Japan Logistics Fund, Inc.

September 1, 2015

For Immediate Release

Real Estate Investment Trust
Japan Logistics Fund, Inc.
Representative: Takayuki Kawashima
Executive Director
(Security Code: 8967)

Asset Management Company
Mitsui & Co., Logistics Partners Ltd.
Representative: Takayuki Kawashima
President
Contact: Ryota Sekiguchi
Deputy General Manager,
Corporate Planning &Finance Dept.
TEL +81-3-3238-7171

Notice Concerning Acquisition and Lease Initiation of Newly Acquired Assets (4 Properties)

Mitsui & Co., Logistics Partners Ltd. (hereinafter referred to as "MLP"), the asset management company of Japan Logistics Fund, Inc. (hereinafter referred to as "JLF"), announced today that MLP has decided the acquisition and lease initiation of new assets, as detailed below:

1. Outline of the acquisition

(1) Newly acquired assets (4 properties)

Property number	Property name	Date of contract	Seller	Acquisition price (million yen)	Appraisal value (million yen)	Expected NOI yield (%)
M-27	Chiba-Kita Logistics Center	September 4, 2015	JA Mitsui Leasing Tatemono, Ltd.	1,459	1,770	6.5
M-28	Chiba-Kita Logistics Center II	September 11, 2015	Spika Limited Liability Company	4,608	5,070	5.6
M-29	Urayasu Chidori Logistics Center III	September 11, 2015	Vega Limited Liability Company	1,053	1,360	6.8
M-30	Zama Logistics Center	October 1, 2015	TMK Sirius	1,728	1,910	5.9
Total		—	—	8,848	10,110	—

(2) Fund source : Proceeds from the issuance of new investment units, bank loans and cash in hand.
Please refer to the following press releases for details of the issuance of new investment units and of bank loans.
"Notice Concerning the Issuance of New Investment Units and Secondary Offering of Investment Units" dated September 1, 2015
"Notice Concerning Borrowing Capital" dated September 1, 2015

(3) Payment method : Lump-sum payment on the day of closing.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

2. Rationale and highlights for the acquisition

JLF announced its medium-term business plan "stable + Growth" in March 2013, and put the highest priority to execute the plan in order to grow dividends per unit and increase unrealized gain of the portfolio. As an important step towards achieving the targets of this plan ahead of schedule and moving on to the next stage "stable + Growth 2.0" (Note 1), JLF has decided the acquisition of the newly acquired assets.

JLF believes that purchasing property at "appropriate prices" based on the characteristics of individual properties, such as the location and building specifications, is essential to achieve sustainable growth. JLF purchases all newly acquired assets through off-market transactions, rather than competitive bidding, by using bridge funds and other means as the competition to acquire logistics facilities increasingly intensifies. Among the newly acquired assets, Chiba-Kita Logistics Center II, Urayasu Chidori Logistics Center III, and Zama Logistics Center are the assets for which JLF has obtained preferential negotiation rights in the acquisition of equity interest in the silent partnership operated by Logistics Fund III Limited Liability Company. JLF has exercised these preferential negotiation rights to purchase the aforementioned three properties (Note 2).

The total price of the newly acquired assets, 8.8 billion yen, is lower than their total appraisal value of 10.1 billion yen, and the discount from the appraisal value is 12.5%. The unrealized gain of the portfolio after the purchase of the newly acquired assets, including the effect of acquiring these assets at the "appropriate prices," is expected to be 58.7 billion yen, the unrealized gain margin is expected to be 29.4% (Note 3), and the dividends per unit are forecast to be 4,000 yen in the fiscal period ending January 2016 (the 21st period) and 4,000 yen in the fiscal period ending July 2016 (the 22nd period) (Note 4).

Dividends per unit (forecasts)
The 21st period 4,000 yen
The 22nd period 4,000 yen

Portfolio after the acquisition of newly acquired assets (42 properties)
AUM 212.6 billion yen
Unrealized gain 58.7 billion yen
Unrealized gain margin 29.4%

(Note) Discount from appraisal value, expected NOI, and appraisal NOI of newly acquired assets

Property number	M-27	M-28	M-29	M-30
Property name	Chiba-Kita Logistics Center	Chiba-Kita Logistics Center II	Urayasu Chidori Logistics Center III	Zama Logistics Center
Acquisition price (million yen)	1,459	4,608	1,053	1,728
Appraisal value (million yen)	1,770	5,070	1,360	1,910
Discount from appraisal value	17.6%	9.1%	22.6%	9.5%
Expected NOI (million yen)(Note5)	95	259	71	101
Expected NOI yield (acquisition price base)	6.5%	5.6%	6.8%	5.9%
Appraisal NOI (million yen)(Note6)	129	257	62	101
Appraisal NOI yield (acquisition price base)	8.9%	5.6%	5.9%	5.9%

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

(Note 1) JLF and MLP have started discussions regarding the development of "stable + Growth 2.0," JLF's medium-term business plan set to follow "stable + Growth." However, at this time it has not yet been decided when this plan will be implemented. The name "stable + Growth 2.0" may also be changed.

(Note 2) The Silent Partnership Agreement signed between JLF and Logistics Fund III Limited Liability Company ("Mother SPC") is a two-layered investment scheme, in which JLF, the investor, makes a silent partnership investment in Mother SPC. Using this investment, Mother SPC makes silent partnership investments (including preferred investments) in special purpose companies ("Baby SPC") established for each property investment. The sellers of Chiba-Kita Logistics Center II, Urayasu Chidori Logistics Center III, and Zama Logistics Center are the baby SPCs founded for each of these property investments. JLF obtained the preferential negotiation rights for the property in the acquisition of equity interest in the silent partnership operated by Mother SPC. See "Notice Concerning Conclusion of Silent Partnership Agreement" dated May 29, 2013 for details about the two-layer investment scheme and Silent Partnership Agreement.

(Note 3) The appraisal value and book value to calculate the unrealized gain after the purchase of the newly acquired assets (the amount after subtracting the book value from the appraisal value (an unrealized loss if the balance is negative)) and the unrealized gain margin (ratio of unrealized gain to the book value) are calculated based on the following.

- The appraisal value and book value of the property owned at the end of the period ended July 2015 (the 20th period) are based on the appraisal value and book value as of July 31, 2015.
- The appraisal value of the newly acquired assets is based on that as of July 31, 2015, and the book value of the newly acquired assets is based on the amount determined by performing the following calculation.

  Book value = Acquisition price + Expected adjusted amount of taxes and public dues (expected total of property tax and city planning tax for the year to which the date of purchase belongs, adjusted by proportionally dividing the amount with the seller for the period of ownership) + Expected compensation for asset management paid to MLP (purchase reward) + Expected brokerage fees

  The above is an approximate amount that is expected as of today, and additional expenses associated with the purchase may arise in the asset capitalization. For this reason, it may not be consistent with the actual book value.

