Japan Metropolitan Fund Investment Corporation

September 25, 2024

To all concerned parties:

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Notice Concerning Acquisition of Trust Beneficiary Right in Real Estate in Japan

Japan Metropolitan Fund Investment Corporation ("JMF") announces today that KJR Management, JMF's asset manager (the "Asset Manager"), determined to acquire the trust beneficiary right in real estate in Japan (hereinafter, individually or collectively, the "Anticipated Acquisition") as outlined below (the "Acquisition").

1. Overview of the Anticipated Acquisition

Property name (Asset class)	Location	Seller	Anticipated acquisition price (million yen)	Appraisal value (million yen)	Unrealized gain (Note 4) (million yen) (Unrealized gain ratio)	NOI yield (Note 5)	NOI yield after depreciation (Note 5)	Acquisition date (Scheduled) (Note 6)
unimo chiharadai (Urban retail)	Ichihara-shi, Chiba	Not disclosed (Note 7)	30,000	34,200	4,200 (+14.0%)	4.9%	4.5%	October 31, 2024
G-Bldg. Jingumae 10 (Note 1) (Urban retail)	Shibuya-ku, Tokyo	Omotesando Bridge G.K.	7,020	10,100	3,080 (+43.9%)	4.1%	3.9%	October 9, 2024
JMF-Bldg. Yokohama Kohoku 01 (Note 2) (Mixed-use)	Tsuzuki-ku, Yokohama-shi, Kanagawa	Yokohama Bridge G.K.	5,477	6,530	1,053 (+19.2%)	5.1%	3.7%	October 9, 2024
JMF-Bldg. Osaka Fukushima 02 (Note 3) (Office)	Fukushima-ku, Osaka-shi, Osaka	Not disclosed (Note 7)	14,600	16,200	1,600 (+11.0%)	4.4%	4.0%	October 9, 2024
Total / Average			57,097	67,030	9,933 (+17.4%)	4.7%	4.2%	—

(Note 1) Property name is JMF's management name. The facility is currently referred to as "CHARMANT SCENA TOKYO".
(Note 2) Property name is JMF's management name. The facility is currently referred to as "PREMIERE YOKOHAMA", but the facility name will be changed to "JMF-Bldg. Yokohama Kohoku 01" after the acquisition.
(Note 3) Property name is JMF's management name. The facility is currently referred to as "KM Nishi-umeda Bldg.", but the facility name will be changed to "JMF-Bldg. Osaka Fukushima 02" after the acquisition.
(Note 4) "Unrealized gain" is the difference between the appraisal value and the Anticipated acquisition price, rounded down to the nearest unit. "Unrealized gain ratio" is the ratio of unrealized gain to the Anticipated acquisition price.

Note: This press release is intended as general information for the press regarding JMF's acquisition of trust beneficiary rights in real estate, and has not been prepared for the purpose of solicitation of investment, etc, regardless of the country.
This press release does not constitute an offer of securities in the United States. The securities referred to above have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration thereunder or an applicable exemption from registration requirements. The securities referred to above will not be publicly offered or sold in the United States.

(Note 5) For details of the calculation method for "NOI yield" and "NOI yield after depreciation," please refer to "【References】 Definitions of Individual Calculation Formulas" below.
(Note 6) "Acquisition date (Scheduled)" is the scheduled acquisition date stated in the sales agreement for the Anticipated Acquisition. The Acquisition date (Scheduled) is subject to change upon agreement between JMF and the seller.
(Note 7) Not disclosed as the seller has not agreed to the disclosure. There are no capital, personal or business relationships to note between JMF / the Asset Manager and the seller.

2. Reason for Acquisition

Highlights

1. **Acquisition of properties at average unrealized gain ratio of over 17% with its average NOI yield exceeding implied cap rate**
2. **With upside potential through internal growth initiatives, further increase in DPU・NAV, thus contributing to increase in total return**

As there have been constant changes to the operating environment surrounding real estate, such as widespread e-commerce and remote working due to the rapid advancement in information technologies, and the trend of mixed-use by area and by property, JMF aims to optimize its portfolio in response to such changes. To this end, JMF will continue to secure stable earnings on a medium to long term basis and ensure steady growth of operating assets by promoting carefully-screened investment in retail facilities, office buildings, residences, hotels, and mixed-use properties used for a combination of those purposes, located mainly in urban areas.

JMF has decided to acquire four properties (57 billion yen in total) at a discount through the first public offering after the merger in March 2021. JMF plans to acquire these properties through its unique acquisition capabilities as they are expected to be sufficiently profitable with the average NOI yield of 4.7% (exceeding JMF's implied cap rate of 4.3%), unrealized gains totaling 9.9 billion yen and the average unrealized gain ratio exceeding 17%.

In addition, with these properties located in urban areas where future cash flow is expected to increase, JMF aims to increase DPU and NAV, thus contributing to total return, through its internal growth initiatives such as an increase in fixed rents at the time of contract renewal or tenant replacement and an increase in revenue-based rent in line with higher sales.

(Note) The Implied Cap Rate shows the investor's required yield by investors on real estate calculated based on the unit price, and is calculated by the following formula.
Implied cap rate = Actual NOI (annualized) for the February 2024 (44th) Fiscal Period) ÷ (Total market capitalization of JMF as of September 17, 2024 + Net interest-bearing debt as of the end of February 2024 (44th) Fiscal Period)
(*))* "Net interest-bearing debt" is a figure obtained by the following formula.
・Net interest-bearing debt = Total interest-bearing debt on JMF's balance sheet + Security deposits and guarantee money - Cash and cash equivalents and cash and deposits in trust

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3. Property Summary

[unimo chiharadai]

(1) Summary of the Anticipated Acquisition

Type of asset		Trust beneficiary right in real estate	Summary of building structure evaluation	Evaluator	ERI Solution Co., Ltd.
Acquisition date (Scheduled)		October 31, 2024		Evaluation date	August 8, 2024
Anticipated acquisition price		30,000 million yen		Immediate repair cost	0 yen
Summary of trust beneficiary right	Date of trust beneficiary right set	May 24, 2024		Short-term repair cost	0 yen
	Trustee	Sumitomo Mitsui Trust Bank, Limited		Long-term repair cost	839,773,000 yen / 12 years (annual average: 69,980,000 yen)
	Trust period end	October 31, 2044			
Land	Location	4-1, Chiharadai-nishi 3-chome, Ichihara-shi, Chiba and others	Building	Structure / stories	4 stories above ground, S-structure with flat roof, 1 story above ground, RC-structure with flat roof
	Land area	114,274.11 m^2		Completion date	August 9, 2007
	Zoning	Neighborhood commercial districts, category 1 low-rise exclusive residential district, Category 2 medium-to-high-rise exclusive residential districts		Total floor area	70,429.19 m^2
	FAR / building-to-land ratio	200% / 60%, 80%; 100% / 50%		Type	Retail and movie theater, machine room
	Type of possession	Ownership		Type of possession	Ownership
Summary of tenant lease(Note 2)					
Number of tenants		155		Total leasable area	47,686.05 m^2
Occupancy rate		98.2%		Total leased area	46,833.56 m^2
Annual rent		1,708 million yen		Tenant leasehold / security deposit	804 million yen
Collateral conditions		None		Property manager	JLL Retail Management Co., Ltd.
Special notes: ・None in particular.					

