January 16, 2025

For Immediate Release

Real Estate Investment Trust
Japan Logistics Fund, Inc. (Security Code: 8967)
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Notice Concerning the Acquisition and Disposition of Domestic Real Estate Trust Beneficiary Rights through Swaps and the Acquisition of Domestic Real Estate Trust Beneficiary Rights, as well as the Resulting Dissolution and Commencement of Lease Agreements for Operating Assets

Mitsui & Co., Logistics Partners Ltd. (hereinafter referred to as "MLP"), the asset management company of Japan Logistics Fund, Inc. (hereinafter referred to as "JLF"), announces today that MLP has decided to implement the acquisition and disposition of real estate trust beneficiary rights through swaps (hereinafter referred to as the "Swaps") and the acquisition of real estate trust beneficiary rights (Hereinafter referred to as "Acquisition ①". Also, The Swaps and Acquisition ① are hereinafter collectively referred to as the "Transaction").

JLF plans to apply reduction entries under the provisions of Article 50 of the Corporation Tax Law of Japan, "inclusion in deductible expenses of the amount of reduction of assets acquired through a swap" regarding Kita Nagoya Logistics Center and Funabashi Nishiura Logistics Center III, which are to be acquired under the Swaps.

Additionally, MLP has decided to dissolve the asset lease agreement in conjunction with the aforementioned asset disposition and commence asset lease agreements in conjunction with the asset acquisition.

Transaction		Assets JLF plans to acquire (Assets to be acquired)	Asset JLF plans to dispose (Asset to be disposed)
Swaps	Swap ①	Kita Nagoya Logistics Center	Ichikawa Logistics Center II (36% quasi-co-ownership interest) (40% of JLF's 90% quasi-co-ownership interest)
	Swap ②	Funabashi Nishiura Logistics Center III	Ichikawa Logistics Center II (54% quasi-co-ownership interest) (60% of JLF's 90% quasi-co-ownership interest)
Acquisition ①		Narashino Logistics Center II (Co-ownership interest: 10%)	—

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The following abbreviations are used in this notice.

Abbreviation	Description
Transaction	Swap ①, Swap ② and Acquisition ①
Swaps	Swap ① and Swap ②
Asset to be disposed	Ichikawa Logistics Center II (90% quasi-co-ownership interest)
Assets to be acquired	Kita Nagoya Logistics Center, Funabashi Nishiura Logistics Center III and Narashino Logistics Center II (10% quasi-co-ownership interest)
Assets to be acquired resulting from the Swaps	Kita Nagoya Logistics Center and Funabashi Nishiura Logistics Center III
Asset to be acquired under Swap ①	Kita Nagoya Logistics Center
Asset to be disposed under Swap ①	Ichikawa Logistics Center II (36% quasi-co-ownership interest)
Asset to be acquired under Swap ②	Funabashi Nishiura Logistics Center III
Asset to be disposed under Swap ②	Ichikawa Logistics Center II (54% quasi-co-ownership interest)
Asset to be acquired under Acquisition ①	Narashino Logistics Center II (10% quasi-co-ownership interest)

1. Overview of the Transaction

(1) Overview of Swap ①

	Asset to be acquired under Swap ①		Asset to be disposed under Swap ①	
Property number	T-16		M-18	
Name of the property	Kita Nagoya Logistics Center		Ichikawa Logistics Center II (Co-ownership interest: 36%)	
Date of contract	January 16, 2025			
Swap counterparty	Nippon Prologis REIT, Inc.			
Planned date of swap, etc. (Note 2)	Planned date of swap	Planned acquisition price (Note 3)	Planned disposition price (Note 3)	Difference (Note 3)
	First time: February 3, 2025	5,300 million yen	4,940 million yen	360 million yen
	Second time: August 1, 2025	5,300 million yen	4,940 million yen	360 million yen
Appraisal value	10,800 million yen		9,880 million yen	
Intermediary	N/A			
Funds for swap	Funds on hand			
Payment method	Lump-sum payment on the date of swap			
Swap assets	Trust beneficiary rights based on domestic real estate as trust assets			

(Note 1) Amounts have been rounded down to the nearest million yen. The same applies hereafter for units of million yen.

(Note 2) The swap of quasi-co-ownership interests of trust beneficiary rights under Swap ① are scheduled to be carried out in two times. The ratio of the quasi-ownership interests involved in the acquisition is 50% each time, while for the transfer, it is 18% for each time.

(Note 3) Provided here are the respective amounts of the assets to be acquired and disposed under Swap ①, as specified in the trust beneficiary rights swap agreement for Swap ①, and the difference between the two, i.e., the swap difference (both excluding consumption tax and local consumption tax).

(Note 4) JLF plans to apply reduction entries under the provisions of Article 50 of the Corporation Tax Law of Japan,

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"inclusion in deductible expenses of the amount of reduction of assets acquired through a swap". Please check the following regarding assumptions about planned acquisition price (after reduction).

Reduction entry and reserve for reduction entry of special provisions of replaced property for Swap ①:

Regarding the asset to be acquired under Swap ①, JLF plans to apply reduction entries under the provisions of Article 50 of the Corporation Tax Law of Japan, "inclusion in deductible expenses of the amount of reduction of assets acquired through a swap" and use part of capital gains from the asset to be disposed under Swap ① to perform a reduction entry. Furthermore, in conjunction with the disposition of land under Ichikawa Logistics Center II, reversal reserve for reduction entry of special provisions of replaced property for replacement is projected. As a result, capital gains, etc., are expected as follows.

	Name of the asset to be disposed under Swap ①	Planned date of swap	a. Planned disposition price (million yen)	b. Book value (million yen)	c. Capital gain/loss (million yen)	d. Reduction amount (million yen)	e. Capital gain (after reduction) (c-d) (million yen)	f. Amount of reversal of reserve for reduction entry of special provisions of replaced property (Note 3) (million yen)	g. Amount for unitholder returns (e+f) (Note 4) (million yen)
First time	Ichikawa Logistics Center II (18% quasi-co-ownership interest)	February 3, 2025	4,940	2,872	2,066	1,283	782	443	1,226
Second time	Ichikawa Logistics Center II (18% quasi-co-ownership interest)	August 1, 2025	4,940	2,872	2,066	1,352	713	443	1,157
Total			9,880	5,745	4,132	2,636	1,496	887	2,383

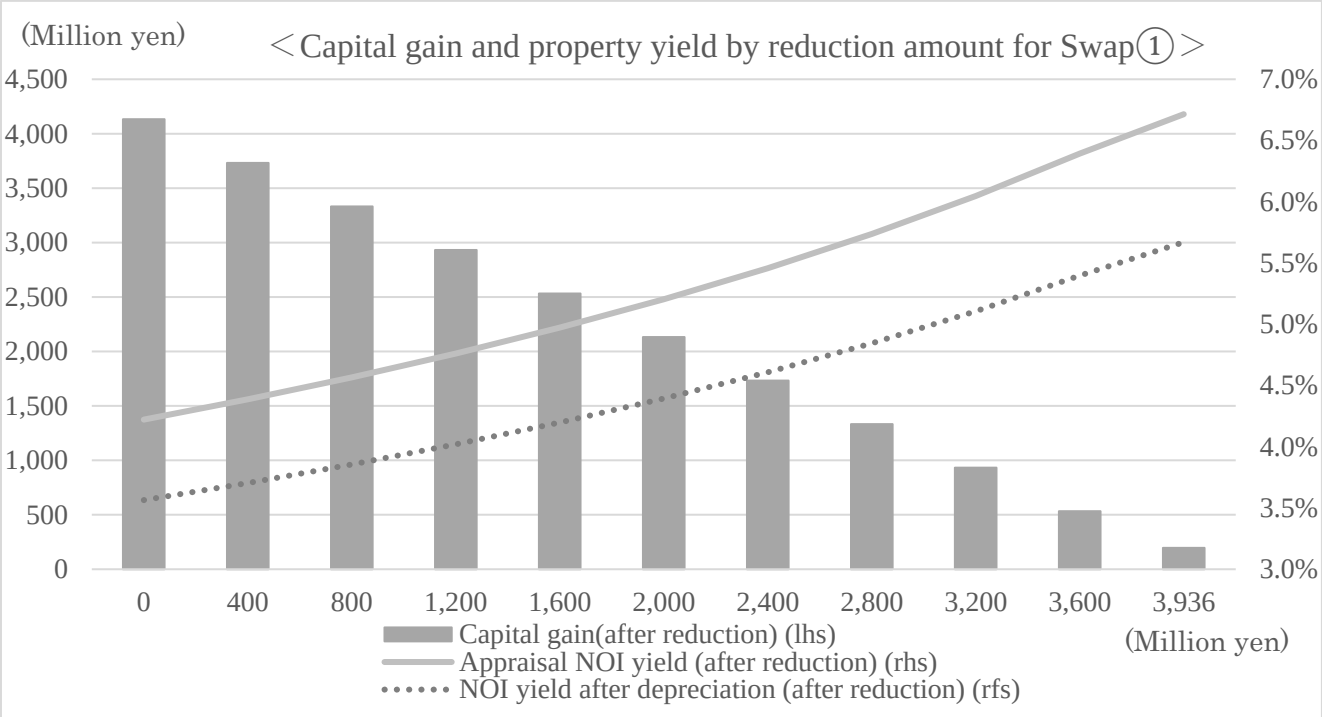
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Due to the above reduction entry, figures for the Kita Nagoya Logistics Center are expected to be as follows.

