

Fiscal Period Ended October, 2023

18th Financial Results Briefing



SEKISUI HOUSE REIT, INC.

December 21, 2023



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Operational Highlights and Future Initiatives

DPU (Long-term EPU)	FP 18 Results		FP 19 Forecast	FP 20 Forecast
	1,976 JPY (1,535 JPY)	vs FP 17 +195 JPY, vs FP 18 Guidance +81 JPY	1,835 JPY (1,454 JPY)	1,732 JPY (1,345 JPY)
	Results	Environment Recognition	Policy & Strategy	
External Growth	<ul style="list-style-type: none"> FP 18 asset replacement <ul style="list-style-type: none"> ↳ 1st installment disposition (10%) of Gotenyama SH Bldg. completed ↳ Disposed: 1 residential; Acquired: 1 residential FP 19 (planned) asset replacement <ul style="list-style-type: none"> ↳ 2nd installment disposition (10%) of Gotenyama SH Bldg. planned ↳ Acquire(d): 3 residentials, 1 office building 	<p>In the real estate transaction market,</p> <ul style="list-style-type: none"> Office building: Buyers are cautious as vacancy rates remain high for large offices Residential: Although conditions continue to be overheated and the acquisition environment is arduous, opportunistic environment for property sale Hotel: Recovery expectations are high and competition for acquisitions are intensifying 	<ul style="list-style-type: none"> Intend to dispose of GC Shinagawa Gotenyama in consideration of the current leasing situation Changed portfolio development policy based on current office rental market conditions. The policy is to acquire mainly residentials by utilizing the sponsor pipeline 	
Internal Growth	Office Building	Office Building	Office Building	
	<ul style="list-style-type: none"> Occupancy rate at the end of FP: 94.4% <ul style="list-style-type: none"> ↳ GC Shinagawa Gotenyama: 84.3% (end of FP 17: 84.5%) ↳ Akasaka GC: 93.5% (end of FP 17: 87.4%) GC Shinagawa Gotenyama's appraisal value declined <ul style="list-style-type: none"> ↳ 66.7 billion yen (end of FP 17: 88.0 billion yen) 	<ul style="list-style-type: none"> Rents are still on a weak trend, but the decline in demand for office space in the Tokyo area has come to a halt Concerns about the impact of large supply in Tokyo continues Changes in demand due to diversification of work styles 	<ul style="list-style-type: none"> Aim to further increase the occupancy rate for Tokyo office buildings For Osaka properties, will pay close attention to the large supply impact in 2024, while also considering negotiating rent increases that take into account the rent gap 	
	Residential	Residential	Residential	
<ul style="list-style-type: none"> Occupancy rate at the end of FP: 97.3% (Avg. occupancy rate during the period: 97.2%) Change in rent rate at the time of new contract +4.2% (+2.4pt. from the previous period) <ul style="list-style-type: none"> ↳ Single type in Tokyo 23 wards: +1.9% (+1.5pt. from the previous period) 	<ul style="list-style-type: none"> Excess population inflows to Tokyo 23 Wards is on the rise, and the gap in active job openings-to-applicants ratio between Tokyo and regional cities is also widening Both occupancy and rent remain stable due to the active rental housing market 	<ul style="list-style-type: none"> Continue to focus on increasing rent upon tenant replacement The policy is to strengthen value enhancing construction with the aim of further upside, and continue to implement cost reduction measures while maintaining quality 		
Hotel	Hotel	Hotel		
<ul style="list-style-type: none"> Occupancy rate at the end of FP: 100.0% <ul style="list-style-type: none"> ↳ Fixed-rent master lease contract ↳ Contract expiration date: May 18, 2024 	<ul style="list-style-type: none"> Although inbound travel demand is recovering due to the weaker yen, the number of Chinese tourists to Japan remains at about 30% compared to pre-COVID in 2019 	<ul style="list-style-type: none"> With the current master lease contract as the basis, will consider the contract contents upon renewal 		
Finance	<ul style="list-style-type: none"> Refinance for FP 18 (borrowings/avg. borrowing period/avg. interest rate) Fixed interest rate borrowing: 14.8 bil yen/7.6 yrs/0.99% Floating interest rate borrowing: 9.4 bil yen/2.7 yrs/0.24% LTV (total asset basis) as of end of FP: 45.2% 	<ul style="list-style-type: none"> Long-term interest rates have been on an upward trend since the Bank of Japan decided to further flexibly operate long-term and short-term interest rate operations in October 2023 	<ul style="list-style-type: none"> Aim for optimal balance between fixed-rates and floating-rates Promote sustainability finance Changed LTV policy (targeting 45-50% as cruising range) 	
ESG	<ul style="list-style-type: none"> GHG emissions: down 50.7% compared to base year, medium term target achieved Green certification acquisition rate: 82.8% Selected for the first time as a constituent for DJSI Asia/Pacific 	<ul style="list-style-type: none"> Growing demand for medium to long term environmental considerations, such as efforts to combat climate change Increased importance in ESG-related disclosure 	<ul style="list-style-type: none"> Working to resolve social issues through ESG conscious asset management Promote initiatives to achieve net zero by 2050 	

* "Long-term EPU (net income per unit)" is calculated by deducting gain on disposition and asset management fees related to disposition from net income and adding allowance for temporary difference adjustments (ATA) (excluding dispositions) divided by the number of investment units issued and outstanding. The same applies hereinafter.

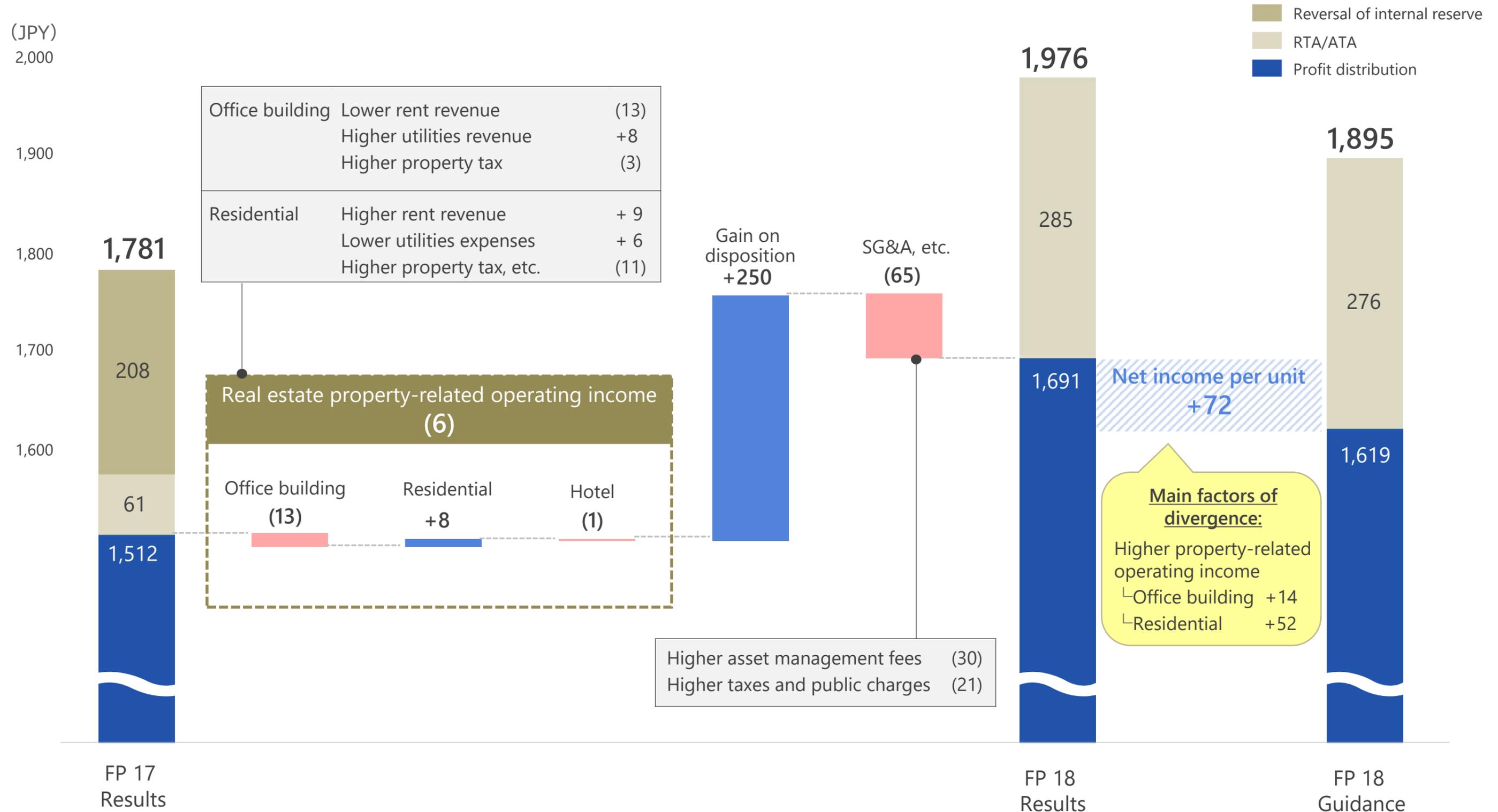
* "DPU" refers to "Distribution per Unit". The same applies hereinafter.

Financial Results/Forecasts



Analysis of Change Factors of DPU (Results)

DPU increased by 195 JPY compared to the previous period mainly due to the contribution of gain on disposition of partial disposition of the Gotenyama SH Building



• "RTA" refers to reserve for temporary difference adjustments. The same applies hereinafter.

Profit and Loss Comparison (Results)

(unit: million JPY)

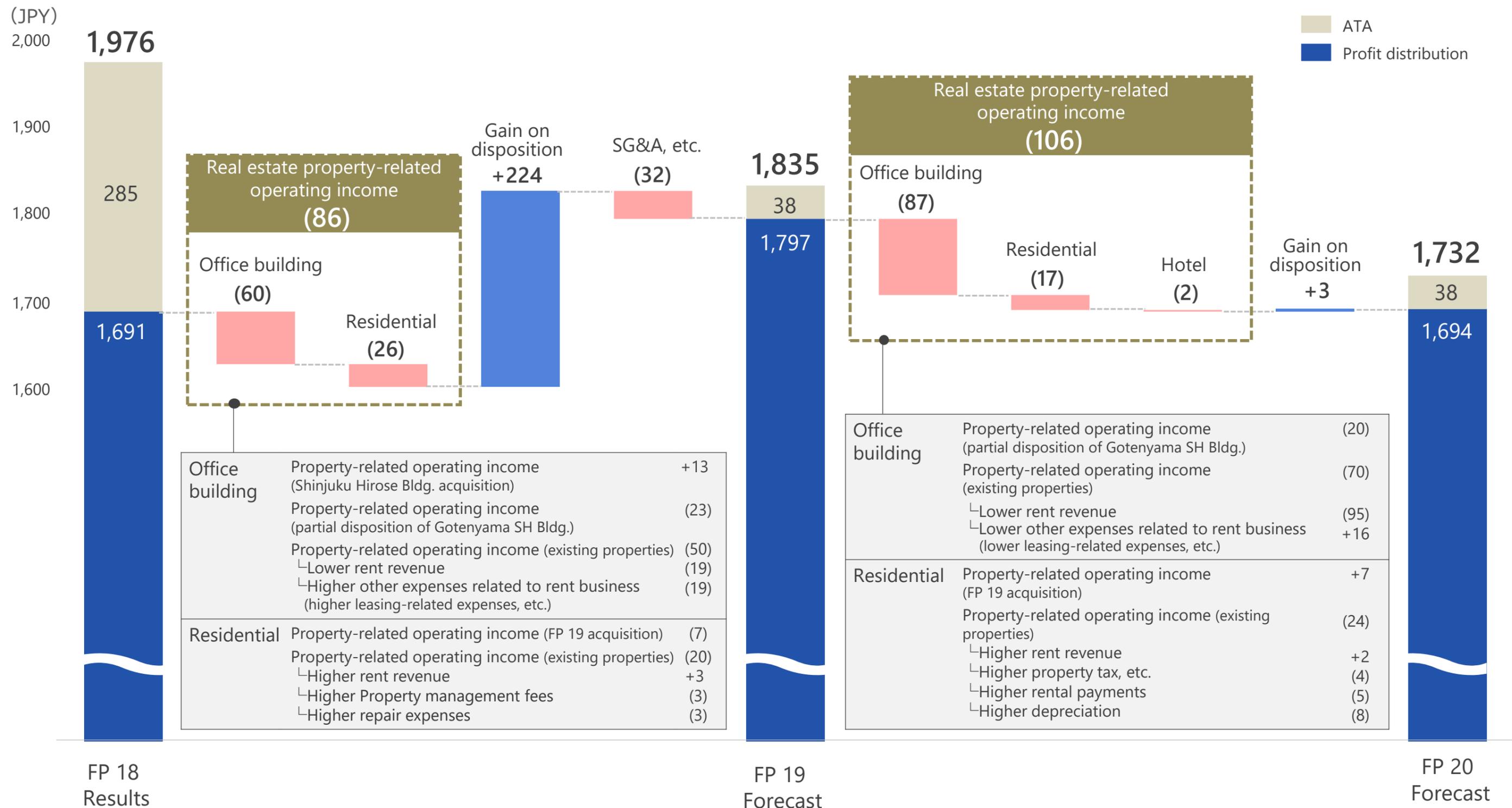
	FP 17 Results (A)	FP 18 Results (B)	vs. FP 17 Results (B-A)	Analysis of Change Factors	FP 18 Guidance (C)	vs. FP 18 Guidance (B-C)	Analysis of Change Factors
Office building							
Property-related operating revenue	6,313	6,291	(21)	(54) Lower rent revenue +35 Higher utilities revenue	6,310	(19)	+5 Higher rent revenue (23) Lower utilities revenue
Property-related operating income and loss	4,117	4,059	(57)	(15) Higher property management fees (14) Higher property tax, etc.	3,996	+63	+38 Lower utilities expenses +16 Lower repair expenses
NOI (excluding depreciation)	4,978	4,924	(54)		4,861	+62	+21 Lower other expenses related to rent business (lower leasing expenses)
NOI yield	3.7%	3.7%	—		3.6%	+0.1pt.	
Average occupancy rate during the period	94.0%	93.6%	(0.4)pt.		93.6%	—	
Residential							
Property-related operating revenue	8,642	8,690	+47	+57 Higher rent revenue (existing properties) (19) Lower rent revenue (FP 18 disposition) +5 Higher utilities revenue	8,600	+90	+72 Higher rent revenue (existing properties) (19) Lower rent revenue (FP 18 disposition) +11 Higher renewal fees
Property-related operating income and loss	4,438	4,472	+34	+27 Lower utilities expenses (52) Higher property tax, etc. (24) Higher repair expenses	4,243	+229	+6 Higher utilities revenue +32 Lower utilities expenses +46 Lower repair expenses
NOI (excluding depreciation)	6,130	6,170	+39	+11 Lower trust fees	5,947	+222	+39 Lower other expenses related to rent business (lower leasing expenses)
NOI yield	4.5%	4.6%	+0.1pt.		4.4%	+0.2pt.	
Average occupancy rate during the period	97.1%	97.2%	+0.1pt.		97.0%	+0.2pt.	
Hotel							
Property-related operating revenue	402	402	—	(1) Higher repair expenses	402	—	
Property-related operating income and loss	258	255	(3)		253	+1	
NOI (excluding depreciation)	333	331	(1)		329	+1	
NOI yield	3.9%	3.9%	—		3.8%	+0.1pt.	
Average occupancy rate during the period	100.0%	100.0%	—		100.0%	—	
Entire portfolio NOI yield	4.1%	4.1%	—		4.0%	+0.1pt.	
Entire portfolio avg. occupancy rate	96.5%	96.4%	(0.1)pt.		96.3%	+0.1pt.	

* Please refer to the "DATABOOK" for details including the breakdown of the above "Profit and Loss Comparison (Results)" by account item. <https://sekisuihouse-reit.co.jp/en/ir/library.html>



Analysis of Change Factors of DPU (Forecast)

Although gain on disposition of partial disposition of the Gotenyama SH Building contributed, deterioration in office building revenue is a concern



Profit and Loss Comparison (Forecast)

(unit: million JPY)

	FP 18 Results (A)	FP 19 Forecast (B)	vs. FP 18 Results (B-A)	Analysis of Change Factors	FP 20 Forecast (C)	vs. FP 19 Forecast (C-B)	Analysis of Change Factors
Office building							
Property-related operating revenue	6,291	6,149	(142)	+77 Higher rent revenue (Shinjuku Hirose Bldg. acquisition)	5,697	(451)	+30 Higher rent revenue (Shinjuku Hirose Bldg. acquisition)
Property-related operating income and loss	4,059	3,795	(264)	(84) Lower rent revenue (existing properties) (108) Lower rent revenue (partial disposition of Gotenyama SH Bldg.)	3,414	(380)	(415) Lower rent revenue (existing properties) (108) Lower rent revenue (partial disposition of Gotenyama SH Bldg.)
NOI (excluding depreciation)	4,924	4,660	(263)	(16) Higher repair expenses (87) Higher other expenses related to rent business (higher leasing expenses, etc.)	4,275	(385)	(42) Higher property management fees +69 Lower other expenses related to rent business (lower leasing expenses, etc.)
NOI yield	3.7%	3.5%	(0.2)pt.		3.3%	(0.2)pt.	
Average occupancy rate during the period	93.6%	94.6%	+1.0pt.		90.2%	(4.4)pt.	
Residential							
Property-related operating revenue	8,690	8,684	(5)	(20) Lower rent revenue (FP 18 disposition) +13 Higher rent revenue (existing properties)	8,756	+71	+55 Higher rent revenue (FP 19 acquisition) +10 Higher rent revenue (existing properties)
Property-related operating income and loss	4,472	4,358	(114)	(22) Higher property management fees (13) Higher repair expenses	4,284	(73)	(19) Higher property tax, etc. (24) Higher rental payments
NOI (excluding depreciation)	6,170	6,081	(88)	(33) Higher other expenses related to rent business (higher leasing expenses, etc.)	6,057	(24)	(48) Higher depreciation
NOI yield	4.6%	4.4%	(0.2)pt.		4.4%	–	
Average occupancy rate during the period	97.2%	96.9%	(0.3)pt.		96.6%	(0.3)pt.	
Hotel							
Property-related operating revenue	402	402	–	(2) Higher property tax, etc.	402	–	(8) Higher repair expenses
Property-related operating income and loss	255	253	(1)		245	(8)	
NOI (excluding depreciation)	331	329	(1)		321	(8)	
NOI yield	3.9%	3.8%	(0.1)pt.		3.7%	(0.1)pt.	
Average occupancy rate during the period	100.0%	100.0%	–		100.0%	–	
Entire portfolio NOI yield	4.1%	3.9%	(0.2)pt.		3.8%	(0.1)pt.	
Entire portfolio avg. occupancy rate	96.4%	96.4%	–		95.2%	(1.2)pt.	

* Please refer to the "DATABOOK" for details including the breakdown of the above "Profit and Loss Comparison (Forecast)" by account item. <https://sekisuihouse-reit.co.jp/en/ir/library.html>

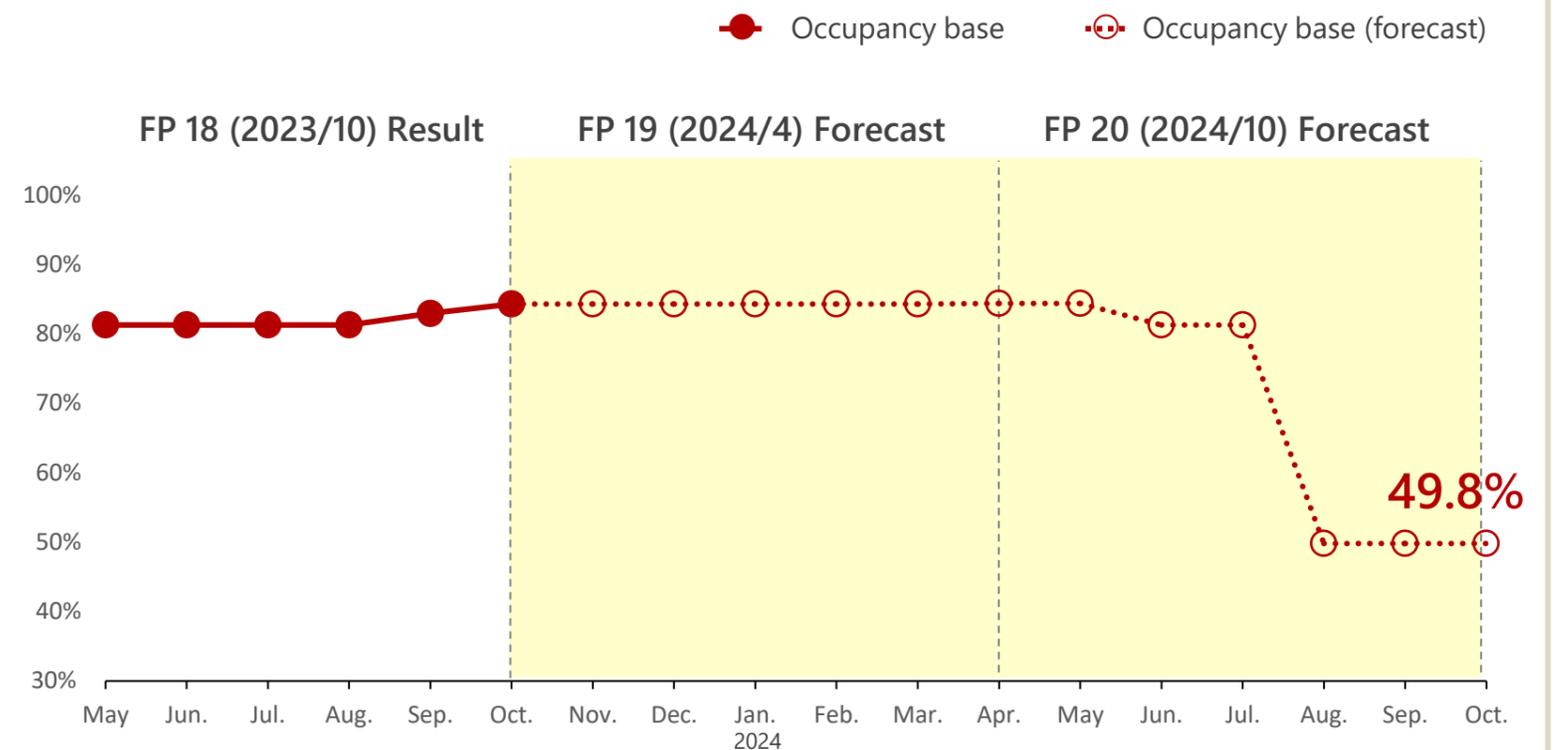


External Growth

Regarding GC Shinagawa Gotenyama

Trend in Occupancy-based Rates

- During FP 18, two new contracts were concluded; however, both occupancies were for small lots of less than 700m²
- Due to the scheduled departure of a large tenant (13,126.72m²) in July 2024, **occupancy rates are expected to fall below 50%**
- With the spread of telework triggered by COVID-19, there is a sense of uncertainty specifically regarding the future demand of large office buildings. Based on current leasing activities paired with oversupply concerns, the recovery of the property's occupancy rate is expected to take time



The Appraisal Value for FP 18

- Due to the decrease in appraisal NOI caused by the recent decline in rent levels for new contracts, the appraisal value (as of the end of Oct. 2023) decreased to 66.7 billion JPY, which is a 21.3 billion JPY decrease from the previous fiscal period. Additionally, **the book value fell 2.7 billion JPY to 69.4 billion JPY**

	As of the end of Apr. 2023	As of the end of Oct. 2023
Appraisal NOI	2,844 million JPY	2,148 million JPY
Capitalization Yield	3.1%	3.1%
Book Value	69,570 million JPY	69,408 million JPY
Appraisal Value	88,000 million JPY	66,700 million JPY

Long-term EPU is expected to decline medium to long term with continued ownership;
thus, **SHR intends for a property disposition**

* The graph for "Trend in Occupancy-based Rates" does not include presumptions (or target-based occupancy).

Change in Portfolio Development Policy

The policy is to utilize the sponsor pipeline to build a portfolio centered on residential

Change in Portfolio Development Policy: Review of Target Investment Ratio

~Before~	Portfolio Investment Ratio (acquisition price basis)	Mid to Long Term Target Investment Ratio	→	~After~	Portfolio Investment Ratio (acquisition price basis)	Mid Term Target Investment Ratio
Residential	30%~55%	Approx. 45%		Residential	50%~80%	Approx. 65%
Office building	30%~55%	Approx. 45%		Office building	15%~45%	Approx. 30%
Hotel	0%~30%	Approx. 15% (Hotel at about 10%)		Hotel Retail, etc.	0%~15%	Approx. 5%
Retail, etc.	0%~10%					

Reason for Change

Due to socioeconomic changes, there is **a sense of uncertainty specifically regarding the future demand of large office buildings**

On the other hand, **residential occupancy has recovered to pre-COVID levels, and the rate of change in rents for new contracts is also on the rise**

The policy will be changed to **build a portfolio centered on residentials by leveraging the market superiority** of SHR sponsored by **Sekisui House, one of Japan's leading house manufacturers**

Sekisui House Group Sponsor Support/Strengths

Pipeline Total	Approx. 250 billion JPY
Residentials	Approx. 100 billion JPY
Office Buildings, etc.	Approx. 150 billion JPY
No. of Completed Residentials	12 properties (1,090 units)
Total Floor Area of Completed Residentials	53,733.21m ²

Strengths of the Sponsor

1. Quality of "Prime Property"

- Develops "high quality" office buildings, residentials, hotels and commercial properties, etc., located in "strategic locations", which is a priority investment target for SHR
- Secure a pipeline of environmentally friendly properties through active development of ZEH properties

2. Support System

- In addition to providing pipeline properties, provides real estate management know-how and redevelopment support of owned assets
- Able to implement asset replacement based on good relations and also provides warehousing functions

3. Sekisui House Real Estate Companies (6 Companies)

- Can secure preferential negotiation rights regarding the sale of domestic real estate owned and developed by 6 Sekisui House Real Estate Companies
- Provides information on domestic real estate owned and developed by third parties (Sekisui House Real Estate Tokyo)
- Opportunities to acquire residences in major cities nationwide
↳ Number of properties acquired: 16 properties

Main Developments of Sekisui House

	Property Name (Including Temporary Name)	Location	Units (Planned)	Total Floor Area (m ²) (Planned)
Completed Residentials 12 properties (1,090 units)	Prime Maison Monzennakacho	Koto-ku, Tokyo	78	3,184.03
	Prime Maison Yushima	Bunkyo-ku, Tokyo	139	9,755.59
	Prime Maison Honancho	Nakano-ku, Tokyo	70	3,210.49
	Prime Maison Yokohama WEST	Yokohama-shi, Kanagawa	145	8,700.56
	Prime Maison Nakanosakaue	Nakano-ku, Tokyo	115	4,544.15
	ZEH Prime Maison Morishita WEST	Koto-ku, Tokyo	144	7,061.54
	ZEH Prime Maison Asakusa EAST	Sumida-ku, Tokyo	49	2,226.74
	Prime Maison Sakurashinmachi	Setagaya-ku, Tokyo	40	1,932.04
	Prime Maison Nishiwaseda	Shinjuku-ku, Tokyo	49	2,248.36
	ZEH Prime Maison Kamata	Ota-ku, Tokyo	141	5,793.71
	ZEH Prime Maison Nihonbashibakurocho	Chuo-ku, Tokyo	45	2,076.31
	ZEH Prime Maison Kiyosumishirakawa	Koto-ku, Tokyo	75	2,999.69
Residentials Under Construction 7 properties (780 units)	ZEH Prime Maison Iriya	Taito-ku, Tokyo	74	3,526.77
	ZEH Prime Maison Yoga Kinutakoen	Setagaya-ku, Tokyo	122	6,303.39
	ZEH Prime Maison Minamiazabu	Minato-ku, Tokyo	163	18,582.90
	ZEH Prime Maison Chiba	Chiba-shi, Chiba	190	8,307.64
	ZEH Prime Maison Kiyosumi	Koto-ku, Tokyo	42	1,459.00
	ZEH Prime Maison Kinshicho	Sumida-ku, Tokyo	85	3,976.00
	ZEH Prime Maison Nishishinjuku	Shinjuku-ku, Tokyo	104	4,344.00
Completed Office Buildings 1 property	Garden Cube Shibuya jinnan	Shibuya-ku, Tokyo	-	-
Completed Hotels 2 properties	The Apartment Bay Yokohama	Yokohama-shi, Kanagawa	-	-
	The Ritz-Carlton, Kyoto	Kyoto-shi, Kyoto	-	-

* As of the date of this document, SHR has no specific plans to acquire the unacquired assets described on this page. In addition, acquisition by SHR is not obligated nor guaranteed.

