 JPY million	+267 JPY million	7,373 JPY million	(520) JPY million
Ordinary Income	6,996 JPY million	+250 JPY million	6,456 JPY million	(539) JPY million
Net Income	6,995 JPY million	+250 JPY million	6,456 JPY million	(539) JPY million
Reversal of Internal Reserve etc.	483 JPY million	(294) JPY million	987 JPY million	+504 JPY million
Internal Reserve	— JPY million	— JPY million	— JPY million	— JPY million
Total Distribution	7,479 JPY million	(44) JPY million	7,444 JPY million	(35) JPY million
Net Income per unit	1,578 JPY	+56 JPY	1,457 JPY	(121) JPY
DPU	1,688 JPY	(10) JPY	1,680 JPY	(8) JPY

JPY 61 million in ATA (Allowance for Temporary Difference Adjustments) is included in the amount of reversal of internal reserve for FP 17 forecast.

	NOI		NOI Yield		Average occupancy rate during the period	
	FP 16 Forecast	FP 17 Forecast	FP 16 Forecast	FP 17 Forecast	FP 16 Forecast	FP 17 Forecast
Office building	5,070 JPY million	5,002 JPY million	3.8 %	3.7 %	96.6 %	95.8 %
Residential	5,765 JPY million	5,948 JPY million	4.4 %	4.4 %	96.2 %	96.3 %
Hotel	425 JPY million	329 JPY million	2.6 %	3.8 %	100.0 %	100.0 %
Entire portfolio	11,260 JPY million	11,280 JPY million	4.0 %	4.1 %	96.4 %	96.3 %

* For the forecasts for FP 16 and FP 17, the number of investment units issued and outstanding is calculated at 4,431,133 units.

Analysis of Change Factors Assumed in FP 16 & FP 17 Guidance

FP 16 vs. FP 15 Results

Office building

Lower rent revenue	JPY (132) Million
Higher utilities revenue	JPY +42 Million
Higher utilities expenses	JPY (33) Million
Higher taxes and public charges (property tax)	JPY (45) Million

Residential

Higher property-related operating income (property acquisition in FP 16)	JPY +102 Million
Higher rent revenue (owned properties as of the end of FP 15)	JPY +132 Million
Higher repair expenses (owned properties as of the end of FP 15)	JPY (29) Million
Higher depreciation costs (owned properties as of the end of FP 15)	JPY (40) Million

Hotel

Record of gain on disposition (disposition of The Ritz-Carlton, Kyoto)	JPY +613 Million
Lower property-related operating income (disposition of The Ritz-Carlton, Kyoto)	JPY (81) Million

SG&A

Higher asset management fees	JPY (67) Million
Higher taxes and public charges (Due to a rise in ratio of tax-exemption from disposition)	JPY (91) Million

FP 17 vs. FP 16 Guidance

Lower rent revenue	JPY (3) Million
Lower utilities revenue	JPY (36) Million
Lower utilities expenses	JPY +21 Million
Higher repair expenses	JPY (17) Million

Higher property-related operating income (property acquisition in FP 16)	JPY +95 Million
Higher rent revenue (owned properties as of the end of FP 15)	JPY +27 Million
Higher depreciation costs (owned properties as of the end of FP 15)	JPY (26) Million

Disappearance of gain on disposition (disposition of The Ritz-Carlton, Kyoto)	JPY (613) Million
Lower property-related operating income (disposition of The Ritz-Carlton, Kyoto)	JPY (54) Million

Lower asset management fees	JPY +78 Million
Lower taxes and public charges	JPY +65 Million

* Major factors are listed in parentheses.

Profit and Loss Comparison

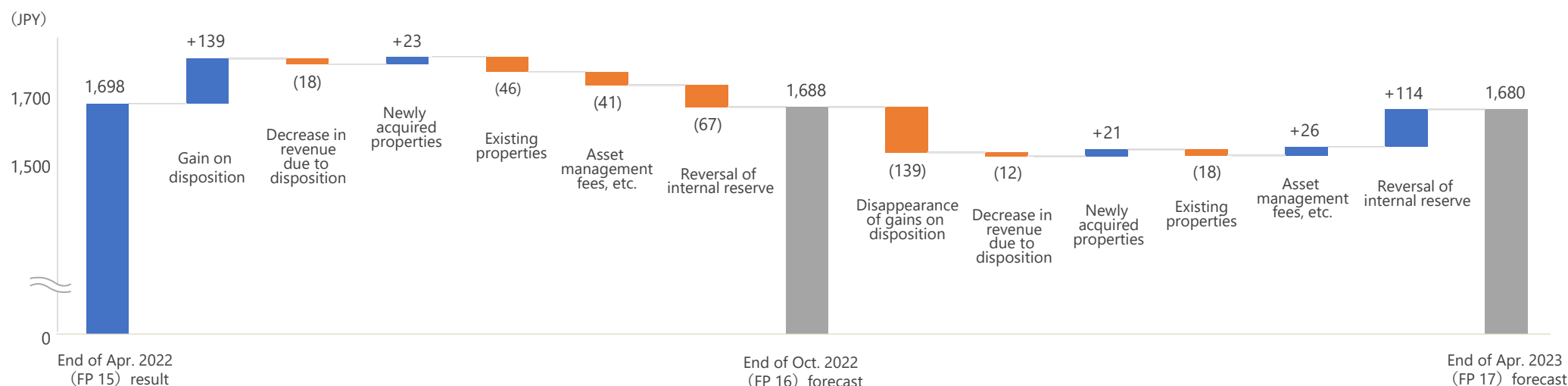
(unit : JPY million)										
	FP 14	FP 15			FP 16		FP 17		FP15	
	Result	Result	Vs. FP 14 Result	Vs. Guidance	Forecast	Vs. FP 15 Result	Forecast	Vs. FP 16 Guidance	Guidance	
Property-related operating revenue	14,474	14,756	+282	+8	14,997	+240	15,188	+191	14,748	
Rent revenue – real estate	14,065	14,355	+289	(19)	14,567	+211	14,795	+228	14,374	
Other lease business revenue	408	401	(6)	+27	429	+28	393	(36)	373	
Utilities revenue	186	180	(6)	+14	229	+48	193	(35)	166	
Non-refundable deposits received	63	63	+0	+5	56	(7)	54	(1)	57	
Renewal fees income	118	127	+8	(3)	125	(2)	128	+3	130	
Other miscellaneous income	39	30	(9)	+11	19	(10)	16	(2)	18	
Property-related operating expenses	5,769	5,892	+123	+1	6,313	+420	6,544	+231	5,890	
Subcontract expenses	566	569	+3	(1)	597	+28	619	+22	570	
Property management fees	432	468	+35	+0	471	+3	482	+11	468	
Trust fees	41	44	+2	+0	43	(1)	50	+6	43	
Utilities expenses	272	311	+39	+31	375	+63	356	(19)	280	
Property and other taxes	1,028	1,017	(11)	(6)	1,067	+50	1,068	+1	1,023	
Property tax	1,002	991	(10)	(6)	1,040	+49	1,042	+1	997	
Insurance expenses	17	17	(0)	(0)	18	+0	17	(0)	17	
Repair expenses	370	336	(34)	+10	394	+58	407	+13	326	
Other expenses related to rent business	583	637	+53	(29)	768	+130	905	+137	666	
Depreciation	2,455	2,489	+34	(2)	2,577	+87	2,636	+59	2,491	
Property-related operating income and loss	8,704	8,864	+159	+6	8,683	(180)	8,643	(39)	8,857	
Gain and loss on sale of real estate properties	2,452	–	(2,452)	–	613	+613	–	(613)	–	
Selling, general and administrative expenses	1,744	1,238	(505)	(16)	1,403	+165	1,270	(133)	1,254	
Asset management fees	1,308	910	(398)	+5	977	+67	899	(78)	904	
Operating income	9,413	7,625	(1,787)	+22	7,893	+267	7,373	(520)	7,603	
Non-operating income	0	1	+0	+1	0	(1)	0	–	0	
Non-operating expenses	893	881	(12)	(19)	897	+15	916	+19	900	
Ordinary income	8,520	6,746	(1,774)	+43	6,996	+250	6,456	(539)	6,702	
Net Income	8,520	6,745	(1,774)	+43	6,995	+250	6,456	(539)	6,701	
Capital Expenditures	727	700	(26)	(85)	912	+212	1,116	+203	786	
Property-related operating revenue	(Office)	6,184	6,448	+263	(5)	6,349	(98)	6,308	(40)	6,453
	(Residential)	7,671	7,690	+19	+13	8,136	+445	8,477	+341	7,676
	(Hotel)	618	618	–	–	511	(106)	402	(109)	618
Property-related operating income and loss	(Office)	4,256	4,419	+163	+25	4,213	(206)	4,138	(74)	4,394
	(Residential)	4,053	4,047	(5)	(26)	4,155	+107	4,251	+95	4,074
	(Hotel)	395	397	+2	+8	315	(82)	254	(60)	388

Strengthen Profitability Through Asset Replacement (1) (Overview)

Acquired two residential properties developed by Sekisui House and acquired its own investment units using proceeds from the disposition of the hotel

Disposition	1 Hotel property (Kyoto)	Acquisition	2 Residentials (Tokyo 23 ward)	Further use of surplus funds
	The Ritz-Carlton, Kyoto		Prime Maison EGOTANOMORI Prime Maison Waseda dori	Buyback Program
	Planned disposition price JPY 23,000 million		Planned disposition price JPY 12,700 million	< Impact on forecasted DPU >
	Gain on disposition (expected) JPY 613 million		Average appraisal NOI yield 4.9%	FP 16 JPY 1,688 → JPY 1,705 (JPY + 17)
	NOI yield 1.7%		Average appraisal NOI yield after depreciation 3.0%	FP 17 JPY 1,680 → JPY 1,699 (JPY + 19)
	NOI yield after depreciation 1.2%		Average building age 3.6 years	
	Building age 8.7 years		Planned acquisition date August 2, 2022	
	Planned disposition date August 2, 2022			

Factors affecting the forecasted DPU



* DPU forecasts (without considering the units acquisition, etc.) are calculated based on the certain conditions as of today. The actual DPU amount may differ in accordance with changes in situation; additionally, this notice does not guarantee the DPU amount stated above.

* DPU forecasts (considering the units acquisition, etc.) are calculated under the premise of the DPU forecasts (without considering the units acquisition, etc.) as mentioned above and based on the closing price of SHR's investment units on May 31, 2022 of JPY 79,500, along with the assumption that the maximum acquisition price (JPY 4 billion) is reached and the total number of investment units acquired is 50,314 units and all acquired own investment units are cancelled during the fiscal period ending October 31, 2022 (FP 16). The actual DPU forecasts (considering the units acquisition, etc.) may differ depending on the actual total number of investment units acquired and total acquisition price of the investment units, etc. The same will apply hereinafter.

Strengthen Profitability Through Asset Replacement (2) (Asset Disposition)

Dispose The Ritz-Carlton, Kyoto, which is not expected to generate variable component for some time, and expect to record a gain of JPY 613 million
Will consider reacquisition once demand for travel recovers and stable income can be determined

H-002 The Ritz-Carlton, Kyoto



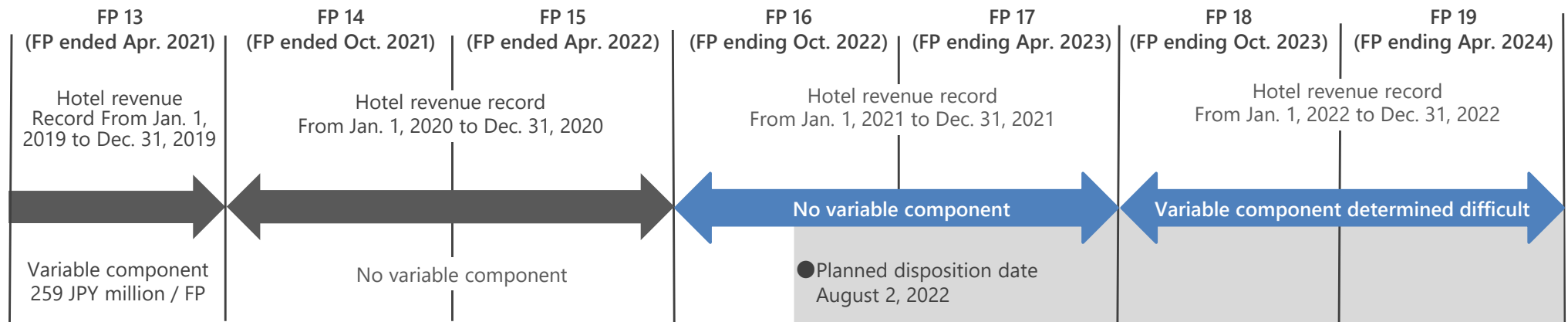
Reason for the disposition

- The outlook for the timing of recovery in inbound travel demand is uncertain.
- There is a time lag between the hotel's operating period and the timing of variable component accrual (see figure below), and the period of non-accrual of variable component is expected to continue until at least FP ending April 2024 (FP 19).
- NOI yield after depreciation 1.2%
- Secure the source to stabilize distributions for FP 17 by booking a gain on disposition (expected) of JPY 613 million.

Future actions

- Transferred to Sekisui House and returned to sponsor pipeline to retain preferential negotiating rights.
- Plans to consider reacquisition if it is determined that a recovery in demand for travel, including inbound travel, will generate stable revenues in the future.

The relationship between hotel revenue records and SHR's rental income



Strengthen Profitability Through Asset Replacement (3) (Asset Acquisition)

To acquire two residential properties in Tokyo 23 wards developed by the sponsor, Sekisui House, utilizing the proceeds from the disposition of the hotel

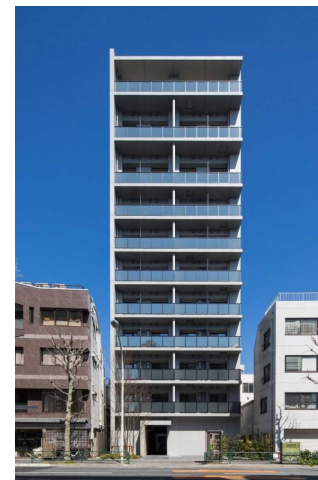
R-123 Prime Maison EGOTANOMORI



- Located approx. a 10-minute walk from Shin-egota Station on the Toei Subway Oedo Line.
- It consists of five properties : rental condominiums for families, a rental condominium for students and single-persons, a serviced housing for the elderly, and a paid nursing home with long-term care.
- Good living environment with elementary schools, junior high schools, libraries, etc. in the neighborhood, as well as a children's club, a day-care center on the premises.

Location	3-14-1~5 Egota, Nakano-ku, Tokyo
Planned acquisition date	August 2, 2022
Planned acquisition price	JPY 10,500 million
Appraisal value	JPY 10,800 million (As of June 1, 2022)
Appraisal NOI yield	5.2%
Structure / Floors	RC・S / 14F
Completed / Building age	Jul. 2018 / 3.9 years (As of the date of this document)
Total leasable area	29,048.95㎡ (total 622 units (include 3 stores))
Occupancy rate	96.4% (As of the end of April 2022)
Master lessor (type)(planned)	Sekisui House Real Estate Tokyo, Ltd. (Pass-through type)

R-124 Prime Maison Waseda dori



- Located approx. a three-minute walk from Waseda Station on the Tokyo Metro Tozai Line, and approximately a 12-minute walk from Edogawabashi Station on the Tokyo Metro Yurakucho Line, and Ushigome-yanagicho Station on the Toei Oedo Line, making it convenient to access Shinjuku and Shibuya.
- "Waseda" area, is known as an educational district with Waseda University and Gakushuin Women's College, etc.; the surrounding area is also well-equipped with various convenience facilities.
- Room types consist of 1R, 1K, and 1LDK.

Location	79-2 Wasedamachi, Shinjuku-ku, Tokyo
Planned acquisition date	August 2, 2022
Planned acquisition price	JPY 2,200 million
Appraisal value	JPY 2,420 million (As of June 1, 2022)
Appraisal NOI yield	3.7%
Structure / Floors	RC / 11F
Completed / Building age	Feb. 2020 / 2.3 years (As of the date of this document)
Total leasable area	1,819.35㎡ (total 65 units)
Occupancy rate	93.2% (As of the end of April 2022)
Master lessor (type)(planned)	Sekisui House Real Estate Tokyo, Ltd. (Pass-through type)

Strengthen Profitability Through Asset Replacement (4)

(Prime Maison EGOTANOMORI)

Acquired SHR's first large-scale residence including senior assets "Prime Maison EGOTANOMORI"
Stable income expected as some of the properties include long-term lease agreements and special fixed-rent agreement



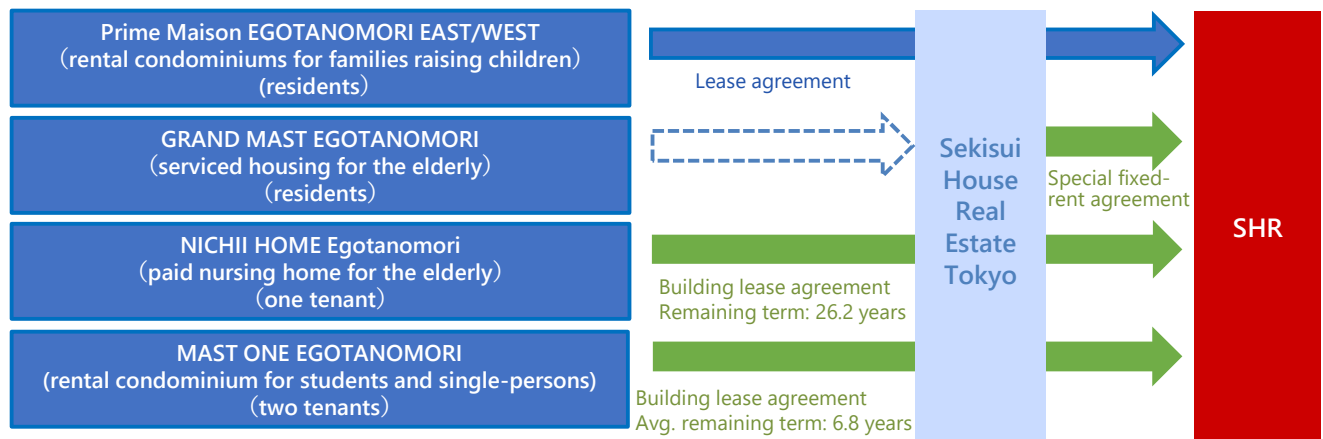
► Overview of the Asset

The community was developed under the concept of "creating a sustainable community nurtured by multiple generations" and has a children's club, a day-care center, a restaurant, a convenience store, and paid car sharing service on the premises.

"Egotanomori Project" won the "39th Green City Award in the Green Business Activities Category, Minister of Land, Infrastructure, Transport and Tourism Award", "2019 Good Design Award", "Urban Landscape Award in the Urban Space Category Excellence Award", and "2019 Kids Design Award in the Easy to have and raise children design category".

► Stable revenue scheme including long-term lease agreements and fixed-rent scheme

Assumes stable income from two senior assets and rental condominium for students and single-persons with fixed-rents



► Installation of ESG conscious features

Solar power generation is installed on the roof of Prime Maison EGOTANOMORI EAST and Prime Maison EGOTANOMORI WEST and used as part of the electricity for common areas; all units are equipped with ENE-FARM. This property is also equipped with a stockpile of disaster prevention equipment, a bench with oven function, and a well with access to water in case of a disaster.



* "Senior assets" refers to serviced housing for the elderly, paid nursing homes and adult day care centers.

Investment Units Buyback Program

SHR decided to acquire its own investment units for the first time, as the investment unit price continues to fall below NAV per unit

Details of the buyback

Planned total number of investment units to be acquired	Up to 70,000 units (1.6% of the total number of investment units issued and outstanding (excluding the number of the investment units owned by SHR))
Planned total acquisition price of the investment units	Up to JPY 4,000,000,000
Acquisition period	From June 16, 2022 to September 30, 2022
Total number of investment units issued and outstanding (excluding the number of investment units owned by SHR)	4,431,133 units

Effects of the buyback (estimated value)

DPU forecast

FP 16 forecast	JPY 1,688	▶ <u>JPY 1,705 (+JPY 17)</u>
FP 17 forecast	JPY 1,680	▶ <u>JPY 1,699 (+JPY 19)</u>

- Maximize the effectiveness of measures by utilizing the disposition proceeds at the time of property disposition.
- Aiming to increase unitholder value over the medium- to long-term by improving forecast DPU and NAV.

Trend of the investment unit price

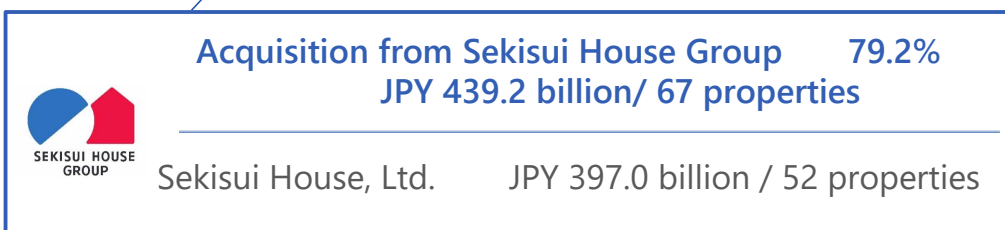
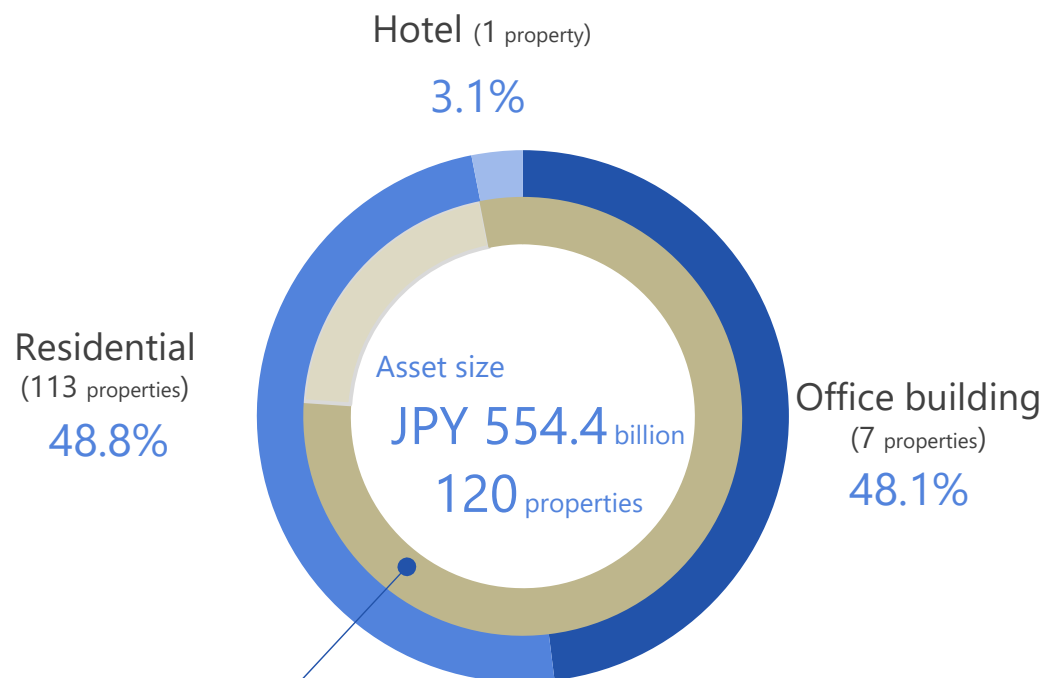


SHR's Portfolio

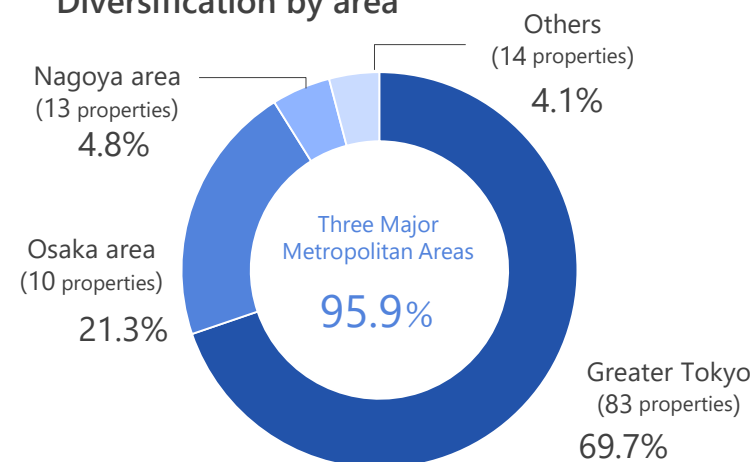
No change in the medium- to long-term for SHR's portfolio development policy

► Diversification of SHR's Portfolio (After asset replacement / Planned acquisition price basis)

■ Diversification by asset type

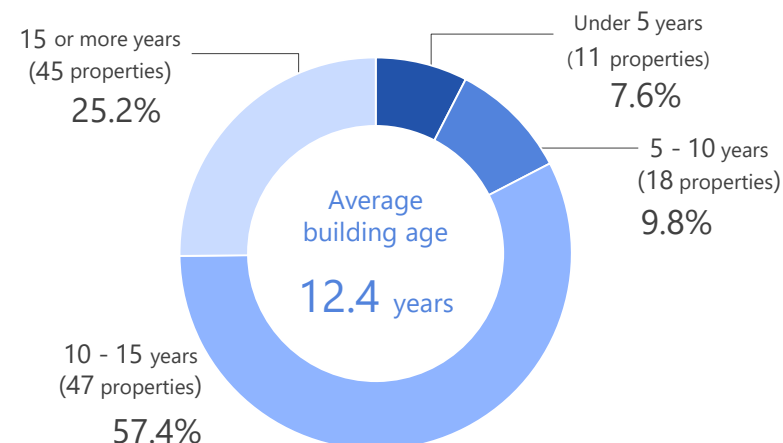


■ Diversification by area



Three Major Metropolitan Areas by assets
Office building 100.0%/Residential 91.5%/Hotel 100.0%