Name of the asset to be acquired under Swap ①		Planned date of swap	h. Planned acquisition price (million yen)	d. Reduction amount (million yen)	i. Planned acquisition price (after reduction) (h-d) (million yen)	j. Appraisal NOI yield (after reduction) (Note 5) (%)	k. NOI yield after depreciation (after reduction) (Note 5) (%)
First time	Kita Nagoya Logistics Center (50% quasi-co-ownership interest)	February 3, 2025	5,300	1,283	4,016	5.6	4.7
Second time	Kita Nagoya Logistics Center (50% quasi-co-ownership interest)	August 1, 2025	5,300	1,352	3,947	5.7	4.8
Total			10,600	2,636	7,963	5.6	4.7

(Note 1) The a. Planned disposition price and h. Planned acquisition price refer to the amounts for the assets to be acquired under Swap ① and the asset to be disposed under Swap ①, respectively, per the trust beneficiary right swap agreement related to Swap ①.

(Note 2) Note that b. Book value, c. Capital gain/loss, d. Reduction amount, e. Capital gain (after reduction), i. Planned acquisition price (after reduction), j. Appraisal NOI yield (after reduction), and k. NOI yield after depreciation (after reduction) are all estimated values as of today based on calculations using certain assumptions and are subject to change. In particular, regarding d. Reduction amount, JLF plans to determine this within the limits of allowable reduction entries during the fiscal periods when each swap is implemented. Therefore, the estimated values may significantly change depending on future operational conditions of JLF. If d. Reduction amount changes, the amounts and figures calculated based on d. Reduction amount (e. Capital gain (after reduction), g. Amount for unitholder returns, i. Planned acquisition price (after reduction), j. Appraisal NOI yield (after reduction), and k. NOI yield after depreciation (after reduction)) will also fluctuate. Simulations of these changes, calculated under certain assumptions and conditions, are as follows.



(Note 3) Regarding f. Amount of reversal of reserve for reduction entry of special provisions of replaced property, JLF has accumulated a reserve for reduction entry of special provisions of replaced property of 2,219 million yen for the land of Ichikawa Logistics Center II in previous years. The drawdown will be made in proportion to the area of land sold due to the disposition of this

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land. Since JLF plans to sell 18% of its 90% quasi-co-ownership interest each time, it is expected to withdraw 443 million yen from the reserve for reduction entry of special provisions of replaced property for each transaction.

(Note 4) g. Amount for unitholder returns represents the estimated amount that JLF expects to recognize as capital gains during the fiscal periods corresponding to each planned date of swap due to Swap ①, as well as the expected amount of drawdown from the reserve for reduction entry of special provisions of replaced property, as of the date of this document. However, during the relevant fiscal period, JLF may retain these capital gains or use them to offset any losses incurred during that period, and there is no guarantee or promise that this amount will actually be distributed to the unitholders of JLF.

(Note 5) j. Appraisal NOI yield (after reduction) is calculated using the following formula: The same applies hereafter.

Appraisal NOI yield (after reduction) = Appraisal NOI ÷ Planned acquisition price (after reduction) × 100 (rounded to the second decimal places.)

The appraisal NOI represents the amount of operational net income that serves as the basis for the price derived from the direct capitalization method stated in the appraisal report.

k. NOI yield after depreciation (after reduction) is calculated using the following formula: The same applies hereafter.

NOI yield after depreciation (after reduction) = (Appraisal NOI - Depreciation expense) ÷ Planned acquisition price (after reduction) × 100 ((rounded to the second decimal places.)

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(2) Overview of Swap ②

	Asset to be acquired under Swap ②		Asset to be disposed under Swap ②	
Property number	M-43		M-18	
Name of the property	Funabashi Nishiura Logistics Center III		Ichikawa Logistics Center II (Co-ownership interest: 54%)	
Date of contract	January 16, 2025			
Swap counterparty	Nippon Prologis REIT, Inc.			
Planned date of swap, etc. (Note 1)	Planned date of swap	Planned acquisition price (Note 2)	Planned disposition price (Note 2)	Difference (Note 2)
	First: February 2, 2026	TBD	TBD	TBD
	Second: August 3, 2026	TBD	TBD	TBD
	Third: February 1, 2027	TBD	TBD	TBD
Appraisal value	16,720 million yen		14,820 million yen	
Intermediary	N/A			
Funds for swap	Funds on hand			
Payment method:	Lump-sum payment on the date of swap			
Swap assets	Trust beneficiary rights based on domestic real estate as trust assets			

(Note 1) The swap of quasi-co-ownership interests of trust beneficiary rights related to Swap ② are to be carried out in three times. The quasi-co-ownership interests on the acquisition side will be 33% on the first and second and 34% on the third time, and on the disposition side 18% for each of the first through third times.

(Note 2) In the trust beneficiary rights swap agreement for Swap ②, the planned acquisition price of the planned acquisition assets for Swap ② and the planned disposition price of the planned disposition assets for Swap ② are to be determined based on the appraisal values obtained by JLF and the swap counterpart, with a price date within three months prior to the first planned date of swap, and shall be calculated according to the method specified in the trust beneficiary rights swap agreement for Swap ② by the end of January 2026. Therefore, the planned acquisition price of the planned acquisition assets for Swap ②, the planned disposition price of the planned disposition assets for Swap ②, and the difference between the two (swap difference) are all currently TBD.

Based on the appraisal values and other factors for the planned acquisition assets and planned disposition assets of Swap ②, the estimated planned acquisition price for the planned acquisition assets of Swap ② as of today totals approximately 15,700 million yen (with 5,181 million yen for the first and second swaps, and 5,338 million yen for the third), while the estimated planned disposition price for the planned disposition assets of Swap ② amounts to approximately 14,820 million yen (with 4,940 million yen for the first to third swaps). These amounts are merely estimates calculated based on certain assumptions and conditions, and may differ significantly from the actual planned acquisition price of the planned acquisition assets for Swap ② and the planned disposition price of the planned disposition assets for Swap ②. The same applies hereafter.

The planned acquisition price of the planned acquisition assets for Swap ②, the planned disposition price of the planned disposition assets for Swap ②, and the swap difference will be communicated as soon as they are determined.

(Note 3) JLF plans to apply the provisions of Article 50 of the Corporation Tax Law of Japan regarding "inclusion in deductible expenses of the amount of reduction of assets acquired through a swap" and carry out the reduction entry accounting. However, the reduction amount due to this accounting is currently TBD. Additionally, please refer to the following for the estimated planned acquisition price (after reduction) based on the appraisal values of the planned acquisition assets and planned disposition assets of Swap ②.

Reduction entry and reserve for reduction entry of special provisions of replaced property for Swap ②(trial calculation based on appraisal value, etc. of Asset to be acquired under Swap ② and Asset to be disposed under Swap ②):

Regarding the asset to be acquired under Swap ②, JLF plans to apply reduction entries under the provisions of Article 50 of the Corporation Tax Law of Japan, "inclusion in deductible expenses of the amount of reduction of assets acquired through a swap" and use part of capital gains from the asset to be disposed under Swap ② to perform a

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reduction entry. Furthermore, in conjunction with the disposition of land under Ichikawa Logistics Center II, a reserve for reduction entry of special provisions of replaced property for replacement is projected. As a result, capital gains, etc., are expected as follows.

	Name of the asset to be disposed under Swap ②	Planned date of swap	a. Planned disposition price (million yen)	b. Book value (million yen)	c. Capital gain/loss (million yen)	d. Reduction amount (million yen)	e. Capital gain (after reduction) (c-d) (million yen)	f. Amount of reversal of reserve for reduction entry of special provisions of replaced property (Note 3) (million yen)	g. Amount for unitholder returns (e+f) (Note 4) (million yen)
First time	Ichikawa Logistics Center II (18% quasi-co-ownership interest)	February 2, 2026	4,940	2,872	2,066	1,325	741	443	1,185
Second time	Ichikawa Logistics Center II (18% quasi-co-ownership interest)	August 3, 2026	4,940	2,872	2,066	1,317	748	443	1,192
Third time	Ichikawa Logistics Center II (18% quasi-co-ownership interest)	February 1, 2027	4,940	2,872	2,066	1,277	788	443	1,232
Total			14,820	8,617	6,198	3,920	2,278	1,331	3,609