(Note 1) A pass-through master lease agreement will be concluded by JMF for the property.
(Note 2) The figures in "Summary of tenant lease" are end-tenant-based figures based on the pass-through master lease agreement to be entered into by JMF.

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(2) Appraisal Report Summary

Property name	unimo chiharadai
Appraiser	Japan Real Estate Institute
Appraisal value	34,200 million yen
Appraisal date	September 1, 2024

Item				Value	Notes
Indicated value by income approach				34,200 million yen	
	Direct Capitalization ("DC") method			34,300 million yen	
		Operating income		2,674 million yen	
			Effective gross income	2,749 million yen	
			Losses from vacancy, etc.	74 million yen	
		Operational cost		1,191 million yen	
			Maintenance and management fee	378 million yen	Assessed based on similar properties, taking into consideration the unique characteristics of the target property
			Utilities cost	340 million yen	Assessed based on actual performance values
			Repair expenses	20 million yen	Assessed based on actual performance values, taking into consideration the engineering report and similar properties
			Property management fee	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
			Leasing cost	17 million yen	Assessed based on the estimated rotation period
			Property tax	129 million yen	Assessed based on materials relating to taxes and public charges and tax burden adjustments and other factors
			Insurance premium	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
			Other expenses	305 million yen	
		Net operating income		1,483 million yen	
			Operating profit on lump-sum payments	7 million yen	
			Capital expenditure	50 million yen	
		Net cash flow		1,441 million yen	
		Capitalization rate		4.2%	

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	DCF method		34,000 million yen	
		Discount rate	3.8%	
		Terminal capitalization rate	4.3%	
Indicated value by cost approach			32,800 million yen	
	Land ratio		80.5%	
	Building ratio		19.5%	

Other matters of consideration	N/A

(Note) Figures are rounded down to the nearest million yen.

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(3) Characteristics of the Property



Unrealized gain ratio	NOI Yield
14.0%	4.9%

Location	3-4-1 Chiharadai Nishi, Ichihara-shi, Chiba, etc		
Total floor area	70,429.19㎡	Completion date	August 2007
# of tenants	155	Occupancy rate	98.2%
Anticipated acquisition price	30,000 mn yen	Appraisal value	34,200 mn yen
Acquisition date (Scheduled)	October 31, 2024		







Highlights One of the largest retail facilities in Chiba prefecture with large catchment and upside potential from revenue-based rent clauses

Location

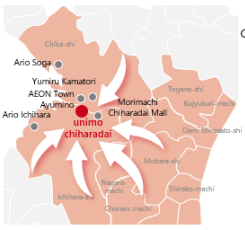
- Chiharadai is a large-scale new town located in Chiba-shi and Ichihara-shi, Chiba Prefecture
- Potential visitors are expected to increase given the expansion plan of university campus near the facility as well as the relocation plan of a university hospital

Property Potentials

- Upside in rent from increased sales as revenue-based rent component accounts[1] for 78%
- The largest renovation project since opening has been completed in 2023. Implemented large-scale tenant replacement over 30% of retail floor space
- Uniqlo and GU have opened side by side, totaling approx. 1,000 tsubo in space. The property also houses MUJI's one of the largest retail space in Chiba, three ABC-MART brands[2] (the first opening in the prefecture), as well as 10-screen (2,099 seat) cinema complex. One of the largest retail facilities in Chiba prefecture which can accommodate needs in the market area
- Eco-friendly specifications such as roof-top solar panels. Concluded a comprehensive partnership agreement with Ichihara-shi in 2023 to achieve SDGs and received the Excellence Award in SDGs award[3]

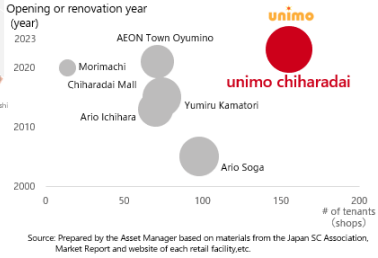
Urban retail facility with strong ability to attract customers and potential demand

One of the largest retail facilities in Chiba prefecture attracting customers over a wide area



Capable of attracting customers from within a 10 km radius around Ichihara City and the southern part of Chiba City

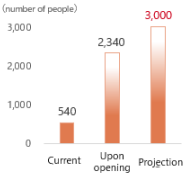
Comparable specifications of nearby peer properties[4] (floor space, # of tenants, property age)



Source: Prepared by the Asset Manager based on materials from the Japan SC Association, Market Report and website of each retail facility,etc.

Potential demand from expansion of university campus and relocation of its affiliated hospital, which is planned to take place all within walking distance

Chiharadai campus' student # vision[5]



- Apr. 2024-Dec. 2026 (planned): Full Renewal[6] of Teikyo Heisei University Chiharadai Campus
- Apr. 2027: Opening
  Currently, approx. 540 students are studying at the campus, and the number is expected to be approx. 3,000 in the future.
- Circa 2029: **Relocation[6] of the affiliated university hospital to the premise of Teikyo Heisei University Chiharadai Campus**
  Teikyo University Chiba General Medical Center:
  general hospital[5] 23 departments, 475 beds

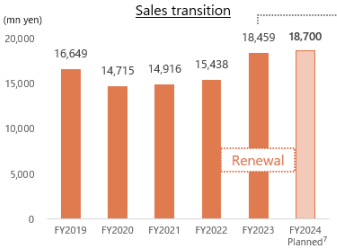
Not only the students but also the hospital employees and users are expected to come to the retail facility

Source: Teikyo Heisei University website, Teikyo University Chiba General Medical Center website, Ichihara City press release "Relocation of Teikyo University Chiba General Medical Center to Chiharadai"

Capable of capturing upside derived from inflation

Tenant mix accommodates broad customer base, generating sales uptick

Sales transition

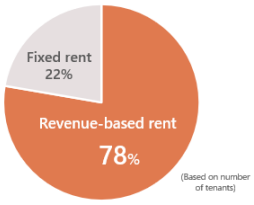


Source: Prepared by the Asset Manager based on PM Report

Tenant occupied at time of renewal in 2023



Rent structure
(As of the end of Aug. 2024)



Increase in revenue-based rent upon sales increase

Expansion plan of the site

- Unused floor area ratio[8] of the existing building site (approx. 100%) can be utilized and there is room for expansion such as development of an annex building



Source: Prepared by the Asset Manager based on aerial photographs provided by the Map and Aerial Photo Viewing Service of the Geospatial Information Authority of Japan

