[For Translation Purposes Only]

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Notice Concerning Property Acquisition and Disposition

Nomura Real Estate Master Fund, Inc. ("Nomura Master Fund" or the "Fund") announced the decision made today by Nomura Real Estate Asset management Co., Ltd., a licensed investment trust management company retained by the Fund to provide asset management services, that it will acquire and dispose assets (the "Acquisition" and the "Disposition," respectively; the Acquisition and the Disposition collectively referred to as the "Transaction"), as described below.

1. Summary of Assets to be Acquired/Disposed

1) Summary of Assets to be Acquired

No.	Property name	Use	Date of agreement	(Scheduled) Date of acquisition	Seller	Acquisition price (¥million)(Note1)
1	Landport Kashiwa Shonan II	Logistics	May 17, 2016	Sep.1, 2016	Nomura Real Estate Development Co., Ltd.	10,800
2	Ryotokuji University Shin-Urayasu Campus(Land) (Note2)	Other(Note3) (Land)	May 10, 2016	May 26, 2016	Ryotokuji University	4,900
Total						15,700

(Note 1) The amount excluding acquisition related costs, property tax, city planning tax, consumption tax and local consumption tax is stated.
(Note 2) This is the name attached by Nomura Master Fund for this acquisition.
(Note 3) "Other" means other use except for logistics, retail, office, and residential.
(Note 4) Above two properties to be acquired are real estate.
(Note 5) Above two properties are scheduled to acquire using cash on hand and borrowing.

The above two properties will be collectively referred to as the "Two Properties," hereinafter.

2) Summary of Assets to be Disposed

No.	Property Name	Use	Date of agreement	(Scheduled) Date of disposition	Transferee	Transfer Price (¥million)	Book Value (¥million) (Note 1)	Difference (¥million)
1	NOF Nihonbashi Honcho Building (49%) (Note2)	Office	May 17, 2016	May 17, 2016	Nomura Real Estate Development Co., Ltd.	11,270	10,449	820
2	NOF Tameike Building	Office				4,500	4,801	-301
3	NOF Minami Shinjuku Building	Office				2,380	2,213	166
4	NOF Shinagawa Konan Building	Office	May 17, 2016	May 17, 2016	Undisclosed (Note3)	10,633 (Note4)	3,467	557(Note4)
5	Yokohama Odori Koen Building	Office					1,806	
6	JCB Sapporo Higashi Building	Office					3,251	
7	PRIME URBAN Hatagaya	Residential					469	
8	PRIME URBAN Sangen Jaya II	Residential					483	
9	PRIME URBAN Kamikitazawa	Residential					596	
合計					-	28,783	27,540	1,242

(Note1) Indicates anticipated Book Value as of the date of disposition.

(Note2) Of the beneficial interest in real estate trust owned by Nomura Master Fund, part (quasi-co-ownership interest: 49%) is scheduled to be transferred. Nomura Master Fund will continue to own the other section of the trust beneficial interest (quasi-co-ownership interest: 51%).

(Note3) As the Fund has not obtained an agreement with the Buyer, this information is not disclosed

(Note4) This assignment is an assignment to a single assignee under a single purchase agreement. The purchase price of each property is not disclosed as the assignee's consent to the disclosure thereof has not been obtained. In addition to the foregoing, the difference between the purchase price and the book value of each property is also not disclosed.

(Note5) Of the assets to be disposed, NOF Nihonbashi Honcho Building NOF Tameike Building, NOF Minami Shinjuku Building and NOF Shinagawa Konan Building is for its beneficial interest in real estate trust, others are real estate.

The above nine properties will be collectively referred to as the "Nine Properties." Of these, the three properties to be transferred to Nomura Real Estate Development Co., Ltd. ("Nomura Real Estate Development") will be referred to as the "Three Properties for the Sponsor" and the other six properties will be referred to as the "Six Properties for the Non-Sponsor."

2. Grounds

Nomura Master Fund" formulated the "Medium to Long Term Management Strategy" in November 2015 in order to realize stable management over the medium to long term through the sound growth of the portfolio size and the establishment of the fund brand. One of the main strategies of the Medium to Long Term Management Strategy is to conduct the Strategic Property Replacement (SPR) for the purpose of qualitatively improving the portfolio, taking advantage of the benefits arising from the fact that Nomura Master Fund became one of the largest diversified type REITs within Japan. Nomura Master Fund is aiming to establish a sustainable portfolio (Note) with stable high-quality performance, which is realized though the property replacement cycles by promoting SPR.

Nomura Master Fund has determined, at this time, to acquire the Two Properties and transfer the Nine Properties as part of the SPR.

(Note) For details of the "sustainable portfolio," please refer to page 2 of "Supplement Documentation for Press Release 'Acquisition and Disposition of the Assets' dated March 29, 2016" announced on March 29, 2016.

Realizing an Exchange Deal with the Sponsor: Acceleration of Mutual Growth through the Utilization of the "Leasing Business Value Chain"

The Three Properties for the Sponsor that are aging and are expected to see their profitability decrease even though they are in excellent locations (total scheduled transfer price: approx. ¥18.1 billion) will be sold to Nomura Real Estate Development, the sponsor, while a Landport series property which is an advanced logistics facility developed by Nomura Real Estate Development, will be acquired.

Regarding the sale and purchase agreement for the transfer of the Three Properties for the Sponsor, a provision granting preferential negotiation rights to Nomura Master Fund for if and when Nomura Real Estate Development is to sell the properties after redevelopment is expected.

Nomura Master Fund will actively utilize the "leasing business value chain" which is comprised of the "property acquisition pipeline" and the "management pipeline" (Note) to promote the acceleration of mutual growth.

(Note) With the merger of the pre-merger Nomura Real Estate Master Fund, Inc., Nomura Real Estate Office Fund, Inc. and Nomura Real Estate Residential Fund, Inc. (hereinafter collectively referred to as the "Three REITs Prior to the Merger"), four Nomura Real Estate Group companies (Nomura Real Estate Development, Nomura Real Estate Asset Management Co., Ltd., Nomura Real Estate Partners Co., Ltd. and GEO-AKAMATSU Co., Ltd.) have concluded a basic agreement with respect to leasing value chain whose purpose is the increase of marketability and customer satisfaction as well as the improvement of the brand strength in both hard and soft aspects through the sharing of information and know-how from the development of rental assets to ownership and management..

Accelerating the Property Replacement Plan: Largest Ever Transaction of 9 Properties with a Scheduled Transfer Price of ¥28.7 Billion and Acquisition of 2 properties with ¥15.7 Billion

As a transaction utilizing Nomura Master Fund's status of being one of Japan's largest diversified type REIT through the merger, the Fund will implement this large-scale transaction that utilizes the increased risk tolerance of the REIT and a functions as a cross-over deal spanning multiple sectors. The transaction includes investment in a university's land with leasehold right.

The total scheduled transfer price of the Nine Properties is ¥28.7 billion, the largest ever transaction for the REIT including the management periods of the Three REITs prior to the merger. The large-scale transaction also includes the scheduled acquisition of two properties with a total scheduled acquisition price of ¥15.7 billion.

Moreover, in consideration of the current real estate transaction market, Nomura Master Fund will increase the portfolio quality, such by lowering the average building age, at an earlier stage through an acceleration of the property replacement plans in the mid- to long-term management strategy.

3. Property Summary

(1) Property Summary of Assets to be Acquired

① Landport Kashiwa Shonan II

＜Investment Highlight＞

- The Landport series advanced and high-functioning logistics facility developed by Nomura Real Estate Development has high brand strengths addressing the detailed needs of tenants.
- The Landport series properties owned by Nomura Real Estate including the one to be acquired is now seven properties with approx. 307,000m^2 and a total acquisition price of ¥84.61 billion, and high occupancy has been maintained in the last year with an average of 99.8% (Note).
- Nomura Real Estate Development is continually advancing the development of the Landport series. The development of seven properties with more than 390,000m^2 is underway and continued acquisitions can be expected going forward.

(Note) The average occupancy rate from April 2015 to March 2016. The property is not included, since the completion of the property is April 13, 2016.

A) Location

- The property is located within 30km from central Tokyo, is approx. 12km from "Kashiwa IC" on the Joban Expressway and is near National Route 16. Access to the Tokyo bay area including the Port of Chiba which boasts the second highest cargo handling volume in Japan (Note) is excellent in addition to major consumption areas in the Tokyo metropolitan area.

  (Note) Based on Chiba Prefecture's 2015 annual report on port statistics.

- The property is located in an exclusive industrial district thus 24-hour logistics operations are possible.
- Employment can be secured from a wide area since one of Chiba Prefecture's leading bed towns is nearby and exclusive shuttle busses operate to and from Abiko Station on the JR Joban Line and Shin-Kamagaya Station on the Hokuso Railway Hokuso Line and other lines, a major transportation network of Chiba Prefecture.

B) Facilities

- As a slope-type facility, vehicles can connect to first and second floor berths. Moreover, the effective height under beams is 5.5m to 6.5m, an 11m×11m grid is employed for pillar span, floor space can be increased through utilization of the surplus volume ratio and adaptation to seasonal fluctuations of demand and increase of logistics volume after occupancy is possible. As such, the facility has a high functioning capacity and can meet the demands of various tenants.
- The property has a facility specification that takes the working environment into consideration such as with onsite parking space, office space, excellent cafeteria space, changing rooms, etc.

