

# KDX

KENEDIX

Kenedix Residential Next Investment Corporation

# Kenedix Residential NEXT Investment Corporation Financial Results for the Fiscal Period Ended in July 2023 (23rd Fiscal Period)

September 2023

# Disclaimer

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Revised editions of our annual reports will be posted on our website if there should be major corrections going forward.

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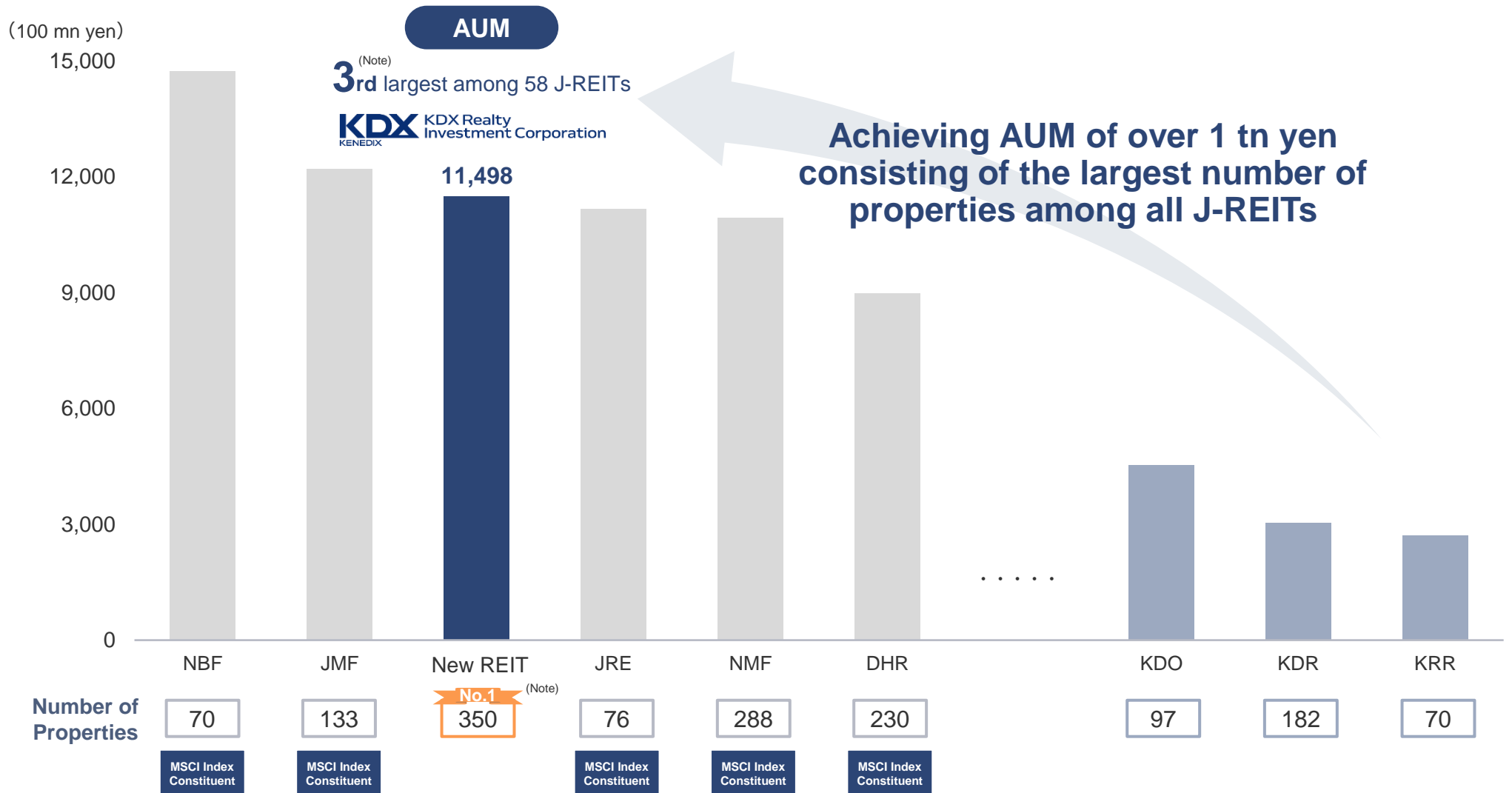


A modern, minimalist interior space, likely a lounge or library area. The room features a dark ceiling with recessed lighting, a large window with a view of greenery, and a long, tufted ottoman in the foreground. A bookshelf is visible on the right wall, and a floor lamp stands in the center. The overall aesthetic is clean and contemporary.

# 1. Financial Results for the Fiscal Period Ended in July 2023

# Concerning the Merger

- The merger, with an effective date of Nov. 1, 2023, by and among Kenedix Office Investment Corporation and Kenedix Retail REIT Corporation was approved
- AUM of the New REIT is anticipated to be the third largest among <sup>(Note)</sup> all J-REITs
- Achieve stability with diversified portfolio consisting of the largest number <sup>(Note)</sup> of properties among all J-REITs



Note: The rankings of the number of properties and AUM in J-REIT are based on the comparison between the number of properties and AUM of the New REIT and those of other REITs (on a basis of (anticipated) acquisition prices) as of Apr. 30, 2023, including the properties the completion of acquisition or disposal of which are announced as of that date. Thus, there is no guarantee that the portfolio of the New REIT will have the largest number of properties and the third largest AUM in the market as of the effective date of the Merger. The same shall apply hereinafter.

## Highlights for the Fiscal Period Ended July 2023 (23rd FP)

### External Growth

- ✓ Acquired 2 healthcare facilities (for a total of 3.2bn yen) in March 2023
- ✓ Expanded AUM to 182 properties of 304.2 bn yen

### Internal Growth

- ✓ New leases rents increased +1.1% in studio type for the first time in 4 periods and +5.7% in family type due to continued strong performance
- ✓ Renewal rents increased +0.4% in all room types (vs previous fiscal period +0.2%)

### Financial

- ✓ Diversified debt maturities and maintained the same debt cost level through new debt of 17.45 bn yen
- ✓ Improved JCR credit rating to # AA- / (outlook: positive)<sup>※</sup> due to the announcement of the Merger

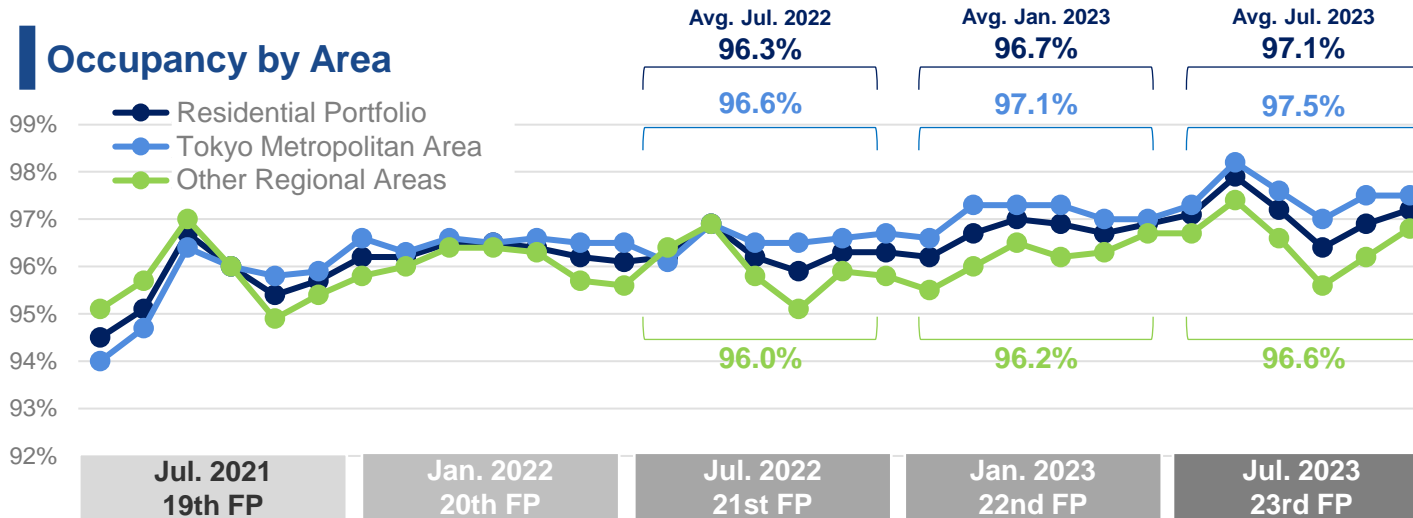
### DPU/NAV per Unit

- ✓ Achieved DPU of 4,224 yen (vs forecast +2.0%) through solid internal growth
- ✓ Achieved NAV per unit of 225,640 yen (vs previous fiscal period +0.7%)

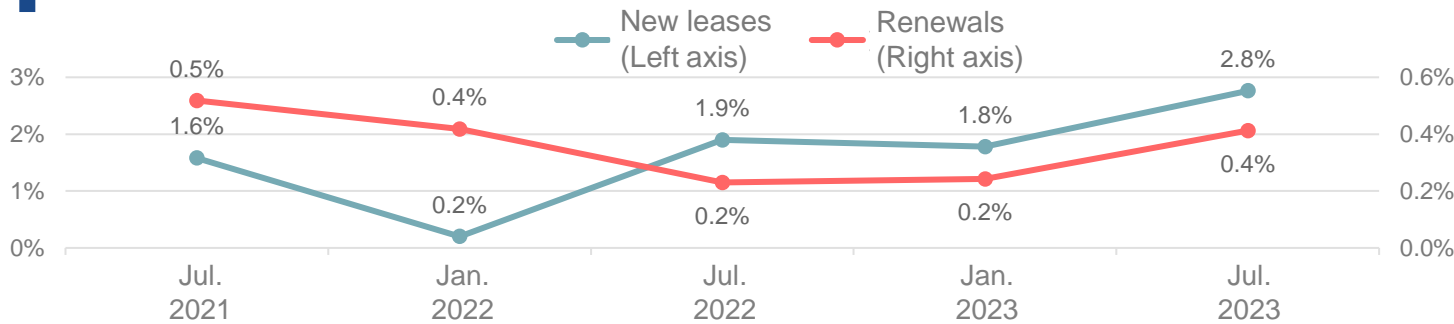


# Residential Properties Performance Highlights

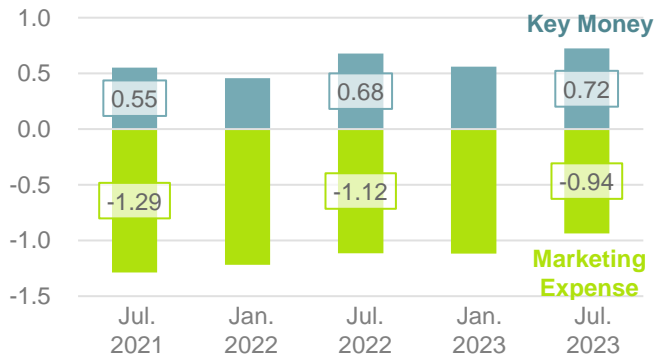
## Occupancy by Area



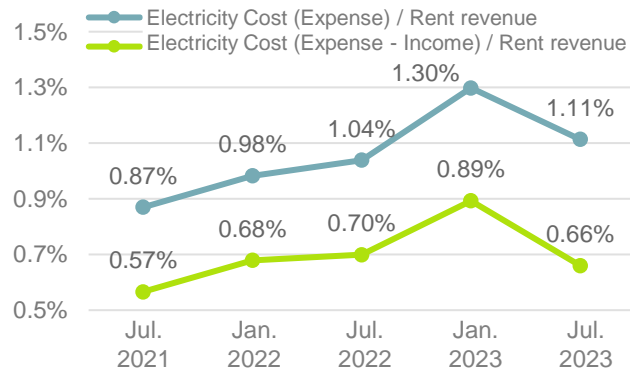
## Rent Growth



## Key Money / Marketing Expense (Months)



## Electricity Cost



## Results for Fiscal Period ended July 2023

### Occupancy

Occupancy improved in both Tokyo and regional areas compared to last year. Average occupancy during the fiscal period hit a record high of 97.1%

### Avg. Occupancy (Jul. 2023)

Residential portfolio **97.1%** (YoY +0.8pts)  
 Tokyo metropolitan area **97.5%** (YoY +0.9pts)  
 Other regional areas **96.6%** (YoY +0.6pts)

### Rent growth

Achieved rent growth with the recovery in studio type and continued strong performance in small / family type. Renewal rents increased in all room types

### Rent Growth (FP ended July 2023)

New leases **2.8%** (YoY +0.9pts)  
 Renewals **0.4%** (YoY +0.2pts)

### Leasing

Key money continued to increase and marketing expense decreased to less than 1 month due to strong rental demand

### Leasing Related Revenues / Expenses (Avg. Jul. 2023)

Key money **0.72** mos. (YoY +0.04mos.)  
 Marketing expense **0.94** mos. (YoY ▲0.18mos.)

### Electricity Cost

The impact of electricity cost against portfolio decreased due to government subsidy and decreased in fuel cost adjustment

## Results for the Fiscal Period Ended July 2023 (23rd FP)

| (mn yen)   | Jan. 2023<br>(22nd) | Jul. 2023<br>(23rd)     |               | Period on Period |              | Major Components <sup>(1)</sup>  |                       | Major Components <sup>(1)</sup> |   |
|--|---------------------|-------------------------|---------------|------------------|--------------|--|-----------------------|---------------------------------|---|
|  | Actual              | Forecast <sup>(2)</sup> | Actual        |                  |              | Actual vs<br>Forecast  | Actual vs<br>Forecast |                                 |   |
| Rent revenue – real estate                           | 9,064               | 9,330                   | 9,378         | 314              | 3.5%         | <Rental revenue><br>Residential properties +71   | 47                    | 0.5%                            | <Rental revenue><br>Residential properties +44  |
| Other lease business revenue                         | 567                 | 641                     | 704           | 136              | 24.1%        | Acquisition in Jan. 2023 FP +206<br>Disposition -23<br>Acquisition in July 2023 FP +59   | 63                    | 9.8%                            | <Other rental revenue><br>(R)Key money and Renewal fees +11<br>(R)Tenant renewal related income such as a burden of restoring expenses +8 |
| Gain on sale of real estate property                 | 304                 | -                       | -             | -304             | -            | <Other rental revenue><br>(R)Key money and renewal fees +96<br>(R)Parking +3<br>(R)Tenant renewal related income such as a burden of restoring expenses +20<br>(R)Utilities +11<br>(R)Insurance etc. +2  | 0                     | -                               | (R)Utilities +20<br>(R)Insurance etc. +7<br>(R)Early cancellation penalty +2  |
| <b>Operating revenues</b>                            | <b>9,936</b>        | <b>9,972</b>            | <b>10,083</b> | <b>146</b>       | <b>1.5%</b>  | <Rental expense><br>(R)Leasing related expenses +51<br>(R)Repair and restoration expenses +37<br>(H)Repair and restoration expenses +20<br>(R)Property Taxes +18<br>(H)Property Taxes +9<br>(R)Utilities -11<br>Impact from property acquisition (and disposition) +17 | <b>110</b>            | <b>1.1%</b>                     | <Rental expense><br>(R)Leasing related expenses -9<br>(R)Utilities -4<br>(R)Repair and restoration expenses +32<br>(H)Repair expenses -15 |
| Expenses related to rent business (ex. depreciation) | 1,796               | 1,939                   | 1,943         | 146              | 8.2%         | <Other operating expenses><br>Asset management fees -12<br>Consumption tax +16<br>DD report fees such as appraisal report etc. +11   | 3                     | 0.2%                            | <Other operating expenses><br>Asset management fees +14<br>Consumption tax -2<br>DD report fees such as appraisal report etc. -7          |
| Depreciation   | 1,721               | 1,773                   | 1,774         | 52               | 3.1%         | <Non-operating expenses><br>Interest expenses and financing related fees +23<br>Investment unit issuance costs -3  | 0                     | 0.0%                            | <Non-operating expenses><br>Interest expenses and financing related fees +5   |
| Other operating expenses                             | 1,124               | 1,137                   | 1,143         | 18               | 1.7%         | <Internal reserves><br>A portion of the gain on sale retained within the extent of non-taxation (Jan. 2023 FP) :56mn yen   | 5                     | 0.5%                            | <Internal reserves><br>No internal reserve distributions -5   |
| <b>Operating expenses</b>                            | <b>4,642</b>        | <b>4,850</b>            | <b>4,860</b>  | <b>218</b>       | <b>4.7%</b>  |  | <b>9</b>              | <b>0.2%</b>                     |   |
| <b>Operating income</b>                              | <b>5,294</b>        | <b>5,121</b>            | <b>5,222</b>  | <b>-72</b>       | <b>-1.4%</b> |  | <b>101</b>            | <b>2.0%</b>                     |   |
| Non-operating income                                 | 0                   | 0                       | 0             | 0                | 29.6%        |  | 0                     | -11.7%                          |   |
| Non-operating expenses                               | 701                 | 715                     | 720           | 19               | 2.8%         |  | 5                     | 0.8%                            |   |
| <b>Ordinary income</b>                               | <b>4,593</b>        | <b>4,406</b>            | <b>4,501</b>  | <b>-91</b>       | <b>-2.0%</b> |  | <b>95</b>             | <b>2.2%</b>                     |   |
| <b>Net income</b>                                    | <b>4,593</b>        | <b>4,405</b>            | <b>4,501</b>  | <b>-91</b>       | <b>-2.0%</b> |  | <b>95</b>             | <b>2.2%</b>                     |   |
| RTA compensation                                     | 20                  | 20                      | 20            | -                | -            |  | -                     | -                               |   |
| Earnings surplus compensation (accumulation)         | (56)                | 5                       | -             | 56               | -            |  | -5                    | -                               |   |
| <b>Total Distributions</b>                           | <b>4,556</b>        | <b>4,431</b>            | <b>4,521</b>  | <b>-35</b>       | <b>-0.8%</b> |  | <b>89</b>             | <b>2.0%</b>                     |   |
| <b>Distributions per unit (yen)</b>                  | <b>4,257</b>        | <b>4,140</b>            | <b>4,224</b>  | <b>-33</b>       | <b>-0.8%</b> |  | <b>84</b>             | <b>2.0%</b>                     |   |
| <b>NOI</b>   | <b>7,835</b>        | <b>8,033</b>            | <b>8,139</b>  | <b>304</b>       | <b>3.9%</b>  |  | <b>106</b>            | <b>1.3%</b>                     |   |

Note 1:(R) is components that are only for residential properties, (H) is components that are only for healthcare facilities and (A) is components that are only for accommodations.

Note 2: Figures announced on Mar. 15, 2023.



# Forecasts for the Final Fiscal Period Ending October 2023 (24th FP)

|   | Jul. 2023<br>(23rd)          | Oct. 2023<br>(24th)              | Major forecast assumptions  | Concerning the Merger  |
|---|------------------------------|----------------------------------|---|--|
| (mn yen)  | 6 mos. Actual<br>(Reference) | 3 mos. Forecast<br>as of Jun. 13 | <Period><br>Oct. 2023 (Final 24th FP) : From Aug.1, 2023<br>To Oct. 31, 2023  | <b>Payment Upon the Merger</b>   |
| Rent revenue – real estate                                    | 9,378                        | 4,685                            | <Managed Assets><br>Number of properties 182 properties   | Kenedix Residential Next Investment Corporation have executed an agreement for absorption-type merger, with November 1, 2023 as the effective date, whereby KDO will be the surviving corporation and KDR and KRR will be the dissolving corporations in the merger (the “Merger”) on June 13, 2023.                               |
| Other lease business revenue                                  | 704                          | 289                              | <Operating revenues><br>Avg. portfolio occupancy 97.7%  | The Payment upon the Merger in lieu of cash distributions for the last fiscal period of which starts from August 1, 2023 to October 31, 2023 will be paid within a reasonable period from the effective date of the Merger.  |
| <b>Operating revenues</b>                                     | <b>10,083</b>                | <b>4,975</b>                     | <Operating expenses><br>Property taxes 304mn yen<br>Merger related expenses 65mn yen  | <b>Partial Amendments to the Articles of Incorporation</b>   |
| Expenses related to rent business (ex. depreciation)          | 1,943                        | 961                              | <Non-operating expenses><br>Amortization of investment unit issuance costs 9mn yen<br>Interest expenses 351mn yen                       | As the calculation method of the Asset Management Fee II under the previous Articles of Incorporation is based on the assumption of a six-month fiscal period, KDR partially amended its Articles of Incorporation as of August 21, 2023, to neutralize the influence when the operating period becomes different from six months. |
| Depreciation  | 1,774                        | 886                              | <Interest-bearing debt><br>Interest-bearing debts 165,920mn yen<br>Borrowings 158,220mn yen<br>Investment corporation bonds 7,700mn yen | If the number of days for the fiscal period ending October 2023 becomes 92 days as a result of the completion of the Merger, the Asset Management Fee II for the fiscal period ending October 2023 will be the amount to be calculated in accordance with the following formula (rounded down to the nearest one yen).             |
| Other operating expenses                                      | 1,143                        | 680                              | <Total number of investment units issued and outstanding><br>Total number of investment units issued and outstanding 1,070,433 units    | <Formula> (Amended part are <u>underlined</u> )<br>Distributable amount x profit per unit before the deduction of Asset Management Fees II / <u>92</u> x <u>184</u> x 0.00145%   |
| <b>Operating expenses</b>                                     | <b>4,860</b>                 | <b>2,528</b>                     |   |  |
| <b>Operating income</b>                                       | <b>5,222</b>                 | <b>2,446</b>                     |   |  |
| Non-operating income  | 0                            | -                                |   |  |
| Non-operating expenses  | 720                          | 362                              |   |  |
| <b>Ordinary income</b>  | <b>4,501</b>                 | <b>2,083</b>                     |   |  |
| <b>Net income</b>   | <b>4,501</b>                 | <b>2,083</b>                     |   |  |
| RTA compensation  | 20                           | 10                               |   |  |
| Earnings surplus compensation (accumulation)                  | -                            | 123                              |   |  |
| <b>Total Distributions</b>                                    | <b>4,521</b>                 | <b>2,215</b>                     |   |  |
| <b>Distributions per unit / Payment upon the Merger (yen)</b> | <b>4,224</b>                 | <b>2,070</b>                     |   |  |
| <b>NOI</b>  | <b>8,139</b>                 | <b>4,013</b>                     |   |  |



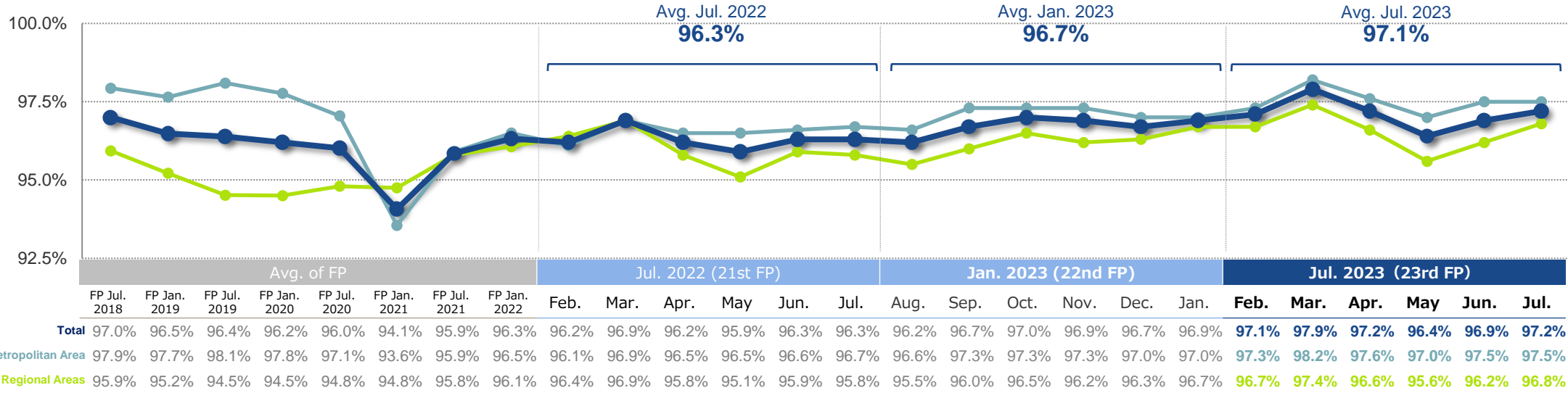


## 2. Performance Status

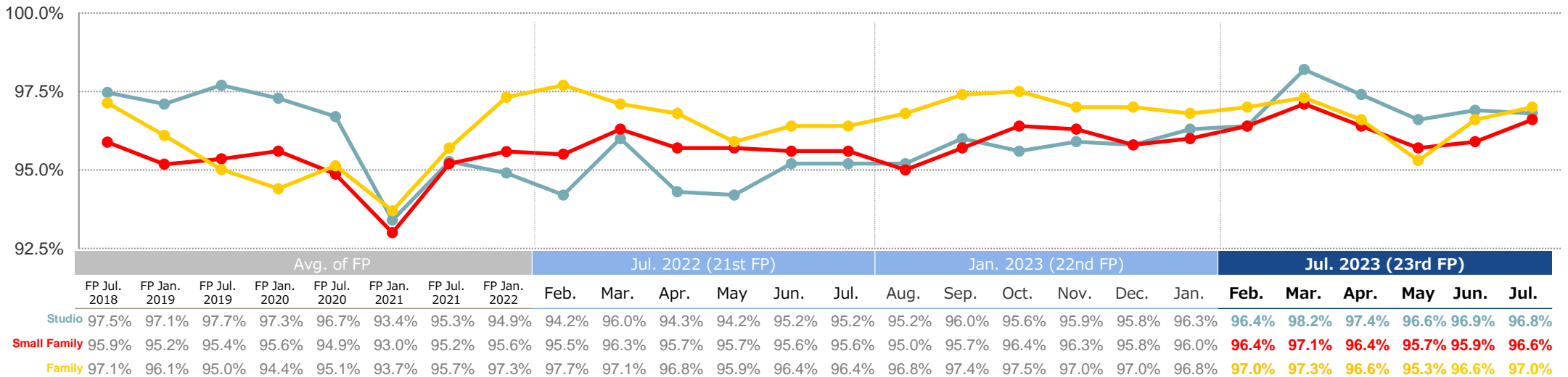


# Occupancy of Residential Properties

## Occupancy by Area



## Occupancy by Room Type



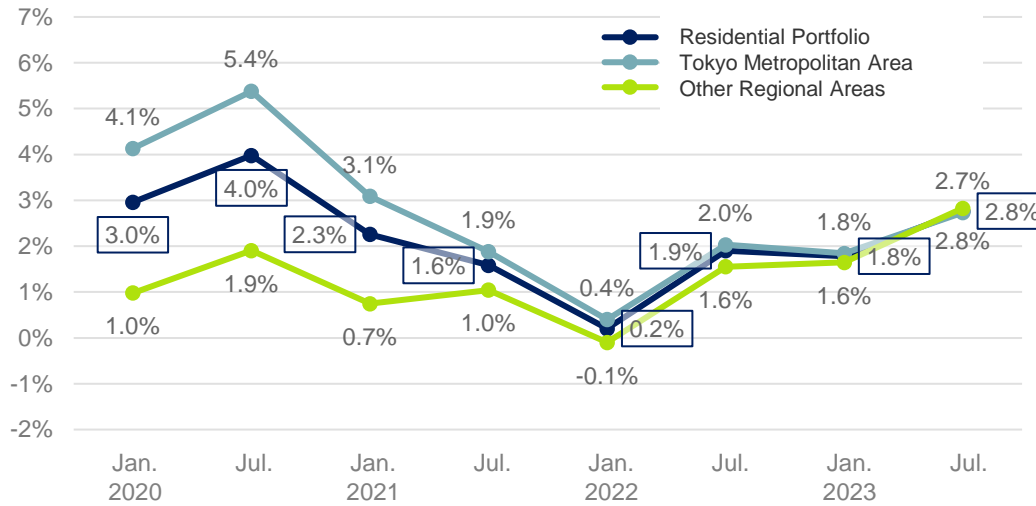
Note : Occupancy by area include those from retail stores and offices. Occupancy rates by room type are calculated based on residential units of pass-through lease contracts (excluding wholesale lease contracts).



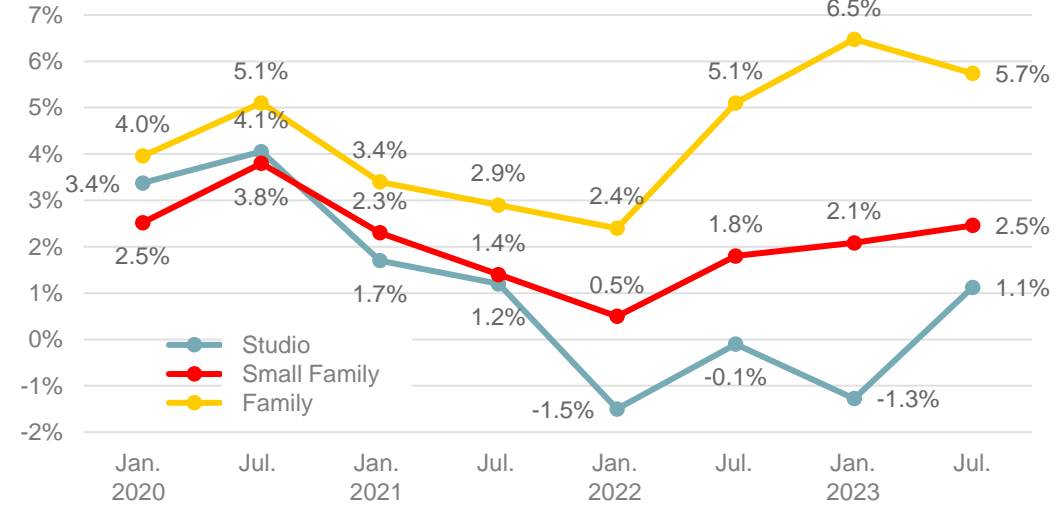
# Rents of Residential Properties ①

## Rents for New Leases (Note 1)

by Area (monthly basis)

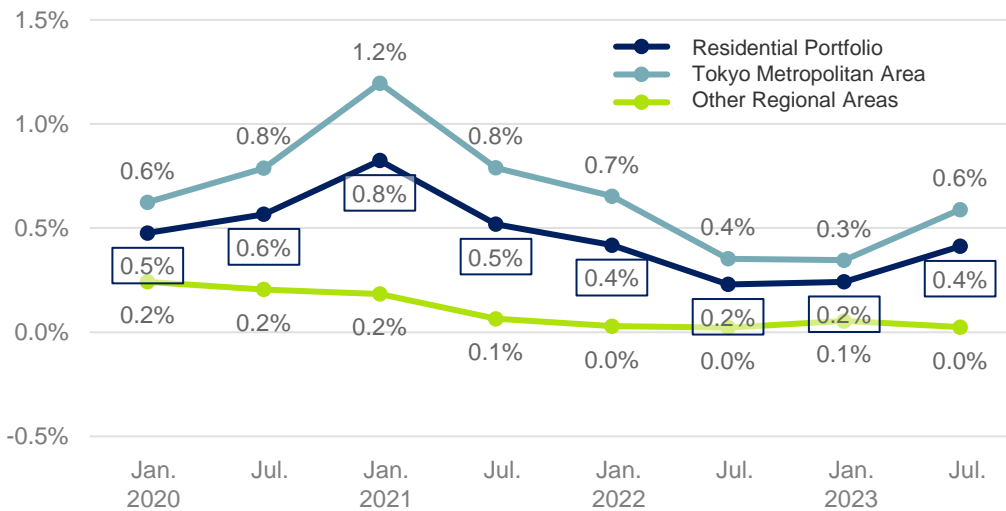


by Room Type (monthly basis)

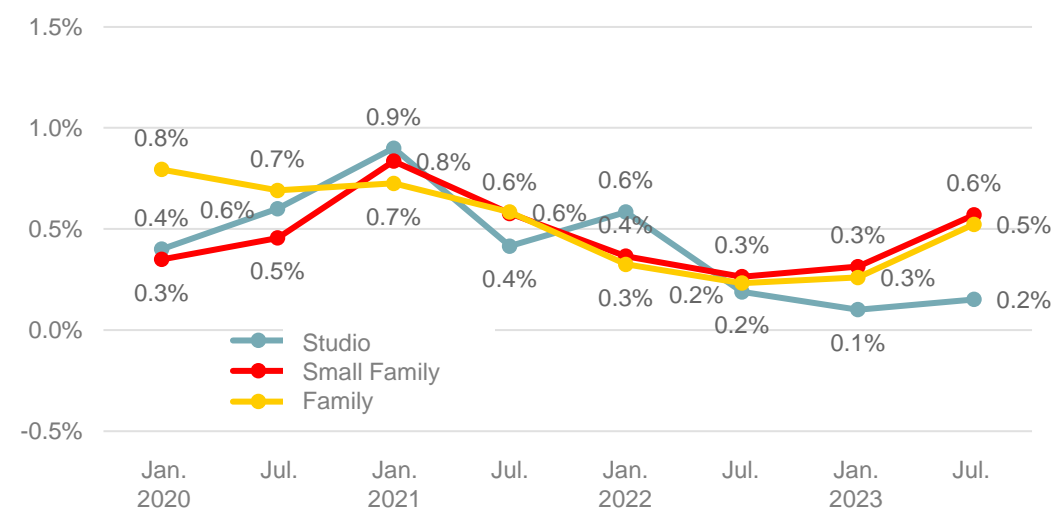


## Rents for Renewals (Note 2)

by Area (monthly basis)



by Room Type (monthly basis)



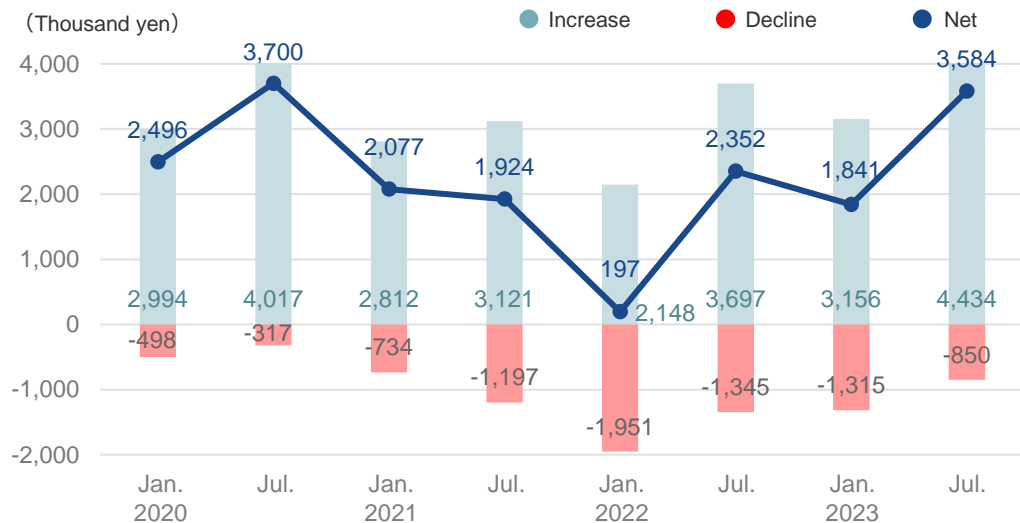
Note 1: "Rents for New Leases" = Total Amount of Increase / Decline of rent of new tenants / Total amount of rent before revisions.

Note 2: "Rents for Renewals" = Total Amount of Increase / Decline of rent of renewal tenants / Total amount of rent before revisions.

# Rents of Residential Properties ②

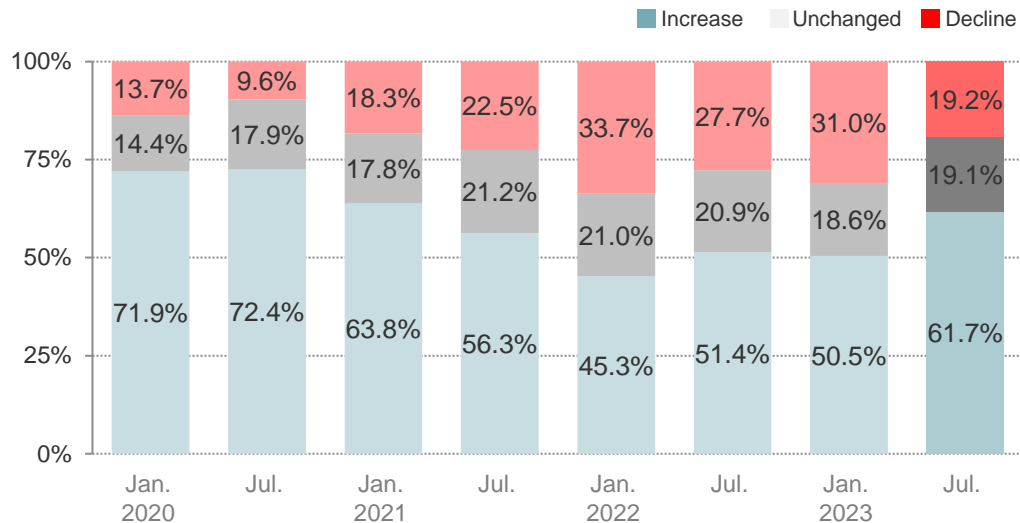
## Rent Increase / Decline (monthly rent basis)

### New Leases

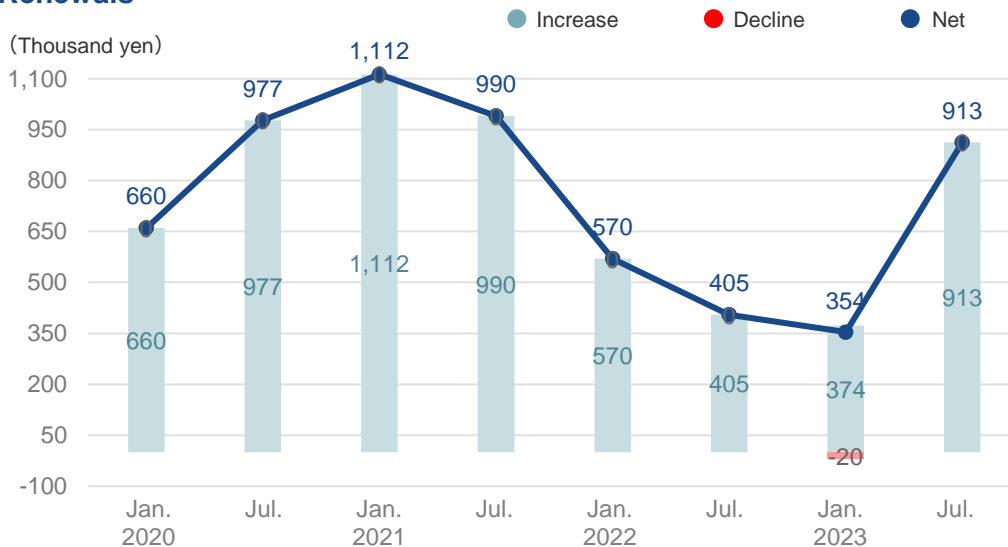


## Rent Increase / Decline (monthly unit basis)

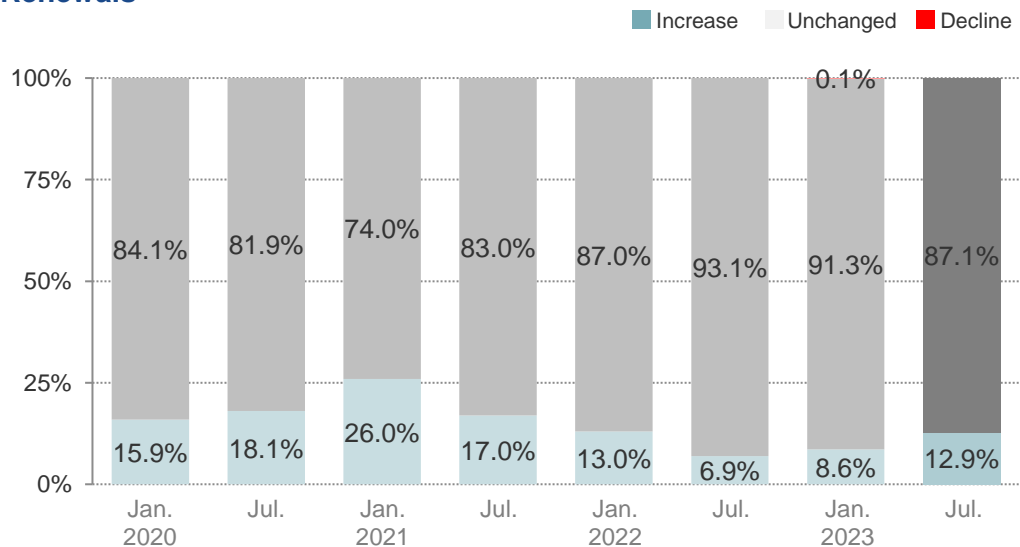
### New Leases



### Renewals



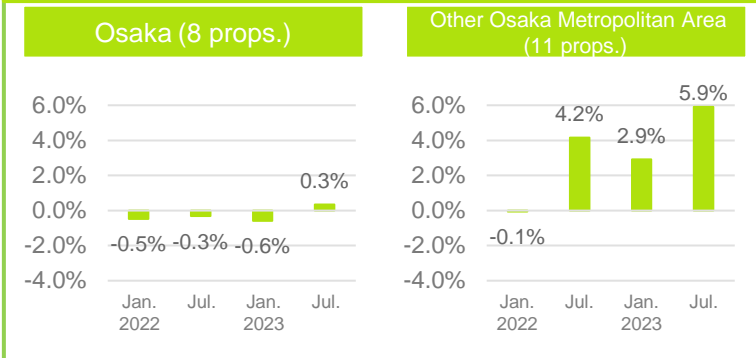
### Renewals



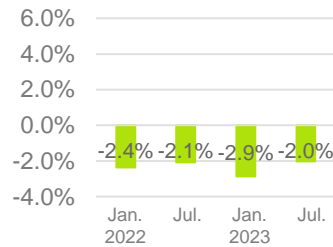
# Rents for Residential Properties ③

## New Leases Rent Growth Map (Jul. 2023)

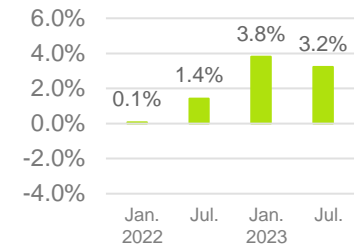
### Osaka Metropolitan Area (19 props.)



