SEKISUI HOUSE REIT, INC.

November 27, 2026

Real Estate Investment Trust Securities Issuer
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(Securities Code: 3309)
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Notice Concerning Additional Investment in an Overseas Real Estate Holding Corporation and Acquisition of Additional Overseas Real Estate (The Ivey on Boren (Additional Acquisition))

Sekisui House Reit, Inc. ("SHR") hereby announces that Sekisui House Asset Management, Ltd. ("SHA"), to which SHR entrusts management of its assets, has decided today for SHR to make additional investments in two U.S. LLCs (hereinafter referred to as the "Two Overseas SPCs") located in the United States of America, which hold overseas real estate (referred to as the "Additional Investment"), and the Two Overseas SPCs will additionally acquire the following residential asset (hereinafter referred to as the "Asset Acquisition"), "The Ivey on Boren".
At the time of the decision on the Asset Acquisition, since the seller falls under the category of interested persons, etc. as provided in Article 201 Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended) (the "Investment Trusts Act"), and under the category of interested parties as provided in SHA's internal rules: Rules for Transactions with Interested Parties, SHA has obtained, in accordance with such Rules for Transactions with Interested Parties, the consent of SHR based on approval at the Board of Directors Meeting of SHR held today.

1. Summary of the Asset Acquisition

Property name (Note 1)	Type of use	Location	Planned acquisition price (Note 2)	Expected appraisal NOI yield (Note 3)	Expected dividend yield (Note 4)	Planned acquisition date	Seller
The Ivey on Boren (Additional Acquisition) (Note 5)	Residence	Seattle, Washington U.S.A.	30 mm USD (4,726 mm yen)	4.9 %	3.9 %	December 8, 2026	NASH – Holland Boren & Lenora, LLC

a. Type of specified asset : Real estate
b. Contract date : November 27, 2026
c. Brokerage : Not applicable
d. Acquisition financing : Own funds (Note 6)
e. Settlement method : Payment is scheduled in installments as follows

Planned payment date		Planned payment price
Contract date	November 27, 2026	600k USD (94,524k yen)
Planned acquisition date	December 8, 2026	29,400k USD (4,631,676k yen)

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Total	30,000k USD (4,726,200k yen)

(Note 1) The property is currently named "1075 Lenora" as of the date hereof. However, following the acquisition of the property by SHR, SHA intends to rename the property to "The Ivey on Boren" after providing tenants with appropriate advance notice. Accordingly, the new property name is used herein. The same applies hereinafter.

(Note 2) The exchange rate between the U.S. dollar and the Japanese yen is based on the spot rate of 1 USD =157.54 JPY as of the end of October 2026. The same applies hereinafter. The NOI is based on the assumption that operating revenues and operating expenses will increase by 3% each year. The same applies hereinafter.

(Note 3) "Expected appraisal NOI yield" is calculated by dividing each NOI (each year from 1 to 10) based on the DCF method described in the appraisal report as of September 30, 2026, by the planned acquisition price to obtain the assumed NOI yield for each year, and the simple average of these figures is shown above.

(Note 4) "Expected dividend yield" is calculated by deducting SPC operating expenses, etc. estimated by SHA from each NOI (each year from 1 to 10) based on the DCF method described in the appraisal report as of September 30, 2026, respectively, then divided by the planned acquisition price to obtain the assumed dividend yield for each year, and the simple average of these figures is shown above.

(Note 5) Of the "The Ivey on Boren" building, the Two Overseas SPCs are scheduled to acquire ownership interest in all of the exclusively-owned portions located on the 2nd through 4th floors, together with ownership interest in land equivalent to 1,947 SF (180.87 m^2)("Asset to be Acquired"), calculated by applying the ownership ratio of 9.17% to the total site area of 21,234 SF (1,972.63 m^2). Additionally, the Two Overseas SPCs will each acquire a 50% co-ownership interest in the aforementioned ownership interest.

(Note 6) "Acquisition financing" represents the funds to be paid by the Two Overseas SPCs upon the Asset Acquisition.

2. Reason for the Asset Acquisition

SHR conducts the Asset Acquisition based on the targets and policies of asset management stipulated in its Articles of Incorporation, with the aim of enhancing its portfolio and further strengthening its earnings base.

"The Ivey on Boren" was originally completed in October 2022 as a 44-story building with seven below-ground levels, comprising residential, office, educational, and parking uses. In June 2026, however, renovation work was completed to convert the office portions located on the 2nd through 4th floors into residential units.

As announced in the "Notice Concerning Investment in an Overseas Real Estate Holding Corporation (The Ivey on Boren)" dated May 28, 2024, SHR acquired, through investments in the Two Overseas SPCs, the residential portions located on 5th through 44th floors and the parking located on basement 7th through 1st floors of the "The Ivey on Boren" on May 29, 2024 (the "First Acquisition"). Through the Asset Acquisition, SHR will own all residential portions of "The Ivey on Boren", enabling the implementation of a consistent asset management strategy across the entire property. In addition, because the Asset Acquisition will be conducted through the Two Overseas SPCs, which already hold the assets acquired in the First Acquisition, SHR will be able to utilize the existing management structure and thereby benefit from the earnings generated by the acquired asset while minimizing any increase in additional management costs. Based on the foregoing, SHA has determined that the Asset Acquisition will contribute to the maximization of unitholder value and has therefore decided to proceed with the Additional Acquisition.

