

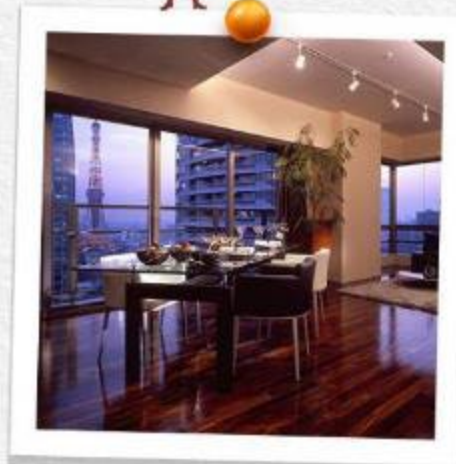


Nippon Accommodations Fund Inc.

32nd Period

# Investor Presentation

September 1, 2021 – February 28, 2022



Seek to secure stable earnings and steadily grow assets under management from a medium- to long-term perspective with the aim of maximizing unitholder value

## Features

1. Investments in Accommodation Assets, Primarily “Rental Apartments”
2. Leveraging the Mitsui Fudosan Group's Value Chain

## Portfolio Summary

Total Acquisition Price	JPY <b>337.9</b> billion
No. of Investment Properties	<b>134</b>
Total Rentable Units	<b>13,275</b>
Portfolio in Tokyo 23 Wards* <sup>1</sup>	<b>88.5%</b>
Percentage of Single and Compact Units* <sup>1</sup>	<b>83.3%</b>

Focused Investment in Tokyo 23 Wards

Primarily Single and Compact Units

High Occupancy Rate\*<sup>2</sup> **96.8%**

## Financial Summary

Total Interest-Bearing Debt	JPY <b>167.5</b> billion
LTV	<b>51.4%</b>
Long-Term Debt Ratio	<b>98.8%</b>
Weighted-Average Interest Rate	<b>0.51%</b>
Duration of Long-Term Debt	<b>4.9</b> years
Credit Rating	<b>AA-</b> R&I
	<b>A+</b> S&P

The Highest Credit Ratings Among Residential J-REITs

## ESG Summary

GRESB	3 Stars* <sup>3</sup> /Green Star	DBJ Green Building Certification	Acquired for 7 buildings
			30.6% of portfolio certified* <sup>4</sup>

\*1 Percentage of portfolio in Tokyo 23 Wards is based on acquisition price for “Rental Apartments” only. Percentage of single and compact units is based on units for “Rental Apartments” only.

\*2 “Occupancy rate” is the average month-end occupancy rate during the 32nd Period.

\*3 The results of GRESB assessment for 2021 is shown.

\*4 DBJ Green Building certified percentage is calculated based on gross floor area.

(End of the 32nd Period; as of February 28, 2022)



## Distribution per Unit

▶ 32nd Period      JPY **10,485** (JPY +135 from forecast\*1)

P.5  
P.6

\*1 The forecast distribution per unit for the 32nd Period stated in the financial results report dated October 19, 2021, was JPY **10,350** yen.

## Internal Growth

▶ Occupancy Rate	Average Month-End Occupancy Rate	<b>96.8%</b> (+0.3 points from forecast*2)
▶ Rent Trends	Rent Change at Tenant Turnover	<b>+0.8%</b>
	Rent Change at Renewal	<b>+0.2%</b>

P.7  
~  
P.12

\*2 The forecast average month-end occupancy rate during the 32nd Period stated in the financial results report dated October 19, 2021, was **96.5%**.

## External Growth

▶ Acquired in the 33rd Period      **1** Property / JPY **2.4** billion

P.13

## Financial Strategy

▶ Decrease in Financing Costs	Weighted-Average Interest Rate	<b>0.52%</b> → <b>0.51%</b>
▶ Stable Financial Position	Duration of Long-Term Debt	<b>4.8</b> years → <b>4.9</b> years

P.19  
P.20

## Overview

Financial Highlights	5
Internal Growth / Historical Occupancy Rates	7
Internal Growth / Rent Trends at Tenant Turnover	8
Internal Growth / Rent Trends at Renewal	11
Internal Growth / Rent Trends of Rental Apartments	12
External Growth	13
External Growth Strategy	14
Capital Expenditures (1)	15
Capital Expenditures (2) Renovation of Private Areas	16
Sustainability Initiatives	17
Financial Strategy and Credit Ratings	19
Unrealized Profit / Loss	21
Forecasts	
(33rd Period: March 2022 - August 2022) (34th Period: September 2022 - February 2023)	22
Track Record of Distributions	24

## Features and Strategies

Features and Strategies (1)	
Investment in Accommodation Assets	27
Features and Strategies (2)	
Leveraging the Mitsui Fudosan Group	28

## Appendix (1): Portfolio

Track Record of External Growth	31
Rental Apartments Characteristics	32
Tenant Characteristics	33
Hospitality Facilities Owned	34
Portfolio Map	35
Portfolio List	36
Appraisal Value	41
Occupancy Rates	46
Historical Occupancy Rates since IPO	51
Occupancy Rates by Area	52
Occupancy Rates by Category	53

## Appendix (2): Business Environment

Trends in Apartment Rents	55
Supply and Demand of Rental Apartments	
— Tokyo 23 Wards	56
Tokyo: Trends in Population and Number of Households	57
Demand for Rental Apartments	
— Other Major Cities	58
Supply of Rental Apartments	
— Regional Areas	59

## Appendix (3): Financial Details

Interest-Bearing Debt	61
Historical Operating Performance	64
Balance Sheet and Income Statement	65

## Appendix (4): Sustainability Initiatives

Sustainability Initiatives	67
----------------------------	----

## Appendix (5): Others

Structure of the REIT	73
Unitholders	74
Historical Unit Price Since IPO	75

## Disclaimer

79



# Overview

---

# Financial Highlights (1) (32nd Period: September 2021 - February 2022)

	32nd Period (Forecast) <sup>*1</sup> (Ended Feb. 28, 2022) ①	32nd Period (Actual results) (Ended Feb 28, 2022) ②	Comparison with Forecast		31st Period (Actual results) (Ended Aug. 31, 2021) ③	Comparison with the 31st Period	
			Change ② - ①	Notes		Change ② - ③	Notes
(JPY million)							
Total Revenues	12,132	12,217	+84	■ Revenues +84 Existing properties +84	11,986	+231	■ Revenues +231 Existing properties +8
Operating Income	5,671	5,726	+55	■ Operating expenses +29 Rental expenses +33 Real estate taxes -0 Depreciation and amortization +0 Asset management fees +8 Other expenses -12	5,428	+298	■ Operating expenses -67 Rental expenses -86 Real estate taxes -0 Depreciation and amortization -1 Asset management fees +28 Other expenses -6
Net Income	5,211	5,278	+67	■ Non-operating income +4 ■ Non-operating expenses -7 Interest expense, etc. -7	4,978	+300	■ Non-operating income +0 ■ Non-operating expenses -1 Interest expense, etc. -1
Net Income per Unit <sup>*2</sup>	10,350 yen	10,485 yen	+135 yen		9,887 yen	+598 yen	■ Internal reserve -74 Reversal of reserve for reduction entry -74
Reversal of Reserves for Reduction Entry per Unit	-	-	-		148 yen	-148 yen	
Distribution per Unit	10,350 yen	10,485 yen	+135 yen		10,035 yen	+450 yen	
Units Outstanding	503,472 units	503,472 units	-		503,472 units	-	
AUM	Total Acquisition Price <sup>*3</sup>	337,930	337,930	-	337,930	-	
	No. of Investment properties	134 properties	134 properties	-	134 properties	-	
Average Month-End Occupancy Rate	96.5 %	96.8 %	+0.3 points		96.2 %	+0.6 points	
LTV (At the end of the Period)	51.5 %	51.4 %	-0.1 points		51.7 %	-0.3 points	

\*1 The forecast for the 32nd Period are the figures announced in the financial results report (excluding LTV) dated October 19, 2021.

\*2 Calculated based on 503,472 units outstanding at the end of the period.

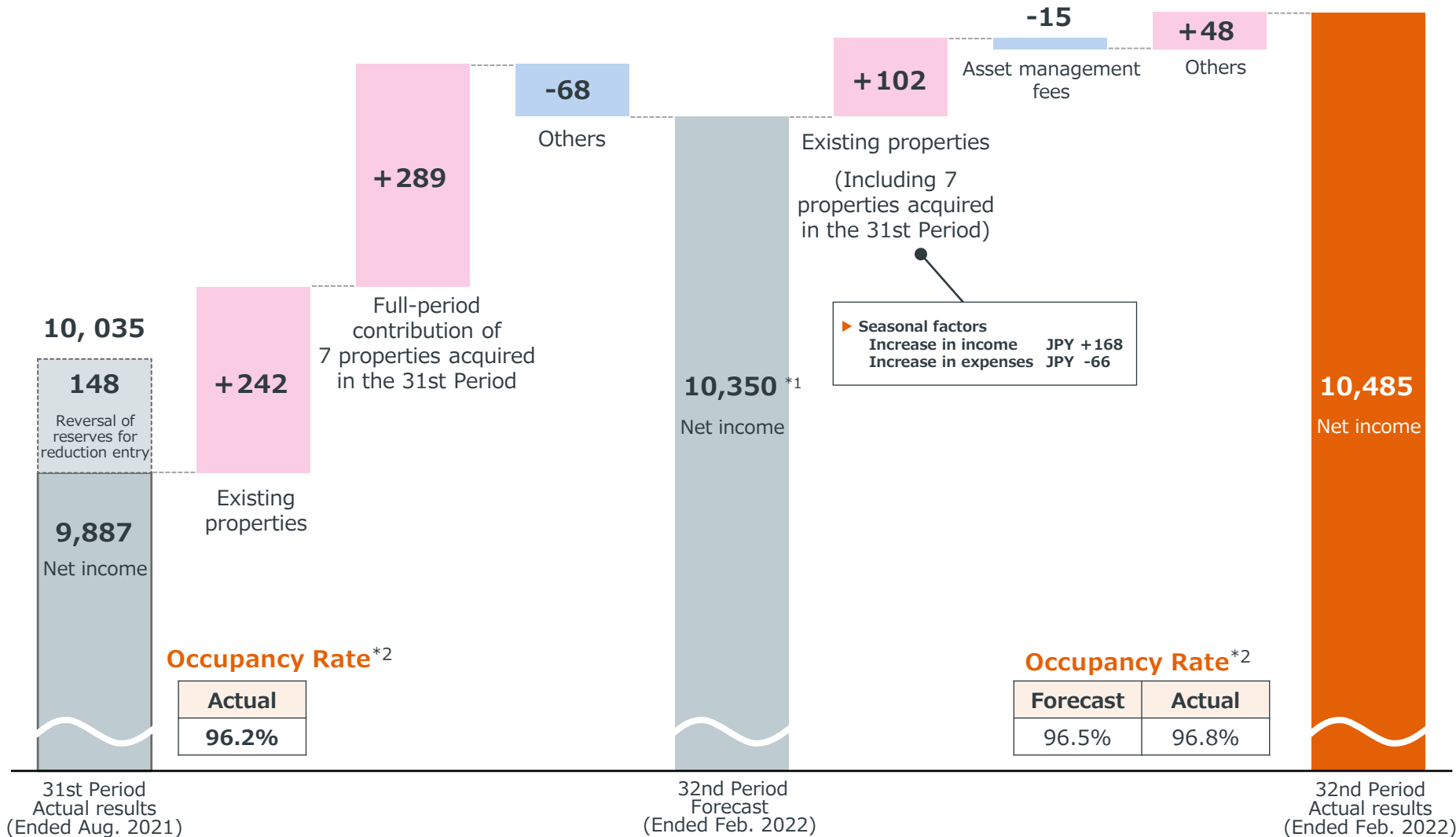
\*3 Acquisition-related expenses, property tax and consumption tax are not included.



# Financial Highlights (2) (32nd Period: September 2021 - February 2022)

## Factors in Change of Distribution per Unit (32nd Period Actual vs. Forecast)

Factors in increase (pink) Factors in decrease (blue) (Unit: JPY)



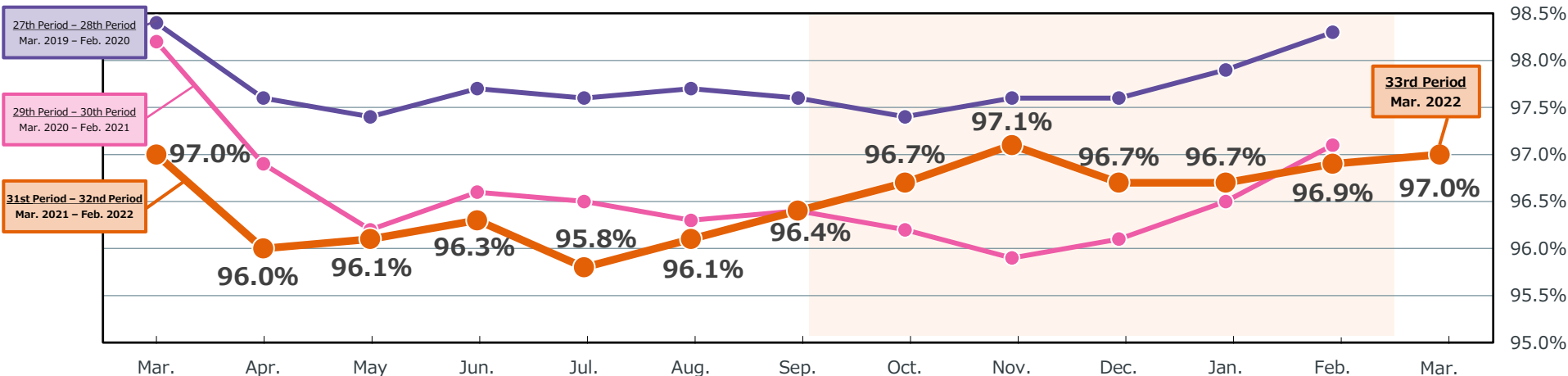
\*1 The forecast for the 32nd Period are the figures announced in the financial results report dated October 19, 2021.  
 \*2 Occupancy rate is the average month-end occupancy rate during the period.



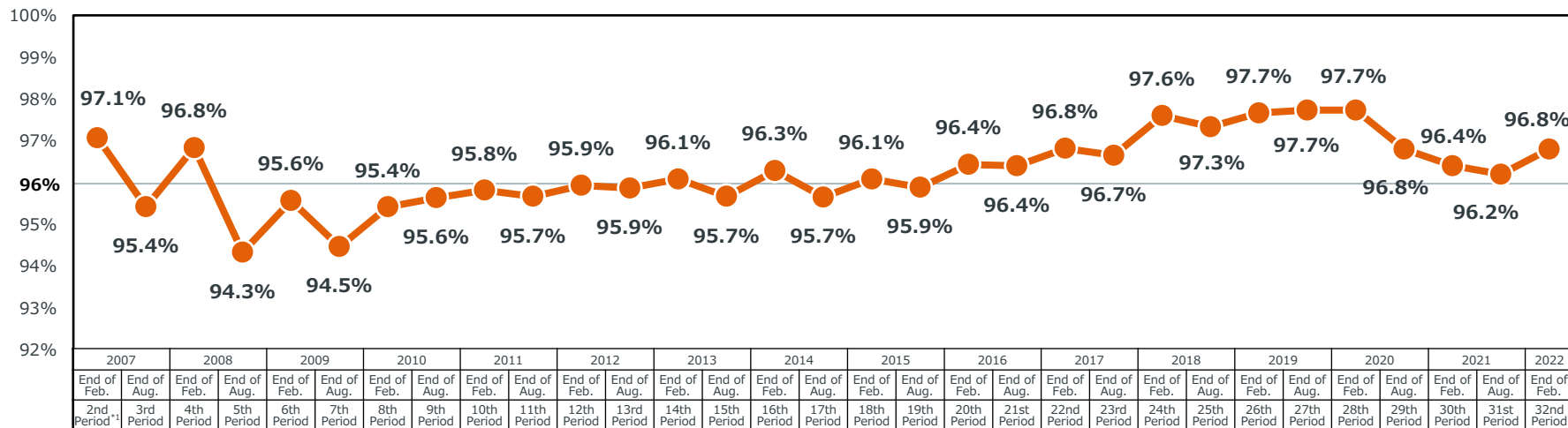
# Internal Growth / Historical Occupancy Rates

Occupancy rate remains stable at around 96% with mostly normalized leasing activities

Change in Month-End Occupancy Rates for the Past Three Years



Period Average Occupancy Rate Since the Listing



\* Period average month-end occupancy rates indicate figures for the entire portfolio including hospitality facilities.

\*1 Period average month-end occupancy rate for the 2nd Period is a figure for the period after the listing (from August 31, 2006, to February 28, 2007).



# Internal Growth / Rent Trends at Tenant Turnover (1)

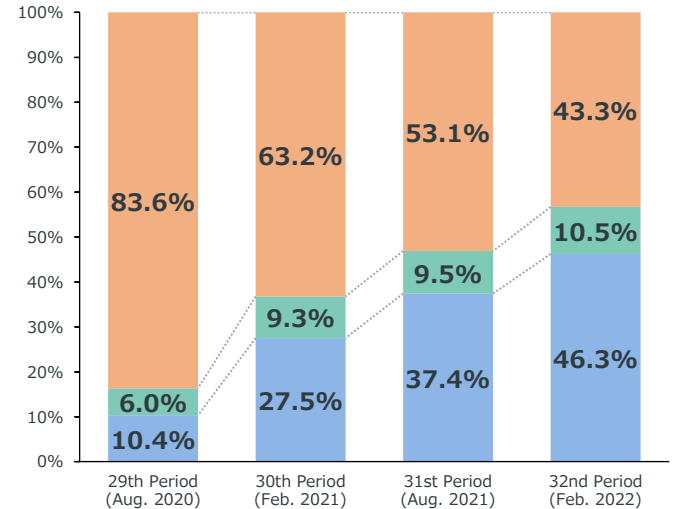
## Percentage change in rent at tenant turnover was +0.8%

### Change in Rent of Rental Apartments at Tenant Turnover

(JPY thousand)

Tenant Turnover	29th Period (Aug. 2020)	30th Period (Feb. 2021)	31st Period (Aug. 2021)	32nd Period (Feb. 2022)
Total Rentable Units <sup>*1</sup>	10,890 units	10,957 units	11,520 units	11,520 units
No. of Units <sup>*1</sup>	1,036 units	1,250 units	1,360 units	1,240 units
Rent Increase	866 units	790 units	722 units	537 units
Rent Unchanged	62 units	116 units	129 units	130 units
Rent Decrease	107 units	344 units	509 units	574 units
Monthly Rent Net Change	10,061	6,275	4,144	1,542
Rent Increase	10,590	8,685	7,966	6,366
Rent Decrease	-529	-2,409	-3,821	-4,823
Percentage Change	6.7 %	3.2 %	2.0 %	0.8 %

### Percentage of Rent Changed Units at Tenant Turnover

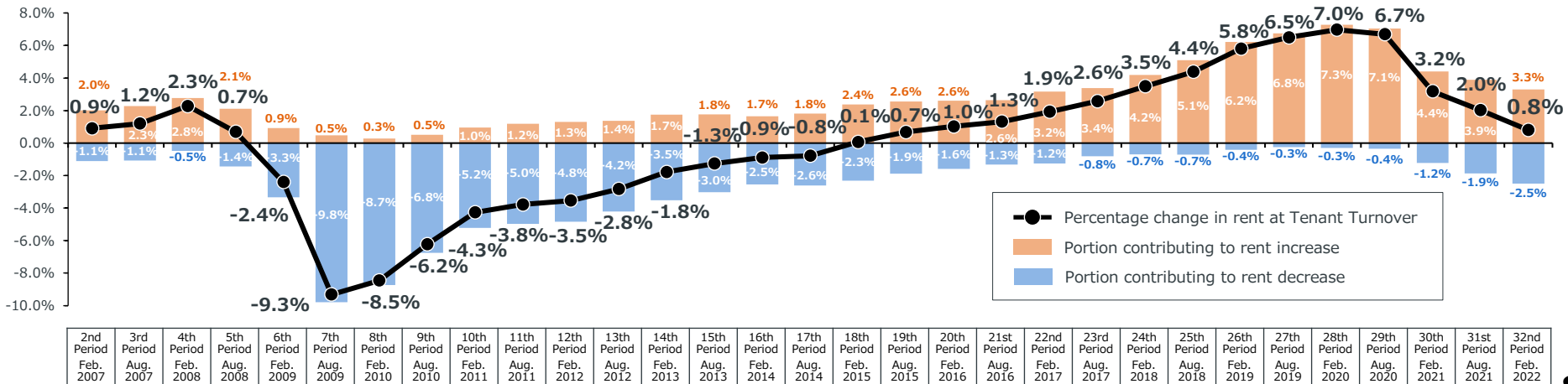


\* Continual renewal contracts under the periodic tenancy agreement are excluded from tenant turnover and counted as renewals.

\* Calculations above do not include figures for retail units and Hospitality Facilities.

\*1 "Total Rentable Units" and "No. of Units" of properties (co-ownership interest owned) are calculated by multiplying NAF's interest rate, rounded to the nearest specified unit.

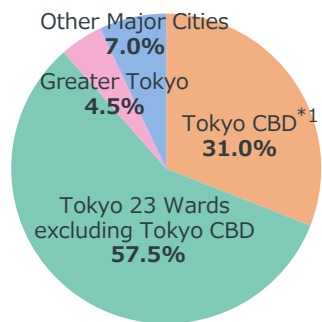
### Percentage Change in Rent at Tenant Turnover



# Internal Growth / Rent Trends at Tenant Turnover (2)

## Continued to rise in Greater Tokyo even amid the COVID-19 crisis

■ Ratio of Rental Apartments by Area

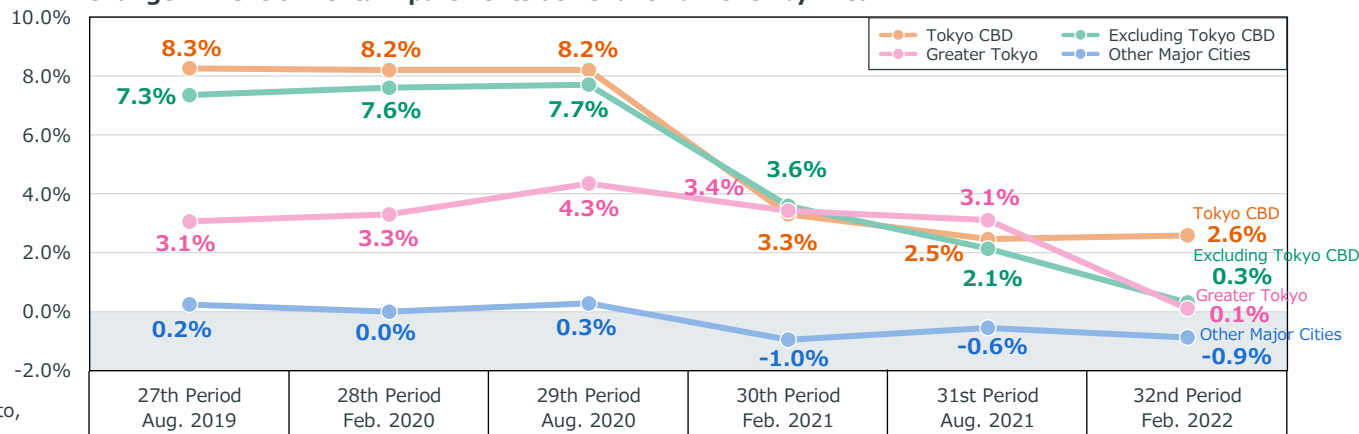


(As of the end of the 32nd Period, acquisition price basis)

\*1 Tokyo CBD (Central Business District) includes Minato, Chuo, and Chiyoda wards.

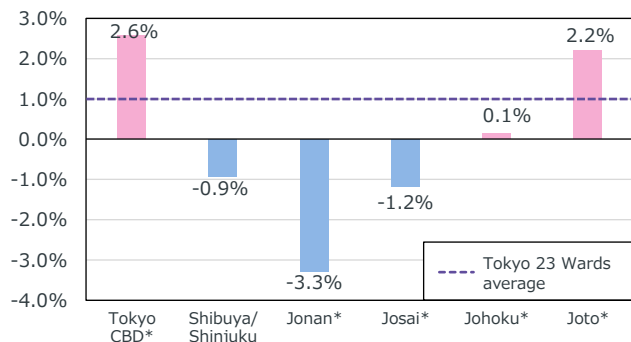
\* Calculations above do not include figures for retail units and Hospitality Facilities.

■ Change in Rent of Rental Apartments at Tenant Turnover by Area



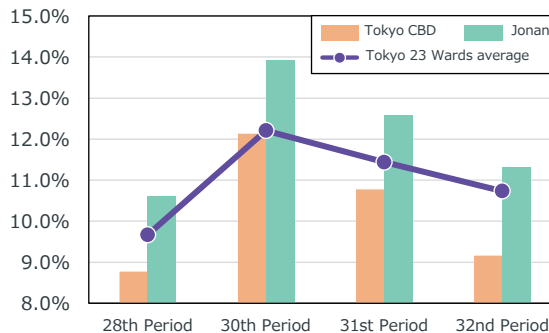
■ Analysis on the Percentage Change in Rent for Tokyo 23 Wards

<Figure-1> Percentage Change in Rent for Tokyo 23 Wards for 32nd Period (by Area)



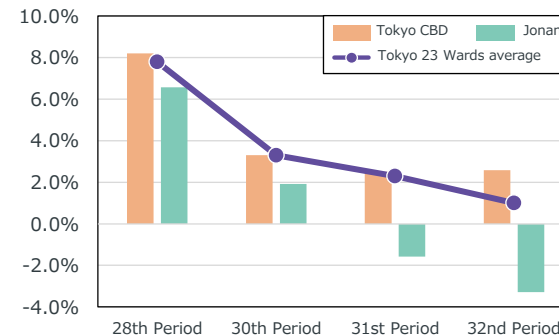
Tokyo CBD and Joto were strong while Jonan was weak.

<Figure-2> Change in Cancellation Rates (Comparison of Tokyo CBD and Jonan)



Jonan continued to see more cancellations than other areas.

<Figure-3> Percentage Change in Rent at Turnover (Comparison of Tokyo CBD and Jonan)



The greater number of cancellations in Jonan is likely the cause for the increase in rent adjustment range.

Legend for \*

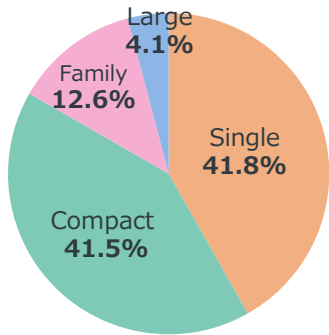
Tokyo CBD: Minato, Chuo, and Chiyoda Wards  
 Jonan: Shinagawa, Meguro, Ota, and Setagaya Wards  
 Josai: Nakano, Sugiyama, and Nerima Wards  
 Johoku: Bunkyo, Toshima, Kita, and Itabashi Wards  
 Joto: Taito, Sumida, and Koto Wards  
 (The categorization is for only the wards where "Rental Apartments" in the portfolio are located.)

\* Cancellation rates are calculated by dividing the total contracted monthly rent of units contracted in each period out of the units which were cancelled by the total monthly rent assumed for full occupancy at the end of each period.

# Internal Growth / Rent Trends at Tenant Turnover (3)

## Family type units continued to perform at a high level

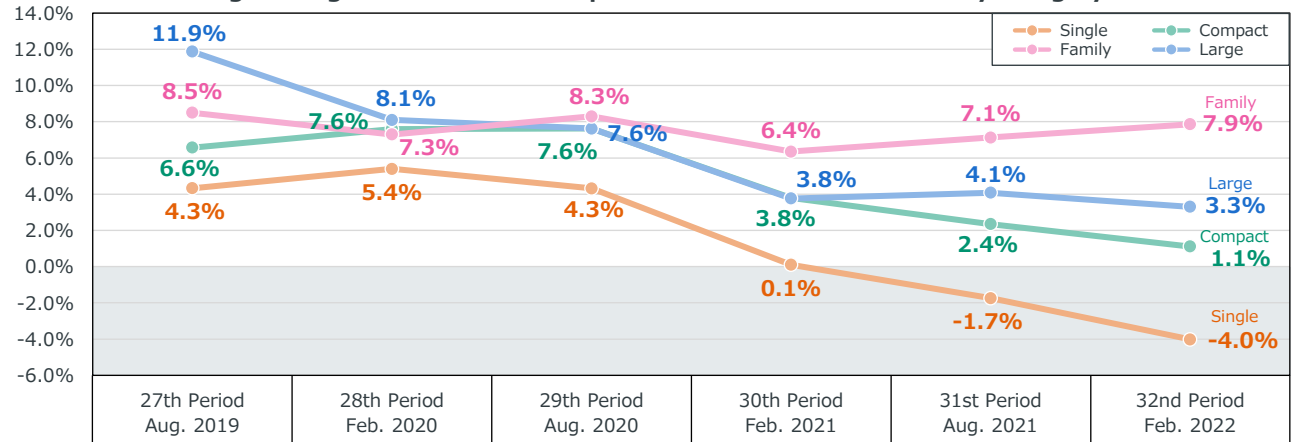
Ratio of Rental Apartments by Category



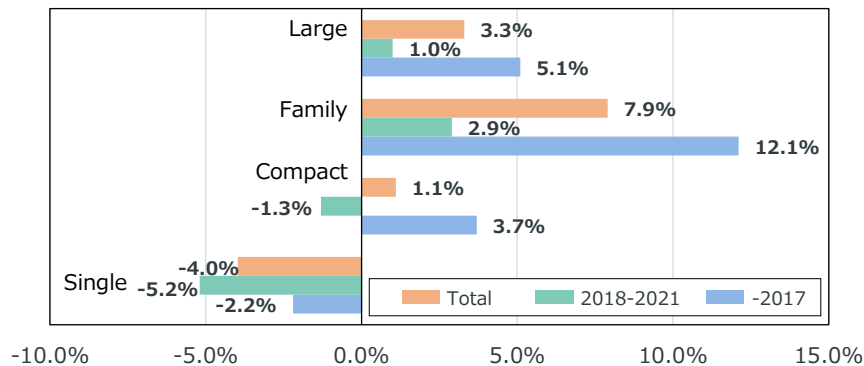
(As of the end of the 32nd Period, unit basis)

\* Calculations above do not include figures for retail units and Hospitality Facilities.  
\* Please refer to page 32 for definition of respective category.

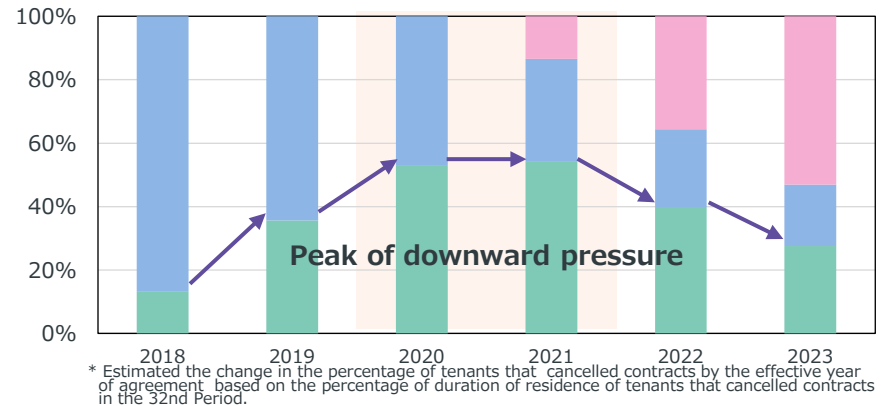
Percentage Change in Rent of Rental Apartments at Tenant Turnover by Category



Change in Rent of Rental Apartments at Tenant Turnover by Category (by Effective Year of Agreement)

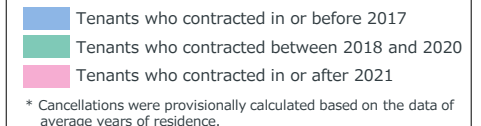


Composition of Tenant Attributions that Impact Tenant Turnover



- ▶ As to rent for single type units, the decline was large for the contracts between 2018 and 2021, and the total change rate was also in the negative.
- ▶ As to rent for other categories, the total change rates showed an increase, and the margin of the increase was large especially in the contracts until 2017.

- ▶ Downward pressure due to tenant turnover is expected to calm down in and after 2022.



