

**Kenedix Residential NEXT Investment Corporation
Financial Results for the Period Ended in July 2022
(21st Fiscal Period)**

September 2022

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Revised editions of our annual reports will be posted on our website if there should be major corrections going forward.

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1. Financial Results for the Period Ended in July 2022

21st highlights



External Growth

- Continuously acquired properties
- Newly acquired properties
- 8 properties · ¥ 13.1bil**
- AUM
- ¥ 290.7bil**

Financial Strategy

- Raised ¥ **9.2bil** through PO for 5 consecutive yrs
- Uncommitted revolving credit facility among others allows great flexibility and contributes to reduce Avg interest rate
- Debt financing
- New loan ¥ **3.8bil** Refinance ¥ **17.5bil**
- LTV 50.5% (▲1.0pts)
- Avg. total debt maturity 3.9yrs (▲0.2yrs)
- Avg. total debt intrest 0.82% (▲0.07pts)

Improvement in unit price

- KDR unit outperformed TSE REIT Index by 8.2pts
- Market cap
- ¥ 233.9bil** (+ ¥ 34.5bil)

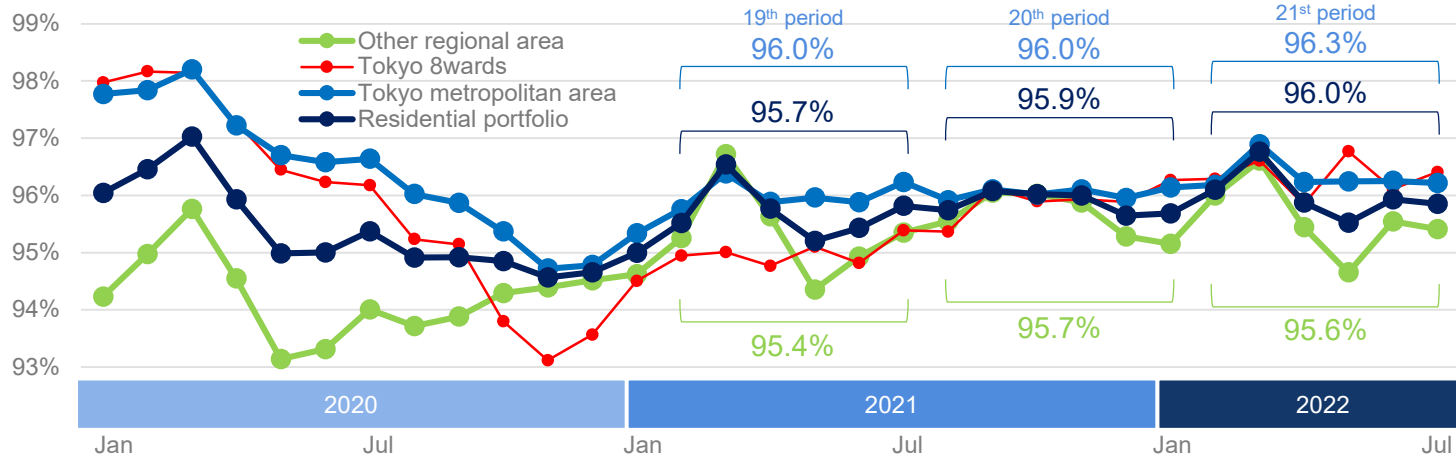
DPU / NAV per unit

- Maintains current level of DPU distributing internal reserves
- NAV per unit increased as the appraisal value further improved.
- DPU
- ¥ 4,101** (± ¥ 0)
- NAV per unit
- ¥ 208,499** (+ ¥ 7,175)

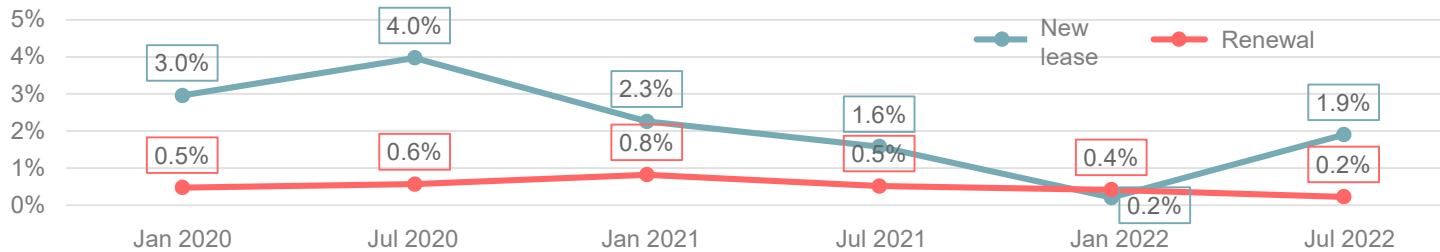
Note 1 : TSE REIT Index as at 1st Feb 2022 modified to ¥ 197,400
 Note 2 : Numbers on the right table are as at Jul. 2022, numbers in brackets as at Jan 2022

Residential properties Performance highlights

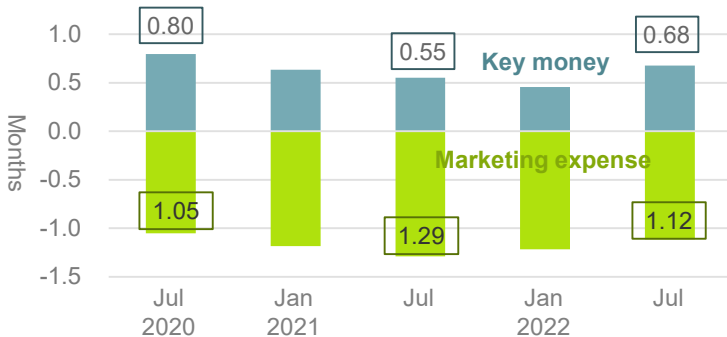
Occupancy by Area (Note)



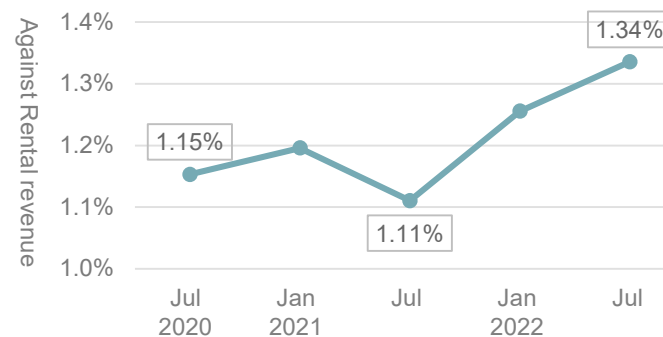
Rent Growth



Key money · Marketing expense



Electricity cost



Jul. 2022 Results

Occupancy

- Residential portfolio occupancy improved to pre-pandemic level
- Occupancy in Central Tokyo is improving

Occupancy (21st period Avg.)

Residential portfolio	96.0%	(vs19 th +0.3pts)
Toyo metropolitan area	96.3%	(vs19 th +0.3pts)
Tokyo 8wards	96.3%	(vs19 th +1.3pts)
Other regional area	95.6%	(vs19 th +0.2pts)

Rent Growth

- Small family and family type units contribute to new rent growth

Rent growth (21st period)

New lease	1.9%	(vs19 th +0.3pts)
Renewal	0.2%	(vs19 th ▲0.3pts)

Leasing

- Rental market tightening: Key money increased, and Marketing expense decreased

Leasing revenue and expense (21st period Avg.)

Key money	0.68mos	(vs19 th +0.13mos)
Marketing expense	1.12mos	(vs19 th ▲0.17mos)

Rental expenses

- As fuel adjustment charge increased, electricity cost for residential portfolio are soaring.

Results for the Period Ended Jul. 2022 (21st Fiscal Period)

(¥ mill)	2H 2021 (20 th)	1H 2022 (21 st)		Period on Period		Major Components ⁽¹⁾		Actual vs Forecast		Major Components ⁽¹⁾	
	Actual	Forecast (2)	Actual			(R) Average occupancy rate in 2H 2021: 96.3%	(R) Average occupancy rate in 1H 2022: 96.3%	(R) Expected occupancy rate in 1H 2022: 96.3%	(R) Average occupancy rate in 1H 2022: 96.3%		
Rent revenue – real estate	8,434	8,806	8,790	356	4.2%	<Rent revenue>		-16	-0.2%	<Rent revenue>	
Other lease business revenue	528	595	651	122	23.1%	Residential properties	+18			Residential properties	-25
Gain on sale of real estate property	180	-	-	-180	-100.0%	Healthcare facilities and Accommodations	-15	56	9.4%	Acquisition (Tsudanuma II)	+9
Dividends income	-	6	6	6		Acquisition (and Disposition)	+353			<Other lease business revenue>	
Operating revenues	9,143	9,407	9,447	304	3.3%	<Other lease business revenue>		-	-%	(R)Key money and Renewal fees	+18
Expenses related to rent business (ex. depreciation)	1,667	1,804	1,883	216	13.0%	(R)Key money and Renewal fees	+68			(R)Tenant renewal related income such as a burden of restoring expenses	+11
Depreciation	1,589	1,667	1,665	76	4.8%	(R)Tenant renewal related income such as a burden of restoring expenses	+11	0	2.6%	(R)Compensation and insurance etc.	+18
Other operating Expenses	1,044	1,051	1,047	2	0.3%	Acquisition (and Disposition)	+29	39	0.4%	<Expense related to rent business>	
Operating expenses	4,302	4,523	4,597	294	6.9%	<Gain on sale of real estate property>				(R)Expenses for utilities	+18
Operating income	4,840	4,884	4,850	9	0.2%	(R)No disposition on 21 st period	-180	79	4.4%	(R)Repair and restoration expenses	+77
Non-operating income	0	0	0	0	7.3%	<Dividends income>		-1	-0.1%	(H)Repair expenses	-9
Non-operating expenses	721	747	728	7	1.0%	Dividend from silent partnership	+6	-3	-0.4%	<Non-operating expenses>	
Ordinary income	4,119	4,137	4,122	2	0.1%	<Expense related to rent business>				Interest expenses and financing related fees	-16
Net income	4,119	4,136	4,122	2	0.1%	(R)Leasing related expenses	+52	73	1.6%	Investment unit issuance costs etc.	-3
RTA compensation	20	20	20	-	-	(R)Repair and restoration expenses	+75	-33	-0.7%		
Earnings surplus compensation (accumulation)	(55)	131	146	201		(R)Expenses for utilities	+10				
Dividends	4,084	4,288	4,288	204	5.0%	(R)Property, city planning and other taxes (Including for properties acquired last year)	+21	-0	-49.3%		
Distribution per unit (yen)	¥ 4,101	¥ 4,101	¥ 4,101	¥ -	-	Acquisition (and Disposition)	+59	-19	-2.6%		
NOI	7,295	7,597	7,557	262	7,295	<Depreciation>		-14	-0.4%		
						Acquisition (and Disposition)	+67	-14	-0.4%		
						<Other operating Expenses>					
						Asset management fees	-9				
						Consumption tax	+18				
						Compensation for experts	-5	14	11.2%		
						<Non-operating expenses>					
						Interest expenses and financing related fees	+9				
						Investment unit issuance costs etc.	-2				
						<Internal reserves>					
						Reversal of internal reserves to maintain DPU (1H 2022) : ¥ 146mil		-39	-0.5%		

Note1:(R) is components that are only for residential facilities, (H) is components that are only for healthcare facilities and (A) is components that are only for accommodations.

