Fiscal Period Ended October, 2024

20th Financial Results Briefing

December 16, 2024

SEKISUI HOUSE REIT, INC.


The Ivey on Boren

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Operational Highlights and Future Initiatives

DPU [Long-term EPU]	FP Ended Oct. 2024 (FP 20) Results	FP Ending Apr. 2025 (FP 21) Forecast	FP Ending Oct. 2025 (FP 22) Forecast
	1,817 JPY [1,308 JPY] vs FP 19 (278) JPY, vs FP 20 Guidance +68 JPY (guidance announced June 17, 2024)	**2,320** JPY [1,350 JPY]	**2,200** JPY [1,232 JPY]

	Results	Environment Recognition	Policy & Strategy
External Growth	• Residential (U.S.) acquisitions └FP 20: The Ivey on Boren └FP 21: City Ridge (acquired portion) • Residential (JP) acquisitions └FP 20: Prime Maison Morishita WEST and 4 others	In the real estate transaction market, • **JP (residential/office buildings)**: No rise in cap rates due to interest rate hikes; prices remain in high price range • **U.S. (residential)**: Transactions are on the rise due to the start of interest rate cuts; some price increases are also being seen	Will dispose of Akasaka Garden City in FP 22, and consider replacing it with the additional U.S. residence acquisition of City Ridge
Internal Growth	■ Residential (U.S.) • The Ivey on Boren (SPC fiscal year ended July 2024) └Occupancy rate at the end of July 2024: 91.1% └Change in rent rate at the time of new contract: 2.4% (From acquired date of May 29 to July 31)	■ Residential (U.S.) Seattle continues to have a higher population growth rate and household income than the rest of the United States, and the level of residential rents remains high	■ Residential (U.S.) In addition to ensuring and improving occupancy rates during the minimum rent guarantee period (until May 2026), will also aim for further rent increases
	■ Residential • Occupancy rate at the end of FP: **96.5**% (Avg. occupancy rate during the period: 96.7%) • Change in rent rate at the time of new contract **+6.1%** (+1.3pt. from the previous period) • Change in rent rate at the time of renewed contract **+1.1%** (+0.5pt. from the previous period)	■ Residential Rents continue to rise in the rental housing market due to the increasing population inflow to major metropolitan areas	■ Residential Focus on increasing rents at the time of new and renewal of contracts, while also planning to increase rents through renovation and value enhancing initiatives
	■ Office Building • Operation of the 4 office buildings that is continued to be held is stable • Two office buildings in the Osaka area successfully negotiated a rent increase at the time of renewing/ re-contracting	■ Office Building • Although tenant needs for additional floor space due to new employment, environmentally friendly office buildings, and high-quality office buildings are on the rise, tenants continue to be selective by area, station distance, and other factors	■ Office Building Aim to improve tenant satisfaction and tenant retention rates while capturing tenant needs
Finance	• Decided on buyback up to 20 billion JPY (during FP 21) • LTV (total asset basis) as of the end of FP: 45.3% as of the date of this document: 46.8%	• Assuming a gradual increase in interest rates going forward • Importance of strategy in fundraising is expanding	• For interest-bearing liabilities, maintain the ratio of fixed interest rates at 80% or more, and the average remaining maturity at the current level
ESG	• GRESB Real Estate Assessment upgraded to "4 Stars" • Progress made in reducing GHG emissions and formulated new reduction target	• Growing demand for medium to long term environmental considerations, such as efforts to combat climate change • Increasing importance of ESG-related disclosure	• Working to resolve social issues through ESG conscious asset management • Promote initiatives to achieve net zero by 2050

* "Long-term EPU (net income per unit)" is calculated by deducting gain/loss on disposition, impairment loss and asset management fees related to disposition from net income and adding allowance for temporary difference adjustments (ATA) (excluding dispositions and impairment losses) divided by the number of investment units issued and outstanding. The same applies throughout this document.

* "DPU" refers to "Distribution per Unit". The same applies throughout this document.

Growth Strategy/Policy

City Ridge
Photo by: David Madison Photography

Future Growth Strategy/Policy (1)

Low-yielding asset replacement almost complete; will now focus on increasing long-term EPU

Change in Portfolio Development Policy
(as of May 28, 2024)

Increasing the residential ratio to 70%~100% and shifting to a more residential-oriented portfolio

Of which up to 30% may be acquired in U.S. residentials to capture both "stable growth" in Japan and "proactive growth" in the U.S.

Will maintain DPU of 1,800 JPY or more

Further growth in long-term EPU & recording gains on disposition of Gotenyama SH Building

Recover long-term EPU of 1,500 JPY (by FP ending October 2026 (FP 24))

"Proactive Growth" from the U.S.	The economic growth rate is high compared to Japan, and with both population and household income increasing, economic growth and rent increases are expected to continue over the medium to long term
"Stable Growth" in Japan	Continue to acquire "Prime Properties" centered on "high-quality" residential properties in "strategic locations" by utilizing sponsor pipelines, and consider properties that can expect to generate stable and continuous earnings on a case-by-case basis
Growth Foundation	A residential-oriented REIT that makes the most of Sekisui House Group's real estate development and management capabilities, with Sekisui House, a leading Japanese house manufacturer, as the sponsor

Future Growth Strategy/Policy (2)

Will consider utilizing disposition proceeds with acquisitions, repayment of borrowings, and buybacks

Trends in cash inflows/outflows and acquisition capacity with an increase in LTV (estimate)

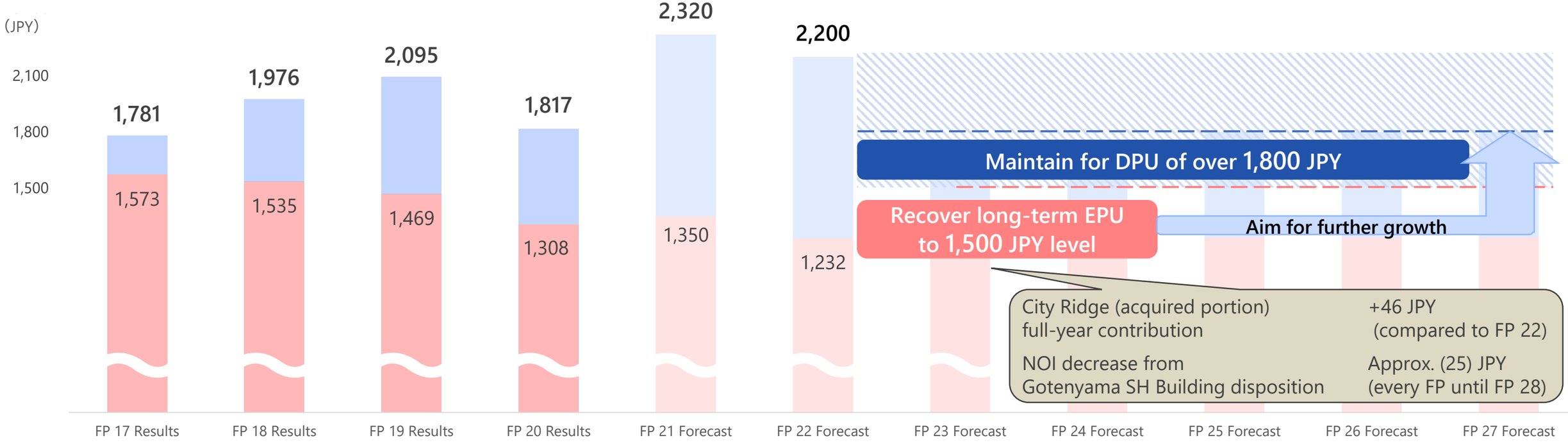
Disposition proceeds of Akasaka Garden City	**+51.5 bn JPY**						
Disposition proceeds of Gotenyama SH Building	+5 bn JPY	+5 bn JPY	+5 bn JPY	+5 bn JPY	+5 bn JPY	+5 bn JPY	+5 bn JPY
Acquisition capacity with LTV increase (up to 50%)	+35 bn JPY						
Acquisition of own investment units	**(2) bn JPY**						

Estimated trend in DPU

Gain on disposition per share (estimate)

(Unit: JPY)

Akasaka Garden City		+701					
Gotenyama SH Building	+481	+483	+486	+489	+492	+495	+499

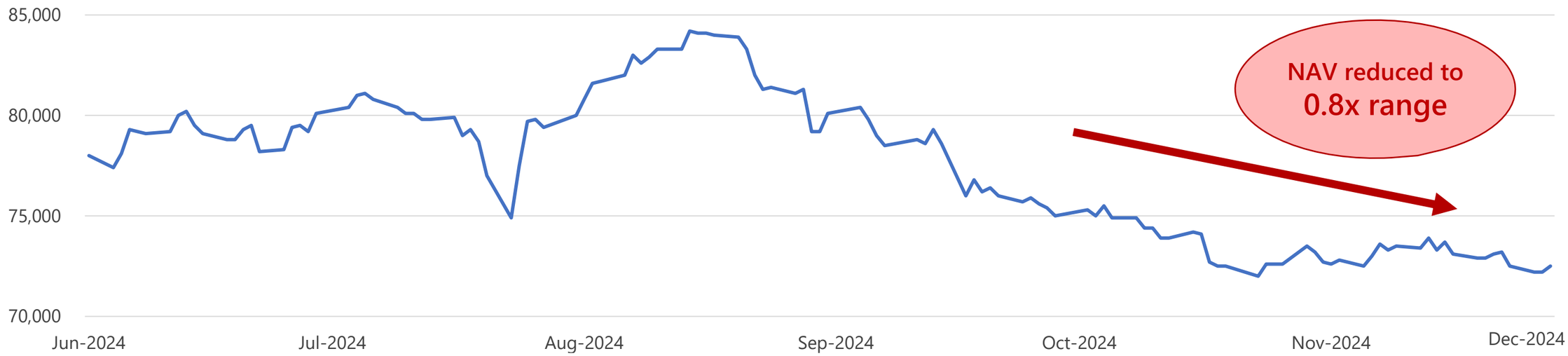


- The amounts for “disposition proceeds of Akasaka Garden City” and “disposition proceeds of Gotenyama SH Building” are calculated by subtracting the gain on disposition (estimate) from the planned disposition price. Disposition-related expenses, etc. are not taken into account.
- The expected dividend amount per unit for “City Ridge (acquired portion)” is based on the forward exchange rate of US$1=148.19 JPY for the 22nd and 23rd fiscal period.
- The above “image of future distributions” shows the image of the distributions that SHR aims for as of the date of this document and does not guarantee the maintenance or increase of distributions. Additionally, it may change due to future circumstances.

Acquisition of Own Investment Units (During FP 21)

Investment unit price continues to fall below NAV per unit, thus SHR decided on second buyback

Trend of SHR investment unit price



Overview of the buyback

Planned total number of investment units to be acquired	Up to 35,000 units (0.8% of the total number of investment units issued and outstanding (excluding investment units owned by SHR))
Planned total acquisition price of the investment units	Up to 2,000,000,000 JPY
Acquisition period	From December 17, 2024 to March 31, 2025
Total number of investment units issued and outstanding (excluding investment units owned by SHR)	4,381,482 units

Effects of the buyback (estimated value)

DPU Forecast

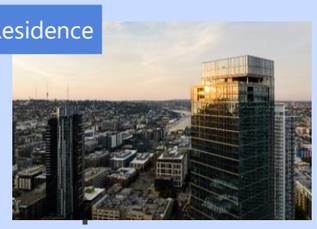
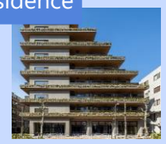
FP Ending April 2025 (FP 21) Forecast	2,320 JPY	➡ **2,332 JPY (+12 JPY)**
FP Ending October 2025 (FP 22) Forecast	2,200 JPY	➡ **2,212 JPY (+12 JPY)**

- "Effects of the buyback (estimated value)" is based on the assumption that SHR acquires investment units up to the upper limit of the total acquisition price at the SHR's investment unit closing price of 73,100 JPY as of November 29, 2024, based on the DPU forecast before taking into account the buyback as stated in the "Financial Report for the Fiscal Period Ended April 30, 2024" announced separately today, and that SHR acquires a total of 27,359 units and cancels all of the acquired units during the fiscal period ending April 30, 2025 (FP 21). This may vary depending on the actual total number of investment units acquired and the total acquisition price.
- Depending on the level of the investment unit price of SHR, liquidity, market trends, etc., the total number of investment units acquired and the total amount of the acquisition price of the investment units may not reach the above-mentioned maximum, or there may be no acquisition at all.

Overview of Asset Replacement Measures

	FP Ended Oct. 2024 (FP 20)	FP Ending Apr. 2025 (FP 21)	FP Ending Oct. 2025 (FP 22)
Disposition	 Office building Gotenyama SH Bldg. 3rd disposition (10.0%)	 Office building Gotenyama SH Bldg. 4th disposition (10.0%)	 Office building Gotenyama SH Bldg. 5th disposition (10.0%)
	 Office building Garden City Shinagawa Gotenyama (49.0%)		
	 Office building Hommachi Garden City (Office building portion) (65.0%)	 Office building Hommachi Garden City (Office building portion) (35.0%)	 Office building Akasaka Garden City
(Planned) disposition price	65,815 mm JPY	22,575 mm JPY	61,600 mm JPY
Gain/loss on disposition (expected)	+7,859 mm JPY	+5,249 mm JPY	+5,187 mm JPY

Utilize disposition funds

Acquisition	Residence  【U.S. property】 The Ivey On Boren (Overseas SPC)	Residence  EM Minamigyotoku	Residence  PM Morishita WEST Residence  PM Yokohama WEST	Residence  EM Myoden Residence  EM Urawa	Residence  【U.S. property】 City Ridge (acquired portion) (Overseas SPC)
Acquisition price	51,479 mm JPY	950 mm JPY	15,550 mm JPY	2,660 mm JPY	40,156 mm JPY
Appraisal NOI yield after depreciation	3.7% (Expected dividend yield)	3.4%	3.1%	3.7%	3.6% (Expected dividend yield)

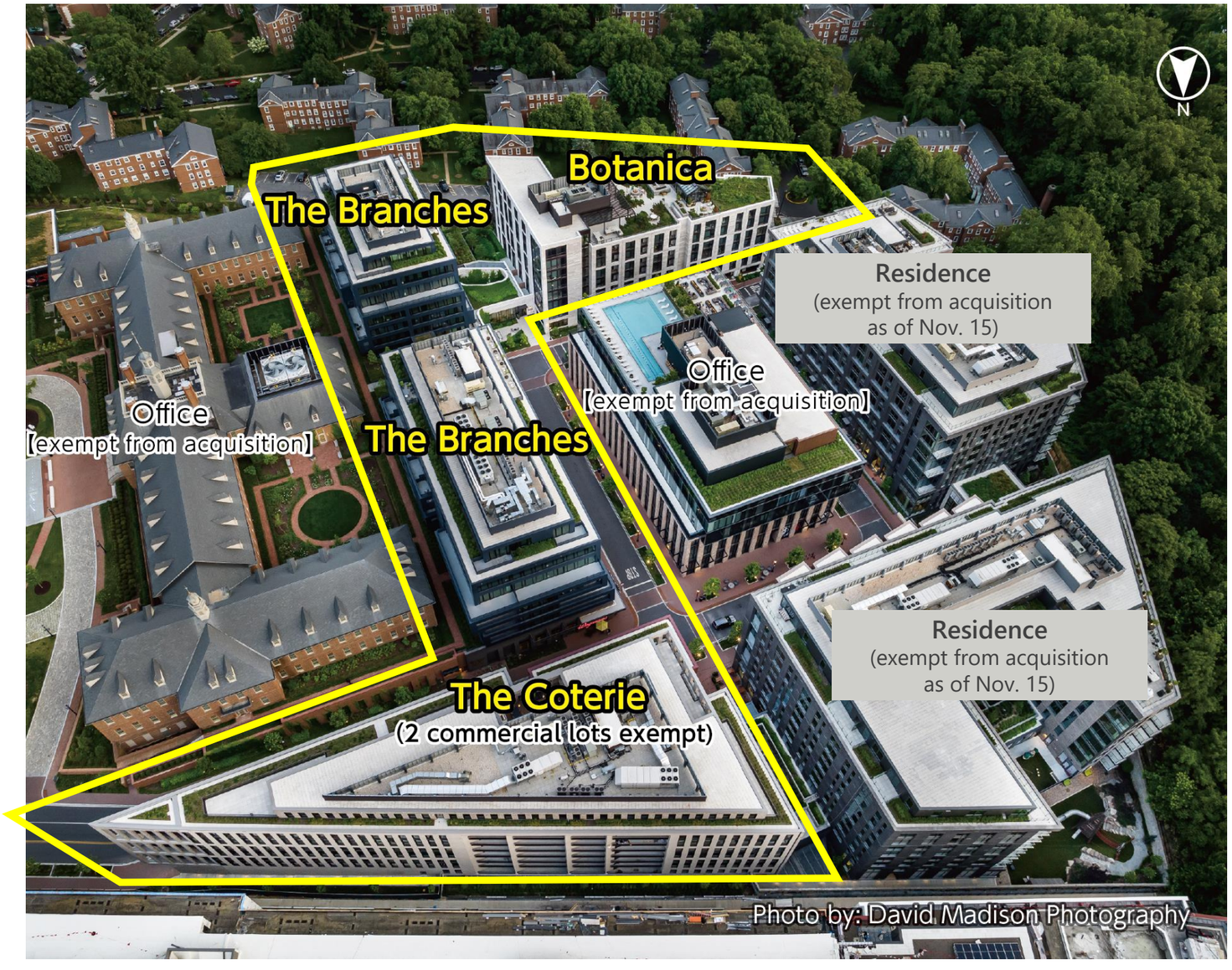
Residence  【U.S. property】
City Ridge
(Overseas SPC)

Considering additional acquisition

Residential (U.S.): Consider Additional Acquisition of “City Ridge”

Considering additional acquisition of “City Ridge” utilizing disposition funds from Akasaka GC

- On November 15, 2024, acquired four of the six residential buildings within City Ridge
- Using the funds from the disposition of Akasaka Garden City, considering to acquire the remaining two residential buildings and the parking garage for residents located underground



Overview of Acquired Portion

Acquisition date	November 15, 2024
Acquisition price	279 million USD (40,156 million JPY)
Expected appraisal NOI yield	5.0%
Expected dividend yield	3.6%
Appraisal value (date of value)	280 million USD (40,227 million JPY) (April 30, 2024)
Construction completion	December 2022 ~ January 2023
Structure/Floors	RC/9F, B3F
Site area	422,891 Sq/Ft (39,286.49㎡)
Total floor area	1,799,846 Sq/Ft (167,205.69㎡)
Leasable area (units)	330,247 Sq/Ft (30,678.12㎡) (350 units)
Occupancy rate (date)	91.1% (as of the end of July 2024)

- As of the date of this document, SHR has no specific plans to acquire the additional acquisition portion of the residential (U.S.) “City Ridge” as described on this page. In addition, acquisition by SHR is not obligated nor guaranteed.

Residential (U.S.): Features of “City Ridge”

Reason for Acquisition

- **Growth Expectations for Washington D.C.:**
  Located in the capital of the U.S. with many employed by the federal government and related industries; expect continued stable population growth, high income and high rents
- **Attractiveness of the Property:**
  A complex facility consisting of residences, offices and commercial facilities. A luxury residence with a focus on convenience and abundant amenities

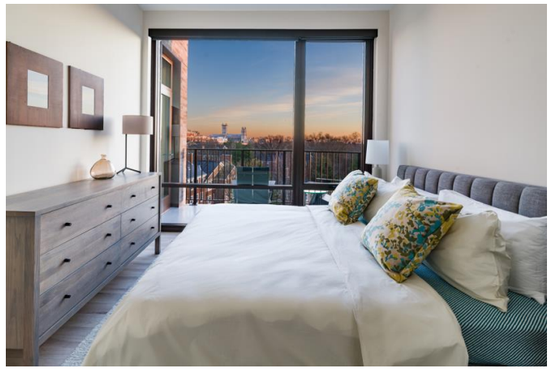














- Received **LEED Gold**, a U.S. green building certification that focuses on environmental impact reduction and energy efficiency, for each building
- The project also received **LEED-ND Gold Certification** for neighborhood development, making it the first project in D.C. and the second in the nation
- Acquired **Fitwel**, a U.S. building performance rating system focused on human health and wellbeing

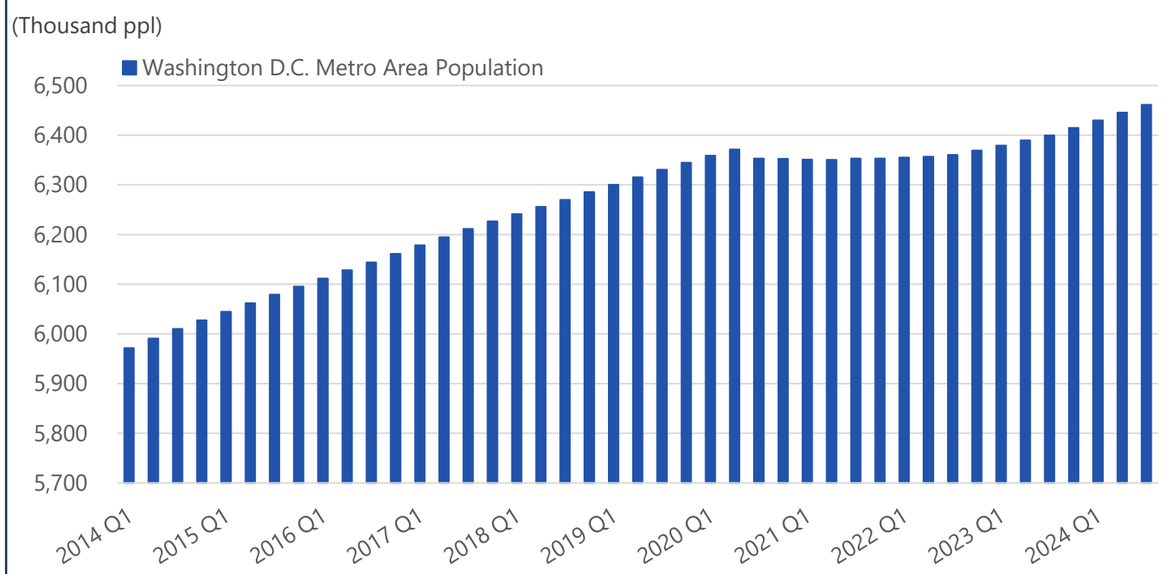
• Of the “City Ridge” complex facility, ownership interest in all of the exclusively-owned portions that are used for residential purposes of the four buildings along with the land equivalent to 26,536 sq/ft (2,465.18 ㎡) are subject to acquisition.

Residential (U.S.): Growth Expectations (Washington D.C.) (1)

Washington D.C. has high household incomes, and high rent levels are expected to continue steadily

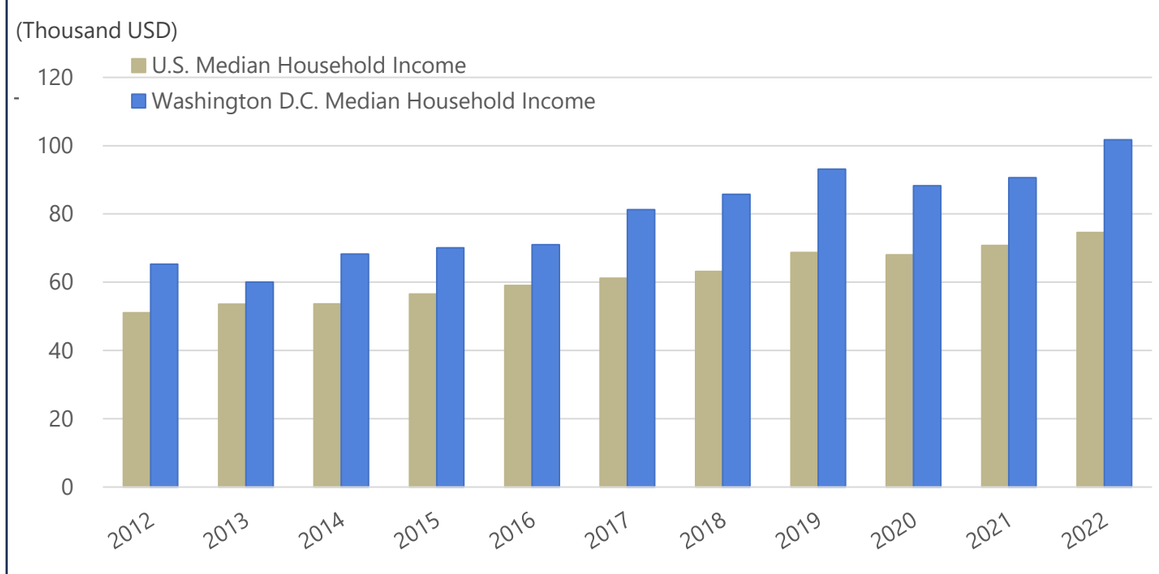
Washington D.C. Metro Area's Population

Metro area's population briefly declined due to COVID-19, but has been on the rise since. Looking at the D.C. district alone, the population exceeded 678 thousand as of July 1, 2023, **ranking 7th in growth among states**



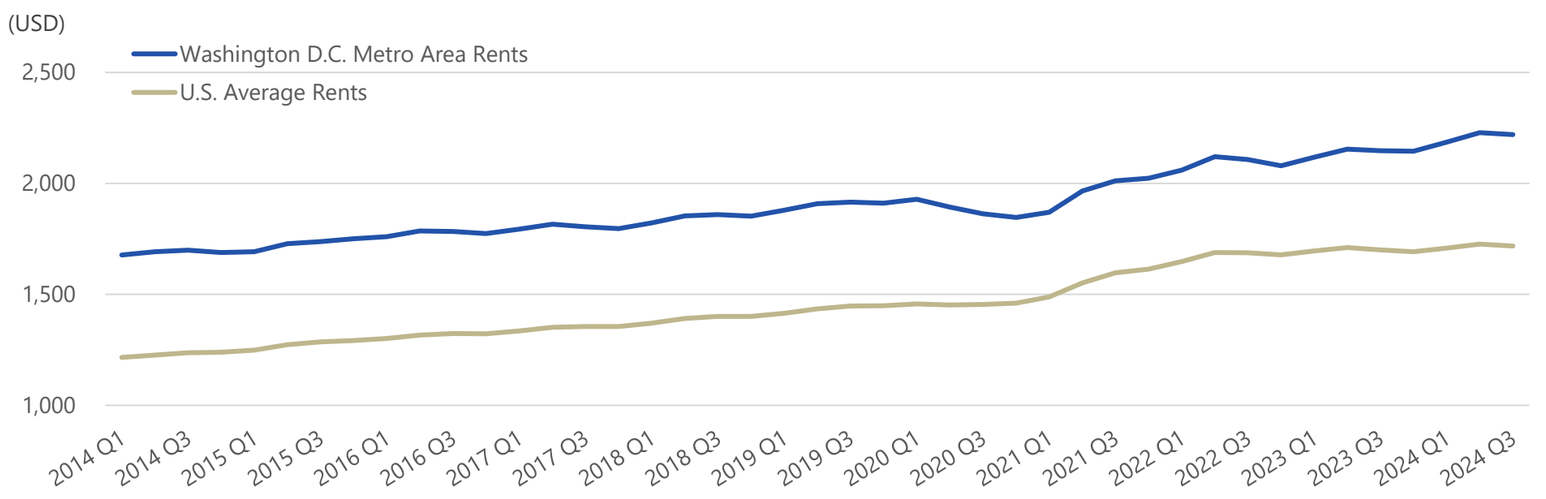
Washington D.C.'s Household Income

Compared to median U.S. household income over the past decade, Washington D.C. consistently outperforms by around 30%, with **D.C.'s 2022 median income over 100,000 USD,** making it the second highest by state



Washington D.C. Metro Area's Rent Trends

The average rent in the Washington D.C. metro area's rental housing market (multi-family) is 2,220 USD/month (as of the end of September 2024), which is **29.3% higher than the national average; this area in the U.S. has achieved stable, high rents.** Rent growth over the 10-year period from 2014 Q3 to 2024 Q3 was 30.6%, and a moderate yet stable rent increase can continue to be expected



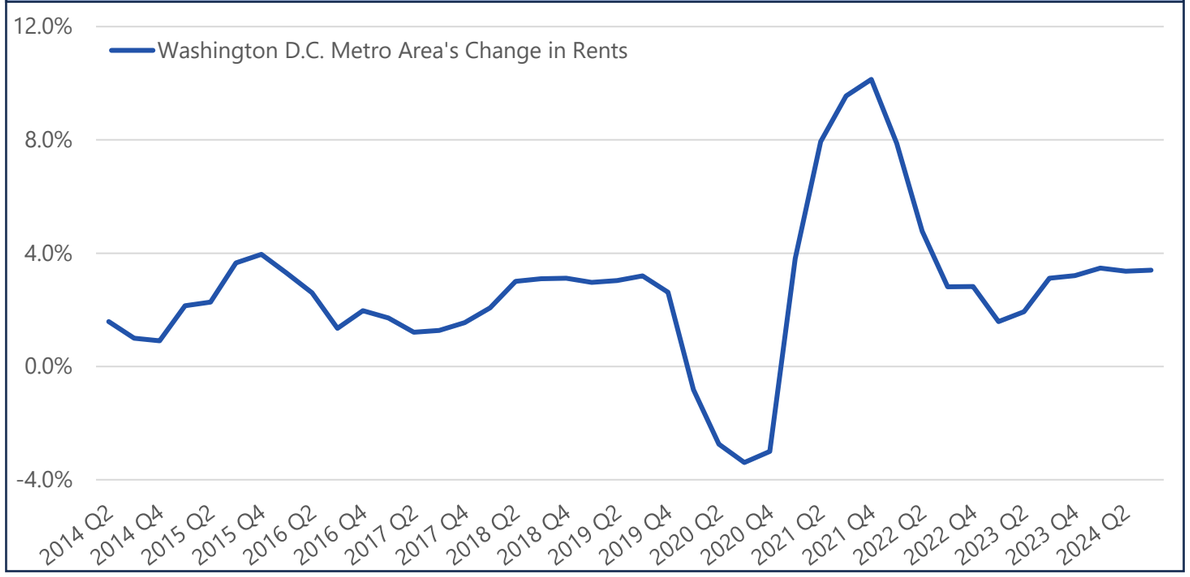
- "Washington D.C. Metro Area's Population" and "Washington D.C. Metro Area's Rent Trends" were prepared by SHA based on the real estate information analysis platform data provided by Costar Group.
- "Washington D.C.'s Household Income" was prepared by SHA based on the "Median Household Income by State: 1984 to 2022" data published by the U.S. Census Bureau.

Residential (U.S.): Growth Expectations (Washington D.C.) (2)

No concerns regarding supply-demand balance in the rental housing market; change in rent remaining at approximately +3%

Washington D.C. Metro Area's Change in Rent Trends

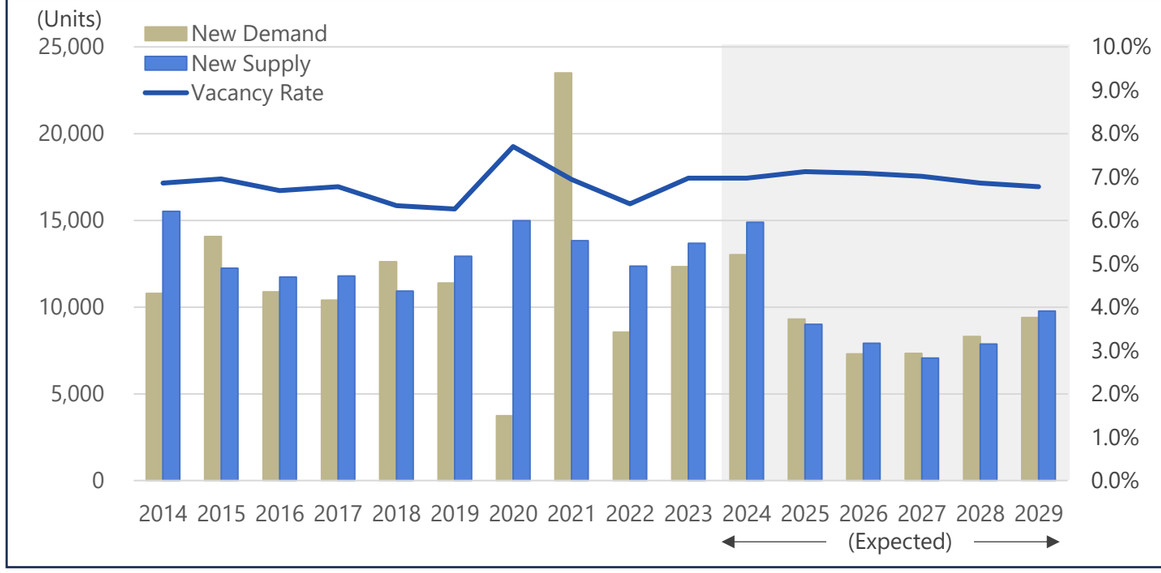
Although rents declined during COVID-19, they have since recovered significantly. Currently, the increase in rents has slowed down, and **rents remain at pre-COVID levels of +3%**



Washington D.C. Metro Area's Supply-Demand Balance and Vacancy Rates

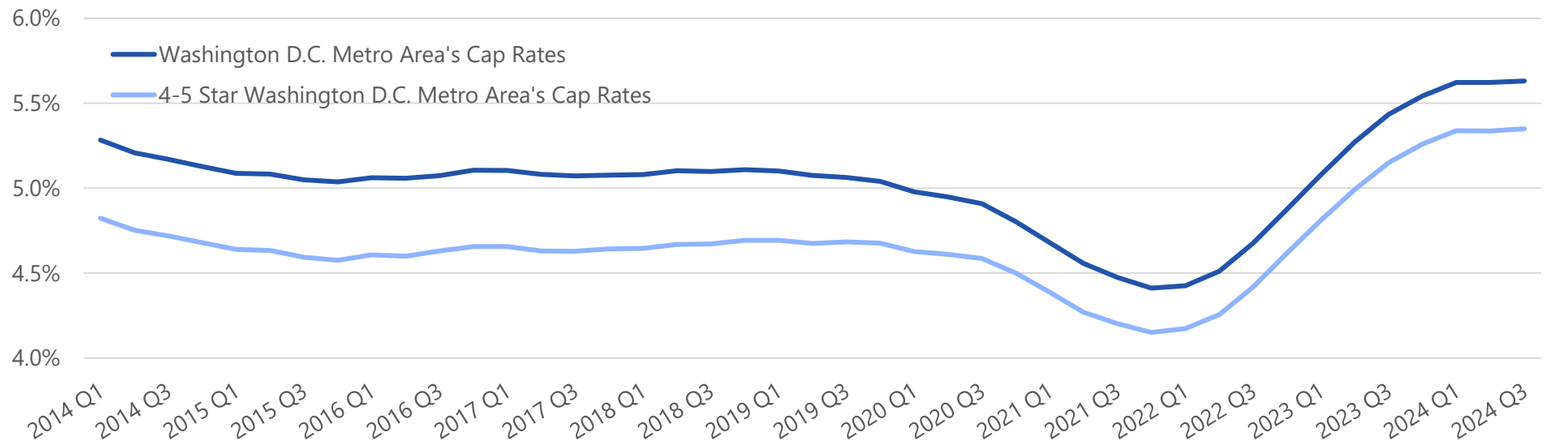
No significant concerns as supply and demand are expected to be generally balanced after 2024.

Vacancy rate is expected to remain below the 7% range



Washington D.C. Metro Area's Cap Rate Trends

Triggered by the monetary tightening policy starting March 2022, the cap rate in the Washington D.C. Metro Area also increased, and **the cap rate for 4-5 Star properties rose to approximately 5.4%** as of the end of September 2024

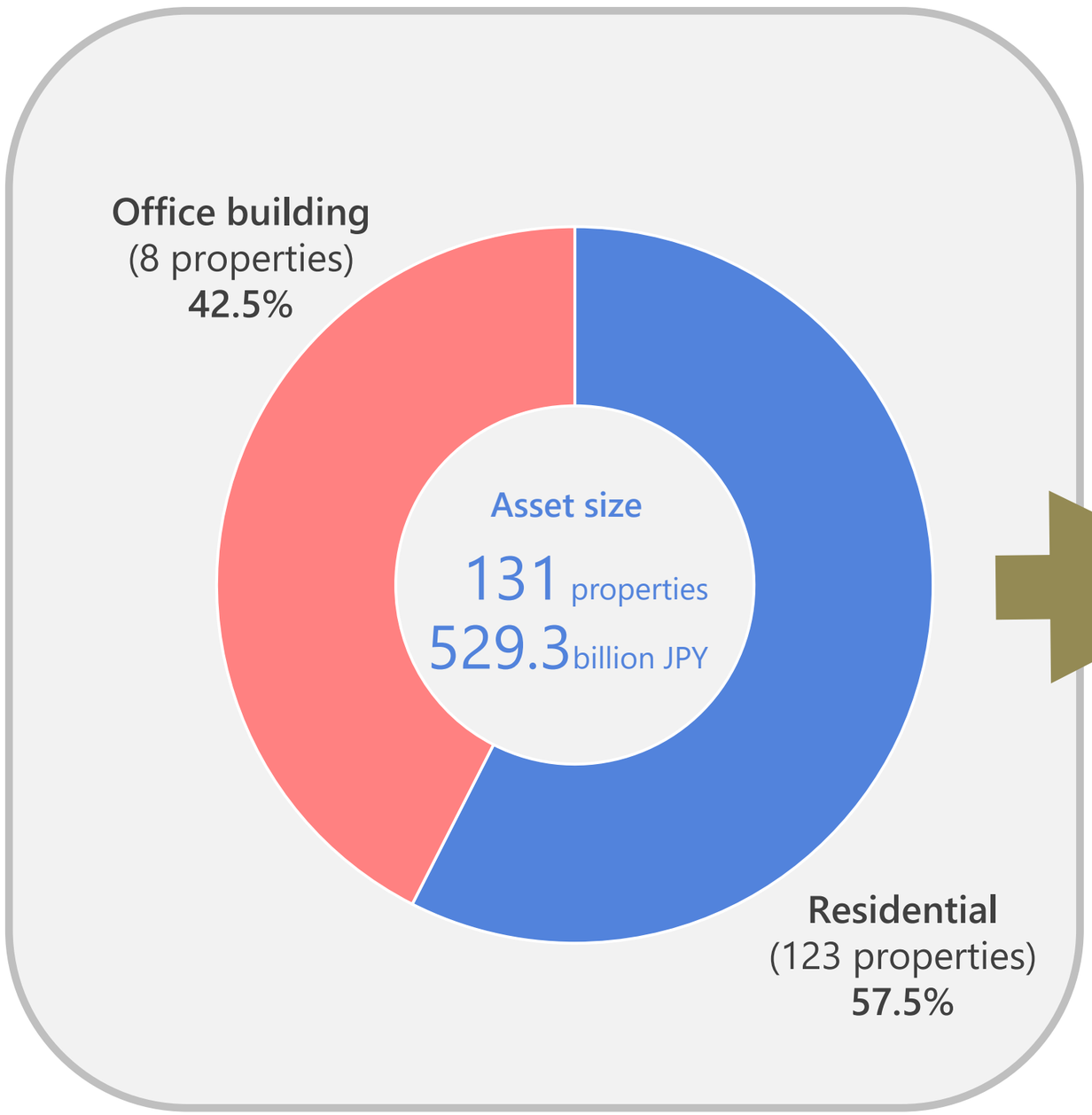


- "Washington D.C. Metro Area's Change in Rent Trends", "Washington D.C. Metro Area's Supply-Demand Balance and Vacancy Rates" and "Washington D.C. Metro Area's Cap Rate Trends" were prepared by SHA based on the real estate information analysis platform data provided by Costar Group.