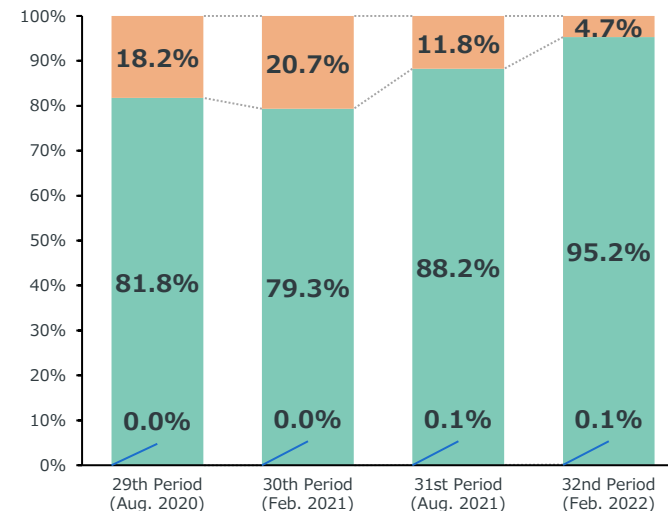
## Percentage change in rent at renewal remained in the positive territory

### Change in Rent of Rental Apartments at Renewal

(JPY thousand)

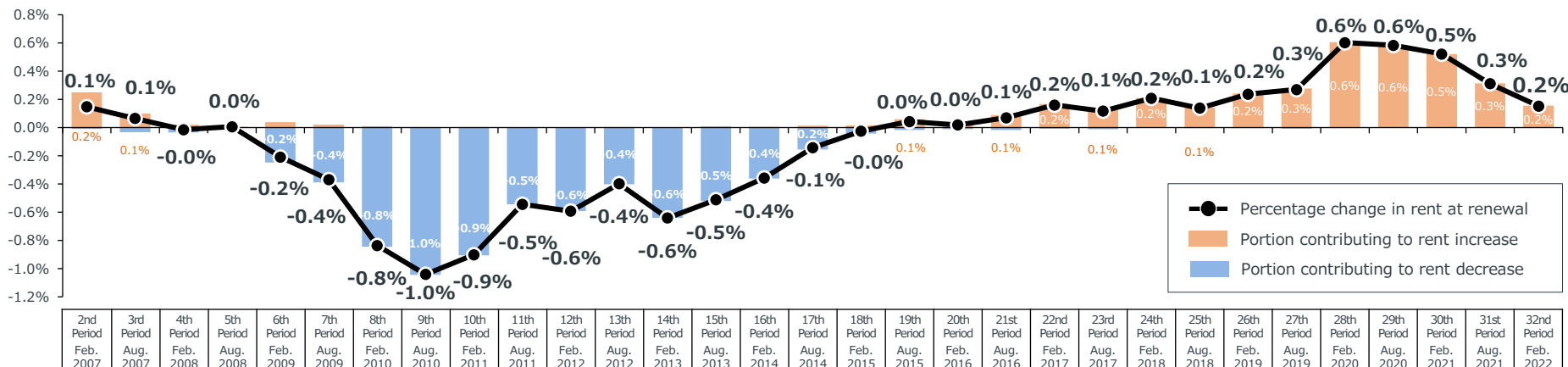
Renewal	29th Period (Aug. 2020)	30th Period (Feb. 2021)	31st Period (Aug. 2021)	32nd Period (Feb. 2022)
Total Rentable Units*1	10,890 units	10,957 units	11,520 units	11,520 units
No. of Units*1	2,184 units	1,718 units	2,223 units	1,700 units
Rent Increase	398 units	355 units	262 units	80 units
Rent Unchanged	1,785 units	1,363 units	1,960 units	1,618 units
Rent Decrease	0 units	0 units	1 unit	2 units
Monthly Rent Net Change	1,797	1,336	1,009	402
Rent Increase	1,797	1,336	1,016	408
Average rate of increase:				2.7%
Rent Decrease	0	0	-6	-6
Average rate of decrease:				-2.5%
Percentage Change	0.6 %	0.5 %	0.3 %	0.2 %

### Percentage of Rent Changed Units at Renewal



\* Continual renewal contracts under the periodic tenancy agreement are excluded from tenant turnover and counted as renewals.  
 \* Calculations above do not include figures for retail units and Hospitality Facilities.  
 \*1 "Total Rentable Units" and "No. of Units" of properties (co-ownership interest owned) are calculated by multiplying NAF's interest rate, rounded to the nearest specified unit.

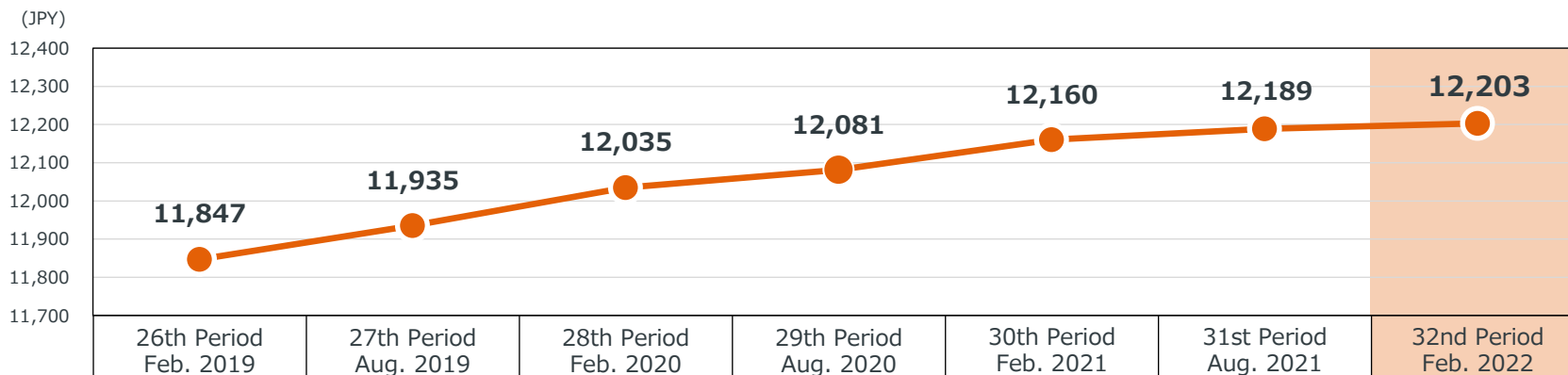
### Percentage Change in Rent at Renewal



# Internal Growth / Rent Trends of Rental Apartments

## Average rent per tsubo has continued to rise

### Average Rent per Tsubo

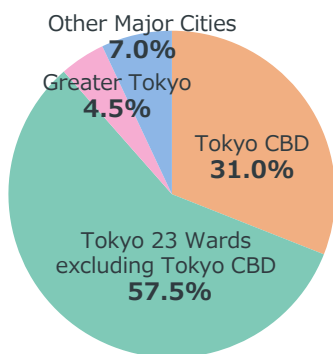


\* Average rent per tsubo = Total rent at the end of each period / Total rentable area in tsubo (1 tsubo = approx. 3.3 m<sup>2</sup>).

\* Shown here is the change in average rent per tsubo for the 106 rental apartments rented of the properties owned from the 26th to the 32nd Periods.

## Continued to rise centered on Tokyo 23 Wards

### Ratio of Rental Apartments by Area



### Percentage Change in Average Rent per Tsubo by Area

		27th Period (Aug. 2019)	28th Period (Feb. 2020)	29th Period (Aug. 2020)	30th Period (Feb. 2021)	31st Period (Aug. 2021)	32nd Period (Feb. 2022)
Tokyo 23 Wards	Tokyo CBD* <sup>1</sup>	+0.87%	+0.78%	+0.41%	+0.57%	+0.43%	+0.17%
	Excluding Tokyo CBD	+0.95%	+0.96%	+0.71%	+0.63%	+0.29%	+0.15%
Greater Tokyo		+0.44%	-0.05%	+0.57%	+0.23%	+0.21%	-0.08%
Other Major Cities		+0.15%	+0.21%	-0.20%	+0.05%	-0.15%	-0.08%
Total		+0.75%	+0.81%	+0.38%	+0.63%	+0.34%	+0.13%

(As of the end of the 32nd Period, acquisition price basis)

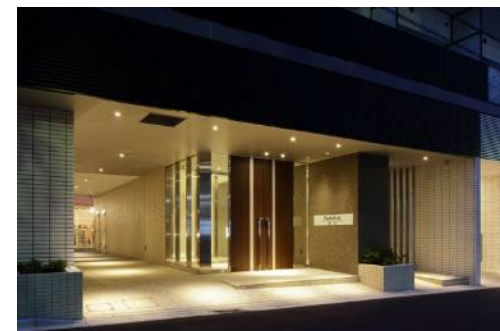
\*<sup>1</sup> Tokyo CBD (Central Business District) includes Minato, Chuo, and Chiyoda wards.

\* Above percentages indicate approximate change in average rent per tsubo of the properties owned (excluding properties sold) at the end of each period compared with the end of the immediately preceding period (six months before).

\* Calculations above do not include figures for retail units and Hospitality Facilities.

## Properties Acquired in the 33rd Period

	Rental Apartments
Name of Property	Park Axis Kikukawa
Location	Sumida-ku, Tokyo
Acquisition Date	April 4, 2022
Completion	June 20, 2014
Rentable Area	2,595.60 m <sup>2</sup>
Number of Rentable Units	81
Acquisition Price	2,410 million yen
NOI Yield*1	4.3%
Seller	Mitsui Fudosan Residential Co., Ltd.



\*1 NOI yield = Appraisal operating revenue / Acquisition price × 100

## LTV and Acquisition Capacity

LTV

**51.4%**

(Actual results at the end of the 32nd Period)



**Around 51.7%**

(Assumption for the end of the 33rd Period)

**Acquisition capacity\*2**

**Approx. JPY 24 Billion**  
(Assumption for the end of the 33rd Period)

\*2 Borrowing capacity up to 55% LTV

## ■ Park Axis Series Development Status (Pipeline)

Developed and leasing  
**3,674** units at **41** properties  
 centering on Tokyo 23 Wards

Tokyo 23 Wards		Other Major Cities	
<b>36</b> properties	<b>3,049</b> units	<b>1</b> property	<b>157</b> units
Greater Tokyo		Total	
<b>4</b> properties	<b>468</b> units	<b>41</b> properties	<b>3,674</b> units

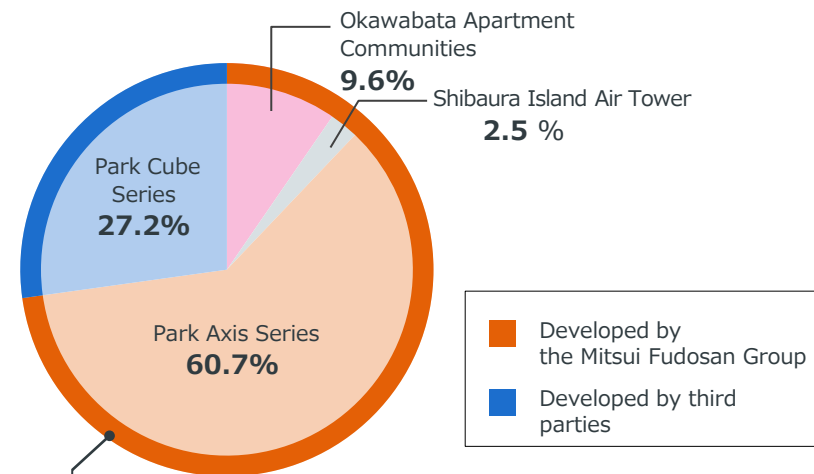


Source: Prepared based on the material provided by Mitsui Fudosan Residential Co., Ltd.

\* The above presents the status of Park Axis series development by Mitsui Fudosan Residential Co., Ltd., a developer, but does not represent NAF acquisition commitments as of the date of this document.

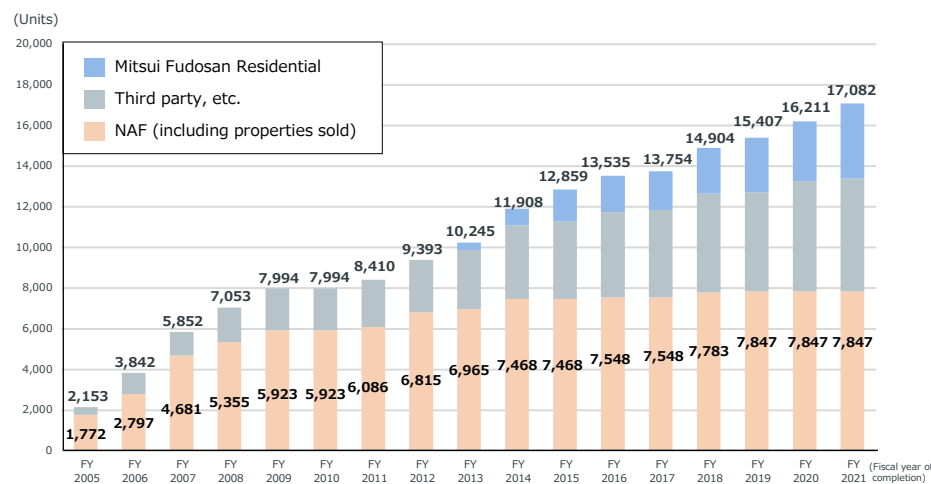
## ■ Asset Classification of Rental Apartments

(As of the end of the 32nd Period, acquisition price basis)



Investment mainly focused on rental apartments developed by the Mitsui Fudosan Group

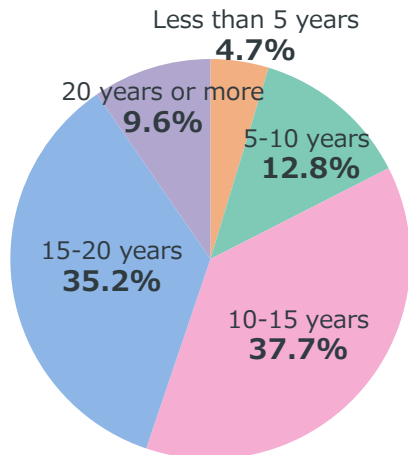
## ■ Supply Record of Park Axis by NAF (by Acquisition Subject)



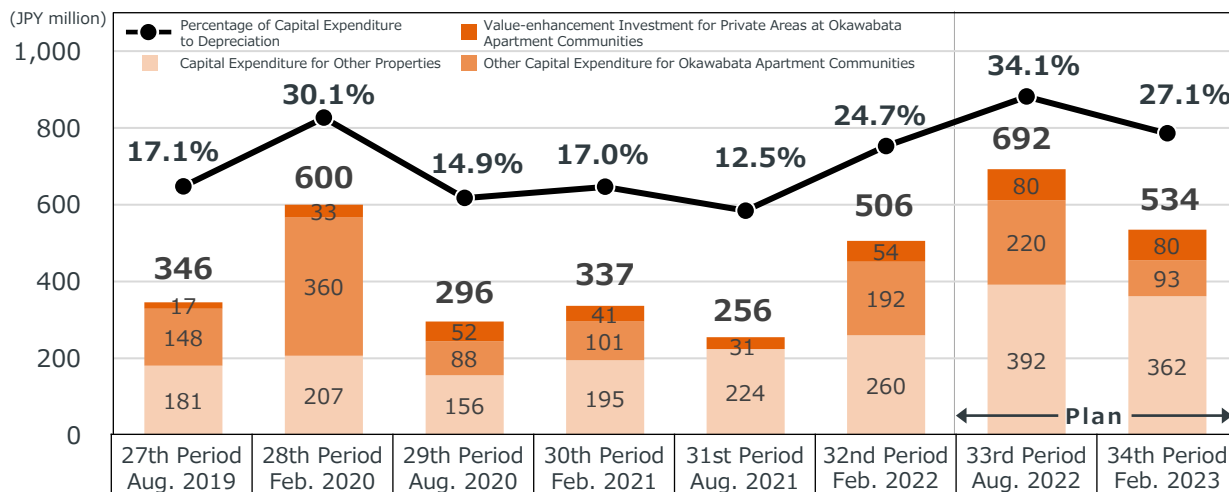
Source: Prepared based on the material provided by Mitsui Fudosan Residential Co., Ltd.

## Ratio of Rental Apartments by Property Age ■ Actual and Planned Capital Expenditures

(As of the end of the 32nd Period, acquisition price basis)



Average property age **15.2 years**



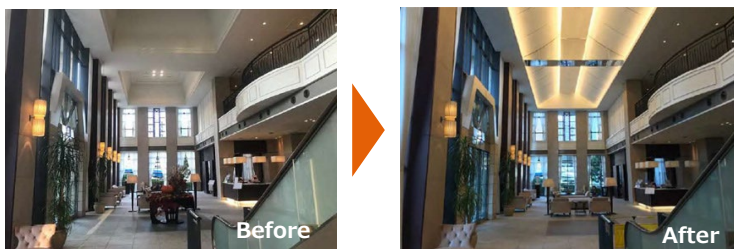
\* Figures for the 33rd Period and 34th Period are estimates, and therefore are subject to change. They include accounting expenses.

- At Okawabata Apartment Communities, value-enhancement investment for private areas has remained at around **JPY 50 million/period** and other capital investment at around **JPY 200 million/period** (both figures based on actual results).
  - Replacement work of parts for automated parking and renewal work of air-conditioners were implemented.
- It has remained at around **JPY 200 million/period** for other properties (based on actual results)
  - Repair work of automated parking, exterior walls, etc. will be implemented sequentially in the 32nd Period and after.

## Case Examples of Capital Expenditure

### ► Example of large-scale repair work

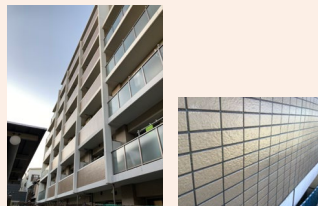
#### > Seismic retrofitting of the ceiling



◆ Shibaura Island Air Tower

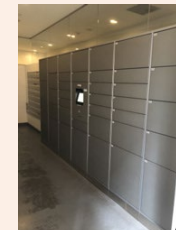
### ► Example of value-enhancement investment/function restoration work

#### > Work to prevent falling of exterior tiles



◆ Park Axis Takingogawa

#### > Renewal work of delivery box



◆ Park Axis Nihonbashi Stage

#### > Renewal work of air-conditioners



◆ Okawabata Apartment Communities

◆ Dormy Kamisugi



# Capital Expenditures (2) Renovation of Private Areas

## Examples of Renovation of Private Areas

In response to the increase in work from home, changed 3LDK to 2LDK with a spacious living room and a separate workspace (DEN). Implemented full renovation, including replacement of the kitchen and bathroom unit.

- 1 Living room: Installed accent wallpaper and indirect lighting to give a sense of high quality.



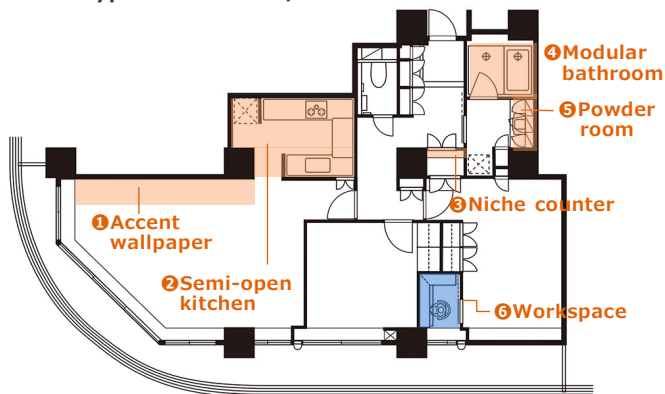
- 2 Changed to semi-open kitchen.



- 3 Newly installed a niche counter.



### 2LDK type unit + DEN / 88.99 m<sup>2</sup>



- 4 Replaced the bathroom unit.



- 6 Newly created a convenient workspace (DEN) for work from home, etc.



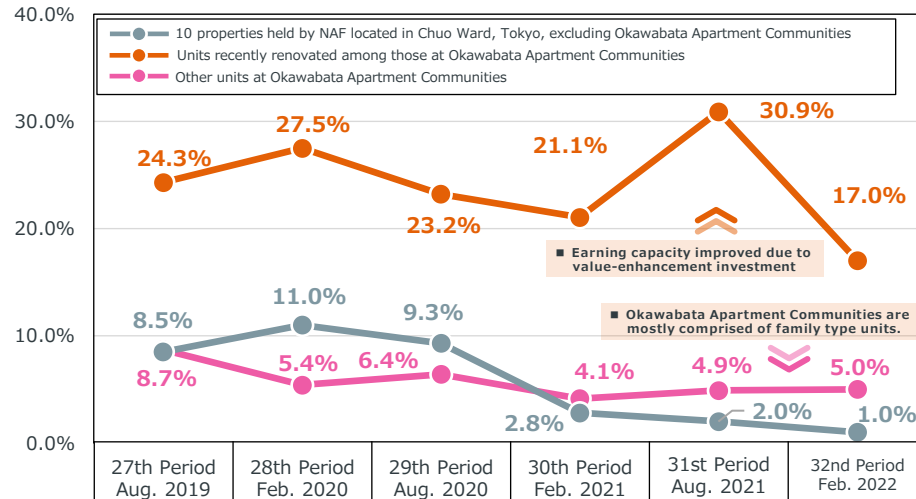
Illustration: Image for use.

- 5 Replaced the powder room.



## Effect of Renovation in Private Area at Okawabata Apartment Communities

### Percentage Change in Rent at Tenant Turnover



### Change in Rent at Tenant Turnover

	27th Period Aug. 2019	28th Period Feb. 2020	29th Period Aug. 2020	30th Period Feb. 2021	31st Period Aug. 2021	32nd Period Feb. 2022
(JPY thousand)						
No. of Units	33 units	33 units	32 units	40 units	34 units	34 units
(Renovated rooms)	2 units	3 units	7 units	6 units	5 units	15 units
Rent Increase	32 units	29 units	28 units	33 units	27 units	29 units
Rent Unchanged	-	2 units	3 units	3 units	0 units	1 unit
Rent Decrease	1 unit	2 units	1 unit	4 units	7 units	4 units
Monthly Rent Net Change	880	641	945	746	781	1,069
Rent Increase	888	737	948	804	881	1,162
Rent Decrease	-8	-96	-2.6	-58	-99	-92
Percentage Change	9.5 %	7.1 %	9.4 %	6.6 %	7.8 %	10.4 %

## ■ Initiatives for Climate Change: Support for TCFD and Disclosure

The Asset Management Company expressed support for Task Force on Climate-related Financial Disclosures (TCFD) recommendations in September 2021. Along with such, it joined the TCFD Consortium, which is an organization of Japanese companies supporting TCFD.

For details of the disclosure based on the TCFD recommendations, please refer to NAF's website.

<https://www.naf-r.jp/english/esg/2-4.html>



### Preserving Water Environment and Promoting Resource Saving and Waste Reduction

The Company aims to preserve the water environment by initiatives for saving water and introduction of water-saving devices. The Company also pursues efforts to promote reduction of harmful substances, resource saving, and waste reduction.

### Climate Change Initiatives

#### Support for Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations

The Asset Management Company expressed its support for the recommendation of the Task Force on Climate-Related Financial Disclosures in September 2021. In conjunction with this, it also joined the TCFD Consortium, an organization made up of Japanese companies that support the recommendations.



### Strategy

This table can scroll to the left or right.

Risk Type	Recognized Issues and Potential Financial Impact	Category	Time
Transition risks and opportunities			
Policy and legal	Increased GHG emission costs (Scope 1) due to introduction of carbon tax - Increased operating costs due to introduction of carbon tax and increased carbon reduction costs to meet emission quotas - Step rise in current electricity prices due to carbon tax hikes	High	Medium Long
Tightening of environmental standards	- Increased procurement and repair costs for buildings and equipment	High	Medium Long
Technology	Evaluation and spread of renewable energy and energy-saving technologies - Increased costs of adapting to changing building specification requirements/standards as products needed for technological innovation become scarce	High	Long

## ■ GRESB Real Estate Assessment



《2021》  
3 Stars

## ■ Green Finance

Procured funds through issuance of green bonds and NAF's first green loans.

JCR Green Finance Framework Evaluation  
Acquired the highest evaluation grade, "Green 1 (F)"

## ■ New Acquisition of DBJ Green Building Certification



Name of property	Park Axis Toyochko Shinsui Koehn
Location	Koto-ku, Tokyo
Total floor area	9,450.49 m <sup>2</sup>
Completion	August 2014
Number of floors	14F



### ► Targets (Target year: 2030)

Green Building certified floor area as a percentage of the entire portfolio

**40%**

(based on gross floor area)

#### Certification details

No. of properties  
**7** properties

Percentage of floor area certified  
**30.6%**  
(based on gross floor area)

(As of February 28, 2022)



(Reference) Overview of Property That Acquired DBJ Green Building Certification

Name of property	Park Cube Atagoyama Tower
Location	Minato-ku, Tokyo
Total floor area	12,579.90 m <sup>2</sup>
Completion	January 2007
Number of floors	B1/ 31F



## ■ New Targets for Environmental Performance

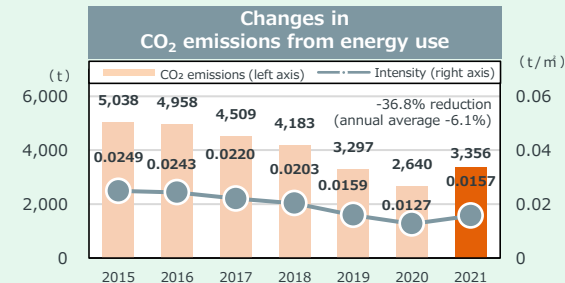
### ► Targets (Target year: 2030)

CO2 emissions from energy use

**Reduction of 50% compared with the actual emissions in 2015**

(based on intensity)

### ► Results



### ► Third-party guarantee

Acquired a third-party guarantee report by Deloitte Tohmatsu Sustainability Co., Ltd. for environmental performance data (results for 2020), such as CO<sub>2</sub> emissions from energy use.



### ► Installation of electricity meters

In order to improve the coverage ratio for the energy consumed in private areas, installed an electricity meter to measure energy consumption at a total of 6 properties.



## ■ Installation of LED Lighting in Common Areas

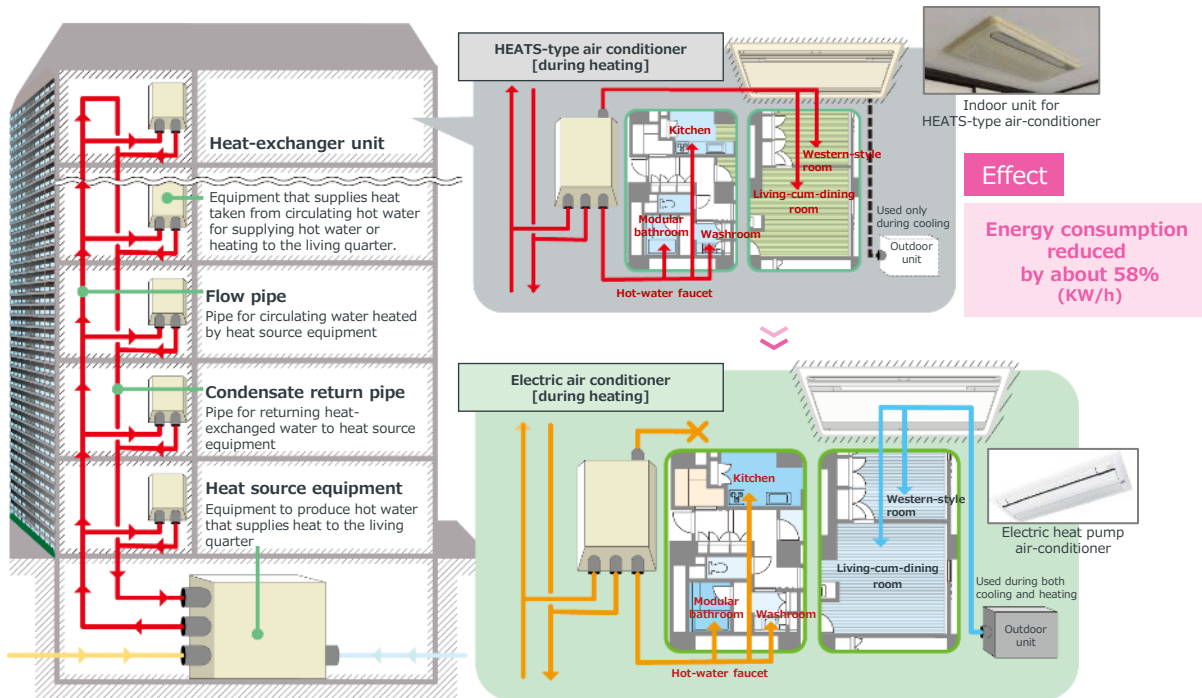
Systematically installing LED lighting promotes energy saving and reduction of CO<sub>2</sub> emissions throughout our portfolio.

Installation completed	In the 32nd Period
<b>103</b> properties	<b>5</b> properties



## E River Point Tower Replacement of air-conditioners/Reduction of CO<sub>2</sub> emissions

Worked to reduce energy consumption of each housing units by changing the air-conditioning system from Housing Heating Total System (HEATS) to electric heat pump air-conditioners.



## E Reduction of CO<sub>2</sub> emissions through replacement of air-conditioners (Dormy Kamisugi)

Enhanced energy-saving effect by replacing all air-conditioners in the building at once



Energy consumption reduced by about 55% (kW/h)

## E Reduction of waste from flooring replacement (Okawabata Apartment Communities)

Shortened replacement work period and reduced waste by using flooring material that can be applied over existing flooring (eco-friendly material).



## E Installation of bicycle sharing stations

At some properties under management, NAF has contributed to the reduction of CO<sub>2</sub> emissions, enhancement of health of people, etc. in local communities by cooperating in installing bicycle stations for bicycle-sharing services.



## S Services to improve convenience

### Mitsui's Residential LOOP

Residents can join the membership organization that offers one-stop residential-related services of Mitsui Fudosan Group.



## S Implementation of training for officers and employees

With the cooperation of Mitsui Fudosan Residential Lease, worked to improve safety and security of tenants and their satisfaction by holding training for the officers and employees of the Asset Management Company to acquire property management knowledge, etc.

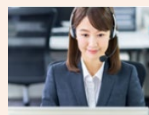


(image)

## S Services and support to secure safety and peace of mind

### Customer support desk (C-desk)

Provides services that accepts and handles water leakage, malfunctions of equipment and appliances such as air-conditioners and water heaters, requests for renewal of lease contracts and issuance of certification of parking space and such 24/7 on toll-free number.



(image)

\* These services are available at rental apartments.

## S Conservation of habitat: Sponsoring "Karugamo (spot-billed duck) Project"

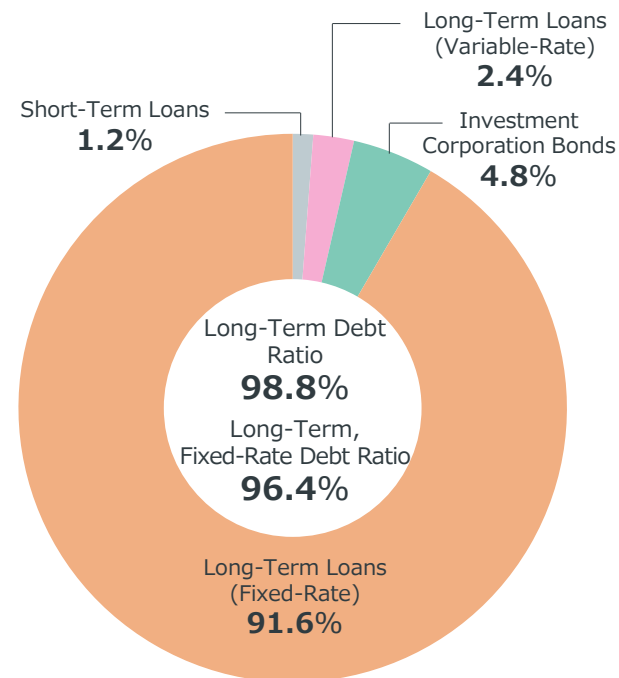
The project started as one of the initiatives of the "Minato-ku Bay Area Power Up Project," an organization participated in by the ward residents at Minato Ward Shibaura-konan Regional City Office. We sponsor their activities to create an environment where the spot-billed ducks can rest in the artificial nests installed in the canal as before. Through these activities, we have worked to maintain biodiversity and ecosystem. (Shibaura Island)



## Debt Overview

(JPY billion)	31st Period (Ended August 31, 2021)	32nd Period (Ended February 28, 2022)	Change
Short-Term Loans	4.0	2.0	-2.0
Long-Term Loans (Variable-Rate)	4.0	4.0	-
Long-Term Loans (Fixed-Rate)	157.5	153.5	-4.0
Investment Corporation Bonds	4.0	8.0	+4.0
<b>Total</b>	<b>169.5</b>	<b>167.5</b>	<b>-2.0</b>
LTV	51.7%	51.4%	-0.3 points
Appraisal LTV	37.7%	36.8%	-0.9 points
Long-Term Debt Ratio	97.6%	98.8%	+1.2 points
Long-Term, Fixed-Rate Debt Ratio	95.3%	96.4%	+1.1 points
Weighted-Average Interest Rate	0.52%	0.51%	-0.01 points
Duration of Long-Term Debt	4.8 years	4.9 years	+0.1 years
Lender	26 financial institutions	26 financial institutions	-

\*Borrowings are classified according to lender contract.