(Note 4) See "Notice Concerning Amendment of Forecasts for the Fiscal Period Ending January 31, 2016, and Forecasts for the Fiscal Period Ending July 31, 2016" dated September 1, 2015, for details about the forecast dividends per unit and assumptions regarding forecasts.

(Note 5) The figures are not the forecasts of the fiscal period ending January 31, 2016 or the fiscal period ending July 31, 2016, but normalized estimates based on annual income/expenses projection.

(Note 6) The figures are the net operating income which will be the premise of the appraisal value by direct capitalization method indicated in the appraisal report.

The tenants of the newly acquired assets have been selected based on the standards specified by JLF and MLP. All tenants are qualified. (See "Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties" (Japanese) dated April 30, 2015 for the selection criteria.)

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

3. Details of the newly acquired assets

【M-27 Chiba-Kita Logistics Center】

(1) Outline of the newly acquired asset

Outline of the asset			Outline of the appraisal		
Asset type		Real estate	Real estate appraiser		The Tanizawa Sogo Appraisal Co., Ltd.
Planned date of the acquisition		September 4, 2015	Date of the appraisal		July 31, 2015
Acquisition price		1,459 million yen	Appraisal value		1,770 million yen
Land	Location	1004 Yokodocho, Hanamigawa-ku, Chiba, Chiba	Income approach		1,770 million yen
	Site area (Note 1)	21,605.94 m^2		Discounted cash flow approach	1,750 million yen
	Zoning	Not specified (urbanization control area)		Discount rate	4.7% and 4.9%
	Floor-area ratio	200%		Terminal cap rate	5.1%
	Building-to-land ratio	60%		Direct capitalization approach	1,810 million yen
	Type of ownership	Ownership		Cap rate	5.4%
Building	Structure/Story (Note 1)	Steel frame with galvanized steel sheet roof, 4-story building, and other	Cost approach		2,350 million yen
	Date of completion (Note 1)	October 30, 1995		Land (percentage)	51.5%
	Total floor area (Note 1)	15,298.53 m^2		Building (percentage)	48.5%
	Total rentable area	14,828.38 m^2			
	Usage (Note 1)	Warehouse, office, guard station			
	Type of ownership	Ownership			
Property Management Company		XYMAX PROPERTIES Corporation			
Collateral		None			
Outline of the lease contract			Outline of the engineering report		
Number of tenants		1	Survey company		Takenaka Corporation
Name of tenant		Hitachi Transport System, Ltd.	Issue date of the engineering report		August 6, 2015
Annual rent (excluding consumption tax)		Not disclosed (Note 2)	Urgent repairs		450,000 yen
Lease deposit		Not disclosed (Note 2)	Short-term repairs		―
Total rent area (Note 3)		14,828.38 m^2	Long-term repairs		346,550,000 yen
Occupancy		100.0%	PML		8.4% (Note 5)
Expected income/expense (Note 4)			Design company, construction company and building certification company		
Income (including auxiliary income)		Not disclosed (Note 2)	Design company		Hitachi Architects & Engineers Co., Ltd.
NOI		95 million yen	Construction company		Tada Corporation
NOI yield (based on acquisition price)		6.5%	Building certification company		Chiba City
Remarks: None.					

(Note1) The outline shown here is according to the real estate registry and may differ from the present state.
(Note2) Not disclosed, for unable to obtain tenants' consent.
(Note3) In general, there are minor differences between the definition of "rentable area" as determined by JLF and the definition of "rent area" as determined by the lease contracts. The total rent area represents the sum of the rent area included in the rentable area. It is possible that some of the rent area is not included in the rentable area.
(Note4) The figures are not forecasts for the fiscal period ending January 2016 or the fiscal period ending July 2016, but normalized estimations based on annual income and expense projections.
(Note5) The figures are based on Shimizu Corporation's seismic risk analysis report.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

(2) Characteristics of this asset

<Acquisition Highlights>

- Location well suited for logistics as it faces Route 16, a major national loop road in the Tokyo metropolitan area, enabling wide-area distribution including Chiba prefecture
- A virtual sale and leaseback transaction with Hitachi Transport System, Ltd., Japan's one of the largest 3PL companies
- Renovation work will be carried out during the bridge period of the sponsor group in order to fulfill the investment criteria

a. Geographical characteristics

- This property is located approximately 45 km from central Tokyo, in the Chiba city area where many logistics facilities are located around the Chiba-Kita interchange, which is the intersection of Route 16, a major national loop road, and the Higashi-Kanto Expressway.
- The property enables wide-area distribution including Chiba prefecture as it features excellent access to expressways, situated approximately 2.8 km from the Chiba-Kita Interchange, and faces Route 16.
- The environment is suitable for logistics operations with stores and green areas nearby. The location is surrounded by a residential area with a well-established bus route network, which makes it relatively easy to secure labor.

b. Facility Characteristics

- This facility is a highly versatile two-story box-type logistics center with standard specifications such as an effective column interval of 12.0 m x 8.0 m, an effective ceiling height of 8.3 m (6.65 m for the second floor), and a floor load capacity of 1.5 t/m^2 (1.2 t/m^2 for the second floor).
- A spacious truck yard enables swift and efficient operations for logistics companies by using dual-sided truck berths.

c. Tenant

- Entered into a fixed-term lease contract with Hitachi Transport System, Ltd., Japan's one of the largest 3PL companies.





Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

【M-28 Chiba-Kita Logistics Center II】

(1) Outline of the newly acquired asset

Outline of the asset			Outline of the appraisal		
Asset type		Trust beneficiary right of real estate	Real estate appraiser		The Tanizawa Sogo Appraisal Co., Ltd.
Planned date of the acquisition		September 11, 2015	Date of the appraisal		July 31, 2015
Planned acquisition price		4,608 million yen			
Trustee		Sumitomo Mitsui Trust Bank Co., Limited	Appraisal value		5,070 million yen
End of the trust		April 30, 2024			
Land	Location	55-1 Naganumacho, Inage-ku, Chiba, Chiba	Income approach		5,070 million yen
	Site area (Note 1)	22,684.43 m^2	Discounted cash flow approach		5,070 million yen
	Zoning	Type 1 residential area (Note 2)		Discount rate	4.6% and 4.8%
	Floor-area ratio	200%		Terminal cap rate	5.1%
	Building-to-land ratio	60%	Direct capitalization approach		5,060 million yen
	Type of ownership	Ownership		Cap rate	4.9%
Building	Structure/Story (Note 1)	Steel frame with deck roof, 4-story building	Cost approach		4,820 million yen
	Date of completion (Note 1)	March 24, 1997	Land (percentage)		63.2%
	Total floor area (Note 1)	25,818.00 m^2	Building (percentage)		36.8%
	Total rentable area	25,080.00 m^2			
	Usage (Note 1)	Warehouse, office			
	Type of ownership	Ownership			
Property Management Company		Nippon Kanzai Co., Ltd.			
Collateral		None			