* ZEH stands for ZEH-M Oriented which refers to "condominiums that aim to realize significant energy savings while maintaining indoor environmental quality through the introduction of highly efficient facilities, as well as greatly improving insulation performance, etc. and reducing primary energy consumption by 20% or more throughout the condominium, including common areas".

Asset Replacement: Overview

Will mainly acquire residential with expected medium to long term stability and growth by utilizing the proceeds from the disposition of Gotenyama SH Building

Disposition		Acquisition													
<p>Office Building (Tokyo 23 Wards)</p> <p>By disposing of 10% of the quasi co-ownership interest every 6 months starting Oct. 31, 2023, in equal installments over a period of five years and 10 fiscal periods, a gain on disposition is expected; however, NOI is also expected to decline</p> <p>Gontenyama SH Building</p> 		<p>3 Residential & 1 Office Building (Tokyo 23 Wards)</p> <p>Will acquire 3 residential properties and 1 medium-sized office building to cover the decrease in NOI of Gotenyama SH Building</p> <p>Esty Maison Omori Esty Maison Monzennakacho Esty Maison Akabane II Shinjuku Hirose Building</p>    													
<p>Appraisal NOI & Appraisal NOI Yield (20% installment disposition)</p> <table border="1"> <tr> <td>Appraisal NOI</td> <td>411 million JPY</td> </tr> <tr> <td>Appraisal NOI Yield</td> <td>4.0%</td> </tr> </table>		Appraisal NOI	411 million JPY	Appraisal NOI Yield	4.0%	<p>Appraisal NOI & Appraisal NOI Yield</p> <table border="1"> <tr> <td>Appraisal NOI</td> <td>391 million JPY</td> </tr> <tr> <td>Appraisal NOI Yield</td> <td>3.5%</td> </tr> </table>		Appraisal NOI	391 million JPY	Appraisal NOI Yield	3.5%				
Appraisal NOI	411 million JPY														
Appraisal NOI Yield	4.0%														
Appraisal NOI	391 million JPY														
Appraisal NOI Yield	3.5%														
<p>Gain on Disposition (expected)</p> <table border="1"> <tr> <td>FP 18:</td> <td>1,020 million JPY</td> </tr> <tr> <td>FP 19:</td> <td>2,079 million JPY</td> </tr> </table>		FP 18:	1,020 million JPY	FP 19:	2,079 million JPY										
FP 18:	1,020 million JPY														
FP 19:	2,079 million JPY														
<p>Decrease in Asset Value (acquisition price basis/20% installment disposition)</p> <table border="1"> <tr> <td>FP 18 (Ended Oct. 2023)</td> <td>5,150 million JPY</td> </tr> <tr> <td>FP 19 (Ending Apr. 2024)</td> <td>5,150 million JPY</td> </tr> <tr> <td>Total</td> <td>10,300 million JPY</td> </tr> </table>		FP 18 (Ended Oct. 2023)	5,150 million JPY	FP 19 (Ending Apr. 2024)	5,150 million JPY	Total	10,300 million JPY	<p>Increase in Asset Value (acquisition price basis)</p> <table border="1"> <tr> <td>3 Residential</td> <td>6,150 million JPY</td> </tr> <tr> <td>1 Office Building</td> <td>5,000 million JPY</td> </tr> <tr> <td>Total</td> <td>11,150 million JPY</td> </tr> </table>		3 Residential	6,150 million JPY	1 Office Building	5,000 million JPY	Total	11,150 million JPY
FP 18 (Ended Oct. 2023)	5,150 million JPY														
FP 19 (Ending Apr. 2024)	5,150 million JPY														
Total	10,300 million JPY														
3 Residential	6,150 million JPY														
1 Office Building	5,000 million JPY														
Total	11,150 million JPY														

Asset Replacement: Overview of (Planned) Acquisition Properties

Acquisition

3 Residentials & 1 Office Building (Tokyo 23 Wards)

Total (Planned) Acquisition Price: 11,150 million JPY

Appraisal NOI Yield: 3.5%



Esty Maison Omori
(Ota-ku, Tokyo)



Esty Maison Monzennakacho
(Koto-ku, Tokyo)



Esty Maison Akabane II
(Kita-ku, Tokyo)



Shinjuku Hirose Building
(Shinjuku-ku, Tokyo)

(Planned) Acquisition Date	March 1, 2024	March 1, 2024	March 1, 2024	December 21, 2023
(Planned) Acquisition Price	3,600 million JPY	1,570 million JPY	980 million JPY	5,000 million JPY
Appraisal Value	4,000 million JPY	1,730 million JPY	1,130 million JPY	5,120 million JPY
Appraisal NOI Yield	3.6%	3.5%	3.7%	3.4%
(Planned) Completion Date	January 2024 (planned)	January 2023	April 2023	June 1985
Occupancy Rate (As of the end of Oct. 2023)	Under construction	Unoccupied	Unoccupied	100.0%

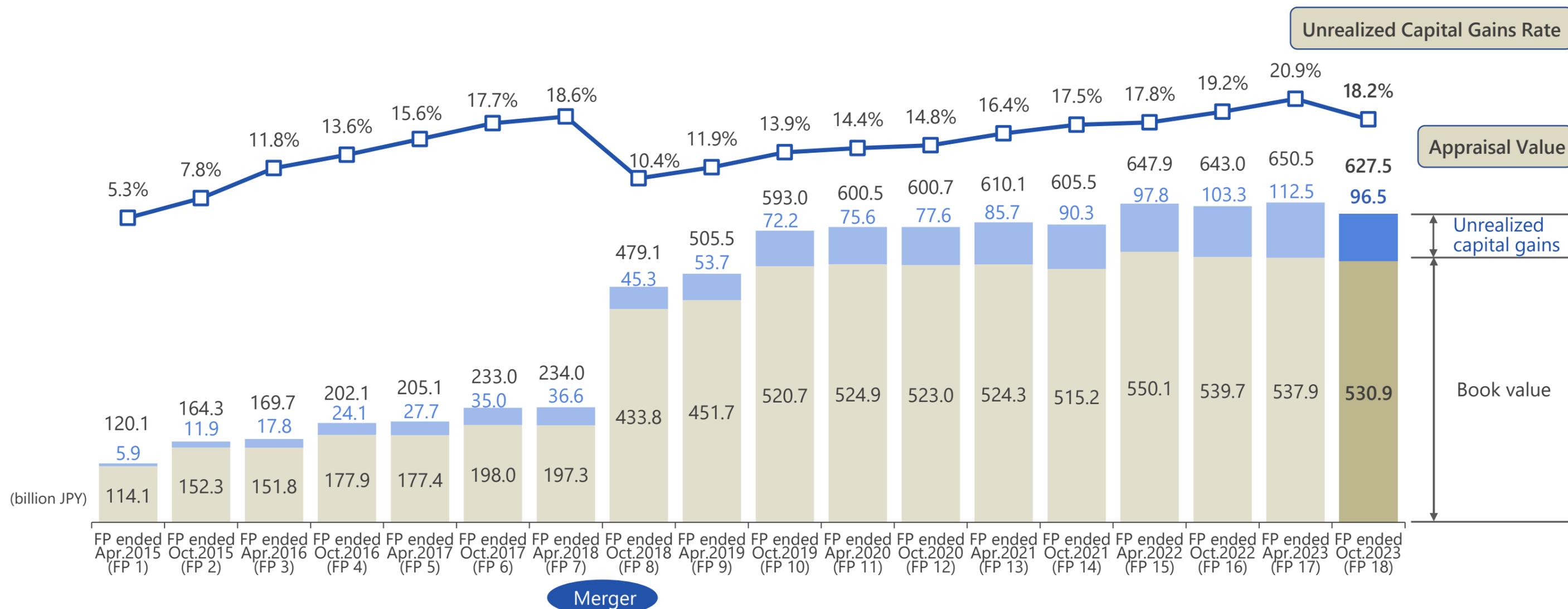
Reason/Policy for Acquisition

- Newly built properties centered on single type rooms located in Tokyo 23 wards
- Considered prime properties based on its location, comfort, safety, high building performance, and environmentally friendly initiatives, etc.
- Although not yet occupied, will promptly begin leasing activities from today onwards, aiming to achieve early profitability by promoting occupancy towards the busy season in spring 2024

- A medium-sized office building with high visibility facing the main street on a corner lot
- Approximately a 5-minute walk from the nearest station

Trends of Appraisal Value

Although appraisal value for residential increased, decreased for GC Shinagawa Gotenyama; unrealized capital gains decreased by 16 billion JPY from the previous period to 96.5 billion JPY

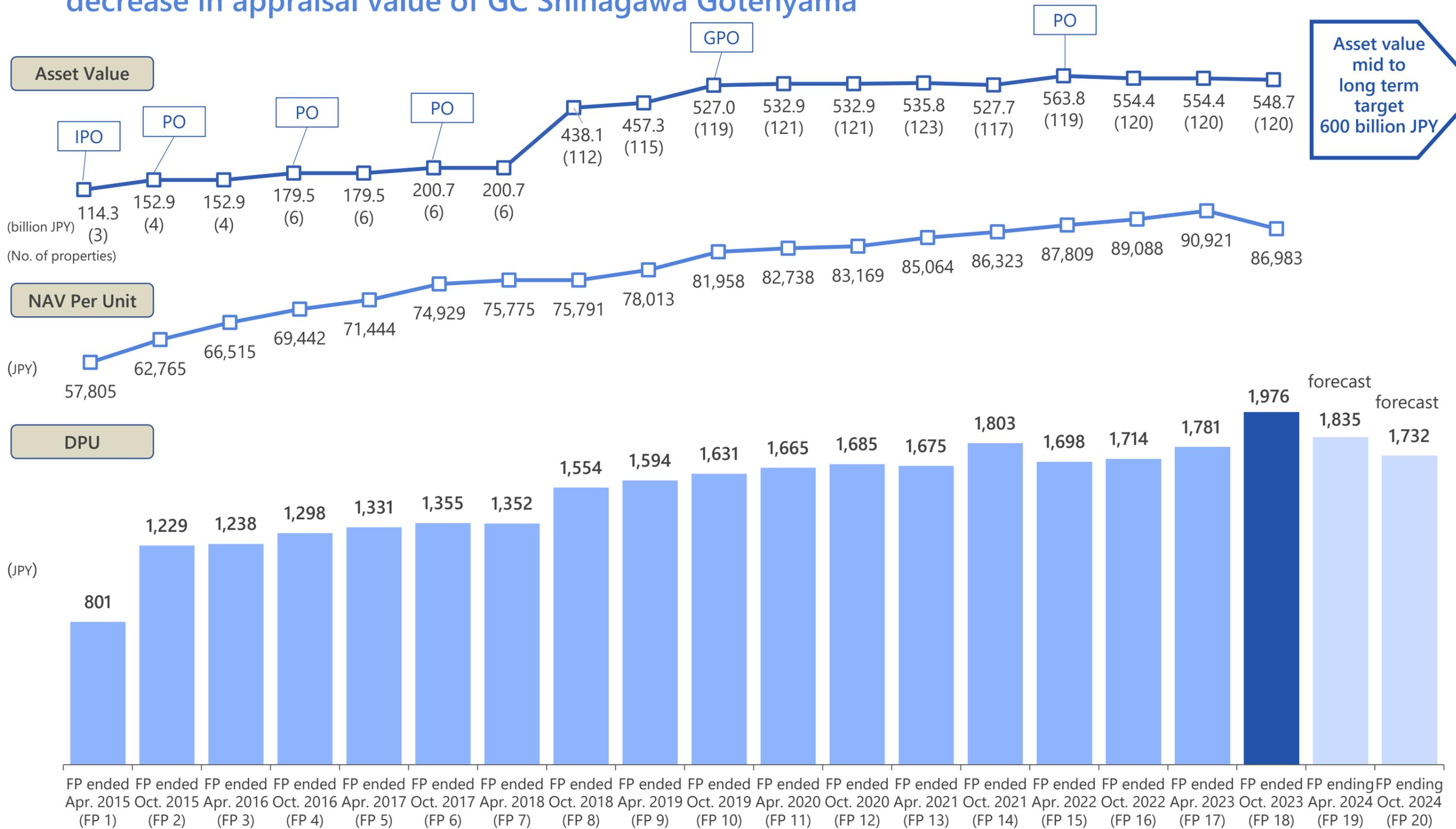


Breakdown of appraisal value by asset type as of FP 18

	Office building		Residential		Hotel		Entire portfolio	
	FP 18 Result	vs. FP 17	FP 18 Result	vs. FP 17	FP 18 Result	vs. FP 17	FP 18 Result	vs. FP 17
Appraisal value	289.1 Billion JPY	(27.1) Billion JPY	321.6 Billion JPY	+4.2 Billion JPY	16.7 Billion JPY	(0.1) Billion JPY	627.5 Billion JPY	(23.0) Billion JPY
Average cap rate	3.3 %	— pt.	3.5 %	(0.1) pt.	3.6 %	— pt.	3.4 %	— pt.
Unrealized capital gains	37.9 Billion JPY	(21.5) Billion JPY	58.4 Billion JPY	+5.5 Billion JPY	0.1 Billion JPY	(0.0) Billion JPY	96.5 Billion JPY	(16.0) Billion JPY
Unrealized capital gains rate	15.1 %	(8.1) pt.	22.2 %	+2.2 pt.	0.7 %	(0.3) pt.	18.2 %	(2.7) pt.

DPU and NAV Per Unit

NAV per unit decreased by 3,938 JPY from the previous period to 86,983 JPY, mainly due to the decrease in appraisal value of GC Shinagawa Gotenyama



Merger

Internal Growth



Office Building: Portfolio Status

▶ Portfolio list

(As of the end of Oct. 2023 (FP 18))

	Location	Acquisition Price		Leasable Area		End Tenant Average Rent (JPY/Tsubo)		End Tenant Occupancy Rate	
		(million JPY)	%	(m ²)	%	End of FP 17	End of FP 18	End of FP 17	End of FP 18
Garden City Shinagawa Gotenyama	Shinagawa-ku, Tokyo	71,950	13.1%	38,577.99	6.8%	26,035	25,763	84.5 %	84.3 %
Akasaka Garden City	Minato-ku, Tokyo	50,000	9.1%	21,735.42	3.8%	28,173	27,760	87.4 %	93.5 %
Hommachi Minami Garden City	Osaka-shi, Osaka	44,000	8.0%	29,657.53	5.2%	22,853	22,937	100.0 %	100.0 %
Hommachi Garden City (office portion)	Osaka-shi, Osaka	38,600	7.0%	17,006.94	3.0%	31,956	31,965	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	1.2%	4,442.75	0.8%	23,583	23,552	100.0 %	100.0 %
Gotenyama SH Building	Shinagawa-ku, Tokyo	46,350	8.4%	17,999.97	3.2%	30,000	30,000	100.0 %	100.0 %
Office Building Portfolio Total		261,650	47.7%	133,975.12	23.5%	26,652	26,499	93.6 %	94.4 %
The Office Portion of Hommachi Garden City on a Fixed-Rent Master Lease						29,280	29,280	100.0 %	100.0 %
Office Building Portfolio Total (Fixed-Rent Master Lease Taken Into Consideration)						26,294	26,138	93.6 %	94.4 %

▶ Renewal result and trends in leases (including existing tenants returning or adding spaces)

(As of the date of this document)
(cases)

	FP 16 (2022/10)	FP 17 (2023/4)	FP 18 (2023/10)	FP 19 (Forecast) (2024/4)	FP 20 (Forecast) (2024/10)	FP 21 (Forecast) (2025/4)
Sections Due for Renewal	6,847.83m ² (7)	4,854.75m ² (6)	17,303.50m ² (8)	20,544.29m ² (15)	46,047.67m ² (13)	4,426.69m ² (4)
Renewed	4,754.34m ² (6)	3,640.13m ² (4)	17,108.83m ² (7)	18,317.57m ² (13)	5,667.16m ² (1)	— (—)
Vacated	(2,093.49)m ² (1)	(14,341.34)m ² (4)	(194.67)m ² (1)	(1,154.92)m ² (2)	(14,316.66)m ² (2)	— (—)
Space Returned	(3,345.81)m ² (1)	(1,253.90)m ² (1)	— (—)	(1,071.80)m ² (2)	— (—)	— (—)
New/Additional Lease	— (—)	13,903.72m ² (2)	2,689.05m ² (5)	2,265.70m ² (4)	986.04m ² (1)	— (—)
Change in Lease Area	(5,439.30)m ²	(1,691.52)m ²	+2,494.38m ²	+38.98m ²	(13,330.62)m ²	—
Rate of Rent Change	(1.3) %	(1.1) %	(4.1) %	—	—	—

* 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.

* Figures for "Renewal result and trends in leases (including existing tenants returning or adding spaces)" excludes retail tenants of each office building. In addition, Hommachi Garden City (office portion), which is on a fixed-rent master lease, is listed as one tenant pursuant to a master lease contract.

* "FP 19 (forecast)", "FP 20 (forecast)" and "FP 21 (forecast)" are based on available information as of the date of this document and includes new or renewed lease agreements that have not yet been concluded along with figures for which notice to vacate have not yet been received and may change in the future.

Office Building: Operation Status (1) (GC Shinagawa Gotenyama)

Although multiple lots have been backfilled, large tenant will be vacating in July 2024



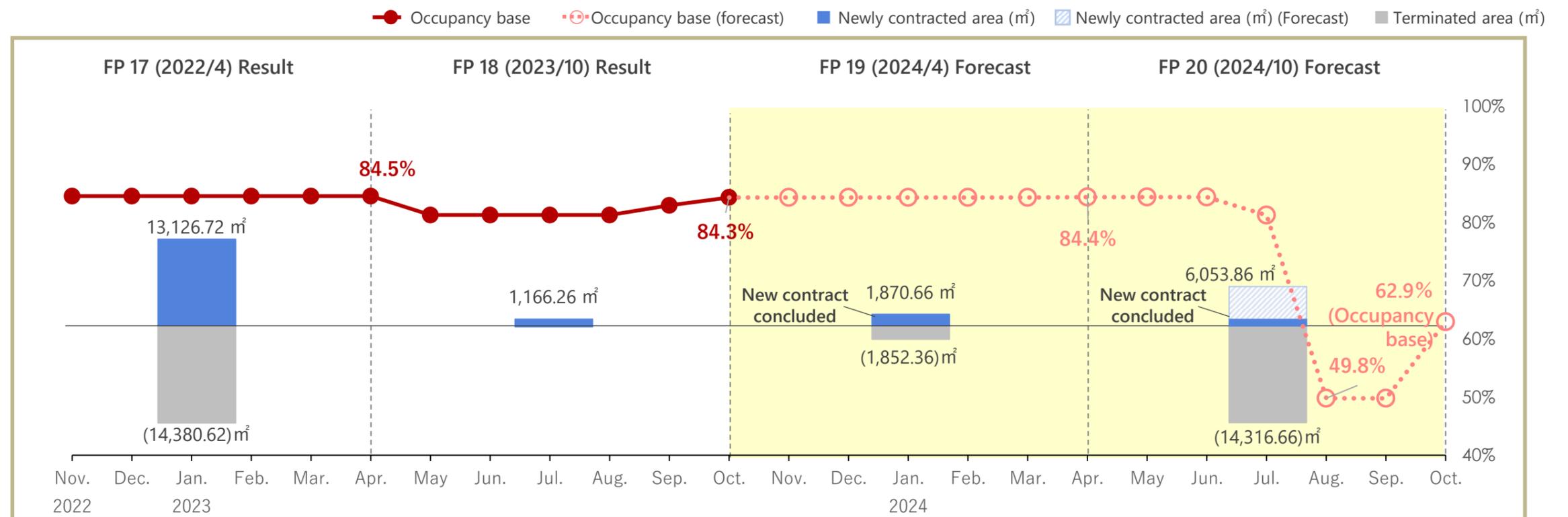
Shinagawa-ku, Tokyo



2022 S rank

CO2 Emissions Intensity:
0.0237 t-CO2/m²
(FY 2022 Results)

Trends in occupancy rates and changes in leasable area



Details of change in leasable area

FP 18 (Ended Oct. 2023)	Presumption of FP 19 (Ending Apr. 2024) and onwards
<p>As a result of continued promotion and strengthening of leasing, concluded 2 new contracts</p> <ul style="list-style-type: none"> Occupancies: 2 └1,166.26m² Vacancies/reduction of floor space: None Number of viewings of potential new tenants: 21 (+5 compared to FP 17) └Tenant industries include retail (wholesale) and IT, etc. desired floor space ranges from about 300 to 500 tsubo to over 1,000 tsubo Status of vacancy as of the end of FP 18 └6,053.86m² 	<p>Concluded new contracts for FP 19 and FP 20, Occupancy rate will decline in FP 20 due to vacancy of large tenant</p> <p>FP 19 (Ending Apr. 2024)</p> <ul style="list-style-type: none"> Occupancies/expansions: 2 └1,870.66m² New contracts concluded Vacancies/reduction of floor space: 2 └(1,852.36)m² Confirmed <p>FP 20 (Ending Oct. 2024)</p> <ul style="list-style-type: none"> Occupancies/expansions: 6,053.86m² Forecasted (of which 986.04m² is newly contracted) Vacancies/reduction of floor space: (14,316.66)m² Confirmed

Office Building: Operation Status (2) (Akasaka GC)

Backfilled multiple lots, and the occupancy rate will recover to 95.3% in January 2024;
Will focus on leasing the remaining lots



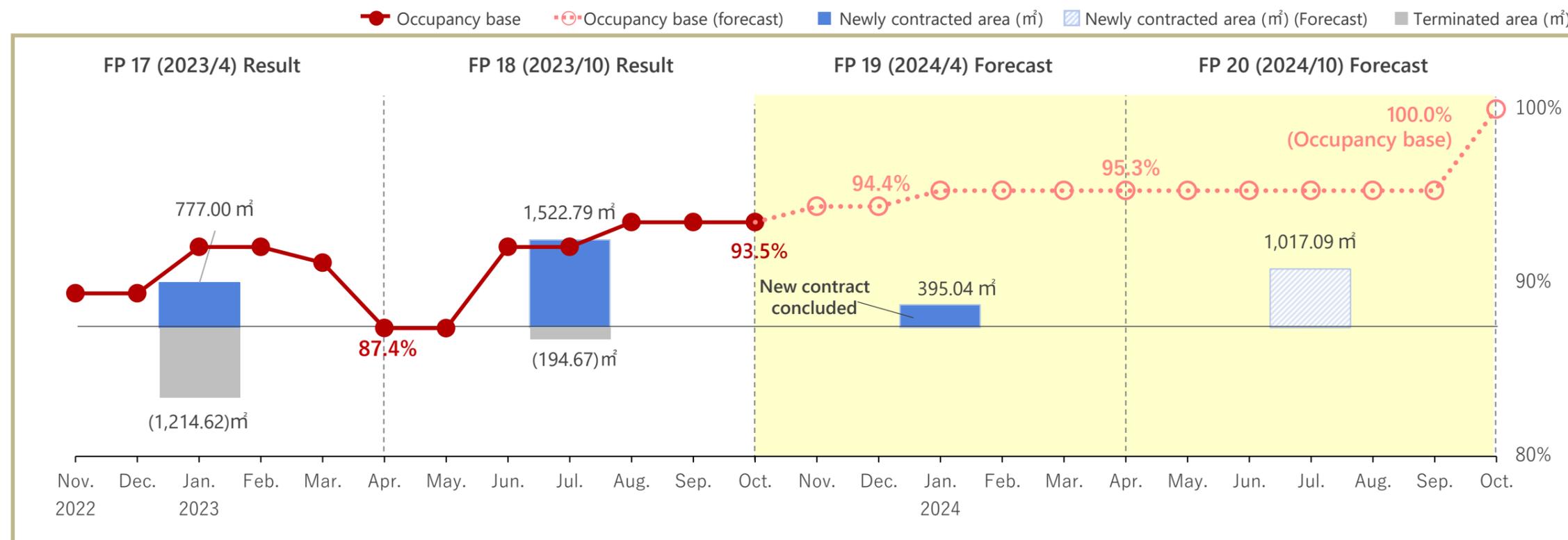
Minato-ku, Tokyo



2020 S Rank, 2022 S Rank

CO2 Emission Intensity:
0.0565 t-CO2/m²
(FY 2022 Results)

Trends in occupancy rates and changes in leasable area



Details of change in leasable area

FP 18 (Ended Oct. 2023)	Presumption of FP 19 (Ending Apr. 2024) and onwards
<p>Occupancy increased due to 2 new contracts along with expansion of floor space by an existing tenant in FP 18</p> <ul style="list-style-type: none"> Occupancies/expansions: 3 └1,522.79m² Vacancy/reduction of floor space: 1 └(194.67)m² Number of viewings of potential new tenants: 7 ((6) compared to FP 17) └Mainly service industry, etc. desired about less than 300 tsubo Status of vacancy as of the end of FP 18 └1,412.13m² 	<p>Backfill expected in FP 19 due to 2 new contracts, and remaining lots are also expected to backfill during FP 20</p> <p>FP 19 (Ending Apr. 2024)</p> <ul style="list-style-type: none"> Occupancies: 2 └395.04m² New contracts concluded Vacancy/reduction of floor space : None <p>FP 20 (Ending Oct. 2024)</p> <ul style="list-style-type: none"> Occupancies/expansions: 1,017.09m² Forecasted

Office Building: Operation Status (3)

Maintained 100% occupancy rate in Osaka and Nagoya areas; flexibly respond to renewal and recontract by identifying tenant needs