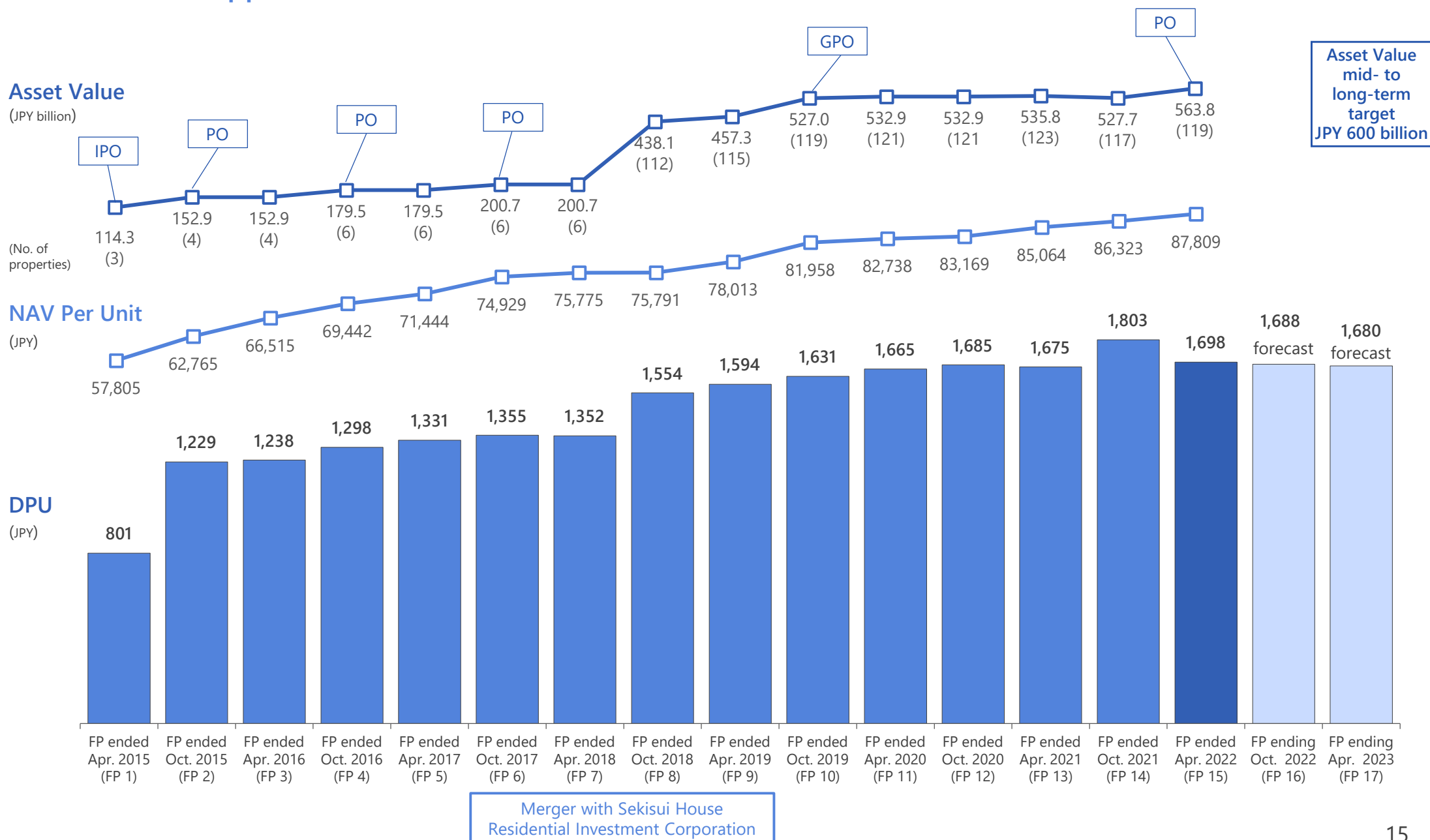
■ Diversification by building age



Average building age by assets
Office building 12.4 years / Residential 12.3 years / Hotel 12.2 years

DPU and NAV Per Unit

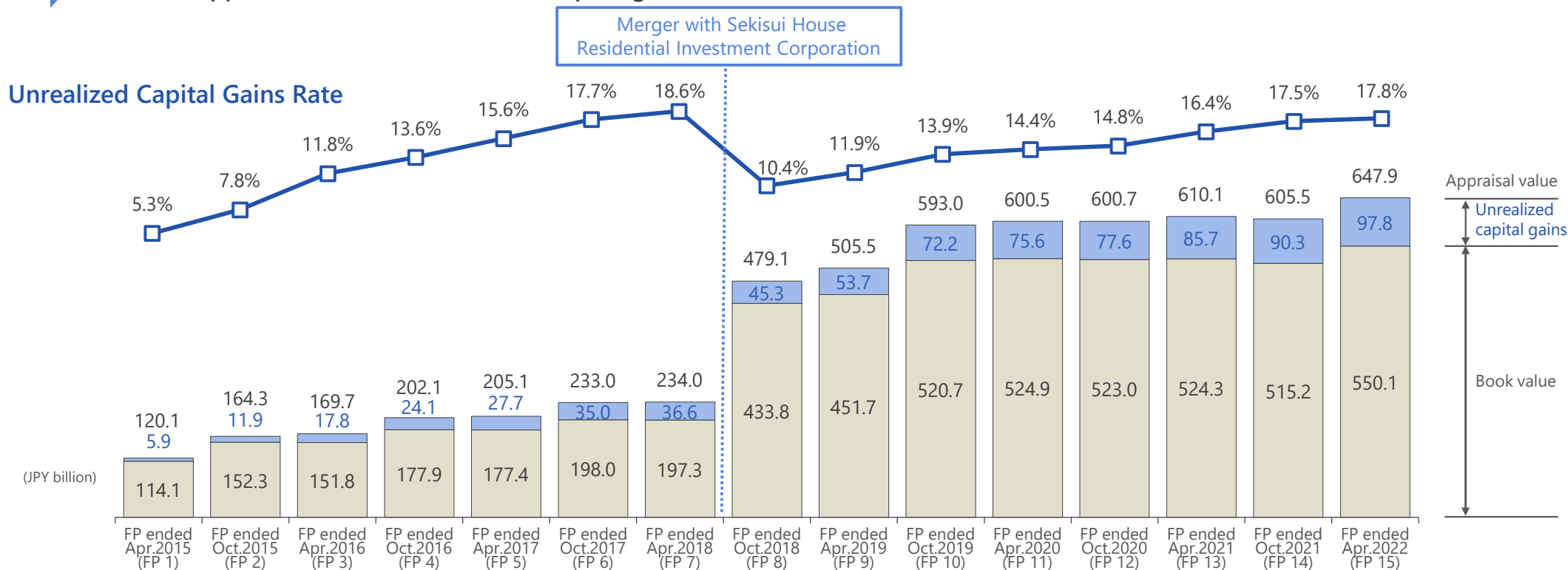
NAV per unit increased by JPY+1,486 from the previous period to JPY 87,809, mainly due to the increase in appraisal value



Trends of Appraisal Value

Appraisal value increased mainly due to a decrease in cap rates, and unrealized capital gains increased by JPY+7.5 billion from the previous period to JPY 97.8 billion

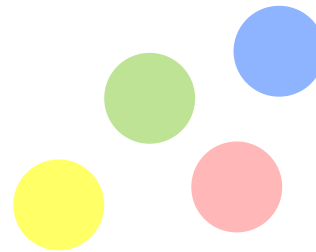
► Trends of Appraisal value and unrealized capital gains rate



► Breakdown of appraisal value by asset type as of FP 15

	Office building		Residential		Hotel		Entire portfolio	
	FP 15 Result	vs. FP 14	FP 15 Result	vs. FP 14	FP 15 Result	vs. FP 14	FP 15 Result	vs. FP 14
Appraisal value	317.3 ^{JPY billion}	+22.1 ^{JPY billion}	290.2 ^{JPY billion}	+20.2 ^{JPY billion}	40.3 ^{JPY billion}	+0.1 ^{JPY billion}	647.9 ^{JPY billion}	+42.4 ^{JPY billion}
Average cap rate	3.3 %	(0.1) pt.	3.8 %	(0.1) pt.	3.5 %	— pt.	3.5 %	(0.1) pt.
Unrealized capital gains	58.8 ^{JPY billion}	+1.4 ^{JPY billion}	37.4 ^{JPY billion}	+5.8 ^{JPY billion}	1.5 ^{JPY billion}	+0.2 ^{JPY billion}	97.8 ^{JPY billion}	+7.5 ^{JPY billion}
Unrealized capital gains rate	22.8 %	(1.4) pt.	14.8 %	+1.6 pt.	3.9 %	+0.5 pt.	17.8 %	+0.3 pt.

Portfolio Status



Office building Portfolio

► Portfolio list

(As of the end of Apr. 2022)

	Location	Acquisition price		Leasable area		End-tenant average rent (JPY/tsubo)		End-tenant occupancy rate	
		(JPY million)	%	(㎡)	%	As of end of FP 14	As of end of FP 15	As of end of FP 14	As of end of FP 15
Garden City Shinagawa Gotenyama	Shinagawa-ku, Tokyo	71,950	12.8%	38,577.99	6.9%	26,684	26,028	95.5 %	98.6 %
Akasaka Garden City	Minato-ku, Tokyo	50,000	8.9%	21,735.43	3.9%	30,212	28,726	87.8 %	89.4 %
Hommachi Minami Garden City	Osaka-shi, Osaka	44,000	7.8%	29,657.53	5.3%	22,740	22,853	100.0 %	100.0 %
Hommachi Garden City (office portion)	Osaka-shi, Osaka	38,600	6.8%	17,006.94	3.0%	31,897	31,898	100.0 %	100.0 %
HK Yodoyabashi Garden Avenue	Osaka-shi, Osaka	4,400	0.8%	4,554.52	0.8%	17,950	17,950	100.0 %	100.0 %
Hirokoji Garden Avenue	Nagoya-shi, Aichi	6,350	1.1%	4,442.75	0.8%	23,512	23,415	100.0 %	100.0 %
Gotenyama SH Building	Shinagawa-ku, Tokyo	51,500	9.1%	19,999.97	3.6%	30,000	30,000	100.0 %	100.0 %
Office total		266,800	47.3%	135,975.13	24.4%	26,868	26,697	97.4 %	97.9 %
The office portion of Hommachi GC on a fixed-rent master lease						29,280	29,280	100.0 %	100.0 %
Office portfolio total (considering with fixed-rent master lease)						26,508	26,363	97.4 %	97.9 %

► Renewal Result and Trends in leases (including existing tenants returning or adding spaces)

(As of the end of May 2022)
(cases)

	FP 13	FP 14	FP 15	FP 16 (Forecast)	FP 17 (Forecast)	FP 18 (Forecast)
Slated due for renewal	2,143.63㎡ (6)	14,379.16㎡ (6)	23,050.01㎡ (11)	6,847.83㎡ (7)	4,854.75㎡ (6)	17,108.83㎡ (7)
Renewed	875.33㎡ (4)	12,662.30㎡ (6)	22,230.43㎡ (9)	4,754.34㎡ (6)	2,331.00㎡ (1)	— (—)
Vacated	(2,285.39)㎡ (3)	— (—)	(819.58) ㎡ (2)	(2,093.49)㎡ (1)	(1,211.77)㎡ (3)	— (—)
Space returned	— (—)	(1,716.86)㎡ (1)	— (—)	(3,345.81)㎡ (1)	— (—)	— (—)
New/additional lease	508.55㎡ (1)	251.21㎡ (1)	2,009.52㎡ (3)	— (—)	579.48㎡ (1)	— (—)
Change in lease area	(1,776.84) ㎡	(1,465.65)㎡	+1,189.94㎡	(5,439.30)㎡	(632.29)㎡	—
Rate of rent change	+5.0 %	+3.6 %	(5.4) %	—	—	—

* Figures for Akasaka Garden City as of the end of FP 14 in the "Portfolio list" are excluded the second acquisition portion acquired on November 1, 2021.

* The existing fixed-rent master lease for the office portion of Hommachi Garden City expires May 18, 2024 (however the lease may be terminated before that date).

* "Acquisition price" and percentages for the "Leasable area" are provided as percentages of the total portfolio.

* End-tenant average rent in the "Portfolio list" is excluded retail tenants in each office building.

* Figures for "Renewal Result" and "Trends in leases (including existing tenants returning or adding spaces)" are excluded retail tenants in each office buildings and end tenants in the office portion of Hommachi Garden City, which is on a fixed-rent master lease.

Operation Status of Office Buildings (1) (GC Shinagawa Gotenyama)

One floor space reduction and one vacancy were confirmed in FP 16; focusing on filling vacant space quickly



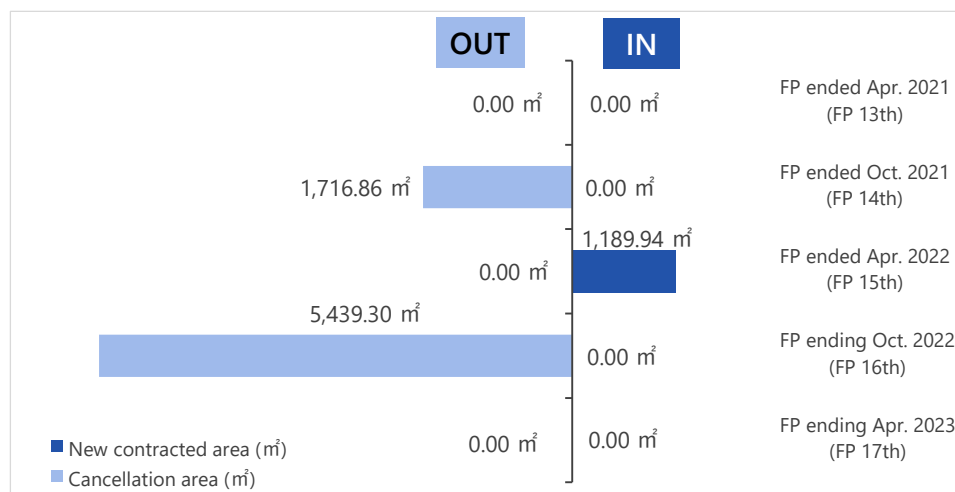
Shinagawa-ku, Tokyo



2022 S Rank

CO₂ emission intensity:
0.0527 t-CO₂/m²
(FY 2020 result)

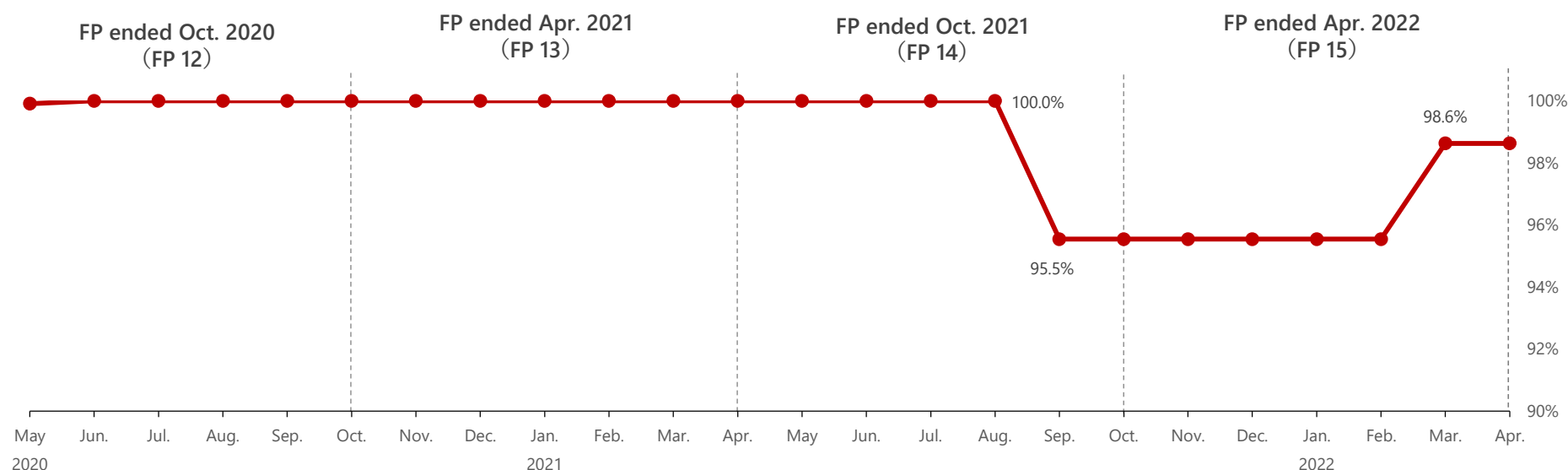
Trends in cancellations and new contracts (including existing tenants returning or adding spaces)



Current status and future initiatives

- Signed lease with a new tenant for 0.2 floors (1,189.94 m²) in March 2022 and leasing is underway for the remaining 526.92 m². Conducted multiple viewings.
- One tenant will move out 2,093.49 m² at the end of July 2022, and one large tenant's floor space reduction of 3,345.81 m² was confirmed at the end of August 2022, resulting in a 5,966.22 m² vacant space combined with the existing vacant space.
- The Shinagawa area has not been able to demonstrate its superiority in terms of transportation convenience due to COVID-19, but with the resumption of economic activity, relocation cases of all floor sizes have gradually begun to take place.
- Conduct leasing by promoting the building as a high quality, environmentally friendly office building while flexibly dividing the vacant space.

Monthly occupancy rate trend



Operation Status of Office Buildings (2) (Akasaka GC)

Floor space expansion by the existing tenant is confirmed. Continued to focus on leasing to quickly backfill the vacant spaces



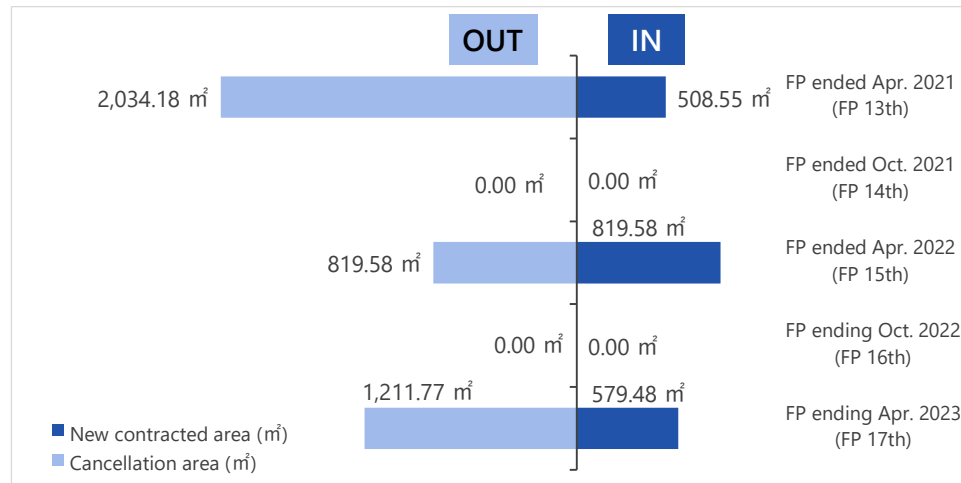
Minato-ku, Tokyo



CO₂ emission intensity:
0.0624 t-CO₂/m²
(FY 2020 result)

2020 S Rank
2022 S Rank

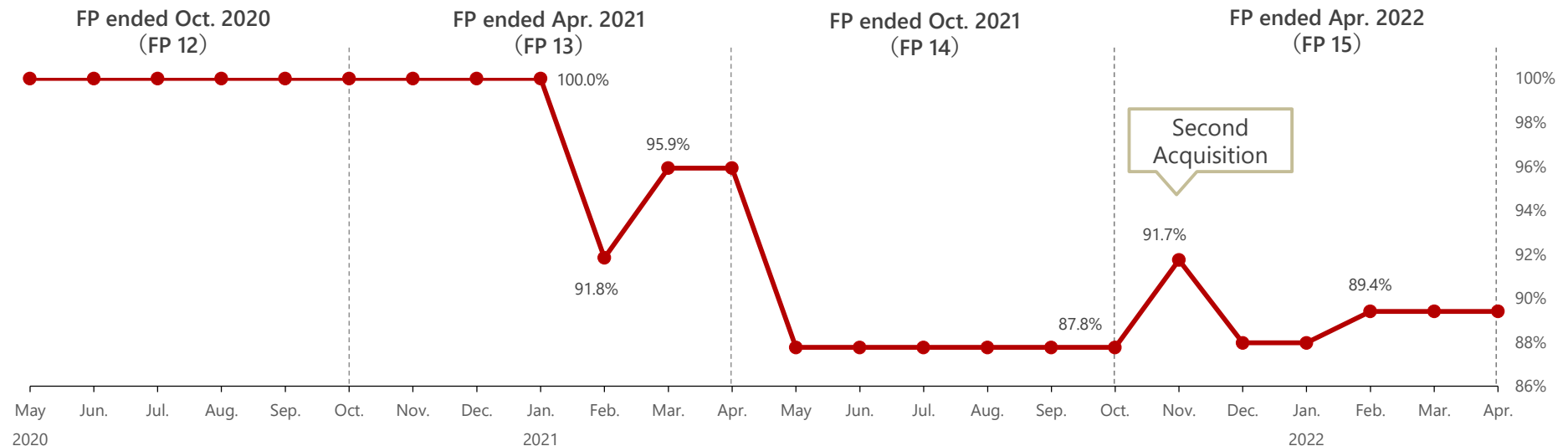
Trends in cancellations and new contracts (including existing tenants returning or adding spaces)



Current status and future initiatives

- Signed lease with a new tenant for 0.3 floors (311.03m²) in February. (Down Time : 2 months, Rent : -16.1%, Free Rent : 3months)
- Existing tenant confirmed to move within the building and expand floor space. The contract was signed in May 2022, and the contract for additional floor space is scheduled to begin in January 2023. (Increase by 579.48m²)
- Three tenants (1,211.77m²) are scheduled to vacate in FP 17, which combined with the existing vacant spaces, is expected to result in a total of 2,934.93m² vacant space.
- Inquiries received between January and May 2022 : 33
- The number of viewings is increasing, and focusing on leasing to improve occupancy rates by promoting the high quality of the property.

Monthly occupancy rate trend



Operation Status of Office Buildings (3)

The occupancy rate of office buildings located in Osaka and Nagoya areas and Gotenyama SH Building remains 100.0%

Hommachi Minami Garden City (Osaka-shi, Osaka)



Average rent (As of the end of Apr. 2022 (FP 15))	Occupancy rate (As of the end of Apr. 2022 (FP 15))
JPY 22,853/tsubo	100.0%

- Maintain occupancy rate at over 99% since June 2019 when an additional acquisition was made

Hommachi Garden City (Office building portion)(Osaka-shi, Osaka)



Average rent (As of the end of Apr. 2022 (FP 15))	Occupancy rate (As of the end of Apr. 2022 (FP 15))
JPY 29,280/tsubo	100.0%

- Renewed a fixed-rent master lease agreement with Sekisui House under the same conditions (to expire on May 18, 2024)

* The property is leased under a fixed-rent master lease agreement, and the average rent is based on this agreement. In addition, there is revenue-linked rent when the revenue earned by the master lessee exceeds a certain amount.

HK Yodoyabashi Garden Avenue (Osaka-shi, Osaka)



Average rent (As of the end of Apr. 2022 (FP 15))	Occupancy rate (As of the end of Apr. 2022 (FP 15))
JPY 17,950/tsubo	100.0%

- Maintain occupancy rate at 100% since February 2017
- Mainly five-year leases. No leases to be renewed until end of October 2025

Hirokoji Garden Avenue (Nagoya-shi, Aichi)



Average rent (As of the end of Apr. 2022 (FP 15))	Occupancy rate (As of the end of Apr. 2022 (FP 15))
JPY 23,415/tsubo	100.0%

- Maintain occupancy rate at 100% since May 2016
- Sekisui House Real Estate Chubu occupying approx. 70% of the total leasable area

Gotenyama SH Building (Shinagawa-ku, Tokyo)



Average rent (As of the end of Apr. 2022 (FP 15))	Occupancy rate (As of the end of Apr. 2022 (FP 15))
JPY 30,000/tsubo	100.0%

- Single tenant property
- Concluded a long-term lease (20 years) (8.7 years to expiry)

Office Building Tenant Profile

While market rents are on a downward trend in both Greater Tokyo and Osaka area, there is room for rent increases in Osaka area

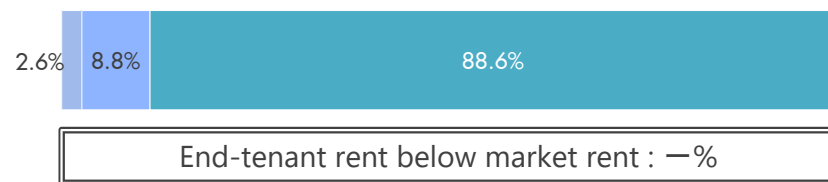
Rent gap

■ Greater Tokyo: GC Shinagawa Gotenyama, Akasaka GC

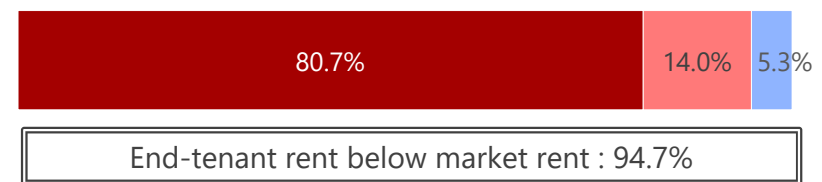
■ Osaka area: Hommachi Minami GC, HK Yodoyabashi GA

■ ± 0% ■ more than 0% to 10% or less ■ more than 10%

■ less than -10% ■ -10% or more to less than 0% ■ more than 0% to 10% or less



Greater Tokyo Rent Gap: +18.3%



Osaka area Rent Gap: -13.0%

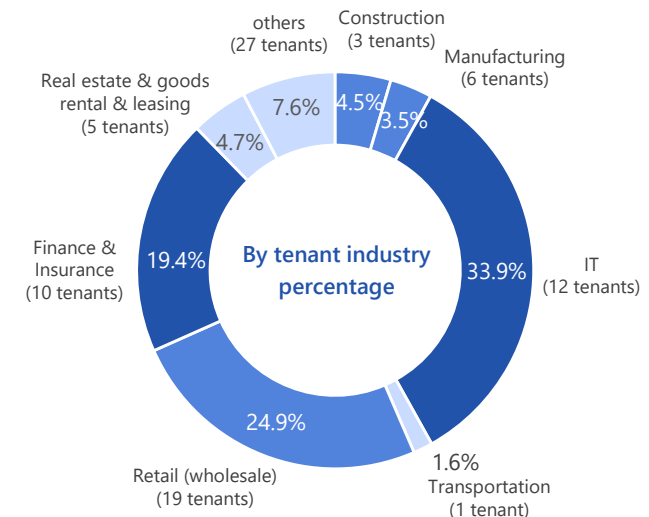
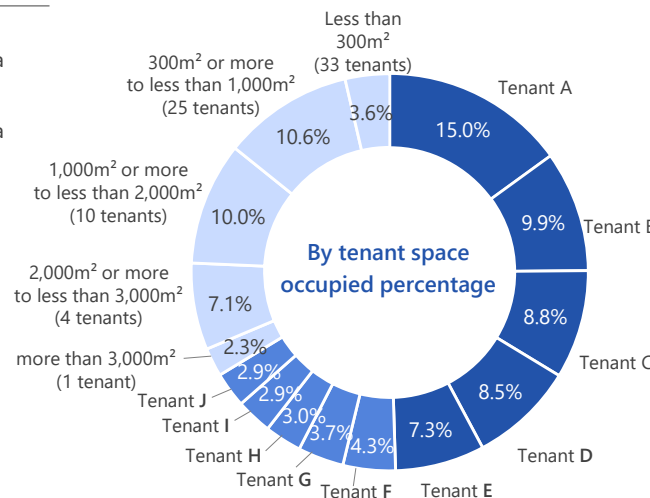
End tenant diversification (Based on 83 end tenants in the total)

■ Top 5 tenants by leasable area 49.5 %

Tenant	Industry	Leasable area	Property
A	IT	19,999.97 m ²	Gotenyama SH Building
B	IT	13,126.72 m ²	GC Shinagawa Gotenyama
C	Retail (wholesale)	11,769.00 m ²	Hommachi GC
D	Retail (wholesale)	11,366.43 m ²	GC Shinagawa Gotenyama
E	Finance & Insurance	9,690.83 m ²	Hommachi Minami GC

■ Top 10 tenants by leasable area 66.3%

Property	% of portfolio	Tenant(s)
GC Shinagawa Gotenyama	21.4 %	Tenants B, D, and H
Hommachi Minami GC	15.3 %	Tenants E, F, and G
Gotenyama SH building	15.0 %	Tenant A
Hommachi GC	8.8 %	Tenant C
Akasaka GC	5.8 %	Tenant I, J



* Rent gap calculated for office portfolio as of the end of FP 15 and excludes Gotenyama SH building, which is a single tenant property, and the office portion of Hommachi Garden City, which is on a fixed-rent master lease.