(Note 1) Revenue-based rent component is calculated as the ratio of the number of tenants with revenue-based rent to the total number of tenants as of Aug 31, 2024.
(Note 2) The three ABC-MART brands are ABC-MART, ABC-MART SPORTS, and ABC-MART ATHELETE.
(Note 3) SDGs award refers to the Ichihara SDGs Award 2023, which is a commendation system to recognize advanced efforts toward the achievement of the SDGs by companies and organizations that have declared Ichihara-shi SDGs as part of the 60th anniversary of the establishment of Ichihara-shi.
(Note 4) The size of the plot in the graph represents store floor space. Store floor space is based on figures from the Japan Association of Shopping Centers (as of December 31, 2023) (For facilities not listed in the Japan Association of Shopping Centers data (as of December 31, 2023), store floor space is based on the market report prepared by BAC Urban Project, Inc. (hereinafter "Market Report")). The year of opening or year of renewal is the year indicated in the Market Report (or the year of renewal if the renewal

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was confirmed on the website of each facility, etc., even if the renewal is not indicated in the Market Report), and the number of tenants (stores) is the number of tenants (stores) indicated on the website of each facility. The number of tenants (stores) is the number of tenants (stores) listed on the website of each facility (for facilities without websites, the number of tenants (stores) listed in the Market Report). As for competing facilities, retail facilities within a 10-kilometer radius that are listed as competing facilities for unimo chiharadai in the Market Report are extracted.

(Note 5) Chiharadai campus' student # vision are based on the outline of plans published by Teikyo Heisei University on its website. The number of clinical courses and hospital beds at Teikyo University Chiba General Medical Center is the information as of the date of this document, and the number of clinical courses and hospital beds after the relocation may differ from this information.

(Note 6) The complete renovation of the Chiharadai Campus of Teikyo Heisei University and the relocation of Teikyo University Chiba General Medical Center are subject to change in the future, and there is no guarantee that they will be implemented at the time and content described above, and JMF does not guarantee or promise that they will be implemented.

(Note 7) The planned sales value for FY2024 is the sum of the actual sales from March to July 2024, converted to 95% from August 2023 to September 2023 (taking into account the sales increase due to the effect of renewal until September 2023), and converted to 100% from October 2023 to February 2024.

(Note 8) The unused floor area ratio is based on the difference between the upper limit of the designated floor area ratio and the used floor area ratio of the site of the existing building. Please note that there is no guarantee that this undigested volume ratio can be used. In addition, as of the date of this document, JMF has not made any judgment as to whether or not to increase the floor space of the Property, including the portion of "building to increase the floor space (expected)" in the figure, nor does JMF guarantee or promise that it will increase the floor space in the future.

[G-Bldg. Jingumae 10]

(1) Summary of the Anticipated Acquisition

<table>
<tr><td colspan="2">Type of asset</td><td>Trust beneficiary right in real estate</td><td rowspan="5">Summary of building structure evaluation</td><td>Evaluator</td><td>Daiwa Real Estate Appraisal Co., Ltd.</td></tr>
<tr><td colspan="2">Acquisition date (Scheduled)</td><td>October 9, 2024</td><td>Evaluation date</td><td>August 27, 2024</td></tr>
<tr><td colspan="2">Anticipated acquisition price</td><td>7,020 million yen</td><td>Immediate repair cost</td><td>0 yen</td></tr>
<tr><td rowspan="3">Summary of trust beneficiary right</td><td>Date of trust beneficiary right set</td><td>July 31, 2023</td><td>Short-term repair cost</td><td>0 yen</td></tr>
<tr><td>Trustee</td><td>Sumitomo Mitsui Trust Bank, Limited</td><td rowspan="2">Long-term repair cost</td><td rowspan="2">60,898,000 yen / 12 years (annual average: 5,075,000 yen)</td></tr>
<tr><td>Trust period end</td><td>October 31, 2044</td></tr>
<tr><td rowspan="5">Land</td><td>Location</td><td>5-6, Jingumae 4-chome, Shibuya-ku, Tokyo</td><td rowspan="5">Building</td><td>Structure / stories</td><td>3 stories above ground and 1 basement floor, S/SRC-structure with flat roof, 1 story above ground, RC-structure with flat roof</td></tr>
<tr><td>Land area</td><td>1,079.80 m^2</td><td>Completion date</td><td>May 10, 2012</td></tr>
<tr><td>Zoning</td><td>Neighborhood commercial districts, Category 1 residential districts</td><td>Total floor area</td><td>2,659.55 m^2</td></tr>
<tr><td>FAR / building-to-land ratio</td><td>300% / 80%, 60%</td><td>Type</td><td>Hall, waste storage</td></tr>
<tr><td>Type of possession</td><td>Ownership</td><td>Type of possession</td><td>Ownership</td></tr>
<tr><td colspan="6">Summary of tenant lease</td></tr>
<tr><td colspan="2">Number of tenants</td><td>1</td><td colspan="2">Total leasable area</td><td>2,721.27 m^2</td></tr>
<tr><td colspan="2">Occupancy rate</td><td>100.0%</td><td colspan="2">Total leased area</td><td>2,721.27 m^2</td></tr>
<tr><td colspan="2">Annual rent</td><td>Not disclosed (Note)</td><td colspan="2">Tenant leasehold / security deposit</td><td>Not disclosed (Note)</td></tr>
<tr><td colspan="2">Collateral conditions</td><td>None</td><td colspan="2">Property manager</td><td>Office Mitsuki, Co., Ltd.</td></tr>
</table>

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Special notes: ・None in particular.
(Note) Not disclosed as the tenant has not agreed to the disclosure.

(2) Appraisal Report Summary

Property name	G-Bldg. Jingumae 10
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	10,100million yen
Appraisal date	September 1, 2024

Item				Value	Comment
Indicated value by income approach				10,100 million yen	
	Direct Capitalization ("DC") method			10,500 million yen	
		Operating income		Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here.
			Effective gross income		
			Losses from vacancy, etc.		
		Operational cost			
			Maintenance and management fee		
			Utilities cost		
			Repair expenses		
			Property management fee		
			Leasing cost		
			Property tax		
			Insurance premium		
			Other expenses		
		Net operating income		285 million yen	
			Operating profit on lump-sum payments	2 million yen	
			Capital expenditure	3 million yen	
		Net cash flow		283 million yen	
		Capitalization rate		2.7%	
	DCF method			9,900 million yen	
		Discount rate		2.4% (1st to 3rd year) 2.6% (4th to 8th year) 2.8% (9th year and beyond)	
		Terminal capitalization rate		2.9%	
Indicated value by cost approach				9,820 million yen	
	Land ratio			94.5%	
	Building ratio			5.5%	

Other matters of consideration	N/A

(Note) Figures are rounded down to the nearest million yen.