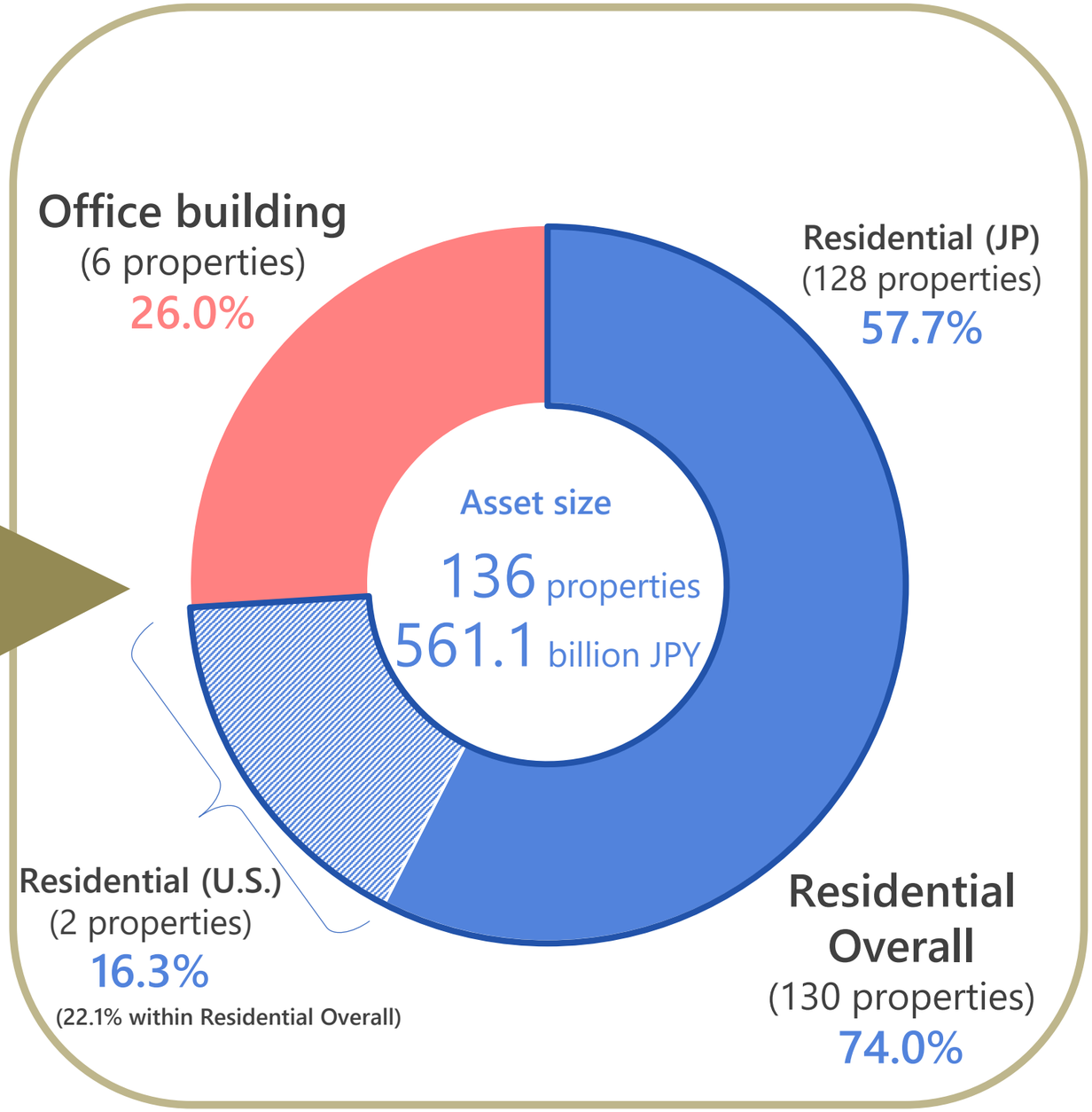
Portfolio After Asset Replacement

With the acquisition of residential (U.S.), “City Ridge (acquired portion)”, the residential property ratio exceeds 70%

As of the end of Apr. 2024 (FP 19)



As of the date of this document
(After the acquisition of “City Ridge (Acquired portion)”)



- Percentage is based on acquisition price.

Sekisui House Group Sponsor Support

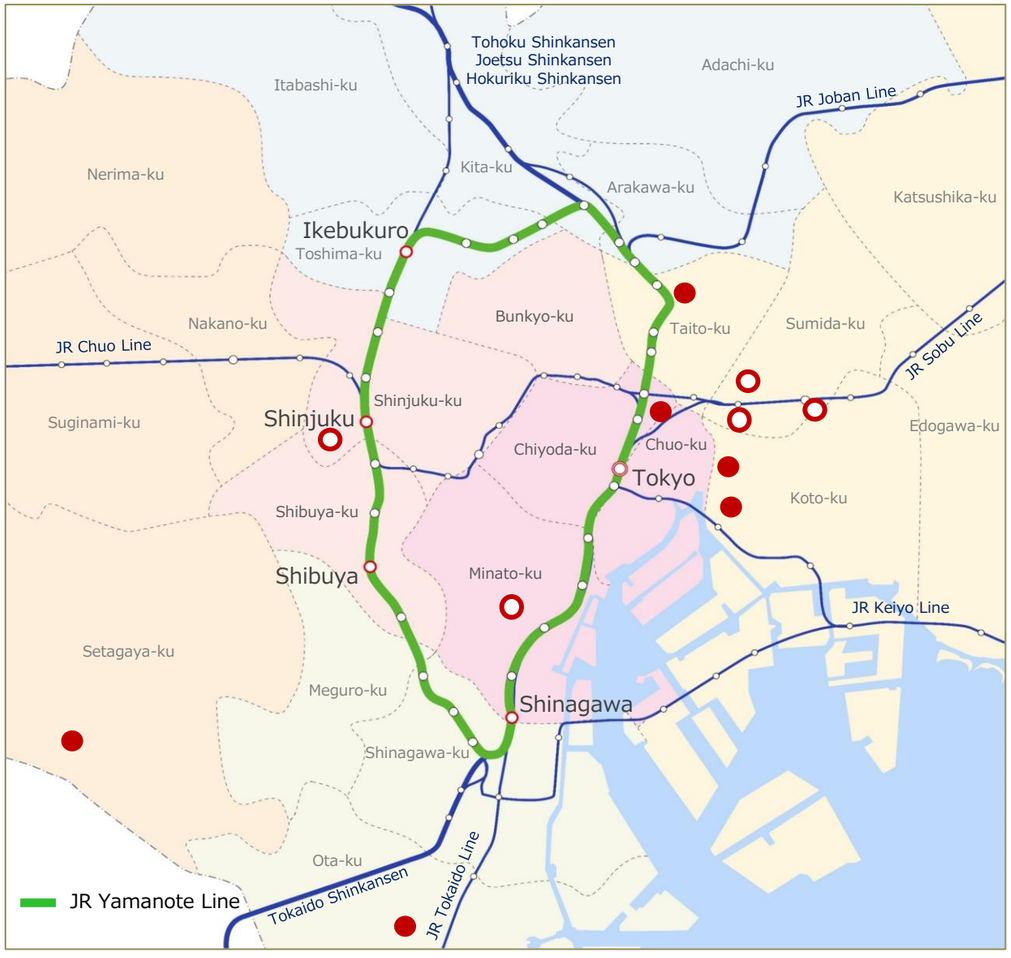
Secure many property acquisition opportunities by leveraging the sponsor's real estate development capabilities

Pipeline Total	Approx. 240 billion JPY
Of which, Residentials	Approx. 90 billion JPY

Developments of Sekisui House's Main Residential Properties

	Property Name (Including Temporary Name)	Location	Units (Planned)	Total Floor Area (㎡) (Planned)
Completed Residentials 6 properties (499 units)	ZEH Prime Maison Kiyosumishirakawa	Koto-ku, Tokyo	75	2,999.69
	ZEH Prime Maison Kamata	Ota-ku, Tokyo	141	5,793.71
	ZEH Prime Maison Nihonbashibakurocho	Chuo-ku, Tokyo	45	2,076.31
	ZEH Prime Maison Yoga Kinutakoen	Setagaya-ku, Tokyo	122	6,303.39
	ZEH Prime Maison Iriya	Taito-ku, Tokyo	74	3,533.01
	ZEH Prime Maison Kiyosumi Riverfront	Koto-ku, Tokyo	42	1,459.00
Completed total			**499**	**22,165.11**
Residentials Under Construction 5 properties (473 units)	ZEH Prime Maison Kinshicho	Sumida-ku, Tokyo	85	3,976.00
	ZEH Prime Maison Nishishinjuku	Shinjuku-ku, Tokyo	104	4,344.00
	ZEH Prime Maison Minamiazabu	Minato-ku, Tokyo	163	18,582.90
	ZEH To be determined	Sumida-ku, Tokyo	93	4,064.14
	ZEH To be determined	Koto-ku, Tokyo	28	1,241.88
Residentials Under Planning 7 properties	ZEH All properties are located in Tokyo 23 wards and are ZEH properties			

Abundant Pipeline Within Tokyo 23 Wards




PM Kiyosumi shirakawa (Koto-ku, Tokyo)


PM Kamata (Ota-ku, Tokyo)


PM Nihonbashi bakurocho (Chuo-ku, Tokyo)


PM Iriya (Taito-ku, Tokyo)


PM Yoga Kinutakoen (Setagaya-ku, Tokyo)

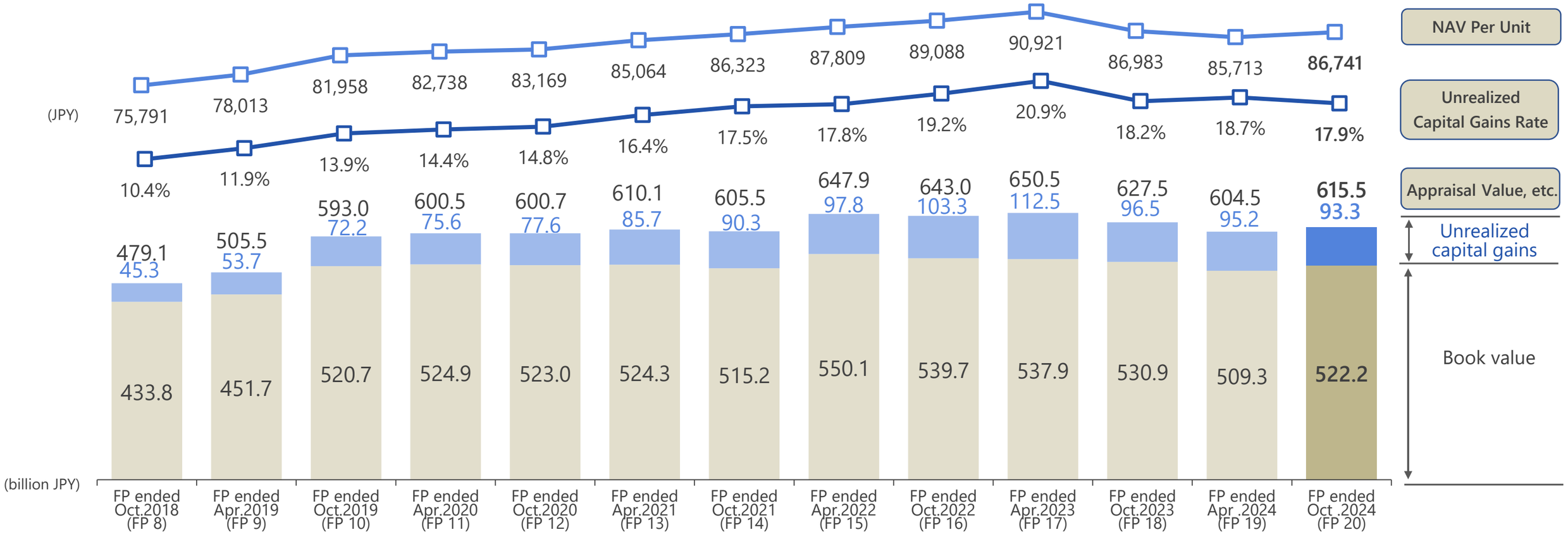

PM Kiyosumi Riverfront (Koto-ku, Tokyo)

* As of the date of this document, SHR has no specific plans to acquire the unacquired assets described on this page. In addition, acquisition by SHR is not obligated nor guaranteed.

* ZEH stands for ZEH-M Oriented which refers to "condominiums that aim to realize significant energy savings while maintaining indoor environmental quality through the introduction of highly efficient facilities, as well as greatly improving insulation performance, etc. and reducing primary energy consumption by 20% or more throughout the condominium, including common areas".

Trends of Appraisal Value, etc. and Unrealized Capital Gains

Despite an increase of appraisal value in residential (JP), unrealized capital gains decreased by 1.8 billion JPY to 93.3 billion JPY due to recognition of gain on disposition in office buildings



Breakdown of appraisal value, etc. by asset type as of FP 20

	Residential (JP)		Residential (U.S.)		Office building		Entire portfolio	
	FP 20 Result	vs. FP 19	FP 20 Result	vs. FP 19	FP 20 Result	vs. FP 19	FP 20 Result	vs. FP 19
Appraisal value, etc.	381.2 Billion JPY	+22.1 Billion JPY	50.9 Billion JPY	+50.9 Billion JPY	183.4 Billion JPY	(62.1) Billion JPY	615.5 Billion JPY	+11.0 Billion JPY
Average cap rate	3.5 %	—	—	—	3.3 %	—	—	—
Unrealized capital gains/loss	63.6 Billion JPY	+2.7 Billion JPY	(0.7) Billion JPY	(0.7) Billion JPY	30.4 Billion JPY	(3.8) Billion JPY	93.3 Billion JPY	(1.8) Billion JPY
Unrealized capital gains/loss rate	20.0 %	(0.4) pt.	(1.4) %	—	19.9 %	+3.7 pt.	17.9 %	(0.8) pt.

＊ The appraisal value, etc. of the residential (U.S.) is calculated by adjusting the net asset value of the SPC that holds the relevant U.S. real estate with the fiscal year ending at the end of July 2024, and the appraisal value of the relevant U.S. real estate as stated in the appraisal report with a valuation date as of the end of October 2024, and deducting dividends, etc. Unrealized gains/losses of the residential (U.S.) are calculated by subtracting the total book value of each SPC that owns the U.S. real estate on SHR's balance sheet from the appraisal value, etc. Please refer to P.62 and P.63 for details.

Financial Results/Forecasts

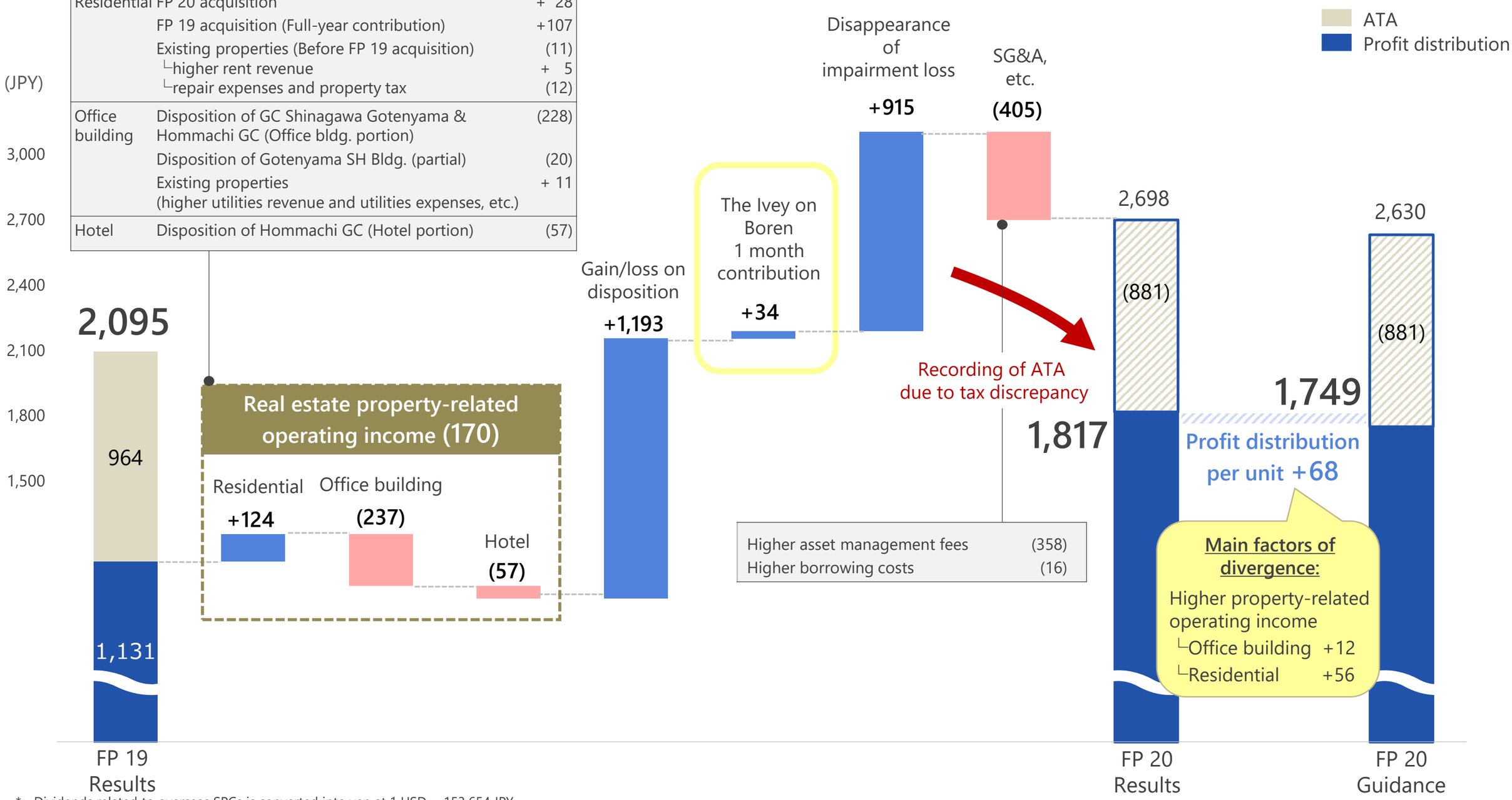


Prime Maison Morishita WEST

Analysis of Change Factors of DPU (Results)

Although real estate property-related operating income decreased due to the disposition of office buildings and the hotel, the newly acquired residences (JP and U.S.) contributed to results

Residential	FP 20 acquisition	+ 28
	FP 19 acquisition (Full-year contribution)	+107
	Existing properties (Before FP 19 acquisition)	(11)
	└higher rent revenue	+ 5
	└repair expenses and property tax	(12)
Office building	Disposition of GC Shinagawa Gotenyama & Hommachi GC (Office bldg. portion)	(228)
	Disposition of Gotenyama SH Bldg. (partial)	(20)
	Existing properties (higher utilities revenue and utilities expenses, etc.)	+ 11
Hotel	Disposition of Hommachi GC (Hotel portion)	(57)



* Dividends related to overseas SPCs is converted into yen at 1 USD = 153.654 JPY.
* "Existing properties" within the "Office building" refers to the properties owned as of the end of FP 20 excluding "GC Shinagawa Gotenyama", "Hommachi GC (Office bldg. portion)" and "Gotenyama SH Bldg.".

Profit and Loss Comparison (Results)

(unit: million JPY)

	FP 19 Results (A)	FP 20 Results (B)	vs. FP 19 Results (B-A)	Analysis of Change Factors	FP 20 Guidance (C)	vs. FP 20 Guidance (B-C)	Analysis of Change Factors
Residential (JP)							
Property-related operating revenue	8,875	9,720	+844	+47 Higher op income (FP 19 acquisition) +121 Higher op income (FP 20 acquisition) (48) Higher op income (Before FP 19 acquisition) └Higher rent revenue +24 └Higher repair expenses (34) └Higher depreciation (27) └Higher property tax, etc. (17)	9,490	+229	+112 Higher op income (FP 20 acquisition) +128 Higher op income (Before FP 19 acquisition) └Higher rent revenue +27 └Higher deposit/renewal fees +18 └Lower repair expenses +14 └Lower other expenses related to lease business (leasing expenses, etc.) +41
Property-related operating income and loss	4,537	5,081	+543		4,833	+248	
NOI	6,271	6,951	+679		6,678	+272	
NOI yield	4.3%	4.4%	+0.1pt.		4.4%	–	
Average occupancy rate during the period	97.1%	96.7%	(0.4)pt.		96.8%	(0.1)pt.	
Residential (U.S.)							
Dividend income	–	148	+148		142	+6	
Exchange rate (USD to JPY)	–	153.654 JPY	–		155.90 JPY	(2.25) JPY	
Dividend yield	–	3.3%	–		–	–	
Average occupancy rate during the period	–	91.2%	–		–	–	
Office building							
Property-related operating revenue	5,941	3,985	(1,955)	(999) Lower op income (GC Shinagawa Gotenyama & Hommachi GC (Office bldg. portion)) (90) Lower op income (partial Gotenyama SH Bldg.) +15 Higher op income (Shinjuku Hirose Bldg.) +33 Higher op income (existing properties) └Higher utilities revenue +55 └Higher utilities expenses (28)	3,977	+7	+53 Higher op income (existing properties) └Higher utilities revenue +5 └Lower utilities expenses +8 └Lower repair expenses +13 └Lower other expenses related to lease business (leasing expenses, etc.) +24
Property-related operating income and loss	3,647	2,606	(1,040)		2,554	+52	
NOI	4,545	3,120	(1,424)		3,067	+52	
NOI yield	3.5%	3.8%	+0.3pt.		3.7%	+0.1pt.	
Average occupancy rate during the period	95.3%	98.4%	+3.1pt.		98.4%	–	
Hotel							
Property-related operating revenue	400	–	(400)	(247) Lower op income (Hommachi GC (Hotel portion))	–	–	
Property-related operating income and loss	247	–	(247)		–	–	
NOI	323	–	(323)		–	–	
NOI yield	3.8%	–	–		–	–	
Average occupancy rate during the period	100.0%	–	–		–	–	
Entire portfolio NOI yield	3.9%	4.1%	+0.2pt.		–	–	
Entire portfolio avg. occupancy rate	96.8%	96.6%	(0.2)pt.		–	–	

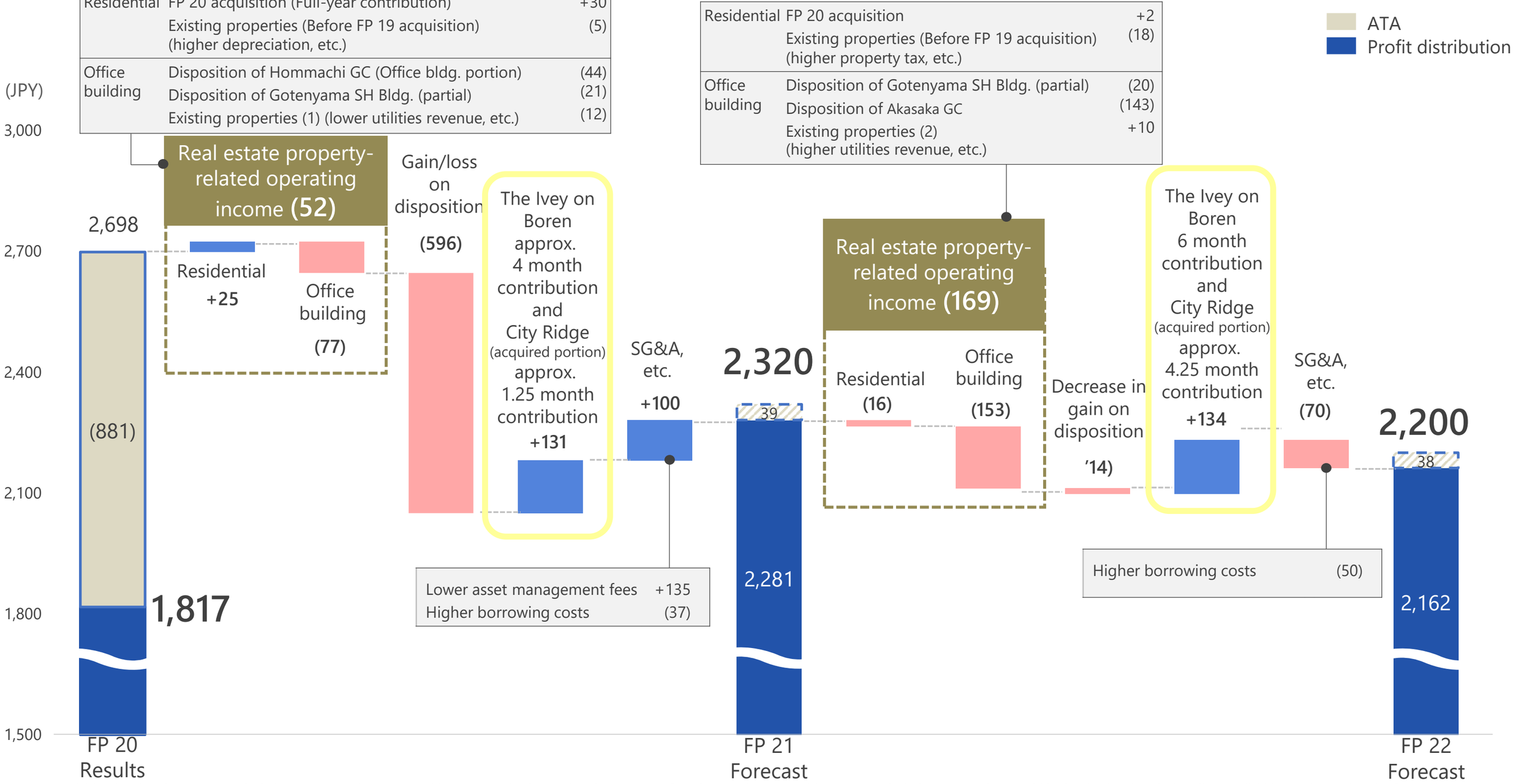
* Please refer to the "DATABOOK" for details including the breakdown of the above "Profit and Loss Comparison (Results)" by account item. https://sekisuihouse-reit.co.jp/en/ir/library.html

Analysis of Change Factors of DPU (Forecast)

Rental revenues will decrease due to the disposition of office buildings, but residential (U.S.) dividends will increase; forecast excludes utilization of Akasaka GC disposition proceeds

Residential	FP 20 acquisition (Full-year contribution)	+30
	Existing properties (Before FP 19 acquisition) (higher depreciation, etc.)	(5)
Office building	Disposition of Hommachi GC (Office bldg. portion)	(44)
	Disposition of Gotenyama SH Bldg. (partial)	(21)
	Existing properties (1) (lower utilities revenue, etc.)	(12)

Residential	FP 20 acquisition	+2
	Existing properties (Before FP 19 acquisition) (higher property tax, etc.)	(18)
Office building	Disposition of Gotenyama SH Bldg. (partial)	(20)
	Disposition of Akasaka GC	(143)
	Existing properties (2) (higher utilities revenue, etc.)	+10



* Dividends related to overseas SPCs is assumed to be converted into yen at the forward exchange rate of 1 USD = 153.44 JPY, which was concluded on November 15, 2024 for the fiscal period ending April 2025 (FP 21) and at the forward exchange rate of 1 USD = 148.19 JPY for the fiscal period ending October 2025 (FP 22) obtained from the MUFG Bank, Ltd. as of November 28, 2024.

* "Existing properties (1)" within the "Office building" refers to the properties owned as of the end of FP 20 excluding "Hommachi GC (Office bldg. portion)" and "Gotenyama SH Bldg.". "Existing properties (2)" refers to the properties owned as of the end of FP 20 excluding "Hommachi GC (Office bldg. portion)", "Gotenyama SH Bldg." and "Akasaka GC". The same applies for the following page.

Profit and Loss Comparison (Forecast)

(unit: million JPY)

	FP 20 Results (A)	FP 21 Forecast (B)	vs. FP 20 Results (B-A)	Analysis of Change Factors	FP 22 Forecast (C)	vs. FP 21 Forecast (C-B)	Analysis of Change Factors
Residential (JP)							
Property-related operating revenue	9,720	9,996	+276	+133 Higher op income (FP 20 acquisition) (22) Lower op income (Before FP 20 acquisition) └Higher rent revenue +62 └Lower deposit/renewal fees (16) └Higher depreciation (38) └Higher other expenses related to lease business (leasing expenses, etc.) (13)	10,035	+38	+10 Higher op income (FP 20 acquisition) (81) Higher op income (Before FP 20 acquisition) └Higher rent revenue +29 └Higher property tax, etc. (43) └Higher repair expenses (27) └Higher depreciation (32)
Property-related operating income and loss	5,081	5,192	+110		5,121	(70)	
NOI	6,951	7,131	+180		7,093	(38)	
NOI yield	4.4%	4.4%	–		4.4%	–	
Average occupancy rate during the period	96.7%	96.8%	+0.1pt.		96.8%	–	
Residential (U.S.)							
Dividend income Exchange rate (USD to JPY)	148 153.654 JPY	721 153.44 JPY	+572 (0.21) JPY		1,310 148.19 JPY	+589 (5.25) JPY	
Dividend yield	3.3%	3.4%	+0.1pt.		3.3%	(0.1)pt.	
Average occupancy rate during the period	91.2%	93.7%	+2.5pt.		94.5%	+0.8pt.	
Office building							
Property-related operating revenue	3,985	3,525	(460)	(194) Lower op income (Hommachi GC (Office bldg. portion) (90) Lower op income (partial Gotenyama SH Bldg.) (50) Lower op income (existing properties (1)) └Higher rent revenue +22 └Lower utilities revenue (56) └Lower utilities expenses +25 └Higher property management fees (9) └Higher other expenses related to lease business (leasing expenses, etc.) (13)	2,601	(924)	(625) Lower op income (Akasaka GC) (89) Lower op income (partial Gotenyama SH Bldg.) +44 Higher op income (existing properties (2)) └Higher utilities revenue +33 └Higher utilities expenses (17) └Lower property management fees +14 └Lower other expenses related to lease business (leasing expenses, etc.) +6
Property-related operating income and loss	2,606	2,270	(336)		1,600	(670)	
NOI	3,120	2,700	(420)		1,957	(743)	
NOI yield	3.8%	3.7%	(0.1)pt.		3.0%	(0.7)pt.	
Average occupancy rate during the period	98.4%	98.1%	(0.3)pt.		99.9%	+1.8pt.	
Entire portfolio NOI yield	4.1%	4.1%	–		3.9%	(0.2)pt.	
Entire portfolio avg. occupancy rate	96.6%	96.7%	+0.1pt.		96.8%	+0.1pt.	

* Please refer to the "DATABOOK" for details including the breakdown of the above "Profit and Loss Comparison (Forecast)" by account item. https://sekisuihouse-reit.co.jp/en/ir/library.html

Internal Growth

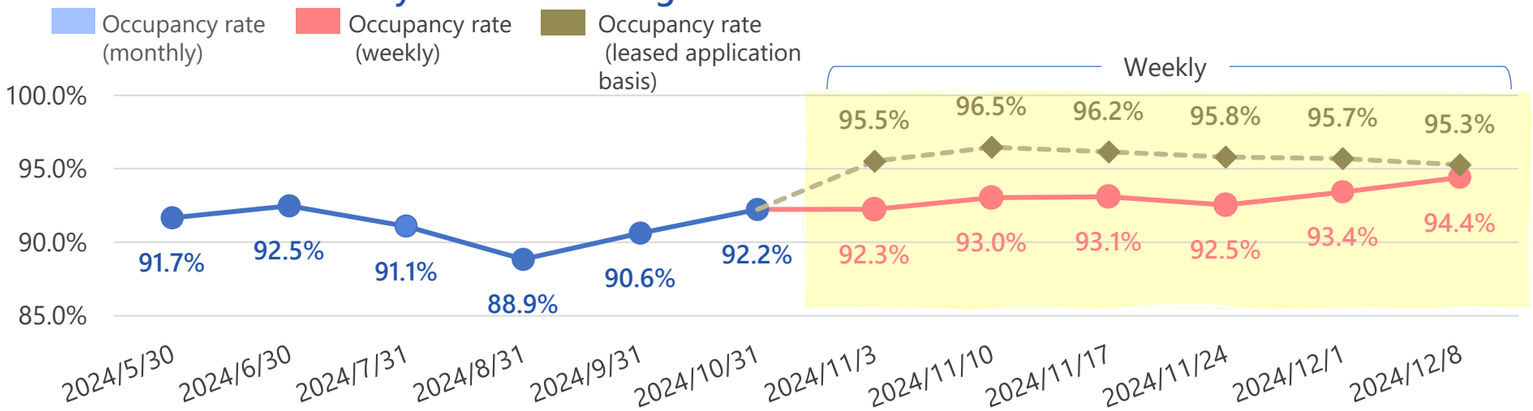
Prime Maison Yokohama WEST

Residential (U.S.): Operation Status

Acquired SHR's first residential (U.S.) property, "The Ivey on Boren"

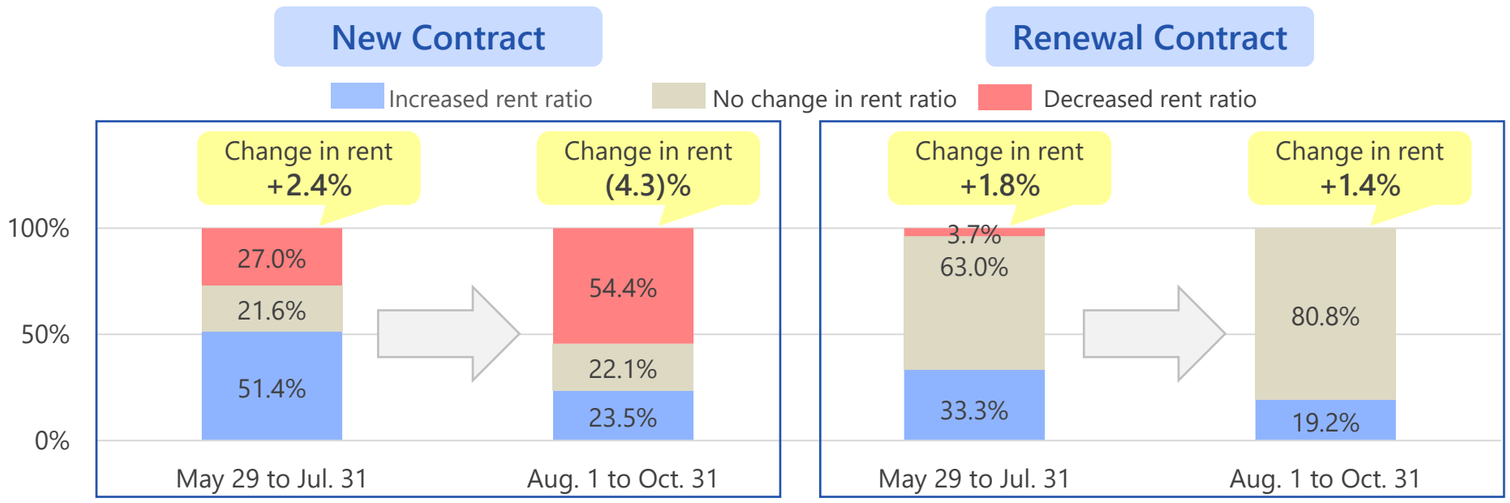
Occupancy Rate

Rates temporarily declined to 91.1% at the end of July due to the moving season from June to mid-September. However, current occupancy rate (leased application basis) has risen to **95.3%**. Expecting stable, high occupancy in the future with **a nearby major IT company's announcement to return to office 5 days a week starting 2025**



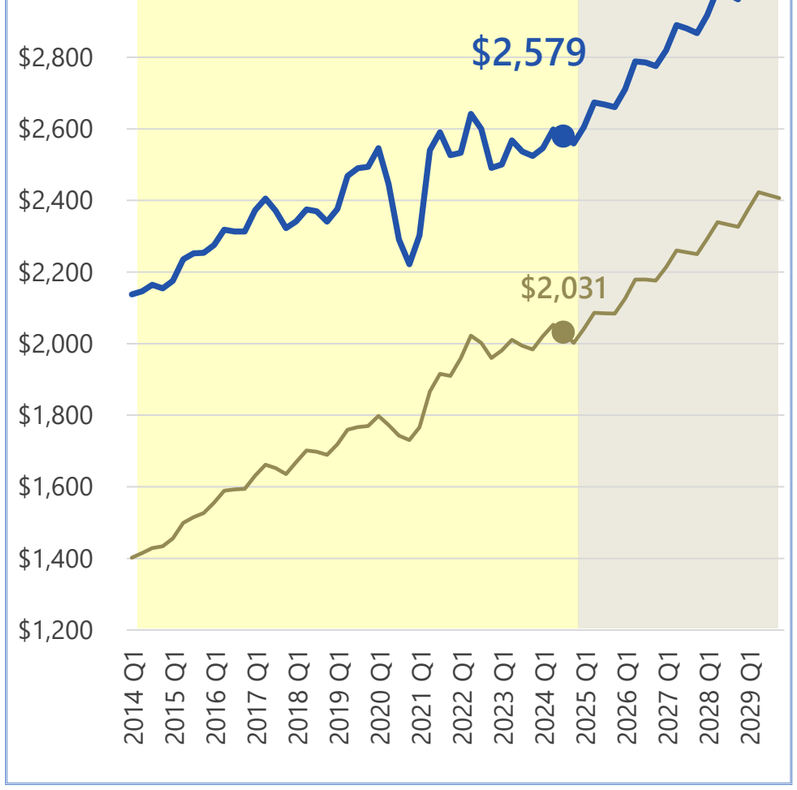
Rent Trend at the Time of Contract

The minimum rent guarantee period will continue until May 2026. With the focus on increasing occupancy rates and market rents tending to fall during the off-season, change in rent for the past three months have been a negative. Will continue to focus on increasing occupancy rates and work on rent increases when stable occupancy is expected



Market Rent Trends (Seattle Overall/Downtown Seattle)

The submarket rent for the downtown area of Seattle, where "The Ivey on Boren" is located, is $2,579/unit as of the end of September 2024. This is 27.0% higher than the overall Seattle rent

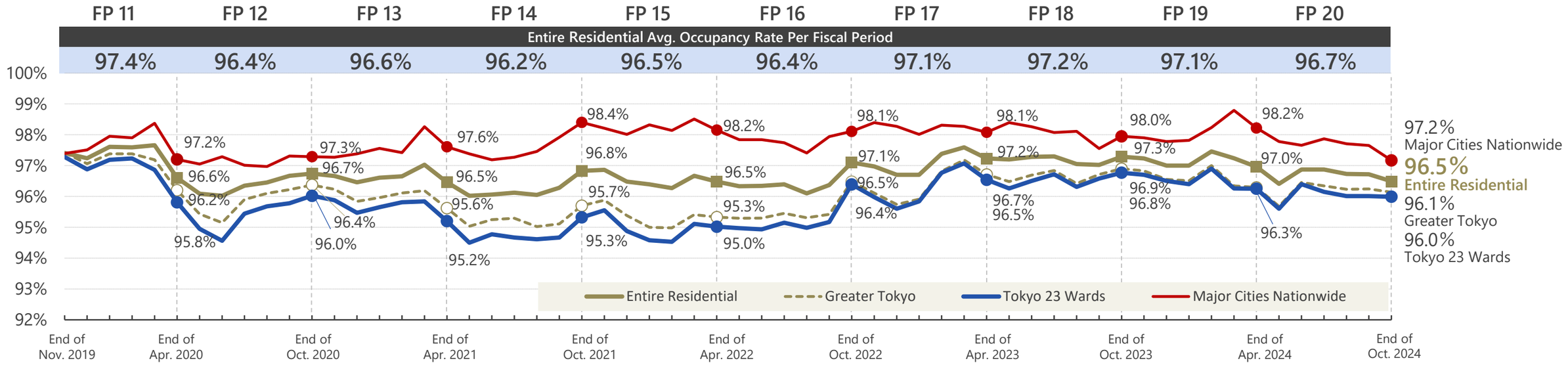


- "Market Rent Trends (Seattle Overall/Downtown Seattle)" were prepared by SHA based on the real estate information analysis platform data provided by Costar Group.

