

[Provisional Translation Only]

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Issuer

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Acquisition of TK Equity Interest in Four Office Assets (Bridge Fund) and Preferential Negotiation Right With Sponsor Support

Ichigo Office today decided to acquire a TK (*tokumei kumiai*) equity interest in a bridge fund (“Ichigo Office Bridge Fund”) and received a preferential negotiation right, free of charge, to the four underlying office assets in the Ichigo Office Bridge Fund.

1. Acquisition Summary

Legal Form of Asset	TK equity interest in trust beneficiary interest in real estate (<i>juekiken</i>)
Asset Name	GK Kizuna1 TK equity interest (Ichigo Office Bridge Fund) ¹
Underlying Real Estate	Ichigo Hakataeki Higashi Building (Hakata, Fukuoka), Ichigo Hakata Meiji Dori Building (Hakata, Fukuoka), Fukuoka Kensetsu Kaikan (Hakata, Fukuoka), Ogaku Building (Chiyoda, Tokyo)
Investment Amount	JPY 50 million (excluding ancillary acquisition costs) 0.94% TK equity interest stake
Contract Date	January 27, 2022
Closing Date	January 28, 2022
Financing Method	Cash-on-hand
Settlement Method	Lump-sum payment

¹ GK Kizuna1 is the TK Operator of the Ichigo Office Bridge Fund setup via TK equity investments. For details, please refer to the TK Operator Profile under Section 3 “Asset Summary.”

2. Acquisition Rationale

Ichigo Office is working to drive sustainable growth and maximize shareholder value through both organic growth leveraging Ichigo’s value-add capabilities and acquisition-driven growth via the use of bridge funds and Ichigo’s sponsor support.

Today a new bridge fund, the Ichigo Office Bridge Fund created with the support of Ichigo and its subsidiary Ichigo Estate, is acquiring four high-quality mid-size office assets that offer return stability and upside earnings potential. Ichigo Office is also receiving a preferential negotiation right, free of charge, to acquire the four assets from the Ichigo Office Bridge Fund, therefore securing the opportunity to acquire high-quality assets. Ichigo Office is also making optimal use of its cash on hand by acquiring a TK equity interest in the Ichigo Office Bridge Fund.

Ichigo Trust Pte. Ltd. (“Ichigo Trust”), Ichigo Office’s major shareholder which has a sponsor support agreement with Ichigo Office, is acquiring a 99% TK equity interest in the Ichigo Office Bridge Fund, providing strong support for Ichigo Office’s growth.

The preferential negotiation right acquired by Ichigo Office gives Ichigo Office the option, not the obligation, to acquire the trust beneficiary interest (*juekiken*) or the underlying office assets of the Ichigo Office Bridge Fund. Ichigo Office’s TK equity investment is expected to yield a 6.5% return, backed by stable rental income from the underlying assets of the Ichigo Office Bridge Fund.¹

Please refer to Section 6 “Asset Details” for additional asset details.

¹ The expected yield on the TK equity investment is calculated by dividing Ichigo Office’s TK equity interest (0.94%) of the forecast distribution amount by Ichigo Office’s TK equity investment amount. The forecast distribution amount is calculated by subtracting administrative, management, and borrowing expenses of the Ichigo Office Bridge Fund from the DCF-based, first-year net operating income shown on Tanizawa Sogo Appraisal Co., Ltd.’s appraisal report as of November 30, 2021.

3. Asset Summary

A. TK (*tokumei kumiai*) Overview

TK Operator	GK Kizuna1						
TK Agreement Period	The later of January 31, 2032 or the business day following the date on which the TK operator completes repaying all debt obligations (expected)						
Total TK Investment Amount	JPY 50 million						
TK Agreement Details	<table border="1"> <thead> <tr> <th colspan="2">GK Kizuna1</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Trust beneficiary interest in real estate (<i>juekiken</i>) JPY 12,740 million¹</td> <td>Non-recourse loan JPY 7,410 million²</td> </tr> <tr> <td>Senior TK equity JPY 1,500 million³</td> </tr> <tr> <td>Subordinated TK equity JPY 3,830 million⁴</td> </tr> </tbody> </table> <p>¹ The amount includes asset acquisition costs, TK establishment costs, and reserves. The appraisal value of the underlying assets calculated by Tanizawa Sogo Appraisal Co., Ltd. as of November 30, 2021 is JPY 13,140 million.</p>	GK Kizuna1		Trust beneficiary interest in real estate (<i>juekiken</i>) JPY 12,740 million ¹	Non-recourse loan JPY 7,410 million ²	Senior TK equity JPY 1,500 million ³	Subordinated TK equity JPY 3,830 million ⁴
GK Kizuna1							
Trust beneficiary interest in real estate (<i>juekiken</i>) JPY 12,740 million ¹	Non-recourse loan JPY 7,410 million ²						
	Senior TK equity JPY 1,500 million ³						
	Subordinated TK equity JPY 3,830 million ⁴						

² Non-recourse loan from SMBC (expected)

³ The senior TK equity holder did not provide consent to disclose its name, but is a domestic securities company that is not a related party as defined in the Act on Investment Trusts and Investment Corporations or the internal rules of Ichigo Investment Advisors (IIA), the asset management company.

⁴ Ichigo Office and Ichigo Trust will invest JPY 50 million (0.94% ownership) and JPY 3,780 million (70.92% ownership), respectively, in subordinated TK equity. Ichigo Trust is not a related party as defined in the Act on Investment Trusts and Investment Corporations or the internal rules of IIA.

⁵ Ichigo Estate is expected to become the asset manager of the Ichigo Office Bridge Fund, and is a related party as defined in the Act on Investment Trusts and Investment Corporations and the internal rules of IIA.