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(3) Characteristics of the Property



Highlights

Discount purchase of urban retail facility in a prime location of Omotesando / Harajuku area where JMF has over 20 years of management experience

Location

- Omotesando / Harajuku area is one of Japan's iconic retail districts where JMF has over 20 years of experience in managing several properties. Highly scarce location due to its reputation as a cultural and fashion center
- 3-min walk from Omotesando station where multiple Tokyo Metro lines are available

Property Potentials

- Luxurious wedding hall with a symbolic chandelier that matches the ambience of the district
- As demand for space that meet consumption and leisure needs is increasing, this facility is able to cater to not only users' particular weddings, but also corporate outings, film location, meetings and other social events
- Modernistic design includes black exterior painting and large glass panels, which meets the needs of a broad array of retail tenants
- Acquire underpriced grade-A asset in a prime location

Unrealized gain ratio	NOI Yield
43.9%	4.1%

Location	4-5-6 Jingumae, Shibuya-ku, Tokyo		
Total floor area	2,659.55㎡	Completion date	May 2012
# of tenants	1	Occupancy rate	100%
Anticipated acquisition price	7,020 mn yen	Appraisal value	10,100 mn yen
Acquisition date (Scheduled)	October 9, 2024		

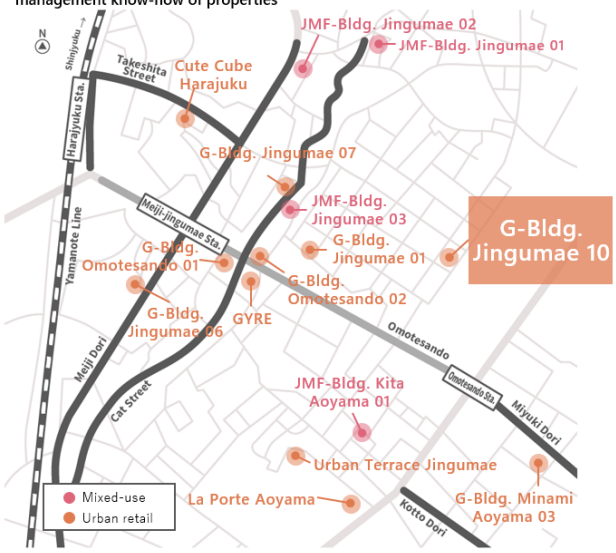






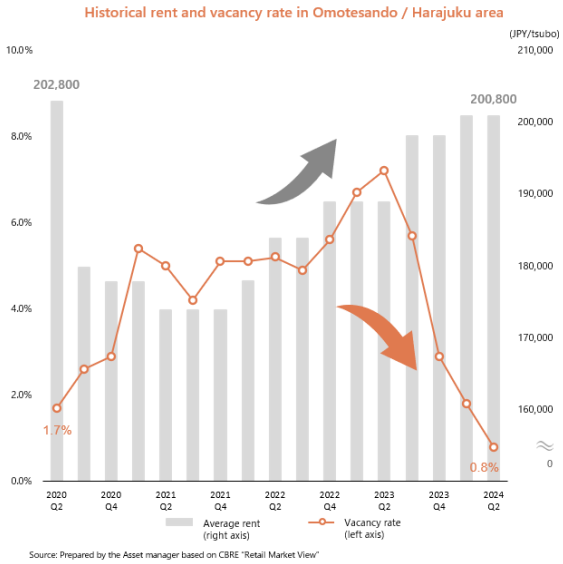
JMF portfolio assets in Omotesando / Harajuku area

Expansion of portfolio in Omotesando / Harajuku area where JMF has extensive management know-how of properties



Market trends in the Omotesando / Harajuku area

Average rent[1] and vacancy rate[1] in the Omotesando / Harajuku area have recovered since covid-19



Source: Prepared by the Asset manager based on CBRE "Retail Market View"

(Note) The average rent and vacancy rate are based on a survey conducted by CBRE K.K., targeting an area with a high concentration of street-level retail stores on a main street in the heart of Tokyo. The average rent is the average of the upper and lower limits of the assumed achievable rent (including common service fees and not considering incentives such as free rent) at multiple reference points in the area (the assumed rent parcel is a parcel with an area of about 200m^2 per floor, and the assumed rent covers only the first floor). The vacancy rate is based on the properties in the area, and the subject floors are those leased as street stores with the entrance on the first floor (including the upper floors) and calculated based on the number of units available for immediate occupancy at the time of the survey (for newly constructed facilities, those that have already opened).

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[JMF-Bldg. Yokohama Kohoku 01]

(1) Summary of the Anticipated Acquisition

Type of asset		Trust beneficiary right in real estate	Summary of building structure evaluation	Evaluator	Tokio Marine dR Co., Ltd.
Acquisition date (Scheduled)		October 9, 2024		Evaluation date	August 30, 2024
Anticipated acquisition price		5,477 million yen		Immediate repair cost	0 yen
Summary of trust beneficiary right	Date of trust beneficiary right set	August 3, 2017		Short-term repair cost	0 yen
	Trustee	Sumitomo Mitsui Trust Bank, Limited		Long-term repair cost	399,188,000 yen / 12 years (annual average: 33,265,000 yen)
	Trust period end	October 31, 2034			
Land	Location	30-1, Nakagawa-chuo 1-chome, Tsuzuki-ku, Yokohama-shi, Kanagawa and others	Building	Structure / stories	7 stories above ground and 1 basement floor, S/RC-structure with flat roof
	Land area	2,687.95 m^2		Completion date	September 26, 2013; March 25, 2016
	Zoning	Commercial districts		Total floor area	15,434.34 m^2
	FAR / building-to-land ratio	600% / 80%		Type	Retail
	Type of possession	Ownership		Type of possession	Ownership
Summary of tenant lease(Note 2)					
Number of tenants		41	Total leasable area		8,898.09 m^2
Occupancy rate		96.5%	Total leased area		8,583.20 m^2
Annual rent		437 million yen	Tenant leasehold / security deposit		225 million yen
Collateral conditions		None	Property manager		JLL Retail Management Co., Ltd.

Special notes:
- A portion of the Land has divided surface rights for the ownership of high-speed railway facilities and divided surface rights for the installation and management of district heating and cooling facilities.
- Since the Land is located within a well-known area containing buried cultural properties under the Law for the Protection of Cultural Properties, it is necessary to submit a notification 60 days prior to the start date of construction in order to carry out civil engineering works on the Land.

(Note 1) A pass-through master lease agreement will be concluded by JLL Retail Management Co., Ltd. for the property.
(Note 2) The figures in "Summary of tenant lease" are end-tenant-based figures based on the pass-through master lease agreement to be entered into by JLL Retail Management Co., Ltd.