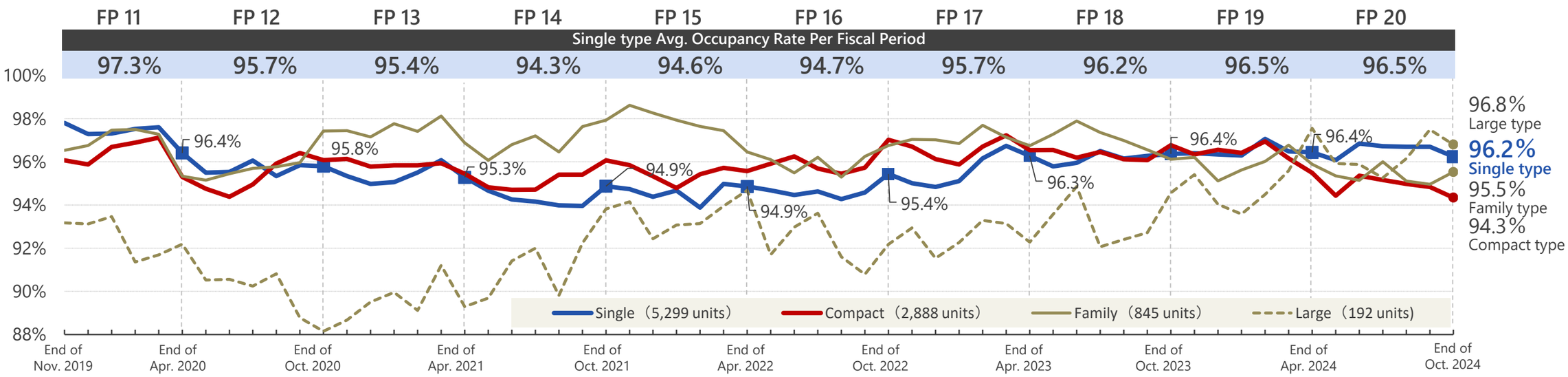
Residential (JP) : Occupancy Rate Trends

Average occupancy rate during the period are both stable, 96.7% for entire residential and 96.5% for mainstay single type

Residential occupancy rate by area



Residential occupancy rate by room type

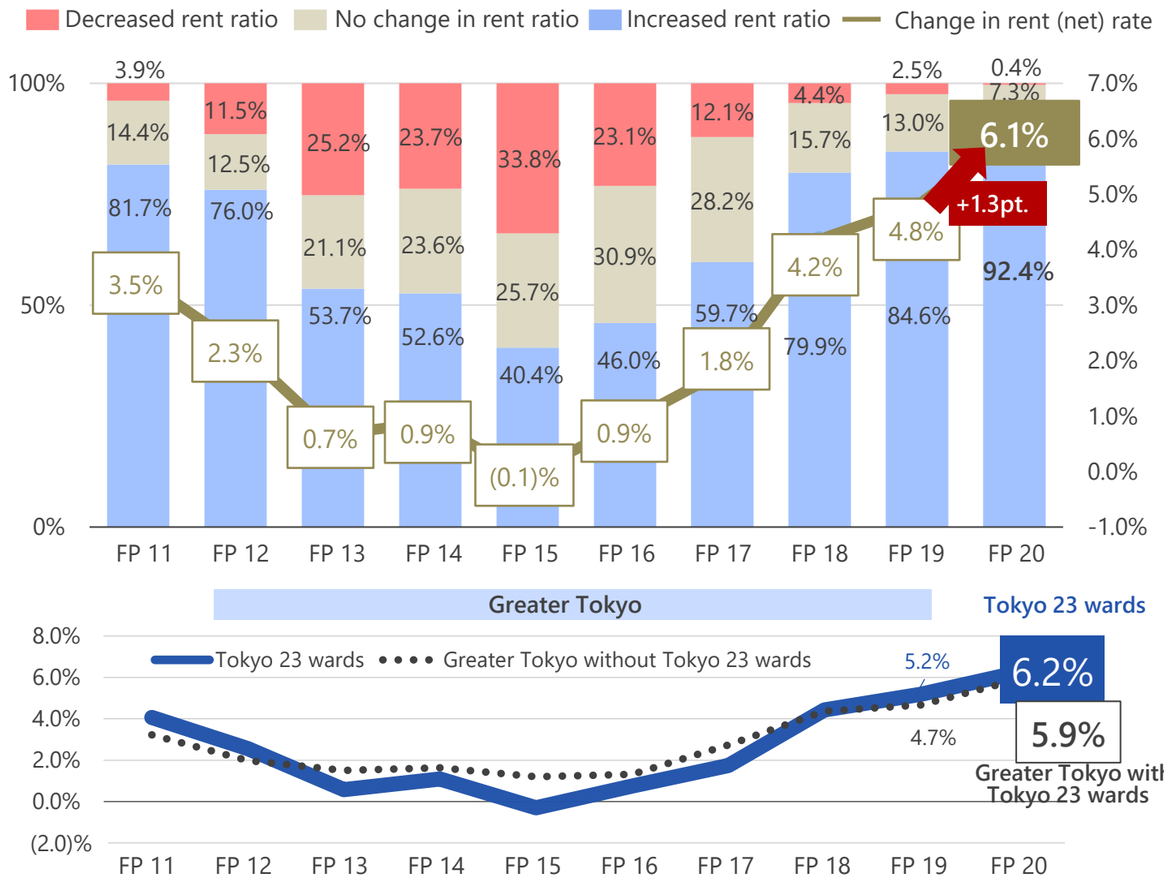


* The occupancy rate for "Entire Residential" does not include residential (U.S.).
* For the definitions of "Single type", "Compact type", "Family type", and "Large type", please refer to P.67.
* The number of units in Residential occupancy rate by room type is as of the end of October 2024.

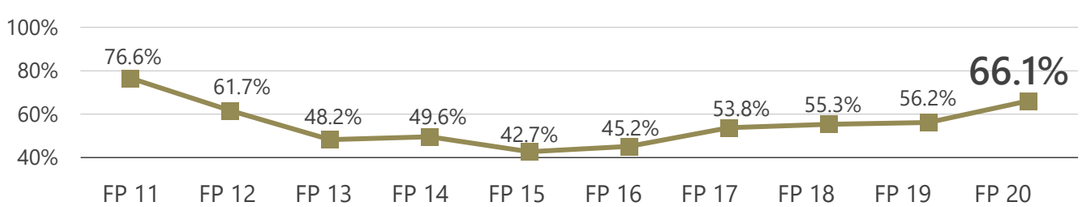
Residential (JP) : Rent Status in New Contract

Exceeding record high level of 6.1% change in rent and 92.4% rent increase for new contracts; non-refundable deposit received recovered strongly

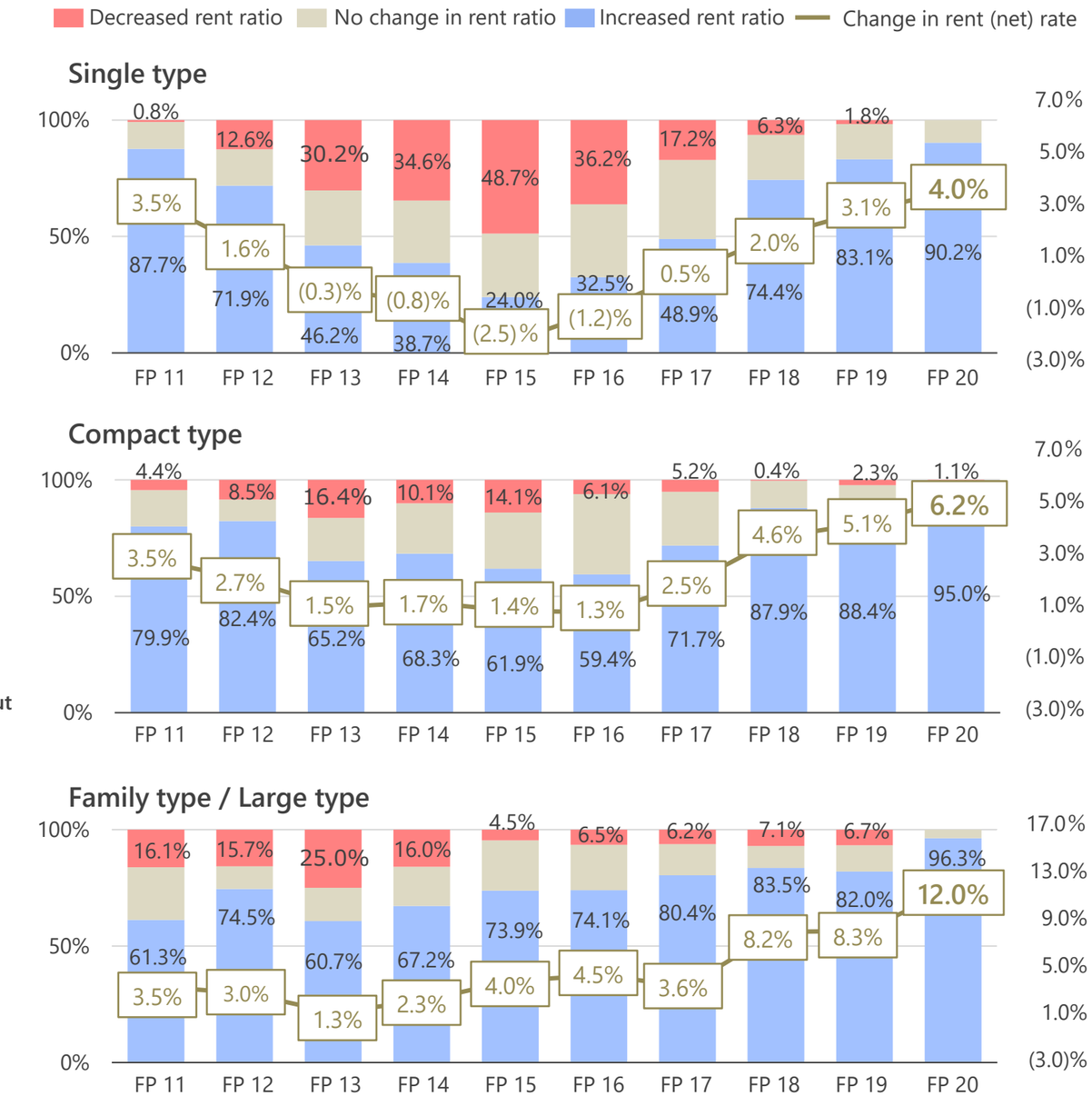
Rent trend in new contract



Non-refundable deposit received



Rent trend in new contract



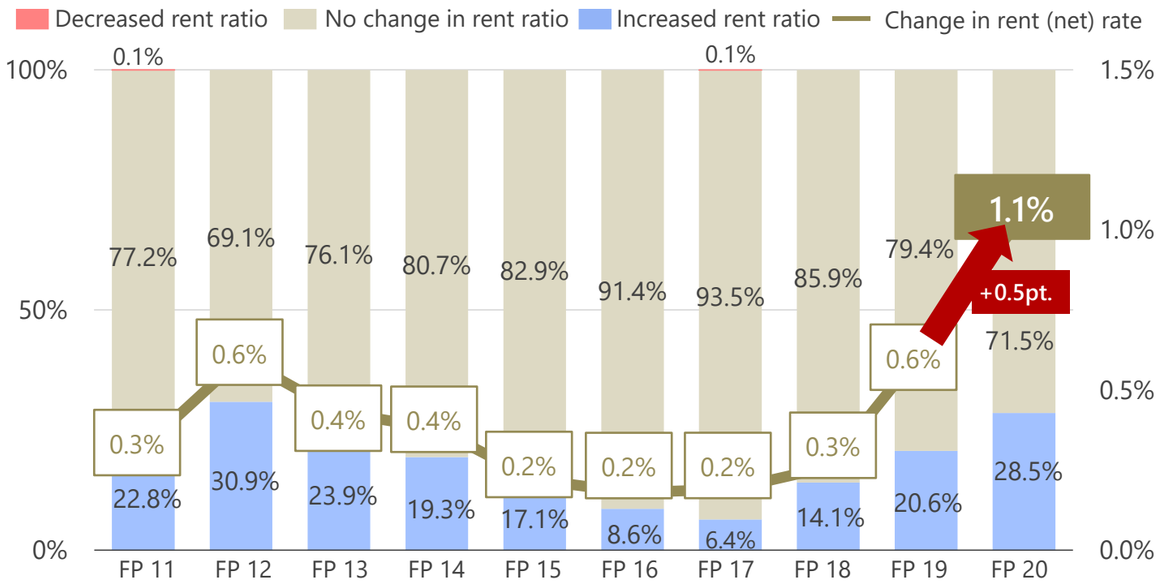
* Monthly rent comparison of new contract and renewal contract is calculated including utilities. The same applies throughout this document.

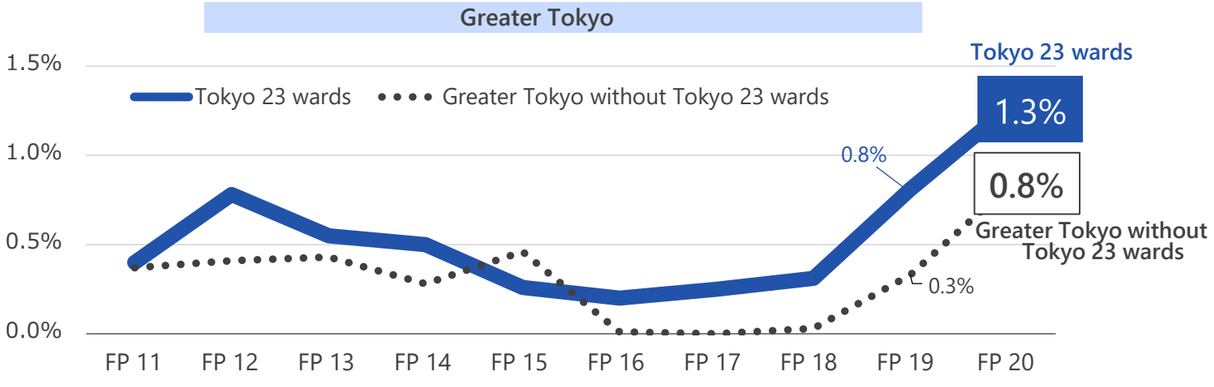
* The "Change in rent rate" in "Rent trend in new contract" is calculated by excluding units that were vacant at the time of acquisition after FP 19. The same applies throughout this document.

Residential (JP) : Rent Status in Renewal Contract

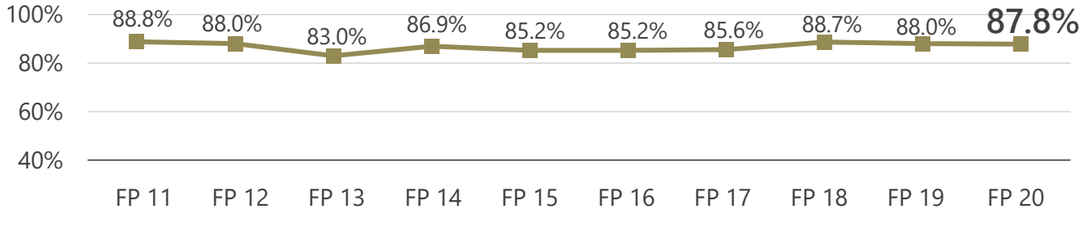
Change in rent for renewal contract was +1.1%, succeeded in +1.3% for Tokyo 23 wards with strengthened approach; continued increase in change in rent for all room types

Rent trend in renewal contract

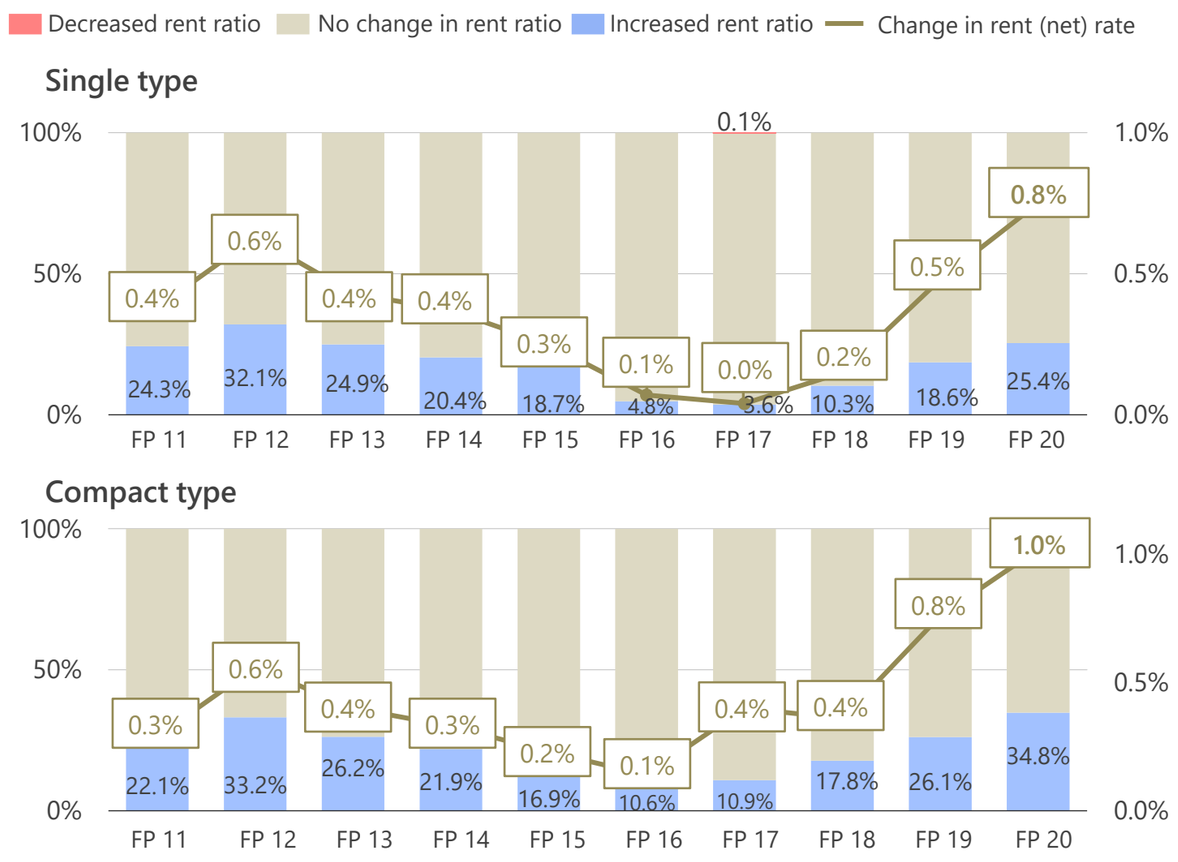


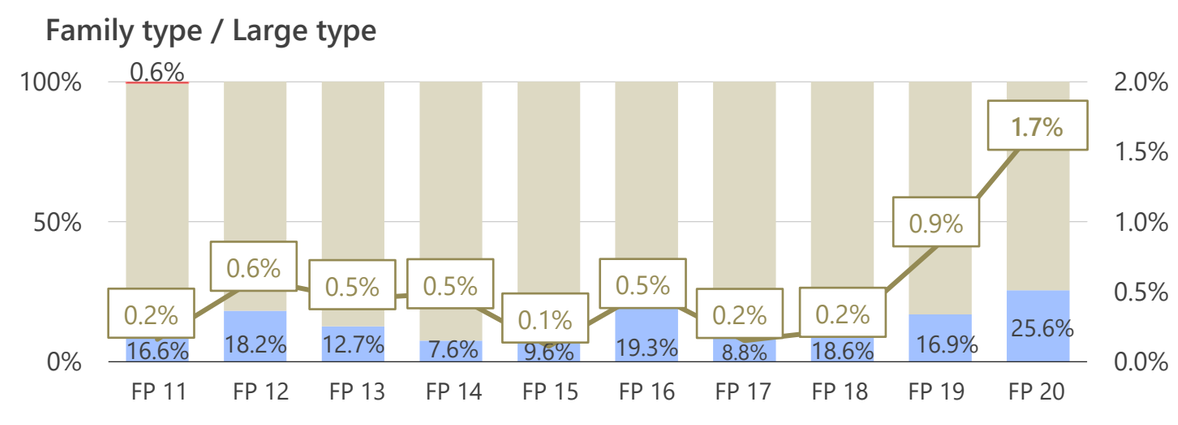


Rate of renewal



Rent trend in renewal contract





Residential (JP) : Operation Status (1)

“Make home the happiest place in the world” - implemented measures to increase life satisfaction along with effectiveness as a measure to increase rent

Looking Back on FP 20

■ Initiatives to utilize the common area

Set up a Book café to encourage community among residents

R-133 Prime Maison Nishiwaseda











This property has many international students from overseas. Thoughtful approach to create a comfortable space with a café corner, books, and background music to provide a place for community among residents

■ Renovation results

Significant rent increases continue, especially for family type properties

(As of the date of this document)

Number of Units Renovated in FP 20	6 units
Average Building Age	22.3 years
Construction Costs	27,599 thousand JPY
Number of Contracted Units	6 units
Change in Rent (Monthly)	+207 thousand JPY
Change in Rent Rate	+22.1%

* Includes properties which are on a fixed-rent master lease

■ Value enhancing initiatives for interior

Carried out value enhancing construction work at the time of restoration to original condition

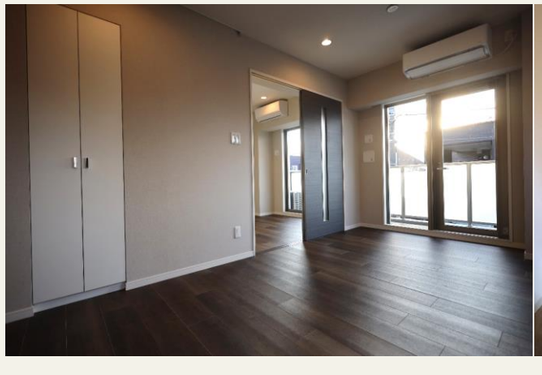
The flooring, ceiling and wall cloths were changed to create a trendy interior, including the color and lighting scheme













Value enhancing initiatives to reflect ease of use and needs in washrooms and bathrooms





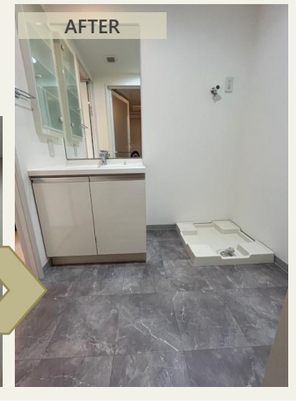
Converted from a two-piece unit bath to a one-piece unit bath, and adopted a kitchen that also serves as a wash-basin





Adopted ReFa shower head made by MTG Co.,Ltd.





Residential (JP) : Operation Status (2)

Continued significant rent increase revisions through renovations with emphasis on targeting

Examples of renovations

R- 012 Esty Maison Sugamo

≪ Responding to needs≫

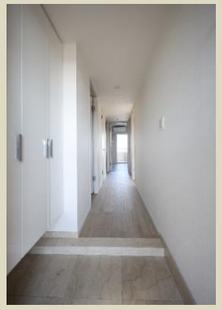
From 4LDK to 3LDK
Changed the floor plan from 4LDK to 3LDK based on tenants' needs. The living room and bedroom were enlarged to create a relaxing space for families















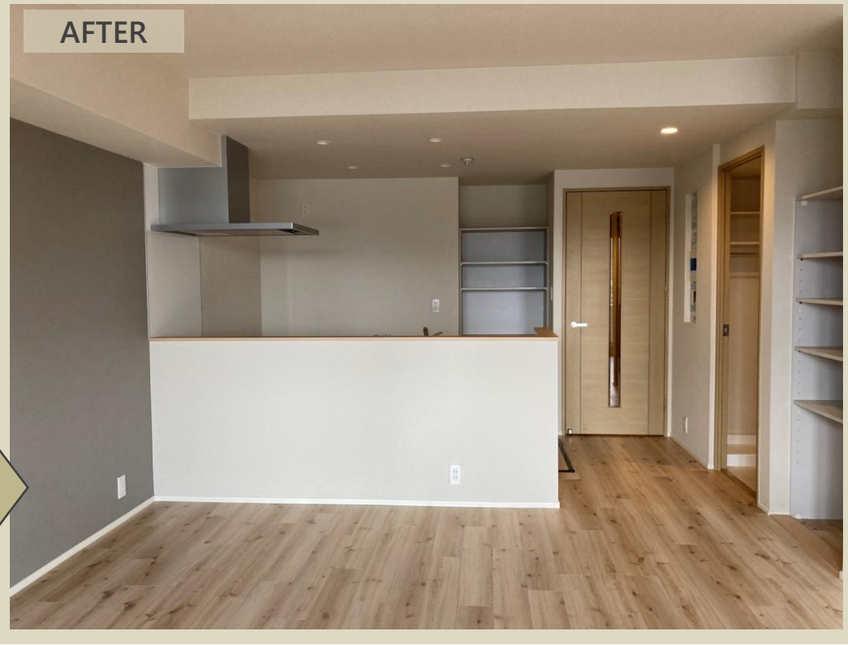
Renovated to a soft and bright home by changing to light gray cloth and wood-grained flooring. The entrance tile, accent cloth in the bathroom, and other details have been carefully selected

R-044 Prime Maison Momochihama

≪ As continuous measures ≫

Received an Excellence award for Sekisui House's in-house competition
Awarded from approximately 150 property entries. Four different interior patterns were set; continuously renovated at the time of replacement











The interior design has a warm feeling from the wood grain expression of the flooring, trendy herringbone pattern accent tiles, and other features that are both unique and suitable for a location with an abundance of nature. In the kitchen, a waist-high wall hides the hand area and makes the room look neat and clean

Residential (JP) : Operation Status (3)

Conducting large-scale repair work to enhance the value of the property in accordance with its characteristics

■ Status of large-scale repair work

FP 20 Result

(Unit: Million JPY)

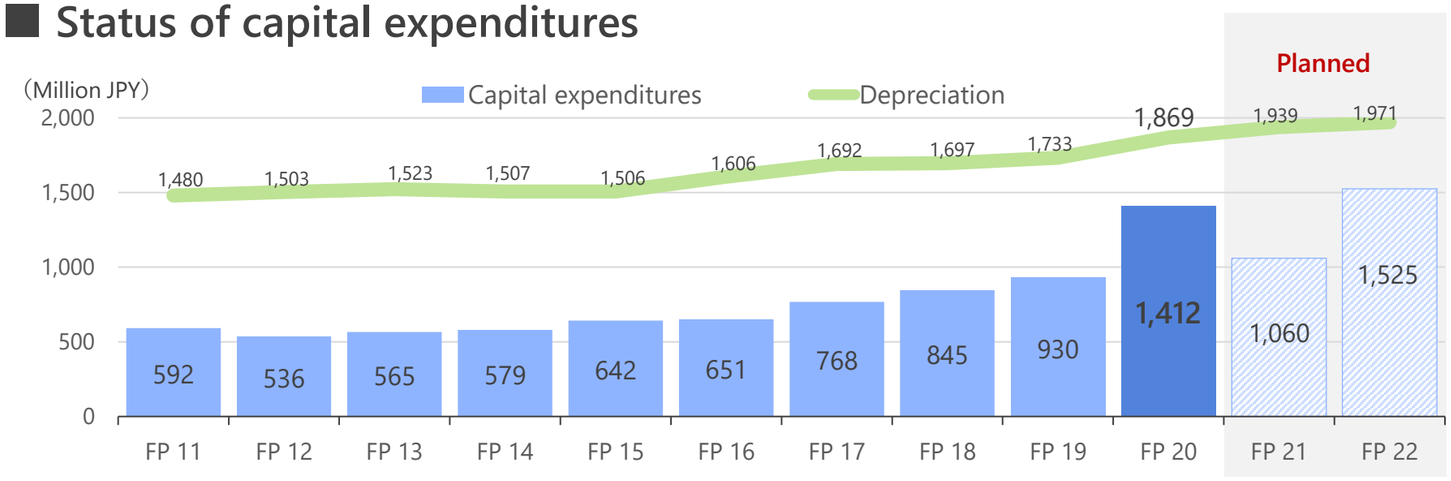
Property No.	Property Name	Location	Completion Date	Capital Expenditures
R-106	Esty Maison Toyosu Residence	Koto-ku, Tokyo	Feb. 2008	758

FP 21 & FP 22 Construction Schedule

(Unit: Million JPY)

Property No.	Property Name	Location	Completion Date	Capital Expenditures
R-077	Esty Maison Ojima	Koto-ku, Tokyo	Sep. 2007	307
R-093	Kobe Women's Student Housing	Kobe-shi, Hyogo	Feb. 2002	275
R-084	Prime Maison Kamokamogawa	Sapporo-shi, Hokkaido	Oct. 2009	213
R-115	Esty Maison HIGASHIBETSUIN	Nagoya-shi, Aichi	Feb. 2009	118
R-053	Esty Maison Daisawa	Setagaya-ku, Tokyo	Feb. 2010	83

■ Status of capital expenditures



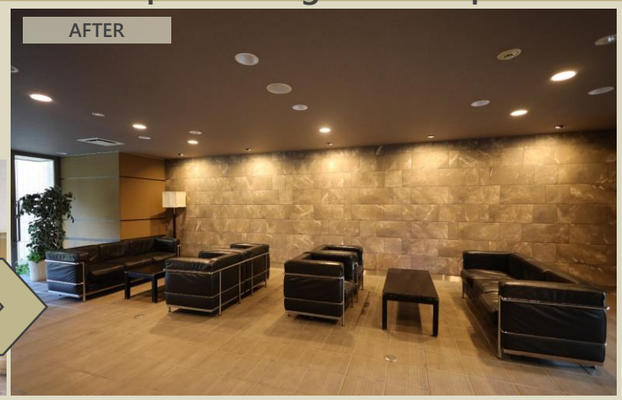
Examples of large-scale repair work

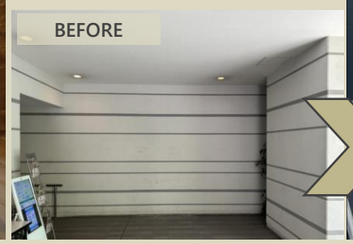
R-106 Esty Maison Toyosu Residence

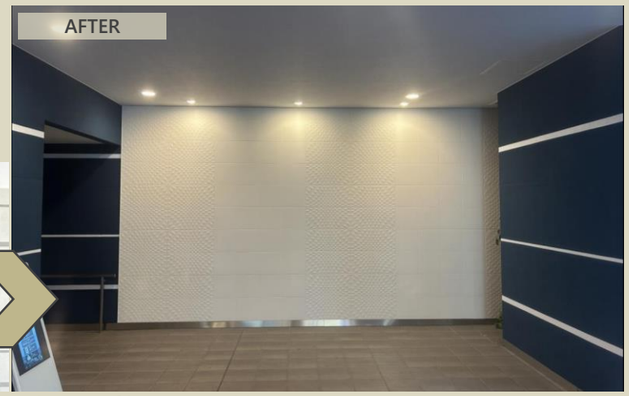








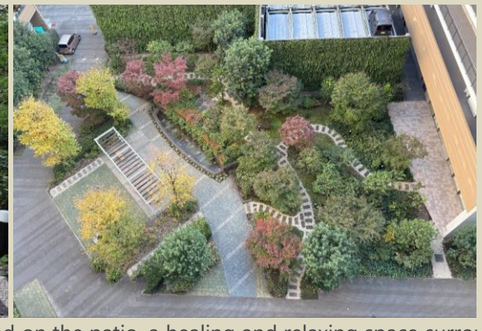


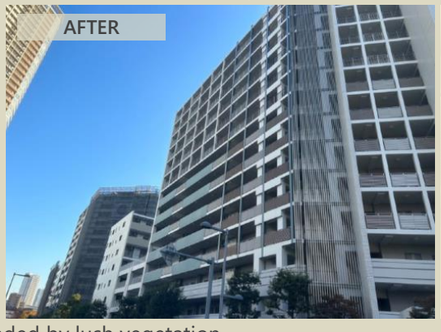


The main entrance overlooking the patio is accented with stone-grained E C O C A R A T tiles to create an image of harmony with nature.
The sub-entrance has a color scheme reminiscent of the sea, expressing the geographical history and environment of Toyosu









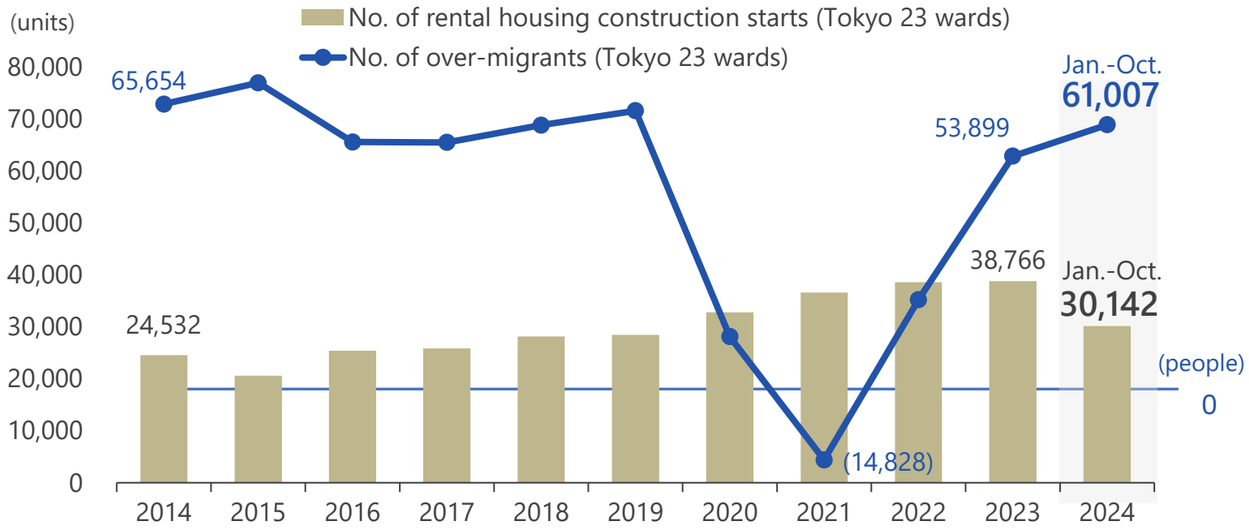


A promenade has been established on the patio, a healing and relaxing space surrounded by lush vegetation.

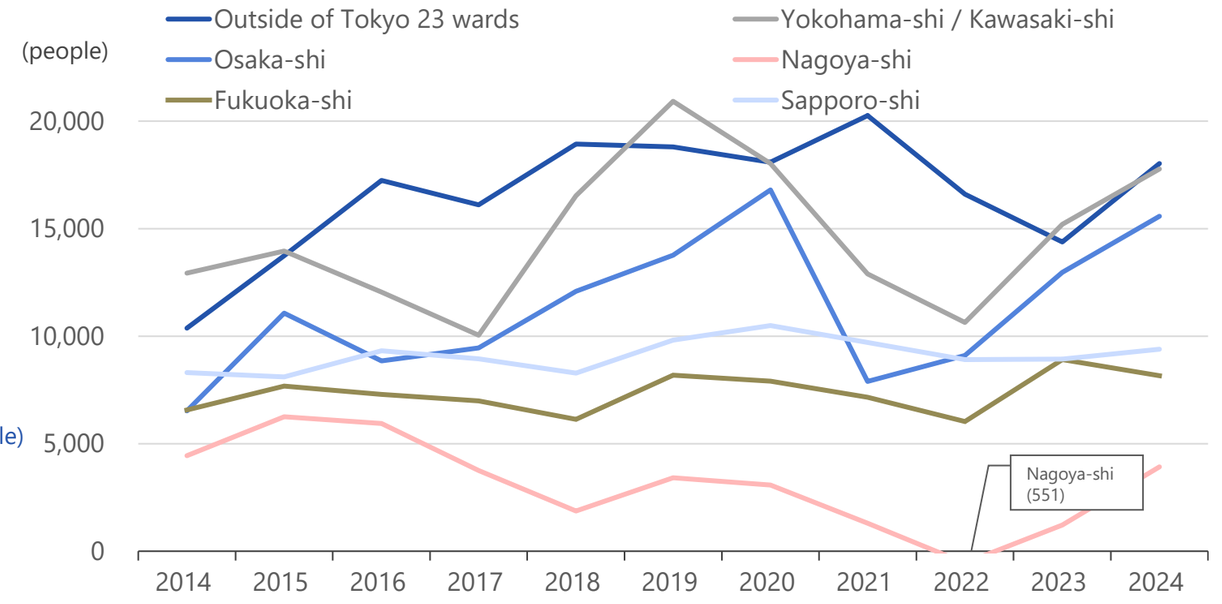
Residential (JP) : Market Trends

Population inflows concentrated in Tokyo 23 wards continues; gap in jobs-to-applicants ratio between Tokyo and nationwide suggests a concentration of population into Tokyo

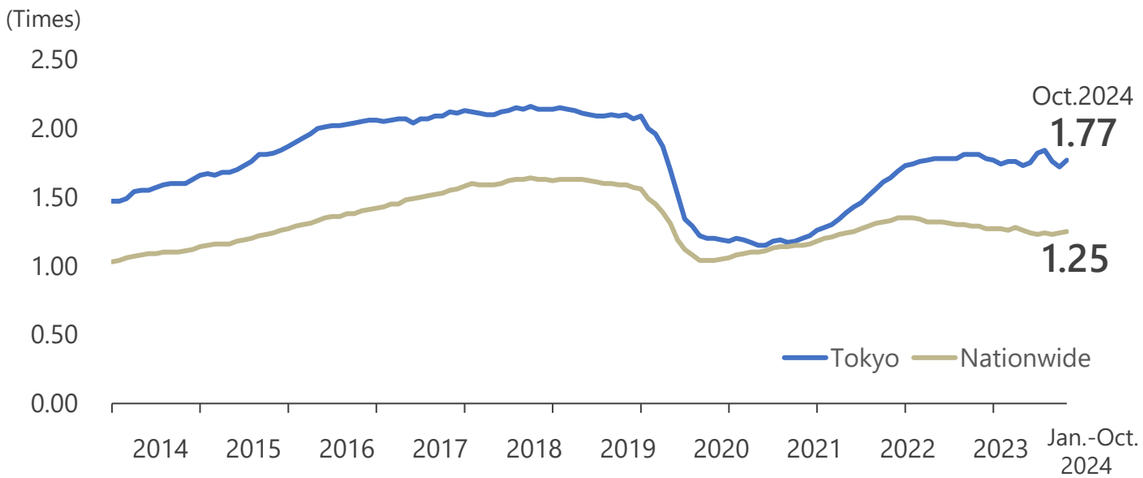
Population change & rental housing construction starts (Tokyo 23 wards)



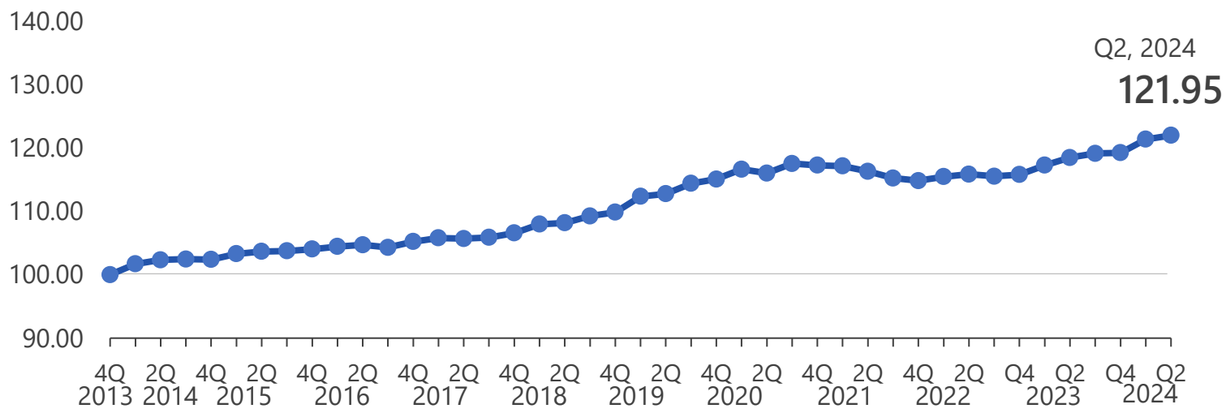
Population change (Outside of Tokyo 23 wards/Major Cities Nationwide)



Jobs-to-applicants ratio (seasonally adjusted)



Apartment rent index (Tokyo 23 wards)



* New rental housing construction starts (units) information is prepared by SHA based on Housing Starts Statistics from Construction Research and Statistics Office, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism.
* Population change information is prepared by SHA based on The Report on Internal Migration in Japan Derived from the Basic Resident Registration, published by the Statistics Bureau, Ministry of Internal Affairs and Communications.
* The apartment rent index is prepared by SHA based on the Apartment Rent Index, published by At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd. The apartment rent index (for living space of 18m^2 up to less than 100m^2) uses values as of Q4 2013 as 100.
* "Q1": January to March, "Q2": April to June, "Q3": July to September, "Q4": October to December

Office Building: Portfolio Status

Operation of the 4 office buildings that is continued to be held is stable

Portfolio list (excluding properties for which a disposition agreement is concluded)

(As of the end of Oct. 2024 (FP 20))

	Location	Acquisition Price (million JPY)	Leasable Area (㎡)	NOI after depreciation	Average Rent (JPY/Tsubo)		Occupancy Rate	
					End of FP 19	End of FP 20	End of FP 19	End of FP 20
Hommachi Minami Garden City	Osaka-shi, Osaka	44,000	29,657.53	3.6 %	22,904	23,007	98.7 %	98.7 %
HK Yodoyabashi Garden Avenue	Osaka-shi, Osaka	4,400	4,554.52	4.2 %	18,075	18,075	100.0 %	100.0 %
Hirokoji Garden Avenue	Nagoya-shi, Aichi	6,350	4,442.75	4.2 %	23,493	23,488	100.0 %	100.0 %
Shinjuku Hirose Building	Shinjuku-ku, Tokyo	5,000	3,120.48	3.1 %	18,101	18,101	100.0 %	100.0 %

Renewal result and trends in leases (including existing tenants returning or adding spaces)

(As of the date of this document)
(cases)

	FP 18 (2023/10)	FP 19 (2024/4)	FP 20 (2024/10)	FP 21 (Forecast) (2025/4)	FP 22 (Forecast) (2025/10)	FP 23 (Forecast) (2026/4)
Sections Due for Renewal	17,303.50㎡ (8)	20,050.74㎡ (15)	10,628.20㎡ (11)	299.87㎡ (2)	14,126.48㎡ (10)	5,151.32㎡ (6)
Renewed	17,108.83㎡ (7)	17,127.63㎡ (12)	10,187.70㎡ (9)	97.37㎡ (1)	1,635.86㎡ (3)	－ (－)
Vacated	(194.67)㎡ (1)	(1,851.31)㎡ (3)	(126.14)㎡ (1)	－ (－)	－ (－)	－ (－)
Space Returned	－ (－)	(1,071.80)㎡ (2)	(314.36)㎡ (1)	(202.50)㎡ (1)	－ (－)	－ (－)
New/Additional Lease	2,689.05㎡ (5)	2,237.01㎡ (5)	－ (－)	440.50㎡ (1)	－ (－)	－ (－)
Change in Lease Area	+2,494.38㎡	(686.10)㎡	(440.50)㎡	+238.00㎡ (1)	－	－
Rate of Rent Change	(4.1) %	(5.4) %	+0.8 %	－	－	－

* Figures for "Renewal result and trends in leases (including existing tenants returning or adding spaces)" excludes retail tenants of each office building. In addition, Akasaka Garden City is not included from FP 21 onward because a disposition agreement has already been executed.
* "FP 21 (forecast)", "FP 22 (forecast)" and "FP 23 (forecast)" are based on available information as of the date of this document and includes new or renewed lease agreements that have not yet been concluded along with figures for which notice to vacate have not yet been received and may change in the future.