Note2: Figures announced on Mar.16, 2022

Outlook for the Period Ending Jan. 2022 (22nd Fiscal Period) and the Period Ending Jul. 2023 (23rd Fiscal Period)

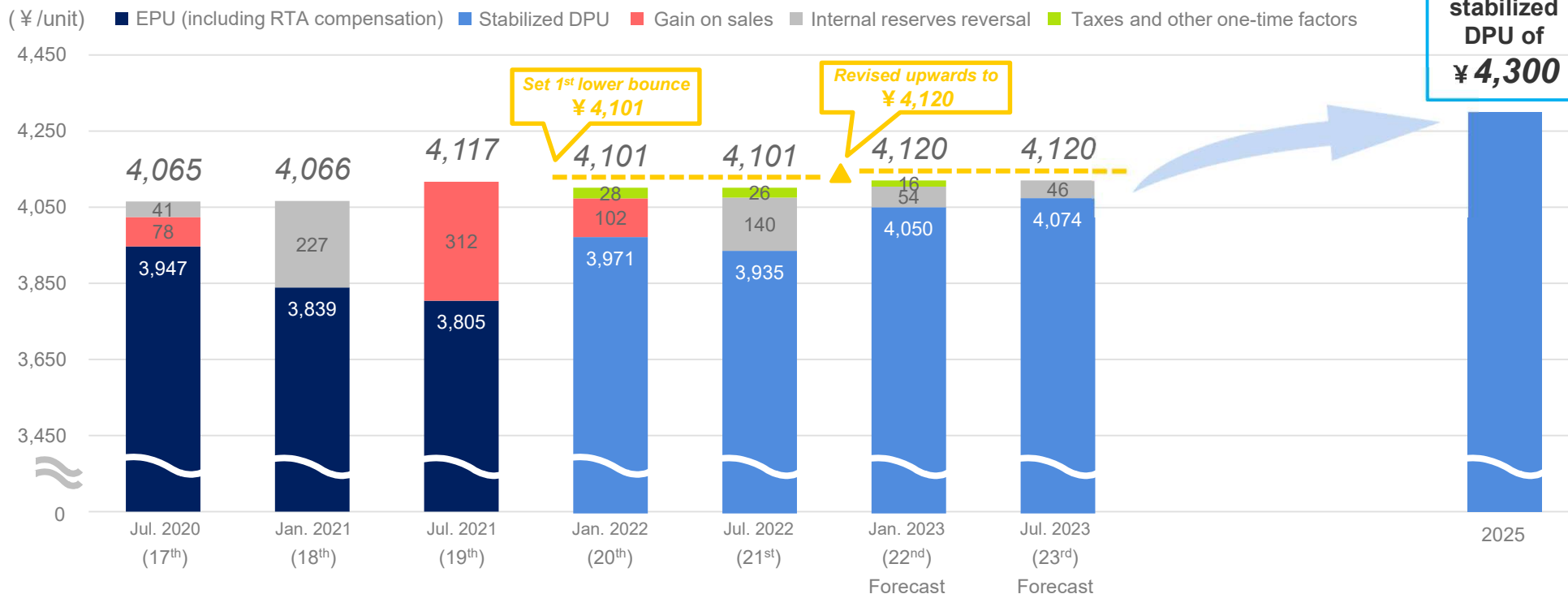
(¥ mil)	1H 2022 (21 st)	2H 2022 (22 nd)	Period on Period		Major Components ⁽¹⁾	1H 2022 (23 rd)	Period on Period		Major Components ⁽¹⁾
	Actual	Forecast			Forecast	(R) Average occupancy rate in 1H 2022: 96.3% (R) Expected occupancy rate in 2H 2022: 96.3%			Forecast
Rent revenue – real estate	8,790	8,994	204	2.3%	<Rent revenue> Residential properties +57 Healthcare facilities +2 Acquisition +144	9,011	17	0.2%	<Rent revenue> Residential properties +11 Acquisition (Adachi) +5
Other lease business revenue	651	563	-87	-13.5%	<Other lease business revenue> (R)Key money and Renewal fees -32 (R)Tenant renewal related income such as a burden of restoring expenses -27 (R)Compensation and insurance etc. -17	649	86	15.3%	<Other lease business revenue> (R)Key money and Renewal fees +76 (R)Tenant renewal related income such as a burden of restoring expenses +2 (R)Compensation and insurance etc. +3
Gain on sale of real estate property	-	-	-	-	<Dividends income> Dividend from silent partnership -6	-	-	-	<Expense related to rent business> (R)Leasing related expenses +45 (R)Property, city planning and other taxes (Including for properties acquired last year) +15 (H)Repair expenses +7 (H) Property, city planning and other taxes (Including for properties acquired last year) +12
Dividends income	6	-	-6	-100.0%	<Expense related to rent business> (R)Leasing related expenses -21 (R)Repair and restoration expenses -83 (R)Expenses for utilities +16 (H)Repair expenses +20	-	-	-	<Other operating Expenses> Asset management fees -12 Consumption tax +5 DD report fees such as appraisal report +7 IR expenses +6
Operating revenues	9,447	9,558	110	1.2%	<Depreciation> Acquisition +25	9,661	103	1.1%	<Other operating Expenses> Interest expenses and financing related fees +12 Investment unit issuance costs etc. -7
Expenses related to rent business (ex. depreciation)	1,883	1,818	-65	-3.5%	<Other operating Expenses> Asset management fees +48 (Asset management fee III +6)	1,899	81	4.5%	<Internal reserves> Reversal of internal reserves to maintain DPU (1H 2023) : ¥ 48mil
Depreciation	1,665	1,709	43	2.6%	<Other operating Expenses> Interest expenses and financing related fees -24 Investment unit issuance costs etc.	1,711	2	0.1%	Reversal of internal reserves to maintain DPU (2H 2022) : ¥ 56mil
Other operating Expenses	1,047	1,094	47	4.5%	<Internal reserves> Reversal of internal reserves to maintain DPU (2H 2022) : ¥ 56mil	1,101	6	0.6%	
Operating expenses	4,597	4,621	24	0.5%		4,712	90	2.0%	
Operating income	4,850	4,936	85	1.8%		4,948	12	0.3%	
Non-operating income	0	0	-0	-3.8%		0	-	-	
Non-operating expenses	728	703	-24	-3.4%		708	4	0.7%	
Ordinary income	4,122	4,233	110	2.7%		4,240	7	0.2%	
Net income	4,122	4,232	110	2.7%		4,240	7	0.2%	
RTA compensation	20	20	-	-		20	-	-	
Earnings surplus compensation (accumulation)	146	56	-90	-61.7%		48	-7	-13.8%	
Dividends	4,288	4,308	19	0.5%		4,308	-	-	
Distribution per unit (yen) ⁽²⁾	¥ 4,101	¥ 4,120	¥ 19	0.5%		¥ 4,120	-	-	
NOI	7,557	7,740	182	2.4%		7,761	21	0.3%	

Note 1: (R) is components that are only for residential facilities, (H) is components that are only for healthcare facilities and (A) is components that are only for accommodations.

Note 2: "Distribution per unit" are calculated based on the number of investment units issued and outstanding totaled 1,045,758.

DPU management

Distribution per unit



Gain on sales distribution

- Rebalances asset allocation in order to improve portfolio quality
- In case that gain on sales realizes, part of or the whole proceeds will be distributed to investors.

Properties divested (13th~20th)

7props

Accu. gain on sales **¥ 1.58bil**

Internal reserve distribution

- In case that DPU is expected to decrease due to temporary revenue decrease, expense increase and other one-time factors, Internal reserve will be distributed to maintain DPU level.

Internal reserves (End of 21st period)

¥ 1,964mil
(¥ 1,878/unit)

set DPU lower bounce

- Increases DPU above lower bounce by distributing gain on sales and internal reserves

DPU lower bounce
¥ 4,120

DPU target

- Aims to increase stabilized DPU (excluding gain on sales and other one-time factors) though external and internal growth and financial improvement.

Stabilized DPU target (2025)
¥ 4,300



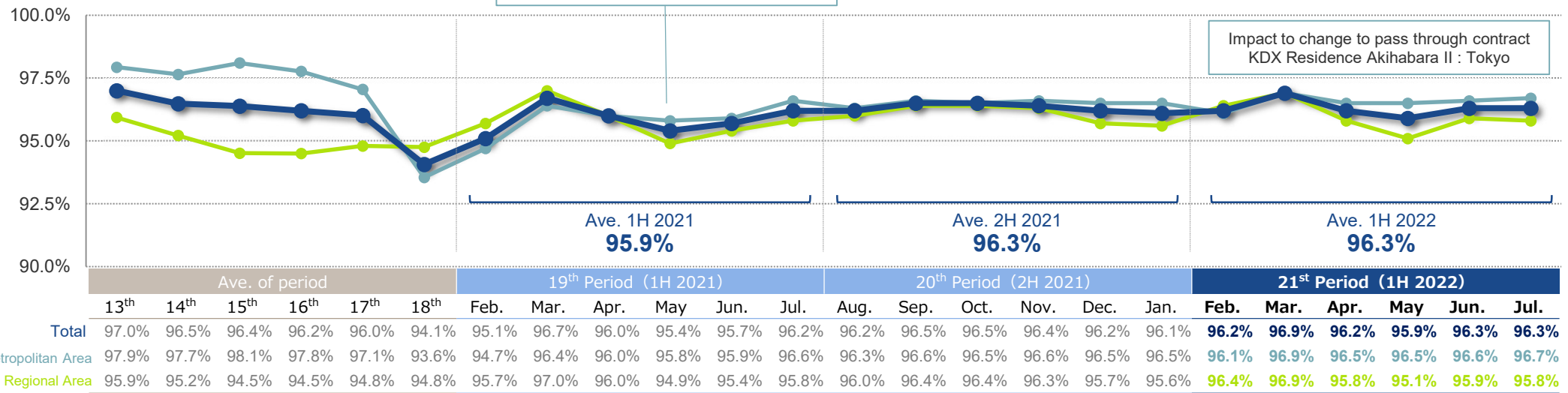
2. Performance status

Occupancy of Residential properties

Occupancy by Area (Note1)

Impact from the acquisition for newly built property
KDX Residence Kamata-minami II : Tokyo

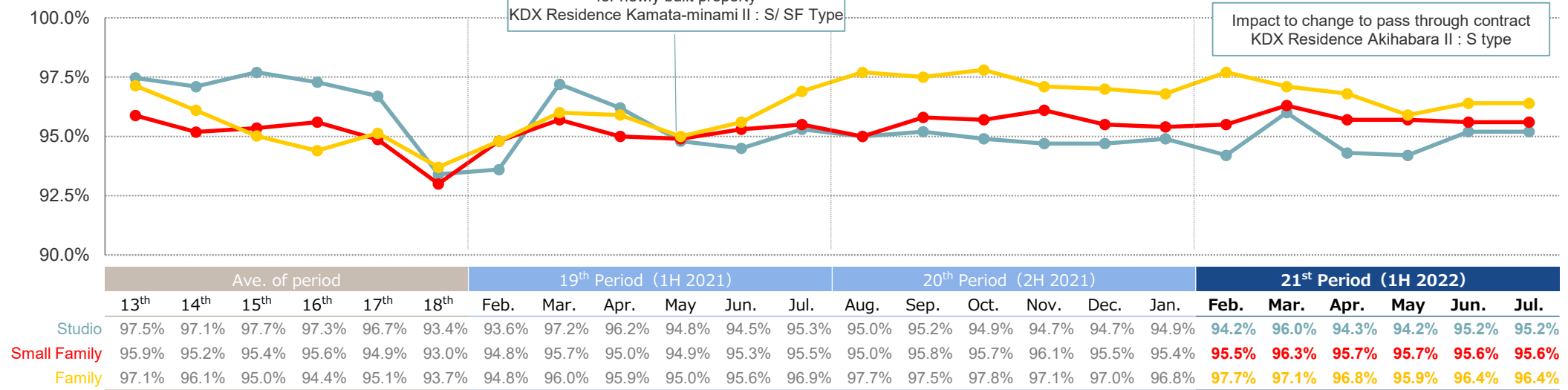
Impact to change to pass through contract
KDX Residence Akihabara II : Tokyo



Occupancy by Room type (Note1)

Impact from the acquisition for newly built property
KDX Residence Kamata-minami II : S/ SF Type

Impact to change to pass through contract
KDX Residence Akihabara II : S type

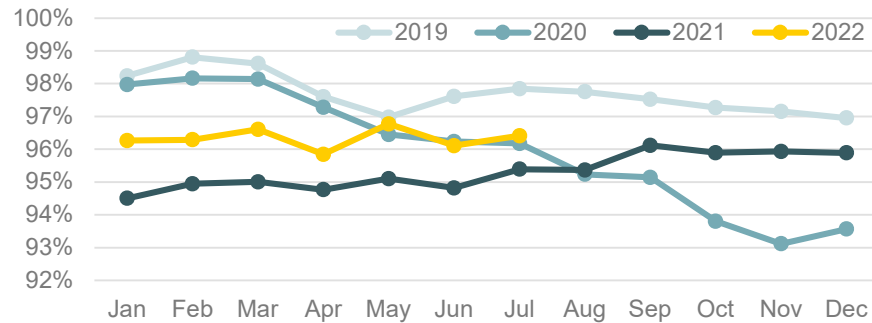


Note1 : Occupancy Rates by Area include those from stores and offices. Occupancy Rates by Room Type are calculated for residential units of pass-through contract (excluding contract for whole building).