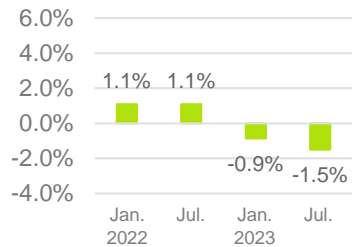
### Nagoya (4 props.)



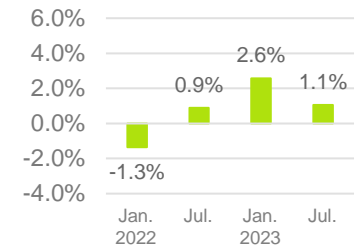
### Sapporo (4 props.)



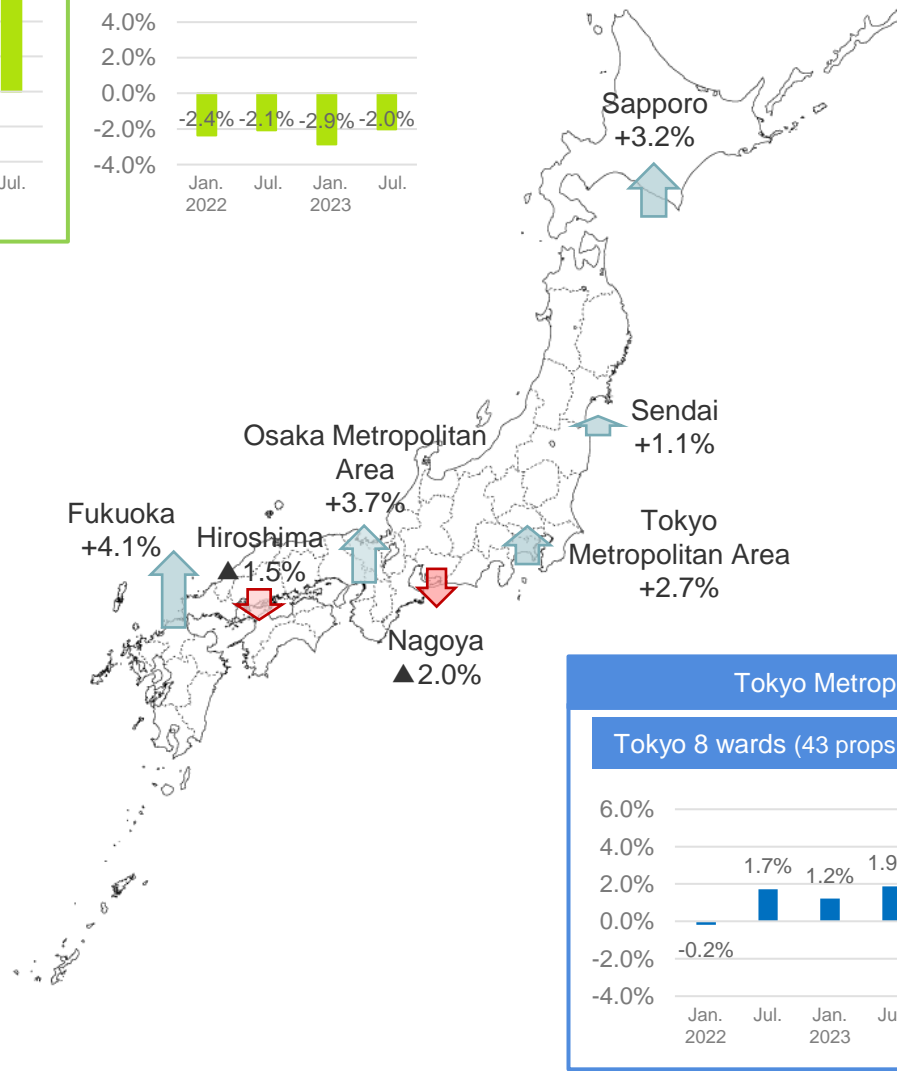
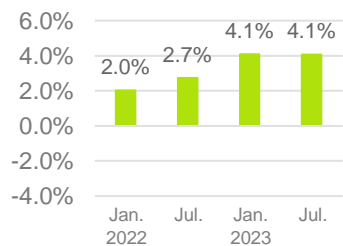
### Hiroshima (1 prop.)



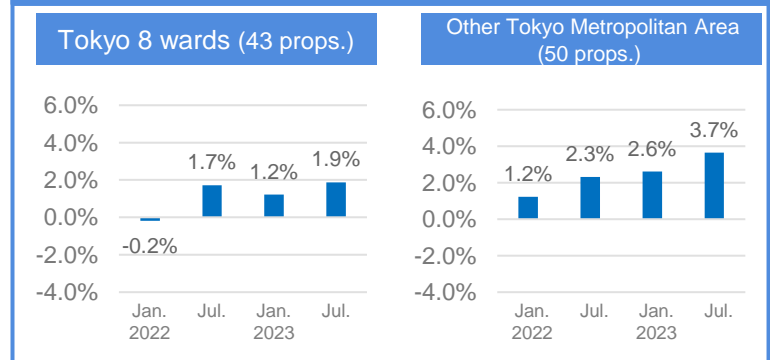
### Sendai (3 props.)



### Fukuoka (6 props.)



### Tokyo Metropolitan Area (93 props.)



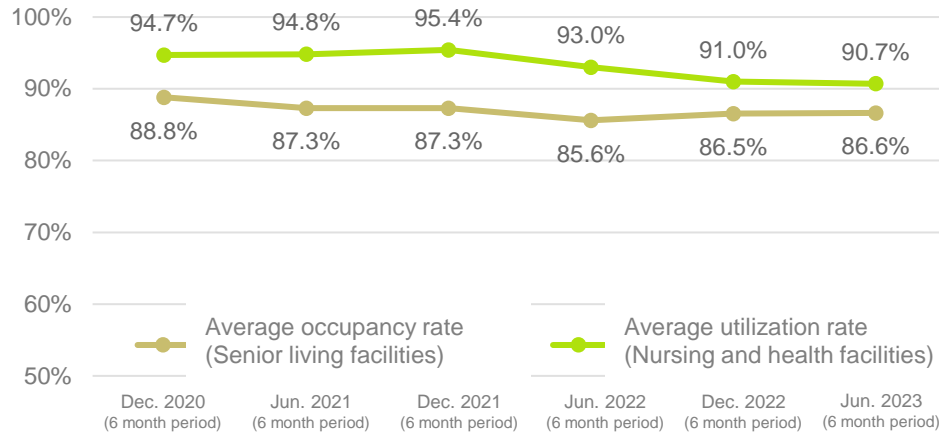
Note : Numbers are calculated for residential properties with pass-through lease contracts (excluding wholesale lease contracts).



# Healthcare and Accommodations Facilities

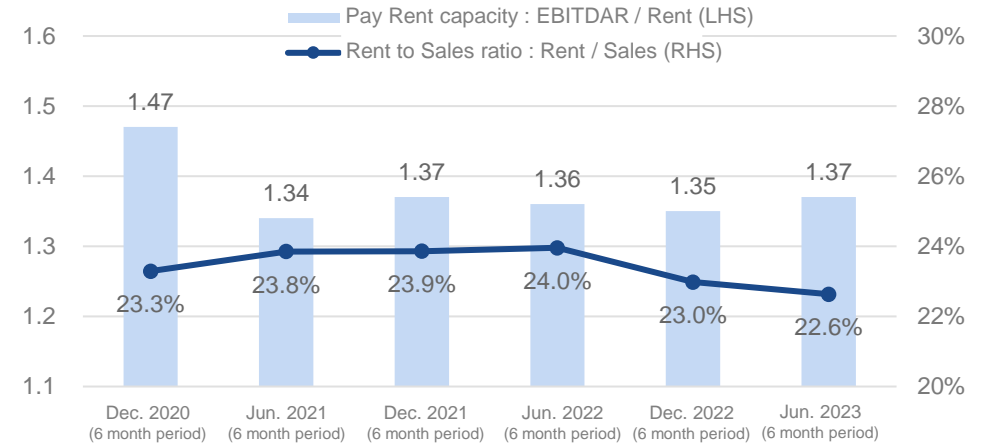
## Occupancy (Note 1,2,3)

Healthcare



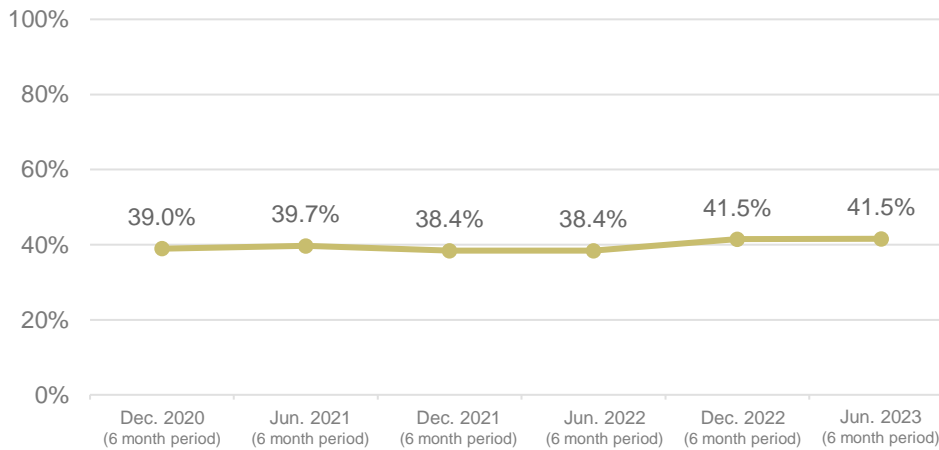
## Pay Rent Capacity / Rent to Sales Ratio (Note 1,2,5)

Healthcare



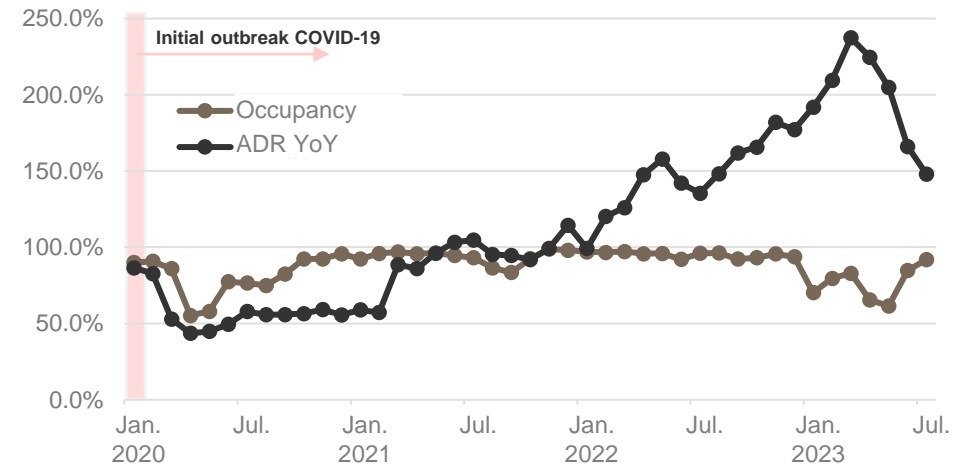
## Nursing Care Fee to Sales Ratio (Note 1,2,4)

Healthcare



## Occupancy and ADR (Note 6)

Accommodation



Note 1: Figures are based on materials submitted by operators and regardless of the timing of property acquisitions, the calculations reflect figures from the period with approval for disclosing. "Senior living facilities" include private senior home with nursing care, residential private nursing homes, and serviced senior housing held by KDR at the end of July 2023, excluding non-disclosed properties. "Anesis Teradacho" and "Orage Suma" are not included in "Nursing care fee to Sales ratio". "Nursing and health facilities" include nursing and health facilities held by KDR at the end of July 2023.

Note 2: "Average occupancy rate" and "Average utilization rate" are calculated using cumulative figures for each six-month period. Occupancy data before acquisition are counted in case that data is provided. SOMPO Care LAVIERE Residence Kawasaki Shimmachi and SOMPO care Sompo no ie S Fujimino include only 3 months of operational data for Jul. 2023 period. Please note that SOMPO Care LAVIERE Residence Kawasaki Shimmachi was changed from Grapes Kawasaki Shimmachi on April 1, 2023. The same shall apply hereinafter.

Note 3: "Average occupancy rate" is the number of residents divided by number of capacity and simple average of occupancy rate at the end of month for each period. "Average utilization rate" is the total number of users in the fiscal period divided by the total rated capacity.

Note 4: "Nursing care fee to Sales ratio" is the ratio of nursing care fee against sales at senior living facilities.

Note 5: "Pay Rent capacity" is EBITDAR : Operating Income + Depreciation + Rent divided by Rent.

Note 6: Average of occupancy and ADR of 2 accommodations





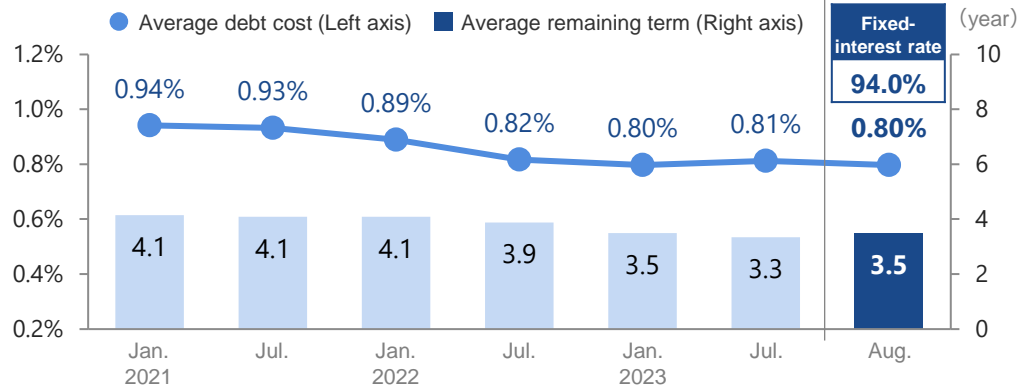


### 3. Financial Status

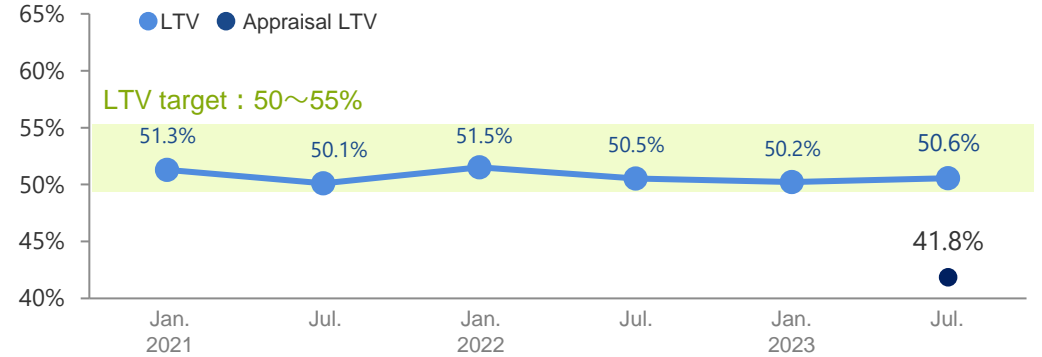


# Financial Highlights 1/2

## Key Debt Indicators



## LTV (based on total assets)

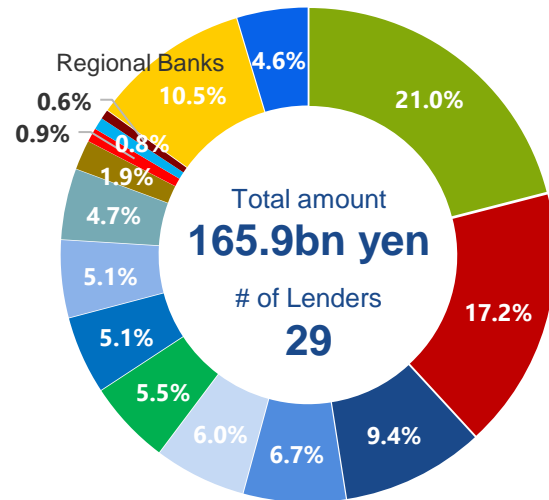


## Credit Rating

**#AA-**  
 (Outlook : Positive)  
 (Japan Credit Rating Agency, Ltd.)

※Under credit monitor

## Status of Interest-bearing Debt (as of Jul. 31, 2023)



| Lender                               | Amount (mn yen) | Share |
|--------------------------------------|-----------------|-------|
| Sumitomo Mitsui Banking Corporation  | 34,840          | 21.0% |
| MUFG Bank, Ltd.                      | 28,500          | 17.2% |
| Mizuho Bank, Ltd.                    | 15,530          | 9.4%  |
| Aozora Bank, Ltd.                    | 11,150          | 6.7%  |
| Mizuho Trust & Banking Co., Ltd.     | 10,000          | 6.0%  |
| SBI Shinsei Bank, Ltd.               | 9,150           | 5.5%  |
| Development Bank of Japan Inc.       | 8,500           | 5.1%  |
| Resona Bank, Ltd.                    | 8,450           | 5.1%  |
| Sumitomo Mitsui Trust Bank, Limited. | 7,750           | 4.7%  |
| Nippon Life Insurance Company        | 3,200           | 1.9%  |
| THE BANK OF FUKUOKA, LTD.            | 2,700           | 1.6%  |
| The Yamaguchi Bank, Ltd              | 2,300           | 1.4%  |
| The Bank of Yokohama, Ltd.           | 1,700           | 1.0%  |
| Shinkin Central Bank                 | 1,500           | 0.9%  |
| Daishi Hokuetsu Bank, Ltd.           | 1,500           | 0.9%  |
| The 77 Bank, Ltd.                    | 1,300           | 0.8%  |

| Lender                           | Amount (mn yen) | Share         |
|----------------------------------|-----------------|---------------|
| The Norinchukin Bank             | 1,300           | 0.8%          |
| Sompo Japan Insurance Inc.       | 1,000           | 0.6%          |
| The Chiba Bank, Ltd.             | 1,000           | 0.6%          |
| The Chugoku Bank, Ltd.           | 900             | 0.5%          |
| THE HACHIJUNI BANK, LTD.         | 900             | 0.5%          |
| THE NISHI-NIPPON CITY BANK, LTD. | 900             | 0.5%          |
| The Yamanashi Chuo Bank, Ltd.    | 900             | 0.5%          |
| Kansai Mirai Bank, Limited       | 900             | 0.5%          |
| The Bank of Kyoto, Ltd.          | 650             | 0.4%          |
| The Musashino Bank, Ltd.         | 500             | 0.3%          |
| The Hyakugo Bank, Ltd.           | 500             | 0.3%          |
| The Keiyo Bank, Ltd.             | 500             | 0.3%          |
| The Shizuoka Bank, Ltd.          | 200             | 0.1%          |
| Investment Corporation Bonds     | 7,700           | 4.6%          |
| <b>Total</b>                     | <b>165,920</b>  | <b>100.0%</b> |

Note 1: "Average debt cost" is calculated by weighted average interest rate at the end of the period that took into consideration up-front fee (per year) and the effect of the interest rate swap. "Average remaining term" is calculated by weighted average remaining term of interest-bearing debt at the end of the period. "Fixed-interest rate" is calculated by the percentage of fixed interest rate borrowings of total amount of borrowings at the July 31, 2023. The floating borrowings which are substantially fixed with interest rate swap are included in the fixed interest rate.

Note 2: "LTV" = Interest-bearing Liabilities / Total Assets. "Appraisal LTV" = Interest-bearing Liabilities / Total Appraisal Value.

# Financial Highlights 2/2

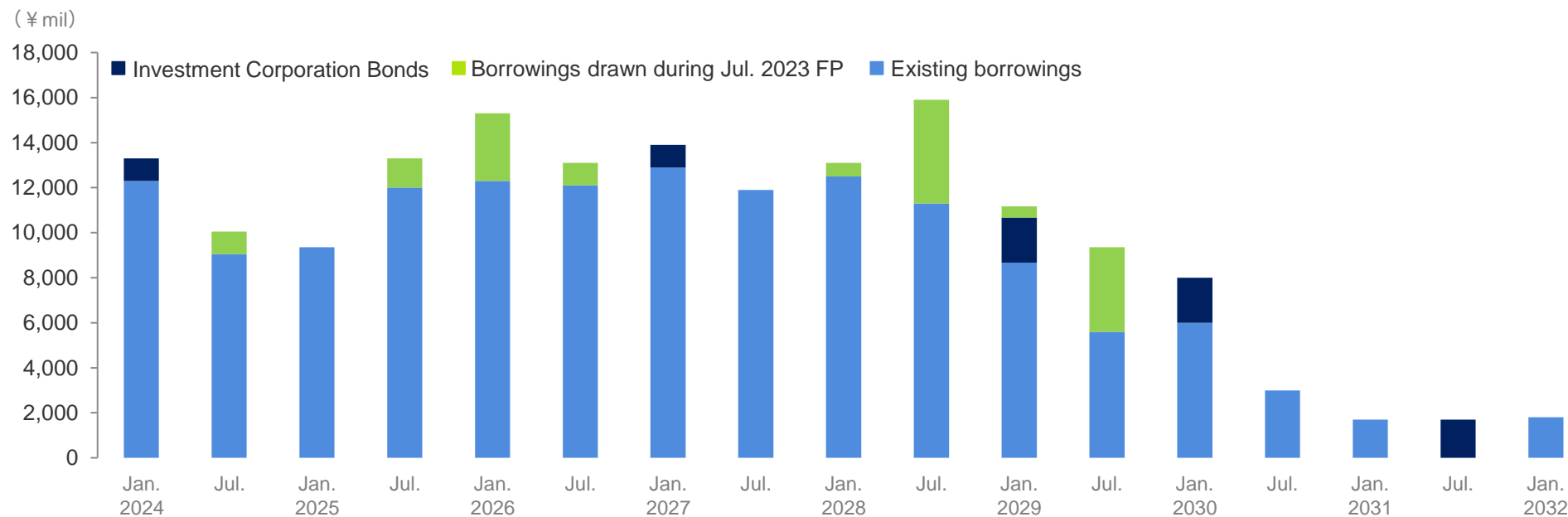
## Committed Credit Line

| Counterparty                        | Line amount (bn yen) | Contract period            |
|-------------------------------------|----------------------|----------------------------|
| Sumitomo Mitsui Banking Corporation | 1.5                  | Aug. 1, 2023~July 31, 2024 |
| MUFG Bank, Ltd                      | 1.5                  | Aug. 1, 2019~July 31, 2024 |
| Mizuho Bank, Ltd                    | 1.5                  |                            |

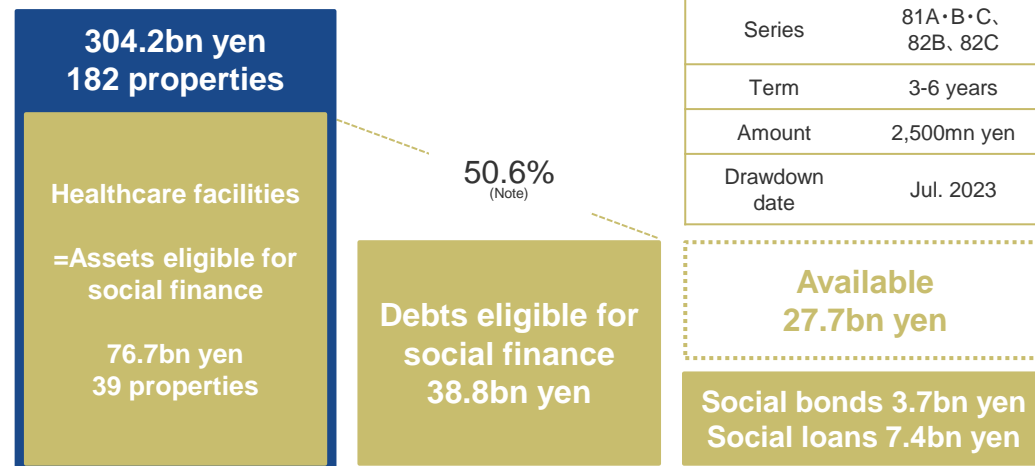
## Uncommitted Revolving Credit Line

| Counterparty                        | Line amount (bn yen) | Contract period             |
|-------------------------------------|----------------------|-----------------------------|
| Sumitomo Mitsui Banking Corporation | 5                    | Mar. 31, 2023~Mar. 31, 2024 |
| Mizuho Bank, Ltd                    | 4                    |                             |

## Maturity Ladder (as of Jul. 31, 2023)



## Social Finance (as of Jul. 31, 2023)



Note : Debts eligible for social finance = Assets eligible for social finance × LTV as of the current fiscal period.  
50.6% is as of July 31, 2023





## 4. Sustainability



# ESG Strategy

## Major Initiatives for ESG

### E (Environment)



#### GRESB Real Estate Assessment (2022)



Acquired “Green Star” for the five consecutive years  
Awarded “**3 Stars**” on GRESB rating in 2022

#### GHG Emission Reduction Target\*

| 2030                          | 2050            |
|-------------------------------|-----------------|
| <b>40% reduction vs. 2015</b> | <b>Net-zero</b> |

\*CO<sub>2</sub> emissions from energy usage in the common areas of residential properties (including a portion of store space)

### S (Social)



**Social Impact Investment**

**Providing Solutions to Aging Society  
Committing to Local Communities and Regional Revitalization**

**Introduction of Employee Investment Unit Ownership Plan**

### G (Governance)



**AM Fee Structure Aligning Interests between Unitholders and REIT Manager**

**Same-Boat Investment by Kenedix**

**Strong Commitment from Kenedix Group**

Across each of the REITs managed by KFM:

- Sustainability Office
- Sustainability Committee

#### Sustainability Office

- Responsible for KFM’s ESG and sustainability initiatives
- Responsible for issuing Sustainability Report reporting each REIT’s initiatives and milestones

#### Sustainability Committee

- Promoting further implementation of ESG and sustainability initiatives with the President acting as the Chair

# ESG Initiatives 1/2

## Initiatives for Environment

ESG

### Details of Certified Properties (as of Jul. 31, 2023)

|                                |                                |
|--------------------------------|--------------------------------|
| Number of Certified Properties | Total Floor Area               |
| <b>15 Properties</b>           | <b>126,285.74m<sup>2</sup></b> |

\*Including properties with multiple certifications

| DBJ Green Building Certification   |   |
|--|---|
| <p>★★★★ <b>12 Properties</b></p> <p>KDX Residence Yotsuya<br/>KDX Residence Hanzomon<br/>KDX Residence Toyosu<br/>Ashiya Royal Homes</p> | <p>★★★</p> <p>KDX Daikanyama Residence<br/>KDX Residence Ebisu<br/>KDX Sakaisuji Hommachi Residence<br/>KDX Residence Higashi-sakura I<br/>KDX Residence Hommchibashi<br/>KDX Residence Ohori Harbor View Tower<br/>Serenite Kobe Motomachi<br/>KDX Residence Shukugawa Hills</p> |
| <p>% of the certified assets in the residential portfolio (area base): <b>23.5%</b></p>  |   |

| CASBEE Certification   | BELS Certification  |
|--|---|
| <p><b>6 Properties</b></p> <p>KDX Residence Toyosu (S rank)<br/>KDX Residence Yokohama Momijizaka (S rank)<br/>KDX Residence Ohori Harbor View Tower (S rank)<br/>KDX Residence Nihombashi Suitengu (A rank)<br/>KDX Residence Nihombashi Suitengu (A rank)<br/>KDX Residence Shukugawa Hills (A rank)</p> | <p><b>1 Property</b></p> <p>★★★<br/>Plaisant Grand Ota tamagawa</p> |

### Acquisition of ESG Properties Equipped with Emergency Batteries

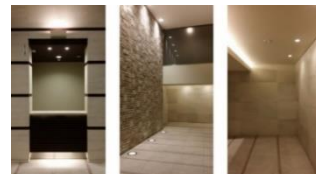
Acquired properties with emergency batteries in each residential units to be well prepared for disasters



### Installation of LED Lights

Reduced electricity usage and replacement cost by installing LED lights to common areas

FP ended Jul. 2023 and ending Oct. 2023: 12 Props



### Status of GHG emission reduction targets 2023 (Note 1, 2)

|                                    | GHG emission reduction targets Progress table |               |
|------------------------------------|---|---------------|
|                                    | FY2015 (Base year)                            | FY2022        |
| <b>Total (t)</b>                   | <b>4,737</b>                                  | <b>5,365</b>  |
| <b>Intensity (t/m<sup>2</sup>)</b> | <b>0.0057</b>                                 | <b>0.0049</b> |
| <b>Reduction</b>                   | <b>-</b>                                      | <b>-13.3%</b> |

## Commitment to Local Community

ESG

### Installation of SDGs-Friendly Vending Machine

- Newly installed a vending machine that donates 3 yen from each sales to The Defense of Green Earth Foundation

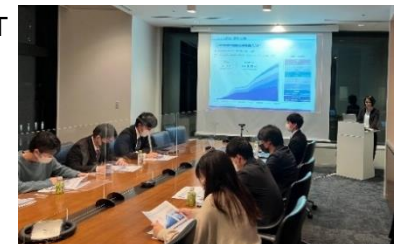


### Tenant Satisfaction Survey

- KDR conducts surveys of satisfaction and request surveys regarding management and operation by third-party organizations for residents / tenants in some residential properties and healthcare facilities. In addition, based on the results of the survey, KDR are making various efforts to increase the satisfaction for residents / tenants.

### J-REIT Study Session for University Students

- KFM have provided opportunities for J-REIT study session for university students to learn basic knowledge about J-REITs and structures of real estate funds.



Note 1: CO<sub>2</sub> emissions from energy usage in the common areas of residential properties (including a portion of store space).

Note 2: Calculated by KFM based on emission factor by electric utilities published by Ministry of Environment

# ESG Initiatives 2/2

## Human Capital Development

ESG

### Recognized as “2023 Certified Health & Productivity Management Outstanding Organization”

- Kenedix Group is committed to 1) Attracting and retaining talents, and developing their careers, 2) Health and wellbeing of employees, and 3) Diversity and equal opportunities in order to create ideal work environment



### New Workstyle Project

- Kenedix Group sets new corporate vision to promote new work styles to maximize employees' performance
- Introduced free address workplace, desks with partitions to concentrate and standing desk to foster open communication.



Desks with partitions to concentrate



Standing desk near the window to foster open communication

### Engagement Survey

- Kenedix Group conduct regular engagement survey twice a year as a measure to make the group a rewarding place to work and a company of choice for our employees. By measuring employee satisfaction, we are working to strengthen engagement by continuously examining improvement measures based on survey results

### Introduction of Investment Unit Ownership Program

- The purpose of the introduction is to promote welfare benefits as well as to enhance unitholders' value over the mid- to long-term by aligning interests between unitholders and REIT manager

## Usage of Workcations

- Kenedix Group have operated PerkUP Karuizawa as a base for team building and other activities in a scenic area of Japan far from big cities.
- KDR Asset Management team regularly holds offsite meetings in the facility to improve teamwork skills



Activities to enhance team communication



Offsite meeting in Karuizawa

## AM Fee Structure Aligning Interests between Unitholders and REIT Manager

ESG

| AM Fee I  | AM Fee II   | AM Fee III   |
|---|---|--|
| Total assets at the end of the previous period<br>×<br><b>0.27%</b> (P.A) | Distributable amount<br>×<br><b>EPU</b><br>×<br><b>0.00145%</b> | <b>vs. TSE REIT Index performance</b><br>×<br>Market cap.<br>×<br><b>0.15%</b> |

Linkage with **EPU**

Linked to performance of **investment unit price**

## Compliance Training

- To ensure that everyone is aware of the importance of compliance, KFM provides compliance training for new employees when they first join the company as well as for all executives and employees, including temporary employees.
- Compliance training held in FY2022: Prevention of conflicts of interest between investment corporations, management of information related to the management of investment corporations, Fiduciary Duty as an asset management company (input), Fiduciary Duty as an asset management company (case study), prevention of insider trading



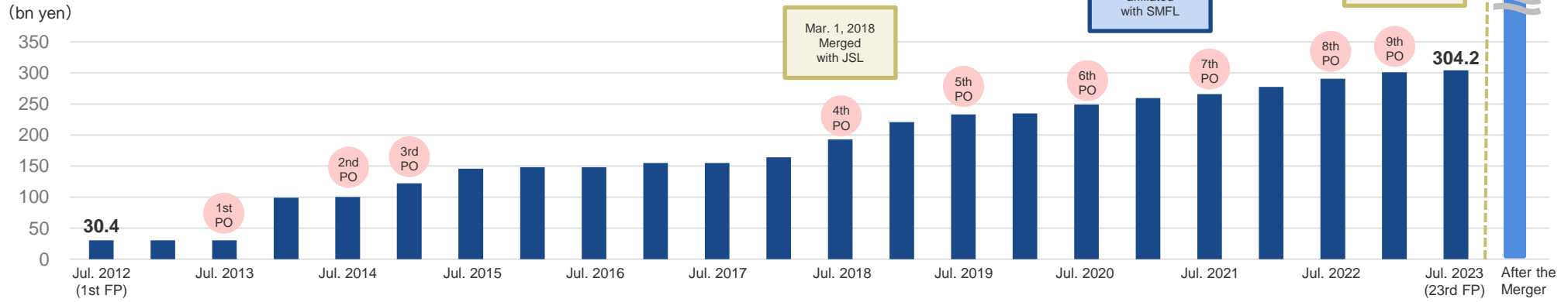


## 5. Historical Performance since IPO

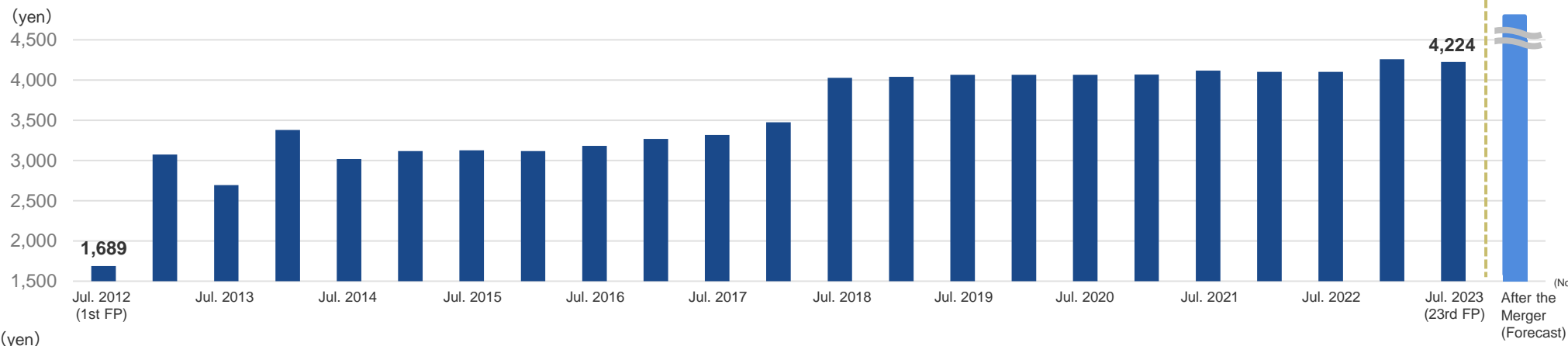
# Historical Performance since IPO

- AUM expanded to over 300bn yen through 9 offerings etc. since the IPO in 2012
- Achieved to increase unitholder value by solid DPU and NAV per unit growth

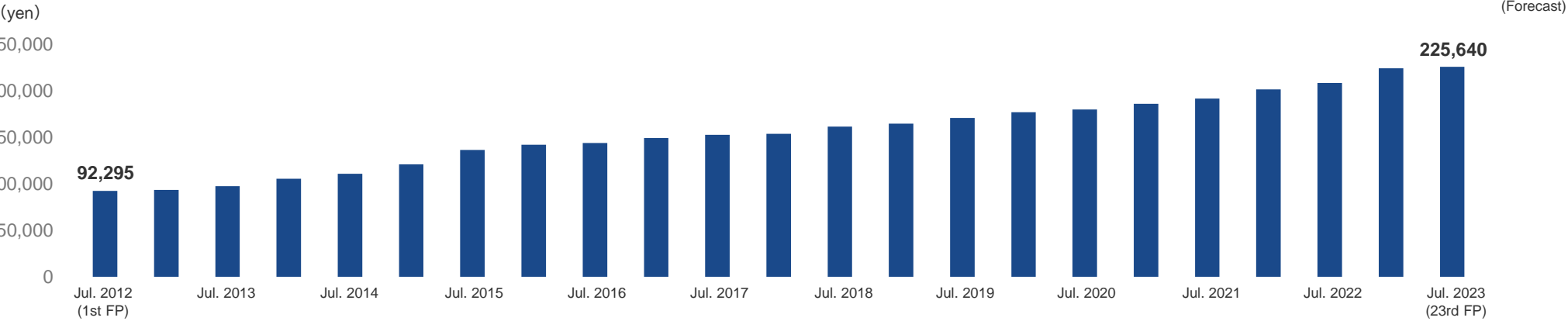
AUM



DPU



NAV per unit



Note 1 : The investment units were split in 2:1 ratio with Feb. 28, 2018 as the record date of the split and Mar. 1, 2018 as the effective date thereof. Prior periods are prorated by two to reflect the impact of the unit split  
 Note 2 : As of Jun. 13, 2023. DPU forecast after the Merger is calculated by 3,800 yen times allocation of investment units under the Merger of 1.34.

