January 19, 2015

For Immediate Release

Real Estate Investment Trust Securities Issuer:
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(Securities Code: 3296)
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[Delayed] Notice Concerning Acquisition and Leasing of Asset

NIPPON REIT Investment Corporation ("NIPPON REIT") announces that Sojitz REIT Advisors K.K. ("SRA"), which is entrusted to manage the assets of NIPPON REIT, today decided on the following acquisition and leasing of assets (the "Acquisition and Leasing").

Details

1. Overview of acquisition

NIPPON REIT shall acquire the trust beneficiary rights in the following properties (the "to-be-acquired assets"). For the acquisition of 16 properties (A-16, A-24, A-26, A-28, A-29, A-32, A-34, A-35, A-36, A-37, A-38, A-40, A-41, A-43, B-8 and C-2), A-17 and four properties (A-21, A-22, A-23 and A-39), NIPPON REIT shall exercise the first negotiation rights granted by Godo Kaisha Nicolas Capital 2, Godo Kaisha Nicolas Capital 1 and Godo Kaisha Nicolas Capital 4, respectively.

(Note) The first negotiation rights are granted when NIPPON REIT acquired each silent partnership from the seller above. For details of the silent partnerships and the first negotiation rights, please refer to the "Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest)" announced on September 9, 2014, "Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest)" announced on October 28, 2014 and "Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest)" announced on December 24, 2014, respectively.

Property No. (Note 1)	Real estate in trust (Property Name) (Note 2)	Location	Scheduled acquisition price (million yen) (Note 3)	Seller (Note 4)	Scheduled Acquisition date (Note 5)
A-16	Hiroo Reeplex B's	Minato Ward, Tokyo	2,827	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-17	Shibakoen Sanchome Building	Minato Ward, Tokyo	7,396	Godo Kaisha Nicolas Capital 2	Feb. 12, 2015
A-18	(Tentative) FORECAST Iidabashi (Davinci Iidabashi)	Chiyoda Ward, Tokyo	5,230	Godo Kaisha Yayoi Investment	Feb. 12, 2015
A-19	Kudankita 325 Building	Chiyoda Ward, Tokyo	1,850	Godo Kaisha Yayoi Investment	Feb. 12, 2015

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NIPPON REIT Investment Corporation

Property No. (Note 1)	Real estate in trust (Property Name) (Note 2)	Location	Scheduled acquisition price (million yen) (Note 3)	Seller (Note 4)	Scheduled Acquisition date (Note 5)
A-20	(Tentative) FORECAST Uchikanda (Davinci Uchikanda 133)	Chiyoda Ward, Tokyo	1,240	Godo Kaisha Yayoi Investment	Feb. 12, 2015
A-21	Itohpia Iwamotocho 2-chome Bldg.	Chiyoda Ward, Tokyo	2,810	Godo Kaisha Nicolas Capital 4	Feb. 12, 2015
A-22	Itohpia Iwamotocho 1-chome Bldg.	Chiyoda Ward, Tokyo	2,640	Godo Kaisha Nicolas Capital 4	Feb. 12, 2015
A-23	Itohpia Iwamotocho ANNEX Bldg.	Chiyoda Ward, Tokyo	2,100	Godo Kaisha Nicolas Capital 4	Feb. 12, 2015
A-24	Hisamatsucho Reeplex B's	Chuo Ward, Tokyo	2,837	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-25	(Tentative) FORECAST Ningyocho (Davinci Ningyocho)	Chuo Ward, Tokyo	2,070	Godo Kaisha Yayoi Investment	Feb. 12, 2015
A-26	KDX Ningyocho Building	Chuo Ward, Tokyo	1,650	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-27	(Tentative) FORECAST Shin-Tokiwabashi (Davinci Shin-Tokiwabashi)	Chuo Ward, Tokyo	2,030	Godo Kaisha Yayoi Investment	Feb. 12, 2015
A-28	Nishi-Shinjuku Sanko Building	Shinjuku Ward, Tokyo	2,207	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-29	Iidabashi Reeplex B's	Shinjuku Ward, Tokyo	1,249	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-30	(Tentative) FORECAST Shinagawa (Davinci Shinagawa)	Shinagawa Ward, Tokyo	2,300	Godo Kaisha Yayoi Investment	Feb. 12, 2015
A-31	Nishi-Gotanda 8-chome Building	Shinagawa Ward, Tokyo	2,210	Godo Kaisha Yayoi Investment	Feb. 12, 2015
A-32	Towa Higashi-Gotanda Building	Shinagawa Ward, Tokyo	2,033	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-33	(Tentative) FORECAST Takadanobaba (Davinci Takada 3-chome)	Toshima Ward, Tokyo	5,550	Godo Kaisha Yayoi Investment	Feb. 12, 2015
A-34	Mejiro NT Building	Toshima Ward, Tokyo	3,094	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-35	Toshin Higashi-Ikebukuro Building	Toshima Ward, Tokyo	979	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-36	Mitsui Woody Building	Koto Ward, Tokyo	2,475	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-37	Itabashi Honcho Building	Itabashi Ward, Tokyo	3,146	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-38	ANTEX24 Building	Taito Ward, Tokyo	1,691	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-39	Itohpia Kiyosubashidori Bldg.	Taito Ward, Tokyo	1,550	Godo Kaisha Nicolas Capital 4	Feb. 12, 2015
A-40	East Side Building	Taito Ward, Tokyo	1,372	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-41	I· S Minamimorimachi Building	Osaka, Osaka	2,258	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
A-42	Sunworld Building	Osaka, Osaka	1,200	Not disclosed (Note 6)	Feb. 12, 2015
A-43	Marunouchi Sanchome Building	Nagoya, Aichi	1,626	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
B-8	Kanda Reeplex R's	Chiyoda Ward,Tokyo	1,813	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015

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Property No. (Note 1)	Real estate in trust (Property Name) (Note 2)	Location	Scheduled acquisition price (million yen) (Note 3)	Seller (Note 4)	Scheduled Acquisition date (Note 5)
C-1	Otakibashi Pacifica Building	Shinjuku Ward, Tokyo	3,350	Not disclosed (Note 6)	Mar. 12, 2015
C-2	Komyoike Act	Sakai, Osaka	2,063	Godo Kaisha Nicolas Capital 1	Feb. 12, 2015
Total	31 properties	—	76,853	—	—

(Note1) "Property No." is the number of each property in accordance with each asset type designated by NIPPON REIT. A represents office, B represents residential properties, and C represents retail properties, respectively. The same shall apply hereinafter.

(Note2) Concerning A-18, A-20, A-25, A-27, A-30 and A-33, NIPPON REIT is scheduled to change the property name promptly after acquisition. Therefore, for the concerned properties' property name, the scheduled changed name is stated as "(Tentative)" along with the present property name as of today in parentheses in the case of the table above, while the scheduled changed name is stated hereinafter. NIPPON REIT is to implement the property name change after notifying end tenants of the timing, etc. thereof. The scheduled changed property names are based on the plans as of today and are subject to change without prior notice, or the property name change may possibly not be implemented at all.

(Note3) "Scheduled acquisition price" is the acquisition price of each to-be-acquired asset stipulated in respective sales and purchase agreements. Furthermore, the acquisition price is excluding consumption taxes, local consumption taxes and various expenses required for the acquisition, and rounded down to the nearest million yen.

(Note4) Please refer to "8.Overview of Sellers" below for details of the Sellers.

(Note5) "Scheduled acquisition date" for each to-be-acquired asset is based on the assumption that the pricing date of the public offering (hereinafter, the "Pricing date") as described in the press release "Notice Concerning Issuance of New Investment Units and Secondary Distribution of Investment Units" published today will be February 3, 2015 (Tuesday). If such pricing date is postponed, the scheduled acquisition date may also be postponed. The same shall apply hereinafter.

(Note6) Not disclosed because consent has not been obtained from the seller.

(1) Agreement conclusion date : January 19, 2015
(2) Acquisition date : February 12, 2015 (All properties except C-1 Otakibashi Pacifica Building)
March 12, 2015 (C-1 Otakibashi Pacifica Building)
(3) Seller : Please refer to "1. Overview of acquisition"
(4) Acquisition Financing : Proceeds from the issuance of new investment units and for which resolution were passed at meetings of the board of officers of NIPPON REIT held on January 19, 2015 and loans (Note)
(5) Settlement method : Settlement shall be in a lump sum at the time of the Acquisition and Leasing using debt financing.

(Note) Please refer to the "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" and "Notice Concerning Borrowing of Funds" announced today by NIPPON REIT for details of the concerned loans.

2. Reason for the Acquisition and Leasing

SRA decided on the Acquisition and leasing in view of developing a portfolio that achieves growth of asset size and securing of stable revenue of the portfolio pursuant to the asset management target and policy set forth in the articles of incorporation of NIPPON REIT.

Through the Acquisition, NIPPON REIT's asset size will expand to over 150 billion yen based on (scheduled) acquisition price. NIPPON REIT will achieve its short-term target since its listing of an asset size of 100 billion yen within a year of being listed. NIPPON REIT will aim to maximize unitholder value by endeavoring to stabilize its profitability through enhancing risk tolerance of its portfolio by further diversifying properties and tenants while increasing the income capacity of its portfolio through asset size expansion derived by the Acquisition.
In addition, NIPPON REIT will endeavor to improve the profitability of the overall portfolio by maintaining and improving the asset value of each property through implementing appropriate property management and proactive capital investment although the average age of its portfolio will be 21.7 years old including the Acquisition. Furthermore, the tenants of the each property

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comply with the tenant screening criteria described in the Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties dated September 30, 2014.

3. Schedule of acquisition

January 19, 2015 Decision on acquisition
January 19, 2015 Signing Date of Purchase Agreement
February 12, 2015 Payment date of all properties except C-1 Otakibashi Pacifica Building (scheduled)
Acquisition date of all properties except C-1 Otakibashi Pacifica Building (scheduled)
March 12, 2015 Payment date of C-1 Otakibashi Pacifica Building (scheduled)
Acquisition date of C-1 Otakibashi Pacifica Building (scheduled)

(Note) "Payment date" and "Acquisition date" for each to-be-acquired asset is based on the assumption that the Pricing date will be February 3, 2015 (Tuesday). If such pricing date is postponed, the "Payment date" and the "Acquisition date" may also be postponed.

4. Overview of brokerage

(1) Brokers

A-18 (Tentative) FORECAST Iidabashi
A-19 Kudankita 325 Building
A-20 (Tentative) FORECAST Uchikanda
A-25 (Tentative) FORECAST Ningyocho
A-27 (Tentative) FORECAST Shin-Tokiwabashi
A-30 (Tentative) FORECAST Shinagawa
A-31 Nishi-Gotanda 8-chome Building
A-33 (Tentative) FORECAST Takadanobaba
A-42 Sunworld Building

Name	Sojitz New Urban Development Corporation
Location	1-2-9, Nishishimbashi, Minato-ku, Tokyo
Title and name of representative	President & CEO: Ryoji Karasuyama
Capital	1 billion yen
Date of establishment	November 1, 1995
Relationship with NIPPON REIT or SRA	
Capital relationship	The company is 100% subsidiary of Sojitz Corporation which is the parent company (67% stake) of SRA and thus falls under the category of interested persons, etc. as provided in the Act on Investment Trusts and Investment Corporations
Personnel relationship	6 of the officers and employees of SRA are seconded from Sojitz Corporation which is the parent company of the company.
Business relationship	NIPPON REIT acquired three specified assets (total: 13,100 million yen) from Sojitz Corporation, the parent company of this company, in the fourth fiscal period (ended June 2014), the latest calculation period. NIPPON REIT also paid administration expenses of 31,480, 000 yen and other leasing business expenses of 8,245,000 yen to Sojitz Corporation. This company is a sponsor group company based on the Sponsor Support Agreement executed between NIPPON REIT and SRA, and Sojitz Corporation.
Related-party status	The company falls under the category of a related party of NIPPON REIT and SRA. In addition, as stated above, the company falls under the category of interested persons, etc. of SRA as provided in the Act on Investment Trusts and Investment Corporations. NIPPON REIT and SRA have conducted an appropriate approval procedure upon the entrustment of brokerage service pertaining to the Acquisition in accordance with voluntary rules pursuant to the rules on transactions with interested parties.

C-1 Otakibashi Pacifica Building

Name	Tokyo Venture Gear Co.,Ltd.
Location	3-4-1, Ichigayasadohara-Cho, Shinjuku-ku Tokyo

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Title and name of representative	Naoshi Hata, President & Representative Director
Capital	100 million yen
Date of establishment	November 1, 1968
Relationship with NIPPON REIT or SRA	
Capital relationship	There is no capital relationship to be stated between NIPPON REIT or SRA and the concerned company.
Personnel relationship	There is no personnel relationship to be stated between NIPPON REIT or SRA and the concerned company.
Business relationship	There is no business relationship to be stated between NIPPON REIT or SRA and the concerned company.
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA.

(2) Brokerage fees

1. Sojitz New Urban Development Corporation
   Brokerage fee: 710,400 thousand yen
   (excluding consumption taxes and local consumption taxes)
2. Tokyo Venture Gear Co., Ltd.
   Not disclosed because no consent has been obtained from the broker.

5. Forward Commitment

(1) to-be-acquired asset with the Forward Commitment (Note)

Property name	Sale and purchase agreement conclusion date	Scheduled Acquisition date
Otakibashi Pacifica Building	January 19, 2015	March 12, 2015

(Note) The "Forward Commitment" means the sales agreement which stipulates that the settlement and delivery of a property will be made after a lapse of more than one month since the execution of such agreement, and other similar agreements.

(2) Reason why the Forward Commitment is stipulated

An agreement including a clause concerning the Forward Commitment, etc. will be executed because it will contribute to NIPPON REIT's external growth by achieving agile and timely investments as stipulated as the basic investment policy. The inclusion of the Forward Commitment, etc. is handled properly according to the SRA's rules on the Forward Commitment, etc.

(3) Conditions subsequent of the Forward Commitment

Under the sale and purchase agreement for Otakibashi Pacifica Building (the "Sale and Purchase Agreement), when either the seller or the buyer significantly violates the provisions of the Sale and Purchase Agreement, the counterparty shall be able to cancel the Sale and Purchase agreement after notifying the violating party to correct the situation. When the Sale and Purchase Agreement is canceled, the violating party shall be obliged to compensate or indemnify for the damages, etc. of the counterparty resulted from the cancellation or other related matters within the scope of an equivalent cause-and-effect relationship.

(4) Influence on the financials of NIPPON REIT in the event of not being able to fulfill the Forward Commitment, etc.

Under the Sale and Purchase Agreement, for whatever reason, NIPPON REIT shall be able to cancel the Sale and Purchase Agreement by notifying the counterparty in writing, in case NIPPON REIT has failed to complete the financing from the issuance of new investment units of NIPPON REIT or the borrowing from financial institutions required for the payment of the purchase price by February 15, 2015. In such an event, NIPPON REIT shall not assume any responsibility for the cancellation of the Sale and Purchase Agreement.

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Therefore, even in the case where NIPPON REIT fails to pay the purchase price as a result of incompletion of fund procurement for the purchase price due to not being able to conduct the Offering or borrowing that is planned concurrently with the Offering as scheduled, NIPPON REIT shall be able to cancel the Sale and Purchase Agreement without obligation to pay penalties. Thus NIPPON REIT believes that the possibility of the Sale and Purchase Agreement directly having a material adverse impact on the finance and cash distributions of NIPPON REIT is low.

6. Future outlook

For the future outlook of the management status of NIPPON REIT for the fiscal period ending June 2015 (from January 1, 2015 to June 30, 2015) and fiscal period ending December 2015 (from July 1, 2015 to December 31, 2015), please refer to the "Notice Concerning Forecast of Management Status for Fiscal Period Ending June 2015 and Fiscal Period Ending December 2015" announced today.

7. Transaction with interested persons, etc.

(1) NIPPON REIT will make the trustee execute the Management Consignment Agreement with Sojitz General Property Management Corporation regarding twelve of the to-be-acquired assets: Hiroo Reeplex B's, (Tentative) FORECAST Uchikanda, Hisamatsucho Reeplex B's, KDX Ningyocho Building, (Tentative) FORECAST Shin-Tokiwabashi, Nishi-Shinjuku Sanko Building, Iidabashi Reeplex B's, Towa Higashi-Gotanda Building, Mitsui Woody Building, ANTEX24 Building, East Side Building and Kanda Reeplex R's. NIPPON REIT will also make the trustee continue the current Management Consignment Agreement with Sojitz General Property Management Corporation regarding five of the to-be-acquired assets: Mejiro NT Building, Toshin Higashi-Ikebukuro Building, Itabashi Honcho Building Itohpia Kiyosubashidori Bldg. and IS Minamimorimachi Building.

As Sojitz General Property Management Corporation is a wholly-owned subsidiary of the parent company of SRA (67% of stake) and falls under the category of interested persons, etc. as provided in the Article 201 of the Act on Investment Trusts and Investment Corporations and Article 123 of the Order of Enforcement thereof, as well as of interested persons stipulated in the SRA internal rules, "Rules on Transactions by Interested Persons," SRA underwent the review and resolution as stipulated in the Rules on Transactions by Interested Persons when NIPPON REIT makes the trustee execute or continue agreements with Sojitz General Property Management Corporation.

<Consignee>

Name	Sojitz General Property Management Corporation
Head office address	2-3-1, Daiba, Minato-ku, Tokyo
Title and name of representative	President & CEO: Takahiro Toyoda
Capital	324,000,000 yen
Date of establishment	September 12, 1989

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Line of Business		1. Management of real estate properties 2. Sales, maintenance and management of plumbing equipment, sanitary equipment, elevating machines, refrigeration and heating equipment, electric facilities, other machines and equipment and materials, and construction machinery for buildings, renewal of buildings, and sales of machines and materials for building renewal 3. Trading, leasing, rental, agency and brokerage thereof and import and export of equipment attached to residential properties such as furniture, fixtures, interior ornaments, ready-to-assemble garages, gates and fences (including used goods) 4. Trading, leasing and brokerage of real estate properties 5. Planning, inspection, designing, execution, supervision and contract work of engineering and construction works 6. Non-life insurance agency and insurance agency based on the Automobile Liability Security Act 7. Solicitation of life insurance 8. Sales and intermediacy of tobacco, alcohol, soft drink, tea, food and commodities 9. Forwarding and home-delivery service agency 10. Worker dispatch based on the Worker Dispatch Law 11. Security services 12. Janitorial services 13. Any and all businesses incidental to each of the foregoing
Relationship with NIPPON REIT or SRA		
	Capital relationship	The company is 100% subsidiary of Sojitz Corporation which is the parent company (67% stake) of SRA and thus falls under the category of interested persons, etc. as provided in the Act on Investment Trusts and Investment Corporations
	Personnel relationship	Six of the officers and employees of SRA are seconded from Sojitz Corporation which is the parent company of the company.
	Business relationship	NIPPON REIT acquired three specified assets (total: 13,100 million yen) from Sojitz Corporation, the parent company of this company, in the fourth fiscal period (ended June 2014), the latest calculation period. NIPPON REIT also paid administration expenses of 79,615,000 yen and other leasing business expenses of 10,322,000 yen to Sojitz Corporation. This company is a sponsor group company based on the Sponsor Support Agreement executed between NIPPON REIT and SRA, and Sojitz Corporation.
	Related-party status	The company falls under the category of a related party of NIPPON REIT and SRA. In addition, as stated above, the company falls under the category of interested persons, etc. of SRA as provided in the Act on Investment Trusts and Investment Corporations. NIPPON REIT and SRA have conducted an appropriate approval procedure upon the entrustment of brokerage service pertaining to the Acquisition in accordance with voluntary rules pursuant to the rules on transactions with interested parties.

(2) As described in “4. Overview of brokerage” above, Sojitz New Urban Development Corporation, which is the broker of transactions for “(Tentative) FORECAST Iidabashi,” ”Kudan-Kita 325 Building,” ”(Tentative) FORECAST Uchikanda, “(Tentative) FORECAST Ningyocho,” “(Tentative) FORECAST Shin-Tokiwabashi,” “(Tentative) FORECAST Shinagawa,” “Nishi-Gotanda 8-chome Building,” “(Tentative) FORECAST Takadanobaba” and “Sunworld Building,” falls under the category of an interested party of NIPPON REIT stipulated in the rules on transactions with interested parties. Accordingly, SRA has performed the necessary deliberations and resolutions in accordance with the rules on transactions with interested parties.