(2) Appraisal Report Summary

Property name	JMF-Bldg. Yokohama Kohoku 01
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	6,530 million yen
Appraisal date	September 1, 2024

Item			Value	Comment
Indicated value by income approach			6,530 million yen	
	Direct Capitalization ("DC") method		6,610 million yen	
		Operating income	547 million yen	

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			Effective gross income	587 million yen	
			Losses from vacancy, etc.	40 million yen	
		Operational cost		267 million yen	
			Maintenance and management fee	60 million yen	Assessed based on the contract
			Utilities cost	64 million yen	Assessed based on actual performance values
			Repair expenses	9 million yen	Assessed taking into consideration the engineering report and similar properties
			Property management fee	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
			Leasing cost	7 million yen	Assessed based on the contract, taking into consideration the replacement rate and other factors
			Property tax	45 million yen	Assessed based on materials relating to taxes in the fiscal year of 2024
			Insurance premium	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
			Other expenses	79 million yen	
		Net operating income		279 million yen	
			Operating profit on lump-sum payments	2 million yen	
			Capital expenditure	24 million yen	
		Net cash flow		257 million yen	
		Capitalization rate		3.9%	
	DCF method			6,490 million yen	
		Discount rate		4.0%	
		Terminal capitalization rate		4.1%	
Indicated value by cost approach				5,770 million yen	
	Land ratio			60.1%	
	Building ratio			39.9%	

Other matters of consideration	N/A

(Note) Figures are rounded down to the nearest million yen.

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(3) Characteristics of the Property



Unrealized gain ratio	NOI Yield
19.2%	5.1%

Location	1-30-1 Nakagawa Chuo, Tsuzuki-ku, Yokohama-shi, Kanagawa		
Total floor area	15,434.34㎡	Completion date	September 2013, March 2016
# of tenants	41	Occupancy rate	**96.5%**
Anticipated acquisition price	**5,477 mn yen**	Appraisal value	**6,530 mn Yen**
Acquisition date (Scheduled)	October 9, 2024		

Highlights

Mixed-use property in Kohoku New Town which satisfies "live, work and consume" aspects
Leverage JMF's know-how to enhance property value

Location

- Tsuzuki-ku in Yokohama is an administrative district created by re-adjusting borders of Midori-ku and Kohoku-ku in 1994. Tsuzuki-ku is located in the core of Kohoku New Town and has good access to Yokohama and Shibuya stations
- The facility is located in front of Center Kita station in the center of Kohoku New Town (1-min walk)
- A foreign manufacturer moved its HQ near Center Kita Station in May 2024. Given that many SMEs tenant mixed-use buildings in the vicinity, this property can target both residents and office workers

Property Potentials

- Modernistic exterior design is befitting of the new town community
- Proactive leasing through bridge warehousing phase in accordance with KJRM's direction has transformed the property into a mixed-use facility with service-operating tenants, clinics, shared work spaces, and offices
- Highly profitable property that meets community needs



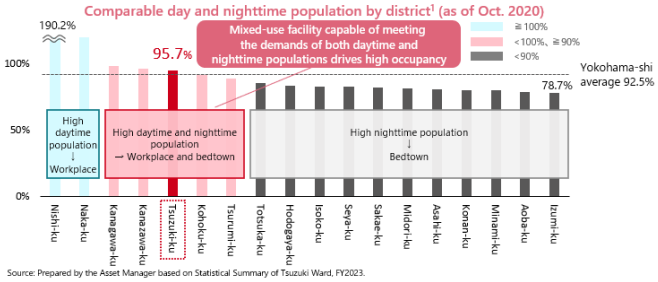




Nearby environment fits both bedtown and workplace characteristics

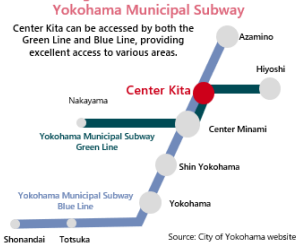
Daytime population consists of workers and students while the nighttime population consists of Tsuzuki-ku residents

Comparable day and nighttime population by district[1] (as of Oct. 2020)



Source: Prepared by the Asset Manager based on Statistical Summary of Tsuzuki Ward, FY2023.

Positioning of Center Kita station on the Yokohama Municipal Subway



Source: City of Yokohama website

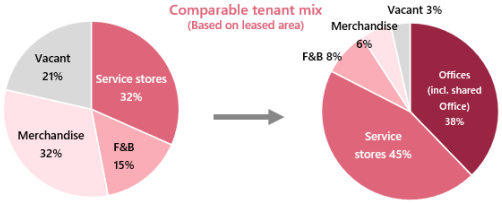
BOSCH HQ relocation to Center Kita

- Located 5-min walk from Center Kita station. BOSCH (automobile parts manufacturer) built their new HQ here in May 2025
- Workplace for over 2,000 employees commuting from Tokyo and Kanagawa

Conversion to mixed-use

Converted the property from facility focusing on merchandise stores into a mixed-use facility to capture demand from the surrounding area

Comparable tenant mix (Based on leased area)

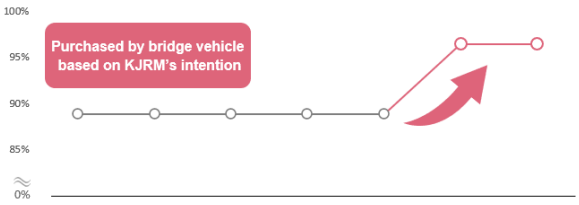


As of Dec. 2018 (prior to large merchandise store move-out)

As of May 2024

Source: Prepared by the Asset Manager based on PM Report

Historical occupancy rates



Source: Prepared by the Asset Manager based on PM Report

(Note) Comparable day and nighttime population by district are calculated by dividing the daytime population by the nighttime population x 100.

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[JMF-Bldg. Osaka Fukushima 02]

(1) Summary of the Anticipated Acquisition

Type of asset		Trust beneficiary right in real estate	Summary of building structure evaluation	Evaluator	Japan Constructive Inspect Association CO.,LTD
Acquisition date (Scheduled)		October 9, 2024		Evaluation date	August, 2024
Anticipated acquisition price		14,600 million yen		Immediate repair cost	0 yen
Summary of trust beneficiary right	Date of trust beneficiary right set	March 15, 2024		Short-term repair cost	0 yen
	Trustee	Sumitomo Mitsui Trust Bank, Limited		Long-term repair cost	1,207,388,000 yen / 12 years (annual average: 100,616,000 yen)
	Trust period end	October 31, 2044			
Land	Location (address)	20-1, Fukushima 7-chome, Fukushima-ku, Osaka-shi, Osaka	Building	Structure / stories	14 stories above ground and 2 basement floor, S/SRC-structure with flat roof
	Land area	2,998.38 m^2		Completion date	April 20, 1995
	Zoning	Commercial districts		Total floor area	23,392.56 m^2
	FAR / building-to-land ratio	600% / 80%		Type	Office, parking, retail
	Type of possession	Ownership		Type of possession	Ownership
Summary of tenant lease(Note 2)					
Number of tenants		21		Total leasable area	14,665.43 m^2
Occupancy rate		100.0%		Total leased area	14,665.43 m^2
Annual rent		704 million yen		Tenant leasehold / security deposit	522 million yen
Collateral conditions		None		Property manager	Best Property Corporation
Special notes: ・The floor-area ratio of the land for the Property is originally 600%, but by planning part of the site as open land, the Comprehensive Design System has been applied, and the increased floor-area ratio is 698.26%. In addition, it is necessary to provide open space for general traffic and to maintain and manage the open space.					