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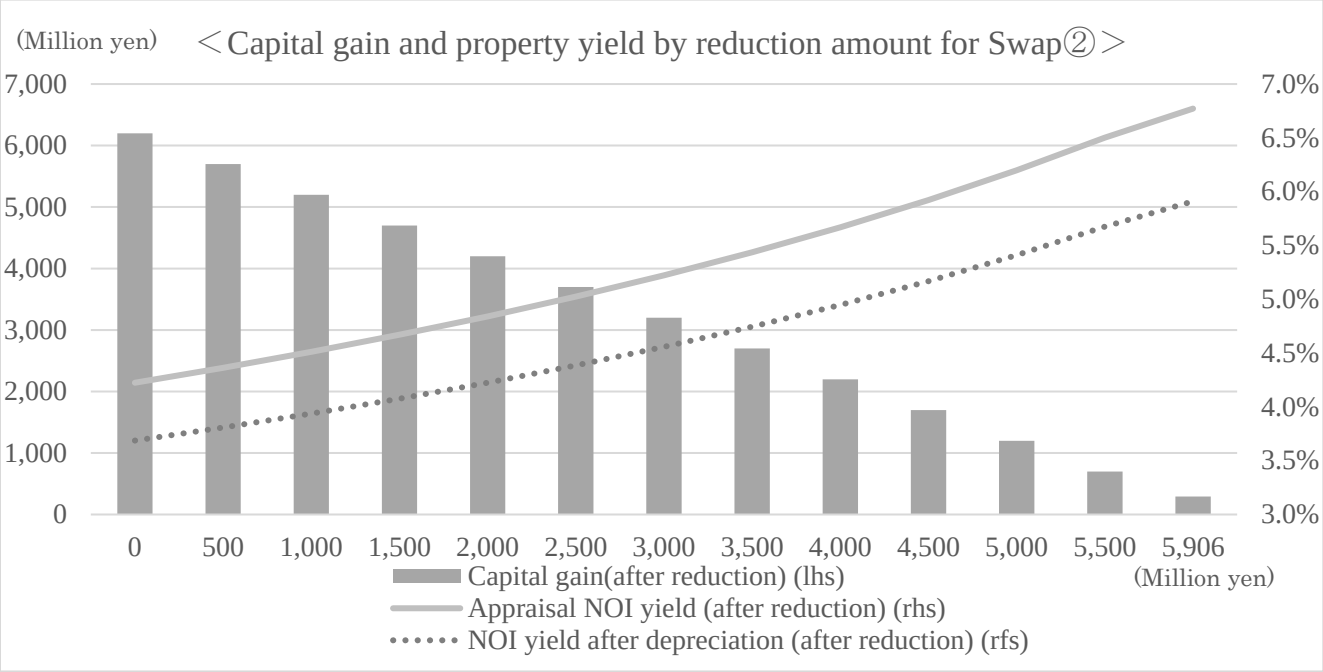
Based on the same premises as above, the estimated values for various metrics of the "Funabashi Nishiura Logistics Center III", which is the Asset to be acquired under Swap ② due to the reduction accounting, are expected to be as follows:

Contents of the asset to be acquired under Swap ②		Planned date of swap	h. Planned acquisition price (million yen)	d. Reduction amount (million yen)	i. Planned acquisition price (after reduction) (h-d) (million yen)	j. Appraisal NOI yield (after reduction) (Note 5) (%)	k. NOI yield after depreciation (after reduction) (Note 5) (%)
First time	Funabashi Nishiura Logistics Center III (33% quasi-co-ownership interest)	February 2, 2026	5,181	1,325	3,855	5.8	5.1
Second time	Funabashi Nishiura Logistics Center III (33% quasi-co-ownership interest)	August 3, 2026	5,181	1,317	3,863	5.8	5.0
Third time	Funabashi Nishiura Logistics Center III (34% quasi-co-ownership interest)	February 1, 2027	5,338	1,277	4,060	5.7	4.9
Total			15,700	3,920	11,779	5.7	5.0

(Note 1) a. Planned disposition price and h. Planned acquisition price are based on the appraisal values of the assets to be acquired and the assets to be disposed under Swap ② and represent the estimated amount of the planned disposition price of the assets to be disposed under Swap ② and the planned acquisition price of the assets to be acquired under Swap ② as of today.

(Note 2) The b. Book value, c. Capital gain/loss, d. Reduction amount, e. Capital gain (after reduction), i. Planned acquisition price (after reduction), j. Appraisal NOI yield (after reduction), and k. NOI yield after depreciation (after reduction) are all estimated values calculated as of the date of this document based on certain premises, assumptions, and conditions, and there may be significant differences from the actual amounts. In particular, regarding d. Reduction amount, JLF plans to determine this within the limits of allowable reduction entries during the fiscal periods when each swap is implemented. Therefore, the estimated values may significantly change depending on future operational conditions of JLF. If d. Reduction amount changes, the amounts and figures calculated based on d. Reduction amount (e. Capital gain (after reduction), g. Amount for unitholder returns, i. Planned acquisition price (after reduction), j. Appraisal NOI yield (after reduction), and k. NOI yield after depreciation (after reduction)) will also fluctuate. Simulations of these changes, calculated under certain assumptions and conditions, are as follows.

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(Note 3) Regarding f. Amount of reversal of reserve for reduction entry of special provisions of replaced property, JLF has accumulated a reserve for reduction entry of special provisions of replaced property of 2,219 million yen for the land of Ichikawa Logistics Center II in previous years. The drawdown will be made in proportion to the area of land sold due to the disposition of this land. Since JLF plans to sell 18% of its 90% quasi-co-ownership interest each time, it is expected to withdraw 443 million yen from the reserve for reduction entry of special provisions of replaced property for each transaction.

(Note 4) g. Amount for unitholder returns is calculated based on the estimated amounts of the planned acquisition price of the assets to be acquired under Swap ② and the planned disposition price of the assets to be disposed under Swap ② as of the date of this document. It represents the amount that JLF expects to record as capital gains during the operational period in which each planned swap date falls, along with the estimated amount for the reversal of the reserve for reduction entry of special provisions of replaced property. These estimated figures are calculated under certain premises, assumptions, and conditions as of the date of this document, and they may significantly differ from the actual amounts.

Furthermore, during each operational period, JLF may retain capital gains for internal reserves or use them to cover losses incurred during that period. Therefore, this does not guarantee or promise that the amount equivalent to the estimated g. Amount for unitholder returns will actually be distributed to the unitholders of JLF.

(Note 5) j. Appraisal NOI yield (after reduction) is calculated using the following formula: The same applies hereafter.

Appraisal NOI yield (after reduction) = Appraisal NOI ÷ Planned acquisition price (after reduction) × 100 (rounded to the second decimal places.)

The appraisal NOI represents the amount of operational net income that serves as the basis for the price derived from the direct capitalization method stated in the appraisal report.

k. NOI yield after depreciation (after reduction) is calculated using the following formula: The same applies hereafter.

NOI yield after depreciation (after reduction) = (Appraisal NOI - Depreciation expense) ÷ Planned acquisition price (after reduction) × 100 ((rounded to the second decimal places.)

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(3) Overview of Acquisition ①

	Asset to be acquired under Acquisition ①
Property number	M-17
Name of the property	Narashino Logistics Center II (Co-ownership interest: 10%)
Date of contract	January 16, 2025
Date of delivery	February 3, 2025
Planned acquisition price (Note 1)	1,244 million yen
Appraisal value	1,250 million yen
Discount from appraisal value (Note 2)	0.5%
Appraisal NOI yield (100% ownership interest) (Note 3)	5.5%
NOI yield after depreciation (100% ownership interest) (Note 3)	4.1%
Seller	Narashino 3 Special Purpose Company
Intermediary	N/A
Fund source	Funds on hand
Payment method	Lump-sum payment on the date of delivery

(Note 1) The amount provided is the purchase amount (excluding consumption tax and local consumption tax) stipulated under the trust beneficiary right purchase agreement (hereinafter referred to as the "Purchase Agreement") related to the Asset to be acquired under Acquisition ①.

(Note 2) Discount from appraisal value = (Appraisal value - planned acquisition price) ÷ appraisal value X 100

(Note 3) "Appraisal NOI yield (100% ownership interest)" and " NOI yield after depreciation (100% ownership interest)" are shows the projected value after achieving 100% ownership and calculated using the following formula.

Appraisal NOI yield (100% ownership interest) = Appraisal NOI ÷ (planned acquisition price+ Book value as of July 31, 2024 (quasi-ownership interest of 90%)) X 100 (rounded to the first decimal point)

The appraisal NOI reflects the amount net operating income used as the premise for the price based on the direct capitalization method described in the appraisal value report.

NOI yield after depreciation (100% ownership interest) = (Appraisal NOI - Depreciation expense (estimate)) ÷ (Planned acquisition price+ Book value as of July 31, 2024 (quasi-ownership interest of 90%)) × 100 (rounded to the second decimal place).

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2. Rationale of the Transaction

Under the new growth strategy Develop the Value 2.0 announced September 2024, JLF aims to achieve a DPU target of 2,100 yen (Note 1). To that end, JLF deploys an income gain strategy, which is designed to grow profits generated by the existing portfolio, and a capital recycling strategy, which seeks to grow profit through continued capturing of real estate capital gains and re-investment (property acquisitions and/or investment unit buybacks).

Since the new growth strategy was announced, JLF's investment unit price has fared well compared to the broader TSE REIT Index but remains at a discount to NAVPU (Note 2). As such, MLP understands the importance of recovering the investment unit price. Under these circumstances, MLP decided to implement the Transaction based on the belief the Develop the Value 2.0 strategy needs to be advanced quickly.

The asset to be disposed under the Swaps has seen its asset value maximized since its acquisition in 2010. The asset's appraisal value appreciated 35.0% as of end of November 2024 compared to the date its acquisition was decided, and unrealized gain as a % of value (Note 3) rose to 72.0%. Recent lease agreements with in-place tenants have been renewed at rent levels targeted by MLP, and based on the judgment the asset value has been maximized, the asset then became slated for sale. IRR over the holding period (Note 4) is projected to be 7.2%.

Kita Nagoya Logistics Center, the asset to be acquired under Swap ①, is well located with excellent access to central Nagoya. JLF has managed 6 properties in the Nagoya area to date, with another 3 in the pipeline (Note 5) for future acquisition. Through the management of these assets, MLP is well informed about the Nagoya leasing market. Kita Nagoya Logistics Center is currently under-rented versus the market (Note 6), and the weighted average lease expiry (Note 7) is short (1.3 years), leaving a great deal of upside to asset value in a short period.

Funabashi Nishiura Logistics Center III, the asset to be acquired under Swap ②, sits on a rare location within the sought-after Tokyo Bay Area. In addition to having a rental gap, new supply in the area is limited, and the asset has the potential for future asset value appreciation based on expectations for future growth in market rents.