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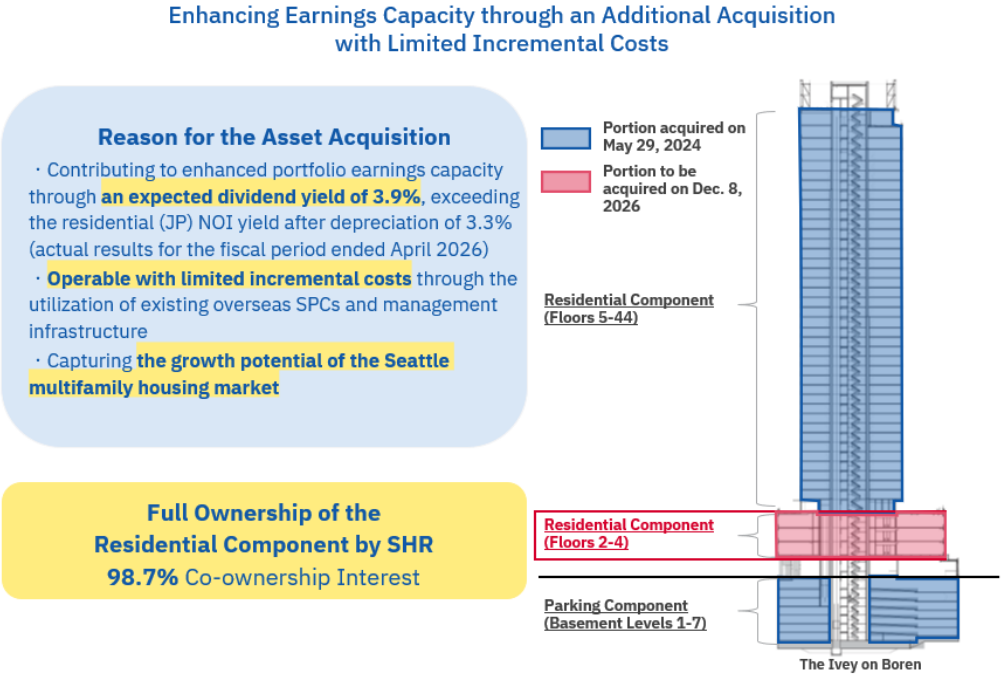
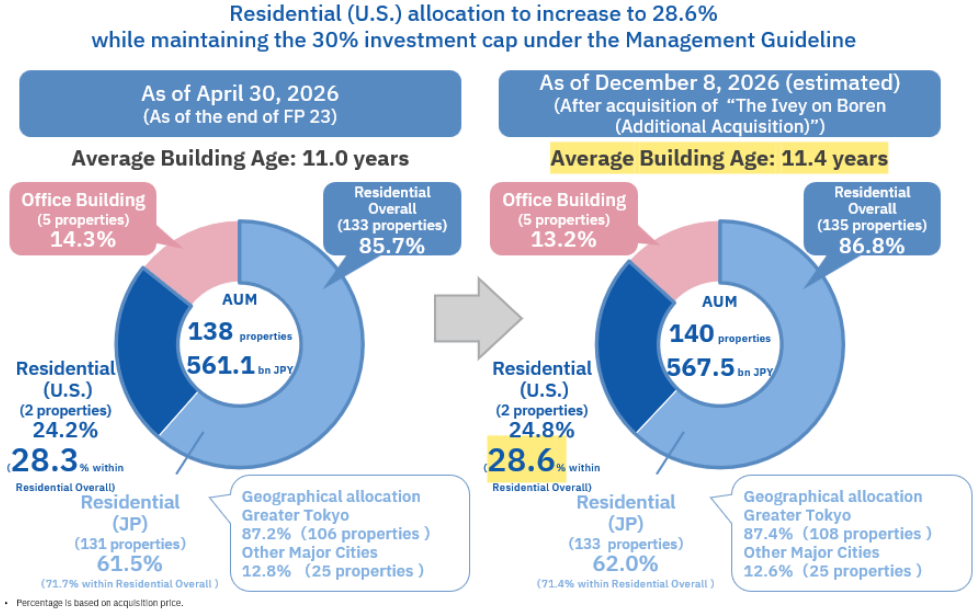


As announced in the "Notice Concerning Partial Changes of the Internal Regulation of the Asset Management Company (Management Guideline)" dated May 28, 2024, SHA revised its portfolio development policy to aim for a more residential-centered portfolio by increasing the investment ratio of residential properties to 70%~100% (acquisition price basis), and has also made changes to allow acquisitions of only U.S. residential properties for the time being of up to 30% (acquisition price basis) within the residential investment portfolio.
As a result of the Asset Acquisition, the allocation to residential (U.S.) will increase to approximately 28.6% of the residential property portfolio. However, SHA does not currently intend to raise the maximum allocation to overseas real estate (based on acquisition price) under the regional allocation guidelines for residential properties set forth in its internal rules (Management Guideline).