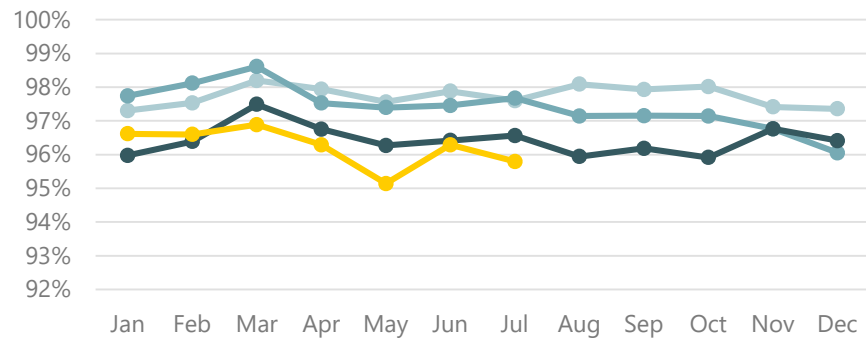
Occupancy of Residential properties Tokyo metropolitan area

Tokyo Metropolitan Area by Area (Note)

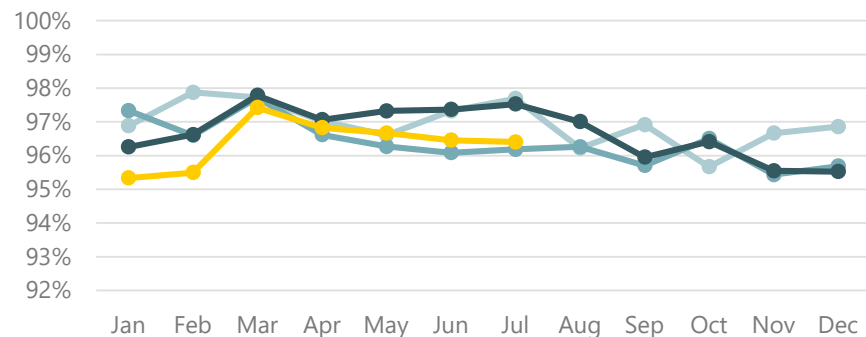
Tokyo 8 wards



Other Tokyo 23 wards

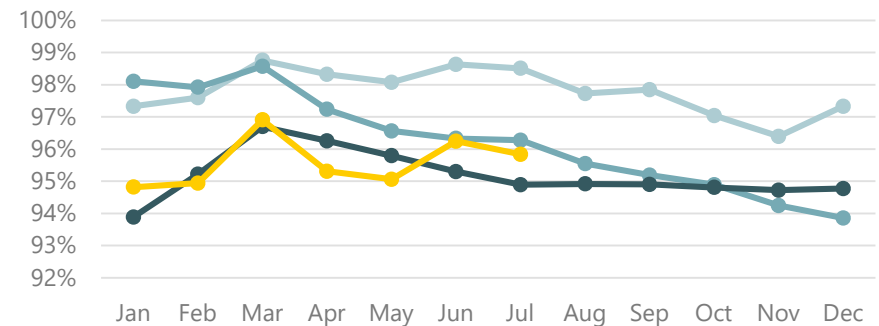


Other Tokyo Metropolitan area (Other Tokyo, Kanagawa, Chiba, Saitama)

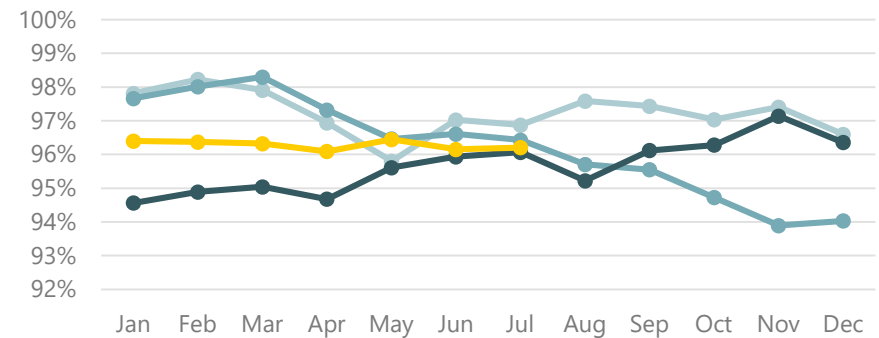


Tokyo Metropolitan Area by Room type (Note)

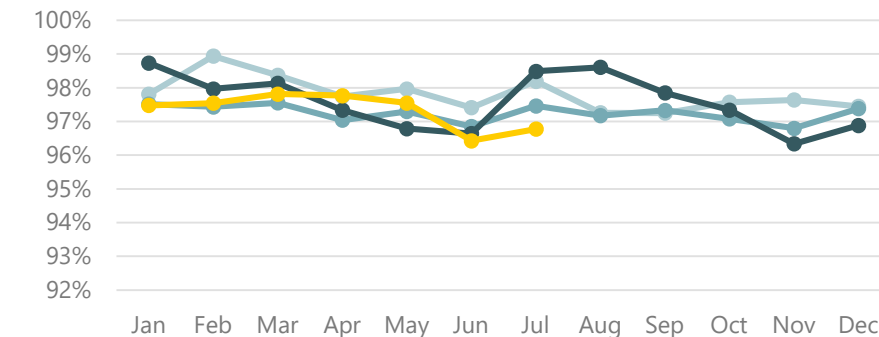
Studio



Small family



Family

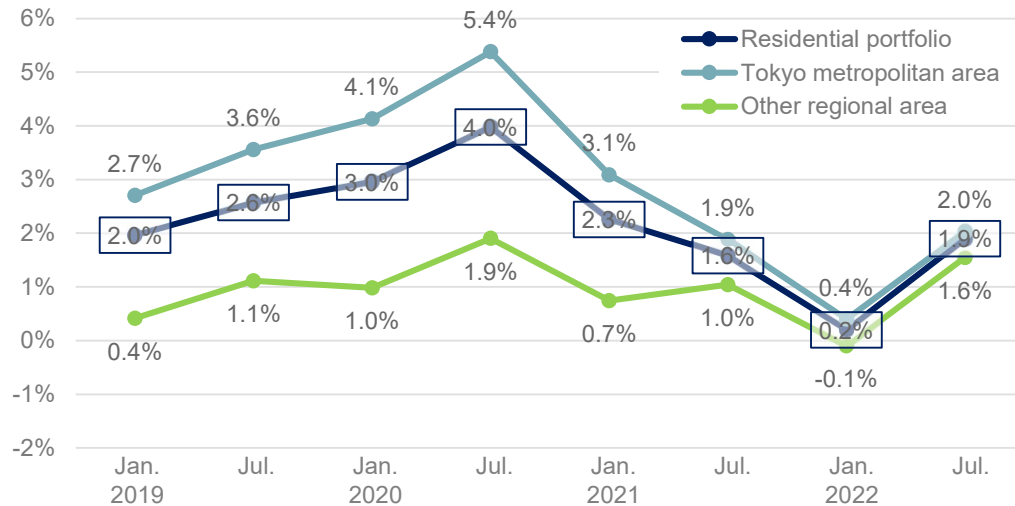


Note: The occupancy are calculated without ①the newly-constructed properties acquired after 2020 which were not operated or was set to be operated at acquisition, ②KDX residence Akihabara II changing to pass through contract since Feb 2022 ③ residential units without pass through contract (excluding contract for whole building) and ④ stores and office area.

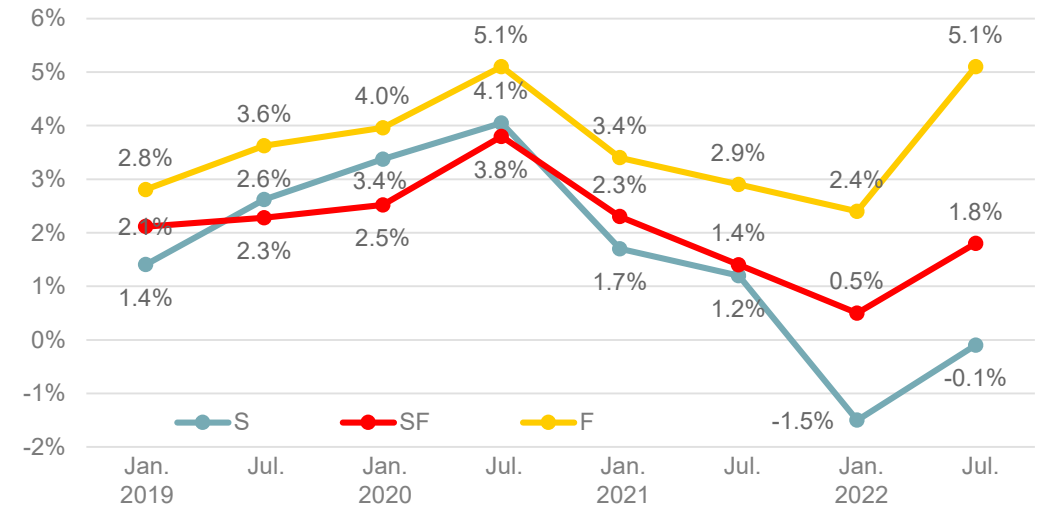
Rent of residential properties ①

New-lease monthly rent growth (Note1)

by Area

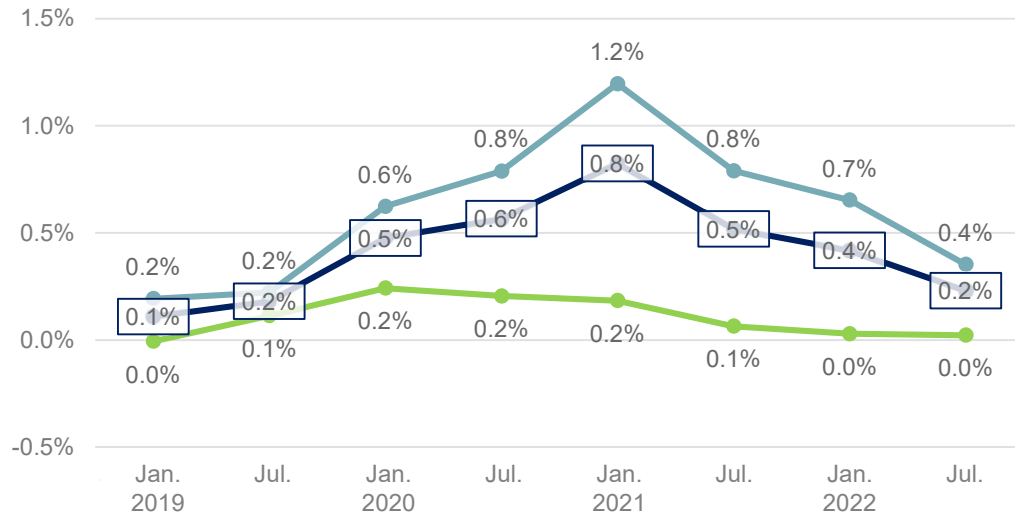


by Room type

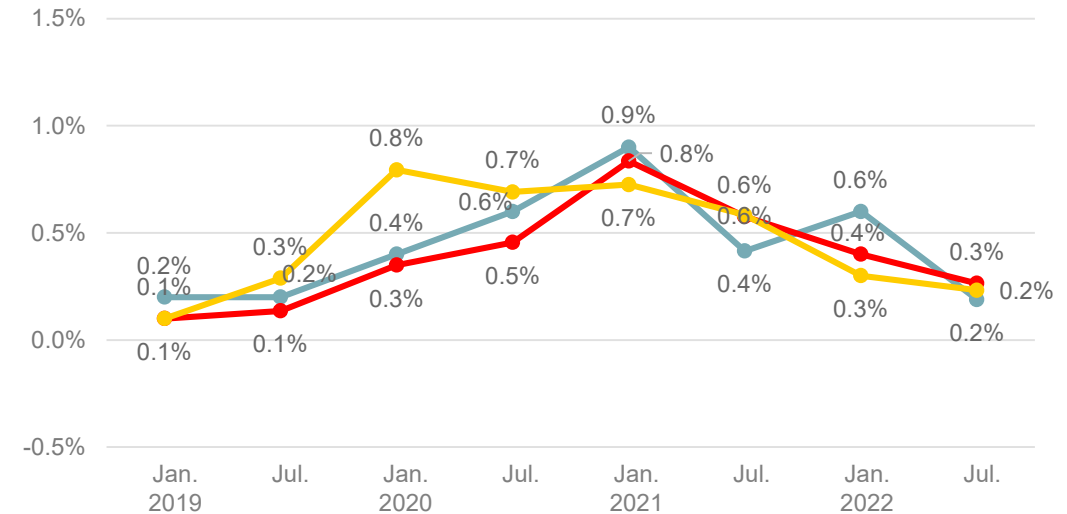


Renewal monthly rent growth (Note2)