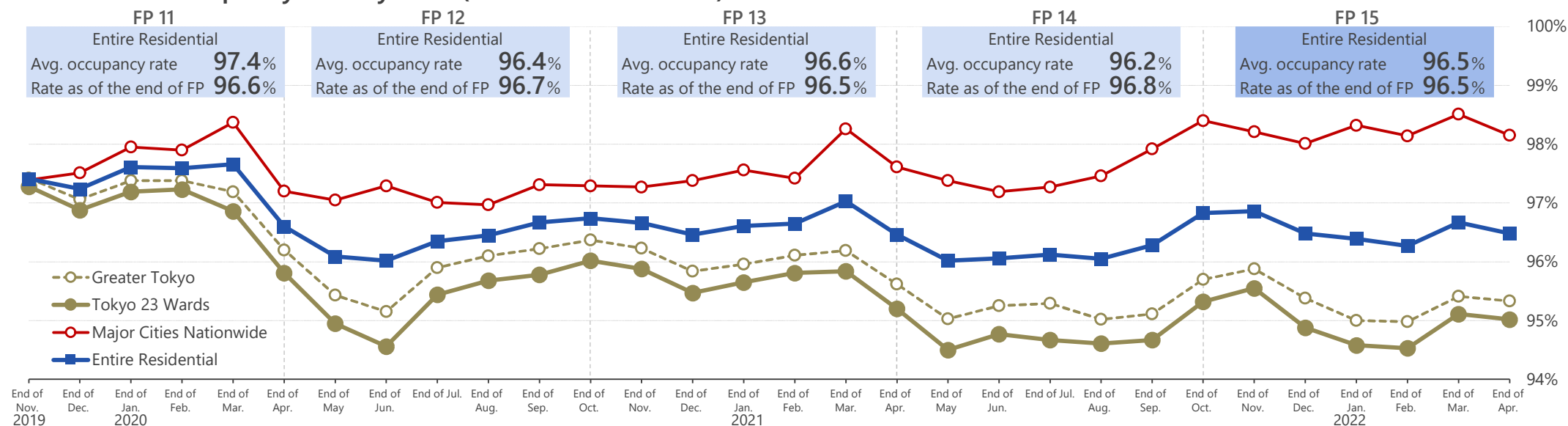
* End tenant diversification calculated for office portfolio as of the end of FP 15.

* End tenant industry diversification is made by SHAM based on "Japan Standard Industrial Classification".

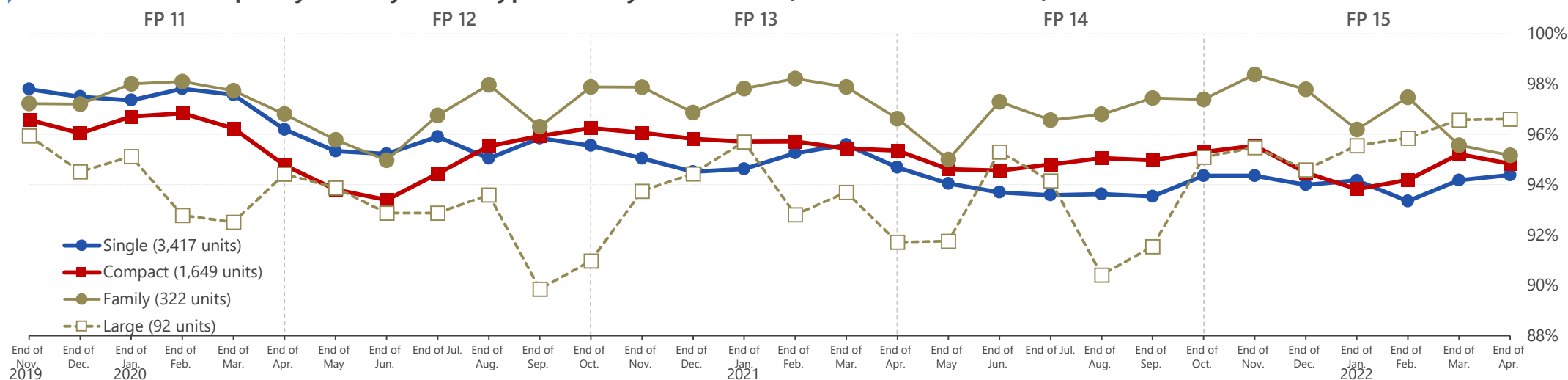
Residential Portfolio

Entire residential occupancy rate remains stable at 96% range, partly due to the effects of measures taken. Strong performance in major cities nationwide; Single showing slow recovery in Tokyo 23 wards; by type, Family performing well

Residential occupancy rate by area (FP 11 and thereafter)



Residential occupancy rate by room type in Tokyo 23 wards (FP 11 and thereafter)



* For the definitions of "Single type", "Compact type", "Family type", and "Large type", please refer to P.61.

* The number of units in Residential occupancy rate by room type is as of the end of April 2022.

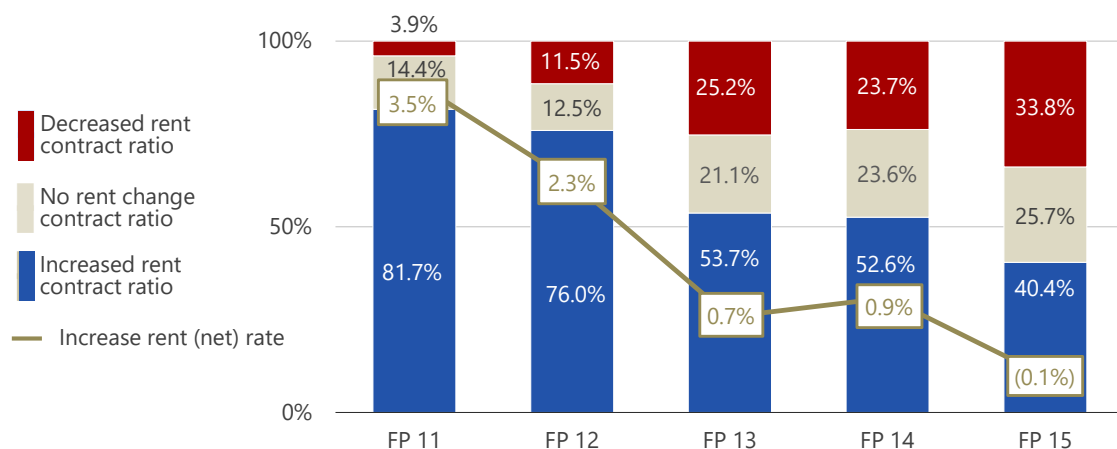
Rent Trends of Residential Portfolio

Change in rent rate decreased to around - 0.1% due to measures focusing on occupancy
No decrease in rent for renewal contracts; rate of renewal remains stable

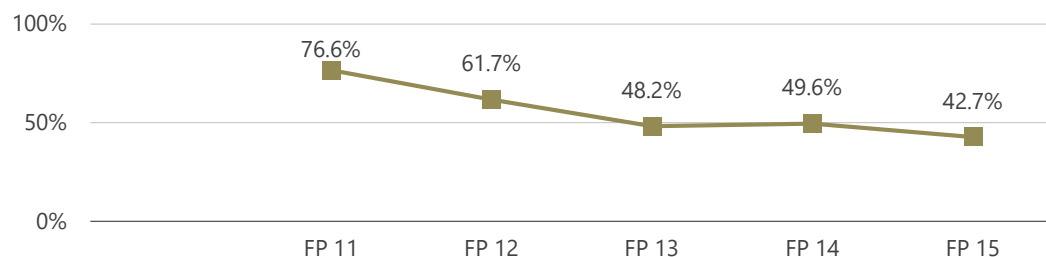
Rent trend in new contract

New Contract

	FP ended Apr. 2020 (FP 11)	FP ended Oct. 2020 (FP 12)	FP ended Apr. 2021 (FP 13)	FP ended Oct. 2021 (FP 14)	FP ended Apr. 2022 (FP 15)
Monthly rent /no. of contracts	JPY107.54 million / 764	JPY119.72 million / 845	JPY121.34 million / 897	JPY121.54 million / 834	JPY130.01 million / 937
Increase in rent /no. of contracts	JPY3.85 million / 624	JPY3.72 million / 642	JPY2.44 million / 482	JPY2.57 million / 439	JPY2.28 million / 379
Decrease in rent /no. of contracts	JPY(0.20) million / 30	JPY(1.02) million / 97	JPY(1.64) million / 226	JPY(1.49) million / 198	JPY(2.35) million / 317
Increase rent (net)	JPY3.65 million	JPY2.69 million	JPY0.79 million	JPY1.07 million	JPY(0.07) million



Non Refundable Deposit Received

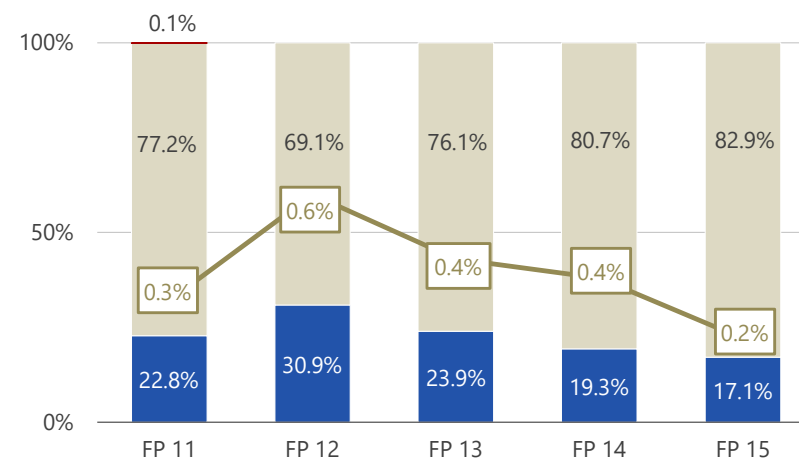


* Monthly rent comparison of new contract and renewal contract is calculated including utilities.

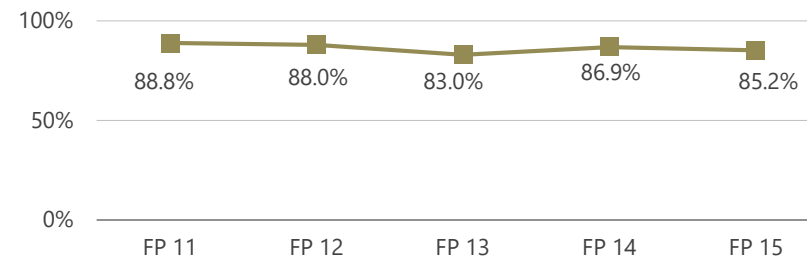
Rent trend in renewal contract

Renewal Contract

	FP ended Apr. 2020 (FP 11)	FP ended Oct. 2020 (FP 12)	FP ended Apr. 2021 (FP 13)	FP ended Oct. 2021 (FP 14)	FP ended Apr. 2022 (FP 15)
Monthly rent /no. of contracts	JPY200.11 million / 1,615	JPY170.26 million / 1,296	JPY172.06 million / 1,345	JPY161.67 million / 1,184	JPY185.08 million / 1,429
Increase in rent /no. of contracts	JPY0.63 million / 368	JPY1.02 million / 400	JPY0.72 million / 322	JPY0.61 million / 229	JPY0.40 million / 245
Decrease in rent /no. of contracts	JPY(0.00) million / 1	- / -	- / -	- / -	- / -
Increase rent (net)	JPY0.63 million	JPY1.02 million	JPY0.72 million	JPY0.61 million	JPY0.40 million



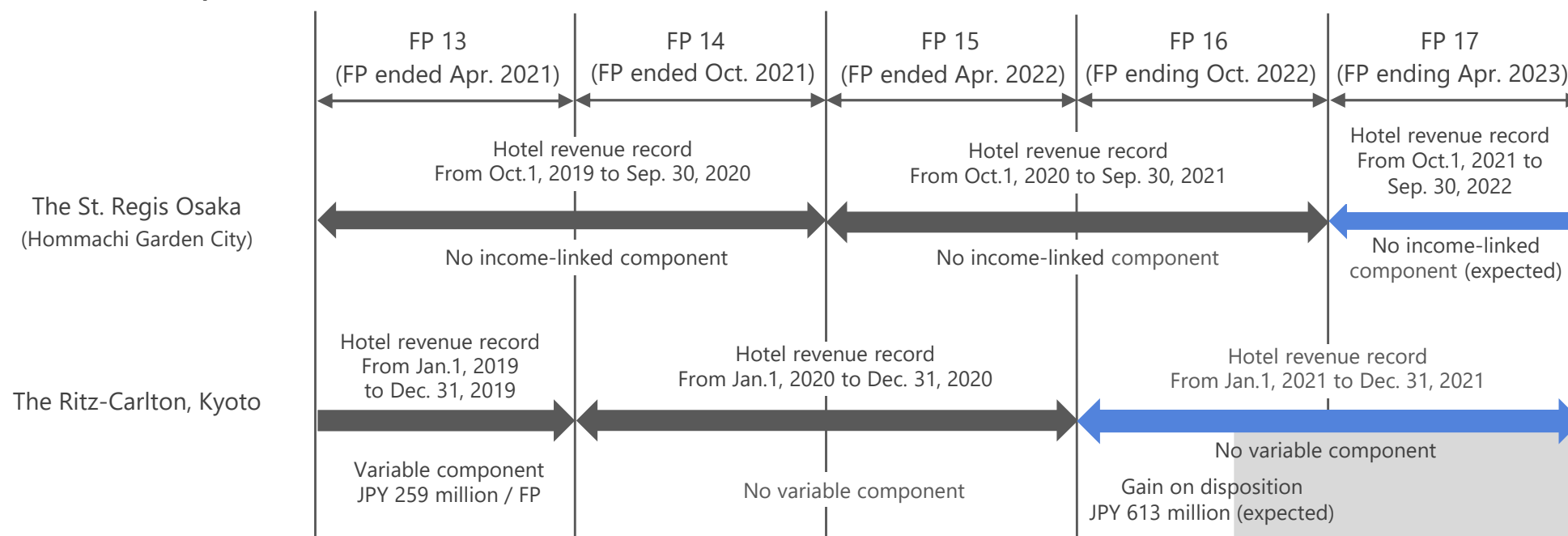
Rate of Renewal



Hotel Portfolio

Due to the disposition of The Ritz-Carlton, Kyoto in FP 16, a gain on disposition of JPY 613 million is expected to be recorded. The St. Regis Osaka has a large percentage of fixed rent, and the impact of COVID-19 on SHR's rental income is minimal

► The relationship between hotel revenue records and SHR's rental income



► Hotel rental income by fiscal period

	FP 13 (FP ended Apr. 2021)	FP 14 (FP ended Oct. 2021)	FP 15 (FP ended Apr. 2022)	FP 16 Forecast (FP ending Oct. 2022)	FP 17 Forecast (FP ending Apr. 2023)
The St. Regis Osaka	402 JPY million	402 JPY million	402 JPY million	402 JPY million	402 JPY million
(income-linked component)	(- JPY million)	(- JPY million)	(- JPY million)	(- JPY million)	(- JPY million)
(Fixed component)	(402 JPY million)	(402 JPY million)	(402 JPY million)	(402 JPY million)	(402 JPY million)
The Ritz-Carlton, Kyoto	475 JPY million	215 JPY million	215 JPY million	109 JPY million	
(Variable component)	(259 JPY million)	(- JPY million)	(- JPY million)	(- JPY million)	
(Fixed component)	(215 JPY million)	(215 JPY million)	(215 JPY million)	(109 JPY million)	

* The Ritz-Carlton, Kyoto is planned to be disposed as of August 2, 2022, thus the forecast rental income for FP 16 is the rental income until the planned date of disposition.

Initiatives to Improve Asset Value

Implemented measures to improve the profitability of properties, mainly in Tokyo 23 wards, aiming to maintain and improve occupancy rates and rents for single types

▶ Environmental consideration

Environmentally friendly measures through the introduction of energy-saving equipment, etc.

- Switched electricity used in common areas of 106 residential properties to electricity derived from renewable energy sources with the aim of achieving virtually zero CO₂ emissions

▶ Improve tenant satisfaction

Measures to reduce the vacancy risks by providing comfortable living and office environments

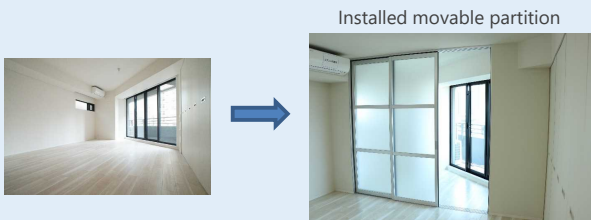
- Conduct periodic tenant satisfaction surveys
- Introduction of electric kickboard sharing service



▶ Value-added construction

Renovation and large-scale repair measures to improve property competitiveness and profitability

- Replanning of a spacious 1 ROOM with movable partition to 1LDK, where downtime has been prolonged and rents have been declining. The need for an additional room met with the impact of work from home, etc., and the rent was successfully increased by JPY 8,000 per month compared to rooms of the same type that had not undergone replanning (Prime Maison Hongo)



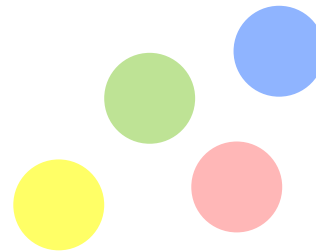
- Successfully increase rent by JPY 80,000 per month (18.2%) by implementing renovation (Esty Maison Shirokanedai)



- Renovated in conjunction with major repairs, taking into account the improvement of property competitiveness and the maintainability of facilities (Esty Maison Ginza)



Financial Base



Financial Base (1)

Completed Positive Impact Finance by way of J-REIT's first loan syndication method If LTV is raised to 47%, the remaining acquisition capacity is around JPY 16.8 billion

Financial indicators

	As of Jun. 15, 2022	End of FP 14
Total interest-bearing liabilities	263.6 JPY billion	249.9 JPY billion
Long-term debt ratio	97.1 %	100.0 %
Fixed interest rate debt ratio	94.5 %	98.9 %
Average maturity	7.0 years	7.2 years
Average period remaining to maturity	3.6 years	3.5 years
Average interest rate	0.55 %	0.61 %
LTV (Total asset basis)	45.5 %	(End of FP 15)
	45.0 %	(End of FP 14)

Credit ratings (Issuer ratings)

- Japan Credit Rating Agency, Ltd. (JCR): AA (Stable)
- Rating and Investment Information, Inc. (R&I): AA- (Stable)

Incorporated Global Index

- FTSE EPRA/NAREIT Global Real Estate Index Series
- MSCI Japan Small Cap Index
- S&P Global Property
- TSE REIT Core Index
- Thomson Reuters GPR/APREA Investable 100 Index
- GPR 250 Index/GPR 250 REIT Index
- MSCI Japan ESG Select Leaders Index

Commitment line contracts

- Set a limit of JPY 15 billion with a 3-bank syndicate (MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Banking Corporation)

Recent financial activities (from Dec. 16, 2021 to Jun. 15, 2022)

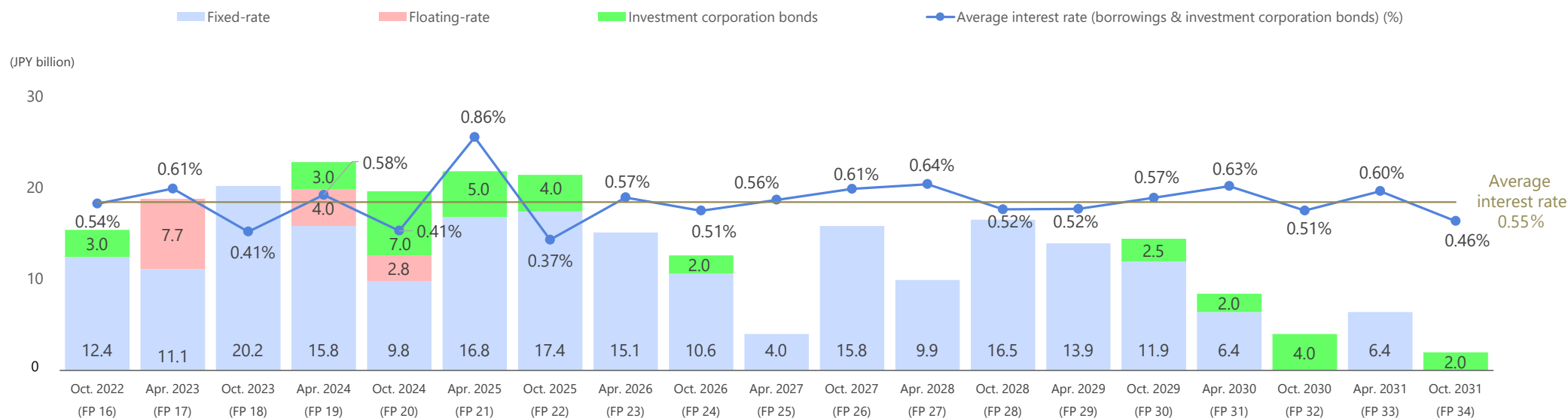
Lender	Borrowing amount (JPY million)	Interest Rate	Drawdown Date	Borrowing Period (years)
MUFG Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation	13,700 (May 31, 2022 Partial Early Repayment)	Floating Base rate (JBA 1-month JPY TIBOR) +0.170%	Feb. 1, 2022	1
MUFG Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited. THE BANK OF FUKUOKA, LTD.	3,380	Fixed by interest rate swap transactions 0.522%	Feb. 28, 2022	6
MUFG Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Mizuho Trust & Banking Co., Ltd. Resona Bank, Limited. The Norinchukin Bank	6,450	Fixed by interest rate swap transactions 0.665%	Feb. 28, 2022	8
Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Resona Bank, Limited. The Norinchukin Bank THE BANK OF FUKUOKA, LTD. Shinkin Central Bank The 77 Bank, Ltd. The Yamaguchi Bank, Ltd. The Shizuoka Bank, Ltd. The Hiroshima Bank, Ltd. Aozora Bank, Ltd. Nippon Life Insurance Company The Joyo Bank, Ltd.	6,000	0.665%	May 31, 2022	7

Positive Impact Finance

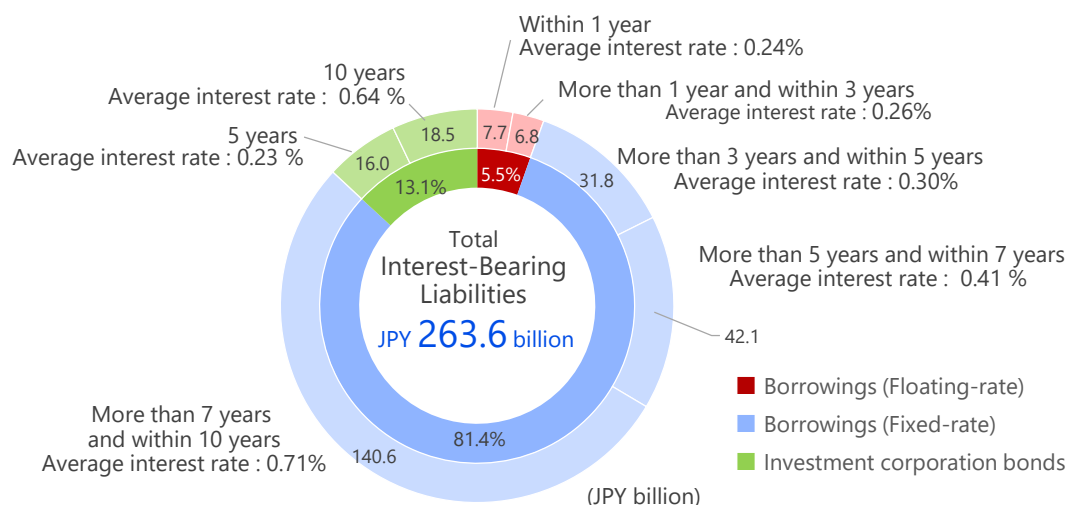
Financial Base (2)

(As of June 15, 2022)

Diversification of Maturity Dates

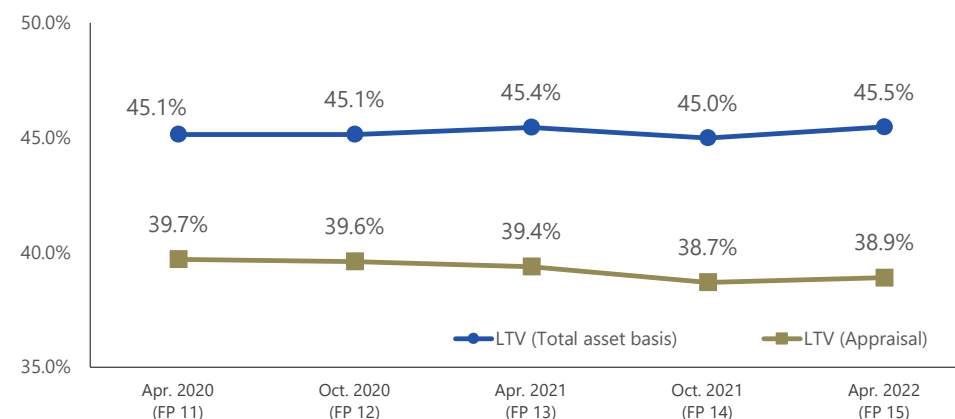


Diversification of Maturity Period



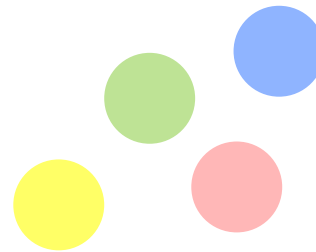
LTV Trends (end of each Fiscal Periods)

LTV control policy (Total asset basis) : Maintaining a conservative policy
LTV ratio at mid-40% range (Upper limit is approximately 50%)



* Diversification of Maturity Dates as a whole, "average interest rate" (Borrowings fixed under interest rate swap agreements are calculated using interest rates fixed under interest rate swap agreements.) represents the weighted average (annual rate) of the interest rates applicable as of June 15, 2022 based on the amounts of total interest-bearing liabilities, while "average interest rate" of each fiscal period represents the weighted average (annual rate) of the interest rates applicable as of June 15, 2022, based on the borrowings to be repaid or investment corporation bonds to be redeemed at the respective fiscal periods.