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8. Overview of sellers

A-16 Hiroo Reeplex B's
A-24 Hisamatsucho Reeplex B's
A-26 KDX NINGYOCHO Building
A-28 Nishi-Shinjuku Sanko Building
A-29 Iidabashi Reeplex B's
A-32 Towa Higashi-Gotanda Building
A-34 Mejiro NT Building
A-35 Toshin Higashi-Ikebukuro Building
A-36 Mitsui Woody Building
A-37 Itabashi Honcho Building
A-38 ANTEX24 Building
A-40 East Side Building
A-41 IS Minamimorimachi Building
A-43 Marunouchi Sanchome Building
B-8 Kanda Reeplex R's
C-2 Komyoike Act

Name		Godo Kaisha Nicolas Capital 1
Location		3-18-12-1001 Toranomon, Minato-ku, Tokyo
Title and name of representative		Representative member: Ippan Shadan Hojin Nicolas Funding 1 Person to execute duties: Hidenobu Sugaya
Capital		500 thousand yen
Date of establishment		August 6, 2012
Net Asset		Not disclosed (Note)
Total Asset		Not disclosed (Note)
Other equity investor in silent partnership		Not disclosed (Note)
Line of Business		1. Acquisition, holding and disposition of real estate trust beneficiary right 2. Acquisition, holding, disposition, leasing and management of real estate 3. Other businesses incidental or related to businesses listed in the preceding items
Relationship with NIPPON REIT or SRA		
	Capital relationship Personnel relationship	There is no capital relationship, or personnel relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship, personnel relationship or business relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned。
	Business relationship	The concerned company is the operator of silent partnership in which equity investment is made by 500 million yen from NIPPON REIT. Please refer to the "Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest)", announced on October 28. 2014, for the details of the concerned silent partnership equity investment.
	Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note) Not disclosed because consent has not obtained from other equity investors in silent partnership.

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A-17　Shibakoen Sanchome Building

Name	Godo Kaisha Nicolas Capital 2
Location	3-1-1 Marunouchi, Chiyoda-ku, Tokyo (Tokyo Kyodo Accounting Office)
Title and name of representative	Representative member: Ippan Shadan Hojin Nicolas Funding 2 Person to execute duties: Mitsuru Maeda
Capital	100 thousand yen
Date of establishment	August 18, 2014
Net Asset	Not disclosed (Note)
Total Asset	Not disclosed (Note)
Other equity investor in silent partnership	Not disclosed (Note)
Line of Business	1. Acquisition, holding, disposition, leasing and management of real estate 2. Acquisition, holding and disposition of trust beneficiary right of real estate 3. Other businesses incidental or related to businesses listed in the preceding items
Relationship with NIPPON REIT or SRA	
Capital relationship Personnel relationship	There is no capital relationship, or personnel relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship, personnel relationship or business relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned。
Business relationship	The concerned company is the operator of silent partnership in which equity investment is made by 50 million yen from NIPPON REIT. Please refer to the “Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest)”, announced on September 9. 2014, for the details of the concerned silent partnership equity investment.
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note)　Not disclosed because consent has not obtained from other equity investors in silent partnership.

A-21　Itohpia Iwamotocho 2-chome Bldg.
A-22　Itohpia Iwamotocho 1-chome Bldg.
A-23　Itohpia Iwamotocho ANNEX Bldg.
A-39　Itohpia Kiyosubashidori Bldg.

Name	Godo Kaisha Nicolas Capital 4
Location	3-1-1 Marunouchi, Chiyoda-ku, Tokyo (Tokyo Kyodo Accounting Office)
Title and name of representative	Representative member: Ippan Shadan Hojin Nicolas Funding 4 Person to execute duties: Mitsuru Maeda
Capital	100 thousand yen
Date of establishment	December 2, 2014
Net Asset	100 thousand yen
Total Asset	9,200 million yen
Other equity investor in silent partnership	Not disclosed (Note)
Line of Business	1. Acquisition, holding and disposition of real estate trust beneficiary right 2. Acquisition, holding, disposition, leasing and management of real estate 3. Other businesses incidental or related to businesses listed in the preceding items

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Relationship with NIPPON REIT or SRA		
	Capital relationship Personnel relationship	There is no capital relationship, or personnel relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship, personnel relationship or business relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned
	Business relationship	The concerned company is the operator of silent partnership in which equity investment is made by 100 million yen from NIPPON REIT. Please refer to the "Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest)", announced on December 24. 2014, for the details of the concerned silent partnership equity investment.
	Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note) Not disclosed because consent has not obtained from other equity investors in silent partnership.

A-18 (Tentative) FORECAST Iidabashi
A-19 Kudankita 325 Building
A-20 (Tentative) FORECAST Uchikanda
A-25 (Tentative) FORECAST Ningyocho
A-27 (Tentative) FORECAST Shin-Tokiwabashi
A-30 (Tentative) FORECAST Shinagawa
A-31 Nishi-Gotanda 8-chome Building
A-33 (Tentative) FORECAST Takadanobaba

Name	Godo Kaisha Yayoi Investment
Location	11F Tokyo Club Building, 3-2-6, Kasumigaseki, Chiyoda-ku, Tokyo
Title and name of representative	Representative member: Yayoi Ippan Shadan Hojin Person to execute duties: Tomotaka Kurosaki
Capital	100 thousand yen
Date of establishment	January 10, 2014
Net Asset	Not disclosed (Note)
Total Asset	Not disclosed (Note)
Other equity investor in silent partnership	Not disclosed (Note)
Line of Business	1. Acquisition, holding, and disposition of real estate 2. Leasing and management of real estate 3. Acquisition, holding and disposition of real estate trust beneficiary right 4. Acquisition, holding and disposition of securities (including deemed securities) and other capital and equity interest and monetary claims, and other investment assets of various corporations or associations engaged in the businesses of the preceding items 5. Other businesses incidental or related to businesses listed in the preceding items
Relationship with NIPPON REIT or SRA	
Capital relationship Personnel relationship Business relationship	There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship, personnel relationship or business relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned company.
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note) Not disclosed because consent has not obtained from the seller.

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C-1 Otakibashi Pacifica Building

The seller of this property is a specific purpose company. Details are not described in this press release because no consent has been obtained from the seller to disclose its name, etc.

There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the seller. The seller does not fall under the category of related party of NIPPON REIT or SRA. In addition, the seller does not fall under the category of any interested party or sponsor-related party, as of today.

A-42 Sunworld Building

The seller of this property is a specific purpose company. Details are not described in this press release because no consent has been obtained from the seller to disclose its name, etc.

There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the seller. The seller does not fall under the category of related party of NIPPON REIT or SRA. In addition, the seller does not fall under the category of any interested party or sponsor-related party, as of today.

9. Acquirer's profile

The seller of the Property does not fall under the category of a special related party of the asset management company.

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NIPPON REIT Investment Corporation

10. Real Estate in Trust

A-16 Hiroo Reeplex B's

(1) Outline of to-be-acquired asset

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		February 28, 2007
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		5-15-27, Minamiazabu, Minato-ku, Tokyo
Land	Parcel number	5-66-5, Minamiazabu, Minato-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 500%
	Use district	Commercial district
	Site area	394.84 ㎡
	Type of ownership	Ownership
Building	Construction completion	May, 1987 February, 2007 Partial demolition and extension
	Structure / Floors	Steel-framed reinforced concrete with flat roof/9F
	Use	Office・Retail
	Total floor space	1,650.05 ㎡
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		2,890 million yen
Real estate appraiser		Japan Real Estate Institute
PML		4.4%
Collateral after acquisition		None
Status of leasing (Note 2)		
	Leasable floor space	1,500.83 ㎡
	Leased floor space	1,364.58 ㎡
	Occupancy rate	90.9%
	Ratio of total leasable floor area in portfolio	0.7%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	7
	Total rent income (annual)	138 million yen
	Deposits, etc.	90 million yen
Special notations		Not applicable

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Characteristics	＜Location Characteristics＞ The Roppongi and Azabu zone, in which Hiroo REEPLEX B's is located, is an area which can be accessed only through subway lines such as Tokyo Metro Hibiya Line and Nanboku Line, as well as Toei Subway Oedo Line. Many office buildings gather around arterial roads such as Roppongi-Dori, Gaien Nishi-Dori and Meiji-Dori. Tenants of this building are foreign-affiliated companies (financial institutions and law firms) as many foreigners reside in the area, as well as designing and mass communications-related companies which have gathered in the building. ＜Property Characteristics＞ Hiroo REEPLEX B's is located along the Gaien Nishi-Dori street, within a minute walk from Hiroo station of the Tokyo Metro Hibiya Line. This proximity to the nearest station and good access to the central Tokyo area has an appealing power. The building is highly visible because it is located along the high street. As the area has been considered as an upper-class residential area, it seems attractive to companies which target the wealthy population and are oriented to demand in the area, or those placing importance on a locational impression. The building is equipped with a standard level of facilities and specifications which meet the tenants' needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) A lease agreement has been concluded with a new tenant of content that leasing started from November 1, 2014 for the 9th floor of the property (leased floor space: 136.25m^2).
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2) Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Hiroo Reeplex B's
Appraisal value	2,890,000,000yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,890,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,940,000,000 yen	
Gross operating revenue	158,102,000 yen	
Potential gross income	163,071,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	4,969,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	27,990,000 yen	
Building management fees	3,800,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	9,730,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	1,188,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,465,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing cost	1,017,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	9,485,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	105,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	1,200,000 yen	Recorded the printing cost as other expenses.
Net operating income	130,112,000 yen	
Non-operating income	1,859,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	2,771,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	129,200,000 yen	
Capitalization rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,830,000,000 yen	
Discount rate	4.2%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.6%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,540,000,000 yen	
	Proportion of land	93.6%	
	Proportion of building	6.4%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-17 Shibakoen Sanchome Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		December 3, 2010
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		3-1-38, Shibakoen, Minato-ku, Tokyo
Land	Parcel number	3-613-1, Shibakoen, Minato-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	70%(Note1) / 303%(Note2)
	Use district	Category 2 residential district
	Site area	2,876.99 m^2
	Type of ownership	Ownership
Building	Construction completion	June, 1981
	Structure / Floors	Reinforced concrete structure with flat roof /6F
	Use	Office
	Total floor space	8,855.23 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		8,500 million yen
Real estate appraiser		Daiwa Real Estate Appraisal Co., Ltd.
PML		11.3%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	7,882.60 m^2
	Leased floor space	7,882.60 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	3.9%
	Representative tenant	Not disclosed (Note3)
	Total number of tenants	4
	Total rent income (annual)	394 million yen
	Deposits, etc.	249 million yen
Special notations		1. Although the property was designed and constructed under the former earthquake resistance standards, the seismic reinforcement has been performed in 2009. Therefore, we received the verification from Tokyo Marine & Nichido Risk Consulting Co., Ltd. that the property has been expected to have enough seismic capacity, as same level as the current earthquake resistance standards required. 2. The boundary has not been determined partly.

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Characteristics	<Location Characteristics> The Hamamatsucho/Shibakoen zone is an area extending mainly along the west side of the Hamamatsucho Station on the JR Yamanote and Keihin-Tohoku Lines. The nearest stations to the Shibakoen Sanchome Building are Onarimon Station on the Toei Subway Mita Line and Kamiyacho Station on the Tokyo Metro Hibiya Line, as it is located in the northwestern area of the Hamamatsucho/Shibakoen zone. In addition to large buildings, hotels and embassies, the surrounding area has cultural facilities such as Atago Shrine, Seishoji Temple and Zojoji Temple and green space in a park (Shibakoen), producing a composed atmosphere for an office district. Furthermore, in areas surrounding the Shibakoen Sanchome Building, development of office buildings has progressed in recent years near the Onarimon Station on the Toei Subway Mita Line and Kamiyacho Station on the Tokyo Metro Hibiya Line, the nearest stations to the Property, thus further improvement in concentration of office buildings and prosperity can be expected. <Property Characteristics> The Shibakoen Sanchome Building is approximately a 5-minute walk from Onarimon Station on the Toei Subway Mita Line and Kamiyacho Station on the Tokyo Metro Hibiya Line. Although it is located a bit back from the main street, it features excellent views as it stands on a hill. The Shibakoen Sanchome Building's total floor space is around 2,700 tsubos so it is categorized as a mid-sized building. However, the standard floor area is approximately 420 tsubos, boasting the scale similar to a large-sized building. As many office buildings located in the Hamamatsucho/Shibakoen zone are small-sized buildings with less than 1,000 tsubos of total floor space, the Shibakoen Sanchome Building's size is greater than that of buildings in the volume zone (zone with largest distribution). Therefore, its solicitation power in terms of scale can be highly evaluated.

(Note1) The building coverage ratio is essentially 60%, but it is 70% due to relaxation for corner lots.
(Note 2) The floor area ratio is essentially 300% and 400%, but it is 303% due to a weighted average based on the subject area of the respective use districts.
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Shibakoen Sanchome Building
Appraisal value	8,500,000,000 yen
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	8,500,000,000 yen	Calculated through the capitalization method based on a decision that the DCF-based appraisal value is more convincing by clarifying the fluctuation in net operating income in the future, also verified with the appraisal value by the direct capitalization method.
Appraisal value using the direct capitalization method	8,910,000,000 yen	
Gross operating revenue	495,511,400 yen	
Potential gross income	522,272,000 yen	Recorded based on the assessed level of estimated rent, which is considered as stable over a mid- and long-term.
Total of vacancy losses, etc.	26,760,600 yen	Recorded based on the assessed level of vacancy rate which is considered as stable over a mid- and long-term.
Operating expenses	113,465,756 yen	
Building management fees	14,307,000 yen	Recorded after the assessment by reference to the amount of the existing maintenance contract fees and building management fees of similar properties.
Utilities	48,643,800 yen	Recorded after the assessment based on utilities of similar properties and the actual amount of the past years, and also in consideration of the actual occupancy rate.
Repairs and maintenance costs	3,679,583 yen	Recorded, through the verification of a level of repair and maintenance costs of similar properties and by determining that an annual average of repairs, maintenance and renewal costs in the engineering report is at a fair level.
Property management fees	6,821,047 yen	Recorded through the verification of a level of PM fees of similar properties, as well as based on the amount of existing PM contract fees.
Leasing expenses	3,726,866 yen	Recorded in consideration of the assessed leasing expenses based on those of similar properties regarding the tenant-replacing lots based on an expected tenant turnover rate, by reference to the amount of the actual amount of the past years.
Taxes	33,070,300 yen	Recorded after the assessment in consideration of a level of tax burden and trend of land prices, based on the actual amount in the past obtained from the client.
Insurance	1,217,160 yen	Recorded after the assessment by reference to the actual amount and a level of premiums paid by similar properties.
Others	2,000,000 yen	Recorded after the assessment by reference to the actual amount regarding supplies expenses, ad expenses and other miscellaneous expenses.
Net operating income	382,045,644 yen	
Non-operating income	6,144,803 yen	Assessed by multiplying an estimated amount of guaranty deposit with the investment yield assessed under comprehensive consideration of the management status of non-operating income from the viewpoints of management and fundraising.
Capital expenditure	5,065,632 yen	Recorded an amount of capital expenditure assessed based on the verification of a level of renewal fees of similar properties and a decision that an annual average of renewal expenses is at a fair level and also in consideration of CM fees.
Net income	383,124,815 yen	

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	Capitalization rate	4.3%	Assessed by adding or reducing a spread derived from the locational conditions, building grade, building age, facilities and large-scale renewal works and seismic strengthening works from 2007 to 2009 of the target property, also by reference to the capitalization rate, etc. in the appraisal of J-REIT properties within the same supply and demand zone.
Appraisal value using the discount cash flow method		8,320,000,000 yen	
	Discount rate	4.1%	Assessed through the two methods based on a comparison with transactions of similar properties and based on the yield of financial assets with the individuality of the target property added, also by reference to hearing from investors.
	Terminal rate	4.5%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties. Regarding the target property, also assessed based on the capitalization rate of the target property, in consideration of a possible increase in capital expenditure caused by aging deterioration, uncertainties in the real estate trading market and uncertainties including time influences on liquidity comprehensively.
Appraisal value by cost method		8,660,000,000 yen	
	Proportion of land	92.9%	
	Proportion of building	7.1%	

Other matters to which the appraiser paid attention in appraisal	Assessed based on the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference, because the Income Capitalization Approach Value, which reflects actual supply and demand trend in real estate market and market participants' behavior is more persuasive.

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NIPPON REIT Investment Corporation

A-18 (Tentative) FORECAST Iidabashi

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		August 31, 2005
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		3-11-13, Iidabashi, Chiyoda-ku, Tokyo
Land	Parcel number	3-20-21, Iidabashi, Chiyoda-ku, Tokyo
	Building coverage ratio/Floor area ratio	100%(Note 1) / 500%
	Use district	Commercial district
	Site area	907.59 m^2
	Type of ownership	Ownership
Building	Construction completion	November, 1978(Note 2)
	Structure / Floors	Steel-framed reinforced concrete with flat roof/11F
	Use	Office
	Total floor space	5,077.26 m^2
	Type of ownership	Sectional ownership (Note 3)
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		5,230 million yen
Real estate appraiser		Japan Real Estate Institute
PML		7.1%
Collateral after acquisition		None
Status of leasing (Note 4)(Note 5)(Note 6)		
	Leasable floor space	4,066.50 m^2
	Leased floor space	4,066.50 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	2.0%
	Representative tenant	Not disclosed (Note 7)
	Total number of tenants	24
	Total rent income (annual)	229 million yen
	Deposits, etc.	182 million yen
Special notations		Although the property was designed and constructed under the former earthquake resistance standards, the seismic reinforcement has been performed in 2014. Therefore, we received the verification from Tokio Marine & Nichido Risk Consulting Co., Ltd. that the property has been expected to have enough seismic capacity, as same level as the current earthquake resistance standards required.

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Characteristics	<Location Characteristics> The Iidabashi, Kudan and Fujimi zone spreads around the Mejiro-Dori street from Iidabashi to Kudanshita station and the Yasukuni-Dori street from Ichigaya to Kudanshita station. Small- and mid-sized office buildings gather around the stations and along the main streets. The zone secures traffic convenience because of the access to the JR Lines and several subway lines. In recent years, the zone receives increased recognition in, in addition to the traffic convenience, the quality of office stock after a series of supplies of large-sized buildings due to the area redevelopment <Property Characteristics> (Tentative) FORECAST Iidabashi is located within a 4-minute walk from Iidabashi station, which serves the JR Chuo and Sobu Lines and several other lines. As the building is located at an area sandwiched between the JR lines and the Kandagawa River, the proximity from Iidabashi station and good access are highly regarded. The shaped and astylar floors provide versatility in layouts and good usage efficiency. Although about 36 years have passed since its completion, the building meets the new quake-resistance standards and is equipped with facilities with standard specifications.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) "Construction completion" date is based on a certificate of inspection, since it is not stated on the registry.
(Note 3) NIPPON REIT shall acquire all of the unit ownership of this building.
(Note 4) A notice for cancellation on March 31, 2015 has been received from the tenant occupying the 9th floor of the property (leased floor space: 104.09 m^2).
(Note 5) A notice for cancellation on January 31, 2015 has been received from the tenant occupying the 9th floor of the property (leased floor space: 56.69 m^2).
(Note 6) A notice for cancellation on April 7, 2015 has been received from the tenant occupying the 4th floor of the property (leased floor space: 77.55 m^2).
(Note 7) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	(Tentative) FORECAST Iidabashi
Appraisal value	5,230,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	5,230,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	5,290,000,000 yen	
Gross operating revenue	275,573,000 yen	
Potential gross income	287,805,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	12,232,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	47,531,000 yen	
Building management fees	8,266,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	16,940,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	1,987,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	5,198,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the existing terms and conditions.
Leasing expenses	2,194,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	12,741,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	205,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded
Net operating income	228,042,000 yen	
Non-operating income	4,147,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	4,830,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	227,359,000 yen	
Capitalization rate	4.3%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	5,170,000,000 yen	
Discount rate	4.0%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.4%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		2,880,000,000 yen	
	Proportion of land	90.4%	
	Proportion of building	9.6%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-19　Kudankita 325 Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		December 28, 2001
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		3-2-5, Kudankita, Chiyoda-ku, Tokyo
Land	Parcel number	3-2-3, Kudankita, Chiyoda-ku, Tokyo (and 5 other parcels)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 640%(Note 2)
	Use district	Commercial district
	Site area	334.44 m^2
	Type of ownership	Ownership
Building	Construction completion	August, 1987
	Structure / Floors	Steel-framed reinforced concrete with flat roof/9F
	Use	Office・Retail
	Total floor space	2,152.31 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		1,850 million yen
Real estate appraiser		Japan Real Estate Institute
PML		4.5%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,007.07 m^2
	Leased floor space	1,766.71 m^2
	Occupancy rate	88.0%
	Ratio of total leasable floor area in portfolio	0.9%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	7
	Total rent income (annual)	84 million yen
	Deposits, etc.	60 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Iidabashi, Kudan and Fujimi zone spreads around the Mejiro-Dori street from Iidabashi to Kudanshita station and the Yasukuni-Dori street from Ichigaya to Kudanshita station. Small- and mid-sized office buildings gather around the stations and along the main streets. The zone secures traffic convenience because of the access to the JR Lines and several subway lines. In recent years, the zone receives increased recognition in, in addition to the traffic convenience, the quality of office stock after a series of supplies of large-sized buildings due to the area redevelopment <Property Characteristics> Kudankita 325 Building is located within a 4-minute walk from Ichigaya station of the Toei Subway Shinjuku Line, and a 7-minute walk from Ichigaya station of the JR Chuo and Sobu Lines, the Tokyo Metro Nanboku Line and the Tokyo Metro Yurakucho Line. The building is quite visible as it stands along the Yasukuni-Dori street, around which office buildings gather. The shaped and astylar floors provide versatility in layouts and good usage efficiency. The building is equipped with facilities with standard specifications, which meet the tenants' needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 500% and 700%, but it is 640% due to a weighted average based on the subject area of the respective use districts.
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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NIPPON REIT Investment Corporation

(3)Outline of Appraisals

Property name	Kudankita 325 Building
Appraisal value	1,850,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,850,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,870,000,000 yen	
Gross operating revenue	117,571,000 yen	
Potential gross income	122,169,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	4,598,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	33,676,000 yen	
Building management fees	7,041,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	10,000,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	1,382,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,605,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	1,221,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	12,342,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	85,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded
Net operating income	83,895,000 yen	
Non-operating income	1,507,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	3,322,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	82,080,000 yen	
Capitalization rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,830,000,000 yen	
Discount rate	4.1%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.5%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties
Appraisal value by cost method		1,680,000,000 yen	
	Proportion of land	92.4%	
	Proportion of building	7.6%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-20 (Tentative) FORECAST Uchikanda

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		January 31, 2002
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		1-3-3, Uchikanda, Chiyoda-ku, Tokyo
Land	Parcel number	1-28-15, Uchikanda, Chiyoda-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 480%(Note 2)
	Use district	Commercial district
	Site area	388.88 m^2
	Type of ownership	Ownership
Building	Construction completion	December, 1976
	Structure / Floors	Steel-framed reinforced concrete with flat roof / B1/8F
	Use	Office
	Total floor space	2,051.61 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		1,240 million yen
Real estate appraiser		Japan Real Estate Institute
PML		9.9%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,292.85 m^2
	Leased floor space	1,230.45 m^2
	Occupancy rate	95.2%
	Ratio of total leasable floor area in portfolio	0.6%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	5
	Total rent income (annual)	68 million yen
	Deposits, etc.	84 million yen
Special notations		Although the property was designed and constructed under the former earthquake resistance standards, the seismic reinforcement has been performed in 2006. Therefore, we received the verification from Tokio Marine & Nichido Risk Consulting Co., Ltd. that the property has been expected to have enough seismic capacity, as same level as the current earthquake resistance standards required.