Property Name		Landport Kashiwa Shonan II
Type of Asset		Real Estate
Location (Note 1)	Registry	1043-1 Aza Niiyama Waka-shiraga Kashiwa-City, Chiba
	Street	1040-1 Waka-shiraga Kashiwa-City, Chiba
Access		12.3km from Kashiwa IC on the Joban Jidosha Road
Completion Date (Note 1)		April 13,2016
Use (Note 1)		Storage
Structure(Note 1)		S/SRC ,3F
Seismic Risk (PML)(Note2)		4.57% (Sompo Japan Nipponkoa Risk Management Inc.'s Earthquake PML Appraisal Report as of May, 2016)
Architect		The Zenitaka Corporation First-class architect Office
Structural Strength Calculator		The Zenitaka Corporation First-class architect Office
Constructor		The Zenitaka Corporation Tokyo Branch Office
Building Inspection Agency		Center of International Architectural Standard
Area (Note 2)	Land	49,164.98 ㎡
	Floor Area	51,485.62 ㎡
Type of Ownership	Land	usufruct
	Building	Ownership
Building Coverage Ratio		70%(Note3)
Floor Area Ratio		200%
Collateral		None
Property Management Company(Note 4)		Nomura Real Estate Development Co., Ltd., Nomura Real Estate Partners Co., Ltd.
Notes		・The land of this property comprises provisionally-allocated land and reserved land located within the area of the Land Readjustment Project of the Shonan Center land plot, which was executed as a Kashiwa City Planning Project by Kashiwa City Shonan Center Land Plot Readjustment Association (tochi kukaku seiri kumiai), as the project executor. The ownership of the reserved land will be acquired by the project executor on one day following the date of public notice on allocation of replotted land under the Land Readjustment Act (Act No. 119 of 1954, as amended). Under the purchase and sale agreement concerning the reserve land, it is stipulated that (i) on the same day of the acquisition by the project executor, NMF will acquire such reserve land from the project executor and (ii) after the completion of the registration accompanying allocation of replotted land, the ownership transfer registration will be made. As of today, allocation of replotted land is scheduled to be conducted in September 2017. ・NMF will acquire the right to use the reserve land by the project executor under the purchase and sale agreement concerning the reserve land. However, in the case where NMF desires to transfer such right of usage up to the completion of the registration accompanying allocation of replotted land, it is necessary to obtain an approval from the project executor. ・The boundaries of the land of this property are scheduled to be ultimately determined at the timing of the allocation of replotted land. ・The property management company, Nomura Real Estate Development Co., Ltd., Nomura Real Estate Partners Co., Ltd. are considered Related Party under the Law Concerning Investment Trust and Investment Corporation ("Investment Trust Law").
Scheduled Acquisition Price		¥10,800million
Appraisal Value and Method		¥11,000million (Based on the capitalization approach as of April 30, 2016) (Appraiser: Japan Valuers Co., Ltd.)
Appraisal NOI (Note 5)		¥530million
Leasing Status(As of May 9, 2016)(Note6)		
Total Number of Tenants		2
Tenant Name		Undisclosed

Total Rental Income	Undisclosed				
Security Deposits	Undisclosed				
Occupancy Rate	100.0%				
Total Leased Floor Space	50,539.27 ㎡				
Total Leasable Floor Space	50,539.27 ㎡				
Occupancy Rates in the Past(Note8)	February 2012	February 2013	February 2014	February 2015	February 2016
	-	-	-	-	-

(Note1) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note2) PML(Probable Maximum Loss)

PML shows the probable losses caused by a major earthquake, as a percentage of the expected recovery cost to the replacement cost. PML is calculated based on the statistical assumption that within next 475 years there is a 0.211% annual chance (10% probability of once every 50 years, i.e., average life time of buildings) of major earthquake occurring.

(Note3) The rights that are to be acquired by NMF on the scheduled acquisition date are (i) the right of usage of the provisionally-allocated land based on the applicable provisionally-allocated land designation and (ii) the right of usage of the reserve land based on the purchase and sale agreement concerning the reserve land. The ownership of the provisionally-allocated land will be acquired by NMF on the day following the public notice date of allocation of replotted land. With respect to the ownership of the reserve land, on the same day, after the project executor acquires such ownership, NMF will acquire the ownership from the project executor.

(Note4) Building Coverage ratio and Area ratio

The building coverage ratio and floor area ratio represent figures for the provisionally-allocated land and the reserved land. The Property is located in an industrial district where the building coverage ratio is 60% in principle. As the building is on a corner lot, however, an increased ratio of 70% applies.

(Note5) Property Management Company

Refers to the Property Management Company that is scheduled to be appointed.

(Note6) Appraisal NOI

"Appraisal NOI" indicates the annual NOI (operating income-operating expenses) described in the real estate appraisal report with April 30, 2016 as the appraisal date.

(Note7) Leasing Status

"Total Rental Income" and "Security Deposits" are undisclosed, as consent has not been obtained from the tenant.

"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

(Note8) Occupancy Rates in the Past

There is no corresponding matters since building is not completed until April 12, 2016. The figures are not described since corresponding period is short.

② Ryotokuji University Shin-Urayasu Campus(Land)

＜Investment Highlight＞

- This will be the first time for a J-REIT to acquire a university's land with leasehold right. Only a diversified type REIT that does not limit its sectors of investment can undertake such an initiative.
- Stable cash flow will be obtained based on a fixed-term lease agreement for long-term business of 50 years and the land has very high versatility.

A) Location

- Access to major business and commercial areas is excellent as the nearest station, Shin-Urayasu Station on the JR Keiyo Line, is a 20-minutes direct ride to Tokyo Station and a 29-minutes ride to Ginza Station. Furthermore, Haneda and Narita airports can be easily accessed through the operation of airport limousine busses and the area has a quality of rarity.
- Various retail facilities, lodging facilities, bridal facilities, condominiums, medical facilities, etc. are being developed and established on a schedule basis around Shin-Urayasu Station with the opening of the adjacent large-scale resort facility. A very beautiful townscape that stands out even in the Tokyo bayside area is in place

and a sense of uniqueness characterizes the location.

B) Tenant

- Gakko Hojin Ryotokuji University, the lessee, is a technical university that specializes in the healthcare field which will be increasingly necessary in an aging society with a low birth rate. Continual use is expected going forward as the facility has been positioned as the sole campus since its opening in 2006.
- There is high continuity backed by the lease agreement for long-term business of 50 years (termination not possible in the first 20 years).

Property Name		Ryotokuji University Shin-Urayasu Campus(Land)
Type of Asset		Real Estate
Location (Note 1)	Registry	5-8-4 Akemi, urayasu-City, Chiba
	Street	5-8-1 Akemi, urayasu-City, Chiba
Access		Shin-Urayasu Station on The JR Keiyo Line.
Completion Date(Note1)		-
Use(Note1)		-
Structure(Note1)		-
Seismic Risk (PML)(Note2)		-
Area (Note 1)	Land	14,431.35 ㎡(Note3)
	Floor Area	-
Type of Ownership	Land	Ownership
	Building	-
Building Coverage Ratio		60%
Floor Area Ratio		200%
Collateral		None
Property Management Company(Note3)		Nomura Real Estate Partners Co., Ltd.
Notes		The property management and master leasing company, Nomura Real Estate Partners Co., Ltd., is considered a Related Party under the Law Concerning Investment Trust and Investment Corporation ("Investment Trust Law").
Scheduled Acquisition Price		¥4,900million
Appraisal Value and Method		¥5,040million (Based on the DCF approach as of April 30, 2016) (Japan Real Estate Institute)
Appraisal NOI (Note 4)		¥191million
Leasing Status(As of May 9, 2016)(Note5)		
Total Number of Tenants		1
Tenant Name		Ryotokuji University
Total Rental Income		Undisclosed
Security Deposits		Undisclosed
Occupancy Rate		100.0%
Total Leased Floor Space		14,431.35 ㎡
Total Leasable Floor Space		14,431.35 ㎡

Occupancy Rates in the Past(Note7)	February 2012	February 2013	February 2014	February 2015	February 2016
	—	—	—	—	—

(Note1) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note2) PML(Probable Maximum Loss)

PML shows the probable losses caused by a major earthquake, as a percentage of the expected recovery cost to the replacement cost. PML is

calculated based on the statistical assumption that within next 475 years there is a 0.211% annual chance (10% probability of once every 50 years, i.e., average life time of buildings) of major earthquake occurring.

(Note3) Property Management Company

Refers to the Property Management Company that is scheduled to be appointed.

(Note4) Appraisal NOI

The initial-year net operating income using the DCF approach

(Note5)Leasing Status

"Total Rental Income" and "Security Deposits" are undisclosed, as consent has not been obtained from the tenant.

"Total Leased Floor Spaced "Security Deposits" are undisclosed, as consent has not been obtained from the tenant.aisal report with April 30, 2016 as the app "Total Leasable Floor Space"Security Deposits" are undisclosed, as consent has

(Note6)Occupancy Rates in the Past

The past occupancy rates are not measured as the Property was self-owned.

(2) Property Summary of Assets to be Disposed

① NOF Nihonbashi Honcho Building

Property Name		NOF Nihonbashi Honcho Building
Type of Asset		Trust beneficial interest(49% quasi co-ownership)(Note1)
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust term		From March 5, 2002 to February 28, 2032
Location (Note2)	Registry	2-4-1 Nihonbashi Honcho, Chuo Ward, Tokyo
	Street	2-7-1 Nihonbashi Honcho, Chuo Ward, Tokyo
Access		Mitsukoshimae Station on Tokyo Metro Ginza Line and Tokyo Metro Hanzomon Line Kanda Station and Shin-Nihombashi Station on JR Line
Area	Type of Ownership	Ownership
	Land(Note 2)	3,196.31 ㎡
	Building Coverage Ratio	100%(Note3)
	Floor Area Ratio	800%
Building	Type of Ownership	Ownership
	Use(Note 2)	Office,
	Completion Date(Note 2)	April 19 ,1961 (new built) April 16,1968 (expansion)
	Floor Area(Note 2)	29,430.67 ㎡
	Structure(Note 2)	SRC, B3/8F
Acquisition Price		¥10,486million(49%)
Transfer Price		¥11,270million(49%)
Book Value		¥10,465million(49%)
Difference		¥102million
Appraisal Value	Appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
	Appraisal Value	¥10,437million(49%)
	Appraisal Date	February 29,2016

Leasing Status (As of May 9, 2016)(Note 4)					
Total Number of Tenants	15				
Total Rental Income	¥1,375million				
Security Deposits	¥950million				
Occupancy Rate	98.9%				
Total Leased Floor Space	18,937.88㎡				
Total Leasable Floor Space	19,157.05㎡				
Occupancy Rates in the Past	February 2012	February 2013	February 2014	February 2015	February 2016
	97.4%	95.9%	100.0%	96.4%	98.9%

(Note1) Of which the trust beneficiary interest mainly in real estate that the Fund owns, the Fund will transfer the part (49% quasi co-ownership). The remaining part of the thrust beneficiary interest (51% quasi co-ownership) will be held by the Fund.

(Note2) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note3) Building Coverage

As the property is located within a commercial district, the Building Coverage is originally supposed to be 80%; however, the Building Coverage has been increased to 100%, as the property is in a fire prevention zone and certified fireproof.