Outline of the lease contract		Outline of the engineering report	
Number of tenants	1	Survey company	Tokio Marine & Nichido Risk Consulting Co., Ltd.
Name of tenant	Toshiba Logistics Corporation	Issue date of the engineering report	August 6, 2015
Annual rent (excluding consumption tax)	Not disclosed (Note 3)	Urgent repairs	1,500,000 yen (Note 6)
Lease deposit	Not disclosed (Note 3)	Short-term repairs	—
Total rent area (Note 3) Occupancy	25,080.00 m^2	Long-term repairs	170,656,000 yen
Number of tenants	100.0%	PML	6.8% (Note 7)
Expected income/expense (Note 4)		Design company, construction company and building certification company	
Income (including auxiliary income)	Not disclosed (Note 3)	Design company	Daiwa House Industry Co., Ltd.
NOI	259 million yen	Construction company	Daiwa House Industry Co., Ltd.
NOI yield (based on acquisition price)	5.6%	Building certification company	Chiba City

Remarks: None.

(Note1) The outline shown here is according to the real estate registry and may differ from the present state.
(Note2) Generally, construction of warehouses in type 1 residential area is prohibited. This property, however, received authorization of temporal zoning change from local government in accordance with the Building Standards Law Article 48 (1) Note. In case JLF plans to extend or redevelop the building, JLF is required to receive the same authorization from the local government.
(Note3) Not disclosed, for unable to obtain tenants' consent.
(Note4) In general, there are minor differences between the definition of "rentable area" as determined by JLF and the definition of "rent area" as determined by the lease contracts. The total rent area represents the sum of the rent area included in the rentable area. It is possible that some of the rent area is not included in rentable area.
(Note5) The figures are not forecasts for the fiscal period ending January 2016 or the fiscal period ending July 2016, but normalized estimations based on annual income/expense projections.
(Note6) Urgent repair costs are planned to be recovered from the tenant or seller.
(Note7) The figures are based on Shimizu Corporation's seismic risk analysis report.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

(2) Characteristics of this asset

<Acquisition Highlights>

- Location well suited for logistics as it is adjacent to Route 16, a major national loop road in the Tokyo Metropolitan Area, enabling wide-area distribution including Chiba prefecture
- A highly versatile logistics facility with L-shaped, dual-sided truck berths and a spacious truck yard
- An acquisition using the bridge function of the sponsor group (discount from the appraisal value: 9.1%)

a. Geographical characteristics

- This property is located approximately 45 km from central Tokyo, in the Chiba city area where many logistics facilities are located around the Chiba-Kita Interchange, which is the intersection of Route 16, a major national loop road, and the Higashi-Kanto Expressway.
- The property enables wide-area distribution including Chiba prefecture as it features excellent access to expressways, situated approximately 1.4 km from the Chiba-Kita Interchange, and faces Route 16.
- The area, with a mix of logistics facilities and houses, is considered suitable for distribution, and the development of a new logistics facility is planned nearby. The location is surrounded by a residential area, a well-established bus route network, and a large parking lot (capacity 104 cars), which makes it relatively easy to secure labor.

b. Facility Characteristics

- This facility is a highly versatile three-story box-type logistics center with sufficient specifications such as an effective column interval of 11.0 m x 10.0 m, an effective ceiling height of 6.7 m or higher, and a floor load capacity of 1.0 t/m^2 (1.5 t/m^2 for some sections).
- An L-shaped, dual-sided truck berth and spacious truck yard as well as multiple units of vertical transport equipment (2 freight elevators and 4 vertical transport devices) enable efficient inflow, outflow, internal flow and storage of goods, as well as meeting a wide-range of tenant needs.

c. Tenant

- Entered into a fixed-term lease contract with Toshiba Logistics Corporation, which offers logistics solutions to wide-ranging general cargo owners.
- In addition to storing and shipping goods of group companies, the facility is used as a base for external 3PL operators.





Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

【M-29 Urayasu Chidori Logistics Center III】

(1) Outline of the newly acquired asset

Outline of the asset			Outline of the appraisal		
Asset type		Trust beneficiary right of real estate	Real estate appraiser		Daiwa Real Estate Appraisal Co., Ltd.
Planned date of the acquisition		September 11, 2015	Date of the appraisal		July 31, 2015
Planned acquisition price		1,053 million yen			
Trustee		Sumitomo Mitsui Trust Bank Co., Limited	Appraisal value		1,360 million yen
End of the trust		September 30, 2023			
Land	Location	15-19 Chidori, Urayasu, Chiba	Income approach		1,360 million yen
	Site area (Note 1)	4,322.32 m^2		Discounted cash flow approach	1,360 million yen
	Zoning	Semi-industrial area			
	Floor-area ratio	200%		Discount rate	4.3%
	Building-to-land ratio	60%		Terminal cap rate	4.7%
	Type of ownership	Ownership			
Building	Structure/Story (Note 1)	Steel-frame, steel-reinforced concrete structure, galvanized steel sheet roof, 4-story building		Direct capitalization approach	1,350 million yen
	Date of completion (Note 1)	December 18, 1998			
	Total floor area (Note 1)	5,314.80 m^2		Cap rate	4.4%
	Total rentable area	5,314.80 m^2			
	Usage (Note 1)	Warehouse, office	Cost approach		1,230 million yen
	Type of ownership	Ownership			
Property Management Company		CRE, Inc.		Land (percentage)	72.8%
Collateral		None		Building (percentage)	27.2%

Outline of the lease contract		Outline of the engineering report	
Number of tenants	1	Survey company	Shimizu Corporation
Name of tenant	Not disclosed (Note 2)	Issue date of the engineering report	August 4, 2015
Annual rent (excluding consumption tax)	Not disclosed (Note 2)	Urgent repairs	—
Lease deposit	Not disclosed (Note 2)	Short-term repairs	100,000 yen
Total rent area (Note 3)	5,314.80 m^2	Long-term repairs	45,015,000 yen
Occupancy	100.0%	PML	10.9%
Expected income/expense (Note 4)		Design company, construction company and building certification company	
Income (including auxiliary income)	Not disclosed (Note 2)	Design company	Matsumoto-Sekkei, Ltd.
NOI	71 million yen	Construction company	Nittoc Construction Co., Ltd.
NOI yield (based on acquisition price)	6.8%	Building certification company	Chiba prefecture

Remarks: According to the investigation, a part of this land contained detrimental substance. However, JLF confirmed from Shimizu Corporation that the concern for the existence of soil and groundwater pollution will be limited because of the following reasons; 1) it is quite likely that the materials used for landfill contained the detrimental substance, 2) in the use of landfill, there is no restriction if the material used for landfill contained the detrimental substance and the material was not brought artificially, and 3) if JLF needs to remove the soil of the land, no problems will arise if JLF conducts the soil investigation to find whether detrimental materials actually exist, and remove the soil with appropriate procedures.