## Commitment Line

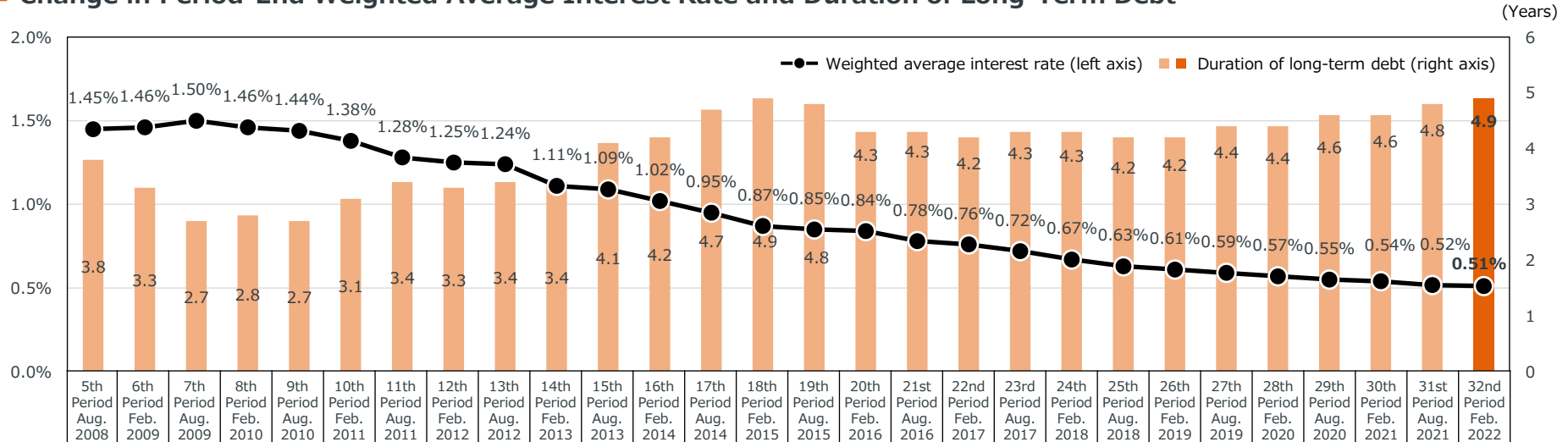
Sumitomo Mitsui Banking Corporation	Sumitomo Mitsui Trust Bank, Limited	Mizuho Bank, Ltd.
Maximum amount of borrowing JPY <b>5.0</b> billion	Maximum amount of borrowing JPY <b>5.0</b> billion	Maximum amount of borrowing JPY <b>5.0</b> billion
Agreement effective date <b>August 1, 2016</b>	Agreement effective date <b>August 1, 2016</b>	Agreement effective date <b>October 9, 2018</b>
Agreement termination date <b>July 31, 2024</b>	Agreement termination date <b>July 31, 2024</b>	Agreement termination date <b>July 31, 2024</b>

## Rating Status

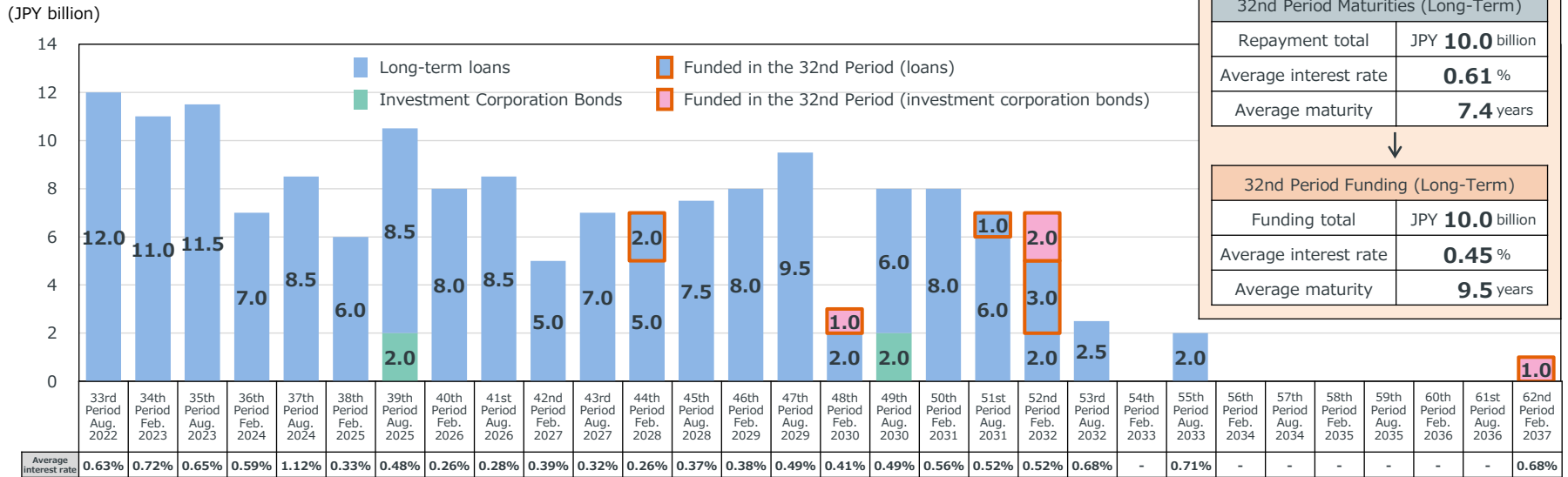
Rating and Investment Information, Inc. (R&I)	
Issuer rating <b>AA-</b>	Outlook <b>Stable</b>
S&P Global Ratings Japan Inc. (S&P)	
Long-term Corporate <b>A+</b>	Outlook <b>Stable</b>

# Financial Strategy and Credit Ratings (2)

## Change in Period-End Weighted Average Interest Rate and Duration of Long-Term Debt



## Long-Term Interest-Bearing Debt Maturity Ladder

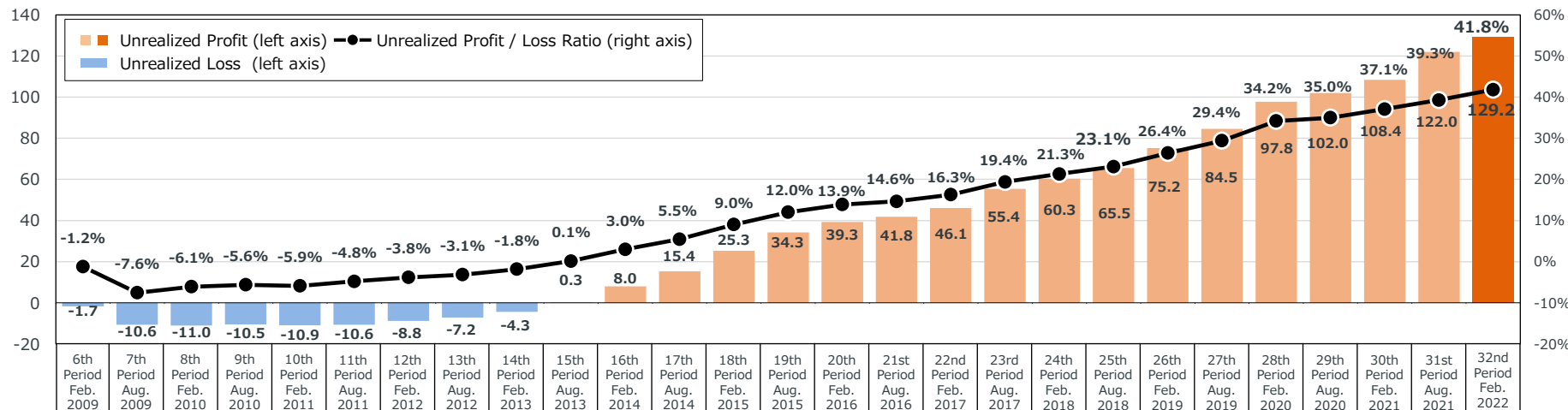


\* Average interest rate is a weighted average of the interest rates on long-term interest-bearing debt.

\* Average maturity is a weighted average of the maturities of long-term interest-bearing debt.

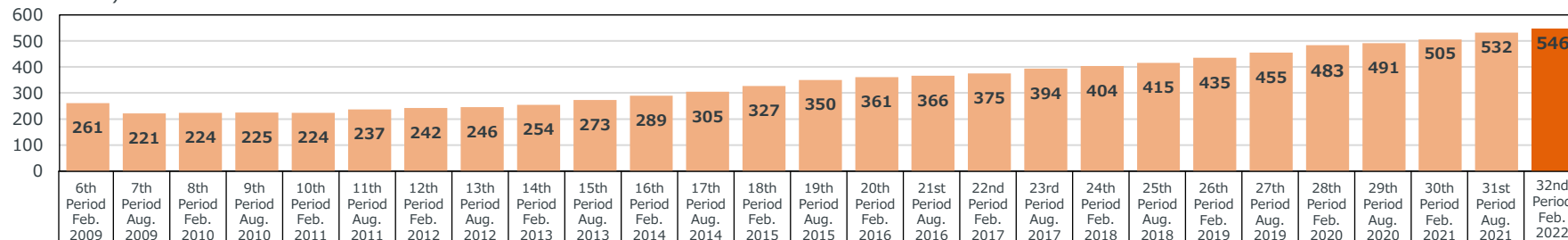
## Unrealized Profit / Loss and Unrealized Profit / Loss Ratio

(JPY billion)



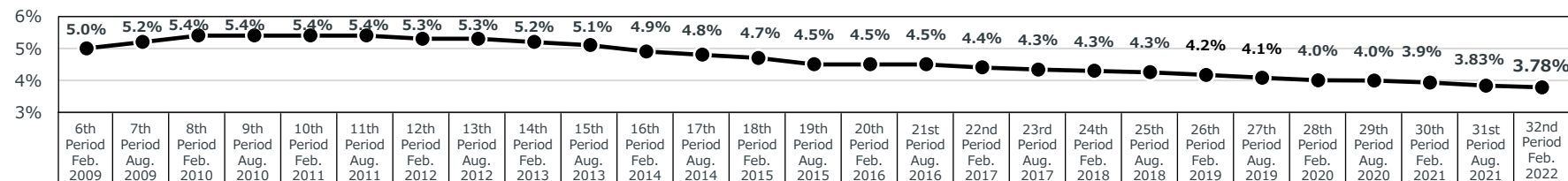
## NAV per Unit\*1

(JPY thousand)



\*1 NAV (net asset value) per unit = (Net assets - Total distribution + Unrealized profit or loss) / Units outstanding

## Direct Capitalization Rate on Appraisal Value of Properties Owned at Period-End





# Forecasts (1)

(33rd Period: March 2022 - August 2022)

(34th Period: September 2022 - February 2023)

	32nd Period (Actual results) (Ended Feb. 28, 2022) ①	33rd Period (Forecast) (Ending Aug. 31, 2022) ②	Comparison with the 32nd Period		34th Period (Forecast) (Ending Feb. 28, 2023) ③	Comparison with the 33rd Period	
			Change ② - ①	Notes		Change ③ - ②	Notes
(JPY million)							
Total Revenues	12,217	12,248	+30	<ul style="list-style-type: none"> <li>Revenues +30</li> <li>Existing properties -18</li> <li>1 property acquired in the 33rd Period +49</li> </ul>	12,219	-29	<ul style="list-style-type: none"> <li>Revenues -29</li> <li>Existing properties -38</li> <li>Full-period contribution of 1 property acquired in the 33rd Period +9</li> </ul>
Operating Income	5,726	5,497	-229	<ul style="list-style-type: none"> <li>Operating expenses +260</li> <li>Rental expenses +227</li> <li>Real estate taxes +30</li> <li>Depreciation and amortization -15</li> <li>Asset management fees -10</li> <li>Other expenses +29</li> </ul>	5,630	+132	<ul style="list-style-type: none"> <li>Operating expenses -162</li> <li>Rental expenses -106</li> <li>Real estate taxes -0</li> <li>Depreciation and amortization -59</li> <li>Asset management fees +5</li> <li>Other expenses -1</li> </ul>
Net Income	5,278	5,040	-238	<ul style="list-style-type: none"> <li>Non-operating income -4</li> <li>Non-operating expenses +4</li> <li>Interest expense, etc. +4</li> </ul>	5,165	+125	<ul style="list-style-type: none"> <li>Non-operating expenses +7</li> <li>Interest expense, etc. +7</li> </ul>
Net Income per Unit* <sup>1</sup>	10,485 yen	10,010 yen	-475 Yen		10,260 yen	+250 yen	
Distribution per Unit	10,485 yen	10,010 yen	-475 Yen		10,260 yen	+250 yen	
Units Outstanding	503,472 units	503,472 units	-		503,472 units	-	
AUM	Total Acquisition Price* <sup>2</sup>	337,930	340,340	+2,410	340,340	-	
	No. of Investment properties	134 properties	135 properties	+1 property	135 properties	-	
Average Month-End Occupancy Rate	96.8 %	96.3 %	-0.5 points		96.3 %	-	
LTV (At the end of the Period)	51.4 %	51.7 %	-0.3 points		51.7 %	-	

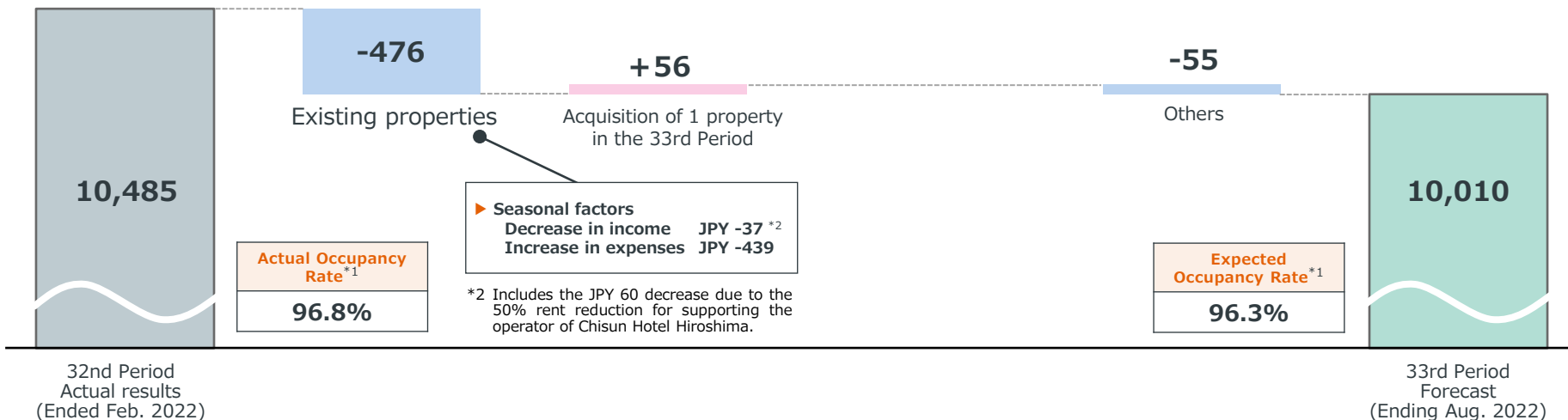
\*1 Calculated based on 503,472 units outstanding at the end of the period.

\*2 Acquisition-related expenses, property tax, and consumption tax are not included.



## Factors in Change of Distribution per Unit (33rd Period Forecast vs. 32nd Period Actual)

Factors in increase (pink)    Factors in decrease (blue)    (Unit: JPY)



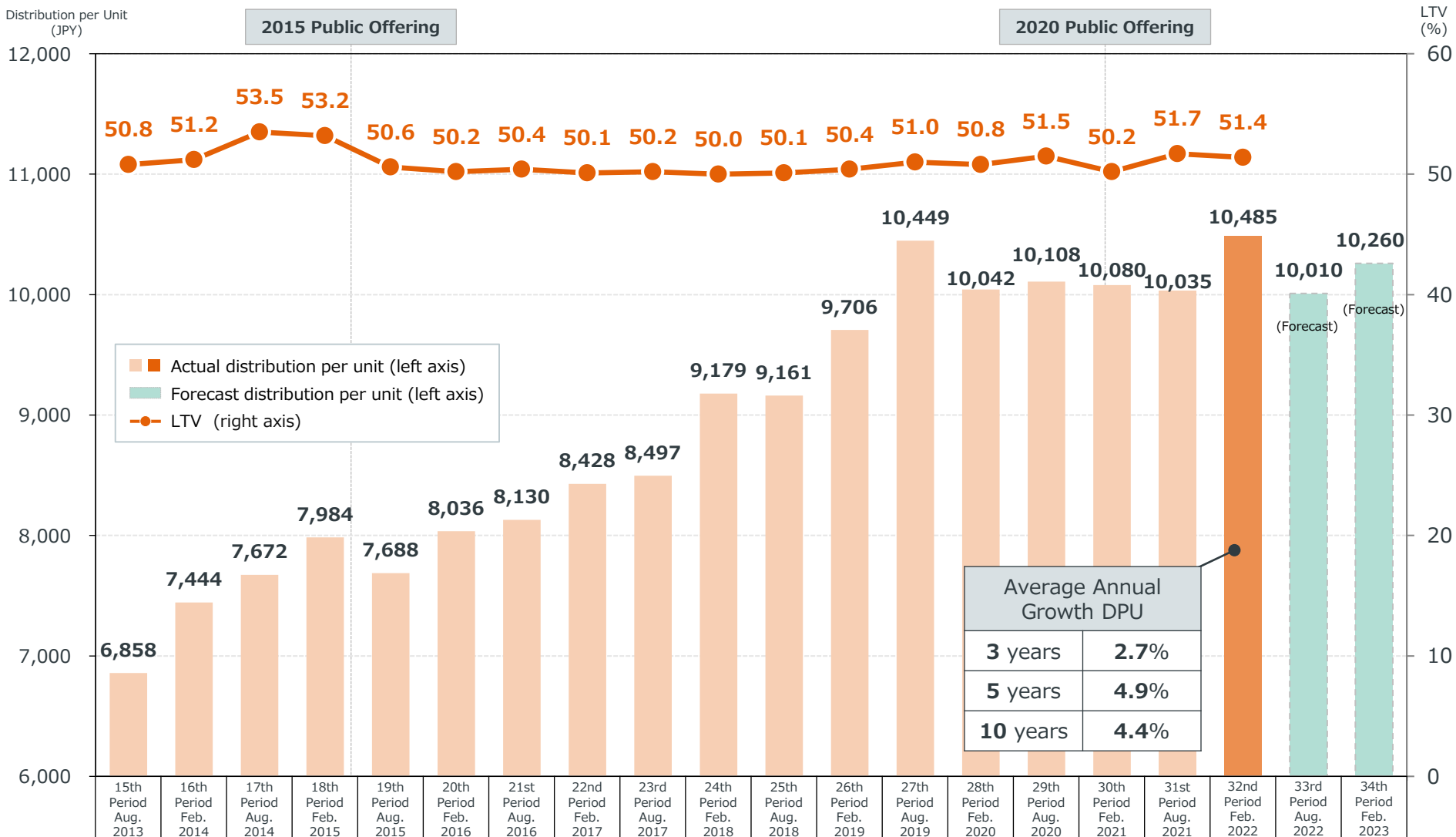
## Factors in Change of Distribution per Unit (34th Period Forecast vs. 33rd Period Forecast)



\*1 Occupancy rate is the average month-end occupancy rate during the period.

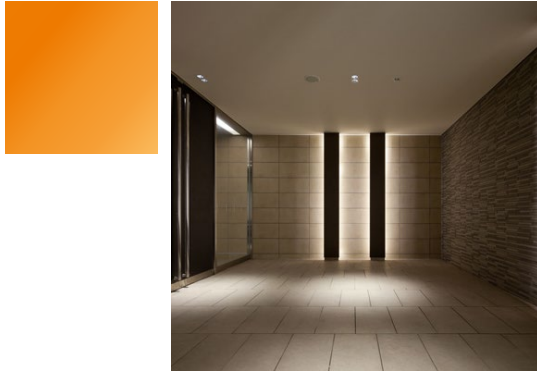


## Achieved stable DPU while controlling LTV



\* NAF implemented a two-for-one split of investment units with an effective date of March 1, 2014. Distribution per unit for the 16th Period and earlier are adjusted for this split (actual distribution divided in half, rounded down to the nearest yen).





# Features and Strategies

---



# Features and Strategies (1)

## Investment in Accommodation Assets

### Core Investment Strategy: Continuing Acquisition of Rental Apartments and Stable Operations

#### Investment in Accommodation Assets

**Accommodation Assets**  
(Real estate primarily used  
as residences and hotels)

**Rental Apartments**

**Hospitality Facilities**

▶ Dormitories,  
Corporate Housing

▶ Serviced Apartments

▶ Senior Residences

▶ Hotels

#### Proportion of Investment in Assets

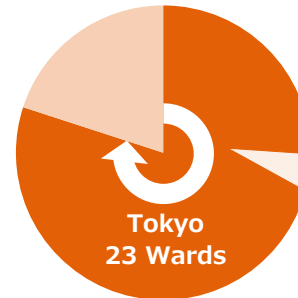


Portfolio share

**Rental Apartments**  
**Over 90%**

(As of February 28, 2022: **94.8 %**)

#### Investment Areas



Portfolio share

**Tokyo 23 Wards**  
**Over 80%**

(As of February 28, 2022: **85.6 %**)

Rental Apartments: Greater Tokyo\*<sup>1</sup>, mainly the 23 wards of Tokyo, and Other Major Cities\*<sup>2</sup>

Hospitality Facilities: Major cities throughout Japan and their suburbs

\*1 Tokyo, Kanagawa Prefecture, Chiba Prefecture, and Saitama Prefecture

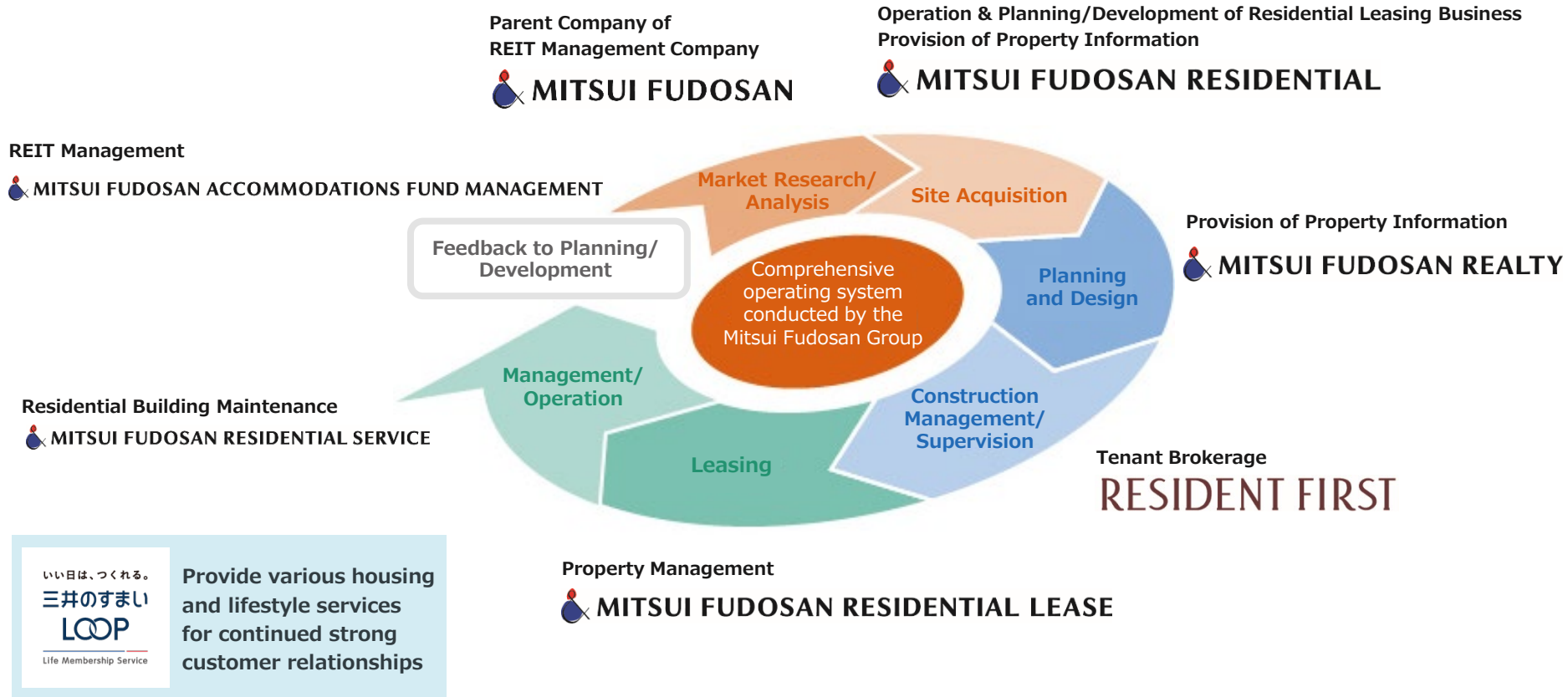
\*2 Each of the urban areas of the cities of Sapporo, Sendai, Nagoya, Osaka, Kyoto, Kobe, Hiroshima, and Fukuoka



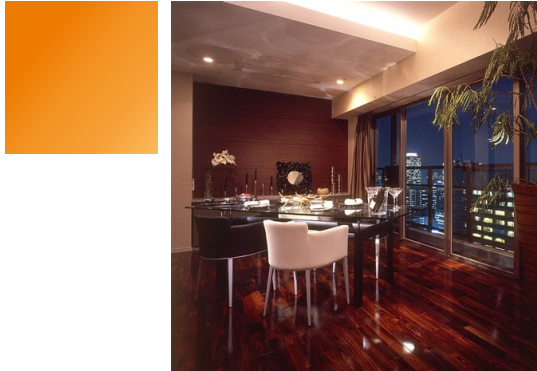
# Features and Strategies (2)

## Leveraging the Mitsui Fudosan Group

Fully Leverage the Expertise and Support of the Companies That Comprise the Value Chain of Mitsui Fudosan Group's Residential Leasing Business





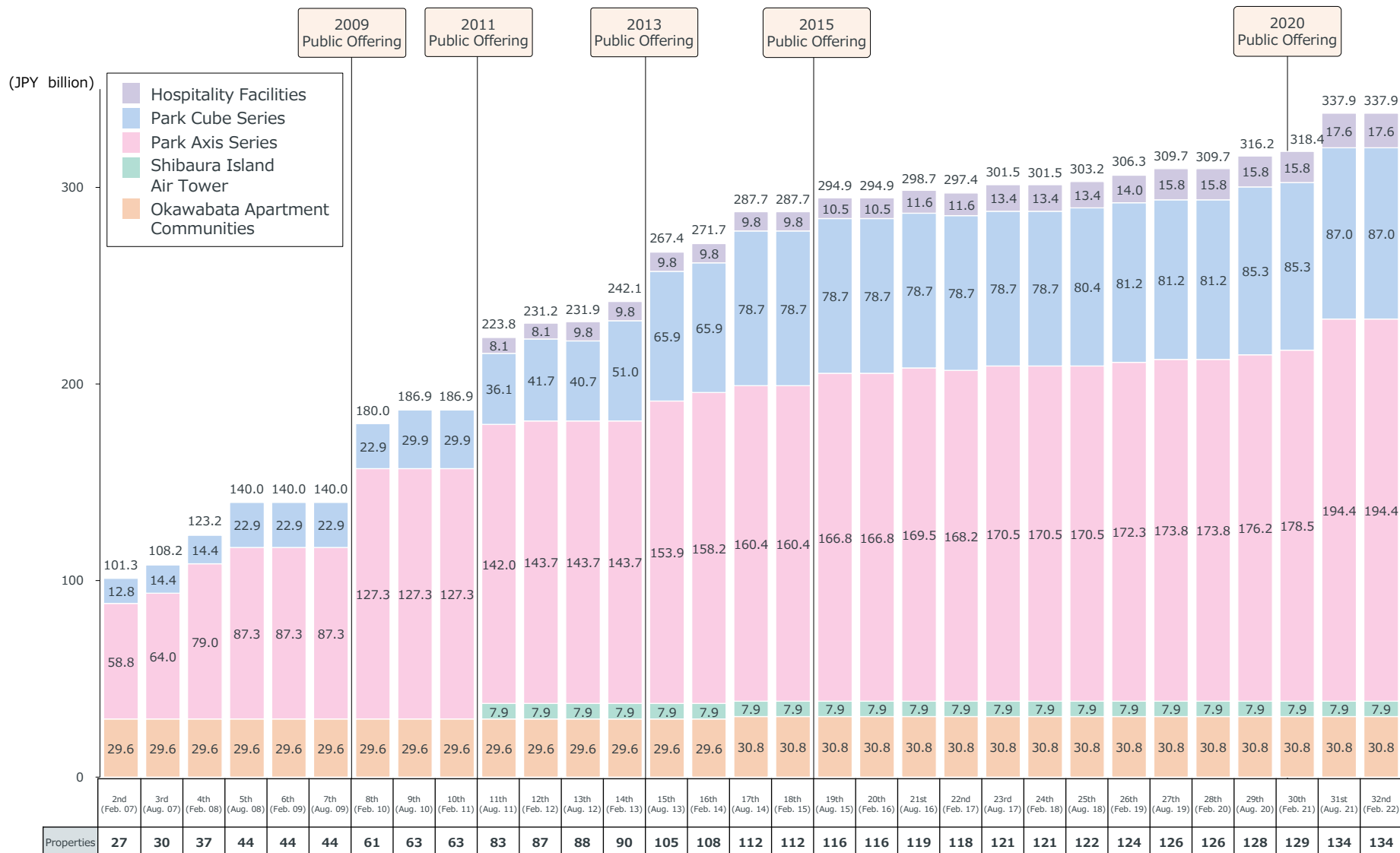


## Appendix (1) **Portfolio**

---

# Track Record of External Growth

## AUM (Based on Acquisition Price)

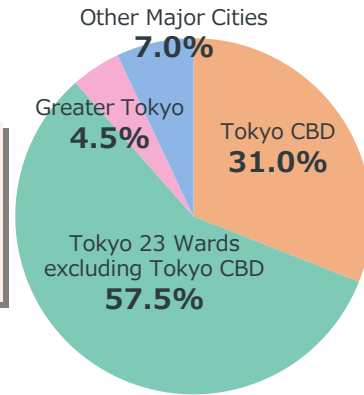




# Rental Apartments Characteristics

## 1 Location

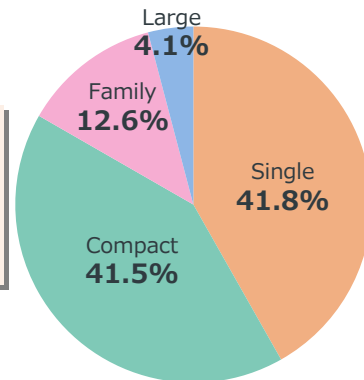
Tokyo 23 wards:  
**88.5%**



\* Tokyo CBD (Central Business District) includes Minato, Chuo and Chiyoda wards.

## 2 Category

Single and Compact Units:  
**83.3%**



\* Calculation based on unit categories as of February 28, 2022.

	<30m <sup>2</sup>	≥30 m <sup>2</sup> <40 m <sup>2</sup>	≥40 m <sup>2</sup> <50 m <sup>2</sup>	≥50 m <sup>2</sup> <60 m <sup>2</sup>	≥60 m <sup>2</sup> <70 m <sup>2</sup>	≥70 m <sup>2</sup> <80 m <sup>2</sup>	≥80 m <sup>2</sup> <90 m <sup>2</sup>	≥90 m <sup>2</sup> <100 m <sup>2</sup>	≥100 m <sup>2</sup>
STUDIO	S	S	C	C	L	L	L	L	L
1BED	S	C	C	C	L	L	L	L	L
2BED		C	C	C	F	F	L	L	L
3BED				F	F	F	F	L	L
4BED					F	F	F	F	L

Studio: 1K, studio  
 1 Bed: 1DK, 1LDK, 1LDK + utility room  
 2 Bed: 2DK, 2LDK, 2LDK + utility room  
 3 Bed: 3DK, 3LDK, 3LDK + utility room  
 4 Bed: 4DK, 4LDK, 4LDK + utility room

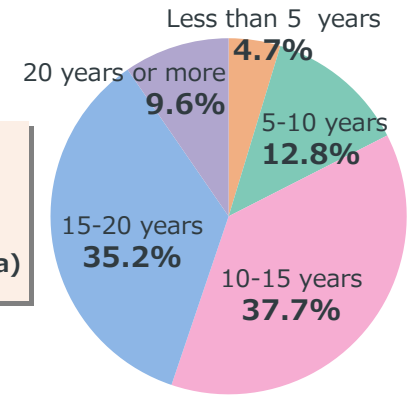
\* The data above are calculations for rental apartments owned as of February 28, 2022, and do not include Hospitality Facilities.

\* The calculations for graphs 1 and 3 are based on acquisition price.

\* The calculations for graphs 2, 4, and 5 are based on units, excluding retail units.

## 3 Property Age

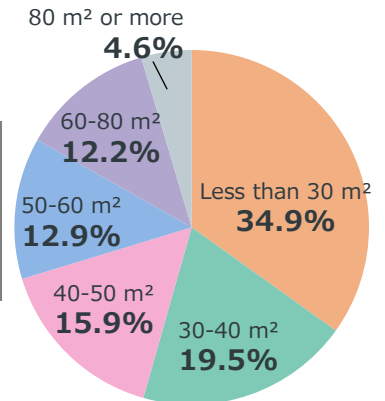
Average:  
**15.2 years**  
(13.3 years excluding Okawabata)



\* The calculations are based on individual property age as of February 28, 2022.

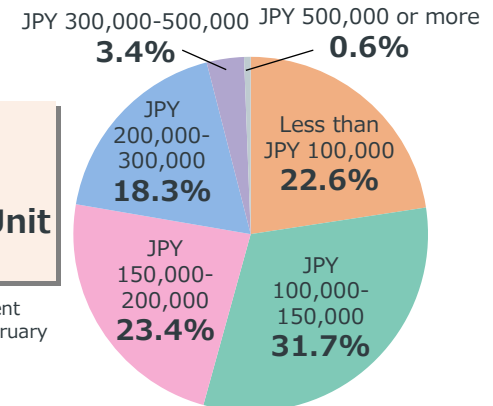
## 4 Unit Area

Average:  
**42.1 m<sup>2</sup> per Unit**



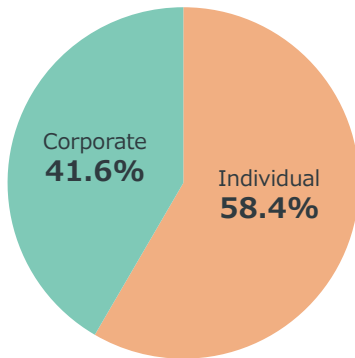
## 5 Monthly Rent per Unit

Average:  
**JPY 156 thousand per Unit**

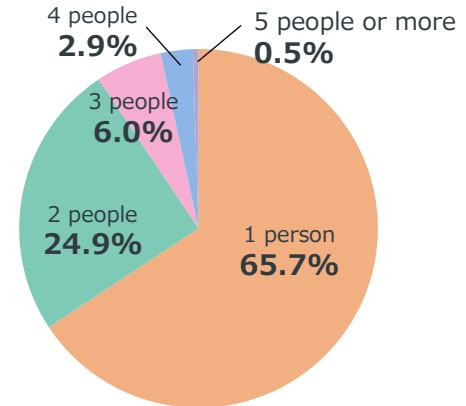


\* Calculation based on total monthly rent (rent and common area fees) per unit as of February 28, 2022.

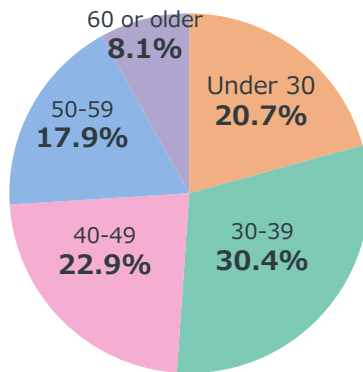
## 1 Lessee Type



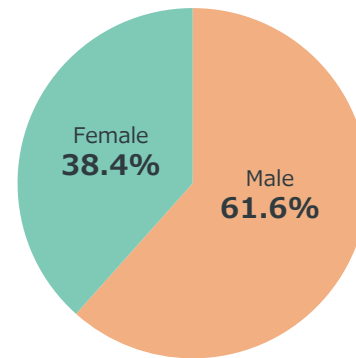
## 3 Number of Occupants



## 2 Age



## 4 Gender of Single Occupants



\* All data above are based on information provided by tenants at the point of contract.