by Area



by Room type



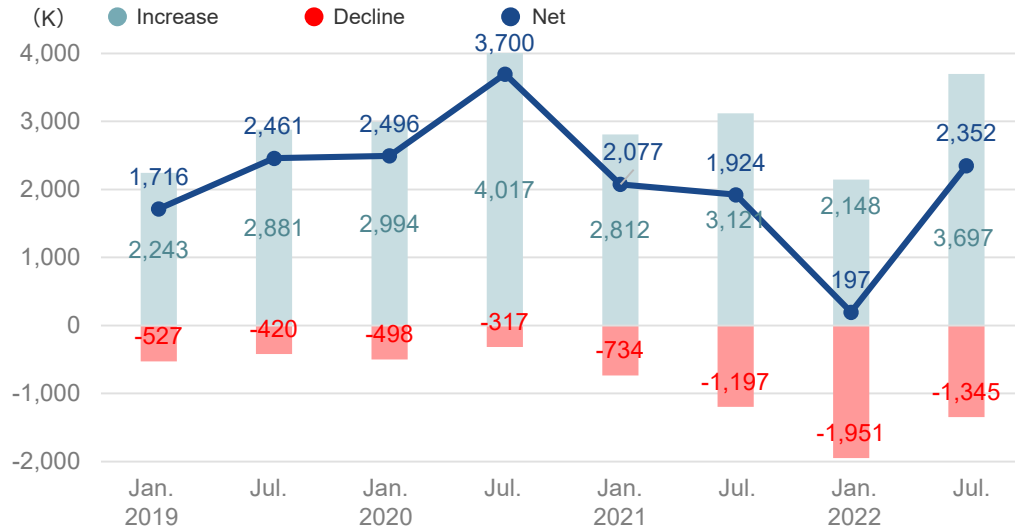
Note1: "New-lease monthly rent growth" = Total Amount of Increase/Decline of rent of new tenants / Total amount of rent before revisions.

Note2: "Renewal monthly rent growth" = Total Amount of Increase/Decline of rent of renewal tenants / Total amount of rent before revisions.

Rent of residential properties ②

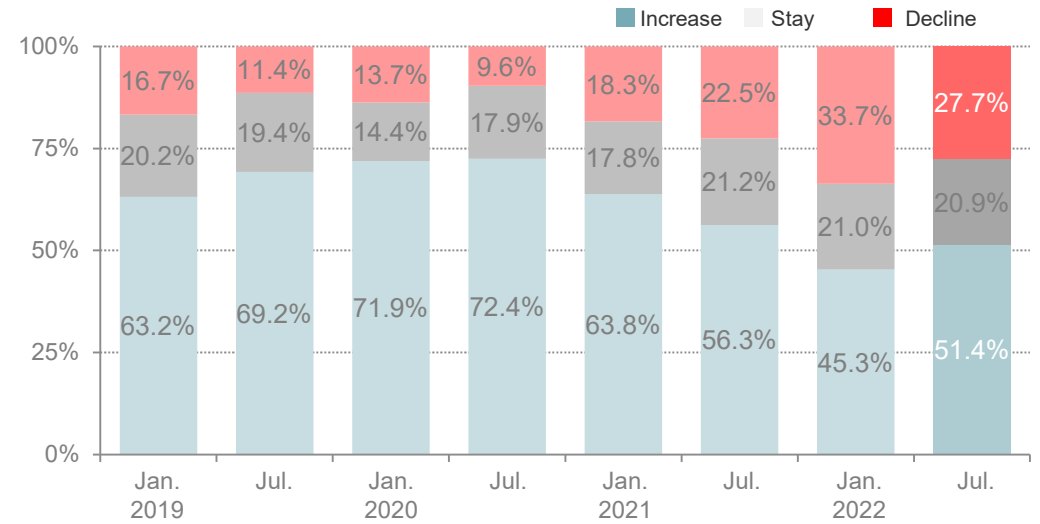
Rent Increase/Decline of Rent (Revenue)

New lease

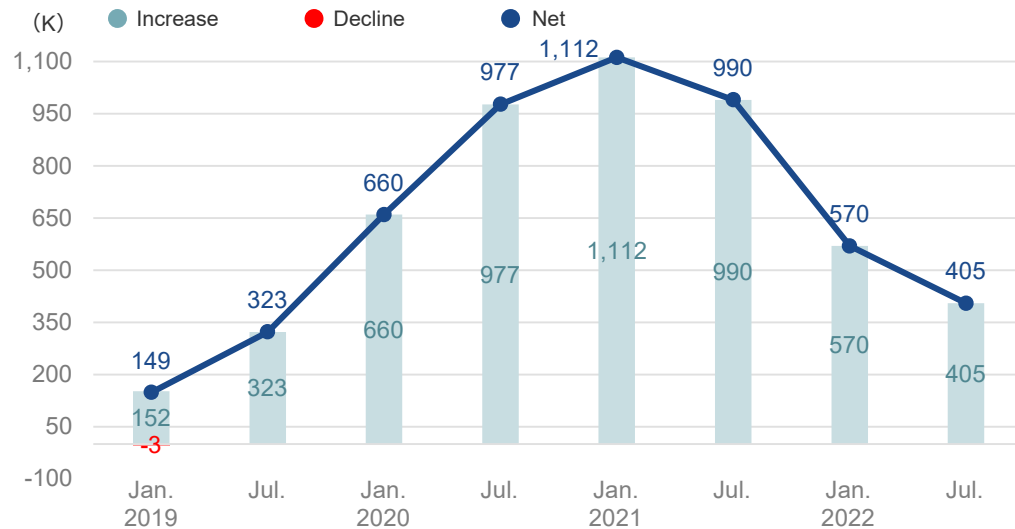


Rent Increase/Decline (units)

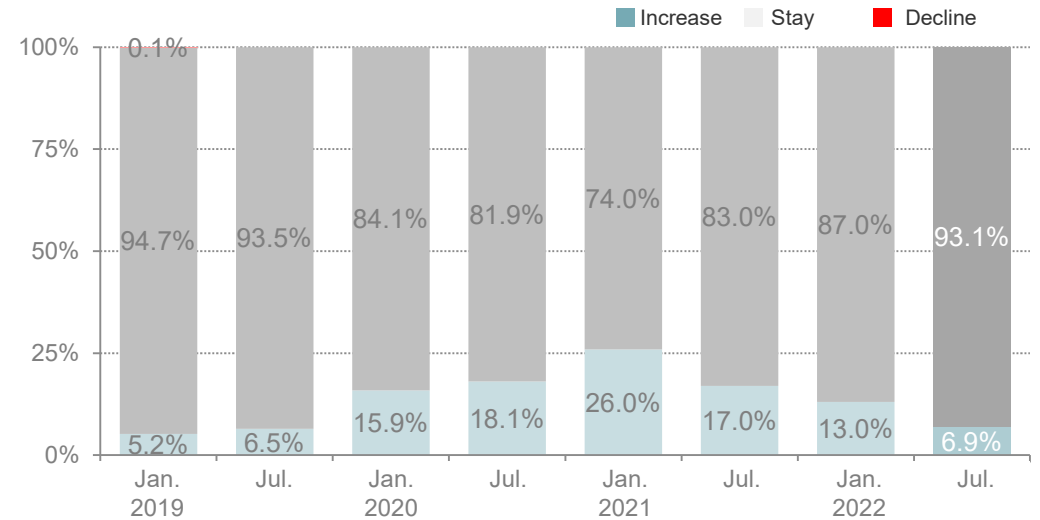
New lease



Renewal

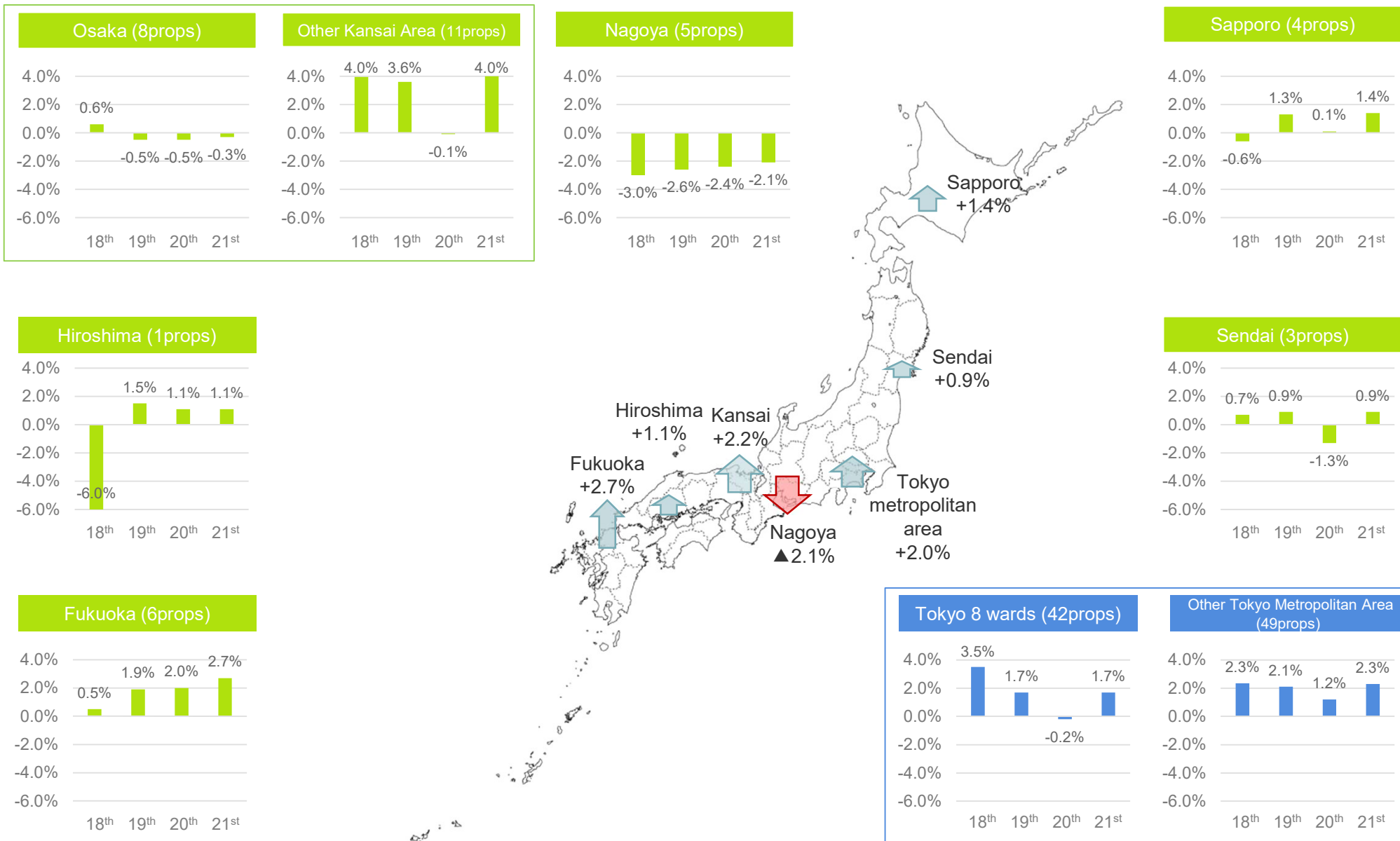


Renewal



Rent growth of residential properties

New-lease rent growth map (As of the end of Jul. 2022)