(Note4) Leasing Status

"Total Rent Income" is the amount obtained by multiplying the monthly rent stated the lease agreement with end tenants actually leasing the building of the Property as of today by 12 (rounded down to the nearest million yen).

"Security Deposits" indicates the amount of security deposits, etc. stated in the aforementioned lease agreement (rounded down the nearest million yen).

"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

② NOF Tameike Building

Property Name		NOF Tameike Building
Type of Asset		Trust beneficial interest
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust term		From September 29, 2005 to September 30, 2025
Location (Note1)	Registry	1-130-12 Akasaka, Minato Ward, Tokyo
	Street	1-1-14 Akasaka, Minato Ward, Tokyo
Access		Tameike-Sanno Station on Tokyo Metro Ginza Line and Tokyo Metro Namboku Line
Area	Type of Ownership	Ownership
	Land(Note 1)	690.67 ㎡
	Building Coverage Ratio	100%(Note2)
	Floor Area Ratio	700%
Building	Type of Ownership	Ownership
	Use(Note 1)	Office
	Completion Date(Note 1)	August 10, 1959
	Floor Area(Note 1)	6,478.50 ㎡
	Structure(Note 1)	SRC, B1/9F
Acquisition Price		¥4,810million
Transfer Price		¥4,500million
Book Value		¥4,806million
Difference		△¥306million
Appraisal Value	Appraiser	Appraisal Firm A Square Ltd.
	Appraisal Value	¥4,480million
	Appraisal Date	February 29,2016

Leasing Status (As of May 9, 2016)(Note3)					
Total Number of Tenants	15				
Total Rental Income	¥316million				
Security Deposits	¥256million				
Occupancy Rate	100.0%				
Total Leased Floor Space	4,715.20㎡				
Total Leasable Floor Space	4,715.20㎡				
Occupancy Rates in the Past	February 2012	February 2013	February 2014	February 2015	February 2016
	95.6%	97.4%	85.4%	100.0%	100.0%

(Note1) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note2) Building Coverage

As the property is located within a commercial district, the Building Coverage is originally supposed to be 80%; however, the Building Coverage has been increased to 100%, as the property is in a fire prevention zone and certified fireproof.

(Note3) Leasing Status

"Total Rent Income" is the amount obtained by multiplying the monthly rent stated the lease agreement with end tenants actually leasing the building of the Property as of today by 12 (rounded down to the nearest million yen).

"Security Deposits" indicates the amount of security deposits, etc. stated in the aforementioned lease agreement (rounded down the nearest million yen).
"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

③ NOF Minami Shinjuku Building

Property Name		NOF Minami Shinjuku Building
Type of Asset		Trust beneficial interest
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust term		From January 30, 2003 to March 31, 2025
Location (Note1)	Registry	5-32-4 and 11 Sendagaya,Shibuya Ward, Tokyo
	Street	5-32-7 Sendagaya,Shibuya Ward, Tokyo
Access		Shinjuku Station and Yoyogi Station on JR Line Shinjuku Sanchome Station on Tokyo Metro Marunouchi Line and Tokyo Metro Fukutoshin Line, Toei Shinjuku Line
Area	Type of Ownership	Ownership
	Land(Note 1)	545.87 ㎡
	Building Coverage Ratio	100%(Note2)
	Floor Area Ratio	600%
Building	Type of Ownership	Ownership
	Use(Note 1)	Office,Retail,Parking
	Completion Date(Note 1)	March 4,1986
	Floor Area(Note 1)	3,160.05 ㎡
	Structure(Note 1)	SRC, B1/8F
Acquisition Price		¥2,210million
Transfer Price		¥2,380million
Book Value		¥2,213million
Difference		¥166million
Appraisal Value	Appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
	Appraisal Value	¥2,210million
	Appraisal Date	February 29,2016

Leasing Status (As of May 9, 2016)(Note3)					
Total Number of Tenants	6				
Total Rental Income	¥150million				
Security Deposits	¥154million				
Occupancy Rate	100.0%				
Total Leased Floor Space	2,464.71㎡				
Total Leasable Floor Space	2,464.71㎡				
Occupancy Rates in the Past	February 2012	February 2013	February 2014	February 2015	February 2016
	100.0%	100.0%	100.0%	100.0%	100.0%

(Note1) Location and other Items
Location (registry), Area, Completion Date, Use, Structure and Area are based on the information in the real estate registry. The section of approx. 43.03m² that is deemed to be road based on Article 42 Paragraph 2 of the Building Standards Law is included.

(Note2) Building Coverage
As the property is located within a commercial district, the Building Coverage is originally supposed to be 80%; however, the Building Coverage has been increased to 100%, as the property is in a fire prevention zone and certified fireproof.

(Note3) Leasing Status
"Total Rent Income" is the amount obtained by multiplying the monthly rent stated the lease agreement with end tenants actually leasing the building of the Property as of today by 12 (rounded down to the nearest million yen).
"Security Deposits" indicates the amount of security deposits, etc. stated in the aforementioned lease agreement (rounded down the nearest million yen).
"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

④ NOF Shinagawa Konan Building

Property Name		NOF Shinagawa Konan Building
Type of Asset		Trust beneficial interest
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust term		From December 8,2003 to December 31,2023
Location (Note1)	Registry	1-58-1 and 2 Higashi Citynagawa, Shinagawa Ward, Tokyo
	Street	1-2-5 Higashi Citynagawa, Shinagawa Ward, Tokyo
Access		Shinagawa Station on JR Line and Keikyu Line
Area	Type of Ownership	Ownership
	Land(Note 1)	3,240.30 ㎡
	Building Coverage Ratio	70%(Note2)
	Floor Area Ratio	300%
Building	Type of Ownership	Ownership
	Use(Note 1)	Office,Parking
	Completion Date(Note 1)	November 17, 1987
	Floor Area(Note 1)	10,077.02 ㎡
	Structure(Note 1)	SRC, B1/8F
Acquisition Price		¥3,460million
Transfer Price		Undisclosed(Note3)
Book Value		3,461million
Difference		Undisclosed(Note3)
Appraisal Value	Appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
	Appraisal Value	¥3,310million
	Appraisal Date	February 29,2016

Leasing Status (As of May 9, 2016)(Note4)					
Total Number of Tenants	6				
Total Rental Income	¥232million				
Security Deposits	¥193million				
Occupancy Rate	74.6%				
Total Leased Floor Space	5,458.37㎡				
Total Leasable Floor Space	7,314.95㎡				
Occupancy Rates in the Past	February 2012	February 2013	February 2014	February 2015	February 2016
	79.5%	85.5%	93.7%	100.0%	87.4%

(Note1) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note2) Building Coverage

The Property is located in a quasi-industrial district where the building coverage ratio is 60% in principle. As the building is on a corner lot, however, an increased ratio of 70% applies.

(Note3) The transfer of the Six Properties for the Non-Sponsor including this property is a transfer to a single transferee under a single sale and purchase agreement. The scheduled transfer price of each property is not disclosed as the transferee's consent to the disclosure thereof has not been obtained. Accordingly, the difference between the scheduled transfer price and the book value of each property is also not disclosed.

(Note4) Leasing Status

"Total Rent Income" is the amount obtained by multiplying the monthly rent stated the lease agreement with end tenants actually leasing the building of the Property as of today by 12 (rounded down to the nearest million yen).

"Security Deposits" indicates the amount of security deposits, etc. stated in the aforementioned lease agreement (rounded down the nearest million yen).

"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

⑤ Yokohama Odori Koen Building

Property Name		Yokohama Odori Koen Building
Type of Asset		Real Estate
Location	Registry	2-4-1 Horai-cho, Naka Ward, Yokohama City, Kanagawa

(Note1)	Street	2-4-1 Horai-cho, Naka Ward, Yokohama City, Kanagawa(Note2)
Access		Kannai Station on JR Line and Yokohama Municipal Subway Line
Area	Type of Ownership	Ownership
	Land(Note2)	806.01 ㎡
	Building Coverage Ratio	100%(Note3)
	Floor Area Ratio	757.90%(Note4)
Building	Type of Ownership	Ownership
	Use(Note2)	Offiice,Parking
	Completion Date(Note2)	March 10, 1989
	Floor Area(Note2)	6,445.72 ㎡
	Structure(Note2)	S/RC, B1/11F
Acquisition Price		¥1,810million
Transfer Price		Undisclosed(Note5)
Book Value		¥1,806 million
Difference		Undisclosed(Note5)
Appraisal Value	Appraiser	Japan Valuers Co., Ltd.
	Appraisal Value	¥1,800 million
	Appraisal Date	February 29,2016

Leasing Status (As of May 9, 2016)(Note6)					
Total Number of Tenants	18				
Total Rental Income	¥158 million				
Security Deposits	¥114 million				
Occupancy Rate	96.1%				
Total Leased Floor Space	4,070.91㎡				
Total Leasable Floor Space	4,234.62㎡				
Occupancy Rates in the Past	February 2012	February 2013	February 2014	February 2015	February 2016
	100.0%	94.4%	92.4%	91.9%	100.0%

(Note1) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note2) Concerning location of the Property, Street has not been officially indicated.

(Note3) Building Coverage

As the Property is located within a commercial district, the building coverage ratio is 80% in principle; however, the building coverage ratio has been increased to 100% as the Property is in a fire prevention zone and certified fireproof.

(Note4) While the floor area ratio of the Property is presumed to be 600%, a floor area ratio of 757.90% is applied given the increase based on the Yokohama urban area environmental design system in light of Article 59-2 of the Building Standards Law.

(Note5) The transfer of the Six Properties for the Non-Sponsor including this property is a transfer to a single transferee under a single sale and purchase agreement. The scheduled transfer price of each property is not disclosed as the transferee's consent to the disclosure thereof has not been obtained. Accordingly, the difference between the scheduled transfer price and the book value of each property is also not disclosed.

(Note6) Leasing Status

"Total Rent Income" is the amount obtained by multiplying the monthly rent stated the lease agreement with end tenants actually leasing the building of the Property as of today by 12 (rounded down to the nearest million yen).

"Security Deposits" indicates the amount of security deposits, etc. stated in the aforementioned lease agreement (rounded down the nearest million yen).