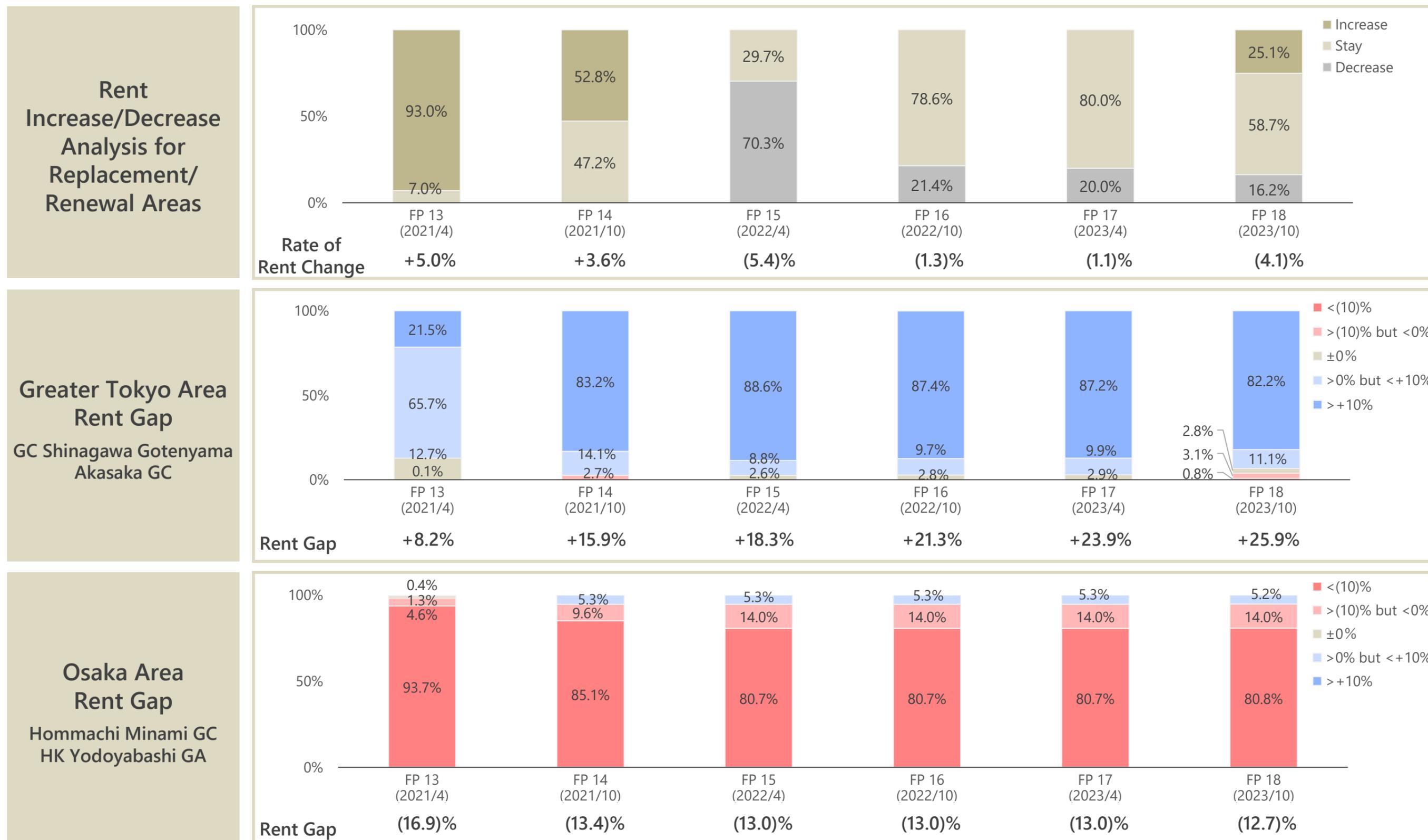
▶ Operation Status and Future Initiatives

	Property Name /Location	Occupancy Rate (End of FP 18)	Average Rent (End of FP 18)	Current Status
Osaka Area	 Hommachi Minami Garden City /Osaka-shi, Osaka	100.0 %	22,937 JPY/tsubo	<p>✓ Hommachi Minami GC : Of the multiple floors for which contracts expired in FP 18, some renewed contracts with increased rents (5-year contract). For 1 tenant contract expiring in FP 19, have already concluded a rent increase with a partial reduction of floor space</p> <p>✓ HK Yodoyabashi Garden Avenue : No fixed-term lease deadline until the end of October 2025 (mainly five-year leases); revenue is expected to remain stable</p>
	 Hommachi Garden City (Office Building Portion) /Osaka-shi, Osaka	100.0 %	29,280 JPY/tsubo	
	 HK Yodoyabashi Garden Avenue /Osaka-shi, Osaka	100.0 %	17,950 JPY/tsubo	
				<p>Future Initiatives</p> <p>✓ It is necessary to continue monitoring the supply trend of newly built properties and the impact of secondary vacancies, etc. Will engage in the renegotiations of renewal/recontract with a priority on occupancy while assessing tenant needs</p>
Nagoya Area	 Hirokoji Garden Avenue /Nagoya-shi, Aichi	100.0 %	23,552 JPY/tsubo	<p>Current Status</p> <p>✓ Renewed contract for the main tenant, whose contract expired in FP 18, at the same amount as the current rent (5-year contract)</p>
				<p>Future Initiatives</p> <p>✓ Will prioritize occupancy when renewing and recontracting, while also focusing on initiatives in collaboration with tenants</p>

• "Average Rent" of the Hommachi Garden City (Office Building Portion) is based on a fixed-rent master lease agreement, thus 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

Office Building: Rent Status

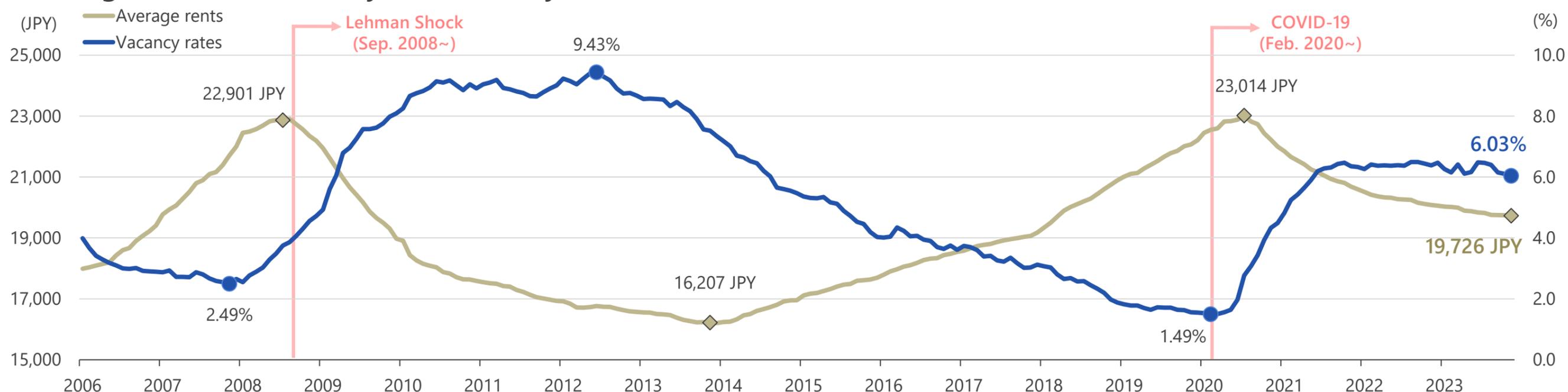
Rate of rent change is still a negative; In the Osaka area, prioritize occupancy while keeping rent gap in mind



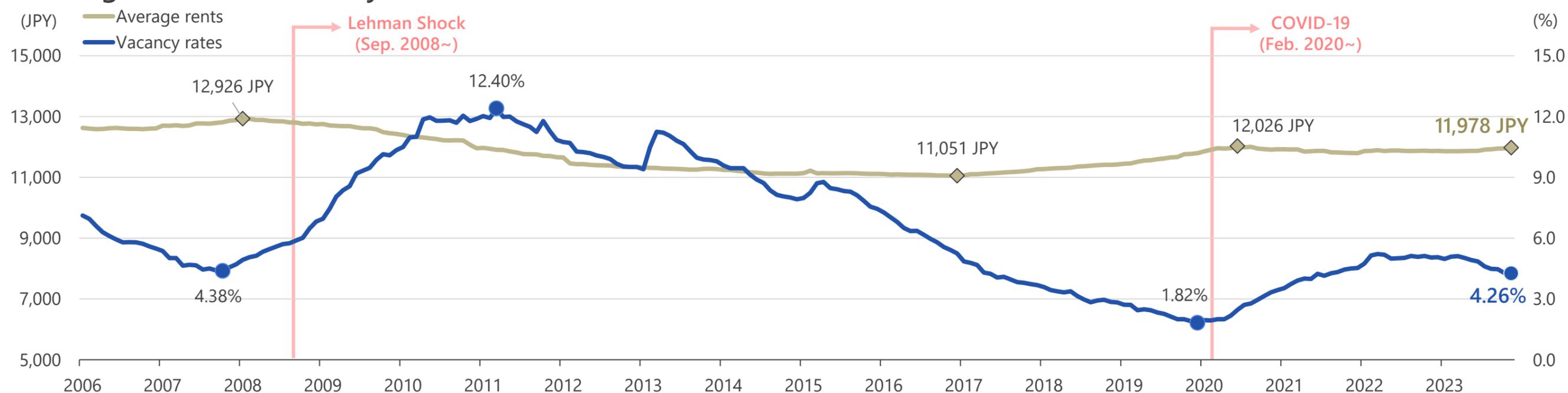
Office Building: Market Trends

Although vacancy rate remains flat at 6% level for Tokyo's business district, will need to continue to monitor the impact of large office supply

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 (as of November, 2023) by Miki Shoji Co., Ltd.

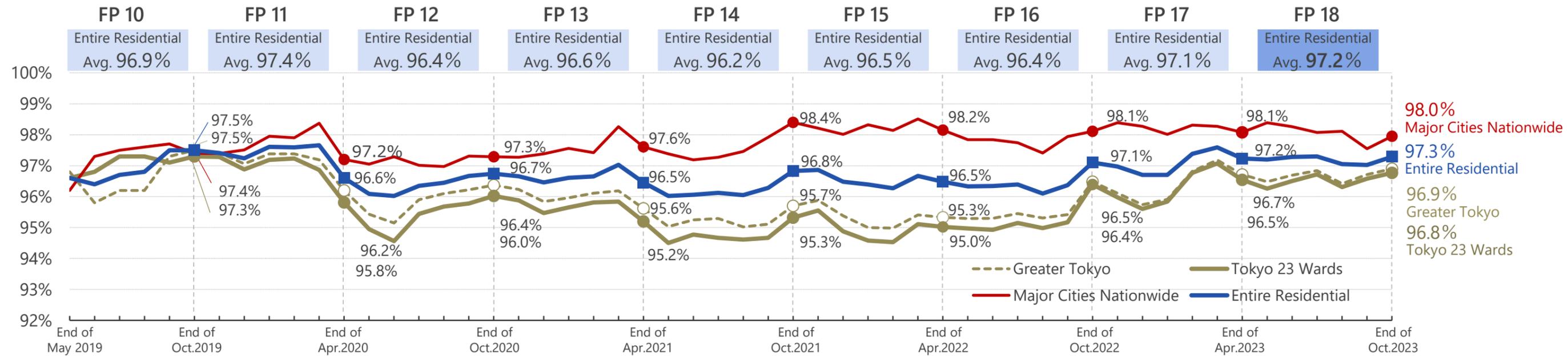
* Tokyo's business districts: 5 wards of central Tokyo (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, Shibuya-ku)

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

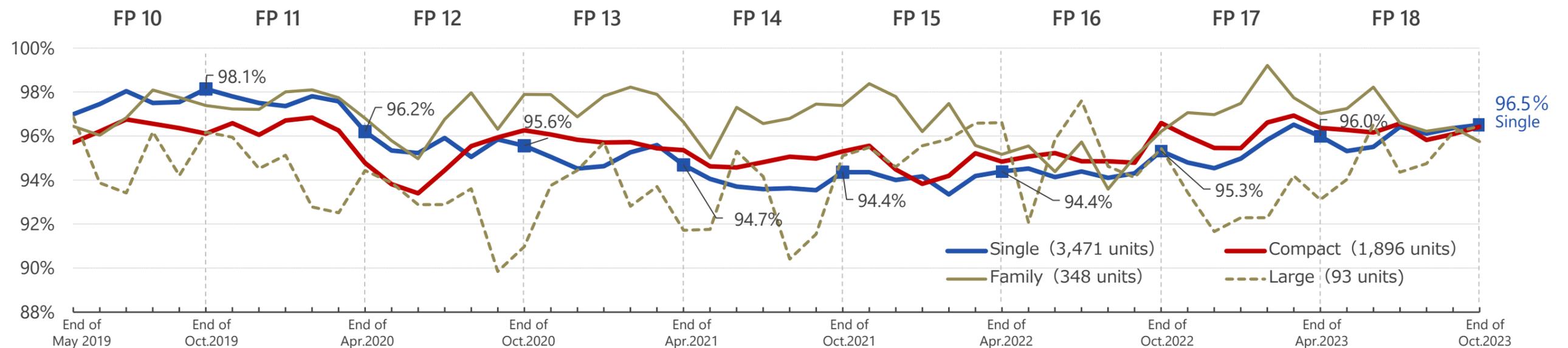
Residential: Portfolio Status

The average occupancy rate during the period remained high at 97.2%, and the single-type occupancy rate in Tokyo 23 wards also rose to 96.5% at the end of the period

Residential occupancy rate by area



Residential occupancy rate by room type in Tokyo 23 wards



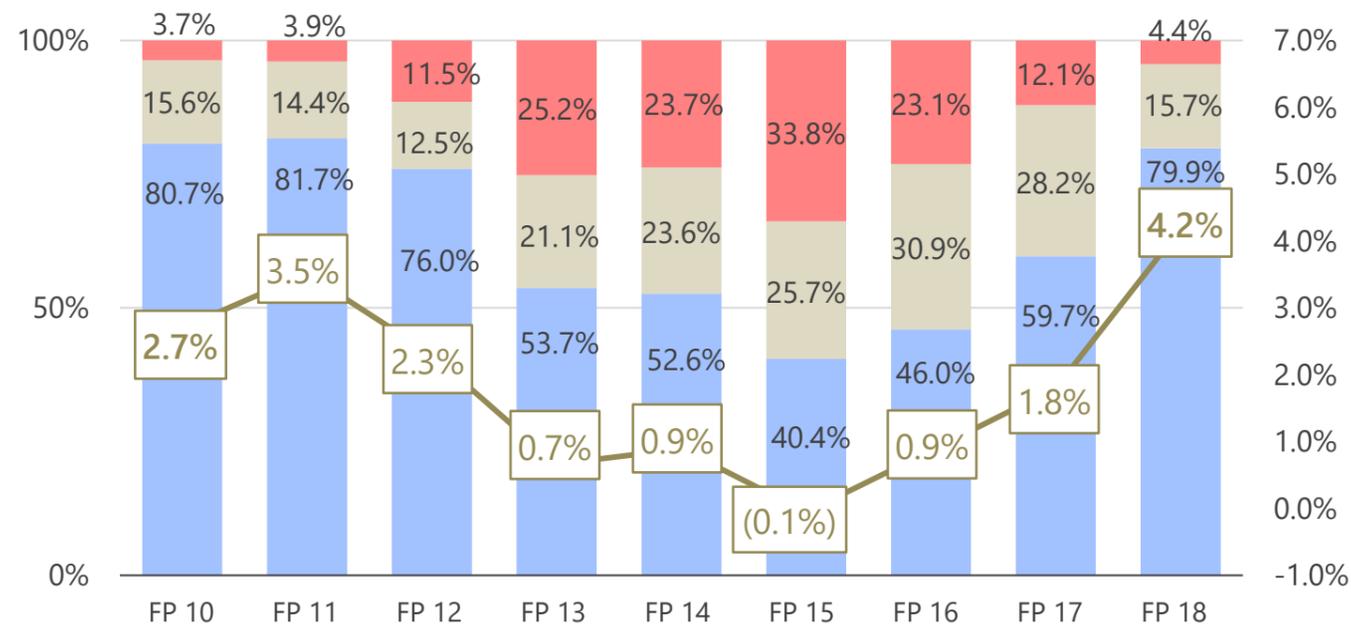
* For the definitions of "Single type", "Compact type", "Family type", and "Large type", please refer to P.52.
 * The number of units in Residential occupancy rate by room type in Tokyo 23 wards is as of the end of October 2023.

Residential: Rent Status (1)

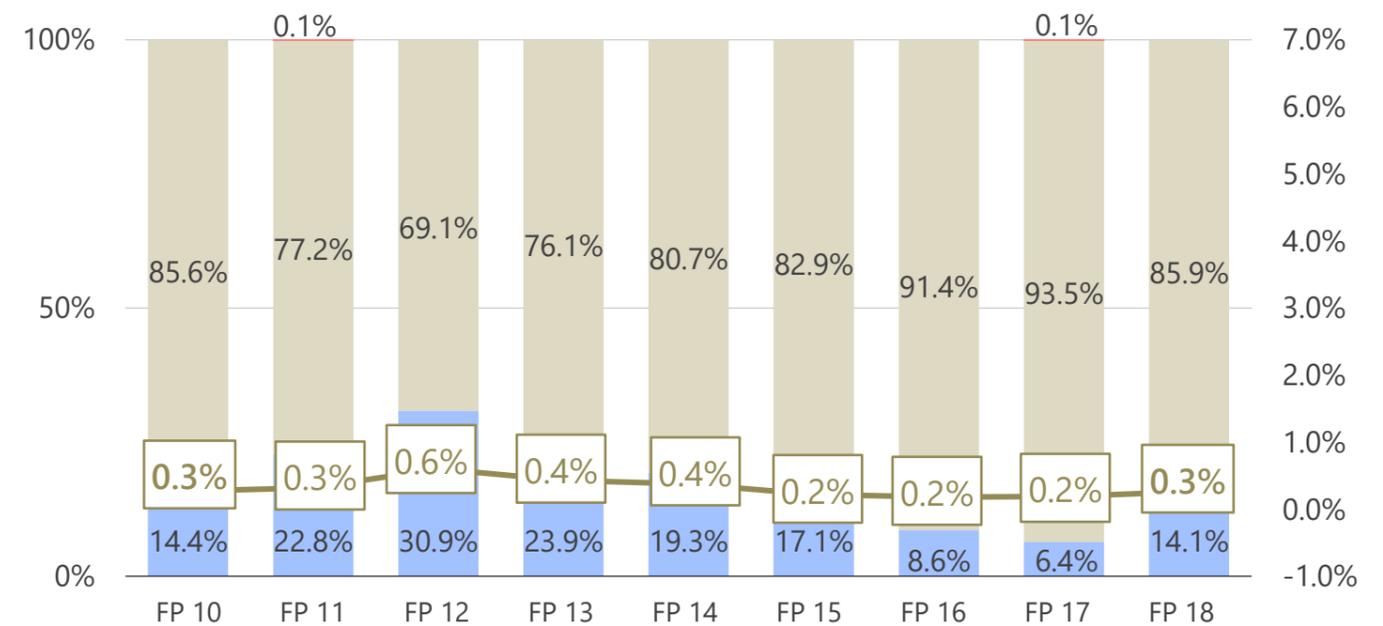
Change in rent rate for new contracts was +4.2%, exceeding pre-COVID levels

Decreased rent ratio No change in rent ratio Increased rent ratio Change in rent (net) rate

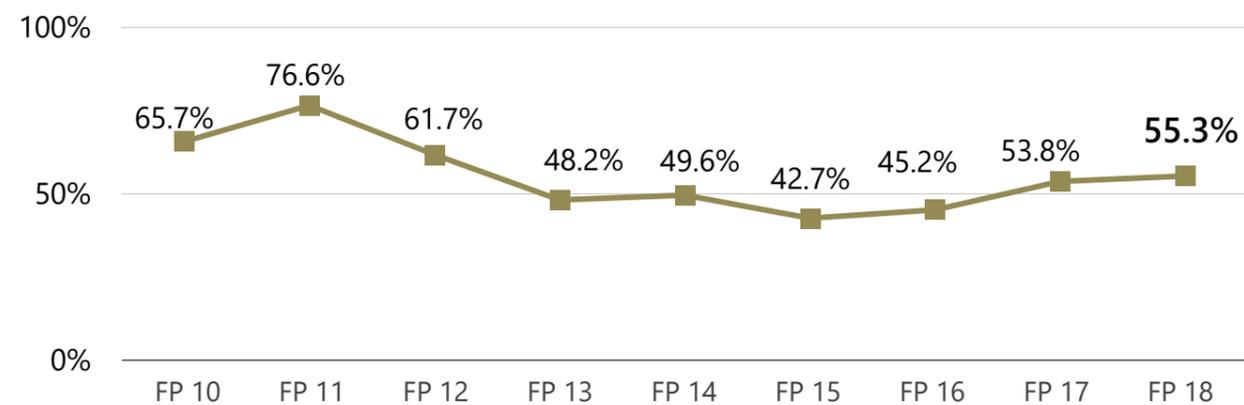
Rent trend in new contract



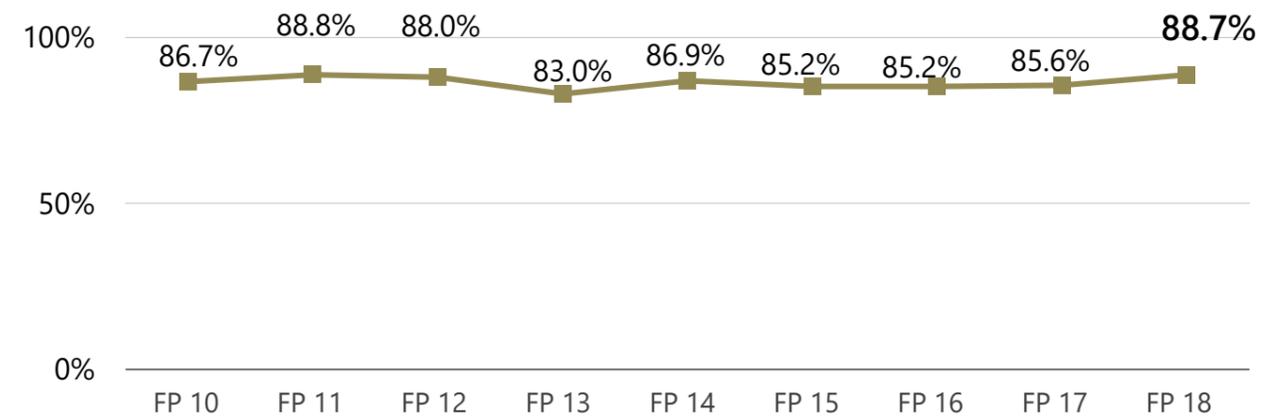
Rent trend in renewal contract



Non-refundable deposit received



Rate of renewal



* Monthly rent comparison of new contract and renewal contract is calculated including utilities. The same applies throughout this document.

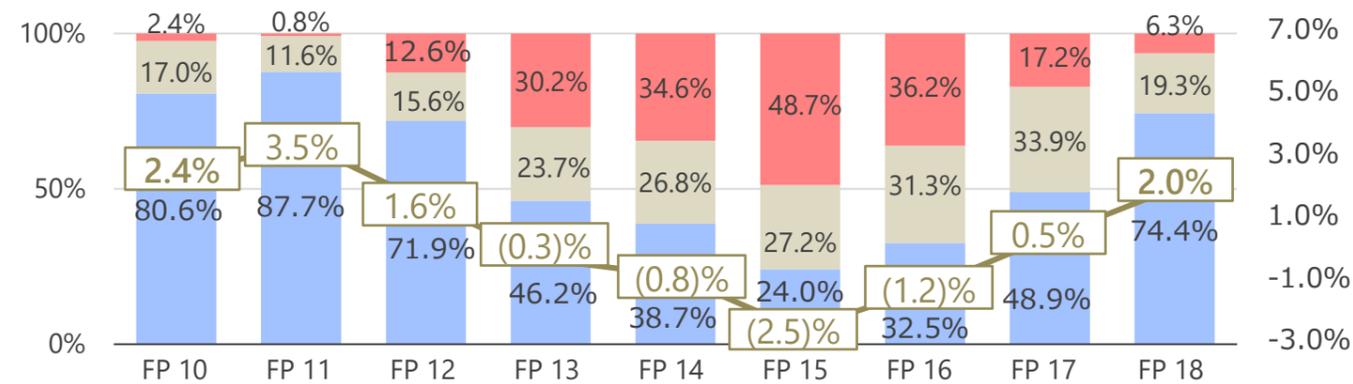
Residential: Rent Status (2)

Change in rent rate in Tokyo 23 wards was +1.9% for single-type, +4.4% for compact-type, and overall residential properties also trended well

▶ Rent trend in new contract (by room type) ■ Decreased rent ratio ■ No change in rent ratio ■ Increased rent ratio — Change in rent (net) rate