\* The data above are calculations for rental apartments owned as of February 28, 2022, excluding retail units and hospitality facilities.



## Hospitality Facilities Maximum of 10%

### Investment Target

Hospitality Facilities	
▶ Dormitories, Corporate Housing	▶ Serviced Apartments
▶ Senior Residences	▶ Hotels

### Portfolio Share (acquisition price basis)



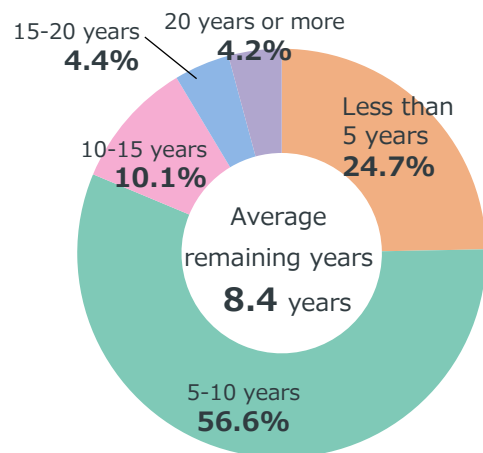
Hospitality Facilities  
Maximum of **10%**

### Hospitality Facilities Owned (As of the end of the 32nd Period)

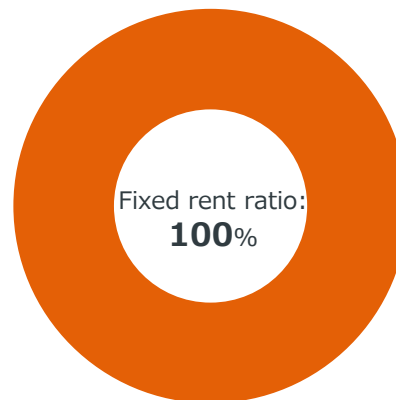
Portfolio share <b>5.2%</b>	Number of Properties <b>17</b>
	Acquisition price JPY <b>17.6</b> billion

## Hospitality Facilities with Stable Cash Flow

### Long-Term Lease Contracts



### Fixed Rents

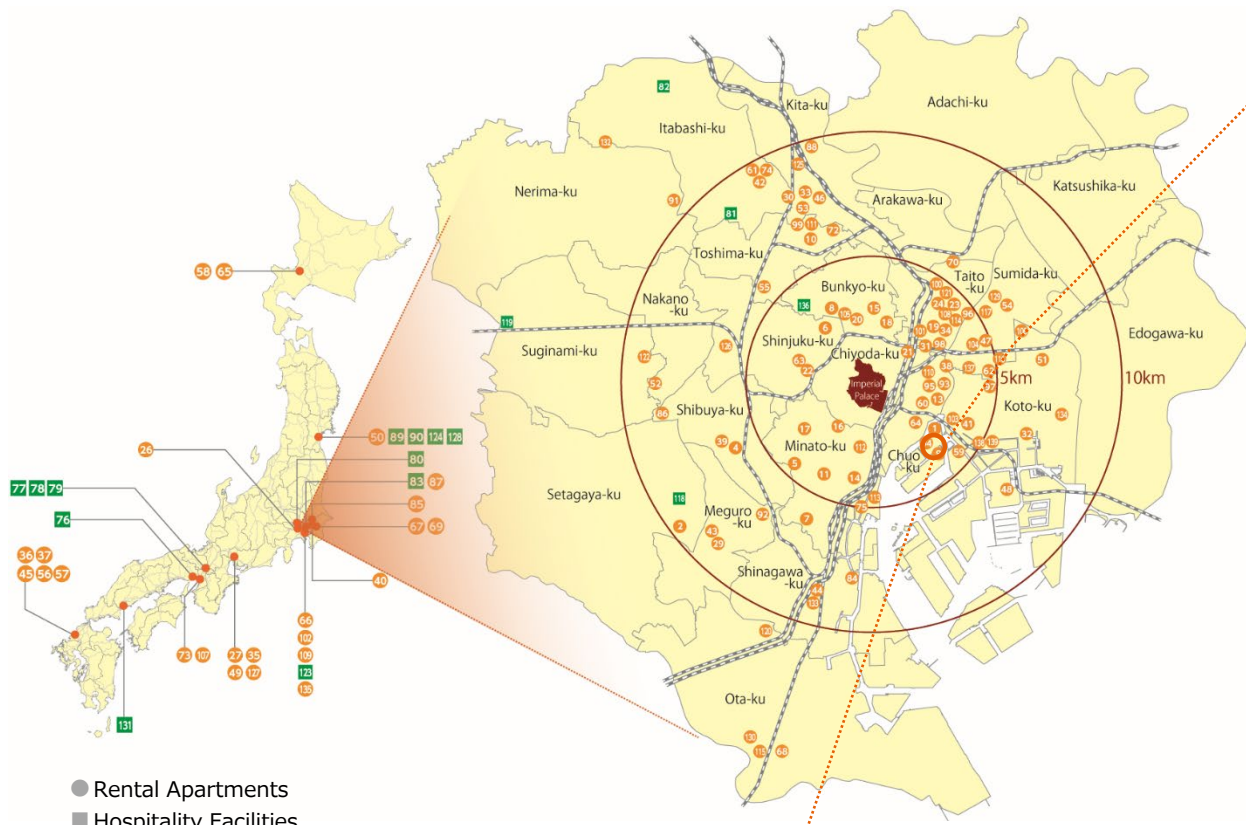


### Highly Competent and Trustworthy Operators

Dormitories, Corporate Housing operators	Kyoritsu Maintenance
	J.S.B.
Senior Residence operator	Benese Style Care
Hotel operator	SHR Hotels

\* Calculated based on acquisition price.

\* Calculated based on years remaining on lease contracts at each property as of February 28, 2022.



- Rental Apartments
- Hospitality Facilities

Tokyo 23 Wards: **98** Properties

Greater Tokyo: **13** Properties

Other Major Cities: **23** Properties

\* NAF's portfolio consisted of 134 properties as of February 28, 2022.

\* Circled numbers correspond to the property numbers on pages 36 to 40.

### 1 Located within a 2 km radius of Tokyo Station



### 1 Okawabata Apartment Communities

Okawabata Apartment Communities is located within the "Okawabata River City 21" area which was redeveloped as a project for the private and public sectors by Mitsui Fudosan in the latter half of the 1980's.



Residence creating new residential value in central Tokyo



### Strategic management maintaining competitiveness

Property name	River Point Tower	Park Side Wings
Location	11-6, Tsukuda 1-chome, Chuo-ku, Tokyo, etc.	
Access	6-minute walk from Tsukishima Station on the Tokyo Metro Yurakucho Line and Toei Oedo Line	
Completion	March 1989	July 1988
Scale	40 stories above ground and 2 underground stories	14 stories above ground
Rentable units	390	154
Layout	1LDK-4LDK	2LDK-4LDK
Acquisition price	30,816 million yen ※ Total of River Point Tower, Park Side Wings, Pier West and Okawabata Parking	

# Portfolio List (1/5)

No.	Property Name	Location	Completion Date <sup>1</sup>	Acquisition Date <sup>1</sup>	Acquisition Price (JPY mn) <sup>2</sup>	Portfolio Share (%)	Rentable Area (㎡)	Rentable Units (Units) <sup>3</sup>						PML (%)
									Single	Compact	Family	Large	Retail, etc.	
1	Okawabata Apartment Communities	River Point Tower	1989.03	2005.11	30,816	9.1	43,812.41	544	-	52	296	196	-	1.8
		Park Side Wings												2.7
		Pier West House												2.7
		Okawabata Parking												1.7
2	Park Axis Gakugei Daigaku	Setagaya-ku, Tokyo	2004.10	2005.11	1,760	0.5	2,437.66	64	37	21	6	-	-	5.0
4	Park Axis Shibuya Jinnan	Shibuya-ku, Tokyo	2005.08	2005.11	3,230	1.0	2,766.62	75	51	24	-	-	-	4.1
5	Park Axis Aoyama Kotto Dori	Minato-ku, Tokyo	2005.08	2005.11	1,730	0.5	1,537.24	40	12	28	-	-	-	4.5
6	Park Axis Kagurazaka Stage	Shinjuku-ku, Tokyo	2004.08	2006.03	1,400	0.4	1,891.05	59	44	15	-	-	-	3.0
7	Park Axis Shirokanedai	Minato-ku, Tokyo	2005.09	2006.04	5,140	1.5	4,704.44	99	29	39	26	5	-	4.2
8	Park Axis Bunkyo Stage	Bunkyo-ku, Tokyo	2005.09	2006.04	4,440	1.3	6,078.93	154	80	70	4	-	-	3.6
9	Park Axis Tsukishima	Chuo-ku, Tokyo	2005.11	2006.04	930	0.3	1,383.99	30	-	30	-	-	-	3.2
10	Park Axis Otsuka	Toshima-ku, Tokyo	2006.01	2006.04	1,655	0.5	2,606.37	52	-	39	13	-	-	2.4
11	Park Axis Minami Azabu	Minato-ku, Tokyo	2003.02	2006.08	3,939	1.2	3,938.14	64	-	38	16	10	-	3.0
13	Park Axis Nihonbashi Stage	Chuo-ku, Tokyo	2004.08	2006.08	7,557	2.2	10,025.40	185	66	34	64	20	1	4.5
14	Park Axis Hamamatsucho	Minato-ku, Tokyo	2004.12	2006.08	2,025	0.6	2,426.45	80	67	12	-	1	-	3.3
15	Park Axis Hongo no Mori	Bunkyo-ku, Tokyo	2005.11	2006.08	2,910	0.9	3,317.94	87	40	46	-	-	1	4.0
16	Park Axis Tameike Sanno	Minato-ku, Tokyo	2005.12	2006.08	2,860	0.8	2,710.69	70	30	40	-	-	-	3.5
17	Park Axis Roppongi Hinokicho Koen	Minato-ku, Tokyo	2006.01	2006.08	2,170	0.6	2,054.46	46	3	37	6	-	-	5.8
18	Park Axis Ochanomizu Stage	Bunkyo-ku, Tokyo	2006.02	2006.08	9,710	2.9	12,025.25	324	178	136	9	1	-	3.9
19	Park Axis Okachimachi	Taito-ku, Tokyo	2006.02	2006.08	1,070	0.3	1,621.73	42	11	31	-	-	-	4.0
20	Park Cube Hongo	Bunkyo-ku, Tokyo	2005.08	2006.08	1,760	0.5	2,160.12	60	-	60	-	-	-	3.9
21	Park Cube Kanda	Chiyoda-ku, Tokyo	2005.10	2006.08	2,454	0.7	3,194.59	95	64	25	4	2	-	2.4
22	Park Cube Ichigaya	Shinjuku-ku, Tokyo	2005.10	2006.08	1,949	0.6	2,288.46	53	-	51	-	2	-	2.9
23	Park Cube Asakusa Tawaramachi	Taito-ku, Tokyo	2006.01	2006.08	2,508	0.7	4,012.68	76	6	46	24	-	-	2.8
24	Park Cube Ueno	Taito-ku, Tokyo	2006.03	2006.08	2,233	0.7	3,041.61	91	25	66	-	-	-	2.8
29	Park Axis Meguro Honcho	Meguro-ku, Tokyo	2006.07	2007.04	1,810	0.5	1,884.77	60	15	45	-	-	-	5.8
30	Park Axis Shin Itabashi	East	2007.02	2007.04	3,430	1.0	4,395.99	152	122	30	-	-	-	3.4
		West												3.3
31	Park Axis Akihabara	Chiyoda-ku, Tokyo	2006.09	2007.09	1,200	0.4	1,346.07	41	18	23	-	-	-	3.3
32	Park Axis Toyochō	Koto-ku, Tokyo	2007.03	2007.09	3,950	1.2	5,412.40	140	-	140	-	-	-	5.8
33	Park Axis Takinogawa	Kita-ku, Tokyo	2007.03	2007.09	1,820	0.5	2,924.75	49	-	43	5	-	1	4.0
34	Park Axis Asakusabashi	Taito-ku, Tokyo	2007.07	2007.09	2,717	0.8	3,400.78	79	26	52	-	-	1	3.2

# Portfolio List (2/5)

No.	Property Name	Location	Completion Date <sup>1</sup>	Acquisition Date <sup>1</sup>	Acquisition Price (JPY mn) <sup>2</sup>	Portfolio Share (%)	Rentable Area (m <sup>2</sup> )	Rentable Units (Units) <sup>3</sup>					PML (%)	
								Single	Compact	Family	Large	Retail, etc.		
38	Park Axis Nihonbashi Hamacho	Chuo-ku, Tokyo	2006.07	2008.03	5,540	1.6	6,999.83	118	-	75	43	-	-	4.2
39	Park Cube Yoyogi Tomigaya	Shibuya-ku, Tokyo	2007.07	2008.03	1,975	0.6	1,929.10	38	1	36	-	1	-	5.8
41	Park Axis Monzen Nakacho	Koto-ku, Tokyo	2007.02	2008.03	1,700	0.5	1,886.39	55	33	22	-	-	-	5.1
42	Park Cube Itabashi Honcho	Itabashi-ku, Tokyo	2008.03	2008.03	4,170	1.2	5,317.07	166	125	40	-	-	1	2.9
43	Park Cube Gakugei Daigaku	Meguro-ku, Tokyo	2008.03	2008.03	910	0.3	957.88	24	13	11	-	-	-	6.8
44	Park Cube Oimachi	Shinagawa-ku, Tokyo	2008.03	2008.05	1,440	0.4	1,511.12	65	65	-	-	-	-	3.2
46	Park Axis Nishigahara	Kita-ku, Tokyo	2007.10	2009.11	840	0.2	1,435.83	46	38	8	-	-	-	2.4
47	Park Axis Kinshicho	Sumida-ku, Tokyo	2007.12	2009.11	1,448	0.4	2,288.13	65	13	52	-	-	-	4.2
48	Park Axis Tatsumi Stage	Koto-ku, Tokyo	2008.01	2009.11	7,464	2.2	16,474.06	300	95	50	136	18	1	5.1
51	Park Axis Kameido	Koto-ku, Tokyo	2008.03	2009.11	2,359	0.7	3,986.78	118	40	78	-	-	-	5.6
52	Park Axis Honancho	Nakano-ku, Tokyo	2008.07	2009.11	745	0.2	1,231.08	31	7	24	-	-	-	3.0
53	Park Axis Itabashi	Kita-ku, Tokyo	2008.10	2009.11	1,448	0.4	2,567.96	64	8	51	5	-	-	5.3
54	Park Axis Oshiage	Sumida-ku, Tokyo	2008.11	2009.11	1,193	0.4	2,121.29	58	36	21	-	-	1	4.9
55	Park Axis Takadanobaba	Toshima-ku, Tokyo	2008.11	2009.11	1,222	0.4	1,463.25	37	-	36	-	-	1	2.7
59	Park Axis Toyosu	Koto-ku, Tokyo	2008.03	2009.12	14,300	4.2	25,537.94	403	19	163	219	-	2	3.9
60	Park Axis Hatchobori	Chuo-ku, Tokyo	2009.03	2010.01	1,760	0.5	2,416.29	64	41	22	-	-	1	3.2
61	Park Axis Itabashi Honcho	Itabashi-ku, Tokyo	2009.05	2010.01	987	0.3	2,048.31	66	55	11	-	-	-	4.0
62	Park Axis Sumiyoshi	Sumida-ku, Tokyo	2009.05	2010.01	1,006	0.3	1,785.72	60	42	18	-	-	-	7.4
63	Park Cube Yotsuya Sancho	Shinjuku-ku, Tokyo	2009.02	2010.03	2,749	0.8	3,599.82	130	112	18	-	-	-	5.1
64	Park Cube Hatchobori	Chuo-ku, Tokyo	2009.03	2010.06	4,200	1.2	5,191.86	120	-	118	-	-	2	2.4
68	Park Axis Kamata Ichibankan	Ota-ku, Tokyo	2009.03	2011.03	1,069	0.3	1,721.28	63	52	11	-	-	-	6.7
70	Park Axis Taito Negishi	Taito-ku, Tokyo	2009.08	2011.03	672	0.2	1,283.13	40	28	12	-	-	-	4.2
72	Park Axis Komagome	Toshima-ku, Tokyo	2009.11	2011.03	1,389	0.4	1,979.51	40	3	36	-	-	1	2.5
74	Park Axis Itabashi Honcho Nibankan	Itabashi-ku, Tokyo	2010.01	2011.03	1,859	0.6	3,661.58	99	44	55	-	-	-	3.1
75	Shibaura Island Air Tower <sup>4</sup> Air Tower Air Terrace	Minato-ku, Tokyo	2007.03	2011.04	7,905	2.3	17,646.33	272	47	103	63	57	2	1.9
														7.5
84	Park Cube Higashi Shinagawa	Shinagawa-ku, Tokyo	2007.02	2011.08	6,060	1.8	10,636.67	201	-	137	23	41	-	3.5
86	Park Cube Sasazuka	Shibuya-ku, Tokyo	2009.08	2011.09	2,200	0.7	2,416.00	93	75	16	-	1	1	3.4
88	Park Axis Higashi Jujo	Kita-ku, Tokyo	2007.02	2012.01	1,700	0.5	2,893.54	71	26	44	-	-	1	3.1
91	Park Cube Heiwadai	Nerima-ku, Tokyo	2007.06	2012.10	1,204	0.4	2,656.00	34	-	1	33	-	-	2.8
92	Park Cube Meguro Tower	Meguro-ku, Tokyo	2008.02	2012.12	9,000	2.7	12,367.62	194	43	64	10	76	1	2.2
93	Park Cube Nihonbashi Suitengu	Chuo-ku, Tokyo	2005.05	2013.03	2,711	0.8	4,235.33	77	-	55	22	-	-	4.4

# Portfolio List (3/5)

No.	Property Name	Location	Completion Date <sup>1</sup>	Acquisition Date <sup>1</sup>	Acquisition Price (JPY mn) <sup>2</sup>	Portfolio Share (%)	Rentable Area (㎡)	Rentable Units (Units) <sup>3</sup>					PML (%)	
								Single	Compact	Family	Large	Retail, etc.		
94	Park Cube Ginza East	Chuo-ku, Tokyo	2005.06	2013.03	2,269	0.7	3,358.63	77	-	77	-	-	-	3.0
95	Park Cube Kayabacho	Chuo-ku, Tokyo	2006.03	2013.03	1,105	0.3	1,695.06	28	-	18	9	-	1	3.2
96	Park Cube Honjo Azumabashi	Sumida-ku, Tokyo	2006.03	2013.03	1,252	0.4	2,241.63	45	9	36	-	-	-	4.6
97	Park Axis Kiyosumi Shirakawa	Koto-ku, Tokyo	2008.03	2013.03	696	0.2	1,159.84	36	18	18	-	-	-	3.7
98	Park Axis Asakusabashi Nichome	Taito-ku, Tokyo	2011.12	2013.03	1,079	0.3	1,569.00	48	24	24	-	-	-	3.4
99	Park Axis Nishi Sugamo	Kita-ku, Tokyo	2012.01	2013.03	1,439	0.4	2,326.32	56	14	42	-	-	-	3.9
100	Park Axis Ueno	Taito-ku, Tokyo	2012.01	2013.03	1,389	0.4	1,992.29	59	31	28	-	-	-	3.3
101	Park Axis Akihabara East	Taito-ku, Tokyo	2012.05	2013.03	1,369	0.4	1,890.20	58	38	20	-	-	-	3.8
103	Park Axis Kayabacho	Chuo-ku, Tokyo	2012.06	2013.03	1,809	0.5	2,355.07	72	37	35	-	-	-	3.0
104	Park Axis Kinshicho Shinsui Koen	Sumida-ku, Tokyo	2012.06	2013.04	1,369	0.4	2,085.62	60	32	28	-	-	-	7.5
105	Park Cube Kasuga Andozaka	Bunkyo-ku, Tokyo	2005.10	2013.06	2,670	0.8	3,581.09	68	13	29	26	-	-	2.7
106	Park Cube Kameido	Koto-ku, Tokyo	2007.08	2013.07	3,020	0.9	4,442.09	122	88	33	-	-	1	5.5
108	Park Axis Shin Okachimachi East	Taito-ku, Tokyo	2012.09	2013.09	1,299	0.4	1,847.01	49	23	26	-	-	-	3.0
110	Park Axis Nihonbashi Honcho	Chuo-ku, Tokyo	2013.02	2013.09	1,469	0.4	1,808.12	49	13	36	-	-	-	2.5
111	Park Cube Nishigahara Stage	Kita-ku, Tokyo	2009.11	2014.03	4,110	1.2	19,693.35	358	-	229	111	17	1	2.5
112	Park Cube Atagoyama Tower	Minato-ku, Tokyo	2007.01	2014.03	8,650	2.6	8,389.91	165	74	21	44	26	-	2.4
113	Park Axis Shibaura	Minato-ku, Tokyo	2012.10	2014.04	1,045	0.3	1,273.60	42	30	12	-	-	-	5.2
114	Park Axis Asakusa Kuramae	Taito-ku, Tokyo	2013.05	2014.04	1,095	0.3	1,456.35	45	30	15	-	-	-	3.0
115	Park Axis Kamata Station Gate	Ota-ku, Tokyo	2012.09	2015.04	4,144	1.2	4,582.72	158	123	34	-	-	1	3.2
116	Park Axis Kinshicho Residence	Sumida-ku, Tokyo	2013.09	2015.04	1,251	0.4	1,793.33	56	34	22	-	-	-	4.0
117	Park Axis Oshiage Sumida Koen	Sumida-ku, Tokyo	2014.01	2015.04	1,055	0.3	1,610.49	49	34	15	-	-	-	5.2
120	Park Axis Magome Residence	Ota-ku, Tokyo	2014.08	2016.04	1,450	0.4	1,621.94	55	40	15	-	-	-	9.6
121	Park Axis Higashi Ueno	Taito-ku, Tokyo	2015.01	2016.04	1,250	0.4	1,460.10	45	30	15	-	-	-	4.0
122	Park Axis Higashi Koenji	Suginami-ku, Tokyo	2015.02	2017.04	2,300	0.7	2,679.96	85	55	30	-	-	-	5.1
125	Park Cube Shin Itabashi	Itabashi-ku, Tokyo	2016.11	2018.03	1,700	0.5	1,930.12	71	70	-	-	-	1	2.9
126	Park Cube Nishi Shinjuku	Shinjuku-ku, Tokyo	2014.12	2018.09	2,400	0.7	1,809.56	58	48	9	-	-	1	3.4
129	Park Axis Oshiage Terrace	Sumida-ku, Tokyo	2016.12	2019.03	2,610	0.8	2,498.08	80	48	32	-	-	-	6.6
130	Park Axis Ikegami	Ota-ku, Tokyo	2015.03	2019.04	1,260	0.4	1,391.34	45	24	21	-	-	-	6.7
132	Park Axis Akatsuka <sup>5</sup>	Itabashi-ku, Tokyo	2018.09	2020.03	2,420	0.7	2,403.67	88	73	13	-	-	2	3.2
133	Park Cube Oimachi Residence	Shinagawa-ku, Tokyo	2018.01	2020.07	5,807	1.7	4,271.17	171	131	39	-	-	1	4.0
134	Park Axis Toyochō Shinsui Koen	Koto-ku, Tokyo	2014.08	2020.10	6,380	1.9	7,254.57	192	47	143	-	-	2	5.8

No.	Property Name	Location	Completion Date <sup>1</sup>	Acquisition Date <sup>1</sup>	Acquisition Price (JPY mn) <sup>2</sup>	Portfolio Share (%)	Rentable Area (㎡)	Rentable Units (Units) <sup>3</sup>						PML (%)
								Single	Compact	Family	Large	Retail, etc.		
137	Park Axis Kikukawa Station Gate	Sumida-ku, Tokyo	2013.03	2021.06	3,200	0.9	3,411.32	107	69	38	-	-	-	5.7
138	Park Axis Kiba Canal West	Koto-ku, Tokyo	2018.10	2021.06	4,660	1.4	4,430.50	147	104	42	-	-	1	6.7
139	Park Axis Kiba Canal East	Koto-ku, Tokyo	2020.02	2021.06	1,830	0.5	1,830.46	64	50	13	-	-	1	7.0
Tokyo 23 Wards Total					<b>283,250</b>	<b>83.8</b>	<b>399,792.20</b>	<b>9,031</b>	<b>3,439</b>	<b>3,869</b>	<b>1,217</b>	<b>474</b>	<b>32</b>	
26	Park Cube Keio Hachioji II	Hachioji-shi, Tokyo	2005.08	2006.08	1,130	0.3	3,082.32	48	-	14	33	-	1	4.0
40	Park Axis Nishi Funabashi	Funabashi-shi, Chiba	2007.09	2008.03	1,020	0.3	2,074.35	55	25	30	-	-	-	3.2
66	Park Axis Yokohama Idogaya	Minami-ku, Yokohama-shi, Kanagawa	2008.03	2011.03	1,419	0.4	2,706.59	100	96	3	-	-	1	6.3
67	Park Axis Chiba Shinmachi	Chuo-ku, Chiba-shi, Chiba	2008.05	2011.03	1,679	0.5	3,318.15	84	66	11	-	-	7	1.9
69	Park Axis Chiba	Chuo-ku, Chiba-shi, Chiba	2009.03	2011.03	970	0.3	2,270.32	91	91	-	-	-	-	2.3
85	Park Cube Kita Matsudo	Matsudo-shi, Chiba	2009.02	2011.09	1,200	0.4	2,358.66	109	108	-	-	-	1	1.6
87	Park Cube Musashi Kosugi	Nakahara-ku, Kawasaki-shi, Kanagawa	2009.09	2011.09	2,250	0.7	3,057.36	136	136	-	-	-	-	3.3
102	Park Axis Yokohama Tanmachi Koen	Kanagawa-ku, Yokohama-shi, Kanagawa	2012.06	2013.03	1,119	0.3	1,682.46	63	45	18	-	-	-	4.1
109	Park Axis Yokohama Yamashitacho	Naka-ku, Yokohama-shi, Kanagawa	2012.10	2013.09	1,539	0.5	2,325.92	71	47	23	-	-	1	8.2
135	Park Axis Ofuna	Sakae-ku, Yokohama-shi, Kanagawa	2010.01	2021.04	2,100	0.6	4,752.68	73	-	15	58	-	-	14.8
Greater Tokyo Total					<b>14,426</b>	<b>4.3</b>	<b>27,628.81</b>	<b>830</b>	<b>614</b>	<b>114</b>	<b>91</b>	<b>-</b>	<b>11</b>	
27	Park Axis Meieki Minami	Nakamura-ku, Nagoya-shi, Aichi	2006.02	2006.08	2,440	0.7	5,565.13	169	114	46	9	-	-	3.7
35	Park Axis Marunouchi	Naka-ku, Nagoya-shi, Aichi	2006.11	2007.09	1,920	0.6	3,821.75	99	56	42	-	-	1	2.9
36	Park Axis Ropponmatsu	Chuo-ku, Fukuoka-shi, Fukuoka	2007.03	2007.09	1,515	0.4	3,473.67	112	55	56	-	-	1	2.5
37	Park Axis Hakataeki Minami	Hakata-ku, Fukuoka-shi, Fukuoka	2007.03	2007.09	1,890	0.6	4,668.29	177	176	-	-	-	1	3.0
45	Park Axis Naka Gofukumachi	Hakata-ku, Fukuoka-shi, Fukuoka	2007.08	2009.11	742	0.2	2,707.88	112	112	-	-	-	-	2.9
49	Park Axis Shirakabe	Higashi-ku, Nagoya-shi, Aichi	2008.02	2009.11	1,547	0.5	4,735.89	86	6	45	35	-	-	3.0
50	Park Axis Sendai	Wakabayashi-ku, Sendai-shi, Miyagi	2008.03	2009.11	2,320	0.7	8,843.17	204	-	175	28	1	-	2.8
56	Park Axis Hakata Minoshima	Hakata-ku, Fukuoka-shi, Fukuoka	2008.12	2009.11	960	0.3	3,461.85	112	34	78	-	-	-	2.7
57	Park Axis Takamiya Higashi	Minami-ku, Fukuoka-shi, Fukuoka	2009.03	2009.11	605	0.2	2,289.21	70	16	54	-	-	-	5.1
58	Park Axis Sapporo Shokubutsuen Mae	Chuo-ku, Sapporo-shi, Hokkaido	2008.02	2009.12	1,650	0.5	7,845.01	146	-	133	13	-	-	1.1
65	Park Axis Shin Sapporo	Atsubetsu-ku, Sapporo-shi, Hokkaido	2008.03	2011.03	827	0.2	3,729.05	85	-	84	-	-	1	2.4
73	Park Axis Utsubo Koen	Nishi-ku, Osaka-shi, Osaka	2010.01	2011.03	2,399	0.7	4,952.45	133	92	41	-	-	-	8.6
107	Park Cube Kitahama	Chuo-ku, Osaka-shi, Osaka	2007.01	2013.07	1,970	0.6	4,683.33	138	97	41	-	-	-	5.7
127	Park Axis Kanayama WEST	Naka-ku, Nagoya-shi, Aichi	2006.02	2018.09	1,770	0.5	4,795.13	63	-	-	63	-	-	4.4
Other Major Cities Total					<b>22,555</b>	<b>6.7</b>	<b>65,571.81</b>	<b>1,706</b>	<b>758</b>	<b>795</b>	<b>148</b>	<b>1</b>	<b>4</b>	
<b>Rental Apartments Total</b>					<b>320,231</b>	<b>94.8</b>	<b>492,992.82</b>	<b>11,567</b>	<b>4,811</b>	<b>4,778</b>	<b>1,456</b>	<b>475</b>	<b>47</b>	



No.	Property Name	Location	Completion Date <sup>1</sup>	Acquisition Date <sup>1</sup>	Acquisition Price (JPY mn) <sup>2</sup>	Portfolio Share (%)	Rentable Area (m <sup>2</sup> )	Rentable Units (Units) <sup>3</sup>					PML (%)			
								Single	Compact	Family	Large	Retail, etc.				
76	Dormy Ashiya	Ashiya-shi, Hyogo	2002.09	2011.03	928	0.3	3,729.45	140	-	-	-	-	-	6.6		
77	Dormy Kyoto Nijo	Nakagyo-ku, Kyoto-shi, Kyoto	2004.03	2011.03	991	0.3	3,492.88	134	-	-	-	-	-	12.9		
78	Sundai Horikawa Ryo	Kamigyo-ku, Kyoto-shi, Kyoto	2005.02	2011.03	916	0.3	2,793.71	113	-	-	-	-	-	8.8		
79	Dormy Rakuoku	Kita-ku, Kyoto-shi, Kyoto	2006.02	2011.03	374	0.1	1,489.86	70	-	-	-	-	-	8.8		
80	Rikkyo University International Dormitory (RUID) Shiki	Shiki-shi, Saitama	2010.01	2011.03	1,478	0.4	3,061.89	127	-	-	-	-	-	3.0		
81	Dormy Naka Itabashi	Itabashi-ku, Tokyo	2010.02	2011.03	1,041	0.3	2,439.17	106	-	-	-	-	-	5.5		
82	Philosophia Nishidai	Itabashi-ku, Tokyo	2010.02	2011.03	1,249	0.4	2,969.25	121	-	-	-	-	-	5.3		
83	Dormy Musashi Kosugi	Nakahara-ku, Kawasaki-shi, Kanagawa	2010.03	2011.03	1,152	0.3	3,017.34	112	-	-	-	-	-	7.3		
89	Artis Sendai Kakyoin	Aoba-ku, Sendai-shi, Miyagi	2008.12	2012.03	540	0.2	2,234.24	60	-	-	-	-	-	3.0		
90	Artis Sendai Kimachi Dori	Aoba-ku, Sendai-shi, Miyagi	2010.03	2012.03	1,160	0.3	4,864.04	142	-	-	-	-	-	2.7		
118	Medical Home Granda Sangen Jaya (Land with leasehold interest)	Setagaya-ku, Tokyo	-	2015.03	735	0.2	-	-	-	-	-	-	-	-		
119	Dormy Nishi Ogikubo	Suginami-ku, Tokyo	1992.03	2016.03	1,100	0.3	1,616.52	71	-	-	-	-	-	8.8		
123	Granda Kanazawa Hakkei	Kanazawa-ku, Yokohama-shi, Kanagawa	2012.06	2017.06	774	0.2	1,826.29	58	-	-	-	-	-	9.6		
124	Dormy Kamisugi	Aoba-ku, Sendai-shi, Miyagi	1997.03	2017.06	1,050	0.3	3,151.56	124	-	-	-	-	-	4.6		
128	Dormy Odawara	Miyagino-ku, Sendai-shi, Miyagi	1998.02	2019.01	521	0.2	2,452.14	78	-	-	-	-	-	0.2		
131	Chisun Hotel Hiroshima	Naka-ku, Hiroshima-shi, Hiroshima	1986.11	2019.05	1,880	0.6	4,275.59	170	-	-	-	-	-	6.4		
136	Campus terrace Waseda	Bunkyo-ku, Tokyo	2020.01	2021.04	1,810	0.5	1,747.51	82	-	-	-	-	-	3.5		
<b>Hospitality Facilities Total</b>							<b>17,699</b>	<b>5.2</b>	<b>45,161.44</b>	<b>1,708</b>	-	-	-	-		
<b>Grand Total</b>							<b>337,930</b>	<b>100.0</b>	<b>538,154.26</b>	<b>13,275</b>	<b>4,811</b>	<b>4,778</b>	<b>1,456</b>	<b>475</b>	<b>47</b>	<b>2.5</b>

(Portfolio PML)<sup>6</sup>

\* As of February 28, 2022

1. Completion date and acquisition date in the case of multiple properties are the earliest dates of completion and acquisition, respectively, among relevant properties.
2. Acquisition price does not include acquisition-related expenses, property tax or consumption tax.
3. Calculation of rentable units in each category is based on categories as of February 28, 2022. The breakdown of classified units of each property may change in future due to change of floor plans, etc.
4. Rentable units and rentable area for Shibaura Island Air Tower are calculated by multiplying NAF's ownership (31%) by the property's total rentable units and total rentable area and rounding to the nearest unit and one-hundredth of a square meter, respectively.
5. Rentable units and rentable area for Park Axis Akatsuka are calculated by multiplying NAF's ownership (55%) by the property's total rentable units and total rentable area and rounding to the nearest unit and one-hundredth of a square meter, respectively.
6. Portfolio PML is the PML for all NAF's portfolio, 133 properties excluding Medical Home Granda Sangen Jaya (Land with leasehold interest).