"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

⑥ JCB Sapporo Higashi Building

Property Name		JCB Sapporo Higashi Building
Type of Asset		Real Estate
Location (Note1)	Location (Note1)	1-1-1 Minamiichijo-Nishi, Chuo Ward, Sapporo City, Hokkaido
	Street	1-1-1 Minamiichijo-Nishi, Chuo Ward, Sapporo City,Hokkaido(Note2)
Access		Odori Station on Shiei Toho Line, Namboku Line and Tozai Line
Area	Type of Ownership	Ownership
	Land(Note1)	1,904.64 ㎡

	Building Coverage Ratio	100%(Note3)
	Floor Area Ratio	800%
Building	Type of Ownership	Ownership
	Use(Note1)	Office,Retail,Parking
	Completion Date(Note1)	October 26,1966
	Floor Area(Note1)	9,062.04 ㎡
	Structure(Note1)	SRC, B1/7F
Acquisition Price		¥3,270 million
Transfer Price		Undisclosed(Note4)
Book Value		¥409 million
Difference		Undisclosed(Note4)
Appraisal Value	Appraiser	Japan Real Estate Institute
	Appraisal Value	¥3,260 million
	Appraisal Date	February 29,2016

Leasing Status (As of May 9, 2016)(Note5)					
Total Number of Tenants	1				
Total Rental Income	¥279 million				
Security Deposits	¥153 million				
Occupancy Rate	100.0%				
Total Leased Floor Space	9,062.04㎡				
Total Leasable Floor Space	9,062.04㎡				
Occupancy Rates in the Past	February 2012	February 2013	February 2014	February 2015	February 2016
	100.0%	100.0%	100.0%	100.0%	100.0%

(Note1) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note2) Concerning location of the Property, Street has not been officially indicated.

(Note3) Building Coverage

As the Property is located within a commercial district, the building coverage ratio is 80% in principle; however, the building coverage ratio has been increased to 100% as the property is in a fire prevention zone and certified fireproof.

(Note4) The transfer of the Six Properties for the Non-Sponsor including this property is a transfer to a single transferee under a single sale and purchase agreement. The scheduled transfer price of each property is not disclosed as the transfereer a single uilding coverage ratio hf has not been obtained. Accordingly, the difference between the scheduled transfer price and the book value of each property is also not disclosed.

(Note5) Leasing Status

"Total Rent Income" is the amount obtained by multiplying the monthly rent stated the lease agreement with end tenants actually leasing the building of the Property as of today by 12 (rounded down to the nearest million yen).

"Security Deposits" indicates the amount of security deposits, etc. stated in the aforementioned lease agreement (rounded down the nearest million yen).

"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

⑦ PRIME URBAN Hatagaya

Property Name		PRIME URBAN Hatagaya
Type of Asset		Real Estate
Location (Note1)	Location (Note1)	3-28-6 Hatagaya, Shibuya Ward, Tokyo
	Street	3-28-6 Hatagaya, Shibuya Ward, Tokyo
Access		Hatagaya Station on the Keio New Line
Area	Type of Ownership	Ownership
	Land(Note1)	491.29 ㎡(Note2)
	Building Coverage Ratio	70%(Note3)
	Floor Area Ratio	160%(Note4)
Building	Type of Ownership	Ownership
	Use(Note1)	Residential

	Completion Date(Note1)	November 26,1992
	Floor Area(Note1)	695.20 ㎡
	Structure(Note1)	RC, 4F
	Total Unit	38
Acquisition Price		¥469 million
Transfer Price		Undisclosed(Note5)
Book Value		¥227 million
Difference		Undisclosed(Note5)
Appraisal Value	Appraiser	Chuo Real Estate Appraisal Co.,Ltd.
	Appraisal Value	¥472 million
	Appraisal Date	February 29,2016

Leasing Status (As of May 9, 2016)(Note6)					
Total Number of Tenants	1				
Total Rental Income	¥27 million				
Security Deposits	¥2 million				
Occupancy Rate	89.3%				
Total Leased Floor Space	581.23㎡				
Total Leasable Floor Space	650.60㎡				
Occupancy Rates in the Past	February 2012	February 2013	February 2014	February 2015	February 2016
	84.1%	97.2%	92.2%	100.0%	100.0%

(Note1) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note2) The section of approx. 30.34m² that is deemed to be road based on Article 42 Paragraph 2 of the Building Standards Law is included.

(Note3) Building Coverage

The property is located in a category 1 residential district where the building coverage ratio is 60% in principle. As the building is on a corner lot, however, an increased ratio of 70% applies.

(Note4) Floor Area

The Property's Floor Area Ratio limit was originally set at 300%, but the frontal road regulation (4.0 meters×40%) is prioritized.

(Note5) The transfer of the Six Properties for the Non-Sponsor including this property is a transfer to a single transferee under a single sale and purchase agreement. The scheduled transfer price of each property is not disclosed as the transferee's consent to the disclosure thereof has not been obtained. Accordingly, the difference between the scheduled transfer price and the book value of each property is also not disclosed.

(Note6) Leasing Status

"Total Rent Income" is the amount obtained by multiplying the monthly rent stated the lease agreement with end tenants actually leasing the building of the Property as of today by 12 (rounded down to the nearest million yen).

"Security Deposits" indicates the amount of security deposits, etc. stated in the aforementioned lease agreement (rounded down the nearest million yen).

"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

⑧ PRIME URBAN Sangen Jaya II

Property Name		PRIME URBAN Sangen Jaya II
Type of Asset		Real Estate
Location (Note1)	Location (Note1)	2-308-2 Taishido, Setagaya Ward, Tokyo
	Street	2-4-16 Taishido, Setagaya Ward, Tokyo
Access		Sangen Jaya Station on the Tokyu Denentoshi and Setagaya Lines
Area	Type of Ownership	Ownership
	Land(Note1)	473.79 ㎡
	Building Coverage Ratio	80% ・ 60%(Note2)
	Floor Area Ratio	200%
Building	Type of Ownership	Ownership
	Use(Note1)	Residential,Retail
	Completion Date(Note1)	November 24,1990

	Floor Area(Note1)	995.84 ㎡
	Structure(Note1)	RC/S, B1/6F
	Total Unit	17
Acquisition Price		¥483 million
Transfer Price		Undisclosed(Note3)
Book Value		¥273 million
Difference		Undisclosed(Note3)
Appraisal Value	Appraiser	Daiwa Real Estate Appraisal Corporation
	Appraisal Value	¥488 million
	Appraisal Date	February 29,2016

Leasing Status (As of May 9, 2016)(Note4)					
Total Number of Tenants	1				
Total Rental Income	¥30 million				
Security Deposits	¥8 million				
Occupancy Rate	94.6%				
Total Leased Floor Space	766.96㎡				
Total Leasable Floor Space	810.98㎡				
Occupancy Rates in the Past	February 2012	February 2013	February 2014	February 2015	February 2016
	100.0%	91.2%	100.0%	94.7%	100.0%

(Note1) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note2) Building Coverage

For the land of the Property, the building coverage ratio is 80% for within 20 meters from the boundary line of the road on the northwest side, which belongs to the neighborhood commercial district and 60% for the area further than 20m which belongs to the category 1 residential district. For the whole area, the weighted-average percentage is applied in accordance with the space of the respective areas.

(Note3) The transfer of the Six Properties for the Non-Sponsor including this property is a transfer to a single transferee under a single sale and purchase agreement. The scheduled transfer price of each property is not disclosed as the transferee's consent to the disclosure thereof has not been obtained. Accordingly, the difference between the scheduled transfer price and the book value of each property is also not disclosed.

(Note4) Leasing Status

"Total Rent Income" is the amount obtained by multiplying the monthly rent stated the lease agreement with end tenants actually leasing the building of the Property as of today by 12 (rounded down to the nearest million yen).

"Security Deposits" indicates the amount of security deposits, etc. stated in the aforementioned lease agreement (rounded down the nearest million yen).

"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

⑨ PRIME URBAN Kamikitazawa

Property Name		PRIME URBAN Kamikitazawa
Type of Asset		Real Estate
Location (Note1)	Location (Note1)	5-1212-1 and2 Kami Kitazawa, Setagaya Ward, Tokyo
	Street	5-21-22 Kami Kitazawa, Setagaya Ward, Tokyo
Access		Kamikitazawa Station and Hachimanyama Station on the Keio Line
Area	Type of Ownership	Ownership
	Land(Note1)	939.52 ㎡
	Building Coverage Ratio	60%
	Floor Area Ratio	200%
Building	Type of Ownership	Ownership
	Use(Note1)	Residential
	Completion Date(Note1)	May 1,1987
	Floor Area(Note1)	1,612.00 ㎡
	Structure(Note1)	RC, 3F
	Total Unit	29
Acquisition Price		¥597million
Transfer Price		Undisclosed(Note4)

Book Value		¥273million				
Difference		Undisclosed(Note4)				
Appraisal Value	Appraiser	Japan Valuers Co., Ltd.				
	Appraisal Value	¥601million				
	Appraisal Date	February 29,2016				
Leasing Status (As of May 9, 2016)(Note5)						
Total Number of Tenants	1					
Total Rental Income	¥41million					
Security Deposits	¥4million					
Occupancy Rate	92.2%					
Total Leased Floor Space	1,276.75㎡					
Total Leasable Floor Space	1,384.45㎡					
Occupancy Rates in the Past	February 2012	February 2013	February 2014	February 2015	February 2016	
	100.0%	92.3%	89.5%	86.3%	88.8%	

(Note1) Location and other Items

Location (registry), Area, Completion Date,Use , Structure, and Area are based on the information in the real estate registry.

(Note2) The transfer of the Six Properties for the Non-Sponsor including this property is a transfer to a single transferee under a single sale and purchase agreement. The scheduled transfer price of each property is not disclosed as the transferee's consent to the disclosure thereof has not been obtained. Accordingly, the difference between the scheduled transfer price and the book value of each property is also not disclosed.

(Note3) Leasing Status

"Total Rent Income" is the amount obtained by multiplying the monthly rent stated the lease agreement with end tenants actually leasing the building of the Property as of today by 12 (rounded down to the nearest million yen).

"Security Deposits" indicates the amount of security deposits, etc. stated in the aforementioned lease agreement (rounded down the nearest million yen).

"Total Leased Floor Space" indicates the floor space that is being leased to end tenants as of today.