Growth Strategy



Growth Strategy

Policy is to strive to maintain a distribution level of around JPY 1,700

▶ Measures to stabilize the level of distributions

- Early leasing of vacant office building lots
- Maintain and improve occupancy rates and increase rents in residential properties
- Strengthen earnings base by acquiring assets with cash in hand and a public offering
- Book gain on dispositions due to asset replacement aimed at upgrading portfolio quality
- Plan to leverage internal reserves to stabilize the DPU through FP 17 (ending April 2023)

▶ Balance of internal reserves (after distributions for each FP)

(FP 15: Results, FP 16 and subsequent FP : Forecasts or estimates)

- After the RTA has been fully reversed, SHR plans to pay out cash distributions in excess of profits as the Allowance for Temporary Difference Adjustments (ATA) to avoid being subject to taxation. (The balance of RTA is expected to be zero in FP ending April 2023 (FP 17))
- SHR also plans to reverse all of Reserve for Reduction Entry through FP ending April 2023 (FP 17) when the reversal of RTA will be completed

(JPY million)

	FP ended Apr. 30, 2022 (FP 15)	FP ending Oct. 31, 2022 (FP 16)	FP ending Apr. 30, 2023 (FP 17)	FP ending Oct. 31, 2023 (FP 18)
Reversal of Internal Reserve	778	483	926	
Reversal of RTA	187	221	195	
Reversal of Reserve for Reduction Entry	590	262	731	
Balance of Internal reserves as of the end of each FP	1,410	926	—	
Balance of RTA	417	195	—	
Balance of Reserve for Reduction Entry	993	731	—	
Distributions in excess of profits using ATA			61	259
Amount corresponding to discrepancies between tax and accounting reporting	186	220	253	259

* The policy for the reversal of retained earnings is current as of the date of this document, and the schedule for the reversal of retained earnings is not necessarily in accordance with the above policy and may be subject to change in the future.

Excellent Sponsor Support by Sekisui House Group

Utilize the sponsor's real estate development capabilities to create more opportunities for acquiring properties nationwide. Total amount of pipeline is about JPY 260 billion

► Sekisui House

■ New development of rental housing "Prime Maison"

	Property name (including temporary name)	Location	Units (planned)	Total floor area (m ²) (planned)
Completed properties 5 properties 526 units	Prime Maison Monzen-nakacho	Koto-ku, Tokyo	78	3,184.03
	Prime Maison Yushima	Bunkyo-ku, Tokyo	139	9,755.59
	Prime Maison Shimbashi Tower	Minato-ku, Tokyo	124	9,762.76
	Prime Maison Honancho	Nakano-ku, Tokyo	70	3,210.49
	Prime Maison Nakano-sakaue	Nakano-ku, Tokyo	115	4,544.15
Properties under construction 7 properties 689 units	Prime Maison Yokohama WEST	Yokohama-shi, Kanagawa	145	8,708.53
	Prime Maison Sumida-honjo	Sumida-ku, Tokyo	49	2,226.84
	Prime Maison Sakura-shimmachi	Setagaya-ku, Tokyo	40	1,932.04
	Prime Maison Nishiwaseda	Shinjuku-ku, Tokyo	49	2,248.30
	Prime Maison Kamata	Ota-ku, Tokyo	141	5,464.23
	Prime Maison Chiba	Chiba-shi, Chiba	190	8,307.64
	Prime Maison Kiyosumi-shirakawa	Koto-ku, Tokyo	75	2,996.49
Properties under planning 4 properties	-	-	-	-

■ Right of first refusal held by SHR

Property name	Location	Asset type
Akasaka Garden City	Minato-ku, Tokyo	Office, Retail
The Ritz-Carlton, Kyoto	Kyoto-shi, Kyoto	Hotel

■ Major urban redevelopment projects

Property name (Project name)	Location	Asset type	Completion Date
Garden Cube Shibuya jinnan	Shibuya-ku, Tokyo	Office, Retail	Jan. 2021
The Westin Yokohama	Yokohama-shi, Kanagawa	Hotel, Service apartment	Feb. 2022



Prime Maison Monzen-nakacho (Koto-ku, Tokyo)



Prime Maison Yushima (Bunkyo-ku, Tokyo)



Prime Maison Honancho (Nakano-ku, Tokyo)



Garden Cube Shibuya jinnan (Shibuya-ku, Tokyo)



The Westin Yokohama (Yokohama-shi, Kanagawa)

► Sekisui House Real Estate Companies (6 companies)

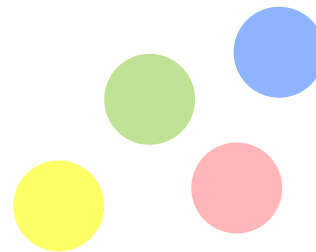
Right of first refusal of real estate owned or developed by 6 Sekisui House Real Estate Companies
Provision of information on sale of real estate owned or developed by third parties in Japan
(Sekisui House Real Estate Tokyo)



Secure opportunities to acquire residential nationwide



ESG



Acquisition Status of Green Certifications

As of FP 15, acquired green certification for a total of 13 properties, including newly acquired properties

▶ Investing in Real Estate with Excellent Environmental Performance

Percentage of Portfolio with Green Certifications
(based on total floor area)

As of the date of this document

66.0%

(period on period +8.8%)

– Target (KPI) –

By FY 2022 achieve

70% or more

▶ Acquisition Status of Green Certifications

- Certification for CASBEE for Real Estate: Of the 7 office buildings owned, 6 office buildings **acquired the highest rating of “S rank”**
- DBJ Green Building Certification: Of the 111 residential properties owned, 55 properties were recognized as **“properties with excellent environmental & social awareness (3 Stars)”** or higher

Major Properties that Acquired Green Certification as of FP 15



- Garden City Shinagawa Gotenyama
- Hommachi Minami Garden City
- Akasaka Garden City



DBJ Green Building
2021

- Prime Maison Meguro



DBJ Green Building
2021

- Prime Maison Shimokitazawa
- Prime Maison Nakameguro
- Prime Maison Itabashi



DBJ Green Building
2021

- Prime Maison Ryogoku
- Sha Maison Stage Yahiro
- Sha Maison Stage Kanazawa Nishiizumi

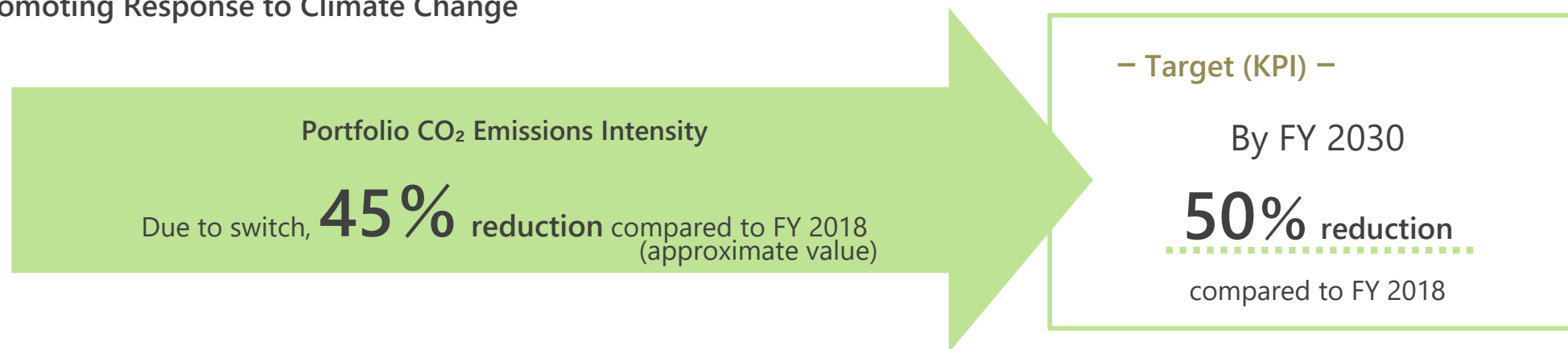
(and 3 other properties)

* “DBJ Green Building Certification” is awarded one of five grades from (5 stars) to (1 star).

Introduction of Renewable Energy

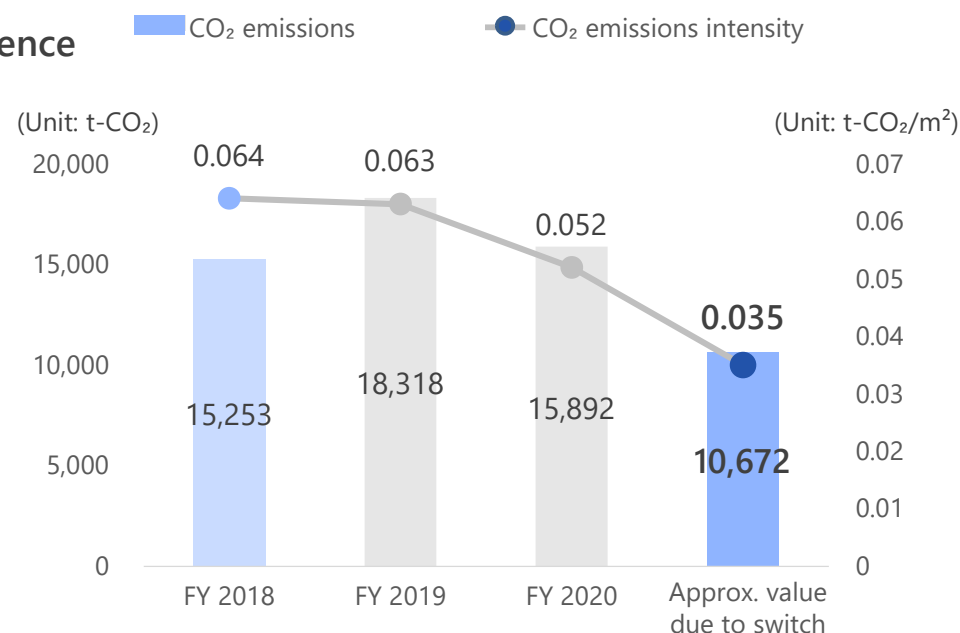
Introduction of electricity derived from renewable energy in office buildings and residential properties

► Promoting Response to Climate Change



► Switched to renewable energy for office buildings and residence

- Starting January 2022, switched to an electricity plan that reduces CO₂ emissions to virtually zero in the common areas of 106 of the 111 owned residential properties.
- Also introduced renewable energy to Hommachi Minami Garden City office building from September 2021.
- Aim to reduce CO₂ emission factor to zero by combining the use of “Feed-in Tariff (FIT) electricity” and “Non-fossil certificate (NFC) with tracking” etc., which proves environmental value in electricity made from non-fossil power sources.



• The approximate value due to the switch is calculated by subtracting CO₂ emissions from office buildings and residential properties that have introduced electricity derived from renewable energy from the results of FY 2020. In addition, HK Yodoyabashi Garden Avenue (an office building) introduced electricity derived renewable energy as of January 2021.







Positive Impact Finance

Procured JPY 6.0 billion via the first Positive Impact Finance (PIF) loan agreement

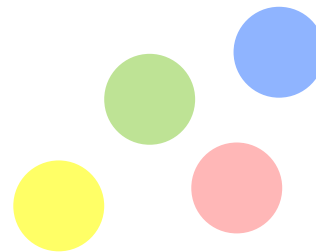
What is Positive Impact Finance (PIF):

- Loans that evaluate the impacts (positive and negative) related to the environment, society and economy based on the Positive Impact Finance Principles issued by the United Nations Environment Programme Finance Initiative (UNEP FI)
- Also obtained third-party opinions from Japan Credit Rating Agency, Ltd. (JCR) regarding compliance with the Principles and the rationality of the evaluation indicators utilized

～Main themes evaluated in PIF～

Theme	Content	Goals (KPI)	SDGs
Promoting Response to Climate Change	<ul style="list-style-type: none"> • Reduce CO₂ emissions by promoting efficient use of energy through capital investment and energy conservation measures at owned properties • Promote investment in real estate with excellent environmental performance and actively acquire green certification with the aim of understanding the objectivity and areas for improvement in the environmental performance of owned properties 	(a) <u>Reduction of CO₂ Emissions</u> <ul style="list-style-type: none"> • Reduce 50% CO₂ emission intensity of portfolio by FY 2030 compared to FY 2018 (b) <u>Reduction of Energy Consumption</u> <ul style="list-style-type: none"> • Reduce 5% energy consumption intensity of portfolio by FY 2023 compared to FY 2018 (c) <u>Increase Acquisition Ratio of Green Certification</u> <ul style="list-style-type: none"> • Achieve 70% or more of the portfolio with green certification by FY 2022 	 
Promoting Efforts Towards Environmental Resources	<ul style="list-style-type: none"> • Reduce waste emissions by promoting the 3Rs - "Reduce, Reuse, Recycle" • Reduce water consumption by conserving water and reusing rain water 	(a) <u>Reduction of Waste Emissions</u> <ul style="list-style-type: none"> • To not increase waste emission intensity of portfolio compared to FY 2018 (b) <u>Reduction of Water Use</u> <ul style="list-style-type: none"> • To not increase the water use intensity of portfolio compared to FY 2018 	 
Providing Residents and Tenants with a Secure and Comfortable Space	<ul style="list-style-type: none"> • Improve user satisfaction and value of owned properties by providing safe, secure and comfortable spaces to residents and tenants 	<ul style="list-style-type: none"> • Enhance the security, safety, and comfort of residents and tenants 	 

Appendix



Balance Sheet

	FP 14 (October 31, 2021)	FP 15 (April 30, 2022)
Assets		
Current assets		
Cash and deposits	23,040,298	11,154,608
Cash and deposits in trust	15,051,403	16,033,132
Operating accounts receivable	164,021	188,420
Prepaid expenses	234,965	259,778
Other	35,114	159,040
Allowance for doubtful accounts	(1,914)	(1,022)
Total current assets	38,523,889	27,793,958
Non-current assets		
Property, plant and equipment		
Buildings in trust	172,993,457	180,182,133
Accumulated depreciation	(19,081,364)	(21,399,288)
Buildings in trust, net	153,912,093	158,782,845
Structures in trust	1,570,228	1,587,002
Accumulated depreciation	(270,436)	(302,079)
Structures in trust, net	1,299,791	1,284,922
Machinery and equipment in trust	2,277,190	2,424,138
Accumulated depreciation	(330,564)	(385,167)
Machinery and equipment in trust, net	1,946,626	2,038,970
Vehicles in trust	153	153
Accumulated depreciation	(153)	(153)
Vehicles in trust, net	0	0
Tools, furniture and fixtures in trust	664,503	774,779
Accumulated depreciation	(158,552)	(218,587)
Tools, furniture and fixtures in trust, net	505,950	556,192
Land in trust	355,167,709	385,124,884
Construction in progress in trust	–	12,859
Total property, plant and equipment	512,832,171	547,800,674
Intangible assets		
Leasehold rights in trust	2,374,044	2,348,619
Other	3,361	4,876
Total intangible assets	2,377,406	2,353,495
Investments and other assets		
Lease and guarantee deposits	801,516	801,516
Long-term prepaid expenses	564,888	641,322
Other	358,970	369,782
Total investments and other assets	1,725,376	1,812,621
Total non-current assets	516,934,954	551,966,791
Deferred assets		
Investment corporation bond issuance costs	136,439	121,255
Investment unit issuance costs	49,715	49,105
Total deferred assets	186,154	170,361
Total assets	555,644,998	579,931,111

	FP 14 (October 31, 2021)	FP 15 (April 30, 2022)
Liabilities		
Current liabilities		
Operating accounts payable	1,071,071	835,543
Short-term loans payable	–	13,700,000
Current portion of investment corporation bonds	3,000,000	3,000,000
Current portion of long-term loans payable	39,230,000	23,500,000
Accounts payable – other	1,502,916	1,043,814
Accrued expenses	201,082	190,432
Income taxes payable	582	580
Accrued consumption taxes	492,221	–
Advances received	688,358	697,331
Derivative debt	37,980	26,049
Other	57,492	34,121
Total current liabilities	46,281,705	43,027,874
Non-current liabilities		
Investment corporation bonds	31,500,000	31,500,000
Long-term loans payable	176,212,000	191,942,000
Tenant leasehold and security deposits in trust	13,950,345	14,669,870
Derivative debt	49,396	7,847
Other	8,783	871
Total non-current liabilities	221,720,526	238,120,589
Total liabilities	268,002,231	281,148,463
Net assets		
Unitholders' equity		
Unitholders' capital	149,210,081	161,283,304
Surplus		
Capital surplus	128,598,415	128,598,415
Voluntary retained earnings		
Reserve for reduction entry	726,488	388,798
Reserve for special account for reduction entry	–	1,195,848
Reserve for temporary difference adjustments	675,138	604,535
Total voluntary retained earnings	1,401,626	2,189,182
Unappropriated retained earnings	8,520,020	6,745,643
Total surplus	138,520,062	137,533,240
Total unitholders' equity	287,730,143	298,816,545
Valuation and translation adjustments		
Deferred hedging gain/loss	(87,376)	(33,897)
Total of valuation and translation adjustments	(87,376)	(33,897)
Total net assets	287,642,766	298,782,647
Total liabilities and net assets	555,644,998	579,931,111

* As of the date of this document, audit procedures for the financial documents based on the Act on Investment Trusts and Investment Corporations have been completed but audit procedures for the financial statements based on the Financial Instruments and Exchange Act have yet to be completed.

Statement of Income and Retained Earnings

(Unit: JPY thousand)

	FP 14 From May 1, 2021 to October 31, 2021	FP 15 From November 1, 2021 to April 30, 2022
Operating revenue		
Rent revenue – real estate	14,065,955	14,355,305
Other lease business revenue	408,122	401,481
Gain on sale of real estate properties	2,817,273	–
Total operating revenue	17,291,351	14,756,787
Operating expenses		
Expenses related to rent business	5,769,153	5,892,357
Loss on sale of real estate properties	364,362	–
Asset management fees	1,308,717	910,076
Asset custody fees	10,398	10,387
Administrative service fees	48,320	48,100
Directors' compensation	3,600	3,600
Bad debt expenses	–	154
Other operating expenses	373,112	266,172
Total operating expenses	7,877,666	7,130,848
Operating income	9,413,685	7,625,938
Non-operating income		
Interest income	147	160
Reversal of distribution payable	649	693
Reversal of allowance for doubtful accounts	–	892
Total non-operating income	797	1,745
Non-operating expenses		
Interest expenses	647,886	609,966
Interest expenses on investment corporation bonds	77,935	77,431
Borrowing related expenses	107,191	124,916
Amortization of investment unit issuance costs	42,613	51,013
Amortization of investment corporation bond issuance costs	15,183	15,183
Other	3,046	2,924
Total non-operating expenses	893,857	881,435
Ordinary income	8,520,625	6,746,248
Income before income taxes	8,520,625	6,746,248
Income taxes – current	605	605
Total income taxes	605	605
Net Income	8,520,020	6,745,643
Unappropriated retained earnings	8,520,020	6,745,643

* As of the date of this document, audit procedures for the financial documents based on the Act on Investment Trusts and Investment Corporations have been completed but audit procedures for the financial statements based on the Financial Instruments and Exchange Act have yet to be completed.

Trends of Major Management Indexes

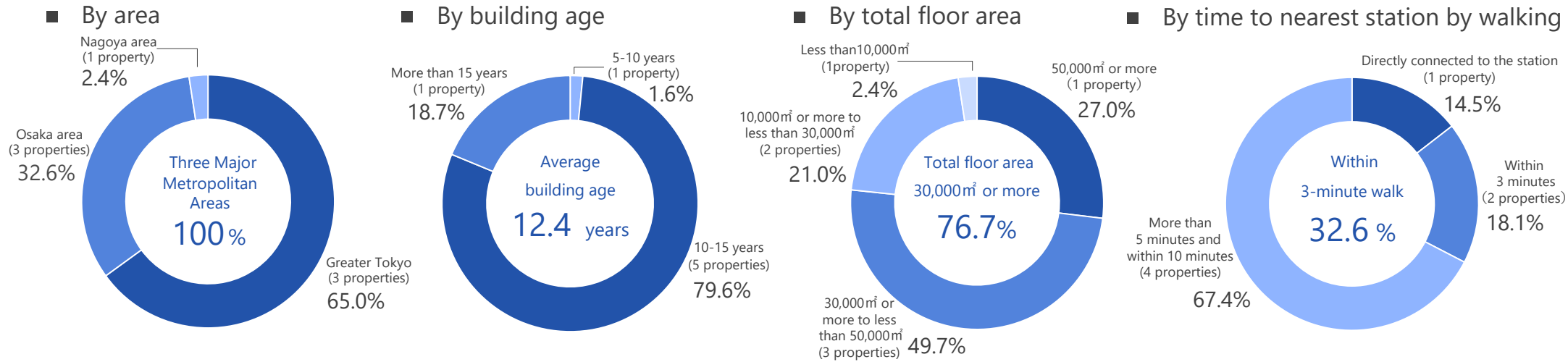
Fiscal Period Month/Year		FP 11 Apr. 2020	FP 12 Oct. 2020	FP 13 Apr. 2021	FP 14 Oct. 2021	FP 15 Apr. 2022
Operating days	days	182	184	181	184	181
Profit from real estate leasing business	JPY million	14,590	14,826	14,925	14,474	14,756
Gain and loss on sale of real estate properties	JPY million	—	—	130	2,452	—
Leasing NOI	JPY million	11,630	11,610	11,687	11,160	11,354
Depreciation	JPY million	2,413	2,444	2,468	2,455	2,489
Net Income	JPY million	6,991	6,992	7,103	8,520	6,745
Capital Expenditures	JPY million	650	591	654	727	700
Total assets	JPY million	553,988	554,067	556,569	555,644	579,931
Total interest-bearing liabilities	JPY million	249,942	249,942	252,942	249,942	263,642
LTV (total asset basis)	%	45.1	45.1	45.4	45.0	45.5
LTV based on appraisal value	%	39.7	39.6	39.4	38.7	38.9
Net assets	JPY million	286,323	286,259	286,220	287,642	298,782
Total Distributions	JPY million	7,140	7,226	7,183	7,732	7,524
ROE (annualized)	%	4.9	4.8	5.0	5.9	4.6
DSCR (Debt service coverage ratio)	times	12.3	12.7	13.3	12.1	13.6
FFO (Funds from operations)	JPY million	9,405	9,438	9,441	8,523	9,236
AFFO (Adjusted funds from operations)	JPY million	8,755	8,847	8,787	7,796	8,535
FFO pay out ratio	%	75.9	76.6	76.1	90.7	81.5
Total number of investment units issued	units	4,288,666	4,288,666	4,288,666	4,288,666	4,431,133
Net asset per unit	JPY	66,762	66,747	66,738	67,070	67,428
NAV per unit	JPY	82,738	83,169	85,064	86,323	87,809
Net Income per unit	JPY	1,630	1,630	1,656	1,986	1,522
DPU (Distributions per unit)	JPY	1,665	1,685	1,675	1,803	1,698
FFO per unit	JPY	2,193	2,200	2,201	1,987	2,084
Reversal of internal reserve	JPY million	149	233	184	408	778
Reversal of RTA	JPY million	119	136	157	70	187
Reserve for Internal reserve	JPY million	—	—	103	1,195	—
Internal reserve at the end of the period (after cash distributions paid)	JPY million	1,715	1,482	1,401	2,189	1,410
Period-end investment unit price (closing price)	JPY	66,000	73,000	91,000	86,200	76,200
Implied cap rate (based on period-end investment unit price)	%	4.5	4.2	3.8	3.7	3.9
Number of owned properties at period-end	units	121	121	123	117	119
Total acquisition price	JPY million	532,910	532,910	535,838	527,786	563,886
Total appraisal value	JPY million	600,583	600,728	610,153	605,508	647,973
Unrealized capital gains	JPY million	75,653	77,652	85,777	90,301	97,835
Unrealized capital gains as a percentage of portfolio value	%	14.4	14.8	16.4	17.5	17.8