(Note 1) A pass-through master lease agreement will be concluded by JMF for the property.
(Note 2) The figures in "Summary of tenant lease" are end-tenant-based figures based on the pass-through master lease agreement to be entered into by JMF.

(2) Appraisal Report Summary

Property name	JMF-Bldg. Osaka Fukushima 02
Appraiser	Japan Real Estate Institute
Appraisal value	16,200 million yen
Appraisal date	September 1, 2024

Item				Value	Comment
Indicated value by income approach				16,200 million yen	
	Direct Capitalization ("DC") method			16,400 million yen	
		Operating income		913 million yen	
			Effective gross income	950 million yen	
			Losses from vacancy, etc.	36 million yen	

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		Operational cost		274 million yen	
			Maintenance and management fee	68 million yen	Assessed based on actual performance values and similar properties, taking into consideration the unique characteristics of the target property
			Utilities cost	83 million yen	Assessed based on the actual performance values and occupancy rate
			Repair expenses	30 million yen	Assessed based on actual performance values, taking into the consideration the engineering report and similar properties
			Property management fee	7 million yen	Assessed based on similar properties, taking into consideration the unique characteristics of the target property
			Leasing cost	8 million yen	Assessed based on the estimated rotation period
			Property tax	73 million yen	Assessed based on materials relating to taxes and public charges and tax burden adjustments and other factors
			Damage insurance premium	2 million yen	Assessed based on similar properties and other factors
			Other expenses	0 yen	
		Net operating income		639 million yen	
			Operating profit on lump-sum payments	6 million yen	
			Capital expenditure	71 million yen	
		Net cash flow		574 million yen	
		Capitalization rate		3.5%	
	DCF method			16,000 million yen	
		Discount rate		3.2%	
		Terminal capitalization rate		3.5%	
Indicated value by cost approach				15,700 million yen	
	Land ratio			87.0%	
	Building ratio			13.0%	

Other matters of consideration	N/A

(Note) Figures are rounded down to the nearest million yen.

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(3) Characteristics of the Property



Highlights

Mid-sized office located near the major redevelopment site on the north side of JR Osaka Station

Creating added value from area management with the adjacent JMF property

Location

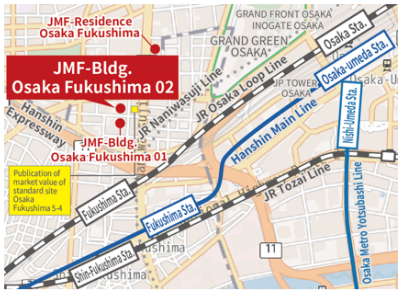
- Near a major redevelopment site on the north side of JR Osaka Station called "Grand Green Osaka". Expecting enhanced property value from the redevelopment
- "Grand Green Osaka" is a redevelopment plan centered on the construction of new large-scale buildings and commercial facilities, and there is expected to be room for rent increases to spread to offices in the surrounding areas

Property Potentials

- Current occupancy is solid. The redevelopment of nearby areas is expected to drive demand further.
- Ground floor is tenanted to a luxury car dealership. This location draws strong retail demand
- Abundant growth potential drawing on retail and office management expertise
- Across the street is JMF-Bldg. Osaka Fukushima 01. Going forward, it is possible to operate both properties in conjunction
- Expecting future upside from an underpriced asset in an area with ongoing redevelopment project

Unrealized gain ratio	NOI Yield
11.0%	4.4%

Location	7-20-1 Fukushima, Fukushima-ku, Osaka-shi, Osaka		
Total floor area	23,392.56㎡	Completion date	April 1995
# of tenants	21	Occupancy rate	100%
Anticipated acquisition price	14,600 mn yen	Appraisal value	16,200 mn yen
Acquisition date (Scheduled)	October 9, 2024		





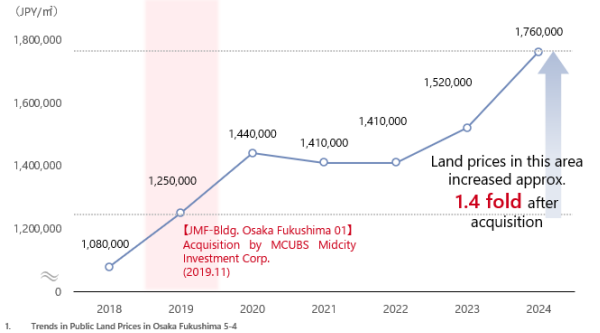


Rising land prices due to redevelopments in the periphery

Acquisition of property in an area with rising land prices

- The Grand Green Osaka project (Umekita Phase 2) is run by a private sector consortium that will redevelop a roughly 91,000sqm land lot on the site of the former Umeda Freight Station on the north side of Osaka Station
- Land prices of JMF-Bldg. Osaka Fukushima 01 and JMF-Bldg. Osaka Fukushima 02 is rising thanks to this redevelopment project

Historical land prices near JMF-Bldg. Osaka Fukushima 01[1] and JMF-Bldg. Osaka Fukushima 02



1. Trends in Public Land Prices in Osaka Fukushima 5-4

Source：Prepared by the Asset Manager based on the "Real Estate Information Library" of the Ministry of Land, Infrastructure, Transport and Tourism

Operation in conjunction with JMF-Bldg. Osaka Fukushima 01

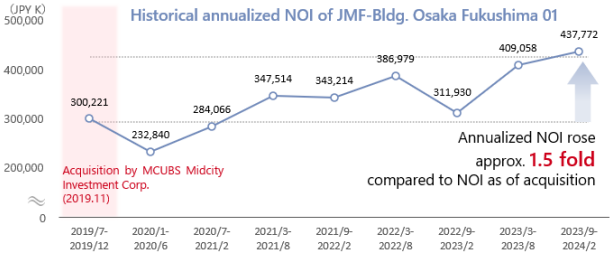
Leveraging JMF management know-how in the Osaka Fukushima area

- Early backfilling of vacancies has been implemented utilizing unique operational capabilities after acquiring JMF-Bldg. Osaka Fukushima 01 in 2019
- Enhanced property value by eliminating the rent gap upon lease renewal and tenant replacement
- Deploy all expertise gained in this area to JMF-Bldg. Osaka Fukushima 02, which has a rent gap approx. 16.7%. Aiming to capture further upside in this area



- ▶ **Area management**
  - Concentrate acquisitions in a specific area
  - Enhance property value by integrated operation of multiple properties in the same area
- ▶ **Leasing**
  - Leasing activities utilizing internal and external networks
  - Lead the market through the management of two major properties in the same area

Historical annualized NOI of JMF-Bldg. Osaka Fukushima 01



Source: Prepared by the Asset Manager based on PM Report

(Note) This chart shows changes in public land prices in the standard land number "Osaka Fukushima 5-4".