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Characteristics	<Location Characteristics> The Uchi-Kanda/Kanda-Sudacho zone is situated around Kanda Station. The zone boasts relatively superior access convenience as several train routes are available including JR lines, Tokyo Metro Marunouchi and Ginza lines and the Toei Subway Shinjuku Line. The concerned zone is positioned as a submarket adjacent to office areas in central Tokyo. There are many cases where the buildings in the zone absorb cost-cutting demand, due to the high access convenience and discounted rents, backed by demand for the zone due to the location being close to major office areas. Therefore, tenants are not concentrated in a certain business type, and tenants in a wide range of businesses are present. <Property Characteristics> (Tentative) FORECAST Uchikanda is approximately a 4-minute walk from Otemachi Station on several Tokyo Metro Lines and Toei Subway Lines. Within the Uchi-Kanda/Kanda-Sudacho zone, the Property's location is in proximity to Marunouchi/Otemachi area, the central office area. In addition, several stations/train routes such as Otemachi and Kanda stations are available, so it has excellent accessibility to Marunouchi/Otemachi area and other office areas as well. Therefore, its locational conditions have high solicitation power in terms of access convenience. However, the area is a bit less recognized as a business concentrated area compared to the adjacent Otemachi area, as many of the buildings in the surroundings are old small- and mid-sized office buildings and the number of superior buildings in stock boasting high absorption power over demand are limited. Floors are regularly shaped and have no pillars. The building is equipped with a standard level of specifications although it is around 38 years old and satisfies new earthquake resistance standards.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 800%, but it is 480% due to the regulation regarding the front road width
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	(Tentative) FORECAST Uchikanda
Appraisal value	1,240,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,240,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,260,000,000 yen	
Gross operating revenue	79,048,000 yen	
Potential gross income	83,916,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	4,868,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term
Operating expenses	20,142,000 yen	
Building management fees	3,600,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	6,460,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years
Repairs and maintenance costs	2,056,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report,
Property management fees	1,186,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions
Leasing expenses	618,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	6,126,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	83,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	13,000 yen	CATV charges are recorded.
Net operating income	58,906,000 yen	
Non-operating income	1,346,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	4,950,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	55,302,000 yen	
Capitalization rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,220,000,000 yen	
Discount rate	4.2%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.6%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,000,000,000 yen	
	Proportion of land	88.8%	
	Proportion of building	11.2%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-21 Itohpia Iwamotocho 2-chome Bldg.

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		March 27, 2008
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		2-11-2, Iwamotocho, Chiyoda-ku, Tokyo
Land	Parcel number	2-36-1, Iwamotocho, Chiyoda-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 643%(Note 2)
	Use district	Commercial district
	Site area	651.16 m^2
	Type of ownership	Ownership
Building	Construction completion	February, 1991
	Structure / Floors	Steel-framed reinforced concrete with flat roof / B1/8F
	Use	Office
	Total floor space	4,589.88 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		2,850 million yen
Real estate appraiser		Japan Real Estate Institute
PML		4.1%
Collateral after acquisition		None
Status of leasing(Note 3)		
	Leasable floor space	3,446.99 m^2
	Leased floor space	3,201.27 m^2
	Occupancy rate	92.9%
	Ratio of total leasable floor area in portfolio	1.6%
	Representative tenant	Not disclosed (Note 4)
	Total number of tenants	8
	Total rent income (annual)	163 million yen
	Deposits, etc.	91 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Iwamotocho/Higashi-Kanda/Soto-Kanda zone where Itohpia Iwamotocho 2-Chome Building stands is an area which expands around Akihabara Station. Through the redevelopment projects conducted from 2004 to 2006 based on the concept of turning Akihabara into a global hub for the IT industry, large office buildings were supplied in the Akihabara area for the first time ever. This led to leading companies establishing offices and headquarters in the area, and a concentration of related companies also increased in tandem. As a result, the concentration level of offices increased and its recognition as an office area improved. It can be said that the area's function of accepting the demand from tenants seeking buildings with relatively discounted rents while being equipped with excellent access convenience and demand from those that have spilled out of the market core has become a strong feature. <Property Characteristics> Itohpia Iwamotocho 2-chome Building is approximately a 3-minute walk from Iwamotocho Station on Toei Subway Shinjuku Line, approximately a 5-minute walk from Kodenmacho Station on Tokyo Metro Hibiya Line, and approximately 8-minute walk from Kanda Station on JR Lines and Tokyo Metro Hibiya Line. As for access, the location can be evaluated to have a certain level of convenience as several stations are available within walking distance. Floors are rectangular in shape (regularly shaped) and highly versatile. The building is equipped with standard specifications and the power outlet capacity of 70VA/m2 which is higher than standard offices that meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 600% and 700%, but it is 643% due to a weighted average based on the subject area of the respective use districts.
(Note 3) A lease agreement has been concluded with a new tenant of content that leasing started from January 1, 2015 for the 4th floor of the property (leased floor space: 245.72m^2).
(Note 4) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Itohpia Iwamotocho 2-chome Bldg.
Appraisal value	2,850,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,850,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,860,000,000 yen	
Gross operating revenue	192,641,000 yen	
Potential gross income	202,994,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	10,353,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	49,367,000 yen	
Building management fees	11,500,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	15,200,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	3,343,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,733,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on an estimate.
Leasing expenses	1,110,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	15,200,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	181,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	100,000 yen	Bank charges are recorded.
Net operating income	143,274,000 yen	
Non-operating income	2,009,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	7,800,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	137,483,000 yen	
Capitalization rate	4.8%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,830,000,000 yen	
Discount rate	4.5%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.9%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		2,180,000,000 yen	
	Proportion of land	83.0%	
	Proportion of building	17.0%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-22 Itohpia Iwamotocho 1-chome Bldg.

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		March 27, 2008
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		1-8-15, Iwamotocho, Chiyoda-ku, Tokyo
Land	Parcel number	1-19-1, Iwamotocho, Chiyoda-ku, Tokyo (and 3 other parcels)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 564%(Note 2)
	Use district	Commercial district
	Site area	690.17 m^2
	Type of ownership	Ownership
Building	Construction completion	January, 1991
	Structure / Floors	Steel-framed reinforced concrete with flat roof/ B1/9F
	Use	Office
	Total floor space	4,078.48 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		2,690 million yen
Real estate appraiser		Japan Real Estate Institute
PML		9.0%
Collateral after acquisition		None
Status of leasing(Note 3)		
	Leasable floor space	3,056.56 m^2
	Leased floor space	3,056.56 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	1.5%
	Representative tenant	Not disclosed (Note 4)
	Total number of tenants	9
	Total rent income (annual)	158 million yen
	Deposits, etc.	106 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Iwamotocho/Higashi-Kanda/Soto-Kanda zone where Itohpia Iwamotocho 2-Chome Building stands is an area which expands around Akihabara Station. Through the redevelopment projects conducted from 2004 to 2006 based on the concept of turning Akihabara into a global hub for the IT industry, large office buildings were supplied in the Akihabara area for the first time ever. This led to leading companies establishing offices and headquarters in the area, and a concentration of related companies also increased in tandem. As a result, the concentration level of offices increased and its recognition as an office area improved. It can be said that the area's function of accepting the demand from tenants seeking buildings with relatively discounted rents while being equipped with excellent access convenience and demand from those that have spilled out of the market core has become a strong feature. <Property Characteristics> Itohpia Iwamotocho 1-chome Building is approximately a 3-minute walk from Kodenmacho Station on Tokyo Metro Hibiya Line, and approximately a 8-minute walk from Shin-nihombashi Station on JR Sobu Line. As for access, the location can be evaluated to have a certain level of convenience as several lines are available within walking distance. Floors are rectangular in shape (regularly shaped) and highly versatile. The building is equipped with standard specifications and the power outlet capacity of 70VA/m2 which is higher than standard offices that meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 600%, but it is 564% due to the regulation regarding the front road width.
(Note 3) A notice for cancellation on May 31, 2015 has been received from the tenant occupying the 9th floor of the property (leased floor space: 141.18 m^2).
(Note 4) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Itohpia Iwamotocho 1-chome Bldg.
Appraisal value	2,690,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,690,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,720,000,000 yen	
Gross operating revenue	171,925,000 yen	
Potential gross income	179,840,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	7,915,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	39,766,000 yen	
Building management fees	10,800,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	11,200,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	2,961,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report,
Property management fees	2,290,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions
Leasing expenses	1,069,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	11,286,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	160,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	132,159,000 yen	
Non-operating income	2,393,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	6,910,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	127,642,000 yen	
Capitalization rate	4.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,650,000,000 yen	
Discount rate	4.5%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.9%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		2,060,000,000 yen	
	Proportion of land	82.6%	
	Proportion of building	17.4%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-23 Itohpia Iwamotocho ANNEX Bldg.

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		March 27, 2008
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		2-14-2, Iwamotocho, Chiyoda-ku, Tokyo
Land	Parcel number	2-56-1, Iwamotocho, Chiyoda-ku, Tokyo (and 4 other parcels)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 600%
	Use district	Commercial district
	Site area	631.74 m^2
	Type of ownership	Ownership
Building	Construction completion	November, 1991
	Structure / Floors	Steel-framed reinforced concrete with flat roof / 9F
	Use	Office
	Total floor space	3,829.74 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		2,140 million yen
Real estate appraiser		Japan Real Estate Institute
PML		4.1%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	3,064.20 m^2
	Leased floor space	2,651.80 m^2
	Occupancy rate	86.5%
	Ratio of total leasable floor area in portfolio	1.3%
	Representative tenant	Not disclosed (Note 2)
	Total number of tenants	6
	Total rent income (annual)	121 million yen
	Deposits, etc.	71 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Iwamotocho/Higashi-Kanda/Soto-Kanda zone where Itohpia Iwamotocho 2-Chome Building stands is an area which expands around Akihabara Station. Through the redevelopment projects conducted from 2004 to 2006 based on the concept of turning Akihabara into a global hub for the IT industry, large office buildings were supplied in the Akihabara area for the first time ever. This led to leading companies establishing offices and headquarters in the area, and a concentration of related companies also increased in tandem. As a result, the concentration level of offices increased and its recognition as an office area improved. It can be said that the area's function of accepting the demand from tenants seeking buildings with relatively discounted rents while being equipped with excellent access convenience and demand from those that have spilled out of the market core has become a strong feature. <Property Characteristics> Itohpia Iwamotocho Annex Building is approximately a 4-minute walk from Iwamotocho Station on Tokyo Metro Hibiya Line, approximately a 5-minute walk from Kodenmacho Station on Tokyo Metro Hibiya Line, and approximately 9-minute walk from Kanda Station on JR Lines and Tokyo Metro Ginza Line. As for access, the location can be evaluated to have a certain level of convenience as several lines are available within walking distance. The building is equipped with standard specifications and the power outlet capacity of 70VA/m2 which is higher than standard offices that meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

property name	Itohpia Iwamotocho ANNEX Bldg.
Appraisal value	2,140,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,140,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,160,000,000 yen	
Gross operating revenue	145,925,000 yen	
Potential gross income	153,752,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	7,827,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	39,743,000 yen	
Building management fees	10,200,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	13,700,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	2,589,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,054,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on an estimate.
Leasing expenses	805,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	10,184,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	141,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	70,000 yen	Bank charges are recorded.
Net operating income	106,182,000 yen	
Non-operating income	1,576,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	6,042,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	101,716,000 yen	
Capitalization rate	4.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,110,000,000 yen	
Discount rate	4.5%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.9%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,890,000,000 yen	
	Proportion of land	84.9%	
	Proportion of building	15.1%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-24 Hisamatsucho Reeplex B's

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		August 31, 2005
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		4-4, Hisamatsucho, Nihonbashi, Chuo-ku, Tokyo
Land	Parcel number	1-1, Hisamatsucho, Nihonbashi, Chuo-ku, Tokyo (and 4 other parcels)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 600%
	Use district	Commercial district
	Site area	730.94 m^2
	Type of ownership	Ownership
Building	Construction completion	August, 1989
	Structure / Floors	Steel-framed reinforced concrete with flat roof/ B1/7F
	Use	Office
	Total floor space	4,623.55 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		2,890 million yen
Real estate appraiser		Japan Real Estate Institute
PML		5.6%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	3,137.52 m^2
	Leased floor space	3,137.52 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	1.5%
	Representative tenant	Not disclosed (Note 2)
	Total number of tenants	1
	Total rent income (annual)	Not disclosed (Note 2)
	Deposits, etc.	Not disclosed (Note 2)
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Horidomecho/Higashi-Nihonbashi zone where Hisamatsucho Reeplex B's is located has Kodenmacho Station on the Tokyo Metro Hibiya Line, Bakuroyokoyama Station on the Toei Subway Shinjuku Line, Bakurocho Station on the JR Sobu Line and Higashi-nihombashi Station on the Toei Subway Asakusa Line. As for tenant trends, the area has the feature that companies that prioritize cost tend to gather due to its discounted rent level although it's part of Chuo-ku. Furthermore, demand specific to the area can also be observed, such as many apparel wholesale companies being located in the concerned zone as it has flourished for years centering on the textile industry. <Property Characteristics> Hisamatsucho Reeplex B's is approximately a 3-minute walk from Bakuroyokoyama Station on Toei Subway Shinjuku Line, a 3-minute walk from Higashi-nihombashi Station on Toei Subway Asakusa Line, and a 6-minute walk from Bakurocho Station on JR Sobu Line. The Property has strong solicitation power in terms of proximity to the station and accessibility, as it is approximately a 3-minute walk to the nearest station. However, due to it being located slightly away from main streets, it is slightly inferior in terms of visibility. Hisamatsucho Reeplex B's is categorized as a mid-sized building as it has a total floor space of around 1,500 tsubos and standard floor area of approximately 140 tsubos. As many office buildings located in the Horidomecho/Higashi-Nihonbashi zone are small-sized buildings with less than 1,000 tsubos of total floor space, the size of Hisamatsucho Reeplex B is slightly greater than that of buildings in the volume zone (zone with largest distribution). Therefore, its size is likely to be highly evaluated.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Hisamatsucho Reeplex B's
Appraisal value	2,890,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,890,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,940,000,000 yen	
Gross operating revenue	188,963,000 yen	
Potential gross income	191,071,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	2,108,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	43,767,000 yen	
Building management fees	9,140,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	14,000,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	3,863,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,639,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	0 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	13,937,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	188,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	145,196,000 yen	
Non-operating income	2,182,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	9,283,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	138,095,000 yen	
Capitalization rate	4.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,840,000,000 yen	
Discount rate	4.5%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.9%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		2,080,000,000 yen	
	Proportion of land	83.9%	
	Proportion of building	16.1%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-25 (Tentative) FORECAST Ningyocho

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		April 22, 2005
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		2-13-9, Ningyocho, Nihonbashi, Chuo-ku, Tokyo
Land	Parcel number	2-13-11, Ningyocho, Nihonbashi, Chuo-ku, Tokyo (and 4 other parcels)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 500%
	Use district	Commercial district
	Site area	555.39 m^2
	Type of ownership	Ownership
Building	Construction completion	November, 1990
	Structure / Floors	Steel-framed reinforced concrete, Reinforced concrete structure with flat roof / B1/7F
	Use	Office
	Total floor space	3,390.96 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		2,070 million yen
Real estate appraiser		Japan Real Estate Institute
PML		11.1%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,277.61 m^2
	Leased floor space	2,277.61 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	1.1%
	Representative tenant	Not disclosed (Note 2)
	Total number of tenants	6
	Total rent income (annual)	103 million yen
	Deposits, etc.	72 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Ningyocho/Kakigaracho zone is formed around major roadways including Shin-Ohashi-Dori and Kiyosubashi-Dori streets, and there are Suitengumae Station on the Tokyo Metro Hanzomon Line, Ningyocho Station on the Tokyo Metro Hibiya and Toei Subway Asakusa lines and Hamacho Station on the Toei Subway Shinjuku Line within the zone. The zone's characteristic is that there are many small-sized buildings with a total floor space of less than 1,000 tsubos and the number of mid- and large-sized office buildings in stock being few when compared to adjacent zones. The supply of new buildings are also few and it is under a situation where stock improvement or accumulation of superior office buildings in stock is not progressing. As for the characteristics of those demanding office spaces, it can be observed that many tenants focus on relatively discounted rents for Chuo-ku. <Property Characteristics> (Tentative) Forecast Ningyocho is approximately a 2-minute walk from Suitengumae Station on the Tokyo Metro Hanzomon Line and approximately a 3-minute walk from Ningyocho Station on the Tokyo Metro Hibiya Line and Toei Subway Asakusa Line . It is considered to have strong solicitation power in terms of proximity to the nearest station and availability of several train routes. The building is equipped with standard specifications that can meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	(Tentative) FORECAST Ningyocho
Appraisal value	2,070,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,070,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,110,000,000 yen	
Gross operating revenue	130,581,000 yen	
Potential gross income	136,064,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	5,483,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	30,595,000 yen	
Building management fees	4,430,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	9,250,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	1,939,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,796,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	1,468,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	11,556,000 yen	Assessed based on the standard taxable value for the year 2014
Insurance	156,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on an estimate.
Others	0 yen	No specific cost to be recorded.
Net operating income	99,986,000 yen	
Non-operating income	1,536,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	4,660,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	96,862,000 yen	
Capitalization rate	4.6%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,020,000,000 yen	
Discount rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.8%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,310,000,000 yen	
	Proportion of land	81.5%	
	Proportion of building	18.5%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-26　KDX Ningyocho Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		December 13, 2005
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		3-4-14 Ningyocho, Nihonbashi, Chuo-ku, Tokyo
Land	Parcel number	3-102-6, Ningyocho, Nihonbashi, Chuo-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 682%(Note 2)
	Use district	Commercial district
	Site area	394.68 ㎡ (Note 3)
	Type of ownership	Ownership
Building	Construction completion	February, 1984
	Structure / Floors	Steel-framed reinforced concrete with flat roof /8F
	Use	Office
	Total floor space	2,193.10 ㎡
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		1,720 million yen
Real estate appraiser		Japan Real Estate Institute
PML		7.1%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,867.95 ㎡
	Leased floor space	1,627.52 ㎡
	Occupancy rate	87.1%
	Ratio of total leasable floor area in portfolio	0.8%
	Representative tenant	Not disclosed (Note 4)
	Total number of tenants	6
	Total rent income (annual)	86 million yen
	Deposits, etc.	69 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Ningyocho/Kakigaracho zone is formed around major roadways including Shin-Ohashi-Dori and Kiyosubashi-Dori streets, and there are Suitengumae Station on the Tokyo Metro Hanzomon Line, Ningyocho Station on the Tokyo Metro Hibiya and Toei Subway Asakusa lines and Hamacho Station on the Toei Subway Shinjuku Line within the zone. The zone's characteristic is that there are many small-sized buildings with a total floor space of less than 1,000 tsubos and the number of mid- and large-sized office buildings in stock being few when compared to adjacent zones. The supply of new buildings are also few and it is under a situation where stock improvement or accumulation of superior office buildings in stock is not progressing. As for the characteristics of those demanding office spaces, it can be observed that many tenants focus on relatively discounted rents for Chuo-ku. <Property Characteristics> KDX Ningyocho Building is approximately a minute walk from Ningyocho Station on the Tokyo Metro Hibiya Line and Toei Subway Asakusa Line and is along Hamachogashi-Dori Street. It has strong solicitation power in terms of proximity to the nearest station and accessibility to locations in Tokyo. In addition, it can also be said to have high visibility as a building facing Kinza-Dori street. KDX Ningyocho Building is categorized as a small-sized building as its total floor space is around 700 tsubos and a standard floor area is around 70 tsubos. Floors are rectangle (regularly shaped) and have flexibility in layouts and high space use efficiency. The building is equipped with standard specifications that can meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 600% and 700%, but it is 682% due to a weighted average based on the subject area of the respective use districts.
(Note 3) Including a private road burden portion (approximately 12.43 m^2) pursuant to Article 42, Paragraph 2 of the Building Standards Act.
(Note 4) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	KDX Ningyocho Building
Appraisal value	1,720,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,720,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,750,000,000 yen	
Operating income	112,102,000 yen	
Potential gross income	117,580,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	5,478,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	28,084,000 yen	
Building management fees	4,600,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	12,480,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	1,363,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,496,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	662,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	7,336,000 yen	Assessed based on the standard taxable value for the year 2014
Insurance	147,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	84,018,000 yen	
Non-operating income	1,572,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	3,180,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	82,410,000 yen	
Capitalization rate	4.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,690,000,000 yen	
Discount rate	4.5%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	4.9%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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Appraisal value by cost method	1,240,000,000 yen	
Proportion of land	86.1%	
Proportion of building	13.9%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-27 (Tentative) FORECAST Shin-Tokiwabashi