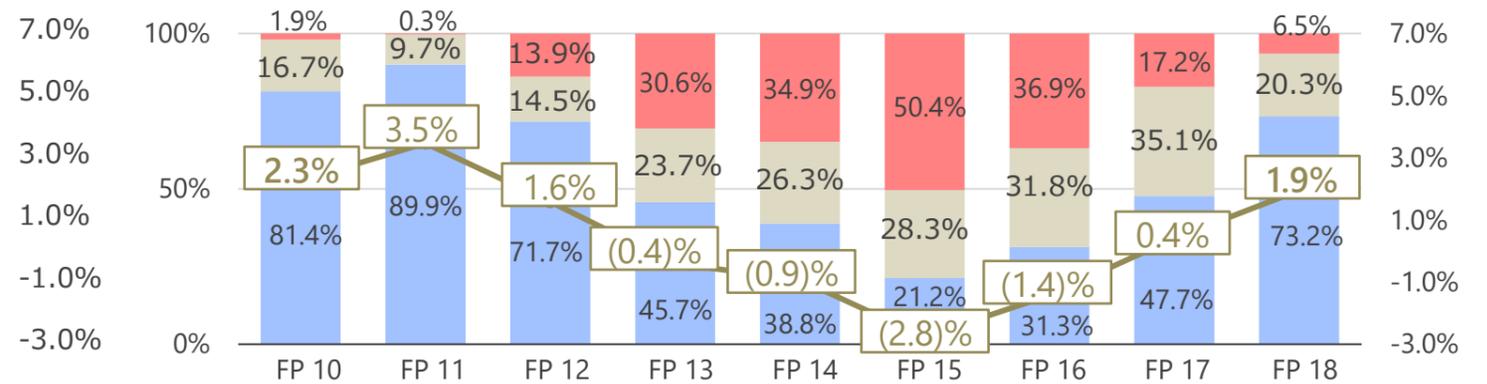
Entire Residential

Single-type

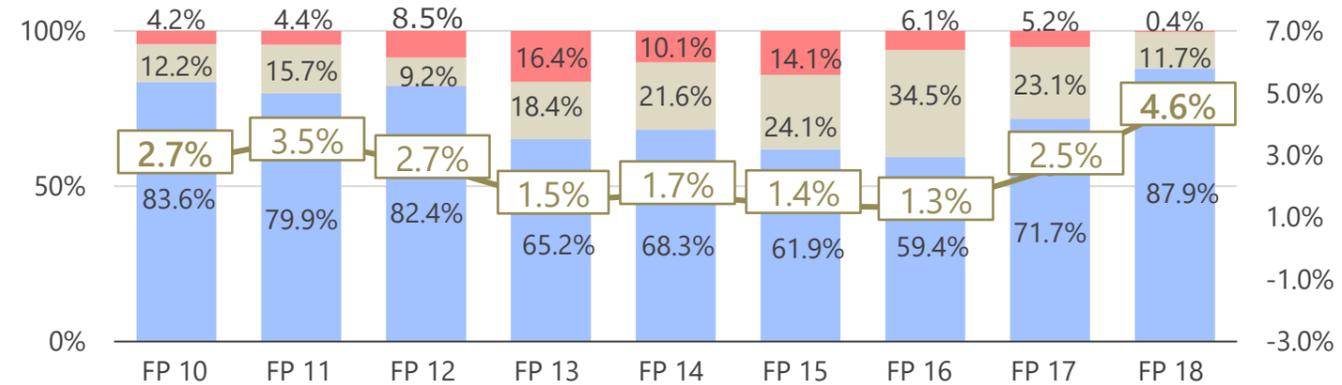


Tokyo 23 Wards

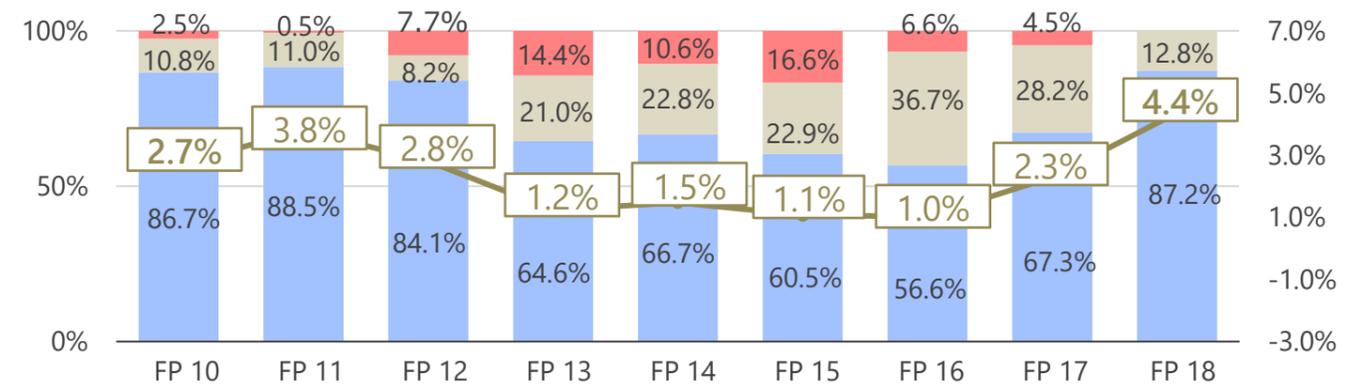
Single-type



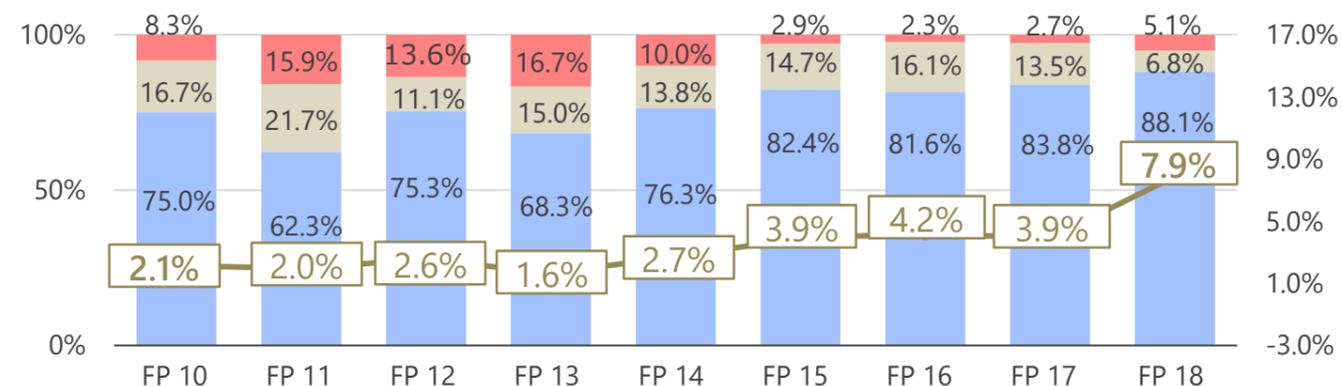
Compact-type



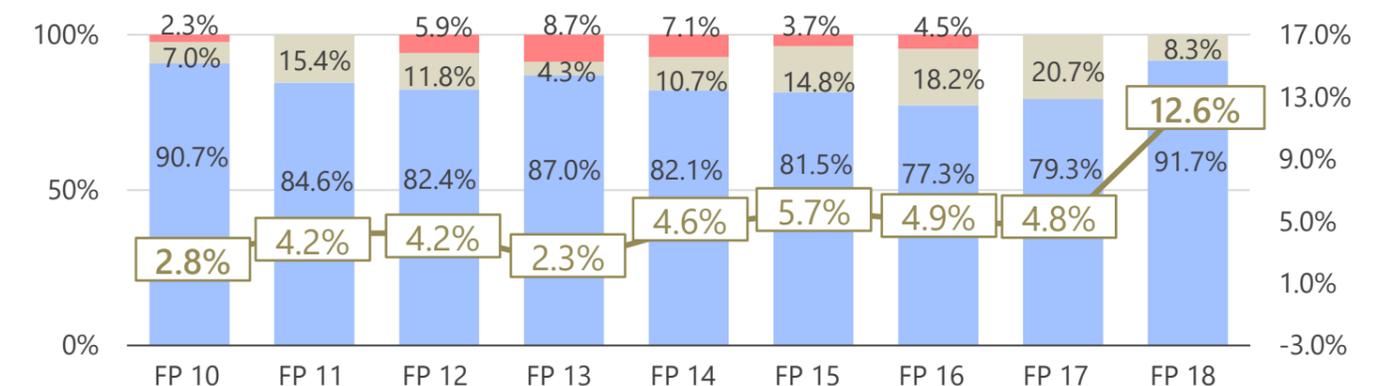
Compact-type



Family-type



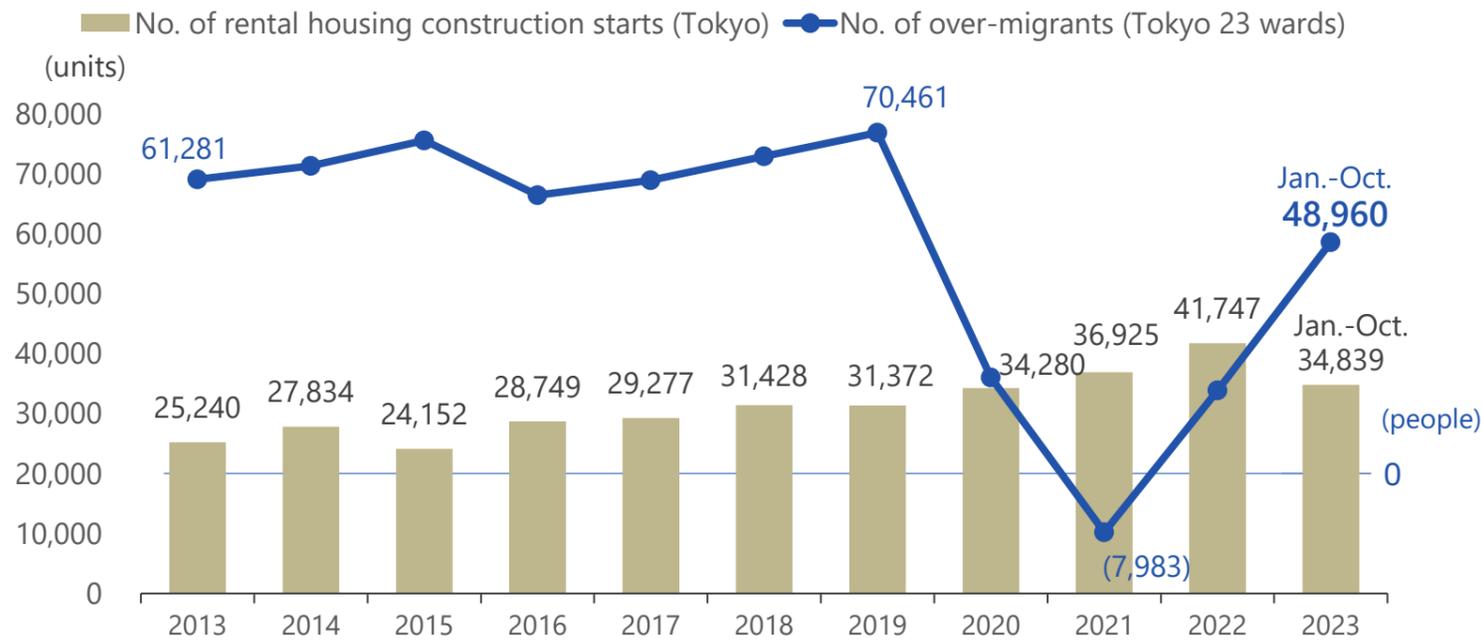
Family-type



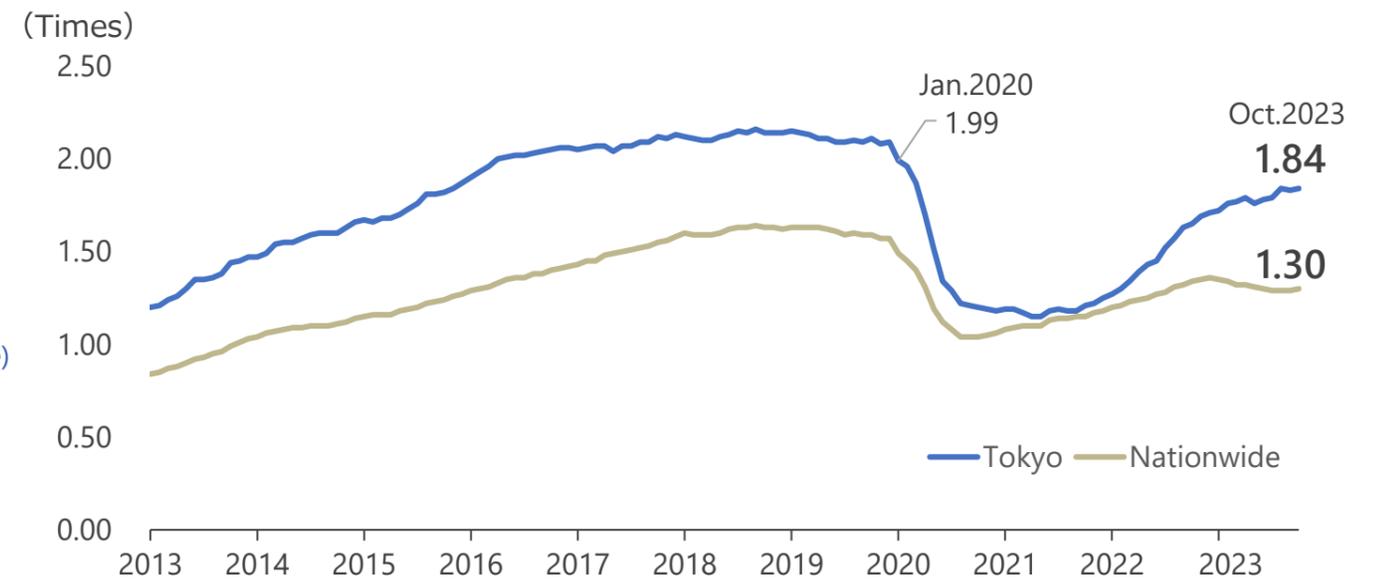
Residential: Market Trends

Population change in Tokyo 23 wards continued to exceed due to excess in-migration from January 2023, and further market growth is expected toward the busy season in spring

▶ Population change (Tokyo 23 wards/Japanese/yearly) & rental housing construction starts (Tokyo/yearly)



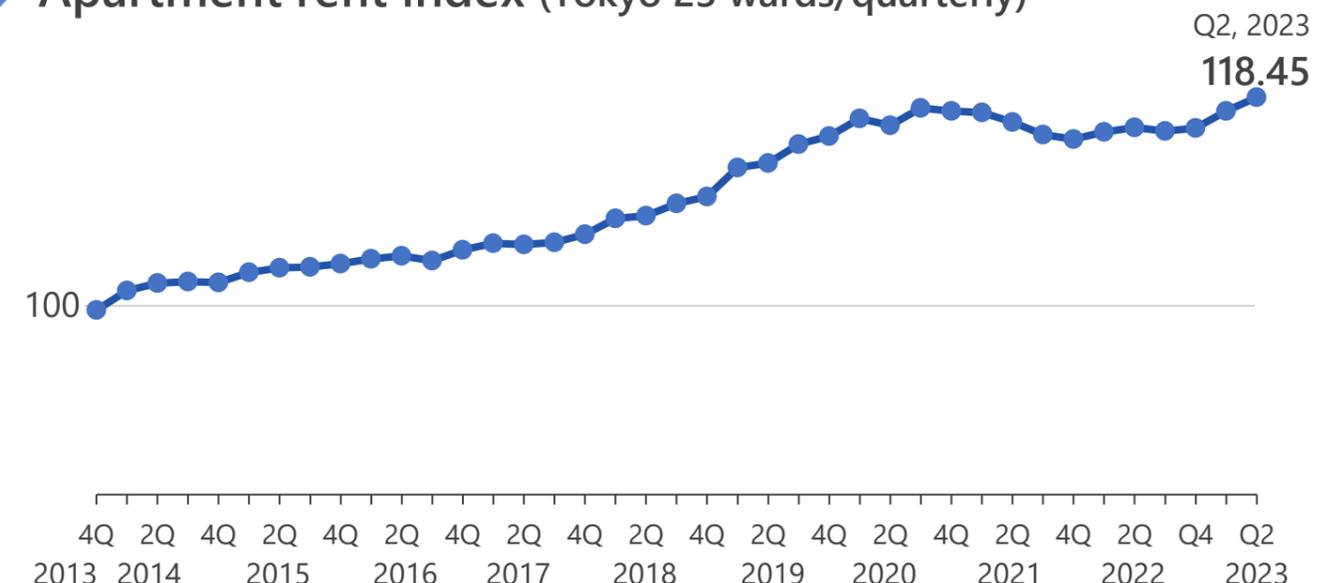
▶ Jobs-to-applicants ratio (seasonally adjusted/monthly)



▶ Population change (Tokyo 23 wards/Japanese/monthly)



▶ Apartment rent index (Tokyo 23 wards/quarterly)



* New rental housing construction 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 on 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.
 * "Q1": January to March, "Q2": April to June, "Q3": July to September, "Q4": October to December

Residential: Value Enhancing Initiatives

Enhancements to achieve well-being, creating a living space where everyone can be happy

Large-scale repair work



Sha Maison Stage Hirose-dori

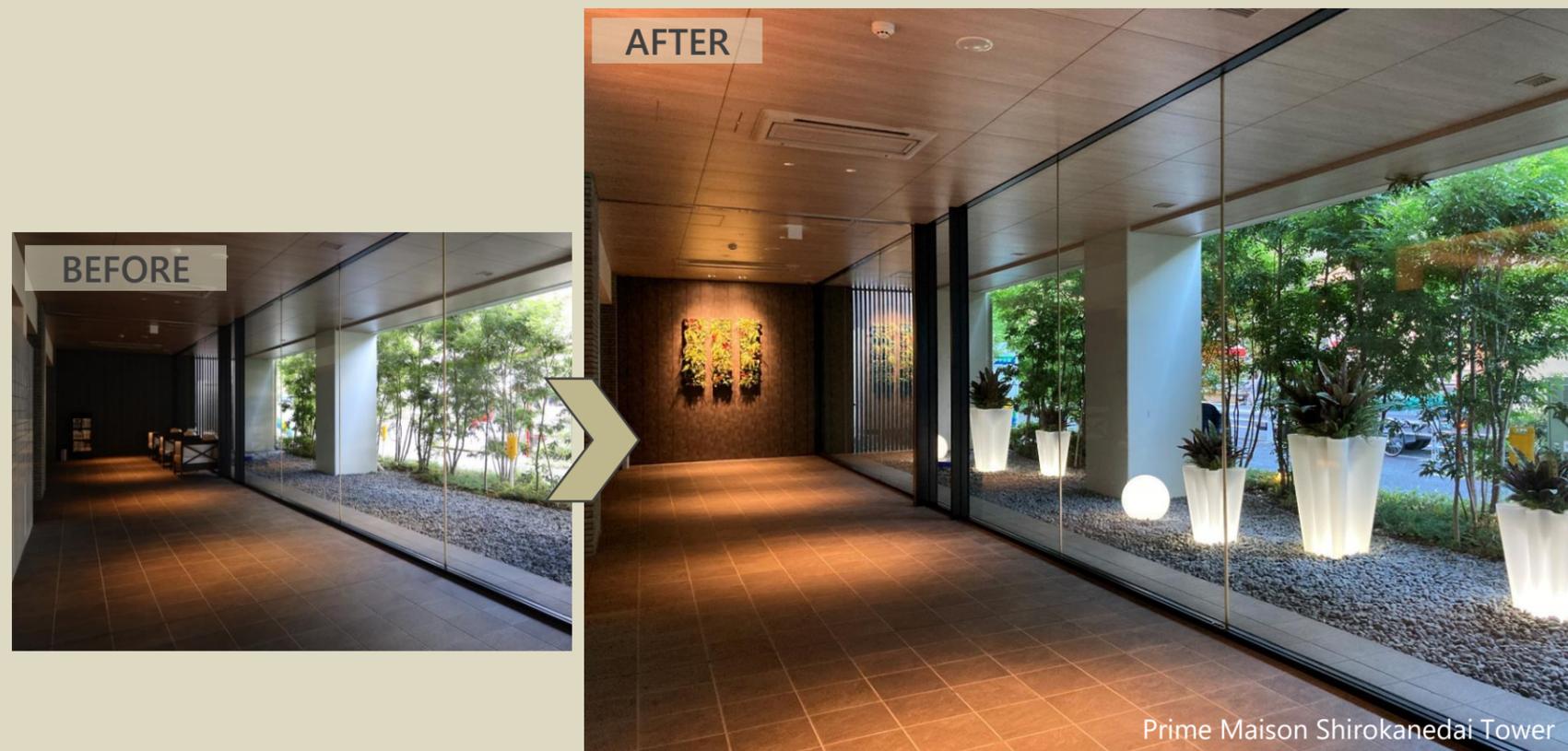
Changed the building exterior to a chic color; the entrance wall is tiled with an elegant design that expresses the texture of the textiles



Prime Maison Musashinonomori

In conjunction with large-scale repairs, native plant species were planted in the courtyard with consideration for the ecosystem. "Kamado (furnace) benches" were also placed where residents gather to serve as a disaster prevention measure

Value enhancing interior construction



Prime Maison Shirokanedai Tower

Ascertained the level of sensitivity to design and quality through tenant surveys, and created a modern and high-class space by installing artificial flowers and lighting



Esty Maison Itabashi C6

Working space and free Wi-Fi installed in the entrance hall



Prime Maison Hongo

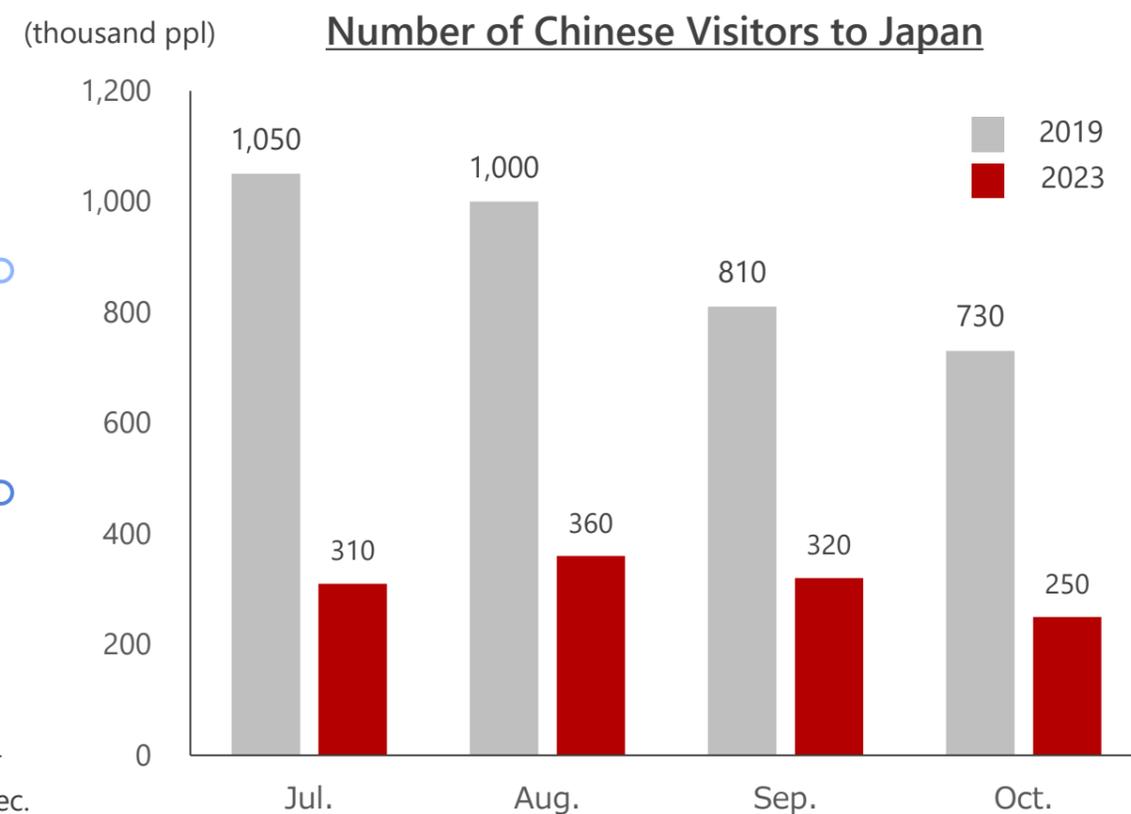
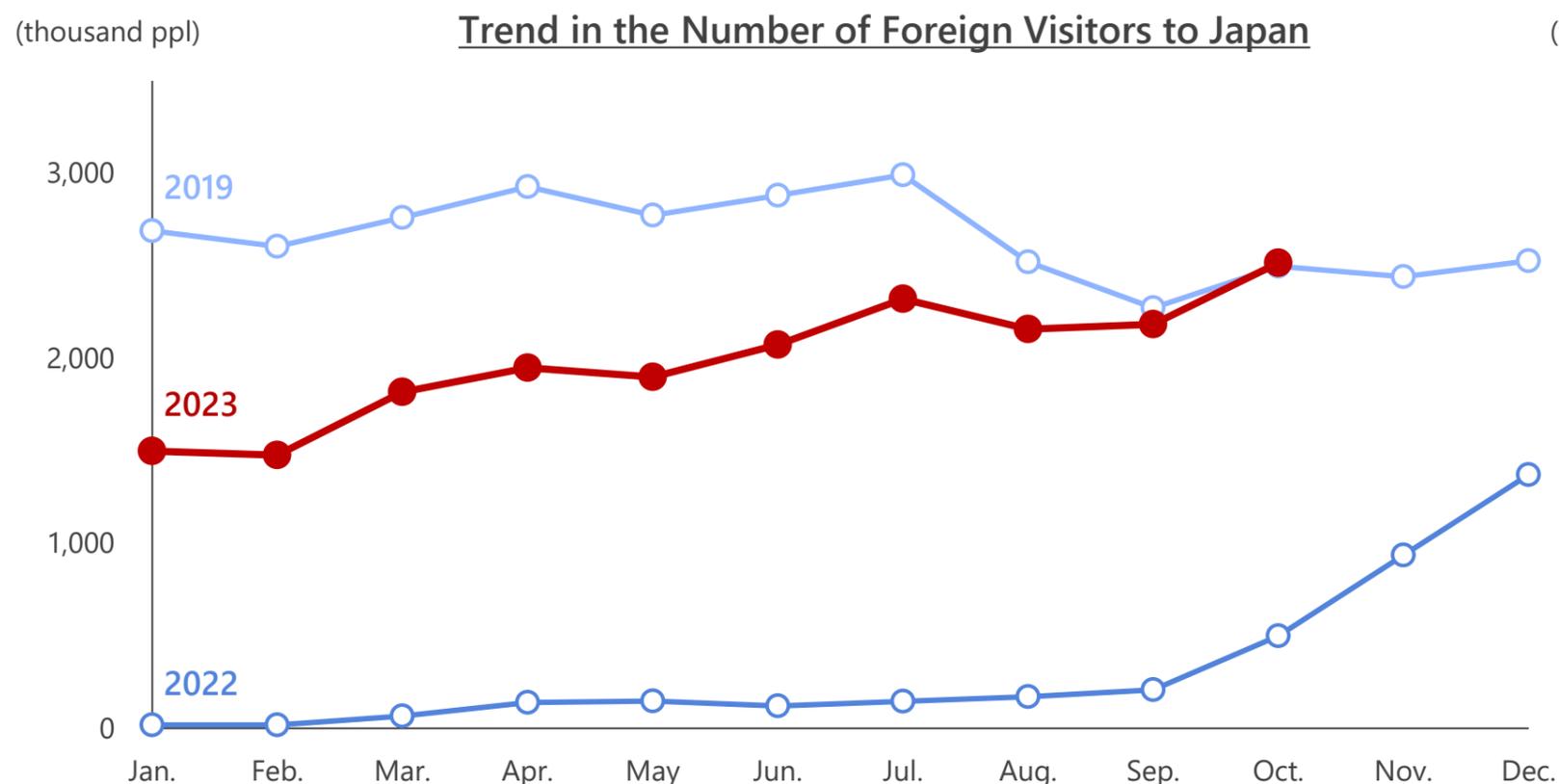
Renovated a store dressing room into a residence
Achieved 5.9% increase from the previous rent

Hotel: Operation Status

Inbound travel demand recovered to pre-COVID levels; The St. Regis Osaka's operation status is stable

▶ Hotel market conditions (travel demand)

- The number of foreign visitors to Japan exceeded 2.5 million people in October 2023, recovering to the same level when compared to the same month in 2019 before COVID
- Meanwhile, the number of Chinese tourists visiting Japan in October 2023 was around 250 thousand, which is roughly 30% compared to the same month in 2019 before COVID



▶ Operation status of hotel and future policy

- Although the St. Regis Osaka has not yet generated variable component revenue, its revenue remains stable due to the adoption of a fixed-rent master lease
- The renewal period of the master lease contract is scheduled to arrive in May 2024, and while the current contract will be the basis, will consider the contract contents upon renewal

* "Trends in the Number of Foreign Visitors to Japan" and "Number of Chinese Visitors to Japan" are created by SHAM based on the data "Number of foreign visitors to Japan (estimate for October 2023)" provided by the Japan National Tourism Organization (JNTO).