4. Seller Profile

(1) Landport Kashiwa Shonan Ⅱ

Company name		Nomura Real Estate Development, Co., Ltd.
Head office		1-26-2 Nishi-Shinjuku, Shinjuku Ward, Tokyo
Representative		Seiichi Miyajima, President & CEO
Principal business		Real Estate Busines
Capital		2,000,000 thousand yen (as of March 31, 2016)
Established		April 15, 1957
Relationship with the absorbed investment corporations and/or NREAM		
	Capital	The seller holds investment units of NMF:5.66% (as of February 29, 2016) The said company is a wholly owned subsidiary of NREHD, which holds 100% ownership of NREAM, and falls under the definition of a related party as defined in the Investment Trusts Act
	Personnel	The Asset Management Company's employees and officers are dispatched from the said company.
	Transaction	The seller is the property management company of the absorbed investment corporations and the lessee, etc. of real estate owned by the absorbed investment corporations. Moreover, the Asset Management Company concluded an agreement on provision of information and a basic agreement on leasing value chain with the said company.
	Status of related parties	The said company does not fall under the definition of a related party of the absorbed investment corporations. However, as stated above, the said company is a related party of the Asset Management Company as it is a fellow subsidiary

(2) Ryotokuji University Shin-Urayasu Campus(Land)

Company name		Ryotokuji University
Head office		5-8-1 Meikai UrayasuCity,Chiba
Representative		Kenji Ryotokuji, President
Principal business		University Operation
Capital		¥2,598,220,000(as of May 29, 2016)
Established		April 1,2006
Relationship with the absorbed investment corporations and/or NREAM		
	Capital	There is no capital involvement between the said company and the Fund or asset management company. There is also no capital involvement between related parties of the said company and related parties of the Fund or asset management company.
	Personnel	There is no personnel involvement between the said company and the Fund or asset management company. There is also no personnel involvement between related parties of the said company and related parties of the Fund or asset management company.
	Transactions	There is no transaction between the said company and the Fund or asset management company. There is also no transaction between related parties of the said company and related parties of the Fund or asset management company.
	Status of Related Parties	The said company is not considered a directly associating party of the Fund. Also, the said company is not considered a Related Party, etc., of the asset management company under the Investment Trusts Act.

5. Buyer Profile

(1) Three Properties for the Sponsor

Company name		Nomura Real Estate Development, Co., Ltd.
Head office		1-26-2 Nishi-Shinjuku, Shinjuku Ward, Tokyo
Representative		Seiichi Miyajima, President & CEO
Principal business		Real Estate Busines
Capital		2,000,000 thousand yen (as of March 31, 2016)
Established		April 15, 1957
Relationship with the absorbed investment corporations and/or NREAM		
	Capital	The seller holds investment units of NMF:5.66% (as of February 29, 2016) The said company is a wholly owned subsidiary of NREHD, which holds 100% ownership of NREAM, and falls under the definition of a related party as defined in the Investment Trusts Act
	Personnel	The Asset Management Company's employees and officers are dispatched from the said company.
	Transaction	The seller is the property management company of the absorbed investment corporations and the lessee, etc. of real estate owned by the absorbed investment corporations. Moreover, the Asset Management Company concluded an agreement on provision of information and a basic agreement on leasing value chain with the said company.
	Status of related parties	The said company does not fall under the definition of a related party of the absorbed investment corporations. However, as stated above, the said company is a related party of the Asset Management Company as it is a fellow subsidiary

(2) Six Properties for the Non-Sponsor

As the Fund has not obtained an agreement with the transferee, who are Japanese specific purpose Companies, this information is not disclosed. The transferee is not related parties under the Law Concerning Investment Trusts and Investment Corporations (Investment Trust Law) of the asset management company.

6. Status of Owners

(1) Landport Kashiwa Shonan Ⅱ

Status of owners	Current owner and trustee	Previous owner and trustee
Company name	Nomura Real Estate Development, Co., Ltd.	—
Relationship with parties with special interest	Please refer to"Seller Profile"above	—
Backgrounds/reasons of acquisition, etc.	Development purpose	—
Acquisition price (including other expenses)	—	—
Acquisition date	—	—

(2) Ryotokuji University Shin-Urayasu Campus(Land)

None. The current owner of this property is a Japanese company and Japanese individual, and there is no special relation between the said company and the Fund or asset management company.

7. Transaction with Related Parties

(1) Two Properties

① Transaction concerning Assets to be Acquired for Landport Kashiwa Shonan Ⅱ (Scheduled)

The transaction concerning the Assets to be Acquired is transaction with related parties under the Investment Trust Law as mentioned above. The Asset Management Company determined the acquisition of the Property, acquisition price and other terms and conditions of the transaction pursuant to the restrictions and formalities concerning the transactions with related party as set forth in the Investment Trust Law and the Asset Management Company's bylaws and duly authorized by the Compliance Committee and Investment Committee in the Asset Management Company. 。

② Transaction concerning Property Management Services for Landport Kashiwa Shonan Ⅱ

The property management companies of Landport Kashiwa Shonan Ⅱ, Nomura Real Estate Development Co., Ltd. and Nomura Real Estate Partners Co., Ltd. are Related Parties under the Investment Trust Law as stated above. The Asset Management Company determined the consignment and the terms and conditions of the transaction, including the fees, pursuant to the restrictions and formalities concerning the transactions with related parties as set forth in the Investment Trust Law and the Asset Management Company's bylaws and duly authorized by the Compliance Committee and Investment Committee in the Asset Management Company.

③ Transaction concerning Property Management Services for Ryotokuji University Shin-Urayasu Campus(Land)

The property management companies of Ryotokuji University Shin-Urayasu Campus(Land), Nomura Real

Estate Partners Co., Ltd. are Related Parties under the Investment Trust Law as stated above. The Asset Management Company determined the consignment and the terms and conditions of the transaction, including the fees, pursuant to the restrictions and formalities concerning the transactions with related parties as set forth in the Investment Trust Law and the Asset Management Company's bylaws and duly authorized by the Compliance Committee and Investment Committee in the Asset Management Company.

(2) Nine Properties

① Transaction concerning Assets to be Disposed for Three Properties for the Sponsor

The transaction concerning the Assets to be Disposed is transaction with related parties under the Investment Trust Law as mentioned above. The Asset Management Company determined the acquisition of the Property, acquisition price and other terms and conditions of the transaction pursuant to the restrictions and formalities concerning the transactions with related party as set forth in the Investment Trust Law and the Asset Management Company's bylaws and duly authorized by the Compliance Committee and Investment Committee in the Asset Management Company.

② Transaction concerning Assets to be Disposed for Six Properties for the Non-Sponsor

There is no special relation between the said company and the Fund or asset management company for this transaction.

8. Brokerage Profile

(1) Two Properties

①Landport Kashiwa Shonan Ⅱ

No brokers were involved in the transaction for the Assets to be Acquired.

② Ryotokuji University Shin-Urayasu Campus(Land)

Company Name		Nomura Securities Co.,Ltd.
Head Office		1-9-1 Nihonbashi, Chuo-ku, Tokyo 103-8011, Japan
Representative		Koji Nagai,President
Principal Business		Securities dealers
Capital		10,000 million yen(as of March 31,2016)
Established		December 25, 1925
Relationship with the absorbed investment corporations and/or NREAM		
	Capital	Nomura Holdings, inc., the whole parent compay of the said company, holds 33.80% of Nomura Real Estate Holdings, Inc., the whole parent company of the asset management company, through Nomura Land and Building Co., Ltd (as of September 30, 2016).
	Personnel	There is no personnel involvement between the said company and the Fund or asset management company. There is also no personnel involvement between related parties of the said company and related parties of the Fund or asset management company.
	Transaction	The said company performs administration related to the payment of interest and redemption proceeds to Nomura Real Estate Office Fund, Inc.'s Second Series Unsecured Investment Corporation Bonds (with pari passu clause among specified investment corporation bonds). There is no transaction between the said company and the Fund or asset management company.
	Status of related parties	Acts as NMF's asset custodian. The said company is considered a directly associating party of the Fund. Also, the said company is not considered a Related Party, etc., of the asset management company under the Investment Trusts Act.
Brokerage Fee		The brokerage fee is not disclosed due to the fact that the broker's consent to disclosure has not been obtained.

(1) Nine Properties

There is no brokerage involved for nine properties

9. Form of Payment, etc.

(1) Form of Payment

① Transactions Regarding the Acquisition of the Two Properties

With respect to the purchase price of Ryotokuji University, Shin-Urayasu Campus (land with leasehold right), Nomura Master Fun plans to make a package payment to the seller of the purchase price through funds on hand on the scheduled date of acquisition. Nomura Master Fund plans to make payment with respect to the purchase price for Landport Kashiwa Shonan II on the scheduled date of acquisition using borrowings.

② Transaction concerning Assets to be Disposed for Nine Properties

On the scheduled date of the assignment, Nomura Master Fund plans to receive a package payment of the

whole purchase price of the nine properties subject to the assignment.

(2) Impact on the New Investment Corporation's Financial Status in Case of Failure of the Forward Commitment, etc.

The agreement on purchase and sale of real estate concerning the Assets to be Acquired and the agreement on purchase and sale of trust beneficiary interest in real estate (collectively, the "Agreement") falls into the Forward Commitment, etc., (Note) as set forth in the Comprehensive Guideline for Supervision of Financial Instruments Business Operators set by the Financial Services Agency. Scheduled details of the cancellation clauses are as follows. The Agreement carries suspensive conditional clauses stating that the transaction be executed only when procurement of required funds through borrowings by the buyer is reasonably expected. Nomura Master Fund's obligation in the sale and purchase agreement is scheduled to be the conditions precedent for completing the financing relative to the acquisition price on the date of acquisition.

1) In case there are any significant violations concerning the provisions of the agreement on purchase and sale of the Assets to be Acquired by the seller or the purchaser (the party hereto, the "defaulting party"), the other party can urge the defaulting party to fulfill the obligation fixing a period of time. When the defaulting party does not correct the violations within that time limit, the other party may cancel the agreement on purchase and sale of the Assets to be Acquired.

2) In case of the cancellation of the Agreement, the other party may make a claim for the penalty equivalent to 20% of the sales price to the defaulting party.

3) However, the preceding item shall preclude the claim for damages exceeding the penalty of 20% of the sales price

(Note) The forward commitment, etc., refers to postdated sale agreements where the conclusion and delivery of the property is scheduled over one month ahead of the contract date, and other similar agreements.