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		September 26, 2001
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		3-1-2, Hongokucho, Nihonbashi, Chuo-ku, Tokyo
Land	Parcel number	3-1-4, Hongokucho, Nihonbashi, Chuo-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 900%
	Use district	Commercial district
	Site area	342.52 m^2
	Type of ownership	Ownership
Building	Construction completion	August, 1991
	Structure / Floors	Steel-framed, steel-framed reinforced concrete structure with flat roof / B1/11F
	Use	Office
	Total floor space	2,132.83 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		2,030 million yen
Real estate appraiser		Japan Real Estate Institute
PML		4.1%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,794.97 m^2
	Leased floor space	1,794.97 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	0.9%
	Representative tenant	Not disclosed (Note 2)
	Total number of tenants	11
	Total rent income (annual)	93 million yen
	Deposits, etc.	66 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Muromachi/Honcho zone where (Tentative) FORECAST Shin-Tokiwabashi is located boasts superior access convenience. For instance, it is accessible to Kanda, Nihombashi and even to Tokyo stations on foot, while having Shin-nihombashi Station on JR Sobu Line and Mitsukoshimae Station on the Tokyo Metro Ginza and Hanzomon lines as the nearest stations. A concentration of domestic financial institutions (including regional banks) and the pharmaceutical industry can be observed within the zone from long ago. In addition, many domestic companies in the heavy industry which have connections with the Nihonbashi area are concentrated as it is near to the Nihonbashi area. As for office buildings, mid- and large-sized office buildings are generally concentrated along the main streets of Chuo-Dori, Edo-Dori and Showa-Dori streets, and small- and mid-sized office buildings are concentrated in areas which don't face the main streets. Therefore, it is an area highly concentrated with offices. <Property Characteristics> (Tentative) FORECAST Shin-Tokiwabashi is approximately a 4-minute walk from Mitsukoshimae Station on the Tokyo Metro Hanzomon and Ginza Lines, and approximately a 5-minute walk from Shin-nihombashi Station on the JR Sobu Line. It has superior traffic convenience with several train routes within walking distance. It also is considered to have a competitive edge because both Otemachi Station on the Tokyo Metro Marunouchi Line and Tokyo Station are available. Furthermore, it is located at Edo-Dori street, Sotobori-Dori Street intersect and highly visible. Floors are regularly shaped and have no pillars and it can be said to have high versatility in layout and space use efficiency. The building is equipped with a standard level of specification that can meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	(Tentative) FORECAST Shin-Tokiwabashi
Appraisal value	2,030,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,030,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,070,000,000 yen	
Operating income	117,703,000 yen	
Potential gross income	122,464,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	4,761,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	23,513,000 yen	
Building management fees	3,000,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	9,760,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	1,048,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,138,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	751,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	6,731,000 yen	Assessed based on the standard taxable value for the year 2014
Insurance	85,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	94,190,000 yen	
Non-operating income	1,534,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	2,520,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	93,204,000 yen	
Capitalization rate	4.5%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,980,000,000 yen	
Discount rate	4.3%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.7%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,560,000,000 yen	
	Proportion of land	90.2%	
	Proportion of building	9.8%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-28 Nishi-Shinjuku Sanko Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		March 7, 2005
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		7-22-35, Nishi-Shinjuku, Shinjuku-ku, Tokyo
Land	Parcel number	7-124-21, Nishi-Shinjuku, Shinjuku-ku, Tokyo (and 3 other parcels)
	Building coverage ratio/Floor area ratio	100%(Note 1) / 354%(Note 2)
	Use district	Commercial district
	Site area	1,022.43 ㎡
	Type of ownership	Ownership
Building	Construction completion	September, 1987
	Structure / Floors	Reinforced concrete structure with flat roof / B1/4F
	Use	Office
	Total floor space	3,618.66 ㎡
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		2,290 million yen
Real estate appraiser		Japan Real Estate Institute
PML		12.7%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,629.44 ㎡
	Leased floor space	2,629.44 ㎡
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	1.3%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	8
	Total rent income (annual)	119 million yen
	Deposits, etc.	75 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Nishi-Shinjuku zone where Nishi-Shinjuku Sanko Building is located is a zone to the west of JR Shinjuku Station, one of the largest terminal stations in the world. In addition to JR lines including Yamanote Line, several train routes including Tokyo Metro Marunouchi Line, Toei Subway Oedo and Shinjuku lines and Keio Line are available in the concerned zone, making it a zone relatively superior in terms of access convenience. As for the features of the tenants, various customer-visiting type services related businesses including worker dispatching services and financial services targeting end users like insurance companies are concentrated within the zone. A concentration of call center operators and IT related companies can also be observed. <Property Characteristics> Nishi-Shinjuku Sanko Building is approximately a 5-minute walk from Seibu-Shinjuku Station on the Seibu Shinjuku Line and approximately an 11-minute walk from Shinjuku Station on the JR Lines, and located away from Oume-kaido street and is slightly inferior in terms of visibility, however it has strong solicitation power in terms of transportation accessibility due to it being available four stations and seven lines. The building is equipped with standard specifications that can meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 400%, but it is 354% due to the regulation regarding the front road width.
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Nishi-Shinjuku Sanko Building
Appraisal value	2,290,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,290,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,340,000,000 yen	
Operating income	143,636,000 yen	
Potential gross income	149,834,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	6,198,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	35,733,000 yen	
Building management fees	6,036,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	11,800,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	2,798,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,749,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	722,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	12,432,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	196,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	107,903,000 yen	
Non-operating income	1,687,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	6,640,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	102,950,000 yen	
Capitalization rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,230,000,000 yen	
Discount rate	4.2%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.6%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,910,000,000 yen	
	Proportion of land	89.1%	
	Proportion of building	10.9%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-29 Iidabashi Reeplex B's

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		October 31, 2005
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		1-14, Shin-ogawamachi, Shinjuku-ku, Tokyo
Land	Parcel number	2-22, Shin-ogawamachi, Shinjuku-ku, Tokyo (and 2 other parcels)
	Building coverage ratio/Floor area ratio	93%(Note 1) / 483%(Note 2)
	Use district	Commercial district, Quasi-industrial district
	Site area	361.60 m^2
	Type of ownership	Ownership
Building	Construction completion	June, 1992
	Structure / Floors	Steel-framed, Reinforced concrete structure with flat roof / B1/8F
	Use	Office
	Total floor space	1,657.22 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		1,300 million yen
Real estate appraiser		Japan Real Estate Institute
PML		4.4%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,401.68 m^2
	Leased floor space	1,401.68 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	0.7%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	6
	Total rent income (annual)	70 million yen
	Deposits, etc.	40 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Ichigaya/Kagurazaka zone is an area basically formed around Ichigaya and Iidabashi stations, both on JR, Tokyo Metro and Toei Subway lines. As several train routes of JR and subway lines are available from areas around Ichigaya and Iidabashi stations, it boasts superior transportation accessibility to locations in Tokyo. In particular, four subway routes including the Tokyo Metro Tozai Line are available at Iidabashi Station in addition to the JR Sobu Line, which makes it a location with easy access to central Tokyo via subways in addition to accessibility to broad areas provided by JR lines. It is a market where demand from tenants seeking high access convenience and discounted rent levels can be observed. As universities and hospitals are concentrated in the zone and neighboring areas, it can be expected to have relatively high demand for establishing sub-offices of such and demand from companies related to pharmaceutical or medical equipment. <Property Characteristics> Iidabashi Reeplex B's is approximately a 4-minute walk from Iidabashi Station on the JR Chuo-Sobu Line and is along Mejiro-Dori Street. The property has strong solicitation power in terms of proximity to the station and accessibility. It can also be said to have high visibility as a building facing the main street. The building is equipped with standard specifications that meet tenant needs.

(Note 1) The building coverage ratio is essentially 80% for the commercial district and 60% for the quasi-industrial district, but it is 93% due to relaxation for fire-proof structures within fire prevention districts and due to a weighted average based on the subject area of the respective use districts.
(Note 2) The Floor area ratio is essentially 500% for the commercial district and 400% for the quasi-industrial district, but it is 483% due to a weighted average based on the subject area of the respective use districts.
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Iidabashi Reeplex B's
Appraisal value	1,300,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,300,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,320,000,000 yen	
Operating income	79,803,000 yen	
Potential gross income	83,113,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	3,310,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	22,382,000 yen	
Building management fees	3,300,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	11,620,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	474,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	983,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	479,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	5,414,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	112,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	57,421,000 yen	
Non-operating income	856,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	2,996,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	55,281,000 yen	
Capitalization rate	4.2%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,270,000,000 yen	
Discount rate	4.0%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	4.4%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.

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Appraisal value by cost method	989,000,000 yen	
Proportion of land	85.5%	
Proportion of building	14.5%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-30 (Tentative) FORECAST Shinagawa

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		April 22, 2005
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		1-20-9, Kita-Shinagawa, Shinagawa-ku, Tokyo
Land	Parcel number	1-119-22, Kita-Shinagawa, Shinagawa-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	70%(Note 1) / 400%
	Use district	Quasi-industrial district
	Site area	705.37 m^2
	Type of ownership	Ownership
Building	Construction completion	February, 1989
	Structure / Floors	Steel-framed reinforced concrete with flat roof /8F
	Use	Office
	Total floor space	3,400.87 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		2,300 million yen
Real estate appraiser		Japan Real Estate Institute
PML		11.6%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,498.93 m^2
	Leased floor space	2,082.44 m^2
	Occupancy rate	83.3%
	Ratio of total leasable floor area in portfolio	1.0%
	Representative tenant	Not disclosed (Note 2)
	Total number of tenants	6
	Total rent income (annual)	104 million yen
	Deposits, etc.	78 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Shinagawa Station East Exit zone is an area that spreads out from Shinagawa Station, where many train routes of various JR and private railway lines run including the Tokaido Shinkansen, to the bayside to the east. The area was traditionally concentrated with factories and warehouses, but presently it has become a zone with top-ranking area potential even among the 23 wards of Tokyo with appeal for a wide variety of tenants including manufacturing companies. Such change was backed by high a concentration of companies and superior access convenience due to expansion and improvement in the transportation infrastructure, supply of large buildings through large-scale redevelopment, etc. Furthermore, the high potential such as the future redevelopment of areas around the station and fact that the station will be the terminal station for the Linear Chuo Shinkansen (scheduled to be constructed for an opening in 2027) is gaining attention. <Property Characteristics> (Tentative) FORECAST Shinagawa is approximately a 10 -minute walk from Shinagawa Station on the JR Lines and approximately a 5-minute walk from Kitashinagawa Station on the Keikyu Main Line. In the location within walking distance from JR Shinagawa Station which boasts high access convenience, the Property's surrounding area provides an environment with a composed atmosphere having a canal running through the back. Due to it being located quite near to Shinagawa Grand Commons where listed companies, etc. are concentrated, demand from related companies can also be expected in addition to companies seeking access convenience. Floors are regularly shaped and have no pillars, so it can be said to have high versatility in layout and space use efficiency. Although the building is equipped with standard specifications, it has 3 elevators like other facilities (excels in vertical motion) and some floors are equipped with a shower room, etc. Such facilities are rarely seen in usual buildings of similar size, and can be considered as contributing factors in tenant solicitation.

(Note 1) The building coverage ratio is essentially 60%, but it is 70% due to relaxation for fire-proof structures within fire prevention districts.
(Note 2) Not disclosed because consent has not been obtained from the end tenant.

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(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	(Tentative) FORECAST Shinagawa
Appraisal value	2,300,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,300,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,330,000,000 yen	
Operating income	143,766,000 yen	
Potential gross income	150,232,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	6,466,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	33,780,000 yen	
Building management fees	5,000,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	12,040,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	1,956,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,915,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	1,390,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	11,341,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	138,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	109,986,000 yen	
Non-operating income	1,855,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	4,710,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	107,131,000 yen	
Capitalization rate	4.6%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,270,000,000 yen	
Discount rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.8%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,590,000,000 yen	
	Proportion of land	80.9%	
	Proportion of building	19.1%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-31 Nishi-Gotanda 8-chome Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		March 30, 2005
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		8-3-16, Nishi-Gotanda, Shinagawa-ku, Tokyo
Land	Parcel number	8-3-1, Nishi-Gotanda, Shinagawa-ku, Tokyo
	Building coverage ratio/Floor area ratio	100%(Note 1) / 800%
	Use district	Commercial district
	Site area	491.86 m^2
	Type of ownership	Ownership
Building	Construction completion	December, 1993
	Structure / Floors	Steel-framed reinforced concrete with flat roof / B1/9F
	Use	Office
	Total floor space	3,963.82 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		2,210 million yen
Real estate appraiser		Japan Real Estate Institute
PML		3.9%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,999.68 m^2
	Leased floor space	2,999.68 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	1.5%
	Representative tenant	Not disclosed (Note 2)
	Total number of tenants	8
	Total rent income (annual)	117 million yen
	Deposits, etc.	76 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Gotanda zone where Nishi-Gotanda 8-chome Building is located is an area that expands to the east and west from JR Gotanda Station, which is at its core. There are the Gotanda Station on JR Yamanote Line, Toei Subway Asakusa Line and Tokyu Ikegami Line and Fudomae Station on the Tokyu Meguro Line within the zone, making the access convenience rather favorable. In the area west of the station, offices are concentrated over a wide area centered on along Sakurada-Dori and Yamate-Dori streets. Demand for offices in the concerned zone is mainly from those looking for sales offices in Tokyo and the surrounding regions, thus the business types of tenants vary widely. However, the concerned zone's maturity level and recognition level as an office area is slightly low, so cases where the Gotanda zone being selected as the first choice are rare when companies are considering new office openings. It has the feature of taking in demand from tenants who prioritize costs utilizing factors such as access convenience of a JR station and discounted rent levels compared to central Tokyo. <Property Characteristics> Nishi-Gotanda 8-chome building is approximately a 7-minute walk from Gotanda Station on the JR Yamanote Line, and approximately a 4-minute walk from Osakihirokouji Station on the Tokyu Ikegami Line, located along Dai-ni Keihin National Road. The Property is within walking distance from the nearest station and stands along Dai-ni Keihin National Road, at a place providing high visibility. Furthermore, the location is nearby the entrance/exit of Route 2 Shuto Expressway Megro Line due to this, the Property has a good access convenience by vehicles. In terms of the building age, the property should have relatively certain appreciation over the "Gotanda" zone with plenty of buildings that are built many years ago. The building is equipped with standard specifications that meet tenant needs. It has a parking lot (Mechanical) for as many as 12 units.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Nishi-Gotanda 8-chome Building
Appraisal value	2,210,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,210,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,250,000,000 yen	
Operating income	151,886,000 yen	
Potential gross income	159,591,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	7,705,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	44,982,000 yen	
Building management fees	7,500,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	17,300,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	2,094,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,961,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	1,455,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	14,517,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	155,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	106,904,000 yen	
Non-operating income	1,681,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	5,040,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	103,545,000 yen	
Capitalization rate	4.6%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,170,000,000 yen	
Discount rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.8%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,970,000,000 yen	
	Proportion of land	83.6%	
	Proportion of building	16.4%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-32 Towa Higashi-Gotanda Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		September 6, 2013
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		1-7-6, Higashi-Gotanda, Shinagawa-ku, Tokyo
Land	Parcel number	1-7-1, Higashi-Gotanda, Shinagawa-ku, Tokyo
	Building coverage ratio/Floor area ratio	100%(Note 1) / 478%(Note 2)
	Use district	Commercial district
	Site area	805.45 m^2
	Type of ownership	Ownership
Building	Construction completion	September, 1985
	Structure / Floors	Steel-framed reinforced concrete with flat roof /B1/7F
	Use	Office
	Total floor space	4,178.07 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		2,150 million yen
Real estate appraiser		Japan Real Estate Institute
PML		5.1%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,932.84 m^2
	Leased floor space	1,967.72 m^2
	Occupancy rate	67.1%
	Ratio of total leasable floor area in portfolio	1.0%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	5
	Total rent income (annual)	97 million yen
	Deposits, etc.	61 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Gotanda zone where Towa Higashi-Gotanda Building is located is an area that expands to the east and west from JR Gotanda Station, which is at its core. There are the Gotanda Station on JR Yamanote Line, Toei Subway Asakusa Line and Tokyu Ikegami Line and Fudomae Station on the Tokyu Meguro Line within the zone, making the access convenience rather favorable. In the area west of the station, offices are concentrated over a wide area centered on along Sakurada-Dori and Yamate-Dori streets. Demand for offices in the concerned zone is mainly from those looking for sales offices in Tokyo and the surrounding regions, thus the business types of tenants vary widely. However, the concerned zone's maturity level and recognition level as an office area is slightly low, so cases where the Gotanda zone being selected as the first choice are rare when companies are considering new office openings. It has the feature of taking in demand from tenants who prioritize costs utilizing factors such as access convenience of a JR station and discounted rent levels compared to central Tokyo. <Property Characteristics> Towa Higashi-Gotanda Building is approximately a 5-minute walk from Gotanda Station on the JR Yamanote Line and the Tokyu Ikegami Line, and approximately a 3-minute walk from Gotanda Station on the Toei Subway Asakusa Line. The building is equipped with standard specifications that meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 700%, but it is 478% due to the regulation regarding the front road width.
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Towa Higashi-Gotanda Building
Appraisal value	2,150,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,150,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,160,000,000 yen	
Operating income	152,948,000 yen	
Potential gross income	160,982,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	8,034,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	41,939,000 yen	
Building management fees	10,524,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	11,700,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	4,731,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,755,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	726,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	11,237,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	266,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	111,009,000 yen	
Non-operating income	1,679,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	11,040,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	101,648,000 yen	
Capitalization rate	4.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,130,000,000 yen	
Discount rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.8%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,760,000,000 yen	
	Proportion of land	80.7%	
	Proportion of building	19.3%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-33 (Tentative) FORECAST Takadanobaba

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		February 10, 2000
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		3-28-2, Takada, Toshima-ku, Tokyo
Land	Parcel number	3-776-1, Takada, Toshima-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	80%(Note 1) / 355%(Note 2)
	Use district	Quasi-industrial district
	Site area	2,099.82 m^2
	Type of ownership	Ownership
Building	Construction completion	January, 1986 (newly built) December, 1990 (expansion) (Note 3)
	Structure / Floors	Steel-framed reinforced concrete with flat roof / B1/6F
	Use	Office
	Total floor space	7,496.30 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		5,560 million yen
Real estate appraiser		Japan Real Estate Institute
PML		12.4%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	5,732.38 m^2
	Leased floor space	5,685.28 m^2
	Occupancy rate	99.2%
	Ratio of total leasable floor area in portfolio	2.8%
	Representative tenant	Not disclosed (Note 4)
	Total number of tenants	7
	Total rent income (annual)	302 million yen
	Deposits, etc.	224 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Takadanobaba zone is an area that expands to the east and west from JR Takadanobaba Station, and mainly consists of restaurants and retail shops with a mixture of office buildings. (Tentative) FORECAST Takadanobaba is located in the northern side of the Takadanobaba zone. In addition to mid-class (around 1,000 tsubos to 3,000 tsubos) rental office buildings scattered along Shin-Mejiro-Dori Street, not only rental office buildings but headquarters of listed companies, etc. are also located in the area, resulting in the area providing a strong atmosphere of an office district. <Property Characteristics> (Tentative) FORECAST Takadanobaba is around a 6-minute walk from Takadanobaba Station on the JR Yamanote Line and Tokyo Metro Tozai Line, and is located along Shin-Mejiro-Dori Street. Being located within walking distance from Takadanobaba Station and facing the main street, the building is highly visible. In addition, it also has superior access convenience for cars as it has easy accessibility to Shin-Mejiro-Dori Street, a bypass highway. (Tentative) FORECAST Takadanobaba is categorized as a mid-sized building as it has total floor space of approximately 2,300 tsubos and a standard floor area of around 280 tsubos. As many office buildings located in the Takadanobaba zone are small-sized buildings with less than 1,000 tsubos of total floor space, the size of (Tentative) FORECAST Takadanobaba is greater than that of buildings in the volume zone (zone with largest distribution). The large standard floor area especially tends to exert solicitation power of scale, and the building is expected to be highly evaluated for its size in the concerned zone. Although it was built many years ago, the level of facility specifications is relatively high. In addition, it maintains competitiveness through renewal and adopted a spot network power receiving system from the viewpoint of business continuity. As such, it can be said that the building is equipped with facilities likely to be sought by tenants in spite of its age. It has a parking lot for as many as 13 units.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for corner lots and fire-proof structures within fire prevention districts.
(Note 2) The floor area ratio is essentially 300% and 400%, but it is 355% due to a weighted average based on the subject area of the respective use districts..
(Note 3) a 3-story building was extended on the north side of the site in December 1990.
(Note 4) Not disclosed because consent has not been obtained from the end tenant.