Office Building: Operation Status

Successfully negotiated an increase at the time of renewing/re-contracting leases for two properties in the Osaka area with rent gaps

Hommachi Minami Garden City



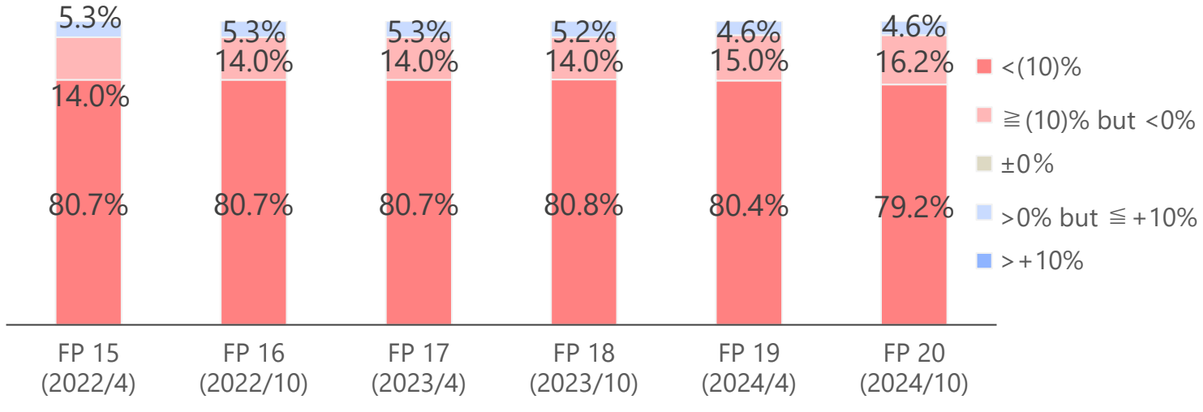
Rent Revisions for FP 20 (actual)	
Number of revisions to increase	3 cases
Total area for revisions	7,403.87 ㎡
Change in rent rate	+3.0 %

HK Yodoyabashi Garden Avenue

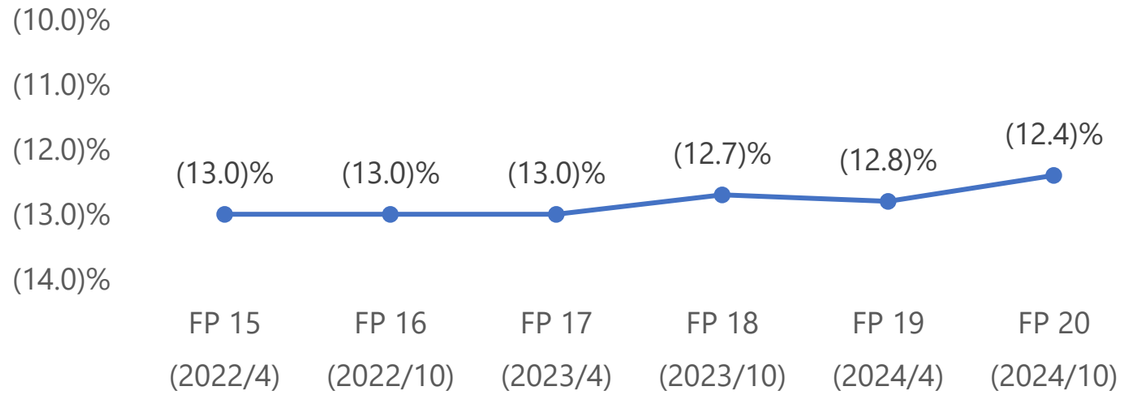


Rent Revisions after FP 21 (Planned)	
Number of revisions and agreements to increase	4 cases
Total area for revisions and agreements	2,076.36 ㎡
Change in rent rate	+15.7 %

Osaka Area Rent Gap Analysis (Hommachi Minami GC / HK Yodoyabashi GA)



Rent Gap



Future Strategy

- Approached some tenants whom will renew/re-contract from FP 22 and onward; negotiations ongoing regarding possible rent increases
- Communicate with tenants to understand their needs (via utilization of tenant satisfaction surveys) and aim to improve satisfaction and retention rates

Finance

City Ridge
Photo by: David Madison Photography

Financial Situation (1)

LTV ratio increased to 46.8% due to new borrowings related to the acquisition of City Ridge; Controlling financing costs for refinancing, utilizing floating-rate borrowing and issuing bonds

Financial indicators

Policy to maintain fixed interest rate debt ratio 80% or more and average period remaining to maturity of 3-4 years

	As of the date of this document	As of the end of October 2024 (FP 20)	As of the end of April 2024 (FP 19)
Total Interest-Bearing Liabilities	271.4 billion JPY	257.2 billion JPY	257.2 billion JPY
Long term Debt Ratio	92.9%	98.0%	98.0%
Fixed Interest Rate Debt Ratio	84.1%	88.7%	90.1%
Average Period Remaining to Maturity	3.8 years	3.6 years	3.4 years
Average Interest Rate	0.71%	0.69%	0.63%
LTV (Total Asset Basis)	46.8%	45.3%	45.5%

Refinance in the fiscal period ended October 2024 (FP 20)

		Amount	Average Interest Rate	Average Borrowing Period
Procurement	Fixed-rate	13.2 billion JPY	1.11%	6.3 years
	Floating-rate	12.4 billion JPY	0.68%	6.2 years
	Total	25.7 billion JPY	0.91%	6.3 years

		Amount	Average Interest Rate	Average Borrowing Period
Repayment	Fixed-rate	16.8 billion JPY	0.44%	6.4 years
	Floating-rate	8.8billion JPY	0.40%	1.9 years
	Total	25.7 billion JPY	0.43%	4.9 years

Sustainability finance balance

As of the end of October 2024 (FP 20)	As of the end of April 2024 (FP 19)
87.7 billion JPY	76.2 billion JPY

Recent financial activities

Issued investment corporation bonds in FP 21 for the first time in approximately 3.5 years

(FP 20 (from May 1, 2024 to Oct. 31, 2024))

Borrowing Amount (Billion JPY)	Interest Rate	Drawdown Date	Borrowing Period (Years)
3.0	Floating Base rate (JBA 1-month JPY TIBOR +0.170%)	May 31, 2024	1.0
2.1	1.175%	Jul. 11, 2024	6.1
0.8	1.125%		6.1
Green Loan 4.0	Floating Base rate (JBA 3-month JPY TIBOR +0.350%)		8.1
3.3	0.955%	Aug. 30, 2024	5.0
0.9	0.905%		5.0
Green Loan 5.0	1.145%		7.0
Green Loan 3.4	Floating Base rate (JBA 1-month JPY TIBOR +0.295%)		7.0
Green Loan 2.0	Floating Base rate (JBA 3-month JPY TIBOR +0.360%)		9.0
Green Loan 1.0	1.520%		10.0

(FP 21 (from Nov. 1, 2024 to Apr. 30, 2025)) (As of the date of this document)

14.2	Floating Base rate (JBA 1-month JPY TIBOR +0.170%)	Nov. 13, 2024	1.0
1.8	1.115%	Nov. 29, 2024	5.0
Green Loan 5.6	1.535%		9.0
Green Loan 2.6	1.49875% (Fixed by interest rate swap transactions)		9.0

Name	Issue amount (Billion JPY)	Interest Rate	Issue date	Borrowing Period (Years)
Sekisui House Reit, Inc. 10th Series Unsecured Investment Corporation Bonds (with pari passu clause among specified investment corporation bonds) (Green Bonds)	2.2	0.963%	Nov. 1, 2024	5.0
Sekisui House Reit, Inc. 11th Series Unsecured Investment Corporation Bonds (with pari passu clause among specified investment corporation bonds) (Green Bonds)	2.8	1.542%	Nov. 1, 2024	10.0

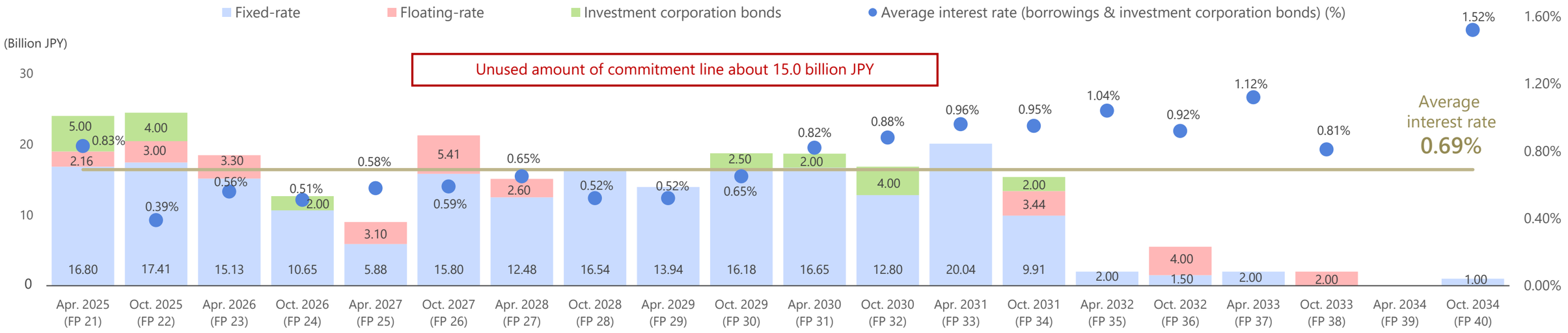
Credit ratings (Issuer ratings)

(As of the end of October 2024 (FP 20))

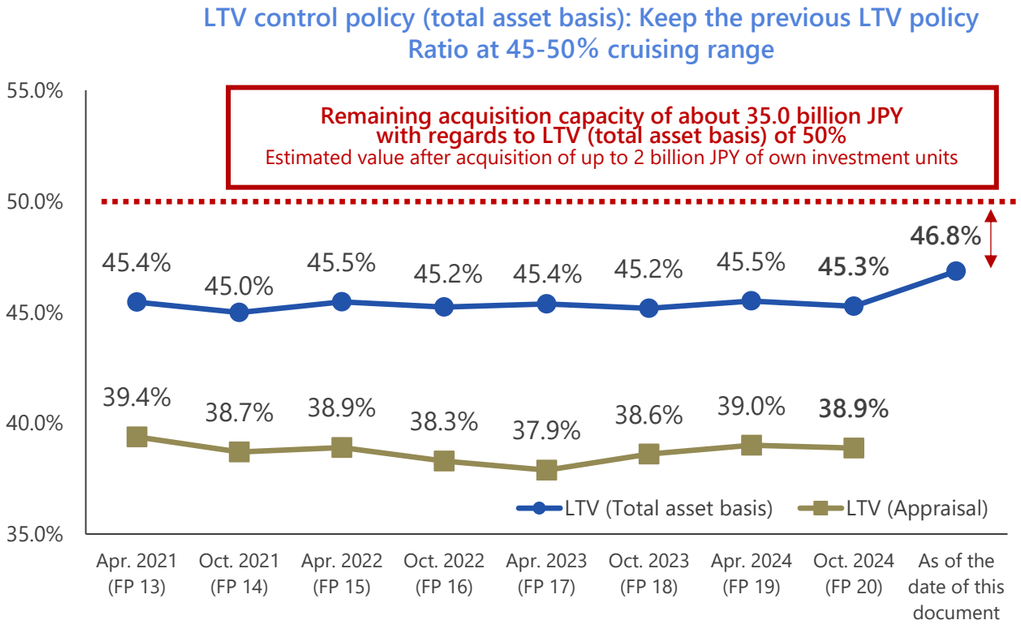
JCR **AA** (Stable)　　R&I **AA-** (Stable)

Financial Situation (2)

Diversification of repayment deadlines (as of the end of October 2024 (FP 20))



LTV trends (end of each fiscal period)



Distribution of lenders

(as of the end of October 2024 (FP 20))

Lender	Borrowing Amount (Billion JPY)	Ratio (%)
MUFG Bank, Ltd.	49.5	21.0
Mizuho Bank, Ltd.	39.0	16.5
Sumitomo Mitsui Banking Corporation	35.9	15.3
Sumitomo Mitsui Trust Bank, Limited	21.0	8.9
Mizuho Trust & Banking Co., Ltd.	15.7	6.7
Resona Bank, Limited.	13.9	5.9
The Norinchukin Bank	12.3	5.3
Development Bank of Japan Inc.	11.7	5.0
Nippon Life Insurance Company	6.5	2.8
Mitsubishi UFJ Trust and Banking Corporation (Trust Account)	6.0	2.5
The Bank of Fukuoka, Ltd.	4.5	1.9
Shinkin Central Bank	4.1	1.7
The Yamaguchi Bank, Ltd.	3.6	1.5

Lender	Borrowing Amount (Billion JPY)	Ratio (%)
The 77 Bank, Ltd.	3.0	1.3
The Senshu Ikeda Bank, Ltd.	2.0	0.8
The Shizuoka Bank, Ltd.	1.8	0.8
The Hiroshima Bank, Ltd.	1.8	0.8
Aozora Bank, Ltd.	1.2	0.5
THE NISHI-NIPPON CITY BANK, LTD.	0.8	0.3
The Juhachi - Shinwa Bank, Ltd.	0.5	0.2
The Joyo Bank, Ltd.	0.5	0.2
Financial Institution Total	235.7	100.0
Investment corporation bonds	21.5	–
Total	257.2	–

* The "average interest rate" for each term in the diversification of repayment deadlines is the interest rate applied at the end of the fiscal period ended October 2024 (FP 20) (with fixed interest rate for borrowings under interest rate swap agreements). It is calculated by the weighted average using the scheduled borrowings and the issuance amount of investment corporation bonds scheduled to be redeemed. "Average interest rate" for total interest-bearing liabilities is calculated by the weighted average of the interest rate (the application of interest rate swaps is the same as above) applied on the aforementioned reference date by total interest-bearing liabilities.

* The balance of the lenders is rounded down to the nearest unit, and the ratio is rounded off to the first decimal place. Therefore, the sum of the balance and ratio of each lender may not match the figures in the total column.

ESG

Prime Maison Morishita WEST

ESG: Efforts to Achieve Net Zero

Formulated new GHG emission reduction targets and established a roadmap to achieve net zero

GHG emission reduction targets

1. New targets

Medium term target	By 2030 (Compared to 2023)	Reduce 42% of Scope 1 and Scope 2 emissions Reduce 25% of Scope 3 emissions (Category 13)
Long term target	By 2050 (Compared to 2023)	Achieve net zero Reduce 90% or more of Scope 1, Scope 2, and Scope 3 and neutralize residual emissions

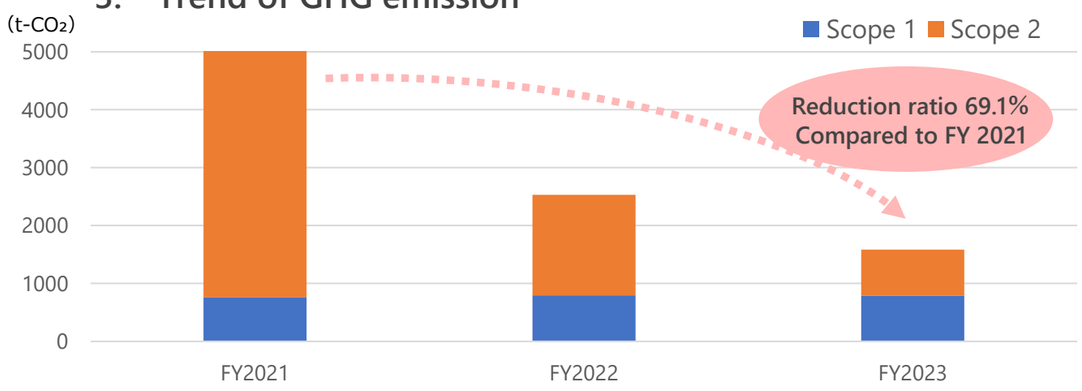
2. SBT Validation

Old target: Acquired SBT validation for Small and Medium-Sized Enterprises

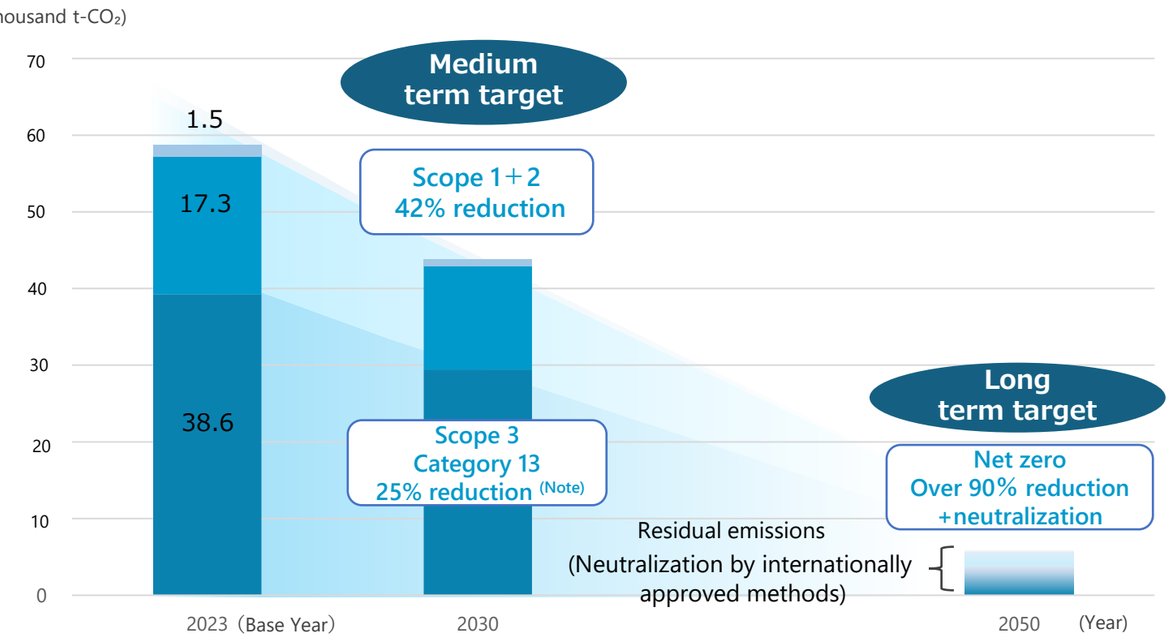
New target: Normal SBT Application in progress

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

3. Trend of GHG emission



Roadmap to achieve net zero



(Note) We will also make efforts to reduce Scope 3 emissions other than category 13.

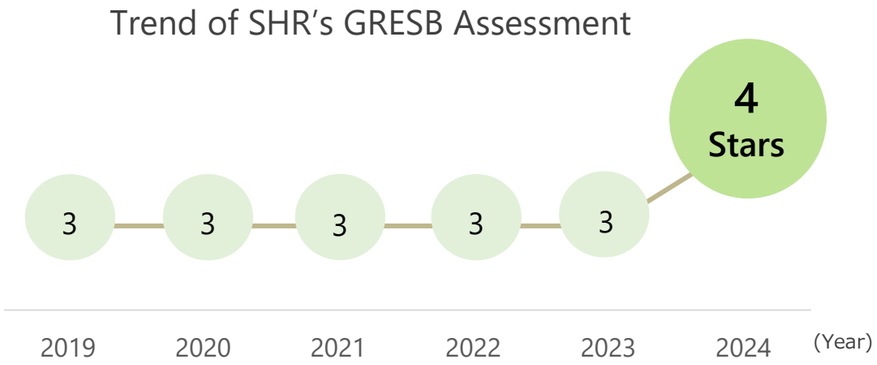
Main GHG Reduction Measures

Energy-saving	Energy savings through capital investment (LED lighting, high-efficiency air conditioning, rooftop greening, thermal insulation, etc.)
	Energy savings through operational improvements
Renewable Energy	Switching to renewable energy-derived electricity → Further study of renewable energy procurement methods, including the use of new technologies
	Purchase and use of energy attribute certificates (e.g., non-fossil fuel energy certificates)
Other Measures	Further decarbonization of the portfolio (acquisition of ZEH properties, etc.)
	Strengthen supplier engagement
	Reduction of gas-derived emissions through electrification and use of new technologies

ESG: External Evaluation and Green Certification

Acquired “4 Stars” in GRESB Real Estate Assessment, promote increase in ratio of green certification acquisition

GRESB Real Estate Assessment 2024



GRESB 2024

Factors for increased evaluation

1. Improved the coverage rate of energy data

Installation of clamp meters increased the coverage of electricity consumption in residential private units

Contract with gas companies helped to increase the monitoring of gas consumption in gas-supplied dwelling units concerned

2. Increase in ratio of green certification acquisition

Progress in acquiring green certifications such as CASBEE, etc., and the ratio of green certifications increased

78.9%（end of December 2022）➡ 82.4%（end of December 2023）

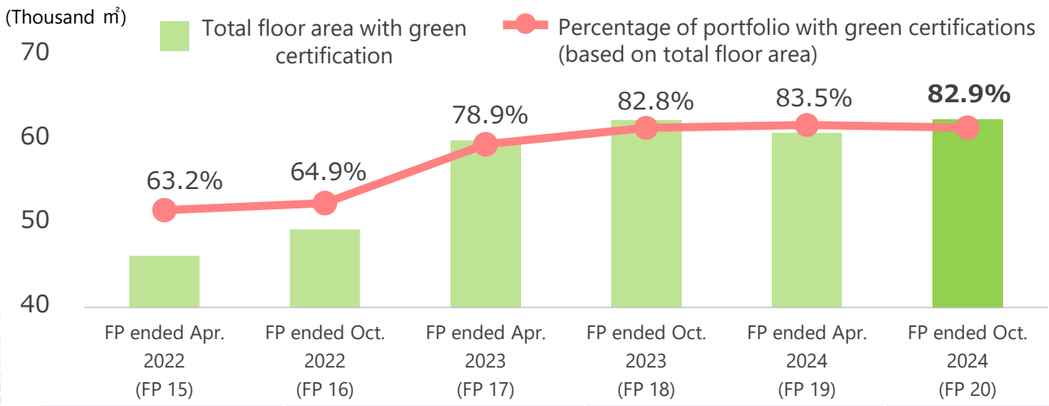
3. Implementing of measures for reduction GHG emission

Conducted technical assessments at residential and office buildings to try to identify energy reduction opportunities

Status of green certification acquisition

KPI : Maintain 70% or more of the portfolio with green certification

As of the end of October 2024	82.9%
Of which, Residentials	82.4%



CASBEE Real Estate		DBJ		BELS		LEED	
S	18	★★★★★	1	★★★★★	2	GOLD	1
A	57	★★★★	10	★★	1		
B+	1	★★★	7				
		★★	1				
Total	76	Total	19	Total	3	Total	1

ESG: ZEH (Net Zero Energy House)

Currently own 2 ZEH properties; will actively acquire more ZEH properties from pipeline in the future

Characteristics of ZEH-M Oriented

1 High Thermal Insulation Performance

- High thermal insulation performance and the use of high-efficiency equipment can keep monthly utility costs low
- By maintaining a constant room temperature, a comfortable indoor environment is realized, resulting in cool summers and warm winters

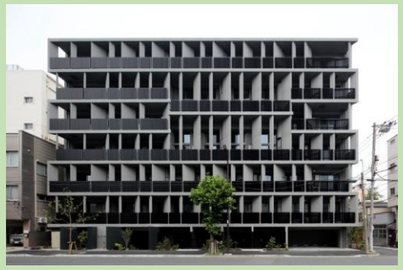
2 Low Energy Consumption with Installment of Efficient Facilities

- Primary energy consumption in residential units and common areas can be reduced by 20% or more through the introduction of high-efficiency air conditioners, LED lighting, etc.

3 Introduction of Solar Power Generation Supplements

- Introduction of solar power generation to supplement part of the power supply for common areas
- Emergency power supply with storage batteries for peace of mind in the event of power outages caused by disasters such as typhoons and earthquakes

Owned ZEH Properties



BELS ZEH-M ★★★★★ この住棟のエネルギー消費量 28%削減 2021年12月17日交付 国土交通省告示に基づく第三者認証

Prime Maison Asakusa EAST

- ✓ Performance for energy conservation (compared to primary energy consumption)
  - Entire building: reduces the energy consumption by 28%
  - Each unit: reduces the energy consumption by 21% to 36%
- ✓ Low-E double glazed windows
- ✓ LED lighting
- ✓ Solar power generation supplements
- ✓ Energy storage systems

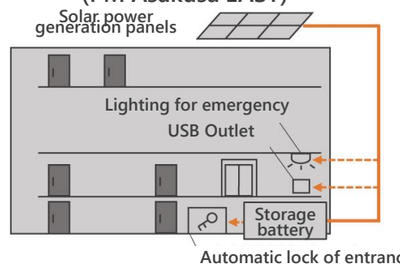


BELS ZEH-M ★★★★★ この部分のエネルギー消費量 33%削減 2021年11月30日交付 国土交通省告示に基づく第三者認証

Prime Maison Morishita WEST

- ✓ Performance for energy conservation (compared to primary energy consumption)
  - Entire building: reduces the energy consumption by 33%
  - Each unit: reduces the energy consumption by 20% to 33%
- ✓ Low-E double glazed windows
- ✓ LED lighting

Automatic lock even during emergencies (PM Asakusa EAST)



Solar power generation (PM Asakusa EAST)



Emergency power supply by storage batteries (PM Asakusa EAST)





Elevator hall on each floor

LED lighting (PM Asakusa EAST/PM Morishita WEST)



* The figures for "Performance for energy conservation (compared to primary energy consumption)" are evaluated by BELS.

ESG: Other Initiatives

Various initiatives to improve tenant satisfaction and the environment

Introduction of drop-off delivery system

AIPHONE's smart delivery system "Pabbit" installed in some units

Pabbit

It allows delivery companies to authenticate the delivery number (barcode) of the package to unlock the auto-lock using the slip number as the authentication key, allowing entry even when the resident is not present, and is expected to reduce re-deliveries

SHR aims to increase the number of properties where the system is introduced, **improve tenant satisfaction, improve the working environment of delivery companies, and contribute to a decarbonized society**

Recycling of waste materials at Resource Recycling Centers

At the Resource Recycle Centers, a core initiative for zero emission of Sekisui House, waste generated from new house construction is sorted and then 100% recycled



In some of the properties owned by SHR and managed by Sekisui House Real Estate Companies, **waste materials generated from restoration work at the time of vacancy are transported to Resource Recycle Centers and recycled**

Carbon dioxide-absorbing vending machines

Installed carbon dioxide-absorbing vending machines provided by Asahi Soft Drinks Co., Ltd. at Esty Maison Kyobashi

Characteristics

- ✓ **Absorbs carbon dioxide around vending machines**
- ✓ **Collected CO_2 is recycled as an industrial raw material**



Absorption of CO_2

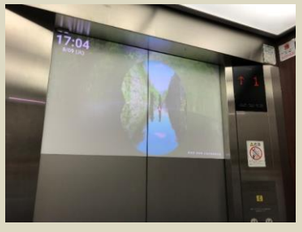
Annual absorption per unit is up to 20% of CO_2 emissions from operating electricity emissions

= Annual absorption equivalent to about 20 cedar trees

Reference： Asahi Soft Drinks Co., Ltd.

Introduction of digital signage

Elevator Projection Media "Ele Cinema" has been installed in some residences. Digital signage has also been installed in the Shinjuku Hirose Building. In addition to **distributing information on electricity consumption and other environmental information to tenants and residents** in the private areas of each property, the system also **calls for cooperation in power-saving and other eco-friendly activities**, thereby reducing GHG emissions in the owned properties







Appendix

City Ridge
Photo by: David Madison Photography

Trends of Major Management Indexes

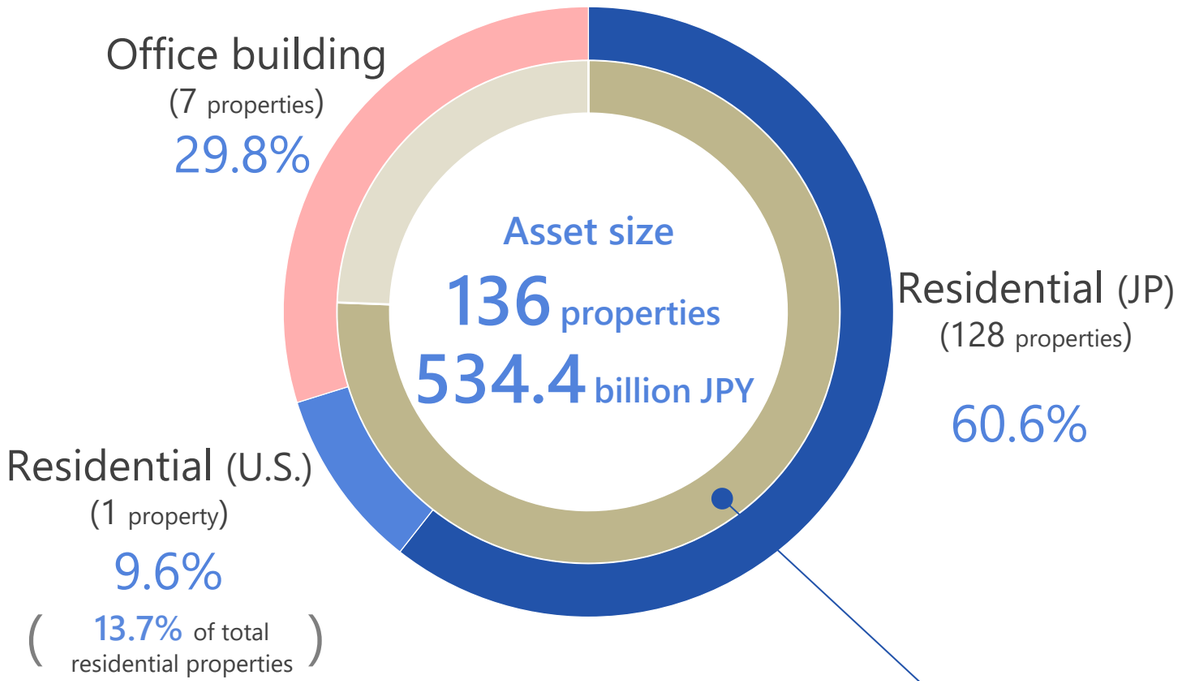
Fiscal Period Month/Year		FP 16 Oct. 2022	FP 17 Apr. 2023	FP 18 Oct. 2023	FP 19 Apr. 2024	FP 20 Oct. 2024
Operating days	days	184	181	184	182	184
Profit from real estate leasing business	million JPY	15,082	15,358	15,384	15,216	13,705
Gain or loss on sale of real estate properties/Impairment loss	million JPY	710	–	1,097	(1,378)	7,859
Leasing NOI	million JPY	11,380	11,442	11,425	11,140	10,220
Depreciation	million JPY	2,573	2,627	2,637	2,707	2,383
Net income	million JPY	7,204	6,637	7,408	4,954	11,824
Capital expenditures	million JPY	722	896	1,016	1,026	1,490
Total assets	million JPY	570,999	569,205	569,478	565,030	568,345
Total interest-bearing liabilities	million JPY	258,242	258,242	257,242	257,242	257,242
LTV (total asset basis)	%	45.2	45.4	45.2	45.5	45.3
LTV based on appraisal value	%	38.3	37.9	38.6	39.0	38.9
Net assets	million JPY	294,484	293,617	293,226	289,526	294,657
Total distributions	million JPY	7,509	7,803	8,657	9,179	7,961
ROE (annualized)	%	4.8	4.6	5.0	3.4	8.0
DSCR (Debt service coverage ratio)	times	13.8	14.4	13.4	12.7	9.0
FFO (Funds from operations)	million JPY	9,068	9,266	8,951	9,042	6,351
AFFO (Adjusted funds from operations)	million JPY	8,346	8,369	7,934	8,016	4,860
FFO pay out ratio	%	82.8	84.2	96.7	101.5	125.4
Total number of investment units issued	units	4,381,482	4,381,482	4,381,482	4,381,482	4,381,482
Net asset per unit	JPY	67,211	67,013	66,924	66,079	67,250
NAV per unit	JPY	89,088	90,921	86,983	85,713	86,741
Net income per unit	JPY	1,636	1,514	1,690	1,130	2,698
DPU (Distributions per unit)	JPY	1,714	1,781	1,976	2,095	1,817
Long-term EPU	JPY	–	1,573	1,535	1,469	1,308
FFO per unit	JPY	2,069	2,114	2,043	2,063	1,449
Reversal of internal reserve	million JPY	305	1,105	–	–	–
Reversal of RTA	million JPY	222	194	–	–	–
Internal reserve at the end of the period (after cash distributions paid)	million JPY	1,105	–	–	–	–
Period-end investment unit price (closing price)	JPY	80,100	77,100	79,600	81,000	72,500
Implied cap rate (based on period-end investment unit price)	%	3.8	4.0	3.9	3.9	3.7
Number of owned properties at period-end	units	120	120	120	131	136
Total acquisition price	million JPY	554,466	554,466	548,726	529,331	534,475
Total appraisal value, etc.	million JPY	643,093	650,544	627,534	604,559	615,589
Unrealized capital gains	million JPY	103,366	112,554	96,548	95,206	93,360
Unrealized capital gains as a percentage of portfolio value	%	19.2	20.9	18.2	18.7	17.9

- Leasing NOI = Property-related operating revenue - Property-related operating expenses + Depreciation+ Dividend income
- Total asset LTV = Total interest-bearing liabilities ÷ Total asset × 100
- LTV based on appraisal value = Total interest-bearing liabilities ÷ (Total assets + Unrealized capital gains)× 100
- ROE = Net Income ÷ [(Net assets at beginning of the period + Net assets at end of period) ÷ 2]× 100
- DSCR = (Ordinary income + interest expenses on borrowing and corporation bond + depreciation +/- Gain or loss on sale of real estate properties + Impairment loss) ÷interest expense
- "Gain or loss on sale of real estate properties" and "FFO" are stated after taking into account impairment losses.
- FFO = Net income + Depreciation +/- Gains or losses from the sale of real estate properties + Impairment loss +/- extraordinary income or losses
- AFFO = FFO – Capital expenditure
- FFO pay out ratio = Total distribution ÷ FFO
- NAV per unit = (Net assets at end of period + Unrealized capital gain - Total distribution) ÷ Total number of investment units issued
- Net income per unit = Net income ÷ Investment units on a weighted average based on the number of days
- Implied cap rate = NOI (annualized) ÷(Market capitalization at end of each period + Interest-bearing liabilities + Refundable deposits held in trust – Cash deposits)

SHR's Portfolio

Diversification of SHR's Portfolio (As of the end of Oct. 2024 (FP 20) / Acquisition price basis)

