[For Translation Purposes Only]

September 21, 2016

For Immediate Release
To Whom It May Concern

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Notice Concerning Handling of Fractional Investment Units as Consideration of Merger

In connection with the consolidation-type merger (the "Merger") that came into effect on September 1, 2016, implemented by Nomura Real Estate Master Fund, Inc. ("NMF") and Top REIT, Inc. ("TOP"), the unitholders listed or recorded on the final unitholders register of TOP as of August 31, 2016 (the "Allotted Unitholders") were allotted investment units of NMF, and accordingly, some fractions less than one investment unit ("Fractional Investment Units") attributable to certain Allotted Unitholders have been arisen.

Pursuant to the relevant laws, we will dispose of the Fractional Investment Units through market transactions and distribute the proceeds thereof to the Allotted Unitholders to whom such Fractional Investment Units are attributable in proportion to the total number of fraction of investment units of each Allotted Unitholder.

We will notify the Allotted Unitholders concerned of information concerning amount to be distributed, distribution method and other related matters by mail and commence payment of the proceeds around the middle of November 2016.

1. Allotment of Investment Units

The unitholders listed or recorded on the final unitholders register of TOP as of Wednesday, August 31, 2016, a record date for the allotment of NMF investment units (that is, unitholders who held investment units of TOP on August 26, 2016, the last date of cum-rights trading), are entitled to receive the allotment of NMF investment units.

	NMF	TOP
Ratio of Allotment under the Merger	1	2.62

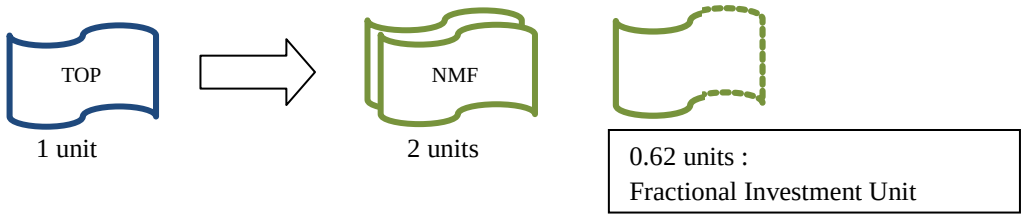
(Note) Number of investment units of NMF issued as a result of the Merger: 4,183,130 units

2. Calculation Method of Allotted Investment Units

Formula : TOP investment units held × 2.62 = number of allotted investment units of NMF

(i) Allotted Unitholder who held 1 TOP investment unit as of the record date
Number of investment units of NMF allotted upon the Merger to such Allotted Unitholder is 2.62 units.

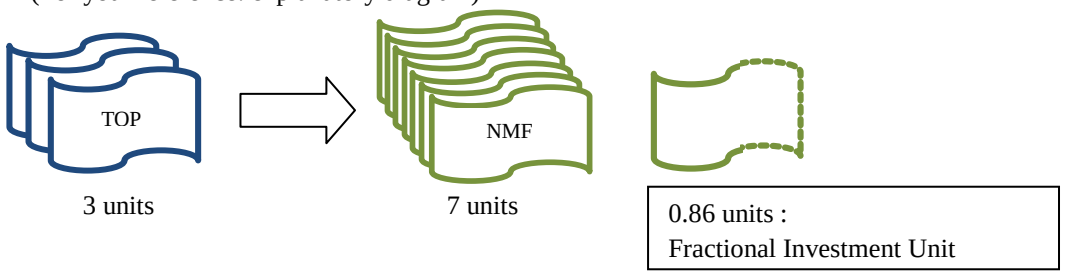
(For your reference: explanatory diagram)



→ <u>The amount equivalent to 0.62 unit, which is less than 1 investment unit, shall be paid from the sales proceeds to such Allotted Unitholder.</u>

(ii) Allotted Unitholder who held 3 TOP investment units as of the record date
Number of investment units of NMF allotted upon the Merger to such Allotted Unitholders is7.86 units.

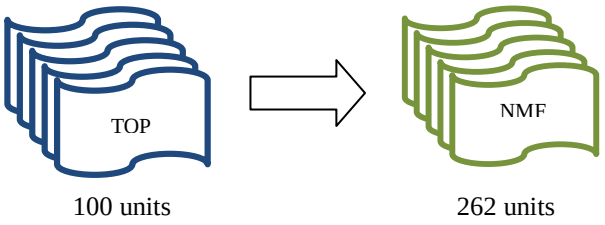
(For your reference: explanatory diagram)



→ <u>The amount equivalent to 0.86 unit, which is less than 1 investment unit, shall be paid from the sales proceeds to such Allotted Unitholder.</u>

(iii) Allotted Unitholder who held 100 TOP investment units as of the record date
Number of investment units of NMF allotted upon the Merger to such Allotted Unitholder is 262 units.