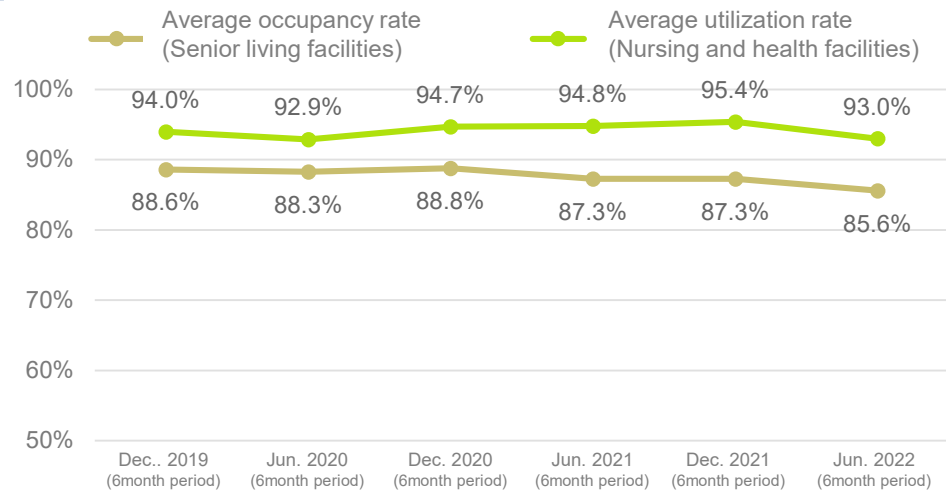


Note : Numbers in brackets are calculated for residential properties with pass-through contract (excluding contract for whole building) as at Jul 2022

Healthcare facilities / Accommodations

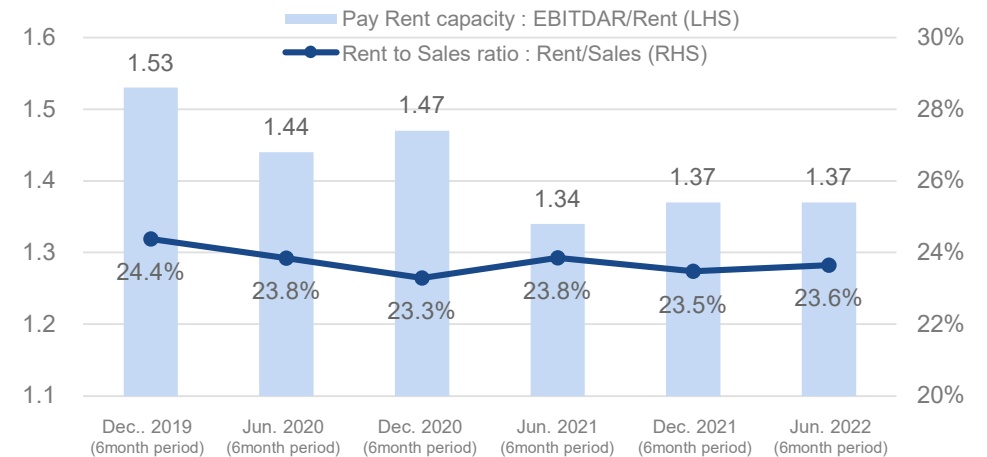
Occupancy (Note 1,2,3)

HC



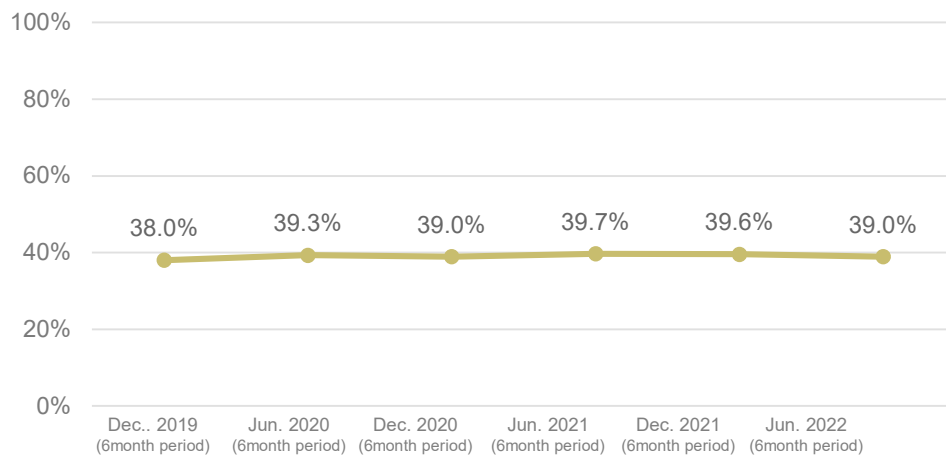
Pay Rent capacity and Rent to Sales ratio (Note 1,2,5)

HC



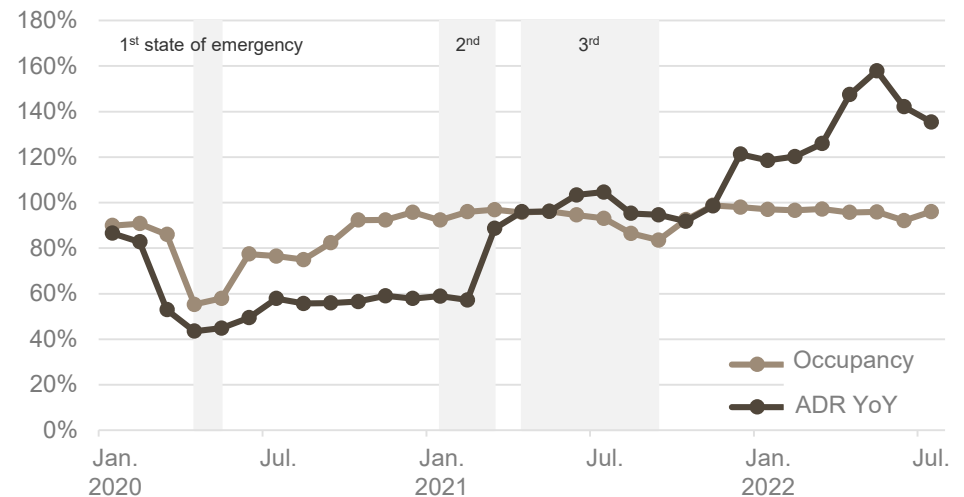
Nursing care fee to Sales ratio (Note 1,2,4)

HC



Occupancy and ADR (Note 6)

Accom.

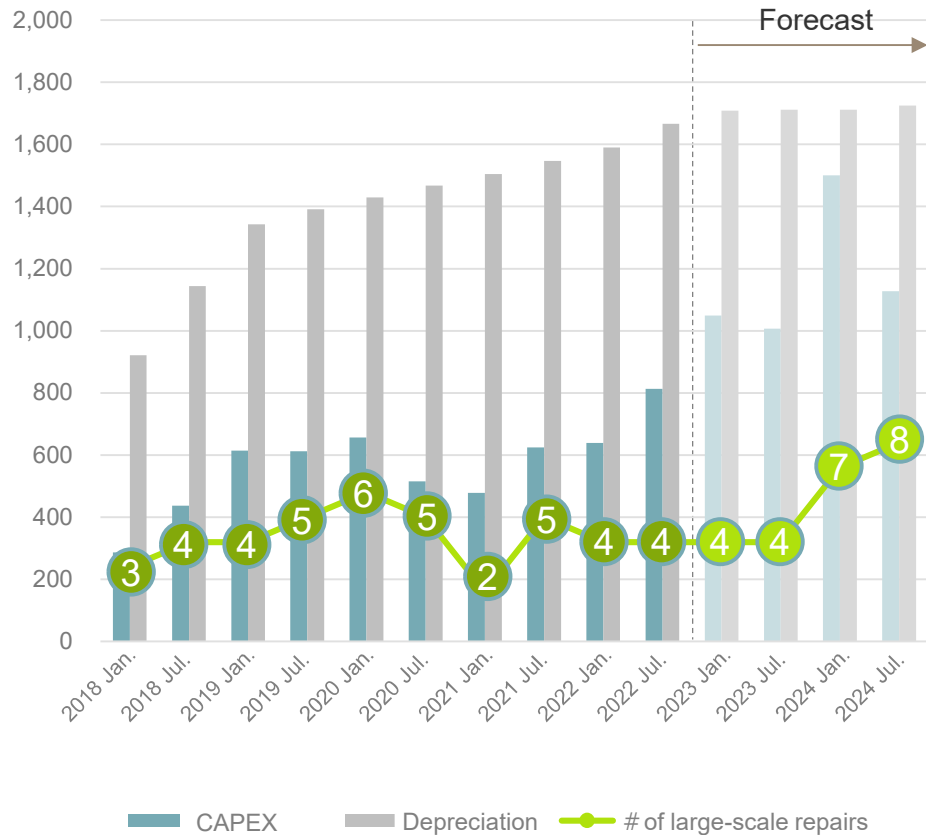


Note 1: Figures are based on materials submitted by operators and regardless of the timing of property acquisitions, the calculations reflect figures from the period with approval for disclosing. "Senior living facilities" include private senior home with nursing care, residential private nursing homes, and serviced senior housing held by KDR at the end of the 21st period, excluding non-disclosed properties. "Anesis Teradacho" and "Orange Suma" are not included in "Nursing care fee to Sales ratio". "Nursing and health facilities" include nursing and health facilities held by KDR at the end of the 21st period.
 Note 2: "Average occupancy rate", "Average utilization rate", "Nursing care fee to Sales ratio", "Pay Rent capacity" and "Rent to Sales ratio" are calculated using cumulative figures for each six-month period. Grapes Kawasaki Shinmachi, Grapes Fujimino, Irise Kobe Rokko, Excellent Hanayashiki Garden Hills and Excellent Takarazuka Garden Hills count since acquisition. Grapes Kawasaki Shinmachi and Grapes Fujimino include only 3 months of operational data for Jun. 2022 period.
 Note 3: "Average occupancy rate" is the number of residents divided by number of capacity and simple average of occupancy rate at the end of month for each period. "Average utilization rate" is the total number of users in the fiscal period divided by the total rated capacity.
 Note 4: "Nursing care fee to Sales ratio" is the ratio of nursing care fee against sales at senior living facilities.
 Note 5: "Pay Rent capacity" is EBITDAR : Operating Income + Depreciation + Rent divided by Rent.
 Note 6: Average of occupancy and ADR of 2 accommodations

Portfolio maintenance – Strategically carrying out

- To maintain and improve portfolio profitability, large scale repairs has been strategically carried out approx. at 15 years since construction.

Capex record and plan



CAPEX policy

- Depending on condition of the property, large scale repairs will be strategically carried out at approx. 15 years since construction.
- Plan to carry out CAPEX within depreciation for each fiscal period.