(Note1) The outline shown here is according to the real estate registry and may differ from the present state.
(Note2) Not disclosed, for unable to obtain tenants' consent.
(Note3) In general, there are minor differences between the definition of "rentable area" as determined by JLF and the definition of "rent area" as determined by the lease contracts. The total rent area represents the sum of the rent area included in the rentable area. It is possible that some of the rent area is not included in rentable area.
(Note4) The figures are not forecasts for the fiscal period ending January 2016 or the fiscal period ending July 2016, but normalized

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

estimations based on annual income/expense projections.

(2) Characteristics of this asset

<Acquisition Highlights>

- Location well suited for logistics as it has excellent access to the Tokyo metropolitan area and gateways, enabling wide-area distribution to the entire Tokyo metropolitan area
- A highly versatile three-story box-type logistics facility that offers 24-hour operation
- An acquisition using the bridge function of the sponsor group (discount from the appraisal value: 22.6%)

a. Geographical characteristics

- The property is suitable for both consumer logistics for the Tokyo metropolitan area and import logistics using Tokyo Port (Oi Pier) that is located roughly 20 km from the property. The Urayasu area is a leading wide-area distribution base in Chiba prefecture for the entire Tokyo metropolitan area.
- Situated approximately 2.5 km from the Mihama Interchange of the Metropolitan Expressway Bay Shore Route and Route 357, which runs parallel to the Bay Shore Route, the location is highly rated as a logistics base for consumer goods that is adjacent to a large consumption area of the Tokyo metropolitan area.
- Since the property is located in one of the main areas in Chiba prefecture where large-scale logistics facilities are concentrated, there is no concern of claims from residents, enabling 24-hour operations on a long-term basis.
- Although the property is not within walking distance to the nearest station, Urayasu city is an area where many people commute by cars and buses, which makes it relatively easy to secure labor.

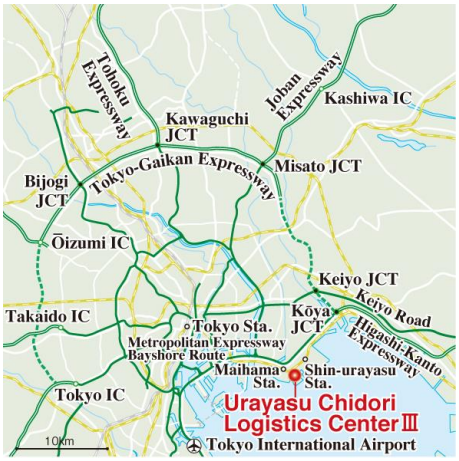
b. Facility Characteristics

- This facility is a highly versatile three-story boxed-type logistics facility with sufficient specifications such as an effective column interval of approximately 9 to 10 meters, an effective ceiling height of 5.1 m or higher, and a standard floor load of 1.2 t/m^2 (1.5 t/m^2 for the first floor).
- Elevated berths and vertical transport equipment enable efficient inflow, outflow, internal flow and storage of goods, as well as meeting a wide-range of tenant needs.

c. Tenant

- Entered into a fixed-term lease contract with a logistics operator with clients including a major telecom group.





Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

【M-30 Zama Logistics Center】

(1) Outline of the newly acquired asset

Outline of the asset			Outline of the appraisal		
Asset type		Trust beneficiary right of real estate (Note 1)	Real estate appraiser		Japan Real Estate Institute
Planned date of the acquisition		October 1, 2015	Date of the appraisal		July 31, 2015
Planned acquisition price		1,728 million yen			
Trustee (tentative)		Sumitomo Mitsui Trust Bank Co., Limited	Appraisal value		1,910 million yen
End of the trust (tentative)		September 30, 2025			
Land	Location	1-1-43 Komatsubara, Zama, Kanagawa	Income approach		1,910 million yen
	Site area (Note 2)	9,889.49 m^2		Discounted cash flow approach	1,890 million yen
	Zoning	Industrial area			
	Floor-area ratio	200%		Discount rate	4.6%
	Building-to-land ratio	60%			
	Type of ownership	Ownership		Terminal cap rate	5.1%
Building	Structure/Story (Note 2)	Steel frame with galvanized steel sheet roof, 3-story building			
	Date of completion (Note 2)	October 12, 2000		Direct capitalization approach	1,920 million yen
	Total floor area (Note 2)	9,358.53 m^2			
	Total rentable area	9,358.53 m^2		Cap rate	4.9%
	Usage (Note 2)	Warehouse, office, plant			
	Type of ownership	Ownership	Cost approach		1,940 million yen
Property Management Company (Tentative)		Mitsui Fudosan Building Management Co., Ltd.		Land (percentage)	70.2%
Collateral		None		Building (percentage)	29.8%

Outline of the lease contract		Outline of the engineering report	
Number of tenants	1	Survey company	Tokio Marine & Nichido Risk Consulting Co., Ltd.
Name of tenant	TOPS Corporation	Issue date of the engineering report	August 6, 2015
Annual rent (excluding consumption tax)	Not disclosed (Note 3)	Urgent repairs	―
Lease deposit	Not disclosed (Note 3)	Short-term repairs	―
Total rent area (Note 4)	9,358.53 m^2	Long-term repairs	109,670,000 yen
Occupancy	100.0%	PML	11.8% (Note 6)
Expected income/expense (Note 5)		Design company, construction company and building certification company	
Income (including auxiliary income)	Not disclosed (Note 3)	Design company	K・S Architect
NOI	101 million yen	Construction company	Fujita Corporation
NOI yield (based on acquisition price)	5.9%	Building certification company	Kanagawa prefecture

Remarks: None.

(Note1) This property has not yet placed in trust beneficiary right as of today. The seller will entrust the property before JLF's acquisition.
(Note2) The outline shown here is according to the real estate registry and may differ from the present state.
(Note3) Not disclosed, for unable to obtain tenants' consent.
(Note4) In general, there are minor differences between the definition of "rentable area" as determined by JLF and the definition of "rent area" as determined by the lease contracts. The total rent area represents the sum of the rent area included in the rentable area. It is possible that some of the rent area is not included in rentable area.
(Note5) The figures are not forecasts for the fiscal period ending January 2016 or the fiscal period ending July 2016, but normalized estimations based on annual income/expense projections.
(Note6) The figures are based on Shimizu Corporation's seismic risk analysis report.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

(2) Characteristics of this asset

<Acquisition Highlights>

- An inland location in Kanagawa prefecture, well suited for logistics with good access to large consumption areas and a well-established expressway network
- A logistics facility with high scarcity value and specifications that exceed standard logistic facilities
- An acquisition using the bridge function of the sponsor group (discount from the appraisal value: 9.5%)

a. Geographical characteristics

- The property is located in the Zama area, which is becoming a leading logistics base in the inland area of Kanagawa prefecture with large-scale logistics facilities being constructed on an old factory site.
- The location is suitable for wide-area distribution as well as regional distribution, due to its excellent access to expressways as it is situated roughly 2 km from Route 246, an arterial road within Kanagawa prefecture, and approximately 5 km from the Yokohama Machida Interchange of the Tomei Expressway and the Ken-O Atsugi Interchange of the Shuto-Ken-Chuo-Renraku Expressway.
- The property is located in an area where large-scale logistics facilities are concentrated, which enables 24-hour operation. Furthermore, as it is located near a residential area and features a well-established railway network, it is easy to secure labor.