In addition, Seattle rental housing market trends and the characteristics of the Asset to be Acquired taken into consideration upon deciding the Asset Acquisition are as follows:

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(1) Seattle rental housing market (multi-family(Note 1)) trends

The population of the Seattle Metropolitan Statistical Area (MSA) is estimated at approximately 4.16 million in 2025. Within the Seattle MSA, the population of the City of Seattle, where the property is located, is projected to increase from approximately 680,000 in 2016 to approximately 820,000 by 2026, while the number of households is expected to grow from approximately 310,000 to approximately 390,000 over the same period. Supported by these steady increases in population and households, the fundamentals underpinning rental housing demand are expected to remain solid. In the directly competing market area in Seattle, Washington, where the property is located, rental demand exceeded new rental supply as of the third quarter of 2026. However, the market is expected to experience a temporary oversupply condition from the fourth quarter of 2026 through the third quarter of 2027, primarily due to an increase in new supply. Nevertheless, beginning in the fourth quarter of 2027, the market is expected to shift back to a demand-driven environment as new supply declines. Thereafter, supply and demand are expected to remain broadly balanced and stable. With respect to rent growth, the rent growth rate was negative 2.4% in the third quarter of 2026, but is projected to turn positive at 2.0% in the fourth quarter of 2027.

Accordingly, while the property may be affected in the short term by increased supply within the directly competing market area, solid demand for rental housing is expected to continue over the medium to long term, supported by growth in population and the number of households. In addition, as market fundamentals improve from the fourth quarter of 2027 onward, the Asset to be Acquired is expected to benefit from the improving market environment, including rent growth and the stabilization of occupancy levels and other factors.

(Note 1) "Multi-family" refers to an apartment complex where multiple households reside.
(Note 2) "The directly competing market area" refers to the Lake Union and Downtown Seattle submarkets located within the City of Seattle, Washington.
(Note 3) The description for rental housing demand units, rental housing supply, and rent growth within the directly competing market area are based on data for 4 & 5 Star properties on the real estate information analysis platform provided by CoStar Group as of November 20, 2026.
(Note 4) The population data for the Seattle MSA is based on data from the U.S. Census Bureau, while the population and households data for the City of Seattle are based on data published by the City of Seattle.

(2) Location characteristics

The property is located in the heart of downtown Seattle, Washington, on the west coast of the U.S. The area is one of the oldest neighborhoods in Seattle and has historically benefited from strong rental demand from affluent residents within the city. Residential development activity has continued in the area, promoting more intensive land use. The neighborhood offers a wide variety of restaurants, lounges, cafés, and retail shops, and is conveniently located near Seattle's major attractions, including the Space Needle and Pike Place Market. Owing to its abundance of evergreen trees and vegetation, Seattle is also known as the "Emerald City."

(3) Property characteristics

The property has 7 floors underground and 44 floors above ground. In June 2026, the renovation of the 2nd through 4th floors, which were originally designed for office use upon the property's completion in October 2022, into residential units was completed. The conversion added a total of 44 residential units, consisting of Studio, 1 Bed, and 2 Bed.

The property is equipped with a range of amenities, including automatic locks, delivery boxes, refrigerators, and washing machines. In addition, the 5th and the 44th floors of the property are dedicated to amenities available to all residents, including a lounge pool with sundeck, hot tub, fire pit and grilling station on the 5th floor, and a rooftop lounge and barbecue area overlooking Seattle on the 44th floor. Other amenities include a dry sauna, fitness area, yoga studio, HIIT studio, entertainment room, game lounge with billiards, and private workstations, making this a luxurious property where residents can enjoy quality time within the property. Furthermore, as the property is surrounded by good access to the offices of several major IT companies such as the headquarters of Amazon.com, Inc., demand is expected mainly from high-income singles and DINKS that value convenience and a comfortable living environment.

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3. Description of the Additional Investment and Asset Acquisition

(1) Overview of the Two Overseas SPCs

<table>
<tr><td>Business operator name</td><td>・SHR Boren Avenue Partners I, LLC
・SHR Boren Avenue Partners II, LLC</td></tr>
<tr><td>Scheduled additional investment date</td><td>December 2, 2026</td></tr>
<tr><td>Scheduled additional investment amount</td><td><table><tr><td>SHR Boren Avenue Partners I, LLC</td><td>15,200 thousand USD
(2,394,608 thousand JPY)</td></tr><tr><td>SHR Boren Avenue Partners II, LLC</td><td>15,200 thousand USD
(2,394,608 thousand JPY)</td></tr><tr><td>Total</td><td>30,400 thousand USD
(4,789,216 thousand JPY)</td></tr></table></td></tr>
<tr><td>Financing for acquisition of investment securities</td><td>Borrowings and own funds
(Note) The funds to be paid by SHR upon Additional Investment in the Two Overseas SPCs are shown. For details of the borrowings, please refer to the “Notice Concerning Borrowings of Funds” separately announced today.</td></tr>
<tr><td>Type of specified asset</td><td>Investment securities (Securities)</td></tr>
<tr><td>Overview</td><td>・LLC (Limited Liability Company) incorporated in Delaware, U.S.
・Balance Sheet<table><tr><td colspan="2">SHR Boren Avenue Partners I, LLC</td></tr><tr><td>Overseas real estate, etc.
205 million USD
(32,323 million JPY)</td><td>Deferred tax liabilities, etc.
6 million USD
(1,037 million JPY)
Capital contribution, etc.
198 million USD
(31,286 million JPY)</td></tr></table><table><tr><td colspan="2">SHR Boren Avenue Partners II, LLC</td></tr><tr><td>Overseas real estate, etc.
201 million USD
(31,719 million JPY)</td><td>Deferred tax liabilities, etc.
5 million USD
(914 million JPY)
Capital contribution, etc.
195 million USD
(30,805 million JPY)</td></tr></table>(Note 1) The above amounts are estimated as of December 8, 2026, the planned acquisition date.
(Note 2) SHR will invest the entire amount of capital contribution in the Two Overseas SPCs.