(For your reference: explanatory diagram)



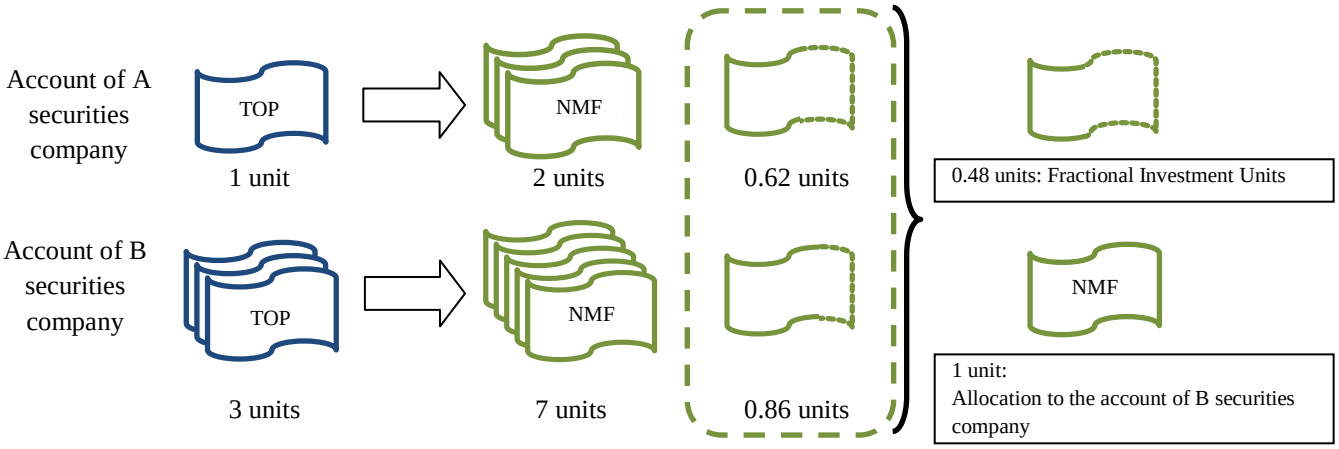
→ <u>As there is no Fractional Investment Unit, no cash payment shall be made from sales proceeds of the fractions.</u>

(Note) Unitholders who held TOP investment units in the accounts of multiple securities companies

If a unitholder held TOP investment units in the accounts of multiple securities companies as of the record date, the Fractional Investment Units shall be processed based on the total number of units after conducting the name-based aggregation separately TOP investment units. If the number of units obtained by adding up the Fractional Investment Units held in the accounts of each securities company is 1 unit or more, such units shall be allocated by Japan Securities Depository Center, Incorporated to the account of the securities company holding the largest number of units, and the Fractional Investment Units remained after such aggregation shall be treated same as described in (i) and (ii) as a fraction less than 1 unit.

(For your reference: explanatory diagram)

(Example) In the case where a unitholder held 1 TOP investment unit in the account of A securities company and 3 TOP investment units in the account of B securities company as of the record date



→ Total number of the Fractional Investment Units in the account of securities companies is 1.48 units. 1 unit shall be allocated by Japan Securities Depository Center, Incorporated to the account of the securities company holding the largest number of units (in the case above, the account of B securities company). In addition, with respect to 0.48 unit remained after the aggregation, which is less than 1 unit, the unitholder shall be paid the amount equivalent thereof from sales proceeds as the Fractional Investment Units.

3. Schedule (Planned)

September 23, 2016	Dispatch allotment letters (Note 1)
Mid November 2016	Commencement of payment of cash distributions on merger (Note 2) and proceeds from the sales of the Fractional Investment Units

(Note 1) The letters will be dispatched to the unitholders listed or recorded on the final unitholders register of TOP as of August 31, 2016 (Wednesday) (being the record date).

(Note 2) Instead of cash distributions for TOP's final fiscal period ended on August 31, 2016 (the period from May 1, 2016 to August 31, 2016), the NMF will make a cash distribution on merger to the unitholders listed or recorded on the final unitholders register of TOP as of August 31, 2016, in an amount equivalent to the cash distributions for the final fiscal period based on TOP's distributable profit. For more detailed information regarding cash distributions on merger to be paid, please refer to TOP's "Notice Concerning Earnings Forecasts for the Fiscal Period Ending August 31, 2016 (Final Fiscal Period) and Forecast for Cash Distribution on Merger" dated July 23, 2016.

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