Narashino Logistics Center II (10% quasi-co-ownership interest), the asset to be acquired under Acquisition ①, is an asset under management in which JLF has owned a 90% quasi-co-ownership interest since 2010. JLF recognizes that properties with a rental gap have the potential for asset value enhancement, and with the acquisition of the incremental 10% quasi-co-ownership interest, JLF will take sole ownership of Narashino Logistics Center II, providing more flexibility, agility and efficiency in operation.

As a result of the Transaction after all transactions have been completed, MLP estimates profit generated by the portfolio will increase about 150 million yen per fiscal period and sees great potential for profit growth (Note 8). Furthermore, in conjunction with the Transaction, JLF will book a 2,219 million yen reversal of the reserve for reduction entry of special provisions of replaced property and estimate and the recording of capital gains, with the recording expected to be implemented over a maximum period of five fiscal periods (Note 9). As a result, unitholder returns will be enhanced through a higher level of DPU. Furthermore, we expect to acquire unrealized gains (Note 9) on the assets to be acquired through the Swap as a result of the reduction accounting associated with this Swap. Such treatment will contribute to maintaining or growing NAV per unit.

JLF believes the Transaction will improve capital cost and lead to increased unitholder returns and unitholder value through a higher DPU. Following the Transaction, JLF will continue to deploy its Develop the Value 2.0 strategy with a careful eye on unit price, capital cost, and the like.

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(Note 1) JLF plans to implement a 3-for-1 investment unit split with a record date of January 31, 2025, and an effective date of February 1, 2025. In conjunction, the DPU target has been changed to 2,100 yen from 6,300 yen.

(Note 2) "NAV (Net Asset Value) per unit" is a value of net assets, reflecting unrealized gain/loss, which is the difference between the book value and appraisal value of portfolio assets, is divided by the number of investment units issued and outstanding.

(Note 3) "Unrealized gain as a % of portfolio value" = (Appraisal value (as of the estimated date of end of November 2024) - book value (as of the estimated date of February 3, 2025)) ÷ book value (as of the estimated date of February 3, 2025)

(Note 4) IRR is calculated assuming as the holding period the period from September 3, 2010, through the planned swap date. The holding period NCF is calculated based on projected NCF from the fiscal period ending January 2025 through the fiscal period ending July 2027, which is based on actual NCF since September 3, 2010, and actual NCF for the fiscal period ending July 2024.

(Note 5) JLF has first right of refusal on these properties, but there is no guarantee that JLF and the current owner will enter into purchase agreements related to these properties in question and does not guarantee that JLF will acquire the properties.

(Note 6) "rental gap" refers to the difference between the market rent for the property and the rental level stipulated in the lease agreements effective as of the date of this document. In this document, the market rent is referenced from the expected new rental levels in the market report obtained from CBRE k.k. for each property acquisition. The market rent is merely a reference value and does not guarantee or assure the actual lease agreement's rent amount or level. It also does not guarantee or promise that the rent will be increased to correspond with the rent gap. The same applies below.

(Note 7) This indicates the weighted average remaining duration of each lease agreement as of the date of this document, calculated based on the leased area.

(Note 8) Provided here is the difference between the sum of NOI after depreciation (per fiscal period) for the assets to be acquired (502 million yen) and NOI after depreciation (per fiscal period) for the assets to be disposed (352 million yen). The formula for calculating NOI after depreciation (per fiscal period) is as follows:
NOI after depreciation (fiscal period) = Appraisal NOI (per fiscal period) - Depreciation expense (per fiscal period) (Assets to be acquired are notional values; assets to be transferred are actual values for the fiscal period ended of July, 2024).
The NOI after depreciation (per fiscal period) the NOI after depreciation (per fiscal period) is an estimated value calculated based on the formula above and does not guarantee or promise the amount of NOI after depreciation (per fiscal period) at the time all transactions are completed.

(Note 9) JLF estimates that, based on certain premises and conditions, it can anticipate the reversal of the reserve for reduction entry of special provisions of replaced property and the recording of capital gains (after reduction) in this transaction; however, it does not guarantee or promise that the reversal of the reserve for reduction entry of special provisions of replaced property and the recording of capital gains (after reduction) will actually be possible.
Furthermore, based on the assumed and estimated values as of the date of this document, the total amount of the reversal of the reserve for reduction entry of special provisions of replaced property is expected to be 2,219 million yen, the total amount of capital gains (after reduction) is expected to be 3,774 million yen, and the book value (after reduction) of the assets to be acquired through this swap is expected to total 21,326 million yen (as of February 1, 2027, not considering depreciation), with unrealized gains expected to be 7,443 million yen. These amounts are estimated values calculated under certain premises, assumptions, and conditions as of today, and there may be significant differences from the actual amounts.

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3. Advantages of the assets to be acquired

(1) Asset to be acquired under Swap ①

T-16 Kita Nagoya Logistics Center

Acquisition highlights

- **Potential for earnings upside due to rental gap and short remaining life on lease agreements.**
- **Located near multiple highways, such as the Meishin and Nagoya Expressways, and close to central Nagoya. Very convenient location to serve as an important logistics point for either broad coverage or frequent deliveries.**
- **Large, four-story multi-tenant facility with a slope and highly versatile specifications. Can also be divided into 4 subsections per tenant needs.**

a. Location

- Located about 10km north of central Nagoya, a rare location close to a major consumption market.
- Excellent access to multiple highways: about 4.4km from the Ichinomiya Interchange of the Meishin Expressway, about 1.9km from the Kasuga exit of Nagoya Expressway Route 16 Ichinomiya Line, and about 2.8km from the Kiyosu-Higashi Interchange on Mei-Nikan Expressway. Highly convenient location well suited for ground deliveries into Nagoya as well as deliveries across the broader metropolitan area.
- Located within walking distance (about 1.5km) from the nearest station, Nishiharu Station on the Meitetsu Inuyama Line. The environment enables access to a rich pool of labor with about 10-minute access from Nishiharu Station to Nagoya Station. Furthermore, the property faces a trunk line lined by retail stores and is backed by warehouses and offices, making it possible to bring deliveries in and out 24 hours a day.

b. Facilities

- Large-scale, four-story, multi-tenant logistics facility with gross floor area of 13,205 tsubo. The building is equipped with truck berths on the 1st and 3rd floors via ramps and can be divided into two sections on the 1st and 2nd floors and on the 3rd and 4th floors for a total of four sections, depending on tenant needs.
- In addition to standard specifications such as effective inter-column gap of 10m x 10m, effective ceiling height of 6.0m, and floor load of 1.5t/m^2, the facility is equipped with one 3.5t cargo elevator and two vertical conveyors, providing versatility in each section and high work efficiency within.
- Received an S-rank rating under the Certification for CASBEE for Real Estate.

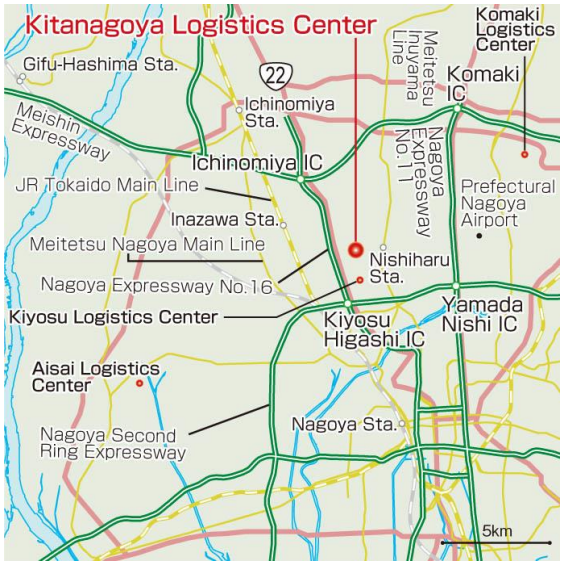
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Facility exterior

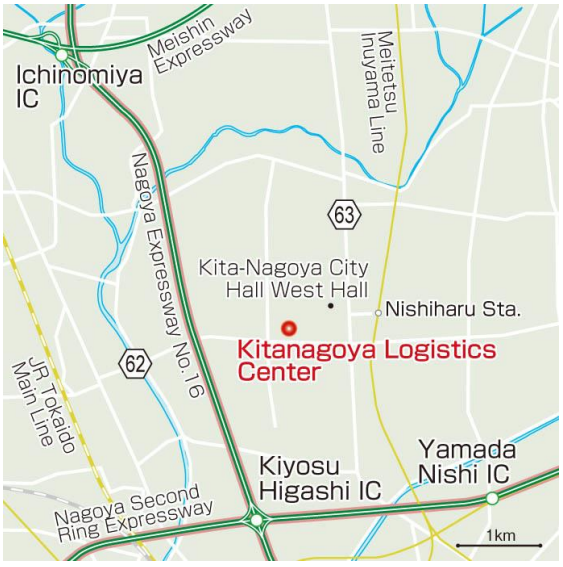


Map

Zoomed out



Zoomed in



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(2) Asset to be acquired under Swap ②