- Leasing NOI = Property-related operating revenue - Property-related operating expenses + Depreciation
- Total asset LTV = Total interest-bearing liabilities ÷ Total asset × 100
- LTV based on appraisal value = Total interest-bearing liabilities ÷ (Total assets + Unrealized capital gains) × 100
- ROE = Net Income ÷ [(Net assets at beginning of the period + Net assets at end of period) ÷ 2] × 100
- DSCR = (Ordinary income + interest expenses on borrowing and corporation bond + depreciation +/- Gains or losses from the sale of real estate properties) ÷ interest expense

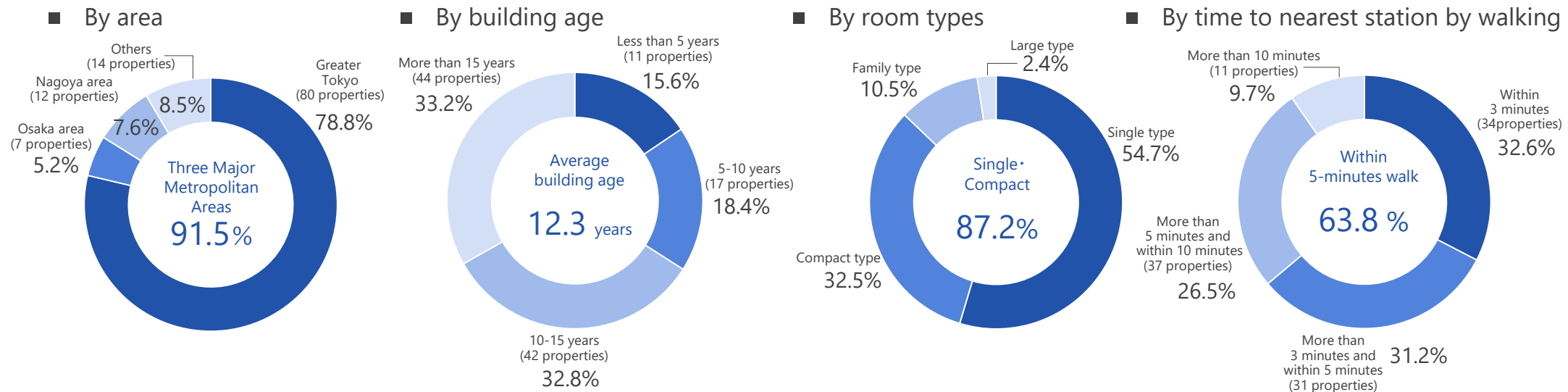
- FFO = Net Income + Depreciation +/- Gains or losses from the sale of real estate properties +/- extraordinary income or losses
- AFFO = FFO - Capital Expenditure
- FFO Pay out ratio = Total Distribution ÷ FFO
- NAV per unit = (Net assets at end of period + Unrealized capital gain - Total Distribution) ÷ Total number of investment
- Net Income per unit = Net Income ÷ Investment units on a weighted average based on the number of days
- Implied cap rate = NOI (annualized) ÷ (Market capitalization at end of each period + Interest-bearing liabilities + Refundable deposits held in trust - Cash deposits)

Portfolio Structures by Asset Types

► Diversification of the office portfolio (Acquisition price base)



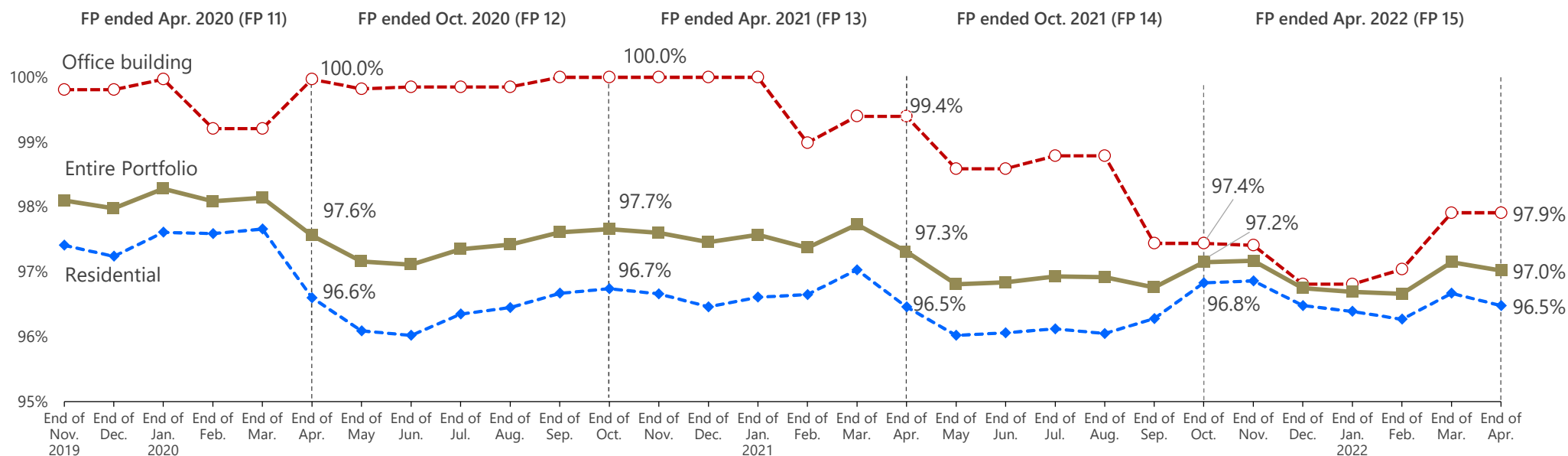
► Diversification of the residential portfolio (After Asset Replacement; (Planned) Acquisition price base, (By room types is "number of room" base))



- Diversification by room types is calculated for subleased properties, single building rental properties, etc., and residential properties excluding retail and offices.
- * By building age calculated as of August 2, 2022.

Occupancy Rate by Asset Type

Monthly trends in occupancy rate by asset type



Occupancy rate by asset type

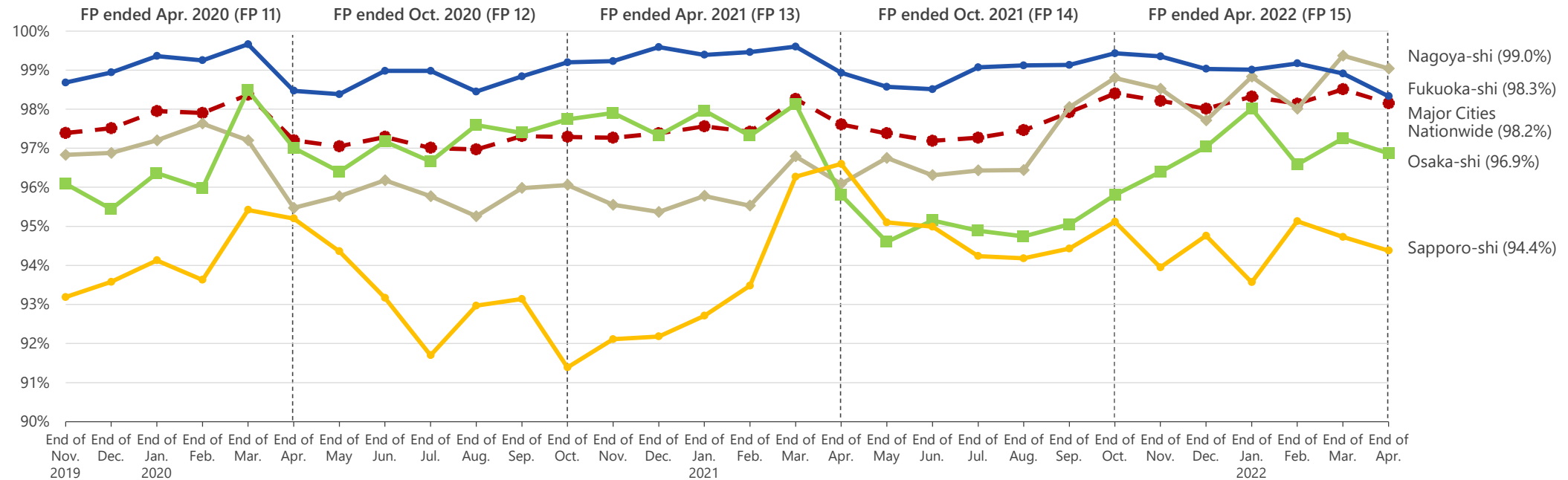
	FP ended Apr. 2020 (FP 11)			FP ended Oct. 2020 (FP 12)			FP ended Apr. 2021 (FP 13)			FP ended Oct. 2021 (FP 14)			FP ended Apr. 2022 (FP 15)		
	End of the FP	Period-average	Highest	End of the FP	Period-average	Highest	End of the FP	Period-average	Highest	End of the FP	Period-average	Highest	End of the FP	Period-average	Highest
Office building	100.0%	99.7%	End of Jan./Apr. 100.0%	100.0%	99.9%	End of Sep./Oct. 100.0%	99.4%	99.6%	End of Nov./Dec./Jan. 100.0%	97.4%	98.3%	End of Jul./Aug. 98.8%	97.9%	97.3%	End of Mar./Apr. 97.9%
Residential	96.6%	97.4%	End of Mar. 97.7%	96.7%	96.4%	End of Oct. 96.7%	96.5%	96.6%	End of Mar. 97.0%	96.8%	96.2%	End of Oct. 96.8%	96.5%	96.5%	End of Nov. 96.9%
Hotel	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Entire portfolio	97.6%	98.0%	End of Jan. 98.3%	97.7%	97.4%	End of Oct. 97.7%	97.3%	97.5%	End of Mar. 97.7%	97.2%	96.9%	End of Oct. 97.2%	97.0%	96.9%	End of Nov./Mar. 97.2%

* The occupancy rate is the ratio of the total leased area to the total leasable area of the operating assets per asset type owned by SHR at the end of each month from November 2019 to April 2022.

* Occupancy rate of Hotel is 100% as each hotel is leased as to one tenant as the entire building. This differs from the operating occupancy rate.

Residential Portfolio Status (Occupancy rate by area)

Monthly trends of occupancy rate by area



Occupancy rate by area

	FP ended Apr. 2020 (FP 11)		FP ended Oct. 2020 (FP 12)		FP ended Apr. 2021 (FP 13)		FP ended Oct. 2021 (FP 14)		FP ended Apr. 2022 (FP 15)	
	Period-average	End of the FP	Period-average	End of the FP	Period-average	End of the FP	Period-average	End of the FP	Period-average	End of the FP
Greater Tokyo	97.1%	96.2%	95.9%	96.4%	96.0%	95.6%	95.2%	95.7%	95.3%	95.3%
Tokyo 23 wards	96.9%	95.8%	95.4%	96.0%	95.6%	95.2%	94.8%	95.3%	94.9%	95.0%
Major Cities Nationwide	97.7%	97.2%	97.2%	97.3%	97.6%	97.6%	97.6%	98.4%	98.2%	98.2%
Osaka-shi	96.6%	97.0%	97.2%	97.7%	97.4%	95.8%	95.0%	95.8%	97.0%	96.9%
Nagoya-shi	96.9%	95.5%	95.8%	96.1%	95.9%	96.1%	97.1%	98.8%	98.6%	99.0%
Fukuoka-shi	99.1%	98.5%	98.8%	99.2%	99.4%	98.9%	99.0%	99.4%	99.0%	98.3%
Sapporo-shi	94.2%	95.2%	92.8%	91.4%	93.9%	96.6%	94.7%	95.1%	94.4%	94.4%
Entire Area	97.4%	96.6%	96.4%	96.7%	96.6%	96.5%	96.2%	96.8%	96.5%	96.5%

Residential : Rent Trends by Area

▶ Rent trends by investment area (unit rent per tsubo)

Based on the residential properties held from the end of the previous FP to the end of the current FP for each period					
	FP ended October 2021 (end of FP 14) (A)		FP ended April 2022 (end of FP 15) (B)		Change (B) – (A) ((B)-(A))/(A)
Greater Tokyo	JPY	13,849 / tsubo	JPY	13,881 / tsubo	+ JPY 32 / tsubo + 0.2 %
Tokyo 23 Wards	JPY	14,176 / tsubo	JPY	14,206 / tsubo	+ JPY 30 / tsubo + 0.2 %
Others	JPY	11,037 / tsubo	JPY	11,080 / tsubo	+ JPY 43 / tsubo + 0.4 %
Major Cities Nationwide	JPY	7,069 / tsubo	JPY	7,082 / tsubo	+ JPY 13 / tsubo + 0.2 %
Total	JPY	11,881 / tsubo	JPY	11,910 / tsubo	+JPY 29 / tsubo +0.2 %

▶ Rent trends in new contracts by investment area and building age

FP ended April 2022 (end of FP 15)			
	Number of new contracts	Change in rent (net)	Ratio of change in rent
By Area			
Greater Tokyo	767	JPY (218) thousand	(0.2) %
Tokyo 23 Wards	691	JPY (316) thousand	(0.3) %
Others	76	+ JPY 98 thousand	+ 1.2 %
Major Cities Nationwide	170	+ JPY 146 thousand	+ 0.8 %
Total	937	JPY (72) thousand	(0.1) %
By Building Age (Tokyo 23 Wards)			
Less than 5 years	92	JPY (72) thousand	(0.5) %
5 - 10 years	194	JPY (916) thousand	(3.3) %
10 - 15 years	239	+ JPY 591 thousand	+ 1.7 %
More than 15 years	166	+ JPY 80 thousand	+ 0.3 %
Total	691	JPY (316) thousand	(0.3) %

▶ Rent gap

Based on the residential held as of the end of FP 15
(Target units for which market rent has not been achieved)

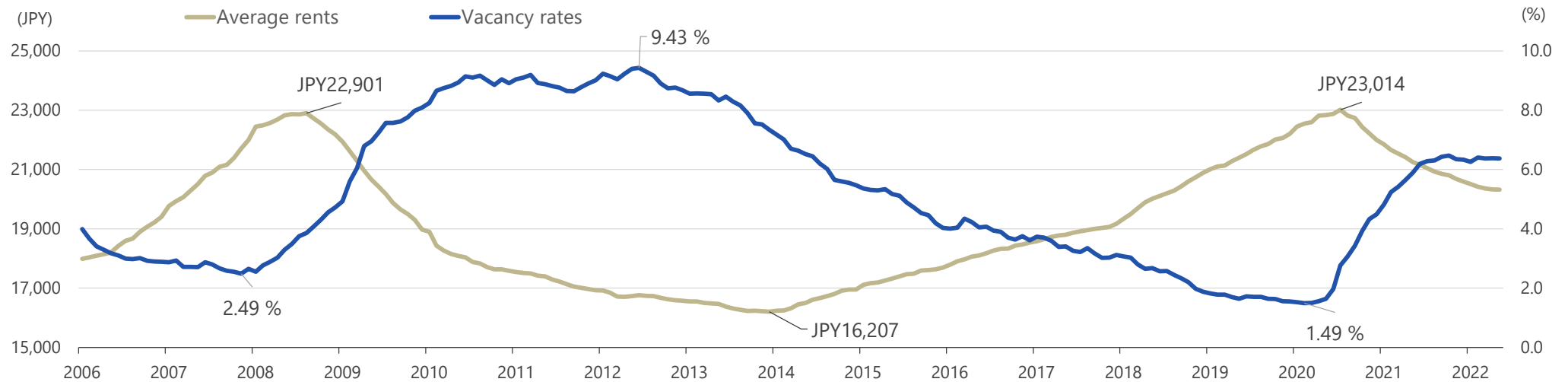
	Rent Gap
Greater Tokyo	4.3 % lower
Tokyo 23 Wards	4.4 % lower
Others	3.5 % lower
Major Cities Nationwide	5.9 % lower
Total	4.6 % lower

* Unit rent per tsubo and change in rent (net) excluding stores and offices in residential, as well as the rent of residential in which fixed-rent master lease agreements have been concluded and which are leased to specific end tenants collectively for a long time are not included in calculating the above figures.

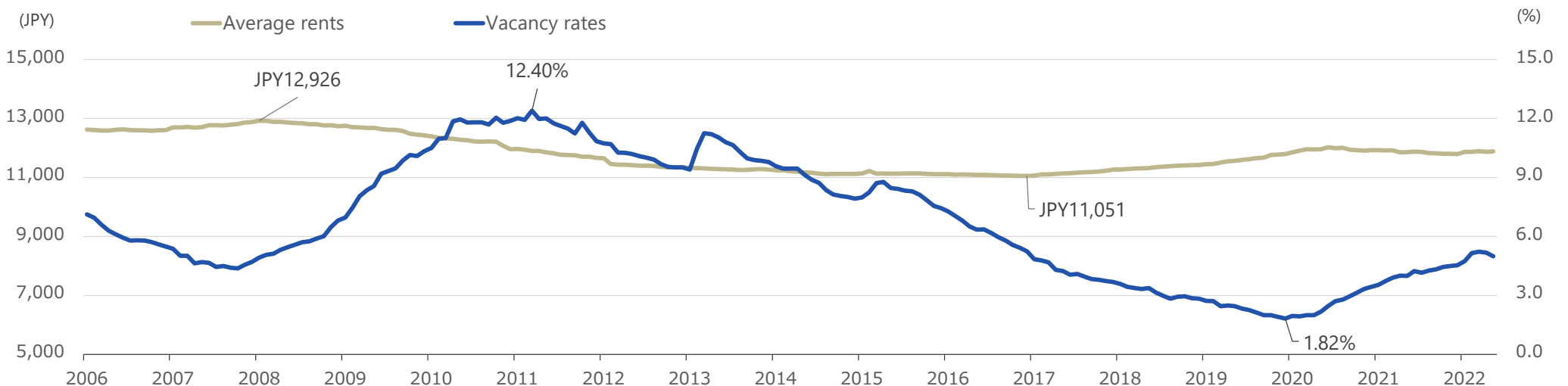
* Building age is categorized the years of construction as of the FP ended April 2022 (FP 15).

Trends in Office Market (Tokyo•Osaka)

Average rents and vacancy rates in Tokyo's business districts



Average rents and vacancy rates in Osaka's business districts



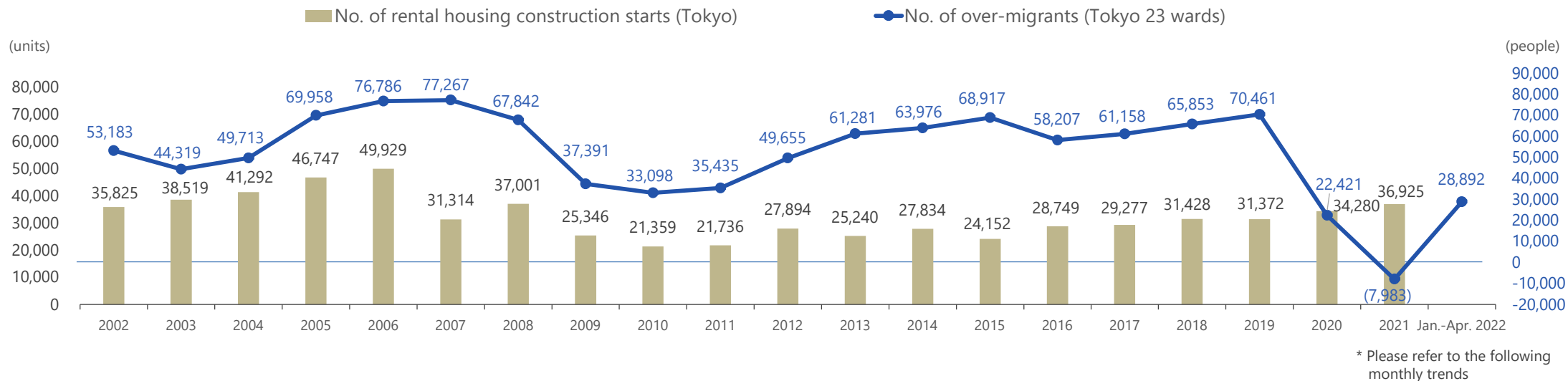
* Information on "Average rents and vacancy rates in Tokyo's business districts" "Average rents and vacancy rates in Osaka's business districts" are prepared by SHAM based on Office Market Data by Miki Shoji Co., Ltd.

* Tokyo's business districts : 5 wards of central Tokyo (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, Shibuya-ku)

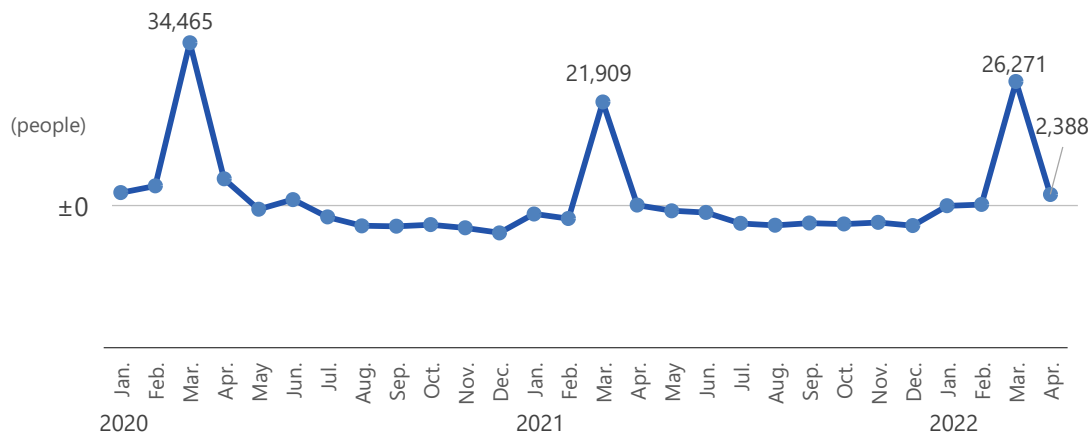
* Osaka's business districts : Major 6 districts (Umeda district, Minamimorimachi district, Yodoyabashi・Hommachi district, Funaba district, Shinsaibashi・Namba district, Shin-Osaka district)

Status of Residential Market (Tokyo 23 Wards)

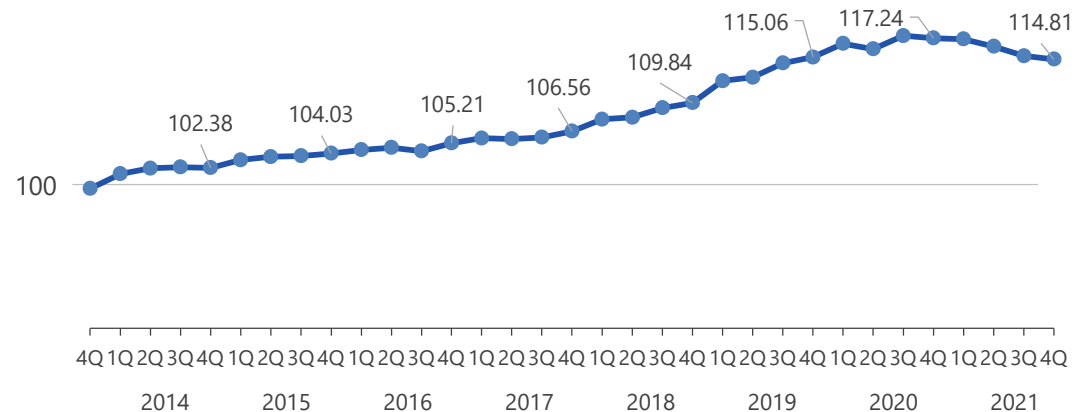
Population change (Tokyo 23 wards/Japanese/Yearly) and new rental housing construction starts (units) (Tokyo/Yearly)



Population change (Tokyo 23 wards/Japanese/Monthly)



Apartment rent index (Tokyo 23 wards/Quarterly)



* New rental housing starts (units) information is prepared by SHAM based on Housing Starts Statistics from Construction Research and Statistics Office, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism.

* Population change information is prepared by SHAM based The Report on Internal Migration in Japan Derived from the Basic Resident Registration, published by the Statistics Bureau, Ministry of Internal Affairs and Communications.

* The apartment rent index is prepared by SHAM based on the Apartment Rent Index, published by At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd. The apartment rent index (for living space of 18m² up to less than 100m²) uses values as of Q4 2013 as 100.