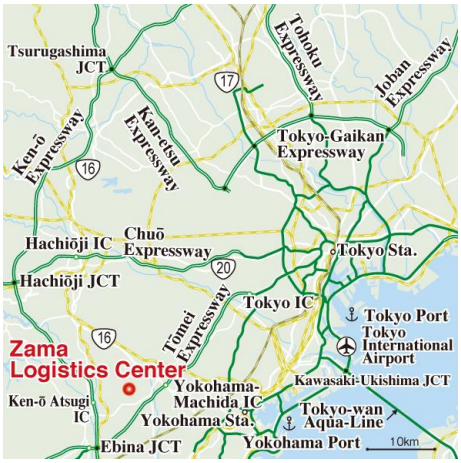
b. Facility Characteristics

- This facility is a highly versatile and scarce two-story box-type logistics facility with specifications that exceed standard logistics facilities such as an effective column interval of 10.5 m x 11.1 m, an effective ceiling height of 6.0 m (8.5 m for the second floor), and a floor load capacity of 2.0 t/m^2 (2.5 t/m^2 for the second floor).
- An L-shaped, dual-sided truck berth and vertical transport equipment enable efficient inflow, outflow, internal flow and storage of goods, as well as meeting a wide-range of tenant needs.
- The main truck berth has eaves as long as 26.5 m, which enable all-weather operations.

c. Tenant

- Entered into a normal lease contract with TOPS Corporation, which is engaged in the logistics business mainly in Kanagawa prefecture.





Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

4. Summary of the sellers

【M-27 Chiba-Kita Logistics Center】

Name	JA Mitsui Leasing Tatemono, Ltd.
Address	Higashi Gotanda Square, 2-10-2 Higashi Gotanda, Shinagawa-ku, Tokyo
Date of establishment	March 22, 1995
Representative	Takayuki Hozaki, President
Capital	100 million yen (as of March 31, 2015)
Principal business lines	Real estate leasing
Relation to JLF and MLP	The seller has no relationship, either in capital or in personnel, with JLF and MLP. There are no transactions that should be noted in the period ended July 2015 with JLF and MLP. In addition, the seller is not classified as an interested party of either JLF or MLP.

【M-28 Chiba-Kita Logistics Center II】

Name	Spica Limited Liability Company
Address	Tokyo Kyodo Accounting Office, 1-1 Marunouchi 3-chome, Chiyoda-ku, Tokyo
Date of establishment	March 13, 2014
Representative	M Logistics III (general incorporated association), Representative Partner Masakazu Hongo, Functional manager
Capital	1 million yen (as of September 1, 2015)
Shareholder	M Logistics III General Incorporated Association
Principal business lines	1. Accepting silent partnership investments 2. Acquisition, holding, sale and management of beneficiary rights on real estate trusts 3. Acquisition, holding, sale and management of real estate 4. All operations pertaining to or associated with each of businesses listed above
Relationship with JLF or MLP	
Capital relationship	There is no capital relationship between MLP and the Company that needs to be stated. JLF holds equity interest of 77 million yen (4.17% of total investment in the silent partnership) in the silent partnership operated by Logistics Fund III Limited Liability Company, which is Mother SPC of the Company (as of July 31, 2015). (Note)
Personnel relationship	There is no personal relationship between JLF or MLP and the Company that needs to be stated. There is no personal relationship between the persons and companies affiliated with JLF or MLP and persons and companies affiliated with the Company that needs to be specified.
Business relationship	There is no business relationship between JLF or MLP and the Company that needs to be stated other than the investment in the silent partnership stated in the above capital relationship.
Applicability to related parties	The Company is not a party related to JLF or MLP. The Company is an "interested party" as defined in the policy for preventing conflicts of interest of MLP because the Company entrusts asset management to Mitsui & Co., Realty Management Ltd., which is an interested Party, etc. specified in Article 201-1 of Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including subsequent revisions) ("Investment Trust Act").

(Note) Spica Limited Liability Company is a special purpose company founded by Logistics Fund III Limited Liability Company, the Mother SPC, for the purpose of investing in the property using the funds for the silent partnership provided by JLF and other investors. JLF exercised its preferential negotiation rights for the property, which were given in its investment in the silent partnership associated with the purchase. See "Notice Concerning Acquisition of Silent Partnership Equity Interests (Investment in Silent Partnership)" dated April 9, 2014, for details about the equity interest in the silent partnership and preferential negotiation rights.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

【M-29 Urayasu Chidori Logistics Center III】

Name	Vega Limited Liability Company
Address	Tokyo Kyodo Accounting Office, 1-1 Marunouchi 3-chome, Chiyoda-ku, Tokyo
Date of establishment	July 25, 2013
Representative	M Logistics III (general incorporated association), Representative Partner Masakazu Hongo, Functional manager
Capital	1 million yen (as of September 1, 2015)
Shareholder	M Logistics III General Incorporated Association
Principal business lines	1. Accepting silent partnership investments 2. Acquisition, holding, sale and management of beneficiary rights on real estate trusts 3. Acquisition, holding, sale and management of real estate 4. All operations pertaining to or associated with each of businesses listed above
Relationship with JLF or MLP	
Capital relationship	There is no capital relationship between MLP and the Company that needs to be stated. JLF holds equity interest of 77 million yen (4.17% of total investment in the silent partnership) in the silent partnership operated by Logistics Fund III Limited Liability Company, which is Mother SPC of the Company (as of July 31, 2015). (Note)
Personnel relationship	There is no personal relationship between JLF or MLP and the Company that needs to be stated. There is no personal relationship between the persons and companies affiliated with JLF or MLP and persons and companies affiliated with the Company that needs to be specified.
Business relationship	There is no business relationship between JLF or MLP and the Company that needs to be stated other than the investment in the silent partnership stated in the above capital relationship.
Applicability to related parties	The Company is not a party related to JLF or MLP. The Company is an "interested party" as defined in the policy for preventing conflicts of interest of MLP because the Company entrusts asset management to Mitsui & Co., Realty Management Ltd., which is an interested Party, etc. specified in Article 201-1 of Act on Investment Trusts and Investment Corporations.