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(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	(Tentative) FORECAST Takadanobaba
Appraisal value	5,560,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	5,560,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	5,660,000,000 yen	
Operating income	356,581,000 yen	
Potential gross income	372,182,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	15,601,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	85,215,000 yen	
Building management fees	11,500,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	36,000,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	4,403,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	4,860,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	4,615,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	23,535,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	302,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	271,366,000 yen	
Non-operating income	5,139,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	10,480,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	266,025,000 yen	
Capitalization rate	4.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	5,450,000,000 yen	
Discount rate	4.5%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.。

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	Terminal rate	4.9%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		4,480,000,000 yen	
	Proportion of land	84.8%	
	Proportion of building	15.2%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-34 Mejiro NT Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		September 10, 2004
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		2-1-1, Mejiro, Toshima-ku, Tokyo
Land	Parcel number	2-1488-3, Mejiro, Toshima-ku, Tokyo
	Building coverage ratio/Floor area ratio	93%(Note 1) / 400%
	Use district	Neighborhood commercial district, Category 1 residential district
	Site area	1,197.40 m^2 (Note 2)
	Type of ownership	Ownership
Building	Construction completion	July, 1990
	Structure / Floors	Steel-framed reinforced concrete with flat roof / B1/7F
	Use	Office
	Total floor space	6,315.72 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		3,150 million yen
Real estate appraiser		Japan Real Estate Institute
PML		6.6%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	4,518.79 m^2
	Leased floor space	4,518.79 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	2.2%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	5
	Total rent income (annual)	191 million yen
	Deposits, etc.	138 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The target property is located in an area spreading out in the southern part of the Ikebukuro Station East Exit zone and the nearest stations are Zoshigaya Station on the Tokyo Metro Fukutoshin Line and Mejiro Station on the JR Yamanote Line. The Zoshigaya Station on the Tokyo Metro Fukutoshin Line is a relatively new station opened in 2008 and the train route's access convenience has improved dramatically in recent years as the mutual connection service between Tokyo Metro Fukutoshin Line and Tokyu Toyoko Line was started in 2013. Within the area, Gakushuin University, which has a vast site centering around Zoshigaya Station, and a quiet residential district spread out. Thus, it has both the convenience of being directly connected to central Tokyo and a composed environment. <Property Characteristics> Mejiro NT Building is located approximately a 2-minute walk from Zoshigaya Station on the Tokyo Metro Fukutoshin Line, near where Meiji-Dori Street and Mejiro-Dori Street intersect. Although it's far from JR Mejiro Station and has a low concentration of office buildings, it's near to Zoshigaya Station and believed to have certain solicitation power over tenants who focus on image of location or car use. Mejiro NT Building has a total floor space of around 2,000 tsubos and a standard floor area of 230 tsubos, so it is categorized as a mid-sized building. Mejiro NT Building's size is greater than that of buildings in the volume zone (zone with largest distribution) of the concerned area as many of the office buildings located in the Ikebukuro Station East Exit zone are small-sized buildings. Its standard floor area also has a size superior to that in the volume zone (zone with largest distribution) as well as in terms of its total floor space. Thus, the target property's size is expected to be given a good evaluation among office buildings within the area. The building is equipped with standard specifications that meet tenant needs. It has a parking lot for as many as 32 units (mechanical and flat lot).

(Note 1) The building coverage ratio is essentially 80% for the neighborhood commercial district and 60% for the category 1 residential district, but it is 93% due to relaxation for fire-proof structures within fire prevention districts and relaxation for corner lots, as well as due to a weighted average based on the subject area of the respective use districts.

(Note 2) Including a private road burden portion (approximately 1.72 m^2) pursuant to Article 42, Paragraph 2 of the Building Standards Act.

(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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investment units, as well as any amendments thereto, p
Investors who make any investment do so at their own risk and discretion.

(3)Outline of Appraisals

Property name	Mejiro NT Building
Appraisal value	3,150,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	3,150,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	3,190,000,000 yen	
Operating income	234,270,000 yen	
Potential gross income	244,481,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	10,211,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	70,663,000 yen	
Building management fees	15,319,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	30,000,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	3,950,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	3,595,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the existing terms and conditions.
Leasing expenses	1,191,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	15,458,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	407,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	743,000 yen	Road occupancy charges are recorded.
Net operating income	163,607,000 yen	
Non-operating income	2,246,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	9,500,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	156,353,000 yen	
Capitalization rate	4.9%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	3,110,000,000 yen	
Discount rate	4.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	5.1%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		2,260,000,000 yen	
	Proportion of land	77.0%	
	Proportion of building	23.0%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-35 Toshin Higashi-Ikebukuro Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		September 10, 2004
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		5-44-15, Higashi-Ikebukuro, Toshima-ku, Tokyo
Land	Parcel number	5-3459-2, Higashi-Ikebukuro, Toshima-ku, Tokyo
	Building coverage ratio/Floor area ratio	100%(Note 1) / 500%
	Use district	Commercial district
	Site area	397.05 m^2 (Note 2)
	Type of ownership	Ownership
Building	Construction completion	November, 1989
	Structure / Floors	Steel-framed reinforced concrete with flat roof / B1/7F
	Use	Office
	Total floor space	1,998.75 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		1,010 million yen
Real estate appraiser		Japan Real Estate Institute
PML		3.6%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,645.17 m^2
	Leased floor space	1,645.17 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	0.8%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	4
	Total rent income (annual)	66 million yen
	Deposits, etc.	39 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Toshin Higashi-Ikebukuro Building is located nearer to Otsuka, in the east side of the Ikebukuro Station East Exit zone. In this area with a strong tone of being an independent trading zone (stable demand), office buildings along Kasuga-Dori Street, where Toshin Higashi-Ikebukuro Building is located, have the characteristic of attracting demand mainly from the area due to their comparatively discounted rents. Furthermore, amidst the concerned zone where stable demand is expected, a moderate competitive climate is maintained in the surrounding area of the Toshin Higashi-Ikebukuro Building as there have been no new office buildings supplied. <Property Characteristics> Toshin Higashi-Ikebukuro Building is approximately a 5-minute walk from Otsuka Station on the JR Yamanote Line and approximately a 4-minutes walk from Shin-Otsuka Station on the Tokyo Metro Marunouchi Line and is along Kasuga-Dori street. Though it is located in the Ikebukuro Station East Exit zone, the nearest station of the JR line is Otsuka station. Therefore, it is slightly inferior in terms of solicitation power of the location in compared to the office buildings located around Ikebukuro Station of the JR lines. The surrounding area is constituted mainly by condominiums and office building concentration level is low, however the building faces Kasuga-Dori street and its visibility is favorable. Toshin Higashi-Ikebukuro Building is categorized as a small-sized building as its total floor space is around 600 tsubos and a standard floor area is around 80 tsubos. Floors are regularly shaped and have no pillars, so it can be said to have flexibility in layouts and high space use efficiency. The building is equipped with standard specifications that can meet tenant needs. It has a parking lot for as many as 10 units (mechanical).

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) Including a private road burden portion (approximately 0.75 m^2) pursuant to Article 42, Paragraph 2 of the Building Standards Act.
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Toshin Higashi-Ikebukuro Building
Appraisal value	1,010,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,010,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,020,000,000 yen	
Operating income	77,547,000 yen	
Potential gross income	81,001,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	3,454,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	21,409,000 yen	
Building management fees	4,850,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	7,700,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	2,022,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report
Property management fees	1,026,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	390,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	4,687,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	134,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	600,000 yen	Road occupancy charges are recorded.
Net operating income	56,138,000 yen	
Non-operating income	759,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	4,719,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	52,178,000 yen	
Capitalization rate	5.1%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,000,000,000 yen	
Discount rate	4.9%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	5.3%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.

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Appraisal value by cost method	661,000,000 yen	
Proportion of land	79.3%	
Proportion of building	20.7%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-36 Mitsui Woody Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		March 26, 2001
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		2-4-14, Toyo, Koto-ku, Tokyo
Land	Parcel number	2-2-8, Toyo, Koto-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	60% / 300%
	Use district	Quasi-industrial district
	Site area	1,713.50 m^2
	Type of ownership	Ownership
Building	Construction completion	March, 1990
	Structure / Floors	Steel-framed reinforced concrete with flat roof / B1/6F
	Use	Office
	Total floor space	6,341.82 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		2,570 million yen
Real estate appraiser		Japan Real Estate Institute
PML		11.9%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	4,006.20 m^2
	Leased floor space	2,816.25 m^2
	Occupancy rate	70.3%
	Ratio of total leasable floor area in portfolio	1.4%
	Representative tenant	Not disclosed (Note)
	Total number of tenants	4
	Total rent income (annual)	135 million yen
	Deposits, etc.	97 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Toyocho zone where Mitsui Woody Building is located is an area formed centering on the Toyocho and Kiba stations of the Tokyo Metro Tozai Line. The concerned zone is a relatively emerging office area and the level of office building concentration cannot be considered to be high in Tokyo. However, due to its good access to central Tokyo such as by the Tokyo Metro Tozai Line, which is superior in convenience as a train route to business districts, being available, it has locational conditions which tend to exert solicitation power on demand for back-office functions of financial, IT and other companies depending on the rents. Moreover, there is also demand for establishing branch offices that supervise the eastern part of Tokyo. <Property Characteristics> Mitsui Woody Building is located approximately a 3-minute walk from Toyocho Station on the Tokyo Metro Tozai Line. Although it is slightly inferior in terms of visibility as it is slightly removed from neighboring main streets, its close proximity to the nearest station can be recognized to have value. As for the surrounding environment, it is in a quiet atmosphere having a mix of office buildings and condominiums. Being in close proximity to facilities that support offices (banks, restaurants, etc.) which are concentrated near the station, it can be expected to have a relatively favorable environment for tenants who set high value on the concerned zone. Mitsui Woody Building is categorized as a mid-sized building as it has a total floor space of around 1,900 tsubos and a standard floor area of around 250 tsubos. Floors are rectangular in shape (regularly shaped) and highly versatile. The building is equipped with standard specifications that meet tenant needs. It has a parking lot for 45 units (flat lot) that are sufficient compared to its building size and secures convenience of a parking lot. In this regard, the building can be said to be equipped with high solicitation power over tenants who prioritize car usage.

(Note) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Mitsui Woody Building
Appraisal value	2,570,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,570,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,570,000,000 yen	
Operating income	207,020,000 yen	
Potential gross income	217,805,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	10,785,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	63,381,000 yen	
Building management fees	15,402,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	22,100,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	5,242,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	3,436,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	1,298,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	14,896,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	357,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Others	650,000 yen	Assessed the miscellaneous cost as other expenses.
Net operating income	143,639,000 yen	
Non-operating income	2,659,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	12,510,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	133,788,000 yen	
Capitalization rate	5.2%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,560,000,000 yen	
Discount rate	4.8%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	5.2%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		2,610,000,000 yen	
	Proportion of land	85.4%	
	Proportion of building	14.6%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-37　Itabashi Honcho Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		September 10, 2004
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		36-1, Shimizucho, Itabashil-ku, Tokyo
Land	Parcel number	35-10, Shimizucho, Itabashil-ku, Tokyo (and 1 other parcel)
	Building coverage ratio/Floor area ratio	100% (Note 1) / 491% (Note 2)
	Use district	Commercial district
	Site area	1,645.77 ㎡ (Note 3)
	Type of ownership	Ownership・Leasehold
Building	Construction completion	January, 1993
	Structure / Floors	Steel-framed reinforced concrete ・steel-framed structure with flat roof /8F
	Use	Office
	Total floor space	8,237.40 ㎡
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		3,290 million yen
Real estate appraiser		Japan Real Estate Institute
PML		7.8%
Collateral after acquisition		None
Status of leasing (Note 5)		
	Leasable floor space	6,442.50 ㎡
	Leased floor space	5,571.17 ㎡
	Occupancy rate	86.5%
	Ratio of total leasable floor area in portfolio	2.7%
	Representative tenant	Not disclosed (Note 4)
	Total number of tenants	3
	Total rent income (annual)	192 million yen
	Deposits, etc.	140 million yen
Special notations		The trustee has concluded a land lease agreement with an individual, the owner of a part of the land, for the purpose of owning the building. The land lease right is the regular leasehold right under the Act on Land and Building Leases, and shall expire on March 31, 2016 as of today. The other content of the agreement is not disclosed because consent has not been obtained from the owner. Furthermore, NIPPON REIT intended to hold a consultation with the owner on the renewal of the land lease agreement prior to the termination of the lease period in accordance with the lease agreement, after the acquisition of the property.

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Characteristics	<Location Characteristics> The concerned zone is a submarket of the adjacent Ikebukuro area and depends on the overflow of demand. Companies that use cars including commercial vehicles or companies related to manufacturers can be expected as those demanding office spaces within the concerned zone. Although there are the Toei Subway Mita Line, Tobu Tojo Line, JR Saikyo Line and such running through the surrounding area of Itabashi Honcho Station on the Toei Subway Mita Line, all of these train routes have the strong characteristic of being train routes for commuting. Thus, demand for office space will be mainly from business types that establish sales offices targeting residents of the surrounding residential districts, clinics and businesses related to education and studying. Furthermore, as offices related to paper or printing and small- and mid-sized businesses related to such are concentrated to a certain extent in Itabashi Ward, demand from these can also be expected. <Property Characteristics> The Itabashi Honcho Building is located approximately a 3-minute walk from Itabashi Honcho Station on the Toei Subway Mita Line and along Nakasendo Highway. It boasts high solicitation power in terms of its close proximity to the station and accessibility, due to the location being approximately a 3-minute walk from the nearest station. In addition, it can also be said to have high visibility as a building facing the main street. However, as the location basically excels in being an environment for a residential district, demand from ordinary tenants are limited. Itabashi Honcho Building is categorized as a mid-sized building as it has a total floor space of around 2,700 tsubos and a standard floor area of around 260 tsubos. Floors are U-shaped (regularly shaped) without pillars, highly versatile in terms of layout and the building has high space use efficiency. As many office buildings located in the Otsuka zone are small-sized buildings with less than 1,000 tsubos of total floor space, the Itabashi Honcho Building is of top-ranking size in the concerned area and is expected to be able to exert its superiority in terms of size. Furthermore, it is also comparatively new in the concerned area and expected to have high competitive advantage as well. The building is equipped with standard specifications that meet tenant needs. The parking lot secures sufficient capacity of 51 units (mechanical and flat lot). In this regard, the building is expected to be evaluated highly mainly from tenants who prioritize car usage.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 400% and 500%, but it is 491% due to a weighted average based on the subject area of the respective use districts.
(Note 3) Including a private road burden portion (approximately 34.15 m^2) pursuant to Article 42, Paragraph 2 of the Building Standards Act.
(Note 4) Not disclosed because consent has not been obtained from the end tenant.
(Note 5) A lease agreement with the tenant on the 1st floor of the property (leased floor space: 85.61 m^2) was cancelled on November 30, 2014.

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(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Itabashi Honcho Building
Appraisal value	3,290,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	3,290,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	3,340,000,000 yen	
Operating income	284,570,000 yen	
Potential gross income	295,735,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	11,165,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	100,901,000 yen	
Building management fees	26,800,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	38,880,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	7,018,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	3,693,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	1,738,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	16,947,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	484,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	5,341,000 yen	Assessed the fee for land leasehold as other expenses
Net operating income	183,669,000 yen	
Non-operating income	3,292,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	16,870,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	170,091,000 yen	
Capitalization rate	5.1%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	3,240,000,000 yen	
Discount rate	4.8%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	5.3%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		2,130,000,000 yen	
	Proportion of land	64.6%	
	Proportion of building	35.4%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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NIPPON REIT Investment Corporation

A-38 ANTEX24 BUILDING

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		December 28, 2004
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		1-1-14, Taito, Taito-ku, Tokyo
Land	Parcel number	1-213-1, Taito, Taito-ku, Tokyo (and 1 other parcels)
	Building coverage ratio/Floor area ratio	100% (Note 1) / 600%
	Use district	Commercial district
	Site area	448.98 m^2
	Type of ownership	Ownership
Building	Construction completion	February, 1988
	Structure / Floors	Steel-framed reinforced concrete・steel-framed structure with flat roof /8F
	Use	Office
	Total floor space	2,730.13 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		1,750 million yen
Real estate appraiser		Japan Real Estate Institute
PML		3.7%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,267.59 m^2
	Leased floor space	2,267.59 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	1.1%
	Representative tenant	Not disclosed (Note 2)
	Total number of tenants	6
	Total rent income (annual)	93 million yen
	Deposits, etc.	56 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> Ueno/Okachimachi zone is formed around major trunk roads including Showa-Dori and Kiyosubashi-Dori streets running from north to south and Asakusa-Dori, Kasuga-Dori and Kuramaebashi-Dori running from east to west. As for public transport, aside from Ueno Station where various JR and subway lines are available and is a terminal station where even Shinkansen stops, there are Ueno-Hirokoji and Inaricho stations on the Tokyo Metro Ginza Line, Naka-Okachimachi Station on the Tokyo Metro Hibiya Line and Shin-Okachimachi Station on the Toei Subway Oedo Line. Its feature as a hub is strong from the fact that multiple train routes are available. Therefore, there are many businesses that establish sales offices for covering the eastern part of Tokyo in the zone, favoring Ueno's feature as a hub. <Property Characteristics> ANTEX 24 Building is approximately a 9-minute walk from Asakusabashi Station on the JR Sobu Line and the Toei Subway Asakusa Line, and approximately an 11-minute walk from Akihabara Station on the JR Sobu Line and the Tokyo Metro Hibiya Line and is along Kiyosubashi-Dori street. The Property's surrounding area has a mix of office buildings and condominiums. Although its office building concentration level is low, the building faces the main street and its visibility is favorable. ANTEX 24 Building is categorized as a small-sized building as its total floor space is around 1,000 tsubos and a standard floor area is around 90 tsubos. Floors are L-shaped (regularly shaped) and have flexibility in layouts and high space use efficiency. The building is equipped with standard specifications that meet tenant needs. It has a parking lot of 32 units (mechanical) that are sufficient compared to its building size. In this regard, the building is expected to be evaluated highly mainly from tenants who prioritize car usage.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	ANTEX24 BUILDING
Appraisal value	1,750,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,750,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,780,000,000 yen	
Operating income	120,044,000 yen	
Potential gross income	124,865,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	4,821,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	30,365,000 yen	
Building management fees	5,900,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	12,010,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	2,331,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,561,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	727,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	7,632,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	204,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	89,679,000 yen	
Non-operating income	1,204,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	5,440,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	85,443,000 yen	
Capitalization rate	4.8%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,710,000,000 yen	
Discount rate	4.6%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	5.0%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,220,000,000 yen	
	Proportion of land	82.8%	
	Proportion of building	17.2%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-39 Itohpia Kiyosubashidori Bldg.