⁶ SMBC Nikko Securities Inc. is expected to serve as the private placement agent for Ichigo Office's TK equity investment.

Calculation Period:

Bi-annually (Jan 1st – Jun 30th; Jul 1st – Dec 31st). However, the first calculation period runs from January 28, 2022 until the end of June 2022, and the last calculation period runs from the day following the last day of the calculation period immediately preceding the last day of the TK agreement, to the latest of the day all assets from the TK operation other than cash (including related deposits) have been sold, the day the TK operator's debt obligation amount is determined, or the last day of the TK agreement.

Distributions:

Any profits arising in each calculation period will be distributed generally in the following order.

1. Profits will be distributed to the TK operator up to an amount equivalent to any cumulative losses (should they exist) that have been distributed to the TK operator during prior calculation periods.
2. Profits will be distributed to the senior TK equity holder up to an amount equivalent to any cumulative losses (should they exist) that have been distributed to the senior TK equity holder during prior calculation periods.
3. Profits not distributed to the senior TK equity holder under 2 above due to insufficient profits will be distributed to the senior TK equity holder.
4. Profits will be distributed to the senior TK equity holder up to an amount equivalent to profits multiplied by the senior TK equity holder's relative interest among TK investors and further prorated by the number of days in the calculation period divided by 365.

	<p>5. Profits will be distributed to each subordinated TK equity holder according to their respective TK equity interests and up an amount equivalent to any respective cumulative losses (should they exist) that have been distributed to each subordinated TK equity holder during prior calculation periods.</p> <p>6. Any remainder shall be distributed to each subordinated TK equity holder according to their respective TK equity interests.</p> <p>Any losses arising in a calculation period will be distributed generally in the following order, after an amount equivalent to the calculation period's expected senior profit distribution is added to the balance of undistributed profits to the senior TK equity holder.</p> <p>1. Losses will be distributed to each subordinated TK equity holder according to their respective TK equity interest, but not exceeding their respective TK investments.</p> <p>2. Losses shall be distributed to the senior TK equity holder but not to exceed the senior TK equity holder's investment.</p> <p>3. Any remainder shall be distributed to the TK operator.</p>	
<p>Preferential Negotiation Right</p>	<p>Description</p>	<p>Ichigo Office's preferential negotiation right for acquisition of the trust beneficiary interest or underlying real estate. (See Section 6 "Asset Details" for details)</p>
	<p>Exercise Period of Preferential Negotiation Right</p>	<p>From January 31, 2022 to January 31, 2025</p>
	<p>Conditions for Exercise of Preferential Negotiation Right</p>	<p>If Ichigo Office offers to acquire the entire trust beneficiary interest at a price equivalent to or above the Acquisition Price detailed below, the TK Operator shall engage in negotiations in good faith and make the sale to Ichigo Office should an agreement be reached.</p> <p><u>Acquisition Price</u> JPY 12,570 million</p> <p><u>Breakdown by Asset</u> Ichigo Hakataeki Higashi Building: JPY 3,500 million Ichigo Hakata Meiji Dori Building: JPY 3,080 million Fukuoka Kensetsu Kaikan: JPY 2,750 million Ogaku Building: JPY 3,240 million (all prices above exclude tax)</p>

B. TK Operator Profile

Name	GK Kizuna1
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Managing Member: Ippan Shadan Hojin IES2 Manager: Kenta Itoi
Business	1. Investment in trust beneficiary interests in real estate (<i>juekiken</i>) 2. Acquisition, development, holding, management, and sale of real estate 3. Other businesses relating to the aforementioned businesses
Paid-In Capital	JPY 100,000
Establishment Date	January 4, 2022
Total Assets	JPY 12,740 million (expected)
Net Assets	JPY 100,000
Relationship to Ichigo Office or Ichigo Investment Advisors (IIA)	Although the TK Operator is not a related party as defined in the Act on Investment Trusts and Investment Corporations, it is a related party as defined in the internal rules of IIA, because it receives asset management services from Ichigo Estate, which is a related party as defined in the Act on Investment Trusts and Investment Corporations.

C. Related Party Transaction Management

Because Ichigo Estate is providing asset management services to the Ichigo Office Bridge Fund, the Ichigo Office Bridge Fund is a related party as defined in the internal rules of the Asset Management Company. The Ichigo Office Bridge Fund is acquiring the trust beneficiary interest in real estate from Ichigo Estate and a SPC that receives asset management services from Ichigo Estate.

Because the Ichigo Office Bridge Fund is acquiring the trust beneficiary interest in real estate using funds procured via TK equity investments, including an investment from Ichigo Office, and Ichigo Office is acquiring a preferential negotiation right to the trust beneficiary interest in real estate from the Ichigo Office Bridge Fund, these transactions have been reviewed and managed as acquisitions from a related party per IIA's rules.

4. Acquisition Schedule

Acquisition Decision Date	January 27, 2022
TK Agreement Execution Date	January 27, 2022
TK Investment Settlement Date	January 28, 2022 (expected)
Asset Acquisition Date	January 31, 2022 (expected)

5. Earnings Outlook

Although the impact of this TK equity interest acquisition on Ichigo Office's April 2022 and October 2022 fiscal period earnings forecasts announced on December 14, 2021 is minimal and the forecasts are unchanged, Ichigo Office believes the opportunity to acquire high-quality assets via the Ichigo Office Bridge Fund will contribute to its sustainable growth and grow long-term value for Ichigo Office shareholders.

6. Asset Details

A. Ichigo Hakataeki Higashi Building

(1) Location

The eastern Hakata Station area is part of Fukuoka's main commercial district where many hotels and office buildings occupied by financial institutions and major corporations stand along a major thoroughfare.