ESG: Materiality, KPI and Achievements

Reviewed materiality/targets (KPI) in March 2022. Changes are indicated as underlined

	Materiality	Target (KPI)	Achievements
Environment	Promoting response to climate change	<ul style="list-style-type: none"> Reduce 50% CO₂ emissions intensity of portfolio by FY 2030 compared to FY 2018 <u>Reduce 5% energy consumption intensity of portfolio by FY2023 (Note 1) compared to FY 2018</u> Promote green lease 	<p>FY 2020 results</p> <ul style="list-style-type: none"> CO₂ emissions intensity : Reduced 18.8% compared to FY 2018 Waste emissions intensity : Reduced 50.7% compared to FY 2018 Water use intensity : Reduced 5.9% compared to FY 2018 <p>• Green certification : 66.0% (As of the date of this document)</p>
	Coexistence of humankind and nature and activities for the resources environment	<ul style="list-style-type: none"> Advance greenification and respect biodiversity No increasing waste emission intensity of portfolio compared to FY 2018 No increasing water use intensity of portfolio compared to FY 2018 	
	Investing in real estate with excellent environmental performance	<ul style="list-style-type: none"> Achieve 70% or more of the portfolio with green certification by FY 2022 (<u>Note 2</u>) Promote <u>ZEH alternatives</u> 	
Social	Providing residents and tenants with secure and comfortable space that offers peace of mind	<ul style="list-style-type: none"> Periodic surveys on resident and tenant satisfaction <u>and promote initiatives to improve satisfaction</u> <u>Promote certification acquisition for comfort and health of buildings (spaces)</u> Periodic assessment of earthquake risk and flood damage risk and the <u>implementation of measures to reduce such risk</u> Periodic <u>assessment</u> of initiatives toward ESG in the supply chain <u>and the promotion of collaborative initiatives</u> 	<ul style="list-style-type: none"> Implement measures to improve service in light of satisfaction survey results Portfolio seismic PML rating : 1.9% (As of the end of Apr. 2022) Percentage of portfolio with water immersion risk (0.5m or more water immersion) : 44.8% (As of the end of Apr. 2022)
	Contributions to society	<ul style="list-style-type: none"> As a member of society, contributing to greater vitality in the community and countermeasures aimed at preventing damage from natural and other disasters By FY 2023, "Sekisui House Matching Program" (a joint donation system for employees and the company) participation rate: 40% 	<ul style="list-style-type: none"> Introduced disaster prevention facilities, such as damage relief vending machines and AED (automatic external defibrillator), etc. Introduced Share Bikes and Food Trucks Provided conference room space for blood donation events "Sekisui House Matching Program" participation rate: 41.9% (FY 2021 results (Note 3))
	Creating a rewarding workplace	<p>By FY 2023,</p> <ul style="list-style-type: none"> a. Percentage of female managers: 7% b. Average monthly work hours per person: 162 hours c. Annual paid leave take-up rate : 70% d. Take-up rate for male childcare leave: 100% <ul style="list-style-type: none"> Annual participation in external training events per person : twice Annual internal training participation rate : 100% Practicing Sekisui House Group Human Rights Policy 	<p>FY 2021 results (Note 3)</p> <ul style="list-style-type: none"> a. Percentage of female managers positions : 3.6% b. Average monthly work hours per person : 164.9 hours c. Annual paid leave take-up rate : 52.0% d. Take-up rate for male childcare leave : not applicable <ul style="list-style-type: none"> Annual participation in external training events : 3.4 times per person Annual internal training participation rate : 100%
Governance	Strengthening corporate governance system	<ul style="list-style-type: none"> Enhance effectiveness of executive committee and board of directors Conducting effectiveness evaluation questionnaire (once/year) Penetration of compliance Conducting compliance training by external experts etc. (four times/year) participation rate : 100% Strengthening internal controls structure Conducting Internal Audit (twice/year) Strengthen risk management system Conducting risk management meeting (twice/year) 	<p>FY 2021 results (Note 3)</p> <ul style="list-style-type: none"> Conducted compliance training by external experts : Six times Conducted Internal Audit : Twice Conducted risk management meeting : Twice
	Information disclosure and engagement with stakeholders	<ul style="list-style-type: none"> Timely and appropriate disclosure of information and enhanced utility of disclosures Building relationships of trust with stakeholders 	<ul style="list-style-type: none"> Issued SHR's ESG report in January 2022 Released a special website for individual investors in February 2022 Held IR meetings with institutional investors; online seminars for individual investors

Note 1: Will set reduction targets every 5 years after FY 2023 and continue promotion of reduction in energy consumption intensity of portfolio.

Note 2: Will continue to maintain 70% or more after FY 2022.

Note 3: FY 2021 results refer to the actual results of the Asset Management Company for the period from Feb. 2021 to Jan. 2022.

ESG: External Certifications and International Initiatives

GRESB Assessment 2021

- Acquired “3 Stars” under the GRESB Real Estate Assessment
- Acquired highest rank “A” under the GRESB Disclosure Assessment



MSCI ESG Rating

- Inclusion in the MSCI Japan ESG Select Leaders Index (as of June 2022)
- Acquired “A” under the MSCI ESG rating (as of March 2022)



PRI (Principles for Responsible Investing)

- SHAM agreed with and ratified the Principles for Responsible Investing (PRI) (as of March 2019)
- Deepen the initiatives through commitment to the goals set in the PRI

Signatory of:



TCFD (The Task Force on Climate-related Financial Disclosures)

- SHAM expressed agreement with TCFD recommendations (July 2020)
- Analyze the risks and opportunities posed by climate change and promote responses in line with TCFD framework



MUFG ESG Rating Certificate for J-REIT supported by JCR

- SHR and SHAM reacquired the highest “S Rank” (as of April 2022)
- Highly praised for reducing CO₂ emissions, collaborating with residents, tenants, tenant companies, and local communities, and thorough compliance awareness

United Nations Global Compact

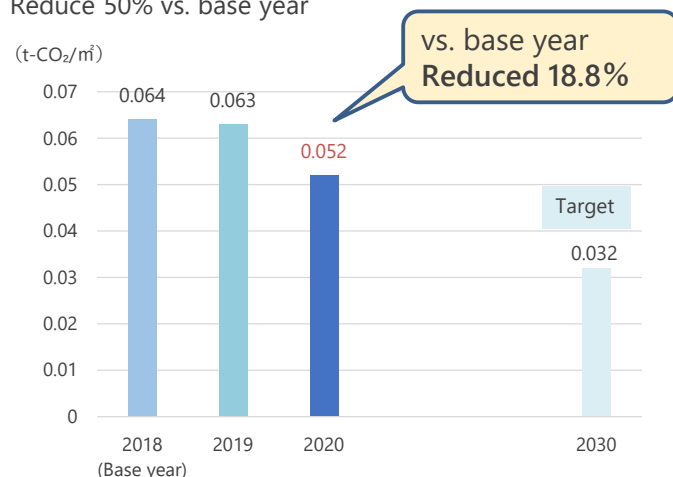
- Sekisui House Group expressed to its support for the “Ten Principles of the United Nations Global Compact”



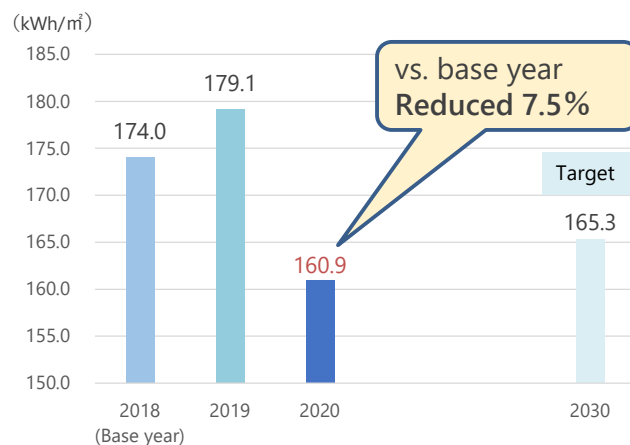
Environment

■ KPI promote status

Portfolio CO₂ emissions intensity
KPI : Reduce 50% vs. base year



Portfolio energy consumption intensity
KPI : Reduce 5% vs. base year



In principle, the policy is to set energy consumption target every 5 years after 2023

■ Initiatives to reduce CO₂ emission

Total number of introduction of environmental consideration facilities
(As of the end of April 2022)

Introduced environmentally friendly features such LED lighting, energy efficient air conditioners and laminated Low-e double glazed windows, which features insulating and heat-reflecting capabilities.

- LED lighting installed in 62 properties
- Energy efficient air conditioner installed in 3,627 units

Effects of installing LED lighting and energy efficient air conditioners on residential portfolio

Expect to reduce annual CO₂ emissions about 8.0% (vs. FY 2018)

Other environmental consideration facilities
(already introduced at time of property acquisition)

- Solar panels installed on 7 properties

Results of switching to renewable energy electricity (Total results)

- 106 Residential properties
- 2 Office buildings

■ Appropriate management of waste materials

Received the following certification and excellence mark from the Osaka city environmental bureau for our excellent performance in promoting the reduction and proper disposal of business waste.

- Hommachi Garden City
Certified "Superior waste reduction building"
- HK Yodoyabashi Garden Avenue
Received "Excellent mark of waste reduction"



ESG: Social and Governance

Social

Contributions to society

Matching employee donations program "Sekisui House Matching Program"

Employees set aside the amount they want from their salaries and Sekisui House adds the same amount of subsidies to make donations. SHAM introduced it from May 2021.



Children's Fund

Aiming to nurture children who will lead the next generation, we support activities related to the sound development of children

Education system promotion activities for children in rural Cambodia



Environmental Fund

Supporting activities related to global warming prevention, ecosystem conservation, and resource recycling with the aim of contributing to the resolution of environmental issues

Coastal forest restoration activities in Sammu-shi, Chiba, which suffered salt damage from the tsunami on March 11, 2011

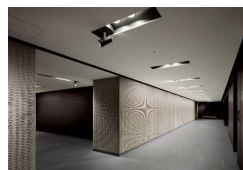
Participation in the Minato-ku Adopt Program

Signed an agreement with Minato-ku, Tokyo, where SHAM's office is located, to regularly conduct cleanup activities around the office through participation in the "Minato-ku Adopt Program"

Tenant safety, comfort and peace of mind

Building certified under the Barrier-free law : Hommachi Minami GC

- First office building in Osaka city to be certified under the Barrier-free law
- Design based on the Building Movement Facilitation Guidance Standard
- Wide corridor width and three wheelchair-accessible parking spaces in the parking lot for wheelchair users



* The Barrier-free law is the law on promotion of smooth transportation for the elderly and persons with disabilities.

Governance

Initiatives that linked to unitholder interests

- Sekisui House ownership of SHR's investment units (same boat investment)
- Performance-linked type is adopted as part of asset management fee

Sekisui House ownership (units) (Percentage of outstanding shares)	200,750 (4.5%)
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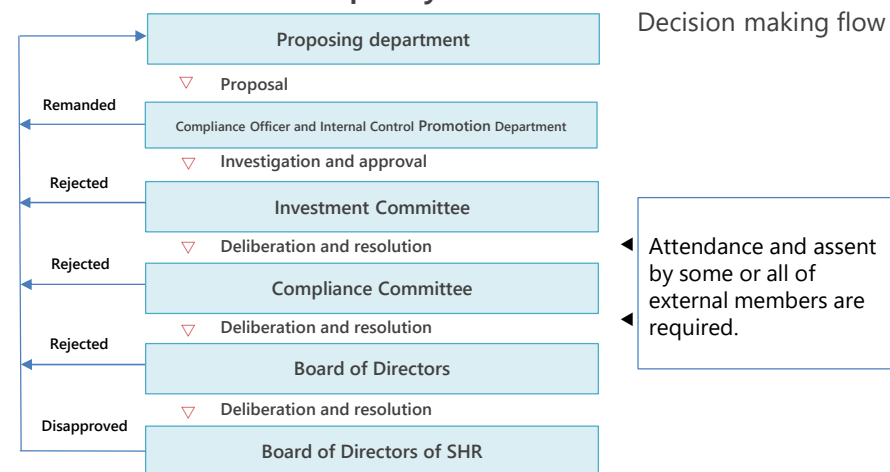
(1) Linked to asset size and investment units performance

Total Assets × (0.14% (annual) + rate of performance versus TSE REIT Index)^{Note 1}

(2) Linked to DPU and operating income

(DPU^{Note 2} × operating Income^{Note 3} × 0.002%) × 2 (split ratio)

Conflicts of interest policy



The investment committee and the compliance committee require the attendance and approval of outside committee members, respectively, to ensure fairness, objectivity, and appropriateness in the committee's decision-making.

Promote diversity

To emphasize diversity, a female supervisory director was appointed in Jan. 2022, and the ratio of female executives has increased to 33.3%.

Note 1: The rate is fluctuated depending on the performance-comparison of the SHR's investment units and the TSE REIT Index.

Note 2: Calculated as the distributable amount before deduction of Management Fee II divided by the total number of issued investment units.

Note 3: Operating Income before deduction of Management Fee II

Portfolio Development Policy

▶ Portfolio composition by asset type

Building a portfolio with “Residential” as a base for a sustainable lifestyle and “Office buildings” as a base for sustainable business activities as core assets.

Asset Type	Examples of Specific Asset Type	Portfolio Investment Ratio (acquisition price basis)	Mid- to Long-Term Target Investment Ratio*	After Asset Replacement
Core assets				
Office building	Office building Data center	30~55%	About 45%	48.1%
Residential	Residential Student and corporate dormitories	30~55%	About 45%	48.8%
Hotel	Hotel	0~30%	About 15% (Hotel at about 10%)	3.1%
Retail, etc.	Retail Serviced apartments Senior assets (Serviced housing for the elderly, Paid nursing homes, Adult day care centers)	0~10%		—

* Mid- to Long-Term Target Ratio is stated as medium- to long-term target investment ratio. It is not guaranteed or promised that those targets will be achieved, and the actual investment ratios may differ substantially from the targets.

▶ Investment area by asset type

Asset Type	Priority Investment Area	Investment Ratio by Area (acquisition price basis)	After Asset Replacement
Office building, Hotel, Retail, etc.	Three major metropolitan areas (Greater Tokyo, Osaka, Nagoya)	80% or more	100.0%
Residential	Greater Tokyo	70% or more	78.8%

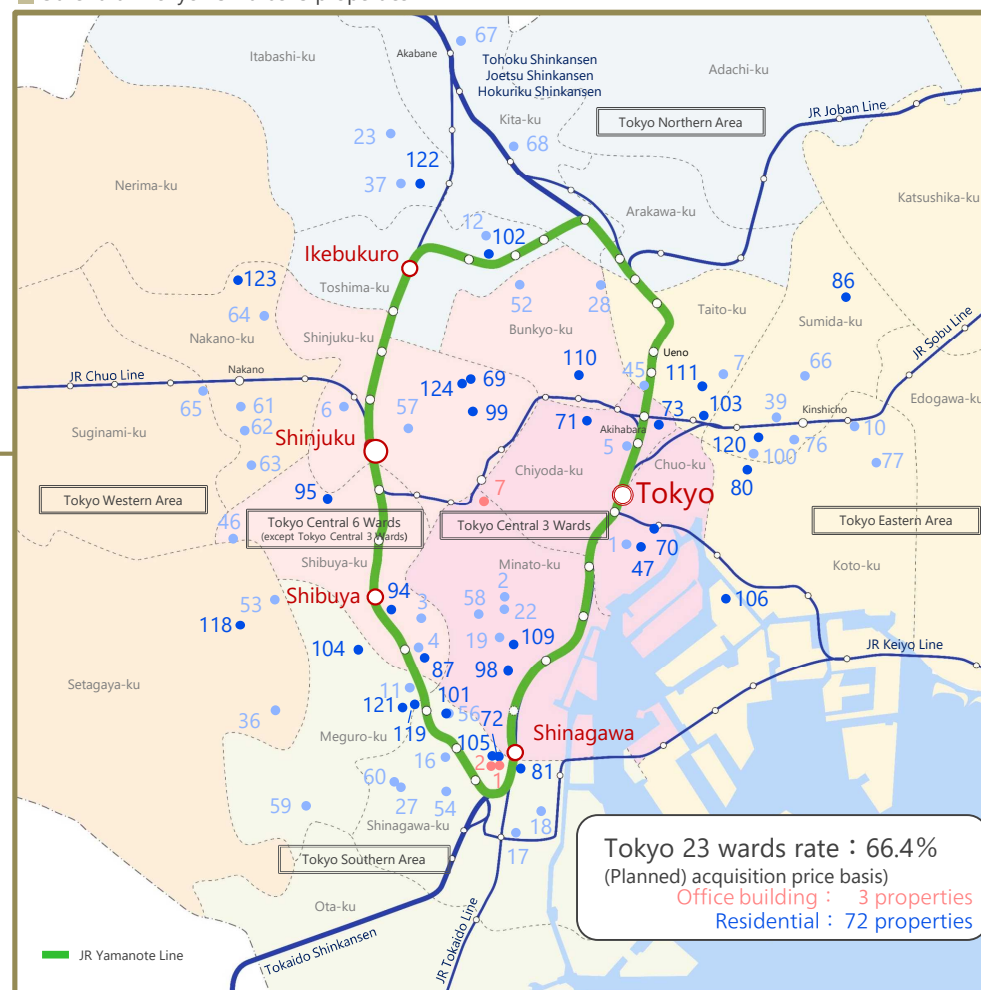
Portfolio MAP



(After Asset Replacement)

Total 120 properties

■ Tokyo 23 wards 75 properties
 ■ Other than Tokyo 23 wards 3 properties 33, 40, 91



No. : Office building No. : Residential (Acquisition from Sekisui House Group)
 No. : Hotel No. : Residential (Acquisition from third-parties)

The numbers on the map represent the property number.

Portfolio List (1)

Overview of Portfolio

Asset type	Number of properties	Number of PP	PP ratio (%) (Acquisition price base)	Acquisition price (JPY million)	Investment ratio (%)	Leasable area (m)	Occupancy rate (%)	Average building age
Office building	7	7	100.0	266,800	47.3	135,975.13	97.9	12.2
Residential	111	86	83.7	257,766	45.7	392,120.19	96.5	12.4
Hotels	2	2	100.0	39,320	7.0	29,589.06	100.0	10.1
Total	119	94	92.6	563,886	100.0	557,684.38	97.0	12.2

Owned Properties

Property No.	pp	Property name	Location	Acquisition price (JPY million)	Investment ratio (%)	Leasable area (m)	Occupancy rate (%)	Completion date
O-001	★	Garden City Shinagawa Gotenyama	Shinagawa-ku, Tokyo	71,950	12.8	38,577.99	98.6	Feb. 2011
O-002	★	Gotenyama SH Building	Shinagawa-ku, Tokyo	51,500	9.1	19,999.97	100.0	Feb. 2011
O-003	★	Hommachi Minami Garden City	Osaka-shi, Osaka	44,000	7.8	29,657.53	100.0	Feb. 2011
O-004	★	Hommachi Garden City (Office portion)	Osaka-shi, Osaka	38,600	6.8	17,006.94	100.0	May 2010
O-005	★	HK Yodoyabashi Garden Avenue	Osaka-shi, Osaka	4,400	0.8	4,554.52	100.0	Jul. 2015
O-006	★	Hirokoji Garden Avenue	Nagoya-shi, Aichi	6,350	1.1	4,442.75	100.0	Mar. 2011
O-007	★	Akasaka Garden City	Minato-ku, Tokyo	50,000	8.9	21,735.43	89.4	Jan. 2006
Office building Subtotal				266,800	47.3	135,975.13	97.9	
R-001	★	Esty Maison Ginza	Chuo-ku, Tokyo	6,540	1.2	5,515.43	98.1	Feb. 2005
R-002	★	Esty Maison Azabunagasaka	Minato-ku, Tokyo	1,790	0.3	2,019.10	89.7	Jan. 2004
R-003	★	Esty Maison Ebisu II	Shibuya-ku, Tokyo	2,040	0.4	2,062.10	94.7	Jun. 2003
R-004	★	Esty Maison Ebisu	Shibuya-ku, Tokyo	873	0.2	781.02	88.9	Oct. 2004
R-005	★	Esty Maison Kanda	Chiyoda-ku, Tokyo	1,610	0.3	1,706.54	94.8	Feb. 2004
R-006	★	Esty Maison Kitashinjuku	Shinjuku-ku, Tokyo	1,590	0.3	1,881.19	89.9	Aug. 2004
R-007	★	Esty Maison Asakusakomagata	Taito-ku, Tokyo	2,190	0.4	2,978.28	91.1	Jul. 2004
R-008		Esty Maison Kawasaki	Kawasaki-shi, Kanagawa	2,400	0.4	3,741.01	98.6	Jul. 2004
R-010	★	Esty Maison Kameido	Koto-ku, Tokyo	1,580	0.3	2,279.21	95.9	Nov. 2005
R-011	★	Esty Maison Meguro	Meguro-ku, Tokyo	1,060	0.2	1,070.13	95.0	Nov. 2005
R-012		Esty Maison Sugamo	Toshima-ku, Tokyo	1,630	0.3	2,619.17	97.2	Feb. 2007
R-013	★	Esty Maison Kyobashi	Osaka-shi, Osaka	2,970	0.5	4,613.04	97.8	Mar. 2006
R-014		Esty Maison Hakuraku	Yokohama-shi, Kanagawa	931	0.2	1,285.83	96.5	Feb. 2006
R-015	★	Esty Maison Minamihorie	Osaka-shi, Osaka	1,060	0.2	1,804.48	94.2	Feb. 2007
R-016	★	Esty Maison Gotanda	Shinagawa-ku, Tokyo	3,110	0.6	3,871.15	98.9	Mar. 2006
R-017	★	Esty Maison Oisendaizaka	Shinagawa-ku, Tokyo	2,720	0.5	2,979.85	93.9	Aug. 2006
R-018		Esty Maison Shinagawa Seaside	Shinagawa-ku, Tokyo	2,050	0.4	2,602.30	94.1	Jun. 2006

(As of the end of April, 2022)

Property No.	pp	Property name	Location	Acquisition price (JPY million)	Investment ratio (%)	Leasable area (m)	Occupancy rate (%)	Completion date
R-019	★	Esty Maison Minamiazabu	Minato-ku, Tokyo	1,250	0.2	1,082.12	96.2	Aug. 2006
R-021		Esty Maison Kawasaki II	Kawasaki-shi, Kanagawa	1,910	0.3	2,824.86	99.2	Feb. 2007
R-022		Esty Maison Azabujuban	Minato-ku, Tokyo	2,690	0.5	1,755.31	94.0	Feb. 2007
R-023		Esty Maison Itabashihoncho	Itabashi-ku, Tokyo	937	0.2	1,274.49	95.4	Feb. 2007
R-027		Esty Maison Musashikoyama	Shinagawa-ku, Tokyo	1,050	0.2	1,176.78	95.9	Nov. 2007
R-028	★	Esty Maison Sendagi	Bunkyo-ku, Tokyo	698	0.1	897.30	97.3	Jan. 2008
R-030	★	Esty Maison Hakatahigashi	Fukuoka-shi, Fukuoka	2,400	0.4	9,106.08	97.7	Nov. 2007
R-033	★	Prime Maison Musashinonomori	Kodaira-shi, Tokyo	1,850	0.3	3,924.58	92.6	Dec. 2007
R-034	★	Prime Maison Higashisakura	Nagoya-shi, Aichi	1,500	0.3	3,118.11	96.5	Feb. 2008
R-035	★	Prime Maison Kayabakoen	Nagoya-shi, Aichi	801	0.1	2,163.98	92.8	Nov. 2006
R-036	★	Esty Maison Sangenjaya II	Setagaya-ku, Tokyo	785	0.1	894.64	92.2	Jan. 2008
R-037	★	Esty Maison Itabashi C6	Itabashi-ku, Tokyo	2,560	0.5	4,036.66	97.4	Mar. 2008
R-038	★	Sha Maison Stage Hakata	Fukuoka-shi, Fukuoka	2,360	0.4	9,614.80	100.0	Jan. 2005
R-039	★	Esty Maison Kinshicho	Sumida-ku, Tokyo	1,260	0.2	1,611.54	91.7	Sep. 2006
R-040	★	Esty Maison Musashikoganei	Koganei-shi, Tokyo	1,790	0.3	2,275.24	100.0	Feb. 2005
R-041	★	Prime Maison Gokiso	Nagoya-shi, Aichi	1,950	0.3	4,427.65	98.3	Oct. 2008
R-042	★	Prime Maison Yuhigaoka	Osaka-shi, Osaka	909	0.2	2,040.35	100.0	Feb. 2007
R-043	★	Prime Maison Kitatanabe	Osaka-shi, Osaka	601	0.1	1,798.97	100.0	Jun. 2006
R-044	★	Prime Maison Momochihama	Fukuoka-shi, Fukuoka	1,940	0.3	7,514.76	100.0	Feb. 1996
R-045	★	Esty Maison Akihabara	Taito-ku, Tokyo	1,930	0.3	2,324.65	91.2	Feb. 2006
R-046		Esty Maison Sasazuka	Shibuya-ku, Tokyo	3,340	0.6	3,701.70	98.0	Sep. 2004
R-047	★	Prime Maison Ginza East	Chuo-ku, Tokyo	6,250	1.1	6,177.20	94.4	Feb. 2006
R-048	★	Prime Maison Takami	Nagoya-shi, Aichi	1,050	0.2	2,016.79	100.0	Aug. 2008
R-049	★	Prime Maison Yadaminami	Nagoya-shi, Aichi	812	0.1	2,168.59	100.0	Jul. 2007
R-050	★	Prime Maison Teriha	Fukuoka-shi, Fukuoka	1,260	0.2	6,728.20	100.0	Aug. 2005
R-051	★	Esty Maison Higashishirakabe	Nagoya-shi, Aichi	1,580	0.3	4,014.07	100.0	Feb. 2006
R-052	★	Esty Maison Sengoku	Bunkyo-ku, Tokyo	1,360	0.2	1,498.13	98.7	Aug. 2009
R-053	★	Esty Maison Daizawa	Setagaya-ku, Tokyo	2,270	0.4	2,352.90	91.0	Feb. 2010
R-054		Esty Maison Togoshi	Shinagawa-ku, Tokyo	1,770	0.3	1,943.17	97.8	Jun. 2009
R-055	★	Esty Maison Nishitemma	Osaka-shi, Osaka	1,680	0.3	2,877.90	93.9	Nov. 2007
R-056	★	Esty Maison Shirokanedai	Shinagawa-ku, Tokyo	2,400	0.4	2,675.11	96.1	Sep. 2003
R-057	★	Esty Maison Higashishinjuku	Shinjuku-ku, Tokyo	1,680	0.3	1,889.50	98.2	Apr. 2009
R-058	★	Esty Maison Motoazabu	Minato-ku, Tokyo	1,540	0.3	1,199.86	100.0	Nov. 2009
R-059		Esty Maison Toritsudaigaku	Meguro-ku, Tokyo	861	0.2	1,035.78	94.9	Feb. 2009
R-060	★	Esty Maison Musashikoyama II	Shinagawa-ku, Tokyo	1,030	0.2	1,073.59	97.8	May 2009
R-061		Esty Maison Nakano	Nakano-ku, Tokyo	1,870	0.3	2,023.72	98.9	Jun. 2009
R-062		Esty Maison Shinnakano	Nakano-ku, Tokyo	1,020	0.2	1,107.57	100.0	Oct. 2009

Portfolio List (2)

(As of the end of April, 2022)