・Fiscal Year
・SHR Boren Avenue Partners I, LLC
One year from July 1 of each year to June 30 of the following year. Therefore, for the fiscal period that includes the planned acquisition date of the Asset to be Acquired, operating revenues, expenses and other items will be reflected in the financial results for the period from December 8, 2026 to June 30, 2027.
・SHR Boren Avenue Partners II, LLC
One year from January 1 to December 31 of each year. Therefore, for the fiscal period that includes the planned acquisition date of the Asset to be Acquired, operating revenues, expenses and other items will be reflected in the financial results for the period from December 8, 2026 to December 31,</td></tr>
</table>

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	2026. ・Dividends ・SHR Boren Avenue Partners I, LLC Payment within 4 months after the end of the fiscal year. ・SHR Boren Avenue Partners II, LLC Payment within 4 months after the end of the fiscal year.

(2) Overview of the Asset to be Acquired

Property name		The Ivey on Boren (Additional Acquisition)
Type of specified asset		Real estate
Appraisal value (Date of value)		32 million USD (5,041 million JPY) (September 30, 2026)
Appraiser		DAIWA REAL ESTATE APPRAISAL CO.,LTD.
Location		2019 Boren Avenue, Seattle, Washington
Land	Site area	21,234 SF (1,972.63 m²)
Building	Use	Apartment complex
	Construction completion	October 2022
	Structure / Floors	RC, S/44F, B7F
	Total floor area	643,349.61 SF (59,767.17 m²)
Type of ownership		Ownership (co-ownership interest)
Collateral		None

Status of leasing and management	
Leasable area	39,247 SF (3,645.88 m²) (Leasable units: 44 units)
Leased area	29,925 SF (2,799.90 m²) (Leased units: 33 units)
Occupancy rate	76.2 % (as of the end of October 2026)
Number of tenants	33
Monthly rent	121 thousand USD (19,197 thousand JPY)
Leasehold and security deposits	20 thousand USD (3,229 thousand JPY)
Property management company	Holland Residential, LLC (planned)

Outline of building engineering report		
Building replacement cost		39 million USD (6,215 million JPY)
Repair expense	Emergency repair	—
	Short-term repair	—
	Long-term repair	22 thousand USD (3,501 thousand JPY)
Investigator		DAIWA REAL ESTATE APPRAISAL CO.,LTD.

Outline of earthquake PML appraisal	
PML	9.0%
Investigator	Partner Engineering and Science, Inc.
Building designer, constructor, building inspector	
Building designer	Weber Thompson
Structure designer	MKA
Constructor	Holland Construction
Building inspector	City of Seattle

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Matters of special note
Not applicable.

(Note 1) Of the "The Ivey on Boren", ownership interest in all of the exclusively owned portions of the 2nd floor through the 4th floor above ground with the land equivalent to 1,947 SF (180.87 m²) which is the total site 21,234 SF (1,972.63 m²) multiplied by the ownership interest ratio (9.17 %) are subject to acquisition.

(Note 2) "Appraisal value", "building replacement cost" and "repair expense" are the amounts corresponding to the acquisition portion described in (Note 1) above. The same applies hereinafter.

(Note 3) "Site area" indicates the land area of the site or the entire land, "Structure/Floors" indicates the structure and number of stories corresponding to the entire building, and "Total floor area" indicates the floor space of the entire building.

(Note 4) "Leasable area" is the total leasable area of the exclusively owned areas corresponding to the acquisition portion described in (Note 1) above.

[Explanation of "3. Description of the Additional Investment and the Asset Acquisition (2) Overview of the Asset to be Acquired"]

(1) "Appraisal value (Date of value)" is the appraisal value along with the date of valuation prepared by the appraisal agency that SHR and SHA have entrusted with the appraisal of the investment real estate, where the appraisal value is rounded down to the nearest million USD. The appraisal of the Asset to be Acquired was conducted by GlassRatner Advisory & Capital Group, LLC and DAIWA REAL ESTATE APPRAISAL CO., LTD. incorporating the "local appraisal assistance method". The "local appraisal assistance method" refers to a method in which a Japanese real estate appraiser requests a local appraiser to collect and provide basic materials, etc. necessary for the appraisal, and to perform other tasks to assist the appraiser in conducting the appraisal, upon which the appraiser receives services related to the local appraisal support work and conducts the appraisal. SHR has appointed GlassRatner Advisory & Capital Group, LLC as the local appraiser. The same applies hereinafter.

(2) "Location" is as indicated in the materials corresponding to the building plans.

(3) "Site area" is the total land area based on the Alta Survey or the building plans. In addition, 1 SF is converted to 0.09290 m². The same applies hereinafter.

(4) "Use" indicates the main type of property indicated in the building plans. For the Asset to be Acquired, the use of the relevant exclusive area corresponding to the portion to be acquired is stated.