The Ichigo Hakataeki Higashi Building is located near Hakata Station, which offers access to rail lines including the JR Kagoshima Main Line and the Fukuoka City Subway Kuko Line and conveniently connects to the Tenjin entertainment district and Fukuoka Airport.

The eastern Hakata Station area is expected to grow on the back of new redevelopment projects being planned as a result of Hakata Connected, a policy providing for relaxed floor-area ratio requirements for buildings meeting certain criteria.

(2) Building Features

The Ichigo Hakataeki Higashi Building is a mid-size office building located within a four-minute walk from the Chikushi Exit of Hakata Station, which offers access to rail lines including the JR Kagoshima Main Line and the Fukuoka City Subway Kuko Line.

Each floor is sub-divisible with a standard floor plate of 170 tsubo (c. 560m²) and the building has OA sub-floors and individual air conditioning units, therefore catering to the needs of the average tenant.

The building is currently occupied by the branch and sales offices of listed companies, a construction company, and a medical clinic.

(3) Building Photos and Location Map



Asset Overview					
Asset Name		Ichigo Hakataeki Higashi Building			
Form of Ownership		Trust beneficiary interest in real estate (<i>juekiken</i>)			
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Period of Trust Contract		March 1, 2007 – January 30, 2032 (expected)			
Location		1-13-9 Hakataeki Higashi, Hakata-ku, Fukuoka City			
Land	Property Right	Freehold			
	Area	950.75m ²			
	Zoning	Commercial			
	Coverage Ratio Floor Area Ratio	80% 500%			
Building	Property Right	Freehold			
	Use	(1) Office (2) Boiler room			
	Structure	(1) Steel Reinforced Concrete 8 floors (2) Reinforced Concrete 1 floor			
	Total Floor Area	(1) 4,871.45m ² (2) 17.25m ²			
	Date Built	October 3, 1987			
Appraiser		Tanizawa Sogo Appraisal Co., Ltd.			
Appraisal Value		JPY 3,580 million			
Appraisal Date		November 30, 2021			
Value by Direct Capitalization Method		JPY 3,780 million			
Architect ¹		Tekken Corporation, First-Class Registered Architects Office			
Builder ¹		Tekken Corporation, Fukuoka Branch			
Structural Designer ¹		Tekken Corporation, First-Class Registered Architects Office			
Inspection Agency ¹		Fukuoka City			
Seismic PML (Assessor)		1.01% (Sompo Risk Management Inc.)			
Collateral		A right of pledge is expected to be established for the trust beneficiary interest, with the lender of the non-recourse loan to the TK operator as the pledgee. Also, an agreement is expected to be signed to assign the lender as the mortgage holder with respect to the underlying real estate.			
Lease Overview (as of December 31, 2021)					
Number of Tenants		33			
Monthly Rental Income		JPY 13.478 million			
Tenant Security Deposits		JPY 119.98 million			
Leasable Area ²		3,596.71m ²			
Leased Area ²		3,596.71m ²			
Occupancy	Apr 2020	Oct 2020	Apr 2021	Oct 2021	Dec 2021
	100%	100%	100%	100%	100%
Property Management Company		OHI Co., Ltd. (expected)			
Master Lease Company		GK Kizuna1 (expected)			
Master Lease Type		Pass-through (expected)			

Special Items

A lease termination notification was received from one of the tenants (leased area: 113.53m²) on August 30, 2021 and effective March 31, 2022. Occupancy is expected to be 96.8% after the termination.

¹ The names of the architect, builder, structural designer, and inspection agency are those as of when the building was built.

Appraisal Details		
Asset Name	Ichigo Hakataeki Higashi Building	
Appraisal Value	JPY 3,580,000,000	
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.	
Appraisal Date	November 30, 2021	
	Amount (JPY)	Note
Appraisal Value	3,580,000,000	Calculated using an income approach, with a DCF valuation as a basis and verified using a direct capitalization valuation
Value by Direct Capitalization Method	3,780,000,000	
Income	220,727,719	
Maximum Obtainable Rental Income	232,285,178	Based on expected long-term, stable rental income, common area service income, parking lot income, and other income
Vacancy Loss	11,557,459	Based on long-term, normalized vacancy rates
Expenses	48,125,862	
Administrative and Maintenance Expenses	12,516,551	Based on historical actual amounts
Utility Expenses	12,257,588	Based on historical actual amounts
Repair Expenses	3,925,000	Based on engineering reports and reference to similar assets
PM Fee	4,834,372	Based on existing contractual fees
Leasing Brokerage Fees	1,785,562	Based on a 10% p.a. turnover rate
Taxes	11,321,000	Based on FY2021 actual amounts
Insurance Premiums	382,150	Based on a quote from an insurance company
Other Expenses	1,103,639	Based on historical actual amounts
Net Operating Income (NOI)	172,601,857	
Income on Investment of Deposits Received	1,532,413	Based on a 1.0% investment yield
Capital Expenditure	7,850,000	Based on engineering reports and reference to similar assets
Net Profit	166,284,270	
Cap Rate	4.4%	Based on transactions of similar assets while taking into account the asset's location and specific characteristics, and the relationship to discount rates
Value via DCF Method	3,500,000,000	
Discount Rate	4.5%	Based on transactions of similar assets and the current yield of financial assets, taking into consideration the asset's location and specific characteristics
Terminal Cap Rate	4.6%	Cap rate adjusted for uncertainties

Value via Cost Approach	3,540,000,000	
Ratio of Land	85.0%	Based upon the value recorded in the government land assessment (<i>koujikakaku</i>) and transactions of similar assets
Ratio of Building	15.0%	Based upon the replacement cost specified in engineering reports and depreciation
Notes		
None		

B. Ichigo Hakata Meiji Dori Building

(1) Location

The Ichigo Hakata Meiji Dori Building is located in the Gofukucho area adjacent to Fukuoka's prominent commercial districts, the Hakata Station area and the Tenjin area. The area offers convenient access to public transportation, including multiple subway lines and route bus lines.