Finance



Financial Situation (1)

Conducted refinancing totaling 24.2 billion JPY to achieve an optimal balance between fixed-rate, floating-rate and borrowing period

▶ Financial indicators

	As of the end of October 2023 (FP 18)	As of the end of April 2023 (FP 17)
Total interest-bearing liabilities	257.2 billion JPY	258.2 billion JPY
Long-term debt ratio	98.8%	100.0%
Fixed interest rate debt ratio	93.3%	95.0%
Average period remaining to maturity	3.6 years	3.5 years
Average interest rate	0.61%	0.58%
LTV (total asset basis)	45.2%	45.4%

▶ Recent financial activities (FP 18 (from May 1, 2023 to Oct. 31, 2023))

	Borrowing Amount (Billion JPY)	Interest Rate	Drawdown Date	Borrowing Period (Years)
	4.0	Floating Base rate (JBA 1-month JPY TIBOR +0.170%)	May 31, 2023	1
Green Loan	2.0	1.040%	May 31, 2023	8.7
Green Loan	2.0	1.120%	May 31, 2023	9.5
Green Loan	4.8	0.875%	May 31, 2023	7
Green Loan	0.2	0.825%	May 31, 2023	7
Green Loan	0.6	0.875%	May 31, 2023	7
	5.4	Floating Base rate (JBA 1-month JPY TIBOR +0.190%)	Aug. 31, 2023	4
Green Loan	3.6	1.035%	Aug. 31, 2023	7
Green Loan	0.4	0.985%	Aug. 31, 2023	7
Green Loan	1.0	1.120%	Aug. 31, 2023	8

▶ Sustainability finance balance

	(Billion JPY)
As of the end of October 2023 (FP 18)	65.5
As of the end of April 2023 (FP 17)	45.3

▶ Credit ratings (Issuer ratings)

	(As of the end of October 2023 (FP 18))
JCR	AA (Stable)
R&I	AA- (Stable)

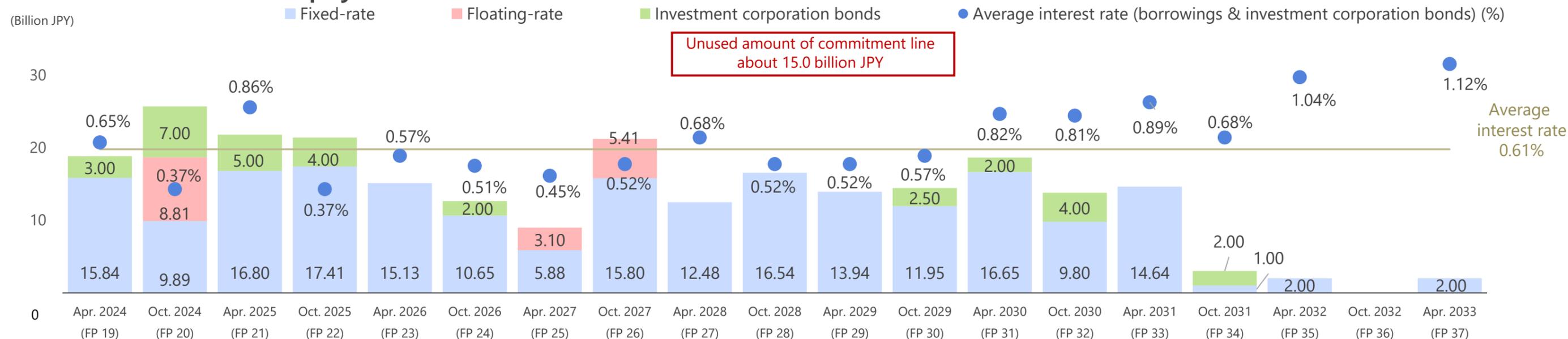
▶ Refinance in the fiscal period ended October 2023 (FP 18)

		Borrowing amount	Average interest rate	Average borrowing period
Repayment	Fixed-rate	20.2 billion JPY	0.41%	5.2 years
	Floating-rate	5 billion JPY	0.23%	1.8 years
Procurement	Fixed-rate	14.8 billion JPY	0.99%	7.6 years
	Floating-rate	9.4 billion JPY	0.24%	2.7 years

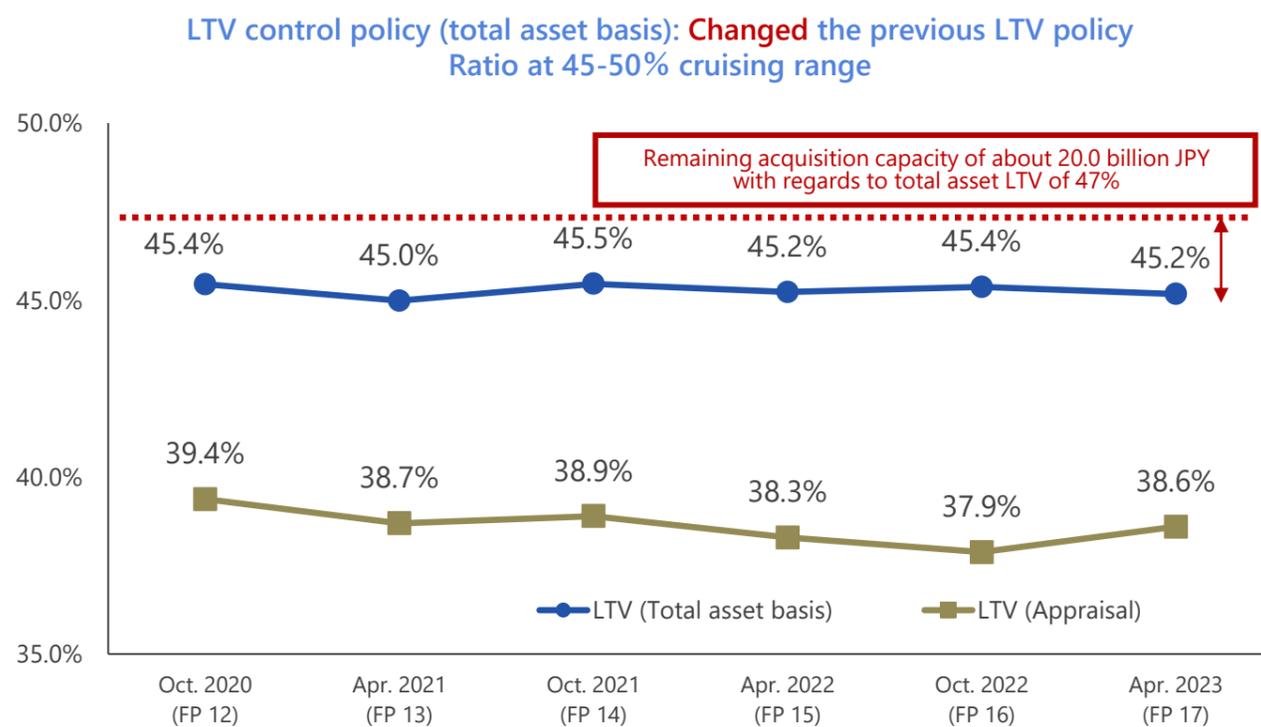
Financial Situation (2)

Reviewed LTV control policy (total asset basis); set the ratio at 45-50% cruising range

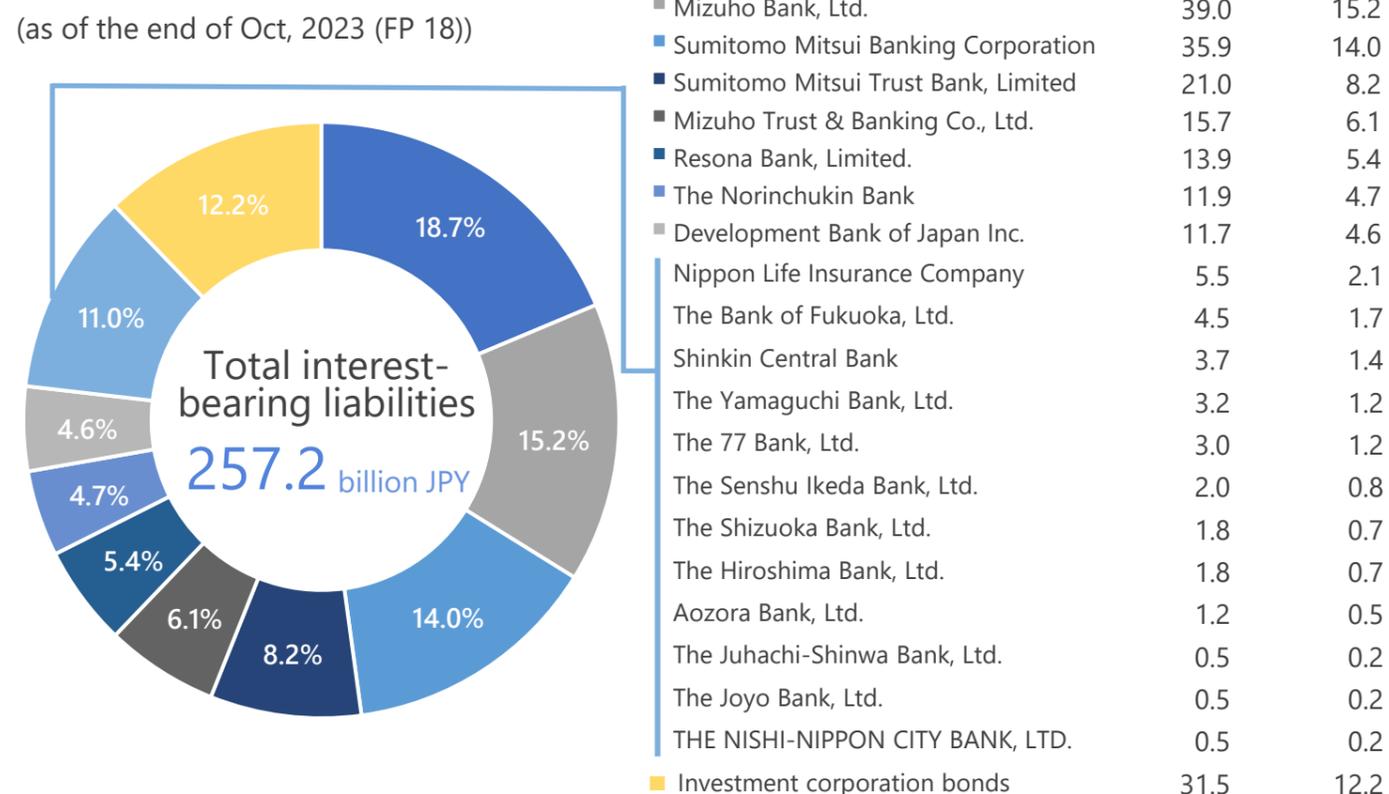
► Diversification of repayment deadlines (as of the end of Oct, 2023 (FP 18))



► LTV trends (end of each fiscal period)



► Distribution of lenders (as of the end of Oct, 2023 (FP 18))



* The "average interest rate" for each term in the diversification of repayment deadlines is the interest rate applied at the end of the fiscal period ended October 2023 (FP 18) (with fixed interest rate for borrowings under interest rate swap agreements). It is calculated by the weighted average using the scheduled borrowings and the issuance amount of investment corporation bonds scheduled to be redeemed. "Average interest rate" for total interest-bearing liabilities is calculated by the weighted average of the interest rate (the application of interest rate swaps is the same as above) applied on the aforementioned reference date by total interest-bearing liabilities.

* The balance of the lenders is rounded down to the nearest unit, and the ratio is rounded off to the first decimal place. Therefore, the sum of the balance and ratio of each lender may not match the figures in the total column.

ESG

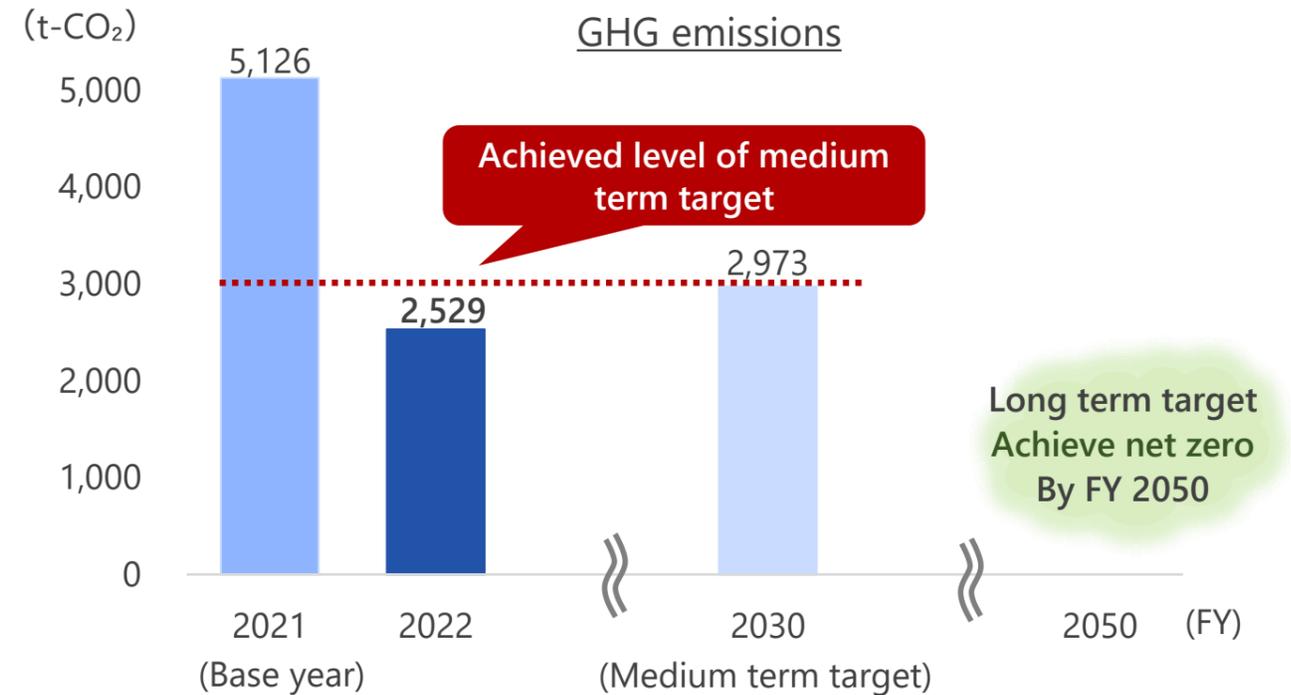


ESG: Measures for Addressing Climate Change

Medium term GHG emission target achieved toward net zero by FY 2050; energy consumption reduced steadily

► Status of GHG emission reduction (Scope 1, Scope 2)

Target (KPI)	
SBTi validation	Medium term target (by FY 2030) Reduce 42% (total emission basis: compared to FY 2021)
FY 2022 Result	
Compared to base year Reduced 50.7%	



Succeeded in drastically reducing GHG emissions by **introducing renewable energy-derived electricity** for 91.7% (Number of properties basis) of owned properties

► Analysis using CRREM

CRREM is the tool which calculates pathways (carbon reduction pathways) up to 2050 consistent with the 1.5°C targets of the Paris Agreement.

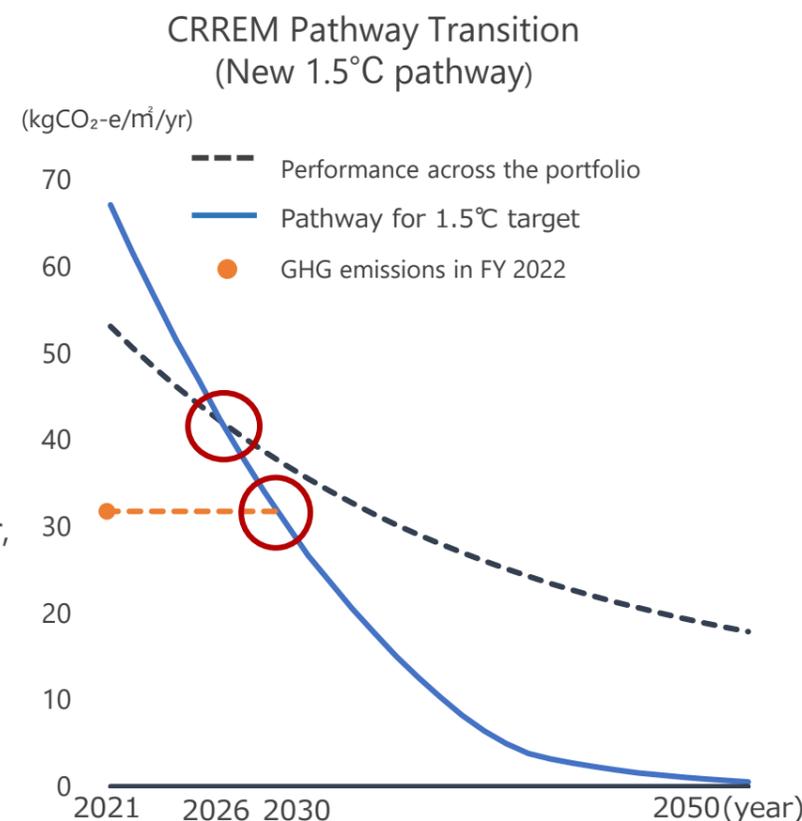
Results of analysis

SHR's pathway based on GHG emissions in FY 2021 will exceed the 1.5°C pathway by 2026.

Future strategy

Due to introducing renewable energy-derived electricity, GHG emissions in FY 2022 was significantly lower than the 1.5°C pathway. However, SHR will continue to implement measures to reduce GHG as it will reach the excess point in 2030.

For details of the analysis result, please refer to [ESG special website](#).



► Status of reducing energy consumption

Target (KPI)
Reduce 10% by FY 2028 (intensity based; compared to FY 2018)
FY 2022 Results
Compared to base year Reduced 8.3%

* Percentage of introducing renewable energy-derived electricity includes the properties which purchased FIT Non-fossil Fuel Energy Certificates.
 * "New 1.5°C pathway" in "CRREM Pathway Transition" is the Global Pathways v2.01.
 * As for the "Target (KPI)" in "Status of reducing energy consumption", in principle, reduction targets are set every 5 years from FY 2028 onwards.

ESG: Acquisition Status of Green Certifications

Steady efforts led to the increase in ratio of green certification acquisition to over 80%

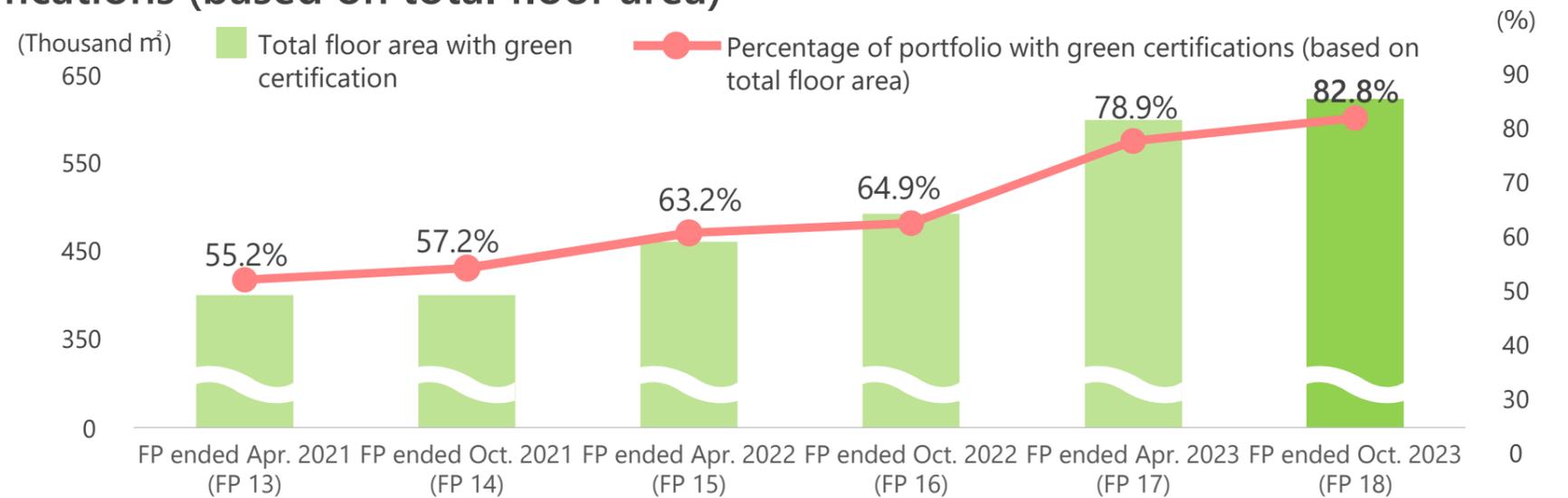
Percentage of portfolio with green certifications (based on total floor area)

Target (KPI)

Maintain 70% or more of the portfolio with green certification

As of the end of October 2023 (FP 18)

82.8%



Promotion of acquisition of green certification

Status of new green certification acquisitions in FP 18
All 11 properties received A rank of Certification for CASBEE for Real Estate

Esty Maison
Azabunagasaka

Esty Maison
Azabujuban

Esty Maison
Uemachidai

Esty Maison
Kayaba

(other 7 properties)

Status of acquisition by evaluation rank (as of FP ended Oct. 2023 (FP 18))

DBJ Green Building Certification	Count
★★★★★	1
★★★★	20
★★★	34
★★	1
Certification for CASBEE for Real Estate	30
S rank	9
A rank	20
B+ rank	1

* "Total floor area with green certification" and "percentage of portfolio with green certifications (based on total floor area)" refers to the total floor area (calculated based on the floor area of the building indicated in the registry (excluding annexed buildings, etc.); if part of the property is not subject to green certification, such as a store or nursery school, etc., the total floor area of the entire property is used in principle.) of properties owned by SHR that have obtained either "DBJ Green Building Certification" or "Certification for CASBEE for Real Estate" divided by the total floor area of the entire portfolio.

* "DBJ Green Building Certification" is granted in one of five levels from (5 stars) to (1 star).

* "Certification for CASBEE for Real Estate" is granted in one of four levels of (S), (A), (B+) and (B).

Appendix



Trends of Major Management Indexes

Fiscal Period Month/Year		FP 14 Oct. 2021	FP 15 Apr. 2022	FP 16 Oct. 2022	FP 17 Apr. 2023	FP 18 Oct. 2023
Operating days	days	184	181	184	181	184
Profit from real estate leasing business	million JPY	14,474	14,756	15,082	15,358	15,384
Gain and loss on sale of real estate properties	million JPY	2,452	–	710	–	1,097
Leasing NOI	million JPY	11,160	11,354	11,380	11,442	11,425
Depreciation	million JPY	2,455	2,489	2,573	2,627	2,637
Net income	million JPY	8,520	6,745	7,204	6,637	7,408
Capital expenditures	million JPY	727	700	722	896	1,016
Total assets	million JPY	555,644	579,931	570,999	569,205	569,478
Total interest-bearing liabilities	million JPY	249,942	263,642	258,242	258,242	257,242
LTV (total asset basis)	%	45.0	45.5	45.2	45.4	45.2
LTV based on appraisal value	%	38.7	38.9	38.3	37.9	38.6
Net assets	million JPY	287,642	298,782	294,484	293,617	293,226
Total distributions	million JPY	7,732	7,524	7,509	7,803	8,657
ROE (annualized)	%	5.9	4.6	4.8	4.6	5.0
DSCR (Debt service coverage ratio)	times	12.1	13.6	13.8	14.4	13.4
FFO (Funds from operations)	million JPY	8,523	9,236	9,068	9,266	8,951
AFFO (Adjusted funds from operations)	million JPY	7,796	8,535	8,346	8,369	7,934
FFO pay out ratio	%	90.7	81.5	82.8	84.2	96.7
Total number of investment units issued	units	4,288,666	4,431,133	4,381,482	4,381,482	4,381,482
Net asset per unit	JPY	67,070	67,428	67,211	67,013	66,924
NAV per unit	JPY	86,323	87,809	89,088	90,921	86,983
Net income per unit	JPY	1,986	1,522	1,636	1,514	1,690
DPU (Distributions per unit)	JPY	1,803	1,698	1,714	1,781	1,976
FFO per unit	JPY	1,987	2,084	2,069	2,114	2,043
Reversal of internal reserve	million JPY	408	778	305	1,105	–
Reversal of RTA	million JPY	70	187	222	194	–
Reserve for internal reserve	million JPY	1,195	–	–	–	–
Internal reserve at the end of the period (after cash distributions paid)	million JPY	2,189	1,410	1,105	–	–
Period-end investment unit price (closing price)	JPY	86,200	76,200	80,100	77,100	79,600
Implied cap rate (based on period-end investment unit price)	%	3.7	3.9	3.8	4.0	3.9
Number of owned properties at period-end	units	117	119	120	120	120
Total acquisition price	million JPY	527,786	563,886	554,466	554,466	548,726
Total appraisal value	million JPY	605,508	647,973	643,093	650,544	627,534
Unrealized capital gains	million JPY	90,301	97,835	103,366	112,554	96,548
Unrealized capital gains as a percentage of portfolio value	%	17.5	17.8	19.2	20.9	18.2

- 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

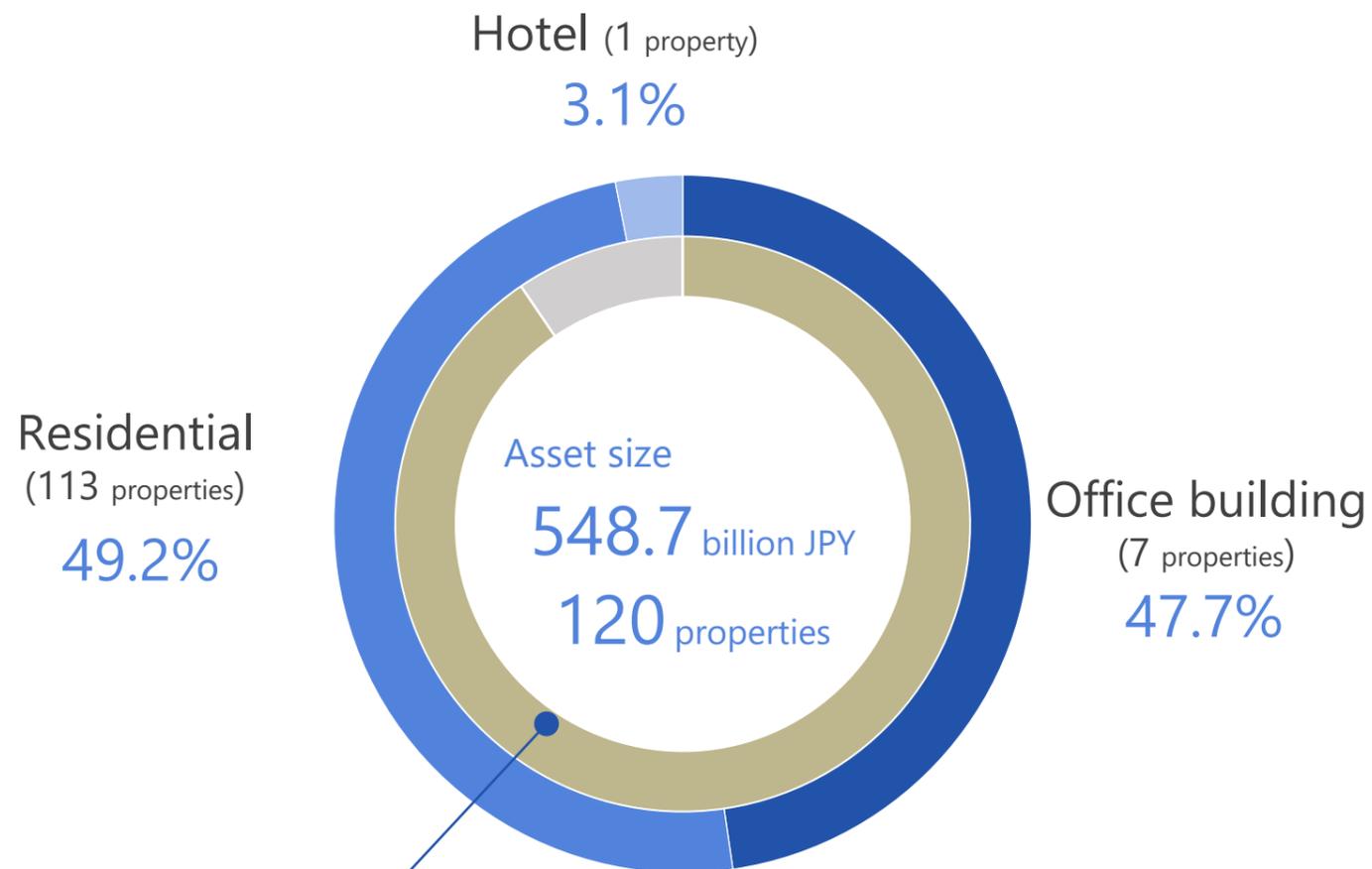
- FFO = Net income + Depreciation +/- Gains or losses from the sale of real estate properties +/- extraordinary income or losses
- AFFO = FFO - Capital expenditure
- FFO pay out ratio = Total distribution ÷ FFO
- NAV per unit = (Net assets at end of period + Unrealized capital gain - Total distribution) ÷ Total number of investment units issued
- 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)



SHR's Portfolio

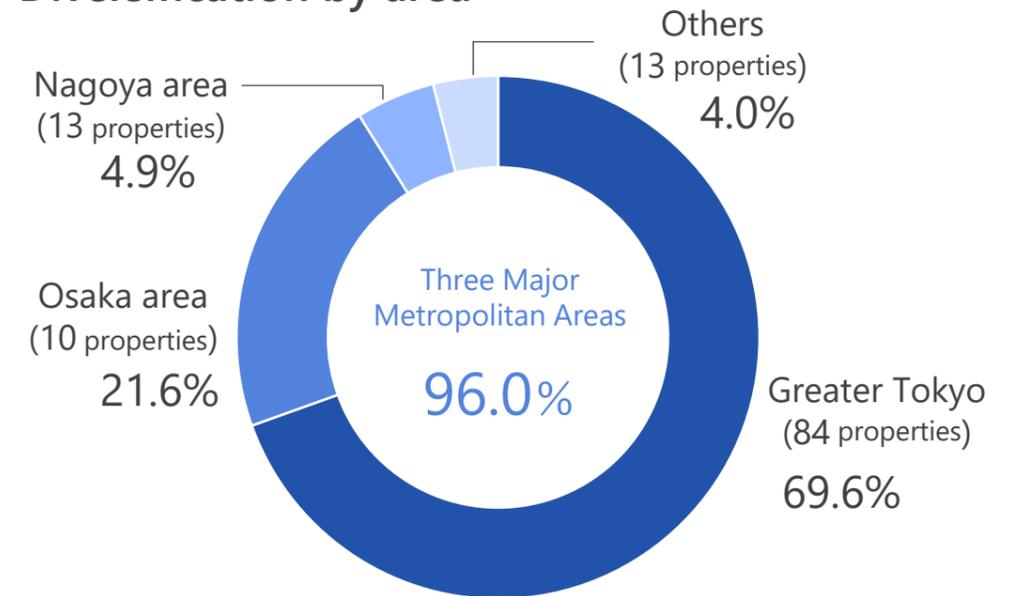
▶ Diversification of SHR's Portfolio (As of the end of Oct. 2023 (FP 18) / Acquisition price basis)

