

November 30, 2021

To all concerned parties:

Investment Corporation
Japan Metropolitan Fund Investment Corporation
 (Tokyo Stock Exchange Company Code: 8953)
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Notice Concerning Disposition of Trust Beneficiary Right in Real Estate in Japan
(G-Bldg. Minami Aoyama 01)

Japan Metropolitan Fund Investment Corporation (“JMF”) announced today that Mitsubishi Corp. – UBS Realty Inc., JMF’s asset manager (the “Asset Manager”), determined to dispose of the trust beneficiary right in real estate in Japan (the “Property”) as outlined below.

1. Overview of Disposition

Property name	G-Bldg. Minami Aoyama 01
Location	4-48, Minami Aoyama 5-chome, Minato-ku, Tokyo, etc.
Asset class	Retail
Disposition price (Scheduled) (A)	10,110 million yen
Book value ^(Note) (B)	10,000 million yen
Difference between disposition price and book value (A-B)	109 million yen
Purchaser	G.K. No. 6
Completion date of contract	November 30, 2021
Disposition date	December 1, 2021 (scheduled)

(Note) Book value refers to the estimated figures as of the month of disposition.

2. Reason for Disposition

Highlights

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| <ol style="list-style-type: none"> As part of JMF’s growth strategy, steady execution of JMF’s asset replacement strategy for optimizing the use composition of its portfolio Elimination of unrealized losses on the Property and obtaining a capital gain |
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In JMF’s asset replacement strategy, suburban retail properties and urban retail properties with low profitability are within the scope of disposition. In this disposition, we took into account the possibility of future downside risks, such as the continuity and profitability of tenants in the Property. We also expected to obtain a capital gain by disposition at a price higher than the appraised value and elimination of unrealized losses on the Property, which is in an urban location and has unrealized losses. Considering these factors, JMF determined the disposition.

JMF will allocate the cash from the disposition mainly to acquire properties in JMF’s asset replacement strategy.

3. Property Summary

A summary of the Property to be disposed of is set out in Part 1, Fund Information, Item 1. Status of the Fund, 5 Status of investment management, (2) Investment assets, of JMF's securities report for the 39th fiscal period submitted on November 25, 2021.

4. Overview of Purchaser

Name	G.K. No.6
Location	Toshida Bldg. 3F, 6-11, Ginza 1-chome, Chuo-ku, Tokyo
Name and job title of the representative	Executive Officer of General Incorporated Association Earth Tax
Business	1. Purchase and sale of trust beneficiary rights in real estate 2. Any other business incidental and/or related to the preceding item
Capital	120,000 yen
Date established	October 8, 2021
Net assets	Not disclosed as the purchaser has not agreed to the disclosure.
Total assets	
Major shareholder (shareholding ratio)	
Relationship with JMF / the Asset Manager	
Capital relationship Personal relationship Trade relationship	There is no capital, personal or transactional ties to be stated between the purchaser and JMF or the Asset Manager. There is no capital, personal or transactional ties to be specified between the related parties/related companies of JMF or the Asset Manager and the related parties/related companies of the purchaser.
Related parties	Any of the purchaser or the related parties/related companies of the purchaser do not fall under the related party of JMF or the Asset Manager.

5. Means of Payment

Full payment at the time of transfer

6. Disposition Schedule

Decision-making date	November 30, 2021
Disposition contract signing date	November 30, 2021
Payment date	December 1, 2021 (Scheduled)
Property transfer date	December 1, 2021 (Scheduled)

7. Future Outlook

There will be minor impact on our revenue forecast for the February 2022 fiscal period (from September 1, 2021 to February 28, 2022) and the August 2022 fiscal period (from March 1, 2022 to August 31, 2022), therefore we will not revise the forecast.

8. Appraisal Report Summary

Property name	G-Bldg. Minami Aoyama 01
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	9,440 million yen (Bldg. A : 5,000 million yen, Bldg. B : 4,440 million yen)
Appraisal date	August 31, 2021

(Bldg. A)

Item	Value	Notes
Indicated value by income approach	5,000 million yen	
DC method	5,220 million yen	
Operating income	173 million yen	
Effective gross income	178 million yen	
Losses from vacancy, etc.	5 million yen	
Operational cost	22 million yen	
Maintenance and management fee	2 million yen	
Utility cost	3 million yen	
Repair expenses	0 million yen	
Property manager fee	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and have included it under "Other expenses" instead.
Leasing cost	1 million yen	
Property tax	13 million yen	
Insurance premium	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and have included it under "Other expenses" instead.
Other expenses	0 million yen	
Net operating income	151 million yen	
Operating profit on lump-sum payments	1 million yen	
Capital expenditure	0 million yen	
Net cash flow	151 million yen	
Capitalization rate	2.9 %	
DCF method	4,910 million yen	
Discount rate	2.6 % (1st year) 3.0% (2nd to 10th years)	
Terminal capitalization rate	3.1 %	
Indicated value by cost approach	5,610 million yen	
Land ratio	94.8 %	
Building ratio	5.2 %	

Other matters of consideration	N/A
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(Bldg. B)

Item	Value	Notes
Indicated value by income approach	4,440 million yen	
DC method	4,640 million yen	
Operating income	158 million yen	
Effective gross income	158 million yen	
Losses from vacancy, etc.	0 yen	
Operational cost	15 million yen	
Maintenance and management fee	1 million yen	
Utility cost	0 yen	
Repair expenses	0 million yen	
Property manager fee	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and have included it under "Other expenses" instead.
Leasing cost	0 yen	
Property tax	12 million yen	
Insurance premium	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and have included it under "Other expenses" instead.
Other expenses	0 million yen	
Net operating income	143 million yen	
Operating profit on lump-sum payments	1 million yen	
Capital expenditure	0 million yen	
Net cash flow	143 million yen	
Capitalization rate	3.1 %	
DCF method	4,360 million yen	
Discount rate	2.8 % (1st to 3rd years) 3.2 % (4th to 10th years)	
Terminal capitalization rate	3.3 %	
Indicated value by cost approach	4,640 million yen	
Land ratio	94.2 %	
Building ratio	5.8 %	
Other matters of consideration	N/A	