Along Taihaku Dori and Meiji Dori, both major thoroughfares in the Gofukucho area, is a commercial district with many high-rise office buildings.

The Gofukucho area is expected to enjoy continued growth as recent years has seen many new buildings built in the vicinity along with ongoing new building constructions and redevelopment projects.

(2) Building Features

The Ichigo Hakata Meiji Dori Building is a mid-size office building located within a one-minute walk from Gofukucho Station on the Fukuoka City Subway Hakozaki Line and a four-minute walk from Nakasu Kawabata Station on the Kuko Line.

The standard floor plate is 155 tsubo (c. 512m²) with a ceiling height of 2.9 meters, and the building has OA sub-floors, individual air conditioning units, and 30 parking spaces, therefore catering to the needs of the average tenant.

The building is currently occupied by an education company, a lighting equipment manufacturer, and a financial services company.

(3) Building Photos and Location Map



Asset Overview						
Asset Name		Ichigo Hakata Meiji Dori Building				
Form of Ownership		Trust beneficiary interest in real estate (<i>juekiken</i>)				
Trustee		Mitsubishi UFJ Trust and Banking Corporation				
Period of Trust Contract		July 30, 2015 – January 30, 2032 (expected)				
Location		8-17 Tenyamachi, Hakata-ku, Fukuoka City				
Land	Property Right	Freehold				
	Area	744.42m ²				
	Zoning	Commercial				
	Coverage Ratio Floor Area Ratio	80% 600%				
Building	Property Right	Freehold				
	Use	Office				
	Structure	Steel 7 floors				
	Total Floor Area	4,514.87m ²				
	Date Built	October 1, 2007				
Appraiser		Tanizawa Sogo Appraisal Co., Ltd.				
Appraisal Value		JPY 3,360 million				
Appraisal Date		November 30, 2021				
Value by Direct Capitalization Method		JPY 3,560 million				
Architect ¹		Kume Sekkei Co., Ltd.				
Builder ¹		Taisei Corporation				
Structural Designer ¹		Kume Sekkei Co., Ltd.				
Inspection Agency ¹		The Building Center of Japan				
Seismic PML (Assessor)		0.67% (Sompo Risk Management Inc.)				
Collateral		A right of pledge is expected to be established for the trust beneficiary interest, with the lender of the non-recourse loan to the TK operator as the pledgee. Also, an agreement is expected to be signed to assign the lender as the mortgage holder with respect to the underlying real estate.				
Lease Overview (as of December 31, 2021)						
Number of Tenants		11				
Monthly Rental Income		JPY 11.662 million				
Tenant Security Deposits		JPY 87.886 million				
Leasable Area ²		3,374.97m ²				
Leased Area ²		3,277.52m ²				
Occupancy		Apr 2020	Oct 2020	Apr 2021	Oct 2021	Dec 2021
		100%	100%	100%	97.1%	97.1%
Property Management Company		Fukuoka Jisho Co., Ltd. (expected)				
Master Lease Company		GK Kizuna1 (expected)				
Master Lease Type		Pass-through (expected)				

Special Items

None

¹ The names of the architect, builder, structural designer, and inspection agency are those as of when the building was built.

Appraisal Details		
Asset Name	Ichigo Hakata Meiji Dori Building	
Appraisal Value	JPY 3,360,000,000	
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.	
Appraisal Date	November 30, 2021	
	Amount (JPY)	Note
Appraisal Value	3,360,000,000	Calculated using an income approach, with a DCF valuation as a basis and verified using a direct capitalization valuation
Value by Direct Capitalization Method	3,560,000,000	
Income	210,458,738	
Maximum Obtainable Rental Income	222,087,619	Based on expected long-term, stable rental income, common area service income, parking lot income, and other income
Vacancy Loss	11,628,881	Based on long-term, normalized vacancy rates
Expenses	51,358,039	
Administrative and Maintenance Expenses	11,380,399	Based on historical actual amounts
Utility Expenses	14,701,369	Based on historical actual amounts
Repair Expenses	2,940,000	Based on engineering reports and reference to similar assets
PM Fee	4,862,434	Based on existing contractual fees
Leasing Brokerage Fees	1,619,773	Based on a 10% p.a. turnover rate
Taxes	14,430,400	Based on FY2021 actual amounts
Insurance Premiums	371,370	Based on a quote from an insurance company
Other Expenses	1,052,294	Based on historical actual amounts
Net Operating Income (NOI)	159,100,699	
Income on Investment of Deposits Received	1,493,171	Based on a 1.0% investment yield
Capital Expenditure	7,350,000	Based on engineering reports and reference to similar assets
Net Profit	153,243,870	
Cap Rate	4.3%	Based on transactions of similar assets while taking into account the asset's location and specific characteristics, and the relationship to discount rates
Value via DCF Method	3,280,000,000	
Discount Rate	4.4%	Based on transactions of similar assets and the current yield of financial assets, taking into consideration the asset's location and specific characteristics
Terminal Cap Rate	4.5%	Cap rate adjusted for uncertainties

Value via Cost Approach	3,420,000,000	
Ratio of Land	75.3%	Based upon the value recorded in the government land assessment (<i>koujikakaku</i>) and transactions of similar assets
Ratio of Building	24.7%	Based upon the replacement cost specified in engineering reports and depreciation
Notes		
None		

C. Fukuoka Kensetsu Kaikan

(1) Location

The eastern Hakata Station area is part of Fukuoka's main commercial district where many hotels and office buildings occupied by financial institutions and major corporations stand along a major thoroughfare.