M-43 Funabashi Nishiura Logistics Center III

Acquisition highlights

- **In addition to having a rental gap, rare location with future rental growth potential.**
- **Located near the major consumption market of central Tokyo. Excels as a base for collection and delivery to urban areas.**
- **Highly versatile specifications enabling efficient internal operations. Can be divided into partitions as small as about 1,100 tsubo for leasing.**

a. Location

- Excellent proximity to central Tokyo and located about 20km from both Tokyo and Chiba City, the capital of Chiba Prefecture. Located approximately 750 meters from the Tokyo Wangan Road (National Route 357), the site is also accessible to the Metropolitan Expressway Wangan Route, which runs parallel to the Tokyo Wangan Road, making it an advantageous logistics base location with good transportation access near a major consumption area.
- New connection from the Tokyo Gaikan Expressway to Keiyo Road and the Kanto Expressway/Metropolitan Expressway Wangan Route enhances delivery efficiency to Ibaraki and Saitama prefectures.
- The surrounding area is zoned for industrial applications and home to logistics facilities and factories, allowing for 24-hour operation and frequent deliveries.
- Advantageous access to labor given its location is walking distance from the nearest station, Futamata Shinmachi Station on the JR Keiyo Line, and is near residential areas north of Keiyo Road.

b. Facilities

- The buildings comprise a main building with high versatility and an annex with high delivery efficiency and can accommodate a wide range of tenant needs with leasing space as small as about 1,100 tsubo.
- The main building and annex, respectively, have a floor load of 1.5 t/m^2 and 1.2-1.5 t/m2, effective ceiling height of 5.5 m and 2.6-5.6 m, inter-column gap of 10.4 m x 10.7 m and 7.5 m x 9.4 m, and highly efficient delivery specifications with several truck berths that can handle high frequency of incoming and outgoing deliveries
- The main building is equipped with one emergency power generator, making it a BCP-friendly facility.
- The facility is designed to allow workers to commute by car, with ample parking in each of the main and annex buildings.
- The main building received an A-rank rating under the Certification for CASBEE for Real Estate.

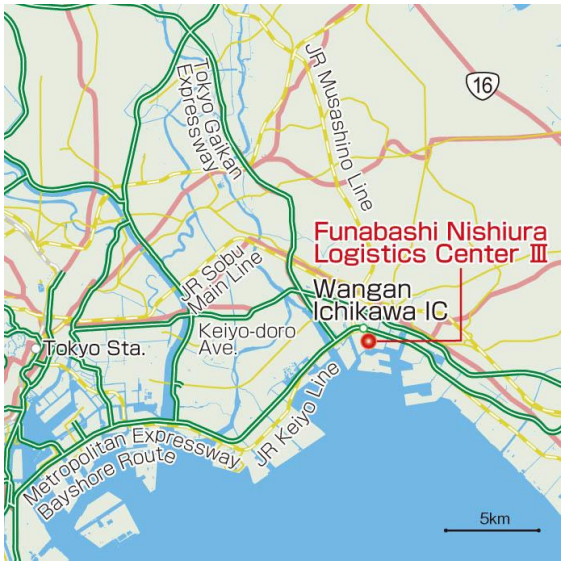
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Facility exterior



Map

Zoomed out



Zoomed in



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(3) Asset to be acquired under Acquisition ①

M-17 Narashino Logistics Center II

Acquisition highlights

- **In addition to having a rental gap, this allows for flexible and agile management through full ownership.**
- **Excellent access to trunklines such as the Tokyo Wangan Road and the Higashi-Kanto Expressway. Location is suited for logistics serving consumers in an area covering from the heart of Tokyo to the Keiyo Bay area.**
- **Versatile 5-story rampway logistics facility equipped with standard specifications.**
- **Offers high operational efficiency with about 60 truck berths and a cargo elevator and vertical conveyor on each floor.**

a. Location

- Located about 25km from the heart of Tokyo with good delivery access to major consumption markets from central Tokyo to Chiba Prefecture.
- The property has good access to major roads, located about 2.3 km from the Tokyo Wangan Road, about 3.4 km from the Yatsu Funabashi Interchange on the Higashi-Kanto Expressway, and about 6.4 km from the Wangan Chiba Interchange. A highly convenient location for regional and wide-area delivery, as it can cover central Tokyo, Chiba, and Kanagawa prefectures in about 60 minutes.
- Location allows for 24-hour operations, as it is located within an industrially zoned area.
- Access to labor from urban areas such as densely populated Narashino City and neighboring Funabashi City.

b. Facilities

- It is a versatile 5-story rampway-type logistics facility with a gross floor area of about 13,205 tsubo, a 5.5 m effective ceiling height, a floor load of 1.5 t/m^2, and a 10 m x 10 m column spacing.
- The facility is designed to allow workers to commute by car, with ample parking.
- High delivery efficiency with double-sided truck berths on the first floor and single-sided berths accessible via rampways on the fourth floor.
- The building received an A-rank rating under the Certification for CASBEE for Real Estate and a 5-star ZEB Ready rating under the BELS certification.

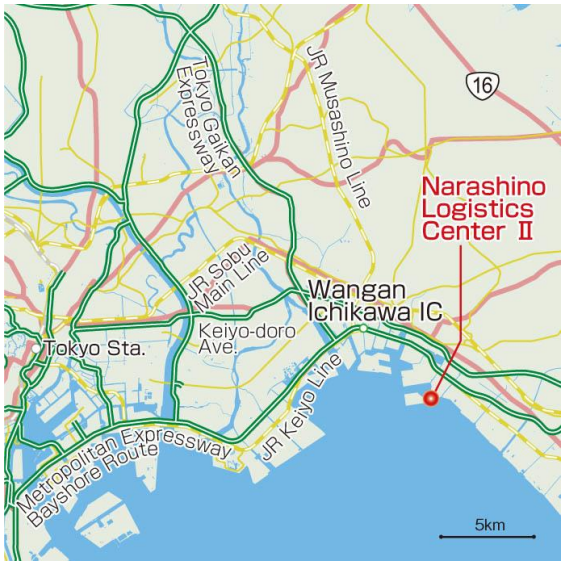
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Facility exterior



Map

Zoomed out



Zoomed in



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(Reference) Changes in the Portfolio

			Assets to be acquired			Asset to be disposed	
		Before Transaction	Kita Nagoya	Funabashi Nishiura III	Narashino II (10% quasi-co-ownership interest)	Ichikawa II (90% quasi-co-ownership interest)	After Transaction
Appraisal value	JPY Million	411,310	10,800	16,720	12,500*	24,700	415,580
Unrealized gain	JPY Million	157,150	2,836	4,940	5,502*	10,336	154,832
Unrealized gain as a %	%	61.8	35.6	41.9	78.6*	72.0	59.4
Appraisal NOI yield	%	5.8	5.6	5.7	5.5*	3.7**	5.8
NOI yield after depreciation	%	4.5	4.7	5.0	4.1*	2.9**	4.5
No. of properties		52	1	1	1	1	53
Number of tenants		71	3	4	1	2	76
Gross leasable area	㎡	1,380,826.52	42,751.60	56,556.95	48,342.83*	74,516.70*	1,417,904.34
Occupancy rate	%	99.5	100.0	100.0	100.0	100.0	99.5
NAVPU	JPY	105,940	-	-	-	-	106,308
LTV based on appraisal value	%	29.1	-	-	-	-	28.8

*Based on 100% ownership interest
**Based on Planned disposition price

(Note 1) The information "Before Transaction" includes data as of December 31, 2024. However, the appraisal value and the appraisal NOI yield, as well as the NOI yield after depreciation are calculated using the appraisal value and NOI from the appraisal report as of the end of July 2024. The appraisal NOI yield and the NOI yield after depreciation for Ichikawa II are calculated by dividing by the planned disposition price.

(Note 2) "Unrealized gain" refers to the amount obtained by subtracting the book value from the appraisal value (if the difference is negative, it is an unrealized loss). "Unrealized gain as a %" is calculated by the following formula.
(Appraisal value - book value) ÷ book value
However, "Unrealized gain" for assets to be acquired, the planned acquisition price (estimate amount after reduction for Kita Nagoya and Funabashi Nishiura III) is subtracted from appraisal value. Here, unrealized gain as a % is calculated using the following formula.
(Appraisal value - planned acquisition price (estimate amount after reduction for Kita Nagoya and Funabashi Nishiura III)) ÷ Planned acquisition price (estimate amount after reduction for Kita Nagoya and Funabashi Nishiura III)

(Note 3) "NAVPU" refers to the estimated value of net asset value per investment unit based on the appraisal value of the holding assets calculated using the following formula and is different from the net asset value per unit based on the value of net assets on the balance sheet:
(Net asset amount on the balance sheet at the end of the period - Total distribution amount related to the period + Total appraisal value of holding assets at the end of the period - Total book value of holding assets at the end of the period) ÷ Total number of issued investment units at the end of the period.