Property No. PP	Property name	Location	Acquisition price (JPY million)	Investment ratio (%)	Leasable area (㎡)	Occupancy rate (%)	Completion date
R-063	Esty Maison Nakanofujimicho	Nakano-ku, Tokyo	984	0.2	1,299.60	100.0	Feb. 2009
R-064	Esty Maison Tetsugakudo	Nakano-ku, Tokyo	1,160	0.2	1,531.89	91.5	Oct. 2009
R-065	Esty Maison Koenji	Suginami-ku, Tokyo	1,160	0.2	1,527.52	96.6	Mar. 2009
R-066	★ Esty Maison Oshiage	Sumida-ku, Tokyo	2,490	0.4	3,180.90	96.3	Apr. 2010
R-067	★ Esty Maison Akabane	Kita-ku, Tokyo	3,290	0.6	4,302.84	98.2	Nov. 2009
R-068	Esty Maison Oji	Kita-ku, Tokyo	1,650	0.3	2,289.44	92.0	Jul. 2010
R-069	★ Prime Maison Waseda	Shinjuku-ku, Tokyo	1,580	0.3	1,650.66	92.4	Nov. 2012
R-070	★ Prime Maison Hatchobori	Chuo-ku, Tokyo	1,460	0.3	1,382.32	93.1	Nov. 2012
R-071	★ Prime Maison Jimbocho	Chiyoda-ku, Tokyo	1,960	0.3	1,819.90	94.8	Mar. 2013
R-072	★ Prime Maison Gotenyama East	Shinagawa-ku, Tokyo	2,910	0.5	2,512.91	95.9	Jan. 2011
R-073	★ Sha Maison Stage Akihabara	Chiyoda-ku, Tokyo	555	0.1	803.36	100.0	Oct. 2006
R-074	★ Esty Maison Aoi	Nagoya-shi, Aichi	2,460	0.4	4,809.68	98.8	Oct. 2007
R-075	★ Esty Maison Yakuin	Fukuoka-shi, Fukuoka	2,430	0.4	5,213.51	98.4	Feb. 2006
R-076	★ Esty Maison Kinshicho II	Sumida-ku, Tokyo	8,250	1.5	9,469.65	97.1	Jan. 2008
R-077	★ Esty Maison Ojima	Koto-ku, Tokyo	8,630	1.5	9,905.97	93.2	Sep. 2007
R-078	★ Prime Maison Fujimidai	Nagoya-shi, Aichi	2,070	0.4	5,704.63	98.5	Apr. 2007
R-079	★ Esty Maison Tsurumai	Nagoya-shi, Aichi	4,490	0.8	13,812.40	100.0	Nov. 1999
R-080	★ Prime Maison Morishita	Koto-ku, Tokyo	1,930	0.3	2,180.78	94.3	May 2013
R-081	★ Prime Maison Shinagawa	Shinagawa-ku, Tokyo	1,960	0.3	2,107.88	93.9	Feb. 2014
R-082	★ Prime Maison Odorikoen	Sapporo-shi, Hokkaido	3,160	0.6	7,360.37	88.8	Dec. 2008
R-083	★ Prime Maison Minami 2-jo	Sapporo-shi, Hokkaido	1,930	0.3	6,019.09	99.3	Nov. 2009
R-084	★ Prime Maison Kamokamogawa	Sapporo-shi, Hokkaido	1,250	0.2	4,102.08	97.2	Oct. 2009
R-085	★ Prime Maison Central Park	Fukuoka-shi, Fukuoka	2,309	0.4	10,268.74	94.7	Feb. 2011
R-086	★ Sha Maison Stage Yahiro	Sumida-ku, Tokyo	1,910	0.3	3,409.16	100.0	Jan. 2011
R-087	★ Prime Maison Ebisu	Shibuya-ku, Tokyo	4,360	0.8	3,010.66	96.4	Jun. 2014
R-088	Sha Maison Stage Kanazawa Nishiizumi	Kanazawa-shi, Ishikawa	1,080	0.2	4,634.50	100.0	Sep. 2007
R-089	Esty Maison Unomori	Yokkaichi-shi, Mie	830	0.1	2,280.00	100.0	Apr. 2009
R-091	★ Sha Maison Stage Hino	Hino-shi, Tokyo	1,390	0.2	2,827.55	100.0	Jan. 2010
R-092	★ Prime Maison Yokohama Nihon-odori	Yokohama-shi, Kanagawa	4,870	0.9	5,461.13	94.3	Jun. 2014
R-093	Kobe Women's Student Housing	Kobe-shi, Hyogo	5,880	1.0	15,341.68	98.9	Feb. 2002
R-094	★ Prime Maison Shibuya	Shibuya-ku, Tokyo	2,430	0.4	1,972.59	93.4	Jul. 2014
R-095	★ Prime Maison Hatsudai	Shibuya-ku, Tokyo	3,010	0.5	2,879.20	98.3	Dec. 2014
R-096	Esty Maison Uemachidai	Osaka-shi, Osaka	1,040	0.2	2,225.52	95.7	Aug. 2005
R-098	★ Prime Maison Shirokane-takanawa	Minato-ku, Tokyo	4,900	0.9	3,923.76	94.4	Jun. 2015
R-099	★ Prime Maison Ichigayayamabushicho	Shinjuku-ku, Tokyo	4,220	0.7	4,099.04	87.9	Oct. 2015
R-100	★ Esty Maison Morishita	Sumida-ku, Tokyo	655	0.1	748.92	100.0	Feb. 2017
R-101	★ Prime Maison Shirokanedai Tower	Shinagawa-ku, Tokyo	7,950	1.4	6,772.89	97.0	May 2016
R-102	★ Prime Maison Otsuka	Toshima-ku, Tokyo	3,700	0.7	3,921.35	91.7	Jan. 2017

Property No. PP	Property name	Location	Acquisition price (JPY million)	Investment ratio (%)	Leasable area (㎡)	Occupancy rate (%)	Completion date
R-103	★ Prime Maison Asakusabashi	Taito-ku, Tokyo	1,680	0.3	2,033.06	93.6	Oct. 2016
R-104	★ Prime Maison Daikanyama	Meguro-ku, Tokyo	2,520	0.4	1,779.17	95.5	Jan. 2017
R-105	★ Prime Maison Gotenyama West	Shinagawa-ku, Tokyo	3,400	0.6	3,569.73	100.0	Jan. 2011
R-106	★ Esty Maison Toyosu Residence	Koto-ku, Tokyo	6,050	1.1	23,538.73	94.9	Feb. 2008
R-108	Esty Maison Ijiri	Fukuoka-shi, Fukuoka	390	0.1	1,430.60	100.0	Jan. 2008
R-109	★ Prime Maison Mitatsunamachi	Minato-ku, Tokyo	2,040	0.4	1,387.12	89.4	Oct. 2017
R-110	★ Prime Maison Hongo	Bunkyo-ku, Tokyo	2,600	0.5	2,423.46	89.2	Mar. 2018
R-111	★ Prime Maison Kuramae	Taito-ku, Tokyo	2,190	0.4	2,259.40	94.3	Nov. 2018
R-112	★ Esty Maison Yokohama-aobadai	Yokohama-shi, Kanagawa	3,020	0.5	6,808.84	100.0	Jul. 1990
R-113	Esty Maison Shizuoka Takajo	Shizuoka-shi, Shizuoka	660	0.1	1,731.52	100.0	Feb. 2006
R-114	Sha Maison Stage Hirose-dori	Sendai-shi, Miyagi	865	0.2	2,552.40	100.0	Jan. 2006
R-115	Esty Maison HIGASHIBETSUIN	Nagoya-shi, Aichi	2,190	0.4	4,856.22	100.0	Feb. 2009
R-116	★ Esty Maison Kayaba	Nagoya-shi, Aichi	900	0.2	2,170.80	100.0	Feb. 2012
R-117	★ Esty Maison SHIRAKABEMINAMI	Nagoya-shi, Aichi	660	0.1	1,240.28	100.0	Jan. 2014
R-118	★ Prime Maison Shimokitazawa	Setagaya-ku, Tokyo	2,580	0.5	1,991.72	81.9	Dec. 2019
R-119	★ Prime Maison Meguro	Meguro-ku, Tokyo	2,310	0.4	1,335.62	96.4	Aug. 2018
R-120	★ Prime Maison Ryogoku	Sumida-ku, Tokyo	1,530	0.3	1,499.10	96.7	Feb. 2019
R-121	★ Prime Maison Nakameguro	Meguro-ku, Tokyo	10,000	1.8	6,033.98	95.4	Nov. 2019
R-122	★ Prime Maison Itabashi	Itabashi-ku, Tokyo	4,800	0.9	4,557.89	92.4	Feb. 2019
Residential Subtotal			257,766	45.7	392,120.19	96.5	
H-001	★ Hommachi Garden City (Hotel portion)	Osaka-shi, Osaka	17,200	3.1	18,092.98	100.0	May 2010
H-002	★ The Ritz-Carlton, Kyoto	Kyoto-shi, Kyoto	22,120	3.9	11,496.08	100.0	Oct. 2013
Hotel Subtotal			39,320	7.0	29,589.06	100.0	

■ Assets to be Acquired in FP 16 (Planned to acquire on August 2, 2022)

Property No. PP	Property name	Location	Planned Acquisition price (JPY million)	Investment ratio (%)	Leasable area (㎡)	Occupancy Rate as of the end of Apr. 2022 (%)	Completion date
R-123	★ Prime Maison EGOTANOMORI	Nakano-ku, Tokyo	10,500	—	29,048.95	96.4	Jul. 2018
R-124	★ Prime Maison Waseda dori	Shinjuku-ku, Tokyo	2,200	—	1,819.35	93.2	Feb. 2020

* PP refers to “prime properties” which are high quality real estate located in strategic location.

* The acquisition price of assets taken over as a result of the merger with Sekisui House Residential Investment Corporation use the appraisal value as priced on April 30, 2018, the day before the merger took effect.

Period-end Appraisal Values (1)

(Appraisal date: End of April 2022)

Property No.	Property name	Estimated value (JPY million)		Book value (JPY million)	Unrealized capital gain/loss (JPY million)	Profit return method			Discounted cash flow method				Appraisal NOI (JPY million)	
		Period-on-period	Revenue price (JPY million)			Direct capitalization yield (%)		Revenue price (JPY million)	Discount rate (%)		Final capitalization yield (%)			
						Period-on-period	Period-on-period		Period-on-period	Period-on-period	Period-on-period	Period-on-period		
O-001	Garden City Shinagawa Gotenyama	89,700	600	69,924	19,775	93,000	3.1	(0.1)	88,300	2.9	(0.1)	3.3	(0.1)	2,903
O-002	Gotenyama SH Building	61,700	—	49,466	12,233	63,100	3.3	—	61,100	3.3	—	3.5	—	2,061
O-003	Hommachi Minami Garden City	56,000	—	42,301	13,698	57,500	3.5	—	55,400	3.2	—	3.7	—	2,041
O-004	Hommachi Garden City (Office portion)	45,000	200	36,248	8,751	45,900	3.4	—	44,100	3.2	—	3.6	—	1,561
O-005	HK Yodoyabashi Garden Avenue	6,340	(70)	4,197	2,142	6,500	3.6	—	6,270	3.7	—	3.8	—	239
O-006	Hirokoji Garden Avenue	7,370	180	6,150	1,219	7,520	4.0	(0.1)	7,310	3.8	(0.1)	4.2	(0.1)	307
O-007	Akasaka Garden City	51,200	(500)	50,126	1,073	53,400	3.4	—	50,300	3.2	—	3.6	—	1,807
	Office building Subtotal	317,310	410	258,415	58,894	326,920	—	—	312,780	—	—	—	—	10,922
R-001	Esty Maison Ginza	7,550	230	6,604	945	7,790	3.4	(0.1)	7,450	3.6	(0.1)	3.6	(0.1)	273
R-002	Esty Maison Azabunagasaka	1,940	—	1,765	174	2,000	3.5	(0.1)	1,920	3.6	(0.1)	3.7	(0.1)	74
R-003	Esty Maison Ebisu II	2,370	30	2,020	349	2,430	3.5	(0.1)	2,350	3.6	(0.1)	3.7	(0.1)	88
R-004	Esty Maison Ebisu	920	—	917	2	944	3.4	(0.1)	909	3.5	(0.1)	3.6	(0.1)	34
R-005	Esty Maison Kanda	1,860	10	1,548	311	1,910	3.5	(0.1)	1,840	3.6	(0.1)	3.7	(0.1)	69
R-006	Esty Maison Kitashinjuku	1,800	30	1,533	266	1,830	3.7	(0.1)	1,790	3.7	(0.1)	3.9	(0.1)	69
R-007	Esty Maison Asakusakomagata	2,470	20	2,082	387	2,510	3.7	(0.1)	2,450	3.7	(0.1)	3.9	(0.1)	97
R-008	Esty Maison Kawasaki	2,770	10	2,384	385	2,810	3.8	(0.1)	2,750	3.8	(0.1)	4.0	(0.1)	112
R-010	Esty Maison Kameido	1,880	—	1,489	390	1,910	4.0	—	1,870	3.8	—	4.2	—	81
R-011	Esty Maison Meguro	1,320	50	1,070	249	1,330	3.4	(0.1)	1,300	3.2	(0.1)	3.5	(0.2)	47
R-012	Esty Maison Sugamo	1,840	10	1,590	249	1,870	3.7	—	1,800	3.5	—	3.9	—	72
R-013	Esty Maison Kyobashi	3,120	50	2,932	187	3,170	4.2	(0.1)	3,100	4.1	(0.1)	4.3	(0.1)	138
R-014	Esty Maison Hakuraku	976	—	884	91	991	4.2	—	970	4.0	—	4.4	—	45
R-015	Esty Maison Minamihorie	1,140	—	1,118	21	1,160	4.0	—	1,120	3.8	—	4.2	—	50
R-016	Esty Maison Gotanda	3,510	10	3,033	476	3,530	3.9	—	3,500	3.6	—	4.1	—	142
R-017	Esty Maison Oisendaizaka	3,010	10	2,710	299	3,060	3.7	—	2,990	3.5	—	3.9	—	118
R-018	Esty Maison Shinagawa Seaside	2,470	—	2,112	357	2,520	3.7	—	2,420	3.5	—	3.9	—	97
R-019	Esty Maison Minamiazabu	1,380	—	1,285	94	1,410	3.4	—	1,340	3.2	—	3.6	—	50
R-021	Esty Maison Kawasaki II	2,430	10	1,894	535	2,470	3.9	—	2,380	3.7	—	4.1	—	98
R-022	Esty Maison Azabujuban	3,040	—	2,710	329	3,100	3.4	—	2,970	3.2	—	3.6	—	106
R-023	Esty Maison Itabashihoncho	1,030	—	979	50	1,050	3.8	—	1,010	3.6	—	4.0	—	42
R-027	Esty Maison Musashikoyama	1,190	—	1,010	179	1,210	3.8	—	1,160	3.6	—	4.0	—	47
R-028	Esty Maison Sendagi	801	1	677	123	815	3.8	—	786	3.6	—	4.0	—	33
R-030	Esty Maison Hakatahigashi	2,610	50	2,210	399	2,640	4.5	(0.1)	2,600	4.5	(0.1)	4.6	(0.1)	129
R-033	Prime Maison Musashinonomori	2,180	60	1,771	408	2,190	4.2	(0.1)	2,180	4.1	(0.1)	4.4	(0.1)	98
R-034	Prime Maison Higashisakura	1,700	40	1,422	277	1,710	4.2	(0.1)	1,690	4.1	(0.1)	4.4	(0.1)	76
R-035	Prime Maison Kayabakoen	949	24	819	129	953	4.4	(0.1)	947	4.3	(0.1)	4.6	(0.1)	45
R-036	Esty Maison Sangenjaya II	892	21	760	131	912	3.7	(0.1)	883	3.8	(0.1)	3.9	(0.1)	36
R-037	Esty Maison Itabashi C6	2,840	10	2,464	375	2,870	3.9	—	2,820	3.7	—	4.1	—	118
R-038	Sha Maison Stage Hakata	2,820	80	2,367	452	2,810	4.4	(0.1)	2,820	3.8	(0.1)	4.5	(0.2)	137
R-039	Esty Maison Kinshicho	1,370	20	1,199	170	1,390	3.8	(0.1)	1,360	3.6	(0.1)	4.0	(0.1)	56
R-040	Esty Maison Musashikoganei	2,140	50	1,741	398	2,190	3.8	(0.1)	2,120	3.9	(0.1)	4.0	(0.1)	85
R-041	Prime Maison Gokiso	2,180	40	1,952	227	2,210	4.2	(0.1)	2,170	4.2	(0.1)	4.4	(0.1)	98
R-042	Prime Maison Yuhigaoka	1,090	30	868	221	1,100	4.0	(0.1)	1,080	3.8	(0.1)	4.1	(0.2)	45
R-043	Prime Maison Kitatanabe	700	29	616	83	704	4.2	(0.2)	695	4.0	(0.2)	4.3	(0.3)	31
R-044	Prime Maison Momochihama	2,180	30	1,902	277	2,190	4.4	(0.1)	2,170	4.1	(0.3)	4.6	(0.1)	108
R-045	Esty Maison Akihabara	2,090	30	1,896	193	2,120	3.8	(0.1)	2,080	3.6	(0.1)	4.0	(0.1)	85
R-046	Esty Maison Sasazuka	3,780	—	3,379	400	3,850	3.7	—	3,750	3.5	—	3.9	—	145
R-047	Prime Maison Ginza East	7,170	170	6,035	1,134	7,270	3.6	(0.1)	7,130	3.4	(0.1)	3.8	(0.1)	269

Period-end Appraisal Values (2)

(Appraisal date: End of April 2022)

Property No.	Property name	Estimated value (JPY million)		Book value (JPY million)	Unrealized capital gain/loss (JPY million)	Profit return method			Discounted cash flow method				Appraisal NOI (JPY million)	
		Period-on-period	Revenue price (JPY million)			Direct capitalization yield (%)		Revenue price (JPY million)	Discount rate (%)		Final capitalization yield (%)			
						Period-on-period	Period-on-Period		Period-on-Period	Period-on-period				
R-048	Prime Maison Takami	1,160	—	1,060	99	1,170	4.1	—	1,150	4.2	—	4.3	—	51
R-049	Prime Maison Yadaminami	910	19	845	64	916	4.4	(0.1)	908	4.3	(0.1)	4.6	(0.1)	42
R-050	Prime Maison Teriha	1,320	—	1,165	154	1,320	4.8	—	1,320	4.6	—	5.0	—	74
R-051	Esty Maison Higashishirakabe	1,750	20	1,608	141	1,780	4.3	(0.1)	1,740	4.3	—	4.5	(0.1)	79
R-052	Esty Maison Sengoku	1,470	—	1,333	136	1,500	3.6	—	1,460	3.4	—	3.8	—	56
R-053	Esty Maison Daizawa	2,510	—	2,219	290	2,570	3.6	—	2,490	3.4	—	3.8	—	94
R-054	Esty Maison Togoshi	2,020	70	1,718	301	2,060	3.6	(0.1)	2,000	3.7	(0.1)	3.8	(0.1)	76
R-055	Esty Maison Nishitemma	1,760	30	1,606	153	1,790	4.0	(0.1)	1,740	4.1	(0.1)	4.2	(0.1)	76
R-056	Esty Maison Shiokanedai	2,980	50	2,372	607	3,000	3.5	(0.1)	2,950	3.3	(0.1)	3.6	(0.2)	108
R-057	Esty Maison Higashishinjuku	1,920	60	1,600	319	1,960	3.6	(0.1)	1,900	3.7	(0.1)	3.8	(0.1)	73
R-058	Esty Maison Motoazabu	1,750	40	1,509	240	1,780	3.4	(0.1)	1,730	3.5	(0.1)	3.6	(0.1)	62
R-059	Esty Maison Toritsudaigaku	971	52	840	130	995	3.5	(0.1)	960	3.6	(0.1)	3.7	(0.1)	36
R-060	Esty Maison Musashikoyama II	1,130	—	994	135	1,140	3.7	—	1,120	3.5	—	3.9	—	43
R-061	Esty Maison Nakano	2,010	—	1,813	196	2,040	3.7	—	1,990	3.5	—	3.9	—	79
R-062	Esty Maison Shinnakano	1,070	—	980	89	1,090	3.8	—	1,060	3.6	—	4.0	—	43
R-063	Esty Maison Nakanofujimicho	1,060	10	949	110	1,080	3.7	(0.1)	1,050	3.8	(0.1)	3.9	(0.1)	41
R-064	Esty Maison Tetsugakudo	1,240	—	1,108	131	1,260	3.8	—	1,230	3.6	—	4.0	—	49
R-065	Esty Maison Koenji	1,290	20	1,123	166	1,320	3.6	(0.1)	1,280	3.7	(0.1)	3.8	(0.1)	49
R-066	Esty Maison Oshiage	2,750	80	2,396	353	2,780	3.8	(0.1)	2,730	3.8	(0.1)	4.0	(0.1)	110
R-067	Esty Maison Akabane	3,550	—	3,110	439	3,610	3.9	—	3,530	3.7	—	4.1	—	147
R-068	Esty Maison Oji	1,850	—	1,567	282	1,880	3.9	—	1,830	3.7	—	4.1	—	76
R-069	Prime Maison Waseda	1,860	50	1,502	357	1,880	3.5	—	1,840	3.3	—	3.6	(0.1)	68
R-070	Prime Maison Hatchobori	1,630	10	1,380	249	1,640	3.5	—	1,610	3.3	—	3.6	(0.1)	59
R-071	Prime Maison Jimbocho	2,130	60	1,865	264	2,160	3.7	(0.1)	2,120	3.5	(0.1)	3.9	(0.1)	82
R-072	Prime Maison Gotenyama East	3,360	160	2,865	494	3,390	3.5	(0.1)	3,350	3.3	(0.1)	3.7	(0.1)	122
R-073	Sha Maison Stage Akihabara	608	—	589	18	620	3.8	—	603	3.6	—	4.0	—	25
R-074	Esty Maison Aoi	2,530	20	2,345	184	2,560	4.2	(0.1)	2,520	4.2	(0.1)	4.4	(0.1)	114
R-075	Esty Maison Yakuin	2,640	70	2,557	82	2,690	4.0	(0.1)	2,620	4.1	(0.1)	4.2	(0.1)	114
R-076	Esty Maison Kinshicho II	9,860	360	7,912	1,947	9,950	3.6	(0.1)	9,770	3.4	(0.1)	3.7	(0.2)	369
R-077	Esty Maison Ojima	11,000	800	8,298	2,701	11,100	3.6	(0.1)	10,900	3.4	(0.1)	3.7	(0.2)	413
R-078	Prime Maison Fujimidai	2,180	—	2,155	24	2,210	4.6	—	2,170	4.4	—	4.8	—	108
R-079	Esty Maison Tsurumai	4,960	—	4,515	444	5,020	4.7	—	4,930	4.5	—	4.9	—	249
R-080	Prime Maison Morishita	2,180	50	1,830	349	2,210	3.7	(0.1)	2,170	3.7	(0.1)	3.9	(0.1)	85
R-081	Prime Maison Shinagawa	2,170	—	1,885	284	2,210	3.7	—	2,150	3.5	—	3.9	—	83
R-082	Prime Maison Odorikoen	3,180	60	3,033	146	3,200	4.3	(0.1)	3,160	4.1	(0.1)	4.4	(0.2)	154
R-083	Prime Maison Minami 2-jo	1,960	70	1,817	142	1,970	4.4	(0.1)	1,950	4.2	(0.1)	4.5	(0.2)	101
R-084	Prime Maison Kamokamogawa	1,220	40	1,185	34	1,220	4.4	(0.1)	1,210	4.2	(0.1)	4.5	(0.2)	63
R-085	Prime Maison Central Park	2,464	40	2,141	322	2,340	4.7	(0.1)	2,320	4.5	(0.1)	4.8	(0.1)	128
R-086	Sha Maison Stage Yahiro	2,040	10	1,814	225	2,060	4.1	—	2,030	3.9	—	4.3	—	88
R-087	Prime Maison Ebisu	5,390	220	4,251	1,138	5,450	3.2	(0.1)	5,320	3.0	(0.1)	3.3	(0.2)	178
R-088	Sha Maison Stage Kanazawa Nishiizumi	956	—	1,005	(49)	971	5.1	—	950	4.9	—	5.3	—	55
R-089	Esty Maison Unomori	814	1	765	48	825	5.2	—	809	5.0	—	5.4	—	46
R-091	Sha Maison Stage Hino	1,510	30	1,297	212	1,520	4.3	(0.1)	1,510	4.1	(0.1)	4.4	(0.1)	69
R-092	Prime Maison Yokohama Nihon-odori	5,030	20	4,610	419	5,120	3.9	—	4,930	3.7	—	4.1	—	210
R-093	Kobe Women's Student Housing	6,170	300	5,258	911	6,200	4.5	(0.2)	6,140	4.3	(0.2)	4.6	(0.3)	320
R-094	Prime Maison Shibuya	2,680	20	2,379	300	2,730	3.5	—	2,620	3.3	—	3.7	—	98
R-095	Prime Maison Hatsudai	3,200	—	2,909	290	3,260	3.6	—	3,130	3.4	—	3.8	—	122

Period-end Appraisal Values (3)

(Appraisal date: End of April 2022)