■ Diversification by asset type



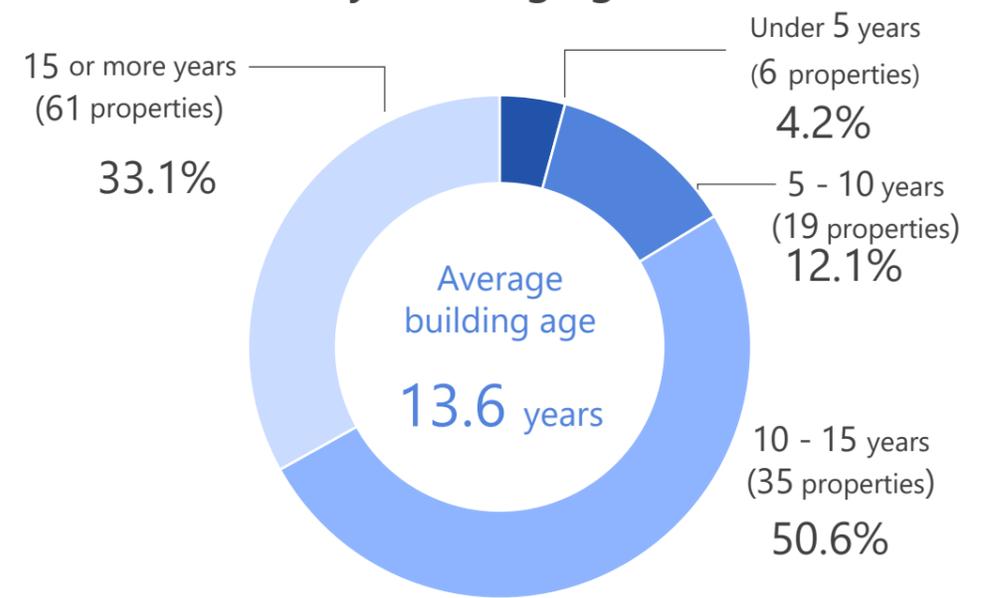
	Acquisition from Sekisui House Group 78.9% 432.9 billion JPY / 66 properties
	Sekisui House, Ltd. 391.8 billion JPY / 52 properties

■ Diversification by area



Three Major Metropolitan Areas by assets Office building 100.0%/Residential 91.9%/Hotel 100.0%	
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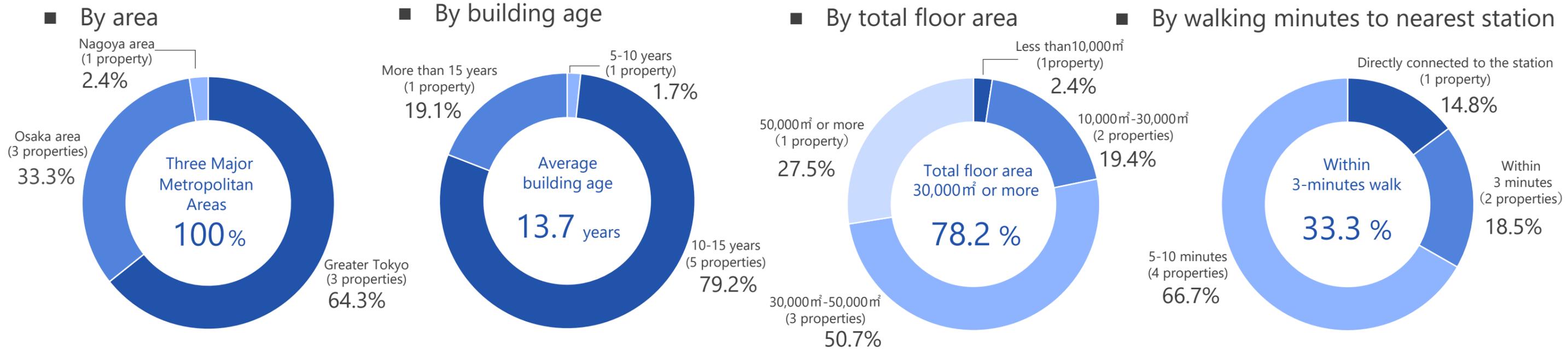
■ Diversification by building age



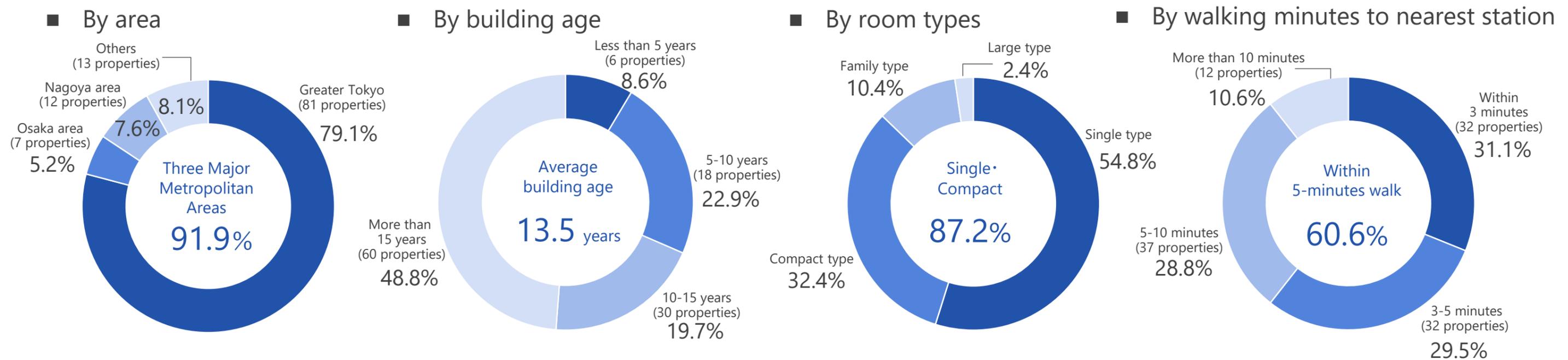
Average building age by assets Office building 13.7 years/Residential 13.5 years/Hotel 13.5 years	
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Portfolio Structures by Asset Type

► Diversification of the office building portfolio (As of the end of Oct. 2023 (FP 18) / Acquisition price basis)



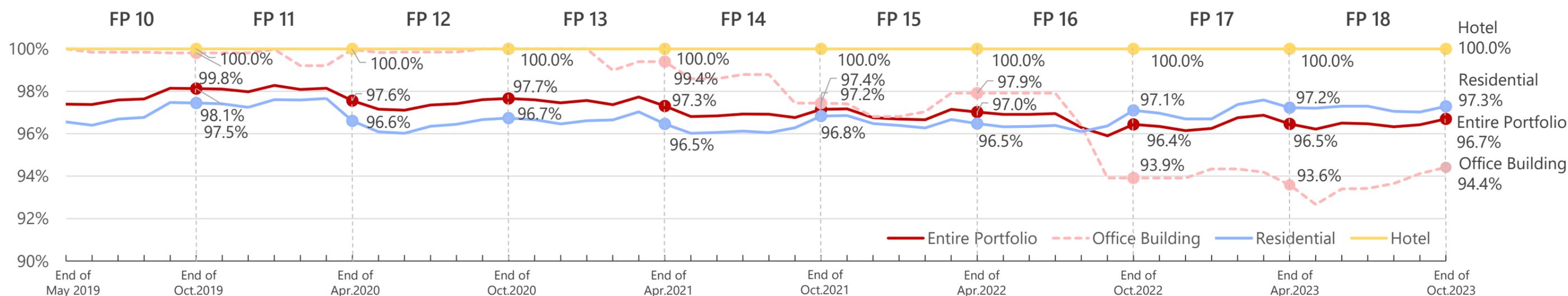
► Diversification of the residential portfolio (As of the end of Oct. 2023 (FP 18) / Acquisition price basis (By room types is "number of room" basis))



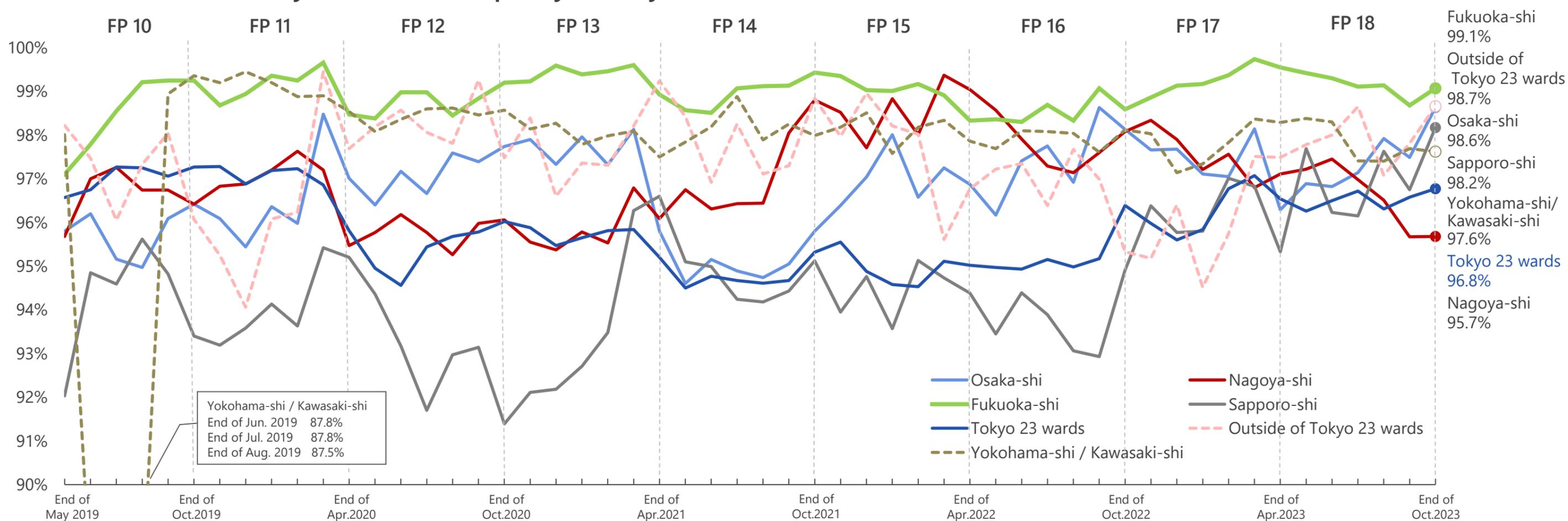
* Diversification by room types is calculated for subleased properties, single building rental properties, etc., and residential properties excluding retail and offices.

Occupancy Rate by Asset Type/Residential: Occupancy Rate by Area

Monthly trends in occupancy rate by asset type



Residential: monthly trends of occupancy rate by area



* 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 May 2019 to October 2023.

* Occupancy rate of Hotel is 100% as each hotels currently owned or owned in the past are leased as to one tenant as the entire building. This differs from the operating occupancy rate.

Residential: Rent Trends by Area

► By area and room types: rent trends in new contracts as of the end of October 2023 (FP 18)

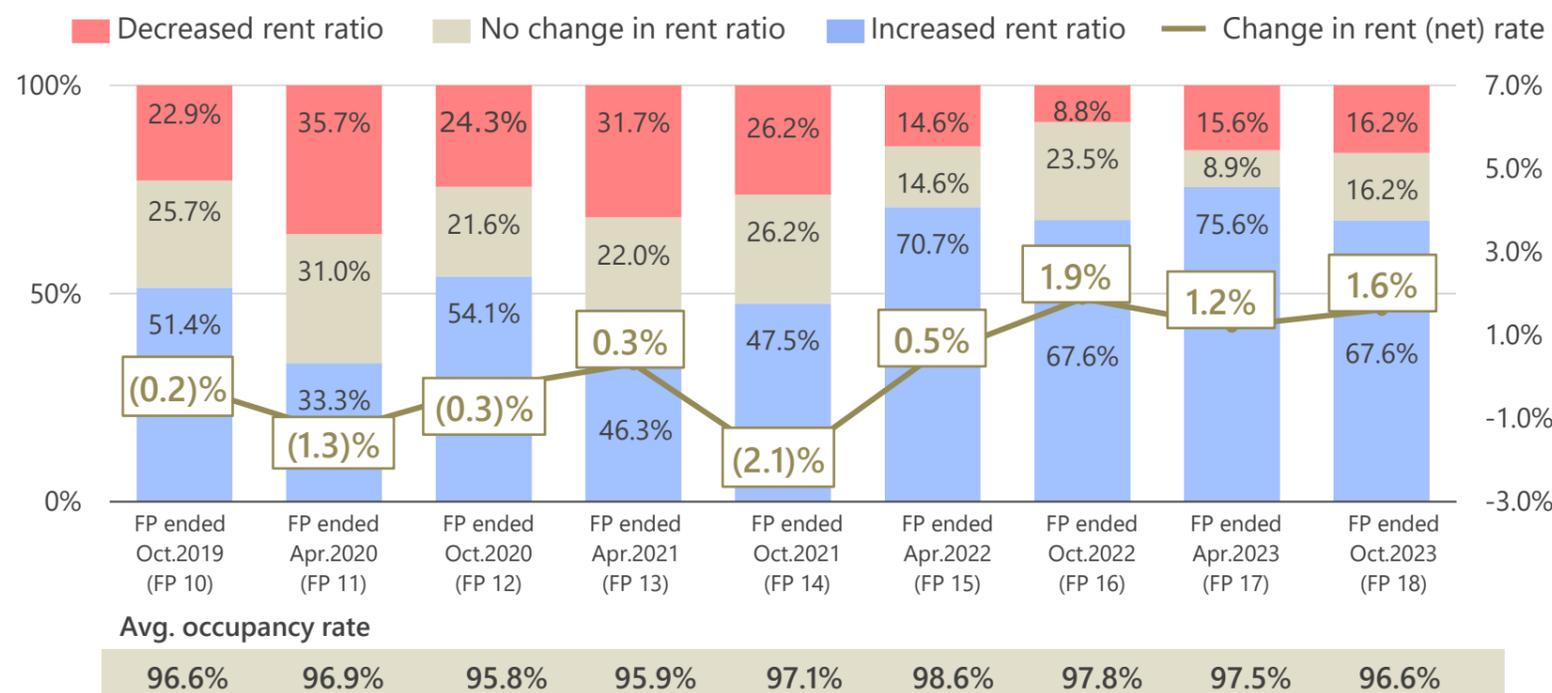
	Number of new contracts (cases)	Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)	By Room Type							
				Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)	Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)	Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)	Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)
				Single		Compact		Family		Large	
Greater Tokyo	638	+4,306	+4.4	+904	+2.0	+1,716	+4.5	+771	+12.6	+915	+12.9
Tokyo 23 wards	592	+4,091	+4.4	+842	+1.9	+1,563	+4.4	+771	+12.6	+915	+12.9
Outside of Tokyo 23 wards	21	+140	+6.5	+25	+2.8	+115	+9.1	—	—	—	—
Yokohama-shi Kawasaki-shi	25	+75	+2.7	+37	+2.0	+38	+4.4	—	—	—	—
Major Cities Nationwide	152	+530	+2.9	+95	+3.0	+282	+4.8	+126	+2.4	+27	+0.7
Osaka-shi	41	+124	+2.9	+52	+2.5	+47	+3.7	+25	+2.7	—	—
Nagoya-shi	37	+110	+1.6	—	—	+36	+4.3	+64	+1.8	+10	+0.4
Fukuoka-shi	37	+160	+5.6	+19	+4.4	+104	+6.6	+37	+4.3	—	—
Sapporo-shi	37	+136	+3.1	+24	+3.4	+95	+4.2	—	—	+17	+1.2
Total	790	+4,836	+4.2	+999	+2.0	+1,998	+4.6	+897	+7.9	+942	+8.6

► Unit rent per tsubo by area

Based on the residential properties held from the end of the previous FP to the end of the current FP

	FP ended Oct. 2023 (FP 18) Unit rent per tsubo by area
Greater Tokyo	14,024 JPY / tsubo
Tokyo 23 wards	14,315 JPY / tsubo
Outside of Tokyo 23 wards	9,874 JPY / tsubo
Yokohama-shi Kawasaki-shi	12,069 JPY / tsubo
Major Cities Nationwide	7,135 JPY / tsubo
Osaka-shi	8,986 JPY / tsubo
Nagoya-shi	7,656 JPY / tsubo
Fukuoka-shi	5,369 JPY / tsubo
Sapporo-shi	7,169 JPY / tsubo
Total	12,216 JPY / tsubo

► Nagoya-shi : Rent trend in new contract



Office Building: Tenant Profile

▶ **End tenant diversification** (based on 82 end tenants in total of overall office building portfolio)

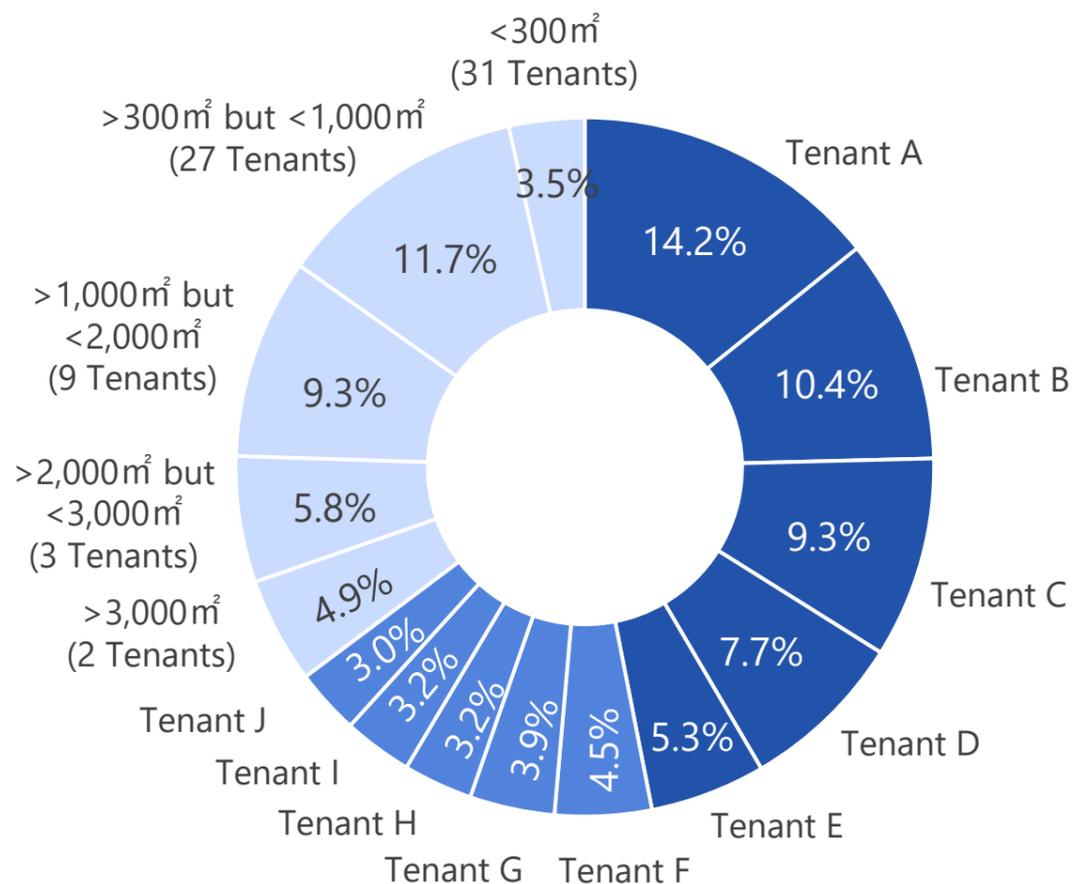
■ **Top 5 tenants by leasable area 46.9%**

Tenant	Industry	Leasable area	Property
A	IT	17,999.97 m ²	Gotenyama SH Bldg.
B	Finance & Insurance	13,126.72 m ²	GC Shinagawa Gotenyama
C	Retail (wholesale)	11,769.00 m ²	Hommachi GC
D	Finance & Insurance	9,690.83 m ²	Hommachi Minami GC
E	Retail (wholesale)	6,766.72 m ²	GC Shinagawa Gotenyama

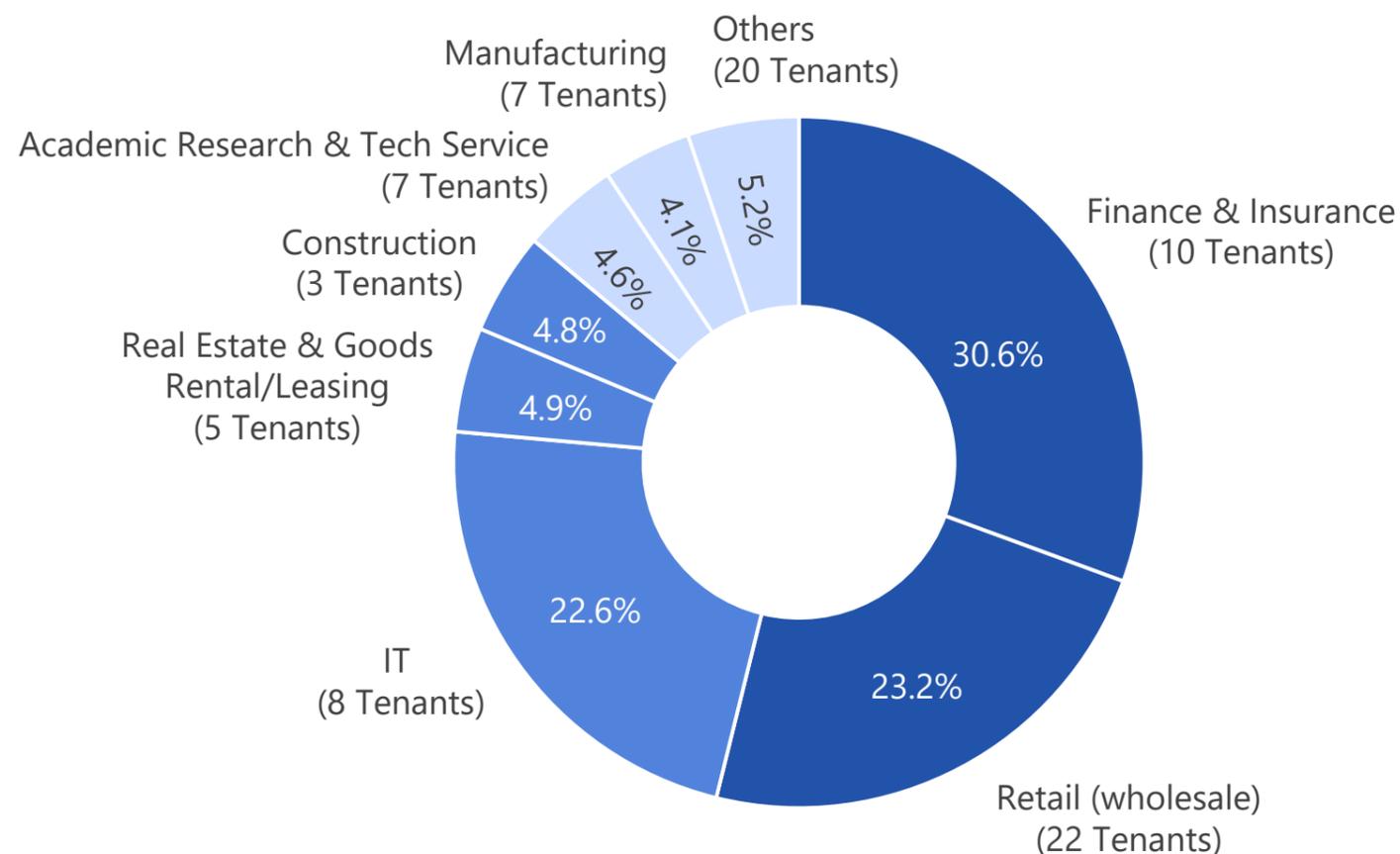
■ **Top 10 tenants by leasable area 64.8%**

Property	% of portfolio	Tenant(s)
GC Shinagawa Gotenyama	18.9 %	Tenants B, E, and I
Hommachi Minami GC	16.1 %	Tenants D, F, and G
Gotenyama SH Bldg.	14.2 %	Tenant A
Hommachi GC	9.3 %	Tenant C
Akasaka GC	6.2 %	Tenants H and J

■ **Occupancy rate by tenant leasing area**



■ **Occupancy rate by tenant portfolio**



* End tenant diversification is calculated based on the office building portfolio as of the end of FP 18.

* The industry classification of end tenants is created by SHAM based on the "Japan Standard Industrial Classification".

ESG: Materiality and KPI

For details of specific initiatives and achievements, please refer to [ESG special website](#) on SHR's website

	Materiality	Target (KPI)	Achievements
Environment	Promoting response to climate change	<ul style="list-style-type: none"> •GHG emission reduction Medium term target (by FY 2030): Reduce 42% of Scope 1 and Scope 2 emissions of portfolio compared to FY 2021 Long term target (by FY 2050): Achieve net zero Calculate and reduce Scope 3 emissions •Reduce 10% energy consumption intensity of portfolio by FY 2028 (Note 1) compared to FY 2018 •Achieve 25% or more of the portfolio with green lease agreement by FY 2030 	FY 2022 results <ul style="list-style-type: none"> •GHG emission (Scope 1, Scope 2): Reduced 50.7% compared to FY 2021 •Energy consumption intensity : Reduced 8.3% compared to FY 2018 •Waste emissions intensity : Reduced 43.2% compared to FY 2018 •Water use intensity : Reduced 11.5% compared to FY 2018
	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 	Results as of the end of October 2023 (FP 18) <ul style="list-style-type: none"> •Green lease : 25.8%
	Investing in real estate with excellent environmental performance	<ul style="list-style-type: none"> •Maintain 70% or more of portfolio with green certification •Promote ZEH alternatives 	<ul style="list-style-type: none"> •Green certification : 82.8%
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 and promote initiatives to improve satisfaction •Promote certification acquisition for comfort and health of buildings (spaces) •Periodic assessment of earthquake risk and flood damage risk and the implementation of measures to reduce such risk •Periodic assessment of initiatives toward ESG in the supply chain and the promotion of collaborative initiatives 	<ul style="list-style-type: none"> •Conducted tenant satisfaction surveys from July to August 2023 •Portfolio seismic PML rating : 2.0% (As of the end of Oct. 2023) •Percentage of portfolio with water immersion risk (0.5m or more water immersion) : 63.8% (As of the end of Oct. 2023)
	Contributing 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: 45% 	<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 •"Sekisui House Matching Program" participation rate: 44.6% (FY 2022 results (Note 2))
	Creating a rewarding workplace	By FY 2023, <ol style="list-style-type: none"> Percentage of female managers: 7% Average monthly work hours per person: 162 hours Take-up rate for male childcare leave: 100% Annual paid leave take-up rate : 70% <ul style="list-style-type: none"> •Number of annual external training courses attended per person : twice •Annual internal training participation rate : 100% •Practicing Sekisui House Group Human Rights Policy 	FY 2022 results (Note 2) <ol style="list-style-type: none"> Percentage of female managers positions : 4.0% Average monthly work hours per person : 159.9 hours Take-up rate for male childcare leave : 100% Annual paid leave take-up rate : 75.6% <ul style="list-style-type: none"> •Number of annual external training courses attended per person : 2.4 times •Annual internal training participation rate : 100%
Governance	Strengthening corporate governance system	<ul style="list-style-type: none"> •Enhance effectiveness of board of directors of SHR and SHAM 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) 	FY 2022 results (Note 2) <ul style="list-style-type: none"> •Conducted evaluation of the effectiveness of SHR's board of directors and SHAM's board of directors : Once •Conducted compliance training by external experts : Four times / participation rate : 99.6% •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 December 2023 •Renewed a SHR's website in May 2023 •IR activities in the fiscal periods ended April and October 2022 IR meetings with domestic institutional investors : 136 times IR meetings with overseas institutional investors : 60 times Seminars for individual investors : 4 times

(Note 1) In principle, reduction target are set every 5 years after FY 2028.