# Appraisal Value (1/5)

No.	Property Name	Acquisition Price (JPY mn)	31st Period				32nd Period				Change from Previous Period	
			Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)
1	Okawabata Apartment Communities	30,816	32,035	31,900	3.5%	▲ 135	32,113	32,100	3.5%	▲ 13	—	122
2	Park Axis Gakugei Daigaku	1,760	1,460	2,360	3.4%	899	1,452	2,360	3.4%	907	—	7
4	Park Axis Shibuya Jinnan	3,230	2,863	3,820	3.3%	956	2,853	3,860	3.3%	1,006	—	50
5	Park Axis Aoyama Kotto Dori	1,730	1,525	2,130	3.3%	604	1,520	2,130	3.3%	609	—	5
6	Park Axis Kagurazaka Stage	1,400	1,217	1,810	3.8%	592	1,212	1,860	3.7%	647	▲ 0.1%	54
7	Park Axis Shirokanedai	5,140	4,575	6,380	3.6%	1,804	4,560	6,580	3.5%	2,019	▲ 0.1%	215
8	Park Axis Bunkyo Stage	4,440	3,899	5,960	3.8%	2,060	3,880	6,110	3.7%	2,229	▲ 0.1%	169
9	Park Axis Tsukishima	930	792	1,400	3.5%	607	787	1,410	3.5%	622	—	15
10	Park Axis Otsuka	1,655	1,422	2,090	3.9%	667	1,414	2,160	3.8%	745	▲ 0.1%	78
11	Park Axis Minami Azabu	3,939	3,591	4,530	3.6%	938	3,595	4,670	3.5%	1,074	▲ 0.1%	136
13	Park Axis Nihonbashi Stage	7,557	6,487	10,100	3.6%	3,612	6,469	10,400	3.5%	3,930	▲ 0.1%	317
14	Park Axis Hamamatsucho	2,025	1,820	2,740	3.5%	919	1,815	2,740	3.5%	924	—	5
15	Park Axis Hongo no Mori	2,910	2,495	4,180	3.4%	1,684	2,480	4,210	3.4%	1,729	—	44
16	Park Axis Tameike Sanno	2,860	2,488	3,500	3.6%	1,011	2,483	3,600	3.5%	1,116	▲ 0.1%	104
17	Park Axis Roppongi Hinokicho Koen	2,170	1,990	2,670	3.3%	679	1,982	2,670	3.3%	687	—	8
18	Park Axis Ochanomizu Stage	9,710	8,511	14,500	3.4%	5,988	8,470	14,500	3.4%	6,029	—	41
19	Park Axis Okachimachi	1,070	921	1,490	3.5%	568	918	1,490	3.5%	571	—	3
20	Park Cube Hongo	1,760	1,647	2,660	3.4%	1,012	1,641	2,660	3.4%	1,018	—	6
21	Park Cube Kanda	2,454	2,246	3,710	3.4%	1,463	2,238	3,710	3.4%	1,471	—	7
22	Park Cube Ichigaya	1,949	1,842	2,730	3.4%	887	1,836	2,730	3.4%	893	—	6
23	Park Cube Asakusa Tawaramachi	2,508	2,206	3,600	3.5%	1,393	2,202	3,640	3.5%	1,437	—	43
24	Park Cube Ueno	2,233	2,018	2,970	3.5%	951	2,009	2,980	3.5%	970	—	18
29	Park Axis Meguro Honcho	1,810	1,623	1,900	3.8%	276	1,615	1,940	3.7%	324	▲ 0.1%	47
30	Park Axis Shin Itabashi	3,430	2,893	3,260	4.0%	366	2,872	3,340	3.9%	467	▲ 0.1%	101
31	Park Axis Akihabara	1,200	1,055	1,390	3.8%	334	1,049	1,440	3.7%	390	▲ 0.1%	55
32	Park Axis Toyochō	3,950	3,374	4,400	4.1%	1,025	3,352	4,500	4.0%	1,147	▲ 0.1%	122
33	Park Axis Takinogawa	1,820	1,576	2,450	3.6%	873	1,584	2,480	3.6%	895	—	21
34	Park Axis Asakusabashi	2,717	2,364	3,670	3.9%	1,305	2,352	3,800	3.8%	1,447	▲ 0.1%	142
38	Park Axis Nihonbashi Hamacho	5,540	4,794	7,080	3.5%	2,285	4,767	7,150	3.5%	2,382	—	96
39	Park Cube Yoyogi Tomigaya	1,975	1,763	2,040	3.7%	276	1,754	2,110	3.6%	355	▲ 0.1%	79

# Appraisal Value (2/5)

No.	Property Name	Acquisition Price (JPY mn)	31st Period				32nd Period				Change from Previous Period	
			Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)
41	Park Axis Monzen Nakacho	1,700	1,478	1,960	3.9%	481	1,470	2,010	3.8%	539	▲0.1%	58
42	Park Cube Itabashi Honcho	4,170	3,682	4,690	3.5%	1,007	3,662	4,690	3.5%	1,027	—	19
43	Park Cube Gakugei Daigaku	910	826	946	3.4%	119	823	946	3.4%	122	—	3
44	Park Cube Oimachi	1,440	1,278	1,720	3.9%	441	1,271	1,740	3.8%	468	▲0.1%	26
46	Park Axis Nishigahara	840	765	1,120	4.2%	354	759	1,140	4.1%	380	▲0.1%	25
47	Park Axis Kinshicho	1,448	1,293	2,290	3.6%	996	1,286	2,320	3.6%	1,033	—	37
48	Park Axis Tatsumi Stage	7,464	6,523	11,500	4.2%	4,976	6,477	11,900	4.1%	5,422	▲0.1%	446
51	Park Axis Kameido	2,359	2,049	3,090	4.2%	1,040	2,036	3,160	4.1%	1,123	▲0.1%	83
52	Park Axis Honancho	745	639	992	4.0%	352	635	1,020	3.9%	384	▲0.1%	32
53	Park Axis Itabashi	1,448	1,246	2,270	3.6%	1,023	1,237	2,270	3.6%	1,032	—	8
54	Park Axis Oshiage	1,193	1,031	1,690	4.2%	658	1,024	1,720	4.1%	695	▲0.1%	37
55	Park Axis Takadanobaba	1,222	1,115	1,710	3.5%	594	1,111	1,720	3.5%	608	—	14
59	Park Axis Toyosu	14,300	11,950	21,200	4.0%	9,249	11,866	22,000	3.9%	10,133	▲0.1%	883
60	Park Axis Hatchobori	1,760	1,566	2,640	3.9%	1,073	1,556	2,710	3.8%	1,153	▲0.1%	79
61	Park Axis Itabashi Honcho	987	812	1,320	4.1%	507	804	1,350	4.0%	545	▲0.1%	37
62	Park Axis Sumiyoshi	1,006	845	1,310	4.3%	464	838	1,340	4.2%	501	▲0.1%	36
63	Park Cube Yotsuya Sanhome	2,749	2,456	3,970	3.7%	1,513	2,439	4,070	3.6%	1,630	▲0.1%	116
64	Park Cube Hatchobori	4,200	3,910	6,000	3.8%	2,089	3,894	6,140	3.7%	2,245	▲0.1%	156
68	Park Axis Kamata Ichibankan	1,069	969	1,420	4.0%	450	964	1,420	3.9%	455	▲0.1%	5
70	Park Axis Taito Negishi	672	578	987	4.2%	408	573	1,010	4.1%	436	▲0.1%	28
72	Park Axis Komagome	1,389	1,237	2,010	3.9%	772	1,230	2,070	3.8%	839	▲0.1%	66
74	Park Axis Itabashi Honcho Nibankan	1,859	1,539	2,500	4.1%	960	1,526	2,580	4.0%	1,053	▲0.1%	93
75	Shibaura Island Air Tower <sup>1</sup>	7,905	6,472	10,900	—	4,427	6,431	11,000	—	4,568	—	141
84	Park Cube Higashi Shinagawa	6,060	5,438	7,900	4.1%	2,461	5,396	8,080	4.0%	2,683	▲0.1%	222
86	Park Cube Sasazuka	2,200	2,055	2,980	3.5%	924	2,045	2,990	3.5%	944	—	20
88	Park Axis Higashi Jujo	1,700	1,560	2,490	3.6%	929	1,550	2,490	3.6%	939	—	10
91	Park Cube Heiwadai	1,204	1,103	1,530	4.2%	426	1,095	1,570	4.1%	474	▲0.1%	48
92	Park Cube Meguro Tower	9,000	8,631	14,000	3.7%	5,368	8,585	14,400	3.6%	5,814	▲0.1%	446
93	Park Cube Nihonbashi Suitengu	2,711	2,536	4,160	3.5%	1,623	2,534	4,160	3.5%	1,625	—	1
94	Park Cube Ginza East	2,269	2,119	3,280	3.5%	1,160	2,115	3,280	3.5%	1,164	—	3

No.	Property Name	Acquisition Price (JPY mn)	31st Period				32nd Period				Change from Previous Period	
			Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)
95	Park Cube Kayabacho	1,105	1,073	1,720	3.5%	646	1,070	1,730	3.5%	659	—	12
96	Park Cube Honjo Azumabashi	1,252	1,190	1,940	3.6%	749	1,183	1,970	3.6%	786	—	36
97	Park Axis Kiyosumi Shirakawa	696	663	1,000	3.6%	336	659	1,010	3.6%	350	—	13
98	Park Axis Asakusabashi Nichome	1,079	972	1,470	3.9%	497	965	1,470	3.9%	504	—	7
99	Park Axis Nishi Sugamo	1,439	1,332	1,950	3.9%	617	1,322	1,960	3.9%	637	—	19
100	Park Axis Ueno	1,389	1,263	1,950	3.9%	686	1,254	1,950	3.9%	695	—	8
101	Park Axis Akihabara East	1,369	1,247	1,840	3.9%	592	1,238	1,860	3.8%	621	▲0.1%	28
103	Park Axis Kayabacho	1,809	1,633	2,460	3.8%	826	1,620	2,510	3.7%	889	▲0.1%	63
104	Park Axis Kinshicho Shinsui Koen	1,369	1,253	1,790	4.0%	536	1,243	1,840	3.9%	596	▲0.1%	59
105	Park Cube Kasuga Andozaka	2,670	2,521	3,900	3.5%	1,378	2,512	3,910	3.5%	1,397	—	18
106	Park Cube Kameido	3,020	2,836	4,050	3.6%	1,213	2,821	4,060	3.6%	1,238	—	24
108	Park Axis Shin Okachimachi East	1,299	1,227	1,720	3.9%	492	1,219	1,760	3.8%	540	▲0.1%	47
110	Park Axis Nihonbashi Honcho	1,469	1,389	2,160	3.6%	770	1,382	2,250	3.5%	867	▲0.1%	97
111	Park Cube Nishigahara Stage <sup>3</sup>	4,110	3,686	5,000	—	1,313	3,635	5,040	—	1,404	—	90
112	Park Cube Atagoyama Tower	8,650	8,469	10,600	3.4%	2,130	8,435	11,000	3.3%	2,564	▲0.1%	434
113	Park Axis Shibaura	1,045	1,015	1,500	3.5%	484	1,009	1,500	3.5%	490	—	5
114	Park Axis Asakusa Kuramae	1,095	1,057	1,530	3.5%	472	1,051	1,530	3.5%	478	—	5
115	Park Axis Kamata Station Gate	4,144	4,048	5,610	3.5%	1,561	4,029	5,660	3.5%	1,630	—	68
116	Park Axis Kinshicho Residence	1,251	1,210	1,660	3.5%	449	1,204	1,660	3.5%	455	—	6
117	Park Axis Oshiage Sumida Koen	1,055	1,017	1,480	3.7%	462	1,010	1,480	3.7%	469	—	6
120	Park Axis Magome Residence	1,450	1,435	1,670	3.7%	234	1,428	1,690	3.6%	261	▲0.1%	26
121	Park Axis Higashi Ueno	1,250	1,233	1,550	3.6%	316	1,226	1,600	3.5%	373	▲0.1%	56
122	Park Axis Higashi Koenji	2,300	2,280	2,600	3.9%	319	2,265	2,610	3.8%	344	▲0.1%	24
125	Park Cube Shin Itabashi	1,700	1,716	2,020	3.7%	303	1,707	2,020	3.7%	312	—	9
126	Park Cube Nishi Shinjuku	2,400	2,427	2,750	3.6%	322	2,419	2,750	3.6%	330	—	7
129	Park Axis Oshiage Terrace	2,610	2,650	3,070	3.5%	419	2,638	3,070	3.5%	431	—	12
130	Park Axis Ikegami	1,260	1,280	1,430	3.8%	149	1,274	1,460	3.7%	185	▲0.1%	35
132	Park Axis Akatsuka <sup>2</sup>	2,420	2,488	2,680	3.8%	191	2,476	2,650	3.8%	173	—	▲18
133	Park Cube Oimachi Residence	5,807	6,012	6,530	3.6%	517	5,989	6,540	3.5%	550	▲0.1%	32
134	Park Axis Toyochi Shinsui Koen	6,380	6,605	7,120	3.7%	514	6,599	7,330	3.6%	730	▲0.1%	215
137	Park Axis Kikukawa Station Gate	3,200	3,306	3,560	3.7%	253	3,307	3,560	3.7%	252	—	▲1
138	Park Axis Kiba Canal West	4,660	4,816	5,090	3.7%	273	4,825	5,080	3.7%	254	—	▲18
139	Park Axis Kiba Canal East	1,830	1,899	2,050	3.7%	150	1,904	2,050	3.7%	145	—	▲4
26	Park Cube Keio Hachioji II	1,130	953	1,510	4.2%	556	944	1,510	4.2%	565	—	9

# Appraisal Value (4/5)

No.	Property Name	Acquisition Price (JPY mn)	31st Period				32nd Period				Change from Previous Period	
			Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)
40	Park Axis Nishi Funabashi	1,020	811	1,080	4.5%	268	803	1,120	4.4%	316	▲0.1%	48
66	Park Axis Yokohama Idogaya	1,419	1,192	1,810	4.4%	617	1,181	1,840	4.3%	658	▲0.1%	41
67	Park Axis Chiba Shinmachi	1,679	1,379	2,110	4.6%	730	1,367	2,120	4.5%	752	▲0.1%	22
69	Park Axis Chiba	970	777	1,160	4.7%	382	768	1,170	4.6%	401	▲0.1%	18
85	Park Cube Kita Matsudo	1,200	1,022	1,550	4.5%	527	1,011	1,550	4.5%	538	—	11
87	Park Cube Musashi Kosugi	2,250	1,957	3,170	3.9%	1,212	1,940	3,160	3.9%	1,219	—	7
102	Park Axis Yokohama Tanmachi Koen	1,119	1,008	1,460	4.2%	451	1,000	1,510	4.1%	509	▲0.1%	58
109	Park Axis Yokohama Yamashitacho	1,539	1,419	1,980	4.1%	560	1,408	2,020	4.0%	611	▲0.1%	50
135	Park Axis Ofuna	2,100	2,179	2,410	4.7%	230	2,176	2,410	4.7%	233	—	3
27	Park Axis Meieki Minami	2,440	1,918	2,550	4.6%	631	1,901	2,560	4.5%	658	▲0.1%	27
35	Park Axis Marunouchi	1,920	1,543	1,760	4.5%	216	1,533	1,770	4.4%	236	▲0.1%	19
36	Park Axis Ropponmatsu	1,515	1,235	1,550	4.0%	314	1,224	1,550	4.0%	325	—	11
37	Park Axis Hakataeki Minami	1,890	1,508	1,950	4.1%	441	1,494	1,950	4.1%	455	—	14
45	Park Axis Naka Gofukumachi	742	616	1,100	4.1%	483	609	1,100	4.1%	490	—	7
49	Park Axis Shirakabe	1,547	1,294	1,950	4.6%	655	1,281	1,960	4.5%	678	▲0.1%	22
50	Park Axis Sendai	2,320	1,893	3,340	5.0%	1,446	1,873	3,400	4.9%	1,526	▲0.1%	79
56	Park Axis Hakata Minoshima	960	735	1,160	4.8%	424	724	1,180	4.7%	455	▲0.1%	30
57	Park Axis Takamiya Higashi	605	425	721	4.8%	295	416	733	4.7%	316	▲0.1%	20
58	Park Axis Sapporo Shokubutsuen Mae	1,650	1,241	2,080	4.9%	838	1,222	2,080	4.8%	857	▲0.1%	18
65	Park Axis Shin Sapporo	827	623	1,000	5.1%	376	622	1,030	5.0%	407	▲0.1%	31
73	Park Axis Utsubo Koen	2,399	2,017	2,900	4.5%	882	1,997	2,860	4.4%	862	▲0.1%	▲20
107	Park Cube Kitahama	1,970	1,786	2,170	4.5%	383	1,771	2,210	4.4%	438	▲0.1%	54
127	Park Axis Kanayama WEST	1,770	1,822	2,010	4.2%	187	1,816	2,020	4.2%	203	—	15
76	Dormy Ashiya	928	783	1,430	4.8%	646	775	1,430	4.8%	654	—	7
77	Dormy Kyoto Nijyo	991	814	1,460	4.6%	645	805	1,460	4.6%	654	—	9
78	Sundai Horikawa Ryo	916	815	1,380	4.6%	564	809	1,380	4.6%	570	—	5
79	Dormy Rakuoku	374	297	535	5.0%	237	292	536	5.0%	243	—	6
80	Rikkyo University International Dormitory (RUID) Shiki	1,478	1,348	2,070	4.9%	721	1,338	2,070	4.9%	731	—	10
81	Dormy Naka Itabashi	1,041	944	1,530	4.3%	585	937	1,530	4.3%	592	—	7
82	Philosophia Nishidai	1,249	1,113	1,790	4.4%	676	1,103	1,790	4.4%	686	—	9
83	Dormy Musashi Kosugi	1,152	1,035	1,680	4.6%	644	1,026	1,680	4.6%	653	—	9

# Appraisal Value (5/5)

No.	Property Name	Acquisition Price (JPY mn)	31st Period				32nd Period				Change from Previous Period	
			Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)
89	Artis Sendai Kakyoin	540	475	704	5.3%	228	470	702	5.2%	231	▲0.1%	3
90	Artis Sendai Kimachi Dori	1,160	1,018	1,540	5.3%	521	1,004	1,500	5.2%	495	▲0.1%	▲26
118	Medical Home Granda Sang en Jaya (Land with leasehold interest)	735	770	833	4.0%	62	770	854	3.9%	83	▲0.1%	21
119	Dormy Nishi Ogikubo	1,100	1,144	1,200	4.4%	55	1,140	1,200	4.4%	59	—	3
123	Granda Kanazawa Hakkei	774	767	939	4.3%	171	762	882	4.3%	119	—	▲51
124	Dormy Kamisugi	1,050	1,106	1,290	5.0%	183	1,105	1,180	5.0%	74	—	▲108
128	Dormy Odawara	521	574	642	6.2%	67	570	651	6.1%	80	▲0.1%	13
131	Chisun Hotel Hiroshima	1,880	1,984	1,850	5.0%	▲134	1,980	1,810	5.0%	▲170	—	▲36
136	Campus terrace Waseda	1,810	1,867	1,950	3.9%	82	1,872	1,940	3.9%	67	—	▲14
<b>Subtotal</b>		<b>337,930</b>	<b>310,714</b>	<b>432,749</b>	<b>—</b>	<b>122,034</b>	<b>309,327</b>	<b>438,594</b>	<b>—</b>	<b>129,266</b>	<b>—</b>	<b>7,232</b>
<b>Total</b>		<b>337,930</b>	<b>310,714</b>	<b>432,749</b>	<b>—</b>	<b>122,034</b>	<b>309,327</b>	<b>438,594</b>	<b>—</b>	<b>129,266</b>	<b>—</b>	<b>7,232</b>

\* Appraisal value and book value are as of the end of each period (31st Period: August 31, 2021; 32nd Period: February 28, 2022).

- Appraisal value of Shibaura Island Air Tower: Equivalent of 31% ownership.  
Appraisal cap rate of Shibaura Island Air Tower: Not available because the asset is a building with term leasehold interest.
- Appraisal value of Park Axis Akatsuka: Equivalent of 55% ownership.
- Appraisal cap rate of Park Cube Nishigahara Stage was 4.3% for the 31st period and 4.2% for the 32nd period.  
(Discount rate based on the Inwood method of capitalization over a definite term)

Reference: Appraisal Value Changes in the Properties Owned at the end of the previous period

PoP Change in Appraisal Value			
Increase	No Change	Decrease	Total
<b>82</b> properties	<b>42</b> properties	<b>10</b> properties	<b>134</b> properties

# Occupancy Rates (1/5)

No.	Property Name	Rentable Units (Units)	Rentable Area (m <sup>2</sup> )	32nd Period						31st Period					
				2022 Feb 28	2022 Jan 31	2021 Dec 31	2021 Nov 30	2021 Oct 31	2021 Sep 30	2021 Aug 31	2021 Jul 31	2021 Jun 30	2021 May 31	2021 Apr 30	2021 Mar 31
				Occupancy Rate											
1	Okaw abata Apartment Communities	544	43,812.41	94.6%	94.3%	94.7%	95.9%	94.9%	95.1%	94.6%	94.6%	95.0%	94.4%	94.2%	95.7%
2	Park Axis Gakugei Daigaku	64	2,437.66	98.8%	98.8%	98.8%	100.0%	94.0%	88.4%	95.2%	98.7%	100.0%	100.0%	96.2%	98.8%
4	Park Axis Shibuya Jinnan	75	2,766.62	92.1%	95.3%	96.3%	97.5%	97.5%	97.5%	98.7%	97.9%	97.5%	97.5%	96.2%	94.9%
5	Park Axis Aoyama Kotto Dori	40	1,537.24	100.0%	100.0%	100.0%	97.6%	94.4%	88.5%	90.0%	92.6%	95.0%	95.0%	96.7%	100.0%
6	Park Axis Kagurazaka Stage	59	1,891.05	97.4%	97.4%	97.4%	98.6%	98.6%	94.3%	95.7%	91.4%	93.4%	93.4%	94.8%	98.6%
7	Park Axis Shirokanedai	99	4,704.44	98.0%	97.3%	98.4%	96.6%	96.9%	99.4%	99.4%	99.4%	95.2%	94.3%	95.1%	94.5%
8	Park Axis Bunkyo Stage	154	6,078.93	96.3%	97.9%	98.0%	98.9%	96.1%	96.8%	92.8%	90.5%	93.2%	91.7%	92.0%	92.7%
9	Park Axis Tsukishima	30	1,383.99	100.0%	96.8%	96.8%	89.2%	89.6%	86.7%	92.8%	86.3%	96.4%	96.8%	96.4%	100.0%
10	Park Axis Otsuka	52	2,606.37	93.4%	94.3%	93.4%	93.4%	93.4%	92.6%	100.0%	100.0%	100.0%	100.0%	93.7%	93.5%
11	Park Axis Minami Azabu	64	3,938.14	97.1%	97.1%	97.8%	97.8%	96.5%	96.0%	91.1%	91.1%	96.1%	96.1%	94.6%	94.9%
13	Park Axis Nihonbashi Stage	185	10,025.40	99.3%	98.5%	99.3%	98.7%	97.3%	95.1%	96.5%	95.6%	96.6%	96.2%	95.9%	98.9%
14	Park Axis Hamamatsucho	80	2,426.45	93.8%	95.5%	94.3%	97.1%	95.9%	97.6%	97.7%	96.6%	95.4%	96.8%	92.3%	92.3%
15	Park Axis Hongo no Mori	87	3,317.94	98.1%	97.4%	94.4%	98.3%	95.2%	97.3%	94.2%	95.1%	95.9%	97.3%	97.2%	98.6%
16	Park Axis Tameike Sanno	70	2,710.69	94.9%	93.5%	90.9%	93.5%	93.0%	90.3%	91.9%	94.7%	98.4%	96.5%	98.2%	98.2%
17	Park Axis Roppongi Hinokicho Koen	46	2,054.46	91.8%	96.9%	100.0%	98.1%	93.1%	95.7%	88.2%	92.0%	93.8%	93.6%	93.6%	88.0%
18	Park Axis Ochanomizu Stage	324	12,025.25	98.4%	97.1%	97.6%	97.9%	96.4%	93.8%	93.8%	92.9%	92.3%	93.8%	94.3%	95.2%
19	Park Axis Okachimachi	42	1,621.73	91.5%	94.5%	92.2%	91.6%	94.6%	96.5%	95.3%	86.9%	88.5%	92.4%	95.3%	97.7%
20	Park Cube Hongo	60	2,160.12	96.7%	100.0%	100.0%	100.0%	100.0%	96.6%	91.7%	91.7%	95.1%	98.4%	98.4%	100.0%
21	Park Cube Kanda	95	3,194.59	95.4%	95.5%	97.0%	97.3%	96.5%	98.3%	98.1%	92.4%	95.1%	95.2%	93.8%	97.5%
22	Park Cube Ichigaya	53	2,288.46	96.0%	97.3%	98.6%	100.0%	98.7%	98.7%	97.7%	92.7%	98.6%	95.9%	97.3%	95.0%
23	Park Cube Asakusa Taw aramachi	76	4,012.68	97.8%	96.7%	99.3%	97.8%	96.1%	96.9%	96.7%	95.1%	100.0%	100.0%	98.6%	98.9%
24	Park Cube Ueno	91	3,041.61	96.8%	97.0%	99.0%	97.8%	97.9%	97.0%	96.0%	89.1%	90.1%	92.1%	94.5%	97.9%
29	Park Axis Meguro Honcho	60	1,884.77	98.6%	98.3%	96.8%	94.8%	95.1%	96.8%	100.0%	100.0%	96.5%	93.0%	98.3%	98.3%
30	Park Axis Shin Itabashi	152	4,395.99	98.4%	98.3%	97.9%	97.9%	98.5%	97.8%	96.7%	96.7%	98.8%	96.1%	94.7%	91.8%
31	Park Axis Akihabara	41	1,346.07	97.1%	94.8%	92.3%	95.2%	94.8%	94.8%	97.1%	100.0%	98.2%	100.0%	100.0%	98.2%
32	Park Axis Toyochō	140	5,412.40	99.3%	97.9%	96.4%	97.9%	98.6%	95.7%	94.3%	93.6%	95.7%	97.9%	97.9%	99.3%
33	Park Axis Takinogawa a	49	2,924.75	98.1%	98.1%	93.5%	96.4%	96.4%	91.0%	94.6%	98.2%	96.4%	98.2%	100.0%	100.0%
34	Park Axis Asakusabashi	79	3,400.78	98.0%	98.0%	98.0%	98.7%	95.9%	95.9%	91.3%	92.7%	95.0%	94.3%	93.6%	95.0%
38	Park Axis Nihonbashi Hamacho	118	6,999.83	97.4%	97.0%	99.0%	98.2%	97.3%	95.7%	97.0%	97.1%	95.9%	97.8%	98.6%	98.3%
39	Park Cube Yoyogi Tomigaya	38	1,929.10	97.1%	100.0%	94.6%	91.6%	97.8%	95.7%	95.7%	96.1%	92.5%	97.2%	100.0%	97.5%

# Occupancy Rates (2/5)

No.	Property Name	Rentable Units (Units)	Rentable Area (m <sup>2</sup> )	32nd Period						31st Period					
				2022 Feb 28	2022 Jan 31	2021 Dec 31	2021 Nov 30	2021 Oct 31	2021 Sep 30	2021 Aug 31	2021 Jul 31	2021 Jun 30	2021 May 31	2021 Apr 30	2021 Mar 31
				Occupancy Rate											
41	Park Axis Monzen Nakacho	55	1,886.39	97.2%	90.6%	91.9%	90.4%	89.3%	98.6%	98.6%	98.6%	94.8%	94.4%	97.2%	98.6%
42	Park Cube Itabashi Honcho	166	5,317.07	97.1%	94.5%	96.4%	97.3%	95.7%	95.6%	93.8%	95.0%	95.8%	95.5%	96.0%	95.7%
43	Park Cube Gakugei Daigaku	24	957.88	96.2%	92.3%	91.8%	91.8%	95.7%	100.0%	100.0%	100.0%	100.0%	92.0%	92.0%	88.2%
44	Park Cube Oimachi	65	1,511.12	91.8%	91.6%	93.2%	95.3%	95.7%	95.7%	95.4%	93.2%	98.4%	97.0%	97.1%	98.4%
46	Park Axis Nishigahara	46	1,435.83	98.2%	98.2%	100.0%	98.2%	96.4%	96.4%	96.4%	98.2%	96.4%	96.4%	100.0%	98.2%
47	Park Axis Kinshicho	65	2,288.13	92.2%	92.0%	92.0%	96.0%	95.2%	98.0%	96.6%	91.5%	92.0%	94.1%	96.6%	100.0%
48	Park Axis Tatsumi Stage	300	16,474.06	96.6%	95.9%	96.0%	98.3%	99.3%	99.0%	97.6%	97.3%	98.1%	97.8%	97.9%	97.9%
51	Park Axis Kameido	118	3,986.78	96.4%	94.2%	93.3%	97.7%	98.4%	96.9%	93.6%	94.7%	98.5%	98.5%	98.2%	97.4%
52	Park Axis Honancho	31	1,231.08	100.0%	93.8%	95.1%	95.1%	94.4%	96.5%	96.5%	93.4%	93.4%	96.5%	96.5%	96.5%
53	Park Axis Itabashi	64	2,567.96	96.6%	93.7%	92.0%	92.8%	93.4%	97.0%	98.7%	98.7%	98.7%	96.4%	98.7%	98.7%
54	Park Axis Oshiage	58	2,121.29	94.4%	91.6%	98.1%	100.0%	98.8%	98.8%	98.8%	97.2%	98.6%	97.4%	96.3%	97.4%
55	Park Axis Takadanobaba	37	1,463.25	95.0%	95.3%	95.3%	97.3%	100.0%	97.3%	92.2%	94.9%	100.0%	97.3%	97.7%	95.3%
59	Park Axis Toyosu	403	25,537.94	98.3%	97.5%	98.0%	98.0%	97.0%	95.6%	97.1%	96.5%	98.9%	97.3%	97.7%	98.2%
60	Park Axis Hatchobori	64	2,416.29	95.7%	95.7%	96.8%	97.8%	96.7%	92.3%	94.5%	95.7%	95.7%	96.5%	97.6%	100.0%
61	Park Axis Itabashi Honcho	66	2,048.31	96.5%	98.5%	97.0%	97.0%	97.0%	97.0%	97.0%	98.5%	98.5%	97.4%	92.5%	93.8%
62	Park Axis Sumiyoshi	60	1,785.72	98.6%	96.0%	93.2%	96.0%	95.8%	96.4%	92.9%	98.6%	96.4%	96.4%	94.6%	98.6%
63	Park Cube Yotsuya Sancho	130	3,599.82	97.0%	96.2%	94.6%	93.6%	96.9%	98.0%	94.6%	95.3%	94.1%	93.6%	93.7%	94.0%
64	Park Cube Hatchobori	120	5,191.86	95.2%	94.3%	93.5%	95.8%	96.7%	98.4%	95.1%	94.4%	92.1%	90.5%	93.7%	94.5%
68	Park Axis Kamata Ichibankan	63	1,721.28	94.5%	90.4%	93.2%	92.2%	94.9%	92.1%	92.1%	91.8%	94.5%	90.2%	90.2%	98.6%
70	Park Axis Taito Negishi	40	1,283.13	98.0%	98.0%	98.0%	100.0%	100.0%	100.0%	100.0%	100.0%	92.3%	92.3%	90.5%	92.3%
72	Park Axis Komagome	40	1,979.51	100.0%	100.0%	100.0%	100.0%	97.3%	100.0%	100.0%	100.0%	100.0%	98.8%	96.1%	96.1%
74	Park Axis Itabashi Honcho Nibankan	99	3,661.58	97.4%	98.7%	98.7%	98.7%	97.1%	94.7%	93.5%	94.7%	98.7%	98.0%	98.8%	98.0%
75	Shibaura Island Air Tower	272	17,646.33	96.0%	96.5%	96.6%	96.7%	96.5%	97.2%	96.6%	96.3%	96.3%	96.0%	96.0%	97.0%
84	Park Cube Higashi Shinagawa	201	10,636.67	97.3%	98.2%	97.5%	98.5%	97.8%	95.6%	96.7%	97.4%	96.3%	98.1%	99.1%	98.3%
86	Park Cube Sasazuka	93	2,416.00	94.1%	94.2%	91.7%	95.0%	97.5%	96.7%	94.6%	93.8%	94.1%	96.6%	95.8%	95.8%
88	Park Axis Higashi Jujo	71	2,893.54	97.4%	94.2%	94.9%	97.2%	99.1%	97.3%	96.4%	98.1%	97.6%	98.6%	95.4%	96.8%
91	Park Cube Heiwada	34	2,656.00	97.7%	100.0%	100.0%	100.0%	100.0%	100.0%	97.6%	96.9%	96.9%	100.0%	96.8%	100.0%
92	Park Cube Meguro Tower	194	12,367.62	95.5%	95.1%	95.2%	93.7%	91.6%	92.1%	93.3%	93.0%	95.2%	93.5%	94.9%	92.5%
93	Park Cube Nihonbashi Suitengu	77	4,235.33	95.4%	93.7%	95.5%	95.5%	97.3%	97.3%	96.8%	97.7%	94.7%	97.3%	93.4%	96.5%
94	Park Cube Ginza East	77	3,358.63	98.8%	98.8%	100.0%	97.5%	91.4%	91.1%	91.1%	90.2%	90.2%	96.3%	95.1%	96.3%