10. Schedule for Acquisition and Disposition

May 10,2016	Conclusion of agreement on purchase and sale for the acquisition of Ryotokuji University Shin-Urayasu Campus(Land)
May 17,2016	Conclusion of agreement on purchase and sale for the acquisition of Landport Kashiwa Shonan Ⅱ
	Conclusion of agreement on purchase and sale for the disposition of the Three Properties for the Sponsor, and Delivery of real estate and trust beneficiary rights of the Three Properties
	Delivery of real estate and trust beneficiary rights of the Six Properties for the Non-Sponsor
May 26,2016	Delivery of real estate of Ryotokuji University Shin-Urayasu Campus(Land)
September 1,2016	Delivery of real estate of Landport Kashiwa Shonan Ⅱ

11. Forecasts of Financial Results

There is no impact to Nomura Master Fund's forecasts of financial results for the fiscal period ending August 31, 2016 (March 1, 2016 to August 31, 2016), there is no revision to the forecast of financial results.

12. Appraisal Summary

(1)Acquisition Two properties

Property Name	Landport Kashiwa Shonan Ⅱ

Appraisal Value	¥1,100,000,000
Appraiser	Japan Valuers Co.,Ltd.
Appraisal Date	April 30,2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	1,100,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account
Price calculated by the direct capitalization approach	1,100,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term
(1) Operating income (a)-(b)	Undisclosed	(Note)
(a) Gross rental income	Undisclosed	
(b) Losses due to vacancies, etc.	Undisclosed	
(2) Operating expenses	Undisclosed	
Maintenance	Undisclosed	
Utilities costs	Undisclosed	
Repair costs	Undisclosed	
Property management fees	Undisclosed	
Advertisement for leasing, etc.	Undisclosed	
Taxes	Undisclosed	
Insurance premium	Undisclosed	
Other expenses	Undisclosed	
(3) Net operating income from leasing business (NOI=(1)-(2))	530,521,323	
(4) Profit through management of temporary deposits, etc.	Undisclosed	(Note)
(5) Capital Expenditure Reserve	Undisclosed	
(6) Net Cash Flow (NCF = (3)+(4)-(5))	529,203,951	
(7) Capitalization rate	4.8%	Assumed based on conditions of the location, the building, and the contract of the Property
Price calculated by the Discounted Cash Flow Approach	11,000,000,000	
Discount rate	4.6%	
Terminal capitalization rate	5.0%	
Cost Approach Price	13,300,000,000	
Ratio of land	60.0%	
Ratio of building	40.0%	
Matters noted in reconciliation of indicated value and determination of appraisal value	The subject property is located approx. 12km from "Kashiwa IC" on Joban Expressway, and approx. 1km from Route 16, and has the location that enebles to cover wide range of Tokyo Metropolitan area. The property is located in an exclusive industrial district thus 24-hour logistics operations are possible. Employment can be secured from a wide area from exclusive shuttle busses operation. Furthermore, the facility has a high functioning capacity and specification and has high competiveness compared to the similar facilities. In view of the matters stated above, the appraisal value was determined with an emphasis on the capitalization approach price in which the investment profitability value was appropriately reflected.	

(Note) The Property is occupied only by a tenant who is a third party not having a special interest relationship with Nomura Master Fund or the Asset Management Company. Thus information on these items have not been disclosed since the lease conditions may be assumed by such and negatively affect the Fund'undProperty is occupied only by a tenant who is a third party not having a special unitholders. Furthermore, the information is not disclosed as consent has not been obtained from the tenant.

Property Name	Ryotokuji University Shin-Urayasu Campus(Land)

Appraisal Value	¥1,100,000,000
Appraiser	Japan Valuers Co.,Ltd.
Appraisal Date	April 1,2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	5,090,000,000	Calculated by the DCF method
Price calculated by the direct capitalization approach	-	(Note)
(1) Operating income (a)-(b)	-	
(a) Gross rental income	-	
(b) Losses due to vacancies, etc.	-	
(2) Operating expenses	-	
Maintenance	-	
Utilities costs	-	
Repair costs	-	
Property management fees	-	
Advertisement for leasing, etc.	-	
Taxes	-	
Insurance premium	-	
Other expenses	-	
(3) Net operating income from leasing business (NOI=(1)-(2))	-	
(4) Profit through management of temporary deposits, etc.	-	
(5) Capital Expenditure Reserve	-	
(6) Net Cash Flow (NCF = (3)+(4)-(5))	-	
(7) Capitalization rate	-	-
Price calculated by the Discounted Cash Flow Approach	5,090,000,000	
Ratio of land	4.0%	Assumed by taking into consideration the individual risks, etc. of the Property
Ratio of building	-	-
Matters noted in reconciliation of indicated value and determination of appraisal value	The subject property is located in Urayasu City, where not only condominiums and universities locate, but also hotels surrounding "Tokyo Disney Resorts". Recently, the area has several hotel development plans to accommodate to the inbound demand, and maintain the competiveness for the leasure usage. In view of the matters stated above, the appraisal value was determined	

(Note) The figures are not written, since Direct Capitalization Method is not adopted in the appraisal value.

(2)Nine Properties

Property Name	NOF Nihonbashi Honcho Building

Appraisal Value	¥21,300,000,000
Appraiser	The Tanizawa Sogo Appraisal Co., ltd.
Appraisal Date	February 29, 2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	21,300,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account.
Price calculated by the direct capitalization approach	20,700,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term.
(1) Operating income (a)-(b)	1,301,794,948	
(a) Gross rental income	1,381,145,620	Assumed based on the expected mid- to long-term stable rent.
(b) Losses due to vacancies, etc.	79,350,672	Assumed based on the expected mid- to long-term stable occupancy rate.
(2) Operating expenses	345,407,955	
Maintenance	98,953,840	Assumed based on the estimated amount and of a similar building.
Utilities costs	91,953,840	Assumed based on past actual expences takinginto account the occupancy rate.
Repair costs	28,060,000	Allocation of appraised restoration expenses and repair expenses based on the Engineering Report.
Property management fees	23,432,309	Assumed based on agreement conditions, general standard, etc.
Advertisement for leasing, etc.	19,866,483	Assumed based on the agreement conditions, taking into account the standard tenant recruit expenses of similar buildings, and applying the estimated turnover ratio of unit.
Taxes	80,692,000	Assumed based on mid to long term perspective of the tax base of year 2015.
Insurance premium	1,251,150	Allocation, taking into account the actual amount, insurance premium rates of similar buildings, etc.
Other expenses	1,301,795	Assumed based on past actual other expences.
(3) Net operating income from leasing business (NOI=(1)-(2))	956,386,993	
(4) Profit through management of temporary deposits, etc.	17,433,923	Assumed interest rates of 2.0%.
(5) Capital Expenditure Reserve	64,660,000	Assumed in consideration of building age, as well as average maintenance and lease renewal fees based on the engineering report.
(6) Net Cash Flow (NCF = (3)+(4)-(5))	909,160,916	
(7) Capitalization rate	4.4%	Assumed based on conditions of the location, the building, and the contract of the Property.
Price calculated by the Discounted Cash Flow Approach	2,160,000,000	
Discount rate	4.3%	Assumed based on the yield on investment of similar buildings and the characteristics of the Property
Terminal capitalization rate	4.6%	Assumed based on the yield on investment of similar buildings, the future movement of the yield on investment, risks of the Property as a preferred investment, general forecasts of economic growth rate, and price trends of real estate and rents
Cost Approach Price	16,400,000,000	
Ratio of land	91.0%	
Ratio of building	9.0%	
Matters noted in reconciliation of indicated value and determination of appraisal value	—	

Property Name	NOF Tameike Building

Appraisal Value	¥4,480,000,000
Appraiser	Appraisal Firm A Square Ltd.
Appraisal Date	February 29, 2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	4,480,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account.
Price calculated by the direct capitalization approach	4,590,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term.
(1) Operating income (a)-(b)	331,799,671	
(a) Gross rental income	345,609,080	Assumed based on the expected mid- to long-term stable rent.
(b) Losses due to vacancies, etc.	13,809,409	Assumed based on the expected mid- to long-term stable occupancy rate.
(2) Operating expenses	115,362,541	
Maintenance	25,037,101	Assumed based on the estimated amount and of a similar building.
Utilities costs	26,629,510	Assumed based on past actual expences takinginto account the occupancy rate.
Repair costs	10,617,000	Allocation of appraised restoration expenses and repair expenses based on the Engineering Report.
Property management fees	7,863,156	Assumed based on agreement conditions, general standard, etc.
Advertisement for leasing, etc.	2,025,979	Assumed based on the agreement conditions, taking into account the standard tenant recruit expenses of similar buildings, and applying the estimated turnover ratio of unit.
Taxes	35,055,000	Assumed based on mid to long term perspective of the tax base of year 2015.
Insurance premium	285,530	Allocation, taking into account the actual amount, insurance premium rates of similar buildings, etc.
Other expenses	7,200,000	Assumed based on past actual other expences.
(3) Net operating income from leasing business (NOI=(1)-(2))	216,437,130	
(4) Profit through management of temporary deposits, etc.	4,483,792	Assumed interest rates of 2.0%.
(5) Capital Expenditure Reserve	14,280,500	Assumed in consideration of building age, as well as average maintenance and lease renewal fees based on the engineering report.
(6) Net Cash Flow (NCF = (3)+(4)-(5))	206,640,422	
(7) Capitalization rate	4.5%	Assumed based on conditions of the location, the building, and the contract of the Property.
Price calculated by the Discounted Cash Flow Approach	4,480,000,000	
Discount rate	4.2%	Assumed based on the yield on investment of similar buildings and the characteristics of the Property
Terminal capitalization rate	4.8%	Assumed based on the yield on investment of similar buildings, the future movement of the yield on investment, risks of the Property as a preferred investment, general forecasts of economic growth rate, and price trends of real estate and rents
Cost Approach Price	4,900,000,000	
Ratio of land	95.0%	
Ratio of building	5.0%	
Matters noted in reconciliation of indicated value and determination of appraisal value	—	