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		March 27, 2008
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		1-38-9, Taito, Taito-ku, Tokyo
Land	Parcel number	1-232-1, Taito, Taito-ku, Tokyo
	Building coverage ratio/Floor area ratio	100% (Note 1) / 600%
	Use district	Commercial district
	Site area	550.87 m^2 (Note 2)
	Type of ownership	Ownership (proportion of right of site: 971 of 1,000)
Building	Construction completion	March, 1988
	Structure / Floors	Steel-framed reinforced concrete /8F
	Use	Office・Retail
	Total floor space	3,310.05 m^2 (Note 3)
	Type of ownership	Sectional Ownership(Note 4)
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		1,610 million yen
Real estate appraiser		Japan Real Estate Institute
PML		3.6%
Collateral after acquisition		None
Status of leasing(Note 5)		
	Leasable floor space	2,659.67 m^2
	Leased floor space	2,659.67 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	1.3%
	Representative tenant	Not disclosed
	Total number of tenants	7
	Total rent income (annual)	110 million yen
	Deposits, etc.	81 million yen
Special notations		The building is under sectional ownership in which the trustee has sectional ownership of the building with two other owners of the sectional ownership. According to the management agreement, an owner may transfer all or part of the sectional ownership to a third party only with the consent of the other owners. In case another owner does not consent to the transfer, the owner who does not consent or the person who is designated by the owner who does not consent may acquire the sectional ownership of which the consent to the transfer is required.

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Characteristics	<Location Characteristics> Ueno/Okachimachi zone is formed around major trunk roads including Showa-Dori and Kiyosubashi-Dori streets running from north to south and Asakusa-Dori, Kasuga-Dori and Kuramaebashi-Dori running from east to west. As for public transport, aside from Ueno Station where various JR and subway lines are available and is a terminal station where even Shinkansen stops, there are Ueno-Hirokoji and Inaricho stations on the Tokyo Metro Ginza Line, Naka-Okachimachi Station on the Tokyo Metro Hibiya Line and Shin-Okachimachi Station on the Toei Subway Oedo Line. Its feature as a hub is strong from the fact that multiple train routes are available. Therefore, there are many businesses that establish sales offices for covering the eastern part of Tokyo in the zone, favoring Ueno's feature as a hub. <Property Characteristics> Itohpia Kiyosubashidori Building is approximately an 8-minute walk from Shin-Okachimachi Station on the Toei Subway Oedo Line and Tsukuba Express Line, approximately a 10-minute walk from Asakusabashi Station on the JR Sobu Line and the Toei Subway Asakusa Line, and approximately an 11-minute walk from Akihabara Station on the JR Sobu Line and the Tokyo Metro Hibiya Line and is along Kiyosubashi-Dori street. The Property's surrounding area has a mix of office buildings and condominiums. Although its office building concentration level is low, the building faces the main street and its visibility is favorable. The building is equipped with standard specifications that meet tenant needs. It has a parking lot of 32 units (mechanical) that are sufficient compared to its building size. In this regard, the building is expected to be evaluated highly mainly from tenants who prioritize car usage.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) Including a private road burden portion (approximately 10.57 m^2) pursuant to Article 42, Paragraph 2 of the Building Standards Act.
(Note 3) Although the property is a building under sectional ownership, the figure for the entire building is stated.
(Note 4) To-be-acquired asset is all of the exclusively-owned portions other than the exclusively-owned portion (131.27m^2) of the Other Sectional Owner of the building.
(Note 5) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Itohpia Kiyosubashidori Bldg.
Appraisal value	1,610,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,610,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,620,000,000 yen	
Operating income	123,218,000 yen	
Potential gross income	128,822,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	5,604,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	36,826,000 yen	
Building management fees	8,950,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	13,400,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	2,282,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,704,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	650,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	9,561,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	127,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	152,000 yen	Assessed the road possession and community fee as other expenses.
Net operating income	86,392,000 yen	
Non-operating income	1,499,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	5,325,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	82,566,000 yen	
Capitalization rate	5.1%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,600,000,000 yen	
Discount rate	4.8%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	5.3%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,340,000,000 yen	
	Proportion of land	85.4%	
	Proportion of building	14.6%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-40　East Side Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		September 6, 2013
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		1-1-11, Yanagibashi, Taito-ku, Tokyo
Land	Parcel number	1-2-16, Yanagibashi, Taito-ku, Tokyo (and 5 other parcels)
	Building coverage ratio/Floor area ratio	100% (Note 1) / 477% (Note 2)
	Use district	Commercial district
	Site area	503.57 m^2
	Type of ownership	Ownership
Building	Construction completion	May, 1987
	Structure / Floors	Steel-framed, steel-framed reinforced concrete structure with flat roof / B1/6F
	Use	Office
	Total floor space	2,349.54 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		1,430 million yen
Real estate appraiser		Japan Real Estate Institute
PML		3.6%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,096.92 m^2
	Leased floor space	2,096.92 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	1.0%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	4
	Total rent income (annual)	92 million yen
	Deposits, etc.	61 million yen
Special notations		A part of the site of this property is subject to the superficies by East Japan Railway Company with the purpose of possession of subway workpieces. The duration of superficies are during the installation period of the railway facilities (parcel number of the land: 2-16) or 20 years (parcel number of the land: 2-39, 2-40 and 2-41).

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Characteristics	<Location Characteristics> In the Asakusa/Asakusabashi zone where East Side Building is located, multiple train routes are available including the JR Sobu Line, Tsukuba Express Line, Tokyo Metro Ginza Line and Toei Subway Asakusa and Oedo lines. However, the zone is positioned as a submarket of central Tokyo from its geographical conditions. Demand from companies related to manufacturers, wholesalers, etc. are observed centering on office buildings with sizable standard floor areas due to its rent level, which is inexpensive compared to central Tokyo, being preferred. <Property Characteristics> East Side Building is located approximately a 3-minute walk from Asakusabashi Station on the JR Sobu Line and Toei Subway Asakusa Line and along Yanagibashi Okawabata-Dori Street. From surrounding areas of Nihonbashi-Ningyocho to areas surrounding Asakusa, major transportation methods are generally limited to subway lines. However, central Tokyo is accessible from the East Side Building by JR lines and this point is believed to be highly evaluated by tenants. Furthermore, East Side Building is located along Sumida River and the superb view is believed to be highly evaluated. East Side Building is categorized as a small-sized building as it has a total floor space of around 700 tsubos and a standard floor area of around 110 tsubos. Floors are U-shaped (regularly shaped) and have flexibility in layouts and high space use efficiency. The building is equipped with standard specifications that meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 500%, but it is 477% due to the regulation regarding the front road width.
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(2)Outline of Appraisals

property name	East Side Building
Appraisal value	1,430,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,430,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,450,000,000 yen	
Operating income	96,878,000 yen	
Potential gross income	100,900,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	4,022,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	21,154,000 yen	
Building management fees	5,746,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	6,780,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	1,892,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,335,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	630,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	4,610,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	161,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on an estimate.
Others	0 yen	No specific cost to be recorded.
Net operating income	75,724,000 yen	
Non-operating income	1,199,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	4,416,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	72,507,000 yen	
Capitalization rate	5.0%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,410,000,000 yen	
Discount rate	4.8%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	5.2%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,190,000,000 yen	
	Proportion of land	86.6%	
	Proportion of building	13.4%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-41　IS Minamimorimachi Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		October 30, 2014
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		2-6-5, Higashi-Temma, Kita-ku, Osaka, Osaka
Land	Parcel number	2-23-4, Higashi-Temma, Kita-ku, Osaka, Osaka
	Building coverage ratio/Floor area ratio	100% (Note 1) / 800%
	Use district	Commercial district
	Site area	796.15 m^2
	Type of ownership	Ownership
Building	Construction completion	August, 1993
	Structure / Floors	Steel-framed reinforced concrete structure with flat roof / B1/10F
	Use	Office
	Total floor space	6,509.84 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		2,300 million yen
Real estate appraiser		Japan Real Estate Institute
PML		9.6%
Collateral after acquisition		None
Status of leasing (Note 2)		
	Leasable floor space	4,345.30 m^2
	Leased floor space	4,165.66 m^2
	Occupancy rate	95.9%
	Ratio of total leasable floor area in portfolio	2.1%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	14
	Total rent income (annual)	161 million yen
	Deposits, etc.	103 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Minami-Morimachi/Higashi-Tenma zone spreads out centered around the Minami-Morimachi Station on the Osaka Municipal Subway Tanimachi and Sakaisuji lines and Osaka Tenmangu Station on the JR Tozai Line. The zone is lined with many office buildings, especially along National Highway Route 1 and Tenjinbashi-Suji Street. As for access convenience, Higashi-Umeda Station is one station away from Minami-Morimachi Station and it is approximately a 3-minute ride on the Tanimachi Line. The Kita-Shinchi Station, Kobe area and Kita-Kawachi area (Higashi-Osaka City and Daito City) are also accessible using the Osaka Tenmangu Station. Thus, the area enjoys good access convenience. <Property Characteristics> IS Minami-Morimachi Building is located approximately a minute walk from Osaka Tenmangu Station on the JR Tozai Line and along National Highway Route 1. IS Minami-Morimachi Building is categorized as a mid-sized building as it has a total floor space of around 2,000 tsubos and a standard floor area of around 130 tsubos. Furthermore, floors are regularly shaped and have no pillars, enabling floor splits from around 30 tsubos or more. Such points can be considered as advantages. IS Minami-Morimachi Building's size is greater than that of buildings in the volume zone (zone with largest distribution) of the Minami-Morimachi/Higashi-Tenma zone as many of the office buildings located in the zone are small-sized buildings with total floor space of less than 1,000 tsubos. Thus, it is expected to be evaluated highly in terms of its size within the concerned zone. In addition, the number of young buildings is very limited in the zone as there is almost no supply of new buildings, and 21-year old IS Minami-Morimachi Building is expected to be considered as a competitive building.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) A notice for cancellation on March 31, 2015 has been received from the tenant occupying the 10th floor of the property (leased floor space: 196.85 m^2).
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	IS Minamimorimachi Building
Appraisal value	2,300,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,300,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,310,000,000 yen	
Operating income	180,512,000 yen	
Potential gross income	189,841,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	9,329,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	54,360,000 yen	
Building management fees	9,300,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	19,300,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	3,431,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,480,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on an estimate.
Leasing expenses	888,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	18,504,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	457,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	126,152,000 yen	
Non-operating income	1,958,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	8,250,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	119,860,000 yen	
Capitalization rate	5.2%	
Appraisal value using the discount cash flow method	2,280,000,000 yen	
Discount rate	5.0%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	5.4%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.

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Appraisal value by cost method	1,960,000,000 yen	
Proportion of land	64.4%	
Proportion of building	35.6%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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A-42 Sunworld Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		November 10, 2006
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		1-6-2, Kita-Horie, Nishi-ku, Osaka, Osaka
Land	Parcel number	1-22-7, Kita-Horie, Nishi-ku, Osaka, Osaka (and 4 other parcels)
	Building coverage ratio/Floor area ratio	100% (Note 1) / 800%
	Use district	Commercial district
	Site area	388.90 m^2
	Type of ownership	Ownership
Building	Construction completion	March, 1993
	Structure / Floors	Steel-framed,Steel-framed reinforced concrete structure with flat roof / B1/11F
	Use	Office
	Total floor space	3.314.58 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Rent guaranteed (Note 2)
Appraisal value		1,200 million yen
Real estate appraiser		Japan Real Estate Institute
PML		12.0%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	3,314.58 m^2
	Leased floor space	3,314.58 m^2
	Occupancy rate	100.0%
	Ratio of total leasable floor area in portfolio	1.6%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	1
	Total rent income (annual)	Not disclosed (Note 3)
	Deposits, etc.	Not disclosed (Note 3)
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Yotsubashi zone where the Sunworld Building is located has Yotsubashi Station on the Osaka Municipal Subway Yotsubashi Line and is a region with a lineup of many small- and mid-sized buildings mainly along Yotsubashi-Suji and Nagahori-Dori streets. Although emergence of retail facilities including brand shops were prominent in Horie district to the south of Nagahori-Dori Street a few years ago, recently such movements seems to have settled. The western side of Yotsubashi-Suji Street is an area where developments into residential districts are under way, and is a zone with a mix of retail facilities, residences and offices. <Property Characteristics> Sunworld Building is located along Yotsubashi-Suji Street and is approximately a minute walk from Yotsubashi Station on the Osaka Municipal Subway Yotsubashi Line. The size of office building spaces in the market of the zone is approximately 87,000 tsubos, and office building concentration cannot be said to be high when compared to that of overall Osaka City. In addition, the zone is adjacent to Shinsaibashi zone which is highly recognized as a commercial district and has a mixture of retail facilities and residences. Therefore, it cannot be denied that the zone has mixed image. However, when taking a look at the position of the Sunworld Building within the zone, from the location of it being near the intersection of Nagahori-Dori and Yotsubashi-Suji streets along which there are major office buildings, it can be said that the location is being evaluated highly. In the Yotsubashi zone where many buildings are old, the Sunworld Building is also expected to be highly evaluated to a certain extent in terms of comparative age. The building is equipped with standard specifications that meet tenant needs.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The master lease agreement scheduled to be concluded for the Property falls under the category of a pass-through lease agreement. However, it is indicated as being “rent guaranteed” as the sub lessee scheduled to sublease the entire property from the master lease company shall pay a fixed amount of rent.
(Note 3) Not disclosed because consent has not been obtained from the sublesee.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Sunworld Building
Appraisal value	1,200,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,200,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,210,000,000 yen	
Operating income	(Note)	—
Potential gross income		
Total of vacancy losses, etc.		
Operating expenses		
Building management fees		
Utilities		
Repairs and maintenance costs		
Property management fees		
Leasing expenses		
Taxes		
Insurance		
Others		
Net operating income	66,545,000 yen	
Non-operating income	(Note)	—
Capital expenditure	3,500,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	63,915,000 yen	
Capitalization rate	5.3%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,190,000,000 yen	
Discount rate	5.1%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	5.5%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method	1,120,000,000 yen	
Proportion of land	71.1%	
Proportion of building	28.9%	

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Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

(Note) This property falls under the category of “Rent Guaranteed” in which the master lease company shall pay a fixed amount of rent. Furthermore, “Operating income” etc., are not stated above because no consent to disclose annual rent income etc. has been obtained from the tenant and thus, disclosing information on these items may negatively affect NIPPON REIT’s competitiveness and possibly undermining unitholder interests

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NIPPON REIT Investment Corporation

A-43 Marunouchi Sanchome Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		May 30, 2007
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		3-14-32, Marunouchi, Naka-ku, Nagoya, Aichi
Land	Parcel number	3-1422-1 Marunouchi, Naka-ku, Nagoya, Aichi (and 3 other parcels)
	Building coverage ratio/Floor area ratio	100% (Note 1) / 600%
	Use district	Commercial district
	Site area	892.31 m^2
	Type of ownership	Ownership
Building	Construction completion	July, 1988
	Structure / Floors	Steel-framed reinforced concrete with flat roof /9F
	Use	Office
	Total floor space	5,268.20 m^2 (Note 2)
	Type of ownership	Ownership
Master lease company		Rio Consulting Co., Ltd.
Type of master lease		Pass-through
Appraisal value		1,670 million yen
Real estate appraiser		Japan Real Estate Institute
PML		7.1%
Collateral after acquisition		None
Status of leasing (Note 3)		
	Leasable floor space	4,219.19 m^2
	Leased floor space	4,047.28 m^2
	Occupancy rate	95.9%
	Ratio of total leasable floor area in portfolio	2.0%
	Representative tenant	Not disclosed (Note 4)
	Total number of tenants	20
	Total rent income (annual)	111 million yen
	Deposits, etc.	42 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> The Marunouchi zone where Marunouchi 3-chome Building is located is an area to the south of Sannomaru district, a district with many government offices, and relatively stretching east to west. As for office buildings, the overwhelming majority are small- and mid-sized buildings in the southern side of the area. The concentration is especially conspicuous in the surrounding areas of main street intersections (Nichigin-mae intersection and Sakura-Dori Otsu intersection). Although the concentration of certain businesses such as foundations, law firms, attorneys' offices and judicial scriveners' offices were observed in the old days since an administrative district is located to the north, recently no such imbalance in business types or categories are seen and the area seems to attract needs from tenants looking for low cost office buildings within Nagoya City. The supply of office buildings centering on mid-sized buildings are observed lately along Sakura-Dori Street and the image as an office district is being reaffirmed. However, such a trend only applies to a small portion of the area and the potential of the overall area as an office district is weakening in comparison to other places. This is due to the impact of many new office building supplied in Fushimi area to the south of the area and other factors in addition to the accelerated shift in tenants to the Meieki (Nagoya Station) area where the characteristics as a hub are stronger. <Property Characteristics> Marunouchi 3-chome Building is evaluated to have a certain convenience as several subway routes are available within walking distance. However, there is a possibility that the fact that it is not located along Higashiyama Line, a train route highly convenient in terms of business, to be a negative factor when companies consider the building. Although the building is located one block away from the major roadway Sakura-Dori Street, based on the fact that offices are concentrated more in the southern side of the zone, it is inferred to hold a certain amount of solicitation power in terms of locational conditions. Marunouchi 3-chome Building is categorized as a mid-sized building as it has a total floor space of around 1,600 tsubos and a standard floor area of around 150 tsubos. The size of Marunouchi 3-chome Building is greater than that of buildings in the volume zone (zone with largest distribution) in the zone as many of the office buildings located in the Marunouchi zone are small-sized buildings with total floor space of less than (or around) 1,000 tsubos. Furthermore, the building's size also has advantage in standard floor area over the volume zone (zone with largest distribution) as same as the total floor space. Thus, Marunouchi 3-chome Building's size is likely to be evaluated highly within the area. The building is equipped with standard specifications that meet tenant needs. The Marunouchi 3-chome Building has a parking lot of 60 units in which one can find a space easily for a building of this size. This can be said to hold certain solicitation power in Nagoya City, where needs for commercial vehicles are high.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.

(Note 2) The Property has the following annex, which is not included in the total floor space
- Type of building:Parking lot, Structure:Steel-framed structure with zinc coated steel sheet / 1F, Total floor area:41.82 m^2
- Type of building:Parking lot, Structure :Steel-framed structure with zinc coated steel sheet / 1F, Total floor area:43.31 m^2

(Note 3) A notice for cancellation on April 30, 2015 has been received from the tenant occupying the 6th floor of the property (leased floor space: 222.67 m^2).

(Note 4) Not disclosed because consent has not been obtained from the end tenant.

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(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Marunouchi Sanchome Building
Appraisal value	1,670,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,670,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,680,000,000 yen	
Gross operating revenue	143,372,000 yen	
Potential gross income	150,426,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	7,054,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	46,121,000 yen	
Building management fees	12,640,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	15,000,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	3,048,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,637,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the existing terms and conditions.
Leasing expenses	903,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	11,322,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	377,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	194,000 yen	Road occupancy charges are recorded.
Net operating income	97,251,000 yen	
Non-operating income	983,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	7,330,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	90,904,000 yen	
Capitalization rate	5.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,650,000,000 yen	
Discount rate	5.2%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	5.6%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,140,000,000 yen	
	Proportion of land	65.8%	
	Proportion of building	34.2%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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B-8 Kanda Reeplex R's

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Mizuho Trust & Banking Co.,Ltd.
Trust establishment date		June 30, 2006
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		2-5-1, Kandatacho, Chiyoda-ku, Tokyo
Land	Parcel number	2-5-1, Kandatacho, Chiyoda-ku, Tokyo
	Building coverage ratio/Floor area ratio	100% (Note 1) / 600%
	Use district	Commercial district
	Site area	407.23 m^2
	Type of ownership	Ownership (proportion of right of site: 218,093 of 235,631)
Building	Construction completion	January, 2006
	Structure / Floors	Reinforced concrete structure with flat roof /12F
	Use	Residential
	Total floor space	2,909.82 m^2 (Note 2)
	Type of ownership	Sectional Ownership(Note 3)
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		1,900 million yen
Real estate appraiser		Japan Real Estate Institute
PML		4.4%
Collateral after acquisition		None
Status of leasing (Note 4)		
	Leasable floor space	2,183.93 m^2
	Leased floor space	2,183.93 m^2
	Occupancy rate	100.0%
	Number of leasable units	41units
	Number of leased units	41units
	Unit occupancy rate	100%
	Ratio of total leasable floor area in portfolio	1.1%
	Total number of tenants	41
	Monthly rent	8,786 thousand yen
	Deposits, etc.	18 million yen
Special notations		The building is under sectional ownership in which the trustee has sectional ownership of the building with three other owner to the sectional ownership

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Characteristics	Kanda Reeplex R's is approximately a 3-minute walk from Awajicho Station on the Tokyo Metro Marunouchi Line and has excellent access convenience to central Tokyo, as it takes approximately 2-minutes from the station to Otemachi station and several stations and train routes are available. The building is a rental condominium for singles and small households that value the transportation convenience to central Tokyo and its superior facilities and specification, and relatively young age should be a certain competitive edge in this area compared to other condominiums in the vicinity.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) Although the property is a building under sectional ownership, the figure for the entire building is stated.
(Note 3) To-be-acquired asset is all of the exclusively-owned portions other than the exclusively-owned portion (161.32 m^2) of the Other Sectional Owner of the building.
(Note 4) The status of leasing is the figure for the portions to be acquired by NIPPON REIT.