(5) "Construction completion" is based on the indication on the Certificate of Occupancy.

(6) "Structure / Floors" is based on the building plans or the PCA Report. Furthermore, the following abbreviations are used. For the Asset to be Acquired, the structure and number of floors of the "The Ivey on Boren" complex, not that of the exclusive portion to be acquired, are shown.
RC: Reinforced concrete structure; SRC: Steel reinforced concrete structure; S: Steel-framed structure

(7) "Total floor area" is the total floor area of all the buildings indicated in the building plans, excluding ancillary buildings, etc.

(8) "Type of ownership" is the classification of the type of ownership, such as ownership right held or to be held by the Two Overseas SPCs regarding the Asset to be Acquired.

(9) "Collateral" outlines the collateral borne by SHR (after the Asset Acquisition), if any.

(10) "Leasable area" refers to the total floor area which is considered to be available for leasing based on each lease agreement, etc., effective as of the end of October 2026.

(11) "Leased area" is the sum of the leased area indicated in each lease agreement effective as of the end of October 2026.

(12) "Occupancy rate" is the ratio of leased area to leasable area rounded to the first decimal place.

(13) "Number of tenants" is based on the contents of each lease agreement effective as of the end of October 2026.

(14) "Monthly rent" refers to the total amount of the monthly rent as indicated in each lease agreement effective as of the end of October 2026 (excluding usage fee for parking. The same applies hereinafter. Additionally, even if there is a provision for free rent or rent holiday in the said each lease agreement, the free rent and rent holiday as of the same day will not be considered.), rounded down to the nearest thousand USD. Furthermore, the term "Free rent" is an agreement which sets up a free or fairly low rent for a certain period (mainly at the time of moving in), and "Rent holiday" is an agreement which sets up a free or fairly low rent regularly or irregularly, for a certain period during the rental period. The same applies hereinafter.

(15) "Leasehold and security deposits" is the total amount of the leasehold and security deposits as indicated in each lease agreement effective as of the end of October 2026 (excluding leasehold of parking. The same applies hereinafter.), rounded down to the nearest thousand USD.

(16) "Property management company" refers to the company that the Two Overseas SPCs plan to entrust property management operations to after the Asset Acquisition.

(17) "Building replacement cost" is based on the building engineering report, rounded down to the nearest million USD.

(18) "Repair expenses" are based on that stated in the building engineering reports. "Short-term repair" is the investigator's estimate of the repair and renewal expenses required within one year at the time of investigation. "Long-term repair" is the investigator's estimate of

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the annual average amount of the repair and renewal expenses for 12 years at the time of investigation.

(19) "PML" is based on the earthquake PML appraisal report prepared by Partner Engineering and Science, Inc. or the building engineering report stating PML calculated by Partner Engineering and Science, Inc. The concerned statement is no more than an indication of the opinion of the reporting party, and SHR does not guarantee the accuracy of the content thereof.
Furthermore, "PML" refers to a "probable maximum loss" due to an earthquake. Although there is no consistent strict definition, in this press release, "PML" expresses the physical loss amount (loss amount equivalent to 475 years of reproduction) with an excess probability of 10% over the assumed expected use period (50 years = general lifespan of the building) is expressed as a percentage of the replacement cost. However, the amount of probable loss is limited to that for direct loss on the building (structure, finishing and building equipment) only that are caused by earthquake ground motion, and does not include damage to equipment, furniture, fixtures, etc., loss caused by post-earthquake water or fire disasters, compensation for disaster victims, operating loss due to interruption of business operations and other secondary damages.

(20) "Matters of special note" is the matters considered important in relation to rights, use, etc. of the Asset to be Acquired, and the matters considered important in consideration of the degree of impact on the valuation, profitability and liquidity of the Asset to be Acquired including the following matters.

a. Key limitations or restrictions by laws and regulations
b. Key burdens or limitations pertaining to rights, etc. (including establishment of security interest)
c. Key structures, etc. crossing the boundary between the real estate and the adjacent land or issues with boundary confirmation, etc., as well as agreements, etc. thereof, if any
d. Key matters agreed upon or agreements, etc. with co-owners or compartmentalized ownership holders

4. Profile of the Seller

Name	NASH – Holland Boren & Lenora, LLC
Address	808 Washington Street, Suite 500, Vancouver, Washington
Representative	Undisclosed (Note)
Business activities	Real estate investments and other related activities
Capital	Undisclosed (Note)
Established	December 2017
Net asset	Undisclosed (Note)
Gross asset	Undisclosed (Note)
Major shareholder (shareholding ratio)	NASH – Holland Boren & Virginia Investors, LLC (100.0%)
Relationship with SHR and SHA and the company concerned	
Capital relationship	The said company is a company whose shares are all held by a subsidiary of Sekisui House. Sekisui House, through its subsidiaries, holds 97.5% equity interest in such subsidiary (Sekisui House holds 100% of the total issued shares of SHA). The said company falls within the definitions of an Interested Person as stipulated in Article 201 Paragraph 1 of the Investment Trusts Act, by falling within the definition of Parent Company, etc., and the category of interested parties as stipulated in SHA's internal rules: Rules for Transactions with Interested Parties.
Personal relationship	There is no personal relationship that should be noted.
Business relationship	There is no business relationship that should be noted.
Related party	The said company is owned by a subsidiary of Sekisui House, the parent company of SHA, and falls within the definition of a related party.