Property Name	NOF Minami Shinjuku Building

Appraisal Value	¥2,210,000,000
Appraiser	The Tanizawa Sogo Appraisal Co., ltd.
Appraisal Date	February 29, 2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	2,210,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account.
Price calculated by the direct capitalization approach	2,250,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term.
(1) Operating income (a)-(b)	165,717,859	
(a) Gross rental income	176,836,755	Assumed based on the expected mid- to long-term stable rent.
(b) Losses due to vacancies, etc.	11,118,896	Assumed based on the expected mid- to long-term stable occupancy rate.
(2) Operating expenses	59,329,360	
Maintenance	11,815,362	Assumed based on the estimated amount and of a similar building.
Utilities costs	17,854,325	Assumed based on past actual expences takinginto account the occupancy rate.
Repair costs	4,233,000	Allocation of appraised restoration expenses and repair expenses based on the Engineering Report.
Property management fees	3,314,357	Assumed based on agreement conditions, general standard, etc.
Advertisement for leasing, etc.	2,253,848	Assumed based on the agreement conditions, taking into account the standard tenant recruit expenses of similar buildings, and applying the estimated turnover ratio of unit.
Taxes	19,529,900	Assumed based on mid to long term perspective of the tax base of year 2015.
Insurance premium	162,850	Allocation, taking into account the actual amount, insurance premium rates of similar buildings, etc.
Other expenses	165,718	Assumed based on past actual other expences.
(3) Net operating income from leasing business (NOI=(1)-(2))	106,388,499	
(4) Profit through management of temporary deposits, etc.	2,364,141	Assumed interest rates of 2.0%.
(5) Capital Expenditure Reserve	9,960,000	Assumed in consideration of building age, as well as average maintenance and lease renewal fees based on the engineering report.
(6) Net Cash Flow (NCF = (3)+(4)-(5))	98,792,640	
(7) Capitalization rate	4.4%	Assumed based on conditions of the location, the building, and the contract of the Property.
Price calculated by the Discounted Cash Flow Approach	2,190,000,000	
Discount rate	4.6%	Assumed based on the yield on investment of similar buildings and the characteristics of the Property
Terminal capitalization rate	4.6%	Assumed based on the yield on investment of similar buildings, the future movement of the yield on investment, risks of the Property as a preferred investment, general forecasts of economic growth rate, and price trends of real estate and rents
Cost Approach Price	2,830,000,000	
Ratio of land	90.5%	
Ratio of building	9.5%	
Matters noted in reconciliation of indicated value and determination of appraisal value	—	

Property Name	NOF Shinagawa Konan Building

Appraisal Value	¥3,310,000,000
Appraiser	The Tanizawa Sogo Appraisal Co.
Appraisal Date	February 29, 2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	3,310,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account.
Price calculated by the direct capitalization approach	3,320,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term.
(1) Operating income (a)-(b)	316,057,874	
(a) Gross rental income	333,975,897	Assumed based on the expected mid- to long-term stable rent.
(b) Losses due to vacancies, etc.	17,918,023	Assumed based on the expected mid- to long-term stable occupancy rate.
(2) Operating expenses	127,611,747	
Maintenance	33,356,172	Assumed based on the estimated amount and of a similar building.
Utilities costs	36,867,348	Assumed based on past actual expences takinginto account the occupancy rate.
Repair costs	16,640,000	Allocation of appraised restoration expenses and repair expenses based on the Engineering Report.
Property management fees	6,321,157	Assumed based on agreement conditions, general standard, etc.
Advertisement for leasing, etc.	3,952,936	Assumed based on the agreement conditions, taking into account the standard tenant recruit expenses of similar buildings, and applying the estimated turnover ratio of unit.
Taxes	29,057,200	Assumed based on mid to long term perspective of the tax base of year 2015.
Insurance premium	468,760	Allocation, taking into account the actual amount, insurance premium rates of similar buildings, etc.
Other expenses	948,174	Assumed based on past actual other expences.
(3) Net operating income from leasing business (NOI=(1)-(2))	188,446,127	
(4) Profit through management of temporary deposits, etc.	4,133,314	Assumed interest rates of 2.0%.
(5) Capital Expenditure Reserve	39,680,000	Assumed in consideration of building age, as well as average maintenance and lease renewal fees based on the engineering report.
(6) Net Cash Flow (NCF = (3)+(4)-(5))	152,899,441	
(7) Capitalization rate	4.6%	Assumed based on conditions of the location, the building, and the contract of the Property.
Price calculated by the Discounted Cash Flow Approach	3,300,000,000	
Discount rate	4.6%	Assumed based on the yield on investment of similar buildings and the characteristics of the Property
Terminal capitalization rate	4.8%	Assumed based on the yield on investment of similar buildings, the future movement of the yield on investment, risks of the Property as a preferred investment, general forecasts of economic growth rate, and price trends of real estate and rents
Cost Approach Price	3,800,000,000	
Ratio of land	80.2%	
Ratio of building	19.8%	
Matters noted in reconciliation of indicated value and determination of appraisal value	—	

Property Name	Yokohama Odori Koen Building

Appraisal Value	¥1,800,000,000
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	February 29, 2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	1,800,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account.
Price calculated by the direct capitalization approach	1,800,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term.
(1) Operating income (a)-(b)	191,979,075	
(a) Gross rental income	200,250,497	Assumed based on the expected mid- to long-term stable rent.
(b) Losses due to vacancies, etc.	8,271,422	Assumed based on the expected mid- to long-term stable occupancy rate.
(2) Operating expenses	88,764,900	
Maintenance	20,876,388	Assumed based on the estimated amount and of a similar building.
Utilities costs	37,008,221	Assumed based on past actual expences takinginto account the occupancy rate.
Repair costs	11,132,167	Allocation of appraised restoration expenses and repair expenses based on the Engineering Report.
Property management fees	4,429,077	Assumed based on agreement conditions, general standard, etc.
Advertisement for leasing, etc.	984,502	Assumed based on the agreement conditions, taking into account the standard tenant recruit expenses of similar buildings, and applying the estimated turnover ratio of unit.
Taxes	14,040,575	Assumed based on mid to long term perspective of the tax base of year 2015.
Insurance premium	288,970	Allocation, taking into account the actual amount, insurance premium rates of similar buildings, etc.
Other expenses	5,000	Assumed based on past actual other expences.
(3) Net operating income from leasing business (NOI=(1)-(2))	103,214,175	
(4) Profit through management of temporary deposits, etc.	2,171,575	Assumed interest rates of 2.0%.
(5) Capital Expenditure Reserve	8,336,917	Assumed in consideration of building age, as well as average maintenance and lease renewal fees based on the engineering report.
(6) Net Cash Flow (NCF = (3)+(4)-(5))	97,048,833	
(7) Capitalization rate	5.4%	Assumed based on conditions of the location, the building, and the contract of the Property.
Price calculated by the Discounted Cash Flow Approach	1,800,000,000	
Discount rate	5.2%	Assumed based on the yield on investment of similar buildings and the characteristics of the Property
Terminal capitalization rate	5.6%	Assumed based on the yield on investment of similar buildings, the future movement of the yield on investment, risks of the Property as a preferred investment, general forecasts of economic growth rate, and price trends of real estate and rents
Cost Approach Price	1,160,000,000	
Ratio of land	62.3%	
Ratio of building	37.7%	
Matters noted in reconciliation of indicated value and determination of appraisal value	—	

Property Name	JCB Sapporo Higashi Building

Appraisal Value	¥3,260,000,000
Appraiser	Japan Real Estate Institute
Appraisal Date	February 29, 2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	3,260,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account.
Price calculated by the direct capitalization approach	3,270,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term.
(1) Operating income (a)-(b)	279,600,000	
(a) Gross rental income	279, 600,000	Assumed based on the expected mid- to long-term stable rent.
(b) Losses due to vacancies, etc.	0	Assumed based on the expected mid- to long-term stable occupancy rate.
(2) Operating expenses	86,303,000	
Maintenance	53,984,000	Assumed based on the estimated amount and of a similar building.
Utilities costs	0	None.
Repair costs	9,354,000	Allocation of appraised restoration expenses and repair expenses based on the Engineering Report.
Property management fees	1,440,000	Assumed based on agreement conditions, general standard, etc.
Advertisement for leasing, etc.	0	None.
Taxes	21,149,000	Assumed based on mid to long term perspective of the tax base of year 2015.
Insurance premium	376,000	Allocation, taking into account the actual amount, insurance premium rates of similar buildings, etc.
Other expenses	0	None.
(3) Net operating income from leasing business (NOI=(1)-(2))	193,297,000	
(4) Profit through management of temporary deposits, etc.	3,060,000	Assumed interest rates of 2.0%.
(5) Capital Expenditure Reserve	22,916,000	Assumed in consideration of building age, as well as average maintenance and lease renewal fees based on the engineering report.
(6) Net Cash Flow (NCF = (3)+(4)-(5))	173,441,000	
(7) Capitalization rate	5.3%	Assumed based on conditions of the location, the building, and the contract of the Property.
Price calculated by the Discounted Cash Flow Approach	3,240,000,000	
Discount rate	5.4%	Assumed based on the yield on investment of similar buildings and the characteristics of the Property
Terminal capitalization rate	5.2%	Assumed based on the yield on investment of similar buildings, the future movement of the yield on investment, risks of the Property as a preferred investment, general forecasts of economic growth rate, and price trends of real estate and rents
Cost Approach Price	2,760,000,000	
Ratio of land	74.3%	
Ratio of building	25.7%	
Matters noted in reconciliation of indicated value and determination of appraisal value	—	