(2)Location map and photo of exterior of the property





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(3)Outline of Appraisals

Property name	Kanda Reeplex R's
Appraisal value	1,900,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	1,900,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,910,000,000 yen	
Gross operating revenue	107,945,000 yen	
Potential gross income	112,561,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	4,616,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	16,529,000 yen	
Building management fees	4,420,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	0 yen	Utility expenses are not recorded here because "Building management fees" contains the utility expenses of the common spaces.
Repairs and maintenance costs	1,541,000 yen	Recorded, in consideration of the actual amount of the past years, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report, in addition to costs for restoring to original state, which are based on usual costs per room at a replacement of tenants, a ratio of costs incurred by tenants, average timing of cost burden and a degree of restoration to original state
Property management fees	1,544,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the scheduled terms and conditions.
Leasing expenses	4,185,000 yen	Recorded based on the assessed advertising fees, based on new one month's rent revenue and the actual amount of the past years, and the renewal fees assessed as a half of the renewal revenue, by reference to the existing terms and conditions as well as lease terms for similar properties in the neighborhood, also in consideration of an annual average of tenant replacement rate and occupancy rate
Taxes	4,678,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	161,000 yen	Recorded in consideration of premiums paid for scheduled insurance money, and insurance rates of similar properties, etc.
Others	0 yen	No specific cost to be recorded.
Net operating income	91,416,000 yen	
Non-operating income	357,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	2,056,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	89,717,000 yen	
Capitalization rate	4.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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Appraisal value using the discount cash flow method		1,880,000,000 yen	
	Discount rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.9%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,400,000,000 yen	
Proportion of land		73.3%	
Proportion of building		26.7%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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C-1 Otakibashi Pacifica Building

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		March 12, 2015
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		December 15, 2006
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		7-10-18, Nishi-Shinjuku, Shinjuku-ku, Tokyo
Land	Parcel number	7-1-13, Nishi-Shinjuku, Shinjuku-ku, Tokyo (and 2 other parcels)
	Building coverage ratio/Floor area ratio	100% (Note 1) / 698% (Note 2)
	Use district	Commercial district
	Site area	217.53 m^2
	Type of ownership	Ownership
Building	Construction completion	October, 2008
	Structure / Floors	Steel-framed・Steel-framed reinforced concrete with flat roof / B1/9F
	Use	Retail, Residential
	Total floor space	1,528.45 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		3,350 million yen
Real estate appraiser		Japan Real Estate Institute
PML		4.6%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,383.31 m^2
	Leased floor space	1,256.33 m^2
	Occupancy rate	90.8%
	Ratio of total leasable floor area in portfolio	0.6%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	7
	Total rent income (annual)	161 million yen
	Deposits, etc.	140 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> Shinjuku Station, the station within walking distance from the Otakibashi Pacifica Building, is the largest terminal station with the largest number of passengers utilizing it in Japan. The surrounding areas are crowded with men and women of all ages including tourists and shoppers in addition to office workers everyday as the largest thriving town in Japan. Offices and vocational schools are located in the area where the Otakibashi Pacifica Building is situated and the Otakibashi-Dori Street has heavy pedestrian traffic mainly by students and office workers for small- and mid-sized companies. Thus, the location can be said to be suitable especially for restaurants and service businesses. <Property Characteristics> The Otakibashi Pacifica Building is located approximately a 5-minute walk northwest of JR Shinjuku Station and along Otakibashi-Dori Street which leads to Okubo area. The building is visible from Shinjuku-O-Guard-Nishi intersection, where the street intersects with Ome-Kaido Avenue, and there is heavy pedestrian traffic in the surroundings whether in daytime or nighttime or on weekdays or weekends. The nearest station is Shinjuku-Nishiguchi Station on the Toei Subway Oedo Line, and one of its exits is almost across the street from the Property. There is a station on the Seibu Shinjuku Line as well, on the east side across the rail tracks of the JR lines. The Otakibashi Pacifica Building faces Otakibashi-Dori Street and has a certain level of visibility. When viewed closely, the building is decorated with woodtone louvers, and the creative design not seen in the surroundings catches people's eyes. It is a relatively new restaurant building facing Otakibashi-Dori Street having scarcity value.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.
(Note 2) The floor area ratio is essentially 600% and 700%, but it is 698% due to a weighted average based on the subject area of the respective use districts.
(Note 3) Not disclosed because consent has not been obtained from the end tenant.

(2)Location map and photo of exterior of the property





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(2)Outline of Appraisals

Property name	Otakibashi Pacifica Building
Appraisal value	3,350,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	3,350,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	3,400,000,000 yen	
Gross operating revenue	185,635,000 yen	
Potential gross income	193,370,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	7,735,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	44,025,000 yen	
Building management fees	7,000,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	20,532,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	616,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	4,053,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the existing terms and conditions.
Leasing expenses	1,197,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	10,566,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	61,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on an estimate.
Others	0 yen	No specific cost to be recorded.
Net operating income	141,610,000 yen	
Non-operating income	2,542,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	1,437,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	142,715,000 yen	
Capitalization rate	4.2%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	3,290,000,000 yen	
Discount rate	4.0%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	4.4%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		2,320,000,000 yen	
	Proportion of land	85.0%	
	Proportion of building	15.0%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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C-2 Komyoike Act

(1)Overview of the Acquisition

Type of specified asset		Real estate trust beneficiary right
Acquisition date		February 12, 2015
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		December 20, 2002
Trust expiration date		January 31, 2025 (scheduled)
Location (indication of residential address)		2-1-3, Kamotanidai, Minami-ku, Sakai, Osaka
Land	Parcel number	2-1-3, Kamotanidai, Minami-ku, Sakai, Osaka
	Building coverage ratio/Floor area ratio	100% (Note 1) / 600%
	Use district	Commercial district
	Site area	2,081.39 m^2
	Type of ownership	Ownership
Building	Construction completion	April, 1988
	Structure / Floors	Steel-framed reinforced concrete with flat roof / B2/7F
	Use	Retail
	Total floor space	12,013.67 m^2
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing
Type of master lease		Pass-through
Appraisal value		2,130 million yen
Real estate appraiser		Japan Real Estate Institute
PML		12.7%
Collateral after acquisition		None
Status of leasing (Note 2)		
	Leasable floor space	6,466.99 m^2
	Leased floor space	5,992.14 m^2
	Occupancy rate	92.7%
	Ratio of total leasable floor area in portfolio	3.0%
	Representative tenant	Nippon Sports Institute Co., Ltd.
	Total number of tenants	24
	Total rent income (annual)	186 million yen
	Deposits, etc.	150 million yen
Special notations		Not applicable

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Characteristics	<Location Characteristics> Semboku New Town (Izumigaoka district to Komyoike district) was developed during 1965 to 1982 in the Semboku region. Residential areas are concentrated along Semboku Rapid Railway and a “new town” market with high residential density is created around the station front. Although the population will age in the future, many families are also moving into the area and the market profile is favorable. Semboku New Town extends across Sakai City (the second largest city in Osaka Prefecture in terms of both the population and the size of the area following Osaka City) and Izumi City (created in September 1956 through a merger of one town and six villages and the population surpassed 180 thousand people in 2010). <Property Characteristics> Komyoike Act is a retail building located at the boundary between Izumi City and Sakai City, and around a 2-minute walk from the south exit of Komyoike Station on the Semboku Rapid Railway. Thus it can be said to have highly convenient locational conditions. The southern side of the station is enjoying prosperity of the station front and services convenient for living such as a bus terminal and concentration of banks. A pedestrian deck extending from the south exit of the station has been built, making the floor connected to it the first floor. Komyoike Act is the retail facility nearest to the station among those connected to the station by the deck, and people will walk in front of the facility when they walk on the deck after getting off trains at the station. It is superior in terms of convenience and the visibility is also favorable. Komyoike Act’s main tenants are restaurants such as fast food restaurants and Japanese pubs, and stores of service businesses including a clinic, a massage clinic and a beauty clinic. A gym is located on its fourth floor and fifth floors, making it a building that satisfies the needs of users of the station and residents in the surrounding areas centering on services and restaurants by utilizing its convenience of being located at the station front.

(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.

(Note 2) A lease agreement has been concluded with a new tenant of content that leasing started from November 1, 2014 for the second floor of the property (leased floor space: 340.23 m^2).

(2)Location map and photo of exterior of the property





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that they read the prospectus for the issuance of n
investment units, as well as any amendments there
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(3)Outline of Appraisals

Property name	Komyoike Act
Appraisal value	2,130,000,000 yen
Appraiser	Japan Real Estate Institute
Date of value	December 1, 2014

	Details	Outline
Appraisal Value by capitalization method	2,130,000,000 yen	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,140,000,000 yen	
Gross operating revenue	291,263,000 yen	
Potential gross income	300,696,000 yen	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	9,433,000 yen	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	157,227,000 yen	
Building management fees	41,140,000 yen	Recorded in consideration of the individuality of the target property, by reference to the scheduled building management fees, building management fees of similar properties, and the actual amount of the past years.
Utilities	77,999,000 yen	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	7,320,000 yen	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	4,533,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the existing terms and conditions.
Leasing expenses	1,292,000 yen	Recorded based on the anticipated turnover period of the tenant.
Taxes	18,547,000 yen	Assessed based on the standard taxable value for the year 2014.
Insurance	636,000 yen	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on an estimate.
Others	5,760,000 yen	Assessed the charge for parking ticket purchase outside the property as other expenses.
Net operating income	134,036,000 yen	
Non-operating income	3,353,000 yen	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 2.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	17,763,000 yen	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	119,626,000 yen	
Capitalization rate	5.6%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	2,110,000,000 yen	
Discount rate	5.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.

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	Terminal rate	5.8%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,420,000,000 yen	
	Proportion of land	34.2%	
	Proportion of building	65.8%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.

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[Explanation of matters stated in (1) Overview of the Acquisition]

- "Location (indication of residential address)" is the indication of residential address of the real estate that is the trust property. In addition, if there is no indication of residential address, the building location in the registry (if several, then one of the locations) is stated.
- "Building coverage ratio" and "Floor area ratio" of land are, in principle, the figures provided in accordance with related laws and regulations, such as the Building Standards Act and the City Planning Act, and rounded to the nearest whole number. Depending on the real estate that is the trust property, there are cases where "Building coverage ratio" and "Floor area ratio" are subject to certain relaxation measures or restriction measures. In addition, where there are several floor area ratios that apply to a site, the floor area ratio is stated by converting to one that applies to the entire site.
- "Use district" of land is the type of use district listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.
- "Site area" of land is based on that stated in the registry and may differ from the present state.
- "Type of ownership" of land is the type of rights held by the trustee of the real estate trust for the real estate that is the trust property.
- "Construction completion" of building is the date of new construction in the registry. In addition, the date of extension, reconstruction, etc. are also stated, if any. "Structure / Floors" of building is based on that stated in the registry.
- "Use" of building is the major type of building in the registry.
- "Total floor space" of building is based on that stated in the registry, and annex buildings are separately stated, if any. "Type of ownership" of building is the type of rights held by the trustee of the real estate that is the trust property.
- "Master lease company" is the company that has concluded or the company that is scheduled to conclude a master lease agreement that is valid as of today for the real estate that is the trust property.
- "Type of master lease" is the main type of master lease agreement concluded or scheduled to be concluded as of today, where "Pass-through" is a master lease agreement in which the master lease company shall pay the same amount of rent as the rent payable by end tenants to the master lease company and "Rent guaranteed" is a master lease agreement in which the master lease company shall pay a fixed amount of rent.
- "Appraisal value" is the appraisal value stated in the appraisal report prepared by Japan Real Estate Institute or Daiwa Real Estate Appraisal as requested as part of due diligence upon acquisition of the Property by the Issuer, and rounded down to the nearest million yen. In addition, there is no special relationship to be stated between NIPPON REIT or SRA and Japan Real Estate Institute or Daiwa Real Estate Appraisal.
- "PML" is the PML (Probable Maximum Loss) calculated in the evaluation of seismic risk analysis conducted by Tokio Marine & Nichido Risk Consulting Co., Ltd. as requested as part of due diligence upon acquisition of the Property by the Issuer. Furthermore, "Probable Maximum Loss" means the probable maximum loss that may result from an earthquake and, herein, refers to the extent of damage that may be suffered due to an earthquake of the assumed maximum scale (earthquake with a probability of occurring once in 475 years =earthquake with a 10% probability of occurrence in 50 years) in the assumed scheduled use period (50 years = useful life of a general building), expressed as the estimated cost of restoring such damage as a percentage (%) of the replacement cost.
- "Collateral after acquisition" is whether or not collateral is scheduled to be established after acquisition of the real estate trust beneficiary right.
- "Status of leasing" is based on the figures and information provided by the previous owner or previous trust beneficiary, etc. of the real estate that is the trust property regarding the content, etc. of the lease agreement, etc. that is valid as of October 31, 2014, unless otherwise stated.
- "Leasable floor space" is the floor space regarded as being available for leasing based on the lease agreement or building drawing, etc. of the building of each asset as of October 31, 2014 for the real estate that is the trust property.
- "Leased floor space" is the sum total of the leased floor space indicated in each lease contract or each provisional lease contract for the real estate that is the trust property as of October 31, 2014. However, in cases where a pass-through type master lease agreement is scheduled to be concluded, the sum total of the leased floor space of end tenants indicated in each sublease contract or each provisional sublease contract for the real estate that is the trust property as of October 31, 2014. Furthermore, because there are cases where leased floor space indicated in lease contracts, etc. includes the portion not included in total floor space, there are cases where total leased floor space may exceed total floor space.
- "Occupancy rate" is the ratio of the leased floor space to the leasable floor space for the real estate that is the trust property as of October 31, 2014, and rounded to one decimal place.
- "Ratio of total leasable floor area in portfolio" is the ratio of the leased floor space of the real estate that

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is the trust property to the total leasable floor space of the entire portfolio of NIPPON REIT as of March 12, 2015 (scheduled total leasable floor space: 202,969.84 m^2), and rounded to one decimal place.

- For B-8, “Number of leasable units” is the number of units available for leasing (including the number of stores, etc., if any) as of October 31, 2014 for the asset to be acquired.
- For B-8,”Number of leased units” is the number of units leased to end tenants for which a lease agreement has actually been concluded with end tenants as of October 31, 2014 for the asset to be acquired.
- For B-8, “Unit occupancy rate” is the ratio of the number of leased units to the number of leasable units for the asset to be acquired as of October 31, 2014, and rounded to one decimal place.
- “Total number of tenants” is the sum total of the number of tenants (Note 1) in the lease agreement of the real estate that is the trust property indicated in each lease agreement for the real estate that is the trust property as of October 31, 2014. Furthermore, in cases where a pass-through type master lease agreement is scheduled to be concluded for the concerned asset, the total number of end tenants (Note 1) is stated. However, even in the case of a pass-through type master lease agreement, in cases where the sub lessee subleasing the entire property from the master lease company has been entrusted with property management and shall pay fixed rent to the master lease company, the total number of tenants is stated as 1.
- “Total rent income (annual)” is the annual rent, or the amount annualized by multiplying the monthly rent by 12, for the building indicated in each lease contract or each provisional lease contract for the real estate that is the trust property as of October 31, 2014 (Note 2), and rounded down to the nearest million yen. However, in cases where a pass-through type master lease agreement is scheduled to be concluded between the master lease company and the lessor, etc. in which, in principle, the rent, etc. from end tenants is received as is, the annual rent, or the amount annualized by multiplying the monthly rent by 12, indicated in each sublease contract or each provisional sublease contract with end tenants for the real estate that is the trust property as of October 31, 2014 (Note 2), and rounded down to the nearest million yen is stated.
- “Monthly rent” for B-8 is the monthly rent of the building indicated in each lease contract or each provisional lease contract for each real estate in trust as of October 31, 2014 (Note 2). However, in cases where a pass-through type master lease agreement has been concluded between the master lease company and the lessor, etc. in which, in principle, the rent, etc. from end tenants is received as is, the monthly rent indicated in each sublease contract or each provisional sublease contract with end tenants for each real estate in trust as of October 31, 2014 (Note 2) is stated.
- “Deposits, etc.” is the sum total amount of tenant leasehold and security deposits required based on each lease agreement for the real estate that is the trust property as of October 31, 2014 (limited to the tenant leasehold and security deposits based on the lease agreement for the leasing space occupied as of October 31, 2014), and rounded down to the nearest million yen. In cases where a master lease agreement is scheduled to be concluded for the concerned asset, the sum total amount of tenant leasehold and security deposits required based on the lease agreement concluded with end tenants, and rounded down to the nearest million yen is stated. In addition, in case the consent has not been obtained from the end tenant, “Deposits, etc.” is not disclosed.

(Note 1) Excluding warehouse, signboard, parking lot, etc.
(Note 2) For the real estate that is the trust property under several lease agreements, the sum total amount thereof. In addition, common area maintenance charges are included, but storage shed, signboard, parking lot, etc. usage fees are not included, and free-rent is not taken into account (excluding consumption taxes).

＊ This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.
＊ NIPPON REIT Investment Corporation website: http://www.nippon-reit.com/

＜Attachments＞
Reference 1 Overview of appraisal reports for the Acquisition
Reference 2 Overview of engineering reports for the Acquisition
Reference 3 List of properties (after the Acquisition)

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＜Attachments＞

Reference 1　Overview of appraisal reports for the Acquisition

Property no.	Real estate in trust (Property name)	Appraiser	Date of value	Appraisal value (million yen)	Direct capitalization method		DCF method			Appraisal NOI (thousand yen) (Note 1)	Appraisal NOI yield (%) (Note 2)
					Appraisal value (million yen)	Overall capitali-zation rate (%)	Appraisal value (million yen)	Discount rate (%)	Terminal capitali-zation rate (%)		
A-16	Hiroo Reeplex B's	Japan Real Estate Institute	December 1, 2014	2,890	2,940	4.4	2,830	4.2	4.6	130,112	4.6
A-17	Shibakoen Sanchome Building	Daiwa Real Estate Appraisal Co., Ltd.	December 1, 2014	8,500	8,910	4.3	8,320	4.1	4.5	382,045	5.2
A-18	(Tentative) FORECAST Iidabashi	Japan Real Estate Institute	December 1, 2014	5,230	5,290	4.3	5,170	4.0	4.4	228,042	4.4
A-19	Kudankita 325 Building	Japan Real Estate Institute	December 1, 2014	1,850	1,870	4.4	1,830	4.1	4.5	83,895	4.5
A-20	(Tentative) FORECAST Uchikanda	Japan Real Estate Institute	December 1, 2014	1,240	1,260	4.4	1,220	4.2	4.6	58,906	4.8
A-21	Itohpia Iwamotocho 2-chome Bldg.	Japan Real Estate Institute	December 1, 2014	2,850	2,860	4.8	2,830	4.5	4.9	143,274	5.1
A-22	Itohpia Iwamotocho 1-chome Bldg.	Japan Real Estate Institute	December 1, 2014	2,690	2,720	4.7	2,650	4.5	4.9	132,159	5.0
A-23	Itohpia Iwamotocho ANNEX Bldg.	Japan Real Estate Institute	December 1, 2014	2,140	2,160	4.7	2,110	4.5	4.9	106,182	5.1
A-24	Hisamatsucho Reeplex B's	Japan Real Estate Institute	December 1, 2014	2,890	2,940	4.7	2,840	4.5	4.9	145,196	5.1
A-25	(Tentative) FORECAST Ningyocho	Japan Real Estate Institute	December 1, 2014	2,070	2,110	4.6	2,020	4.4	4.8	99,986	4.8
A-26	KDX Ningyocho Building	Japan Real Estate Institute	December 1, 2014	1,720	1,750	4.7	1,690	4.5	4.9	84,018	5.1
A-27	(Tentative) FORECAST Shin-Tokiwabashi	Japan Real Estate Institute	December 1, 2014	2,030	2,070	4.5	1,980	4.3	4.7	94,190	4.6
A-28	Nishi-Shinjuku Sanko Building	Japan Real Estate Institute	December 1, 2014	2,290	2,340	4.4	2,230	4.2	4.6	107,903	4.9
A-29	Iidabashi Reeplex B's	Japan Real Estate Institute	December 1, 2014	1,300	1,320	4.2	1,270	4.0	4.4	57,421	4.6
A-30	(Tentative) FORECAST Shinagawa	Japan Real Estate Institute	December 1, 2014	2,300	2,330	4.6	2,270	4.4	4.8	109,986	4.8
A-31	Nishi-Gotanda 8-chome Building	Japan Real Estate Institute	December 1, 2014	2,210	2,250	4.6	2,170	4.4	4.8	106,904	4.8
A-32	Towa Higashi-Gotanda Building	Japan Real Estate Institute	December 1, 2014	2,150	2,160	4.7	2,130	4.4	4.8	111,009	5.5
A-33	(Tentative) FORECAST Takadanobaba	Japan Real Estate Institute	December 1, 2014	5,560	5,660	4.7	5,450	4.5	4.9	271,366	4.9
A-34	Mejiro NT Building	Japan Real Estate Institute	December 1, 2014	3,150	3,190	4.9	3,110	4.7	5.1	163,607	5.3
A-35	Toshin Higashi-Ikebukuro Building	Japan Real Estate Institute	December 1, 2014	1,010	1,020	5.1	1,000	4.9	5.3	56,138	5.7
A-36	Mitsui Woody Building	Japan Real Estate Institute	December 1, 2014	2,570	2,570	5.2	2,560	4.8	5.2	143,639	5.8
A-37	Itabashi Honcho Building	Japan Real Estate Institute	December 1, 2014	3,290	3,340	5.1	3,240	4.8	5.3	183,669	5.8
A-38	ANTEX24 Building	Japan Real Estate Institute	December 1, 2014	1,750	1,780	4.8	1,710	4.6	5.0	89,679	5.3
A-39	Itohpia Kiyosubashidori Bldg.	Japan Real Estate Institute	December 1, 2014	1,610	1,620	5.1	1,600	4.8	5.3	86,392	5.6
A-40	East Side Building	Japan Real Estate Institute	December 1, 2014	1,430	1,450	5.0	1,410	4.8	5.2	75,724	5.5
A-41	IS Minamimorimachi Building	Japan Real Estate Institute	December 1, 2014	2,300	2,310	5.2	2,280	5.0	5.4	126,152	5.6
A-42	Sunworld Building	Japan Real Estate Institute	December 1, 2014	1,200	1,210	5.3	1,190	5.1	5.5	66,545	5.5