# Occupancy Rates (3/5)

No.	Property Name	Rentable Units (Units)	Rentable Area (㎡)	32nd Period						31st Period					
				2022 Feb 28	2022 Jan 31	2021 Dec 31	2021 Nov 30	2021 Oct 31	2021 Sep 30	2021 Aug 31	2021 Jul 31	2021 Jun 30	2021 May 31	2021 Apr 30	2021 Mar 31
				Occupancy Rate											
95	Park Cube Kayabacho	28	1,695.06	100.0%	96.6%	93.2%	93.2%	96.0%	100.0%	100.0%	96.8%	82.7%	85.9%	89.9%	96.6%
96	Park Cube Honjo Azumabashi	45	2,241.63	100.0%	100.0%	97.5%	97.6%	97.6%	97.6%	93.8%	96.2%	100.0%	100.0%	97.6%	97.6%
97	Park Axis Kiyosumi Shirakawa	36	1,159.84	97.7%	97.7%	95.0%	90.5%	97.3%	97.4%	92.5%	97.4%	92.7%	95.3%	100.0%	100.0%
98	Park Axis Asakusabashi Nichome	48	1,569.00	91.7%	91.7%	91.7%	90.4%	92.0%	94.7%	91.4%	86.7%	86.7%	93.1%	91.1%	98.3%
99	Park Axis Nishi Sugamo	56	2,326.32	95.3%	94.3%	93.0%	97.6%	97.6%	96.2%	93.9%	97.4%	98.8%	97.4%	95.9%	96.1%
100	Park Axis Ueno	59	1,992.29	95.4%	89.6%	90.8%	96.7%	96.7%	98.7%	97.5%	97.9%	100.0%	96.7%	95.4%	96.7%
101	Park Axis Akihabara East	58	1,890.20	98.6%	100.0%	94.4%	93.0%	92.3%	98.6%	93.0%	98.6%	100.0%	97.2%	98.6%	98.6%
103	Park Axis Kayabacho	72	2,355.07	95.2%	91.7%	97.2%	97.4%	97.8%	96.0%	97.8%	93.2%	90.9%	92.6%	93.7%	97.1%
104	Park Axis Kinshicho Shinsui Koen	60	2,085.62	96.3%	95.0%	93.8%	100.0%	98.5%	98.5%	97.6%	94.2%	95.7%	93.2%	91.3%	95.3%
105	Park Cube Kasuga Andozaka	68	3,581.09	98.1%	98.1%	98.1%	97.9%	94.7%	93.2%	90.3%	88.5%	92.2%	91.5%	91.7%	98.4%
106	Park Cube Kameido	122	4,442.09	98.8%	98.2%	98.8%	98.4%	98.3%	98.9%	98.2%	96.8%	95.9%	93.5%	93.6%	97.0%
108	Park Axis Shin Okachimachi East	49	1,847.01	97.2%	97.2%	93.5%	98.6%	98.6%	98.6%	95.9%	95.8%	92.4%	92.4%	90.4%	97.6%
110	Park Axis Nihonbashi Honcho	49	1,808.12	94.5%	94.5%	94.5%	98.4%	97.8%	89.9%	88.3%	88.4%	91.0%	91.0%	92.3%	98.3%
111	Park Cube Nishigahara Stage	358	19,693.35	97.6%	98.3%	97.6%	95.8%	95.6%	96.2%	96.0%	95.5%	96.0%	96.3%	94.8%	97.3%
112	Park Cube Atagoyama Tower	165	8,389.91	95.0%	96.4%	95.2%	97.6%	96.0%	96.3%	96.0%	98.0%	95.7%	93.6%	94.9%	95.3%
113	Park Axis Shibaura	42	1,273.60	91.0%	95.0%	98.0%	98.0%	95.0%	100.0%	100.0%	98.0%	95.0%	93.9%	79.5%	82.8%
114	Park Axis Asakusa Kuramae	45	1,456.35	100.0%	96.6%	98.3%	96.6%	98.3%	90.4%	98.3%	97.1%	97.1%	91.7%	94.7%	98.3%
115	Park Axis Kamata Station Gate	158	4,582.72	96.4%	94.6%	93.2%	95.2%	96.0%	97.5%	97.4%	94.6%	96.0%	95.1%	94.6%	95.6%
116	Park Axis Kinshicho Residence	56	1,793.33	93.7%	88.2%	93.7%	96.0%	94.9%	97.7%	100.0%	96.7%	98.5%	100.0%	100.0%	98.6%
117	Park Axis Oshiage Sumida Koen	49	1,610.49	98.4%	98.4%	98.4%	98.4%	100.0%	100.0%	100.0%	95.5%	96.8%	96.8%	91.9%	90.3%
120	Park Axis Magome Residence	55	1,621.94	98.4%	98.4%	96.5%	98.1%	86.7%	85.8%	88.9%	93.9%	94.0%	92.8%	89.8%	98.4%
121	Park Axis Higashi Ueno	45	1,460.10	91.7%	91.5%	97.0%	95.2%	98.2%	95.2%	91.7%	88.7%	96.5%	94.7%	98.2%	100.0%
122	Park Axis Higashi Koenji	85	2,679.96	94.5%	94.0%	98.5%	97.4%	97.8%	94.7%	95.1%	98.9%	97.3%	92.6%	93.7%	96.0%
125	Park Cube Shin Itabashi	71	1,930.12	94.7%	94.7%	96.0%	97.4%	98.7%	98.7%	97.4%	97.4%	98.7%	97.4%	92.1%	92.1%
126	Park Cube Nishi Shinjuku	58	1,809.56	92.5%	95.8%	95.8%	94.8%	98.5%	95.5%	96.9%	94.8%	95.0%	95.0%	94.2%	95.8%
129	Park Axis Oshiage Terrace	80	2,498.08	100.0%	98.4%	98.4%	97.1%	97.4%	99.0%	96.3%	97.3%	98.9%	96.8%	90.9%	95.6%
130	Park Axis Ikegami	45	1,391.34	98.2%	98.2%	100.0%	100.0%	98.1%	98.1%	100.0%	100.0%	100.0%	100.0%	98.1%	93.3%
132	Park Axis Akatsuka	88	2,403.67	95.1%	90.4%	93.0%	95.9%	98.8%	99.3%	100.0%	97.7%	95.7%	96.5%	96.5%	96.4%
133	Park Cube Oimachi Residence	171	4,271.17	99.1%	98.6%	97.7%	97.9%	96.5%	96.0%	94.1%	93.8%	95.3%	91.1%	93.0%	97.4%
134	Park Axis Toyochō Shinsui Koen	192	7,254.57	96.6%	94.7%	96.0%	97.7%	97.0%	96.5%	97.3%	95.5%	95.3%	95.3%	95.6%	98.5%

# Occupancy Rates (4/5)

No.	Property Name	Rentable Units (Units)	Rentable Area (m <sup>2</sup> )	32nd Period						31st Period					
				2022 Feb 28	2022 Jan 31	2021 Dec 31	2021 Nov 30	2021 Oct 31	2021 Sep 30	2021 Aug 31	2021 Jul 31	2021 Jun 30	2021 May 31	2021 Apr 30	2021 Mar 31
				Occupancy Rate											
137	Park Axis Kikukawa Station Gate	107	3,411.32	95.8%	94.4%	92.9%	95.5%	97.0%	96.6%	95.8%	97.3%	96.9%	—	—	—
138	Park Axis Kiba Canal West	147	4,430.50	97.3%	97.9%	96.0%	96.6%	97.5%	96.9%	95.6%	94.1%	93.0%	—	—	—
139	Park Axis Kiba Canal East	64	1,830.46	95.6%	95.6%	95.6%	94.0%	90.7%	92.5%	89.6%	89.6%	94.1%	—	—	—
Tokyo 23 Wards Total		9,031	399,792.20	96.6%	96.2%	96.3%	96.9%	96.3%	96.0%	95.6%	95.3%	95.9%	95.6%	95.5%	96.6%
26	Park Cube Keio Hachioji II	48	3,082.32	96.8%	96.8%	96.8%	96.8%	96.8%	94.8%	94.6%	94.9%	96.8%	96.8%	94.8%	94.5%
40	Park Axis Nishi Funabashi	55	2,074.35	100.0%	96.2%	98.5%	96.8%	100.0%	100.0%	100.0%	97.0%	100.0%	97.8%	97.8%	100.0%
66	Park Axis Yokohama Idogaya	100	2,706.59	99.1%	97.2%	96.3%	96.3%	94.4%	96.3%	98.2%	98.2%	98.2%	97.3%	97.2%	96.2%
67	Park Axis Chiba Shinmachi	84	3,318.15	96.1%	96.9%	96.9%	99.2%	97.5%	98.3%	97.5%	96.8%	96.8%	92.5%	93.2%	98.3%
69	Park Axis Chiba	91	2,270.32	97.7%	98.9%	98.9%	97.7%	95.5%	98.8%	94.5%	96.6%	100.0%	100.0%	96.7%	98.9%
85	Park Cube Kita Matsudo	109	2,358.66	95.8%	95.8%	96.6%	96.6%	97.5%	98.3%	95.8%	96.6%	95.8%	95.8%	96.6%	99.2%
87	Park Cube Musashi Kosugi	136	3,057.36	96.3%	94.9%	94.9%	94.1%	94.0%	94.1%	92.6%	95.6%	97.0%	96.3%	97.8%	97.8%
102	Park Axis Yokohama Tanmachi Koen	63	1,682.46	94.2%	94.2%	95.6%	92.8%	97.1%	95.2%	100.0%	100.0%	95.2%	95.2%	95.6%	97.1%
109	Park Axis Yokohama Yamashitacho	71	2,325.92	94.5%	96.7%	96.7%	98.9%	98.1%	98.7%	97.6%	94.5%	98.1%	95.7%	95.9%	98.5%
135	Park Axis Ofuna	73	4,752.68	98.6%	98.5%	94.6%	96.0%	97.5%	98.8%	98.7%	97.3%	95.5%	95.9%	95.9%	—
Greater Tokyo Total		830	27,628.81	97.1%	96.8%	96.4%	96.6%	96.8%	97.4%	96.9%	96.7%	97.2%	96.2%	96.0%	97.7%
27	Park Axis Meieki Minami	169	5,565.13	97.4%	96.1%	94.8%	95.4%	93.1%	92.9%	91.4%	90.1%	92.7%	94.4%	94.2%	95.5%
35	Park Axis Marunouchi	99	3,821.75	89.8%	93.2%	92.4%	91.1%	90.8%	92.4%	94.7%	94.7%	95.1%	94.8%	93.6%	94.7%
36	Park Axis Ropponmatsu	112	3,473.67	99.3%	98.0%	99.0%	100.0%	100.0%	100.0%	98.9%	98.2%	97.9%	99.3%	97.0%	100.0%
37	Park Axis Hakataeki Minami	177	4,668.29	100.0%	99.0%	97.3%	98.3%	97.6%	98.1%	98.1%	100.0%	97.8%	97.2%	97.6%	98.2%
45	Park Axis Naka Gofukumachi	112	2,707.88	99.1%	96.4%	93.8%	96.4%	97.3%	96.4%	96.4%	95.5%	97.3%	95.5%	97.3%	97.3%
49	Park Axis Shirakabe	86	4,735.89	98.5%	98.5%	96.7%	96.6%	95.2%	94.2%	95.6%	98.0%	100.0%	98.9%	97.3%	93.8%
50	Park Axis Sendai	204	8,843.17	98.8%	98.8%	96.7%	94.6%	97.1%	96.5%	92.5%	93.5%	95.9%	94.6%	95.4%	95.9%
56	Park Axis Hakata Minoshima	112	3,461.85	97.1%	99.0%	97.4%	95.7%	95.7%	95.6%	94.6%	96.2%	93.7%	93.5%	93.4%	97.1%
57	Park Axis Takamiya Higashi	70	2,289.21	97.1%	96.1%	96.2%	95.2%	96.3%	97.8%	98.4%	93.8%	95.4%	90.9%	90.9%	98.5%
58	Park Axis Sapporo Shokubutsuen Mae	146	7,845.01	95.2%	98.7%	98.7%	99.3%	100.0%	98.6%	97.4%	97.4%	95.9%	93.9%	93.9%	95.2%
65	Park Axis Shin Sapporo	85	3,729.05	98.7%	97.5%	98.7%	100.0%	100.0%	97.0%	98.8%	97.8%	96.7%	95.7%	94.3%	97.6%
73	Park Axis Utsubo Koen	133	4,952.45	93.4%	93.3%	94.6%	94.6%	97.5%	96.3%	93.4%	95.7%	96.3%	96.3%	97.8%	98.8%
107	Park Cube Kitahama	138	4,683.33	95.3%	96.8%	96.8%	96.8%	97.6%	97.0%	98.2%	98.2%	95.9%	96.6%	99.3%	99.4%
127	Park Axis Kanayama WEST	63	4,795.13	93.1%	96.5%	96.5%	98.2%	96.4%	94.9%	96.6%	95.1%	96.9%	100.0%	98.2%	98.2%
Other Major Cities Total		1,706	65,571.81	96.6%	97.2%	96.5%	96.6%	96.9%	96.3%	95.7%	95.9%	96.2%	95.8%	95.8%	96.9%
<b>Rental Apartments Total</b>		<b>11,567</b>	<b>492,992.82</b>	<b>96.6%</b>	<b>96.4%</b>	<b>96.4%</b>	<b>96.8%</b>	<b>96.4%</b>	<b>96.1%</b>	<b>95.7%</b>	<b>95.4%</b>	<b>96.0%</b>	<b>95.7%</b>	<b>95.6%</b>	<b>96.7%</b>

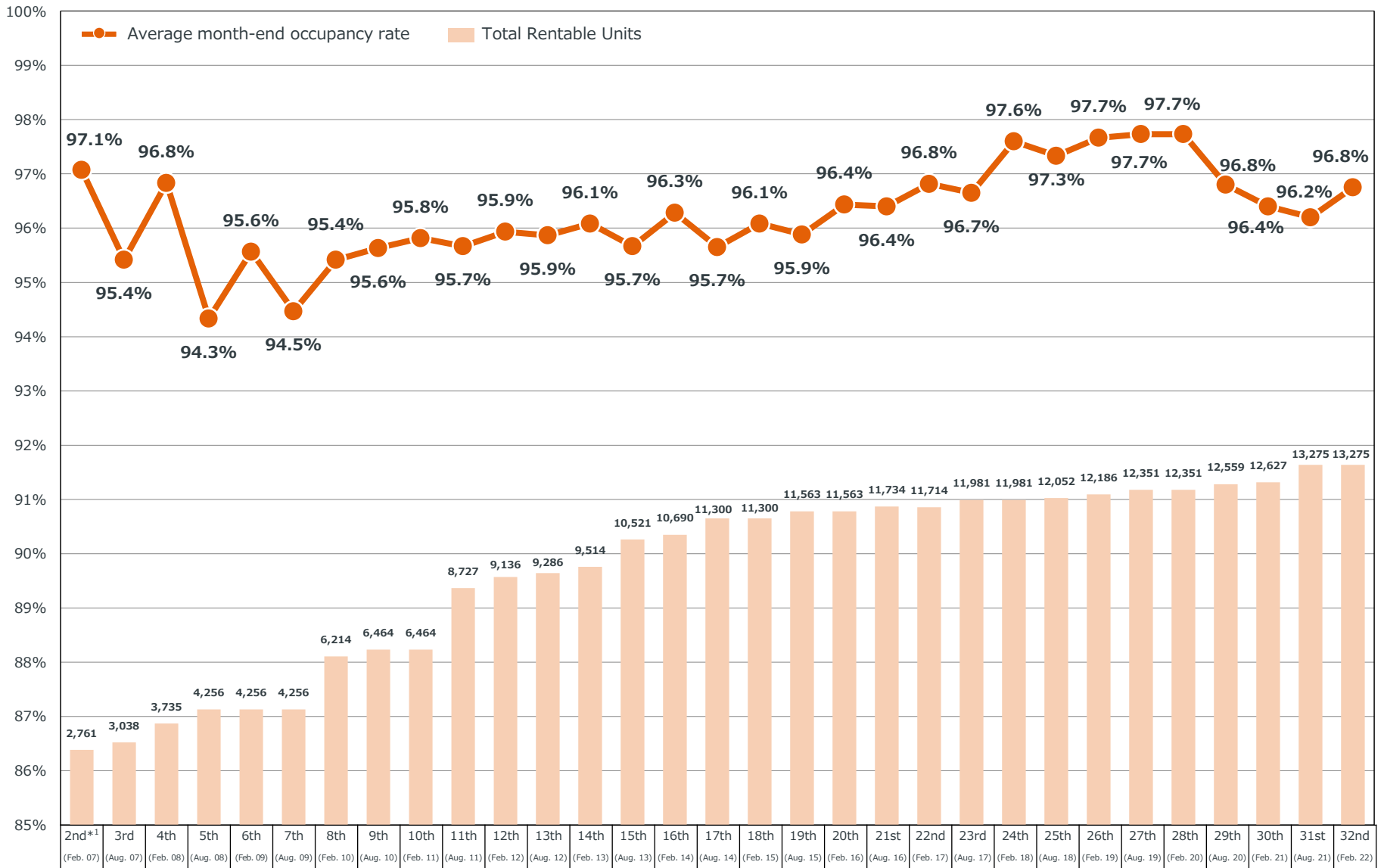
# Occupancy Rates (5/5)

No.	Property Name	Rentable Units (Units)	Rentable Area (m <sup>2</sup> )	32nd Period						31st Period					
				2022 Feb 28	2022 Jan 31	2021 Dec 31	2021 Nov 30	2021 Oct 31	2021 Sep 30	2021 Aug 31	2021 Jul 31	2021 Jun 30	2021 May 31	2021 Apr 30	2021 Mar 31
				Occupancy Rate											
76	Dormy Ashiya	140	3,729.45	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
77	Dormy Kyoto Nijyo	134	3,492.88	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
78	Sundai Horikawa Ryo	113	2,793.71	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
79	Dormy Rakuohku	70	1,489.86	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
80	Rikkyo University International Dormitory (RUID) Shiki	127	3,061.89	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
81	Dormy Naka Itabashi	106	2,439.17	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
82	Philosophia Nishidai	121	2,969.25	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
83	Dormy Musashi Kosugi	112	3,017.34	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
89	Artis Sendai Kakyoin	60	2,234.24	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
90	Artis Sendai Kimachi Dori	142	4,864.04	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
118	Medical Home Granda Sangen Jaya (Land with leasehold interest)	—	—	—	—	—	—	—	—	—	—	—	—	—	—
119	Dormy Nishi Ogikubo	71	1,616.52	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
123	Granda Kanazawa Hakkei	58	1,826.29	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
124	Dormy Kamisugi	124	3,151.56	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
128	Dormy Odawara	78	2,452.14	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
131	Chisun Hotel Hiroshima	170	4,275.59	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
136	Campus terrace Waseda	82	1,747.51	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	—
<b>Hospitality Facilities Total</b>		<b>1,708</b>	<b>45,161.44</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Grand Total</b>		<b>13,275</b>	<b>538,154.26</b>	<b>96.9%</b>	<b>96.7%</b>	<b>96.7%</b>	<b>97.1%</b>	<b>96.7%</b>	<b>96.4%</b>	<b>96.1%</b>	<b>95.8%</b>	<b>96.3%</b>	<b>96.1%</b>	<b>96.0%</b>	<b>97.0%</b>

- Occupancy rate for rental apartments is calculated based on the floor area in the lease contract signed between the master lease company or the trust bank and tenants. Figures for Shibaura Island Air Tower are calculated by multiplying the total floor area by NAF's 31% ownership. Figures for Park Axis Akatsuka are calculated by multiplying the total floor area by NAF's 55% ownership. Occupancy rate for hospitality facilities is calculated based on the floor area in the lease contract signed between NAF and the operator.



# Historical Occupancy Rates Since IPO

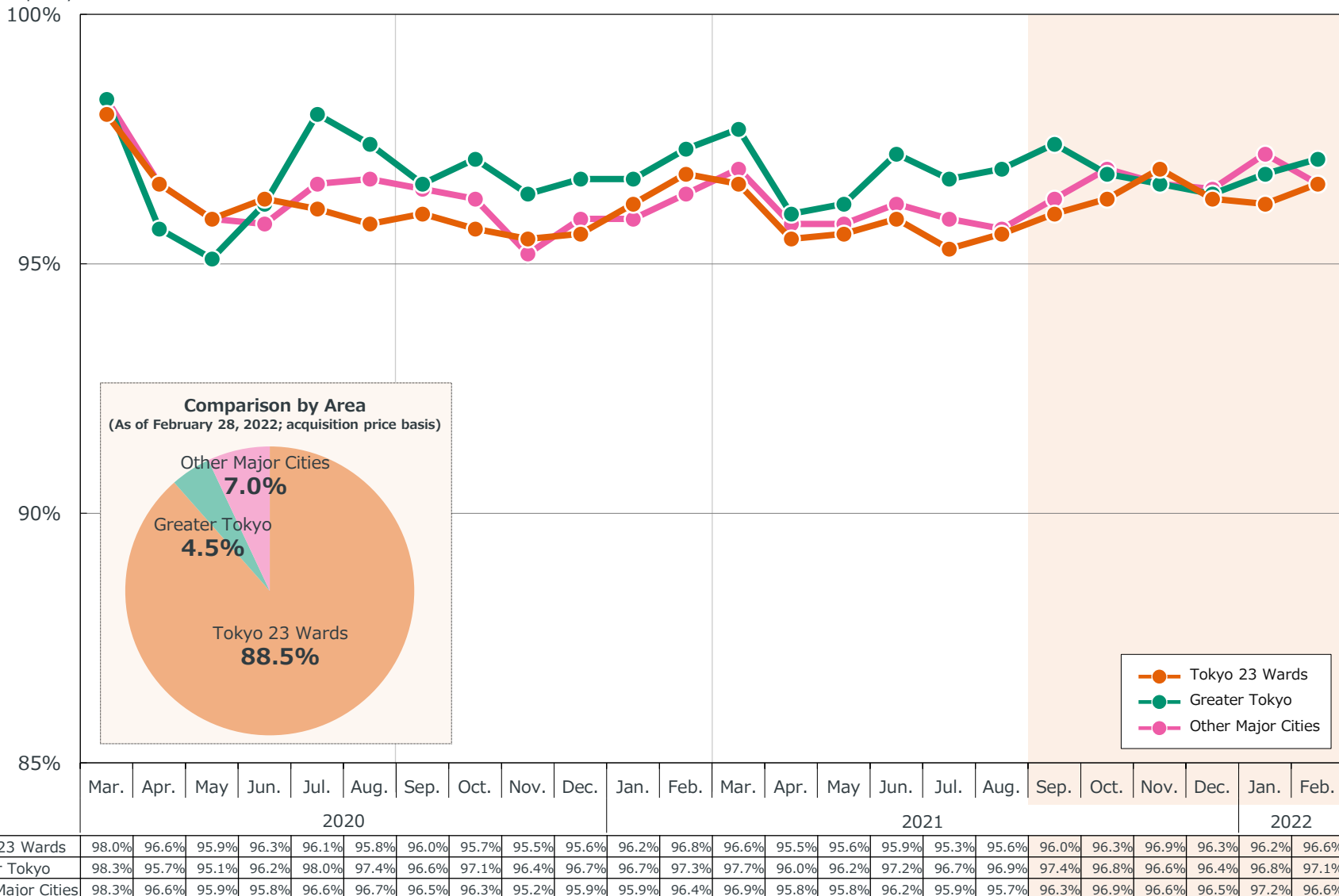


\* Average month-end occupancy rate is for the overall portfolio, including hospitality facilities.

\*1 The figure for average month-end occupancy rate during the 2nd Period in the graph and table above is for the post-IPO period from August 31, 2006, to February 28, 2007.

# Occupancy Rates by Area

Month-end occupancy rate

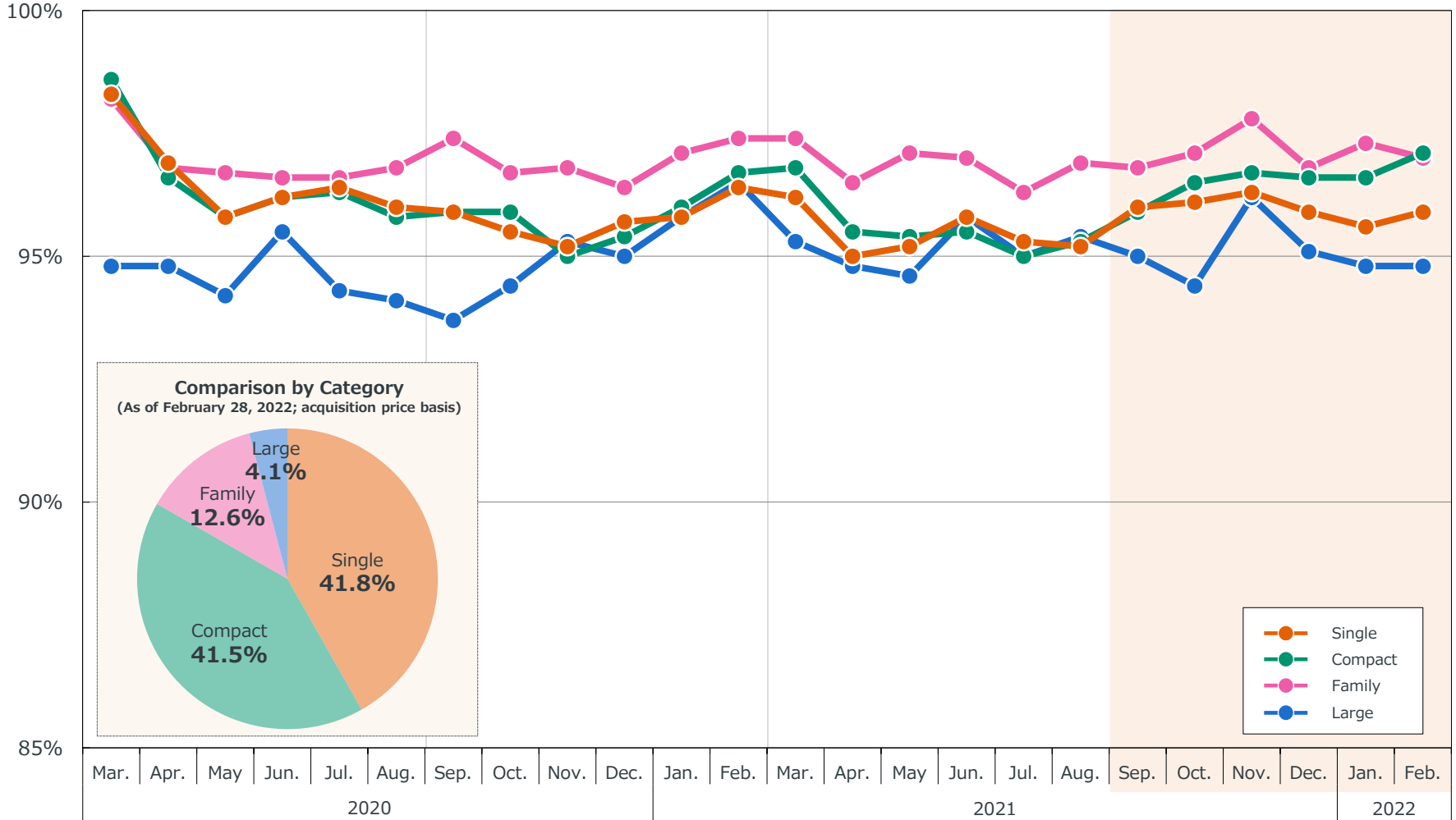


\* The figures above are calculations for rental apartments owned at the end of each month, excluding hospitality facilities.



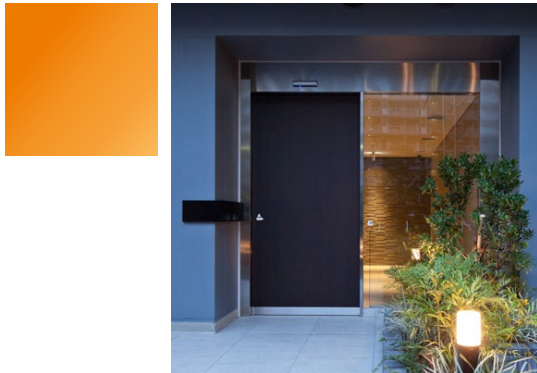
# Occupancy Rates by Category

Month-end occupancy rate



	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.
	2020												2021						2022					
Single	98.3%	96.9%	95.8%	96.2%	96.4%	96.0%	95.9%	95.5%	95.2%	95.7%	95.8%	96.4%	96.2%	95.0%	95.2%	95.8%	95.3%	95.2%	96.0%	96.1%	96.3%	95.9%	95.6%	95.9%
Compact	98.6%	96.6%	95.8%	96.2%	96.3%	95.8%	95.9%	95.9%	95.0%	95.4%	96.0%	96.7%	96.8%	95.5%	95.4%	95.5%	95.0%	95.3%	95.9%	96.5%	96.7%	96.6%	96.6%	97.1%
Family	98.2%	96.8%	96.7%	96.6%	96.6%	96.8%	97.4%	96.7%	96.8%	96.4%	97.1%	97.4%	97.4%	96.5%	97.1%	97.0%	96.3%	96.9%	96.8%	97.1%	97.8%	96.8%	97.3%	97.0%
Large	94.8%	94.8%	94.2%	95.5%	94.3%	94.1%	93.7%	94.4%	95.3%	95.0%	95.8%	96.5%	95.3%	94.8%	94.6%	95.8%	95.0%	95.4%	95.0%	94.4%	96.2%	95.1%	94.8%	94.8%

\* The figures above are calculations for rental apartments owned at the end of each month, excluding retail units and hospitality facilities.

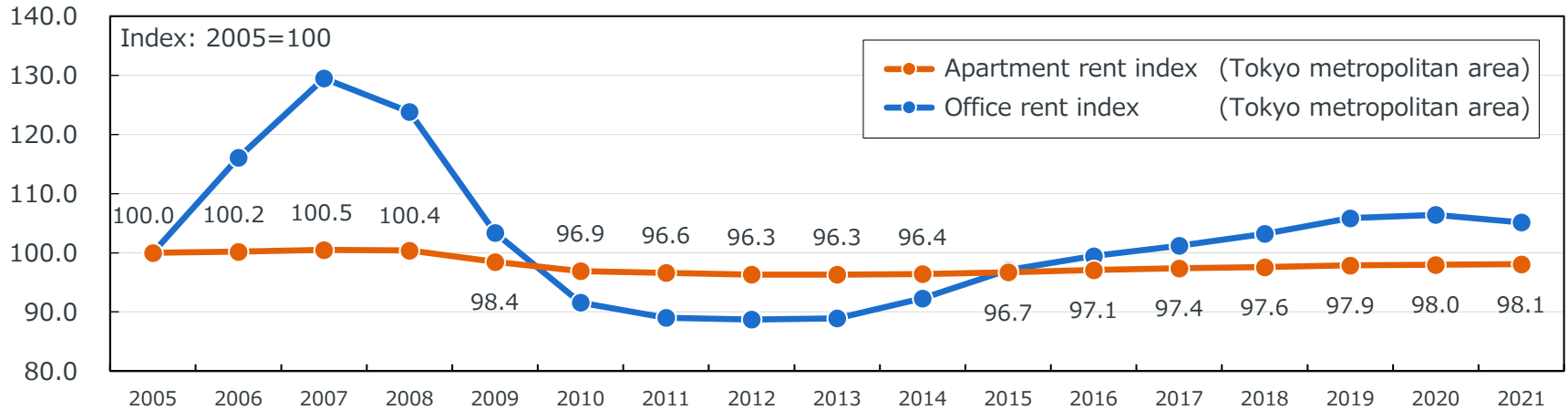


## Appendix (2)

# Business Environment

---

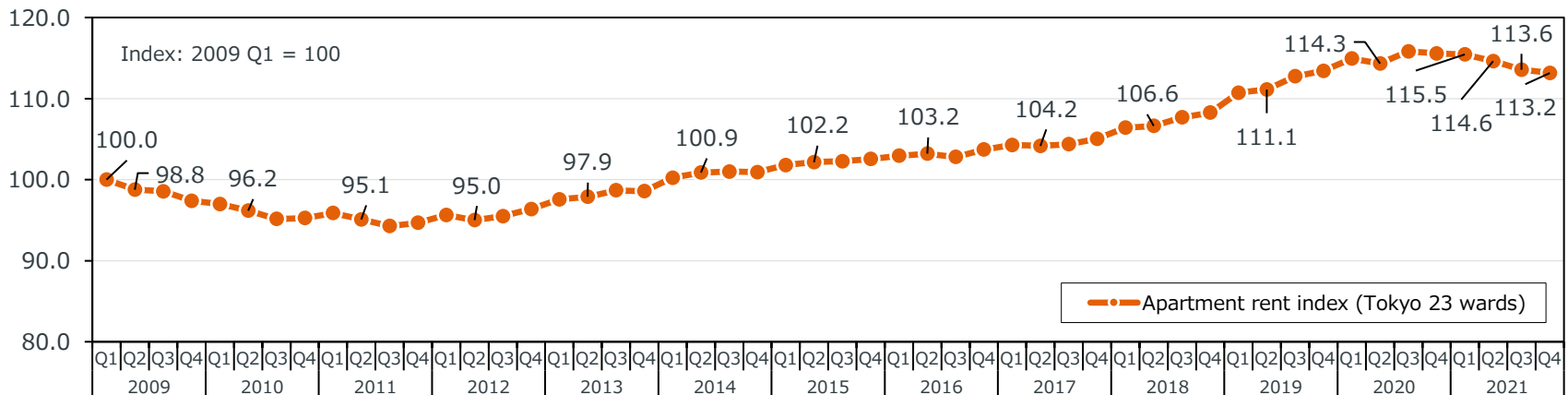
## Rent Fluctuation: Apartments/Offices



Source: Japan Real Estate Institute

\*Prepared by Mitsui Fudosan Accommodations Fund Management based on the National Office and Apartment Rent Index

## Apartment Rent Index in Tokyo 23 Wards

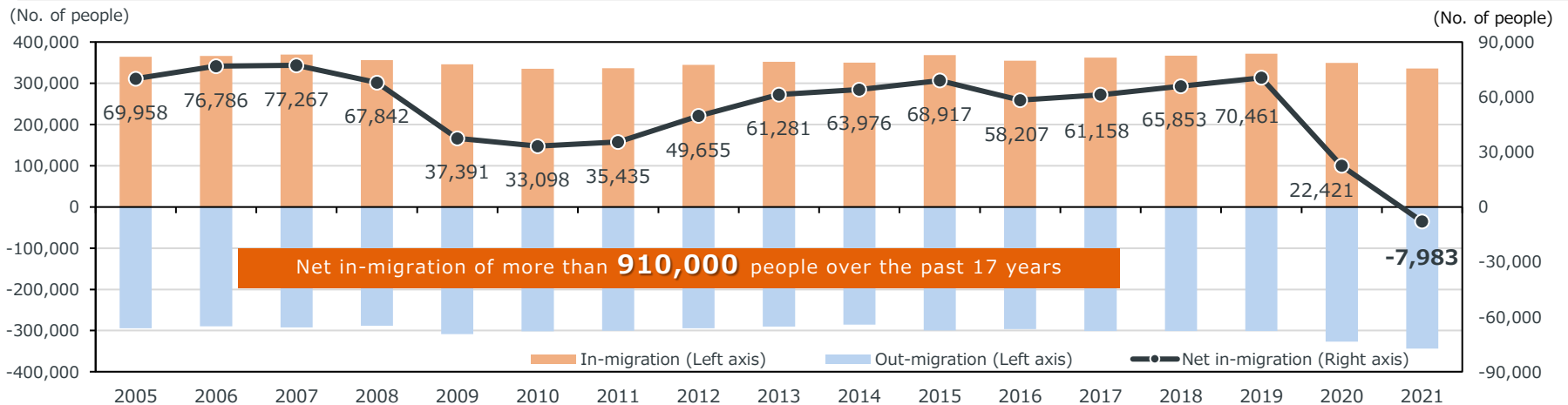


Source: At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.