(Note) Vega Limited Liability Company is a special purpose company founded by Logistics Fund III Limited Liability Company, the Mother SPC, for the purpose of investing in the property using the funds for the silent partnership provided by JLF and other investors. JLF exercised its preferential negotiation rights for the property, which were given in its investment in the silent partnership associated with the purchase. See "Notice Concerning Acquisition of Silent Partnership Equity Interests (Investment in Silent Partnership)" dated August 27, 2013 and "(Amendment) Notice Concerning Acquisition of Silent Partnership Equity Interests (Investment in Silent Partnership)" dated January 27, 2014, for details about the equity interest in the silent partnership and preferential negotiation rights.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

【M-30 Zama Logistics Center】

Name	TMK Sirius
Address	Tokyo Kyodo Accounting Office, 1-1 Marunouchi 3-chome, Chiyoda-ku, Tokyo
Date of establishment	February 24, 2014
Representative	M Logistics III (general incorporated association), Representative Partner Masakazu Hongo, Functional manager
Capital	100 thousand yen (as of September 1, 2015)
Shareholder	M Logistics III General Incorporated Association
Principal business lines	1. Acquisition, management and sale of the specified real estate according to plans for asset securitization based on the Act on Securitization of Assets. 2. All operations pertaining to or associated with each of businesses listed above
Relationship with JLF or MLP	
Capital relationship	There is no capital relationship between MLP and the Company that needs to be stated. JLF holds equity interest of 77 million yen (4.17% of total investment in the silent partnership) in the silent partnership operated by Logistics Fund III Limited Liability Company, which is Mother SPC of the Company (as if July 31, 2015). (Note)
Personnel relationship	There is no personal relationship between JLF or MLP and the Company that needs to be stated. There is no personal relationship between the persons and companies affiliated with JLF or MLP and persons and companies affiliated with the Company that needs to be specified.
Business relationship	There is no business relationship between JLF or MLP and the Company that needs to be stated other than the investment in the silent partnership stated in the above capital relationship.
Applicability to related parties	The Company is not a party related to JLF or MLP. The Company is an "interested party" as defined in the policy for preventing conflicts of interest of the asset management company because the Company entrusts asset management to Mitsui & Co., Realty Management Ltd., which is an interested Party, etc. specified in Article 201-1 of Act on Investment Trusts and Investment Corporations.

(Note) TMK Sirius is a special purpose company founded by Logistics Fund III Limited Liability Company, the Mother SPC, for the purpose of investing in the property using the funds for the silent partnership provided by JLF and other investors. JLF exercised its preferential negotiation rights for the property, which were given in its investment in the silent partnership associated with the purchase. See "Notice Concerning Acquisition of Silent Partnership Equity Interests (Investment in Silent Partnership)" dated March 4, 2014.

5. Current status of the sellers

The acquisition of Chiba-Kita Logistics Center is not from an entity with a material conflict of interest with JLF or MLP. The current status of sellers of other newly acquired assets is shown below:

【M-28 Chiba-Kita Logistics Center II】

	Current owner/beneficiary of the trust	Previous owner/beneficially of the trust
Name of company	Spika Limited Liability Company	Excluding interested parties
Special interest in JLF and the asset management company	See above 4. "Summary of the sellers"	—
Reason for acquisition	Investment management purposes	—
Acquisition price	Descriptions are omitted as the current owner/beneficiary of the trust has possessed the asset for more than one year	—
Date of acquisition	April 25, 2014	—

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

【M-29 Urayasu Chidori Logistics Center III】

	Current owner/beneficiary of the trust	Previous owner/beneficially of the trust
Name of company	Vega Limited Liability Company	Excluding interested parties
Special interest in JLF and the asset management company	See above 4. "Summary of the sellers"	—
Reason for acquisition	Investment management purposes	—
Acquisition price	Descriptions are omitted as the current owner/beneficiary of the trust has possessed the asset for more than one year	—
Date of acquisition	September 12, 2013	—

【M-30 Zama Logistics Center】

	Current owner/beneficiary of the trust	Previous owner/beneficially of the trust
Name of company	TMK Sirius	Excluding interested parties
Special interest in JLF and the asset management company	See above 4. "Summary of the sellers"	—
Reason for acquisition	Investment management purposes	—
Acquisition price	Descriptions are omitted as the current owner/beneficiary of the trust has possessed the asset for more than one year	—
Date of acquisition	March 20, 2014	—

6. Brokers

There are no brokers involved for Chiba-Kita Logistics Center II, Urayasu Chidori Logistics Center III and Zama Logistics Center. The broker for Chiba-Kita Logistics Center is shown below:

【M-27 Chiba-Kita Logistics Center】

Name of the broker	Fukuda and Partners Co., Ltd.
Address	1-7 Nihonbashi Kodenma-cho, Chuo-ku, Tokyo
Representative	Tetsuya Fukuda, President and CEO
Principal business lines	Project management operations and office of class-1 registered architects
Capital	50 million yen (as of September 1, 2015)
Date of establishment	December 13, 2001
Relation to JLF or MLP	The broker has no relationship, either in capital or in personnel, with JLF or MLP. There were no transactions that should be noted in the period ended July 2015, with JLF or MLP. In addition, the broker is not classified as a related party of either JLF or MLP.
Brokerage fee	Not disclosed (Note)

(Note) Not disclosed, for unable to obtain the broker's consent.

7. Transaction with an interested party

As the sellers of Chiba-Kita Logistics Center II, Urayasu Chidori Logistics Center III and Zama Logistics Center are interested parties as defined by MLP's Anti-Conflict-of-Interest Rule, the decisions of the acquisitions were approved by the board of directors and compliance committee of MLP in strict accordance with the rule.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

8. Future prospects

The financial results for the period ending January 2016 (the 21st Period) and the period ending July 2016 (the 22nd Period) based on the acquisitions are as stated in the "Notice Concerning Amendment of Forecasts for the Fiscal Period Ending January 2016 and Forecasts for the Fiscal Period Ending July 2016."