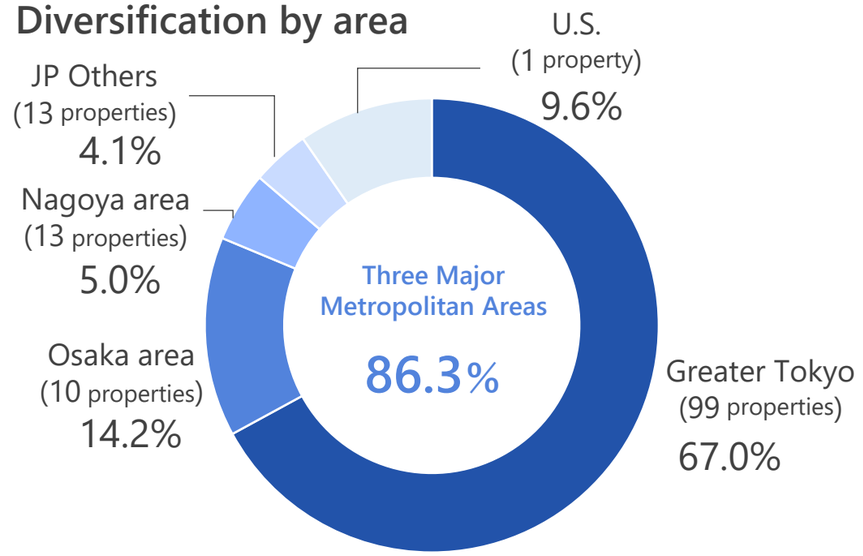
■ Diversification by asset type



Acquisition from Sekisui House Group 75.6%
403.9 billion JPY / 75 properties

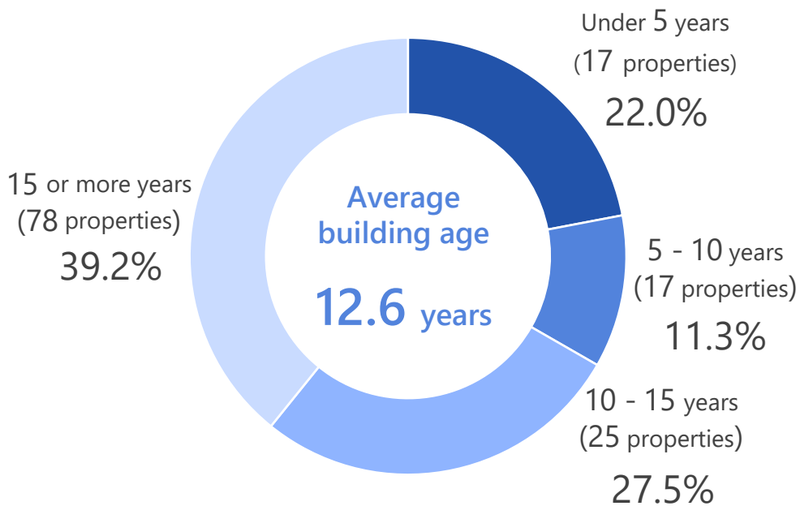
Sekisui House, Ltd. 311.3 billion JPY / 60 properties

■ Diversification by area



Three Major Metropolitan Areas by assets
Residential 80.5% Office building 100.0%

■ Diversification by building age

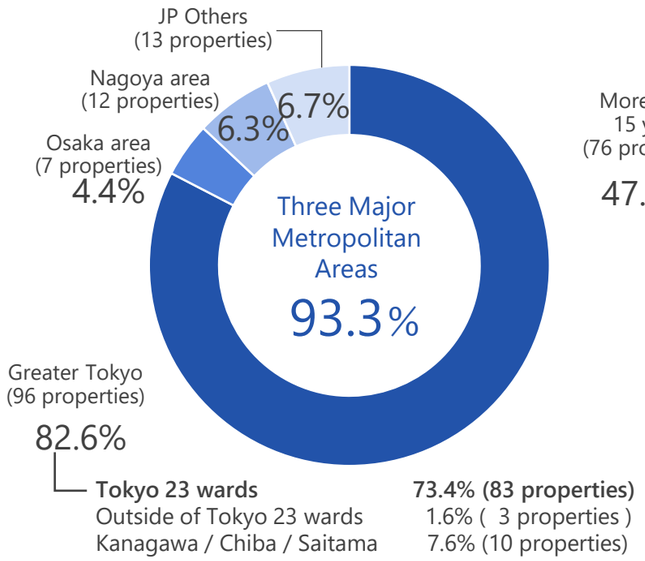


Average building age by assets
Residential 11.2 years Office building 16.0 years

Portfolio Structures by Asset Type

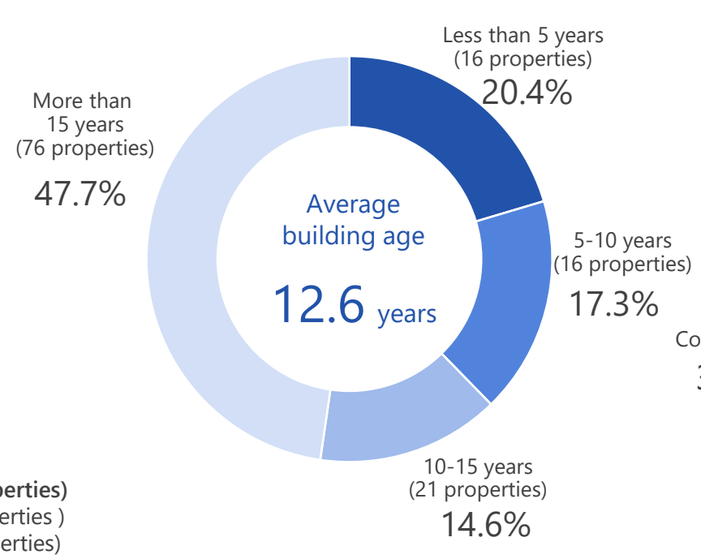
Diversification of the residential portfolio (JP) (As of the end of Oct. 2024 (FP 20) / Acquisition price basis (By room types is "number of room" basis))

■ By area

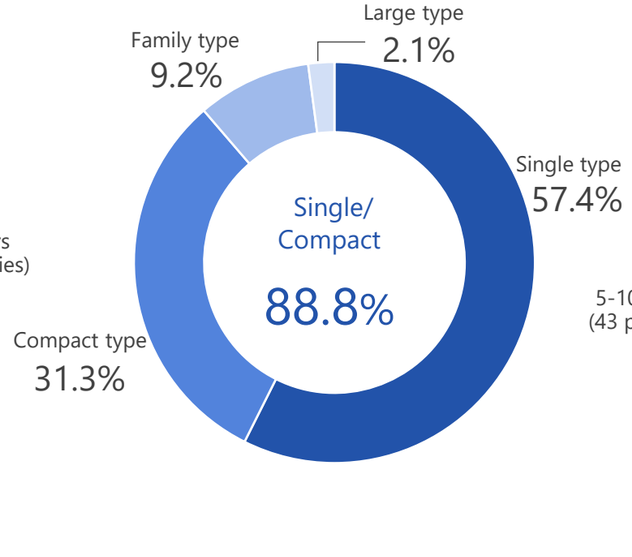


Tokyo 23 wards	**73.4% (83 properties)**
Outside of Tokyo 23 wards	1.6% (3 properties)
Kanagawa / Chiba / Saitama	7.6% (10 properties)

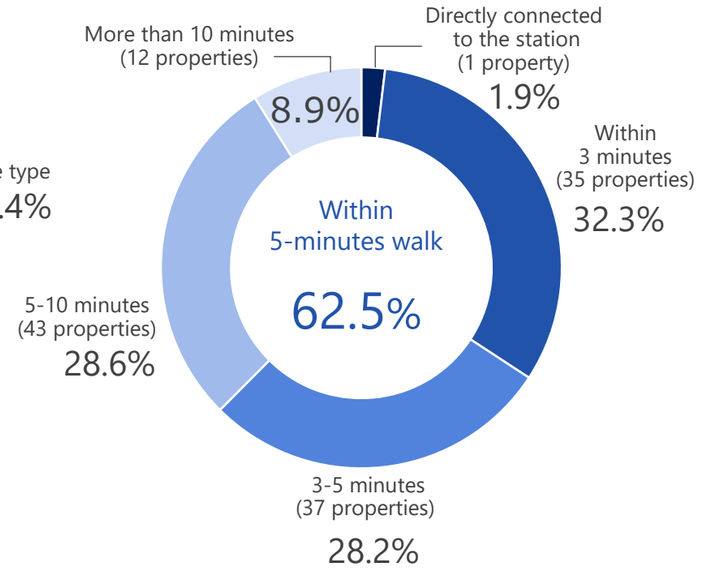
■ By building age



■ By room types

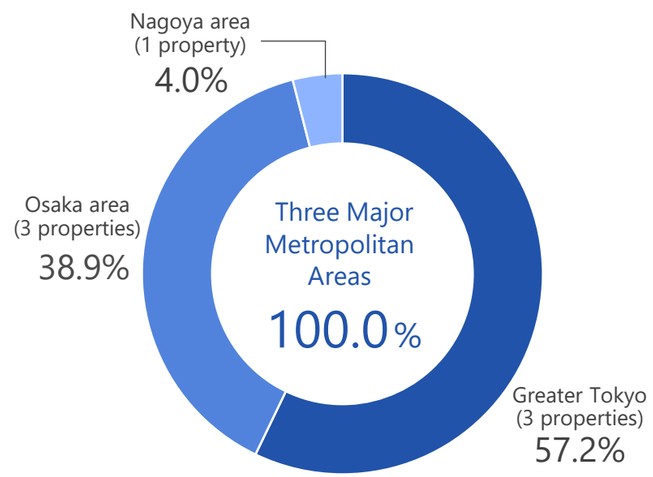


■ By walking minutes to nearest station

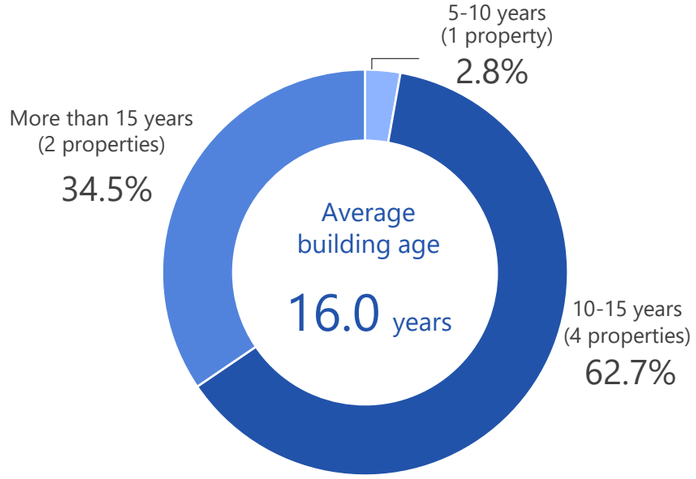


Diversification of the office building portfolio (JP) (As of the end of Oct. 2024 (FP 20) / Acquisition price basis)

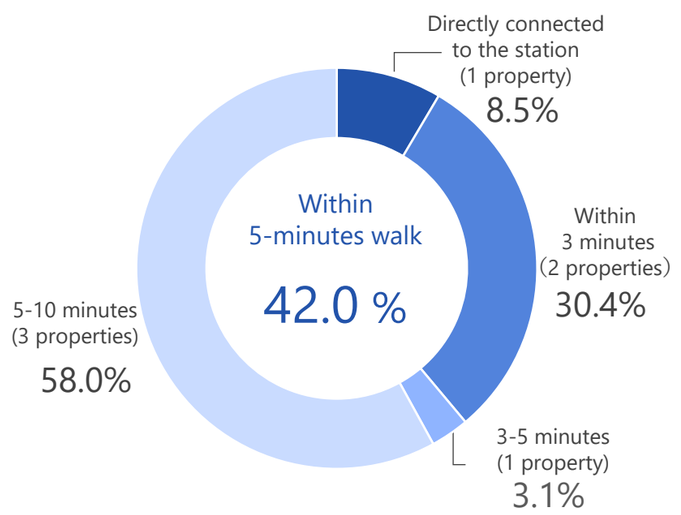
■ By area



■ By building age



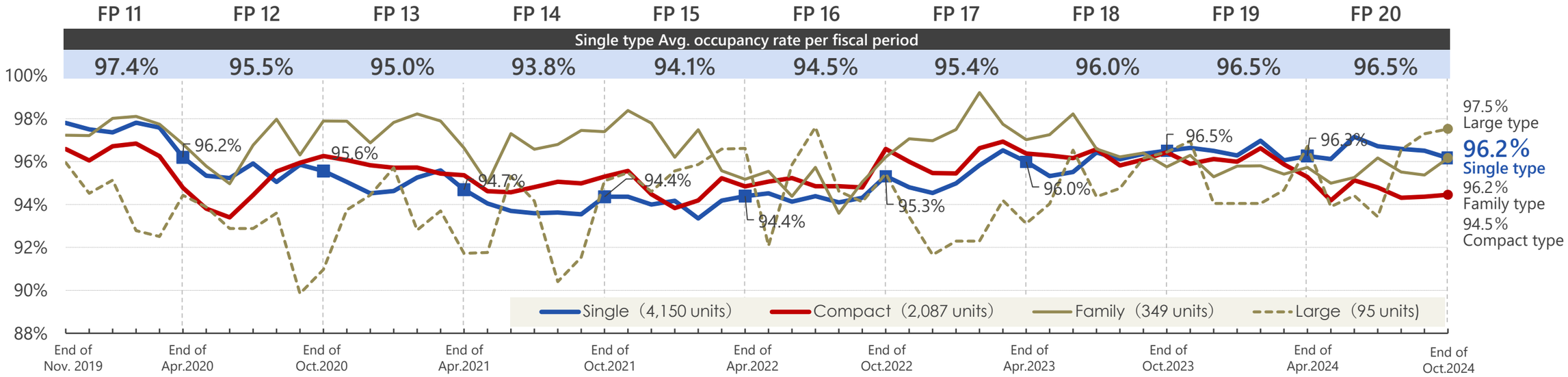
■ By walking minutes to nearest station



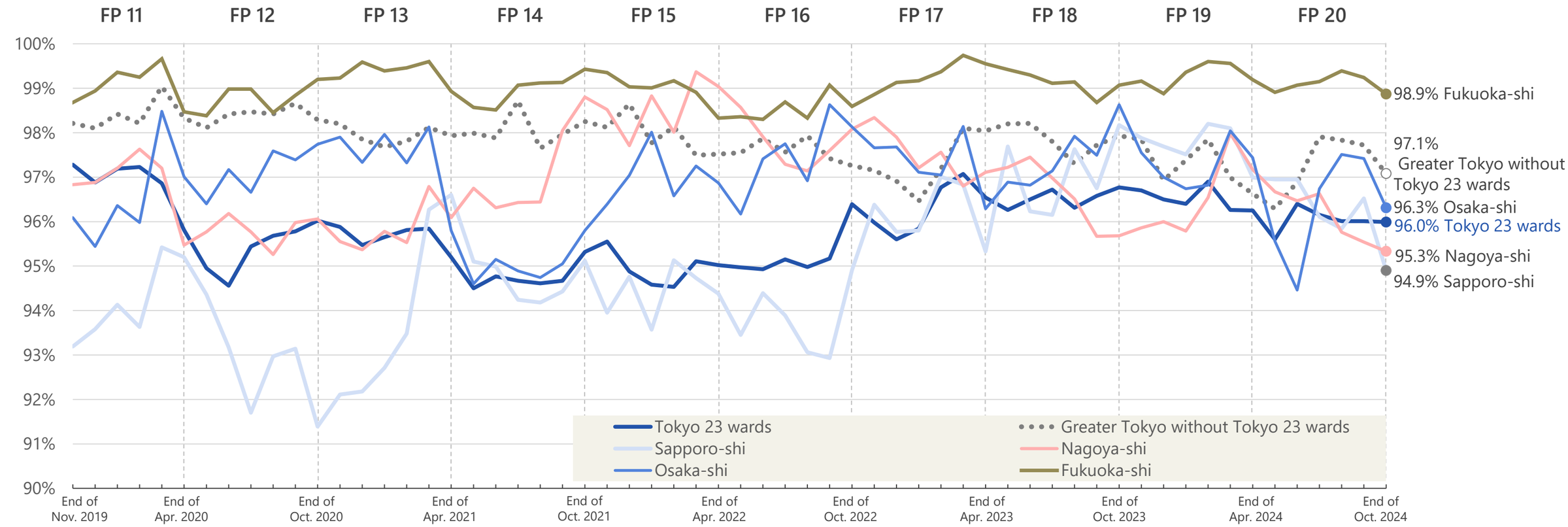
* Diversification by room types is calculated for residential properties excluding properties which is on a fixed-rent master lease, single building rental properties, etc., and retail and office portion.

Residential (JP): Occupancy Rate Trends (Tokyo 23 Wards Room Type/Area)

Occupancy rate by room type in Tokyo 23 wards

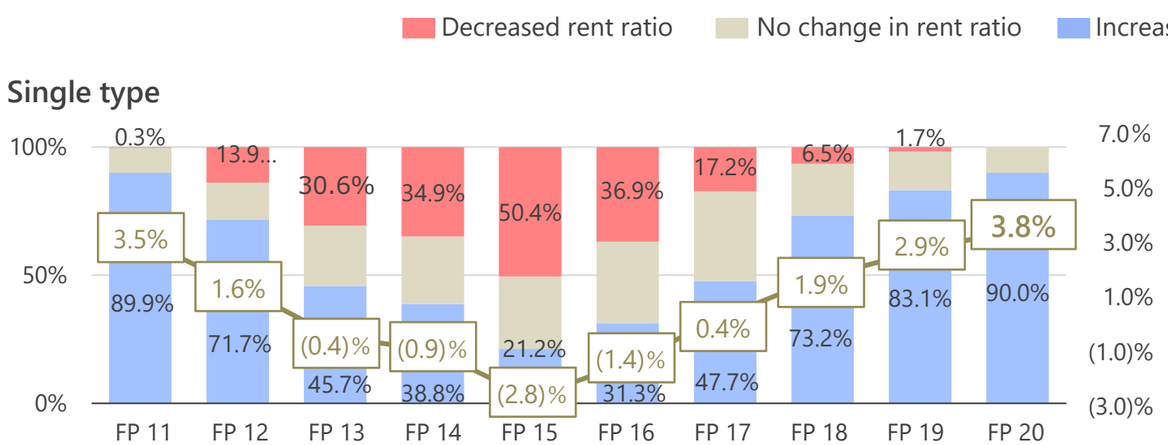


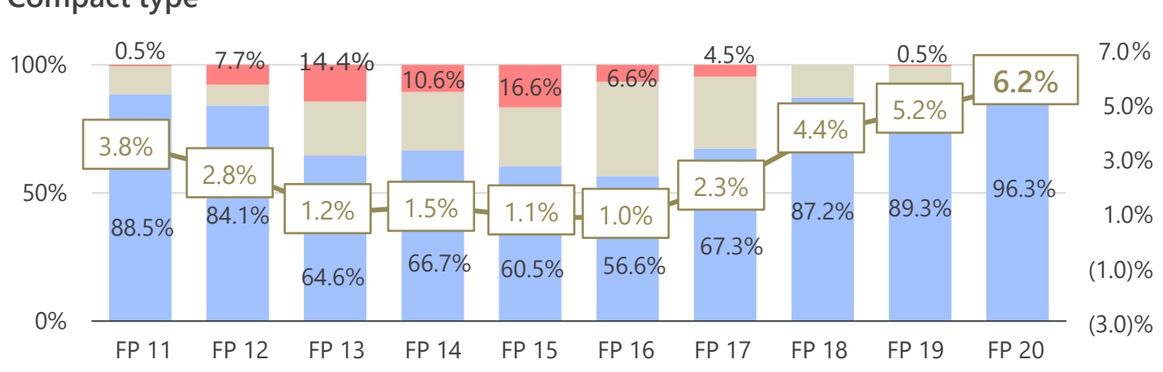
Residential: monthly trends of occupancy rate by area

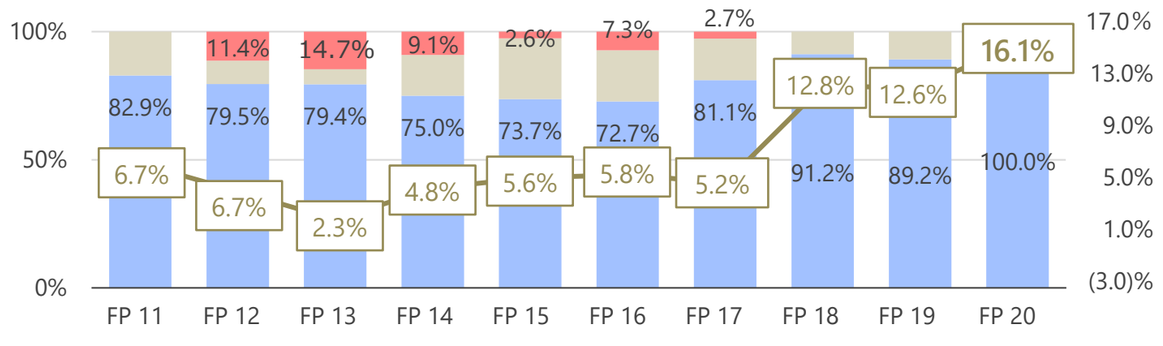


Residential (JP): Detail of Rent Trends (1)

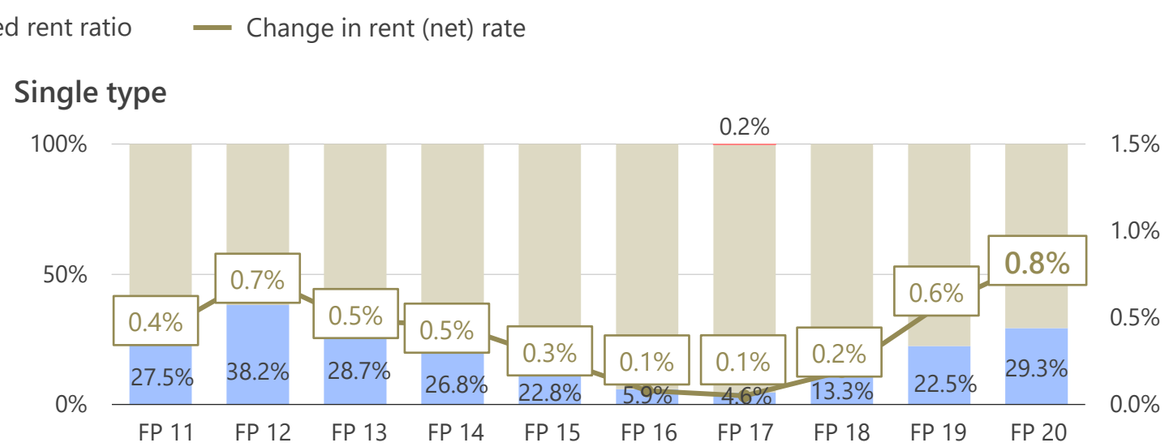
Rent trend in new contract (Tokyo 23 wards / by room type)

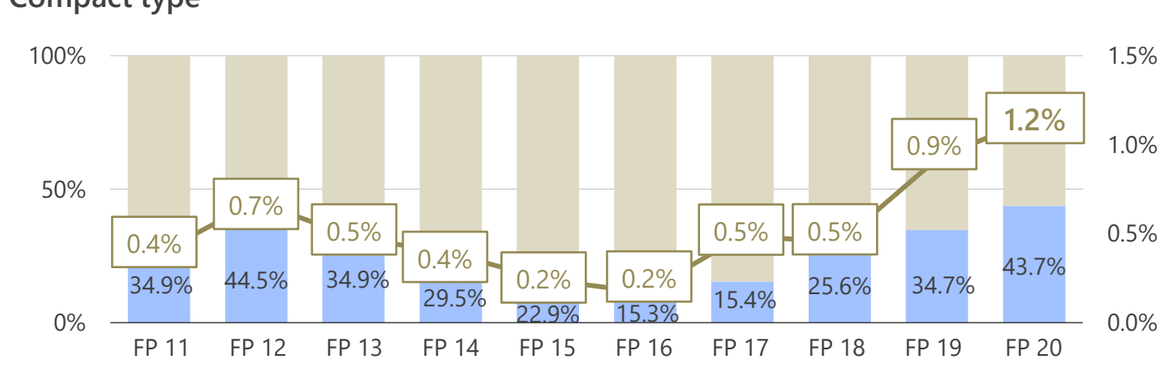


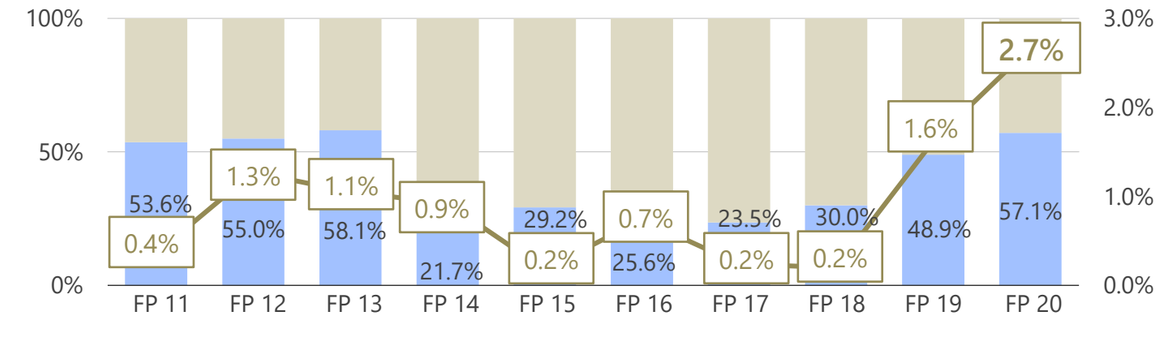




Rent trend in renewal contract (Tokyo 23 wards / by room type)





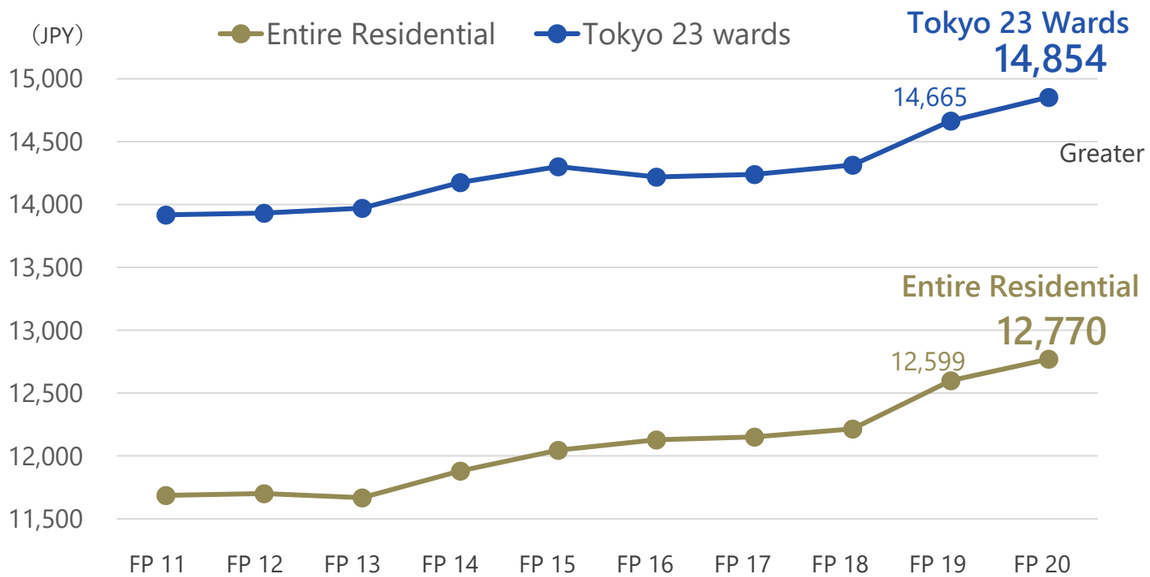


Residential (JP): Detail of Rent Trends (2)

By room types: rent trends

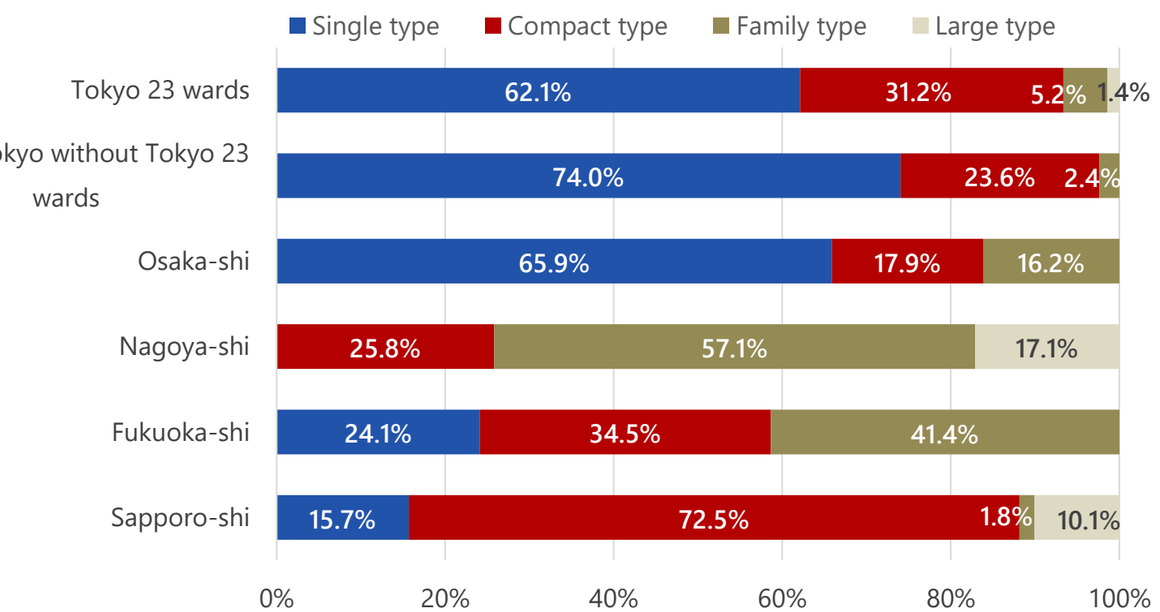
	FP ended Oct. 2024 (FP 20) Unit rent per tsubo	Rent trends in new contracts as of the end of October 2024 (FP 20)									
		Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)	By Room Type							
				Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)	Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)	Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)	Change in rent (Net) (thousand JPY)	Ratio of change in rent (Net) (%)
				Single type		Compact type		Family type		Large type	
Greater Tokyo	14,477 JPY / tsubo	+6,903	+6.2	+2,042	+3.9	+2,843	+6.2	+1,048	+14.0	+970	+18.4
Tokyo 23 wards	14,854 JPY / tsubo	+6,501	+6.2	+1,875	+3.8	+2,666	+6.2	+990	+14.3	+970	+18.4
without Tokyo 23 wards	11,565 JPY / tsubo	+402	+5.9	+167	+4.5	+177	+6.9	+58	+10.5	–	–
Major Cities Nationwide	7,181 JPY / tsubo	+771	+5.3	+189	+5.5	+304	+6.6	+244	+4.4	+34	+3.9
Osaka-shi	9,089 JPY / tsubo	+193	+5.1	+109	+5.0	+33	+3.9	+51	+6.6	–	–
Nagoya-shi	7,654 JPY / tsubo	+65	+1.5	–	–	(7)	(1.0)	+53	+1.8	+19	+2.6
Fukuoka-shi	5,433 JPY / tsubo	+267	+7.6	+39	+5.4	+88	+8.5	+140	+7.9	–	–
Sapporo-shi	7,247 JPY / tsubo	+246	+8.9	+41	+7.2	+190	+9.4	–	–	+15	+9.7
Total	12,770 JPY / tsubo	+7,674	+6.1	+2,231	+4.0	+3,147	+6.2	+1,292	+9,9	+1,004	+16.3

Trends of unit rent per tsubo



Diversification of room types (number of room basis)

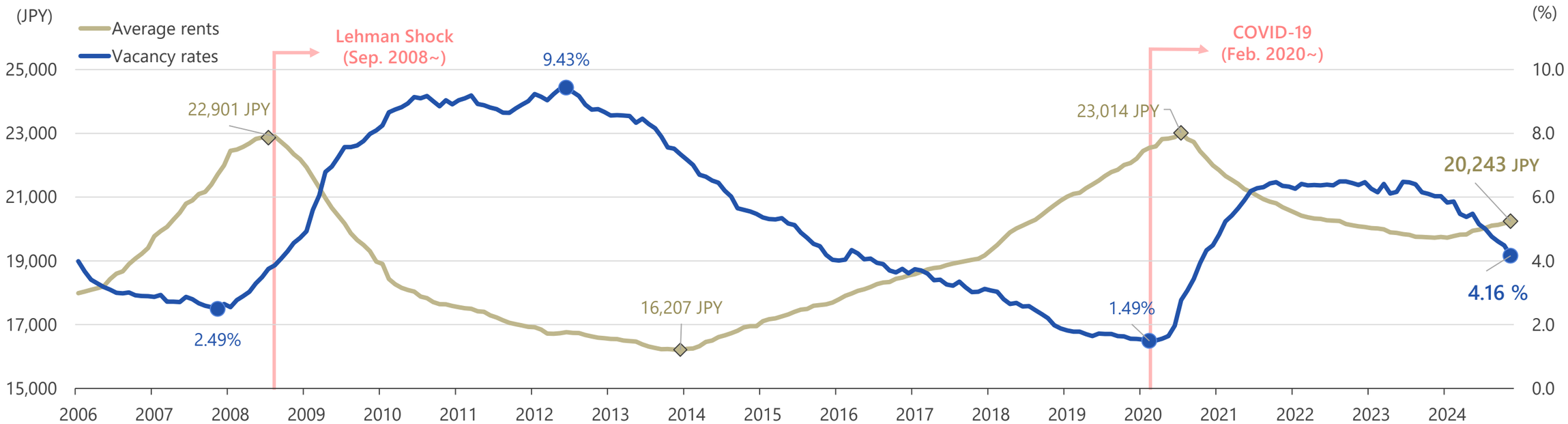
(as of the end of October 2024 (FP 20))



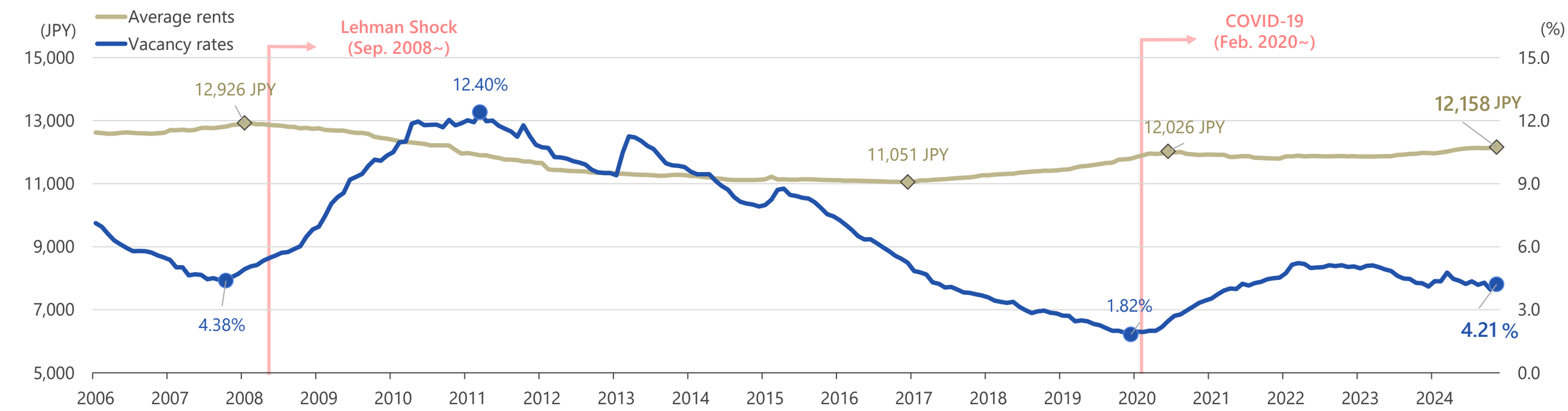
＊ "By room types: rent trends" and "Trends of unit rent per tsubo" of the fiscal period ended October 2024 (FP 20) are calculated based on residential properties ate the end of the period for residential properties excluding properties which are on a fixed-rent master lease, single building rental properties, etc., and retail and office portion.