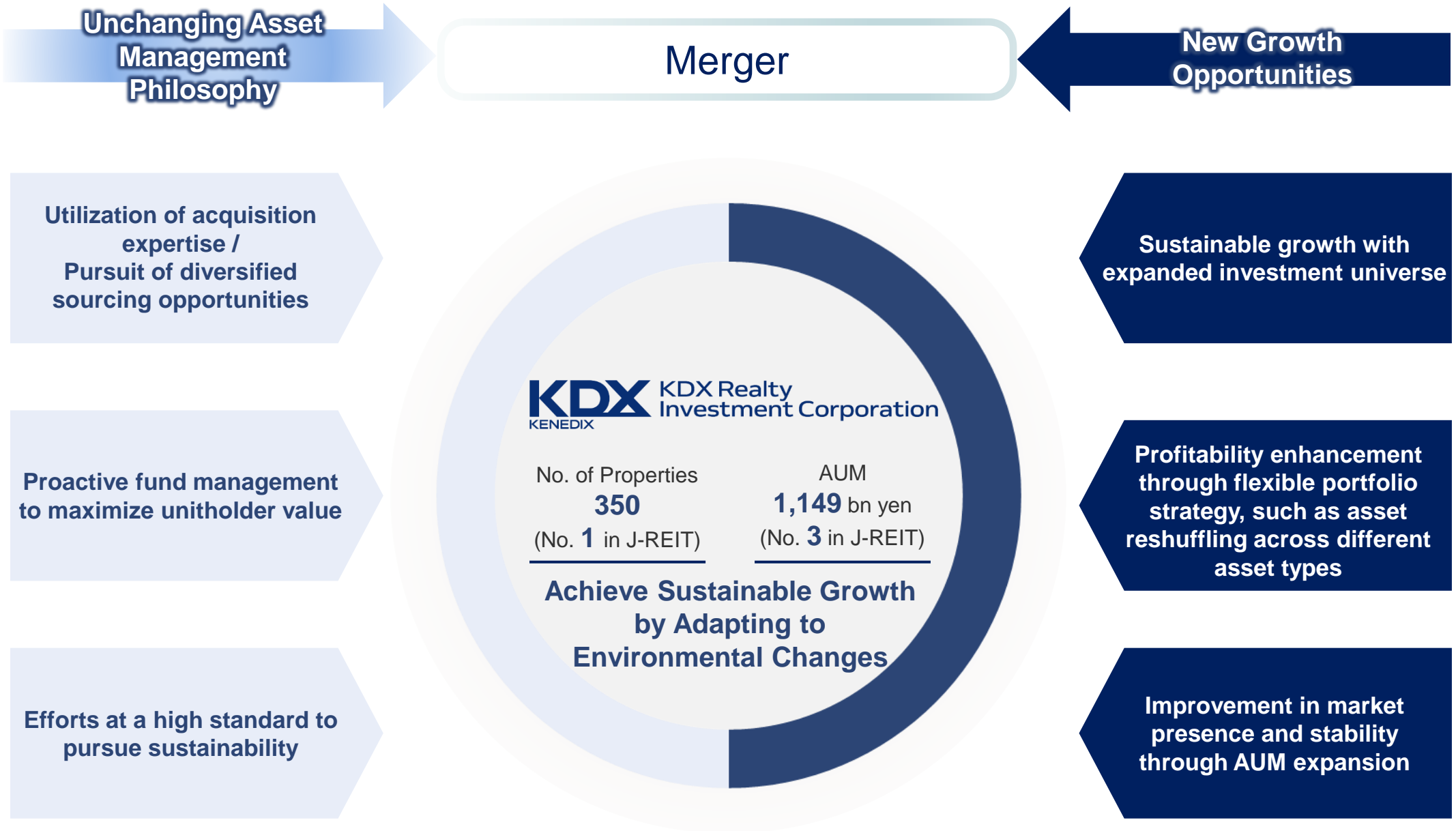


A photograph of a modern residential building facade. The upper portion shows a balcony with a dark railing and a window with warm interior lighting. The lower portion shows a covered entrance area with a tiled floor, glass railings, and a staircase leading down. The building features a mix of blue and grey tiles and dark structural elements.

## 6. Concerning the Merger



# Overview of Merger



Note: Data at the time of the Merger announcement on Jun. 13, 2023

## Merger Scheme and Schedule

### Type of Merger

- Absorption-type merger
  - Surviving REIT: Kenedix Office Investment Corporation (KDO)
  - Dissolving REITs: Kenedix Residential Next Investment Corporation (KDR), Kenedix Retail REIT Corporation (KRR)
  - Acquirer under the Accounting Standard for Business Combinations: KDO

### Merger Ratio

- KDO : KDR = 1 : 1.34, KDO : KRR = 1 : 1.68  
(before investment unit split, KDO : KDR = 1 : 0.67, KDO : KRR = 1 : 0.84)
- Allocate 1.34 units of KDO per 1 unit of KDR
- Allocate 1.68 units of KDO per 1 unit of KRR
- \* KDO will implement a 2-to-1 split of the investment units in order to enable the unitholders of KDR and KRR to continue to hold the New REIT's investment units after the Merger



# New REIT at a Glance

| Key Metrics   | KDO<br>(Surviving REIT) | KDR<br>(Dissolving REIT) | KRR<br>(Dissolving REIT) | Properties to be<br>Acquired | Properties to be<br>Disposed of            | New REIT<br>(Post Merger and<br>Asset Reshuffling) |
|---|-------------------------|--------------------------|--------------------------|------------------------------|--|--|
| AUM   | 453.3 bn yen            | 304.2 bn yen             | 270.3 bn yen             | 19.6 bn yen                  | 9.9 bn yen<br>(Anticipated disposal price) | 1,149.8 bn yen                                     |
| Number of<br>Properties                                     | 97 properties           | 182 properties           | 70 properties            | 4 properties                 | 2 properties                               | 350 properties                                     |
| Unrealized<br>Gain  | 118.4 bn yen            | -                        | -                        | 2.0 bn yen                   | 1.5 bn yen<br>(Anticipated gain on sales)  | 119.2 bn yen                                       |
| Market<br>Capitalization                                    | 268.1 bn yen            | 228.8 bn yen             | 151.1 bn yen             |                              |  | Aim to increase                                    |
| LTV<br>(Total assets basis)                                 | 45.3%                   | 50.2%                    | 45.0%                    |                              |  | 43.5%  |
| Borrowing<br>Capacity<br>(Assuming leveraging<br>up to 50%) | 44.3 bn yen             | -                        | 28.9 bn yen              |                              |  | 155.7 bn yen                                       |
| Credit Rating<br>(JCR)                                      | AA (Stable)             | AA- (Stable)             | AA- (Stable)             |                              |  | Aim to maintain or<br>upgrade                      |
| End of Fiscal<br>Periods                                    | Apr. / Oct.             | Jan. / Jul.              | Mar. / Sep.              |                              |  | Apr. / Oct.  |

Note: Data at the time of the Merger announcement on Jun. 13, 2023



## Merger Rationale: Adapting to Environmental Changes



### 1 Sustainable Growth Driven by Expansion of Investment Universe

- Increase in acquisition opportunities by expanding the investment universe
- Flexible portfolio strategy, such as asset reshuffling across different asset types, to enhance profitability

### 2 Improvement in Market Presence and Stability

- Significant improvement in the market presence and liquidity, with the enlarged AUM of over 1 tn yen, the third largest among all J-REITs
- Enhanced stability with more diversified portfolio consisting of 350 properties, the largest number of properties among all J-REITs

### 3 Further Commitment to Sustainability

- Integration and elevation of expertise of the 3 REITs to make the New REIT a leading company in sustainability initiatives
- Enhancement of governance and promotion of diversity

## Post-Merger Growth Strategy

---

1

### **Expand investment universe to acquire new growth opportunities**

- Succession of investment policies of 3 REITs with continued focus on their targeted sectors
  - Expansion of investment universe to seek new investment opportunities with growth potential
- 

2

### **Enhance profitability through asset reshuffling**

- Pursue both stability and growth in a changing environment with constant asset reshuffling that contributes to profitability
  - Asset reshuffling in a timely manner to maximize unitholders' value
- 

3

### **Implement active management to acquire upside revenues**

- Maximize revenues from internal growth through active management and expand external growth opportunities
  - Seek upside revenues through enhanced risk tolerance, along with stability
- 

4

### **Securing financial flexibility and enhancing risk resilience**

- Borrowing capacity for acquisition increased; control LTV level appropriately according to environmental changes
  - Aim to further enhance risk resilience with strengthened balance sheet
-

## Enhance Profitability through Asset Reshuffling

- Continue asset reshuffling that enhances profitability, in pursuit of both stability and growth even under environmental changes
- Asset reshuffling in a timely manner to maximize unitholders' value
- Utilize gain on sales from asset reshuffling for distributions and internal reserves

Acquisition theme:  
**Acquisition of Growth Potential**  
 Assets with growth potential in demand



Disposal theme:  
**Risk-off**  
 Assets with weakened competitiveness  
 and decreased profitability

### Scheduled Asset Reshuffling

#### Properties to be Acquired (total anticipated acquisition price: 19,664 mn yen)



**River City 21  
 East Towers II**  
 (25% quasi  
 co-ownership interest)



**remm roppongi  
 building**  
 (20% quasi  
 co-ownership interest)



**Akishima  
 Distribution Center**  
 (Land)



**York Mart Higashi-  
 Michinobe**

|                                      |                  |                    |                 |                 |
|--------------------------------------|------------------|--------------------|-----------------|-----------------|
| <b>Anticipated acquisition price</b> | 9,232 mn yen     | 3,960 mn yen       | 1,872 mn yen    | 4,600 mn yen    |
| <b>Sector</b>                        | Residential      | Hotels             | Logistics       | Retail          |
| <b>Location</b>                      | Chuo ward, Tokyo | Minato ward, Tokyo | Akishima, Tokyo | Kamagaya, Chiba |
| <b>Appraisal value</b>               | 10,775 mn yen    | 4,060 mn yen       | 2,300 mn yen    | 4,620 mn yen    |
| <b>Scheduled acquisition date</b>    | Nov. 1, 2023     |                    | Sep. 25, 2023   |                 |

#### Properties to be Disposed of (total anticipated disposal price: 9,930 mn yen)



**Harajuku  
 F.F. Building**



**KDX Nagoya  
 Sakae Building**

|                                   |                     |               |
|-----------------------------------|---------------------|---------------|
| <b>Anticipated disposal price</b> | 3,880 mn yen        | 6,050 mn yen  |
| <b>Sector</b>                     | Office              | Office        |
| <b>Location</b>                   | Shibuya ward, Tokyo | Nagoya, Aichi |
| <b>Appraisal value</b>            | 3,880 mn yen        | 5,740 mn yen  |
| <b>Gain / loss on sales</b>       | 1,388 mn yen        | 177 mn yen    |
| <b>Scheduled disposal date</b>    | Nov. 1, 2023        |               |



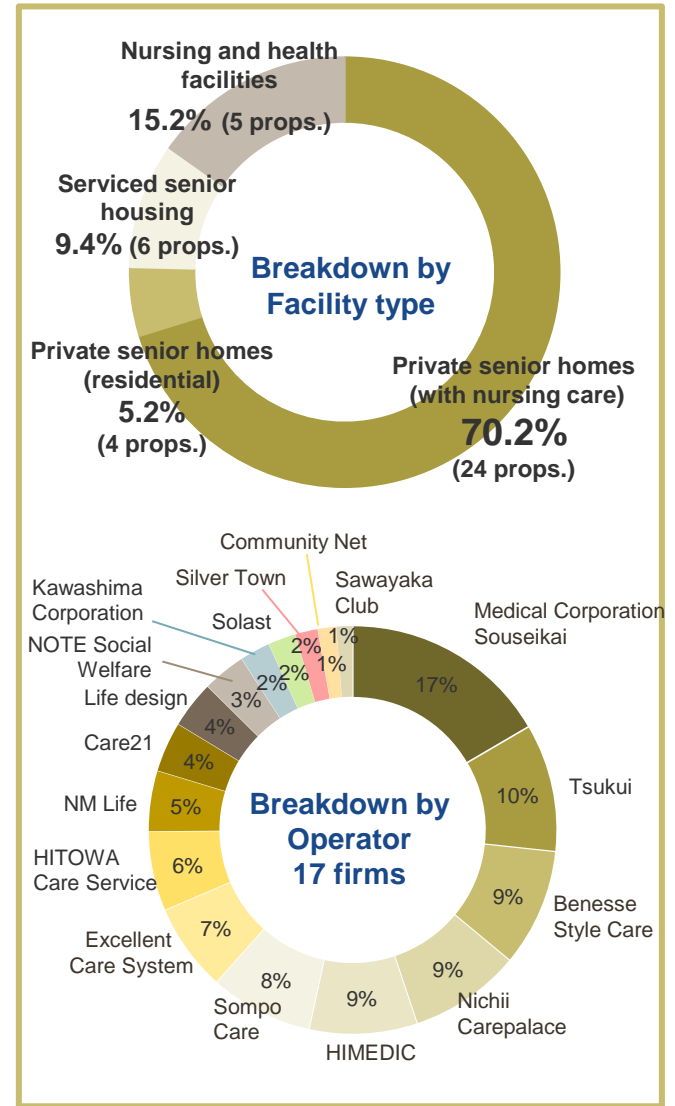
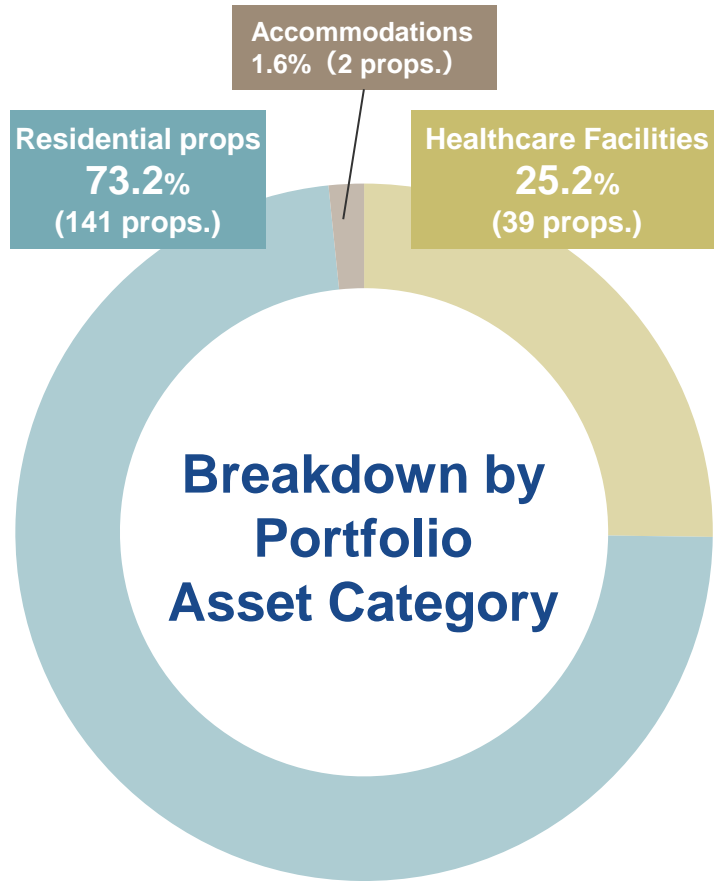
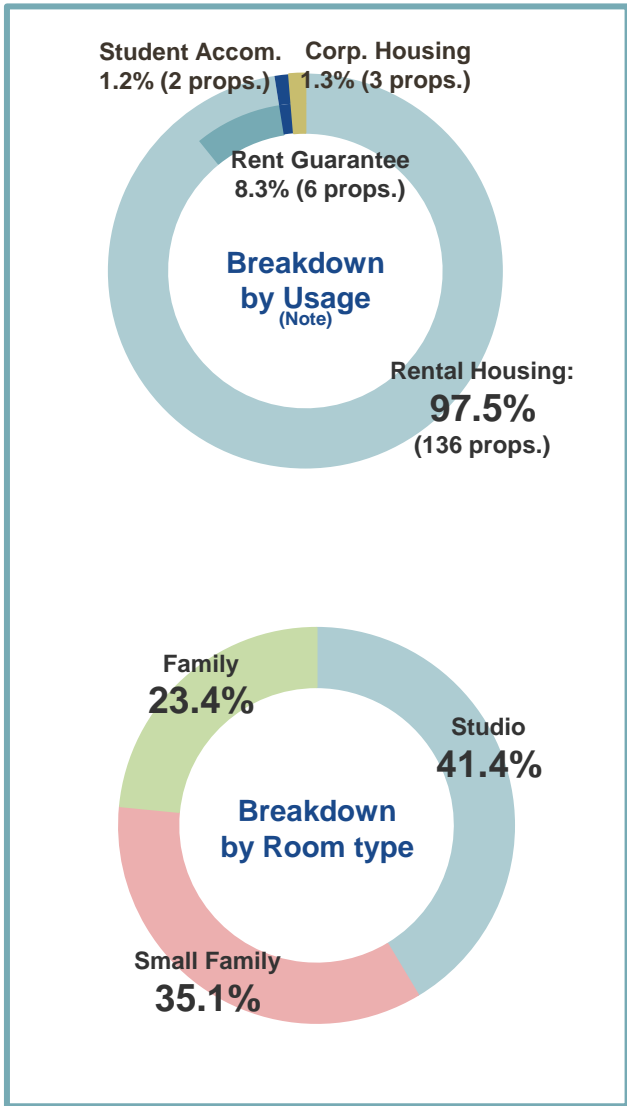


# Appendices



# Portfolio Breakdown (as of Jul. 31, 2023) ①

■ Total Asset Size : 304.2bn yen (182 props.), Residential properties : 222.5bn yen (141 props.), Healthcare facilities : 76.7bn yen (39 props.), Accommodations : 4.9bn yen (2 props.), and build a robust portfolio through diversification

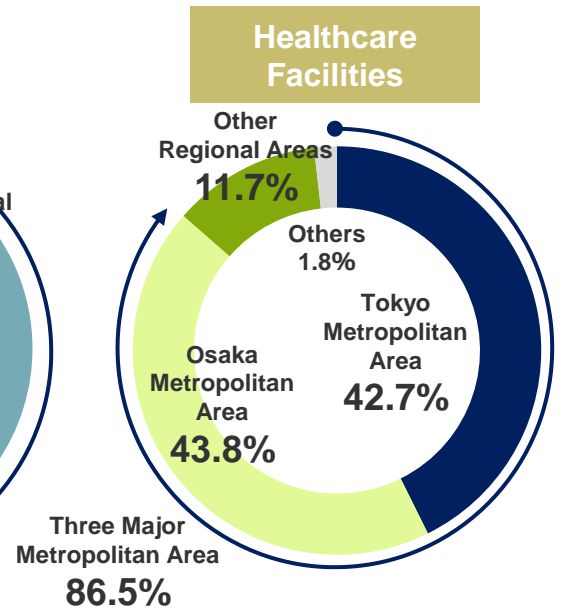
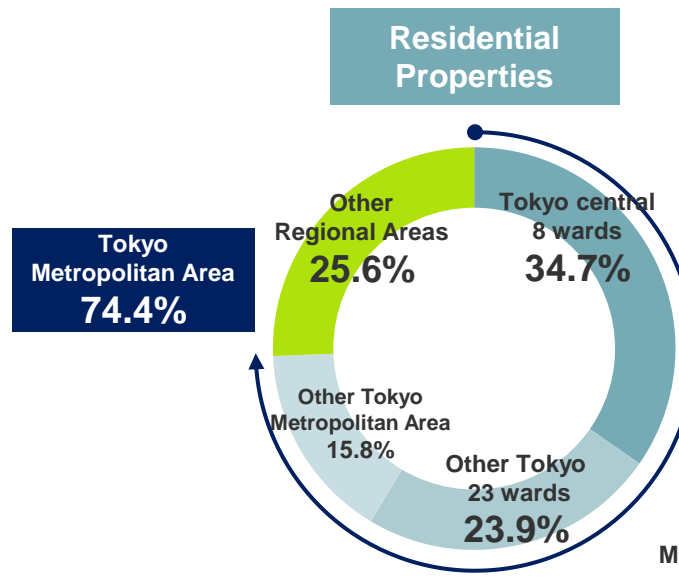
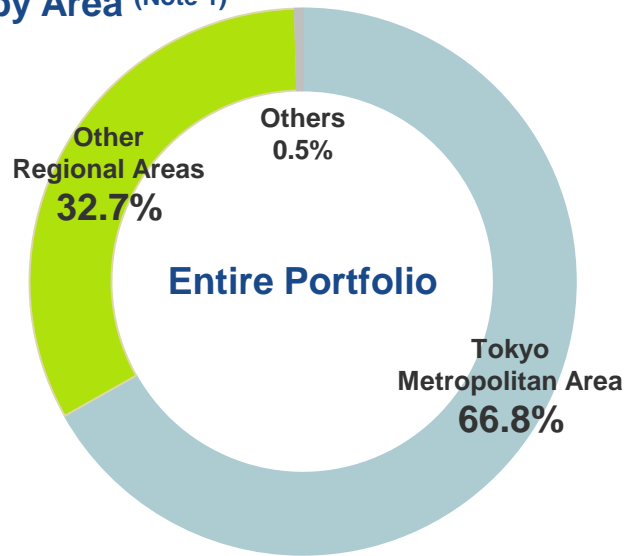


Note : Rent guarantee is a property with guaranteed rent agreement for the entire rent

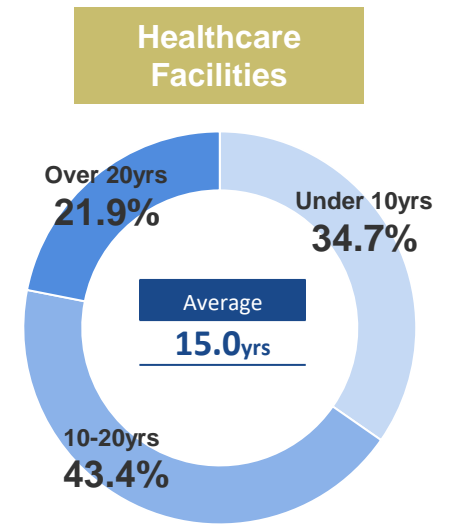
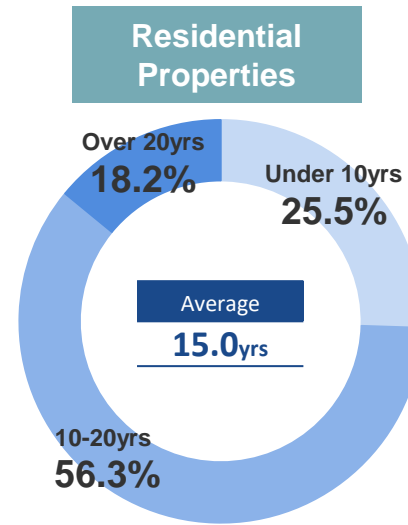
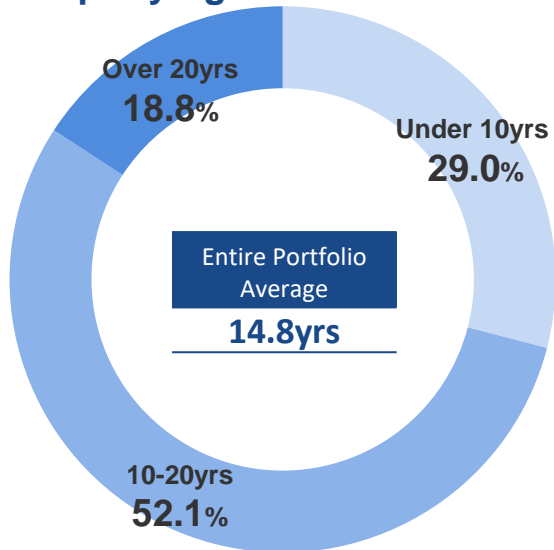


# Portfolio Breakdown (as of Jul. 31, 2023) ②

## Breakdown by Area (Note 1)



## Breakdown by Property Age (Note 2)



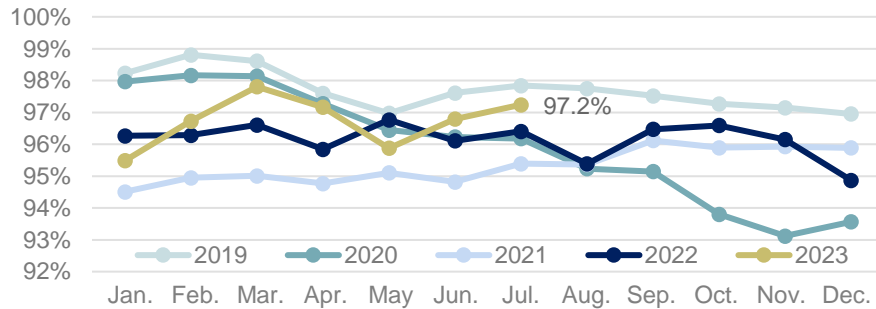
Note1: "Tokyo Metropolitan Area" includes Tokyo, Kanagawa, Saitama and Chiba. "Other Regional Areas" include government-designed municipalities and other regional cities. "Tokyo Central 8 Wards" include Minato-ku, Shibuya-ku, Chuo-ku, Chiyoda-ku, Shinjuku-ku, Meguro-ku, Setagaya-ku and Shinagawa-ku. "Osaka Metropolitan Area" includes Osaka, Kyoto, Nara, Hyogo and Shiga. "Three Major Metropolitan Area" includes Tokyo Metropolitan Area, Osaka Metropolitan Area and Nagoya Metropolitan Area. "Other Regional Areas" include regional cities excluding the three major metropolitan area.

Note2: "Property age" is calculated by the weighted average by the acquisition price of the periods from completion dates to Jul. 31, 2023.

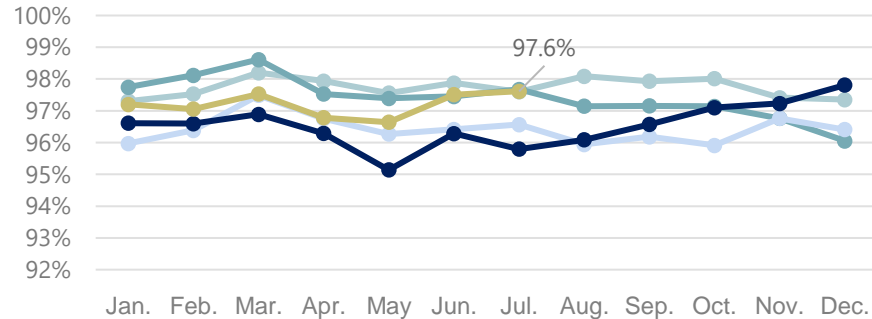
# Occupancy of Residential Properties-Tokyo Metropolitan Area

## Tokyo Metropolitan Area by Area (Note)

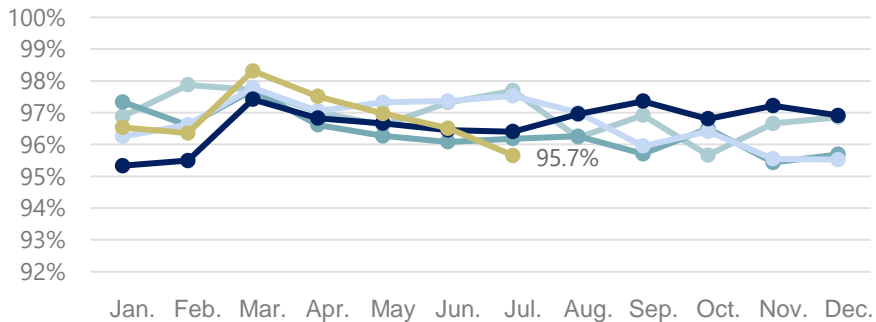
### Tokyo 8 wards



### Other Tokyo 23 wards

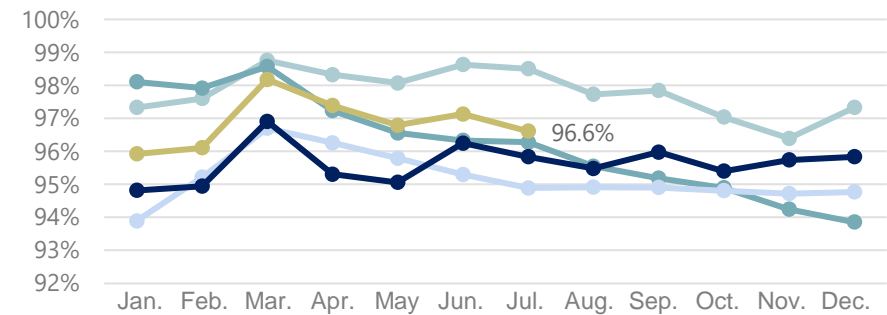


### Other Tokyo Metropolitan Area (Other Tokyo, Kanagawa, Chiba, Saitama)

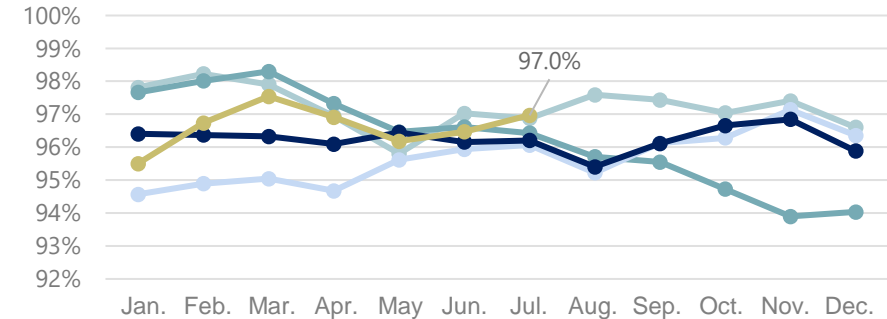


## Tokyo Metropolitan Area by Room type (Note)

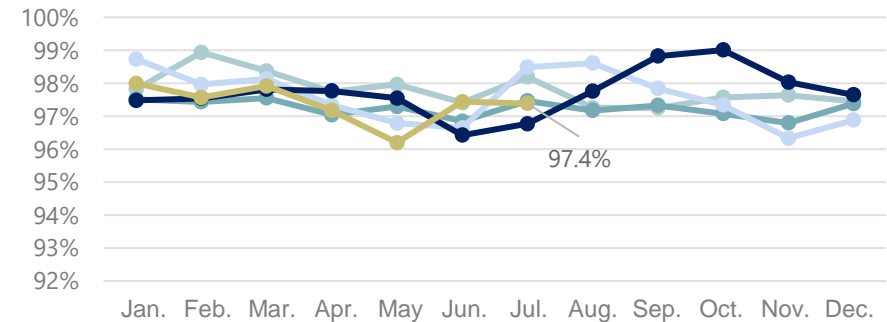
### Studio



### Small family



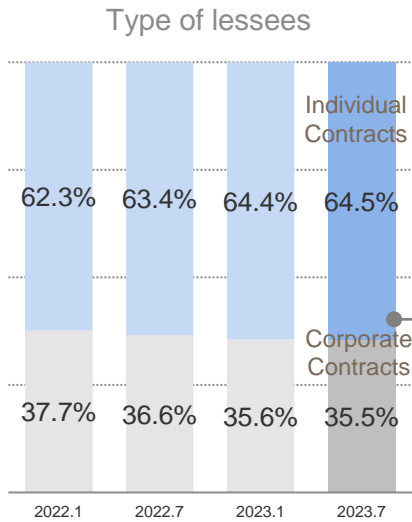
### Family



Note: Occupancy are calculated without ①the newly-constructed properties acquired after 2020 which were not operated or was set to be operated at acquisition, ②KDX residence Akihabara II changing to pass through contract since Feb. 2022 ③ residential units without pass through lease contract (excluding wholesale lease contract) and ④ retail stores and office.

# Tenant Demographics Analysis of Residential Properties

## Type of Lessees (1)

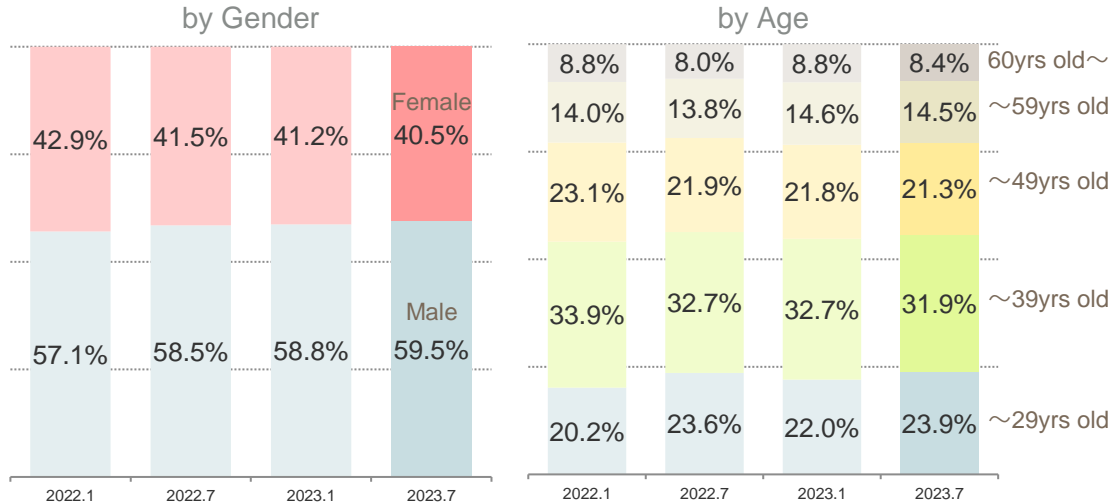


### Large corporate contracts in Rental housing (2)

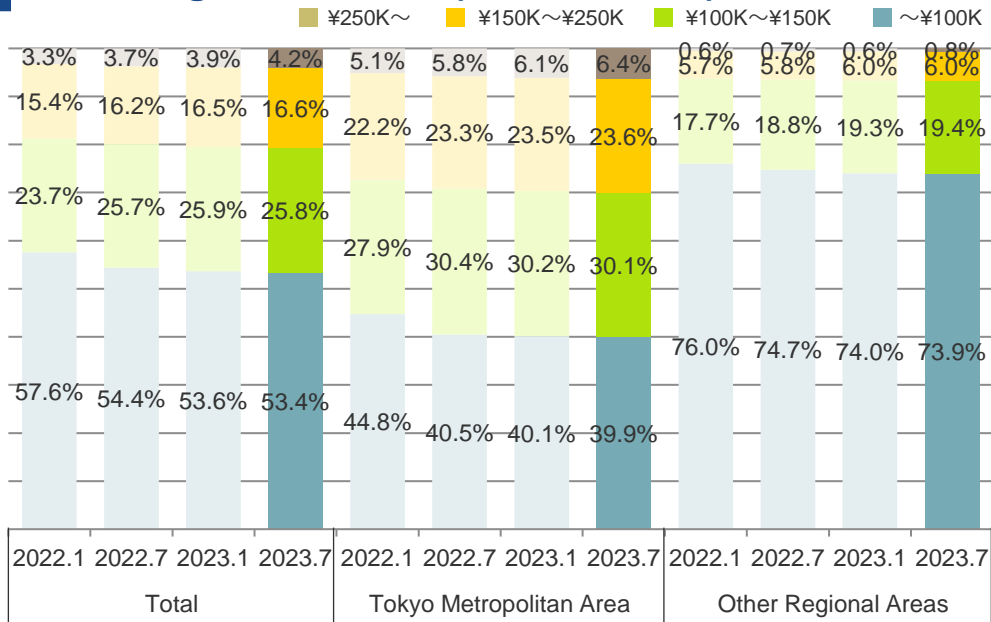
| Property Name                  | # of Contracts | % in the property |
|--------------------------------|----------------|-------------------|
| KDX Residence Kamata-minami II | 31 units       | 91.2%             |
| KDX Residence Kamata-minami    | 69 units       | 86.3%             |
| KDX Residence Nishi-Funabashi  | 42 units       | 73.7%             |
| KDX Residence Higashi-Asakusa  | 22 units       | 61.1%             |
| KDX Residence Okachimachi      | 27 units       | 52.9%             |
| KDX Residence Nakaitabashi     | 39 units       | 50.0%             |
| KDX Residence Yoga             | 18 units       | 47.4%             |
| KDX Residence Mizonokuchi      | 42 units       | 42.9%             |
| KDX Residence Higashi-Shinjuku | 75 units       | 41.9%             |
| KDX Residence Shonandai        | 39 units       | 37.5%             |

Note 1: Lessees of units at the end of each period include stores and offices.  
 Note 2: Large corporate contracts are those that lease over 30% of the units in a certain property. However, properties which have rent guaranteed master lease contracts are excluded.

## Individual Contracts Breakdown



## Rent Range Breakdown (based on unit)



## Average Rent per Residential Unit (3) (as of Jul. 31, 2023)

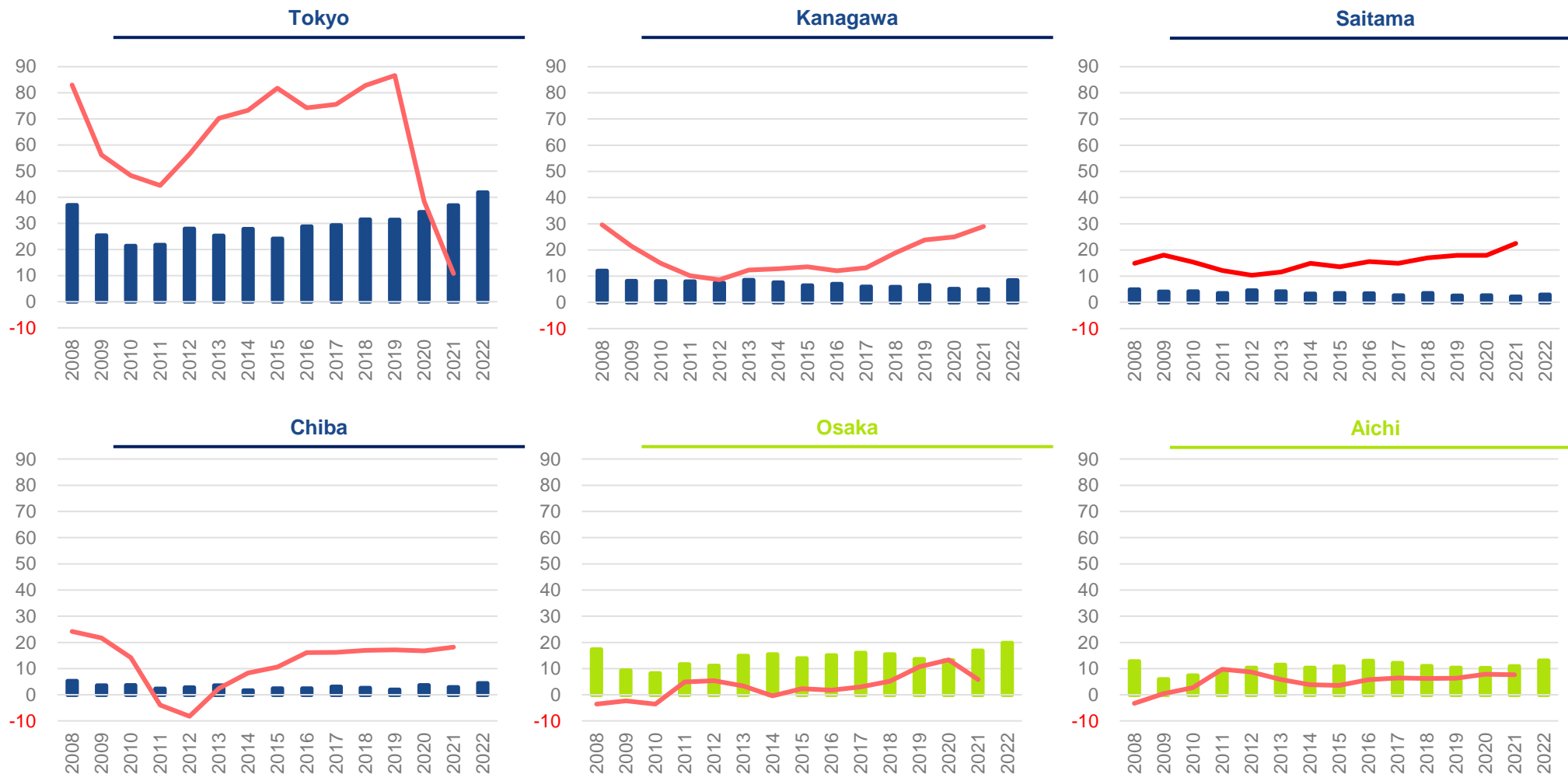
| Room Type    | Area                    |                      | Total                 |
|--------------|-------------------------|----------------------|-----------------------|
|              | Tokyo Metropolitan Area | Other Regional Areas |                       |
| Studio       | 94,366 (+135)           | 72,563 (+45)         | 87,751 (+142)         |
| Small Family | 166,393 (+1,383)        | 86,015 (+220)        | 128,322 (+1,101)      |
| Family       | 229,562 (+2,560)        | 161,292 (+2,315)     | 196,916 (+2,309)      |
| <b>Total</b> | <b>136,863 (+754)</b>   | <b>95,074 (+584)</b> | <b>120,274 (+765)</b> |

Note 3: "( )" Shows the amount of increase or decrease compared to the previous period.