(Note) Undisclosed because consent for disclosure has not been obtained from the seller.

5. Status of Property Sellers

	Previous owner, etc.	Owner before last, etc.
Name	NASH – Holland Boren & Lenora, LLC	Other than those with special interest
Relationship with a	Please refer to "4. Profile of the Seller"	—

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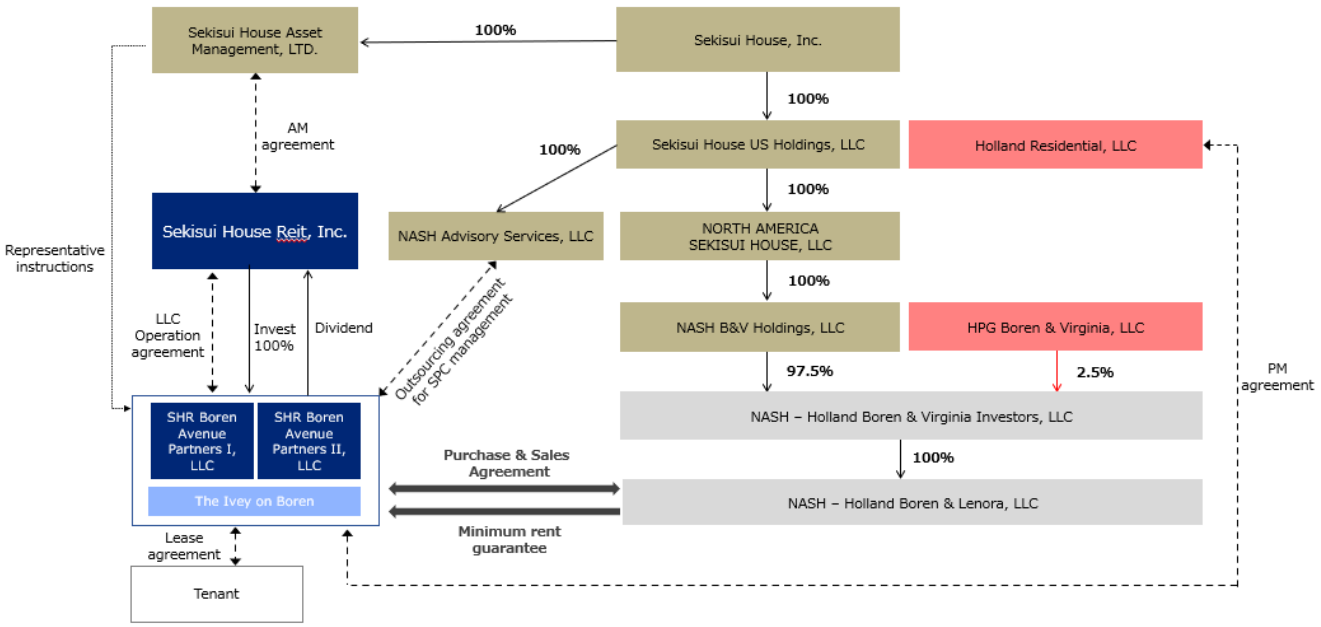
party classified as having a relationship of special interest	above	
Background and reason for acquisition	Acquisition for development	—
Acquisition price	Omitted as held for more than one year	—
Time of acquisition	July 2018	—

6. Summary Chart of Transaction Flow for the Asset Acquisition

(1) Outline of the investment structure



(2) Revenue recognition of the Two Overseas SPCs

As described in "(1) Outline of the investment structure" above and as mentioned in the "Notice Concerning Change in Fiscal Year for Overseas Real Estate Holding Corporations (The Ivey on Boren, City Ridge)" announced on March 17,2025, by additionally investing in the Two Overseas SPCs and each SPC to hold 50% (co-ownership interest) of the Asset to be Acquired, which is the underlying asset (Asset to be Acquired), and by making the fiscal year of each SPC staggered, SHR will receive dividends in each fiscal period of SHR. The fiscal year for "SHR Boren Avenue Partners I, LLC" will end in June, and the payment of dividends will be made by the end of October, within four months following the fiscal year-end. Therefore, for the fiscal period that includes the scheduled acquisition date of the Asset to be Acquired, operating revenues, expenses, etc. of the Asset to be Acquired will be reflected in the financial results from December 8, 2026 to the end of June 2027. The fiscal year for "SHR Boren Avenue Partners II, LLC" will end in December, and the payment of dividends will be made by the end of April, within four months following the fiscal year-end. Therefore, for the fiscal period including the scheduled acquisition date of the Asset to be Acquired, operating revenues, expenses, etc. of the Asset to be Acquired will be reflected in the financial results from December 8, 2026 to the end of December 2026.