Large-scale repairs carried out

KDX Residence Shinagawa Seaside - large-scale repair in common area

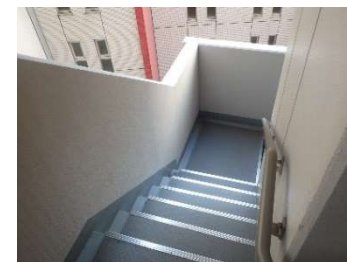
Entrance Renewal



Rooftop waterproof



Exterior repaint and PVC sheets reinstalment



Portfolio maintenance Value up renovation

- Carried out value up renovation in occupied area in order to enhance tenant satisfaction and increase rental income

Residential props

KDX residence Daikanyama II - Room renovation



KDX residence Daikanyama II renovated room
Average monthly rent (JPY per tsubo) (Note)

(Before renovation)

¥ 13,326



(After renovation)

¥ 16,115 (20.9% ↑)

Note: average monthly rental of 9 renovated room

Healthcare facilities

Joy stage Hachioji – medical bathroom






3. Growth Strategy

Continuous external growth


- Continues to expand AUM through 2 additional assets by Sept. after the acquisition with PO on Feb. 2022
- Continues aggressive new asset acquisition to achieve AUM goal of ¥370bil

AUM expansion through continuous acquisition

Disclosed To-be acquired asset after PO on Feb. 2022

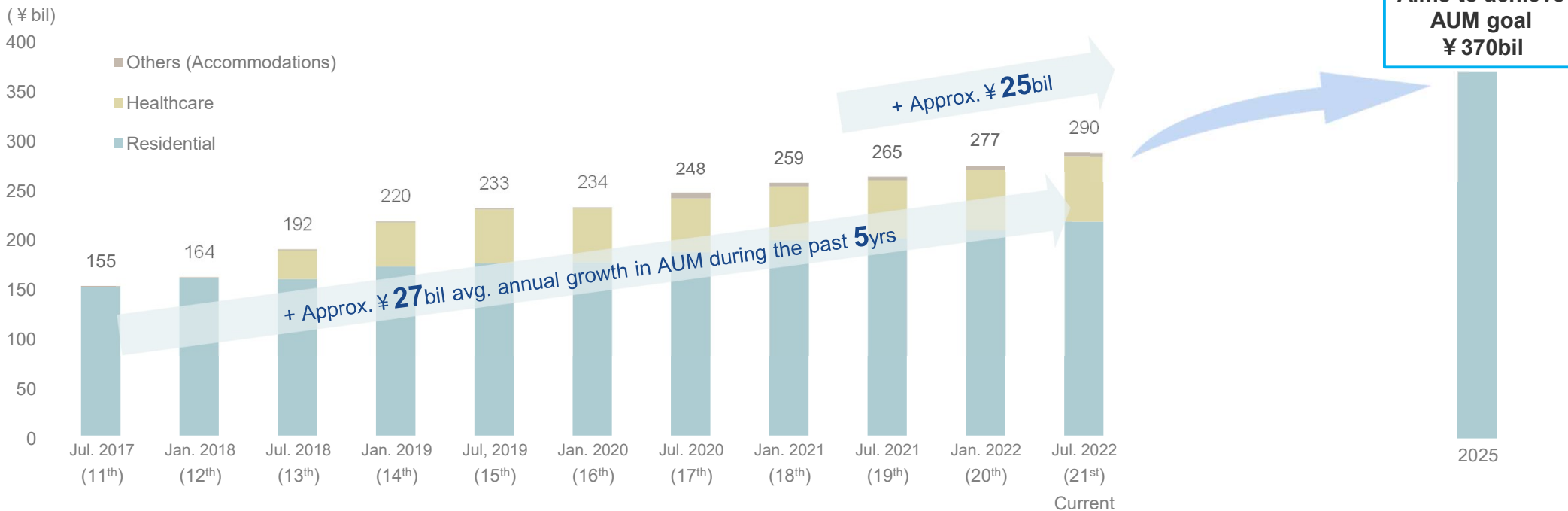
KDX residence Tsudanuma II		Corp Housing
	Location	Chiba, Funabashi
	Acquisition price	¥ 920mil
	Appraisal value	¥ 966mil
	Appraisal NOI Cap rate	4.6%
	Acquisition date	May 20, 2022

• Under lease in bulk to a domestic business company
 • Adjacent to T-101 KDX Residence Tsudanuma which the Investment Corporation acquired in November 2021.

Tsukui Sun-shine Adachi		Private senior homes (with nursing care)
	Location	Tokyo, Adachi
	Acquisition price	¥ 830mil
	Appraisal value	¥ 894mil
	Appraisal NOI Cap rate	4.5%
	Acquisition date	Sept. 16, 2022

• Operated by well-known TSUKUI CORPORATION
 • Concluded lease agreement with operator for over 20yrs

Assets under management

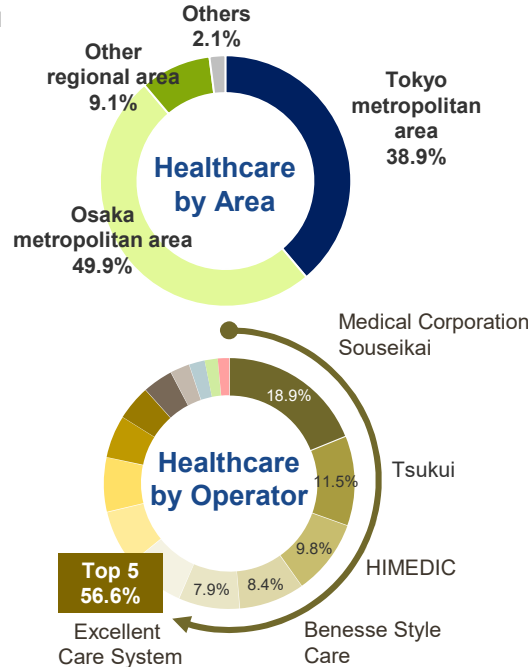
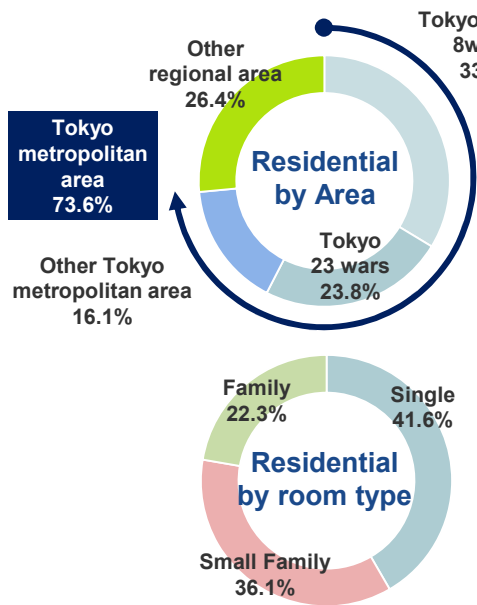


External growth strategy and pipeline

- Aggressively invest in assets which contribute to stability and growth while diversifying portfolio within residential and healthcare assets
- Strengthens risk resilience by diversifying area, room type, use and operator in detecting changes in rental market
- Approx. ¥9bil pipeline** through sponsor support and original sourcing route of the Asset Management Company

Investment strategy

Usage	Target ratio	Current ratio	Investment strategy
Residential properties	At least 60%	75.2%	<p>Invests mainly in Tokyo metropolitan area</p> <ul style="list-style-type: none"> Not only in central but also suburban area Maintain diversification within room type
Healthcare facilities	Less than 30%	23.1%	<p>Invest mainly in 3 Major metropolitan Area while diversifying within major cities nationwide</p> <ul style="list-style-type: none"> Diversify operator and aim to acquired asset managed by well-known operator
Others (Accom.)	Less than 10%	1.7%	<ul style="list-style-type: none"> Invests mainly in assets with fixed rent and long-term contract



Sponsor etc. support pipeline

Sponsor support		Sponsor support	
	Tokyo Metropolitan area		Tokyo Metropolitan area
Oyamadai Residence		Asakusa Residence	
Location	Tokyo, Setagaya	Location	Tokyo, Taito
Leasable units	Approx. 50	Leasable units	Approx.30
Room type	Family	Room type	Single

First refusal right		Sponsor support	
	Tokyo Metropolitan area		Tokyo Metropolitan area
Higashi-yukigaya Residence		Hachimanyama Healthcare	
Location	Tokyo, Ota	Location	Tokyo, Setagaya
Leasable units	Approx. 60	Leasable rooms	Approx. 60
Room type	Family	Operator	well-know (Note2)

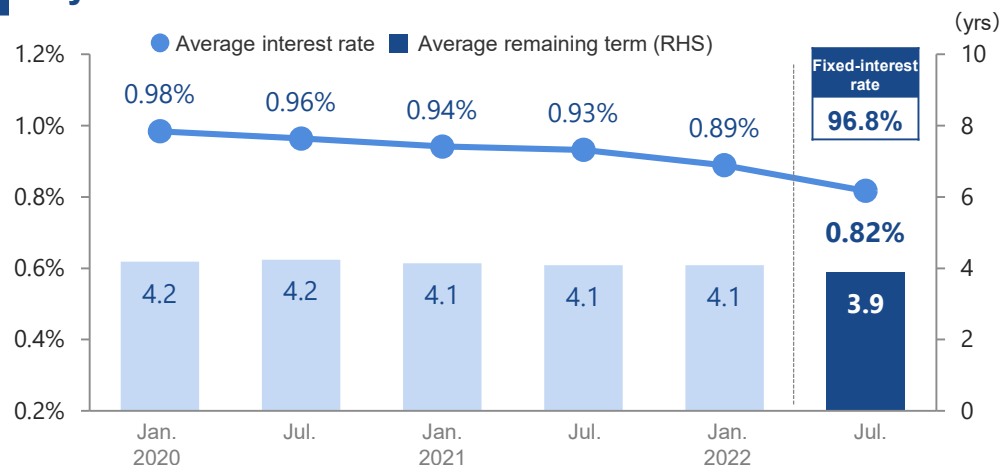
Note2 : an existing operator who manages part of healthcare facilities owned by KDR



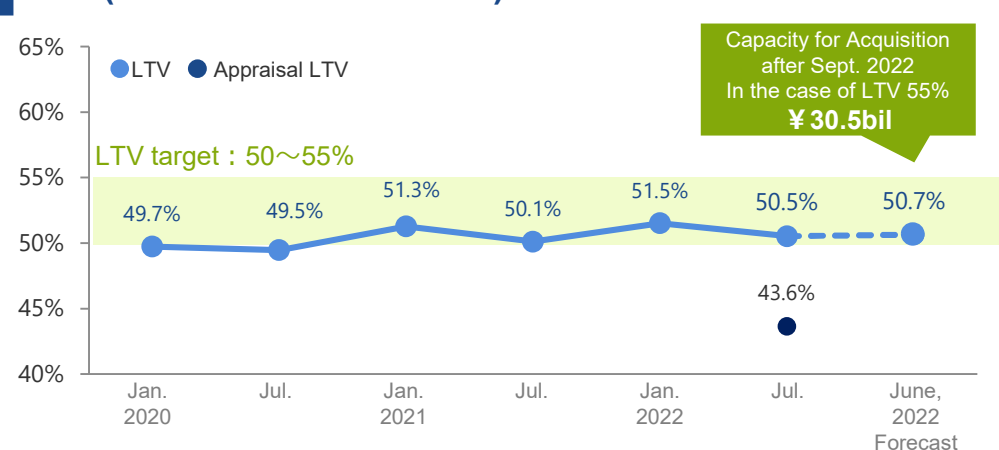
4. Financial status

Finance 1/2

Key Debt Indicators (Note 1)



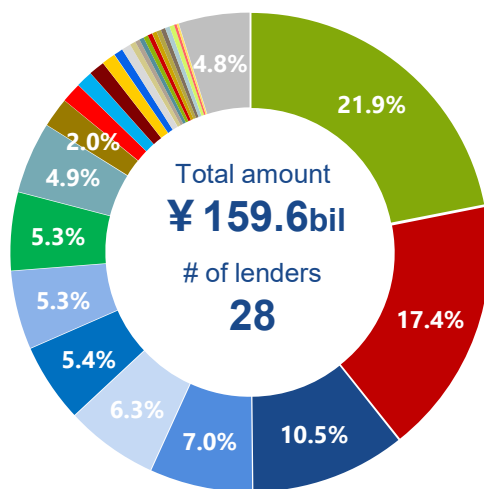
LTV (based on total assets) (Note 2)



Credit Rating

AA-
 (Outlook : Stable)
 (Japan Credit Rating Agency, Ltd. (JCR))

Status of Interest-bearing Liabilities (as of Jul. 31, 2022)