Office Building: Market Trends

Average rents and vacancy rates in Tokyo's business districts



Average rents and vacancy rates in Osaka's business districts



* Information on "Average rents and vacancy rates in Tokyo's business districts" and "Average rents and vacancy rates in Osaka's business districts" are prepared by SHA based on Office Market Data (as of Nov. 2024) by Miki Shoji Co., Ltd.
* Tokyo's business districts: 5 wards of central Tokyo (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, Shibuya-ku)
* Osaka's business districts: major 6 districts (Umeda district, Minamimorimachi district, Yodoyabashi/Hommachi district, Funaba district, Shinsaibashi/Namba district, Shin-Osaka district)

Office Building: Tenant Profile

End tenant diversification (based on 66 end tenants in total of overall office building portfolio/as of the end of Oct. 2024 (FP 20))

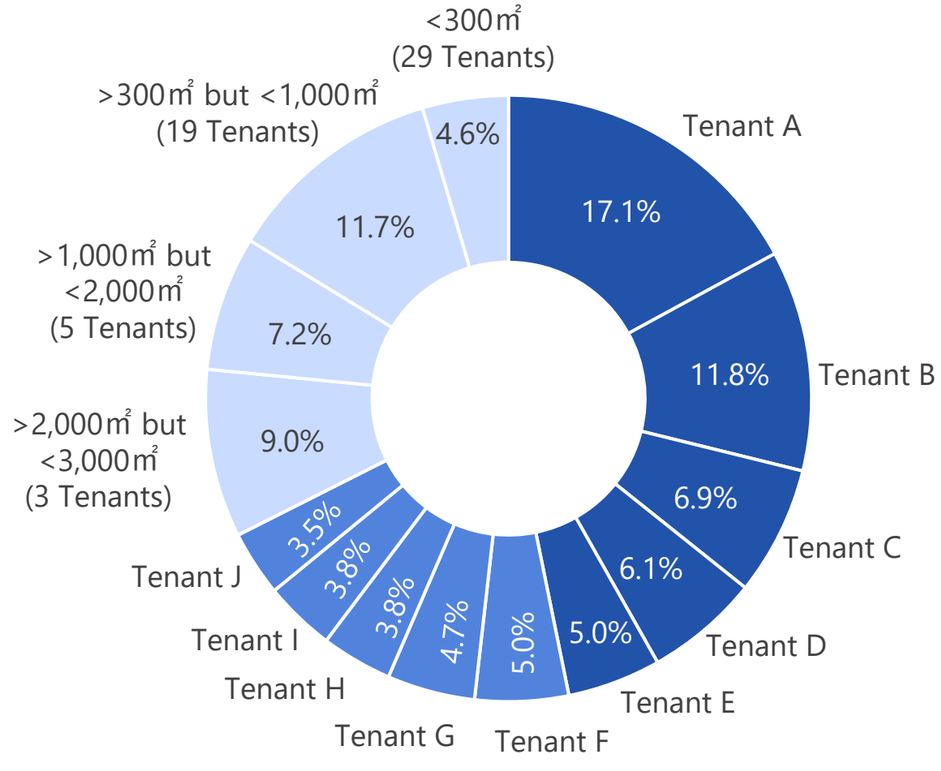
■ Top 5 tenants by leasable area 46.9%

Tenant	Industry	Leasable area	Property
A	IT	13,999.98 ㎡	Gotenyama SH Bldg.
B	Finance & Insurance	9,690.83 ㎡	Hommachi Minami GC
C	Finance & Insurance	5,667.16 ㎡	Hommachi Minami GC
D	Construction	4,969.91 ㎡	Hommachi Minami GC
E	Retail (wholesale)	4,119.15 ㎡	Hommachi GC

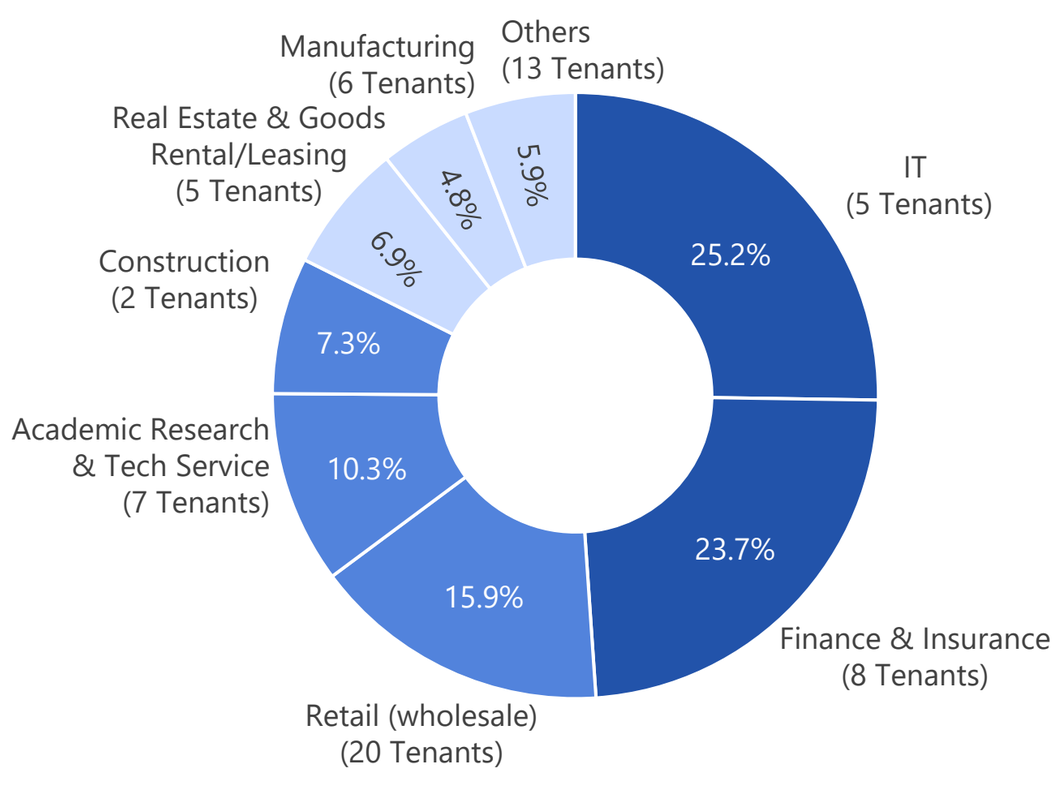
■ Top 10 tenants by leasable area 67.5%

Property	% of portfolio	Tenant(s)
Hommachi Minami GC	24.8 %	Tenants B, C, and D
Gotenyama SH Bldg.	17.1 %	Tenant A
Akasaka GC	13.4 %	Tenants F, G and H
Hommachi GC	5.0 %	Tenant E
Hirokoji GA	3.8 %	Tenant I
Shinjuku Hirose Bldg.	3.5 %	Tenant J

■ Occupancy rate by tenant leasing area



■ Occupancy rate by tenant portfolio



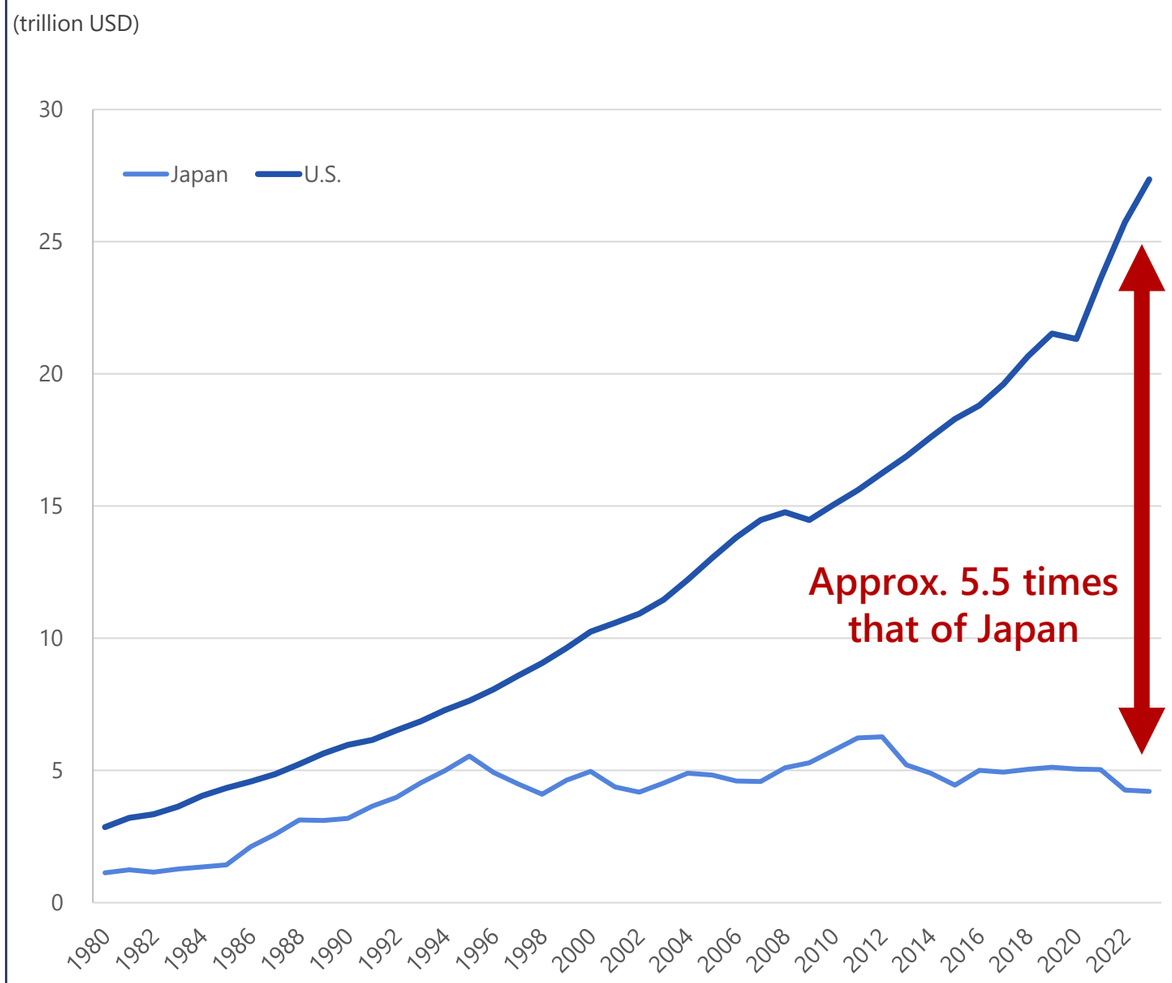
* The industry classification of end tenants is created by SHA based on the "Japan Standard Industrial Classification".

Residential (U.S.): Growth Expectations (U.S. Overall)

Continued rental growth backed by high U.S. growth rate expected to boost portfolio profitability

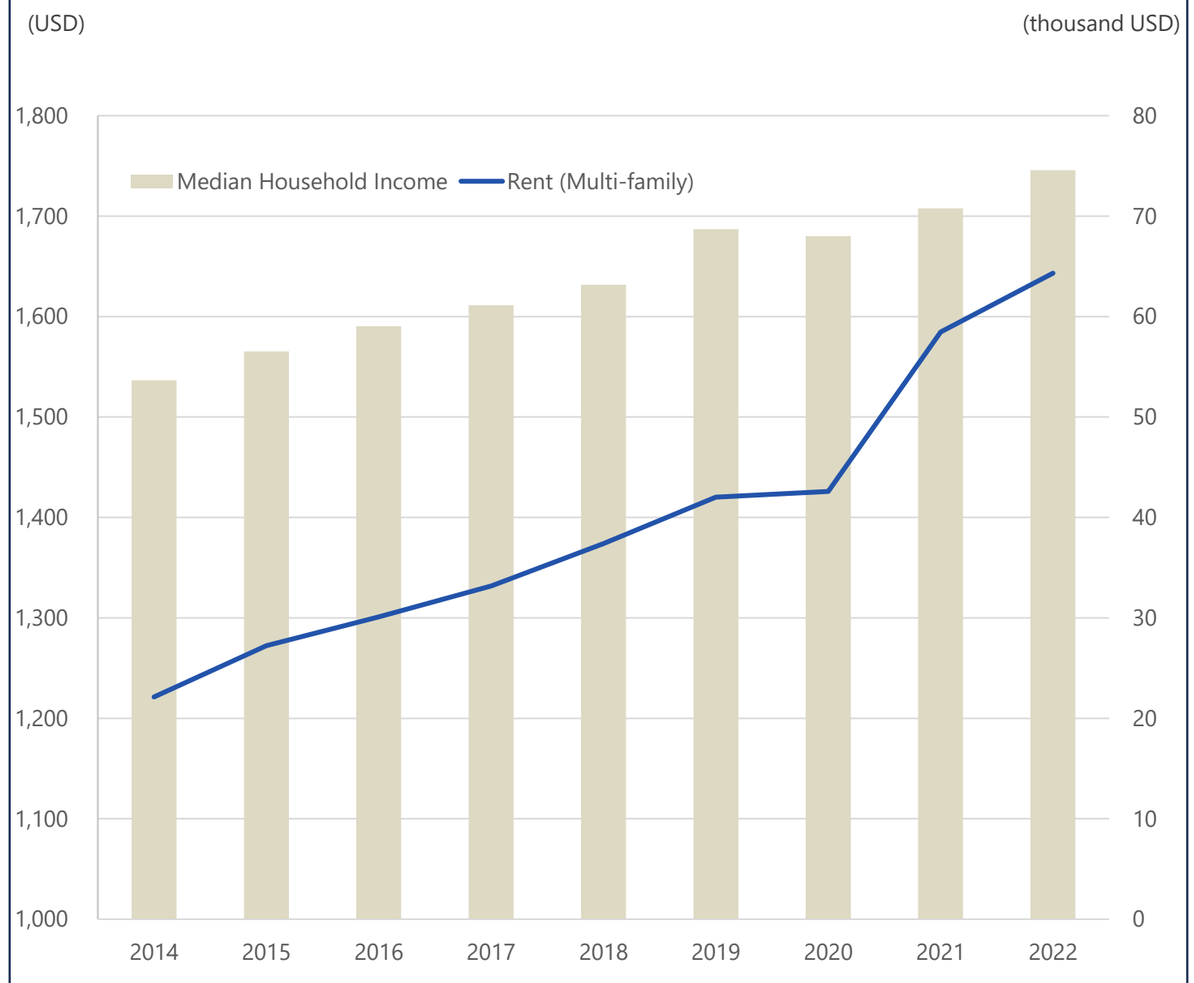
U.S. and Japan's Nominal GDP

The U.S. economy is approximately 3.2 times larger than that of Japan as of 2019, and **up to approximately 5.5 times in 2023**, confirming how the U.S. economy has maintained a higher growth rate than Japan



U.S. Household Income and Rents

While rents (multi-family) in the U.S. increased by 34.6% between 2014 and 2022, the median household income also increased by 39.0% over the same period, **realizing a region with continued rental growth**



* "U.S. and Japan's Nominal GDP" was prepared by SHA based on the GDP data of the U.S. and Japan published by the International Monetary Fund.

* "Median household Income" was prepared by SHA based on the "Median Household Income by State: 1984 to 2022" data published by the U.S. Census Bureau. The same applies throughout this document.

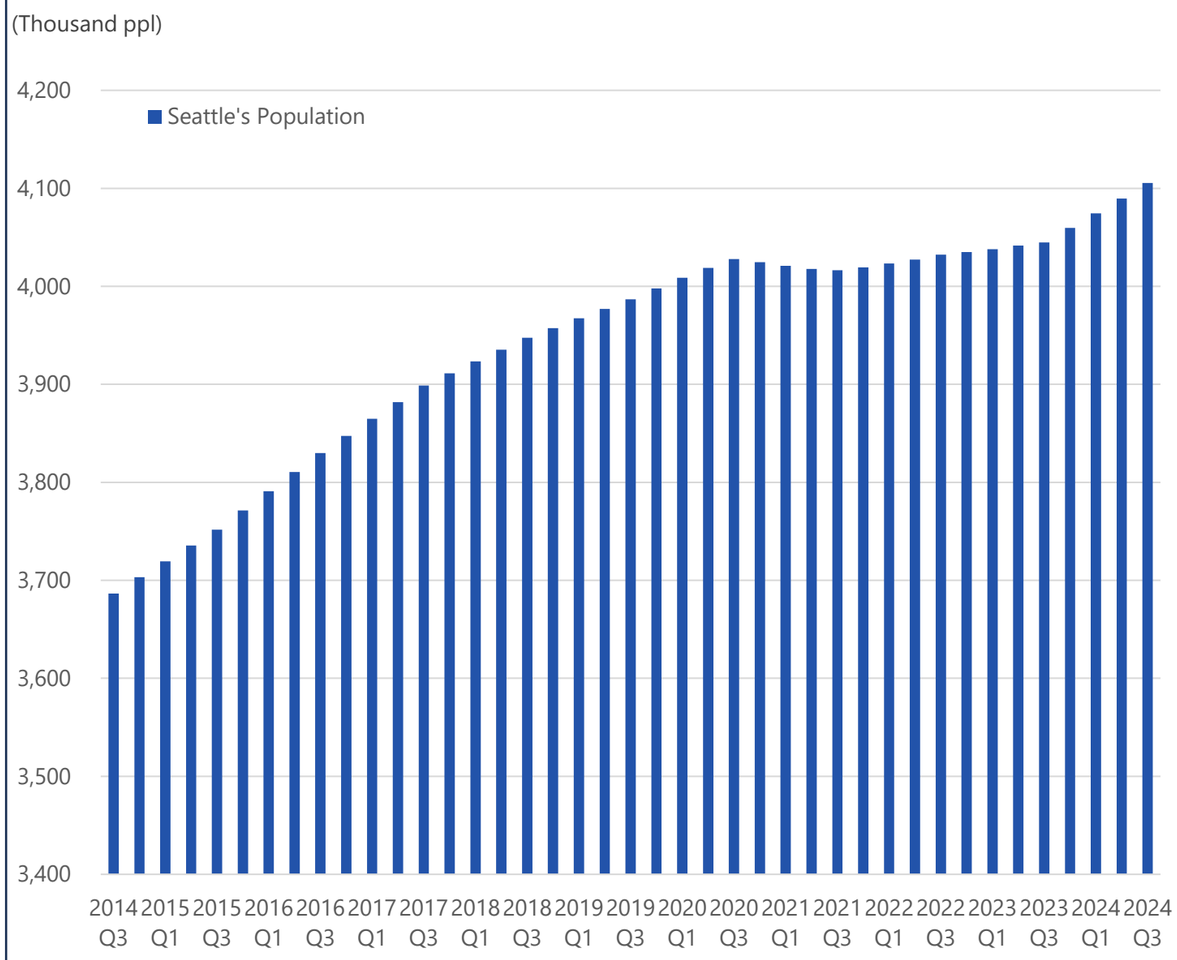
* "Rents (Multi-family)" was prepared by SHA based on the real estate information analysis platform data provided by Costar Group.

Residential (U.S.): Growth Expectations (Seattle)

Seattle boasts high population growth and household income; residential rents also remain high

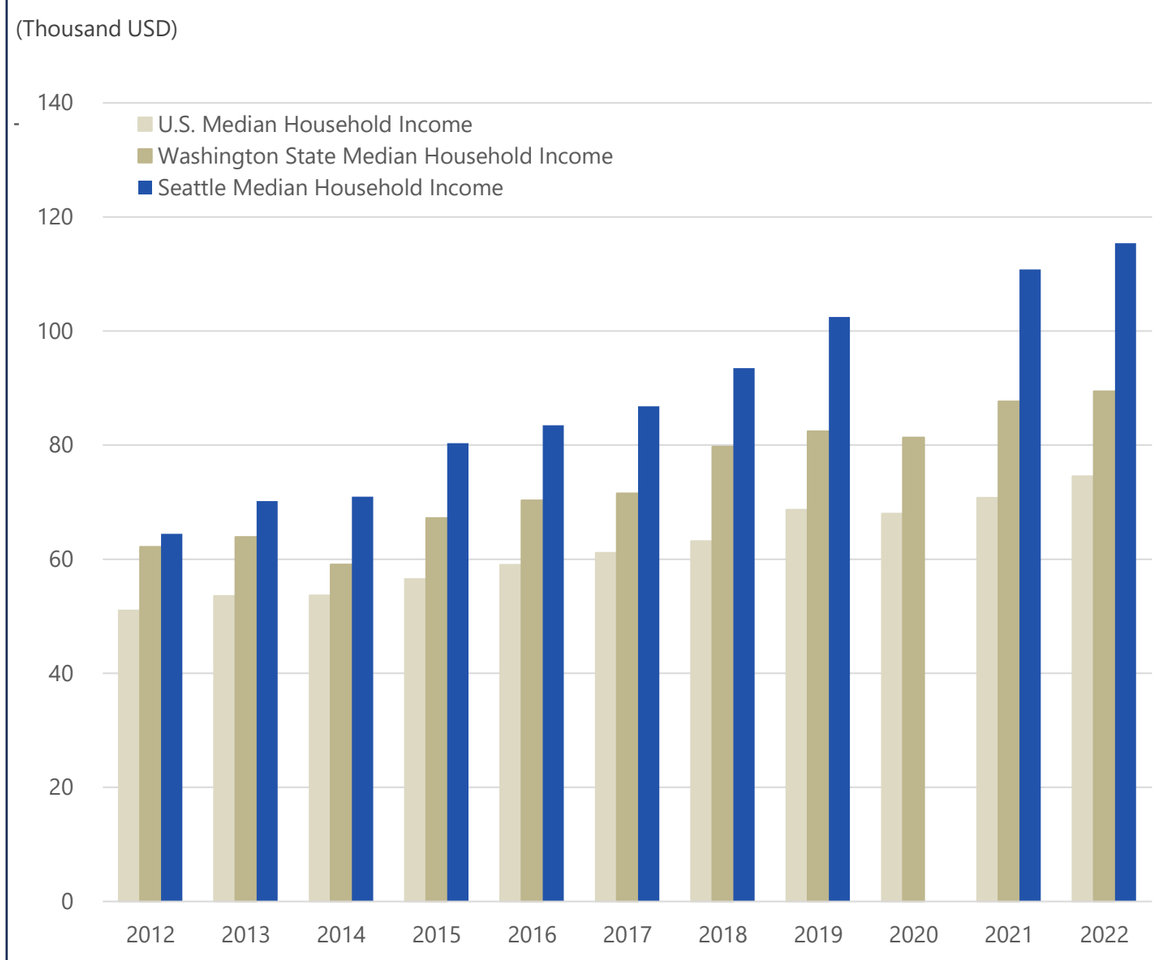
Seattle's Population

Seattle's **population grew 11.4% over the 10-year period** from 2014 Q3 to 2024 Q3, well above the 5.4% U.S. growth rate over the same period. Increase in immigrants is expected to boost Seattle's rental demand



Seattle's Household Income

Compared to median U.S. household income over the past decade, Washington state consistently outperforms, with **Seattle's 2022 median income over 115,000 USD** showing economic strength to support high rents



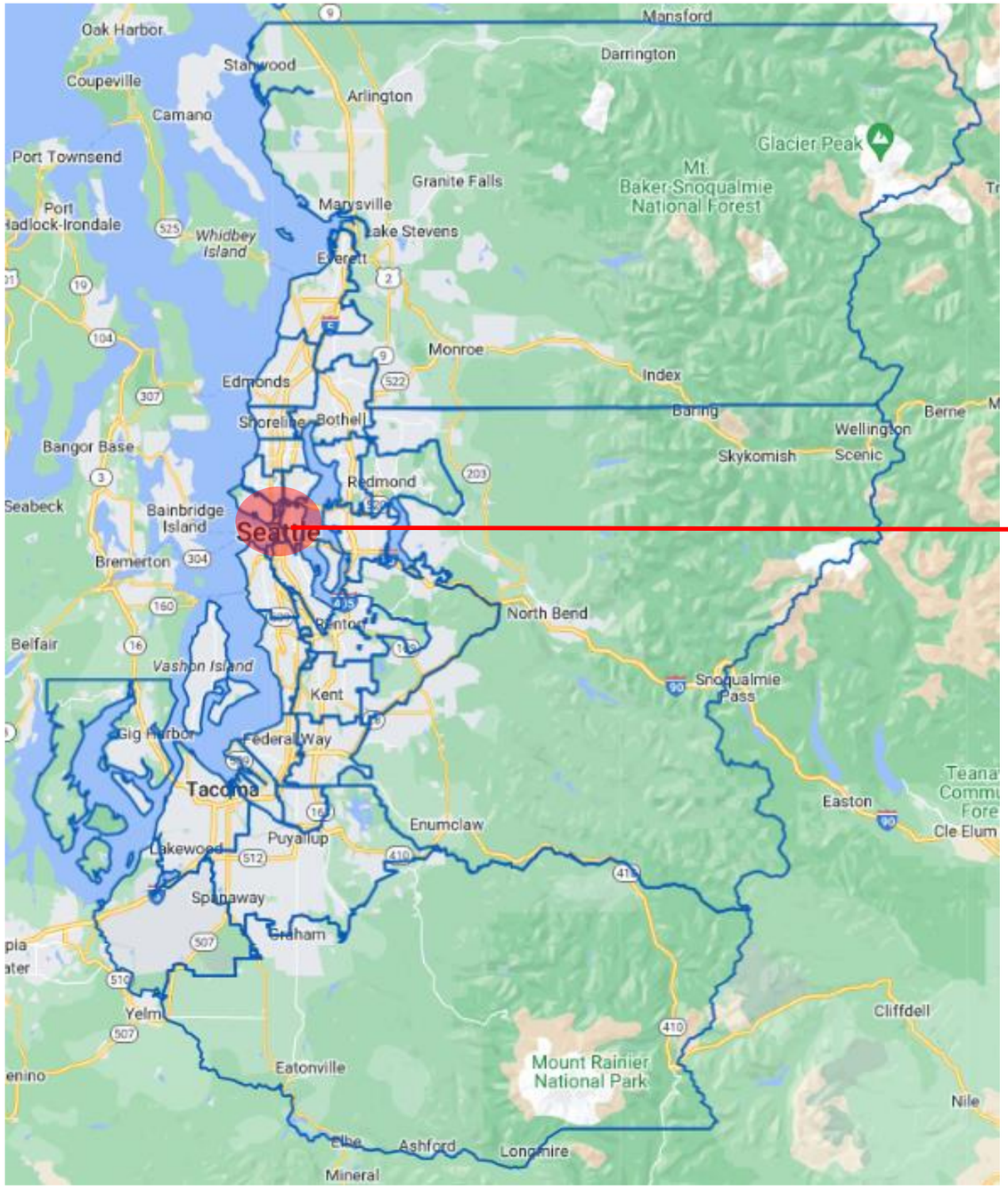
*2020 Seattle Median Household Income data is not disclosed.

* "Seattle's Population" were prepared by SHA based on the real estate information analysis platform data provided by Costar Group.

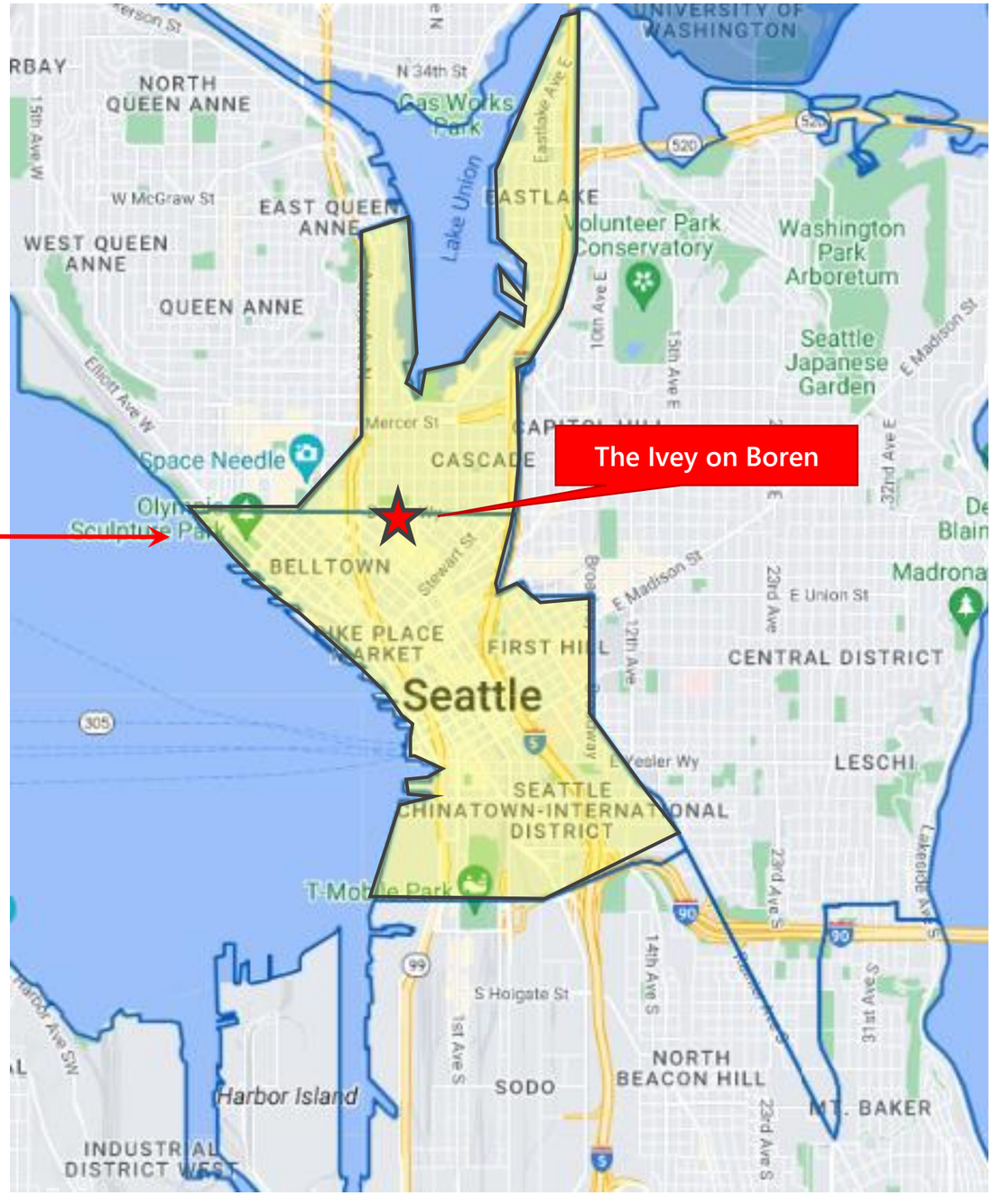
* "Seattle's Household Income" was prepared by SHA based on the "Median Household Income by State: 1984 to 2022" data published by the U.S. Census Bureau.

Residential (U.S.): Seattle Overall & Downtown Seattle

Seattle Overall

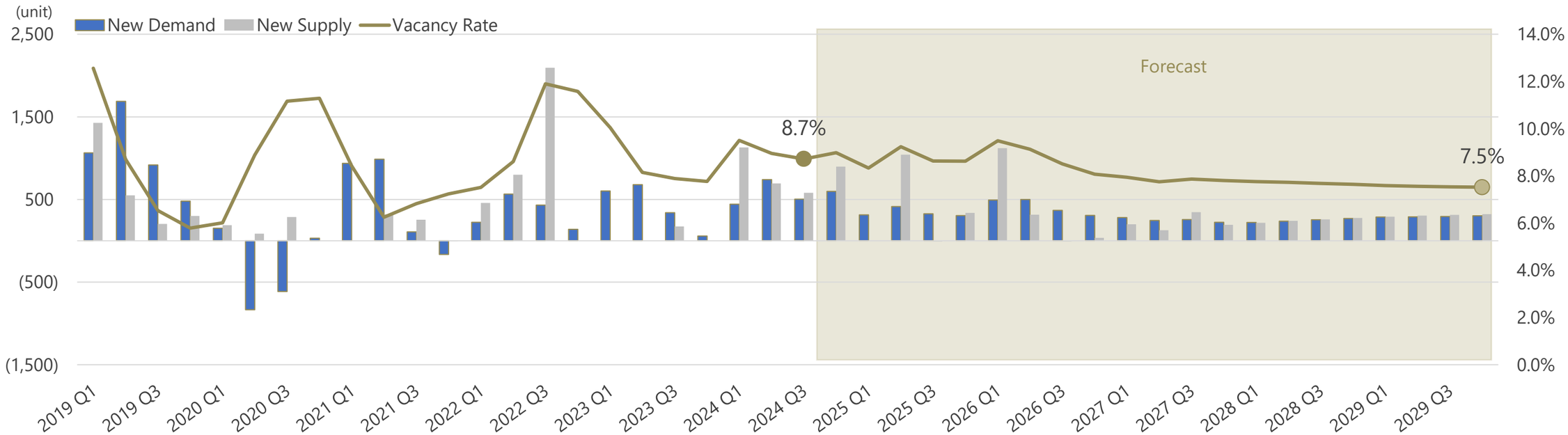


Downtown Seattle

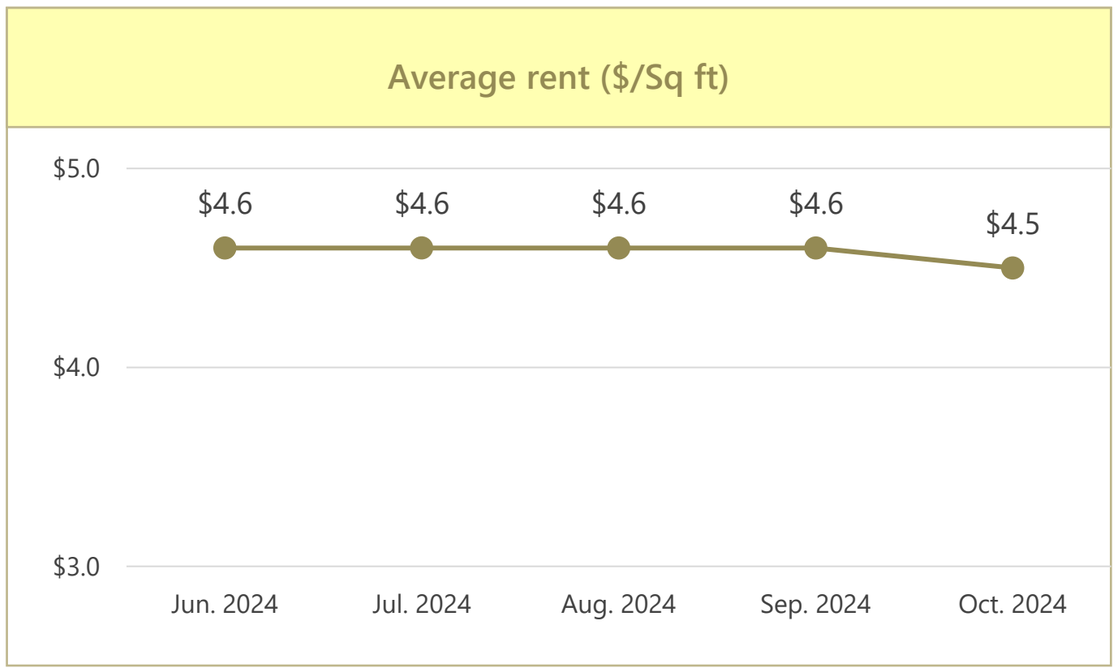


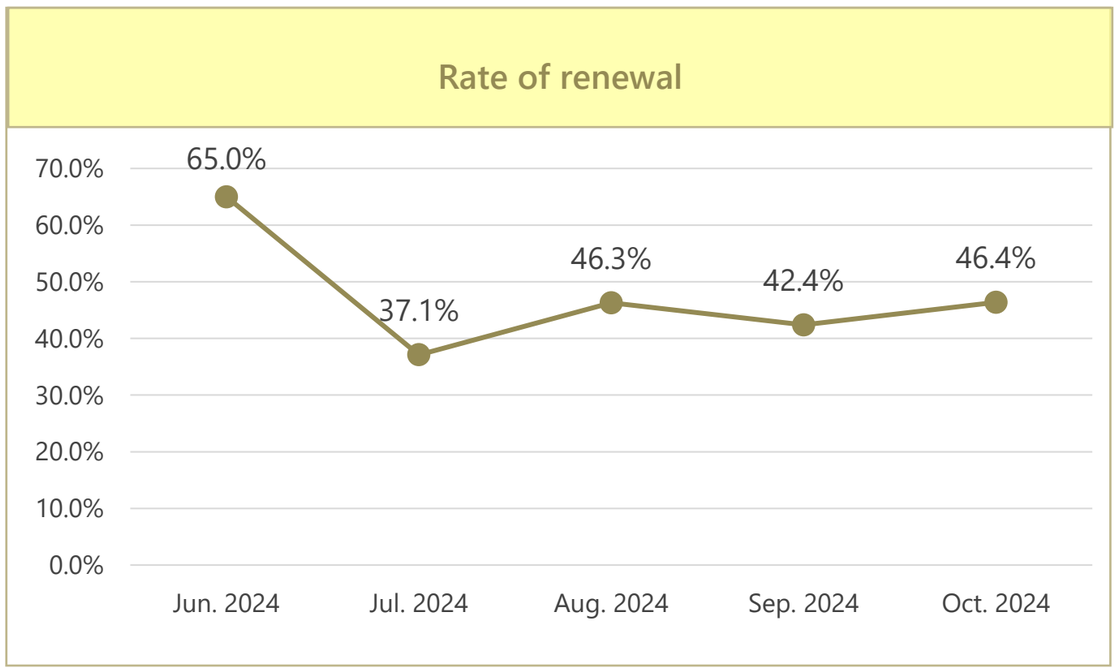
Residential (U.S.): Rental Market & “The Ivey on Boren” Rent Trends

Downtown Seattle: Supply and demand balance, vacancy rate



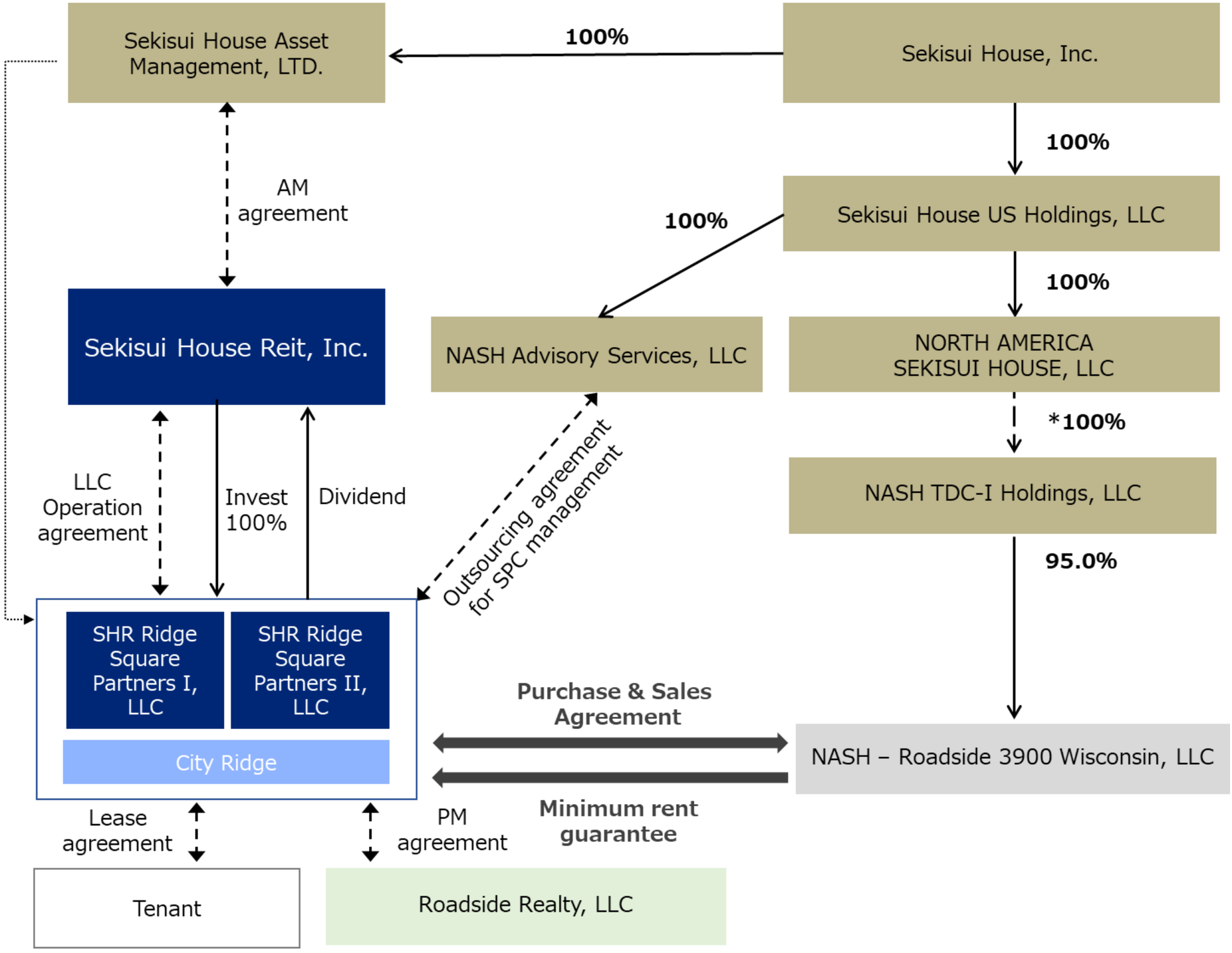
“The Ivey on Boren”: Average rent and rate of renewal





* “Downtown Seattle: Supply and demand balance, vacancy rate” was prepared by SHA based on the real estate information analysis platform data provided by Costar Group.

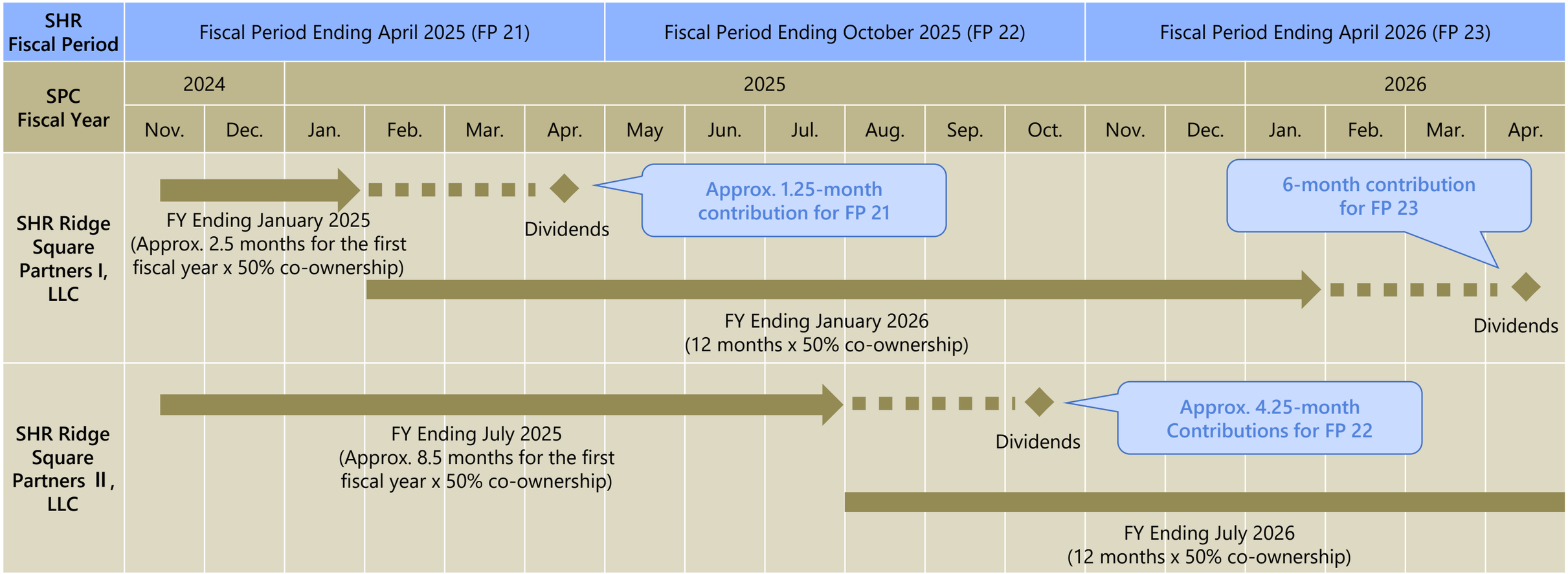
Residential (U.S.): Investment Structure of “City Ridge (Acquired Portion)”



*NASH TDC-I Holdings, LLC is an indirect subsidiary of NORTH AMERICA SEKISUI HOUSE, LLC.