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

9. Outline of the appraisal

【M-27 Chiba-Kita Logistics Center】

Appraisal value	1,770 million yen
Real estate appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
Date of appraisal	July 31, 2015

Item	Details	Outline
Income approach value	1,770 million yen	Calculated based on the DCF method as a standard, after verifying the value with the direct capitalization approach
Direct capitalization approach	1,810 million yen	
Operating revenues	Not disclosed (Note)	
Total potential revenue	Not disclosed (Note)	Assessed reasonable rent level based on the current lease contracts
Loss such as vacancy	Not disclosed (Note)	
Operating expenses	Not disclosed (Note)	
Maintenance	0 yen	Not assumed
Utilities expenses	0 yen	Not assumed
Repairs	13 million yen	Assessed by prorating figures from Engineering Report and other similar cases
Property management fee	Not disclosed (Note)	Assessed based on the documents provided by JLF
Expenses for recruiting tenants	0 yen	Not assumed
Real estate taxes	14 million yen	Assessed based on the tax documents provided by the local public authority.
Casualty insurance premium	Not disclosed (Note)	Assessed based on the documents provided by JLF No earthquake insurance policy will be subscribed
Other expenses	0 million yen	Assessed based on figures from other similar cases
Net operating income	129 million yen	
Profit on the investment of a lump sum	Not disclosed (Note)	
Capital expenditure	32 million yen	Assessed by prorating figures from the Engineering Report and other similar cases.
Net cash flow	97 million yen	
Capitalization rate	5.4%	Assessed mainly based on the capitalization rate of logistics facilities in precedent market transactions, supported by regional characteristics and the uniqueness as well as stability of net operating income of the property.
DCF approach	1,750 million yen	
Discount rate	4.7% and 4.9%	Assessed by considering regional characteristics and the uniqueness of the property.
Terminal cap rate	5.1%	Assessed based on capitalization rate adjusted by future uncertainty risks, etc.
Cost approach	2,350 million yen	
Land percentage	51.5%	
Building percentage	48.5%	
Points of attention in the determination of appraisal value	Not applicable	

(Note) JLF has not disclosed these items because their disclosure may enable the lease terms and level of outsourcing fees to be estimated, which could have a negative impact on the efficient operations of JLF and cause disadvantage to investors.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

【M-28 Chiba-Kita Logistics Center II】

Appraisal value	5,070 million yen
Real estate appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
Date of appraisal	July 31, 2015

Item	Details	Outline
Income approach value	5,070 million yen	Calculated based on the DCF method as a standard, after verifying the value with the direct capitalization approach
Direct capitalization approach	5,060 million yen	
Operating revenues	Not disclosed (Note)	
Total potential revenue	Not disclosed (Note)	Assessed reasonable rent level based on the current lease contracts
Loss such as vacancy	Not disclosed (Note)	
Operating expenses	Not disclosed (Note)	
Maintenance	0 yen	Not assumed
Utilities expenses	0 yen	Not assumed
Repairs	6 million yen	Assessed by prorating figures from Engineering Report and other similar cases
Property management fee	Not disclosed (Note)	Assessed based on the documents provided by JLF
Expenses for recruiting tenants	0 yen	Not assumed
Real estate taxes	21 million yen	Assessed based on the tax documents provided by the local public authority
Casualty insurance premium	Not disclosed (Note)	Assessed based on the documents provided by JLF No earthquake insurance policy will be subscribed
Other expenses	0 million yen	Assessed based on figures from other similar cases
Net operating income	257 million yen	
Profit on the investment of a lump sum	Not disclosed (Note)	
Capital expenditure	12 million yen	Assessed by prorating figures from the Engineering Report and other similar cases.
Net cash flow	247 million yen	
Capitalization rate	4.9%	Assessed mainly based on the capitalization rate of logistics facilities in precedent market transactions, supported by regional characteristics and the uniqueness as well as stability of net operating income of the property.
DCF approach	5,070 million yen	
Discount rate	4.6%/4.8%	Assessed based on the base rate of warehouses set by the build-up method according to the yield of financial instruments and considering the uniqueness of the property.
Terminal cap rate	5.1%	Assessed based on capitalization rate adjusted by future uncertainty risks etc.
Cost approach	4,820 million yen	
Land percentage	63.2%	
Building percentage	36.8%	
Points of attention in the determination of appraisal value	Not applicable	

(Note) JLF has not disclosed these items because their disclosure may enable the lease terms and level of outsourcing fees to be estimated, which could have a negative impact on the efficient operations of JLF and cause disadvantage to investors.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

【M-29 Urayasu Chidori Logistics Center III】

Appraisal value	1,360 million yen
Real estate appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of appraisal	July 31, 2015

Item	Details	Outline
Income approach value	1,360 million yen	Calculated based on the DCF method as a standard, after verifying the value with the direct capitalization approach
Direct capitalization approach	1,350 million yen	
Operating revenues	Not disclosed (Note)	
Total potential revenue	Not disclosed (Note)	Assessed reasonable rent level based on the current lease contracts
Loss such as vacancy	Not disclosed (Note)	
Operating expenses	Not disclosed (Note)	
Maintenance	0 yen	Not assumed
Utilities expenses	0 yen	Not assumed
Repairs	1 million yen	Recorded by reference to the level of repair costs of similar properties and based on the judgment that the annual average repair costs stated in the Engineering Report are appropriate.
Property management fee	Not disclosed (Note)	Assessed based on the documents provided by JLF
Expenses for recruiting tenants	0 million yen	Assessed based on similar figures from other similar properties.
Real estate taxes	7 million yen	Assessed based on the tax documents provided by the local public authority.
Casualty insurance premium	Not disclosed (Note)	Assessed based on the documents provided by JLF No earthquake insurance policy will be subscribed
Other expenses	0 million yen	Assessed based on performances of past fiscal years.
Net operating income	62 million yen	
Profit on the investment of a lump sum	Not disclosed (Note)	
Capital expenditure	3 million yen	Recorded by reference to the level of replacement costs of similar properties, based on the judgment that the annual average replacements costs stated in the Engineering Report are appropriate and by considering CM fees.
Net cash flow	59 million yen	
Capitalization rate	4.4%	Assessed based on the capitalization rate of logistics facilities located in areas with the lowest risk and by reference to the uniqueness of the property as well as similar transaction cases.
DCF approach	1,360 million yen	
Discount rate	4.3%	Assessed based on comparison with discount rates of transactions of similar properties and the yield of other financial instruments.
Terminal cap rate	4.7%	Assessed by considering the marketability of the property at the end of the analysis period of capitalization rate.
Cost approach	1,230 million yen	
Land percentage	72.8%	
Building percentage	27.2%	
Points of attention in the determination of appraisal value	Not applicable	

(Note) JLF has not disclosed these items because their disclosure may enable the lease terms and level of outsourcing fees to be estimated, which could have a negative impact on the efficient operations of JLF and cause disadvantage to investors.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

【M-30 Zama Logistics Center】

Appraisal value	1,910 million yen
Real estate appraiser	Japan Real Estate Institute
Date of appraisal	July 31, 2015