The Fukuoka Kensetsu Kaikan is located near Higashi-Hie Station on the Fukuoka City Subway Kuko Line and Hakata Station on the JR Kagoshima Main Line, both offering convenient access to the Tenjin entertainment district and Fukuoka Airport.

The eastern Hakata Station area is expected to grow on the back of new redevelopment projects being planned as a result of Hakata Connected, a policy providing for relaxed floor-area ratio requirements for buildings meeting certain criteria.

(2) Building Features

The Fukuoka Kensetsu Kaikan is a mid-size office building located within a two-minute walk from Higashi-Hie Station on the Fukuoka City Subway Kuko Line.

Each floor is sub-divisible with a standard floor plate of 117 tsubo (c. 386m²) and the building has OA sub-floors and individual air conditioning units, therefore catering to the needs of the average tenant.

The building is currently occupied by organizations and companies within the construction industry, an IT company, and a real estate company.

(3) Building Photos and Location Map



Asset Overview					
Asset Name		Fukuoka Kensetsu Kaikan			
Form of Ownership		Trust beneficiary interest in real estate (<i>juekiken</i>)			
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Period of Trust Contract		April 26, 2019 – January 30, 2032 (expected)			
Location		3-14-18 Hakataeki Higashi, Hakata-ku, Fukuoka City			
Land	Property Right	Freehold			
	Area	954.48m ²			
	Zoning	Commercial			
	Coverage Ratio Floor Area Ratio	(1) 80% (2) 80% (1) 500% (2) 400%			
Building	Property Right	Freehold			
	Use	(1) Office (2) Storage			
	Structure	(1) Steel 9 floors (2) Reinforced Concrete 1 floor			
	Total Floor Area	(1) 4,357.40m ² (2) 4.49m ²			
	Date Built	November 30, 1997			
Appraiser		Tanizawa Real Estate Appraisal Co., Ltd.			
Appraisal Value		JPY 2,820 million			
Appraisal Date		November 30, 2021			
Value by Direct Capitalization Method		JPY 2,910 million			
Architect ¹		Fukuoka Sekkei Kyodo Kumiai (FSK), First-Class Registered Architect Office			
Builder ¹		Takenaka Corporation, Kyushu Branch			
Structural Designer ¹		Tokuta Sekkei			
Inspection Agency ¹		Fukuoka City			
Seismic PML (Assessor)		1.32% (Sompo Risk Management Inc.)			
Collateral		A right of pledge is expected to be established for the trust beneficiary interest, with the lender of the non-recourse loan to the TK operator as the pledgee. Also, an agreement is expected to be signed to assign the lender as the mortgage holder with respect to the underlying real estate.			
Lease Overview (as of December 31, 2021)					
Number of Tenants		11			
Monthly Rental Income		JPY 12.077 million			
Tenant Security Deposits		JPY 114.549 million			
Leasable Area ²		2,949.22m ²			
Leased Area ²		2,949.22m ²			
Occupancy	Apr 2020	Oct 2020	Apr 2021	Oct 2021	Dec 2021
	100%	100%	100%	100%	100%
Property Management Company		OHI Co., Ltd. (expected)			
Master Lease Company		GK Kizuna1 (expected)			
Master Lease Type		Pass-through (expected)			

(4)

Special Items

None

¹ The names of the architect, builder, structural designer, and inspection agency are those as of when the building was built.

Appraisal Details		
Asset Name	Fukuoka Kensetsu Kaikan	
Appraisal Value	JPY 2,820,000,000	
Appraiser	Tanizawa Real Estate Appraisal Co., Ltd.	
Appraisal Date	November 30, 2021	
	Amount (JPY)	Note
Appraisal Value	2,820,000,000	Calculated using an income approach, with a DCF valuation as a basis and verified using a direct capitalization valuation
Value by Direct Capitalization Method	2,910,000,000	
Income	178,743,396	
Maximum Obtainable Rental Income	188,840,153	Based on expected long-term, stable rental income, common area service income, parking lot income, and other income
Vacancy Loss	10,096,757	Based on long-term, normalized vacancy rates
Expenses	40,898,646	
Administrative and Maintenance Expenses	10,266,157	Based on historical actual amounts
Utility Expenses	10,374,602	Based on historical actual amounts
Repair Expenses	5,040,000	Based on engineering reports and reference to similar assets
PM Fee	3,373,630	Based on existing contractual fees
Leasing Brokerage Fees	1,419,133	Based on a 10% p.a. turnover rate
Taxes	8,800,900	Based on FY2021 actual amounts
Insurance Premiums	373,020	Based on a quote from an insurance company
Other Expenses	1,251,204	Based on historical actual amounts
Net Operating Income (NOI)	137,844,750	
Income on Investment of Deposits Received	1,202,411	Based on a 1.0% investment yield
Capital Expenditure	10,800,000	Based on engineering reports and reference to similar assets
Net Profit	128,247,161	
Cap Rate	4.4%	Based on transactions of similar assets while taking into account the asset's location and specific characteristics, and the relationship to discount rates
Value via DCF Method	2,780,000,000	
Discount Rate	4.5%	Based on transactions of similar assets and the current yield of financial assets, taking into consideration the asset's location and specific characteristics
Terminal Cap Rate	4.6%	Cap rate adjusted for uncertainties

Value via Cost Approach	2,690,000,000	
Ratio of Land	77.0%	Based upon the value recorded in the government land assessment (<i>koujikakaku</i>) and transactions of similar assets
Ratio of Building	23.0%	Based upon the replacement cost specified in engineering reports and depreciation
Notes		
None		

D. Ogaku Building

(1) Location

The Ogaku Building is located near Akihabara Station on the JR Yamanote, Sobu, and Keihin Tohoku Lines, the Tsukuba Express Line, and the Tokyo Metro Hibiya Line, offering convenient access to the Tokyo Metropolitan area and various places within Tokyo.