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Property no.	Real estate in trust (Property name)	Appraiser	Date of value	Appraisal value (million yen)	Direct capitalization method		DCF method			Appraisal NOI (thousand yen) (Note 1)	Appraisal NOI yield (%) (Note 2)
					Appraisal value (million yen)	Overall capitali-zation rate (%)	Appraisal value (million yen)	Discount rate (%)	Terminal capitali-zation rate (%)		
A-43	Marunouchi Sanchome Building	Japan Real Estate Institute	December 1, 2014	1,670	1,680	5.4	1,650	5.2	5.6	97,251	6.0
Office Total				71,890	73,110	—	70,760	—	—	3,541,390	5.1
B-8	Kanda Reeplex R's	Japan Real Estate Institute	December 1, 2014	1,900	1,910	4.7	1,880	4.4	4.9	91,416	5.0
Residential Total				1,900	1,910	—	1,880	—	—	91,416	5.0
C-1	Otakibashi Pacifica Building	Japan Real Estate Institute	December 1, 2014	3,350	3,400	4.2	3,290	4.0	4.4	141,610	4.2
C-2	Komyoike Act	Japan Real Estate Institute	December 1, 2014	2,130	2,140	5.6	2,110	5.4	5.8	134,036	6.5
Retail Total				5,480	5,540	—	5,400	—	—	275,646	5.1
The Acquisition Total				79,270	80,560	—	78,040	—	—	3,908,452	5.1

(Note 1) "Appraisal NOI" refers to the NOI (Net Operating Income) derived from deducting operating expenses from operating revenue stated in the appraisal report. The amount is the revenue before deduction of depreciation, and different from the NCF (Net Cash Flow) derived from adding the gain on investment of deposits, etc. to NOI and deducting capital expenditures. The appraisal NOI above is the NOI by the direct capitalization method. "Appraisal NOI" is rounded to the nearest thousand yen.

(Note 2) "Appraisal NOI yield" is the figure calculated using the following formula, and rounded to one decimal place.
Each asset's appraisal NOI ÷ Acquisition price

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Reference 2 Overview of engineering reports for the Acquisition

NIPPON REIT obtained building engineering reports from Tokio Marine & Nichido Risk Consulting Co., Ltd. concerning building inspection, compliance with related laws and regulations, repair expenses evaluation, environmental assessment, etc. for the Acquisition. The following is an overview of the engineering reports.

Property no.	Property name	Investigator	Investigation date	Short-term repair expenses (thousand yen) (Note 1)(Note 2)	Long-term repair expenses (thousand yen) (Note 1)(Note 3)
A-16	Hiroo Reeplex B's	Tokio Marine & Nichido Risk Consulting Co., Ltd.	September 8, 2014	0	3,959
A-17	Shibakoen Sanchome Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	July 18, 2014	0	8,490
A-18	(Tentative) FORECAST Iidabashi	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 30, 2014	0	6,622
A-19	Kudankita 325 Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 30, 2014	0	4,607
A-20	(Tentative) FORECAST Uchikanda	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 30, 2014	0	6,853
A-21	Itohpia Iwamotocho 2-chome Bldg.	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 27, 2014	0	11,143
A-22	Itohpia Iwamotocho 1-chome Bldg.	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 28, 2014	0	9,868
A-23	Itohpia Iwamotocho ANNEX Bldg.	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 27, 2014	0	8,631
A-24	Hisamatsucho Reeplex B's	Tokio Marine & Nichido Risk Consulting Co., Ltd.	September 8, 2014	0	12,874
A-25	(Tentative) FORECAST Ningyocho	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 28, 2014	0	6,462
A-26	KDX Ningyocho Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 11, 2014	0	4,542
A-27	(Tentative) FORECAST Shin-Tokiwabashi	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 29, 2014	0	3,493
A-28	Nishi-Shinjuku Sanko Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 7, 2014	0	9,327
A-29	Iidabashi Reeplex B's	Tokio Marine & Nichido Risk Consulting Co., Ltd.	September 10, 2014	0	3,469
A-30	(Tentative) FORECAST Shinagawa	Tokio Marine & Nichido Risk Consulting Co., Ltd.	November 4, 2014	0	6,519
A-31	Nishi-Gotanda 8-chome Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	November 4, 2014	0	6,979
A-32	Towa Higashi-Gotanda Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	September 19, 2014	0	15,770
A-33	(Tentative) FORECAST Takadanobaba	Tokio Marine & Nichido Risk Consulting Co., Ltd.	November 4, 2014	0	14,677
A-34	Mejiro NT Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 8, 2014	0	13,165
A-35	Toshin Higashi-Ikebukuro Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 6, 2014	0	6,740
A-36	Mitsui Woody Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 11, 2014	0	17,472
A-37	Itabashi Honcho Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 6, 2014	0	23,393
A-38	ANTEX24 Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 12, 2014	0	7,769
A-39	Itohpia Kiyosubashidori Bldg.	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 28, 2014	0	7,606
A-40	East Side Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	September 19, 2014	0	6,308
A-41	IS Minamimorimachi Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	September 12, 2014	0	11,438
A-42	Sunworld Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	November 10, 2014	0	4,999
A-43	Marunouchi Sanchome Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 25, 2014	0	10,159
B-8	Kanda Reeplex R's	Tokio Marine & Nichido Risk Consulting Co., Ltd.	September 10, 2014	0	2,937
C-1	Otakibashi Pacifica Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	October 31, 2014	0	2,052
C-2	Komyoike Act	Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 12, 2014	0	24,399

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Property no.	Property name	Investigator	Investigation date	Short-term repair expenses (thousand yen) (Note 1)(Note 2)	Long-term repair expenses (thousand yen) (Note 1)(Note 3)
Total	—	—	—	0	282,722

(Note 1) "Short-term repair expenses" and "Long-term repair expenses" are based on those stated in the building engineering report. The sum total of each repair expenses of each property may differ from the figure in the total column due to rounding.

(Note 2) "Short-term repair expenses" is the sum total amount of repair expenses required within one year counting from the investigation date, and rounded down to the nearest thousand yen.

(Note 3) "Long-term repair expenses" is the average per year calculated as the sum total amount of repair expenses required within 12 years counting from the investigation date divided by 12, and rounded down to the nearest thousand yen.

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NIPPON REIT Investment Corporation

Reference 3 List of properties (after the Acquisition)

Property no.	Real estate in trust (Property name)	Location	Construction completion (Note 1)	(Scheduled) Acquisition price		Appraisal value (million yen)	Number of tenants (Note 2)	Annual rent income (million yen) (Note 3)	Total leasable floor area (m^2) (Note 4)	Total leased floor space (m^2) (Note 5)	Occupancy rate (%) (Note 6)
				Value (million yen)	Ratio (%)						
A-1	FORECAST Nishishinjuku	Shinjuku Ward, Tokyo	February 16, 2009	2,260	1.4	2,520	17	150	1,945.68	1,945.68	100.0
A-2	FORECAST Nihonbashi EAST	Chuo Ward, Tokyo	February 11, 2009	2,130	1.4	2,240	2	152	2,490.08	2,490.08	100.0
A-3	FORECAST Yotsuya	Shinjuku Ward, Tokyo	January 31, 2009	1,430	0.9	1,610	10	78	1,678.15	1,269.22	75.6
A-4	FORECAST Shinjuku AVENUE	Shinjuku Ward, Tokyo	September 19, 2008	6,500	4.2	6,700	8	378	4,337.15	4,337.15	100.0
A-5	FORECAST Ichigaya	Shinjuku Ward, Tokyo	August 20, 2009	4,800	3.1	5,090	22	268	3,844.67	3,844.67	100.0
A-6	FORECAST Mita	Minato Ward, Tokyo	September 11, 2009	1,800	1.2	1,890	5	108	1,786.18	1,786.18	100.0
A-7	FORECAST Shinjuku SOUTH	Shinjuku Ward, Tokyo	November 6, 1980	13,990	9.0	14,400	22	954	14,144.51	14,144.51	100.0
A-8	FORECAST Sakurabashi	Chuo Ward, Tokyo	April 22, 1985	5,760	3.7	5,820	5	312	6,566.76	5,610.53	85.4
A-9	GreenOak Kayabacho	Chuo Ward, Tokyo	March 15, 1990	2,860	1.8	2,890	6	180	2,984.94	2,984.94	100.0
A-10	GreenOak Kudan	Chiyoda Ward,Tokyo	December 16, 1987	2,780	1.8	2,870	5	171	2,689.28	2,689.28	100.0
A-11	GreenOak Takanawadai	Minato Ward, Tokyo	January 26, 2010	2,260	1.4	2,280	9	115	2,621.74	2,058.44	78.5
A-12	GreenOak Okachimachi	Taito Ward, Tokyo	January 30, 1977	3,330	2.1	3,210	6	81	3,545.82	1,115.91	31.5
A-13	Higashi Ikebukuro Center Building	Toshima Ward, Tokyo	November 27, 1991	2,520	1.6	2,610	5	194	4,219.65	4,219.65	100.0
A-14	Central Daikanyama	Shibuya Ward, Tokyo	August 4, 1991	3,510	2.2	3,510	5	135	1,897.67	1,541.73	81.2
A-15	JS Progres Building	Ota Ward, Tokyo	April 26, 1993	5,325	3.4	5,400	7	406	11,988.14	11,988.14	100.0
A-16	Hiroo Reeplex B's	Minato Ward, Tokyo	May 28, 1987	2,827	1.8	2,890	7	138	1,500.83	1,364.58	90.9
A-17	Shibakoen Sanchome Building	Minato Ward, Tokyo	June 30, 1981	7,396	4.7	8,500	4	394	7,882.60	7,882.60	100.0
A-18	(Tentative) FORECAST Iidabashi	Chiyoda Ward,Tokyo	November 10, 1978 (Note 7)	5,230	3.4	5,230	24	229	4,066.50	4,066.50	100.0
A-19	Kudankita 325 Building	Chiyoda Ward,Tokyo	August 29, 1987	1,850	1.2	1,850	7	84	2,007.07	1,766.71	88.0
A-20	(Tentative) FORECAST Uchikanda	Chiyoda Ward,Tokyo	December 31, 1976	1,240	0.8	1,240	5	68	1,292.85	1,230.45	95.2
A-21	Itohpia Iwamotocho 2-chome Bldg.	Chiyoda Ward,Tokyo	February 14, 1991	2,810	1.8	2,850	8	163	3,446.99	3,201.27	92.9
A-22	Itohpia Iwamotocho 1-chome Bldg.	Chiyoda Ward,Tokyo	January 31, 1991	2,640	1.7	2,690	9	158	3,056.56	3,056.56	100.0
A-23	Itohpia Iwamotocho ANNEX Bldg.	Chiyoda Ward,Tokyo	November 12, 1991	2,100	1.3	2,140	6	121	3,064.20	2,651.80	86.5
A-24	Hisamatsucho Reeplex B's	Chuo Ward, Tokyo	August 23, 1989	2,837	1.8	2,890	1	Not disclosed (Note 8)	3,137.52	3,137.52	100.0
A-25	(Tentative) FORECAST Ningyocho	Chuo Ward, Tokyo	November 8, 1990	2,070	1.3	2,070	6	103	2,277.61	2,277.61	100.0
A-26	KDX Ningyocho Building	Chuo Ward, Tokyo	February 9, 1984	1,650	1.1	1,720	6	86	1,867.95	1,627.52	87.1
A-27	(Tentative) FORECAST Shin-Tokiwabashi	Chuo Ward, Tokyo	August 1, 1991	2,030	1.3	2,030	11	93	1,794.97	1,794.97	100.0
A-28	Nishi-Shinjuku Sanko Building	Shinjuku Ward, Tokyo	September 22, 1987	2,207	1.4	2,290	8	119	2,629.44	2,629.44	100.0

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Property no.	Real estate in trust (Property name)	Location	Construction completion (Note 1)	(Scheduled) Acquisition price		Appraisal value (million yen)	Number of tenants (Note 2)	Annual rent income (million yen) (Note 3)	Total leasable floor area (m^2) (Note 4)	Total leased floor space (m^2) (Note 5)	Occupancy rate (%) (Note 6)
				Value (million yen)	Ratio (%)						
A-29	Iidabashi Reeplex B's	Shinjuku Ward, Tokyo	June 9, 1992	1,249	0.8	1,300	6	70	1,401.68	1,401.68	100.0
A-30	(Tentative) FORECAST Shinagawa	Shinagawa Ward, Tokyo	February 16, 1989	2,300	1.5	2,300	6	104	2,498.93	2,082.44	83.3
A-31	Nishi-Gotanda 8-chome Building	Shinagawa Ward, Tokyo	December 3, 1993	2,210	1.4	2,210	8	117	2,999.68	2,999.68	100.0
A-32	Towa Higashi-Gotanda Building	Shinagawa Ward, Tokyo	September 19, 1985	2,033	1.3	2,150	5	97	2,932.84	1,967.72	67.1
A-33	(Tentative) FORECAST Takadanobaba	Toshima Ward, Tokyo	January 23, 1986	5,550	3.6	5,560	7	302	5,732.38	5,685.28	99.2
A-34	Mejiro NT Building	Toshima Ward, Tokyo	July 24, 1990	3,094	2.0	3,150	5	191	4,518.79	4,518.79	100.0
A-35	Toshin Higashi-Ikebukuro Building	Toshima Ward, Tokyo	November 13, 1989	979	0.6	1,010	4	66	1,645.17	1,645.17	100.0
A-36	Mitsui Woody Building	Koto Ward, Tokyo	March 30, 1990	2,475	1.6	2,570	4	135	4,006.20	2,816.25	70.3
A-37	Itabashi Honcho Building	Itabashi Ward, Tokyo	January 20, 1993	3,146	2.0	3,290	3	192	6,442.50	5,571.17	86.5
A-38	ANTEX24 Building	Taito Ward, Tokyo	February 20, 1988	1,691	1.1	1,750	6	93	2,267.59	2,267.59	100.0
A-39	Itohpia Kiyosubashidori Bldg.	Taito Ward, Tokyo	March 1, 1988	1,550	1.0	1,610	7	110	2,659.67	2,659.67	100.0
A-40	East Side Building	Taito Ward, Tokyo	May 19, 1988	1,372	0.9	1,430	4	92	2,096.92	2,096.92	100.0
A-41	IS Minamimorimachi Building	Osaka, Osaka	August 24, 1993	2,258	1.4	2,300	14	161	4,345.30	4,165.66	95.9
A-42	Sunworld Building	Osaka, Osaka	March 16, 1993	1,200	0.8	1,200	1	Not disclosed (Note 9)	3,314.58	3,314.58	100.0
A-43	Marunouchi Sanchome Building	Nagoya, Aichi	July 25, 1988	1,626	1.0	1,670	20	111	4,219.19	4,047.28	95.9
Office Total				130,882	83.9	134,930	336	7,545	155,846.93	145,953.52	93.7
B-1	Tower Court Kitashinagawa	Shinagawa Ward, Tokyo	February 5, 2009	11,880	7.6	12,200	264	734	16,913.29	16,102.54	95.2
B-2	Sky Hills N11	Sapporo, Hokkaido	March 7, 2001	1,570	1.0	1,590	1	115	8,567.50	8,567.50	100.0
B-3	my atria Meieki	Nagoya, Aichi	March 10, 2006	1,280	0.8	1,300	65	87	2,891.42	2,775.42	96.0
B-4	my atria Sakae	Nagoya, Aichi	March 15, 2007	1,110	0.7	1,110	1	74	3,121.60	3,121.60	100.0
B-5	Mac Village Heian	Nagoya, Aichi	September 22, 2006	785	0.5	805	1	55	2,250.00	2,250.00	100.0
B-6	Seam Dwell Tsutsui	Nagoya, Aichi	February 28, 2007	695	0.4	712	1	49	1,800.00	1,800.00	100.0
B-7	Ciel Yakuin	Fukuoka, Fukuoka	March 3, 2005	640	0.4	647	40	43	1,544.87	1,474.26	95.4
B-8	Kanda Reeplex R's	Chiyoda Ward,Tokyo	January 11, 2006	1,813	1.2	1,900	41	105	2,183.93	2,183.93	100.0
Residential Total				19,773	12.7	20,264	414	1,264	39,272.61	38,275.25	97.5
C-1	Otakibashi Pacifica Building	Shinjuku Ward, Tokyo	October 15, 2008	3,350	2.1	3,350	7	161	1,383.31	1,256.33	90.8
C-2	Komyoike Act	Sakai, Osaka	April 15, 1988	2,063	1.3	2,130	24	186	6,466.99	5,992.14	92.7
Retail Total				5,413	3.5	5,480	31	348	7,850.30	7,248.47	92.3
Portfolio Total				156,068	100.0	160,674	781	9,159	202,969.84	191,477.24	94.3

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(Note 1) "Construction completion" of building is the date of new construction in the registry.

(Note 2) "Number of tenants" is the total number of tenants (excluding warehouse, signboard, parking lot, etc.) in the lease agreement of the real estate that is the trust property indicated in each lease agreement for the real estate that is the trust property as of October 31, 2014. Furthermore, in cases where a pass-through type master lease agreement is scheduled to be concluded for the concerned asset, the total number of end tenants (excluding warehouse, signboard, parking lot, etc.) is stated. However, even in the case of a pass-through type master lease agreement, in cases where the sub lessee subleasing the entire property from the master lease company has been entrusted with property management and shall pay fixed rent to the master lease company, the total number of tenants is stated as 1.

(Note 3) "Annual rent income" is the annual rent, or the amount annualized by multiplying the monthly rent by 12, for the building indicated in each lease contract or each provisional lease contract for the real estate that is the trust property as of October 31, 2014, (for the real estate that is the trust property under several lease agreements, the sum total amount thereof. In addition, common area maintenance charges are included, but storage shed, signboard, parking lot, etc. usage fees are not included, and free-rent is not taken into account (excluding consumption taxes), and rounded down to the nearest million yen. However, in cases where a pass-through type master lease agreement is scheduled to be concluded between the master lease company and the lessor, etc. in which, in principle, the rent, etc. from end tenants is received as is, the annual rent, or the amount annualized by multiplying the monthly rent by 12, indicated in each sublease contract or each provisional sublease contract with end tenants for the real estate that is the trust property as of October 31, 2014, (for the real estate that is the trust property under several lease agreements, the sum total amount thereof. In addition, common area maintenance charges are included, but storage shed, signboard, parking lot, etc. usage fees are not included, and free-rent is not taken into account (excluding consumption taxes), and rounded down to the nearest million yen is stated.

(Note 4) "Total leasable floor space" is the floor space regarded as being available for leasing based on the lease agreement or building drawing, etc. of the building of each asset as of October 31, 2014 for the real estate that is the trust property.

(Note 5) "Total leased floor space" is the sum total of the leased floor space indicated in each lease contract or each provisional lease contract for the real estate that is the trust property as of October 31, 2014. However, in cases where a pass-through type master lease agreement is scheduled to be concluded, the sum total of the leased floor space of end tenants indicated in each sublease contract or each provisional sublease contract for the real estate that is the trust property as of October 31, 2014. Furthermore, because there are cases where leased floor space indicated in lease contracts, etc. includes the portion not included in total floor space, there are cases where total leased floor space may exceed total floor space.

(Note 6) "Occupancy rate" is the ratio of the leased floor space to the leasable floor space for the real estate that is the trust property as of October 31, 2014, and rounded to one decimal place.

(Note 7) Based on a certificate of inspection

(Note 8) Not disclosed because consent has not been obtained from the end tenant.

(Note 9) Not disclosed because consent has not been obtained from the sublesee.

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