Item	Details	Outline
Income approach value	1,910 million yen	Calculated by associating the direct capitalization approach value and the discounted cash flow approach value.
Direct capitalization approach	1,920 million yen	
Operating revenues	Not disclosed (Note)	
Total potential revenue	Not disclosed (Note)	Assessed reasonable rent level based on the current lease contracts
Loss such as vacancy	Not disclosed (Note)	
Operating expenses	Not disclosed (Note)	
Maintenance	0 million yen	Recorded bank transfer fees as other maintenance costs.
Utilities expenses	0 yen	Not assumed
Repairs	2 million yen	Recorded by reference to the actual amount of past fiscal years and by considering future operation management plans, level of repair costs of similar properties and the annual average repair costs stated in the Engineering Report.
Property management fee	Not disclosed (Note)	Assessed by reference to documents provided by JLF and by considering the remuneration rates for similar properties as well as the uniqueness of the property.
Expenses for recruiting tenants	0 yen	Not assumed
Real estate taxes	12 million yen	Assessed based on the tax documents provided by the local public authority and past standard amounts of taxation.
Casualty insurance premium	Not disclosed (Note)	Assessed based on the documents provided by JLF No earthquake insurance policy will be subscribed
Other expenses	0 yen	Not assumed
Net operating income	101 million yen	
Profit on the investment of a lump sum	Not disclosed (Note)	
Capital expenditure	8 million yen	Assessed by considering the level of capital expenditure of similar properties, the age of the building and the annual average replacement costs stated in the Engineering Report.
Net cash flow	93 million yen	
Capitalization rate	4.9%	Assessed by considering the standard capitalization rate of each area, the uniqueness of the property, future uncertainty risks, and the capitalization rate of similar properties in precedent market transactions.
DCF approach	1,890 million yen	
Discount rate	4.6%	Assessed by reference to the investment yield in transactions of similar properties and by comprehensively considering the uniqueness of the property, etc.
Terminal cap rate	5.1%	Assessed by reference to the capitalization rate of similar properties in precedent market transactions and by comprehensively considering future uncertainty risks, etc.
Cost approach	1,940 million yen	
Land percentage	70.2%	
Building percentage	29.8%	
Points of attention in the determination of appraisal value	Not applicable	

(Note) JLF has not disclosed these items because their disclosure may enable the lease terms and level of outsourcing fees to be estimated, which could have a negative impact on the efficient operations of JLF and cause disadvantage to investors.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

Japan Logistics Fund, Inc.

[Attached materials]Reference: Portfolio list after acquisition of the newly acquired assets

(End)

*JLF's website: http://8967.jp/eng/

This notice is the English translation of the announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

[Reference materials]
Portfolio list after acquisition of the newly acquired asset

#	Property Name	Location	Acquisition Price (Million Yen)	Ratio (Note 1)
M-1	Funabashi	Funabashi, Chiba	8,675	4.1%
M-2	Urayasu	Urayasu, Chiba	2,902	1.4%
M-3	Hiratsuka	Hiratsuka, Kanagawa	1,466	0.7%
M-4	Shinkiba	Koto-ku, Tokyo	2,454	1.2%
M-5	Urayasu Chidori	Urayasu, Chiba	6,000	2.8%
M-6	Funabashi Nishiura	Funabashi, Chiba	5,700	2.7%
M-8	Kawasaki	Kawasaki, Kanagawa	10,905	5.1%
M-9	Narashino	Narashino, Chiba	1,690	0.8%
M-11	Yachiyo	Yachiyo, Chiba	7,892 (Note 2)	3.7%
M-12	Yokohama Fukuura	Yokohama, Kanagawa	9,800	4.6%
M-13	Yachiyo II	Yachiyo, Chiba	5,300	2.5%
M-14	Urayasu Chidori II	Urayasu, Chiba	1,640	0.8%
M-15	Ichikawa	Ichikawa, Chiba	4,550	2.1%
M-16	Shinonome	Koto-ku, Tokyo	11,800	5.6%
M-17	Narashino II	Narashino, Chiba	7,875	3.7%
M-18	Ichikawa II	Ichikawa, Chiba	17,415	8.2%
M-19	Souka	Souka, Saitama	6,360	3.0%
M-20	Tatsumi	Koto-ku, Tokyo	9,000	4.2%
M-21	Kashiwa	Kashiwa, Chiba	3,725	1.8%
M-22	Musashimurayama	Musashimurayama, Tokyo	8,650	4.1%
M-23	Kashiwa II (Land)	Kashiwa, Chiba	2,500	1.2%
M-24	Shin-Koyasu	Yokohama, Kanagawa	9,696	4.6%
M-25	Misato	Misato, Saitama	3,873	1.8%
M-26	Sagamihara	Sagamihara, Kanagawa	8,032	3.8%
M-27	Chiba-Kita	Chiba, Chiba	1,459	0.7%
M-28	Chiba-Kita II	Chiba, Chiba	4,608	2.2%
M-29	Urayasu Chidori III	Urayasu, Chiba	1,053	0.5%
M-30	Zama	Zama, Kanagawa	1,728	0.8%
Metropolitan Area (Bay, Inland) Subtotal			166,749	78.4%

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.

#	Property Name	Location	Acquisition Price (Million Yen)	Ratio (Note 1)
T-1	Daito	Daito, Osaka	9,762 (Note 3)	4.6%
T-2	Osaka Fukuzaki	Osaka, Osaka	4,096	1.9%
T-3	Kiyosu (Land)	Kiyosu, Aichi	685	0.3%
T-4	Kadoma	Kadoma, Osaka	989	0.5%
T-5	Komaki	Komaki, Aichi	2,100	1.0%
T-6	Komaki II	Komaki, Aichi	1,800	0.8%
T-7	Fukuoka Hakozaki Futo	Fukuoka, Fukuoka	2,797	1.3%
T-8	Tajimi	Tajimi, Gifu	9,310 (Note 4)	4.4%
T-9	Fukuoka Kashiihama	Fukuoka, Fukuoka	2,750	1.3%
T-10	Kasugai Logistics Center (Land)	Kasugai, Aichi	830	0.4%
Kinki Area, Chubu Area and Kyushu Area Subtotal			35,119	16.5%
O-1	Maebashi	Maebashi, Gunma	1,230	0.6%
O-2	Hanyu	Hanyu, Saitama	1,705	0.8%
O-3	Saitama Kisai	Kazo, Saitama	4,010	1.9%
O-4	Kazo	Kazo, Saitama	3,790	1.8%
Other Area Subtotal			10,735	5.0%
Portfolio Total			212,603	100.0%

(Note 1) The figures represent the proportion of the acquisition price to the overall portfolio.

(Note 2) The figure is calculated by adding the amount stated in the construction contract relating to the building after redevelopment (including the construction contract for additional works) (6,230 million yen) to the sale price stated in the initial sales contract (2,266 million yen), and deducting the costs associated with write-offs and demolition of the former building in July 2013 (603 million yen).

(Note 3) The figure is calculated by adding the amount stated in the construction contract relating to the Warehouse III (2,437 million yen) to the sale price stated in the initial sales contract (7,617 million yen), and deducting the costs associated with write-offs and demolition of the former building in July 2009 (291 million yen).

(Note 4) The sum of the acquisition price on October 8, 2013 and November 4, 2014

Note: This document is a public announcement regarding the acquisition of assets by JLF, and has not been prepared for the purpose of solicitation of investment. Investors should carefully read JLF's offering circular for the issue of new investment units and secondary offering and the notices of amendments thereto (if any), and make any investment decision at their own judgment and responsibility.