The Showa Dori area on the east side of Akihabara Station is an attractive commercial district and home to many mid-size office buildings and retail buildings.

The area around Akihabara Station has seen rapid commercialization in recent years with many new large-scale buildings being built, and this growth is expected to continue with further redevelopment projects.

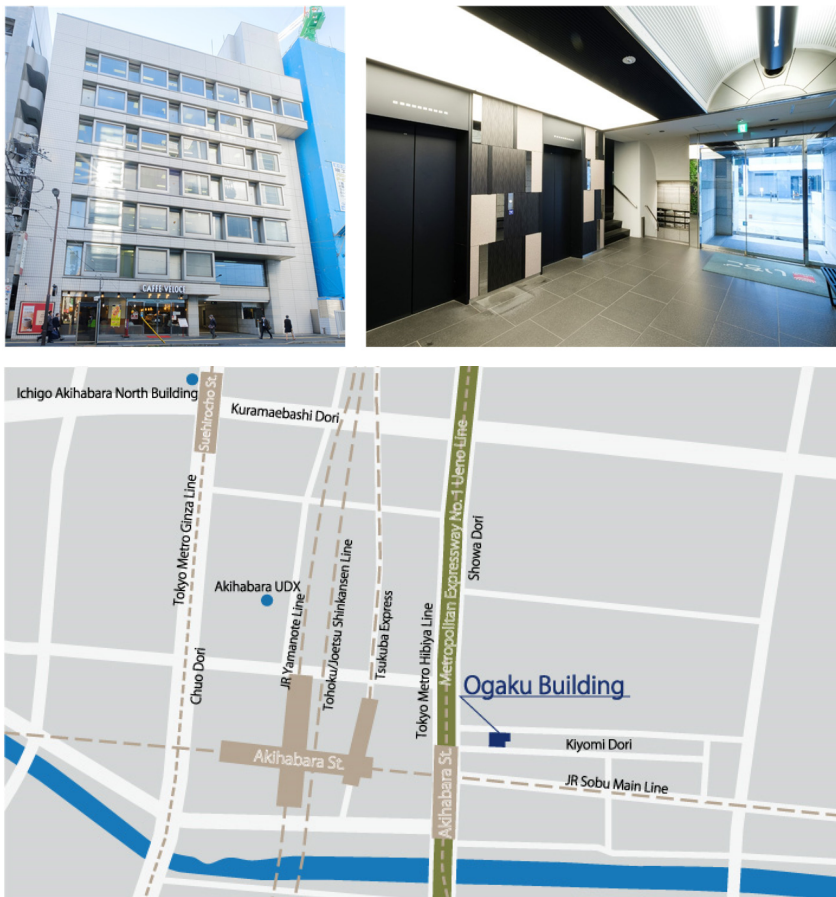
(2) Building Features

The Ogaku Building is a mid-size office building located within a three-minute walk from Akihabara Station on the JR Yamanote and other JR Lines and a one-minute walk from Akihabara Station on the Tokyo Metro Hibiya Line.

The standard floor plate is 90 tsubo (c. 297m²), and the building has OA sub-floors, individual air conditioning units, and 24 parking spaces, therefore catering to the needs of the average tenant.

The building is currently occupied by an IT company, a temping agency, and a franchise coffee shop.

(3) Building Photos and Location Map



Asset Overview					
Asset Name		Ogaku Building			
Form of Ownership		Trust beneficiary interest in real estate (<i>juekiken</i>)			
Trustee		Sumitomo Mitsui Trust Bank, Ltd.			
Period of Trust Contract		February 28, 2005 – January 31, 2032 (expected)			
Location		2-19 Sakumacho, Kanda, Chiyoda-ku, Tokyo			
Land	Property Right	Freehold			
	Area	421.21m ²			
	Zoning	Commercial			
	Coverage Ratio Floor Area Ratio	80% 800% (600% for part of the building)			
Building	Property Right	Freehold			
	Use	Office, Parking Spaces			
	Structure	Steel Reinforced Concrete, 8 floors & 1 basement floor			
	Total Floor Area	2,776.30m ²			
	Date Built	March 22, 1988			
Appraiser		Tanizawa Real Estate Appraisal Co., Ltd.			
Appraisal Value		JPY 3,380 million			
Appraisal Date		November 30, 2021			
Value by Direct Capitalization Method		JPY 3,600 million			
Architect ¹		NAOI Architecture & Design Office			
Builder ¹		Sampei Construction Co., Ltd.			
Structural Designer ¹		NAOI Architecture & Design Office			
Inspection Agency ¹		Chiyoda Ward			
Seismic PML (Assessor)		6.61% (Sompo Risk Management Inc.)			
Collateral		A right of pledge is expected to be established for the trust beneficiary interest, with the lender of the non-recourse loan to the TK operator as the pledgee. Also, an agreement is expected to be signed to assign the lender as the mortgage holder with respect to the underlying real estate.			
Lease Overview (as of December 31, 2021)					
Number of Tenants		4			
Monthly Rental Income		JPY 11.105 million			
Tenant Security Deposits		JPY 103.076 million			
Leasable Area ²		2,100,93m ²			
Leased Area ²		2,100,93m ²			
Occupancy	Apr 2020	Oct 2020	Apr 2021	Oct 2021	Dec 2021
	100%	100%	100%	100%	100%
Property Management Company		Ken Corporation Co., Ltd. (expected)			
Master Lease Company		GK Kizuna1 (expected)			
Master Lease Type		Pass-through (expected)			

Special Items

The boundary line between the road and the south side of the building has yet to be determined. The south-side boundary line is expected to be pushed back towards the building by 20~30cm from the L-shaped gutter along the road and any future reconstruction must be planned within the finalized boundary, which is estimated to have an area of 414.65m².