Lender	Amount (¥ mil)	Share
Sumitomo Mitsui Banking Corporation	34,940	21.9%
MUFG Bank, Ltd.	27,800	17.4%
Mizuho Bank, Ltd.	16,780	10.5%
Aozora Bank, Ltd.	11,150	7.0%
Mizuho Trust & Banking Co., Ltd.	10,000	6.3%
Shinsei Bank, Ltd.	8,550	5.4%
Development Bank of Japan Inc.	8,500	5.3%
Resona Bank, Ltd.	8,450	5.3%
Sumitomo Mitsui Trust Bank, Limited.	7,750	4.9%
Nippon Life Insurance Company	3,200	2.0%
THE BANK OF FUKUOKA, LTD.	2,200	1.4%
The Yamaguchi Bank, Ltd.	1,800	1.1%
The Bank of Yokohama, Ltd.	1,700	1.1%
Shinkin central bank	1,500	0.9%
Sompo Japan Insurance Inc.	1,000	0.6%

Lender	Amount (¥ mil)	Share
Daishi Hokuetsu Bank, Ltd.	1,000	0.6%
The Chiba Bank, Ltd.	600	0.4%
The Chugoku Bank, Ltd.	500	0.3%
The 77 Bank, Ltd.	500	0.3%
The Musashino Bank, Ltd.	500	0.3%
The Hyakugo Bank, Ltd.	500	0.3%
THE HACHIJUNI BANK, LTD.	500	0.3%
THE NISHI-NIPPON CITY BANK, LTD.	500	0.3%
The Yamanashi Chuo Bank, Ltd.	500	0.3%
Kansai Mirai Bank, Limited	500	0.3%
The Keiyo Bank, Ltd.	500	0.3%
The Bank of Kyoto, Ltd.	300	0.2%
The Shizuoka Bank, Ltd.	200	0.1%
Investment Corporation Bonds	7,700	4.8%
Total	159,620	100.0%

Note 1: "Average interest rate" calculated by weighted average interest rate at the end of the period that took into consideration up-front fee (per year) and the effect of the interest rate swap. "Average remaining term" calculated by weighted average remaining term of interest-bearing liabilities at the end of the period. "Rate of fixed-interest" calculated the percentage of fixed interest rate loans of total amount of loans at the Jul. 31, 2022. The floating loans which are substantially fixed with interest rate swap are included in the fixed-rate.

Note 2: "LTV" = Interest-bearing Liabilities / Total Assets. "Appraisal LTV" = Interest-bearing Liabilities / Total Appraisal Value.

Finance 2/2

Committed Credit Line

Counterparty	Line amount (¥ bil)	Contract period
Sumitomo Mitsui Banking Corporation	1.5	2022 Aug 1 st ~
MUFG Bank, Ltd	1.5	2023 Jul. 31 st
Mizuho Bank, Ltd	1.5	

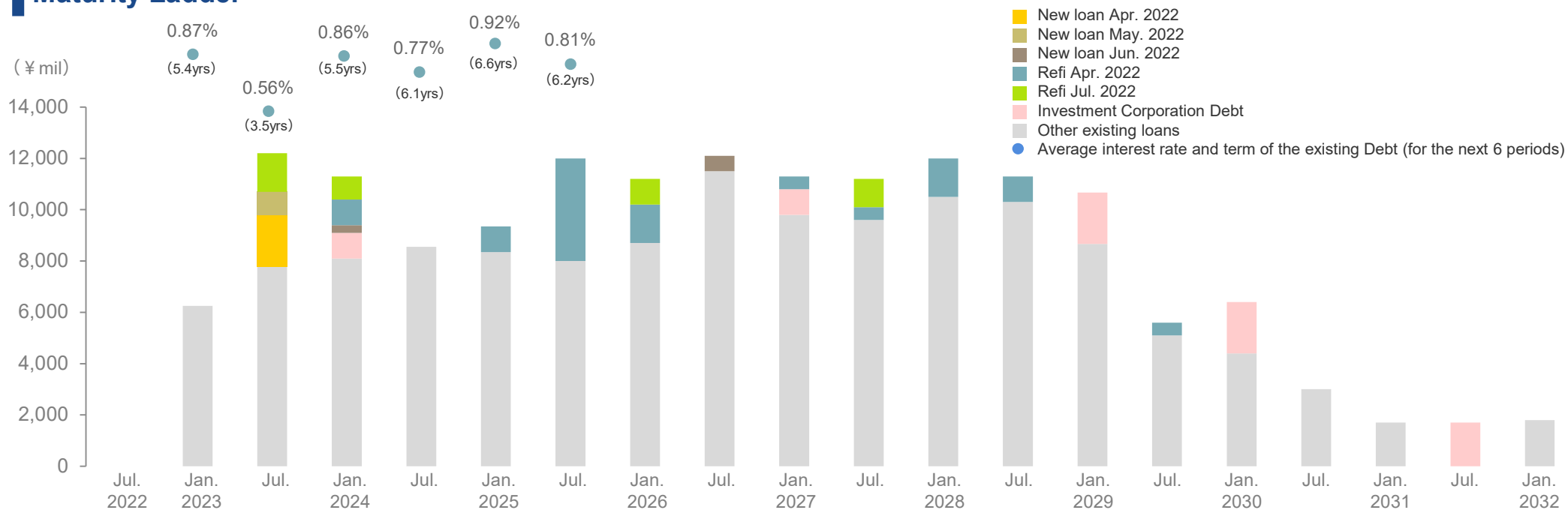
Uncommitted Revolving Credit Line New

Counterparty	Line amount (¥ bil)	Contract period
Sumitomo Mitsui Banking Corporation	5	2022 Mar. 31 st ~
Mizuho Bank, Ltd	4	2023 Mar. 31 st

Latest New Loans and Refinance

Classification	Amount (¥ bil)	Term ⁽¹⁾	Average interest rate ⁽²⁾
New loan Apr. 2022	2		
New loan May. 2022	0.9	1.5yrs	0.36%
New loan Jun. 2022	0.9		
Refi Feb. 2022 ^(Note 3)	1.5	5.3yrs	1.07%
Refi Apr. 2022	11.5	(Refinance)	(Refinance)
Refi Jul. 2022	4.5	3.2yrs	0.52%

Maturity Ladder ^(Note 3)



Note 1: "Average interest rate" calculated by weighted average interest rate at the end of the period that took into consideration up-front fee (per year) and the effect of the interest rate swap.

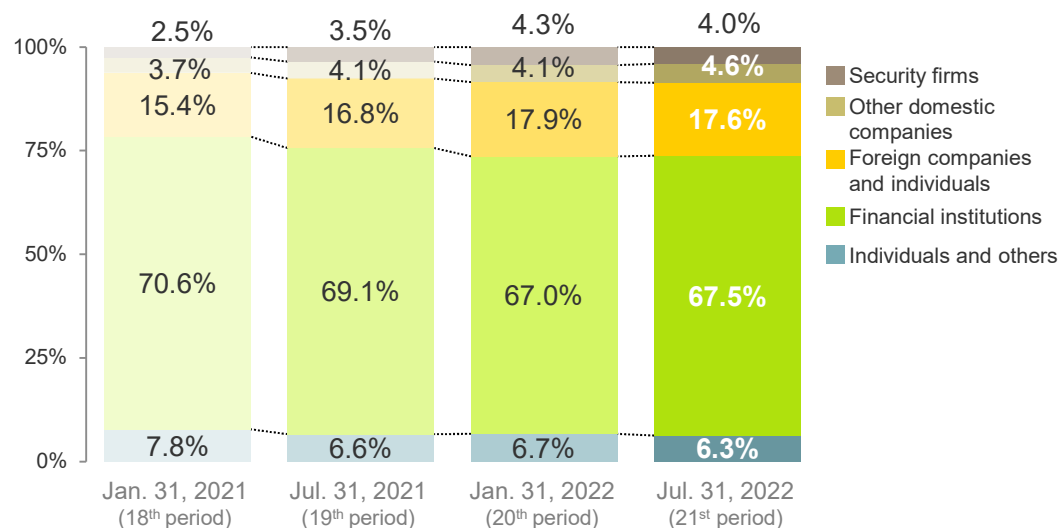
"Average remaining term" calculated by weighted average remaining term of interest bearing liabilities at the end of the period.

Note 2: "Interest rate" calculated that took into consideration up-front fee (per year) and the effect of the interest rate swap.

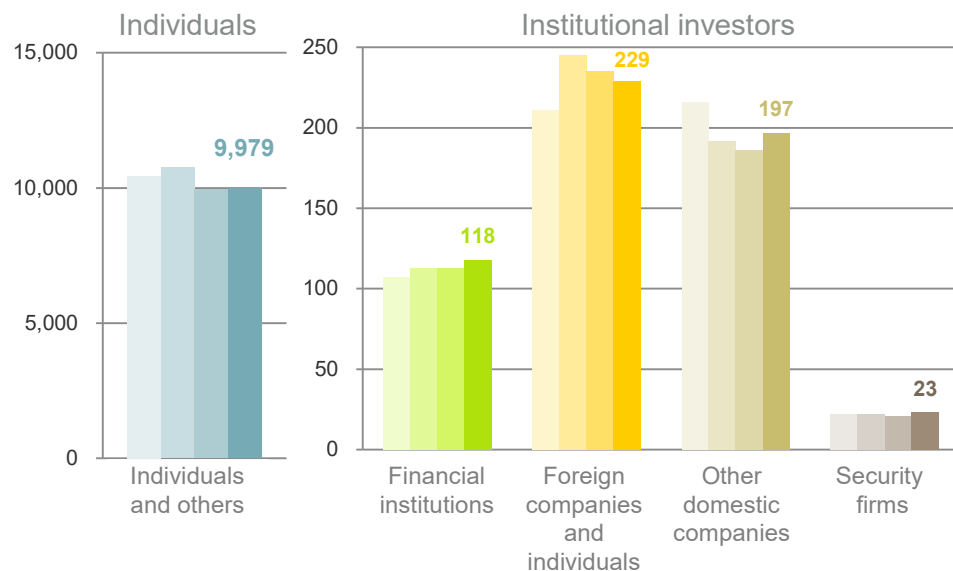
Note 3: Refinanced loan in Feb. 2022 refinanced again in Apr. 2022

Unitholders

Composition of Unitholders (based on number of units)



Number of Unitholders (last 4 fiscal periods)



Major Unitholders (As of Jul. 31, 2022)

	Name	Units	Ratio ⁽¹⁾
1	Custody Bank of Japan, Ltd. (Trust Acct.)	302,199	28.89%
2	The Master Trust Bank of Japan Ltd. (Trust Acct.)	210,247	20.10%
3	The Nomura Trust Banking Co., Ltd. (Trust Acct.)	56,390	5.39%
4	Kenedix, Inc.	36,640	3.50%
5	Mitsubishi UFJ Trust and Banking Corporation	17,563	1.67%
6	STATE STREET BANK WEST CLIENT-TREATY 505234	17,088	1.63%
7	SMBC Nikko Securities Inc.	15,158	1.44%
8	JP MORGAN CHASE BANK 385781	12,972	1.24%
9	SSBTC CLIENT OMNIBUS ACCOUNT	11,371	1.08%
10	STATE STREET BANK AND TRUST COMPANY 505103	11,251	1.07%
	Total	690,879	66.06%

Note 1: Ratio means the percentage for total units owned to total units issued. (Rounded down to two decimal places)



5.Sustainability

Sustainability (2) - Initiatives for Social and Governance -

Social finance

ESG

- ❑ **KDR became the first JP REIT to issue social bonds in 2019 Dec**
- ❑ Fundraised **through 3rd social loan** in Jul. 2022
- ❑ Received “Social 1 (F),” the highest rating of the “JCR Social Finance Framework Assessment”
- ❑ Providing an opportunity for investors who want to make ESG investments **has attracted a broader range of investors and diversified fund procurement channels**

Social finance					
	Social bonds		Social loan		
Series	6 th	7 th	55-A	60-D	68-D
(1) Maturity	10yrs	10yrs	3yrs	7.5yrs	5yrs
(2) Amount	¥ 2bil	¥ 1.7bil	¥ 1bil	¥ 1bil	¥ 1.1bil
(3) Date	Dec. 2019	May. 2021	Jul. 2021	Dec. 2021	Jul. 2022
(4) Use	To acquire an asset eligible for social finance Or To repay loans borrowed for the acquisition of assets eligible for social finance				

Social impact investment

In Healthcare facilities

Lack of healthcare facilities is now one of the major social issues facing Japanese “super-aging” society. REIT as a buyer and **as a long-term investor** is expected to lead market supply. The Investment Corporation continues to fulfill this societal duty by acquiring the healthcare facilities.