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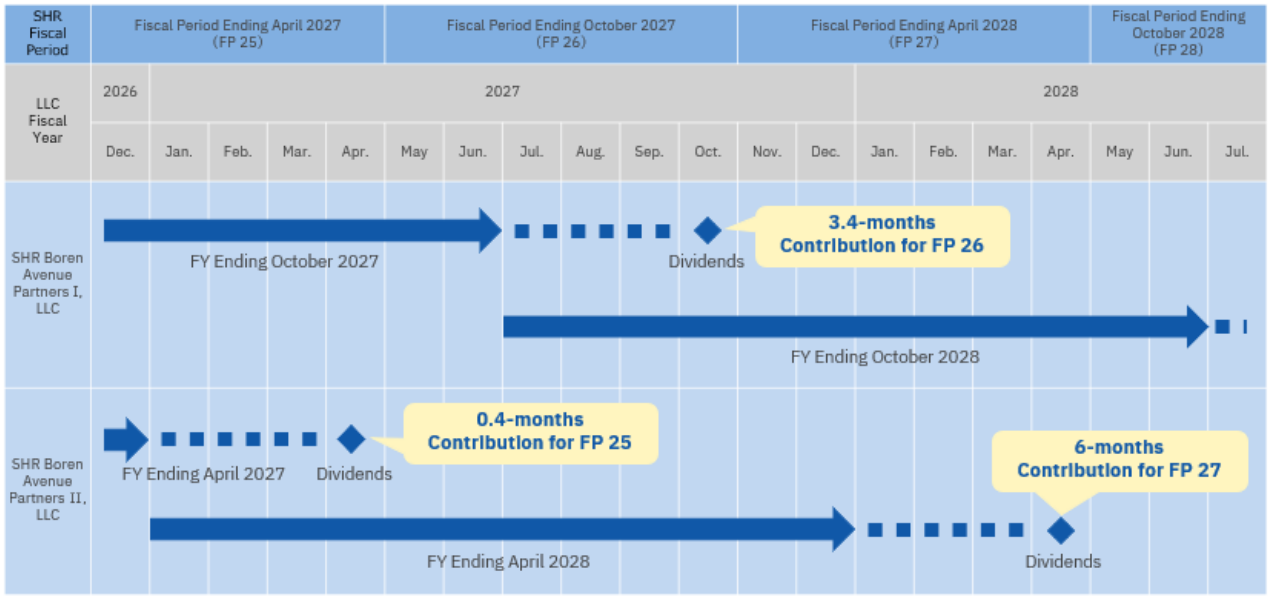

(3) Overview of applicable taxation

<Taxation on overseas real estate investment, etc.>

SHR will acquire U.S. real estate, etc. through an overseas real estate holding corporation in the U.S. The said overseas real estate holding corporation is subject to U.S. corporate income tax, etc. on the income earned from the U.S. real estate, etc.

SHR will receive dividends on the profits after the U.S. corporate income tax, etc. is imposed. However, the system of excluding dividends of foreign subsidiaries from taxable income is not applied in the calculation of taxable income of SHR, and the dividends are included in the amount of income taxable.

However, if the tax burden ratio of the overseas real estate holding corporation is less than 27% and the overseas real estate holding corporation falls under the category of specified foreign affiliated company as defined in the Act on Special Measures Concerning Taxation, it is subject to the special taxation rules for income related to foreign affiliated companies (Controlled Foreign Company Rules) and its local income will be added to SHR's taxable income. In this case, the amount of certain dividends, etc. from the foreign real estate holding corporation after the aggregation will be excluded from gross income.

With respect to foreign corporate tax borne by an investment corporation on investments in real estate, etc. outside Japan, if withholding tax is imposed on the amount of dividends, etc. paid by the investment corporation to investors, a certain amount of foreign corporate tax is deducted from the amount of such withholding tax (hereinafter referred to as "fund foreign tax credit") pursuant to the provisions of the Special Taxation Measures Law. The amount of dividends, etc. received by unitholders eligible for the Fund Foreign Tax Credit is the amount of dividends, etc. paid by the investment corporation plus the amount of foreign corporate tax to be credited, and the amount of withholding income tax is the amount of dividends, etc. after such addition multiplied by the withholding income tax rate.

7. Approach Regarding the Scope of Hedging Foreign Exchange Risk and Hedge Ratios

The scope of hedging foreign exchange risk and the hedge ratio when receiving distributions from overseas real estate holding corporations shall be flexibly adjusted according to market conditions and other factors. In addition, for a certain period of time, SHR will consider hedging foreign exchange fluctuation risk through forward exchange contracts or other appropriate methods for each such period, assuming distributions of profits and losses and cash flows, etc., from equity interests in overseas real estate holding corporations.

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8. Transactions with Interested Persons, etc.
As described above, NASH – Holland Boren & Lenora, LLC, the seller of the Asset to be Acquired falls within the category of interested persons, etc. as provided in Article 201 Paragraph 1 of the Investment Trusts Act and the category of interested parties under the Rules for Transactions with Interested Parties (which is SHA's internal rule). Given this, upon the execution of the agreement for the transfer of real estate concerning the Asset to be Acquired with NASH – Holland Boren & Lenora, LLC, SHA has undergone the decision-making procedures as stipulated in the aforementioned Rules for Transactions with Interested Parties (including the consent of SHR based on the approval of SHR's board of directors today).

9. Future Outlook
As the planned acquisition date of the Asset Acquisition is December 8, 2026, there is no impact on the operating results for the fiscal period ending October 31, 2026 (24th Fiscal Period). Furthermore, the impact on the operating results for the fiscal period ending April 30, 2027 (25th Fiscal Period) is minimal, and there is no change to the forecasts of performance for the fiscal periods ending October 31, 2026 (May 1, 2026 – October 31, 2026) and April 30, 2027 (November 1, 2026 – April 30, 2027) announced in the "Financial Report for the Fiscal Period Ended April 30, 2026" on June 15, 2026.