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4. Overview of Sellers

[G-Bldg. Jingumae 10]

Name		Omotesando Bridge G.K.
Location		Tokyo United General Office, 9-15, Yotsuya 2-chome, Shinjuku-ku, Tokyo
Name and job title of the representative		Omotesando Bridge General Incorporated Association, Representative Member Takuya Ikeda, Executive Officer
Business		1. Acquisition, holding, management and disposition of securities and trust beneficial interests 2. Acquisition, holding, management and disposal of real estate for sale 3. Acquisition, holding and disposition of monetary claims 4. Any and all businesses incidental to and related to the preceding items
Capital		0.1 million yen
Date established		April 25, 2023
Net assets		Not disclosed because the seller's approval has not been obtained.
Total asset		
Major shareholder (shareholding ratio)		
Relationship with JMF / the Asset Manager		
	Capital relationship Personal relationship Trade relationship	There is no capital, personal or transactional ties to be stated between the seller and JMF or the Asset Manager. There is no capital, personal or transactional ties to be specified between the related parties/related companies of JMF or the Asset Manager and the related parties/related companies of the seller.
	Related parties	Any of the seller or the related parties/related companies of the seller do not fall under the related party of JMF or the Asset Manager.

[JMF-Bldg. Yokohama Kohoku 01]

Name	Yokohama Bridge G.K.
Location	Tokyo United General Office, 9-15, Yotsuya 2-chome, Shinjuku-ku, Tokyo
Name and job title of the representative	Yokohama Bridge General Incorporated Association, Representative Member: Takuya Ikeda, Executive Officer
Business	1. Acquisition, holding, management and disposition of securities and trust beneficial interests 2. Acquisition, holding, management and disposal of real estate for sale 3. Acquisition, holding and disposition of monetary claims 4. Any and all businesses incidental to and related to the preceding items
Capital	0.1 million yen
Date established	September 27, 2023
Net assets	Not disclosed because the seller's approval has not been obtained.
Total asset	
Major shareholder and	

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percentage of stake		
Relationship with JMF / the Asset Manager		
	Capital relationship Personal relationship Trade relationship	There is no capital, personal or transactional ties to be stated between the seller and JMF or the Asset Manager. There is no capital, personal or transactional ties to be specified between the related parties/related companies of JMF or the Asset Manager and the related parties/related companies of the seller.
	Related parties	Any of the seller or the related parties/related companies of the seller do not fall under the related party of JMF or the Asset Manager.

[unimo chiharadai] [JMF-Bldg. Osaka Fukushima 02]
The seller is a domestic business company, but the outline of the seller, its name and other details are not disclosed because the seller's approval for the disclosure has not been obtained. There is no capital, personal or transactional ties to be specified between JMF or the Asset Management Company and the seller, nor does the seller fall under the related party of JMF or the Asset Management Company.

5. Status of Owners, Etc. of the Properties
The Acquisition is not a transaction with any person having a special interest in JMF or the Asset Manager.

6. Overview of Broker
[unimo chiharadai] [JMF-Bldg. Osaka Fukushima 02]
There is an intermediary for the acquisition of the Anticipated Acquisition, but such intermediary does not fall under the category of an interested party, etc. of JMF or the Asset Manager.

[G-Bldg. Jingumae 10] [JMF-Bldg. Yokohama Kohoku 01]
No brokers are involved.

7. Matters Concerning Forward Commitment
Regarding unimo chiharadai, since the date of execution of the agreement is September 25, 2024 and the scheduled acquisition date is October 31, 2024, the trust beneficiary right sale and purchase agreement for the property is considered to be a "forward commitment, etc." as defined in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. (meaning "a postdated sale and purchase agreement which provides for the delivery and settlement to take place one month or more from the effective date of the agreement, or any similar agreement").

Under the unimo chiharadai Trust Beneficiary Interest Purchase and Sale Agreement, if JMF, as the buyer, has violated any provisions of the agreement stipulated therein (refers to the failure to fulfill the provisions of the agreement in accordance with its purpose.) or if the expressed representation and warranties stipulated in the agreement by JMF is found to be untrue or incorrect, the seller may cancel the Agreement if the breach is not appropriately cured within a reasonable period after giving notice to the seller by specifying a reasonable period of time (including cases where it is reasonably clear that the purpose of the agreement will not be achieved due to such breach, etc.). If the seller cancels the Agreement based on this, JMF, as the buyer, is obligated to promptly pay to the seller an amount

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equivalent to 20% of the total purchase price as a penalty. However, the Agreement stipulates that the completion of the financing (including but not limited to capital increase) necessary for the payment of the purchase price under the Agreement is a precondition for the execution of the transaction.

8. Funding and Method of Settlement

Acquisition of the Anticipated Acquisition will be funded by the issuance of new investment units, borrowings and cash reserves. For details of the issuance of new investment units and borrowings, please refer to the "Japan Metropolitan Fund Investment Corporation to Issue New Investment Units and Conduct Secondary Offering of Investment Units" and of the debt financing, the "Notice Concerning Debt Financing (Green Loan, etc.) (New Debt Financing)", respectively, announced today.

Additionally, JMF plans to pay by way of lump-sum settlement upon delivery for all of the Anticipated Acquisition.

9. Acquisition Schedule

<table>
<tr><th>Property name</th><th>Signing Date of Purchase Agreement</th><th>Acquisition date (Scheduled)</th><th>Payment date (Scheduled)</th></tr>
<tr><td>unimo chiharadai</td><td rowspan="4">September 25, 2024</td><td>October 31, 2024</td><td>October 31, 2024</td></tr>
<tr><td>G-Bldg. Jingumae 10</td><td rowspan="3">October 9, 2024</td><td rowspan="3">October 9, 2024</td></tr>
<tr><td>JMF-Bldg. Yokohama Kohoku 01</td></tr>
<tr><td>JMF-Bldg. Osaka Fukushima 02</td></tr>
</table>

10. Future outlook

The Acquisition will have no particular impact on JMF's forecasts for operating results for the August 2024 (45th) fiscal period (from March 1, 2024 to August 31, 2024). Regarding JMF's forecasts for operating results for the February 2025 (46th) fiscal period (from September 1, 2024 to February 28, 2025) and August 2025 (47th) fiscal period (from March 1, 2025 to August 31, 2025) after Acquisition of the Anticipated Acquisition, please refer to the "Notice Concerning Revised Forecasts for Operating Results and Distributions for the February 2025 (46th) Fiscal Period and Forecasts for Operating Results and Distributions for the August 2025 (47th) Fiscal Period" announced today.

<References> Other press releases announced as of today

"Japan Metropolitan Fund Investment Corporation to Issue New Investment Units and Conduct Secondary Offering of Investment Units"

"Notice Concerning Debt Financing (Green Loan, etc.) (New Debt Financing)"

"Notice Concerning Revised Forecasts for Operating Results and Distributions for the February 2025 (46th) Fiscal Period and Forecasts for Operating Results and Distributions for the August 2025 (47th) Fiscal Period"

"Supplemental Material Concerning Today's Press Release"

End

Note: This press release is intended as general information for the press regarding JMF's acquisition of trust beneficiary rights in real estate, and has not been prepared for the purpose of solicitation of investment, etc, regardless of the country.
This press release does not constitute an offer of securities in the United States. The securities referred to above have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration thereunder or an applicable exemption from registration requirements. The securities referred to above will not be publicly offered or sold in the United States.