(Note 2) In principle, FY 2022 results refer to the actual results of SHAM for the period from Feb. 2022 to Jan. 2023.

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 Term Target Investment Ratio*	As of the end of FP 18 (ended Oct. 2023)
Core assets				
Residential	Residential Student and corporate dormitories	50~80%	Approx. 65%	49.2%
Office building	Office building Data center	15~45%	Approx. 30%	47.7%
Hotel	Hotel			
Retail, etc.	Retail Serviced apartments Senior housing (Serviced housing for the elderly, Paid nursing homes, Adult day care centers)	0~15%	Approx. 5%	3.1%

* Mid Term Target Investment Ratio describes the target investment ratio of the overall portfolio over the medium-term. 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)	As of the end of FP 18 (ended Oct. 2023)
Residential	Greater Tokyo	70% or more	79.1%
Office building, Hotel, Retail, etc.	Three major metropolitan areas (Greater Tokyo, Osaka, Nagoya)	80% or more	100.0%

Portfolio List (1)

(As of the end of Oct. 2023 (FP 18))

Property No.	Property name	Location	Acquisition price (million JPY)	Leasable area (㎡)	Occupancy rate (%)	Completion date	Estimated value (million JPY)		Book value (million JPY)	Unrealized capital gain/loss (million JPY)	Profit return method			Discounted cash flow method			Appraisal NOI (million JPY)		
							Period-on-period	Revenue price (million JPY)			Direct capitalization yield (%)		Revenue price (million JPY)	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	Shinagawa-ku, Tokyo	71,950	38,577.99	84.3	Feb. 2011	66,700	(21,300)	69,408	(2,708)	68,400	3.1	—	66,000	2.9	—	3.3	—	2,148
O-002	Gotenyama SH Building	Shinagawa-ku, Tokyo	46,350	17,999.97	100.0	Feb. 2011	57,100	(6,400)	44,142	12,957	58,500	3.2	—	56,500	3.2	—	3.4	—	1,852
O-003	Hommachi Minami Garden City	Osaka-shi, Osaka	44,000	29,657.53	100.0	Feb. 2011	54,600	—	41,743	12,856	55,900	3.5	—	54,100	3.2	—	3.7	—	1,992
O-004	Hommachi Garden City (Office portion)	Osaka-shi, Osaka	38,600	17,006.94	100.0	May 2010	44,200	(400)	35,716	8,483	45,100	3.3	—	43,300	3.1	—	3.5	—	1,528
O-005	HK Yodoyabashi Garden Avenue	Osaka-shi, Osaka	4,400	4,554.52	100.0	Jul. 2015	6,330	90	4,168	2,161	6,500	3.5	—	6,250	3.6	—	3.7	—	233
O-006	Hirokoji Garden Avenue	Nagoya-shi, Aichi	6,350	4,442.75	100.0	Mar. 2011	7,450	130	6,090	1,359	7,550	3.8	(0.1)	7,400	3.6	(0.1)	4.0	(0.1)	293
O-007	Akasaka Garden City	Minato-ku, Tokyo	50,000	21,735.42	93.5	Jan. 2006	52,800	700	49,949	2,850	56,500	3.1	(0.1)	51,300	2.9	(0.1)	3.3	(0.1)	1,738
	Office building Subtotal		261,650	133,975.12	94.4	—	289,180	(27,180)	251,219	37,960	298,450	—	—	284,850	—	—	—	—	9,787
R-001	Esty Maison Ginza	Chuo-ku, Tokyo	6,540	5,515.43	97.7	Feb. 2005	8,110	130	6,575	1,534	8,400	3.1	(0.1)	7,990	3.3	(0.1)	3.3	(0.1)	269
R-002	Esty Maison Azabunagasaka	Minato-ku, Tokyo	1,790	2,019.10	94.9	Jan. 2004	2,090	60	1,761	328	2,150	3.2	(0.1)	2,060	3.3	(0.1)	3.4	(0.1)	73
R-003	Esty Maison Ebisu II	Shibuya-ku, Tokyo	2,040	2,062.10	95.7	Jun. 2003	2,520	30	2,020	499	2,580	3.3	—	2,490	3.4	—	3.5	—	88
R-004	Esty Maison Ebisu	Shibuya-ku, Tokyo	873	781.02	100.0	Oct. 2004	971	31	910	60	1,000	3.1	(0.1)	958	3.2	(0.1)	3.3	(0.1)	33
R-005	Esty Maison Kanda	Chiyoda-ku, Tokyo	1,610	1,706.54	97.4	Feb. 2004	2,040	60	1,531	508	2,090	3.2	(0.1)	2,020	3.3	(0.1)	3.4	(0.1)	69
R-006	Esty Maison Kitashinjuku	Shinjuku-ku, Tokyo	1,590	1,881.19	97.7	Aug. 2004	1,960	50	1,513	446	1,990	3.4	(0.1)	1,950	3.4	(0.1)	3.6	(0.1)	69
R-007	Esty Maison Asakusakomagata	Taito-ku, Tokyo	2,190	2,978.28	94.6	Jul. 2004	2,690	80	2,052	637	2,730	3.4	(0.1)	2,670	3.4	(0.1)	3.6	(0.1)	96
R-008	Esty Maison Kawasaki	Kawasaki-shi, Kanagawa	2,400	3,741.01	93.3	Jul. 2004	3,040	130	2,337	702	3,100	3.5	(0.1)	3,020	3.5	(0.1)	3.7	(0.1)	113
R-010	Esty Maison Kameido	Koto-ku, Tokyo	1,580	2,279.21	100.0	Nov. 2005	1,970	40	1,453	516	2,000	3.7	(0.1)	1,960	3.5	(0.1)	3.9	(0.1)	79
R-011	Esty Maison Meguro	Meguro-ku, Tokyo	1,060	1,070.13	91.2	Nov. 2005	1,430	(10)	1,059	370	1,440	3.1	—	1,410	2.9	—	3.2	—	46
R-012	Esty Maison Sugamo	Toshima-ku, Tokyo	1,630	2,619.17	100.0	Feb. 2007	1,980	100	1,579	400	2,010	3.5	(0.1)	1,940	3.3	(0.1)	3.7	(0.1)	73
R-013	Esty Maison Kyobashi	Osaka-shi, Osaka	2,970	4,613.04	97.2	Mar. 2006	3,210	10	2,860	349	3,260	4.1	—	3,190	4.0	—	4.2	—	140
R-014	Esty Maison Hakuraku	Yokohama-shi, Kanagawa	931	1,285.83	100.0	Feb. 2006	1,010	17	871	138	1,030	3.9	(0.1)	1,000	3.7	(0.1)	4.1	(0.1)	44
R-015	Esty Maison Minamihorie	Osaka-shi, Osaka	1,060	1,804.48	98.6	Feb. 2007	1,200	30	1,105	94	1,220	3.8	(0.1)	1,170	3.6	(0.1)	4.0	(0.1)	50
R-016	Esty Maison Gotanda	Shinagawa-ku, Tokyo	3,110	3,871.15	95.7	Mar. 2006	3,760	80	3,010	749	3,790	3.6	(0.1)	3,740	3.3	(0.1)	3.8	(0.1)	141
R-017	Esty Maison Oisendaizaka	Shinagawa-ku, Tokyo	2,720	2,979.85	98.4	Aug. 2006	3,220	90	2,665	554	3,290	3.4	(0.1)	3,190	3.2	(0.1)	3.6	(0.1)	117
R-018	Esty Maison Shinagawa Seaside	Shinagawa-ku, Tokyo	2,050	2,602.30	95.6	Jun. 2006	2,600	60	2,106	493	2,650	3.5	(0.1)	2,540	3.3	(0.1)	3.7	(0.1)	96
R-019	Esty Maison Minamiazabu	Minato-ku, Tokyo	1,250	1,082.12	96.2	Aug. 2006	1,460	40	1,286	173	1,490	3.2	(0.1)	1,420	3.0	(0.1)	3.4	(0.1)	50
R-021	Esty Maison Kawasaki II	Kawasaki-shi, Kanagawa	1,910	2,824.86	97.7	Feb. 2007	2,530	60	1,849	680	2,580	3.7	(0.1)	2,480	3.5	(0.1)	3.9	(0.1)	97
R-022	Esty Maison Azabujuban	Minato-ku, Tokyo	2,690	1,755.31	96.0	Feb. 2007	3,140	90	2,703	436	3,210	3.2	(0.1)	3,060	3.0	(0.1)	3.4	(0.1)	103
R-023	Esty Maison Itabashihoncho	Itabashi-ku, Tokyo	937	1,274.49	100.0	Feb. 2007	1,070	20	960	109	1,090	3.6	(0.1)	1,050	3.4	(0.1)	3.8	(0.1)	42
R-027	Esty Maison Musashikoyama	Shinagawa-ku, Tokyo	1,050	1,176.78	100.0	Nov. 2007	1,250	30	994	255	1,270	3.6	(0.1)	1,220	3.4	(0.1)	3.8	(0.1)	47
R-028	Esty Maison Sendagi	Bunkyo-ku, Tokyo	698	897.30	97.3	Jan. 2008	842	21	668	173	858	3.6	(0.1)	826	3.4	(0.1)	3.8	(0.1)	33
R-030	Esty Maison Hakatahigashi	Fukuoka-shi, Fukuoka	2,400	9,106.08	99.3	Nov. 2007	2,800	70	2,147	652	2,830	4.2	(0.1)	2,780	4.2	(0.1)	4.3	(0.1)	130
R-033	Prime Maison Musashinonomori	Kodaira-shi, Tokyo	1,850	3,924.58	100.0	Dec. 2007	2,390	70	1,882	507	2,410	3.9	(0.1)	2,380	3.8	(0.1)	4.1	(0.1)	100
R-034	Prime Maison Higashisakura	Nagoya-shi, Aichi	1,500	3,118.11	88.0	Feb. 2008	1,820	70	1,526	293	1,840	3.9	(0.1)	1,810	3.9	(0.1)	4.1	(0.1)	77
R-035	Prime Maison Kayabakoen	Nagoya-shi, Aichi	801	2,163.98	96.3	Nov. 2006	989	18	804	184	997	4.1	(0.1)	986	4.1	(0.1)	4.3	(0.1)	44
R-036	Esty Maison Sangenjaya II	Setagaya-ku, Tokyo	785	894.64	97.1	Jan. 2008	986	29	753	232	1,010	3.4	(0.1)	975	3.5	(0.1)	3.6	(0.1)	36
R-037	Esty Maison Itabashi C6	Itabashi-ku, Tokyo	2,560	4,036.66	96.5	Mar. 2008	3,030	70	2,420	609	3,080	3.6	(0.1)	3,010	3.4	(0.1)	3.8	(0.1)	118
R-038	Sha Maison Stage Hakata	Fukuoka-shi, Fukuoka	2,360	9,614.80	100.0	Jan. 2005	2,860	(50)	2,265	594	2,850	4.4	0.1	2,870	3.5	—	4.7	0.2	144
R-039	Esty Maison Kinshicho	Sumida-ku, Tokyo	1,260	1,611.54	100.0	Sep. 2006	1,510	10	1,183	326	1,530	3.5	—	1,500	3.3	—	3.7	—	56
R-040	Esty Maison Musashikoganei	Koganei-shi, Tokyo	1,790	2,275.24	97.1	Feb. 2005	2,220	60	1,728	491	2,280	3.5	(0.1)	2,200	3.6	(0.1)	3.7	(0.1)	85
R-041	Prime Maison Gokiso	Nagoya-shi, Aichi	1,950	4,427.65	93.2	Oct. 2008	2,280	70	1,904	375	2,310	4.1	(0.1)	2,270	4.1	(0.1)	4.3	(0.1)	100
R-042	Prime Maison Yuhigaoka	Osaka-shi, Osaka	909	2,040.35	100.0	Feb. 2007	1,200	20	904	295	1,210	3.7	—	1,190	3.5	—	3.8	—	46
R-043	Prime Maison Kitatanabe	Osaka-shi, Osaka	601	1,798.97	100.0	Jun. 2006	767	—	603	163	771	3.9	—	762	3.7	—	4.0	—	31
R-044	Prime Maison Momochihama	Fukuoka-shi, Fukuoka	1,940	7,514.76	100.0	Feb. 1996	2,300	60	1,898	401	2,310	4.1	(0.1)	2,300	3.8	(0.1)	4.3	(0.1)	109
R-045	Esty Maison Akihabara	Taito-ku, Tokyo	1,930	2,324.65	97.5	Feb. 2006	2,230	—	1,872	357	2,250	3.5	—	2,220	3.3	—	3.7	—	84
R-046	Esty Maison Sasazuka	Shibuya-ku, Tokyo	3,340	3,701.70	96.6	Sep. 2004	3,890	70	3,352	537	3,970	3.4	(0.1)	3,850	3.2	(0.1)	3.6	(0.1)	143
R-047	Prime Maison Ginza East	Chuo-ku, Tokyo	6,250	6,177.20	98.1	Feb. 2006	7,380	10	6,123	1,256	7,510	3.4	—	7,320	3.2	—	3.6	—	264

Portfolio List (2)

(As of the end of Oct. 2023 (FP 18))

Property No.	Property name	Location	Acquisition price (million JPY)	Leasable area (㎡)	Occupancy rate (%)	Completion date	Estimated value (million JPY)		Book value (million JPY)	Unrealized capital gain/loss (million JPY)	Profit return method			Discounted cash flow method			Appraisal NOI (million JPY)		
							Period-on-period	Revenue price (million JPY)			Direct capitalization yield (%)		Revenue price (million JPY)	Discount rate (%)		Final capitalization yield (%)			
											Period-on-period	Period-on-period		Period-on-period	Period-on-period	Period-on-period		Period-on-period	
R-048	Prime Maison Takami	Nagoya-shi, Aichi	1,050	2,016.79	92.8	Aug. 2008	1,190	30	1,042	147	1,210	4.0	(0.1)	1,180	4.1	(0.1)	4.2	(0.1)	51
R-049	Prime Maison Yadaminami	Nagoya-shi, Aichi	812	2,168.59	85.0	Jul. 2007	965	26	828	136	975	4.1	(0.1)	960	4.1	(0.1)	4.3	(0.1)	42
R-050	Prime Maison Teriha	Fukuoka-shi, Fukuoka	1,260	6,728.20	100.0	Aug. 2005	1,380	20	1,140	239	1,380	4.6	–	1,380	4.4	–	4.8	–	71
R-051	Esty Maison Higashishirakabe	Nagoya-shi, Aichi	1,580	4,014.07	100.0	Feb. 2006	1,850	60	1,632	217	1,880	4.1	(0.1)	1,840	4.0	(0.1)	4.3	(0.1)	80
R-052	Esty Maison Sengoku	Bunkyo-ku, Tokyo	1,360	1,498.13	100.0	Aug. 2009	1,520	–	1,319	200	1,550	3.3	(0.1)	1,500	3.1	(0.1)	3.5	(0.1)	55
R-053	Esty Maison Daizawa	Setagaya-ku, Tokyo	2,270	2,352.90	96.5	Feb. 2010	2,650	–	2,207	442	2,710	3.4	–	2,630	3.2	–	3.6	–	97
R-054	Esty Maison Togoshi	Shinagawa-ku, Tokyo	1,770	1,943.17	97.9	Jun. 2009	2,140	30	1,697	442	2,200	3.3	(0.1)	2,120	3.4	(0.1)	3.5	(0.1)	76
R-055	Esty Maison Nishitemma	Osaka-shi, Osaka	1,680	2,877.90	100.0	Nov. 2007	1,890	50	1,574	315	1,920	3.7	(0.1)	1,870	3.8	(0.1)	3.9	(0.1)	75
R-056	Esty Maison Shirokanedai	Shinagawa-ku, Tokyo	2,400	2,675.11	93.8	Sep. 2003	3,190	10	2,361	828	3,220	3.2	–	3,160	3.0	–	3.3	–	106
R-057	Esty Maison Higashishinjuku	Shinjuku-ku, Tokyo	1,680	1,889.50	91.8	Apr. 2009	2,160	80	1,581	578	2,220	3.3	(0.1)	2,140	3.4	(0.1)	3.5	(0.1)	76
R-058	Esty Maison Motoazabu	Minato-ku, Tokyo	1,540	1,199.86	100.0	Nov. 2009	2,000	130	1,496	503	2,060	3.1	(0.1)	1,980	3.2	(0.1)	3.3	(0.1)	67
R-059	Esty Maison Toritsudaigaku	Meguro-ku, Tokyo	861	1,035.78	93.5	Feb. 2009	1,080	40	833	246	1,100	3.2	(0.1)	1,070	3.3	(0.1)	3.4	(0.1)	36
R-060	Esty Maison Musashikoyama II	Shinagawa-ku, Tokyo	1,030	1,073.59	100.0	May 2009	1,230	40	980	249	1,250	3.4	(0.1)	1,220	3.2	(0.1)	3.6	(0.1)	44
R-061	Esty Maison Nakano	Nakano-ku, Tokyo	1,870	2,023.72	96.9	Jun. 2009	2,150	40	1,865	284	2,190	3.4	(0.1)	2,130	3.2	(0.1)	3.6	(0.1)	78
R-062	Esty Maison Shinnakano	Nakano-ku, Tokyo	1,020	1,107.57	95.5	Oct. 2009	1,140	20	966	173	1,170	3.5	(0.1)	1,130	3.3	(0.1)	3.7	(0.1)	42
R-063	Esty Maison Nakanofujimicho	Nakano-ku, Tokyo	984	1,299.60	95.6	Feb. 2009	1,150	30	945	204	1,180	3.4	(0.1)	1,140	3.5	(0.1)	3.6	(0.1)	41
R-064	Esty Maison Tetsugakudo	Nakano-ku, Tokyo	1,160	1,531.89	95.4	Oct. 2009	1,320	30	1,089	230	1,350	3.5	(0.1)	1,310	3.3	(0.1)	3.7	(0.1)	49
R-065	Esty Maison Koenji	Suginami-ku, Tokyo	1,160	1,527.52	98.5	Mar. 2009	1,430	50	1,119	310	1,460	3.3	(0.1)	1,410	3.4	(0.1)	3.5	(0.1)	49
R-066	Esty Maison Oshiage	Sumida-ku, Tokyo	2,490	3,180.90	100.0	Apr. 2010	2,990	90	2,358	631	3,050	3.5	(0.1)	2,970	3.5	(0.1)	3.7	(0.1)	111
R-067	Esty Maison Akabane	Kita-ku, Tokyo	3,290	4,302.84	98.8	Nov. 2009	3,780	80	3,188	591	3,840	3.6	(0.1)	3,760	3.4	(0.1)	3.8	(0.1)	145
R-068	Esty Maison Oji	Kita-ku, Tokyo	1,650	2,289.44	100.0	Jul. 2010	1,930	40	1,539	390	1,960	3.6	(0.1)	1,910	3.4	(0.1)	3.8	(0.1)	74
R-069	Prime Maison Waseda	Shinjuku-ku, Tokyo	1,580	1,650.66	93.9	Nov. 2012	2,040	–	1,479	560	2,060	3.2	–	2,020	3.0	–	3.3	–	68
R-070	Prime Maison Hatchobori	Chuo-ku, Tokyo	1,460	1,382.32	100.0	Nov. 2012	1,740	–	1,350	389	1,760	3.2	–	1,720	3.0	–	3.3	–	58
R-071	Prime Maison Jimbocho	Chiyoda-ku, Tokyo	1,960	1,819.90	95.9	Mar. 2013	2,300	20	1,831	468	2,330	3.4	–	2,280	3.2	–	3.6	–	81
R-072	Prime Maison Gotenyama East	Shinagawa-ku, Tokyo	2,910	2,512.91	96.5	Jan. 2011	3,610	–	2,858	751	3,640	3.2	–	3,590	3.0	–	3.4	–	120
R-073	Sha Maison Stage Akihabara	Chiyoda-ku, Tokyo	555	803.36	100.0	Oct. 2006	652	16	583	68	665	3.5	(0.1)	647	3.3	(0.1)	3.7	(0.1)	25
R-074	Esty Maison Aoi	Nagoya-shi, Aichi	2,460	4,809.68	89.0	Oct. 2007	2,650	20	2,321	328	2,690	3.9	(0.1)	2,630	3.9	(0.1)	4.1	(0.1)	111
R-075	Esty Maison Yakuin	Fukuoka-shi, Fukuoka	2,430	5,213.51	94.9	Feb. 2006	2,850	70	2,527	322	2,910	3.7	(0.1)	2,830	3.8	(0.1)	3.9	(0.1)	115
R-076	Esty Maison Kinshicho II	Sumida-ku, Tokyo	8,250	9,469.65	98.0	Jan. 2008	10,700	–	7,779	2,920	10,800	3.3	–	10,600	3.1	–	3.4	–	368
R-077	Esty Maison Ojima	Koto-ku, Tokyo	8,630	9,905.97	96.6	Sep. 2007	12,100	100	8,174	3,925	12,200	3.3	–	11,900	3.1	–	3.4	–	415
R-078	Prime Maison Fujimidai	Nagoya-shi, Aichi	2,070	5,704.63	94.0	Apr. 2007	2,290	50	2,122	167	2,320	4.3	(0.1)	2,270	4.1	(0.1)	4.5	(0.1)	107
R-079	Esty Maison Tsurumai	Nagoya-shi, Aichi	4,490	13,812.40	100.0	Nov. 1999	5,100	20	4,476	623	5,160	4.4	(0.1)	5,070	4.2	(0.1)	4.6	(0.1)	240
R-080	Prime Maison Morishita	Koto-ku, Tokyo	1,930	2,180.78	96.5	May 2013	2,260	–	1,793	466	2,300	3.5	–	2,240	3.5	–	3.7	–	83
R-081	Prime Maison Shinagawa	Shinagawa-ku, Tokyo	1,960	2,107.88	96.8	Feb. 2014	2,300	50	1,856	443	2,340	3.4	(0.1)	2,280	3.2	(0.1)	3.6	(0.1)	81
R-082	Prime Maison Odorikoen	Sapporo-shi, Hokkaido	3,160	7,360.37	96.9	Dec. 2008	3,280	–	2,988	291	3,300	4.0	–	3,250	3.8	–	4.1	–	148
R-083	Prime Maison Minami 2-jo	Sapporo-shi, Hokkaido	1,930	6,019.09	99.1	Nov. 2009	2,070	–	1,774	295	2,070	4.1	–	2,060	3.9	–	4.2	–	99
R-084	Prime Maison Kamokamogawa	Sapporo-shi, Hokkaido	1,250	4,102.08	99.1	Oct. 2009	1,290	–	1,145	144	1,290	4.1	–	1,290	3.9	–	4.2	–	63
R-085	Prime Maison Central Park	Fukuoka-shi, Fukuoka	2,309	10,268.74	98.7	Feb. 2011	2,535	40	2,084	450	2,410	4.5	(0.1)	2,400	4.3	(0.1)	4.6	(0.1)	127
R-086	Sha Maison Stage Yahiro	Sumida-ku, Tokyo	1,910	3,409.16	100.0	Jan. 2011	2,160	40	1,793	366	2,190	3.8	(0.1)	2,140	3.6	(0.1)	4.0	(0.1)	86
R-087	Prime Maison Ebisu	Shibuya-ku, Tokyo	4,360	3,010.66	97.3	Jun. 2014	5,960	30	4,211	1,748	6,040	2.9	–	5,880	2.7	–	3.0	–	179
R-089	Esty Maison Unomori	Yokkaichi-shi, Mie	830	2,280.00	100.0	Apr. 2009	836	–	740	95	844	5.0	–	832	4.8	–	5.2	–	45
R-091	Sha Maison Stage Hino	Hino-shi, Tokyo	1,390	2,827.55	98.1	Jan. 2010	1,580	20	1,352	227	1,590	4.1	–	1,580	3.9	–	4.2	–	70
R-092	Prime Maison Yokohama Nihon-odori	Yokohama-shi, Kanagawa	4,870	5,461.13	97.5	Jun. 2014	5,260	80	4,513	746	5,360	3.7	(0.1)	5,160	3.5	(0.1)	3.9	(0.1)	209
R-093	Kobe Women's Student Housing	Kobe-shi, Hyogo	5,880	15,341.68	100.0	Feb. 2002	6,360	20	5,113	1,246	6,390	4.2	–	6,330	4.0	–	4.3	–	309
R-094	Prime Maison Shibuya	Shibuya-ku, Tokyo	2,430	1,972.59	96.6	Jul. 2014	2,800	80	2,361	438	2,860	3.3	(0.1)	2,740	3.1	(0.1)	3.5	(0.1)	97
R-095	Prime Maison Hatsudai	Shibuya-ku, Tokyo	3,010	2,879.20	96.5	Dec. 2014	3,400	120	2,872	527	3,470	3.4	(0.1)	3,320	3.2	(0.1)	3.6	(0.1)	122
R-096	Esty Maison Uemachidai	Osaka-shi, Osaka	1,040	2,225.52	97.5	Aug. 2005	1,260	–	1,041	218	1,270	3.8	–	1,250	3.5	–	4.0	–	50

Portfolio List (3)

(As of the end of Oct. 2023 (FP 18))