# Construction of Rental Apartments and Net Inflow of Residents into Major Prefectures in Japan

■ Construction of rental apartments — Net inflow of residents  
 (All units: K units or K people)

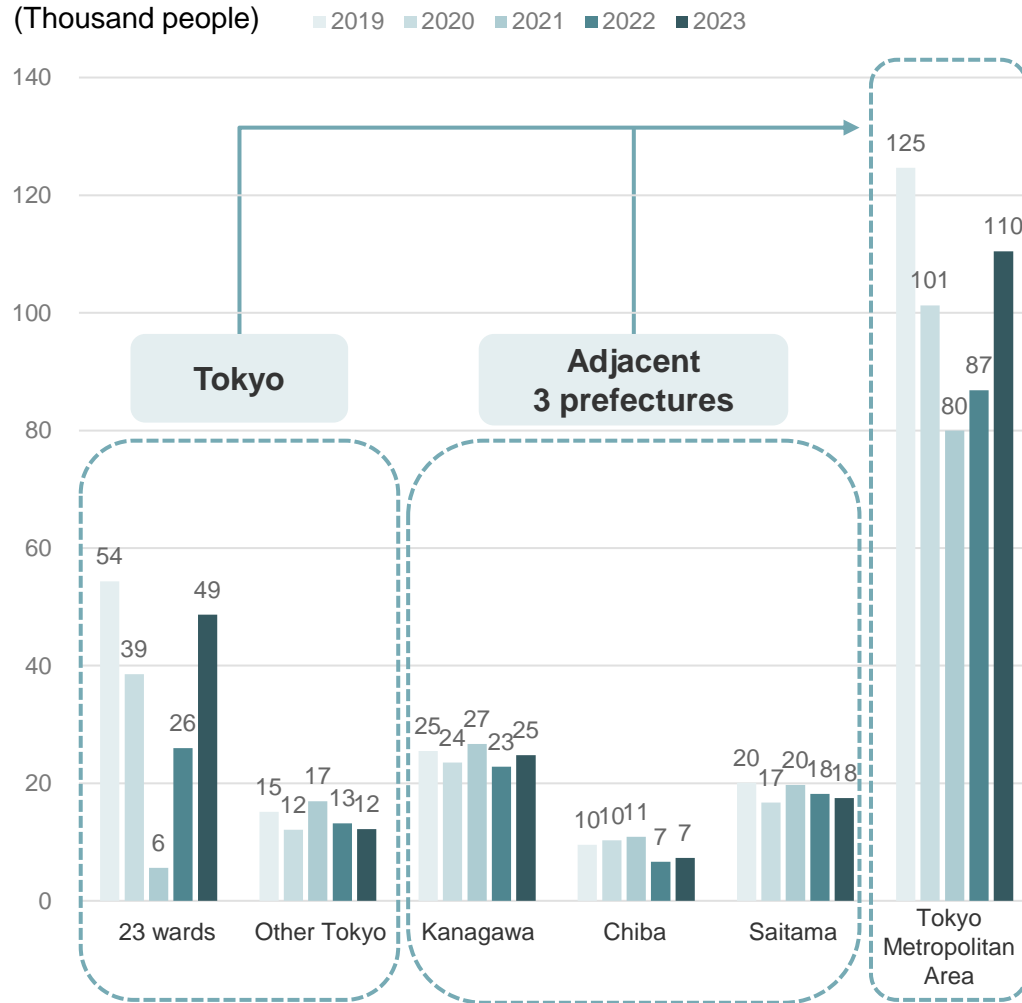


Source : Ministry of land, Infrastructure, Transport and Tourism. Statistics for the Construction of New Housing. Ministry of Internal Affairs and Communications. Report on Population Movement based on the Basic Resident Register.

Note : The total number for each year includes reinforced concrete and steel reinforced concrete buildings. The net inflow of residents is calculated by subtracting the total number of Japanese residents moving out of the relevant prefecture from the total number of Japanese residents moving into the relevant prefecture.

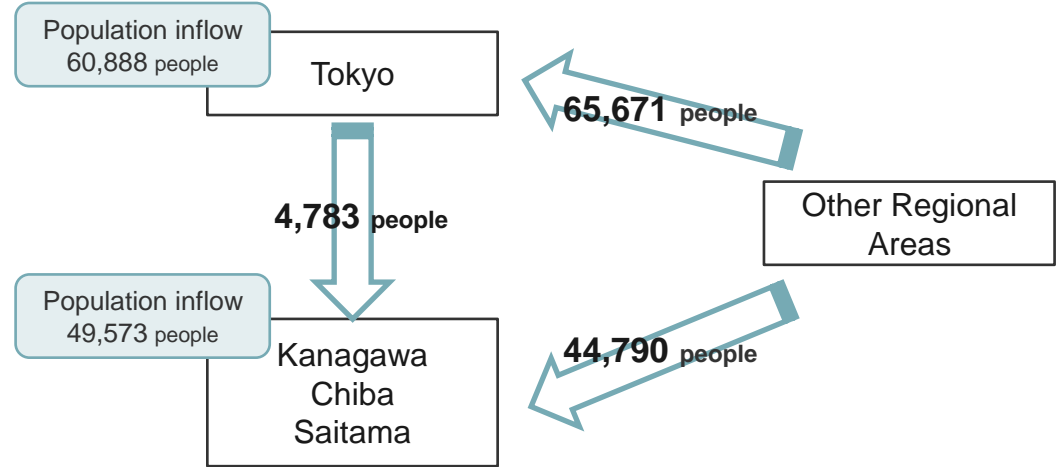
# Demographics of Tokyo Metropolitan Area

## Net Population Inflow into Tokyo Metropolitan Area (Note)

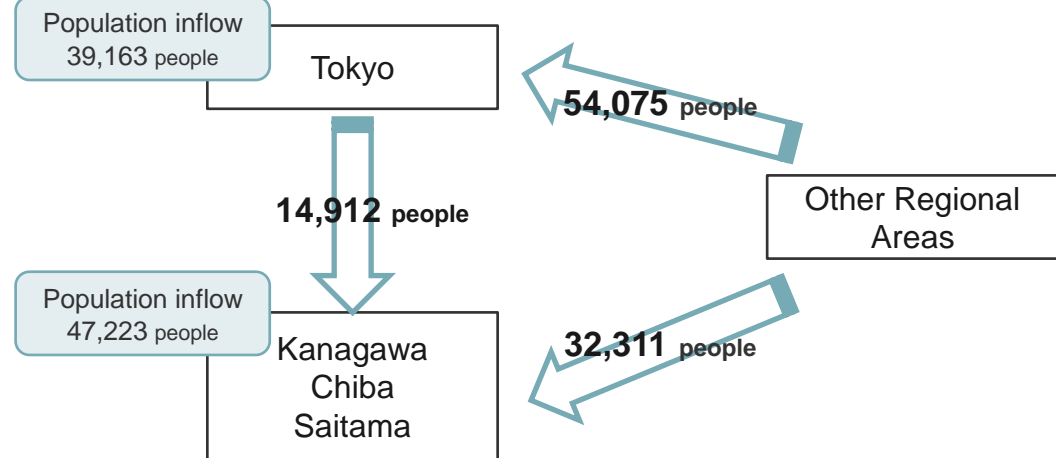


## Migration Pattern

### YTD from Jan. 2023 to Jul. 2023



### YTD from Jan. 2022 to Jul. 2022

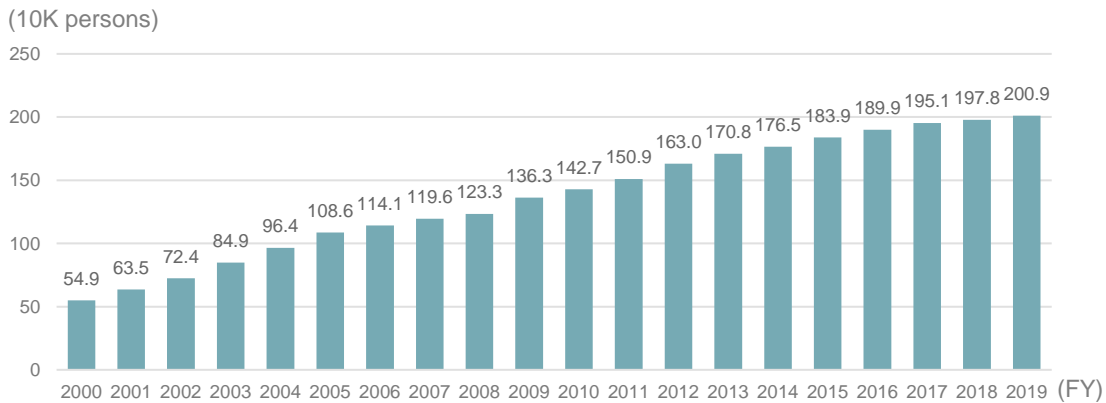


Source : Created by KFM based on the Statistics Bureau, Ministry of Internal Affairs and Communications "Basic Resident Register Population Migration Report Monthly Report"  
 Note: YTD from Jan. to Jul. for each year

# Business Climate for Healthcare Facilities in Japan

- The nursing care workforce in Japan has increased by 1.45 million people (about ×3.7) since the enactment of the Act on Long-term Care Insurance in FY2000.
- New initiatives such as attracting diverse workforce and installing nursing robots are launched

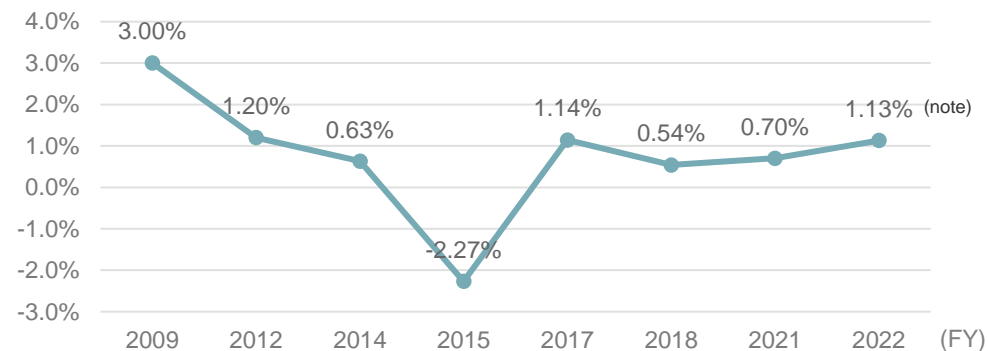
## Japan's Nursing Care Workforce



Source: Survey of Institutions and Establishments for Long-term Care, Ministry of Health, Labour and Welfare

- Revised rate of nursing care fee generally keeps positive since 2009—and increased by 1.13% in FY2022.
- Recruiting rate and turnover rate for nursing care workforce are downward trend

## Revised rate of nursing care fee



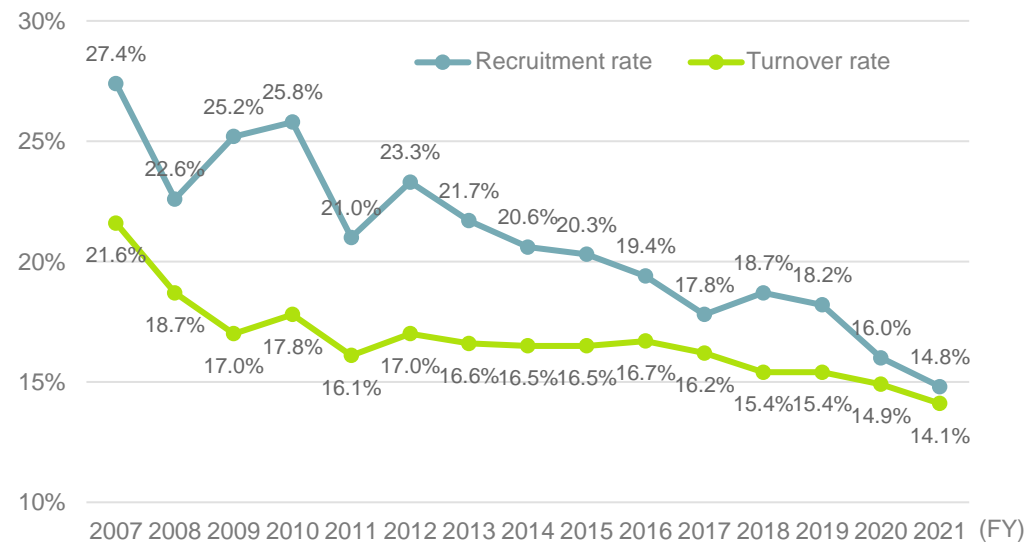
Source: Ministry of Health, Labour and Welfare  
Note: Emergency revision

## Measures to Recruit Nursing Care Workers

|  | Significant Measures Implemented   | Additional Significant Measures to be Implemented  |
|--|--|--|
| <b>Improving the treatment of nursing care staff</b>                 | (Actual) Average monthly wage increased by an amount equivalent to ¥57,000<br>Monthly wage increased by ¥14,000 (FY2017)<br>Monthly wage increased by ¥13,000 (FY2015)<br>Monthly wage increased by ¥6,000 (FY2012)<br>Monthly wage increased by ¥24,000 (FY2009)  | <ul style="list-style-type: none"> <li>○ From October 2019, further treatment improvements will be implemented, with a focus on experienced and skilled nursing care workers, with the aim of achieving wage levels that are comparable to those in other industries for leader-level nursing care workers</li> </ul>  |
| <b>Recruit and train many types of people</b>                        | <ul style="list-style-type: none"> <li>○ Loans for care worker training and outplacement</li> <li>○ Integrated support for middle-aged and older people with no experience in nursing care, from introductory training to post-training experience support and matching</li> </ul>   | <ul style="list-style-type: none"> <li>○ Implement of seminars to promote the entry of active elderly people into the nursing care sector</li> <li>○ Promote of work-related activities in the nursing care field using volunteer points</li> </ul>  |
| <b>Increasing retention and raising productivity</b>                 | <ul style="list-style-type: none"> <li>○ Promote the use of nursing care robots and ICT</li> <li>○ Support for establishing and operating childcare facilities in nursing care facilities and offices</li> <li>○ Reduce the financial burden of taking training seminars for career advancement and support for substitute care workers</li> </ul> | <ul style="list-style-type: none"> <li>○ Develop leader-level nursing care workers and improve practical skills through team care</li> <li>○ Accelerate introduction of nursing care robots and ICT</li> <li>○ Popularize productivity improvement guidelines</li> <li>○ Establish of a consultation service for concerns and promote of interaction among young employees</li> </ul>        |
| <b>Make nursing care jobs more appealing</b>                         | <ul style="list-style-type: none"> <li>○ Promote the understanding of nursing care work among students, their guardians and career guidance staff</li> <li>○ Organize events to learn about nursing care</li> </ul>  | <ul style="list-style-type: none"> <li>○ Disseminate information on the appeal of nursing careers to young people, people who have finished raising children, and active elderly people</li> </ul>   |
| <b>Improvement of the acceptance environment for foreign workers</b> | <ul style="list-style-type: none"> <li>○ Support for international students aiming to become nursing care workers (Promotion of loans for care worker training, consultation support for daily life, etc.)</li> </ul>  | <ul style="list-style-type: none"> <li>○ Improve the acceptance environment for foreign nursing care workers with special skills, etc. (Promote Japanese nursing care through local information sessions, etc. Group training to improve nursing care skills. Support for learning Japanese for nursing care. Consultation support and patrol visits for nursing care work, etc.)</li> </ul> |

Source: Ministry of Health, Labour and Welfare

## Recruitment rate and Turnover rate for Nursing Care Workforce



Source: Survey of Nursing care labor situation 2021, Care Work Foundation

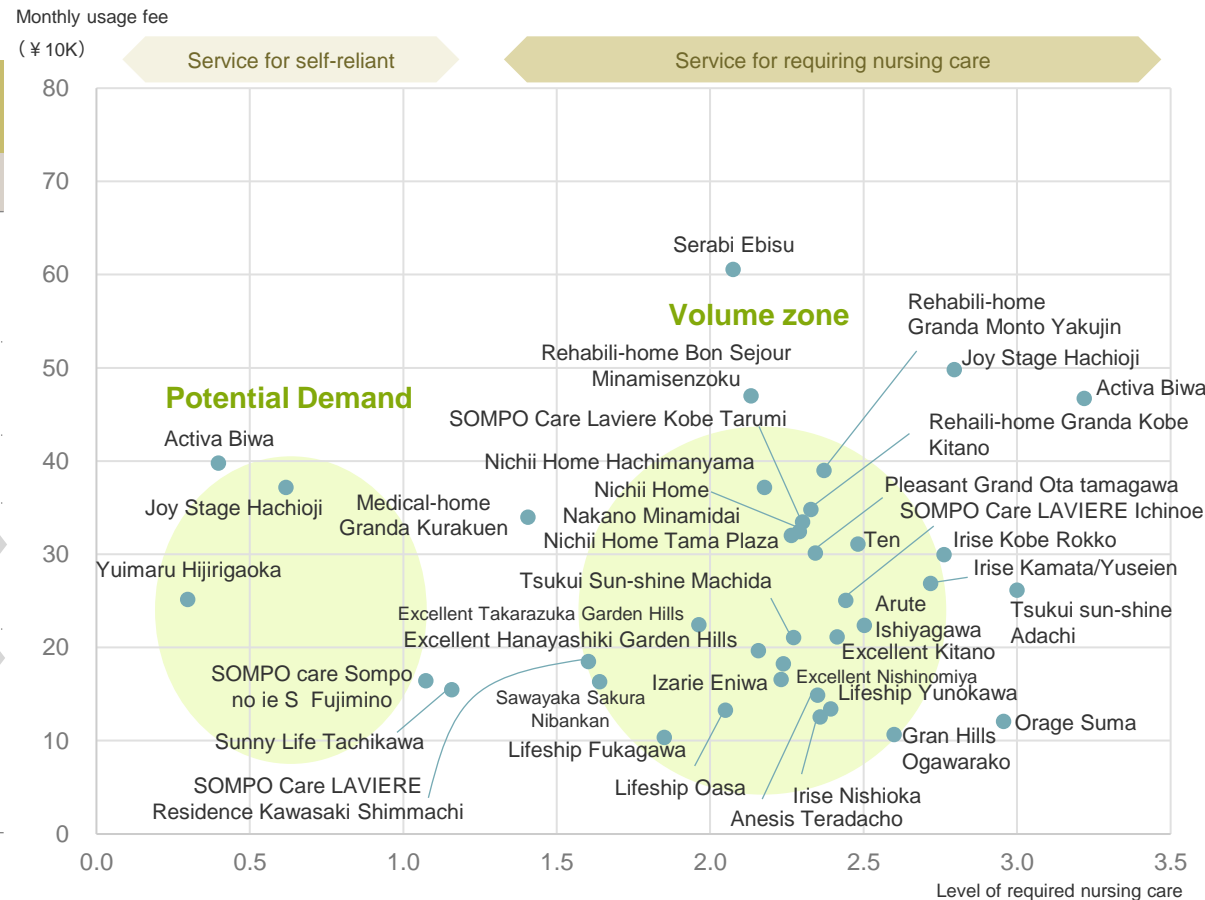


# Classification of Senior Living Facilities

Classification of Senior Living Facilities by Type (Note1)

|                        | For persons living on their own (self-reliant) |                      | For persons requiring nursing care  |                     |
|------------------------|--|----------------------|---|---------------------|
|                        | Mid-price range                                | High price range     | Mid-price range   | High price range    |
| Market demand          | ◎<br>(Potential demand)                        | △<br>(Price)         | ◎<br>(Volume zone)  | ○<br>(Price)        |
| Monthly housing charge | ¥ 0.1~0.3 million                              | ¥ 0.3 million ~      | ¥ 0.1~0.3 million   | ¥ 0.3 million ~     |
| Unit size              | 25~50m <sup>2</sup>                            | 50~100m <sup>2</sup> | 15~25m <sup>2</sup>   | 18~25m <sup>2</sup> |
| Room amenities         | Washroom, bathroom, air conditioner, etc       |                      |   |                     |
|                        | Bathroom, kitchen, etc.                        |                      |   |                     |
| Shared amenities       | Dining room, kitchen, lounge, etc.             |                      |   |                     |
|                        | Public bathroom, Leisure facilities, etc.      |                      | Bathroom (for individual, public bathroom and mechanical bathroom), helper station, health management room, rehabilitation room, etc. |                     |

Average Required Level of Nursing and Monthly Paid Fee by Facilities (Note2)



Note 1: The above chart shows, in a simplified manner, the general features of market demand, monthly housing charge, unit size, room amenities and shared amenities assumed by KDR to pertain to the mentioned types of senior living facilities. "The monthly usage fee" indicates the monthly usage fee for single person room for the general public shown in the explanatory documents of important matter(excluding the co-payment of nursing care insurance service, In cases the lump-sum payment is received, added the amount of prorating the lump-sum payment to the anticipated period of residence stipulated in the explanatory documents of important matters, etc.)

Note 2: This diagram is a simplified analysis of attributes of senior living facilities in the portfolio as of Jul. 31, 2023. For "Joy Stage Hachioji" and "Active Biwa", the average value for each of service for self-reliant and service for requiring nursing care in the facility are shown. "Monthly usage fee" and "Level of required nursing care" are based on the explanatory documents of important matter if described otherwise on the latest report.

# Overview of Operators of KDR-owned Properties

| Operator<br>(Parent company, etc.)   | Established    | Facilities<br>operated<br>(Note) | Capacities<br>(Note) | Listed / Unlisted  | Locations owned by KDR<br>(Property name)  |
|--|----------------|----------------------------------|----------------------|--|--|
| <b>Sompo Care Inc.</b><br>(Sompo Holdings, Inc.)                                 | May 1997       | 469                              | 29,454               | Consolidated subsidiary of Sompo Holdings, Inc.<br>(TSE Prime Market listed)           | Sompo Care Lavire Kobe Tarumi<br>SOMPO Care LAVIERE Residence Kawasaki<br>Shimmachi<br>SOMPO care Sompo no ie S Fujimino<br>Sompo Care LAVIERE Ichinoe |
| <b>Benesse Style Care Co., Ltd.</b><br>(Benesse Holdings, Inc.)                  | September 1995 | 352                              | 20,318               | Consolidated subsidiary of Benesse Holdings, Inc.<br>(TSE Prime Market listed)         | Rihabili-home Granda Mondo Yakujin<br>Medical-home Granda Kurakuen<br>Rihabili-home Granda Kobe Kitano<br>Rihabili-home Bon Sejour Minami Senzoku      |
| <b>HITOWA Care Service Co., Ltd.</b><br>(HITOWA Holdings Co., Ltd.)              | November 2006  | 133                              | 8,279                | Unlisted company   | Irise Kamata/Yuseien, Irise Nishioka<br>Izarie Eniwa building (Irise Eniwa)<br>Irise Kobe Rokko  |
| <b>Nichii Carepalace Company</b><br>(NICHII HOLDINGS CO., LTD.)                  | June 1964      | 484                              | 16,015               | Unlisted company   | Nichii Home Nakano Minamidai<br>Nichii Home Tama Plaza<br>Nichii Home Hachimanyama   |
| <b>Sawayaka Club Co., Ltd.</b><br>(Uchiyama Holdings Co., Ltd.)                  | December 2004  | 98                               | 5,781                | Consolidated subsidiary of UCHIYAMA HOLDINGS<br>Co., Ltd. (TSE Standard Market listed) | Sawayaka Sakura Nibankan   |
| <b>Tsukui Corporation</b>  | June 1969      | 97                               | 4,316                | Unlisted company   | Tsukui Sun-shine Machida<br>Tsukui Sun-shine Adachi  |
| <b>Care 21 Corporation</b>   | November 1993  | 137                              | 4,942                | TSE Standard Market listed   | Plaisant Grand Ota tamagawa  |
| <b>HIMEDIC Inc.</b><br>(Resorttrust, Inc.)                                       | September 1992 | 23                               | 2,597                | Consolidated subsidiary of Resorttrust, Inc.<br>(TSE Prime Market listed)              | Activa Biwa  |
| <b>NOTE Social Welfare Corporation</b><br>(Tsushima Health care & Welfare Group) | June 1983      | 33                               | 1,902                | Unlisted organization  | Ten  |
| <b>Excellent Care System Co., Ltd.</b>   | August 2004    | 68                               | 3,033                | Unlisted company   | Excellent Nishinomiya, Excellent Kitano<br>Excellent Hanayashiki Garden Hills<br>Excellent Takarazuka Garden Hills                                     |
| <b>Community Net Inc.</b>  | June 1998      | 13                               | 755                  | Unlisted company   | Yuimaru Hijirigaoka  |
| <b>Medical Corporation Souseikai</b>   | November 1999  | 252                              | 13,045               | Unlisted organization  | Anesis Teradacho, Rococo-riha, Orage Suma,<br>Canadian Hill, Anesis Hyogo, Arute Ishiyagawa  |
| <b>Solasto Corporation</b>   | October 1968   | 171                              | 5,153                | TSE Prime Market listed  | Serabi Ebisu   |
| <b>NM LIFE Co., Ltd.</b><br>(Iriscare Co., Ltd.)                                 | October 1995   | 1                                | 232                  | Unlisted company   | Joy Stage Hachioji   |
| <b>Silver Town Ltd.</b><br>(Iriscare Co., Ltd.)                                  | February 2002  | 3                                | 197                  | Unlisted company   | Gran Hills Ogawarako   |
| <b>Kawashima Corporation</b>   | September 1990 | 156                              | 14,962               | Unlisted company   | Sunny life Tachikawa   |
| <b>Life Design co., Ltd.</b>   | June 2016      | 10                               | 1,055                | Unlisted company   | Lifeship Oasa, Lifeship Yunokawa, Lifeship Fukagawa  |

Note: : As of Jul. 31, 2023. Facilities operated and capacities are based on Shukan Koreisha Jutaku Shimibun ("Weekly Senior Housing Newspaper"), August 23 and 30, 2023 (Issue 726) and these figures are the number and the capacity of the facilities operated by the company's group the operator belongs to (the number of rooms only for Nichii Carepalace Company). However, some figures are based on information obtained from operators, etc. and these are figures for the relevant operator alone.

# Operators Rank by Capacities

## Capacities of Welfare Facilities and Senior Housing Facilities

| Rank | Company   | Major brands  | Locations owned by KDR <sup>(1)</sup> | Total <sup>(2)</sup> |            |
|------|---|---|---------------------------------------|----------------------|------------|
|      |   |   |                                       | Facilities           | Capacities |
| 1    | <b>Sompo Care</b>                               | <b>Lavire Gran, Lavire Reidence, Laviere, Sompo no ie, Sompo no ie S</b>              | 4                                     | 469                  | 29,454     |
| 2    | <b>Benesse Style Care</b>                       | <b>Aria, Kurara, Granny &amp; Granda, Madoka, Bonsejour, Kokochi, Li-Re</b>           | 4                                     | 352                  | 20,318     |
| 3    | Gakken Group                                    | Cocofan, Ai no ie, Ensemble, Famineu  |                                       | 506                  | 18,390     |
| 4    | <b>NICHII Group</b>                             | <b>Nichii no Kirameki, Nichii no Hohoemi, Nichii Home, Iris Garden, Nichii Maison</b> | 3                                     | 484                  | 16,015     |
| 5    | <b>Kawashima Corporation</b>                    | <b>Sunny Life, Yawaragien</b>   | 1                                     | 156                  | 14,962     |
| 6    | <b>Souseikai Group</b>                          | <b>Good Time Home, Gooe Time Club, Good Care, Sonorous Court</b>                      | 6                                     | 252                  | 13,045     |
| 7    | BestLife  | BestLife  |                                       | 190                  | 12,323     |
| 8    | KOYAMA Healthcare Group                         | La Soeur, Camellia  |                                       | 204                  | 11,908     |
| 9    | Kinoshita Care                                  | Life commune, Lien Reve, Ouen Kazoku  |                                       | 141                  | 8,885      |
| 10   | Aoikai Group                                    | Aoi no sono, Aoi no sato  |                                       | 95                   | 8,573      |
| 11   | <b>HITOWA Care Service</b>                      | <b>Irise</b>  | 4                                     | 133                  | 8,279      |
| 12   | ALSOK Group                                     | Minna no ie, Home Station House, Belparjyu, Rose Life                                 |                                       | 205                  | 8,143      |
| 13   | Fuji Jutaku Group                               | Fuji Palace Senior  |                                       | 237                  | 7,719      |
| 14   | Half Century More                               | SunCity   |                                       | 18                   | 7,128      |
| 15   | Saiseikai Group                                 | (No specific brand)   |                                       | 105                  | 7,062      |
| 16   | Tokushukai Group                                | Tokushuen   |                                       | 81                   | 6,063      |
| 17   | <b>Sawayaka Club</b>                            | <b>Sawayaka</b>   | 1                                     | 98                   | 5,781      |
| 18   | VATI  | Anshin Home, Furusato Home  |                                       | 153                  | 5,685      |
| 19   | Charm Care Corporation                          | Charm, Charm Suite, Charm Premier, Charm Premier Grand                                |                                       | 80                   | 5,462      |
| 20   | <b>Solasto Group</b>                            | <b>Solasto, Gracemate, Serabi, Mantendo, Ayame, Akari</b>                             | 1                                     | 171                  | 5,153      |
| 24   | <b>Care 21</b>                                  | <b>PLAISANT GRAND</b>   | 1                                     | 137                  | 4,942      |
| 27   | <b>TSUKUI</b>                                   | <b>TSUKUI Sunshine, TSUKUI Sunforest</b>  | 2                                     | 97                   | 4,316      |
| 37   | <b>Excellent Care System</b>                    | <b>Excellent, Suite, Grand Home</b>   | 4                                     | 68                   | 3,033      |
| 48   | <b>Resorttrust Group</b>                        | <b>Trust Garden, Felio</b>  | 1                                     | 23                   | 2,597      |
| 72   | <b>Tsushima Health care &amp; Welfare Group</b> | <b>NOTE</b>   | 1                                     | 33                   | 1,902      |
| 150  | <b>Life Design co., Ltd.</b>                    | <b>Lifeship</b>   | 3                                     | 10                   | 1,055      |
| 241  | <b>Community Net</b>                            | <b>Yuimaru</b>  | 1                                     | 13                   | 755        |

Source: Shukan Koreisha Jutaku Shimibun ("Weekly Senior Housing Newspaper"), August 23 and 30, 2023 (Issue 726)

Note 1: As of Jul. 31, 2023

Note 2: The number of facilities and capacities are based on information in Shukan Koreisha Jutaku Shimibun, August 3 and 10, 2022 (Issue 681). For corporate groups, the number of facilities and number of rooms are for all senior care facilities, such as private senior homes, serviced senior housings and special nursing homes for the elderly, of affiliated companies .



# Status of Lease Agreements (Healthcare Facilities)

| No.            | Property Name                                   | Operator <sup>(1,2)</sup>       | Facility Type      | Remaining Term <sup>(3)</sup> | (yrs)       | Revision Period             | Next Revision Date |
|----------------|---|---------------------------------|--------------------|-------------------------------|-------------|-----------------------------|--------------------|
| H-1            | Irise Kamata/Yuseien                            | HITOWA Care Service Co., Ltd.   | Nursing Care       | 18.9                          | 18.9        | Each 5 years                | 2027/7/1           |
| H-2            | Nichii Home Nakano Minamidai                    | Nichii Carepalace Company       | Nursing Care       | 3.6                           | 3.6         | Each 3 years                | 2025/4/1           |
| H-3            | Joy Stage Hachioji                              | NM LIFE Co., Ltd.               | Nursing Care       | 12.5                          | 12.5        | Not allowed <sup>(4)</sup>  | -                  |
| H-4            | Yuimaru Hijirigaoka                             | Community Net Inc.              | Residential        | 41.3                          | 41.3        | Not allowed <sup>(5)</sup>  | -                  |
| H-5            | Nichii Home Tama Plaza                          | Nichii Carepalace Company       | Nursing Care       | 9.0                           | 9.0         | Each 3 years                | 2027/9/1           |
| H-6            | Ten   | NOTE Social Welfare Corporation | Nursing Care       | 14.5                          | 14.5        | Not allowed <sup>(5)</sup>  | -                  |
| H-7            | Irise Nishioka                                  | HITOWA Care Service Co., Ltd.   | Residential        | 20.8                          | 20.8        | Not allowed <sup>(4)</sup>  | -                  |
| H-8            | Izarie Eniwa Building <sup>(6)</sup>            | HITOWA Care Service Co., Ltd.   | Nursing Care       | 21.6                          | 21.6        | Not allowed <sup>(4)</sup>  | -                  |
| H-9            | Sawayaka Sakura Nibankan                        | Sawayaka Club Co., Ltd.         | Nursing Care       | 9.6                           | 9.6         | Not allowed <sup>(4)</sup>  | -                  |
| H-10           | Active Biwa                                     | HIMEDIC Inc.                    | Nursing Care       | 4.0                           | 4.0         | Each 3 years                | 2024/1/29          |
| H-11           | Sompo Care LAVIERE Kobe Tarumi                  | Sompo Care Inc.                 | Nursing Care       | 6.8                           | 6.8         | Not allowed <sup>(7)</sup>  | -                  |
| H-12           | Rehabili-home Granda Mondo Yakujin              | Benesse Style Care Co., Ltd.    | Residential        | 14.0                          | 14.0        | Not allowed <sup>(7)</sup>  | -                  |
| H-13           | Excellent Nishinomiya                           | Excellent Care System Co., Ltd. | Nursing Care       | 11.1                          | 11.1        | Not allowed <sup>(8)</sup>  | -                  |
| H-14           | Gran Hills Ogawarako                            | Silver Town Ltd.                | Serviced           | 6.2                           | 6.2         | Each 3 years <sup>(9)</sup> | 2023/11/12         |
| H-15           | Excellent Kitano                                | Excellent Care System Co., Ltd. | Residential        | 12.0                          | 12.0        | Not allowed <sup>(8)</sup>  | -                  |
| H-16           | Anesis Teradacho                                | Souseikai Medical Corporation   | Nursing and health | 12.6                          | 12.6        | Each 5 years                | 2026/12/31         |
| H-17           | Rococo-riha                                     | Souseikai Medical Corporation   | Nursing and health | 12.6                          | 12.6        | Each 5 years                | 2026/12/31         |
| H-18           | Orage Suma                                      | Souseikai Medical Corporation   | Nursing and health | 12.6                          | 12.6        | Each 5 years                | 2026/12/31         |
| H-19           | Canadian Hill                                   | Souseikai Medical Corporation   | Nursing and health | 12.6                          | 12.6        | Each 5 years                | 2026/12/31         |
| H-20           | Anesis Hyogo                                    | Souseikai Medical Corporation   | Nursing and health | 12.6                          | 12.6        | Each 5 years                | 2026/12/31         |
| H-21           | Plaisant Grand Ota tamagawa                     | Care 21 Corporation             | Nursing Care       | 14.5                          | 14.5        | Not allowed <sup>(7)</sup>  | -                  |
| H-22           | Tsukui Sun-shine Machida (West)                 | sukui Coroporation              | Nursing Care       | 18.6                          | 18.6        | Each 5 years                | 2027/4/1           |
|                | (East)  |                                 |                    | 20.8                          | 20.8        | Each 5 years                | 2025/6/1           |
| H-23           | Serabi Ebisu                                    | Solasto Corporation             | Nursing Care       | 4.0                           | 4.0         | Each 3 years                | 2025/5/1           |
| H-24           | Arute Ishiyagawa                                | Souseikai Medical Corporation   | Nursing Care       | 25.0                          | 25.0        | Each 5 years                | 2026/12/31         |
| H-25           | Medical-home Granda Kurakuen                    | Benesse Style Care Co., Ltd.    | Nursing Care       | 27.3                          | 27.3        | Not allowed <sup>(7)</sup>  | -                  |
| H-26           | Rehabili-home Granda Kobe Kitano                | Benesse Style Care Co., Ltd.    | Nursing Care       | 22.6                          | 22.6        | Not allowed <sup>(7)</sup>  | -                  |
| H-27           | SOMPO Care LAVIERE Residence Kawasaki Shimmachi | Sompo Care Inc.                 | Serviced           | 14.4                          | 14.4        | Each 5 years                | 2025/9/1           |
| H-28           | SOMPO care Sompo no ie S Fujimino               | Sompo Care Inc                  | Serviced           | 14.4                          | 14.4        | Each 5 years                | 2025/9/1           |
| H-29           | Irise Kobe Rokko                                | HITOWA Care Service Co., Ltd.   | Nursing Care       | 23.5                          | 23.5        | Each 10 years               | 2027/2/1           |
| H-30           | Excellent Hanayashiki Garden Hills              | Excellent Care System Co., Ltd. | Nursing Care       | 13.7                          | 13.7        | Each 3 years                | 2026/4/28          |
| H-31           | Excellent Takarazuka Garden Hills               | Excellent Care System Co., Ltd. | Nursing Care       | 17.9                          | 17.9        | Each 3 years                | 2024/6/30          |
| H-32           | Tsukui Sun-shine Adachi                         | Tsukui Coroporation             | Nursing Care       | 7.5                           | 7.5         | Each 5 years                | 2026/2/1           |
| H-33           | SOMPO Care LAVIERE Ichinoe                      | Sompo Care Inc.                 | Nursing Care       | 16.1                          | 16.1        | Not allowed <sup>(7)</sup>  | -                  |
| H-34           | Nichii Home Hachimanyama                        | Nichii Carepalace Company       | Nursing Care       | 24.6                          | 24.6        | Each 5 years                | 2028/5/1           |
| H-35           | Lifeship Oasa                                   | Life Design co., ltd.           | Serviced           | 16.3                          | 16.3        | Not allowed                 | -                  |
| H-36           | Lifeship Yunokawa                               | Life Design co., ltd.           | Serviced           | 16.3                          | 16.3        | Not allowed                 | -                  |
| H-37           | Lifeship Fukagawa                               | Life Design co., ltd.           | Serviced           | 16.1                          | 16.1        | Not allowed                 | -                  |
| H-38           | Sunny Life Tachikawa                            | Kawashima Corporation           | Nursing Care       | 24.5                          | 24.5        | Not allowed <sup>(7)</sup>  | -                  |
| H-39           | Rehabili-home Bon Sejour Minamisenzoku          | Benesse Style Care Co., Ltd.    | Nursing Care       | 18.5                          | 18.5        | Each 5 years                | 2027/2/1           |
| <b>Average</b> |   |                                 |                    | <b>Average</b>                | <b>14.7</b> |                             |                    |

Healthcare Facilities








Note 1: In the case there are multiple tenants in each facility, status is referred based on lease agreements with operators which are main tenants.  
 Note 2: Types of lease agreements are all ordinary lease agreements excluding "Gran Hills Ogawarako", "Arute Ishiyagawa", "Lifeship Oasa", "Lifeship Yunokawa" and "Lifeship Fukagawa". Fixed-term lease agreement is valid for these 5 facilities.  
 Note 3: "Remaining Term" is calculated from Jul. 31, 2023 to the termination date of agreements with operators.  
 Note 4: As a rule, no revision is allowed in term of agreements. Discussion is allowed every 2 years about increase in rent by inflation and rising interest rates.  
 Note 5: As a rule, no revision is allowed in term of agreements. Discussion is allowed every three years in the case conditions are highly unreasonable because of the changes of economic climate but if the discussion is failed, tenants are needed to pay current rent.  
 Note 6: Contents of lease agreements about "Irise Eniwa" occupying from 4F to 6F of "Izarie Eniwa Building".  
 Note 7: As a rule, no revision is allowed in term of agreements. Discussion is allowed in the case conditions are highly unreasonable because of the changes of economic climate.  
 Note 8: As a rule, no revision is allowed in term of agreements. Discussion is allowed every three years in the case conditions are highly unreasonable because of the changes of economic climate and invested by the lessor to add to the real estate (including repair and extra renovation)  
 Note 9: Requests of rent reduction aren't allowed except the case that the facility has defects or is unable to be used.