\*Prepared by Mitsui Fudosan Accommodations Fund Management based on the Apartment Rent Index (general: 18 m<sup>2</sup>-100 m<sup>2</sup>)

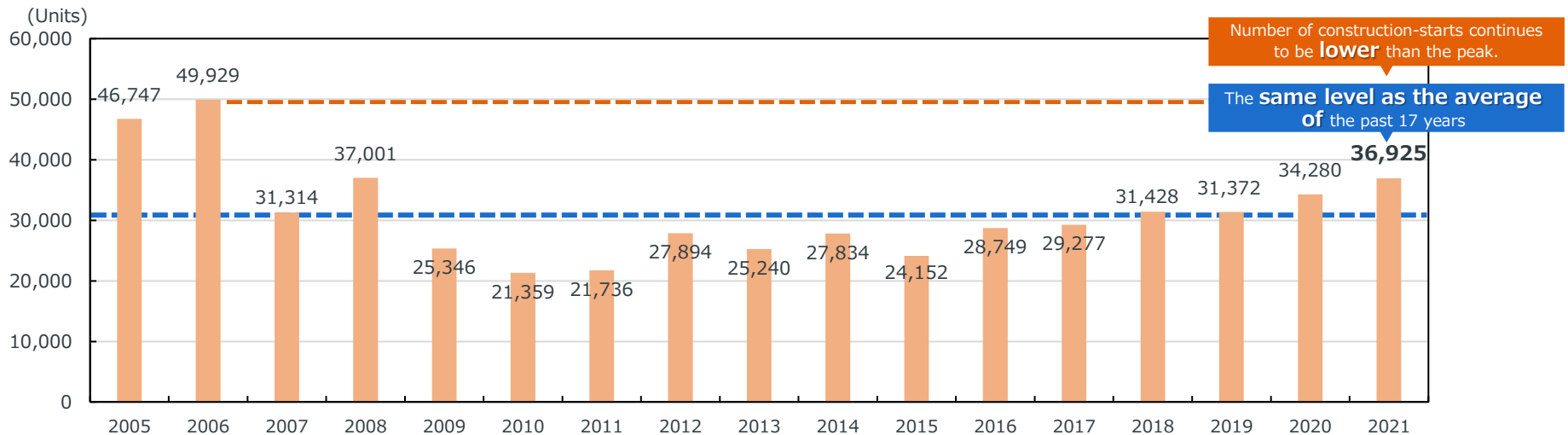


## Slight Net Out-migration in Tokyo 23 Wards



Source: Ministry of Internal Affairs and Communications

## Construction-Starts for Rental Apartments in Tokyo

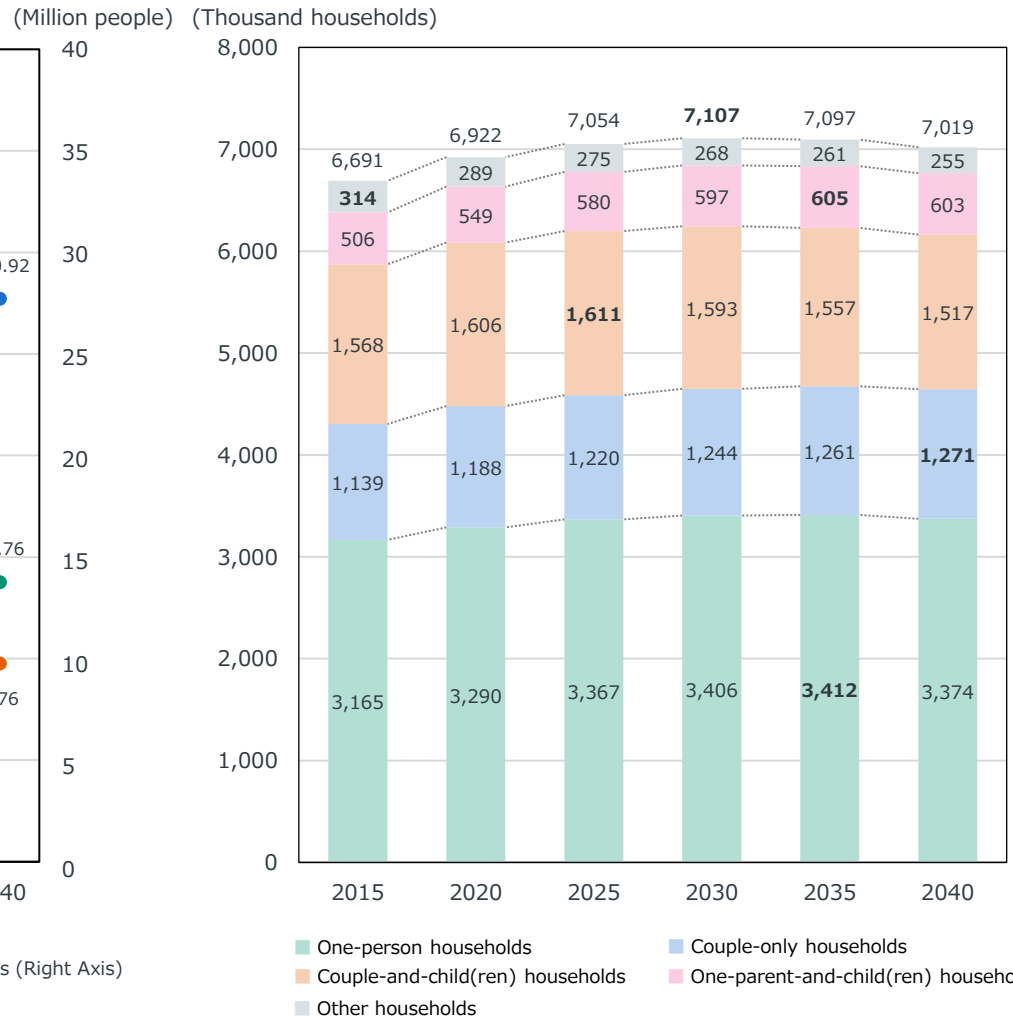
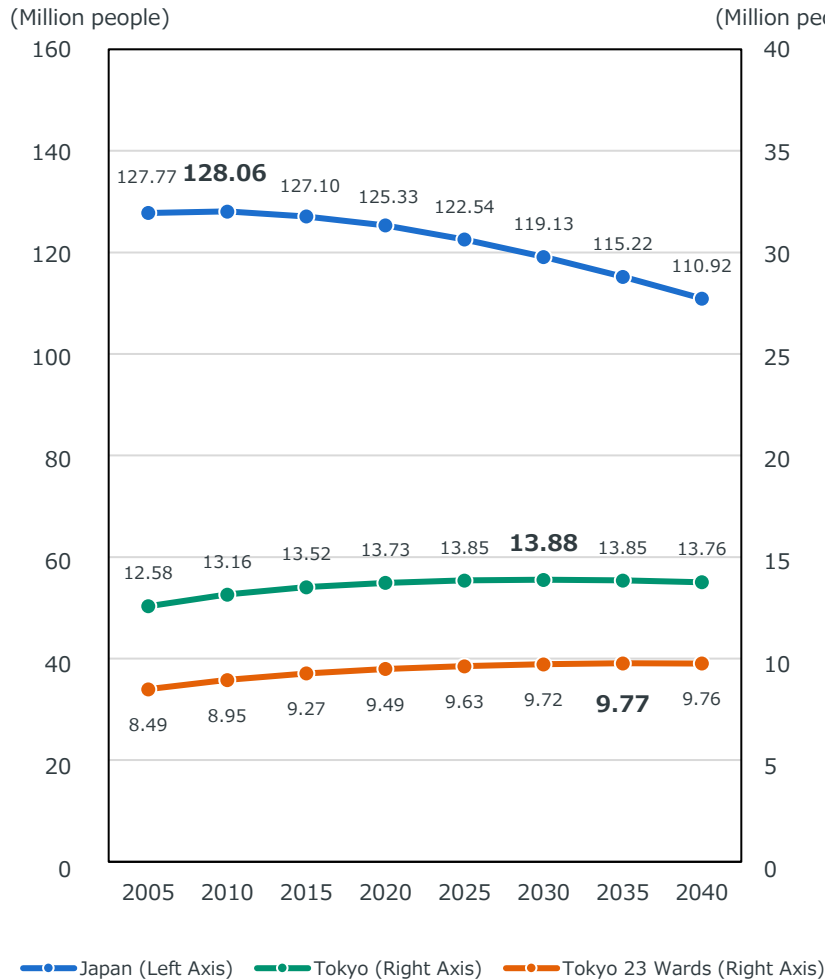


Source: Ministry of Land, Infrastructure, Transport and Tourism (SRC and RC)



## Tokyo's population and number of households are increasing

■ Population Projections for Japan, Tokyo, and Tokyo 23 Wards   ■ Household Projections for Tokyo by Type of Household

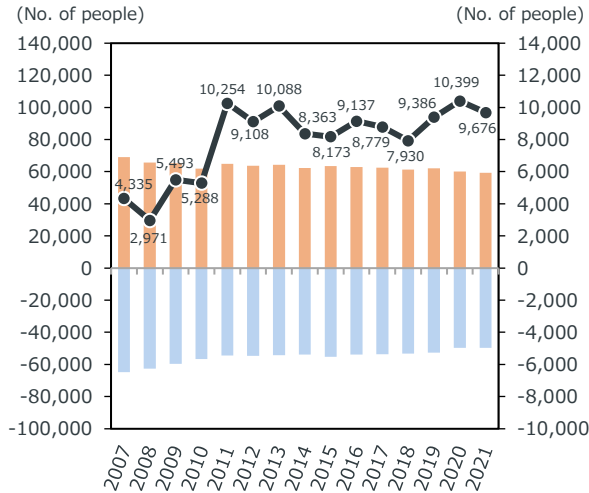


Source: Ministry of Internal Affairs and Communications, National Institute of Population and Social Security Research

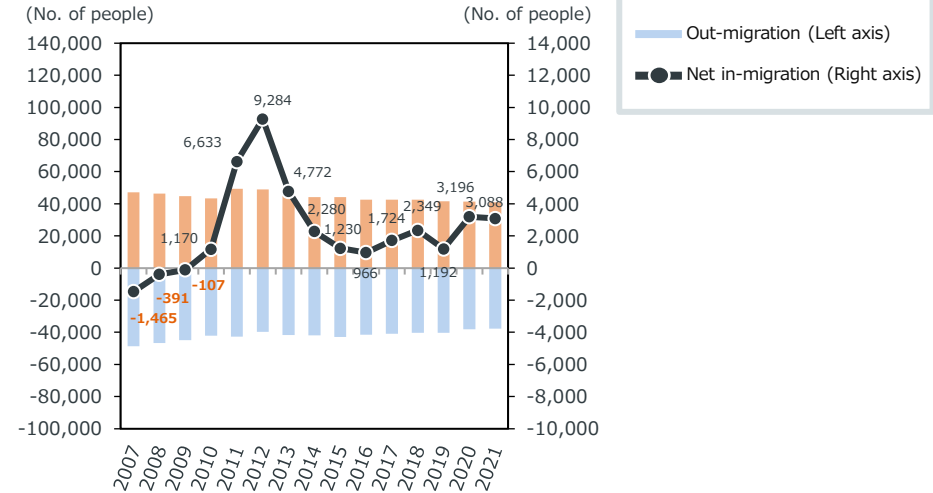
Source: National Institute of Population and Social Security Research

## Population Change

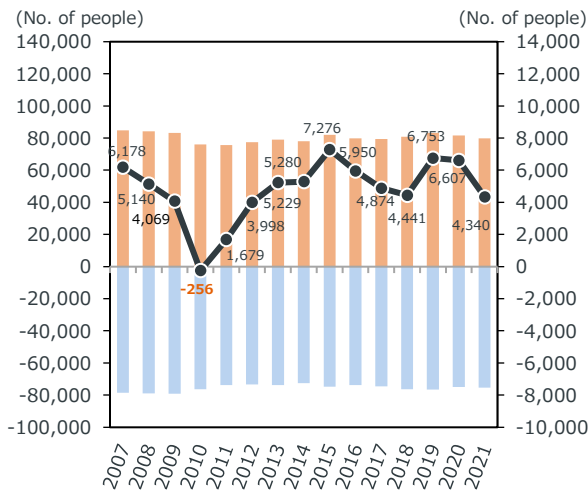
### Sapporo



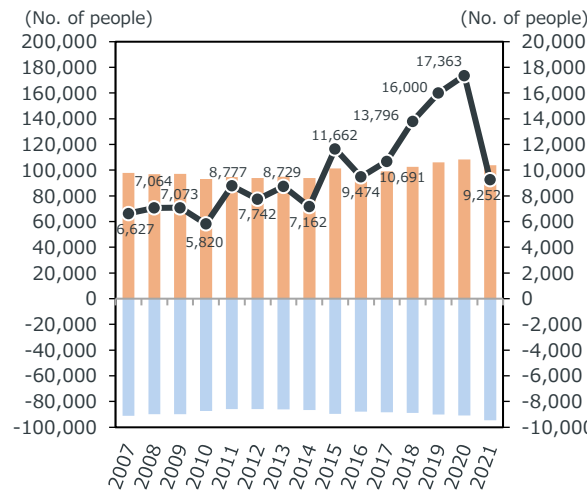
### Sendai



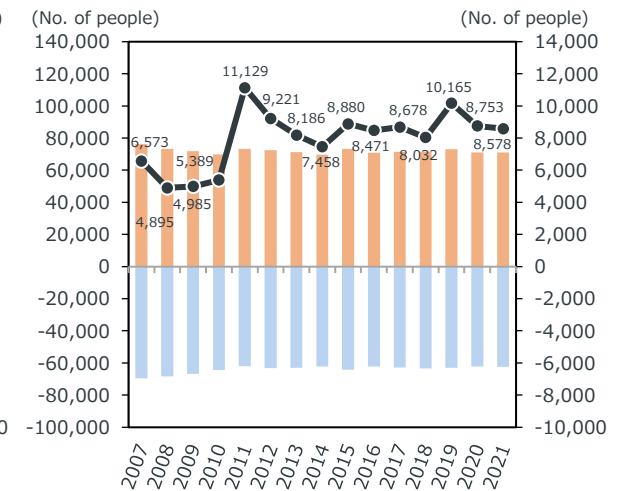
### Nagoya



### Osaka



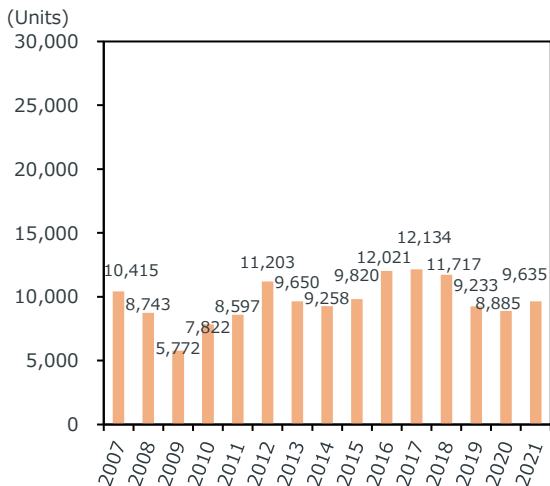
### Fukuoka



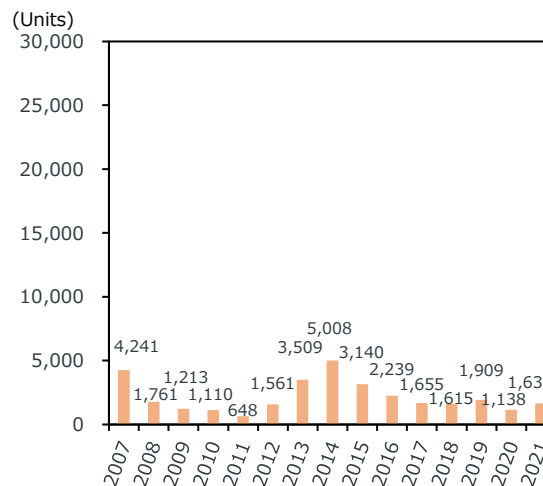
Source: Ministry of Internal Affairs and Communications

## Construction-Starts for Rental Apartments

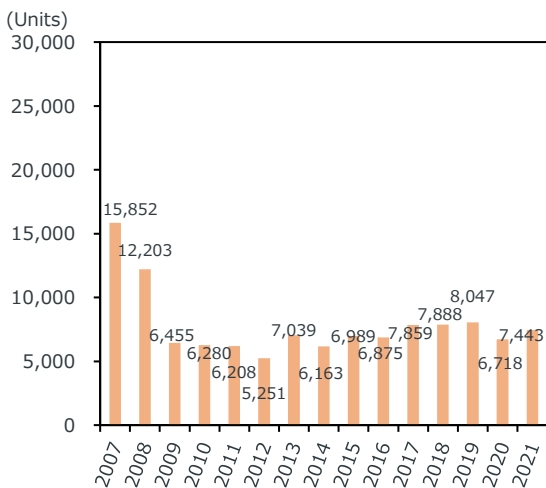
### Hokkaido



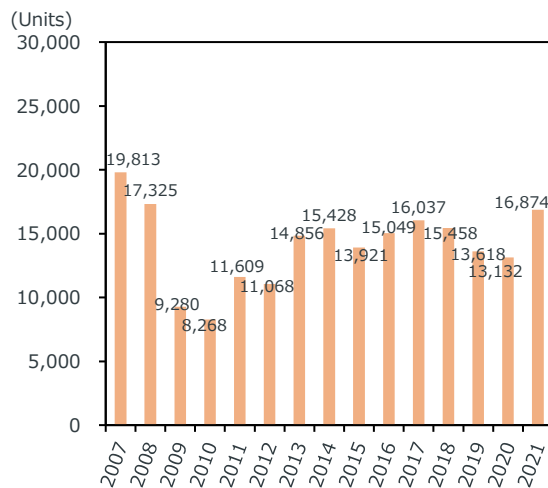
### Miyagi Prefecture



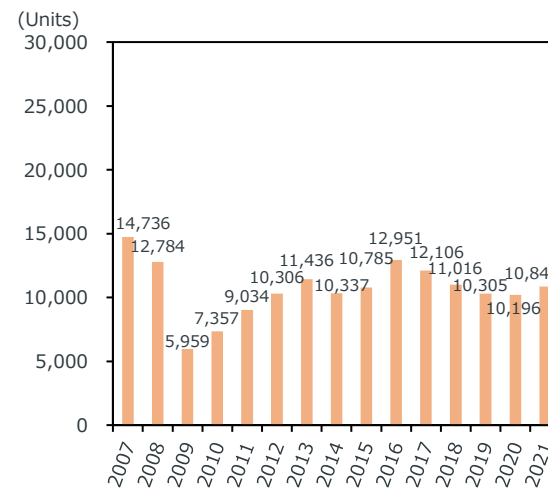
### Aichi Prefecture

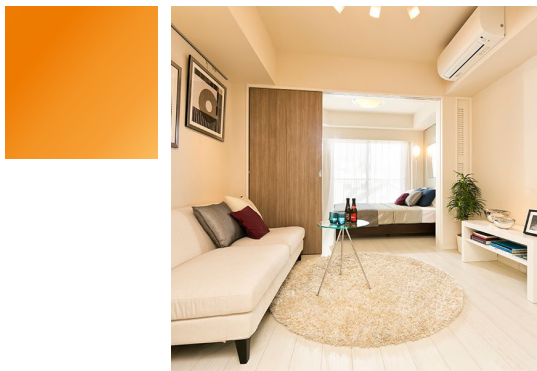


### Osaka Prefecture



### Fukuoka Prefecture





## Appendix (3)

# Financial Details

---

# Interest-Bearing Debt

	Lender	Balance (JPY mn)	Interest rate	Issue date of loans	Date of maturity	Loan period	Repayment method	Use of funds	Notes
Short-term loans	Sumitomo Mitsui Trust Bank, Limited	2,000	0.11227%	2022.02.28	2022.05.31	3 month	BulletPayment	*1	Unsecured Unguaranteed Pari Passu *2
	Total short-term loans	<b>2,000</b>							
Long-term loans	Sumitomo Mitsui Banking Corporation	1,500	0.21045% *4	2016.07.29	2029.07.31	13.0 years	BulletPayment	*1	Unsecured Unguaranteed Pari Passu *2
		2,000	0.19950%	2018.08.13	2022.08.15	4.0 years			
		2,000	0.20700%	2018.09.28	2022.09.30	4.0 years			
		2,000	0.16000%	2019.05.31	2023.05.31	4.0 years			
		4,500	0.18000%	2020.02.28	2024.02.29	4.0 years			
		1,000	0.26000%	2020.02.28	2026.02.27	6.0 years			
		3,000	0.21000%	2021.05.28	2025.05.28	4.0 years			
	Sumitomo Mitsui Trust Bank, Limited	2,000	0.30000%	2021.11.30	2027.11.30	6.0 years			
		1,500	0.12545% *4	2017.08.14	2023.08.31	6.0 years			
		1,000	0.16545% *4	2017.08.14	2027.08.31	10.0 years			
	NIPPON LIFE INSURANCE COMPANY	2,000	0.22000%	2020.09.30	2025.09.30	5.0 years			
		2,000	0.93375%	2013.11.29	2022.11.30	9.0 years			
		3,000	0.98750%	2014.05.30	2024.05.31	10.0 years			
		2,000	0.25000%	2021.06.28	2026.06.30	5.0 years			
	Development Bank of Japan Inc.	1,000	0.50000%	2021.09.30	2031.04.30	10.0 years			
		1,000	0.53000%	2021.11.30	2031.11.28	10.0 years			
		3,000	1.05400%	2013.04.11	2023.04.11	10.0 years			
		2,500	1.32900%	2013.08.06	2024.02.06	10.5 years			
		2,500	1.39800%	2013.08.06	2024.08.06	11.0 years			
		2,500	1.17750%	2014.04.01	2025.04.01	11.0 years			
		2,000	0.18248%	2016.06.30	2027.12.30	11.5 years			
		4,000	0.54779%	2017.10.18	2029.04.18	11.5 years			
		3,000	0.64293%	2019.04.19	2030.10.21	11.5 years			
		The Hachijuni Bank, Ltd.	1,000	0.23550%	2017.09.14	2024.09.17			
	1,500		0.29000%	2019.05.31	2026.05.29	7.0 years			
	1,000		0.48000%	2021.04.09	2031.03.31	10.0 years			
	Mizuho Bank, Ltd.	1,000	0.53000%	2021.06.28	2031.06.30	10.0 years			
1,000		0.18561%	2017.11.30	2022.05.31	4.5 years				
1,000		0.21561%	2017.11.30	2023.05.31	5.5 years				
2,000		0.42456%	2018.09.28	2027.03.31	8.5 years				
1,000		0.48000%	2020.08.31	2030.08.30	10.0 years				
1,000		0.48000%	2021.02.26	2031.02.28	10.0 years				
The Chugoku Bank, Limited	1,000	0.53000%	2021.11.30	2031.11.28	10.0 years				
	2,000	0.55000%	2015.07.31	2023.07.31	8.0 years				
	2,000	0.21880%	2016.05.31	2026.05.29	10.0 years				
	1,000	0.22000%	2019.05.31	2024.11.29	5.5 years				
	1,000	0.24000%	2020.07.01	2026.01.05	5.5 years				
		1,000	0.36000%	2021.06.28	2028.06.28	7.0 years			

Long-term loans	Shinsei Bank, Limited	1,000	1.22500%	2013.07.19	2023.01.19	9.5 years	BulletPayment	*1	Unsecured Unguaranteed Pari Passu *2
		1,000	0.99250%	2014.05.28	2024.05.28	10.0 years			
		1,000	0.53000%	2021.05.28	2031.05.30	10.0 years			
		1,000	0.53000%	2021.06.28	2031.06.30	10.0 years			
	Shinkin Central Bank	2,000	0.38880%	2017.01.31	2027.01.29	10.0 years			
		3,000	0.30950%	2017.07.31	2025.07.31	8.0 years			
		2,000	0.12930%	2019.01.31	2025.01.31	6.0 years			
		2,000	0.26930%	2019.01.31	2028.01.31	9.0 years			
		3,000	0.38178%	2019.06.28	2028.12.29	9.5 years			
	THE BANK OF FUKUOKA, LTD.	2,000	0.43500%	2017.02.20	2027.02.26	10.0 years			
		2,000	0.33500%	2018.04.27	2026.04.30	8.0 years			
		1,000	0.65000%	2020.01.08	2032.01.08	12.0 years			
		1,000	0.45000%	2020.04.28	2029.10.31	9.5 years			
		1,500	0.68000%	2020.04.28	2032.04.30	12.0 years			
	MUFG Bank, Ltd.	3,000	0.79375%	2014.03.07	2022.03.07	8.0 years			
		3,000	0.85500%	2014.03.07	2022.09.07	8.5 years			
		3,000	0.76500%	2014.05.30	2022.05.31	8.0 years			
		3,000	0.62125%	2014.10.01	2022.10.03	8.0 years			
		3,000	0.54500%	2017.04.25	2029.04.27	12.0 years			
		2,000	0.48000%	2020.03.16	2030.03.15	10.0 years			
		1,000	0.32000%	2020.09.15	2027.09.30	7.0 years			
		1,000	0.48000%	2020.09.15	2030.09.13	10.0 years			
	The Norinchukin Bank	1,000	0.47000%	2021.08.23	2030.08.30	9.0 years			
		1,000	0.27000%	2019.06.14	2025.12.30	6.6 years			
		2,000	0.37000%	2019.10.31	2028.04.28	8.5 years			
		2,000	0.32000%	2020.07.01	2027.07.01	7.0 years			
		3,000	0.36000%	2020.11.30	2028.11.30	8.0 years			
	Mizuho Trust & Banking Co., Ltd.	1,000	1.15750%	2013.06.14	2022.06.14	9.0 years			
		1,000	1.08625%	2013.08.23	2022.08.23	9.0 years			
		1,500	0.38380%	2018.03.29	2028.03.29	10.0 years			
		1,000	0.42000%	2019.08.30	2029.02.28	9.5 years			
1,000		0.38000%	2021.06.14	2028.11.30	7.5 years				
The Yamaguchi Bank, Ltd.	1,000	1.26000%	2013.06.14	2023.06.14	10.0 years				
	1,000	1.28125%	2013.07.19	2023.07.19	10.0 years				
	1,000	0.98750%	2014.05.30	2024.05.31	10.0 years				
	1,000	0.55500%	2017.04.27	2029.04.27	12.0 years				
	1,000	0.71000%	2021.06.28	2033.06.28	12.0 years				
Daishi Hokuetsu Bank, Ltd.	1,000	0.36000%	2021.06.28	2028.06.30	7.0 years				
	1,000	0.30000%	2021.06.30	2027.06.30	6.0 years				
TAIJU LIFE INSURANCE COMPANY LIMITED	1,000	1.04375%	2014.03.28	2024.03.28	10.0 years				
	1,000	0.53000%	2021.06.28	2031.06.27	10.0 years				
The Ashikaga Bank, Ltd.	2,000	0.27000%	2019.06.28	2025.12.30	6.5 years				
	1,000	0.36000%	2021.06.28	2028.06.28	7.0 years				

# Interest-Bearing Debt

	Lender	Balance (JPY mn)	Interest rate	Issue date of loans	Date of maturity	Loan period	Repayment method	Use of funds	Notes
	Long-term loans	DAIDO LIFE INSURANCE COMPANY	1,000	0.53000%	2021.06.30	2031.06.30	10.0 years	BulletPayment	*1
TAIYO LIFE INSURANCE COMPANY		2,000	0.64750%	2014.12.30	2024.12.30	10.0 years			
The Iyo Bank, Ltd.		1,000	0.09000%	2016.09.30	2022.03.31	5.5 years			
The Yamanashi Chuo Bank, Ltd.		1,000	0.31630%	2018.06.29	2026.06.30	8.0 years			
		1,000	0.45000%	2019.12.16	2029.12.17	10.0 years			
		1,000	0.65000%	2019.12.16	2031.12.16	12.0 years			
The 77 Bank, Ltd.		1,000	0.40500%	2018.06.29	2028.06.30	10.0 years			
		1,000	0.48000%	2020.03.30	2030.03.29	10.0 years			
		1,000	0.48000%	2021.02.26	2031.02.28	10.0 years			
		1,000	0.53000%	2021.11.30	2031.11.28	10.0 years			
The Chiba Bank, Ltd.		1,000	0.32250%	2018.09.03	2025.09.03	7.0 years			
SUMITOMO LIFE INSURANCE COMPANY		1,000	0.66000%	2018.09.03	2030.09.03	12.0 years			
		1,000	0.68000%	2019.04.26	2032.04.30	13.0 years			
		1,000	0.48000%	2020.07.01	2030.07.01	10.0 years			
		1,000	0.71000%	2021.06.28	2033.06.30	12.0 years			
Mitsui Sumitomo Insurance Company, Limited		1,000	0.29000%	2019.10.31	2026.10.30	7.0 years			
	1,000	0.32000%	2020.08.31	2027.08.31	7.0 years				
The Hyakugo Bank, Ltd.	1,000	0.48000%	2021.02.26	2031.02.28	10.0 years				
Total long-term loans		<b>157,500</b>							
Total Loans		<b>159,500</b>							

	Issue	Issue date	Total Amount (JPY mn)	Interest Rate	Date of redemption	Notes
	Investment corporation bonds	3rd Unsecured Investment Corporation Bonds (green bonds)	July 16,2020	2,000	0.260%	July 16,2025
4th Unsecured Investment Corporation Bonds (green bonds)		July 16,2020	2,000	0.520%	July 16,2025	
5th Unsecured Investment Corporation Bonds (green bonds)		September 30, 2021	1,000	0.320%	September 28, 2029	
6th Unsecured Investment Corporation Bonds		September 30, 2021	2,000	0.390%	September 30, 2031	
7th Unsecured Investment Corporation Bonds		September 30, 2021	1,000	0.680%	September 30, 2036	
Total investment corporation bonds			<b>8,000</b>			

Total Interest-Bearing Debt	<b>167,500</b>
-----------------------------	----------------

\* As of February 28, 2022

\* Long-term loans funded in the 32nd Period are highlighted with orange. Long-term loans repaid in the 33th Period are highlighted with blue.

\*1. The proceeds of the above loans were applied to the purchase of property or real estate trust beneficiary interests and the refinancing of other loans and operational costs, etc.

\*2. The loans in the table above are ranked pari passu in accordance with specified clauses in the loan agreements between NAF and all of its lenders.

\*3. Among the loans in the table, below are "Green Loans" executed based on the Green Finance Framework established by NAF.

① Long-term loan of 1.0 billion yen as of November 30, 2021 from NIPPON LIFE INSURANCE COMPANY.

② Long-term loan of 1.0 billion yen as of November 30, 2021 from Mizuho Bank, Ltd.

\*4. Interest rate applicable from February 28, 2022 to March 30, 2022.