Property No.	Property name	Location	Acquisition price (million JPY)	Leasable area (㎡)	Occupancy rate (%)	Completion date	Estimated value (million JPY)		Book value (million JPY)	Unrealized capital gain/loss (million JPY)	Profit return method			Discounted cash flow method			Appraisal NOI (million JPY)		
							Period-on-period	Revenue price (million JPY)			Direct capitalization yield (%)		Revenue price (million JPY)	Discount rate (%)	Final capitalization yield (%)				
											Period-on-period	Period-on-period			Period-on-period	Period-on-period			
R-098	Prime Maison Shirokane-takanawa	Minato-ku, Tokyo	4,900	3,923.76	96.2	Jun. 2015	5,530	150	4,739	790	5,660	3.3	(0.1)	5,400	3.1	(0.1)	3.5	(0.1)	193
R-099	Prime Maison Ichigayayamabushicho	Shinjuku-ku, Tokyo	4,220	4,099.04	93.6	Oct. 2015	4,290	20	4,056	233	4,410	3.4	–	4,240	3.2	–	3.6	–	157
R-100	Esty Maison Morishita	Sumida-ku, Tokyo	655	748.92	96.6	Feb. 2017	740	–	621	118	753	3.6	–	734	3.4	–	3.8	–	27
R-101	Prime Maison Shirokanedai Tower	Shinagawa-ku, Tokyo	7,950	6,772.89	93.9	May 2016	11,200	100	7,851	3,348	11,500	3.1	(0.1)	11,000	3.2	(0.1)	3.3	(0.1)	365
R-102	Prime Maison Otsuka	Toshima-ku, Tokyo	3,700	3,921.35	96.0	Jan. 2017	4,900	130	3,629	1,270	5,020	3.3	(0.1)	4,850	3.4	(0.1)	3.5	(0.1)	168
R-103	Prime Maison Asakusabashi	Taito-ku, Tokyo	1,680	2,033.06	89.9	Oct. 2016	2,190	40	1,656	533	2,240	3.3	(0.1)	2,170	3.4	(0.1)	3.5	(0.1)	75
R-104	Prime Maison Daikanyama	Meguro-ku, Tokyo	2,520	1,779.17	92.4	Jan. 2017	3,510	130	2,492	1,017	3,600	3.1	(0.1)	3,470	3.2	(0.1)	3.3	(0.1)	114
R-105	Prime Maison Gotenyama West	Shinagawa-ku, Tokyo	3,400	3,569.73	96.5	Jan. 2011	4,920	160	3,385	1,534	5,000	3.2	(0.1)	4,890	3.3	(0.1)	3.4	(0.1)	166
R-106	Esty Maison Toyosu Residence	Koto-ku, Tokyo	6,050	23,538.73	96.2	Feb. 2008	7,760	80	5,592	2,167	7,920	–	–	7,690	3.6	(0.1)	–	–	363
R-108	Esty Maison Ijiri	Fukuoka-shi, Fukuoka	390	1,430.60	100.0	Jan. 2008	437	–	431	5	440	4.3	–	436	4.1	–	4.5	–	20
R-109	Prime Maison Mitatsunamachi	Minato-ku, Tokyo	2,040	1,387.12	95.3	Oct. 2017	2,530	(10)	2,026	503	2,580	3.4	–	2,510	3.2	–	3.6	–	88
R-110	Prime Maison Hongo	Bunkyo-ku, Tokyo	2,600	2,423.46	95.5	Mar. 2018	3,050	(20)	2,573	476	3,110	3.4	–	3,020	3.2	–	3.6	–	108
R-111	Prime Maison Kuramae	Taito-ku, Tokyo	2,190	2,259.40	95.6	Nov. 2018	2,600	–	2,159	440	2,640	3.5	–	2,580	3.3	–	3.7	–	93
R-112	Esty Maison Yokohama-aobadai	North South	Yokohama-shi, Kanagawa	3,020	6,808.84	100.0	Jul. 2018	–	2,977	682	1,740	3.9	–	1,690	3.7	–	4.1	–	153
							Jul. 1990				1,990	4.0	–	1,930	3.8	–	4.2	–	
R-113	Esty Maison Shizuoka Takajo	Shizuoka-shi, Shizuoka	660	1,731.52	100.0	Feb. 2006	656	(9)	659	(3)	664	4.8	–	653	4.6	–	5.0	–	36
R-114	Sha Maison Stage Hirose-dori	Sendai-shi, Miyagi	865	2,552.40	100.0	Jan. 2006	972	23	966	5	985	4.0	–	966	3.8	–	4.2	–	43
R-115	Esty Maison HIGASHIBETSUIN	Nagoya-shi, Aichi	2,190	4,856.22	100.0	Feb. 2009	2,230	–	2,259	(29)	2,250	4.1	(0.1)	2,220	3.9	(0.1)	4.3	(0.1)	99
R-116	Esty Maison Kayaba	Nagoya-shi, Aichi	900	2,170.80	96.2	Feb. 2012	958	7	931	26	969	4.3	(0.1)	953	4.1	(0.1)	4.5	(0.1)	44
R-117	Esty Maison SHIRAKABEMINAMI	Nagoya-shi, Aichi	660	1,240.28	100.0	Jan. 2014	708	11	679	28	712	4.1	(0.1)	706	3.9	(0.1)	4.3	(0.1)	30
R-118	Prime Maison Shimokitazawa	Setagaya-ku, Tokyo	2,580	1,991.72	92.1	Dec. 2019	2,840	100	2,624	215	2,920	3.1	(0.1)	2,800	3.2	(0.1)	3.3	(0.1)	91
R-119	Prime Maison Meguro	Meguro-ku, Tokyo	2,310	1,335.62	88.4	Aug. 2018	2,560	80	2,344	215	2,620	3.1	(0.1)	2,530	3.2	(0.1)	3.3	(0.1)	82
R-120	Prime Maison Ryogoku	Sumida-ku, Tokyo	1,530	1,499.10	90.5	Feb. 2019	1,630	30	1,561	68	1,660	3.3	(0.1)	1,610	3.4	(0.1)	3.5	(0.1)	55
R-121	Prime Maison Nakameguro	Meguro-ku, Tokyo	10,000	6,033.98	97.4	Nov. 2019	11,200	100	10,155	1,044	11,600	3.1	(0.1)	11,000	3.2	(0.1)	3.3	(0.1)	361
R-122	Prime Maison Itabashi	Itabashi-ku, Tokyo	4,800	4,557.89	98.3	Feb. 2019	5,220	110	4,920	299	5,350	3.3	(0.1)	5,160	3.4	(0.1)	3.5	(0.1)	179
R-123	Prime Maison EGOTANOMORI	Nakano-ku, Tokyo	10,500	29,048.95	98.1	Jul. 2018	10,900	–	10,940	(40)	10,700	–	–	11,000	4.1	–	–	–	543
R-124	Prime Maison Waseda dori	Shinjuku-ku, Tokyo	2,200	1,819.35	97.3	Feb. 2020	2,690	20	2,250	439	2,690	3.1	–	2,680	2.9	–	3.2	–	83
R-125	Esty Maison Noborito	Kawasaki-shi, Kanagawa	490	657.79	93.8	Jan. 2008	510	–	520	(10)	522	3.7	–	498	3.5	–	3.9	–	20
Residential Subtotal			269,876	419,011.78	97.3	–	321,654	4,750	263,174	58,479	326,765	–	–	318,282	–	–	–	–	12,283
H-001	Hommachi Garden City (Hotel portion)	Osaka-shi, Osaka	17,200	18,092.98	100.0	May 2010	16,700	(100)	16,590	109	16,900	3.6	–	16,400	3.4	–	3.8	–	649
Hotel Subtotal			17,200	18,092.98	100.0	–	16,700	(100)	16,590	109	16,900	–	–	16,400	–	–	–	–	649
Portfolio Total			548,726	571,079.88	96.7	–	627,534	(22,530)	530,985	96,548	642,115	–	–	619,532	–	–	–	–	22,720

Portfolio List (4)

▶ (Planned) Assets to be Acquired in FP 19

■ (Acquired on December 21, 2023)

(Appraisal date: End of Dec. 1, 2023)

Property No.	Property name	Location	Estimated value (million JPY)	Acquisition price (million JPY)	Unrealized capital gain/loss (JPY million)	Leasable area (㎡)	Occupancy rate (%)	Completion Date	Profit return method		Discounted cash flow method			Appraisal NOI (million JPY)
									Revenue price (million JPY)	Direct capitalization yield (%)	Revenue price (million JPY)	Discount rate (%)	Final capitalization yield (%)	
O-008	Shinjuku Hirose Building	Shinjuku-ku, Tokyo	5,120	5,000	120	3,120.48	100.0	Jun. 1985	5,340	3.1	5,020	3.2	3.3	170

■ (Planned to be acquired on March 1, 2024)

(Appraisal date: End of Dec. 1, 2023)

Property No.	Property name	Location	Estimated value (million JPY)	(Planned) acquisition price (million JPY)	Unrealized capital gain/loss (JPY million)	Leasable area (㎡)	Occupancy rate (%)	Completion date	Profit return method		Discounted cash flow method			Appraisal NOI (million JPY)
									Revenue price (million JPY)	Direct capitalization yield (%)	Revenue price (million JPY)	Discount rate (%)	Final capitalization yield (%)	
R-126	Esty Maison Omori	Ota-ku, Tokyo	4,000	3,600	400	2,457.68	–	Jan. 2024	4,150	3.1	3,940	2.9	3.3	129
R-127	Esty Maison Monzennakacho	Koto-ku, Tokyo	1,730	1,570	160	1,121.12	–	Jan. 2023	1,790	3.1	1,700	2.9	3.3	55
R-128	Esty Maison Akabane II	Kita-ku, Tokyo	1,130	980	150	757.80	–	Apr. 2023	1,160	3.1	1,110	2.9	3.3	36

▶ Reference: Investment Securities

Asset Name	Underlying asset	Location	Investment price (million JPY)	Equity interest ratio (%)	Completion date
Godo Kaisha Gemini1 (Silent Partnership Equity Interests)	Akasaka Garden City	Minato-ku, Tokyo	480	12.4	Jan. 2006
Godo Kaisha Gemini2 (Silent Partnership Equity Interests)	Ningyocho PREX	Chuo-ku, Tokyo	220	6.8	Dec. 2021

Please refer to the "DATABOOK" for revenue and expenditure by property, monthly trends in occupancy rates, list of interest-bearing liabilities, financial statements, etc.
<https://sekisuihouse-reit.co.jp/en/ir/library.html>

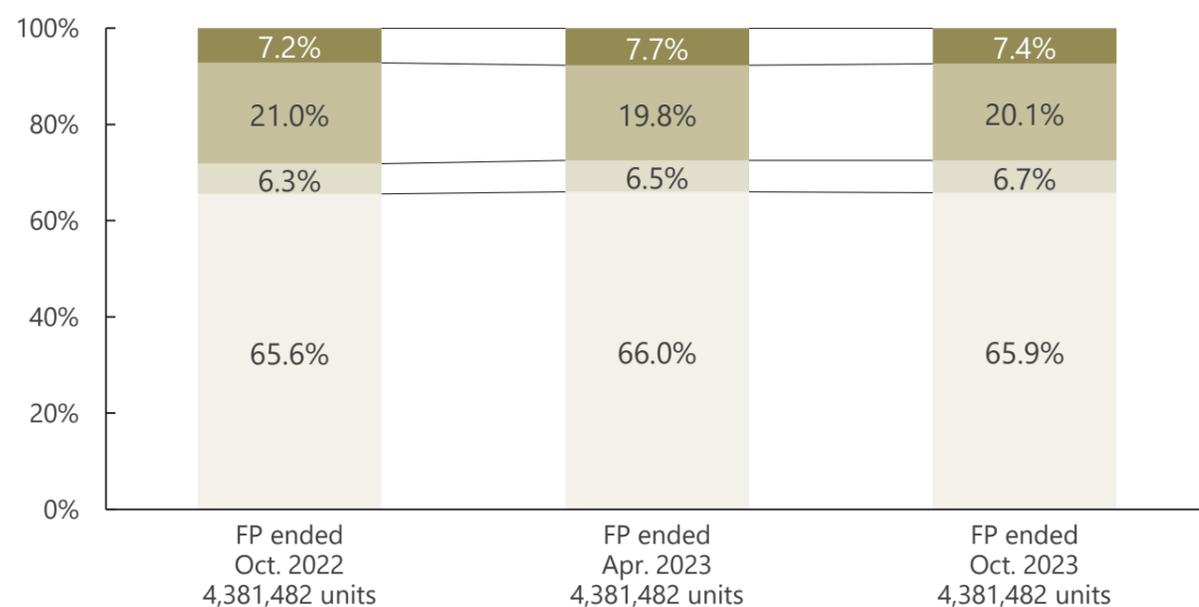
- The "acquisition price" of assets taken over as a result of the merger with Sekisui House Residential Investment Corporation use the appraisal value as priced on April 30, 2018, the day before the merger took effect.
- "Estimated value", "revenue price", "direct capitalization yield", "discount rate", "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.
- In calculating the "Period-on-period" in "Estimated value", the comparison between 17th FP (ended April 2023) and 18th FP (ended of the October 2023) is presented for properties owned at the end of between the 17th FP (ended April 2023), and the comparison between as of the September 1, 2023 and the end of the 18th FP (ended October 2023), which is the date of value of the real estate appraisal report obtained at the time of acquisition, is presented for the "Esty Maison Noborito" acquired on October 3, 2023. The figures for the Gotenyama SH Building are compared with the "Estimated value" as of the end of 17th FP (ended April 2023), including the 10% quasi co-ownership interest that was disposed during the fiscal period under review. Figures for Office building Subtotal, Residential Subtotal, Hotel Subtotal, Portfolio Total are the totals of changes.
- Unrealized capital gain/loss is calculated by subtracting "book value" from "Estimated value" for the properties owned at the end of 18th FP (ended of the October 2023), and is calculated by subtracting "(Planned) acquisition price" from "Estimated value" for properties to be acquired in 19th FP (ending April 2024).
- "Occupancy rates" for Shinjuku Hirose Building is figures as of October 31, 2023.
- "Occupancy rates" are not presented for the three properties scheduled to be acquired on March 1, 2024, as they were not occupied as of the date of this document.
- "Investment price" of "Reference: Investment Securities" is the initial investment amount.

Unitholders Composition

Number of investment units by unitholder type and unitholders

Unitholder type	Investment Units						Unitholders				
	FP ended Apr. 2023		FP ended Oct. 2023		Change		FP ended Apr. 2023		FP ended Oct. 2023		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	337,460	7.7%	324,591	7.4%	(12,869)	(0.3)	22,306	95.9%	21,916	95.9%	(390)
Financial institutions	2,723,619	62.2%	2,732,338	62.4%	+8,719	+0.2	198	0.9%	196	0.9%	(2)
City banks	–	–	–	–	–	–	–	–	–	–	–
Regional banks	298,592	6.8%	266,598	6.1%	(31,994)	(0.7)	41	0.2%	39	0.2%	(2)
Trust banks	2,079,983	47.5%	2,124,924	48.5%	+44,941	+1.0	8	0.0%	9	0.0%	+1
Life insurers	66,894	1.5%	72,801	1.7%	+5,907	+0.2	6	0.0%	6	0.0%	–
Casualty insurers	–	–	–	–	–	–	–	–	–	–	–
Shinkin banks	120,546	2.8%	118,065	2.7%	(2,481)	(0.1)	69	0.3%	68	0.3%	(1)
Others	157,604	3.6%	149,950	3.4%	(7,654)	(0.2)	74	0.3%	74	0.3%	–
Non-financial corporations	283,657	6.5%	292,358	6.7%	+8,701	+0.2	408	1.8%	399	1.7%	(9)
Non-Japanese corporations, etc.	866,841	19.8%	878,939	20.1%	+12,098	+0.3	334	1.4%	334	1.5%	–
Securities companies	169,905	3.9%	153,256	3.5%	(16,649)	(0.4)	24	0.1%	19	0.1%	(5)
Total	4,381,482	100.0%	4,381,482	100.0%	–	–	23,270	100.0%	22,864	100.0%	(406)

Change ratio in investment units by holder



■ Financial institutions (incl. Securities companies)
 ■ Non-financial corporations
■ Non-Japanese corporations, etc.
 ■ Individuals and others

Top 5 unitholders (FP ended October 2023 (FP 18))

Company name	No. of investment units owned	Ratio
Custody Bank of Japan, Ltd. (Trust Account)	1,177,528	26.9%
The Master Trust Bank of Japan, Ltd. (Trust Account)	720,285	16.4%
Sekisui House, Ltd.	200,750	4.6%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	196,098	4.5%
STATE STREET BANK WEST CLIENT-TREATY 505234	66,613	1.5%

Incorporated global index

- Dow Jones Sustainability Asia/Pacific Index
- FTSE4Good Index Series
- FTSE EPRA Nareit Global Real Estate Index Series
- FTSE Global Equity Index Mid Cap
- MSCI Japan Small Cap Index
- MSCI Japan ESG Select Leaders Index
- S&P Global Property
- TSE REIT Core Index
- GPR 250 Index / GPR 250 REIT Index
- GPR / APREA Investable 100 Index
- GPR / APREA Investable REIT 100 Index

Overview of the Asset Management Company

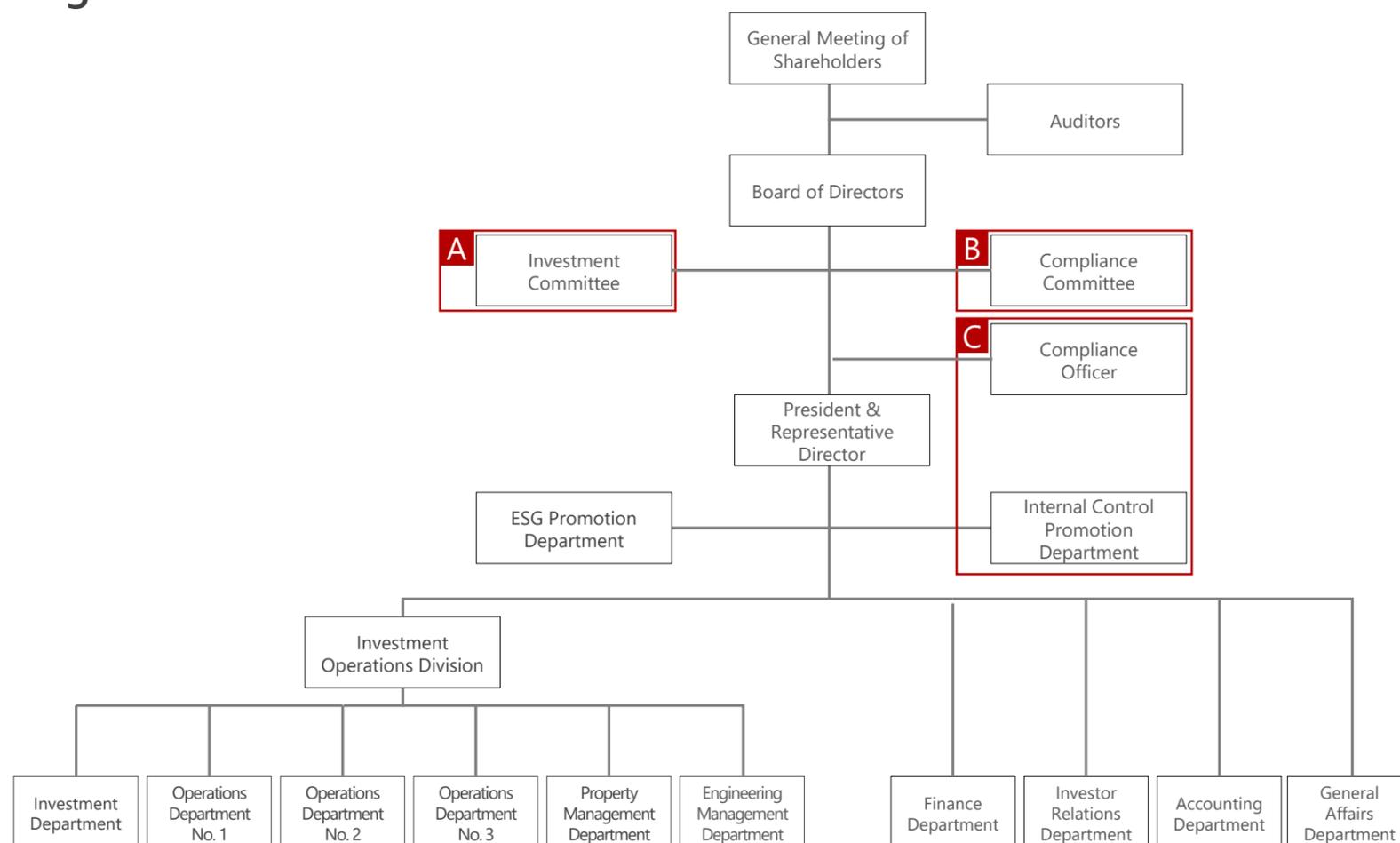
Overview of the Asset Management Company



President & Representative Director
Toru Abe

- Corporate name: Sekisui House Asset Management, Ltd.
- Head office: 4-15-1 Akasaka, Minato-ku, Tokyo
- Date of establishment: February 17, 2014
- Capital: 400 million JPY
- Number of directors and employees: 66 (As of the end of FP 18)
- 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
- Website: <https://sekisuihouse-am.co.jp/en/>

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%^{Note 4} (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 fluctuates 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
 Note 4: In the case of a loss in disposition due to such a disposition, the fee rate will be 0%.

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 the Compliance Officer who holds the position of Director; the Chief Manager of the ESG Promotion Dept.; the Chief Manager of the Internal Control Promotion Dept.; the Chief Manager of the Investment Operations Div.; the Chief Managers of the Finance Dept., IR Dept., Accounting Dept., and General Affairs Dept.; and external committee members ^(Note). While the appointment and dismissal of external committee members is carried out by resolution from the Board of Directors of SHAM, but it is necessary to obtain the approval of the Board of Directors of SHR before or after the resolution of the Board of Directors of SHAM.

Note : The external committee members are qualified as real estate appraisers or attorneys who have no significant stakeholder relationship with SHAM, SHAM's directors and employees, nor its related parties, have excellent personality and insight, and are capable of fulfilling their duties. However, one or more persons are qualified as real estate appraisers.

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 appointment and dismissal of external committee members is carried out by resolution of the Board of Directors of SHAM, but it is necessary to obtain approval from the Board of Directors of SHR before or after the resolution of the Board of Directors of SHAM.

Note : The external committee members are qualified as attorneys or public Accountant who have no significant stakeholder relationship with SHAM, SHAM's directors and employees, nor its related parties, have excellent personality and insight, are capable of fulfilling their duties and are familiar with compliance.

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.3 Operational Highlights and Future Initiatives

- “Results”, except for the “External Growth” column, are as of the fiscal period ended October 2023 (FP 18), unless otherwise stated.
- “Borrowings” of the “Refinance for FP 18” within the “Finance” column includes borrowings and (partial) early repayments during the fiscal period under review. In addition, “Avg. borrowing period” is calculated by weighting the period of from the borrowing date to repayment date by the borrowing amount. “Avg. interest rate” is calculated by weighting the applicable interest rate at the end of the period under review for those with outstanding borrowings as of the end of the period under review, or the applicable interest rate on the repayment date for those borrowed and (partially) repaid early during the period under review, by the borrowing amount. The same applies throughout this document.

P.6 Profit and Loss Comparison (Results)

- “NOI yield” is calculated by dividing the annualized amount of actual NOI by the total acquisition price of the owned assets (including disposed and acquired assets during the period). “Average occupancy rate during the period” is the average of the actual occupancy rates at the end of each month belonging to each period. The same applies throughout this document.
- “FP 18 disposition” within the “residential” refers to “Sha Maison Stage Kanazawa Nishiizumi” and “existing properties” refers to the properties owned as of the end of the FP 18 excluding “Esty Maison Noborito”. The same applies throughout this document.

P.7 Analysis of Change Factors of DPU (Forecast)

- “Partial disposition of Gotenyama SH building” within the “office building” refers to the disposition of a quasi co-ownership interest of 10% in real estate trust beneficiary interests related to Gotenyama SH building and “existing properties” refers to the properties owned as of the end of the FP 18 excluding “Gotenyama SH building”. The same applies throughout this document.
- “FP 19 acquisition” within the “residential” refers to “Esty Maison Omori”, “Esty Maison Monzennakacho”, and “Esty Maison Akabane II”. The same applies throughout this document.

P.8 Profit and Loss Comparison (Forecast)

- “NOI yield” is calculated by dividing the annualized amount of expected NOI by the total acquisition price of the owned assets (including disposed and acquired assets during the period). “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.12 Sekisui House Sponsor Support/Strengths

- “Sekisui House Group” refers to the corporate group consisting of Sekisui House, its consolidated subsidiaries and equity-method affiliates. The same applies throughout this document.
- “Sekisui House Real Estate companies (6 companies)” refers to 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., collectively.

P.13 Asset Replacement: Overview

- “Appraisal NOI” for the “Gotenyama SH Building” is based on the amount of appraisal NOI stated in the survey report as of October 31, 2023, and for “Esty Maison Omori”, “Esty Maison Monzennakacho”, “Esty Maison Akabane II” and “Shinjuku Hirose Building”, it is based on the amount of appraisal NOI stated in the appraisal report as of December 1, 2023. The survey report is based on the Act on Real Estate Appraisal (Act No. 152 of 1963) and the “Guidelines Concerning Determination of the Purpose and Scope of Business when Real Estate Appraisers Conduct Price Surveys Relating to Real Estate and Statements on Results Report” stipulated by the Ministry of Land, Infrastructure, Transport and Tourism, thus was issued as a price survey that does not conform to real estate appraisal standards. The same applies throughout this document.
- “Appraisal NOI yield” for the “Gotenyama SH Building” is calculated by taking the weighted average of the appraisal NOI divided by the acquisition price and rounded to the first decimal place. “Appraisal NOI yield” for “Esty Maison Omori”, “Esty Maison Monzennakacho”, “Esty Maison Akabane II” and “Shinjuku Hirose Building” is calculated by taking the weighted average of the appraisal NOI by each planned acquisition price and rounded to the first decimal place.

P.14 Asset Replacement: (Planned) Acquisition Properties

- “Prime Property” refer to high quality residential and commercial properties, located in strategic locations. SHR selects Prime Properties through a comprehensive assessment by focusing on an analysis of the 6 factors of: “Economic Area”, “Convenience”, “BCP/Safety”, “Brand”, “Livability / Functionality”, and “Environmental Consideration”.

About the Terminology Used in this Presentation

P.15 Trends of Appraisal Value

- “Average cap rate” is calculated by taking the weighted average of the capitalization rate of each property under the direct capitalization method by the appraisal value of each property. For details on the capitalization rate and appraisal value of each property, please refer to pages 45 through 48.

P.16 DPU and NAV Per Unit

- “NAV per unit” is calculated based on NAV which is obtained by deducting the total amount of distributions from the amount of net assets on a market value basis, which is the net assets on the balance sheet at the end of each period plus unrealized gains. The same applies throughout this document.
- Due to the 2-for-1 split of investment units on May 1, 2018, DPU and NAV on and prior to FP 7 are adjusted by dividing the actual figures by 2.

P.18 Office Building: Portfolio Status

- “End-Tenant Average Rent” within the “Portfolio list” refers to the total monthly rent based on each lease agreement with each end tenant (including utilities, but excludes usage fees for parking lots, warehouses, signboards, etc.) divided by the 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 previous year.
- As for the “Gotenyama SH Building” within the “Portfolio list”, as a result of the installment disposition of 10/100 (10.0%) of the quasi co-ownership interest as of the end of October 2023, SHR holds 90.0% of the quasi co-ownership interest of the real estate trust beneficiary interests related to the property. Accordingly, “Acquisition price” and “Leasable area” are values corresponding to the quasi co-ownership interests held. The same applies throughout this document.
- “End-Tenant Average Rent” of the “Office Building Portfolio Total (Fixed-Rent Master Lease Taken Into Consideration)” within the “Portfolio list” is calculated by taking the weighted average of the end tenant average rent unit price of each property by the leased area (however, for Hommachi Garden City (office portion), the rent unit price is based on the fixed-rent master lease contract).

P.22 Office Building: Rent Status

- “Rent gap” is the difference in percentage between contract rents with end tenant at the end of each period and market rents (expected new contract rents per floor assessed by CBRE). The calculation is based on the office building portfolio at the end of each period, excluding Gotenyama SH Building of which the whole building as rented out to 1 tenant, and Hommachi Garden City (office building portion) which employs fixed-rent ML.

P.24 Residential: Occupancy Rate Trends

- “Occupancy rate by room types” covers the residential portfolio (excluding retail, offices, and residential buildings leased out as one building, etc., or subleased) based on the following matrix 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 rooms*	less than 30m ²	30 or more to less than 40m ²	40 or more to less than 50m ²	50 or more to less than 60m ²	60 or more to less than 70m ²	70 or more to less than 80m ²	80 or more to less than 90m ²	90 or more to less than 100m ²	more than 100m ²
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

P.25 Residential: Rent Status (1)

- “Change in rent rate” within the “Rent trend in renewal contract” is calculated based on the information at the end of each period.

About the Terminology Used in this Presentation

P.38 SHR's Portfolio

- "Average building age" is calculated by averaging the building age as of the end of the fiscal period ended October 2023 (FP 18), weighted by acquisition price.
- The distribution status by building age for "Esty Maison Yokohama Aobadai" is calculated with the north building and south building each considered as 1 property. The same applies throughout this document.
- Unless otherwise specified, when calculating figures by usage for "Hommachi Garden City", the office building portion and the hotel portion are each treated as 1 property, and the calculation method for the entire portfolio, by area and distribution by building age is treated as 1 property. The same applies throughout this document.

P.45-48 Portfolio List

- Where the asset comprises multiple buildings with different completion dates, the completion date of the building first completed is used.
- "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.
- Percentages in bar graphs and pie charts throughout this document are rounded to the first decimal place. Therefore, the total percentage of each item may not equal 100%.



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