## Rent renewal timing (FP without consideration of the Merger)

| 2024           | 2025           |                | 2026           |                               | 2027           |                                  |   |
|----------------|----------------|----------------|----------------|-------------------------------|----------------|----------------------------------|---|
|                | Jan. (24th FP) | Jul. (25th FP) | Jan. (26th FP) | Jul. (27th FP)                | Jan. (28th FP) | Jul. (29th FP)                   |   |
| •H-10<br>•H-14 |                |                |                | •H-2<br>•H-23<br>•H-22 (East) | •H-27<br>•H-28 | •H-32<br>•H-16<br>•H-17<br>•H-18 | •H-19<br>•H-20<br>•H-24<br>•H-29<br>•H-39 |

# Unitholders' Benefit Programs

- KDR has implemented a Unitholder Benefit Program with the cooperation of operators of healthcare facilities.
- The following is a summary of the unitholder benefit program for the fiscal period ended Jul. 31, 2023 (23rd FP)

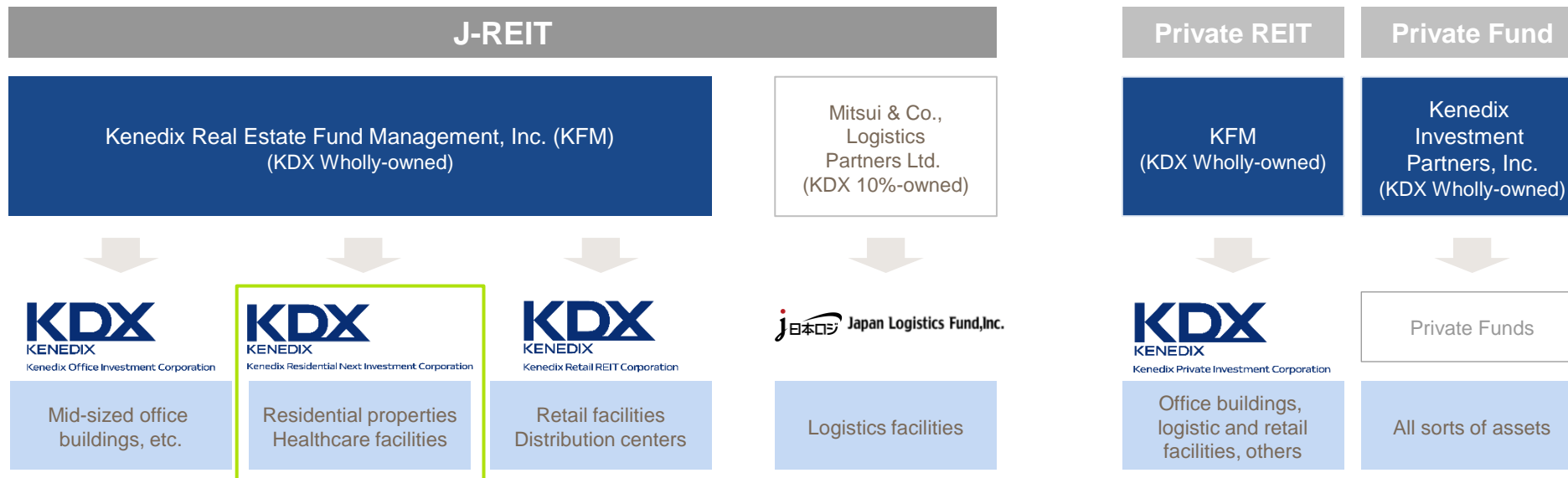
| Operator                        |   | Benefit Plan  |
|---------------------------------|---|---|
| HASEKO SENIOR WELL DESIGN       |  長谷工 シニアウェルデザイン                                      | <ul style="list-style-type: none"> <li>• One-day facility site-visit(lunch included) free of charge</li> </ul>  |
| SENIOR LIFE COMPANY             |   | <ul style="list-style-type: none"> <li>• ≪Lump sum payment plan≫ Discount for the initial lump sum payment for resident (¥ 300,000 discount)</li> <li>• Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast)</li> <li>• One-day facility site-visit (with lunch) free of charge</li> </ul>         |
| Sompo Care Inc.                 |  SOMPOケア   | <ul style="list-style-type: none"> <li>• ≪Lump sum payment plan≫ 3% discount from the initial lump sum payment for resident</li> <li>• ≪Monthly payment Plan≫ 3% discount of the amount equivalent to the rent out of the monthly payments<br/>(The rent for one month is free at some facilities)</li> </ul>                 |
| Nichii Carepalace Company       |  ニチイ   | <ul style="list-style-type: none"> <li>• Discount on initial move-in costs</li> <li>• Private senior homes: ¥ 100,000 and Services senior housing : ¥ 50,000 (tax included) operated by Nichi Carepalace as of Jan. 31, 2023</li> </ul>   |
| Sawayaka Club Corporation       |  株式会社 さわやか倶楽部 SAWAYA YAKA CLUB                      | <ul style="list-style-type: none"> <li>• 10% discount on usage charge for the first monthly payment.</li> <li>• Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast)</li> <li>• One-day facility site-visit(with lunch) free of charge</li> </ul>  |
| CARE TWENTYONE CORPORATION      |  株式会社 ケア21   | <ul style="list-style-type: none"> <li>• One-day facility site-visit(with lunch) free of charge</li> </ul>  |
| Excellent Care System Co., Ltd. |  株式会社 エクセレントケアシステム EXCELLENT CARE SYSTEM Co.,Ltd. | <ul style="list-style-type: none"> <li>• One-day facility site-visit(with lunch) free of charge</li> </ul>  |
| NM LIFE Co., Ltd.               |  終の住処 ジョイスステージ八王子 介護付有料老人ホーム 公益社団法人全国有料老人ホーム協会会員  | <ul style="list-style-type: none"> <li>• Discount on one-time payment for resident (¥ 200,000 discount)</li> <li>• Trial residence free of charge, up to three times (1-night, 2-day stay, with dinner and breakfast)</li> <li>• Same-day facility site-visit (with lunch) free of charge (within the three times)</li> </ul> |

Note1: Facilities subject to the Unitholder Benefit Program are private nursing homes that above companies operate (limited to directly operated facilities only for Sompo Care Inc.) as of Jul. 31, 2023. Apartments for the elderly of Senior Life Company and Serviced housing for the elderly of Sompo Care Inc. are also subject to the program.

Note2: The implementation and the contents of the Unitholder Benefit Program are subject to the future changes as determined by KDR.

# Summary of Kenedix Group

## Main Funds Kenedix Group Involves in Operation

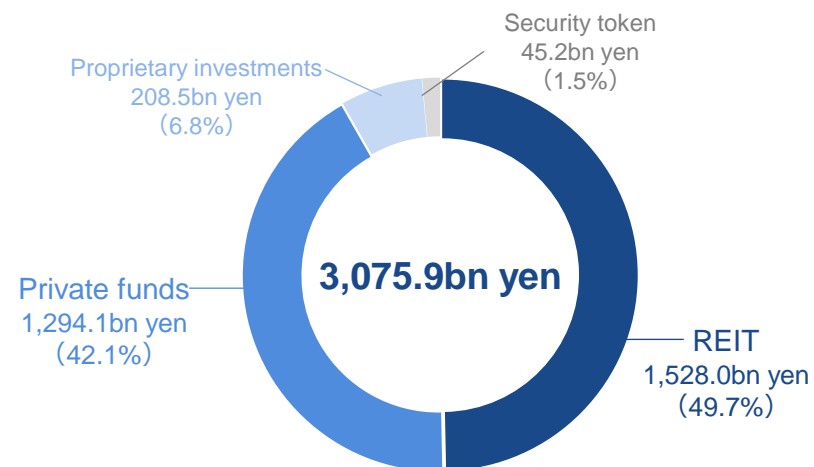


## Priority Rights of Consideration for Real Estate Sale Information in Asset Management Company

| Property type        | Total floor area per investment property (m <sup>2</sup> ) | 1st        | 2nd        |
|----------------------|--|------------|------------|
| Residential          | All  | KDR        | KPI (Note) |
| Healthcare           | All  | KDR        | —          |
| Accommodation        | All  | KPI (Note) | KDR        |
| Childcare facilities | All  | KDR        | —          |

Note: "KPI" refers to Kenedix Private Investment Corporation.

## Breakdown of AUM (as of Jun. 30, 2023)





# Support by Sponsor and Support Companies

|                   |      | Support for:              |                       |               |                          |                     |   |                           |
|-------------------|------|---------------------------|-----------------------|---------------|--------------------------|---------------------|---|---------------------------|
|                   |      | Residential facilities    | Healthcare facilities | Accommodation |                          |                     |   |                           |
|                   |      | External growth support   |                       |               | Internal growth support  |                     | Finance support                                 | Personnel support         |
|                   |      | Information provision (1) | Development (2)       | Warehousing   | Renovations, maintenance | Backup operator (3) | Financing means for bridge funds, etc. provided | or provision of expertise |
| Sponsor           |      |                           |                       |               |                          |                     |   |                           |
|                   | <br> |                           |                       |               |                          |                     |   |                           |
| Support Companies |      |                           |                       |               |                          |                     |   |                           |
|                   |      |                           |                       |               |                          |                     |   |                           |
|                   |      |                           |                       |               |                          |                     |   |                           |
|                   |      |                           |                       |               |                          |                     |   |                           |

Note1: "Information provision" means support to provide, to KDR or KFM under certain conditions, information on sales of third parties' real properties, etc. that Sponsor or individual Support Companies obtain on their own or information on sales of real properties that Sponsor, individual Support Companies or their group companies, etc. possess (among other Support Companies, with respect to Sumitomo Mitsui Finance and Leasing Company, Limited and SMFL Mirai Partners, Company, Limited only information on sales of real properties, etc. owned by themselves or their group companies, etc. (including the SPCs). With respect to Shinsei Bank and Mitsubishi UFJ Trust and Banking Corporation, only information on sales of third parties' real properties, etc. that they obtain on their own).

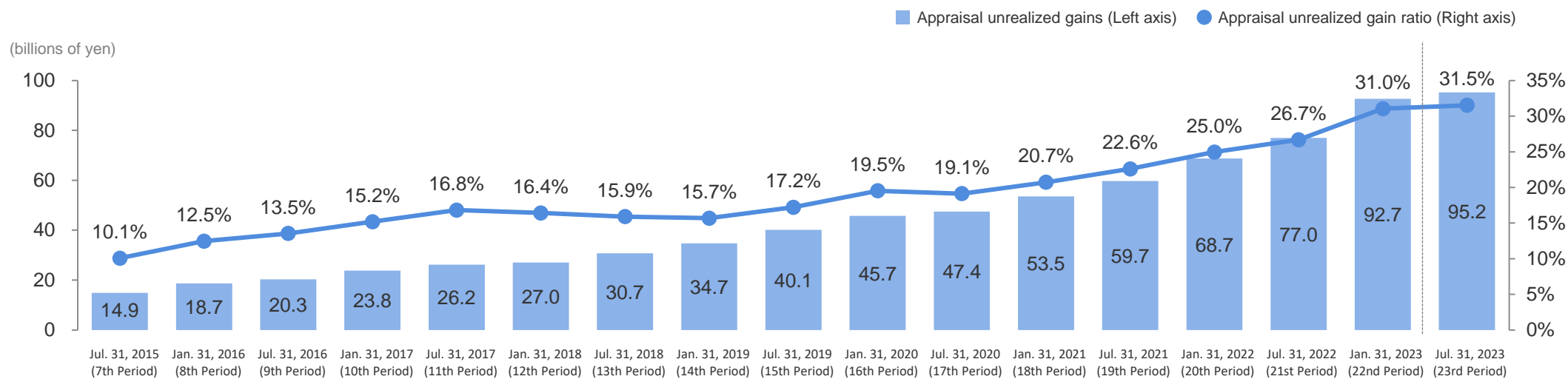
Note2: "Development" means support to provide cooperation to the extent practically reasonable and under practically reasonable conditions when KDR requests support for new development of investable assets or redevelopment of real properties, etc. that KDR possesses or considers to acquire.

Note3: "Backup operator" means support to consider to be backup operators for existing operators who are managing facilities which are located on real properties, etc. that KDR possesses or considers to acquire when KDR requests.

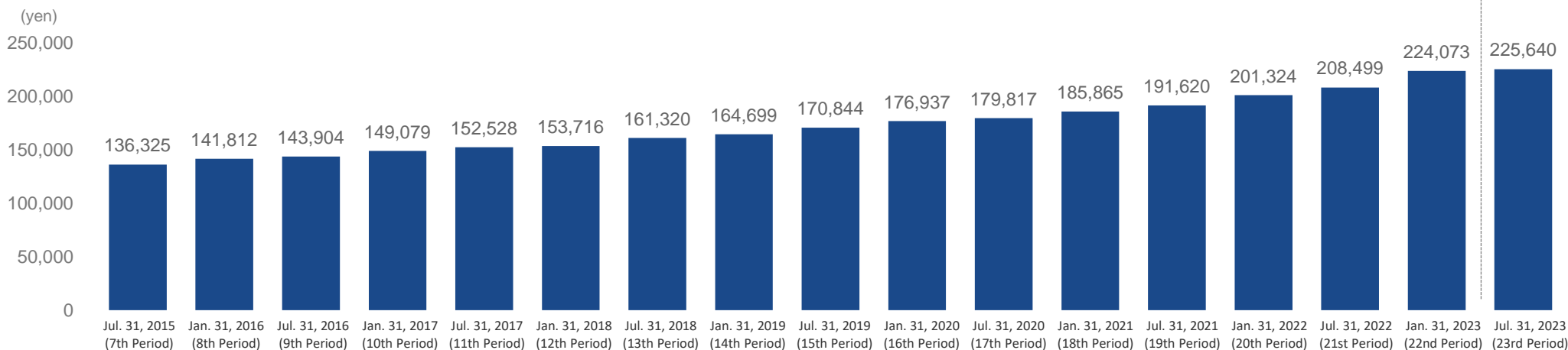
Note4: The chart above shows a summary of support set forth in each support agreement executed by and among Sponsor, Kenedix Investment Partners Inc. (KIP), each of the Support Companies and KDR/KFM or agreeing succession resulting from the merger. Neither the Sponsor nor the individual Support Companies are necessarily contractually obligated to provide the support above, and Sponsor, KIP and the individual Support Companies have not guaranteed or promised to provide the support above.

# Appraisal Unrealized Gains and NAV per Unit

## Appraisal Unrealized Gains and Appraisal Unrealized Gain Ratio <sup>(1)</sup>



## NAV per Unit <sup>(2)</sup>



Note 1: "Appraisal Unrealized Gains" = Total Appraisal Value at the End of FP – Total Book Value at the End of FP. "Appraisal Unrealized Gain Ratio" = Total Appraisal Unrealized Gains at the End of FP / Total Book Value at the End of FP.

Note 2: "NAV per unit" has been changed as follows, including for past figures

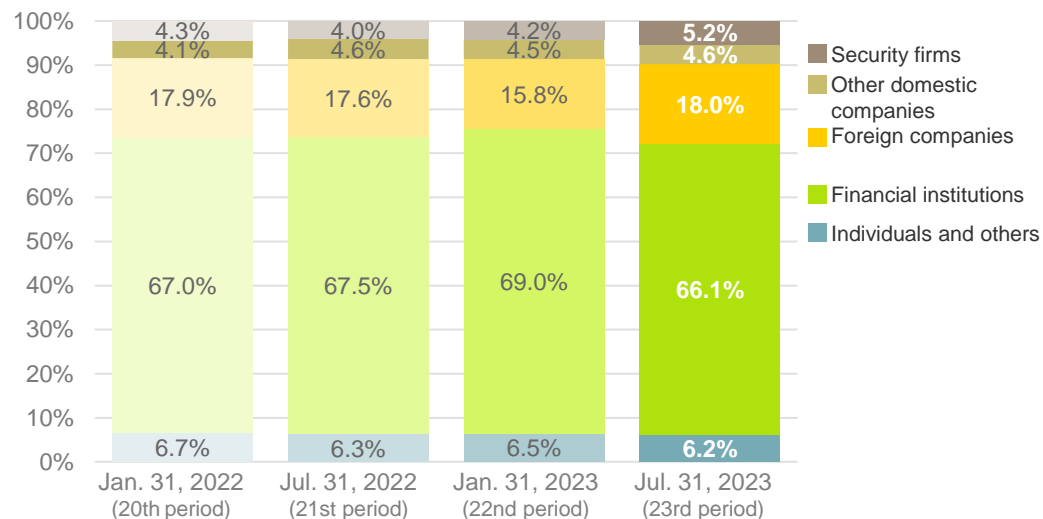
Calculation method up until the 11th fiscal period: NAV per unit = (end of period total assets - unappropriated retained earnings + end of period appraisal value - property, plant and equipment)/number of outstanding units

Calculation method from the 12th fiscal period: NAV per unit = (end of period total assets - total distribution amount + end of period appraisal value - property, plant and equipment – land leasehold in trust) /number of outstanding units

As the investment units were split in two on March 1, 2018, NAV per unit at the end of January 2018 (end of the 12th fiscal period) and prior periods are prorated by two to reflect the impact of the unit split.

# Unitholders (as of July 31, 2023)

## Composition of Unitholders (based on number of units)

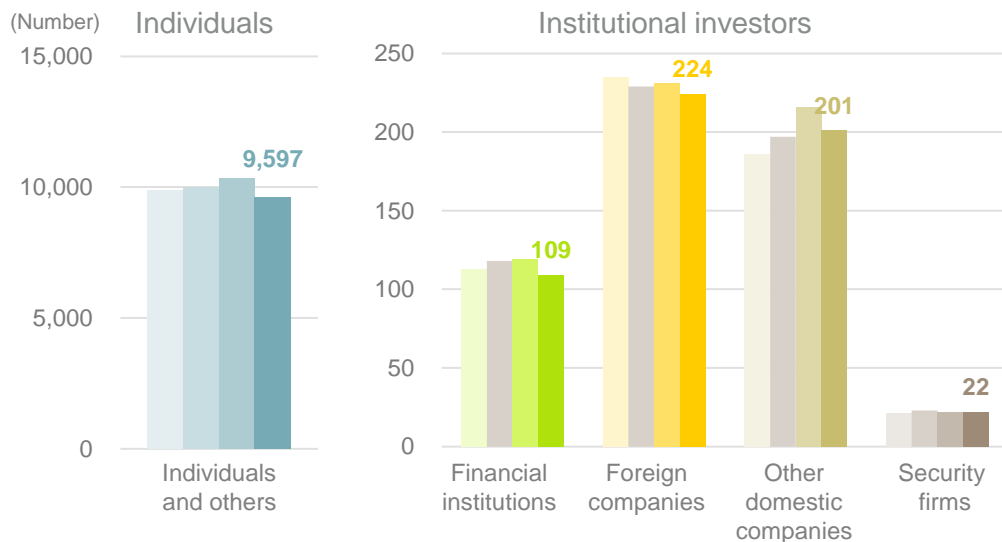


## Major Unitholders

|              | Name  | Units          | Ratio <sup>(Note)</sup> |
|--------------|---|----------------|-------------------------|
| 1            | Custody Bank of Japan, Ltd. (Trust Acct.)                       | 316,956        | 29.61%                  |
| 2            | The Master Trust Bank of Japan Ltd. (Trust Acct.)               | 227,137        | 21.21%                  |
| 3            | The Nomura Trust and Banking Co., Ltd. (Investment Trust Acct.) | 55,681         | 5.20%                   |
| 4            | Kenedix, Inc.   | 36,640         | 3.42%                   |
| 5            | SMBC Nikko Securities Inc.                                      | 26,842         | 2.50%                   |
| 6            | STATE STREET BANK WEST CLIENT-TREATY 505234                     | 18,785         | 1.75%                   |
| 7            | SSBTC CLIENT OMNIBUS ACCOUNT                                    | 16,890         | 1.57%                   |
| 8            | STATE STREET BANK AND TRUST COMPANY 505103                      | 10,438         | 0.97%                   |
| 9            | JAPAN SECURITIES FINANCE CO., LTD.                              | 9,718          | 0.90%                   |
| 10           | Mitsubishi UFJ Trust and Banking Corporation                    | 9,101          | 0.85%                   |
| <b>Total</b> |   | <b>728,188</b> | <b>68.02%</b>           |

Note: Ratio refers to the percentage for total units owned to total units issued and rounded down to second decimal place.

## Number of Unitholders (last 4 fiscal periods)





## Financial Statements①

## Balance Sheets

(Thousands of yen)

|   | FP ended Jan. 2023<br>(as of Jan. 31, 2023) | FP ended Jul. 2023<br>(as of Jul. 31, 2023) |
|---|---|---|
| <b>Assets</b>                                   |   |   |
| Current assets                                  |   |   |
| Cash and deposits                               | 13,949,810                                  | 13,203,144                                  |
| Cash and deposits in trust                      | 11,589,952                                  | 11,057,971                                  |
| Operating accounts receivable                   | 65,826                                      | 52,440                                      |
| Prepaid expenses                                | 10,953                                      | 67,710                                      |
| Consumption tax receivable, etc.                | -   | 28,477                                      |
| Other   | 5,414                                       | 4,166                                       |
| <b>Total current assets</b>                     | <b>¥25,621,956</b>                          | <b>¥24,413,910</b>                          |
| Noncurrent assets                               |   |   |
| Property, plant and equipment                   |   |   |
| Buildings                                       | 441,093                                     | 1,300,710                                   |
| Structures                                      | 10,013                                      | 30,613                                      |
| Tools, furniture and fixtures                   | 9,912                                       | 43,746                                      |
| Land  | 1,804,624                                   | 4,397,829                                   |
| Building in trust                               | 105,637,178                                 | 105,334,215                                 |
| Structures in trust                             | 1,139,576                                   | 1,104,601                                   |
| Machinery and equipment in trust                | 1,047,363                                   | 1,070,460                                   |
| Tools, furniture and fixtures in trust          | 1,156,188                                   | 1,164,659                                   |
| Land in trust                                   | 185,748,052                                 | 185,749,321                                 |
| <b>Total property, plant and equipment, net</b> | <b>¥296,994,003</b>                         | <b>¥300,196,157</b>                         |
| Intangible assets                               |   |   |
| Land leasehold in trust                         | 1,849,451                                   | 1,847,727                                   |
| Other   | 129   | -   |
| <b>Total intangible assets</b>                  | <b>¥1,849,581</b>                           | <b>¥1,847,727</b>                           |
| Investments and other assets                    |   |   |
| Lease and guarantee deposits                    | 89,348                                      | 89,228                                      |
| Long-term prepaid expenses                      | 841,793                                     | 780,469                                     |
| Other   | 1,507,646                                   | 805,103                                     |
| <b>Total investments and other assets</b>       | <b>¥2,438,787</b>                           | <b>¥1,674,801</b>                           |
| <b>Total noncurrent assets</b>                  | <b>¥301,282,373</b>                         | <b>¥303,718,686</b>                         |
| Deferred assets                                 |   |   |
| Investment corporation bond issuance costs      | 40,131                                      | 36,162                                      |
| Investment unit issuance costs                  | 69,733                                      | 50,691                                      |
| <b>Total deferred assets</b>                    | <b>¥109,864</b>                             | <b>¥86,853</b>                              |
| <b>Total assets</b>                             | <b>¥327,014,194</b>                         | <b>¥328,219,450</b>                         |

(Thousands of yen)

|  | FP ended Jan. 2023<br>(as of Jan. 31, 2023) | FP ended Jul. 2023<br>(as of Jul. 31, 2023) |
|--|---|---|
| <b>Liabilities</b>                                 |   |   |
| Current liabilities                                |   |   |
| Operating accounts payable                         | 674,463                                     | 941,154                                     |
| Short-term loans payable                           | 8,250,000                                   | 2,000,000                                   |
| Current portion of Investment corporation bonds    | 1,000,000                                   | 1,000,000                                   |
| Current portion of long-term loans payable         | 18,100,000                                  | 20,350,000                                  |
| Accounts payable-other                             | 445,820                                     | 443,709                                     |
| Accrued expenses                                   | 59,238                                      | 70,593                                      |
| Income taxes payable                               | 605   | 605   |
| Accrued consumption taxes                          | 78,103                                      | 21,002                                      |
| Advances received                                  | 1,448,324                                   | 1,474,720                                   |
| Deposits received                                  | 93,981                                      | 82,913                                      |
| Other  | 1,008                                       | 735   |
| <b>Total current liabilities</b>                   | <b>¥30,151,545</b>                          | <b>¥26,385,436</b>                          |
| Noncurrent liabilities                             |   |   |
| Investment corporation bonds                       | 6,700,000                                   | 6,700,000                                   |
| Long-term loans payable                            | 130,170,000                                 | 135,870,000                                 |
| Tenant leasehold and security deposits in trust    | 140,000                                     | 277,440                                     |
| Tenant leasehold and security deposits             | 3,826,300                                   | 3,815,292                                   |
| Trust tenants lump sum deposits                    | 4,325,202                                   | 4,227,622                                   |
| Asset retirement obligations                       | 68,638                                      | 68,826                                      |
| Other  | -   | 26,046                                      |
| <b>Total noncurrent liabilities</b>                | <b>¥145,230,141</b>                         | <b>¥150,985,227</b>                         |
| <b>Total liabilities</b>                           | <b>¥175,381,687</b>                         | <b>¥177,370,664</b>                         |
| Net Assets   |   |   |
| Unitholders' equity                                |   |   |
| Unitholders' capital                               | 130,379,080                                 | 130,379,080                                 |
| Surplus  |   |   |
| Investment surplus                                 | 13,187,100                                  | 13,187,100                                  |
| Reserve for temporary difference adjustment        | 1,840,000                                   | 1,820,000                                   |
| Unappropriated retained earnings (undisposed loss) | 4,718,142                                   | 4,682,702                                   |
| <b>Total surplus</b>                               | <b>¥19,745,242</b>                          | <b>¥19,689,802</b>                          |
| <b>Total unitholders' equity</b>                   | <b>¥150,124,322</b>                         | <b>¥150,068,882</b>                         |
| Valuation and translation adjustments              |   |   |
| Deferred gains or losses on hedges                 | 1,508,184                                   | 779,904                                     |
| <b>Total valuation and translation adjustments</b> | <b>1,508,184</b>                            | <b>779,904</b>                              |
| <b>Total net assets</b>                            | <b>¥151,632,506</b>                         | <b>¥150,848,786</b>                         |
| <b>Total liabilities and net assets</b>            | <b>¥327,014,194</b>                         | <b>¥328,219,450</b>                         |

# Financial Statements②

## Statements of Income and Retained Earnings

|   | (Thousands of yen)                          |   |
|---|---|---|
|   | FP ended Jan. 2023<br>(as of Jan. 31, 2023) | FP ended Jul. 2023<br>(as of Jul. 31, 2023) |
| Operating revenues                                |   |   |
| Rent revenues-real estate                         | 9,064,123                                   | 9,378,143                                   |
| Other lease business revenue                      | 567,986                                     | 704,871                                     |
| Gain on sales of real estate, etc.                | 304,729                                     | -   |
| <b>Total operating revenues</b>                   | <b>¥9,936,839</b>                           | <b>¥10,083,015</b>                          |
| Operating expenses                                |   |   |
| Expenses related to rent business                 | 3,517,747                                   | 3,717,195                                   |
| Asset management fees                             | 769,195                                     | 756,233                                     |
| Asset custody fees                                | 16,385                                      | 16,513                                      |
| Administrative service fees                       | 54,012                                      | 57,043                                      |
| Directors' compensation                           | 4,500                                       | 4,500                                       |
| Other operating expenses                          | 280,282                                     | 308,840                                     |
| <b>Total operating expenses</b>                   | <b>¥4,642,123</b>                           | <b>¥4,860,326</b>                           |
| <b>Operating Income</b>                           | <b>¥5,294,715</b>                           | <b>¥5,222,688</b>                           |
| Non-operating income                              |   |   |
| Interest income                                   | 46  | 46  |
| Dividends and redemption-prescription             | 100   | 165   |
| Interest on tax refund                            | 16  | -   |
| <b>Total non-operating income</b>                 | <b>¥163</b>                                 | <b>¥212</b>                                 |
| Non-operating expenses                            |   |   |
| Interest expenses                                 | 512,288                                     | 523,846                                     |
| Interest expenses on Investment corporation bonds | 26,853                                      | 26,386                                      |
| Borrowing expenses                                | 135,305                                     | 147,660                                     |
| Investment corporation bond issuance costs        | 3,968                                       | 3,968                                       |
| Amortization of investment unit issuance costs    | 22,627                                      | 19,041                                      |
| <b>Total non-operating expenses</b>               | <b>¥701,045</b>                             | <b>¥720,903</b>                             |
| <b>Ordinary Income</b>                            | <b>¥4,593,834</b>                           | <b>¥4,501,997</b>                           |

|   | (Thousands of yen)                          |   |
|---|---|---|
|   | FP ended Jan. 2023<br>(as of Jan. 31, 2023) | FP ended Jul. 2023<br>(as of Jul. 31, 2023) |
| <b>Income before income taxes</b>                         | <b>¥4,593,834</b>                           | <b>¥4,501,997</b>                           |
| Income taxes-current                                      | 605   | 605   |
| <b>Total income taxes</b>                                 | <b>¥605</b>                                 | <b>¥605</b>                                 |
| <b>Net Income</b>   | <b>¥4,593,229</b>                           | <b>¥4,501,392</b>                           |
| Retained earnings brought forward                         | 124,913                                     | 181,309                                     |
| <b>Unappropriated retained earnings (undisposed loss)</b> | <b>¥4,718,142</b>                           | <b>¥4,682,702</b>                           |

## Distributions

|  | FP ended Jan. 2023<br>(as of Jan. 31, 2023) | FP ended Jul. 2023<br>(as of Jul. 31, 2023) |
|--|---|---|
| I. Retained earnings at the end of period                | 4,718,142,642 yen                           | 4,682,702,038 yen                           |
| II. Reversal of voluntary retained earnings              |   |   |
| Reversal of reserve for temporary difference adjustments | 20,000,000 yen                              | 20,000,000 yen                              |
| III. Total distributions                                 | 4,556,833,281 yen                           | 4,521,508,992 yen                           |
| (Distributions per unit)                                 | (4,257 yen)                                 | (4,224 yen)                                 |
| IV. Retained earnings brought forward to the next period | 181,309,361 yen                             | 181,193,046 yen                             |

## Statements of Cash Flows

|   | (Thousands of yen)                          |   |
|---|---|---|
|   | FP ended Jan. 2023<br>(as of Jan. 31, 2023) | FP ended Jul. 2023<br>(as of Jul. 31, 2023) |
| Net cash provided by (used in) operating activities         | 7,574,072                                   | 6,133,116                                   |
| Net cash provided by (used in) investing activities         | △12,631,488                                 | △4,555,941                                  |
| Net cash provided by (used in) financing activities         | 5,092,828                                   | △2,855,821                                  |
| <b>Net increase (decrease) in Cash and Cash Equivalents</b> | <b>¥35,412</b>                              | <b>¥△1,278,646</b>                          |
| Cash and cash equivalents at the beginning of period        | 25,504,350                                  | 25,539,762                                  |
| <b>Cash and cash equivalents at the End of Period</b>       | <b>¥25,539,762</b>                          | <b>¥24,261,115</b>                          |

# Appraisal Values 1/7

(Millions of yen)

| No.  | Property Name                      | Appraiser | Appraisal Value |                        |            | Cap Rate |                        | Discount Rate |                        | Terminal Cap Rate |                        | Acquisition Price | Difference | Book Value | Difference |
|------|------------------------------------|-----------|-----------------|------------------------|------------|----------|------------------------|---------------|------------------------|-------------------|------------------------|-------------------|------------|------------|------------|
|      |                                    |           | Previous        | End of the 23rd Period | Difference | Previous | End of the 23rd Period | Previous      | End of the 23rd Period | Previous          | End of the 23rd Period |                   |            |            |            |
|      |                                    |           | a               | b                      | c [b-a]    |          |                        |               |                        |                   |                        | d                 | e [b-d]    | f          | g [b-f]    |
| T-1  | KDX Daikanyama Residence           | F         | 7,960           | 7,950                  | -10        | 3.1%     | 3.1%                   | 2.9%          | 2.9%                   | 3.2%              | 3.2%                   | 4,700             | 3,250      | 4,698      | 3,251      |
| T-3  | KDX Odemma Residence               | F         | 2,870           | 2,870                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 1,775             | 1,095      | 1,643      | 1,226      |
| T-4  | KDX Iwamoto-cho Residence          | F         | 1,290           | 1,290                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 822               | 468        | 753        | 536        |
| T-5  | KDX Bunkyo Sengoku Residence       | F         | 2,270           | 2,280                  | 10         | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 1,488             | 792        | 1,527      | 752        |
| T-6  | KDX Azumabashi Residence           | F         | 1,150           | 1,160                  | 10         | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 650               | 510        | 587        | 572        |
| T-7  | KDX Shimura Sakaue Residence       | F         | 4,340           | 4,370                  | 30         | 3.6%     | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 2,830             | 1,540      | 2,672      | 1,697      |
| T-9  | Cosmo Heim Motosumiyoshi           | F         | 2,640           | 2,580                  | -60        | 3.8%     | 3.9%                   | 3.6%          | 3.7%                   | 3.9%              | 4.0%                   | 2,087             | 493        | 2,247      | 332        |
| T-10 | KDX Musashi Nakahara Residence     | F         | 797             | 797                    | -          | 4.0%     | 4.0%                   | 3.8%          | 3.8%                   | 4.1%              | 4.1%                   | 637               | 160        | 647        | 149        |
| T-11 | KDX Chiba Chuo Residence           | D         | 1,940           | 1,980                  | 40         | 4.5%     | 4.4%                   | 4.3%          | 4.2%                   | 4.7%              | 4.6%                   | 1,480             | 500        | 1,279      | 700        |
| T-12 | KDX Kawaguchi Saiwai-cho Residence | F         | 1,880           | 1,880                  | -          | 3.8%     | 3.8%                   | 3.6%          | 3.6%                   | 3.9%              | 3.9%                   | 1,150             | 730        | 1,157      | 722        |
| T-13 | KDX Residence Shirokane I          | F         | 4,490           | 4,490                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 3,000             | 1,490      | 3,059      | 1,430      |
| T-15 | KDX Residence Shirokane II         | F         | 4,380           | 4,380                  | -          | 3.1%     | 3.1%                   | 2.9%          | 2.9%                   | 3.2%              | 3.2%                   | 2,800             | 1,580      | 2,837      | 1,542      |
| T-16 | KDX Residence Minami-aoyama        | F         | 2,860           | 2,840                  | -20        | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 2,230             | 610        | 2,262      | 577        |
| T-17 | KDX Residence Minami-azabu         | F         | 3,380           | 3,400                  | 20         | 3.1%     | 3.1%                   | 2.9%          | 2.9%                   | 3.2%              | 3.2%                   | 2,080             | 1,320      | 2,115      | 1,284      |
| T-18 | KDX Residence Shiba Koen           | F         | 2,840           | 2,840                  | -          | 3.1%     | 3.1%                   | 2.9%          | 2.9%                   | 3.2%              | 3.2%                   | 1,781             | 1,059      | 1,783      | 1,056      |
| T-19 | KDX Residence Azabu East           | F         | 2,520           | 2,540                  | 20         | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 1,560             | 980        | 1,570      | 969        |
| T-20 | KDX Residence Takanawa             | F         | 1,370           | 1,370                  | -          | 3.1%     | 3.1%                   | 2.9%          | 2.9%                   | 3.2%              | 3.2%                   | 770               | 600        | 785        | 584        |
| T-21 | KDX Residence Nishihara            | F         | 2,280           | 2,290                  | 10         | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 1,450             | 840        | 1,476      | 813        |
| T-22 | KDX Residence Daikanyama II        | F         | 1,390           | 1,390                  | -          | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 730               | 660        | 792        | 597        |
| T-24 | KDX Residence Nihombashi Suitengu  | D         | 4,640           | 4,750                  | 110        | 3.7%     | 3.6%                   | 3.7%          | 3.6%                   | 3.9%              | 3.8%                   | 3,240             | 1,510      | 3,091      | 1,658      |
| T-25 | KDX Residence Nihombashi Hakozaeki | D         | 1,550           | 1,600                  | 50         | 3.7%     | 3.6%                   | 3.5%          | 3.4%                   | 3.9%              | 3.8%                   | 1,147             | 453        | 1,113      | 486        |
| T-26 | KDX Residence Higashi-shinjuku     | F         | 5,120           | 5,130                  | 10         | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 3,270             | 1,860      | 3,164      | 1,965      |
| T-27 | KDX Residence Yotsuya              | F         | 3,700           | 3,710                  | 10         | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 2,260             | 1,450      | 2,291      | 1,418      |
| T-28 | KDX Residence Nishi-shinjuku       | F         | 1,700           | 1,710                  | 10         | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 1,000             | 710        | 1,006      | 703        |
| T-29 | KDX Residence Kagurazaka           | F         | 1,160           | 1,160                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 720               | 440        | 694        | 465        |
| T-30 | KDX Residence Futako Tamagawa      | F         | 1,820           | 1,820                  | -          | 3.4%     | 3.4%                   | 3.2%          | 3.2%                   | 3.5%              | 3.5%                   | 1,250             | 570        | 1,262      | 557        |
| T-31 | KDX Residence Komazawa Koen        | F         | 1,410           | 1,410                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 920               | 490        | 879        | 530        |
| T-32 | KDX Residence Misyuku              | F         | 1,180           | 1,180                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 760               | 420        | 780        | 399        |
| T-33 | KDX Residence Yoga                 | F         | 1,080           | 1,080                  | -          | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 700               | 380        | 714        | 365        |