(Note 4) "Appraisal LTV" is calculated using the following formula:
Total interest-bearing liabilities ÷ Total appraisal value

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4. Description of the assets to be acquired

(1) Overview of the asset to be acquired under Swap ①

T-16 Kita Nagoya Logistics Center

Overview of the asset					
Asset type		Real estate trust beneficiary right	Overview	Surveyor	Earth-Appraisal Co., Ltd.
Planned acquisition date		February 3, 2025 August 1, 2025		Date of report	December 18, 2024
Planned acquisition price		Total 10,600 million yen		Emergency and Urgent repairs	—
Appraisal value		10,800 million yen			
Trustee		Mitsubishi UFJ Trust and Banking Corporation		Mid-term repairs	171,330 thousand yen (17,133 thousand yen per year)
Winding up of the trust		March 26, 2028	PML value		3.9%
Land	Location	34-1, Okimura-gongen, Kitanagoya, Aichi	Building	Structure/Floors	Steel-framed and alloy-plated steel sheet covered building, with 4 stories
	Area	21,942.24m²		Timing of construction	June 19, 2009
	Zoning	Semi-industrial zoning area		Gross floor area	43,655.30m²
	Plot ratio	200%		Gross leasable area	42,751.60m²
	Building-to-land ratio	60%		Use	Warehouse
	Form of ownership	Ownership rights		Form of ownership	Ownership rights
Property management company		Prologis K.K.	Collateral		N/A
Master lease company		Prologis REIT Master Lease GK	By type of master lease		Pass-through
Leasing circumstances	Number of tenants	3	Name of tenant		HAMAKYOREX CO., LTD. CHUKYORIKUUN CO., LTD sunrise Co., Ltd.
	Annual rent	Not disclosed (Note)	Deposits and guarantees		Not disclosed (Note)
	Space leased	42,751.60m²	Occupancy rate		100.0%

Occupancy Rates	End of May 2020	End of May 2021	End of May 2022	End of May 2023	End of May 2024
	100.0%	100.0%	100.0%	100.0%	100.0%

Remarks:
JLF plans to acquire the property from Nippon Prologis REIT, Inc. (hereinafter referred to as "NPR") in 2 times. With the acquisition of the first time, NPR and JLF will share quasi-co-ownership of the property. In going forward with the acquisition of the property, JLF will enter into an agreement among beneficiaries with MLP, NPR, NPR's asset manager Prologis REIT Management K.K., and the lessee of the property, Prologis REIT Master Lease GK. The main contents of such agreement are as follows: The agreement is planned to terminate once JLF completes acquisition of the second time and JLF takes over sole ownership of the property.

- With respect to the formation of intentions as beneficiaries, important matters such as reconstruction of the building shall be decided by unanimous agreement of all quasi co-owners, in principle, after consultation among all quasi co-owners. Matters other than important matters shall be decided through consultations among all quasi-co-owners and decided by a majority vote based on the percentage of ownership. In the event of equal shares, JLF shall decide by vote.
- A quasi co-owner may not transfer or create a security interest in the quasi co-ownership without the consent of the other quasi co-owners.

(Note) Not disclosed due to lack of tenant consent.

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(2) Overview of the asset to be acquired under Swap ②

M-43 Funabashi Nishiura Logistics Center III

Overview of the asset					
Asset type		Real estate trust beneficiary right	Overview	Surveyor	Earth-Appraisal Co., Ltd.
Planned acquisition date		February 2, 2026 August 3, 2026 February 1, 2027		Date of report	December 18, 2024
Planned acquisition price		TBD (Note 1)		Emergency and urgent repairs	-
Appraisal value		16,720 million yen		Mid-term repairs	327,390 thousand yen (32,739 thousand yen per year)
Trustee		Sumitomo Mitsui Trust Bank, Limited			
Winding up of the trust		June 30, 2033	PML value		2.1% and one other (Note 2)
Land	Location	3-6-1 Nishiura, Funabashi City, Chiba, etc.	Building	Structure/Floors	Reinforced concrete and steel-framed structure, alloy-plated steel sheet roofing with 5 stories, etc.
	Area	30,372.00m²		Timing of construction	April 23, 2007 (Note 2)
	Zoning	Exclusively industrial		Gross floor area	58,504.55m²
	Plot ratio	200%		Gross leasable area	56,556.95m² (Note 2)
	Building-to-land ratio	60%		Use	Warehouse
	Form of ownership	Ownership rights		Form of ownership	Ownership rights
Property management company		Prologis K.K.	Collateral		N/A
Master lease company		Prologis REIT Master Lease GK	By type of master lease		Pass-through
Leasing circumstances	Number of tenants	4	Name of tenant		ATENA CORPORATION DAIWACORPORATION., Ltd. NTT LOGISCO Inc. Other (1 company)
	Annual rent	Not disclosed (Note 3)	Deposits and guarantees		Not disclosed (Note 3)
	Space leased	56,556.95m²	Occupancy rate		100.0%

Occupancy Rates	End of May 2020	End of May 2021	End of May 2022	End of May 2023	End of May 2024
	100.0%	100.0%	100.0%	100.0%	100.0%

Remarks:
1. A superficies right is established on a part of the property for the purpose of installing a drainage pipe, with the owner of the adjacent land as the superficies holder.
2. A portion of the property (4,025m²) is subject to a pass-through easement.
3. JLF plans to acquire the property from NPR in 3 times. With the acquisition of the first time, NPR and JLF will share quasi-co-ownership of the property. In going forward with the acquisition of the property, JLF will enter into an agreement among beneficiaries with MLP, NPR, NPR's asset manager Prologis REIT Management K.K., and the lessee of the property, Prologis REIT Master Lease GK. The main contents of such agreement are as follows: The agreement is planned to terminate once JLF completes acquisition for the third time and JLF takes over sole ownership of the property.
   - With respect to the formation of intentions as beneficiaries, important matters such as reconstruction of the building shall be decided by unanimous agreement of all quasi co-owners, in principle, after consultation among all quasi co-owners. Matters other than important matters shall be decided through consultations among all quasi-co-owners and decided by a majority vote based on the percentage of ownership.
   - A quasi co-owner may not transfer or create a security interest in the quasi co-ownership without the consent of the other quasi co-owners.
4. The investigation has confirmed the presence of hazardous substances exceeding the standard value in parts of this land.

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However, JLF has confirmed with Earth-Appraisal Co., Ltd. that the risk of health damage occurring on the site is low.
(Note 1) In the trust beneficiary rights swap agreement related to Swap ②, the planned acquisition price for the assets to be acquired under Swap ② is to be determined based on the appraisal value that NPR will acquire within three months of the first planned swap date, and will be established by the end of January 2026, following the calculation method specified in the trust beneficiary rights swap agreement. (Note 2) Main building: PML value 2.1%, construction period April 23, 2007, leasable area 43,629.83 ㎡. Annex: PML value 4.6%, construction period January 24, 1990, leasable area 12,927.12 ㎡. (Note 3) Not disclosed due to lack of tenant consent.

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(3) Description of the asset to be acquired under Acquisition ①

M-17 Narashino Logistics Center II

Overview of the asset					
Asset type		Real estate trust beneficiary right (Co-ownership interest: 10%)	Overview of evaluation of the building situation	Surveyor	Earth-Appraisal Co., Ltd.
Planned acquisition date		February 3, 2025		Date of report	December 18, 2024
Planned acquisition price		1,244 million yen		Emergency and urgent repairs	1,050 thousand yen
Appraisal value		1,250 million yen		Mid-term repairs	342,640 thousand yen (34,264 thousand yen per year)
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Winding up of the trust		January 31, 2026	PML value		2.7%
Land	Location	3-34-10 Akanehama, Narashino City, Chiba	Building	Structure/Floors	Steel-framed and alloy-plated steel sheet covered building, with 5 stories
	Area	25,039.00 ㎡		Timing of construction	January 20, 2008
	Zoning	Exclusively industrial		Gross floor area	49,809.58m²
	Plot ratio	200%		Gross leasable area (GLA)	48,342.83m²
	Building-to-land ratio	50%		Use	Warehouse and office
	Form of ownership	Ownership rights		Form of ownership	Ownership rights
Property management company		Prologis K.K. (Note 2)	Collateral		N/A
Master lease company		Prologis Park Narashino 3, GK (Note 2)	By type of master lease		Pass-through (Note 2)
Leasing circumstances	Number of tenants	1	Name of tenant		MITSUI-SOKO LOGISTICS Co., Ltd.
	Annual rent	Not disclosed (Note 3)	Deposits and guarantees		Not disclosed (Note 3)
	Space leased	48,342.83m²	Occupancy rate		100.0%

Occupancy Rates	End of July 2020	End of July 2021	End of July 2022	End of July 2023	End of July 2024
	100.0%	100.0%	100.0%	100.0%	100.0%

Remarks:

1. As a result of investigation, the presence of hazardous substances exceeding the standard values has been confirmed in a part of the land. However, JLF has confirmed with SHIMIZU CORPORATION that there is little concern that the contaminated soil will have a significant impact on the environment as appropriate measures have been taken, and that the entire land can be used as it is. In addition, if a portion of the soil is to be removed from the site, it will need to be properly treated in accordance with laws and regulations. However, based on the expert's opinion that it will be possible to handle future reconstruction without removing the soil from the site, we have determined that there is no need to anticipate the cost of contamination treatment measures.
2. JLF shares quasi-co-ownership of the property with Narashino 3 Special Purpose Company, which has entered into an agreement among beneficiaries among its asset manager and the property's property manager, Prologis K.K., The property's lessee, Prologis Park Narashino 3, GK, and MLP. With Acquisition ①, JLF with take sole ownership of the property. As such, said agreement among beneficiaries shall be dissolved by mutual consent.

(Note 1) Although JLF plans to acquire a 10% quasi-co-ownership interest in the real estate trust beneficiary right, the figures other than the planned acquisition price and appraisal value are for the whole (100% of the) property. JLF acquired a 90% quasi-co-ownership interest of the property effective March 2, 2010, and will take sole ownership of the property with the additional acquisition effective February 3, 2025.

(Note 2) Effective February 3, 2025, and subject to execution of Acquisition ①, the property management agreement with Prologis K.K. as the property manager and the master lease agreement with Prologis Park Narashino 3, GK as the master lessee

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will be terminated per mutual consent. After the termination of such property management agreement, a property management agreement will be initiated between the trustee and Fukuda and Partners Co., Ltd... Note that there are no plans to enter into a new master lease agreement.

(Note 3) Not disclosed due to lack of tenant consent.