10. Other Matters Necessary for Investor's Appropriate Understanding/Assessment of Relevant Information
With regard to the risks associated with the Additional Investment and the Asset Acquisition, please refer to the contents of "Part 1. Fund Information; Section 1. Status of Fund; 3. Investment Risks" of the Securities Report submitted on July 30, 2026.

11. Summary of the Appraisal Report of the Asset to be Acquired

[Overview of the Appraisal Report]

Property name	The Ivey on Boren (Additional Acquisition)
Appraisal value	32,000,000 USD (5,041,280,000 JPY)
Method	Local Appraisal Assistance Method (Note 1)
Name of appraisal firm	DAIWA REAL ESTATE APPRAISAL CO.,LTD.
Name of local appraisal firm	GlassRatner Advisory & Capital Group, LLC
Date of value	September 30, 2026

(Thousand USD)

Item	Details	Description, etc.
Income approach value	32,000	Assessed by associating the value based on direct capitalization method to the value by DCF method
Value based on direct capitalization method	32,300	—
Operating revenue	2,066	—
Gross potential income	2,165	Recorded by taking into account the rental income, etc. based on the current lease agreement.
Vacancy loss, etc.	99	Recorded by taking into account the occupancy status and supply and demand of similar real estate in addition to the actual occupancy status of previous years.
Operating expenses	734	—
Maintenance and management fee	195	Recorded by taking into account the most recent actual amounts and the forecasted amounts.
Utilities expenses	120	Recorded by taking into account the most recent actual amounts and the forecasted amounts.
Repair expenses	36	Recorded by taking into account the most recent actual amounts and the forecasted amounts.
Property management fee	41	Recorded by taking into account the fees of the scheduled

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		contract along with the leasing conditions of similar real estate.
Tenant leasing cost, etc.	22	Recorded by taking into account the most recent actual amounts, the forecasted amounts and the tenant leasing costs of similar real estate.
Property taxes	265	Recorded by taking into account the most recent actual amounts and the forecasted amounts.
Insurance premium	48	Recorded by taking into account the most recent actual amounts and the forecasted amounts.
Other expenses	6	Recorded by taking into account the most recent actual amounts and the forecasted amounts.
Net operating income (NOI)	1,331	—
Gain on management of income from lump-sum payment	—	Not recorded in consideration of local custom.
Capital expenditures	8	Recorded by taking into account the level of similar real estate.
Net cash flow (NCF)	1,322	—
Capitalization rate	4.10%	Assessed by adjusting the spread attributed by the location conditions, building conditions, and other conditions, and by taking into account the future uncertainty along with the transaction yields of similar real estate, etc.
Value of earnings calculated by discounted cash flow (DCF) method	31,900	—
Operating revenue	2,313	Average of the holding period (10 years) in the DCF method.
Operating expenses	841	Average of the holding period (10 years) in the DCF method.
Net operating income (NOI)	1,472	Average of the holding period (10 years) in the DCF method.
Net cash flow (NCF)	1,462	Average of the holding period (10 years) in the DCF method.
Discount rate	6.35%	Assessed by taking into account the individuality of the subject property comprehensively, while using the investment yields of similar real estate as reference.
Terminal capitalization rate	4.35%	Assessed by taking into account the transaction yields of similar real estate as reference, and taking into account the future trend of investment yields, the risk of the subject property as an investment, the general forecast of future economic growth rate and real estate price and rent trends comprehensively.
Cost method value	45,100	—
Ratio of land	11.6%	—
Ratio of building	88.4%	—

Items considered upon determining appraisal value	Not applicable.

(Note 1) For the definition of "local appraisal assistance method", please refer to "[Explanation of "3. Description of the Additional Investment and the Asset Acquisition (2) Overview of the Asset to be Acquired" above]. SHR has obtained the real estate appraisal report based on the local appraisal assistance method in accordance with the "Guidelines for Overseas Investment Real Estate Appraisal" (formulated on January 25, 2008) established by the Ministry of Land, Infrastructure, Transport and Tourism.

(Note 2) The amounts in the table above are rounded down to the nearest thousand USD, and the total amount may not match the figures for operating revenue, operating expenses and other items.

*Comparison with average rent unit price for the lease agreement

Average rent unit price for the appraisal price	$3.98/SF ($42.84/ m^2)
Average rent unit price for lease agreements	$4.07/SF ($43.83/ m^2)

(Note 1) "Average rent unit price for the appraisal price" is the average rent unit price based on the "rental income inclusive of common area fee" in the direct capitalization method described in the appraisal report.

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(Note 2) "Average rent unit price for lease agreements" is the average rent unit price based on the monthly rent in "3. Description of the Additional Investment and the Asset Acquisition (2) Overview of the Asset to be Acquired" above.

* Website of SHR: https://sekisuihouse-reit.co.jp/en/

<Attachment>
Reference Material: Property Photograph and Surrounding Area Map of the Asset to be Acquired

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Reference Material: Property Photograph and Surrounding Area Map of the Asset to be Acquired
The Ivey on Boren





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