Tokyo Metropolitan Area

# Appraisal Values 2/7

| (Millions of yen) |                                    |           |                 |                        |            |          |                        |               |                        |                   |                        |                   |            |            |            |
|-------------------|------------------------------------|-----------|-----------------|------------------------|------------|----------|------------------------|---------------|------------------------|-------------------|------------------------|-------------------|------------|------------|------------|
| No.               | Property Name                      | Appraiser | Appraisal Value |                        |            | Cap Rate |                        | Discount Rate |                        | Terminal Cap Rate |                        | Acquisition Price | Difference | Book Value | Difference |
|                   |                                    |           | Previous        | End of the 23rd Period | Difference | Previous | End of the 23rd Period | Previous      | End of the 23rd Period | Previous          | End of the 23rd Period |                   |            |            |            |
|                   |                                    |           | a               | b                      | c [b-a]    |          |                        |               |                        |                   |                        | d                 | e [b-d]    | f          | g [b-f]    |
| T-34              | KDX Residence Shimouma             | F         | 930             | 930                    | -          | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 600               | 330        | 626        | 303        |
| T-35              | Raffine Minami-magome              | F         | 1,640           | 1,630                  | -10        | 4.2%     | 4.2%                   | 4.0%          | 4.0%                   | 4.3%              | 4.3%                   | 1,250             | 380        | 1,226      | 403        |
| T-36              | KDX Residence Yukigaya Otsuka      | F         | 1,590           | 1,590                  | -          | 3.5%     | 3.5%                   | 3.3%          | 3.3%                   | 3.6%              | 3.6%                   | 1,050             | 540        | 1,038      | 551        |
| T-37              | KDX Residence Denen Chofu          | D         | 1,420           | 1,450                  | 30         | 4.0%     | 3.9%                   | 3.8%          | 3.7%                   | 4.2%              | 4.1%                   | 1,000             | 450        | 1,061      | 388        |
| T-38              | KDX Residence Tamagawa             | F         | 1,130           | 1,130                  | -          | 3.6%     | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 776               | 354        | 704        | 425        |
| T-39              | KDX Residence Monzennakacho        | F         | 1,200           | 1,200                  | -          | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 773               | 427        | 772        | 427        |
| T-40              | KDX Residence Okachimachi          | F         | 1,310           | 1,320                  | 10         | 3.4%     | 3.4%                   | 3.2%          | 3.2%                   | 3.5%              | 3.5%                   | 850               | 470        | 852        | 467        |
| T-41              | KDX Residence Moto-asakusa         | F         | 1,220           | 1,220                  | -          | 3.4%     | 3.4%                   | 3.2%          | 3.2%                   | 3.5%              | 3.5%                   | 800               | 420        | 793        | 426        |
| T-42              | KDX Residence Itabashi Honcho      | F         | 956             | 958                    | 2          | 3.6%     | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 620               | 338        | 575        | 382        |
| T-43              | KDX Residence Azusawa              | F         | 778             | 781                    | 3          | 3.6%     | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 550               | 231        | 538        | 242        |
| T-45              | KDX Residence Yokohama Kannai      | F         | 1,170           | 1,180                  | 10         | 3.8%     | 3.8%                   | 3.6%          | 3.6%                   | 3.9%              | 3.9%                   | 800               | 380        | 746        | 433        |
| T-46              | KDX Residence Miyamaedaira         | F         | 1,360           | 1,360                  | -          | 3.7%     | 3.7%                   | 3.5%          | 3.5%                   | 3.8%              | 3.8%                   | 999               | 361        | 984        | 375        |
| T-47              | KDX Residence Machida              | F         | 2,570           | 2,630                  | 60         | 3.5%     | 3.5%                   | 3.3%          | 3.3%                   | 3.6%              | 3.6%                   | 1,800             | 830        | 1,680      | 949        |
| T-48              | KDX Residence Kinshicho            | F         | 2,140           | 2,150                  | 10         | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 1,350             | 800        | 1,317      | 832        |
| T-49              | KDX Residence Nihombashi Hamacho   | F         | 1,610           | 1,610                  | -          | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 996               | 614        | 1,019      | 590        |
| T-50              | KDX Residence Nihombashi Ningyocho | F         | 819             | 819                    | -          | 3.4%     | 3.4%                   | 3.2%          | 3.2%                   | 3.5%              | 3.5%                   | 530               | 289        | 552        | 266        |
| T-51              | KDX Residence Jiyugaoka            | F         | 1,950           | 1,950                  | -          | 3.1%     | 3.1%                   | 2.9%          | 2.9%                   | 3.2%              | 3.2%                   | 1,268             | 682        | 1,312      | 637        |
| T-52              | KDX Residence Togoshi              | F         | 5,750           | 5,750                  | -          | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 3,745             | 2,005      | 3,665      | 2,084      |
| T-53              | KDX Residence Shinagawa Seaside    | F         | 3,720           | 3,700                  | -20        | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 2,593             | 1,107      | 2,586      | 1,113      |
| T-54              | KDX Residence Ojima                | F         | 2,910           | 2,910                  | -          | 3.4%     | 3.4%                   | 3.2%          | 3.2%                   | 3.5%              | 3.5%                   | 1,857             | 1,053      | 1,751      | 1,158      |
| T-55              | KDX Residence Oyama                | F         | 3,970           | 3,970                  | -          | 3.6%     | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 2,679             | 1,291      | 2,529      | 1,440      |
| T-56              | KDX Residence Hanzomon             | F         | 7,060           | 7,090                  | 30         | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 4,832             | 2,258      | 4,889      | 2,200      |
| T-57              | KDX Residence Akihabara II         | F         | 1,320           | 1,320                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 850               | 470        | 898        | 421        |
| T-58              | KDX Residence Kagurazaka Dori      | F         | 2,710           | 2,710                  | -          | 3.0%     | 3.0%                   | 2.8%          | 2.8%                   | 3.1%              | 3.1%                   | 1,360             | 1,350      | 1,373      | 1,336      |
| T-59              | KDX Residence Sendagi              | F         | 3,020           | 3,070                  | 50         | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 2,200             | 870        | 2,324      | 745        |
| T-60              | KDX Residence Seijo                | F         | 1,910           | 1,920                  | 10         | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 1,400             | 520        | 1,438      | 481        |
| T-61              | KDX Residence Akihabara            | F         | 1,940           | 1,950                  | 10         | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 1,250             | 700        | 1,210      | 739        |
| T-62              | KDX Residence Iriya                | F         | 1,670           | 1,670                  | -          | 3.5%     | 3.5%                   | 3.3%          | 3.3%                   | 3.6%              | 3.6%                   | 1,062             | 608        | 1,022      | 647        |

Tokyo Metropolitan Area



# Appraisal Values 3/7

(Millions of yen)

| No.  | Property Name                   | Appraiser | Appraisal Value |                        |            | Cap Rate |                        | Discount Rate |                        | Terminal Cap Rate |                        | Acquisition Price | Difference | Book Value | Difference |
|------|---------------------------------|-----------|-----------------|------------------------|------------|----------|------------------------|---------------|------------------------|-------------------|------------------------|-------------------|------------|------------|------------|
|      |                                 |           | Previous        | End of the 23rd Period | Difference | Previous | End of the 23rd Period | Previous      | End of the 23rd Period | Previous          | End of the 23rd Period |                   |            |            |            |
|      |                                 |           | a               | b                      | c [b-a]    |          |                        |               |                        |                   |                        |                   |            |            |            |
| T-63 | KDX Residence Tachikawa         | F         | 4,310           | 4,350                  | 40         | 3.5%     | 3.5%                   | 3.3%          | 3.3%                   | 3.6%              | 3.6%                   | 3,026             | 1,323      | 2,931      | 1,418      |
| T-64 | KDX Residence Tsurumi           | F         | 1,810           | 1,850                  | 40         | 4.1%     | 4.1%                   | 3.9%          | 3.9%                   | 4.2%              | 4.2%                   | 1,050             | 800        | 1,137      | 712        |
| T-65 | KDX Residence Morishita Chitose | M         | 1,500           | 1,520                  | 20         | 3.6%     | 3.5%                   | 3.4%          | 3.3%                   | 3.8%              | 3.7%                   | 1,100             | 420        | 1,070      | 449        |
| T-66 | KDX Residence Akasaka           | F         | 2,380           | 2,430                  | 50         | 2.9%     | 2.9%                   | 2.7%          | 2.7%                   | 3.0%              | 3.0%                   | 1,150             | 1,280      | 1,160      | 1,269      |
| T-67 | KDX Residence Kanda             | F         | 1,340           | 1,340                  | -          | 3.1%     | 3.1%                   | 2.9%          | 2.9%                   | 3.2%              | 3.2%                   | 700               | 640        | 693        | 646        |
| T-68 | KDX Residence Ebisu             | F         | 5,500           | 5,510                  | 10         | 2.9%     | 2.9%                   | 2.7%          | 2.7%                   | 3.0%              | 3.0%                   | 2,845             | 2,665      | 2,852      | 2,657      |
| T-69 | KDX Residence Nishi-magome      | F         | 1,460           | 1,430                  | -30        | 3.3%     | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 1,130             | 300        | 1,131      | 298        |
| T-70 | KDX Residence Nishi-azabu       | F         | 2,020           | 2,020                  | -          | 3.0%     | 3.0%                   | 2.8%          | 2.8%                   | 3.1%              | 3.1%                   | 1,224             | 796        | 1,222      | 797        |
| T-71 | KDX Residence Azabu Sendaizaka  | F         | 1,330           | 1,330                  | -          | 3.0%     | 3.0%                   | 2.8%          | 2.8%                   | 3.1%              | 3.1%                   | 792               | 537        | 797        | 532        |
| T-72 | KDX Residence Waseda Tsurumaki  | F         | 969             | 967                    | -2         | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 561               | 406        | 551        | 415        |
| T-73 | KDX Residence Bunkyo Yushima    | F         | 1,090           | 1,090                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 695               | 395        | 694        | 395        |
| T-74 | KDX Residence Kamishakujii      | F         | 939             | 938                    | -1         | 3.6%     | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 648               | 290        | 640        | 297        |
| T-75 | KDX Residence Shin-otsuka       | F         | 1,230           | 1,220                  | -10        | 3.6%     | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 764               | 456        | 748        | 471        |
| T-76 | KDX Residence Sakurajosui       | F         | 1,340           | 1,340                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 894               | 446        | 873        | 466        |
| T-77 | KDX Residence Ryogoku           | F         | 1,430           | 1,440                  | 10         | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 842               | 598        | 820        | 619        |
| T-78 | KDX Residence Toyosu            | T         | 8,070           | 8,070                  | -          | 3.5%     | 3.5%                   | 3.7%          | 3.7%                   | 3.7%              | 3.7%                   | 7,500             | 570        | 7,509      | 560        |
| T-79 | KDX Residence Asagaya           | F         | 2,610           | 2,570                  | -40        | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 1,930             | 640        | 1,957      | 612        |
| T-80 | KDX Residence Hiyoshi           | F         | 3,160           | 3,040                  | -120       | 3.7%     | 3.7%                   | 3.5%          | 3.5%                   | 3.8%              | 3.8%                   | 2,635             | 404        | 2,654      | 385        |
| T-81 | KDX Residence Kamikitazawa      | F         | 1,660           | 1,670                  | 10         | 3.6%     | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 1,360             | 310        | 1,397      | 272        |
| T-82 | KDX Residence Kaminoge          | F         | 1,460           | 1,460                  | -          | 3.2%     | 3.2%                   | 3.0%          | 3.0%                   | 3.3%              | 3.3%                   | 1,111             | 349        | 1,119      | 340        |
| T-83 | KDX Residence Higashi-Asakusa   | F         | 859             | 857                    | -2         | 3.4%     | 3.4%                   | 3.2%          | 3.2%                   | 3.5%              | 3.5%                   | 687               | 169        | 704        | 152        |
| T-84 | KDX Residence Nishi-Funabashi   | F         | 1,180           | 1,190                  | 10         | 3.9%     | 3.9%                   | 3.7%          | 3.7%                   | 4.0%              | 4.0%                   | 975               | 214        | 996        | 193        |
| T-85 | KDX Residence Hatagaya          | F         | 2,920           | 2,920                  | -          | 3.4%     | 3.4%                   | 3.2%          | 3.2%                   | 3.5%              | 3.5%                   | 2,500             | 420        | 2,622      | 297        |
| T-86 | KDX Residence Asagaya II        | F         | 1,110           | 1,110                  | -          | 3.5%     | 3.5%                   | 3.3%          | 3.3%                   | 3.6%              | 3.6%                   | 939               | 170        | 968        | 141        |
| T-87 | KDX Residence Gakugeidaigaku    | T         | 831             | 831                    | -          | 3.5%     | 3.4%                   | 3.6%          | 3.5%                   | 3.7%              | 3.6%                   | 750               | 81         | 772        | 58         |
| T-88 | KDX Residence Kamata-minami     | F         | 2,460           | 2,460                  | -          | 3.4%     | 3.4%                   | 3.2%          | 3.2%                   | 3.5%              | 3.5%                   | 1,918             | 541        | 1,942      | 517        |
| T-89 | KDX Residence Kichijoji         | T         | 650             | 650                    | -          | 3.8%     | 3.8%                   | 3.9%          | 3.9%                   | 4.0%              | 4.0%                   | 621               | 29         | 646        | 3          |
| T-90 | KDX Residence Mitaka            | F         | 3,280           | 3,280                  | -          | 3.5%     | 3.5%                   | 3.3%          | 3.3%                   | 3.6%              | 3.6%                   | 2,530             | 750        | 2,654      | 625        |
| T-91 | KDX Residence Nakanobu          | T         | 915             | 939                    | 24         | 3.7%     | 3.6%                   | 3.8%          | 3.7%                   | 3.9%              | 3.8%                   | 830               | 109        | 855        | 83         |

Tokyo Metropolitan Area

# Appraisal Values 4/7

| (Millions of yen)         |                                |                                   |                 |                        |                |            |                        |               |                        |                   |                        |                   |                |               |                |               |
|---------------------------|--------------------------------|-----------------------------------|-----------------|------------------------|----------------|------------|------------------------|---------------|------------------------|-------------------|------------------------|-------------------|----------------|---------------|----------------|---------------|
| No.                       | Property Name                  | Appraiser                         | Appraisal Value |                        |                | Cap Rate   |                        | Discount Rate |                        | Terminal Cap Rate |                        | Acquisition Price | Difference     | Book Value    | Difference     |               |
|                           |                                |                                   | Previous        | End of the 23rd Period | Difference     | Previous   | End of the 23rd Period | Previous      | End of the 23rd Period | Previous          | End of the 23rd Period |                   |                |               |                |               |
|                           |                                |                                   | a               | b                      | c [b-a]        |            |                        |               |                        |                   |                        | d                 | e [b-d]        | f             | g [b-f]        |               |
| Tokyo Metropolitan Area   | T-92                           | KDX Residence Ichikawa            | D               | 940                    | 946            | 6          | 3.8%                   | 3.7%          | 3.6%                   | 3.5%              | 4.0%                   | 3.9%              | 840            | 106           | 876            | 69            |
|                           | T-93                           | KDX Residence Hatchobori          | T               | 3,680                  | 3,720          | 40         | 3.4%                   | 3.3%          | 3.5%                   | 3.4%              | 3.6%                   | 3.5%              | 3,000          | 720           | 3,182          | 537           |
|                           | T-94                           | KDX Residence Nakaitabashi        | F               | 2,030                  | 2,030          | -          | 3.4%                   | 3.4%          | 3.2%                   | 3.2%              | 3.5%                   | 3.5%              | 1,736          | 293           | 1,836          | 193           |
|                           | T-95                           | KDX Residence Shonandai           | D               | 1,690                  | 1,730          | 40         | 4.1%                   | 4.0%          | 3.9%                   | 3.8%              | 4.3%                   | 4.2%              | 1,500          | 230           | 1,550          | 179           |
|                           | T-96                           | KDX Residence Ikebukuro West      | D               | 2,580                  | 2,580          | -          | 3.5%                   | 3.4%          | 3.3%                   | 3.2%              | 3.7%                   | 3.6%              | 2,237          | 342           | 2,323          | 256           |
|                           | T-97                           | KDX Residence Tennocho            | D               | 922                    | 966            | 44         | 3.8%                   | 3.7%          | 3.6%                   | 3.5%              | 4.0%                   | 3.9%              | 843            | 122           | 895            | 70            |
|                           | T-98                           | KDX Residence Kawasaki            | D               | 1,040                  | 1,080          | 40         | 3.8%                   | 3.7%          | 3.4%                   | 3.3%              | 4.0%                   | 3.9%              | 910            | 170           | 939            | 140           |
|                           | T-99                           | KDX Residence Kamata-minami II    | F               | 939                    | 950            | 11         | 3.4%                   | 3.4%          | 3.2%                   | 3.2%              | 3.5%                   | 3.5%              | 780            | 170           | 804            | 145           |
|                           | T-100                          | KDX Residence Kamishakujii II     | T               | 3,480                  | 3,570          | 90         | 3.7%                   | 3.6%          | 3.8%                   | 3.7%              | 3.9%                   | 3.8%              | 3,087          | 482           | 3,186          | 383           |
|                           | T-101                          | Hulic Residence Tsudanuma         | D               | 1,360                  | 1,390          | 30         | 4.3%                   | 4.2%          | 4.0%                   | 3.9%              | 4.4%                   | 4.3%              | 1,150          | 240           | 1,202          | 187           |
|                           | T-102                          | KDX Residence Yokohama Momijizaka | F               | 5,720                  | 5,810          | 90         | 3.5%                   | 3.5%          | 3.3%                   | 3.3%              | 3.6%                   | 3.6%              | 5,000          | 810           | 5,154          | 655           |
|                           | T-103                          | KDX Residence Umejima             | F               | 2,940                  | 2,950          | 10         | 3.5%                   | 3.5%          | 3.3%                   | 3.3%              | 3.6%                   | 3.6%              | 2,373          | 577           | 2,464          | 485           |
|                           | T-104                          | KDX Residence Mizonokuchi         | D               | 3,070                  | 3,140          | 70         | 3.8%                   | 3.7%          | 3.6%                   | 3.5%              | 4.0%                   | 3.9%              | 2,781          | 359           | 2,927          | 212           |
|                           | T-105                          | KDX Residence Hachioji Otsuka     | D               | 1,640                  | 1,690          | 50         | 4.1%                   | 4.0%          | 3.9%                   | 3.8%              | 4.3%                   | 4.2%              | 1,490          | 200           | 1,601          | 88            |
|                           | T-106                          | KDX Residence Tsudanuma II        | D               | 993                    | 1,020          | 27         | 4.1%                   | 4.0%          | 3.9%                   | 3.8%              | 4.3%                   | 4.2%              | 920            | 100           | 951            | 68            |
| T-107                     | KDX Residence Oyamadai         | F                                 | 3,690           | 3,680                  | -10            | 3.5%       | 3.5%                   | 3.3%          | 3.3%                   | 3.6%              | 3.6%                   | 3,205             | 475            | 3,306         | 373            |               |
| T-108                     | KDX Residence Asakusa          | F                                 | 1,160           | 1,160                  | -              | 3.3%       | 3.3%                   | 3.1%          | 3.1%                   | 3.4%              | 3.4%                   | 932               | 228            | 966           | 193            |               |
| <b>Subtotal / Average</b> |                                |                                   |                 | <b>233,467</b>         | <b>234,449</b> | <b>982</b> | <b>3.4%</b>            | <b>3.4%</b>   | <b>3.2%</b>            | <b>3.2%</b>       | <b>3.5%</b>            | <b>3.5%</b>       | <b>165,622</b> | <b>68,826</b> | <b>166,695</b> | <b>67,753</b> |
| Other Regional Areas      | R-2                            | KDX Jozenji Dori Residence        | D               | 1,420                  | 1,450          | 30         | 4.7%                   | 4.6%          | 4.5%                   | 4.4%              | 4.9%                   | 4.8%              | 1,015          | 435           | 860            | 589           |
|                           | R-3                            | KDX Izumi Residence               | F               | 1,660                  | 1,650          | -10        | 3.8%                   | 3.8%          | 3.6%                   | 3.6%              | 3.9%                   | 3.9%              | 1,120          | 530           | 988            | 661           |
|                           | R-4                            | KDX Chihaya Residence             | F               | 1,670                  | 1,680          | 10         | 3.9%                   | 3.9%          | 3.7%                   | 3.7%              | 4.0%                   | 4.0%              | 1,080          | 600           | 929            | 750           |
|                           | R-5                            | KDX Sakaisuji Hommachi Residence  | F               | 4,130                  | 4,130          | -          | 3.6%                   | 3.6%          | 3.4%                   | 3.4%              | 3.7%                   | 3.7%              | 2,910          | 1,220         | 2,545          | 1,584         |
|                           | R-7                            | KDX Takarazuka Residence          | F               | 2,230                  | 2,230          | -          | 3.7%                   | 3.7%          | 3.5%                   | 3.5%              | 3.8%                   | 3.8%              | 1,510          | 720           | 1,247          | 982           |
|                           | R-8                            | KDX Shimizu Residence             | F               | 2,400                  | 2,430          | 30         | 3.9%                   | 3.9%          | 3.7%                   | 3.7%              | 4.0%                   | 4.0%              | 1,680          | 750           | 1,468          | 961           |
|                           | R-9                            | KDX Residence Odori Koen          | F               | 1,140                  | 1,150          | 10         | 4.1%                   | 4.1%          | 3.9%                   | 3.9%              | 4.2%                   | 4.2%              | 765            | 385           | 732            | 417           |
|                           | R-10                           | KDX Residence Kikusui Yojo        | F               | 1,190                  | 1,180          | -10        | 4.3%                   | 4.3%          | 4.1%                   | 4.1%              | 4.4%                   | 4.4%              | 830            | 350           | 822            | 357           |
|                           | R-11                           | KDX Residence Toyohira Koen       | F               | 661                    | 651            | -10        | 4.4%                   | 4.4%          | 4.2%                   | 4.2%              | 4.5%                   | 4.5%              | 445            | 206           | 454            | 196           |
|                           | R-13                           | KDX Residence Ichiban-cho         | D               | 751                    | 765            | 14         | 4.7%                   | 4.6%          | 4.5%                   | 4.4%              | 4.9%                   | 4.8%              | 530            | 235           | 470            | 294           |
| R-16                      | KDX Residence Higashi-sakura I | F                                 | 2,680           | 2,680                  | -              | 3.8%       | 3.8%                   | 3.6%          | 3.6%                   | 3.9%              | 3.9%                   | 2,350             | 330            | 2,206         | 473            |               |
| R-18                      | KDX Residence Jingumae         | F                                 | 1,120           | 1,120                  | -              | 4.1%       | 4.1%                   | 3.9%          | 3.9%                   | 4.2%              | 4.2%                   | 840               | 280            | 792           | 327            |               |

# Appraisal Values 5/7

(Millions of yen)

| No.   | Property Name                         | Appraiser | Appraisal Value |                        |              | Cap Rate    |                        | Discount Rate |                        | Terminal Cap Rate |                        | Acquisition Price | Difference    | Book Value     | Difference    |
|---|---------------------------------------|-----------|-----------------|------------------------|--------------|-------------|------------------------|---------------|------------------------|-------------------|------------------------|-------------------|---------------|----------------|---------------|
|   |                                       |           | Previous        | End of the 23rd Period | Difference   | Previous    | End of the 23rd Period | Previous      | End of the 23rd Period | Previous          | End of the 23rd Period |                   |               |                |               |
|   |                                       |           | a               | b                      | c [b-a]      |             |                        |               |                        |                   |                        | d                 | e [b-d]       | f              | g [b-f]       |
| R-19  | KDX Residence Nishi-oji               | D         | 974             | 992                    | 18           | 4.4%        | 4.3%                   | 4.2%          | 4.1%                   | 4.6%              | 4.5%                   | 813               | 179           | 754            | 237           |
| R-20  | KDX Residence Saiin                   | D         | 545             | 556                    | 11           | 4.4%        | 4.3%                   | 4.2%          | 4.1%                   | 4.6%              | 4.5%                   | 440               | 116           | 402            | 153           |
| R-21  | KDX Residence Namba                   | F         | 1,930           | 1,940                  | 10           | 3.9%        | 3.9%                   | 3.7%          | 3.7%                   | 4.0%              | 4.0%                   | 1,410             | 530           | 1,314          | 625           |
| R-22  | KDX Residence Namba-minami            | F         | 1,790           | 1,780                  | -10          | 4.0%        | 4.0%                   | 3.8%          | 3.8%                   | 4.1%              | 4.1%                   | 1,350             | 430           | 1,221          | 558           |
| R-24  | KDX Residence Ibaraki I・II            | F         | 1,628           | 1,657                  | 29           | 4.2%        | 4.2%                   | 4.0%          | 4.0%                   | 4.3%              | 4.3%                   | 1,275             | 382           | 1,297          | 359           |
| R-25  | KDX Residence Toyonaka-minami         | F         | 1,070           | 1,070                  | -            | 4.1%        | 4.1%                   | 3.9%          | 3.9%                   | 4.2%              | 4.2%                   | 740               | 330           | 639            | 430           |
| R-26  | KDX Residence Moriguchi               | F         | 782             | 783                    | 1            | 4.0%        | 4.0%                   | 3.8%          | 3.8%                   | 4.1%              | 4.1%                   | 551               | 232           | 481            | 301           |
| R-27  | KDX Residence Sannomiya               | F         | 1,410           | 1,410                  | -            | 3.6%        | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 1,080             | 330           | 1,029          | 380           |
| R-28  | Ashiya Royal Homes                    | F         | 2,370           | 2,370                  | -            | 3.6%        | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 1,360             | 1,010         | 1,656          | 713           |
| R-29  | KDX Residence Funairi Saiwai-cho      | F         | 824             | 827                    | 3            | 4.7%        | 4.7%                   | 4.5%          | 4.5%                   | 4.8%              | 4.8%                   | 588               | 239           | 527            | 299           |
| R-30  | KDX Residence Tenjin-higashi II       | F         | 1,090           | 1,090                  | -            | 3.9%        | 3.9%                   | 3.7%          | 3.7%                   | 4.0%              | 4.0%                   | 680               | 410           | 622            | 467           |
| R-32  | KDX Residence Nishi Koen              | F         | 1,080           | 1,090                  | 10           | 3.9%        | 3.9%                   | 3.7%          | 3.7%                   | 4.0%              | 4.0%                   | 763               | 327           | 696            | 393           |
| R-33  | KDX Residence Hirao Josui-machi       | F         | 1,090           | 1,090                  | -            | 3.7%        | 3.7%                   | 3.5%          | 3.5%                   | 3.8%              | 3.8%                   | 760               | 330           | 722            | 367           |
| R-35  | Leopalace Flat Shin-sakae             | M         | 4,640           | 4,730                  | 90           | 4.0%        | 3.9%                   | 3.9%          | 3.8%                   | 4.2%              | 4.1%                   | 3,500             | 1,230         | 3,382          | 1,347         |
| R-36  | KDX Residence Konan Yamate            | F         | 1,350           | 1,350                  | -            | 3.6%        | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 973               | 377           | 937            | 412           |
| R-37  | KDX Residence Hommachibashi           | F         | 4,180           | 4,180                  | -            | 3.6%        | 3.6%                   | 3.4%          | 3.4%                   | 3.7%              | 3.7%                   | 3,201             | 979           | 3,024          | 1,155         |
| R-38  | KDX Residence Minami-kusatsu          | D         | 2,610           | 2,640                  | 30           | 5.1%        | 5.0%                   | 4.9%          | 4.8%                   | 5.3%              | 5.2%                   | 1,974             | 665           | 1,916          | 723           |
| R-39  | KDX Residence Ohori Harbor View Tower | D         | 5,240           | 5,270                  | 30           | 4.4%        | 4.3%                   | 4.2%          | 4.1%                   | 4.6%              | 4.5%                   | 4,606             | 663           | 4,276          | 993           |
| R-40  | KDX Residence Minami-sanjo            | F         | 1,970           | 1,970                  | -            | 4.1%        | 4.1%                   | 3.9%          | 3.9%                   | 4.2%              | 4.2%                   | 915               | 1,055         | 911            | 1,058         |
| R-41  | Serenite Kita-kyuhoji                 | M         | 1,740           | 1,780                  | 40           | 3.7%        | 3.6%                   | 3.5%          | 3.4%                   | 3.9%              | 3.8%                   | 1,290             | 489           | 1,199          | 580           |
| R-42  | Serenite Nishinomiya Hommachi         | T         | 782             | 783                    | 1            | 4.3%        | 4.3%                   | 4.4%          | 4.4%                   | 4.5%              | 4.5%                   | 617               | 165           | 606            | 176           |
| R-43  | KDX Residence Nishijin                | T         | 1,820           | 1,850                  | 30           | 4.2%        | 4.1%                   | 4.3%          | 4.2%                   | 4.4%              | 4.3%                   | 1,600             | 250           | 1,709          | 140           |
| R-44  | Serenite Kobe Motomachi               | T         | 2,780           | 2,790                  | 10           | 4.1%        | 4.0%                   | 4.2%          | 4.1%                   | 4.3%              | 4.2%                   | 2,390             | 400           | 2,376          | 413           |
| R-45  | KDX Residence Shukugawa Hills         | D         | 7,500           | 7,480                  | -20          | 4.1%        | 4.0%                   | 3.9%          | 3.8%                   | 4.3%              | 4.2%                   | 6,884             | 595           | 7,248          | 231           |
| R-46  | KDX Residence Sendai Station East     | F         | 1,590           | 1,590                  | -            | 4.0%        | 4.0%                   | 3.8%          | 3.8%                   | 4.1%              | 4.1%                   | 1,340             | 250           | 1,371          | 218           |
| R-47  | Serenite Kosihen Plie                 | T         | 845             | 865                    | 20           | 4.3%        | 4.2%                   | 4.4%          | 4.3%                   | 4.5%              | 4.4%                   | 770               | 95            | 814            | 50            |
| <b>Subtotal / Average</b>                     |                                       |           | <b>74,682</b>   | <b>75,049</b>          | <b>367</b>   | <b>4.0%</b> | <b>4.0%</b>            | <b>3.9%</b>   | <b>3.8%</b>            | <b>4.2%</b>       | <b>4.1%</b>            | <b>56,947</b>     | <b>18,101</b> | <b>54,660</b>  | <b>20,388</b> |
| <b>Residential Properties total / Average</b> |                                       |           | <b>308,149</b>  | <b>309,498</b>         | <b>1,349</b> | <b>3.6%</b> | <b>3.5%</b>            | <b>3.4%</b>   | <b>3.4%</b>            | <b>3.7%</b>       | <b>3.7%</b>            | <b>222,570</b>    | <b>86,927</b> | <b>221,356</b> | <b>88,141</b> |

Other Regional Areas

# Appraisal Values 6/7

(Millions of yen)

| No.                | Property Name                          | Appraiser | Appraisal Value |                        |            | Cap Rate |                        | Discount Rate |                        | Terminal Cap Rate |                        | Acquisition Price | Difference | Book Value | Difference |
|--------------------|--|-----------|-----------------|------------------------|------------|----------|------------------------|---------------|------------------------|-------------------|------------------------|-------------------|------------|------------|------------|
|                    |  |           | Previous        | End of the 23rd Period | Difference | Previous | End of the 23rd Period | Previous      | End of the 23rd Period | Previous          | End of the 23rd Period |                   |            |            |            |
|                    |  |           | a               | b                      | c [b-a]    |          |                        |               |                        |                   |                        |                   |            |            |            |
| H-1                | Irise Kamata/Yuseien                   | D         | 1,100           | 1,120                  | 20         | 4.4%     | 4.3%                   | 4.2%          | 4.1%                   | 4.6%              | 4.5%                   | 1,120             | -          | 1,049      | 70         |
| H-2                | Nichii Home Nakano-Minamidai           | D         | 2,070           | 2,110                  | 40         | 4.1%     | 4.0%                   | 3.9%          | 3.8%                   | 4.3%              | 4.2%                   | 1,780             | 330        | 1,747      | 362        |
| H-3                | Joy Stage Hachioji                     | T         | 4,050           | 4,120                  | 70         | 5.0%     | 4.9%                   | 4.9%          | 4.8%                   | 5.2%              | 5.1%                   | 3,690             | 430        | 3,719      | 400        |
| H-4                | Yuimaru Hijirigaoka                    | F         | 1,200           | 1,190                  | -10        | 4.6%     | 4.6%                   | 4.4%          | 4.4%                   | 4.7%              | 4.7%                   | 1,120             | 70         | 1,023      | 166        |
| H-5                | Nichii Home Tama Plaza                 | D         | 3,110           | 3,170                  | 60         | 4.9%     | 4.8%                   | 4.7%          | 4.6%                   | 5.1%              | 5.0%                   | 2,940             | 230        | 2,678      | 491        |
| H-6                | Ten                                    | T         | 2,670           | 2,660                  | -10        | 6.0%     | 6.0%                   | 6.1%          | 6.1%                   | 6.2%              | 6.2%                   | 2,630             | 30         | 2,461      | 198        |
| H-7                | Irise Nishioka                         | F         | 877             | 893                    | 16         | 5.0%     | 4.9%                   | 4.8%          | 4.7%                   | 5.1%              | 5.0%                   | 858               | 35         | 764        | 128        |
| H-8                | Izarie Eniwa Building                  | F         | 1,810           | 1,820                  | 10         | 5.4%     | 5.3%                   | 5.2%          | 5.1%                   | 5.5%              | 5.4%                   | 1,660             | 160        | 1,465      | 354        |
| H-9                | Sawayaka Sakura Nibankan               | D         | 1,010           | 1,020                  | 10         | 5.4%     | 5.3%                   | 5.2%          | 5.1%                   | 5.6%              | 5.5%                   | 989               | 31         | 862        | 157        |
| H-10               | Activa Biwa                            | T         | 6,510           | 6,500                  | -10        | 5.7%     | 5.7%                   | 5.8%          | 5.8%                   | 5.9%              | 5.9%                   | 6,560             | -60        | 6,293      | 206        |
| H-11               | Sompo Care LAVIERE Kobe Tarumi         | T         | 2,200           | 2,240                  | 40         | 4.7%     | 4.6%                   | 4.7%          | 4.6%                   | 4.9%              | 4.8%                   | 2,110             | 130        | 1,995      | 244        |
| H-12               | Rihabili-home Granda Mondo Yakujin     | F         | 1,310           | 1,340                  | 30         | 4.3%     | 4.2%                   | 4.0%          | 3.9%                   | 4.4%              | 4.3%                   | 1,253             | 87         | 1,150      | 189        |
| H-13               | Excellent Nishinomiya                  | T         | 956             | 973                    | 17         | 4.8%     | 4.7%                   | 4.8%          | 4.7%                   | 5.0%              | 4.9%                   | 971               | 2          | 878        | 94         |
| H-14               | Gran Hills Ogawarako                   | T         | 1,360           | 1,380                  | 20         | 7.1%     | 7.0%                   | 7.0%          | 6.9%                   | 7.3%              | 7.2%                   | 1,380             | -          | 1,253      | 126        |
| H-15               | Excellent Kitano                       | T         | 818             | 836                    | 18         | 4.5%     | 4.4%                   | 4.5%          | 4.4%                   | 4.7%              | 4.6%                   | 737               | 99         | 729        | 106        |
| H-16               | Anesis Teradacho                       | D         | 3,690           | 3,690                  | -          | 4.9%     | 4.9%                   | 4.7%          | 4.7%                   | 5.1%              | 5.1%                   | 3,490             | 200        | 3,312      | 377        |
| H-17               | Rococo-riha                            | D         | 2,200           | 2,200                  | -          | 5.0%     | 5.0%                   | 4.8%          | 4.8%                   | 5.2%              | 5.2%                   | 2,100             | 100        | 1,964      | 235        |
| H-18               | Orage Suma                             | T         | 2,820           | 2,820                  | -          | 5.2%     | 5.2%                   | 5.0%          | 5.0%                   | 5.4%              | 5.4%                   | 2,810             | 10         | 2,643      | 176        |
| H-19               | Canadian Hill                          | T         | 1,880           | 1,880                  | -          | 4.7%     | 4.7%                   | 4.6%          | 4.6%                   | 4.9%              | 4.9%                   | 1,830             | 50         | 1,807      | 72         |
| H-20               | Anesis Hyogo                           | T         | 1,440           | 1,440                  | -          | 4.8%     | 4.8%                   | 4.7%          | 4.7%                   | 5.0%              | 5.0%                   | 1,420             | 20         | 1,449      | -9         |
| H-21               | Plaisant Grand Ota tamagawa            | F         | 3,490           | 3,490                  | -          | 3.7%     | 3.7%                   | 3.5%          | 3.5%                   | 3.8%              | 3.8%                   | 3,057             | 432        | 3,161      | 328        |
| H-22               | Tsukui Sun-shine Machida               | F         | 7,670           | 7,650                  | -20        | 4.0%     | 4.0%                   | 3.8%          | 3.8%                   | 4.1%              | 4.1%                   | 6,934             | 715        | 6,905      | 744        |
| H-23               | Serabi Ebisu                           | M         | 1,740           | 1,740                  | -          | 3.9%     | 3.9%                   | 3.7%          | 3.7%                   | 4.1%              | 4.1%                   | 1,690             | 50         | 1,708      | 31         |
| H-24               | Arute Ishiyagawa                       | T         | 1,360           | 1,370                  | 10         | 5.4%     | 5.4%                   | 5.1%          | 5.1%                   | 5.2%              | 5.2%                   | 1,061             | 309        | 1,044      | 325        |
| H-25               | Medical-home Granga Kurakuen           | T         | 2,890           | 3,000                  | 110        | 4.4%     | 4.3%                   | 4.4%          | 4.3%                   | 4.6%              | 4.5%                   | 2,709             | 290        | 2,788      | 211        |
| H-26               | Rihabili-home Granda Kobe Kitano       | F         | 1,990           | 2,030                  | 40         | 4.2%     | 4.1%                   | 4.0%          | 3.9%                   | 4.3%              | 4.2%                   | 1,720             | 310        | 1,769      | 260        |
| H-27               | Grapes Kawasaki Shimmachi              | D         | 1,560           | 1,600                  | 40         | 3.9%     | 3.8%                   | 3.7%          | 3.6%                   | 4.1%              | 4.0%                   | 1,470             | 130        | 1,517      | 82         |
| H-28               | SOMPO care Sompo no ie S Fujimino      | D         | 1,590           | 1,630                  | 40         | 4.1%     | 4.0%                   | 3.9%          | 3.8%                   | 4.3%              | 4.2%                   | 1,520             | 110        | 1,572      | 57         |
| H-29               | Irise Kobe Rokko                       | T         | 1,380           | 1,420                  | 40         | 4.5%     | 4.4%                   | 4.4%          | 4.3%                   | 4.7%              | 4.6%                   | 1,200             | 220        | 1,247      | 172        |
| H-30               | Excellent Hanayashiki Garden Hills     | T         | 1,440           | 1,470                  | 30         | 4.5%     | 4.4%                   | 4.5%          | 4.4%                   | 4.7%              | 4.6%                   | 1,287             | 183        | 1,353      | 116        |
| H-31               | Excellent Takarazuka Garden Hills      | T         | 2,540           | 2,610                  | 70         | 4.4%     | 4.3%                   | 4.4%          | 4.3%                   | 4.6%              | 4.5%                   | 2,340             | 270        | 2,450      | 159        |
| H-32               | Tsukui Sun-shine Adachi                | D         | 918             | 915                    | -3         | 3.7%     | 3.7%                   | 3.5%          | 3.5%                   | 3.9%              | 3.9%                   | 830               | 85         | 866        | 48         |
| H-33               | SOMPO Care LAVIERE Ichinoe             | F         | 1,260           | 1,260                  | -          | 3.7%     | 3.7%                   | 3.5%          | 3.5%                   | 3.8%              | 3.8%                   | 1,184             | 76         | 1,229      | 30         |
| H-34               | Nichii Home Hachimanyama               | F         | 2,400           | 2,420                  | 20         | 3.7%     | 3.7%                   | 3.5%          | 3.5%                   | 3.8%              | 3.8%                   | 2,065             | 355        | 2,208      | 211        |
| H-35               | Lifeship Oasa                          | D         | 1,200           | 1,210                  | 10         | 5.3%     | 5.2%                   | 5.1%          | 5.0%                   | 5.5%              | 5.4%                   | 1,088             | 122        | 1,162      | 47         |
| H-36               | Lifeship Yunokawa                      | D         | 1,110           | 1,120                  | 10         | 5.4%     | 5.3%                   | 5.2%          | 5.1%                   | 5.6%              | 5.5%                   | 1,020             | 100        | 1,085      | 34         |
| H-37               | Lifeship Fukagawa                      | D         | 885             | 895                    | 10         | 5.7%     | 5.6%                   | 5.5%          | 5.4%                   | 5.9%              | 5.8%                   | 758               | 137        | 827        | 67         |
| H-38               | Sunny Life Tachikawa                   | F         | -               | 1,960                  | -          | -        | 4.0%                   | -             | 3.8%                   | -                 | 4.1%                   | 1,850             | 110        | 1,942      | 17         |
| H-39               | Rehabili-home Bon Sejour Minamisenzoku | F         | -               | 1,590                  | -          | -        | 3.5%                   | -             | 3.3%                   | -                 | 3.6%                   | 1,470             | 120        | 1,561      | 28         |
| Subtotal / Average |  |           | 78,504          | 82,782                 | 4,278      | 4.7%     | 4.6%                   | 4.6%          | 4.5%                   | 4.9%              | 4.8%                   | 76,702            | 6,079      | 75,656     | 7,125      |

Healthcare Facilities



# Appraisal Values 7/7

(Millions of yen)

| No.                | Property Name             | Appraiser                            | Appraisal Value |                        |                | Cap Rate     |                        | Discount Rate |                        | Terminal Cap Rate |                        | Acquisition Price | Difference    | Book Value     | Difference    |              |
|--------------------|---------------------------|--------------------------------------|-----------------|------------------------|----------------|--------------|------------------------|---------------|------------------------|-------------------|------------------------|-------------------|---------------|----------------|---------------|--------------|
|                    |                           |                                      | Previous        | End of the 23rd Period | Difference     | Previous     | End of the 23rd Period | Previous      | End of the 23rd Period | Previous          | End of the 23rd Period |                   |               |                |               |              |
|                    |                           |                                      | a               | b                      | c [b-a]        |              |                        |               |                        |                   |                        | d                 | e [b-d]       | f              | g [b-f]       |              |
| Accommodation      | A-1                       | HOTEL LiVEMAX Tokyo-Otsuka-Ekimae    | T               | 2,370                  | 2,370          | -            | 4.1%                   | 4.1%          | 4.0%                   | 4.1%              | 4.3%                   | 4.3%              | 2,390         | -20            | 2,424         | -54          |
|                    | A-2                       | HOTEL LiVEMAX Yokohamaeki-Nishiguchi | T               | 2,600                  | 2,600          | -            | 4.1%                   | 4.1%          | 4.0%                   | 4.1%              | 4.3%                   | 4.3%              | 2,570         | 30             | 2,606         | -6           |
|                    | <b>Subtotal / Average</b> |                                      |                 |                        | <b>4,970</b>   | <b>4,970</b> | <b>-</b>               | <b>4.1%</b>   | <b>4.1%</b>            | <b>4.0%</b>       | <b>4.1%</b>            | <b>4.3%</b>       | <b>4.3%</b>   | <b>4,960</b>   | <b>10</b>     | <b>5,031</b> |
| <b>Grand total</b> |                           |                                      |                 | <b>391,623</b>         | <b>397,250</b> | <b>5,627</b> |                        |               |                        |                   |                        | <b>304,232</b>    | <b>93,017</b> | <b>302,043</b> | <b>95,206</b> |              |

Note : Regarding Appraisers, “F” means Japan Real Estate Institute, “D” means Daiwa Real Estate Appraisal co., Ltd., “M” means JLL Morii Valuation & Advisory K.K. and “T” means The Tanizawa Sogo Appraisal Co., Ltd. Appraisal values are rounded down to the nearest million yen. Contents of the real estate appraisal are opinions and judgements at the time of evaluation(Previous; January 31, 2023, 23rd Period; July 31, 2023), and do not guarantee the validity, accuracy and the possibility of sales at appraisal values. Subtotal and Total of “Cap Rate”, “Discount Rate” and “Terminal Cap Rate” are calculated by the weighted average by the appraisal value. For properties for which multiple discount rates are set per fiscal period, the value for the first fiscal period in which a discount rate was applied is shown above.