¹ The names of the architect, builder, structural designer, and inspection agency are those as of when the building was built.

Appraisal Details		
Asset Name	Ogaku Building	
Appraisal Value	JPY 3,380,000,000	
Appraiser	Tanizawa Real Estate Appraisal Co., Ltd.	
Appraisal Date	November 30, 2021	
	Amount (JPY)	Note
Appraisal Value	3,380,000,000	Calculated using an income approach, with a DCF valuation as a basis and verified using a direct capitalization valuation
Value by Direct Capitalization Method	3,600,000,000	
Income	165,429,885	
Maximum Obtainable Rental Income	177,318,300	Based on expected long-term, stable rental income, common area service income, parking lot income, and other income
Vacancy Loss	11,888,415	Based on long-term, normalized vacancy rates
Expenses	35,820,912	
Administrative and Maintenance Expenses	9,529,818	Based on historical actual amounts
Utility Expenses	8,017,149	Based on historical actual amounts
Repair Expenses	3,720,000	Based on engineering reports and reference to similar assets
PM Fee	2,188,852	Based on existing contractual fees
Leasing Brokerage Fees	1,168,314	Based on a 10% p.a. turnover rate
Taxes	9,791,900	Based on FY2021 actual amounts
Insurance Premiums	246,870	Based on a quote from an insurance company
Other Expenses	1,158,009	Based on historical actual amounts
Net Operating Income (NOI)	129,608,973	
Income on Investment of Deposits Received	704,949	Based on a 1.0% investment yield
Capital Expenditure	7,905,000	Based on engineering reports and reference to similar assets
Net Profit	122,408,922	
Cap Rate	3.4%	Based on transactions of similar assets while taking into account the asset's location and specific characteristics, and the relationship to discount rates
Value via DCF Method	3,290,000,000	
Discount Rate	3.5%	Based on transactions of similar assets and the current yield of financial assets, taking into consideration the asset's location and specific characteristics
Terminal Cap Rate	3.6%	Cap rate adjusted for uncertainties

Value via Cost Approach	3,690,000,000	
Ratio of Land	92.9%	Based upon the value recorded in the government land assessment (<i>koujikakaku</i>) and transactions of similar assets
Ratio of Building	7.1%	Based upon the replacement cost specified in engineering reports and depreciation
Notes		
None		

7. Broker Profile

N/A

Portfolio Reference Information

Post-Acquisition Portfolio

No.	Asset Name	Area ¹	Acquisition Price ² (JPY million)	% of Portfolio ³
O-02	Ichigo Nishisando Building	Central Tokyo	3,254	1.6
O-03	Ichigo Mita Building	Central Tokyo	2,740	1.3
O-04	Ichigo Nanpeidai Building	Central Tokyo	1,920	0.9
O-05	Ichigo Hanzomon Building	Central Tokyo	1,550	0.8
O-06	Ichigo Hijirizaka Building	Central Tokyo	1,200	0.6
O-07	Ichigo Shibuya Kamiyamacho Building	Central Tokyo	1,505	0.7
O-08	Ichigo Akasaka 5 Chome Building	Central Tokyo	735	0.4
O-09	Ichigo Shibakoen Building	Central Tokyo	1,100	0.5
O-10	Ichigo Ebisu Nishi Building	Central Tokyo	1,917	0.9
O-11	Ichigo Ginza 612 Building	Central Tokyo	1,773	0.9
O-12	Ichigo Uchikanda Building	Central Tokyo	1,140	0.6
O-14	Ichigo Yotsuya 4 Chome Building	Central Tokyo	550	0.3
O-15	Ichigo Tameike Building	Central Tokyo	580	0.3
O-16	Ichigo Jimbocho Building	Central Tokyo	1,820	0.9
O-17	Ichigo Hakozaki Building	Central Tokyo	1,150	0.6
O-18	Ichigo Kudan 2 Chome Building	Central Tokyo	763	0.4
O-19	Ichigo Kudan 3 Chome Building	Central Tokyo	844	0.4
O-20	Ichigo Gotanda Building	Central Tokyo	5,060	2.5
O-21	Ichigo Shin Yokohama Building	Tokyo Metro Area	1,816	0.9
O-22	Ichigo Minami Ikebukuro Building	Tokyo Metro Area	1,460	0.7
O-23	Ichigo Nakano North Building	Tokyo Metro Area	764	0.4
O-24	Ichigo Eitai Building	Tokyo Metro Area	1,490	0.7
O-26	Ichigo Ikejiri Building	Tokyo Metro Area	2,030	1.0
O-27	Ichigo Nishi Ikebukuro Building	Tokyo Metro Area	639	0.3
O-28	Ichigo Nishi Gotanda Building	Central Tokyo	765	0.4
O-29	Ichigo Kichijoji Building	Tokyo Metro Area	2,160	1.0
O-34	Ichigo Sakae Building	Four Major Regional Cities	4,705	2.3
O-37	Ichigo Marunouchi Building	Four Major Regional Cities	6,710	3.3
O-38	Ichigo Toyamaeki Nishi Building	Other Regional Cities	1,645	0.8
O-39	Ichigo Mirai Shinkin Building	Other Regional Cities	1,158	0.6
O-42	Ichigo Takamatsu Building	Other Regional Cities	3,010	1.5
O-46	Ichigo Kanda Nishikicho Building	Central Tokyo	2,130	1.0
O-47	Ichigo Akihabara North Building	Central Tokyo	5,500	2.7