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5. Description of the asset to be disposed

(1) Overview of the asset to be disposed under Swap ① and the asset to be disposed under Swap ②

M-18 Ichikawa Logistics Center II (90% quasi-co-ownership interest) (Note 1)

<table>
<tr><td colspan="6">Overview of the asset</td></tr>
<tr><td colspan="2">Asset type</td><td>Real estate trust beneficiary right (Co-ownership interest: 90%)</td><td colspan="2">Date of delivery</td><td>Swap ①
First time: February 3, 2025
Second time: August 1, 2025
Swap ②
First time: February 2, 2026
Second time: August 3, 2026
Third time: February 1, 2027</td></tr>
<tr><td colspan="2">Trustee</td><td>Mizuho Trust & Banking Co., Ltd.</td><td colspan="2">Planned disposition price</td><td>Swap ①
First time: 4,940 million yen
Second time: 4,940 million yen
Swap ②
TBD (Note 2)</td></tr>
<tr><td colspan="2">Winding up of the trust</td><td>January 31, 2026</td><td colspan="2">Book value (Note 1)</td><td>Swap ①
First time: 2,872 million yen
Second time: 2,872 million yen
Swap ②
First time: 2,872 million yen
Second time: 2,872 million yen
Third time: 2,872 million yen</td></tr>
<tr><td colspan="2">Acquisition date</td><td>September 3, 2010</td><td colspan="2" rowspan="2">Difference between planned disposition price and book value</td><td rowspan="2">Swap ①
First time: 2,067 million yen
Second time: 2,067 million yen
Swap ②
TBD (Note 2)</td></tr>
<tr><td colspan="2">Acquisition price</td><td>17,415 million yen</td></tr>
<tr><td rowspan="6">Land</td><td>Location</td><td>1 Takahama-cho, Ichikawa City, Chiba, etc.</td><td rowspan="6">Building</td><td>Structure/Floors</td><td>Reinforced concrete structure and alloy-plated steel sheet covered building with 5 stories</td></tr>
<tr><td>Area</td><td>38,727.25m²</td><td>Timing of construction</td><td>October 9, 2009</td></tr>
<tr><td>Zoning</td><td>Exclusively industrial</td><td>Gross floor area</td><td>76,842.37m²</td></tr>
<tr><td>Plot ratio</td><td>200%</td><td>Gross leasable area</td><td>74,516.70m²</td></tr>
<tr><td>Building-to-land ratio</td><td>60%</td><td>Use</td><td>Warehouse and office</td></tr>
<tr><td>Form of ownership</td><td>Ownership rights</td><td>Form of ownership</td><td>Ownership rights</td></tr>
<tr><td colspan="2">Property management company</td><td>Prologis K.K.</td><td colspan="2">Collateral</td><td>N/A</td></tr>
<tr><td colspan="2">Master lease company</td><td>Prologis Park Ichikawa 2, GK (Note 4)</td><td colspan="2">By type of master lease</td><td>Pass-through</td></tr>
<tr><td colspan="6">Outline of the appraisal</td></tr>
<tr><td colspan="2" rowspan="2">Appraiser</td><td rowspan="2">Tanizawa Sogo Appraisal Co., Ltd.</td><td colspan="2">Timing of pricing</td><td>November 30, 2024</td></tr>
<tr><td colspan="2">Appraisal value</td><td>24,700 million yen</td></tr>
<tr><td colspan="6">Outline of the lease</td></tr>
<tr><td colspan="2">Number of tenants</td><td>2</td><td colspan="2">Deposits and guarantees</td><td>Not disclosed (Note 6)</td></tr>
<tr><td colspan="2">Tenants (Note 3)</td><td>① TOMY Company, Ltd.
② JR East Logistics Co., Ltd</td><td colspan="2">Space leased</td><td>① 57,638.85 m²
② 16,877.85 m²</td></tr>
<tr><td colspan="2">Annual rent (excluding consumption tax, etc.)</td><td>Not disclosed (Note 6)</td><td colspan="2"></td><td></td></tr>
<tr><td colspan="2" rowspan="2">Occupancy Rates</td><td>End of July 2020</td><td>End of July 2021</td><td>End of July 2022</td><td>End of July 2023</td><td>End of July 2024</td></tr>
<tr><td>100.0%</td><td>100.0%</td><td>100.0%</td><td>100.0%</td><td>100.0%</td></tr>
</table>

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Remarks:
1. Buried foundation piles from a building that was demolished in the past remain in the ground on this land. JLF has decided the acquisition price factoring estimated costs of 30 million yen to remove and carry away some of said buried foundation piles upon re-construction. 2. JLF shares quasi-co-ownership of the property with Ichikawa 2 Special Purpose Company, which has entered into an agreement among beneficiaries among its asset manager and the property's property manager, Prologis K.K. the property's lessee, Prologis Park Ichikawa 2, GK, and MLP. With the first disposition of the property, said agreement among beneficiaries shall be terminated by mutual consent. 3. JLF plans to sell the property to NPR for 5 times. With the first disposition, NPR and JLF will share quasi-co-ownership of the property. JLF will enter into an agreement among beneficiaries with MLP, NPR, NPR's asset manager Prologis REIT Management K.K., and the newly planned master lessee of the property, Prologis REIT Master Lease GK. The main contents of such agreement are as follows: The agreement is planned to terminate once JLF completes disposition for the fifth time and NPR takes over sole ownership of the property. ・With respect to the formation of intentions as beneficiaries, important matters such as reconstruction of the building shall be decided by unanimous agreement of all quasi co-owners, in principle, after consultation among all quasi co-owners. Matters other than important matters shall be decided through consultations among all quasi-co-owners and decided by a majority vote based on the percentage of ownership. ・A quasi co-owner may not transfer or create a security interest in the quasi co-ownership without the consent of the other quasi co-owners.
(Note 1) JLF holds a 90% co-ownership interest in the real estate trust beneficiary rights; however, other than the planned acquisition price and appraisal value, the information provided pertains to the entire property (100%). (Note 2) In the trust beneficiary rights swap agreement related to Swap ②, the planned disposition price for the assets to be disposed under Swap ② is to be determined based on the appraisal value that JLF will acquire, with the valuation date to be within three months prior to the first planned swap date, and will be established by the end of January 2026, following the calculation method specified in the trust beneficiary rights swap agreement. (Note 3) The estimated values as of each disposition date are provided. Furthermore, these do not take into account any depreciation arising from depreciation expenses. (Note 4) The master lease agreement with Prologis Park Ichikawa 2, GK, as the master lessee is planned to be terminated per mutual consent effective February 3, 2025, subject to disposition of the 10% quasi-co-ownership interest of real estate trust beneficiary rights of NPR under Ichikawa 2 Special Purpose Company, which is planned for February 3, 2025. After terminating said master lease agreement, a new master lease agreement will be entered into between the trustee and Prologis REIT Master Lease GK. (Note 5) The tenants provided here are current as of the date of this document. (Note 6) Not disclosed due to lack of tenant consent.

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6. Overview of the swap counterparty

T-16 Kita Nagoya Logistics Center, M-43 Funabashi Nishiura Logistics Center III and M-18 Ichikawa Logistics Center II

Name	Nippon Prologis REIT, Inc.
Location	Tokyo Bldg., 2-7-3, Marunouchi, Chiyoda-ku, Tokyo
Representative	Executive Director Satoshi Yamaguchi
Main business	To manage the assets of the investment corporation mainly as investments in specified assets in accordance with the Act on Investment Trusts and Investment Corporations.
Total unitholders' equity	498,155 million yen (as of May 31, 2024)
Established	November 7, 2012
Equity	510,747 million yen (as of May 31, 2024)
Total assets	880,723 million yen (as of May 31, 2024)
Major unitholders and their ownership interests	Custody Bank of Japan, Ltd. (trust account) (21.85%) Prologis Property Japan Special Purpose Company (14.99%) The Master Trust Bank of Japan, Ltd. (trust account) (13.98%) (As of May 31, 2024)
JLF's relationship with the REIT or asset manager	
Capital relationship	There is no capital relationship between the REIT and either JLF or MLP.
Personnel relationship	There is no personnel relationship between the REIT and either JLF or MLP.
Transactional relationship	There is no transactional relationship between the REIT and either JLF or MLP, as of the fiscal period ended July 2024.
Applicability as related party	It also does not apply as a related party to JLF or to MLP.

7. Overview of the seller

M-17 Narashino Logistics Center II

Name	Narashino 3 Special Purpose Company
Location	Tokyo Bldg., 2-7-3, Marunouchi, Chiyoda-ku, Tokyo
Representative	Director Shigeru Inada
Main business	1. Businesses related to the transfer of specified assets in accordance with plans for liquidation of assets based on the Law Concerning Liquidation of Assets, and the management and disposal of such assets 2. All other operations incidental and related to the above liquidation of specified assets
Capital	478 million yen (as of December 17, 2024)
Established	April 25, 2007
Relationship with JLF or MLP	
Capital relationship	There is no personnel relationship between the company and either JLF or MLP.
Personnel relationship	There is no personnel relationship between the company and either JLF or MLP.
Transactional relationship	There is no transactional relationship between the company and either JLF or MLP, as of the fiscal period ended July 2024.
Applicability as related party	It also does not apply as a related party to JLF or to MLP.

8. Status of the Counterparties (for acquisition and disposition)

The swap counterparty and seller in the Transaction has no special interest in JLF or MLP.

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9. Outline of the broker

The Transaction does not use a broker.

10. Transaction with an interested party

The Transaction does not comprise a transaction with interested parties, etc.