# Summary of Portfolio Performance

## Trends in Portfolio Performance

|   | 18th fiscal period<br>(as of Jan. 31, 2021) | 19th fiscal period<br>(as of Jul. 31, 2021) | 20th fiscal period<br>(as of Jan. 31, 2022) | 21st fiscal period<br>(as of Jul. 31, 2022) | 22nd fiscal period<br>(as of Jan. 31, 2023) | 23rd fiscal period<br>(as of Jul. 31, 2023) |
|---|---|---|---|---|---|---|
| Number of Properties                            | 157 props.                                  | 161 props.                                  | 165 props.                                  | 173 props.                                  | 180 props.                                  | 182 props.                                  |
| Properties Acquired during the Period           | 6 props. <sup>(3)</sup>                     | 5 props.                                    | 5 props.                                    | 8 props.                                    | 8 props.                                    | 2 props.                                    |
| Properties Transferred during the Period        | 0 prop.                                     | 1 prop.                                     | 1 prop.                                     | 0 prop.                                     | 1 prop.                                     | 0 prop.                                     |
| Total Acquisition Price                         | 259,449 mn yen                              | 265,762 mn yen                              | 277,569 mn yen                              | 290,730 mn yen                              | 300,912 mn yen                              | 304,232 mn yen                              |
| Total Book Value                                | 258,384 mn yen                              | 264,204 mn yen                              | 275,695 mn yen                              | 288,832 mn yen                              | 298,843 mn yen                              | 302,043 mn yen                              |
| Total Appraisal Value                           | 311,926 mn yen                              | 323,918 mn yen                              | 344,484 mn yen                              | 365,903 mn yen                              | 391,623 mn yen                              | 397,250 mn yen                              |
| Rentable Units <sup>(1)</sup>                   | 9,285 units                                 | 9,389 units                                 | 9,640 units                                 | 10,039 units                                | 10,046 units                                | 10,046 units                                |
| Rentable Area <sup>(1)</sup>                    | 357,570.50 m <sup>2</sup>                   | 360,067.69 m <sup>2</sup>                   | 370,396.10 m <sup>2</sup>                   | 383,810.01 m <sup>2</sup>                   | 385,055.55 m <sup>2</sup>                   | 385,055.55 m <sup>2</sup>                   |
| Leasing Business Revenues                       | 8,382 mn yen                                | 8,758 mn yen                                | 8,962 mn yen                                | 9,441 mn yen                                | 9,632 mn yen                                | 10,083 mn yen                               |
| Leasing Business Expenses (ex. depreciation)    | 1,556 mn yen                                | 1,787 mn yen                                | 1,667 mn yen                                | 1,883 mn yen                                | 1,796 mn yen                                | 1,943 mn yen                                |
| NOI (Net Operating Income) <sup>(2)</sup>       | 6,825 mn yen                                | 6,971 mn yen                                | 7,295 mn yen                                | 7,557 mn yen                                | 7,835 mn yen                                | 8,139 mn yen                                |
| NOI Cap Rate (per year)                         | 5.4 % <sup>(4)</sup>                        | 5.3 % <sup>(4)</sup>                        | 5.3 % <sup>(4)</sup>                        | 5.3 % <sup>(4)</sup>                        | 5.3 % <sup>(4)</sup>                        | 5.4 % <sup>(4)</sup>                        |
| Capital Expenditure                             | 478 mn yen                                  | 625 mn yen                                  | 639 mn yen                                  | 812 mn yen                                  | 850 mn yen                                  | 1,446 mn yen                                |
| Depreciation                                    | 1,504 mn yen                                | 1,546 mn yen                                | 1,589 mn yen                                | 1,665 mn yen                                | 1,721 mn yen                                | 1,774 mn yen                                |
| Depreciation Rate (per acquisition price, year) | 1.2 % <sup>(4)</sup>                        | 1.2 % <sup>(4)</sup>                        | 1.2 % <sup>(4)</sup>                        | 1.2 % <sup>(4)</sup>                        | 1.2 % <sup>(4)</sup>                        | 1.2 % <sup>(4)</sup>                        |
| NOI Cap Rate after Depreciation (per year)      | 4.2 % <sup>(4)</sup>                        | 4.2 % <sup>(4)</sup>                        | 4.2 % <sup>(4)</sup>                        | 4.2 % <sup>(4)</sup>                        | 4.1 % <sup>(4)</sup>                        | 4.2 % <sup>(4)</sup>                        |

Note 1: "Rentable Units" and "Rentable Area" don't include healthcare facilities.

Note 2: NOI = Operating Revenues – Operating Expenses(ex. depreciation) (Rounded down to the nearest one decimal places)

Note 3: Cases in which a part of the property was additionally acquired are not included.

Note 4: Properties acquired or sold during each fiscal period are excluded from the calculation.

# Portfolio Performance for the fiscal period ended July 2023 (23rd FP) 1/7

(Thousands of yen)

| No.  | Property Name                      | Acquisition Price | Book Value | Appraisal Value | Type <sup>(1)</sup> | Rentable Units<br>(unit) | Rentable Area<br>(m <sup>2</sup> ) | Rented Area<br>(m <sup>2</sup> ) | Occupancy Rate<br>(%) | Operating Days<br>(days) | Leasing Business Revenue<br>a | Leasing Business Expenses<br>b | NOI<br>c [a-b] | Depreciation<br>d | Leasing Business Income<br>e [c-d] | NOI Cap Rate<br>(per year) | NOI Cap Rate after Depreciation<br>(per year) |
|------|------------------------------------|-------------------|------------|-----------------|---------------------|--------------------------|------------------------------------|----------------------------------|-----------------------|--------------------------|-------------------------------|--------------------------------|----------------|-------------------|------------------------------------|----------------------------|---|
| T-1  | KDX Daikanyama Residence           | 4,700,000         | 4,698,902  | 7,950,000       | SF                  | 86                       | 5,338.99                           | 5,093.87                         | 95.4%                 | 181                      | 168,577                       | 42,284                         | 126,292        | 18,216            | 108,075                            | 5.4%                       | 4.6%  |
| T-3  | KDX Odemma Residence               | 1,775,000         | 1,643,908  | 2,870,000       | SF                  | 54                       | 2,353.23                           | 2,311.21                         | 98.2%                 | 181                      | 60,873                        | 12,607                         | 48,265         | 11,433            | 36,832                             | 5.5%                       | 4.2%  |
| T-4  | KDX Iwamoto-cho Residence          | 822,000           | 753,966    | 1,290,000       | SF                  | 36                       | 1,131.24                           | 1,059.53                         | 93.7%                 | 181                      | 28,276                        | 6,486                          | 21,789         | 5,449             | 16,340                             | 5.3%                       | 4.0%  |
| T-5  | KDX Bunkyo Sengoku Residence       | 1,488,000         | 1,527,389  | 2,280,000       | S                   | 77                       | 2,054.10                           | 1,959.23                         | 95.4%                 | 181                      | 52,363                        | 11,703                         | 40,660         | 7,946             | 32,713                             | 5.5%                       | 4.4%  |
| T-6  | KDX Azumabashi Residence           | 650,000           | 587,600    | 1,160,000       | S                   | 41                       | 1,054.83                           | 1,005.79                         | 95.4%                 | 181                      | 30,574                        | 11,843                         | 18,730         | 5,312             | 13,417                             | 5.8%                       | 4.2%  |
| T-7  | KDX Shimura Sakaue Residence       | 2,830,000         | 2,672,552  | 4,370,000       | F                   | 85                       | 6,117.48                           | 6,044.68                         | 98.8%                 | 181                      | 110,582                       | 20,064                         | 90,518         | 22,758            | 67,760                             | 6.5%                       | 4.8%  |
| T-9  | Cosmo Heim Motsumiyoshi            | 2,087,000         | 2,247,375  | 2,580,000       | S                   | 180                      | 4,538.04                           | 4,259.38                         | 93.9%                 | 181                      | 77,906                        | 35,131                         | 42,774         | 7,716             | 35,058                             | 4.1%                       | 3.4%  |
| T-10 | KDX Musashi Nakahara Residence     | 637,000           | 647,236    | 797,000         | F                   | 35                       | 2,123.46                           | 2,123.46                         | 100.0%                | 181                      | 26,993                        | 5,558                          | 21,434         | 3,258             | 18,176                             | 6.8%                       | 5.8%  |
| T-11 | KDX Chiba Chuo Residence           | 1,480,000         | 1,279,942  | 1,980,000       | S                   | 106                      | 3,546.91                           | 3,438.51                         | 96.9%                 | 181                      | 64,401                        | 15,177                         | 49,223         | 14,302            | 34,920                             | 6.7%                       | 4.8%  |
| T-12 | KDX Kawaguchi Saiwai-cho Residence | 1,150,000         | 1,157,072  | 1,880,000       | SF                  | 61                       | 2,491.66                           | 2,334.51                         | 93.7%                 | 181                      | 50,027                        | 13,433                         | 36,594         | 8,609             | 27,984                             | 6.4%                       | 4.9%  |
| T-13 | KDX Residence Shirokane I          | 3,000,000         | 3,059,458  | 4,490,000       | SF                  | 50                       | 3,617.32                           | 3,617.32                         | 100.0%                | 181                      | 121,041                       | 45,126                         | 75,915         | 9,719             | 66,195                             | 5.1%                       | 4.4%  |
| T-15 | KDX Residence Shirokane II         | 2,800,000         | 2,837,184  | 4,380,000       | S                   | 85                       | 2,889.66                           | 2,771.26                         | 95.9%                 | 181                      | 92,492                        | 20,156                         | 72,335         | 8,273             | 64,062                             | 5.2%                       | 4.6%  |
| T-16 | KDX Residence Minami-aoyama        | 2,230,000         | 2,262,743  | 2,840,000       | SF                  | 20                       | 1,680.79                           | 1,648.59                         | 98.1%                 | 181                      | 61,178                        | 14,554                         | 46,623         | 4,066             | 42,557                             | 4.2%                       | 3.8%  |
| T-17 | KDX Residence Minami-azabu         | 2,080,000         | 2,115,791  | 3,400,000       | SF                  | 62                       | 2,785.42                           | 2,703.26                         | 97.1%                 | 181                      | 75,280                        | 12,999                         | 62,280         | 8,483             | 53,796                             | 6.0%                       | 5.2%  |
| T-18 | KDX Residence Shiba Koen           | 1,781,000         | 1,783,489  | 2,840,000       | SF                  | 64                       | 2,507.52                           | 2,380.26                         | 94.9%                 | 181                      | 67,695                        | 13,606                         | 54,088         | 6,712             | 47,375                             | 6.1%                       | 5.4%  |
| T-19 | KDX Residence Azabu East           | 1,560,000         | 1,570,929  | 2,540,000       | S                   | 76                       | 1,849.00                           | 1,806.98                         | 97.7%                 | 181                      | 58,819                        | 11,679                         | 47,139         | 4,450             | 42,688                             | 6.1%                       | 5.5%  |
| T-20 | KDX Residence Takanawa             | 770,000           | 785,954    | 1,370,000       | SF                  | 27                       | 1,034.27                           | 979.55                           | 94.7%                 | 181                      | 28,377                        | 5,343                          | 23,033         | 3,459             | 19,573                             | 6.0%                       | 5.1%  |
| T-21 | KDX Residence Nishihara            | 1,450,000         | 1,476,925  | 2,290,000       | SF                  | 39                       | 2,310.08                           | 2,251.00                         | 97.4%                 | 181                      | 53,860                        | 10,225                         | 43,635         | 7,104             | 36,531                             | 6.1%                       | 5.1%  |
| T-22 | KDX Residence Daikanyama II        | 730,000           | 792,272    | 1,390,000       | F                   | 17                       | 985.10                             | 985.10                           | 100.0%                | 181                      | 31,324                        | 4,671                          | 26,652         | 1,848             | 24,803                             | 7.4%                       | 6.9%  |
| T-24 | KDX Residence Nihombashi Suitengu  | 3,240,000         | 3,091,424  | 4,750,000       | F                   | 79                       | 5,534.86                           | 5,534.86                         | 100.0%                | 181                      | 107,815                       | 12,825                         | 94,989         | 18,848            | 76,140                             | 5.9%                       | 4.7%  |
| T-25 | KDX Residence Nihombashi Hakozaeki | 1,147,000         | 1,113,894  | 1,600,000       | S                   | 60                       | 1,537.38                           | 1,496.36                         | 97.3%                 | 181                      | 41,897                        | 8,446                          | 33,450         | 7,213             | 26,236                             | 5.9%                       | 4.6%  |
| T-26 | KDX Residence Higashi-shinjuku     | 3,270,000         | 3,164,118  | 5,130,000       | S                   | 179                      | 4,358.43                           | 4,268.91                         | 97.9%                 | 181                      | 113,849                       | 22,318                         | 91,531         | 12,157            | 79,373                             | 5.6%                       | 4.9%  |
| T-27 | KDX Residence Yotsuya              | 2,260,000         | 2,291,822  | 3,710,000       | F                   | 42                       | 3,101.16                           | 3,042.46                         | 98.1%                 | 181                      | 84,705                        | 22,948                         | 61,756         | 9,029             | 52,726                             | 5.5%                       | 4.7%  |
| T-28 | KDX Residence Nishi-shinjuku       | 1,000,000         | 1,006,903  | 1,710,000       | S                   | 54                       | 1,345.92                           | 1,299.47                         | 96.5%                 | 181                      | 38,261                        | 6,142                          | 32,118         | 4,500             | 27,618                             | 6.5%                       | 5.6%  |
| T-29 | KDX Residence Kagurazaka           | 720,000           | 694,878    | 1,160,000       | S                   | 34                       | 890.93                             | 865.16                           | 97.1%                 | 181                      | 25,958                        | 6,112                          | 19,845         | 3,639             | 16,205                             | 5.6%                       | 4.5%  |
| T-30 | KDX Residence Futako Tamagawa      | 1,250,000         | 1,262,105  | 1,820,000       | F                   | 38                       | 2,339.62                           | 2,339.62                         | 100.0%                | 181                      | 45,636                        | 8,508                          | 37,128         | 5,228             | 31,899                             | 6.0%                       | 5.1%  |
| T-31 | KDX Residence Komazawa Koen        | 920,000           | 879,717    | 1,410,000       | SF                  | 32                       | 1,020.18                           | 997.81                           | 97.8%                 | 181                      | 30,457                        | 4,395                          | 26,061         | 4,954             | 21,107                             | 5.7%                       | 4.6%  |
| T-32 | KDX Residence Misyuku              | 760,000           | 780,949    | 1,180,000       | S                   | 39                       | 1,103.82                           | 1,103.82                         | 100.0%                | 181                      | 26,832                        | 6,522                          | 20,309         | 3,835             | 16,474                             | 5.4%                       | 4.4%  |
| T-33 | KDX Residence Yoga                 | 700,000           | 714,085    | 1,080,000       | S                   | 38                       | 1,012.80                           | 1,012.80                         | 100.0%                | 181                      | 25,263                        | 3,684                          | 21,579         | 3,069             | 18,510                             | 6.2%                       | 5.3%  |

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) (footprint of equal or more than 18m<sup>2</sup> and less than 30m<sup>2</sup> and more than 20 rentable units per property), Small Family (SF): (intended primarily for households of couples or families with infants) (footprint of equal or more than 30m<sup>2</sup> and less than 60m<sup>2</sup> and more than 15 rentable units per property), Family (F): (intended primarily for households of three or more families) (footprint of equal or more than 60m<sup>2</sup> and more than 5 rentable units per property)

# Portfolio Performance for the fiscal period ended July 2023 (23rd FP) 2/7

(Thousands of yen)

| No.  | Property Name                      | Acquisition Price | Book Value | Appraisal Value | Type <sup>(1)</sup> | Rentable Units<br>(unit) | Rentable Area<br>(m <sup>2</sup> ) | Rented Area<br>(m <sup>2</sup> ) | Occupancy Rate<br>(%) | Operating Days<br>(days) | Leasing Business Revenues<br>a | Leasing Business Expenses<br>b | NOI<br>c [a-b] | Depreciation<br>d | Leasing Business Income<br>e [c-d] | NOI Cap Rate<br>(per year) | NOI Cap Rate after Depreciation<br>(per year) |
|------|------------------------------------|-------------------|------------|-----------------|---------------------|--------------------------|------------------------------------|----------------------------------|-----------------------|--------------------------|--------------------------------|--------------------------------|----------------|-------------------|------------------------------------|----------------------------|---|
| T-34 | KDX Residence Shimouma             | 600,000           | 626,748    | 930,000         | S                   | 29                       | 829.05                             | 802.93                           | 96.8%                 | 181                      | 20,144                         | 9,140                          | 11,004         | 2,917             | 8,087                              | 3.7%                       | 2.7%  |
| T-35 | Raffine Minami-magome              | 1,250,000         | 1,226,720  | 1,630,000       | S                   | 56                       | 2,408.56                           | 2,408.56                         | 100.0%                | 181                      | 41,292                         | 3,169                          | 38,122         | 2,628             | 35,493                             | 6.2%                       | 5.7%  |
| T-36 | KDX Residence Yukigaya Otsuka      | 1,050,000         | 1,038,721  | 1,590,000       | S                   | 72                       | 1,526.98                           | 1,506.39                         | 98.7%                 | 181                      | 39,415                         | 9,506                          | 29,908         | 6,108             | 23,800                             | 5.7%                       | 4.6%  |
| T-37 | KDX Residence Denen Chofu          | 1,000,000         | 1,061,175  | 1,450,000       | F                   | 36                       | 2,359.44                           | 2,359.44                         | 100.0%                | 181                      | 40,009                         | 7,384                          | 32,624         | 4,495             | 28,128                             | 6.6%                       | 5.7%  |
| T-38 | KDX Residence Tamagawa             | 776,000           | 704,109    | 1,130,000       | S                   | 52                       | 1,170.40                           | 1,148.50                         | 98.1%                 | 181                      | 29,095                         | 8,088                          | 21,007         | 6,045             | 14,961                             | 5.5%                       | 3.9%  |
| T-39 | KDX Residence Monzennakacho        | 773,000           | 772,686    | 1,200,000       | S                   | 49                       | 1,171.41                           | 1,171.41                         | 100.0%                | 181                      | 28,572                         | 6,636                          | 21,936         | 4,659             | 17,276                             | 5.7%                       | 4.5%  |
| T-40 | KDX Residence Okachimachi          | 850,000           | 852,982    | 1,320,000       | S                   | 51                       | 1,329.79                           | 1,304.93                         | 98.1%                 | 181                      | 34,385                         | 5,887                          | 28,497         | 4,429             | 24,068                             | 6.8%                       | 5.7%  |
| T-41 | KDX Residence Moto-asakusa         | 800,000           | 793,787    | 1,220,000       | SF                  | 44                       | 1,314.91                           | 1,282.16                         | 97.5%                 | 181                      | 29,989                         | 7,226                          | 22,762         | 5,127             | 17,635                             | 5.7%                       | 4.4%  |
| T-42 | KDX Residence Itabashi Honcho      | 620,000           | 575,996    | 958,000         | S                   | 46                       | 1,127.58                           | 1,127.58                         | 100.0%                | 181                      | 25,591                         | 5,773                          | 19,818         | 4,371             | 15,446                             | 6.4%                       | 5.0%  |
| T-43 | KDX Residence Azusawa              | 550,000           | 538,976    | 781,000         | S                   | 39                       | 989.82                             | 989.82                           | 100.0%                | 181                      | 20,979                         | 4,663                          | 16,316         | 3,687             | 12,628                             | 6.0%                       | 4.6%  |
| T-45 | KDX Residence Yokohama Kannai      | 800,000           | 746,337    | 1,180,000       | S                   | 72                       | 1,602.16                           | 1,535.11                         | 95.8%                 | 181                      | 36,053                         | 8,303                          | 27,749         | 6,413             | 21,336                             | 7.0%                       | 5.4%  |
| T-46 | KDX Residence Miyamaedaira         | 999,000           | 984,938    | 1,360,000       | F                   | 40                       | 2,448.27                           | 2,394.21                         | 97.8%                 | 181                      | 38,580                         | 9,817                          | 28,763         | 5,405             | 23,357                             | 5.8%                       | 4.7%  |
| T-47 | KDX Residence Machida              | 1,800,000         | 1,680,905  | 2,630,000       | F                   | 52                       | 3,832.53                           | 3,386.31                         | 88.4%                 | 181                      | 70,888                         | 12,870                         | 58,018         | 16,163            | 41,854                             | 6.5%                       | 4.7%  |
| T-48 | KDX Residence Kinshicho            | 1,350,000         | 1,317,476  | 2,150,000       | F                   | 33                       | 2,024.81                           | 2,024.81                         | 100.0%                | 181                      | 47,295                         | 11,433                         | 35,861         | 7,767             | 28,094                             | 5.4%                       | 4.2%  |
| T-49 | KDX Residence Nihombashi Hamacho   | 996,000           | 1,019,144  | 1,610,000       | F                   | 28                       | 1,756.27                           | 1,756.27                         | 100.0%                | 181                      | 38,691                         | 4,974                          | 33,717         | 4,905             | 28,811                             | 6.8%                       | 5.8%  |
| T-50 | KDX Residence Nihombashi Ningyocho | 530,000           | 552,399    | 819,000         | S                   | 27                       | 877.14                             | 819.73                           | 93.5%                 | 181                      | 19,818                         | 4,717                          | 15,101         | 2,427             | 12,673                             | 5.7%                       | 4.8%  |
| T-51 | KDX Residence Jiyugaoka            | 1,268,000         | 1,312,377  | 1,950,000       | SF                  | 48                       | 1,637.00                           | 1,600.52                         | 97.8%                 | 181                      | 39,879                         | 11,530                         | 28,349         | 4,814             | 23,534                             | 4.5%                       | 3.7%  |
| T-52 | KDX Residence Togoshi              | 3,745,000         | 3,665,368  | 5,750,000       | SF                  | 144                      | 4,591.76                           | 4,536.97                         | 98.8%                 | 181                      | 125,909                        | 24,409                         | 101,499        | 19,034            | 82,465                             | 5.5%                       | 4.4%  |
| T-53 | KDX Residence Shinagawa Seaside    | 2,593,000         | 2,586,238  | 3,700,000       | S                   | 127                      | 3,314.75                           | 3,072.92                         | 92.7%                 | 181                      | 84,126                         | 25,424                         | 58,701         | 14,336            | 44,364                             | 4.6%                       | 3.5%  |
| T-54 | KDX Residence Ojima                | 1,857,000         | 1,751,766  | 2,910,000       | S                   | 117                      | 2,372.67                           | 2,332.02                         | 98.3%                 | 181                      | 68,450                         | 18,901                         | 49,549         | 11,295            | 38,253                             | 5.4%                       | 4.2%  |
| T-55 | KDX Residence Oyama                | 2,679,000         | 2,529,686  | 3,970,000       | SF                  | 145                      | 4,009.07                           | 3,955.17                         | 98.7%                 | 181                      | 96,948                         | 16,936                         | 80,011         | 17,087            | 62,924                             | 6.0%                       | 4.7%  |
| T-56 | KDX Residence Hanzomon             | 4,832,000         | 4,889,182  | 7,090,000       | F                   | 85                       | 4,854.23                           | 4,854.23                         | 100.0%                | 181                      | 141,673                        | 21,463                         | 120,209        | 16,108            | 104,101                            | 5.0%                       | 4.3%  |
| T-57 | KDX Residence Akihabara II         | 850,000           | 898,037    | 1,320,000       | S                   | 52                       | 1,254.50                           | 1,229.82                         | 98.0%                 | 181                      | 31,432                         | 6,547                          | 24,884         | 3,296             | 21,587                             | 5.9%                       | 5.1%  |
| T-58 | KDX Residence Kagurazaka Dori      | 1,360,000         | 1,373,311  | 2,710,000       | S                   | 70                       | 1,809.84                           | 1,750.98                         | 96.7%                 | 181                      | 54,442                         | 12,911                         | 41,530         | 3,959             | 37,571                             | 6.2%                       | 5.6%  |
| T-59 | KDX Residence Sendagi              | 2,200,000         | 2,324,615  | 3,070,000       | F                   | 40                       | 3,159.89                           | 2,997.36                         | 94.9%                 | 181                      | 73,125                         | 16,862                         | 56,263         | 9,248             | 47,015                             | 5.2%                       | 4.3%  |
| T-60 | KDX Residence Seijo                | 1,400,000         | 1,438,978  | 1,920,000       | SF                  | 38                       | 2,198.56                           | 2,198.56                         | 100.0%                | 181                      | 43,338                         | 9,908                          | 33,429         | 5,297             | 28,132                             | 4.8%                       | 4.1%  |
| T-61 | KDX Residence Akihabara            | 1,250,000         | 1,210,934  | 1,950,000       | SF                  | 32                       | 1,929.61                           | 1,929.61                         | 100.0%                | 181                      | 43,173                         | 7,304                          | 35,868         | 6,995             | 28,873                             | 5.8%                       | 4.7%  |
| T-62 | KDX Residence Iriya                | 1,062,000         | 1,022,490  | 1,670,000       | S                   | 57                       | 1,899.29                           | 1,899.29                         | 100.0%                | 181                      | 40,275                         | 6,300                          | 33,974         | 6,407             | 27,567                             | 6.5%                       | 5.2%  |

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)  
 Single (S): (intended primarily for single-person households) (footprint of equal or more than 18m<sup>2</sup> and less than 30m<sup>2</sup> and more than 20 rentable units per property), Small Family (SF): (intended primarily for households of couples or families with infants) (footprint of equal or more than 30m<sup>2</sup> and less than 60m<sup>2</sup> and more than 15 rentable units per property), Family (F): (intended primarily for households of three or more families) (footprint of equal or more than 60m<sup>2</sup> and more than 5 rentable units per property)



# Portfolio Performance for the fiscal period ended July 2023 (23rd FP) 3/7

(Thousands of yen)

| No.  | Property Name                   | Acquisition Price | Book Value | Appraisal Value | Type <sup>(1)</sup> | Rentable Units<br>(unit) | Rentable Area<br>(m <sup>2</sup> ) | Rented Area<br>(m <sup>2</sup> ) | Occupancy Rate<br>(%) | Operating Days<br>(days) | Leasing Business Revenue<br>a | Leasing Business Expenses<br>b | NOI<br>c [a-b] | Depreciation<br>d | Leasing Business Income<br>e [c-d] | NOI Cap Rate<br>(per year) | NOI Cap Rate after Depreciation<br>(per year) |
|------|---------------------------------|-------------------|------------|-----------------|---------------------|--------------------------|------------------------------------|----------------------------------|-----------------------|--------------------------|-------------------------------|--------------------------------|----------------|-------------------|------------------------------------|----------------------------|---|
| T-63 | KDX Residence Tachikawa         | 3,026,200         | 2,931,965  | 4,350,000       | S                   | 174                      | 4,314.87                           | 4,184.73                         | 97.0%                 | 181                      | 103,226                       | 19,718                         | 83,508         | 22,567            | 60,940                             | 5.6%                       | 4.1%  |
| T-64 | KDX Residence Tsurumi           | 1,050,000         | 1,137,793  | 1,850,000       | SF                  | 59                       | 3,499.84                           | 3,442.34                         | 98.4%                 | 181                      | 56,448                        | 9,769                          | 46,679         | 6,825             | 39,854                             | 9.0%                       | 7.7%  |
| T-65 | KDX Residence Morishita Chitose | 1,100,000         | 1,070,530  | 1,520,000       | S                   | 65                       | 1,614.28                           | 1,593.00                         | 98.7%                 | 181                      | 38,914                        | 7,795                          | 31,118         | 5,892             | 25,226                             | 5.7%                       | 4.6%  |
| T-66 | KDX Residence Akasaka           | 1,150,000         | 1,160,377  | 2,430,000       | SF                  | 28                       | 1,180.71                           | 1,139.24                         | 96.5%                 | 181                      | 43,806                        | 6,643                          | 37,163         | 4,254             | 32,909                             | 6.5%                       | 5.8%  |
| T-67 | KDX Residence Kanda             | 700,000           | 693,775    | 1,340,000       | SF                  | 30                       | 1,031.09                           | 1,031.09                         | 100.0%                | 181                      | 30,969                        | 6,528                          | 24,441         | 3,708             | 20,732                             | 7.0%                       | 6.0%  |
| T-68 | KDX Residence Ebisu             | 2,845,000         | 2,852,266  | 5,510,000       | SF                  | 65                       | 2,659.66                           | 2,506.88                         | 94.3%                 | 181                      | 93,962                        | 15,168                         | 78,794         | 11,298            | 67,496                             | 5.6%                       | 4.8%  |
| T-69 | KDX Residence Nishi-magome      | 1,130,000         | 1,131,293  | 1,430,000       | S                   | 47                       | 1,297.27                           | 1,271.91                         | 98.0%                 | 181                      | 32,152                        | 8,085                          | 24,066         | 4,893             | 19,172                             | 4.3%                       | 3.4%  |
| T-70 | KDX Residence Nishi-azabu       | 1,224,000         | 1,222,268  | 2,020,000       | SF                  | 33                       | 1,357.88                           | 1,357.88                         | 100.0%                | 181                      | 39,517                        | 10,229                         | 29,288         | 4,755             | 24,532                             | 4.8%                       | 4.0%  |
| T-71 | KDX Residence Azabu Sendaizaka  | 792,300           | 797,567    | 1,330,000       | S                   | 30                       | 878.50                             | 878.50                           | 100.0%                | 181                      | 27,921                        | 7,983                          | 19,938         | 3,033             | 16,904                             | 5.1%                       | 4.3%  |
| T-72 | KDX Residence Waseda Tsurumaki  | 561,000           | 551,274    | 967,000         | S                   | 39                       | 808.54                             | 808.54                           | 100.0%                | 181                      | 23,068                        | 4,991                          | 18,076         | 3,085             | 14,991                             | 6.5%                       | 5.4%  |
| T-73 | KDX Residence Bunkyo Yushima    | 695,000           | 694,709    | 1,090,000       | S                   | 38                       | 939.89                             | 825.92                           | 87.9%                 | 181                      | 25,007                        | 6,666                          | 18,340         | 3,445             | 14,895                             | 5.3%                       | 4.3%  |
| T-74 | KDX Residence Kamishakujii      | 648,000           | 640,114    | 938,000         | S                   | 47                       | 1,032.18                           | 1,032.18                         | 100.0%                | 181                      | 24,429                        | 5,325                          | 19,103         | 4,278             | 14,824                             | 5.9%                       | 4.6%  |
| T-75 | KDX Residence Shin-otsuka       | 764,000           | 748,063    | 1,220,000       | S                   | 40                       | 872.00                             | 872.00                           | 100.0%                | 181                      | 30,293                        | 9,571                          | 20,721         | 3,433             | 17,288                             | 5.5%                       | 4.6%  |
| T-76 | KDX Residence Sakurajosui       | 894,000           | 873,954    | 1,340,000       | S                   | 43                       | 1,227.16                           | 1,201.96                         | 97.9%                 | 181                      | 30,596                        | 6,025                          | 24,570         | 4,124             | 20,446                             | 5.5%                       | 4.6%  |
| T-77 | KDX Residence Ryogoku           | 842,000           | 820,430    | 1,440,000       | S                   | 36                       | 1,190.53                           | 1,190.53                         | 100.0%                | 181                      | 30,572                        | 6,348                          | 24,223         | 4,401             | 19,821                             | 5.8%                       | 4.7%  |
| T-78 | KDX Residence Toyosu            | 7,500,000         | 7,509,783  | 8,070,000       | S                   | 242                      | 6,811.38                           | 6,811.38                         | 100.0%                | 181                      | 182,471                       | 18,940                         | 163,530        | 28,334            | 135,195                            | 4.4%                       | 3.6%  |
| T-79 | KDX Residence Asagaya           | 1,930,000         | 1,957,436  | 2,570,000       | SF                  | 44                       | 1,996.08                           | 1,925.08                         | 96.4%                 | 181                      | 52,695                        | 8,599                          | 44,096         | 4,261             | 39,835                             | 4.6%                       | 4.2%  |
| T-80 | KDX Residence Hiyoshi           | 2,635,300         | 2,654,658  | 3,040,000       | F                   | 92                       | 6,131.93                           | 5,990.19                         | 97.7%                 | 181                      | 82,975                        | 12,142                         | 70,833         | 10,507            | 60,326                             | 5.4%                       | 4.6%  |
| T-81 | KDX Residence Kamikitazawa      | 1,360,000         | 1,397,653  | 1,670,000       | SF                  | 39                       | 1,971.07                           | 1,971.07                         | 100.0%                | 181                      | 40,387                        | 7,678                          | 32,708         | 2,860             | 29,848                             | 4.9%                       | 4.4%  |
| T-82 | KDX Residence Kaminoge          | 1,111,000         | 1,119,448  | 1,460,000       | S                   | 34                       | 1,224.87                           | 1,224.87                         | 100.0%                | 181                      | 26,180                        | 3,748                          | 22,431         | 2,721             | 19,709                             | 4.1%                       | 3.6%  |
| T-83 | KDX Residence Higashi-Asakusa   | 687,730           | 704,560    | 857,000         | S                   | 36                       | 1,013.40                           | 1,013.40                         | 100.0%                | 181                      | 21,503                        | 4,990                          | 16,513         | 2,650             | 13,862                             | 4.8%                       | 4.1%  |
| T-84 | KDX Residence Nishi-Funabashi   | 975,350           | 996,854    | 1,190,000       | S                   | 57                       | 1,277.78                           | 1,251.42                         | 97.9%                 | 181                      | 31,515                        | 6,135                          | 25,379         | 4,803             | 20,576                             | 5.2%                       | 4.3%  |
| T-85 | KDX Residence Hatagaya          | 2,500,000         | 2,622,776  | 2,920,000       | S                   | 87                       | 2,659.50                           | 2,505.15                         | 94.2%                 | 181                      | 65,057                        | 11,470                         | 53,586         | 6,496             | 47,090                             | 4.3%                       | 3.8%  |
| T-86 | KDX Residence Asagaya II        | 939,400           | 968,873    | 1,110,000       | SF                  | 32                       | 957.67                             | 868.86                           | 90.7%                 | 181                      | 23,336                        | 4,234                          | 19,102         | 2,497             | 16,605                             | 4.1%                       | 3.6%  |
| T-87 | KDX Residence Gakugeidaigaku    | 750,000           | 772,417    | 831,000         | SF                  | 23                       | 820.01                             | 782.51                           | 95.4%                 | 181                      | 19,896                        | 2,834                          | 17,062         | 1,998             | 15,063                             | 4.6%                       | 4.1%  |
| T-88 | KDX Residence Kamata-minami     | 1,918,300         | 1,942,707  | 2,460,000       | S                   | 80                       | 2,203.87                           | 2,203.87                         | 100.0%                | 181                      | 50,280                        | 6,924                          | 43,355         | 6,509             | 36,845                             | 4.6%                       | 3.9%  |
| T-89 | KDX Residence Kichijoji         | 621,000           | 646,391    | 650,000         | SF                  | 21                       | 665.39                             | 665.39                           | 100.0%                | 181                      | 15,928                        | 2,941                          | 12,987         | 2,243             | 10,743                             | 4.2%                       | 3.5%  |
| T-90 | KDX Residence Mitaka            | 2,530,000         | 2,654,130  | 3,280,000       | SF                  | 51                       | 2,631.45                           | 2,478.07                         | 94.2%                 | 181                      | 69,750                        | 8,605                          | 61,145         | 8,436             | 52,708                             | 4.9%                       | 4.2%  |
| T-91 | KDX Residence Nakanobu          | 830,000           | 855,078    | 939,000         | S                   | 32                       | 845.78                             | 825.18                           | 97.6%                 | 181                      | 23,700                        | 4,150                          | 19,549         | 2,313             | 17,236                             | 4.7%                       | 4.2%  |