# Historical Operating Performance

	Unit	23rd Period	24th Period	25th Period	26th Period	27th Period	28th Period	29th Period	30th Period	31st Period	32nd Period
		Aug. 2017	Feb. 2018	Aug. 2018	Feb. 2019	Aug. 2019	Feb. 2020	Aug. 2020	Feb. 2021	Aug. 2021	Feb. 2022
Number of Operating Days	Days	184	181	184	181	184	182	184	181	184	181
Total Revenues	JPY mn	10,775	10,870	11,047	11,186	12,361	11,401	11,520	11,560	11,986	12,217
Rental Revenues	JPY mn	10,775	10,870	11,047	11,137	11,421	11,401	11,520	11,560	11,986	12,217
Gain on Sale of Investment Properties	JPY mn	–	–	–	48	939	–	–	–	–	–
Net Operating Income from Property Leasing <sup>*1</sup>	JPY mn	7,878	8,150	8,120	8,348	8,454	8,564	8,606	8,550	8,820	9,138
NOI Yield <sup>*2</sup>	%	5.2	5.5	5.3	5.5	5.4	5.6	5.5	5.4	5.3	5.5
Depreciation and Amortization	JPY mn	2,060	2,042	2,018	2,007	2,020	1,998	1,999	1,982	2,050	2,048
Operating Income from Property Leasing	JPY mn	5,817	6,108	6,102	6,340	6,433	6,566	6,606	6,567	6,769	7,089
Operating Income	JPY mn	4,675	4,955	4,935	5,185	6,084	5,307	5,332	5,266	5,428	5,726
Income before Income Taxes	JPY mn	4,118	4,448	4,439	4,729	5,624	4,866	4,898	4,862	4,978	5,279
Net Income	JPY mn	4,117	4,447	4,438	4,728	5,623	4,865	4,897	4,861	4,978	5,278
Capital Expenditure	JPY mn	215	269	245	465	346	600	296	337	256	506
Total Assets	JPY mn	294,828	293,998	294,692	296,877	303,133	301,946	305,840	317,740	327,824	326,050
Interest-Bearing Debt	JPY mn	148,000	147,000	147,500	149,500	154,500	153,500	157,500	159,500	169,500	167,500
LTV <sup>*3</sup>	%	50.2	50.0	50.1	50.4	51.0	50.8	51.5	50.2	51.7	51.4
Appraisal LTV <sup>*4</sup>	%	42.3	41.5	40.9	40.2	39.8	38.4	38.6	37.4	37.7	36.8
Total Net Assets	JPY mn	139,845	140,176	140,167	140,457	141,378	141,181	141,213	151,023	150,926	151,153
Total Distribution	JPY mn	4,116	4,447	4,438	4,702	5,062	4,865	4,897	5,074	5,052	5,278
Units Outstanding	Units	484,522	484,522	484,522	484,522	484,522	484,522	484,522	503,472	503,472	503,472
Total Net Assets per Unit	Yen	288,626	289,308	289,290	289,889	291,790	291,382	291,448	299,964	299,772	300,222
Unitholders' Capital per Unit	Yen	279,870	279,870	279,870	279,870	279,870	279,870	279,870	288,893	288,893	288,893
Distribution per Unit	Yen	8,497	9,179	9,161	9,706	10,449	10,042	10,108	10,080	10,035	10,485
NAV per Unit <sup>*5</sup>	Yen	394,502	404,599	415,422	435,488	455,926	483,264	491,968	505,293	532,123	546,488
Unit Market Price	Yen	446,500	468,000	505,000	554,000	667,000	661,000	653,000	594,000	661,000	605,000
Book Value=(A)	JPY mn	285,338	283,613	283,628	285,482	287,761	286,443	291,495	292,229	310,714	309,327
Appraisal Value=(B)	JPY mn	340,755	343,922	349,181	360,731	372,352	384,280	393,549	400,682	432,749	438,594
Unrealized Profit / Loss=(B) – (A)	JPY mn	55,416	60,308	65,552	75,248	84,590	97,836	102,053	108,452	122,034	129,266
Number of Investment Properties	#	121	121	122	124	126	126	128	129	134	134
Total Acquisition Price	JPY mn	301,559	301,559	303,259	306,342	309,723	309,723	316,208	318,441	337,930	337,930
Total Rentable Units	Units	11,981	11,981	12,052	12,186	12,351	12,351	12,559	12,627	13,275	13,275
Rental Apartments (Including Retail Spaces)	Units	10,603	10,603	10,674	10,730	10,725	10,725	10,933	11,001	11,567	11,567
Hospitality Facilities	Units	1,378	1,378	1,378	1,456	1,626	1,626	1,626	1,626	1,708	1,708
Total Rentable Area	m <sup>2</sup>	495,096	495,096	497,027	504,197	508,052	508,052	513,446	515,985	538,154	538,154
Average Month-End Occupancy Rate	%	96.7	97.6	97.3	97.7	97.7	97.7	96.8	96.4	96.2	96.8

\*1. Net operating income from property leasing does not include gain on sale of investment properties.

\*2. NOI Yield = Weighted average of actual NOI annualized / Acquisition price x 100

\*3. LTV (loan-to-value) ratio at the end of the period = Total interest-bearing debt / Total assets x 100

\*4. Appraisal LTV (loan-to-value) ratio at the end of the period = Total interest-bearing debt / (Total assets + Unrealized profit or loss) x 100

\*5. NAV (net asset value) per Unit = (Net assets – Total distribution + Unrealized profit or loss) / Units outstanding

# Balance Sheet and Income Statement

## ■ Balance Sheet

	31st Period (Ended August 31, 2021)	32nd Period (Ended February 28, 2022)	Change
<b>Total Assets</b>	<b>327,824</b> million yen	<b>326,050</b> million yen	<b>-1,774</b> million yen
Cash and cash equivalents	14,297 million yen	13,821 million yen	-475 million yen
Total investment properties	310,110 million yen	308,724 million yen	-1,386 million yen
Others	3,416 million yen	3,504 million yen	+87 million yen
<b>Total Liabilities</b>	<b>176,897</b> million yen	<b>174,896</b> million yen	<b>-2,000</b> million yen
Interest-bearing debt	169,500 million yen	167,500 million yen	-2,000 million yen
Tenant security deposits	3,765 million yen	3,747 million yen	-17 million yen
Others	3,631 million yen	3,648 million yen	+16 million yen
<b>Total Net Assets</b>	<b>150,926</b> million yen	<b>151,153</b> million yen	<b>+226</b> million yen
Unitholders' capital	145,449 million yen	145,449 million yen	-
Reserve for distribution	498 million yen	424 million yen	-74 million yen
Retained earnings	4,978 million yen	5,278 million yen	+300 million yen

## ■ Income Statement

	31st Period (Ended August 31, 2021)	32nd Period (Ended February 28, 2022)	Change
<b>Total Revenues</b>	<b>11,986</b> million yen	<b>12,217</b> million yen	<b>+231</b> million yen
Rental expenses	2,536 million yen	2,450 million yen	-86 million yen
Real estate taxes	629 million yen	629 million yen	-0 million yen
Depreciation and amortization	2,050 million yen	2,048 million yen	-1 million yen
<b>Total Rental Expenses</b>	<b>5,216</b> million yen	<b>5,127</b> million yen	<b>-88</b> million yen
<b>Operating Income from Property Leasing</b>	<b>6,769</b> million yen	<b>7,089</b> million yen	<b>+319</b> million yen
Asset Management Fees	892 million yen	920 million yen	+28 million yen
Other Expenses	448 million yen	441 million yen	-6 million yen
<b>Operating Income</b>	<b>5,428</b> million yen	<b>5,726</b> million yen	<b>+298</b> million yen
<b>Non-Operating Income and Expenses</b>	<b>-449</b> million yen	<b>-446</b> million yen	<b>+2</b> million yen
<b>Income before Income Taxes</b>	<b>4,978</b> million yen	<b>5,279</b> million yen	<b>+300</b> million yen
Current and Deferred Income Taxes	0 million yen	0 million yen	+0 million yen
<b>Net Income</b>	<b>4,978</b> million yen	<b>5,278</b> million yen	<b>+300</b> million yen
Internal Reserves	74 million yen	- million yen	-74 million yen
<b>Total Distribution</b>	<b>5,052</b> million yen	<b>5,278</b> million yen	<b>+226</b> million yen
<b>Distribution per Unit</b>	<b>10,035</b> yen	<b>10,485</b> yen	<b>+450</b> yen
<b>Number of Units Outstanding</b>	<b>503,472</b> units	<b>503,472</b> units	-



## Appendix (4)

# Sustainability Initiatives

---

# Sustainability Initiatives (1) Structure for Promotion/External Certification

## Asset management operations focused on sustainability



### In-House Structure for Promotion of Sustainability

Sustainability Promotion Office established to ensure effective sustainability policies



### Mitsui Fudosan Group's ESG Guidelines

Mitsui Fudosan Co., Ltd., the parent company of Mitsui Fudosan Accommodations Fund Management Co., Ltd., the Asset Management Company, considers ESG a management priority and sets key goals for relevant initiatives to consistently create value under the Group statement of "Bring affluence and comfort to urban living."



[https://www.mitsuifudosan.co.jp/corporate/esg\\_csr/](https://www.mitsuifudosan.co.jp/corporate/esg_csr/)

### Consistently Acquire External Certification of Sustainability

We consistently acquire external certification including GRESB Real Estate Assessment as opportunities to improve NAF's sustainability initiatives.

► GRESB Real Estate Assessment



Rating Assessment  
3 Stars Green Star

► SMBC Environmental Assessment



Assessment A  
Initiatives with good environmental consideration

► Initiatives for climate change Support for TCFD and disclosure

The Asset Management Company expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in September 2021. Along with such, it joined the TCFD Consortium, which is an organization of Japanese companies supporting TCFD.

For details of the disclosure based on the TCFD recommendations, please refer to NAF's website.

<https://www.naf-r.jp/english/esg/2-4.html>

### Steadily reduce environmental load by systematically installing LED lighting

#### ■ Installation of LED Lighting in Common Areas

Systematically installing LED lighting promotes energy-saving and reduction of CO<sub>2</sub> emissions throughout our portfolio.

Installation completed
<b>103</b> properties
In the 32nd Period
<b>5</b> properties



(As of February 28, 2022) Okawabata Apartment Communities (Parking)

#### ■ External Certification of Investment Properties

We strive to acquire DBJ Green Building certification to ensure the validity and objectivity of the results of our initiatives to reduce environmental impact.



Park Axis Toyochu Shinsui Koen

Park Cube Atagoyama Tower

Certification Details	
No. of properties	<b>7</b> properties
Total floor space	<b>231,343.27</b> m <sup>2</sup>
Percentage of floor space certified	<b>30.6</b> %

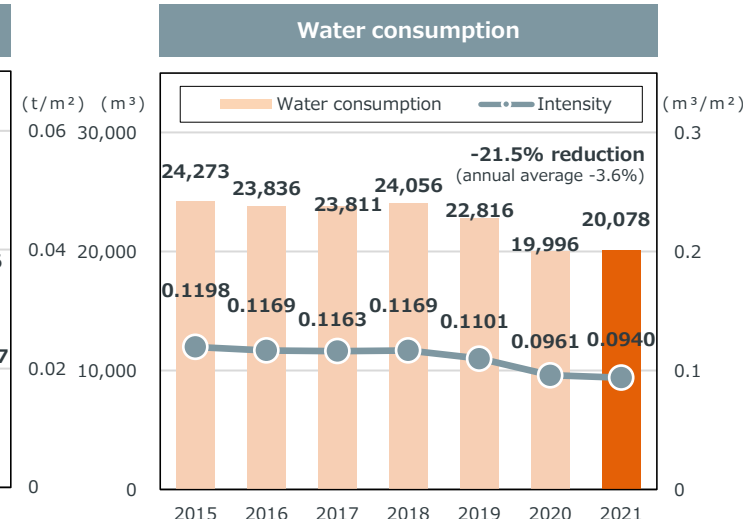
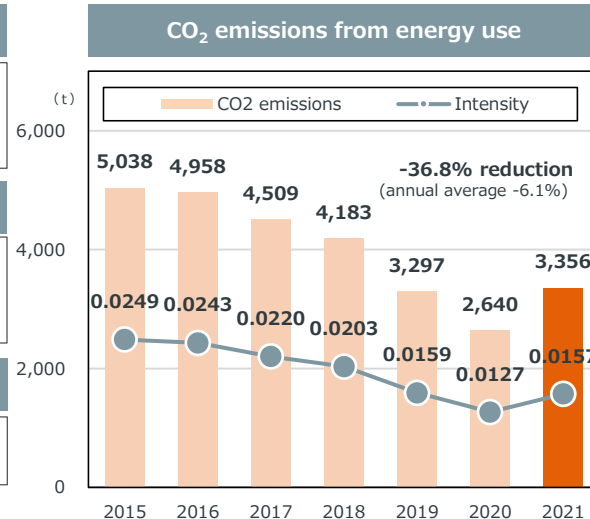
(As of February 28, 2022)

#### ■ Environmental Performance

##### ► Targets (Target year : 2030)

CO <sub>2</sub> emissions from energy use
<b>Reduction of 50% compared with the actual emissions in 2015</b> (based on intensity)
Water consumption
<b>No increase in amount used</b> in comparison with 2015 (based on intensity)
Green Building certified floor area as a percentage of the entire portfolio
<b>40%</b> (based on total floor space)

##### ► Results



For details of environmental initiatives, please visit our website (<https://www.naf-r.jp/english/esg/2-4.html>)

### Promote sustainability through collaborative initiatives with various stakeholders

#### ■ Officers and Employees of the Asset Management Company

The Asset Management Company recognizes that human resources are its most valuable assets and has implemented various initiatives for its employees.

##### ▶ Human Resource Development

The Company takes various measures to foster human resources having a high level of expertise, deep knowledge, and ethical values.

- Support for Acquisition of Qualifications
- Support for Education and Training
- Interviews for Setting Objectives of Individual Employees
- Performance Evaluations

##### ▶ Health and Safety, Respect for Human Rights

We maintain healthy workplaces that facilitate work so that all officers and employees can fully demonstrate their abilities.

- Implementation of Periodic Medical Examinations, etc.
- Work-Life Balance
- Special Leave Program (maternity leave, caregiver leave and time off for sick/injured childcare, etc.)
- Consultation Service Office for Compliance
- Promotion of Active Roles for Women
- Support for Childcare and Nursing Care

#### ■ Supply Chains

When selecting/evaluating suppliers, which are important in NAF's asset management, NAF keeps in mind the promotion of sustainability throughout its supply chain by also confirming suppliers' initiatives in consideration of society, the environment, etc.

#### ■ Tenants

We conduct various initiatives to improve safety, security, and comfort in assets under management to enhance tenant satisfaction.

##### ▶ Greater Satisfaction

Initiatives in collaboration with property management company (Mitsui Fudosan Residential Lease)

- Toll-Free Helpline for Tenants
- Renovation of Common Areas
- Chatbot to Answer Inquiries
- Tenant Satisfaction Surveys

#### ■ Local Communities

As a member of a local community, NAF endeavors to contribute to the vitalization and development of local communities where the assets it manages are located.

##### ▶ Cooperation in Local Events

At the Okawabata Apartment Communities, NAF has proactively cooperated in activities of the management association and strives to contribute to the formation of a local community.



[Event] See and Touch Unicorn Beetles



[Event] Firefly Watching Night

### An organizational structure that ensures fair transactions

#### Basic Philosophy on Governance

##### ▶ Thorough compliance

The Company has established an organizational structure that should secure compliance with laws and regulations and implement fair transactions at any time. At the same time, the Company works to ensure that its officers and employees will act based on high ethical values and win the trust of its stakeholders.

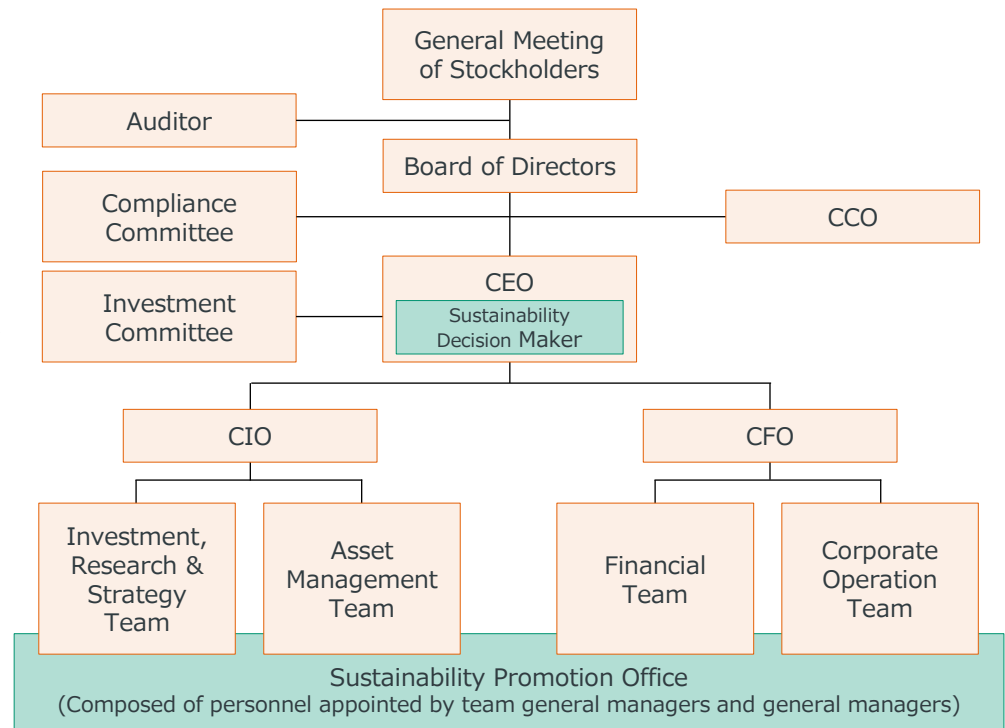
##### ▶ Establishment of risk management structure

The Company has established a proper risk management structure to appropriately manage a variety of risks, to avoid or minimize risks in conducting asset management.

#### Management Structure

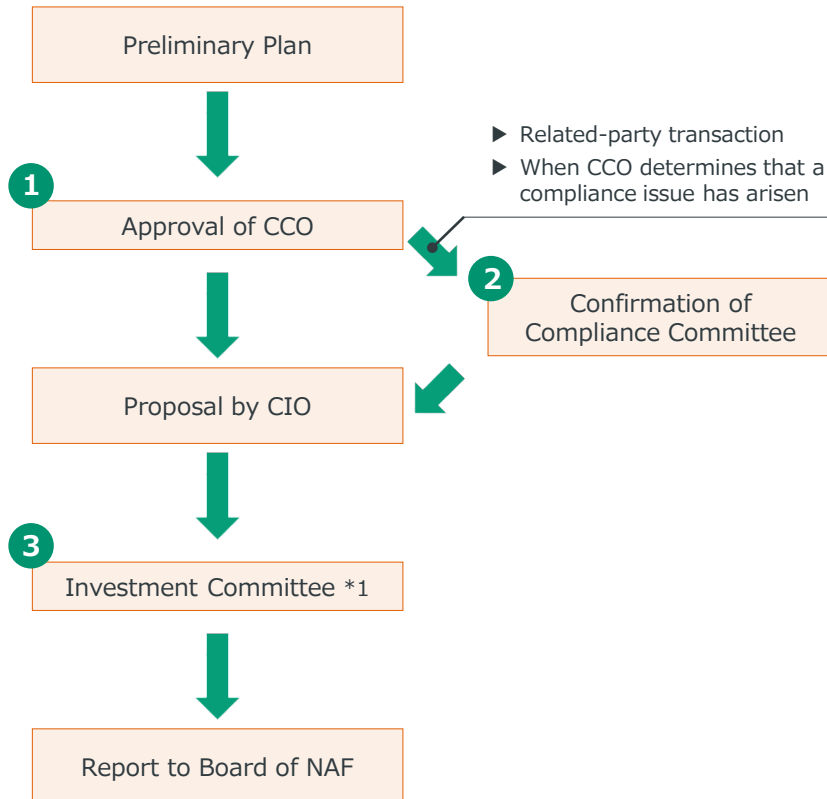


#### MITSUI FUDOSAN ACCOMMODATIONS FUND MANAGEMENT



## Governance structure for avoiding conflicts of interest

### ■ The Asset Management Company's Decision-Making Process Flow for Acquiring or Selling Investment Assets



### 1 Approval by Chief Compliance Officer (CCO)

The following require approval of the Compliance Committee

- ▶ Related-party transactions\*2
- ▶ When CCO determines that a compliance issue has arisen

\*2 Property acquisition price from sponsor-related parties is below appraisal value

### 2 The Compliance Committee

Requires approval by independent external professionals

Members: CCO (Chairperson), CEO, 2 external professionals (Currently 1 lawyer and 1 CPA)

External professionals: Appoint professionals independent from sponsor-related parties

Resolution: Requires the votes of 2/3 or more members and at least 1 of the 2 independent external professionals

### 3 Functions as a Check on the Investment Committee

CCO can suspend discussion when he sees any problem in the discussion process

\*1 When NAF acquires or sells of assets in transactions with related parties as defined by the Investment Trust and Investment Corporation Act of Japan, the Asset Management Company must obtain consent from NAF based on the approval of NAF's Board of Directors prior to the deliberations of the Investment Committee. However, such consent is not required for property or other real estate acquisitions stipulated by Article 245-2-1 of the Investment Trust and Investment Corporation Act as having immaterial impact on NAF's assets because the acquisition cost represents less than 10 percent of the book value of NAF's investment properties.

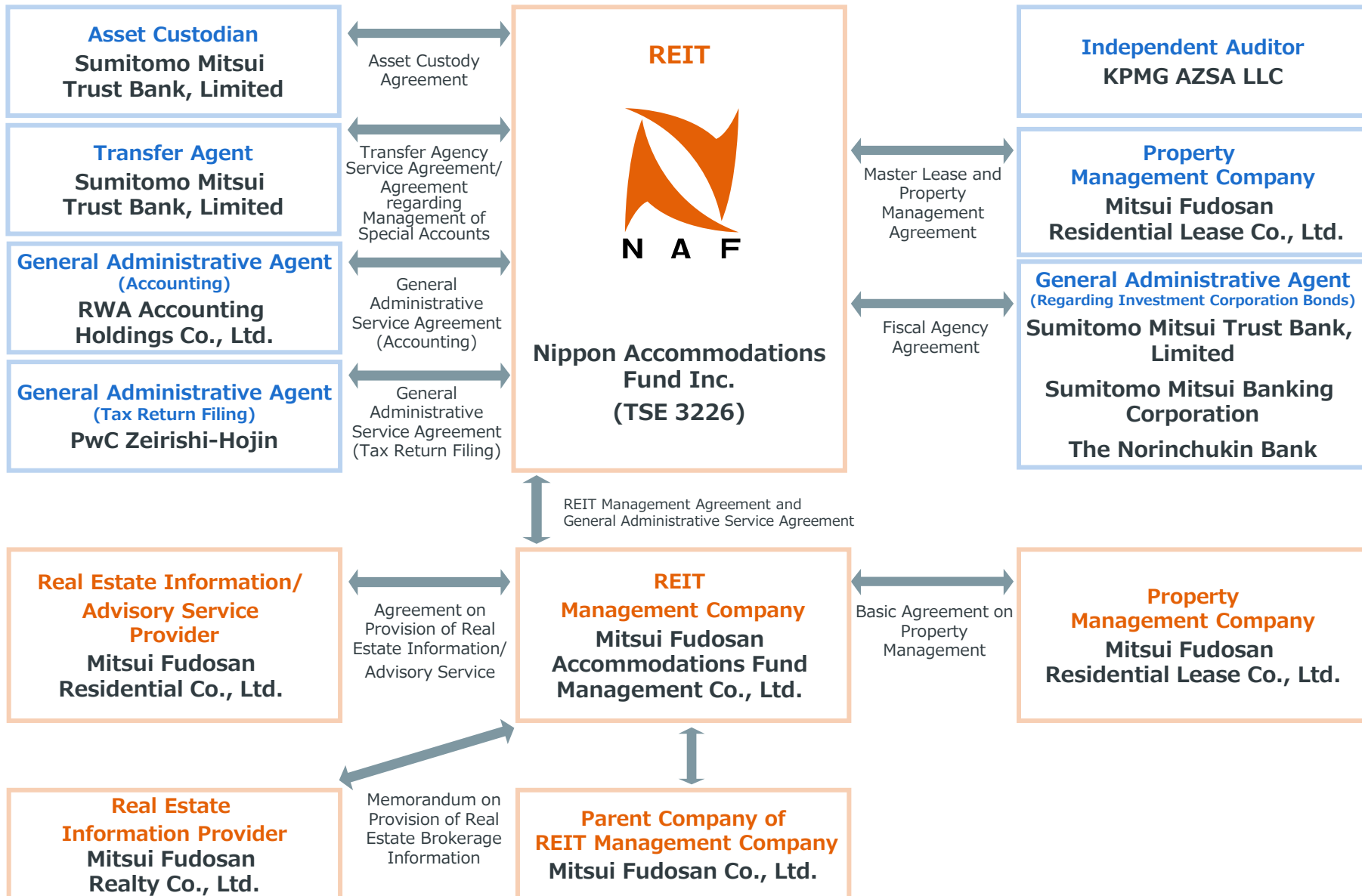




## Appendix (5) **Others**

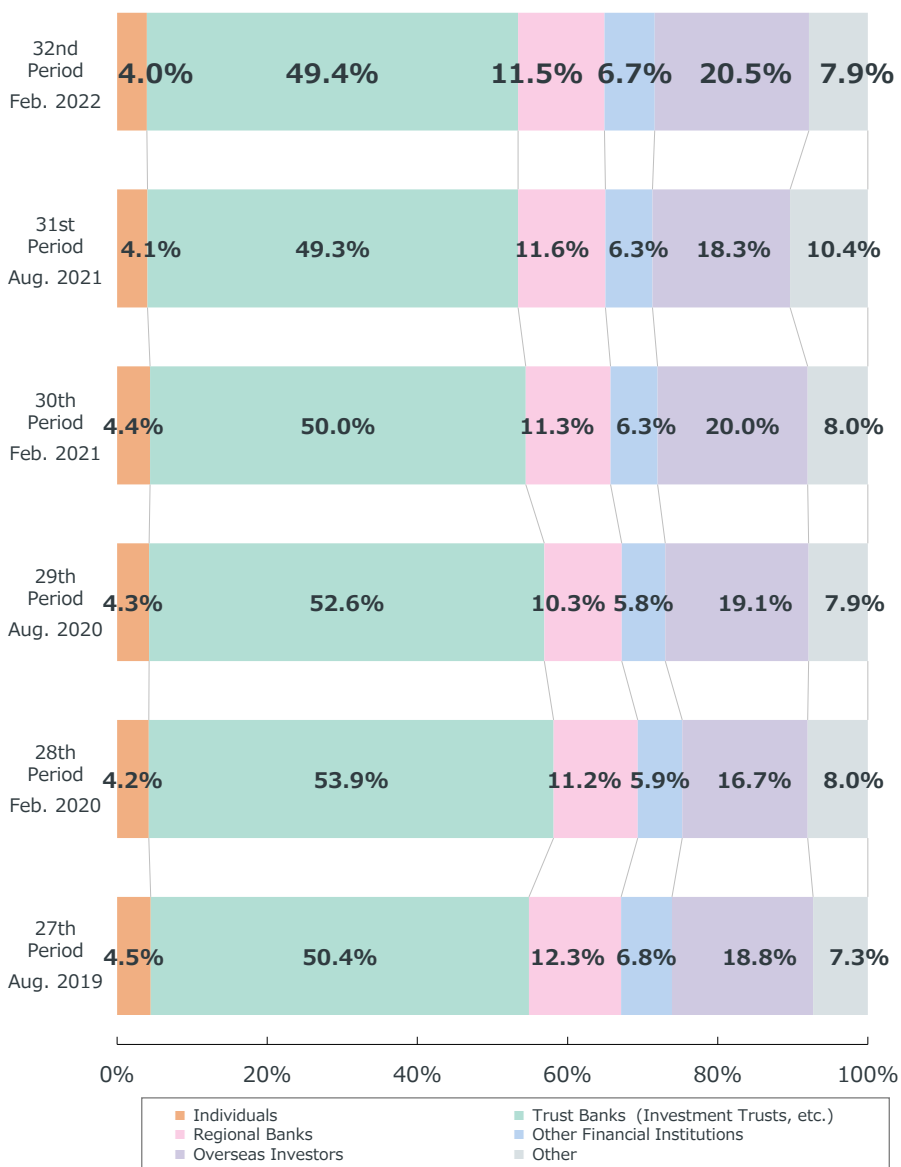
---

# Structure of the REIT





## Historical Ownership by Unitholders



## Number of Units and Unitholders

	Individuals	Financial Institutions			Overseas Investors	Other	Total
		Trust Banks (Investment Trusts, etc.)	Regional Banks	Other Financial Institutions			
Number of Units Held	20,397	248,528	57,694	34,280	102,983	39,590	503,472
Number of Unitholders	4,386	11	52	96	264	138	4,947

## Major Unitholders

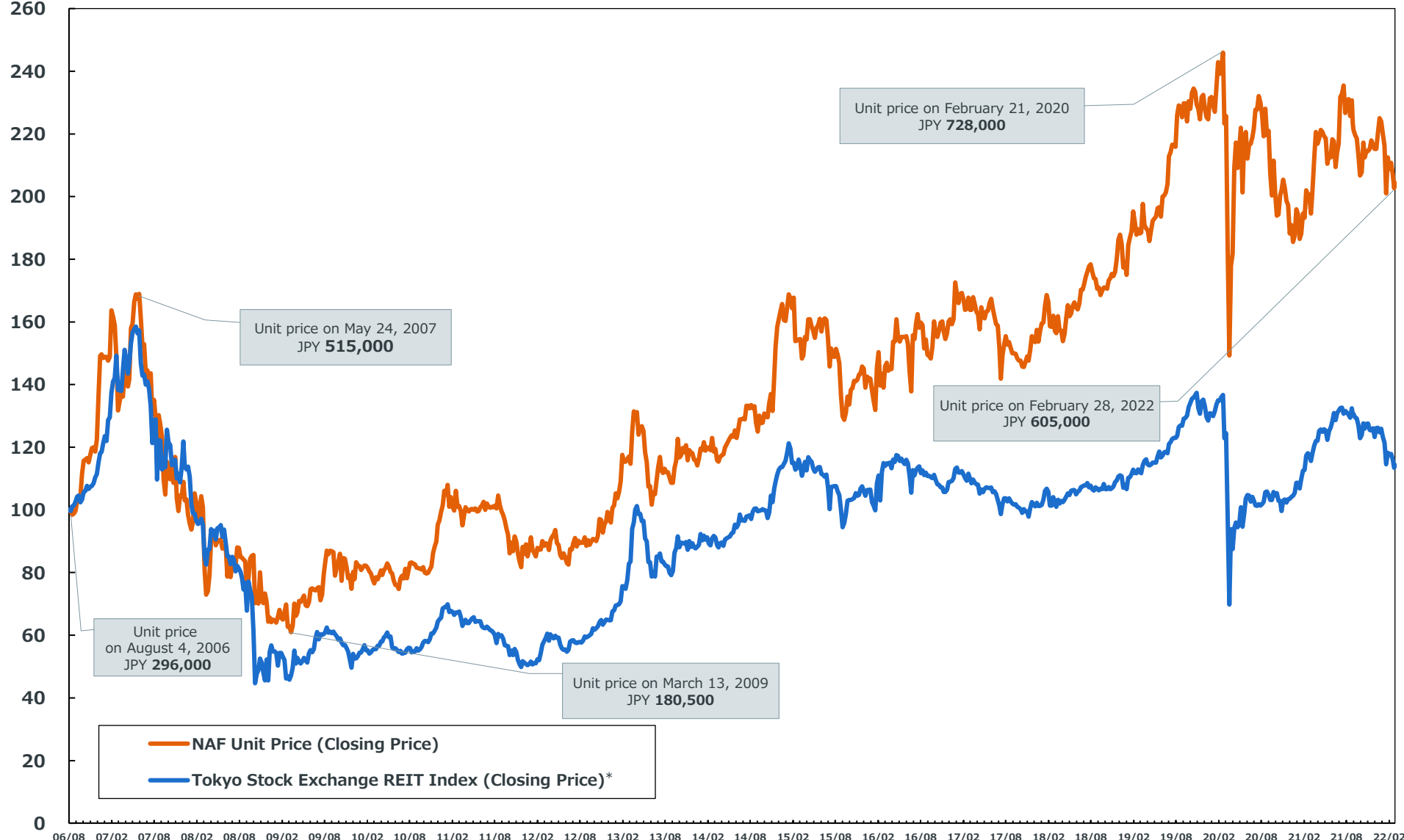
Name	Number of Units Held	Percentage of Total(%) *1
Custody Bank of Japan, Ltd. (Trust Account)	116,197	23.07
The Master Trust Bank of Japan, Ltd. (Trust Account)	79,588	15.80
The Nomura Trust and Banking Co., Ltd. (Investment Account)	21,437	4.25
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	16,558	3.28
Mitsui Fudosan Residential Co., Ltd.	15,600	3.09
The Chugoku Bank, Limited	9,276	1.84
SSBTC CLIENT OMNIBUS ACCOUNT	7,145	1.41
MetLife Insurance	6,957	1.38
STATE STREET BANK WEST CLIENT-TREATY 505234	6,575	1.30
JP MORGAN CHASE BANK 385781	5,895	1.17
Total	285,228	56.65

\*1 Number of units held as a percentage of total units issued and outstanding, rounded down to the nearest hundredth.



# Historical Unit Price Since IPO

Index: Date of IPO (NAF: August 4, 2006) = 100



Source: Refinitiv (unit prices have been retroactively restated to reflect the two-for-one split of NAF investment units on the effective date of March 1, 2014.)

\* The Tokyo Stock Exchange calculates and presents the Tokyo Stock Exchange REIT Index, a market price index that adopts weighted average aggregation for all real estate investment trusts listed on the Tokyo Stock Exchange.









- **This document is intended for informational purposes only. The contents of this document do not constitute an offer to sell or solicitation of an offer to buy or sell any security or other financial instrument of Nippon Accommodations Fund Inc.**
- **Factors including changes in the price or earning capacity of real estate under management or worsening of the financial condition of the issuing entity, may cause the trading price of real estate investment securities to drop, resulting in a loss for the investor. Investment decisions should be based on your own judgment and responsibility. Please consult with a securities company regarding the purchase of units or investment corporation bonds of Nippon Accommodations Fund Inc.**
- **The information provided in this document does not constitute the disclosure or asset management reports required under the Financial Instruments and Exchange Act or laws relevant to investment trusts or investment corporations.**
- **Nippon Accommodations Fund Inc. has exercised due care in providing the information in this document but does not guarantee its accuracy or completeness.**
- **Information in this document contains future projections. Accordingly, actual results may differ substantially from the performance, management results, financial details, or other matters expressed or implied by such future projections.**
- **Nippon Accommodations Fund Inc. is not responsible for updating the information in this document. The information in this document may be changed without prior notice.**
- **Duplication or use of information in this document for other purposes without the prior consent of Nippon Accommodations Fund Inc. is prohibited.**

**REIT Management Company: Mitsui Fudosan Accommodations Fund Management Co., Ltd.**

**(Financial Instruments Firm, Kanto Finance Bureau (registration) No. 401 Member of the Investment Trusts Association, Japan)**

Please note that this English translation of the Japanese original document is provided solely for information purposes. Contents of this document have been summarized or omitted from the Japanese document. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

The financial statements of Nippon Accommodations Fund Inc. have been prepared in accordance with generally accepted accounting principles in Japan (Japanese GAAP), which may differ materially in certain respects from generally accepted accounting principles in other jurisdictions.