11. Financial impact on JLF in the event the forward commitment cannot be performed

The termination clause that is to be stipulated in trust beneficiary right swap agreements relevant to Swap ① and Swap ② (hereinafter referred to as "The Swap Agreement" is as follows. However, failure to complete the financing of the amount equivalent to the swap difference for reasons outside JLF shall not constitute a default by JLF under The Swap Agreement. Therefore, except in the case of a breach by JLF of its obligations under The Swap Agreement, JLF will not be obligated to pay any penalties, etc., as described below. Therefore, even if JLF is unable to complete fundraising and fulfill its forward commitments, etc., it is unlikely that this will have a material impact on JLF's finances, etc.

① If either party breaches The Swap Agreement, the other party may request performance specifying a reasonable period and may cancel The Swap Agreement if performance is not made within such period.

② If either party fails to satisfy and waive any condition precedent to its obligations under The Swap Agreement, it may demand that the other party satisfy such condition within a reasonable period, and if such condition is not satisfied within such period, it may terminate The Swap Agreement.

③ If any part of the property to be exchanged is damaged due to a force majeure event during the period from the date of execution of The Swap Agreement to the first execution date of the swap under each of The Swap Agreements, and the parties do not reach an agreement within 30 days from the date of commencement of consultations, despite consultations between the parties, regarding the determination of the amount of beneficial interest to be reduced due to such damage and the extension of the execution date of the swap, each party may cancel such Swap Agreement.

④ In the event that either party cancels The Swap Agreement in accordance with ① above, the cancelling party may demand as a penalty fee from the other party an amount equivalent to 10% of the total value of the beneficial interests in the trust beneficiary rights subject to swap held by the other party on the date of execution of The Swap Agreement, less the amount equivalent to consumption tax and local consumption tax.

12. Outlook

Please refer to announcement "Notice Concerning Revision of Forecast for the Six-Month Period Ending July 31, 2025" dated today.

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13. Outline of the appraisal

T-16 Kita Nagoya Logistics Center

Outline of the appraisal	
Appraisal value	10,800 million yen
Appraiser	Japan Valuers Co., Ltd.
Timing of pricing	November 30, 2024

Category			Description	Overview
Income approach			10,800 million yen	
	Direct capitalization approach		10,800 million yen	
		Operating revenues	Not disclosed (Note)	
		Total potential revenue	Not disclosed (Note)	
		Vacancies and other losses, etc.	Not disclosed (Note)	
		Operating expenses	Not disclosed (Note)	
		Maintenance expenses	Not disclosed (Note)	
		Utilities	16 million yen	
		Maintenance and repairs	11 million yen	
		PM fee	Not disclosed (Note)	
		Tenant recruitment costs	Not disclosed (Note)	
		Real estate taxes	57 million yen	
		Property insurance premium	Not disclosed (Note)	
		Other expenses	7 million yen	
		Net operating revenues	447 million yen	
		Investment gain on lump-sum payment	Not disclosed (Note)	
		Capital expenditures	Not disclosed (Note)	
		Net revenues	443 million yen	
		Cap rate	4.1%	
	Price under DCF approach		10,800 million yen	
		Discount rate	3.9%	
		Terminal cap rate	4.3%	
Cost approach			6,530 million yen	
	Land (percentage)		69.5%	
	Building (percentage)		30.5%	
Matters taken into consideration in deciding the appraisal value			Not applicable	
(Note) JLF does not disclose these items because their disclosure may enable the lease terms and level of fees to be estimated, which could have a negative impact on the efficient operations of JLF and harm the interests of its unitholders.				

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M-43 Funabashi Nishiura Logistics Center III (Note 1)

Outline of the appraisal	
Appraisal value	16,720 million yen
Appraiser	Japan Valuers Co., Ltd.
Timing of pricing	November 30, 2024

Category			Description	Overview
Income approach			16,720 million yen	
	Direct capitalization approach		16,860 million yen	
		Operating revenues	Not disclosed (Note 2)	
		Total potential revenue	Not disclosed (Note2)	
		Vacancies and other losses, etc.	Not disclosed (Note 2)	
		Operating expenses	Not disclosed (Note 2)	
		Maintenance expenses	Not disclosed (Note 2)	
		Utilities	27 million yen	
		Maintenance and repairs	12 million yen	
		PM fee	Not disclosed (Note 2)	
		Tenant recruitment costs	Not disclosed (Note 2)	
		Real estate taxes	81 million yen	
		Property insurance premium	Not disclosed (Note 2)	
		Other expenses	10 million yen	
		Net operating revenues	675 million yen	
		Investment gain on lump-sum payment	Not disclosed (Note 2)	
		Capital expenditures	Not disclosed (Note 2)	
		Net revenues	659 million yen	
		Cap rate	3.9%	
	Price under DCF approach		16,580 million yen	
		Discount rate	3.7%	
		Terminal cap rate	4.1%	
Cost approach			9,980 million yen	
	Land (percentage)		78.8%	
	Building (percentage)		21.2%	
Matters taken into consideration in deciding the appraisal value			Not applicable	

(Note 1) Appraisal reports have been obtained for the main building and the annex respectively, and the combined figures are presented.

(Note 2) JLF does not disclose these items because their disclosure may enable the lease terms and level of fees to be estimated, which could have a negative impact on the efficient operations of JLF and harm the interests of its unitholders.

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M-17 Narashino Logistics Center II (Note 1)

Outline of the appraisal	
Appraisal value	1,250 million yen
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Timing of pricing	November 30, 2024

Category	Description	Overview
Income approach	1,250 million yen	
Direct capitalization approach	1,260 million yen	The price calculated for the entire property (100%) is multiplied by the quasi-ownership interest ratio (10%) to arrive at the amount (12,600 million yen).
Operating revenues	Not disclosed (Note 2)	
Total potential revenue	Not disclosed (Note 2)	
Vacancies and other losses, etc.	Not disclosed (Note 2)	
Operating expenses	Not disclosed (Note 2)	
Maintenance expenses	Not disclosed (Note 2)	
Utilities	34 million yen	
Maintenance and repairs	11 million yen	
PM fee	Not disclosed (Note 2)	
Tenant recruitment costs	Not disclosed (Note 2)	
Real estate taxes	53 million yen	
Property insurance premium	Not disclosed (Note 2)	
Other expenses	0 million yen	
Net operating revenues	504 million yen	
Investment gain on lump-sum payment	Not disclosed (Note 2)	
Capital expenditures	Not disclosed (Note 2)	
Net revenues	480 million yen	
Cap rate	3.8%	
Price under DCF approach	1,250 million yen	The price calculated for the entire property (100%) is multiplied by the quasi-ownership interest ratio (10%) to arrive at the amount (12,500 million yen).
Discount rate	3.8%／ 3.9%	
Terminal cap rate	4.0%	
Cost approach	1,220 million yen	The price calculated for the entire property (100%) is multiplied by the quasi-ownership interest ratio (10%) to arrive at the amount (12,200 million yen).
Land (percentage)	62.1%	
Building (percentage)	37.9%	
Matters taken into consideration in deciding the appraisal value	Not applicable	

(Note 1) The figure is equivalent to the quasi-co-ownership interest (10%) in the property. However, the figures for the revenues and expenditures concerning the “Direct capitalization approach” are provided for the entire property (100%).

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(Note 2)	JLF does not disclose these items because their disclosure may enable the lease terms and level of fees to be estimated, which could have a negative impact on the efficient operations of JLF and harm the interests of its unitholders.

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M-18 Ichikawa Logistics Center II (Note 1)

Outline of the appraisal	
Appraisal value	24,700 million yen
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Timing of pricing	November 30, 2024

Category	Description	Overview
Income approach	24,700 million yen	
Direct capitalization approach	24,500 million yen	The price calculated for the entire property (100%) is multiplied by the quasi-ownership interest ratio (90%) to arrive at the amount (27,200 million yen).
Operating revenues	Not disclosed (Note 2)	
Total potential revenue	Not disclosed (Note 2)	
Vacancies and other losses, etc.	Not disclosed (Note 2)	
Operating expenses	Not disclosed (Note 2)	
Maintenance expenses	Not disclosed (Note 2)	
Utilities	67 million yen	
Maintenance and repairs	21 million yen	
PM fee	Not disclosed (Note 2)	
Tenant recruitment costs	Not disclosed (Note 2)	
Real estate taxes	101 million yen	
Property insurance premium	Not disclosed (Note 2)	
Other expenses	1 million yen	
Net operating revenues	1,027 million yen	
Investment gain on lump-sum payment	Not disclosed (Note 2)	
Capital expenditures	Not disclosed (Note 2)	
Net revenues	982 million yen	
Cap rate	3.6%	
Price under DCF approach	24,800 million yen	The price calculated for the entire property (100%) is multiplied by the quasi-ownership interest ratio (90%) to arrive at the amount (27,600 million yen).
Discount rate	3.4%／ 3.5%	
Terminal cap rate	3.7%	
Cost approach	27,100 million yen	The price calculated for the entire property (100%) is multiplied by the quasi-ownership interest ratio (90%) to arrive at the amount (30,100 million yen).
Land (percentage)	72.5%	
Building (percentage)	27.5%	
Matters taken into consideration in deciding the appraisal value	Not applicable	

(Note 1) The figure is equivalent to the quasi-co-ownership interest (90%) in the property. However, the figures for the revenues and expenditures concerning the "Direct capitalization approach" are provided for the entire property (100%).

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(Note 2)	JLF does not disclose these items because their disclosure may enable the lease terms and level of fees to be estimated, which could have a negative impact on the efficient operations of JLF and harm the interests of its unitholders

(End)

※JLF's website https://8967.jp/en/

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