【References】

Definitions of individual calculation formulas

- NOI (Net Operating Income) is the NOI based on the direct capitalization method in the appraisal report, unless otherwise stated. NOI yield is the NOI divided by the Anticipated acquisition price and rounded to the first decimal place. NOI yield after depreciation is the NOI minus the depreciation divided by the Anticipated acquisition price and rounded to the first decimal place.

Descriptions of "3. Property Summary"

Descriptions of items in "(1) Summary of the Anticipated Acquisition"

- "Acquisition date (Scheduled)" is the scheduled acquisition date stated in the sales agreement for the Anticipated Acquisition. The Acquisition date (Scheduled) is subject to change upon agreement between JMF and the seller.
- "Anticipated acquisition price" is the purchase price (excluding acquisition costs, property tax, urban planning tax and consumption tax) set forth in the trust beneficiary right sale and purchase agreement for the Anticipated Acquisition respectively rounded down to the nearest unit.
- "Date of trust beneficiary rights set" in the "Summary of trust beneficiary rights" is as of today.
- "Trustee" in the "Summary of trust beneficiary rights" is the name of the planned trustee for each of the Anticipated Acquisition.
- "Trust period end" in the "Summary of trust beneficiary rights" is the last date of the trust period as set forth in the current trust agreement or as agreed or changed upon JMF's acquisition of the Anticipated Acquisition.
- "Location" for land is the registered address of the building or the address based on descriptions in registry books.
- "Land area" and "Structure / stories," "Completion date," "Total floor area" and "Type" for building are based on descriptions in registry books and may not match the present condition.
- "Zoning" for land represents the classification of land by its use, as stipulated in Section 1-1, Article 8 of the City Planning Act (Act No. 100 of 1968, as amended).
- "FAR (floor area ratio)" for land is a ratio of the total floor area of the building to the site area, as stipulated in Article 52 Clause 1 of the Building Standards Act (Act No. 201 of 1950, as amended) (hereafter referred to as the "Building Standards Act").
- "The building-to-land ratio" for land is the ratio of the building area of the structure to the site area, as stipulated in Article 53 Clause 1 of the Building Standards Act.
- "Summary of building structure evaluation"
  This is a summary of the reports prepared by DAIWA REAL ESTATE APPRAISAL CO.,LTD., Tokio Marine dR Co., Ltd., ERI SOLUTION CO., LTD. and Japan Constructive Inspect Association CO.,LTD on JMF's request, concerning the building status of the Anticipated Acquisition (such as deterioration diagnosis, short-term and long-term repair planning, compliance with laws and ordinances (including Building Standards Act), toxic substances, and soil and environment research). The contents of the reports are the subjective opinions of such investigation firms, and JMF does not guarantee reasonableness or correctness of the contents. "Evaluation date" is the date of the engineering report prepared by the investigation firms. "Immediate repair cost" is the expected repair cost for the problems that hinder daily operations or unfixed items in violation of the legal requirements. "Short-term repair cost" is the expected repair cost for items the early repair of which is desirable due to deterioration or items that may result in malfunction if not fixed, except for routine repair or renewal of interiors or facilities. "Long-term repair cost" is the total amount of the estimated long-term repair costs as described in the engineering report prepared by the investigation firm. Annual average amount of the long-term repair cost is annual average of the estimated long-term repair cost (12 years) as described in the engineering report prepared by the investigation firm. In addition, in cases where the annual average amount is not stated in the relevant report, the average amount is calculated and amounts less than one thousand yen are rounded down to the nearest thousand yen.
- "Summary of Leases for the Anticipated Acquisition"
  "Number of tenant(s)" is the total number of lease agreements with respect to buildings of the property used mainly as stores and offices, based on the lease agreements and other documents in effect as of June 30, 2024 for the Anticipated Acquisition. In addition, in the case where a pass-through master lease agreement (meaning that the rent in the master lease agreement is linked to the rent in the lease agreement with the end-tenant. The same applies hereinafter) is concluded, the number of end tenants is indicated.
  "Total leasable area" is the leasable areas of the buildings of the property used mainly as stores and offices for each tenant, excluding leasable areas of warehouses and land (flat parking lot), as indicated in the drawings of the property and the lease agreement in effect as of June 30, 2024.
  "Total leased area" is the leased areas of the buildings of the property used mainly as stores and offices for each tenant, excluding leased areas of warehouses and land (flat parking lot), as indicated in the lease agreement in effect as of June 30, 2024.
  "Occupancy rate" is the ratio computed by dividing the total leased area by the total leasable area based on the lease agreements in effect as of June 30, 2024.
- "Leasing business revenues (Annual)" is calculated by taking the total amount of monthly rents and common area fees indicated in the lease agreements and other documents in effect as of June 30, 2024, for a property to be acquired and multiplying this amount by 12, rounded down to the nearest million yen. Amounts expressly stated in lease agreements as rents for warehouses and land (flat parking lots) are excluded. Revenue-based rent is calculated based primarily on sales as of the above, rounded down to the nearest million yen.
- "Leasehold / security deposits" is the total amount of the outstanding balance of the Leasehold / security deposit based on the lease agreements and other documents for each property to be acquired that are in effect as of June 30, 2024, rounded down to the nearest million yen.

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- "Property manager" is the company JMF plans to hire after the acquisition of the Anticipated Acquisition and may change in the future.
- "Collateral conditions" are the summary of any collateral interest that JMF bears or expects to bear after the acquisition of the Anticipated Acquisition.
- "Special notes" are the items seemed to be important, with respect to the legal rights or usage of each of the Anticipated Acquisition as well as any material items with regard to the value, profitability or liquidity of the property as of today.

Descriptions of items in "(2) Appraisal Report Summary"

- This is the summary of appraisal reports or valuation reports on the Anticipated Acquisition prepared by Japan Real Estate Institute or The Tanizawa Sogo Appraisal Co., Ltd. pursuant to Considerations for Real Estate Appraisals under the Investment Trust Act, the Act on Real Estate Appraisal (Act No.152 of 1963, as amended) and the real estate appraisal standards at our request. The results of the appraisals or valuations are subjective judgments and views of the appraiser at a particular time, and JMF does not guarantee reasonableness or correctness of the contents or possibility of a transaction at the appraisal or estimated value.

Descriptions of items in "(3) Characteristics of the Property"

- "Characteristics of the Property" reflect the views of the Asset Manager, which is based on the materials and information, including reports, the Asset Manager obtained from BAC Urban Projects Co., Ltd., CBRE K.K. or others during the due diligence process. Those reports and other materials are based on the judgments and opinions of third-party experts at a particular time, and JMF does not guarantee the reasonableness and correctness of the contents.

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