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) (footprint of equal or more than 18m<sup>2</sup> and less than 30m<sup>2</sup> and more than 20 rentable units per property), Small Family (SF): (intended primarily for households of couples or families with infants) (footprint of equal or more than 30m<sup>2</sup> and less than 60m<sup>2</sup> and more than 15 rentable units per property), Family (F): (intended primarily for households of three or more families) (footprint of equal or more than 60m<sup>2</sup> and more than 5 rentable units per property)

# Portfolio Performance for the fiscal period ended July 2023 (23rd FP) 4/7

(Thousands of yen)

| No.                       | Property Name                     | Acquisition Price                | Book Value         | Appraisal Value    | Type <sup>(1)</sup> | Rentable Units<br>(unit) | Rentable Area<br>(m <sup>2</sup> ) | Rented Area<br>(m <sup>2</sup> ) | Occupancy Rate<br>(%) | Operating Days<br>(days) | Leasing Business Revenue<br>a | Leasing Business Expense<br>b | NOI<br>c [a-b]   | Depreciation<br>d | Leasing Business Income<br>e [c-d] | NOI Cap Rate<br>(per year) | NOI Cap Rate after Depreciation<br>(per year) |      |
|---------------------------|-----------------------------------|----------------------------------|--------------------|--------------------|---------------------|--------------------------|------------------------------------|----------------------------------|-----------------------|--------------------------|-------------------------------|-------------------------------|------------------|-------------------|------------------------------------|----------------------------|---|------|
| T-92                      | KDX Residence Ichikawa            | 840,000                          | 876,613            | 946,000            | S                   | 47                       | 1,015.39                           | 993.78                           | 97.9%                 | 181                      | 23,693                        | 4,932                         | 18,760           | 2,744             | 16,016                             | 4.5%                       | 3.8%  |      |
| T-93                      | KDX Residence Hatchobori          | 3,000,000                        | 3,182,363          | 3,720,000          | F                   | 46                       | 2,821.15                           | 2,751.36                         | 97.5%                 | 181                      | 85,966                        | 13,301                        | 72,664           | 9,875             | 62,788                             | 4.9%                       | 4.2%  |      |
| T-94                      | KDX Residence Nakaitabashi        | 1,736,432                        | 1,836,348          | 2,030,000          | S                   | 78                       | 1,972.49                           | 1,922.13                         | 97.4%                 | 181                      | 46,155                        | 10,809                        | 35,346           | 6,238             | 29,107                             | 4.1%                       | 3.4%  |      |
| T-95                      | KDX Residence Shonandai           | 1,500,000                        | 1,550,488          | 1,730,000          | S                   | 104                      | 2,723.20                           | 2,592.00                         | 95.2%                 | 181                      | 49,562                        | 12,940                        | 36,622           | 7,445             | 29,176                             | 4.9%                       | 3.9%  |      |
| T-96                      | KDX Residence Ikebukuro West      | 2,237,796                        | 2,323,123          | 2,580,000          | S                   | 89                       | 2,274.70                           | 2,274.70                         | 100.0%                | 181                      | 56,183                        | 8,747                         | 47,435           | 8,063             | 39,372                             | 4.3%                       | 3.5%  |      |
| T-97                      | KDX Residence Tennocho            | 843,836                          | 895,528            | 966,000            | S                   | 29                       | 1,185.08                           | 1,185.08                         | 100.0%                | 181                      | 23,776                        | 4,143                         | 19,633           | 3,330             | 16,302                             | 4.7%                       | 3.9%  |      |
| T-98                      | KDX Residence Kawasaki            | 910,000                          | 939,393            | 1,080,000          | S                   | 57                       | 1,179.11                           | 1,179.11                         | 100.0%                | 181                      | 26,573                        | 5,223                         | 21,349           | 3,660             | 17,688                             | 4.7%                       | 3.9%  |      |
| T-99                      | KDX Residence Kamata-minami II    | 780,000                          | 804,693            | 950,000            | S                   | 34                       | 881.96                             | 881.96                           | 100.0%                | 181                      | 23,666                        | 4,749                         | 18,916           | 2,603             | 16,312                             | 4.9%                       | 4.2%  |      |
| T-100                     | KDX Residence Kamishakujii II     | 3,087,014                        | 3,186,781          | 3,570,000          | SF                  | 114                      | 3,988.06                           | 3,781.92                         | 94.8%                 | 181                      | 87,372                        | 14,861                        | 72,511           | 13,626            | 58,884                             | 4.7%                       | 3.8%  |      |
| T-101                     | Hulic Residence Tsudanuma         | 1,150,000                        | 1,202,775          | 1,390,000          | S                   | 99                       | 2,477.01                           | 2,477.01                         | 100.0%                | 181                      | 32,886                        | 4,340                         | 28,546           | 4,784             | 23,762                             | 5.0%                       | 4.2%  |      |
| T-102                     | KDX Residence Yokohama Momijizaka | 5,000,000                        | 5,154,723          | 5,810,000          | F                   | 75                       | 4,795.16                           | 4,488.60                         | 93.6%                 | 181                      | 133,279                       | 19,947                        | 113,332          | 18,037            | 95,294                             | 4.6%                       | 3.8%  |      |
| T-103                     | KDX Residence Umejima             | 2,373,000                        | 2,464,135          | 2,950,000          | SF                  | 90                       | 3,265.57                           | 3,197.05                         | 97.9%                 | 181                      | 65,617                        | 10,851                        | 54,766           | 9,949             | 44,817                             | 4.7%                       | 3.8%  |      |
| T-104                     | KDX Residence Mizonokuchi         | 2,781,000                        | 2,927,587          | 3,140,000          | S                   | 98                       | 4,103.23                           | 4,077.11                         | 99.4%                 | 181                      | 76,020                        | 12,183                        | 63,837           | 11,099            | 52,738                             | 4.6%                       | 3.8%  |      |
| T-105                     | KDX Residence Hachioji Otsuka     | 1,490,000                        | 1,601,580          | 1,690,000          | S                   | 110                      | 2,914.23                           | 2,914.23                         | 100.0%                | 181                      | 37,880                        | 3,761                         | 34,119           | 7,340             | 26,778                             | 4.6%                       | 3.6%  |      |
| T-106                     | KDX Residence Tsudanuma II        | 920,000                          | 951,133            | 1,020,000          | SF                  | 51                       | 1,647.07                           | 1,647.07                         | 100.0%                | 181                      | 25,067                        | 3,567                         | 21,499           | 3,181             | 18,318                             | 4.7%                       | 4.0%  |      |
| T-107                     | KDX Residence Oyamadai            | 3,205,000                        | 3,306,021          | 3,680,000          | F                   | 46                       | 2,993.65                           | 2,872.01                         | 95.9%                 | 181                      | 67,613                        | 4,595                         | 63,017           | 7,719             | 55,297                             | 4.0%                       | 3.5%  |      |
| T-108                     | KDX Residence Asakusa             | 932,000                          | 966,284            | 1,160,000          | S                   | 27                       | 907.20                             | 806.40                           | 88.9%                 | 181                      | 22,922                        | 3,069                         | 19,852           | 2,667             | 17,185                             | 4.3%                       | 3.7%  |      |
| <b>Subtotal / Average</b> |                                   | <b>165,622,658</b>               | <b>166,695,422</b> | <b>234,449,000</b> |                     | <b>6,315</b>             | <b>228,713.33</b>                  | <b>223,005.03</b>                | <b>97.5%</b>          |                          | <b>5,425,707</b>              | <b>1,088,932</b>              | <b>4,336,774</b> | <b>736,039</b>    | <b>3,600,735</b>                   | <b>5.3%</b>                | <b>4.4%</b>                                   |      |
| Other Regional Areas      | R-2                               | KDX JozenjiDori Residence        | 1,015,000          | 860,865            | 1,450,000           | S                        | 92                                 | 3,330.15                         | 3,144.67              | 94.4%                    | 181                           | 53,321                        | 13,018           | 40,302            | 10,571                             | 29,730                     | 8.0%  | 5.9% |
|                           | R-3                               | KDX Izumi Residence              | 1,120,000          | 988,516            | 1,650,000           | F                        | 40                                 | 2,798.20                         | 2,518.38              | 90.0%                    | 181                           | 44,453                        | 9,255            | 35,198            | 9,449                              | 25,748                     | 6.3%  | 4.6% |
|                           | R-4                               | KDX Chihaya Residence            | 1,080,000          | 929,042            | 1,680,000           | SF                       | 92                                 | 2,936.40                         | 2,912.08              | 99.2%                    | 181                           | 47,781                        | 11,145           | 36,636            | 10,395                             | 26,241                     | 6.8%  | 4.9% |
|                           | R-5                               | KDX Sakaisuji Hommachi Residence | 2,910,000          | 2,545,974          | 4,130,000           | SF                       | 160                                | 6,385.70                         | 6,089.46              | 95.4%                    | 181                           | 109,505                       | 24,827           | 84,678            | 24,549                             | 60,128                     | 5.9%  | 4.2% |
|                           | R-7                               | KDX Takarazuka Residence         | 1,510,000          | 1,247,651          | 2,230,000           | F                        | 80                                 | 4,631.16                         | 4,631.16              | 100.0%                   | 181                           | 60,431                        | 10,761           | 49,670            | 17,112                             | 32,557                     | 6.6%  | 4.3% |
|                           | R-8                               | KDX Shimizu Residence            | 1,680,000          | 1,468,950          | 2,430,000           | SF                       | 148                                | 6,255.16                         | 6,129.71              | 98.0%                    | 181                           | 78,187                        | 17,623           | 60,564            | 14,595                             | 45,968                     | 7.3%  | 5.5% |
|                           | R-9                               | KDX Residence Odori Koen         | 765,000            | 732,633            | 1,150,000           | SF                       | 78                                 | 2,762.76                         | 2,584.52              | 93.5%                    | 181                           | 34,893                        | 9,635            | 25,258            | 8,879                              | 16,378                     | 6.7%  | 4.3% |
|                           | R-10                              | KDX Residence Kikusui Yojo       | 830,000            | 822,938            | 1,180,000           | SF                       | 84                                 | 3,413.06                         | 3,342.31              | 97.9%                    | 181                           | 40,040                        | 10,644           | 29,396            | 8,738                              | 20,657                     | 7.1%  | 5.0% |
|                           | R-11                              | KDX Residence Toyohira Koen      | 445,000            | 454,420            | 651,000             | SF                       | 65                                 | 2,253.81                         | 2,185.37              | 97.0%                    | 181                           | 23,490                        | 8,972            | 14,518            | 5,222                              | 9,296                      | 6.6%  | 4.2% |
|                           | R-13                              | KDX Residence Ichiban-cho        | 530,000            | 470,929            | 765,000             | SF                       | 45                                 | 1,818.09                         | 1,785.40              | 98.2%                    | 181                           | 28,681                        | 7,927            | 20,753            | 5,198                              | 15,555                     | 7.9%  | 5.9% |
|                           | R-16                              | KDX Residence Higashi-sakura I   | 2,350,000          | 2,206,250          | 2,680,000           | SF                       | 187                                | 6,221.83                         | 5,522.86              | 88.8%                    | 181                           | 85,891                        | 31,846           | 54,044            | 18,885                             | 35,159                     | 4.6%  | 3.0% |
| R-18                      | KDX Residence Jingumae            | 840,000                          | 792,468            | 1,120,000          | SF                  | 95                       | 2,724.19                           | 2,650.84                         | 97.3%                 | 181                      | 39,864                        | 14,249                        | 25,615           | 7,905             | 17,709                             | 6.1%                       | 4.3%  |      |
| R-19                      | KDX Residence Nishi-oji           | 813,000                          | 754,109            | 992,000            | S                   | 76                       | 2,353.55                           | 2,304.81                         | 97.9%                 | 181                      | 34,139                        | 9,955                         | 24,184           | 6,803             | 17,381                             | 6.0%                       | 4.3%  |      |

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) (footprint of equal or more than 18m<sup>2</sup> and less than 30m<sup>2</sup> and more than 20 rentable units per property), Small Family (SF): (intended primarily for households of couples or families with infants) (footprint of equal or more than 30m<sup>2</sup> and less than 60m<sup>2</sup> and more than 15 rentable units per property), Family (F): (intended primarily for households of three or more families) (footprint of equal or more than 60m<sup>2</sup> and more than 5 rentable units per property)

# Portfolio Performance for the fiscal period ended July 2023 (23rd FP) 5/7

(Thousands of yen)

| No.   | Property Name                         | Acquisition Price  | Book Value         | Appraisal Value    | Type <sup>(1)</sup> | Rentable Units<br>(unit) | Rentable Area<br>(m <sup>2</sup> ) | Rented Area<br>(m <sup>2</sup> ) | Occupancy Rate<br>(%) | Operating Days<br>(days) | Leasing Business Revenue<br>a | Leasing Business Expense<br>b | NOI<br>c [a-b]   | Depreciation<br>d | Leasing Business Income<br>e [c-d] | NOI Cap Rate<br>(per year) | NOI Cap Rate after Depreciation<br>(per year) |
|---|---------------------------------------|--------------------|--------------------|--------------------|---------------------|--------------------------|------------------------------------|----------------------------------|-----------------------|--------------------------|-------------------------------|-------------------------------|------------------|-------------------|------------------------------------|----------------------------|---|
| R-20  | KDX Residence Saiin                   | 440,000            | 402,703            | 556,000            | S                   | 49                       | 1,094.81                           | 1,049.92                         | 95.9%                 | 181                      | 18,940                        | 6,475                         | 12,464           | 4,110             | 8,353                              | 5.7%                       | 3.8%  |
| R-21  | KDX Residence Namba                   | 1,410,000          | 1,314,360          | 1,940,000          | S                   | 118                      | 3,387.30                           | 3,335.99                         | 98.5%                 | 181                      | 57,466                        | 10,918                        | 46,548           | 10,786            | 35,762                             | 6.7%                       | 5.1%  |
| R-22  | KDX Residence Namba-minami            | 1,350,000          | 1,221,572          | 1,780,000          | S                   | 131                      | 3,813.31                           | 3,736.27                         | 98.0%                 | 181                      | 55,279                        | 12,595                        | 42,683           | 12,339            | 30,343                             | 6.4%                       | 4.5%  |
| R-24  | KDX Residence Ibaraki I・II            | 1,275,000          | 1,297,295          | 1,657,000          | F                   | 61                       | 4,701.87                           | 4,701.87                         | 100.0%                | 181                      | 55,023                        | 15,089                        | 39,934           | 6,225             | 33,708                             | 6.3%                       | 5.3%  |
| R-25  | KDX Residence Toyonaka-minami         | 740,000            | 639,310            | 1,070,000          | SF                  | 70                       | 2,024.50                           | 1,991.82                         | 98.4%                 | 181                      | 30,589                        | 7,766                         | 22,822           | 8,675             | 14,147                             | 6.2%                       | 3.9%  |
| R-26  | KDX Residence Moriguchi               | 551,000            | 481,776            | 783,000            | F                   | 28                       | 1,942.78                           | 1,942.78                         | 100.0%                | 181                      | 25,636                        | 7,702                         | 17,934           | 5,654             | 12,279                             | 6.6%                       | 4.5%  |
| R-27  | KDX Residence Sannomiya               | 1,080,000          | 1,029,617          | 1,410,000          | S                   | 86                       | 2,292.72                           | 2,292.72                         | 100.0%                | 181                      | 40,387                        | 8,704                         | 31,682           | 8,478             | 23,204                             | 5.9%                       | 4.3%  |
| R-28  | Ashiya Royal Homes                    | 1,360,000          | 1,656,127          | 2,370,000          | F                   | 22                       | 4,044.46                           | 3,589.74                         | 88.8%                 | 181                      | 63,119                        | 24,018                        | 39,101           | 9,248             | 29,853                             | 5.8%                       | 4.4%  |
| R-29  | KDX Residence Funairi Saiwai-cho      | 588,000            | 527,128            | 827,000            | S                   | 64                       | 1,889.53                           | 1,889.53                         | 100.0%                | 181                      | 28,428                        | 7,357                         | 21,071           | 5,578             | 15,493                             | 7.2%                       | 5.3%  |
| R-30  | KDX Residence Tenjin-higashi II       | 680,000            | 622,637            | 1,090,000          | SF                  | 63                       | 2,602.53                           | 2,437.29                         | 93.7%                 | 181                      | 31,220                        | 7,634                         | 23,586           | 6,771             | 16,815                             | 7.0%                       | 5.0%  |
| R-32  | KDX Residence Nishi Koen              | 763,000            | 696,110            | 1,090,000          | F                   | 36                       | 2,522.16                           | 2,522.16                         | 100.0%                | 181                      | 32,421                        | 9,063                         | 23,358           | 6,709             | 16,648                             | 6.2%                       | 4.4%  |
| R-33  | KDX Residence Hirao Josui-machi       | 760,000            | 722,894            | 1,090,000          | F                   | 24                       | 2,098.68                           | 2,098.68                         | 100.0%                | 181                      | 29,580                        | 6,015                         | 23,565           | 5,211             | 18,353                             | 6.3%                       | 4.9%  |
| R-35  | Leopalace Flat Shin-sakae             | 3,500,000          | 3,382,608          | 4,730,000          | S                   | 274                      | 11,589.95                          | 11,589.95                        | 100.0%                | 181                      | 121,557                       | 14,057                        | 107,500          | 35,201            | 72,299                             | 6.2%                       | 4.2%  |
| R-36  | KDX Residence Konan Yamate            | 973,000            | 937,752            | 1,350,000          | SF                  | 55                       | 1,923.22                           | 1,863.48                         | 96.9%                 | 181                      | 32,503                        | 7,287                         | 25,216           | 5,084             | 20,132                             | 5.2%                       | 4.2%  |
| R-37  | KDX Residence Hommachibashi           | 3,201,000          | 3,024,537          | 4,180,000          | SF                  | 134                      | 6,511.88                           | 6,339.71                         | 97.4%                 | 181                      | 108,250                       | 28,719                        | 79,531           | 23,110            | 56,421                             | 5.0%                       | 3.6%  |
| R-38  | KDX Residence Minami-kusatsu          | 1,974,666          | 1,916,029          | 2,640,000          | S                   | 170                      | 5,735.96                           | 5,539.96                         | 96.6%                 | 181                      | 108,064                       | 32,390                        | 75,673           | 19,331            | 56,342                             | 7.7%                       | 5.8%  |
| R-39  | KDX Residence Ohori Harbor View Tower | 4,606,296          | 4,276,962          | 5,270,000          | SF                  | 212                      | 11,855.63                          | 11,430.11                        | 96.4%                 | 181                      | 185,085                       | 40,787                        | 144,297          | 43,629            | 100,668                            | 6.3%                       | 4.4%  |
| R-40  | KDX Residence Minami-sanjo            | 915,000            | 911,028            | 1,970,000          | SF                  | 114                      | 5,269.39                           | 5,235.42                         | 99.4%                 | 181                      | 58,563                        | 16,667                        | 41,896           | 12,064            | 29,831                             | 9.2%                       | 6.6%  |
| R-41  | Serenite Kita-kyuhoji                 | 1,290,740          | 1,199,182          | 1,780,000          | S                   | 85                       | 2,277.14                           | 2,167.46                         | 95.2%                 | 181                      | 43,852                        | 13,077                        | 30,774           | 10,194            | 20,580                             | 4.8%                       | 3.2%  |
| R-42  | Serenite Nishinomiya Hommachi         | 617,048            | 606,287            | 783,000            | S                   | 51                       | 1,351.68                           | 1,326.33                         | 98.1%                 | 181                      | 24,558                        | 5,379                         | 19,179           | 4,775             | 14,404                             | 6.3%                       | 4.7%  |
| R-43  | KDX Residence Nishijin                | 1,600,000          | 1,709,430          | 1,850,000          | SF                  | 128                      | 4,472.72                           | 4,234.78                         | 94.7%                 | 181                      | 58,312                        | 21,131                        | 37,180           | 7,024             | 30,156                             | 4.7%                       | 3.8%  |
| R-44  | Serenite Kobe Motomachi               | 2,390,000          | 2,376,478          | 2,790,000          | S                   | 138                      | 3,787.85                           | 3,542.29                         | 93.5%                 | 181                      | 79,105                        | 21,270                        | 57,835           | 14,612            | 43,222                             | 4.9%                       | 3.6%  |
| R-45  | KDX Residence Shukugawa Hills         | 6,884,800          | 7,248,309          | 7,480,000          | F                   | 239                      | 17,575.39                          | 17,084.80                        | 97.2%                 | 181                      | 222,923                       | 51,800                        | 171,123          | 31,858            | 139,265                            | 5.0%                       | 4.1%  |
| R-46  | KDX Residence Sendai Station East     | 1,340,000          | 1,371,553          | 1,590,000          | S                   | 88                       | 2,254.34                           | 2,228.73                         | 98.9%                 | 181                      | 41,247                        | 9,178                         | 32,068           | 7,839             | 24,229                             | 4.8%                       | 3.6%  |
| R-47  | Serenite Koshien Plie                 | 770,000            | 814,508            | 865,000            | SF                  | 49                       | 1,438.36                           | 1,438.36                         | 100.0%                | 181                      | 26,794                        | 6,194                         | 20,599           | 5,415             | 15,184                             | 5.4%                       | 4.0%  |
| <b>Subtotal / Average</b>                     |                                       | <b>56,947,551</b>  | <b>54,660,958</b>  | <b>75,049,000</b>  |                     | <b>3,731</b>             | <b>156,342.22</b>                  | <b>151,411.72</b>                | <b>96.8%</b>          |                          | <b>2,259,599</b>              | <b>571,147</b>                | <b>1,688,452</b> | <b>458,235</b>    | <b>1,230,216</b>                   | <b>6.0%</b>                | <b>4.4%</b>                                   |
| <b>Residential facilities total / Average</b> |                                       | <b>222,570,209</b> | <b>221,356,381</b> | <b>309,498,000</b> |                     | <b>10,046</b>            | <b>385,055.55</b>                  | <b>374,416.75</b>                | <b>97.2%</b>          |                          | <b>7,685,306</b>              | <b>1,660,079</b>              | <b>6,025,226</b> | <b>1,194,274</b>  | <b>4,830,952</b>                   | <b>5.5%</b>                | <b>4.4%</b>                                   |

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)  
 Single (S): (intended primarily for single-person households) (footprint of equal or more than 18m<sup>2</sup> and less than 30m<sup>2</sup> and more than 20 rentable units per property), Small Family (SF): (intended primarily for households of couples or families with infants) (footprint of equal or more than 30m<sup>2</sup> and less than 60m<sup>2</sup> and more than 15 rentable units per property), Family (F): (intended primarily for households of three or more families) (footprint of equal or more than 60m<sup>2</sup> and more than 5 rentable units per property)

## Portfolio Performance for the fiscal period ended July 2023 (23rd FP) 6/7

(Thousands of yen)

| No.                       | Property Name                             | Acquisition Price | Book Value        | Appraisal Value   | Facility Type <sup>(1)</sup>                | Rentable Area<br>(m <sup>2</sup> ) | Rentable Units<br>(unit) | Capacity<br>(people) | Occupancy     | Actual Occupancy Rate <sup>(2)</sup><br>Utilization Rate <sup>(3)</sup><br>2023.06 | Operating Days<br>(days) | NOI<br>a         | Depreciation<br>b | Leasing Business Income<br>c [a-b] | NOI Cap Rate<br>(per year) | NOI Cap Rate after Depreciation<br>(per year) |
|---------------------------|---|-------------------|-------------------|-------------------|---|------------------------------------|--------------------------|----------------------|---------------|--|--------------------------|------------------|-------------------|------------------------------------|----------------------------|---|
| H-1                       | Irise Kamata/Yuseien                      | 1,120,000         | 1,049,796         | 1,120,000         | Nursing care                                | 2,086.40                           | 48                       | 55                   | 100.0%        | 78.2%  | 181                      | 27,978           | 11,489            | 16,488                             | 5.0%                       | 3.0%  |
| H-2                       | Nichii Home Nakano-Minamidai              | 1,780,000         | 1,747,891         | 2,110,000         | Nursing care                                | 3,339.00                           | 83                       | 83                   | 100.0%        | 66.3%  | 181                      | 44,756           | 3,547             | 41,209                             | 5.1%                       | 4.7%  |
| H-3                       | Joy Stage Hachioji                        | 3,690,000         | 3,719,537         | 4,120,000         | Nursing care                                | 13,812.27                          | 232                      | 263                  | 100.0%        | 75.3%  | 181                      | 109,543          | 30,886            | 78,657                             | 6.0%                       | 4.3%  |
| H-4                       | Yuimaru Hijirigaoka                       | 1,120,000         | 1,023,526         | 1,190,000         | Residential                                 | 4,385.53                           | 70                       | 109                  | 100.0%        | 74.3%  | 181                      | 30,381           | 9,105             | 21,275                             | 5.5%                       | 3.8%  |
| H-5                       | Nichii Home Tama Plaza                    | 2,940,000         | 2,678,751         | 3,170,000         | Nursing care                                | 8,208.65                           | 154                      | 158                  | 100.0%        | 80.4%  | 181                      | 80,556           | 31,062            | 49,493                             | 5.5%                       | 3.4%  |
| H-6                       | Ten                                       | 2,630,000         | 2,461,183         | 2,660,000         | Nursing care                                | 6,473.60                           | 85                       | 89                   | 100.0%        | 66.3%  | 181                      | 79,697           | 29,559            | 50,138                             | 6.1%                       | 3.8%  |
| H-7                       | Irise Nishioka                            | 858,000           | 764,891           | 893,000           | Residential                                 | 3,140.27                           | 83                       | 83                   | 100.0%        | 100.0%   | 181                      | 23,505           | 9,235             | 14,270                             | 5.5%                       | 3.4%  |
| H-8                       | Izarie Eniwa Building                     | 1,660,000         | 1,465,414         | 1,820,000         | Nursing care                                | 5,343.39                           | 73                       | 73                   | 100.0%        | 100.0%   | 181                      | 48,539           | 18,287            | 30,251                             | 5.9%                       | 3.7%  |
| H-9                       | Sawayaka Sakura Nibankan                  | 989,000           | 862,444           | 1,020,000         | Nursing care                                | 3,628.51                           | 92                       | 92                   | 100.0%        | 90.2%  | 181                      | 29,413           | 12,454            | 16,959                             | 6.0%                       | 3.5%  |
| H-10                      | Activa Biwa                               | 6,560,000         | 6,293,633         | 6,500,000         | Nursing care                                | 39,649.84                          | 384                      | 445                  | 100.0%        | 84.3%  | 181                      | 224,918          | 64,425            | 160,492                            | 6.9%                       | 4.9%  |
| H-11                      | Sompo Care LAVIERE Kobe Tarumi            | 2,110,000         | 1,995,469         | 2,240,000         | Nursing care                                | 4,493.35                           | 100                      | 100                  | 100.0%        | 89.0%  | 181                      | 52,728           | 12,073            | 40,655                             | 5.0%                       | 3.9%  |
| H-12                      | Rihabili-home Granda Mondo Yakujin        | 1,253,000         | 1,150,675         | 1,340,000         | Residential                                 | 3,287.80                           | 62                       | 63                   | 100.0%        | Not disclosed  | 181                      | 30,479           | 10,017            | 20,462                             | 4.9%                       | 3.3%  |
| H-13                      | Excellent Nishinomiya                     | 971,000           | 878,020           | 973,000           | Nursing care                                | 2,685.48                           | 67                       | 70                   | 100.0%        | 100.0%   | 181                      | 24,882           | 9,846             | 15,036                             | 5.2%                       | 3.1%  |
| H-14                      | Gran Hills Ogawarako                      | 1,380,000         | 1,253,524         | 1,380,000         | Serviced housing                            | 4,180.28                           | 103                      | 107                  | 100.0%        | 96.3%  | 181                      | 52,371           | 18,949            | 33,421                             | 7.7%                       | 4.9%  |
| H-15                      | Excellent Kitano                          | 737,000           | 729,957           | 836,000           | Residential                                 | 1,339.58                           | 41                       | 41                   | 100.0%        | 97.6%  | 181                      | 17,024           | 4,209             | 12,815                             | 4.7%                       | 3.5%  |
| H-16                      | Anesis Teradacho                          | 3,490,000         | 3,312,017         | 3,690,000         | Nursing & health<br>(with Nursing care)     | 7,856.64                           | 45<br>100                | 150<br>100           | 100.0%        | 99.0%<br>96.9%   | 181                      | 92,848           | 32,122            | 60,725                             | 5.4%                       | 3.5%  |
| H-17                      | Rococo-riha                               | 2,100,000         | 1,964,727         | 2,200,000         | Nursing & health                            | 3,860.29                           | 52                       | 100                  | 100.0%        | 94.6%  | 181                      | 55,559           | 16,610            | 38,949                             | 5.3%                       | 3.7%  |
| H-18                      | Orange Suma                               | 2,810,000         | 2,643,697         | 2,820,000         | Nursing & health<br>(with Serviced housing) | 5,995.74                           | 100<br>35                | 100<br>40            | 100.0%        | 80.0%<br>81.6%   | 181                      | 76,668           | 23,950            | 52,718                             | 5.5%                       | 3.8%  |
| H-19                      | Canadian Hill                             | 1,830,000         | 1,807,400         | 1,880,000         | Nursing & health                            | 3,731.26                           | 40                       | 115                  | 100.0%        | 89.0%  | 181                      | 47,276           | 7,192             | 40,083                             | 5.2%                       | 4.4%  |
| H-20                      | Anesis Hyogo                              | 1,420,000         | 1,449,726         | 1,440,000         | Nursing & health                            | 4,415.16                           | 58                       | 100                  | 100.0%        | 92.9%  | 181                      | 24,723           | 11,869            | 12,854                             | 3.5%                       | 1.8%  |
| H-21                      | Plaisant Grand Ota tamagawa               | 3,057,630         | 3,161,562         | 3,490,000         | Nursing care                                | 3,175.15                           | 80                       | 80                   | 100.0%        | 86.3%  | 181                      | 65,991           | 9,932             | 56,058                             | 4.4%                       | 3.7%  |
| H-22                      | Tsukui Sun-shine Machida                  | 6,934,600         | 6,905,470         | 7,650,000         | Nursing care                                | 15,553.33                          | 348                      | 348                  | 100.0%        | 96.3%  | 181                      | 155,000          | 39,075            | 115,924                            | 4.5%                       | 3.4%  |
| H-23                      | Serabi Ebisu                              | 1,690,000         | 1,708,034         | 1,740,000         | Nursing care                                | 1,557.73                           | 34                       | 34                   | 100.0%        | 91.2%  | 181                      | 35,767           | 3,033             | 32,733                             | 4.3%                       | 3.9%  |
| H-24                      | Arute Ishiyagawa                          | 1,061,000         | 1,044,117         | 1,370,000         | Nursing care<br>(with Group Home)           | 3,444.81                           | 54<br>-                  | 64<br>-              | 100.0%        | 71.9%<br>Not disclosed   | 181                      | 40,528           | 20,049            | 20,479                             | 7.7%                       | 3.9%  |
| H-25                      | Medical-home Granga Kurakuen              | 2,709,440         | 2,788,412         | 3,000,000         | Nursing care                                | 3,900.59                           | 68                       | 73                   | 100.0%        | Not disclosed  | 181                      | 66,323           | 13,420            | 52,903                             | 4.9%                       | 3.9%  |
| H-26                      | Rihabili-home Granda Kobe Kitano          | 1,720,000         | 1,769,950         | 2,030,000         | Nursing care                                | 2,725.53                           | 59                       | 60                   | 100.0%        | Not disclosed  | 181                      | 42,821           | 8,888             | 33,932                             | 5.0%                       | 4.0%  |
| H-27                      | Grapes Kawasaki Shimmachi                 | 1,470,000         | 1,517,095         | 1,600,000         | Serviced housing                            | 3,455.79                           | 69                       | 83                   | 100.0%        | 84.3%  | 181                      | 32,243           | 7,564             | 24,679                             | 4.4%                       | 3.4%  |
| H-28                      | SOMPO care Sompo no ie S Fujimino         | 1,520,000         | 1,572,678         | 1,630,000         | Serviced housing                            | 3,693.83                           | 86                       | 118                  | 100.0%        | 72.9%  | 181                      | 34,505           | 9,481             | 25,024                             | 4.6%                       | 3.3%  |
| H-29                      | Irise Kobe Rokko                          | 1,200,000         | 1,247,896         | 1,420,000         | Nursing care                                | 2,278.43                           | 53                       | 53                   | 100.0%        | 81.1%  | 181                      | 31,184           | 6,846             | 24,338                             | 5.2%                       | 4.1%  |
| H-30                      | Excellent Hanayashiki Garden Hills        | 1,287,000         | 1,353,525         | 1,470,000         | Nursing care                                | 3,469.84                           | 87                       | 87                   | 100.0%        | 100.0%   | 181                      | 33,964           | 10,011            | 23,953                             | 5.3%                       | 3.8%  |
| H-31                      | Excellent Takarazuka Garden Hills         | 2,340,000         | 2,450,485         | 2,610,000         | Nursing care                                | 5,414.02                           | 130                      | 130                  | 100.0%        | 99.2%  | 181                      | 57,493           | 13,747            | 43,745                             | 5.0%                       | 3.8%  |
| H-32                      | Tsukui Sun-shine Adachi                   | 830,000           | 866,204           | 915,000           | Nursing care                                | 2,204.45                           | 54                       | 54                   | 100.0%        | 85.2%  | 181                      | 18,857           | 3,653             | 15,203                             | 4.6%                       | 3.7%  |
| H-33                      | SOMPO Care LAVIERE Ichinoe                | 1,184,000         | 1,229,418         | 1,260,000         | Nursing care                                | 2,306.95                           | 60                       | 60                   | 100.0%        | 86.7%  | 181                      | 25,227           | 4,491             | 20,736                             | 4.3%                       | 3.5%  |
| H-34                      | Nichii Home Hachimanyama                  | 2,065,000         | 2,208,746         | 2,420,000         | Nursing care                                | 2,739.47                           | 62                       | 66                   | 100.0%        | 90.9%  | 181                      | 46,235           | 8,597             | 37,638                             | 4.5%                       | 3.7%  |
| H-35                      | Lifeship Oasa                             | 1,088,000         | 1,162,280         | 1,210,000         | Serviced housing                            | 3,406.41                           | 99                       | 99                   | 100.0%        | 97.0%  | 181                      | 33,337           | 10,576            | 22,761                             | 6.2%                       | 4.2%  |
| H-36                      | Lifeship Yunokawa                         | 1,020,000         | 1,085,835         | 1,120,000         | Serviced housing                            | 3,413.76                           | 98                       | 98                   | 100.0%        | 92.9%  | 181                      | 31,538           | 9,259             | 22,279                             | 6.2%                       | 4.4%  |
| H-37                      | Lifeship Fukagawa                         | 758,000           | 827,982           | 895,000           | Serviced housing                            | 3,397.74                           | 100                      | 100                  | 100.0%        | 98.0%  | 181                      | 26,966           | 11,024            | 15,941                             | 7.2%                       | 4.2%  |
| H-38                      | Sunny Life Tachikawa                      | 1,850,000         | 1,942,342         | 1,960,000         | Nursing care                                | 3,485.36                           | 104                      | 104                  | 100.0%        | 77.9%  | 153                      | 36,560           | 7,273             | 29,286                             | 4.7%                       | 3.8%  |
| H-39                      | Rehabili-home Bon Sejour<br>Minamisenzoku | 1,470,000         | 1,561,916         | 1,590,000         | Nursing care                                | 1,979.78                           | 50                       | 55                   | 100.0%        | Not disclosed  | 125                      | 21,354           | 2,607             | 18,746                             | 4.2%                       | 3.7%  |
| <b>Subtotal / Average</b> |   | <b>76,702,670</b> | <b>75,656,246</b> | <b>82,782,000</b> | <b>-</b>                                    | <b>203,516.01</b>                  | <b>3,802</b>             | <b>4,302</b>         | <b>100.0%</b> | <b>87.4%<sup>(4)</sup></b>   | <b>-</b>                 | <b>2,009,757</b> | <b>566,428</b>    | <b>1,443,328</b>                   | <b>5.4%<sup>(5)</sup></b>  | <b>3.8%<sup>(5)</sup></b>                     |

Note 1: "Facility Type", "Nursing care" shows Private Senior homes for the elderly (with nursing care), "Residential" shows Private Senior homes for the elderly (residential) and "Serviced housing" shows Serviced housing for the elderly.

Note 2: "Actual Occupancy (based on end-tenants)" = The number of residents / the number of capacity. "Actual Occupancy Rate" is based on documents from operators but that of H-12, H-24(GH), H-25, H-26, H39 isn't disclosed because KDR isn't admitted to disclose from the operator.

Note 3: "Utilization Rate" = Total amount of users / Extended number of capacity in Jun. 2023. "Utilization Rate" is based on documents from operators

Note 4: The figure is the average actual occupancy.

Note 5: Properties acquired during the 23rd fiscal period (H-38 and H-39) are excluded from the calculation



# Portfolio Performance for the fiscal period ended July 2023 (23rd FP) 7/7

| (Thousands of yen)           |                           |                                      |                    |                    |                                    |                                  |                 |                          |                  |                   |                                    |                            |   |             |
|------------------------------|---------------------------|--------------------------------------|--------------------|--------------------|------------------------------------|----------------------------------|-----------------|--------------------------|------------------|-------------------|------------------------------------|----------------------------|---|-------------|
| No.                          | Property Name             | Acquisition Price                    | Book Value         | Appraisal Value    | Rentable Area<br>(m <sup>2</sup> ) | Rented Area<br>(m <sup>2</sup> ) | Occupancy Rate  | Operating Days<br>(days) | NOI<br>a         | Depreciation<br>b | Leasing Business Income<br>c [a-b] | NOI Cap Rate<br>(per year) | NOI Cap Rate after Depreciation<br>(per year) |             |
| Accommodation                | A-1                       | HOTEL LIVEMAX Tokyo-Otsuka-Ekimae    | 2,390,000          | 2,424,762          | 2,370,000                          | 1,660.21                         | 1,660.21        | 100.0%                   | 181              | 50,048            | 6,020                              | 44,027                     | 4.2%  | 3.7%        |
|                              | A-2                       | HOTEL LIVEMAX Yokohamaeki-Nishiguchi | 2,570,000          | 2,606,493          | 2,600,000                          | 1,997.18                         | 1,997.18        | 100.0%                   | 181              | 54,958            | 7,447                              | 47,510                     | 4.3%  | 3.7%        |
|                              | <b>Subtotal / Average</b> |                                      | <b>4,960,000</b>   | <b>5,031,256</b>   | <b>4,970,000</b>                   | <b>3,657.39</b>                  | <b>3,657.39</b> | <b>100.0%</b>            |                  | <b>105,006</b>    | <b>13,468</b>                      | <b>91,538</b>              | <b>4.3%</b>                                   | <b>3.7%</b> |
| <b>Grand total / Average</b> |                           | <b>304,232,879</b>                   | <b>298,539,626</b> | <b>397,250,000</b> | <b>592,228.95</b>                  | <b>581,590.15</b>                | <b>98.2%</b>    |                          | <b>8,139,991</b> | <b>1,774,171</b>  | <b>6,365,819</b>                   | <b>5.4%<sup>(1)</sup></b>  | <b>4.2%<sup>(1)</sup></b>                     |             |

Note 1: Properties acquired during the 23rd fiscal period (H-38 and H-39) are excluded from the calculation