Residential (U.S.): “City Ridge (Acquired Portion)” Revenue Recognition, etc.

Each SPC will own 50% of the ownership interest in the underlying asset, “City Ridge”, with each SPC’s accounting period staggered to receive dividends in each SHR fiscal period



Scope of Hedging Foreign Exchange Risk and Ratio

- Will flexibly adjust the scope of hedging FX risk and hedge ratio when receiving distributions from equity interests in overseas real estate holding corporations in accordance with market conditions, etc.
- Assuming that distributions and cash flows from equity interests in overseas real estate holding corporations will be received during a certain period of time, consider hedging FX fluctuation risk for each period by using FX reserves, etc.

Fluctuation Risk in Earnings Due to the Impact of Foreign Exchange Rates

Exchange rate	120 JPY	130 JPY	140 JPY	150 JPY	160 JPY
Expected dividend yield	3.0%	3.3%	3.5%	3.8%	4.0%

Yen Appreciation ← → Yen Depreciation

Asset Replacement: Overview of Akasaka GC Disposition

NOI yield after depreciation down to 2.3%; determined profit recovery is unlikely in the near future, and therefore decided to dispose of the asset

O-007	Akasaka Garden City



Location	Minato-ku, Tokyo
Planned disposition date	May 30, 2025
Planned disposition price	54,600 million JPY
Book value (expected)	49,810 million JPY
Gain on disposition (expected)	3,070 million JPY
Acquisition price	50,000 million JPY

Main Reasons for Disposition

- ✓ Due to changes in large office building supply and demand, such as the promotion of telework triggered by COVID-19, the occupancy rate temporarily fell to 87.4% (as of the end of May 2023). Although it has since recovered to 95.3% as of the end of October 2024, **the remaining sections have continued to remain vacant for an extended period of time**
- ✓ **NOI yield after depreciation has fallen to 2.3% (actual results for the fiscal period ended April 2024 (FP 19))**, which is lower than the NOI yield after depreciation of SHR's entire portfolio, which stands at 3.0%. Additionally, the market rent in the area is slightly lower than the property's average rent of 27,124 JPY (as of FP 19) by just under 10%. Based on these factors, SHR has determined that **recovery in profitability cannot be expected for the foreseeable future**

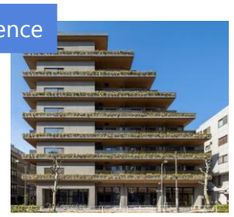
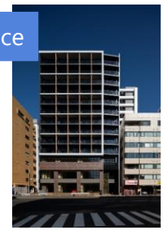
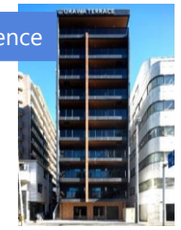
Regarding the Refund of Investment in Silent Partnership Equity Interest

- ✓ The operator, "Godo Kaisha Gemini1", of the asset held by SHR, "Godo Kaisha Gemini1 (Silent Partnership Equity Interest)", has decided to dispose of a "portion of Akasaka Garden City", which is the underlying asset acquired on August 1, 2022. This resulted in a refund of investment
- ✓ Preferential negotiation rights held by SHR will cease to exist due to the disposition of the underlying asset

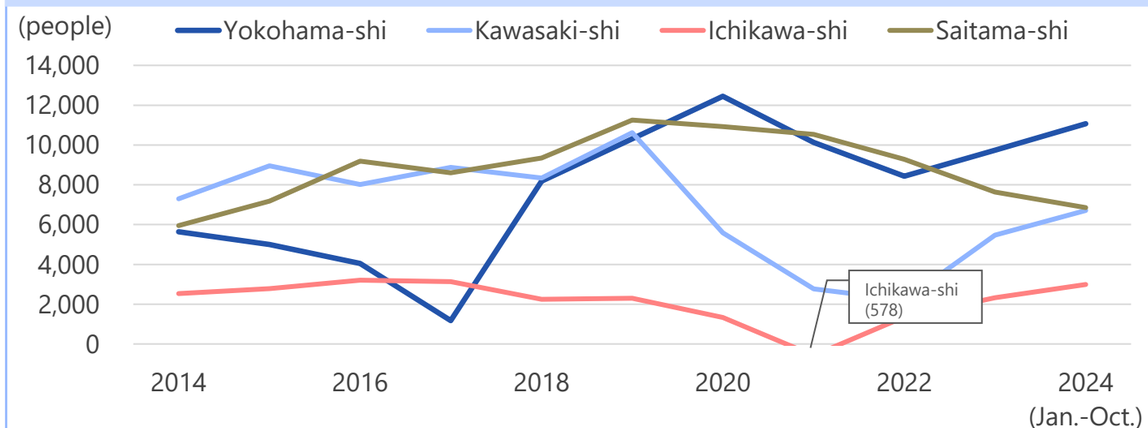
Initial investment price (Equity interest ratio)	480 million JPY (12.4%)
Book value	436 million JPY
Total refund of investment (expected)	468 million JPY
Gain on investments in silent partnership (expected)	32 million JPY

Asset Replacement: Overview of JP Acquisitions (FP 20)

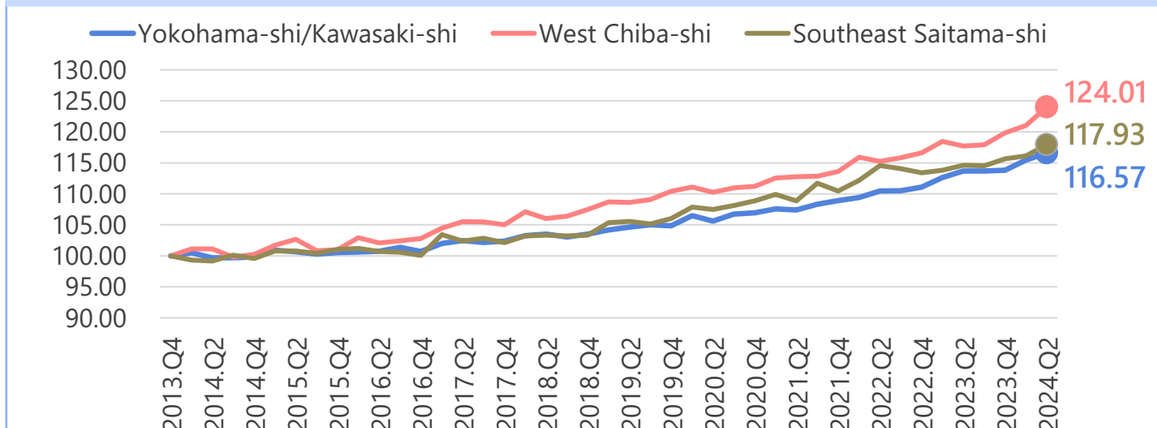
Acquired residentials in the Greater Tokyo area in anticipation of continued rent increase

	Residence	Residence	Residence	Residence	Residence
					
	Esty Maison Minamigyotoku	Prime Maison Morishita WEST	Prime Maison Yokohama WEST	Esty Maison Myoden	Esty Maison Urawa
Location	Ichikawa-shi, Chiba	Koto-ku, Tokyo	Yokohama-shi, Kanagawa	Ichikawa-shi, Chiba	Saitama-shi, Saitama
Acquisition date	May 31, 2024	August 5, 2024	August 5, 2024	September 30, 2024	September 30, 2024
Acquisition price	950 million JPY	8,200 million JPY	7,350 million JPY	1,450 million JPY	1,210 million JPY
Appraisal value	982 million JPY	8,670 million JPY	7,870 million JPY	1,500 million JPY	1,260 million JPY
Appraisal NOI yield after deprecation	3.4%	3.1%	3.1%	4.2%	3.2%
Completion date	June 2008	March 2023	January 2023	August 2000	November 2022
Occupancy rate (as of the end of Oct. 2024)	100.0%	89.5%	95.4%	97.5%	100.0%

Population Change in the Greater Tokyo Area



Apartment Rent Index in the Greater Tokyo Area



- "Greater Tokyo Area" refers to Tokyo, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture.
- Within the "Population Change in the Greater Tokyo Area", Yokohama-shi, Kawasaki-shi and Saitama-shi data is prepared by SHA based on The Report on Internal Migration in Japan Derived from the Basic Resident Registration, published by the Statistics Bureau, Ministry of Internal Affairs and Communications. As for Ichikawa-shi, data is prepared by SHA based on Ichikawa City Basic Resident Registration, Population and Number of Households, Population Dynamics.

ESG: External Evaluation and Initiatives, etc.

Initiatives

PRI
(Principles for
Responsible Investment)

Signatory of:

PRI Principles for Responsible Investment

Advance



TCFD
(Task Force on Climate-related
Financial Disclosures)

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Science Based Targets
Initiative (SBTi) Validation

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Expressed Support
for the UN Global Compact

WE SUPPORT
UN GLOBAL COMPACT

* These are Initiatives of SHR, SHA and Sekisui House Group.

External Evaluation

CDP Climate
Change Assessment

CDP DISCLOSER 2023

A-

MSCI ESG Rating

MSCI ESG RATINGS AA

CCC | B | BB | BBB | A | AA | AAA

Sustainalytics
ESG Risk Ratings

Rated
MORNINGSTAR | SUSTAINALYTICS

Negligible Risk

GRESB Real Estate Assessment

GRESB ★★★★☆ 2024

4 Stars

ESG Index

MSCI Japan ESG Select Leaders Index

2024 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

FTSE4Good Index Series

FTSE4Good

ESG: Materiality and KPI

For details of specific initiatives and achievements, please refer to **ESG special website** on SHR's website

	Materiality	Target (KPI)
Environment	Promoting Response to Climate Change	Reduce absolute emissions compared to 2023 ・Medium term target : Reduce 42% of Scope 1 and Scope 2 emissions by 2030 Reduce 25% of Scope 3 emissions (Category 13) by 2030 ・Long term target : Achieve net zero by 2050 Reduce 90% or more of Scope 1, Scope 2, and Scope 3 and neutralize residual emissions ・Reduce 10% energy consumption intensity by 2028 compared to 2018 ・Achieve 70% or more of the portfolio with green lease agreement by 2030
	Conservation of Natural Capital, Coexistence of Humankind and Nature, and Activities for the Resources Environment	・Promote greening and manage planting meant to respect biodiversity ・Obtaining certifications related to biodiversity ・No increasing waste emission intensity compared to 2018 ・Reduce 5% water use intensity by 2030 compared to 2018
	Investing in Real Estate with Excellent Environmental Performance	・Maintain 70% or more of the portfolio with green certification ・Acquire and keep owning 10 ZEH properties or more by 2030
Social	Providing Residents and Tenants with Secure and Comfortable Space that Offers Peace of Mind	・Periodic surveys on resident and tenant satisfaction and promote initiatives to improve satisfaction ・Promote certification acquisition for comfort and health of buildings (spaces) ・Monitor periodically earthquake and flood damage risks (twice/year), and promote initiatives to reduce the identified risks ・Monitor periodically ESG initiatives of the supply chain including property management company and promote collaborative initiatives
	Contributing to Society	・As a member of society, contributing to greater vitality in the community and countermeasures aimed at preventing damage from natural and other disasters
	Creating a Rewarding Workplace	・Percentage of female managers: 7% or more ・Average monthly work hours per person: 162 hours or less ・Take-up rate for male childcare leave: 100% ・Annual paid leave take-up rate: 70% or more ・Number of annual external training courses attended per person: 3 times or more ・Annual internal training participation rate : 100% ・Practicing Sekisui House Group Human Rights Policy
Governance	Strengthening Corporate Governance System	・Enhance effectiveness of board of directors of SHR and SHA Conducting effectiveness evaluation questionnaire (once/year) ・Penetration of compliance Conducting compliance training by external experts etc. (four times/year) participation rate : 100% ・Strengthening internal controls structure Conducting Internal audit (twice/year) ・Strengthen risk management system Conducting risk management meeting (twice/year)
	Information Disclosure and Engagement with Stakeholders	・Timely and appropriate disclosure of information and enhanced utility of disclosures ・Building relationships of trust with stakeholders

Portfolio Development Policy

Investment Ratio by Asset Category

Building a portfolio with “Residential“ as a base for a sustainable lifestyle and “Office buildings” as a base for sustainable business activities as core assets

Asset Type	Portfolio Investment Ratio (Acquisition Price Basis)	As of the Date of This Document
Residential	70～100%	74.0%
Office building, etc.	0～30%	26.0%

* As a result of acquisition, disposition, or merger, etc., of investment target assets, the ratio may temporarily differ from the above ratio.

Investment ratio for residential properties by geographical area

Category		Investment Ratio by Area (Acquisition Price Basis)		As of the Date of This Document	
		Including Overseas	Only Domestic	Including Overseas	Only Domestic
Domestic	Greater Tokyo ≪priority investment area≫	70% or more	70% or more	77.9%	82.6%
	Major cities		30% or lower		17.4%
Overseas	U.S.	30% or lower	–	22.1%	–

Investment ratio for commercial properties by geographical area

Category	Investment Ratio by Area (Acquisition Price Basis)	As of the Date of This Document
Three major metropolitan areas (Greater Tokyo, Osaka, Nagoya) ≪priority investment area≫	80% or more	100.0%
Others	20% or lower	0.0%

Portfolio List (1)

(As of the end of Oct. 2024 (FP 20))

Property No.	Property name	Location	Acquisition price (million JPY)	Leasable area (㎡)	Occupancy rate (%)	Completion date	Estimated value (million JPY)		Book value (million JPY)	Unrealized capital gain/loss (million JPY)	Profit return method			Discounted cash flow method					Appraisal NOI (million JPY)
								Period-on-period			Revenue price (million JPY)	Direct capitalization yield (%)	Period-on-period	Revenue price (million JPY)	Discount rate (%)	Period-on-period	Final capitalization yield (%)	Period-on-period	
R-001	Esty Maison Ginza	Chuo-ku, Tokyo	6,540	5,515.43	91.1	Feb. 2005	8,310	110	6,585	1,724	8,620	3.1	–	8,180	3.3	–	3.3	–	275
R-002	Esty Maison Azabunagasaka	Minato-ku, Tokyo	1,790	2,019.10	91.9	Jan. 2004	2,020	(10)	1,750	269	2,080	3.3	–	2,000	3.4	–	3.5	–	73
R-003	Esty Maison Ebisu II	Shibuya-ku, Tokyo	2,040	2,062.10	95.9	Jun. 2003	2,560	40	2,021	538	2,630	3.3	–	2,530	3.4	–	3.5	–	90
R-004	Esty Maison Ebisu	Shibuya-ku, Tokyo	873	781.02	92.8	Oct. 2004	966	(23)	911	54	995	3.2	0.1	954	3.3	0.1	3.4	0.1	34
R-005	Esty Maison Kanda	Chiyoda-ku, Tokyo	1,610	1,706.54	98.7	Feb. 2004	2,000	–	1,522	477	2,060	3.3	–	1,980	3.4	–	3.5	–	70
R-006	Esty Maison Kitashinjuku	Shinjuku-ku, Tokyo	1,590	1,881.19	97.4	Aug. 2004	1,960	(10)	1,506	453	1,990	3.5	0.1	1,940	3.5	0.1	3.7	0.1	71
R-007	Esty Maison Asakusakomagata	Taito-ku, Tokyo	2,190	2,978.28	96.3	Jul. 2004	2,570	(120)	2,031	538	2,620	3.5	0.1	2,550	3.5	0.1	3.7	0.1	98
R-008	Esty Maison Kawasaki	Kawasaki-shi, Kanagawa	2,400	3,741.01	96.1	Jul. 2004	2,860	(260)	2,316	543	2,920	3.6	0.1	2,840	3.6	0.1	3.8	0.1	115
R-010	Esty Maison Kameido	Koto-ku, Tokyo	1,580	2,279.21	96.9	Nov. 2005	1,980	–	1,433	546	2,010	3.7	–	1,960	3.5	–	3.9	–	79
R-011	Esty Maison Meguro	Meguro-ku, Tokyo	1,060	1,070.13	100.0	Nov. 2005	1,460	40	1,051	408	1,470	3.1	–	1,440	2.9	–	3.2	–	47
R-012	Esty Maison Sugamo	Toshima-ku, Tokyo	1,630	2,619.17	95.0	Feb. 2007	2,080	80	1,574	505	2,110	3.4	(0.1)	2,040	3.2	(0.1)	3.6	(0.1)	75
R-013	Esty Maison Kyobashi	Osaka-shi, Osaka	2,970	4,613.04	97.8	Mar. 2006	3,290	10	2,814	475	3,340	4.0	–	3,270	3.9	–	4.1	–	140
R-014	Esty Maison Hakuraku	Yokohama-shi, Kanagawa	931	1,285.83	98.2	Feb. 2006	1,020	–	866	153	1,030	3.9	–	1,010	3.7	–	4.1	–	44
R-015	Esty Maison Minamihorie	Osaka-shi, Osaka	1,060	1,804.48	96.8	Feb. 2007	1,230	40	1,093	136	1,250	3.7	(0.1)	1,200	3.5	(0.1)	3.9	(0.1)	50
R-016	Esty Maison Gotanda	Shinagawa-ku, Tokyo	3,110	3,871.15	98.3	Mar. 2006	3,820	–	2,990	829	3,850	3.6	–	3,810	3.3	–	3.8	–	143
R-017	Esty Maison Oisendaizaka	Shinagawa-ku, Tokyo	2,720	2,979.85	100.0	Aug. 2006	3,230	10	2,641	588	3,290	3.4	–	3,200	3.2	–	3.6	–	117
R-018	Esty Maison Shinagawa Seaside	Shinagawa-ku, Tokyo	2,050	2,602.30	96.4	Jun. 2006	2,670	60	2,096	573	2,730	3.4	(0.1)	2,610	3.2	(0.1)	3.6	(0.1)	96
R-019	Esty Maison Minamiazabu	Minato-ku, Tokyo	1,250	1,082.12	94.2	Aug. 2006	1,510	50	1,283	226	1,540	3.1	(0.1)	1,470	2.9	(0.1)	3.3	(0.1)	50
R-021	Esty Maison Kawasaki II	Kawasaki-shi, Kanagawa	1,910	2,824.86	100.0	Feb. 2007	2,580	70	1,826	753	2,630	3.6	(0.1)	2,530	3.4	(0.1)	3.8	(0.1)	96
R-022	Esty Maison Azabujuban	Minato-ku, Tokyo	2,690	1,755.31	98.7	Feb. 2007	3,190	50	2,694	495	3,300	3.1	(0.1)	3,140	2.9	(0.1)	3.3	(0.1)	103
R-023	Esty Maison Itabashihoncho	Itabashi-ku, Tokyo	937	1,274.49	93.8	Feb. 2007	1,100	30	949	150	1,120	3.5	(0.1)	1,070	3.3	(0.1)	3.7	(0.1)	42
R-027	Esty Maison Musashikoyama	Shinagawa-ku, Tokyo	1,050	1,176.78	98.2	Nov. 2007	1,280	30	983	296	1,300	3.5	(0.1)	1,250	3.3	(0.1)	3.7	(0.1)	47
R-028	Esty Maison Sendagi	Bunkyo-ku, Tokyo	698	897.30	92.6	Jan. 2008	865	23	664	200	883	3.5	(0.1)	847	3.3	(0.1)	3.7	(0.1)	33
R-030	Esty Maison Hakatahigashi	Fukuoka-shi, Fukuoka	2,400	9,106.08	98.3	Nov. 2007	2,880	10	2,111	768	2,910	4.1	–	2,860	4.1	–	4.2	–	132
R-033	Prime Maison Musashinonomori	Kodaira-shi, Tokyo	1,850	3,924.58	95.4	Dec. 2007	2,450	30	1,886	563	2,470	3.9	–	2,440	3.8	–	4.1	–	102
R-034	Prime Maison Higashisakura	Nagoya-shi, Aichi	1,500	3,118.11	89.8	Feb. 2008	1,810	(10)	1,508	301	1,840	3.9	–	1,800	3.9	–	4.1	–	77
R-035	Prime Maison Kayabakoen	Nagoya-shi, Aichi	801	2,163.98	92.2	Nov. 2006	980	(7)	797	182	992	4.1	–	975	4.1	–	4.3	–	44
R-036	Esty Maison Sangenjaya II	Setagaya-ku, Tokyo	785	894.64	97.0	Jan. 2008	987	1	748	238	1,010	3.4	–	977	3.5	–	3.6	–	36
R-037	Esty Maison Itabashi C6	Itabashi-ku, Tokyo	2,560	4,036.66	91.9	Mar. 2008	3,110	80	2,386	723	3,170	3.6	–	3,090	3.4	–	3.8	–	121
R-038	Sha Maison Stage Hakata	Fukuoka-shi, Fukuoka	2,360	9,614.80	100.0	Jan. 2005	2,710	(100)	2,207	502	2,710	4.7	0.2	2,700	3.6	0.1	5.2	0.3	146
R-039	Esty Maison Kinshicho	Sumida-ku, Tokyo	1,260	1,611.54	100.0	Sep. 2006	1,510	–	1,165	344	1,540	3.5	–	1,500	3.3	–	3.7	–	56
R-040	Esty Maison Musashikoganei	Koganei-shi, Tokyo	1,790	2,275.24	95.1	Feb. 2005	2,230	–	1,715	514	2,280	3.5	–	2,210	3.6	–	3.7	–	85
R-041	Prime Maison Gokiso	Nagoya-shi, Aichi	1,950	4,427.65	96.7	Oct. 2008	2,280	–	1,878	401	2,310	4.1	–	2,270	4.1	–	4.3	–	101
R-042	Prime Maison Yuhigaoka	Osaka-shi, Osaka	909	2,040.35	100.0	Feb. 2007	1,200	–	892	307	1,210	3.7	–	1,190	3.5	–	3.8	–	46
R-043	Prime Maison Kitatanabe	Osaka-shi, Osaka	601	1,798.97	92.1	Jun. 2006	772	4	593	178	778	3.9	–	766	3.7	–	4.0	–	32
R-044	Prime Maison Momochihama	Fukuoka-shi, Fukuoka	1,940	7,514.76	100.0	Feb. 1996	2,390	30	1,954	435	2,410	4.1	–	2,380	3.8	–	4.3	–	114
R-045	Esty Maison Akihabara	Taito-ku, Tokyo	1,930	2,324.65	96.2	Feb. 2006	2,230	–	1,854	375	2,250	3.5	–	2,220	3.3	–	3.7	–	84
R-046	Esty Maison Sasazuka	Shibuya-ku, Tokyo	3,340	3,701.70	98.8	Sep. 2004	3,850	(40)	3,333	516	3,930	3.5	0.1	3,820	3.3	0.1	3.7	0.1	146
R-047	Prime Maison Ginza East	Chuo-ku, Tokyo	6,250	6,177.20	92.1	Feb. 2006	7,470	70	6,088	1,381	7,600	3.4	–	7,420	3.2	–	3.6	–	267
R-048	Prime Maison Takami	Nagoya-shi, Aichi	1,050	2,016.79	93.8	Aug. 2008	1,180	–	1,027	152	1,200	4.0	–	1,170	4.1	–	4.2	–	51
R-049	Prime Maison Yadaminami	Nagoya-shi, Aichi	812	2,168.59	92.3	Jul. 2007	967	3	828	138	979	4.1	–	962	4.1	–	4.3	–	42
R-050	Prime Maison Teriha	Fukuoka-shi, Fukuoka	1,260	6,728.20	100.0	Aug. 2005	1,370	(10)	1,150	219	1,380	4.6	–	1,370	4.4	–	4.8	–	71
R-051	Esty Maison Higashishirakabe	Nagoya-shi, Aichi	1,580	4,014.07	100.0	Feb. 2006	1,870	(10)	1,666	203	1,900	4.1	–	1,860	4.0	–	4.3	–	81
R-052	Esty Maison Sengoku	Bunkyo-ku, Tokyo	1,360	1,498.13	97.3	Aug. 2009	1,530	10	1,310	219	1,560	3.3	–	1,520	3.1	–	3.5	–	55
R-053	Esty Maison Daizawa	Setagaya-ku, Tokyo	2,270	2,352.90	100.0	Feb. 2010	2,650	–	2,193	456	2,710	3.4	–	2,630	3.2	–	3.6	–	97
R-054	Esty Maison Togoshi	Shinagawa-ku, Tokyo	1,770	1,943.17	97.9	Jun. 2009	2,200	30	1,682	517	2,250	3.3	–	2,180	3.4	–	3.5	–	78
R-055	Esty Maison Nishitemma	Osaka-shi, Osaka	1,680	2,877.90	94.5	Nov. 2007	1,780	–	1,558	221	1,820	3.7	–	1,760	3.8	–	3.9	–	74

Portfolio List (2)

(As of the end of Oct. 2024 (FP 20))

Property No.	Property name	Location	Acquisition price (million JPY)	Leasable area (㎡)	Occupancy rate (%)	Completion date	Estimated value (million JPY)		Book value (million JPY)	Unrealized capital gain/loss (million JPY)	Profit return method			Discounted cash flow method					Appraisal NOI (million JPY)
								Period-on-period			Revenue price (million JPY)	Direct capitalization yield (%)	Period-on-period	Revenue price (million JPY)	Discount rate (%)	Period-on-period	Final capitalization yield (%)	Period-on-period	
R-056	Esty Maison Shirokanedai	Shinagawa-ku, Tokyo	2,400	2,675.11	92.6	Sep. 2003	3,310	70	2,357	952	3,340	3.2	–	3,270	3.0	–	3.3	–	111
R-057	Esty Maison Higashishinjuku	Shinjuku-ku, Tokyo	1,680	1,889.50	95.8	Apr. 2009	2,220	20	1,567	652	2,280	3.3	–	2,190	3.4	–	3.5	–	78
R-058	Esty Maison Motoazabu	Minato-ku, Tokyo	1,540	1,199.86	100.0	Nov. 2009	2,130	70	1,491	638	2,180	3.1	–	2,110	3.2	–	3.3	–	70
R-059	Esty Maison Toritsudaigaku	Meguro-ku, Tokyo	861	1,035.78	100.0	Feb. 2009	1,170	50	874	295	1,200	3.2	–	1,160	3.3	–	3.4	–	39
R-060	Esty Maison Musashikoyama II	Shinagawa-ku, Tokyo	1,030	1,073.59	95.2	May 2009	1,230	–	971	258	1,260	3.4	–	1,220	3.2	–	3.6	–	45
R-061	Esty Maison Nakano	Nakano-ku, Tokyo	1,870	2,023.72	96.3	Jun. 2009	2,230	30	1,849	380	2,270	3.4	–	2,210	3.2	–	3.6	–	81
R-062	Esty Maison Shinnakano	Nakano-ku, Tokyo	1,020	1,107.57	96.2	Oct. 2009	1,140	10	956	183	1,160	3.5	–	1,130	3.3	–	3.7	–	42
R-063	Esty Maison Nakanofujimicho	Nakano-ku, Tokyo	984	1,299.60	97.0	Feb. 2009	1,120	–	937	182	1,150	3.4	–	1,110	3.5	–	3.6	–	41
R-064	Esty Maison Tetsugakudo	Nakano-ku, Tokyo	1,160	1,531.89	98.5	Oct. 2009	1,350	–	1,076	273	1,370	3.5	–	1,340	3.3	–	3.7	–	51
R-065	Esty Maison Koenji	Suginami-ku, Tokyo	1,160	1,527.52	93.3	Mar. 2009	1,450	–	1,108	341	1,480	3.3	–	1,440	3.4	–	3.5	–	51
R-066	Esty Maison Oshiage	Sumida-ku, Tokyo	2,490	3,180.90	100.0	Apr. 2010	3,050	70	2,332	717	3,110	3.5	–	3,020	3.5	–	3.7	–	114
R-067	Esty Maison Akabane	Kita-ku, Tokyo	3,290	4,302.84	95.2	Nov. 2009	3,800	(10)	3,147	652	3,860	3.6	–	3,770	3.4	–	3.8	–	147
R-068	Esty Maison Oji	Kita-ku, Tokyo	1,650	2,289.44	98.9	Jul. 2010	1,900	(30)	1,519	380	1,930	3.6	–	1,880	3.4	–	3.8	–	76
R-069	Prime Maison Waseda	Shinjuku-ku, Tokyo	1,580	1,650.66	90.4	Nov. 2012	2,060	20	1,462	597	2,080	3.2	–	2,030	3.0	–	3.3	–	69
R-070	Prime Maison Hatchobori	Chuo-ku, Tokyo	1,460	1,382.32	96.9	Nov. 2012	1,760	10	1,331	428	1,780	3.2	–	1,740	3.0	–	3.3	–	58
R-071	Prime Maison Jimbocho	Chiyoda-ku, Tokyo	1,960	1,819.90	92.3	Mar. 2013	2,310	–	1,810	499	2,350	3.4	–	2,290	3.2	–	3.6	–	82
R-072	Prime Maison Gotenyama East	Shinagawa-ku, Tokyo	2,910	2,512.91	100.0	Jan. 2011	3,750	120	2,855	894	3,740	3.2	–	3,750	3.0	–	3.4	–	123
R-073	Sha Maison Stage Akihabara	Chiyoda-ku, Tokyo	555	803.36	100.0	Oct. 2006	659	–	580	78	670	3.5	–	654	3.3	–	3.7	–	25
R-074	Esty Maison Aoi	Nagoya-shi, Aichi	2,460	4,809.68	87.6	Oct. 2007	2,610	(30)	2,286	323	2,640	3.9	–	2,590	3.9	–	4.1	–	109
R-075	Esty Maison Yakuin	Fukuoka-shi, Fukuoka	2,430	5,213.51	96.1	Feb. 2006	2,620	(30)	2,503	116	2,670	3.7	–	2,600	3.8	–	3.9	–	110
R-076	Esty Maison Kinshicho II	Sumida-ku, Tokyo	8,250	9,469.65	98.2	Jan. 2008	11,100	300	7,690	3,409	11,200	3.3	–	11,000	3.1	–	3.4	–	380
R-077	Esty Maison Ojima	Koto-ku, Tokyo	8,630	9,905.97	95.4	Sep. 2007	12,000	(200)	8,080	3,919	12,100	3.3	–	11,800	3.1	–	3.4	–	418
R-078	Prime Maison Fujimidai	Nagoya-shi, Aichi	2,070	5,704.63	89.7	Apr. 2007	2,290	–	2,101	188	2,320	4.3	–	2,270	4.1	–	4.5	–	106
R-079	Esty Maison Tsurumai	Nagoya-shi, Aichi	4,490	13,812.40	100.0	Nov. 1999	5,080	–	4,414	665	5,150	4.4	–	5,050	4.2	–	4.6	–	240
R-080	Prime Maison Morishita	Koto-ku, Tokyo	1,930	2,180.78	98.8	May 2013	2,250	(10)	1,770	479	2,290	3.5	–	2,230	3.5	–	3.7	–	83
R-081	Prime Maison Shinagawa	Shinagawa-ku, Tokyo	1,960	2,107.88	100.0	Feb. 2014	2,300	20	1,836	463	2,340	3.5	–	2,280	3.3	–	3.7	–	83
R-082	Prime Maison Odorikoen	Sapporo-shi, Hokkaido	3,160	7,360.37	94.4	Dec. 2008	3,320	(30)	2,951	368	3,340	3.9	–	3,300	3.7	–	4.0	–	149
R-083	Prime Maison Minami 2-jo	Sapporo-shi, Hokkaido	1,930	6,019.09	96.7	Nov. 2009	2,110	(10)	1,739	370	2,120	4.0	–	2,100	3.8	–	4.1	–	101
R-084	Prime Maison Kamokamogawa	Sapporo-shi, Hokkaido	1,250	4,102.08	93.1	Oct. 2009	1,310	(30)	1,118	191	1,310	4.0	–	1,300	3.8	–	4.1	–	64
R-085	Prime Maison Central Park	Fukuoka-shi, Fukuoka	2,309	10,268.74	98.0	Feb. 2011	2,595	19	2,334	260	2,460	4.4	–	2,450	4.2	–	4.5	–	128
R-086	Sha Maison Stage Yahiro	Sumida-ku, Tokyo	1,910	3,409.16	100.0	Jan. 2011	2,170	10	1,774	395	2,190	3.8	–	2,160	3.6	–	4.0	–	86
R-087	Prime Maison Ebisu	Shibuya-ku, Tokyo	4,360	3,010.66	99.0	Jun. 2014	5,860	10	4,184	1,675	5,930	3.0	–	5,780	2.8	–	3.1	–	182
R-089	Esty Maison Unomori	Yokkaichi-shi, Mie	830	2,280.00	100.0	Apr. 2009	836	–	723	112	843	5.0	–	833	4.8	–	5.2	–	45
R-091	Sha Maison Stage Hino	Hino-shi, Tokyo	1,390	2,827.55	96.2	Jan. 2010	1,650	20	1,336	313	1,660	4.0	–	1,650	3.8	–	4.1	–	71
R-092	Prime Maison Yokohama Nihon-odori	Yokohama-shi, Kanagawa	4,870	5,461.13	94.8	Jun. 2014	5,310	40	4,457	852	5,410	3.7	–	5,210	3.5	–	3.9	–	210
R-093	Kobe Women's Student Housing	Kobe-shi, Hyogo	5,880	15,341.68	100.0	Feb. 2002	6,370	10	5,093	1,276	6,400	4.2	–	6,330	4.0	–	4.3	–	310
R-094	Prime Maison Shibuya	Shibuya-ku, Tokyo	2,430	1,972.59	98.8	Jul. 2014	2,820	20	2,349	470	2,880	3.3	–	2,750	3.1	–	3.5	–	97
R-095	Prime Maison Hatsudai	Shibuya-ku, Tokyo	3,010	2,879.20	92.3	Dec. 2014	3,420	–	2,846	573	3,490	3.4	–	3,340	3.2	–	3.6	–	123
R-096	Esty Maison Uemachidai	Osaka-shi, Osaka	1,040	2,225.52	95.3	Aug. 2005	1,270	–	1,032	237	1,280	3.8	–	1,260	3.5	–	4.0	–	50
R-098	Prime Maison Shirokane-takanawa	Minato-ku, Tokyo	4,900	3,923.76	95.0	Jun. 2015	5,690	160	4,709	980	5,830	3.2	(0.1)	5,550	3.0	(0.1)	3.4	(0.1)	192
R-099	Prime Maison Ichigayayamabushicho	Shinjuku-ku, Tokyo	4,220	4,099.04	93.1	Oct. 2015	4,430	40	4,026	403	4,560	3.3	–	4,380	3.1	–	3.5	–	158
R-100	Esty Maison Morishita	Sumida-ku, Tokyo	655	748.92	100.0	Feb. 2017	743	1	615	127	753	3.6	–	738	3.4	–	3.8	–	27
R-101	Prime Maison Shirokanedai Tower	Shinagawa-ku, Tokyo	7,950	6,772.89	96.7	May 2016	11,500	300	7,803	3,696	11,800	3.1	–	11,300	3.2	–	3.3	–	373
R-102	Prime Maison Otsuka	Toshima-ku, Tokyo	3,700	3,921.35	91.7	Jan. 2017	4,810	40	3,599	1,210	4,930	3.3	–	4,760	3.4	–	3.5	–	169
R-103	Prime Maison Asakusabashi	Taito-ku, Tokyo	1,680	2,033.06	98.0	Oct. 2016	2,130	–	1,645	484	2,190	3.3	–	2,110	3.4	–	3.5	–	75
R-104	Prime Maison Daikanyama	Meguro-ku, Tokyo	2,520	1,779.17	100.0	Jan. 2017	3,530	40	2,479	1,050	3,630	3.1	–	3,490	3.2	–	3.3	–	114
R-105	Prime Maison Gotenyama West	Shinagawa-ku, Tokyo	3,400	3,569.73	100.0	Jan. 2011	5,110	110	3,372	1,737	5,190	3.2	–	5,070	3.3	–	3.4	–	172

Portfolio List (3)

(As of the end of Oct. 2024 (FP 20))