No.	Asset Name	Area ¹	Acquisition Price ² (JPY million)	% of Portfolio ³
O-48	Ichigo Sakaisuji Honmachi Building	Four Major Regional Cities	1,940	0.9
O-49	Ichigo Kanda Ogawamachi Building	Central Tokyo	2,210	1.1
O-50	Ichigo Hatchobori Building	Central Tokyo	1,905	0.9
O-51	Ebisu Green Glass	Central Tokyo	5,900	2.9
O-52	Ichigo Omori Building	Central Tokyo	3,850	1.9
O-53	Ichigo Takadanobaba Building	Central Tokyo	1,580	0.8
O-54	Ichigo Omiya Building	Tokyo Metro Area	3,430	1.7
O-55	Ichigo Sagamihara Building	Tokyo Metro Area	1,174	0.6
O-56	Ichigo Ofuna Building	Tokyo Metro Area	2,000	1.0
O-57	Ichigo Sendai East Building	Other Regional Cities	1,840	0.9
O-58	Ichigo Kumamoto Building	Other Regional Cities	1,450	0.7
O-59	Ichigo Jingumae Building	Central Tokyo	7,200	3.5
O-60	Ichigo Shibuya Dogenzaka Building	Central Tokyo	3,650	1.8
O-61	Ichigo Hiroo Building	Central Tokyo	3,960	1.9
O-62	Ichigo Sasazuka Building	Central Tokyo	4,780	2.3
O-63	Ichigo Nihonbashi East Building	Central Tokyo	4,700	2.3
O-64	Ichigo Sakurabashi Building	Central Tokyo	2,500	1.2
O-65	Ichigo Shinkawa Building	Central Tokyo	2,360	1.1
O-66	Ichigo Kudan Building	Central Tokyo	3,190	1.5
O-67	Ichigo Higashi Gotanda Building	Central Tokyo	3,660	1.8
O-68	Axior Mita	Central Tokyo	1,800	0.9
O-69	Ichigo Higashi Ikebukuro Building	Tokyo Metro Area	4,570	2.2
O-70	Koriyama Big-i (Office Section)	Other Regional Cities	1,660	0.8
O-71	Ichigo Kawasaki Building	Tokyo Metro Area	1,750	0.8
O-72	Ichigo Shibuya East Building	Central Tokyo	1,350	0.7
O-73	Ichigo Ningyocho Building	Central Tokyo	1,450	0.7
O-74	Ichigo Nishi Honmachi Building	Four Major Regional Cities	2,190	1.1
O-75	Ichigo Hakata Building	Four Major Regional Cities	1,380	0.7
O-76	Ichigo Nishiki First Building	Four Major Regional Cities	2,000	1.0
O-77	Ichigo Ikenohata Building	Tokyo Metro Area	5,130	2.5
O-78	Ichigo Ikebukuro East Building	Tokyo Metro Area	3,010	1.5
O-79	Ichigo Motoazabu Building	Central Tokyo	1,890	0.9
O-80	Ichigo Otsuka Building	Tokyo Metro Area	2,740	1.3
O-81	Ichigo Nagoya Building	Four Major Regional Cities	3,420	1.7

No.	Asset Name	Area ¹	Acquisition Price ² (JPY million)	% of Portfolio ³
O-82	Ichigo Fushimi Building	Four Major Regional Cities	2,340	1.1
O-83	Ichigo Nishiki Building	Four Major Regional Cities	1,330	0.6
O-84	Ichigo Minami Morimachi Building	Four Major Regional Cities	1,040	0.5
O-85	Ichigo Shibuya Udagawacho Building	Central Tokyo	3,500	1.7
O-86	Win Gotanda Building	Central Tokyo	3,100	1.5
O-87	Ichigo Hongo Building	Tokyo Metro Area	2,300	1.1
O-88	Oimachi Center Building	Central Tokyo	1,680	0.8
O-89	Win Gotanda Building 2	Central Tokyo	3,300	1.6
O-90	MIF Building	Central Tokyo	2,200	1.1
O-91	Ichigo Uchi Honmachi Building	Four Major Regional Cities	1,900	0.9
O-92	Ichigo Minami Otsuka Building	Tokyo Metro Area	2,780	1.3
O-93	Ichigo Nogizaka Building	Central Tokyo	3,315	1.6
O-94	Ichigo Hakata East Building	Four Major Regional Cities	2,250	1.1
O-95	Ichigo Nakameguro Building	Tokyo Metro Area	1,495	0.7
O-96	Ichigo Tachikawa Building	Tokyo Metro Area	3,830	1.9
Subtotal - Office (82 Assets)			199,562	96.8
Z-09	Konami Sports Club Izumi Fuchu	Other Regional Cities	1,210	0.6
Z-10	Ichigo Shibuya Bunkamura Dori Building	Central Tokyo	2,400	1.2
Z-11	Twicere Yokohama Isogo (Retail Section)	Tokyo Metro Area	1,620	0.8
Z-14	Ichigo Kamata Building	Tokyo Metro Area	1,400	0.7
Subtotal - Other (4 Assets)			6,630	3.2
Total (86 Assets)			206,192	100.0

TK Equity Investment	GK Kizuna1 TK Equity Interest	50	–
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¹ Central Tokyo refers to Chiyoda, Minato, Chuo, Shinjuku, Shibuya, and Shinagawa Wards. Tokyo Metro Area refers to Tokyo (excluding the six wards above), Kanagawa, Chiba, and Saitama Prefectures. Four Major Regional Cities refers to Osaka, Nagoya, Fukuoka, and Sapporo.

² % of Portfolio is based upon acquisition price.