Property No.	Property name	Estimated value (JPY million)		Book value (JPY million)	Unrealized capital gain/loss (JPY million)	Profit return method			Discounted cash flow method				Appraisal NOI (JPY million)	
		Period-on-period				Revenue price (JPY million)	Direct capitalization yield (%)		Revenue price (JPY million)	Discount rate (%)		Final capitalization yield (%)		
							Period-on-period			Period-on-period		Period-on-period		
R-096	Esty Maison Uemachidai	1,180	30	1,058	121	1,190	4.1	(0.1)	1,170	3.8	(0.1)	4.3	(0.1)	50
R-098	Prime Maison Shirokane-takanawa	5,300	(170)	4,781	518	5,420	3.5	—	5,180	3.3	—	3.7	—	195
R-099	Prime Maison Ichigayayamabushicho	4,250	(20)	4,101	148	4,350	3.6	(0.1)	4,200	3.4	(0.1)	3.8	(0.1)	163
R-100	Esty Maison Morishita	726	17	630	95	736	3.9	(0.1)	722	3.7	(0.1)	4.1	(0.1)	28
R-101	Prime Maison Shirokanedai Tower	10,500	200	7,916	2,583	10,700	3.4	(0.1)	10,400	3.5	(0.1)	3.6	(0.1)	367
R-102	Prime Maison Otsuka	4,570	60	3,672	897	4,670	3.6	(0.1)	4,530	3.7	(0.1)	3.8	(0.1)	170
R-103	Prime Maison Asakusabashi	2,070	10	1,672	397	2,110	3.6	(0.1)	2,050	3.7	(0.1)	3.8	(0.1)	77
R-104	Prime Maison Daikanyama	3,210	40	2,513	696	3,290	3.4	(0.1)	3,180	3.5	(0.1)	3.6	(0.1)	113
R-105	Prime Maison Gotenyama West	4,530	170	3,400	1,129	4,590	3.5	(0.1)	4,510	3.6	(0.1)	3.7	(0.1)	164
R-106	Esty Maison Toyosu Residence	7,250	90	5,785	1,464	7,440	—	—	7,170	3.9	(0.1)	—	—	354
R-108	Esty Maison Ijiri	421	—	391	29	424	4.5	—	420	4.3	—	4.7	—	21
R-109	Prime Maison Mitatsunamachi	2,390	60	2,042	347	2,430	3.7	(0.1)	2,370	3.5	(0.1)	3.9	(0.1)	91
R-110	Prime Maison Hongo	2,890	60	2,597	292	2,950	3.7	(0.1)	2,870	3.5	(0.1)	3.9	(0.1)	111
R-111	Prime Maison Kuramae	2,470	60	2,184	285	2,510	3.8	(0.1)	2,450	3.6	(0.1)	4.0	(0.1)	96
R-112	Esty Maison Yokohama- aobadai	3,400	70	3,009	390	1,610	4.2	(0.1)	1,570	4.0	(0.1)	4.4	(0.1)	152
R-113	Esty Maison Shizuoka Takajo					1,850	4.3	(0.1)	1,800	4.1	(0.1)	4.5	(0.1)	
R-114	Sha Maison Stage Hirose-dori	929	20	873	55	940	4.3	(0.1)	924	4.1	(0.1)	4.5	(0.1)	45
R-115	Esty Maison HIGASHIBETSUIN	2,200	—	2,267	(67)	2,220	4.4	—	2,190	4.2	—	4.6	—	104
R-116	Esty Maison Kayaba	947	1	937	9	957	4.6	—	943	4.4	—	4.8	—	46
R-117	Esty maison SHIRAKABEMINAMI	682	—	683	(1)	689	4.4	—	679	4.2	—	4.6	—	31
R-118	Prime Maison Shimokitazawa	2,610	30	2,647	(37)	2,690	3.4	(0.1)	2,580	3.5	(0.1)	3.6	(0.1)	92
R-119	Prime Maison Meguro	2,370	60	2,362	7	2,420	3.4	(0.1)	2,350	3.5	(0.1)	3.6	(0.1)	83
R-120	Prime Maison Ryogoku	1,550	10	1,579	(29)	1,580	3.6	(0.1)	1,540	3.7	(0.1)	3.8	(0.1)	57
R-121	Prime Maison Nakameguro	10,600	300	10,224	375	10,900	3.4	(0.1)	10,500	3.5	(0.1)	3.6	(0.1)	373
R-122	Prime Maison Itabashi	4,860	50	4,974	(114)	4,970	3.6	(0.1)	4,810	3.7	(0.1)	3.8	(0.1)	181
Residential Subtotal		290,268	5,145	252,842	37,425	294,784	—	—	287,436	—	—	—	—	11,791
H-001	Hommachi Garden City (Hotel portion)	18,100	100	16,759	1,340	18,400	3.6	—	17,800	3.4	—	3.8	—	670
H-002	The Ritz-Carlton, Kyoto	22,295	—	22,119	175	22,785	3.5	—	22,050	3.2	—	3.6	—	919
Hotel Subtotal		40,395	100	38,878	1,516	41,185	—	—	39,850	—	—	—	—	1,590
Portfolio Total		647,973	5,655	550,137	97,835	662,889	—	—	640,066	—	—	—	—	24,303

■ Assets to be Acquired in FP 16 (Planned to acquire on August 2, 2022)

(Appraisal date: End of June 1, 2022)

Property No.	Property name	Estimated value (JPY million)	Planned Acquisition price (JPY million)	Unrealized capital gain/loss (JPY million)	Profit return method		Discounted cash flow method			Appraisal NOI (JPY million)
					Revenue price (JPY million)	Direct capitalization yield (%)	Revenue price (JPY million)	Discount rate (%)	Final capitalization yield (%)	
R-123	Prime Maison EGOTANOMORI	10,800	10,500	300	10,700	—	10,900	4.2	—	544
R-124	Prime Maison Waseda dori	2,420	2,200	220	2,420	3.4	2,410	3.2	3.5	82

* Estimated value, revenue price, direct capitalization yield, discount rate, final capitalization yield and appraisal NOI are based on respective real estate appraisal documents or real estate price survey documents, which is the result of price survey not follow real estate appraisal evaluation standards.

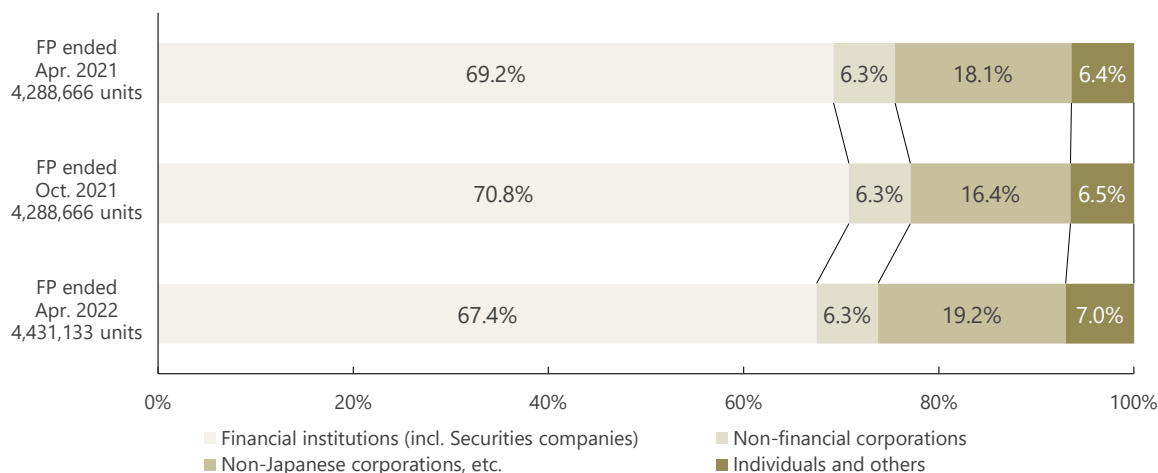
* "Period-over-period" for properties owned at the end of FP 14 and properties acquired on February 1, 2022 are the comparisons between the end of October 2021 and the end of April 2022 as recorded. As for Akasaka Garden City, the sum of the value of the appraisal report as of the end of October 2021 for the first acquisition portion and the value of the appraisal report at the time of the second acquisition portion is then compared to the end of April 2022 as recorded. The total change is recorded for the office building subtotal, residential subtotal, hotel subtotal, and portfolio total as of the end of April 2022.

Unitholders Composition

► Number of Investment Units by Unitholder Type and Unitholders

Unitholder type	Investment Units						Unitholders				
	FP ended Oct. 2021		FP ended Apr. 2022		Change		FP ended Oct. 2021		FP ended Apr. 2022		Change
	units(a)	ratio(b)	units(c)	ratio(d)	(c)-(a)	(d)-(b)	units(e)	ratio(f)	units(g)	ratio(h)	(g)-(e)
Individuals and others	278,161	6.5%	311,312	7.0%	+33,151	+0.5	17,788	95.4%	19,944	95.5%	+2,156
Financial institutions	2,770,037	64.6%	2,766,973	62.4%	(3,064)	(2.2)	196	1.1%	208	1.0%	+12
City banks	—	—	—	—	—	—	—	—	—	—	—
Regional banks	367,549	8.6%	356,839	8.1%	(10,710)	(0.5)	48	0.3%	45	0.2%	(3)
Trust banks	2,060,676	48.0%	2,061,769	46.5%	+1,093	(1.5)	10	0.1%	10	0.0%	—
Life insurers	80,195	1.9%	70,074	1.6%	(10,121)	(0.3)	7	0.0%	6	0.0%	(1)
Casualty insurers	—	—	—	—	—	—	—	—	—	—	—
Shinkin banks	106,090	2.5%	115,942	2.6%	+9,852	+0.1	62	0.3%	72	0.3%	+10
Others	155,527	3.6%	162,349	3.7%	+6,822	+0.1	69	0.4%	75	0.4%	+6
Non-financial corporations	271,440	6.3%	278,813	6.3%	+7,373	—	327	1.8%	383	1.8%	+56
Non-Japanese corporations, etc.	703,511	16.4%	852,468	19.2%	+148,957	+2.8	300	1.6%	316	1.5%	+16
Securities companies	265,517	6.2%	221,567	5.0%	(43,950)	(1.2)	26	0.1%	25	0.1%	(1)
Total	4,288,666	100.0%	4,431,133	100.0%	+142,467	—	18,637	100.0%	20,876	100.0%	+2,239

► Change Ratio in Investment Units



► Top 5 Unitholders (FP ended April 2022 (FP 15))

Company name	No. of investment units owned	Ratio
Custody Bank of Japan, Ltd. (Trust Account)	977,577	22.1%
The Master Trust Bank of Japan, Ltd. (Trust Account)	712,508	16.1%
Sekisui House, Ltd.	200,750	4.5%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	185,872	4.2%
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	150,965	3.4%

Overview of Asset Management Company

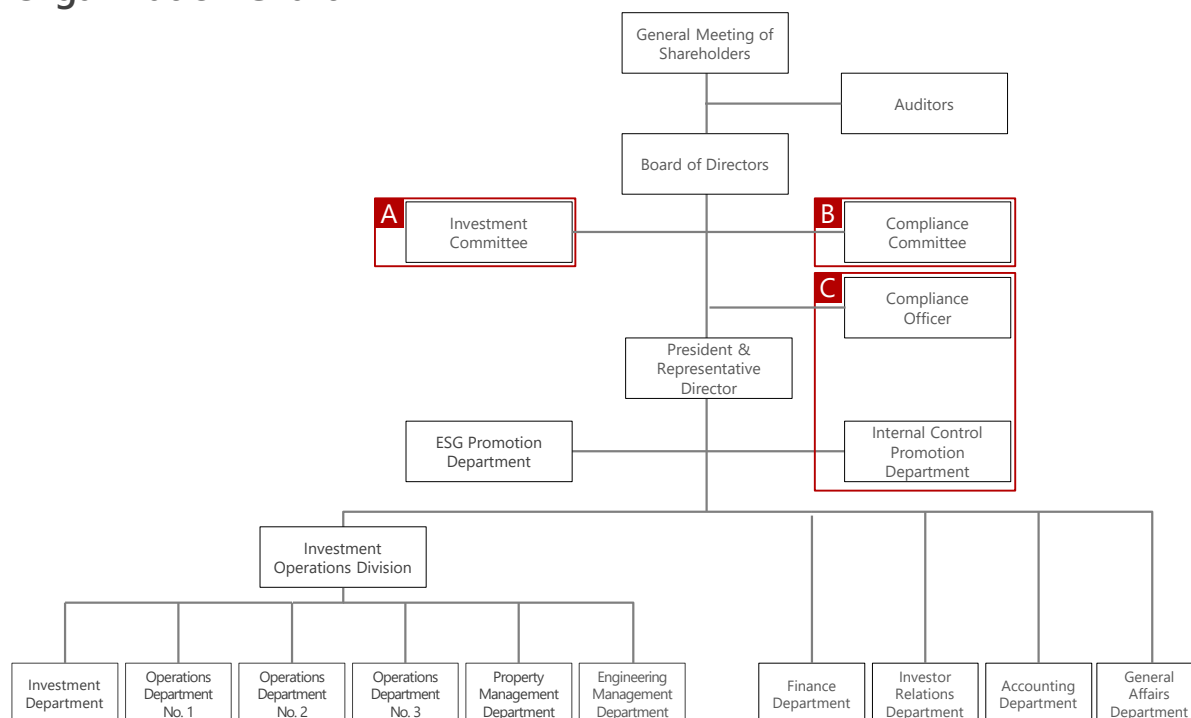
Overview of Asset Management Company



President &
Representative Director
Toru Abe

- Corporate name: Sekisui House Asset Management, Ltd.
- Head office: 4-15-1 Akasaka, Minato-ku, Tokyo
- Capital: JPY 400 million
- Number of Directors and Employees: 64 (As of the date of this document)
- Shareholder: Sekisui House, Ltd. (100%)
- Licenses and registration, etc. :
 - Licensed for building lots and buildings transaction business
License No.(2) 96411 issued by the Governor of Tokyo
 - Certified as an entrustment-based agency
License No.82 issued by the Minister of Land, Infrastructure, Transportation and Tourism
 - Registered as a financial instruments business operator
Registration (Kinsho) No.2791 issued by the Director-General of Kanto Local Finance Bureau

Organization Chart



Asset Management Fee

- Management Fee I (linked to total assets and unit price performance):
Total assets × 0.12%-0.16% (annual) ^{Note 1}
 - Management Fee II (linked to DPU and Operating income):
DPU^{Note 2} × Operating income^{Note 3} × 0.002% × 2 (split ratio)
 - Management Fee III (acquisition fees):
Acquisition price × 0.3% (Transactions with related parties: None)
 - Management Fee IV (disposition fees):
Sale price × 0.3% (Transactions with related parties: None)
 - Management Fee V (merger fees):
Value of Real Estate-Related Assets held by counter party × 0.4%
- Note 1: The rate is fluctuated depending on the performance-comparison of the SHR's investment units and the TSE REIT Index.
- Note 2: Calculated as the distributable amount before deduction of Management Fee II divided by the total number of issued investment units.
- Note 3: Operating Income before deduction of Management Fee II

Compliance Structure

- A** The organization that deliberates and makes decisions on matters related to management policy and other asset management issues
- Investment committee**
Committee members: President & Representative Director (chairman), all full-time Directors including Compliance Officer who has the status as a Director, General Manager of Investment Operations Division, Chief Manager of ESG Promotion Dept., Finance Dept., IR Dept., Accounting Dept., General Affairs Dept., Internal Control Promotion Dept. and the external committee members^(Note). While the selection and dismissal of the external committee members are conducted at SHAM's Board of Directors Meeting, the approval of the SHR's Board of Directors' Meeting is required either before or afterwards of the SHAM's Board of Directors Meeting.
- Note : Currently a total of two members are selected as the external committee members including one real estate appraiser and one attorney, who have no significant stakeholder relationship with SHAM, SHAM's officers and employees, nor its related parties.
- B** The organization that deliberates and makes decisions on matters related to compliance in asset management
- Compliance committee**
Committee members: Compliance Officer (chairman), President & Representative Director, all full-time Directors, and the external committee members^(Note). While the selection and dismissal of external committee members are conducted at SHAM's Board of Directors Meeting, the approval of SHR's Board of Directors' Meeting is required either before or afterwards of the SHAM's Board of Directors Meeting.
- Note : Currently one attorney has been selected as an external committee member who has no significant stakeholder relationship with SHAM, SHAM's officers and employees, nor its related parties.
- C** Organization responsible for compliance
- Compliance officer**
Person responsible for the compliance of SHR and SHAM. Personnel with sufficient screening and surveillance capabilities are selected to observe compliance with legislation and norms.
- Internal Control Promotion Department**
Internal Control Promotion Department conducts work related to SHAM's risk management, monitoring the status of legislation and regulations, and internal auditing.

About the Terminology used in this Presentation

P.1 Executive Summary

- “Gain on disposition (expected)” for The Ritz-Carlton, Kyoto is an estimate as of the date of this document and is subject to change. The same applies throughout this document.
- “NOI Yield” for The Ritz-Carlton, Kyoto is calculated by adding the NOI for the fiscal period ended October 2021 (FP 14) and ended April 2022 (FP 15) and dividing it by acquisition price. The same applies throughout this document.
- “Building age” of The Ritz-Carlton, Kyoto is the number of years since built as of the date of this document. The same applies throughout this document.
- “Average Appraisal NOI yield” for “Prime Maison EGOTANOMORI” and “Prime Maison Waseda dori” is calculated by dividing the appraisal NOI based on each appraisal report as of June 1, 2022 by the respective planned acquisition price, weighted average by the planned acquisition price. The same applies throughout this document.
- “Average building age” of “Prime Maison EGOTANOMORI” and “Prime Maison Waseda dori” is calculated by weighted average of the planned acquisition price of each building age as of the date of this document. The same applies throughout this document.
- “Approximate value due to switch” is calculated by subtracting CO₂ emissions of the 2 office buildings and 106 residential properties that have introduced renewable energy from the total portfolio’s CO₂ emissions (FY 2020 results).

P.2 Operational Status by Asset (FP 15 Results)

- The occupancy rates of the 4 office buildings located in the Osaka area and Nagoya area are all 100.0% as of the date of this document.
- The remaining period until expiration of the lease contract for the Gotenyama SH Building indicates the remaining period as of the date of this document. The same applies throughout this document.

P.3 Financial Results (FP 15)

- “NOI yield” is calculated by dividing the annualized amount of actual NOI by the sum of the acquisition prices of the owned assets. “Average occupancy rate during the period” is the average of the actual occupancy rates for the end of each month belonging to each period. The same applies throughout this document.

P.6 Financial Forecast (FP 16 / FP 17)

- “NOI yield” is calculated by dividing the annualized amount of expected NOI by the sum of the acquisition prices of the owned assets. “Average occupancy rate during the period” is the average of the expected occupancy rates for the end of each month belonging to each period. The same applies throughout this document.

P.9 Strengthen Profitability Through Asset Replacement (1) (Overview)

- “NOI yield after depreciation” of The Ritz-Carlton, Kyoto is calculated by adding NOI after depreciation for the fiscal period ended October 2021 (FP 14) and ended April 2022 (FP 15) and dividing by acquisition price.
- “Average appraisal NOI yield after depreciation” of “Prime Maison EGOTANOMORI” and “Prime Maison Waseda dori” is the appraisal NOI yield after depreciation from each appraisal NOI based on the respective appraisal report as of June 1, 2022, and calculated by weighted average of the planned acquisition price. The appraisal NOI yield after depreciation is calculated by dividing the annualized amount of estimated depreciation costs for the fiscal periods ending October 2022 (FP 16) and ending April 2023 (FP 17) by the planned acquisition price.
- “Planned acquisition date” refers to the scheduled date of settlement as of the date of this document. However, as for “Prime Maison EGOTANOMORI”, the transfer of the ordinary fixed-term land leasehold rights by the seller, Sekisui House, Ltd. (Sekisui House), to the trustee is still under discussion with the Urban Renaissance Agency, the landowner, and has not been concluded. As a result, as of the date of this document, the contract date is undecided and may be subject to change depending on the conclusion date of the contract and other circumstances. The same applies throughout this document.

P.12 Strengthen Profitability Through Asset Replacement (4) (Prime Maison EGOTANOMORI)

- “Senior asset” refers to serviced housing for the elderly, paid nursing homes and adult day care centers. The same applies throughout this document.
- The remaining term of the lease agreement with the tenant at “NICHII HOME Egotanomori” is the remaining term as of the date of this document.
- The average remaining term of lease agreement with the end tenant at “MAST ONE EGOTANOMORI” is the weighted average of the remaining term of each end tenant as of the date of this document by the leased area.

About the Terminology used in this Presentation

P.14 SHR's Portfolio

- "After asset replacement" refers to the date of August 2, 2022 after the acquisition of 2 residential properties ("Prime Maison EGOTANOMORI", "Prime Maison Waseda dori") and the disposition of 1 hotel ("The Ritz-Carlton, Kyoto"). The same applies throughout this document.
- "Sekisui House Group" refers to the corporate group comprising Sekisui House, its consolidated subsidiaries, and its affiliates accounted for by the equity method. The same applies throughout this document.
- "Average building age" is the building age as of August 2, 2022, weighted by (planned) acquisition price.
- "Esty Maison Yokohama-aobadai" is counted as two properties- one for North and one for South –when calculating diversification by building age. The same applies throughout this document.
- Unless specified otherwise, "Hommachi Garden City" is counted as two properties –one for the office portion and one for the hotel portion- when calculating figures for specific asset types, and is counted as one property when calculating figures for the portfolio as a whole, by area and by building age. The same applies throughout this document.
- Percentages on the pie charts are rounded to the first decimal place as a percentage of the respective totals. Therefore, the sum of the percentages for each item may not equal 100%. The same applies throughout this document.

P.15 DPU and NAV per Unit

- "Nav per unit" is calculated using NAV, an amount arrived at by deducting total distributions from net assets at market value (net assets on the balance sheet plus unrealized gain for the end of each FP). The same applies throughout this document.
- Due to the investment unit split at the ratio of 1 unit to 2 units that was implemented on May 1, 2018, DPU and NAV for FP 7 and earlier are the actual value before adjustment divided by 2.

P.16 Trends of Appraisal Value

- "Average cap rate" is calculated by taking the capitalization yield of each property using the direct capitalization method as a weighted average by the appraisal value of each property. See pages 55 to 57 for details on capitalization yields and appraisal values for each property.

P.18 Office building Portfolio

- "End-tenant average rent" is the total monthly rent of each tenant per each lease agreement (including utilities, but not including fees for parking, storage and signage, etc.) divided by total leasable area (tsubo). However, any free rent incentives in effect at the time are not applied and variable rent components are counted by using an average value from the past year.
- "End-tenant average rent" of office building portfolio total is calculated using an average of the each end-tenant rent leases weighted by area leased, based on end-tenant leases.

P.22 Office Building Tenant Profile

- "Rent gap" is the percentage difference between market rents and end tenant contract rents in cases where market rents (expected rents on new leases as assessed by CBRE) exceed end tenant contract rents in effect as of the end of April 2022 (FP 15). Also, Rent gap calculated for office building portfolio as of the end of April 2022 (FP 15) excludes Gotenyama SH building, which is a single tenant property, and the office portion of Hommachi Garden City, which is on a fixed-rent master lease.

P.23 Residential Portfolio

- "Occupancy rate by room types" covered residential portfolio (excluding retail, offices, and residential building leased as entire building, etc. or subleased) based on the following matrix is categorized and calculated by area and layout: S for single type; C for compact type; F for family type; and L for large type.

No. of room ※	less than 30㎡	30 or more to less than 40㎡	40 or more to less than 50㎡	50 or more to less than 60㎡	60 or more to less than 70㎡	70 or more to less than 80㎡	80 or more to less than 90㎡	90 or more to less than 100㎡	more than 100㎡
STUDIO	S	S	C	C	L	L	L	L	L
1BED	S	C	C	C	L	L	L	L	L
2BED		C	C	C	F	F	F	L	L
3BED					F	F	F	F	L
4BED+					F	F	F	F	L

*Main floor plans STUDIO : STUDIO, 1K, 1R 1BED : 1K+S, 1DK, 1LDK 2BED : 2K, 2DK, 2LDK 3BED : 3LDK 4BED+ : 4LDK, 5LDK

About the Terminology used in this Presentation

P.31 Excellent Sponsor Support by Sekisui House Group

- “Sekisui House Real Estate companies (6 companies)” : Sekisui House Real Estate Tohoku, Ltd., Sekisui House Real Estate Tokyo, Ltd., Sekisui House Real Estate Chubu, Ltd., Sekisui House Real Estate Kansai, Ltd., Sekisui House Real Estate Chugoku & Shikoku, Ltd., and Sekisui House Real Estate Kyushu, Ltd.

P.44 Residential: Rent Trends by Area

- “Rent gap” is expressed as the percentage difference between contract rents with end tenants as of the end of April 2022 (FP 15) and market rents (expected new rents on standard floors assessed by Style Act). In addition, the calculation is made excluding end tenants whose rents are exceeded the market rents.

P.49 ESG: Environment

- The number of properties that installed “LED lighting” within the “total number of introduction of environmental consideration facilities” indicates the number of residential properties which installed LED lighting in the common areas.

P.53-54 Portfolio List

- Where the asset comprises multiple buildings with different completion dates, the completion date of the building first completed is used.

P.55-57 Period-end Appraisal Values

- “Prime Maison Momochihama” and “Esty Maison Higashishirakabe” are under fixed-rent master lease agreements. The discount rate differs depending on the contract duration, per the master lease agreement. For the sake of convenience, the discount rate provided here assumes a duration extending out to the expiration of the agreements.
- A portion of the land under “Prime Maison Central Park” (lot number 23-32) is leased land. DCF is the method to find the income value for the portion of leased land, so figures for direct capitalization yield, discount rate, and final capitalization yield apply to the residential portion only. The period-end appraisal value is the sum of the income value for the residential portion and the income value for the leased land portion found by DCF. Appraisal NOI is the sum of appraisal NOI for the residential portion and appraisal NOI from the first fiscal year, found by DCF, for the leased land portion.
- At “Esty Maison Toyosu Residence” and “Prime Maison EGOTANOMORI”, the source of land use rights lie in a fixed-term land leasehold. Therefore, given the fact that the income period is a limited period of time, a capitalization method over a definite term is used. Therefore, “direct capitalization yield” or “final capitalization yield” have not been established. For the sake of convenience, the “discount rate” provided is the discount rate out to the holding period expiration for “Esty Maison Toyosu Residence”, and for “Prime Maison EGOTANOMORI”, listed for the first through the tenth years.

Explanation of this Presentation

- This presentation may use the following abbreviations: PM for Prime Maison, EM for Esty Maison, GC for Garden City and GA for Garden Avenue, which are brand names for portfolio properties. Also, the abbreviation fixed-rent ML may be used to refer to fixed-rent master lease.
- Unless specified otherwise, monetary values have been rounded down and percentages have been rounded to the first decimal place.

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This image shows a digital representation of a memo template. It features a solid dark blue horizontal bar at the top left, which contains the word "Memo" in white sans-serif font. Below this bar, the page is filled with light gray horizontal lines, providing a structured space for writing. The overall design is clean and professional.

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