Property No.	Property name	Location	Acquisition price (million JPY)	Leasable area (㎡)	Occupancy rate (%)	Completion date	Estimated value (million JPY)	Period-on-period	Book value (million JPY)	Unrealized capital gain/loss (million JPY)	Profit return method			Discounted cash flow method					Appraisal NOI (million JPY)
											Revenue price (million JPY)	Direct capitalization yield (%)	Period-on-period	Revenue price (million JPY)	Discount rate (%)	Period-on-period	Final capitalization yield (%)	Period-on-period	
R-106	Esty Maison Toyosu Residence	Koto-ku, Tokyo	6,050	23,538.73	95.1	Feb. 2008	7,750	150	6,217	1,532	7,970	–	–	7,650	3.6	–	–	–	369
R-108	Esty Maison Ijiri	Fukuoka-shi, Fukuoka	390	1,430.60	100.0	Jan. 2008	442	1	433	8	448	4.3	–	440	4.1	–	4.5	–	21
R-109	Prime Maison Mitatsunamachi	Minato-ku, Tokyo	2,040	1,387.12	100.0	Oct. 2017	2,560	20	2,015	544	2,590	3.4	–	2,540	3.2	–	3.6	–	89
R-110	Prime Maison Hongo	Bunkyo-ku, Tokyo	2,600	2,423.46	93.4	Mar. 2018	3,090	40	2,557	532	3,160	3.4	–	3,060	3.2	–	3.6	–	109
R-111	Prime Maison Kuramae	Taito-ku, Tokyo	2,190	2,259.40	98.9	Nov. 2018	2,610	10	2,141	468	2,640	3.5	–	2,590	3.3	–	3.7	–	93
R-112	Esty Maison Yokohama-aobadai North	Yokohama-shi, Kanagawa	3,020	6,808.84	100.0	Jul. 2018	3,660	–	2,957	702	1,740	3.9	–	1,690	3.7	–	4.1	–	153
	Esty Maison Yokohama-aobadai South					Jul. 1990					1,990	4.0	–	1,930	3.8	–	4.2	–	
R-113	Esty Maison Shizuoka Takajo	Shizuoka-shi, Shizuoka	660	1,731.52	100.0	Feb. 2006	631	(12)	724	(93)	639	4.8	–	628	4.6	–	5.0	–	34
R-114	Sha Maison Stage Hirose-dori	Sendai-shi, Miyagi	865	2,552.40	100.0	Jan. 2006	972	–	960	11	986	4.0	–	966	3.8	–	4.2	–	43
R-115	Esty Maison HIGASHIBETSUIN	Nagoya-shi, Aichi	2,190	4,856.22	100.0	Feb. 2009	2,230	–	2,247	(17)	2,250	4.1	–	2,220	3.9	–	4.3	–	99
R-116	Esty Maison Kayaba	Nagoya-shi, Aichi	900	2,170.80	88.7	Feb. 2012	957	(1)	928	28	970	4.3	–	951	4.1	–	4.5	–	44
R-117	Esty Maison SHIRAKABEMINAMI	Nagoya-shi, Aichi	660	1,240.28	100.0	Jan. 2014	706	–	673	32	710	4.2	–	704	4.0	–	4.4	–	30
R-118	Prime Maison Shimokitazawa	Setagaya-ku, Tokyo	2,580	1,991.72	100.0	Dec. 2019	2,850	10	2,609	240	2,930	3.1	–	2,820	3.2	–	3.3	–	92
R-119	Prime Maison Meguro	Meguro-ku, Tokyo	2,310	1,335.62	100.0	Aug. 2018	2,570	30	2,330	239	2,630	3.1	–	2,540	3.2	–	3.3	–	82
R-120	Prime Maison Ryogoku	Sumida-ku, Tokyo	1,530	1,499.10	92.3	Feb. 2019	1,630	10	1,549	80	1,660	3.3	–	1,610	3.4	–	3.5	–	55
R-121	Prime Maison Nakameguro	Meguro-ku, Tokyo	10,000	6,033.98	95.6	Nov. 2019	11,200	–	10,098	1,101	11,600	3.1	–	11,000	3.2	–	3.3	–	361
R-122	Prime Maison Itabashi	Itabashi-ku, Tokyo	4,800	4,557.89	93.9	Feb. 2019	5,270	50	4,873	396	5,400	3.3	–	5,220	3.4	–	3.5	–	181
R-123	Prime Maison EGOTANOMORI	Nakano-ku, Tokyo	10,500	29,048.95	97.0	Jul. 2018	11,400	–	10,710	689	11,200	–	–	11,500	3.9	(0.1)	–	–	557
R-124	Prime Maison Waseda dori	Shinjuku-ku, Tokyo	2,200	1,819.35	91.9	Feb. 2020	2,710	20	2,237	472	2,720	3.1	–	2,700	2.9	–	3.2	–	84
R-125	Esty Maison Noborito	Kawasaki-shi, Kanagawa	490	657.79	100.0	Jan. 2008	517	7	519	(2)	528	3.7	–	506	3.5	–	3.9	–	21
R-126	Esty Maison Omori	Ota-ku, Tokyo	3,600	2,457.68	98.0	Jan. 2024	4,020	–	3,817	202	4,120	3.1	–	3,970	2.9	–	3.3	–	128
R-127	Esty Maison Monzennakacho	Koto-ku, Tokyo	1,570	1,121.12	100.0	Jan. 2023	1,750	20	1,671	78	1,780	3.1	–	1,740	2.9	–	3.3	–	55
R-128	Esty Maison Akabane Ⅱ	Kita-ku, Tokyo	980	757.80	100.0	Apr. 2023	1,130	–	1,043	86	1,150	3.1	–	1,120	2.9	–	3.3	–	35
R-129	Prime Maison Yushima	Bunkyo-ku, Tokyo	10,000	6,671.59	96.5	Feb. 2022	10,500	–	10,224	275	10,600	3.3	–	10,400	3.1	–	3.4	–	357
R-130	Prime Maison Nakanosakaue	Nakano-ku, Tokyo	5,490	3,428.41	94.1	Jan. 2022	5,580	10	5,611	(31)	5,630	3.3	–	5,520	3.1	–	3.4	–	189
R-131	Prime Maison Honancho	Nakano-ku, Tokyo	3,220	2,556.36	95.8	Mar. 2021	3,370	10	3,294	75	3,400	3.3	–	3,330	3.1	–	3.4	–	114
R-132	Prime Maison Monzennakacho	Koto-ku, Tokyo	3,200	2,357.28	95.7	Oct. 2021	3,330	–	3,278	51	3,360	3.4	–	3,290	3.2	–	3.5	–	116
R-133	Prime Maison Nishiwaseda	Shinjuku-ku, Tokyo	2,570	1,725.98	93.6	Aug. 2022	2,580	(10)	2,626	(46)	2,610	3.3	–	2,550	3.1	–	3.4	–	87
R-134	Prime Maison Asakusa EAST	Sumida-ku, Tokyo	2,180	1,640.09	93.3	Jun. 2022	2,230	–	2,236	(6)	2,250	3.4	–	2,200	3.2	–	3.5	–	78
R-135	Prime Maison Sakurashinmachi	Setagaya-ku, Tokyo	1,840	1,364.84	85.8	Aug. 2022	1,870	–	1,887	(17)	1,890	3.4	–	1,850	3.2	–	3.5	–	65
R-136	Esty Maison Minamigyotoku	Ichikawa-shi, Chiba	950	1,148.19	100.0	Jun. 2008	982	–	1,010	(28)	987	3.7	–	977	3.5	–	3.9	–	38
R-137	Prime Maison Morishita WEST	Koto-ku, Tokyo	8,200	5,559.57	89.5	Mar. 2023	8,670	–	8,431	238	8,740	3.5	–	8,640	3.3	–	3.6	–	311
R-138	Prime Maison Yokohama WEST	Yokohama-shi, Kanagawa	7,350	5,653.68	95.4	Jan. 2023	7,870	–	7,560	309	8,030	3.4	–	7,800	3.2	–	3.6	–	279
R-139	Esty Maison Myoden	Ichikawa-shi, Chiba	1,450	2,433.74	97.5	Aug. 2000	1,500	–	1,524	(24)	1,570	3.9	–	1,470	3.5	–	4.0	–	69
R-140	Esty Maison Urawa	Saitama-shi, Saitama	1,210	1,153.67	100.0	Nov. 2022	1,260	–	1,292	(32)	1,300	3.5	–	1,240	3.3	–	3.7	–	46
	Residential Subtotal (JP)		323,686	459,041.78	96.5	–	381,227	–	317,558	63,668	387,271	–	–	377,248	–	–	–	–	14,399
A-001	The Ivey on Boren	Washington, U.S.A.	51,479 (328 mm USD) (156.95 JPY)	31,989.96	92.2	Oct. 2022	50,854 (331 mm USD) (153.64 JPY)	–	–	–	51,930	4.0	–	50,393	6.25	–	4.5	–	2,089
	Residential Subtotal (U.S.)		51,479	31,989.96	92.2	–	50,854	–	–	–	51,930	–	–	50,393	–	–	–	–	2,089
O-002	Gotenyama SH Building	Shinagawa-ku, Tokyo	36,050	13,999.98	100.0	Feb. 2011	44,400	(6,200)	34,137	10,262	45,400	3.2	–	43,900	3.2	–	3.4	–	1,438
O-003	Hommachi Minami Garden City	Osaka-shi, Osaka	44,000	29,657.53	98.7	Feb. 2011	54,700	(400)	41,384	13,315	56,400	3.4	–	53,900	3.1	–	3.6	–	1,963
O-004	Hommachi Garden City (Office bldg. portion)	Osaka-shi, Osaka	13,510	5,952.43	100.0	May 2010	14,980	(26,820)	12,377	2,602	15,225	3.3	(0.1)	14,735	3.0	(0.1)	3.5	(0.1)	517
O-005	HK Yodoyabashi Garden Avenue	Osaka-shi, Osaka	4,400	4,554.52	100.0	Jul. 2015	6,470	140	4,143	2,326	6,650	3.5	–	6,390	3.6	–	3.7	–	238
O-006	Hirokoji Garden Avenue	Nagoya-shi, Aichi	6,350	4,442.75	100.0	Mar. 2011	7,280	(100)	6,049	1,230	7,400	3.8	–	7,230	3.6	–	4.0	–	287
O-007	Akasaka Garden City	Minato-ku, Tokyo	50,000	21,735.42	95.3	Jan. 2006	50,400	200	49,840	559	53,800	3.1	–	49,000	2.9	–	3.3	–	1,659
O-008	Shinjuku Hirose Building	Shinjuku-ku, Tokyo	5,000	3,120.48	100.0	Jun. 1985	5,170	60	5,027	142	5,380	3.1	–	5,080	3.2	–	3.3	–	171
	Office building Subtotal		159,310	83,463.11	98.3	–	183,400	–	152,960	30,439	190,255	–	–	180,235	–	–	–	–	6,276
	Portfolio Total		534,475	574,494.85	96.5	–	615,481	–	470,519	94,107	629,456	–	–	607,876	–	–	–	–	22,765

Portfolio List (4)

Acquired Assets in FP 21

■ Overseas Real estate（Acquired on November 15, 2024)

(As of the end of Oct. 2024 (FP 20))

Property No.	Property name	Location	Estimated value (million JPY)	Acquisition Price (million JPY)	Leasable Area (㎡)	Occupancy rate (%)	Completion date	Profit return method		Discounted cash flow method			Appraisal NOI (million JPY)
								Revenue price (million JPY)	Direct capitalization yield (%)	Revenue price (million JPY)	Discount rate (%)	Final capitalization yield (%)	
A-002	City Ridge	Washington D.C, U.S.A.	43,326 (282 mm USD) (153.64 JPY)	40,156 (279 mm USD) (143.93 JPY)	30,678.12	92.8	Dec. 2022	43,172	4.25	43,480	6.25	4.75	1,846

Reference: Investments in capital of subsidiaries and associates

Asset Name	Underlying asset	Location	Estimated value (million JPY)	Book value (million JPY)	Unrealized capital gain/loss (million JPY)
SHR Boren Avenue Partners I, LLC	The Ivey on Boren	Washington, U.S.A.	50,962 (331 mm USD) (153.64 JPY)	51,709 (329 mm USD) (156.95 JPY)	(746)
SHR Boren Avenue Partners Ⅱ, LLC					

Reference: Investment Securities

Asset Name	Underlying asset	Location	Investment price (million JPY)	Equity interest ratio (%)	Completion date
Godo Kaisha Gemini2 (Silent Partnership Equity Interests)	Ningyocho PREX	Chuo-ku, Tokyo	220	6.8	Dec. 2021

Please refer to the “DATABOOK” for revenue and expenditure by property, monthly trends in occupancy rates, list of interest-bearing liabilities, financial statements, etc.
https://sekisuihouse-reit.co.jp/en/ir/library.html

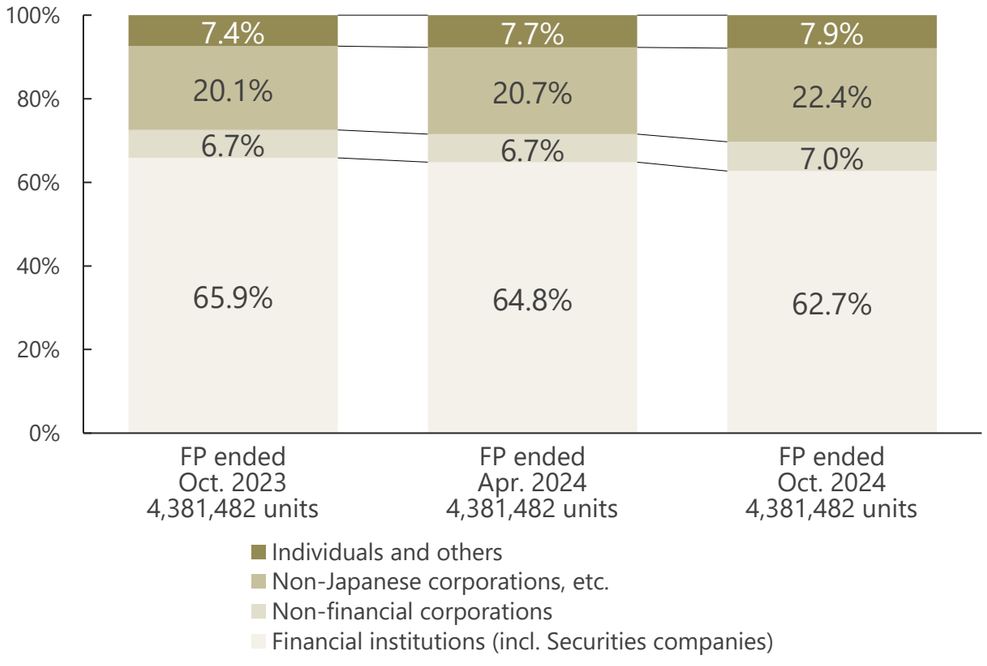
* The “acquisition price” of assets taken over as a result of the merger with Sekisui House Residential Investment Corporation use the appraisal value as priced on April 30, 2018, the day before the merger took effect.
* “Estimated value”, “revenue price”, “direct capitalization yield”, “discount rate”, “final capitalization yield”, and “appraisal NOI” are based on respective real estate appraisal documents or real estate price survey documents, which is the result of price survey not follow real estate appraisal evaluation standards. “Book value” is the amount recorded on the balance sheet as of October 31, 2024.
* In calculating the "Period-on-period" in “Estimated value”, figures for “Gotenyama SH Building” and “Hommachi Garden City (Office bldg. portion)” are compared with the "Estimated value" as of the end of FP 19 (ended April 2024), including the quasi co-ownership interest that was disposed during the fiscal period under review.
* Unrealized capital gain/loss is calculated by subtracting "book value" from “estimated value" for the properties owned at the end of FP 20 (ended October 2024).
* The figures of "Period-on-period" for each category, figures for “Esty Maison Minamigyotoku”, “Prime Maison Morishita WEST”, “Prime Maison Yokohama WEST”, “Esty Maison Myoden”, “Esty Maison Urawa” and “The Ivey on Boren” are not stated because the properties were acquired during the fiscal period ended October 31, 2024 (FP 20).
* The “Acquisition price” in USD of “The Ivey on Boren” on P.62 is 328 million USD. The “Acquisition price” in JPY has been converted at the rate of 1 USD = 156.95 JPY, the exchange rate at the time of acquisition. In addition, “Book value” is not stated because SHR does not directly own the property.
* The “Acquisition price” in USD for “City Ridge” is 279 million USD. The “Acquisition price” in JPY has been converted per the following: for 27,900 thousand USD (10.0%), the conversion rate is the exchange rate at the time of investment of 1 USD = 145.505 JPY, and for 251,100 thousand USD (90.0%), the conversion rate is the at the forward rate concluded in the forward exchange contract concluded on August 22, 2024 of 1 USD = 143.755 JPY
* “Estimated value”, “Revenue price” and Appraisal NOI” for “The Ivey on Boren”, “City Ridge” and “Reference: Investments in capital of subsidiaries and associates” are converted into yen at the exchange rate at the end of FP 20, 1USD = 153.64 JPY.
* “Occupancy rate” for properties acquired in FP 21 (ending April 30, 2025) is the figure as of the end of October 2024.
* "Investment price" of "Reference: Investment Securities" is the initial investment amount.

Unitholders Composition

Number of investment units by unitholder type and unitholders

Unitholder type	Investment Units						Unitholders				
	FP ended Apr. 2024		FP ended Oct. 2024		Change		FP ended Apr. 2024		FP ended Oct. 2024		Change
	Units(c)	Ratio(d)	Units(c)	Ratio(d)	(c)-(a)	(d)-(b)	Unitholders(g)	Ratio(h)	Unitholders(g)	Ratio(h)	(g)-(e)
Individuals and others	336,608	7.7%	344,436	7.9%	+7,828	+0.2	24,480	96.2%	25,646	96.2%	+1,166
Financial institutions	2,731,925	62.4%	2,605,162	59.5%	(126,763)	(2.9)	187	0.7%	186	0.7%	(1)
City banks	–	–	–	–	–	–	–	–	–	–	–
Regional banks	263,026	6.0%	228,933	5.2%	(34,093)	(0.8)	38	0.1%	35	0.1%	(3)
Trust banks	2,174,057	49.6%	2,058,209	47.0%	(115,848)	(2.6)	8	0.0%	8	0.0%	–
Life insurers	73,764	1.7%	93,697	2.1%	+19,933	+0.4	6	0.0%	6	0.0%	–
Casualty insurers	–	–	–	–	–	–	–	–	–	–	–
Shinkin banks	114,569	2.6%	116,804	2.7%	+2,235	+0.1	66	0.3%	65	0.2%	(1)
Others	106,509	2.4%	107,519	2.5%	+1,010	+0.1	69	0.3%	72	0.3%	+3
Non-financial corporations	294,501	6.7%	306,896	7.0%	+12,395	+0.3	429	1.7%	451	1.7%	+22
Non-Japanese corporations, etc.	909,088	20.7%	983,444	22.4%	+74,356	+1.7	337	1.3%	355	1.3%	+18
Securities companies	109,360	2.5%	141,544	3.2%	+32,184	+0.7	22	0.1%	25	0.1%	+3
Total	4,381,482	100.0%	4,381,482	100.0%	–	–	25,455	100.0%	26,663	100.0%	+1,208

Change ratio in investment units by holder



Top 5 unitholders (FP ended October 2024 (FP 20))

Company name	No. of investment units owned	Ratio
Custody Bank of Japan, Ltd. (Trust Account)	1,128,294	25.8%
The Master Trust Bank of Japan, Ltd. (Trust Account)	692,751	15.8%
Sekisui House, Ltd.	200,750	4.6%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	199,007	4.5%
THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AGREEMENT MOTHER FUND	84,800	1.9%

Incorporated global index (As of November 30, 2024)

- Dow Jones Sustainability Asia/Pacific Index
- FTSE4Good Index Series
- FTSE EPRA Nareit Global Real Estate Index Series
- FTSE Global Equity Index Mid Cap
- MSCI Japan Small Cap Index
- MSCI Japan ESG Select Leaders Index
- S&P Global Property
- TSE REIT Core Index
- GPR 250 Index / GPR 250 REIT Index
- GPR / APREA Investable 100 Index
- GPR / APREA Investable REIT 100 Index

Overview of the Asset Management Company

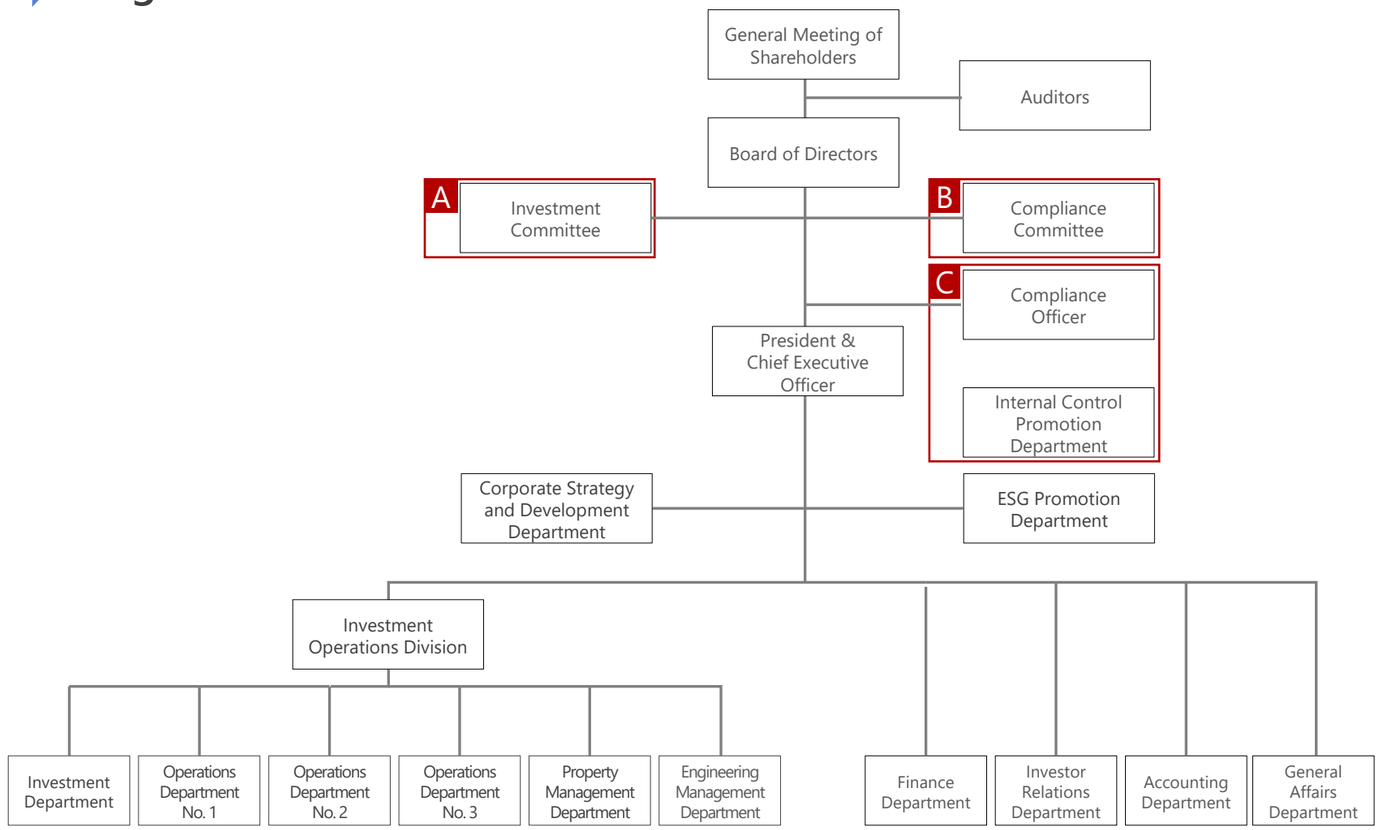
Overview of the Asset Management Company



President &
Chief Executive Officer
Toru Abe

- Corporate name: Sekisui House Asset Management, Ltd.
- Head office: 4-15-1 Akasaka, Minato-ku, Tokyo
- Date of establishment: February 17, 2014
- Capital: 400 million JPY
- Number of directors and employees: 69 (As of the end of FP 20)
- Shareholder: Sekisui House, Ltd. (100%)
- Licenses and registration, etc. :
  - Licensed for building lots and buildings transaction business
    License No.(3) 96411 issued by the Governor of Tokyo
  - Certified as an entrustment-based agency
    License No.82 issued by the Minister of Land, Infrastructure, Transportation and Tourism
  - Registered as a financial instruments business operator
    Registration (Kinsho) No.2791 issued by the Director-General of Kanto Local Finance Bureau
- Website: https://sekisuihouse-am.co.jp/en/

Organization chart



Asset management fee

- Management Fee I (linked to total assets and unit price performance):
  Total assets × 0.12%-0.16% 〈annual〉[Note 1]
- Management Fee II (linked to DPU and operating income):
  DPU[Note 2] × Operating income[Note 3] ×0.002%×2 (split ratio)
- Management Fee III (acquisition fees):
  Acquisition price × 0.3% (Transactions with related parties: None)
- Management Fee IV (disposition fees):
  Sale price × 0.3%[Note 4] (Transactions with related parties: None)
- Management Fee V (merger fees):
  Value of Real Estate-Related Assets held by counter party×0.4%

Note 1: The rate fluctuates depending on the performance-comparison of the SHR's investment units and the TSE REIT Index.
Note 2: Calculated as the distributable amount before deduction of Management Fee II divided by the total number of issued investment units.
Note 3: Operating Income before deduction of Management Fee II
Note 4: In the case of a loss in disposition due to such a disposition, the fee rate will be 0%.

Compliance structure

A The organization that deliberates and makes decisions on matters related to management policy and other asset management issues

Investment committee
Committee members: President & Chief Executive Officer (chairman), all full-time senior executive directors, including the Compliance Officer who holds the position of senior executive director; the Chief Managers of the ESG Promotion Dept., Internal Control Promotion Dept., Corporate Strategy and Development Dept., Investment Operations Div., Investment Dept. of the Investment Operations Div., Finance Dept., IR Dept., Accounting Dept., and General Affairs Dept.; and external committee members (Note). The appointment and dismissal of external committee members can be made by resolution of the Board of Directors of SHA, but must be approved by the Board of Directors of SHR before or after the resolution of the Board of Directors of SHA.

Note: The external committee members are defined as those who have no significant stakeholder relationship with SHA, SHA's directors and employees, nor its related parties, who are of good character and insight, who are capable of fulfilling their duties, and who are qualified as real estate appraisers or attorneys. However, one or more persons must be a licensed real estate appraiser. In addition, when discussing and resolving matters related to overseas real estate, etc. or real estate backed securities whose primary investment targets are real estate, etc. located outside of Japan, the attendance of at least one external committee member with knowledge and experience in operations related to overseas real estate, etc. is, in principle, required.

B The organization that deliberates and makes decisions on matters related to compliance in asset management

Compliance committee
Committee members: Compliance Officer (chairman) , Chief Executive Officer, all full-time senior executive directors, and the external committee members(Note). The appointment and dismissal of external committee members can be made by resolution of the Board of Directors of SHA, but must be approved by the Board of Directors of SHR before or after the resolution of the Board of Directors of SHA.

Note: The external committee members are defined as those who have no significant stakeholder relationship with SHA, SHA's directors and employees, nor its related parties, who are of good character and insight, who are capable of fulfilling their duties, and who are qualified attorneys or certified public accountants, and who are recognized as having a thorough knowledge of compliance.

C Organization responsible for compliance

Compliance officer
Person responsible for the compliance of SHR and SHA. Personnel with sufficient screening and surveillance capabilities are selected to observe compliance with legislation and norms.

Internal Control Promotion Department
Internal Control Promotion Department conducts work related to SHA's risk management, monitoring the status of legislation and regulations, and internal auditing.

About the Terminology Used in this Presentation

P.3 Operational Highlights and Future Initiatives

- "Results", except for the "External Growth" column, are as of the fiscal period ended October 2024 (FP 20), unless otherwise stated.
- "City Ridge (acquired portion" in the "External Growth" column refers to the ownership interest in all of the exclusively-owned portions that are used for residential purposes of the four buildings along with the land equivalent to 26,536 sq/ft (2,465.18 ㎡). The same applies throughout this document.

P.5 Future Growth Strategy/Policy (1)

- "Prime Property" refer to high quality residential and commercial properties, located in strategic locations. SHR selects Prime Properties through a comprehensive assessment by focusing on an analysis of the 6 factors of: "Economic Area", "Convenience", "BCP/Safety", "Brand", "Functionality/Livability", and "Environmental Consideration".
- "Sekisui House Group" refers to a group of companies comprised of Sekisui House, its consolidated subsidiaries and its affiliates accounted for by the equity method. The same applies throughout this document.

P.8 Overview of Asset Replacement Measures

- "Gain/loss on disposition (expected)" for the fiscal period ending April 2025 (FP 21) and the fiscal period ending October 2025 (FP 22) is stated based on the forecast of operating results announced separately today. The stated amount is an approximate estimate and is subject to change.
- "Average appraisal NOI yield after depreciation" for the assets acquired in the fiscal period ended October 2024 (FP 20) is calculated based on the appraisal NOI indicated in the respective appraisal reports at the time of acquisition decision of each property minus the annualized amount of estimated depreciation for the fiscal period ending April 2025 (FP 21) and fiscal period ending October 2025 (FP 22), and after dividing it by each acquisition price, weighting the obtained value by the acquisition price and rounding to the first decimal place.
- "Expected dividend yield" is calculated by deducting SPCs operating expenses, etc. estimated by SHA from each NOI (each year from 1 to 10) based on the DCF method described in each appraisal report obtained at the time of acquisition decision, respectively, then divided by the acquisition price to obtain the expected dividend yield for each year, and the simple average of these figures are shown above. The NOI is based on the assumption that operating revenues and operating expenses will increase by 3% each year. Furthermore, in the event that rent received from tenants for each property falls below the minimum rent guarantee, the difference will not be recorded as profit in the accounting of the LLCs located in the U.S. that owns each property. Therefore, it is assumed that the said amount will be distributed using the unrealized gains of the property (the difference when the appraisal value exceeds the book value) as a dividend source. The same applies throughout this document.
- The acquisition price in USD for "The Ivey on Boren" is 328 million USD. The acquisition price in JPY has been converted at the rate of 1 USD = 156.95 JPY, the exchange rate at the time of acquisition.
- The acquisition price in USD for "City Ridge" is 279 million USD. The acquisition price in JPY has been converted per the following: for 27,900 thousand USD (10.0%), the conversion rate is the exchange rate at the time of investment of 1 USD = 145.505 JPY, and for 251,100 thousand USD (90.0%), the conversion rate is the at the forward rate concluded in the forward exchange contract on August 22, 2024 of 1 USD = 143.755 JPY. The weighted average rate of these rate at the acquisition price in USD is 143.93 JPY. The same applies throughout this document.

P.9 Consider Additional Acquisition of City Ridge Residential (U.S.)

- "Expected Appraisal NOI yield" is calculated by dividing the NOI (each year from 1 to 10) based on the DCF method as stated in the appraisal report at the time of acquisition decision by the acquisition price, then calculating the simple average of these figures. It is assumed that operating revenues and operating expenses will increase by 3% each year.
- "Appraisal value (date of value)" is the appraisal value along with the date of valuation prepared by the appraisal agency that SHR and SHA have entrusted with the appraisal of the investment real estate, where the appraisal value is rounded down to the nearest million USD. The appraisal of the acquired asset was conducted by FON Valuation Services, LLC and DAIWA REAL ESTATE APPRAISAL CO., LTD. incorporating the "local appraisal assistance method". The "local appraisal assistance method" refers to a method in which a Japanese real estate appraiser requests a local appraiser to collect and provide basic materials, etc. necessary for the appraisal, and to perform other tasks to assist the appraiser in conducting the appraisal, upon which the appraiser receives services related to the local appraisal support work and conducts the appraisal. SHR has appointed FON Valuation Services, LLC as the local appraiser. Additionally, the conversion rate from USD to JPY used is 1 USD = 143.67 JPY, the exchange rate as of August 6, 2024 (obtained from MUFG Bank, Ltd.).
- "Construction completion" is based on the indication on the Certificate of Occupancy.
- "Structure / Floors" is based on the PCA Report or the building plans. Furthermore, the following abbreviations are used. For "City Ridge", the structure and number of floors of the entire property, not that of the acquired portion, are shown.
  RC: Reinforced concrete structure; SRC: Steel reinforced concrete structure; S: Steel-framed structure
- "Site area" is the total land area based on the Alta Survey or the building plans. In addition, 1 Sq/Ft is converted to 0.09290 ㎡. The same applies throughout this document.
- "Total floor area" is the total floor area of all the buildings indicated in the building plans.
- "Leasable area" refers to the total floor area which is considered to be available for leasing based on each lease agreement, etc., effective as of the end of July 2024.
- "Occupancy rate" is the ratio of leased area to leasable area rounded to the first decimal place.

P.11 Residential (U.S.): Growth Expectations (Washington D.C.) (1)

- The "Washington D.C. Metro Area" includes all of Washington, D.C., and parts of Maryland, Virginia, and West Virginia. The same applies throughout this document.

About the Terminology Used in this Presentation

P.15 Trends of Appraisal Value etc. and Unrealized Capital Gains

- "Average cap rate" is calculated by taking the weighted average of the capitalization rate of each property under the direct capitalization method by the appraisal value of each property. For details on the capitalization rate and appraisal value of each property, please refer to pages 60 through 62.
- "NAV per unit" is calculated based on NAV which is obtained by deducting the total amount of distributions from the amount of net assets on a market value basis, which is the net assets on the balance sheet at the end of each period plus unrealized gains. The same applies throughout this document.

P.17 Analysis of Change Factors of DPU (Results)

- "FP 20 acquisition" within the "residential" refers to "Esty Maison Minamigyotoku", "Prime Maison Morishita WEST", "Prime Maison Yokohama WEST", "Esty Maison Myoden" and "Esty Maison Urawa". "FP 19 acquisition" within the "residential" refers to "Esty Maison Omori", "Esty Maison Monzennakacho", "Esty Maison Akabane II", "Prime Maison Yushima", "Prime Maison Nakanosakaue", "Prime Maison Honancho", "Prime Maison Monzennakacho", "Prime Maison Nishiwaseda", "Prime Maison Asakusa EAST" and "Prime Maison Sakurashinmachi". The same applies throughout this document.

P.18 Profit and Loss Comparison (Results)

- "NOI yield" is calculated by dividing the annualized amount of actual NOI by the total acquisition price of the owned assets (including disposed and acquired assets during the period). "Average occupancy rate during the period" is the average of the actual occupancy rates at the end of each month belonging to each period. The same applies throughout this document.
- "Dividend yield" is calculated by dividing the annualized amount of dividends received by the acquisition price.
- "Existing properties" within the "vs. FP 19 Results" refers to the properties owned as of the end of FP 19 excluding "GC Shinagawa Gotenyama", "Hommachi GC (Office bldg. portion)", "Gotenyama SH Bldg." and "Shinjuku Hirose Building".
- "Existing properties" within the "vs. FP 20 Guidance" refers to the properties owned as of the end of FP 20 excluding "Hommachi GC (Office bldg. portion)", "Gotenyama SH Bldg." and "Shinjuku Hirose Building".

P.20 Profit and Loss Comparison (Forecast)

- "NOI yield" is calculated by dividing the annualized amount of expected NOI by the total acquisition price of the owned assets (including disposed and acquired assets during the period). "Average occupancy rate during the period" is the average of the expected occupancy rates for the end of each month belonging to each period. The same applies throughout this document.
- "Dividend yield" is calculated by dividing the annualized amount of forecasted dividends to be received by the total acquisition price (including acquired assets during the period).

P.23 Residential (JP): Occupancy Rate Trends

- "Residential occupancy rate by room type" covers the residential portfolio (excluding retail, offices, and residential buildings leased out as one building, etc., or master lease properties with fixed-rent) based on the following matrix categorized and calculated by the number of rooms and floor space: S for single type, C for compact type, F for family type, and L for large type.

No. of rooms*	less than 30㎡	30 or more to less than 40㎡	40 or more to less than 50㎡	50 or more to less than 60㎡	60 or more to less than 70㎡	70 or more to less than 80㎡	80 or more to less than 90㎡	90 or more to less than 100㎡	more than 100㎡
STUDIO	S	S	C	C	L	L	L	L	L
1BED	S	C	C	C	L	L	L	L	L
2BED		C	C	C	F	F	F	L	L
3BED					F	F	F	F	L
4BED+					F	F	F	F	L

*Main floor plans STUDIO: STUDIO, 1K, 1R 1BED: 1K+S, 1DK, 1LDK 2BED: 2K, 2DK, 2LDK 3BED: 3LDK 4BED+: 4LDK, 5LDK

P.25 Residential (JP): Rent Status in Renewal Contracts

- "Change in rent rate" within the "Rent trend in renewal contract" is calculated based on the information at the end of each period.

P.30 Office Building: Portfolio Status

- "Average Rent" within the "Portfolio list" refers to the total monthly rent based on each lease agreement with each end tenant (including utilities, but excludes usage fees for parking lots, warehouses, signboards, etc.) divided by the total leasable area (tsubo). However, any free rent incentives in effect at the time are not applied and variable rent components are counted by using an average value from the previous year.

About the Terminology Used in this Presentation

P.31 Office Building: Operation Status
- "Rent gap" is the difference in percentage between contract rents with end tenant at the end of each period and market rents (expected new contract rents per floor assessed by CBRE).

P.33 Financial Situation (1)
- "Average borrowing period" within "Refinance in the fiscal period ended October 2024 (FP 20)" is calculated by weighting the period of from the borrowing date to repayment date by the borrowing amount and rounded down to the second decimal place.
- "Average interest rate" within "Refinance in the fiscal period ended October 2024 (FP 20)" is calculated by weighting the applicable interest rate at the end of the period under review for those with outstanding borrowings as of the end of the period under review, or the applicable interest rate on the repayment date for those borrowed and (partially) repaid early during the period under review, by the borrowing amount, and rounding to the second decimal place.
- "Sustainability finance balance" is the outstanding total of green loan, green bond and positive impact finance.

P.42 SHR's Portfolio
- "Average building age" is calculated by averaging the building age as of the end of the fiscal period ended October 2024 (FP 20), weighted by acquisition price.
- The distribution status by building age for "Esty Maison Yokohama Aobadai" is calculated with the north building and south building each considered as 1 property. The same applies throughout this document.

P.54 Residential (U.S.): "City Ridge (Acquired Portion)" Revenue Recognition, etc.
- "Fluctuation Risk in Earnings Due to the Impact of Foreign Exchange Rates" is calculated by converting the acquisition price of "City Ridge (acquired portion)" at the conversion rate of 1 USD=143.67 JPY, the exchange rate as of August 6, 2024 (obtained from MUFG Bank, Ltd.).

P.55 Asset Replacement: Overview of Akasaka GC Disposition
- The underlying asset of the silent partnership equity interest, "a portion of Akasaka Garden City", refers to 34.55% quasi co-ownership interest of the trust beneficiary interest in real estate regarding the compartmentalized ownership interest in all of the exclusively-owned portions of the 1st floor underground through 4th floor above ground and 11th floor through 19th floor above ground of the "Akasaka Garden City" as well as the accompanying right of site (ratio of right of site: 662,768/1,000,000 (or approximately 66.3%)), and is the portion that has not yet been acquired by SHR.
- Within the "Regarding the Refund of Investment in Silent Partnership Equity Interest", "book value" is the book value as of October 11, 2024, rounded down the nearest million JPY. "Total refund of investment (expected)" is an approximate value of the total refund of investment and distribution of profits and losses, etc. to be received by SHR as of October 11, 2024, and the "Gain on investments in silent partnership (expected)" is the approximate value as of October 11, 2024, and both are subject to change.

P.56 Asset Replacement: Overview of JP Acquisitions (FP 20)
- "Appraisal value" is the appraisal value stated in the appraisal report obtained at the time of acquisition decision for each property, respectively.
- "Appraisal NOI yield after depreciation" is calculated based on the appraisal NOI indicated in the appraisal report obtained at the time of acquisition, minus the annualized amount of estimated depreciation for the fiscal periods ending October 2024 (FP 20) and April 2025 (FP 21), divided by each acquisition price and rounding to the first decimal place.

P.60-62 Portfolio List
- Where the asset comprises multiple buildings with different completion dates, the completion date of the building first completed is used.
- "Prime Maison Momochihama" and "Esty Maison Higashishirakabe" are under fixed-rent master lease agreements. The discount rate differs depending on the contract duration, per the master lease agreement. For the sake of convenience, the discount rate provided here assumes a duration extending out to the expiration of the agreements.
- A portion of the land under "Prime Maison Central Park" (lot number 23-32) is leased land. DCF is the method to find the income value for the portion of leased land, so figures for direct capitalization yield, discount rate, and final capitalization yield apply to the residential portion only. The period-end appraisal value is the sum of the income value for the residential portion and the income value for the leased land portion found by DCF. Appraisal NOI is the sum of appraisal NOI for the residential portion and appraisal NOI from the first fiscal year, found by DCF, for the leased land portion.
- At "Esty Maison Toyosu Residence" and "Prime Maison EGOTANOMORI", the source of land use rights lie in a fixed-term land leasehold. Therefore, given the fact that the income period is a limited period of time, a capitalization method over a definite term is used. Therefore, "direct capitalization yield" or "final capitalization yield" have not been established. For the sake of convenience, the "discount rate" provided is the discount rate out to the holding period expiration for "Esty Maison Toyosu Residence", and for "Prime Maison EGOTANOMORI", listed for the first through the tenth years.
- As for the "Gotenyama SH Building", as a result of the installment disposition of 30/100 (30.0%) of the quasi co-ownership interest as of the end of October 2024, SHR holds 70.0% of the quasi co-ownership interest of the real estate trust beneficiary interests related to the property. In addition, as for "Hommachi Garden City (office building portion)", as a result of the installment disposition of 65/100 (65.0%) of the quasi co-ownership interest as of the end of October 2024, SHR holds 35.0% of the quasi co-ownership interest of the real estate trust beneficiary interests related to the property. Accordingly, "Acquisition price" and "Leasable area" are values corresponding to the quasi co-ownership interests held. The same applies throughout this document.

About the Terminology Used in this Presentation

Explanation of this Presentation

- This presentation may use the following abbreviations: PM for Prime Maison, EM for Esty Maison, GC for Garden City and GA for Garden Avenue, which are brand names for portfolio properties. Also, the abbreviation fixed-rent ML may be used to refer to fixed-rent master lease.
- Unless specified otherwise, monetary values have been rounded down and percentages have been rounded to the first decimal place.
- Percentages in bar graphs and pie charts throughout this document are rounded to the first decimal place. Therefore, the total percentage of each item may not equal 100%.

Asset Management Company: Sekisui House Asset Management, Ltd.

Registered by the Director of Kanto Local Finance Bureau, as a Financial Instruments Business Operator Registration (Kinsho) No. 2791.
Member of the Investment Trusts Association, Japan

Memo

Memo

SEKISUI HOUSE

SEKISUI HOUSE REIT, INC.