Property Name	PRIME URBAN Hatagaya

Appraisal Value	¥472,000,000
Appraiser	Chuo Real Estate Appraisal Co., Ltd.
Appraisal Date	February 29, 2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	472,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account.
Price calculated by the direct capitalization approach	482,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term.
(1) Operating income (a)-(b)	31,617,000	
(a) Gross rental income	33,213,000	Assumed based on the expected mid- to long-term stable rent.
(b) Losses due to vacancies, etc.	1,596,000	Assumed based on the expected mid- to long-term stable occupancy rate.
(2) Operating expenses	7,496,000	
Maintenance	1,874,000	Assumed based on the estimated amount and of a similar building.
Utilities costs	742,000	Assumed based on past actual expences takinginto account the occupancy rate.
Repair costs	1,224,000	Allocation of appraised restoration expenses and repair expenses based on the Engineering Report.
Property management fees	1,383,000	Assumed based on agreement conditions, general standard, etc.
Advertisement for leasing, etc.	940,000	Assumed based on the agreement conditions, taking into account the standard tenant recruit expenses of similar buildings, and applying the estimated turnover ratio of unit.
Taxes	1,290,000	Assumed based on mid to long term perspective of the tax base of year 2015.
Insurance premium	43,000	Allocation, taking into account the actual amount, insurance premium rates of similar buildings, etc.
Other expenses	0	None.
(3) Net operating income from leasing business (NOI=(1)-(2))	24,121,000	
(4) Profit through management of temporary deposits, etc.	23,000	Assumed interest rates of 2.0%.
(5) Capital Expenditure Reserve	1,005,000	Assumed in consideration of building age, as well as average maintenance and lease renewal fees based on the engineering report.
(6) Net Cash Flow (NCF = (3)+(4)-(5))	23,139,000	
(7) Capitalization rate	4.8%	Assumed based on conditions of the location, the building, and the contract of the Property.
Price calculated by the Discounted Cash Flow Approach	472,000,000	
Discount rate	4.6%	Assumed based on the yield on investment of similar buildings and the characteristics of the Property
Terminal capitalization rate	5.0%	Assumed based on the yield on investment of similar buildings, the future movement of the yield on investment, risks of the Property as a preferred investment, general forecasts of economic growth rate, and price trends of real estate and rents
Cost Approach Price	374,000,000	
Ratio of land	83.7%	
Ratio of building	16.3%	
Matters noted in reconciliation of indicated value and determination of appraisal value	—	

Property Name	PRIME URBAN Sangen Jaya II

Appraisal Value	¥488,000,000
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	February 29, 2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	488,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account.
Price calculated by the direct capitalization approach	494,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term.
(1) Operating income (a)-(b)	34,995,451	
(a) Gross rental income	38,181,947	Assumed based on the expected mid- to long-term stable rent.
(b) Losses due to vacancies, etc.	3,186,496	Assumed based on the expected mid- to long-term stable occupancy rate.
(2) Operating expenses	8,512,512	
Maintenance	1,502,640	Assumed based on the estimated amount and of a similar building.
Utilities costs	765,492	Assumed based on past actual expences takinginto account the occupancy rate.
Repair costs	2,133,159	Allocation of appraised restoration expenses and repair expenses based on the Engineering Report.
Property management fees	1,200,000	Assumed based on agreement conditions, general standard, etc.
Advertisement for leasing, etc.	876,088	Assumed based on the agreement conditions, taking into account the standard tenant recruit expenses of similar buildings, and applying the estimated turnover ratio of unit.
Taxes	1,805,226	Assumed based on mid to long term perspective of the tax base of year 2015.
Insurance premium	54,930	Allocation, taking into account the actual amount, insurance premium rates of similar buildings, etc.
Other expenses	174,977	Assumed based on past actual other expences.
(3) Net operating income from leasing business (NOI=(1)-(2))	26,482,939	
(4) Profit through management of temporary deposits, etc.	151,623	Assumed interest rates of 2.0%.
(5) Capital Expenditure Reserve	2,902,583	Assumed in consideration of building age, as well as average maintenance and lease renewal fees based on the engineering report.
(6) Net Cash Flow (NCF = (3)+(4)-(5))	23,731,979	
(7) Capitalization rate	4.8%	Assumed based on conditions of the location, the building, and the contract of the Property.
Price calculated by the Discounted Cash Flow Approach	486,000,000	
Discount rate	4.6%	Assumed based on the yield on investment of similar buildings and the characteristics of the Property
Terminal capitalization rate	5.0%	Assumed based on the yield on investment of similar buildings, the future movement of the yield on investment, risks of the Property as a preferred investment, general forecasts of economic growth rate, and price trends of real estate and rents
Cost Approach Price	453,000,000	
Ratio of land	77.4%	
Ratio of building	22.6%	
Matters noted in reconciliation of indicated value and determination of appraisal value	—	

Property Name	PRIME URBAN Kamikitazawa

Appraisal Value	¥273,000,000
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	February 29, 2016

(Yen)

Item	Amount or percentage	Grounds
Capitalization approach price	601,000,000	In calculating, both the discounted cash flow approach and the direct capitalization approach are taken into account.
Price calculated by the direct capitalization approach	608,000,000	Calculated by capitalization rate based on a net revenue of the stable mid-to-long term.
(1) Operating income (a)-(b)	41,884,845	
(a) Gross rental income	45,136,242	Assumed based on the expected mid- to long-term stable rent.
(b) Losses due to vacancies, etc.	3,251,397	Assumed based on the expected mid- to long-term stable occupancy rate.
(2) Operating expenses	9,158,583	
Maintenance	1,260,000	Assumed based on the estimated amount and of a similar building.
Utilities costs	399,000	Assumed based on past actual expences takinginto account the occupancy rate.
Repair costs	254,167	Allocation of appraised restoration expenses and repair expenses based on the Engineering Report.
Property management fees	1,200,348	Assumed based on agreement conditions, general standard, etc.
Advertisement for leasing, etc.	1,873,245	Assumed based on the agreement conditions, taking into account the standard tenant recruit expenses of similar buildings, and applying the estimated turnover ratio of unit.
Taxes	1,779,552	Assumed based on mid to long term perspective of the tax base of year 2015.
Insurance premium	60,820	Allocation, taking into account the actual amount, insurance premium rates of similar buildings, etc.
Other expenses	320,093	Assumed based on past actual other expences.
(3) Net operating income from leasing business (NOI=(1)-(2))	32,726,262	
(4) Profit through management of temporary deposits, etc.	89,757	Assumed interest rates of 2.0%.
(5) Capital Expenditure Reserve	3,045,000	Assumed in consideration of building age, as well as average maintenance and lease renewal fees based on the engineering report.
(6) Net Cash Flow (NCF = (3)+(4)-(5))	29,771,019	
(7) Capitalization rate	4.9%	Assumed based on conditions of the location, the building, and the contract of the Property.
Price calculated by the Discounted Cash Flow Approach	594,000,000	
Discount rate	4.7%	Assumed based on the yield on investment of similar buildings and the characteristics of the Property
Terminal capitalization rate	5.1%	Assumed based on the yield on investment of similar buildings, the future movement of the yield on investment, risks of the Property as a preferred investment, general forecasts of economic growth rate, and price trends of real estate and rents
Cost Approach Price	619,000,000	
Ratio of land	81.4%	
Ratio of building	18.6%	
Matters noted in reconciliation of indicated value and determination of appraisal value	—	

【Exhibits】

Exhibit 1　Portfolio Over View after Acquisition and Disposition

Exhibit 2　Photos of two Properties

Exhibit 3　Maps of two Properties

*<Nomura Real Estate Master Fund, Inc> URL: http://www.nre-mf.co.jp/en/

Exhibit 1

Portfolio Overview after Acquisition of three Properties

Asset Type	Area (Note 1)	Acquisition Price (mln)	Percentage to total(%) (Note 3
Office	Tokyo Area	268,414	33.7
	Other Area	71,930	9.0
	Total	340,344	42.8
Retail	Tokyo Area	95,317	12.0
	Other Area	44,836	5.6
	Total	140,153	17.6
Logistics	Tokyo Area	137,030	17.2
	Other Area	10,040	1.3
	Total	147,070	18.5
Residential	Tokyo Area	130,413	16.4
	Other Area	32,527	4.1
	Total	162,940	20.5
Others	Tokyo Area	4,900	0.6
	Total	0	0
Grand Total	-	795,407	100.0

(Note 1) "Greater Tokyo" refers to Tokyo Prefecture, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture. "Other Areas" refers to cabinet-order designated cities, prefectural capitals, and cities having a population of at least 100,000 and their peripheral areas, excluding Greater Tokyo.

(Note2) "Percentage to Total" indicates the ratio of the total acquisition price of properties for respective uses and in respective areas to the total acquisition price of the entire portfolio (264 properties in total) based on acquisition prices explained in (Note 2). The calculation of percentage to total excludes silent partnership equity interests. Furthermore, as the figures were rounded to the first decimal place, the total may not necessarily be 100%.

Exhibit 2-(1)

Photos of Two Properties



Exhibit 2-(2)

Ryotokuji University Shin-Urayasu Campus(Land)

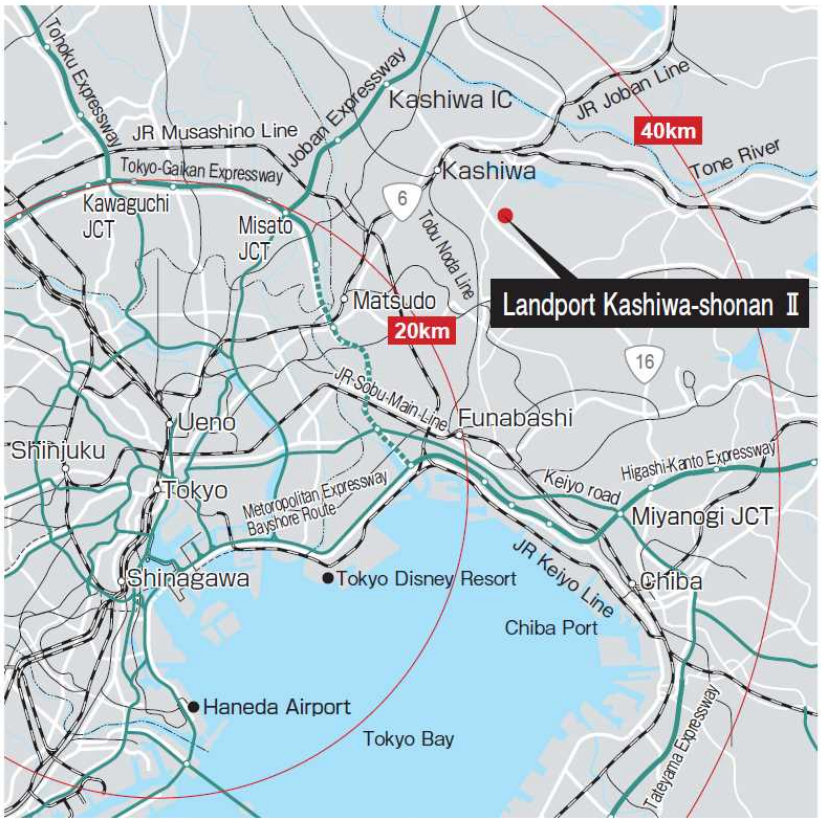




Exhibit 3-(1)

Maps of two Properties

Landport Kashiwa Shonan Ⅱ





Ryotokuji University Shin-Urayasu Campus(Land)