Healthcare facilities
AUM
(Sept. 2022 planned)
32 properties
¥ **67,267** mil

In Childcare facility

The social **demand for childcare facilities is increasing** to promote birth-rate increase. KDR contributes to solve fertility decline issue, investing in the childcare facilities.



Grapes Kawasaki Shimmachi
(The ground floor of the Property hosts daycare)

In student dormitory project

We believe that student accommodations which offer safe living environment and provide mental health support contribute to the society, developing the next generation.



KDX Residence
Hachioji Otsuka
(Student Accommodation)

Contribution to the community

Community revitalization

Investments are essential to revitalize communities as the number of vacant / unused properties is increasing. KDR’s investments are featured by the government or REIT association publications. KDR contributes to community revitalization by financing redevelopment project of station area or former public housing and by facilitating multi generational community through restaurant or multipurpose space where residents are able to use.



Izarie Eniwa
(Hokkaido, Eniwa city)



Yuimaru Hijirigaoka
(Tokyo, Tama city)

Bicycle and Electric kickboard sharing service

KDR provides a space for bicycle and electric kickboard station to improve urban mobility, to solve abandoned bicycle issue to reduce GHG emissions, to enhance environmental awareness and to improve health of residents.

Newly developed corporate Sustainability structure

ESG

- ❑ In order to build a system that can respond more effectively and efficiently to increasingly important **ESG and sustainability issues** through cross-organizational efforts by KFM, KFM will **newly create Sustainability Office** in the Strategic Planning Department, in Nov. 2021
- ❑ Attritionary, KFM **newly created Sustainability Committee**, which are common to the Departments and chaired by the President and Representative Director of KFM, as an advisory organ regarding matters relating to sustainability and ESG of KDR and KFM, in order to enhance our business management system further by the Organizational Change

AM fee structure aligning interests between unitholder and REIT manager

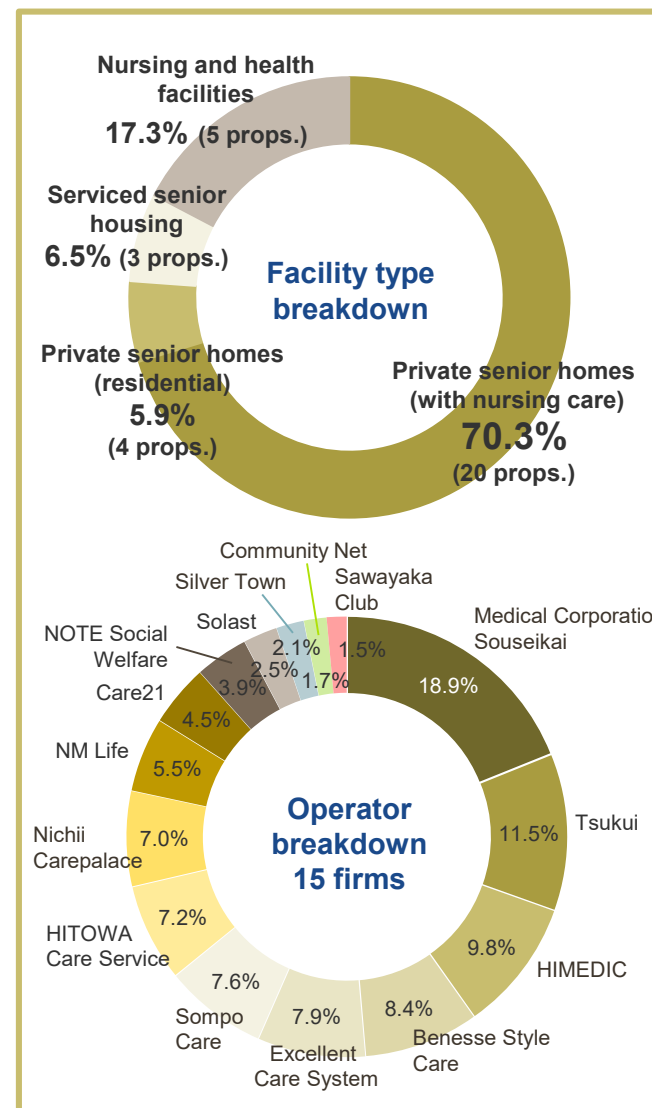
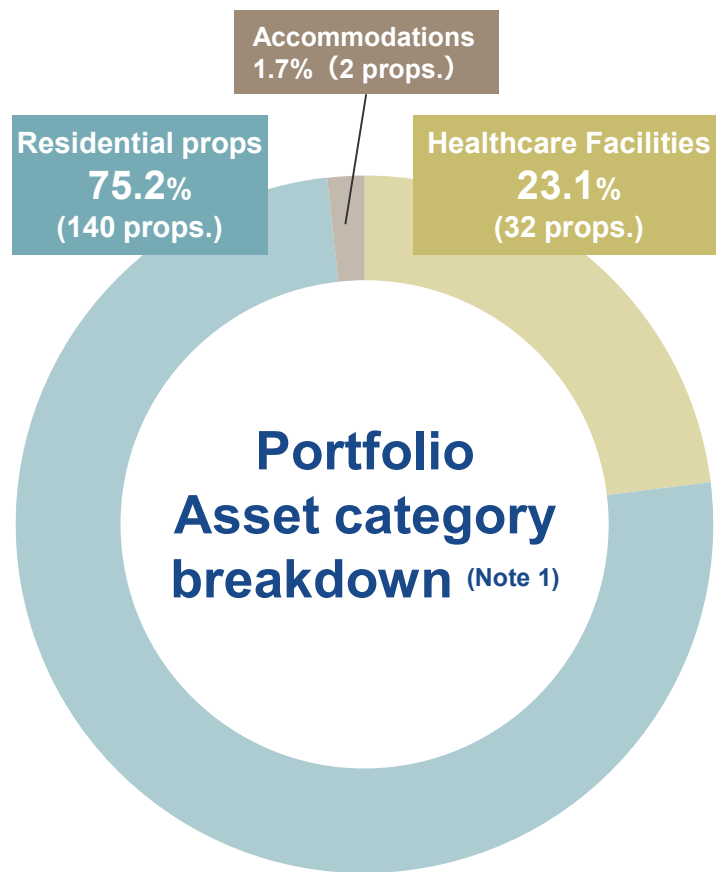
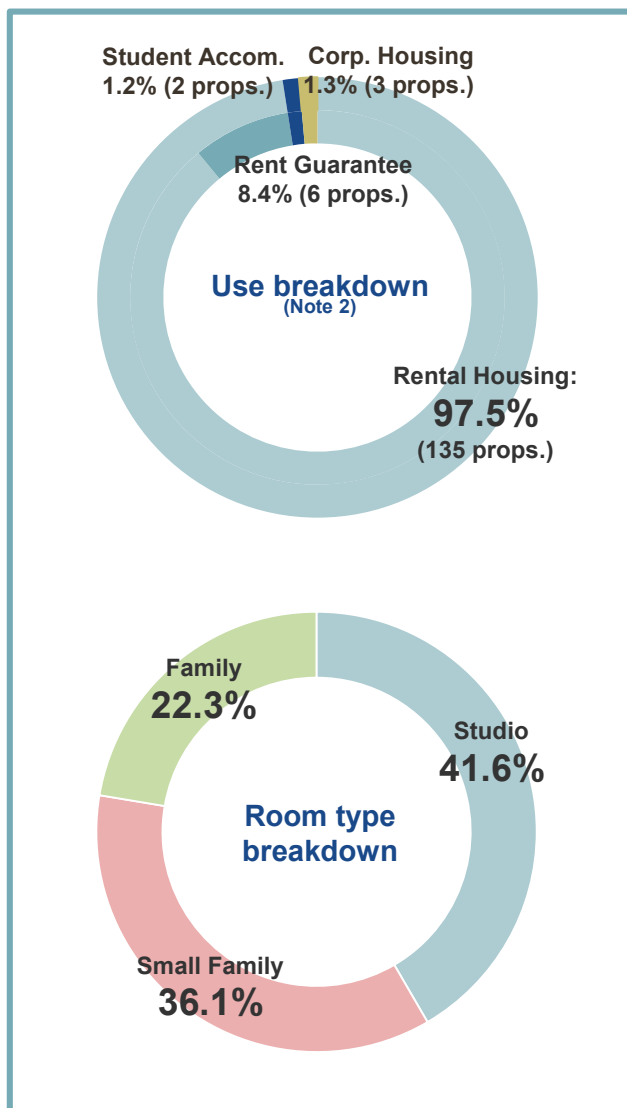
AM fee I	AM fee II	AM fee III
Total assets at the end of the previous period × 0.27% (P.A)	Distributable amount × EPU × 0.00145%	VS. TSE REIT index performance × Market cap × 0.15%
	Linkage with Earnings per unit	Linked to performance of investment unit prices



Appendices

Portfolio Breakdown ①

■ Total Asset Size : ¥291.5bil (174 props.), Residential properties : ¥219.3bil (140 props.), Healthcare facilities : ¥67.2bil (32 props.), Accommodations : ¥4.9bil (2 props.), and build a robust portfolio through diversification

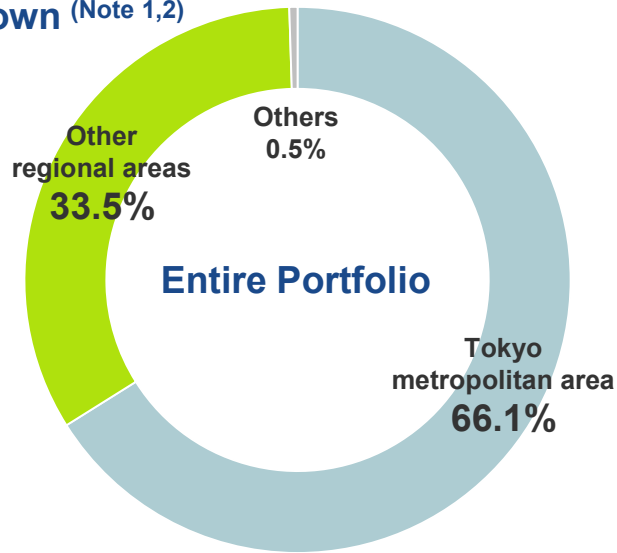


Note 1: As at sept. 16, 2022, including To-be acquired asset

Note 2: Rent guarantee is a property with guaranteed rent agreement for the entire rent

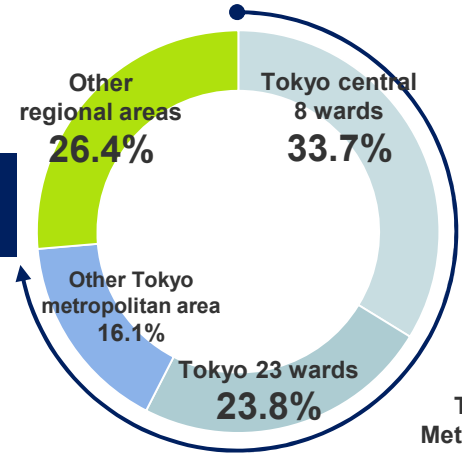
Portfolio Breakdown (2)

Area breakdown (Note 1,2)

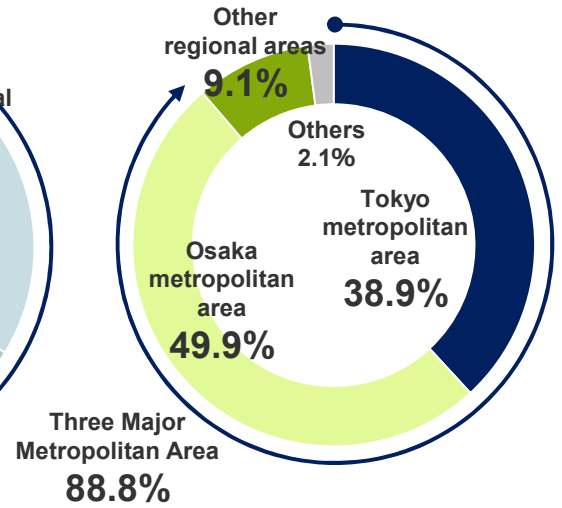


Tokyo Metropolitan Area
73.6%

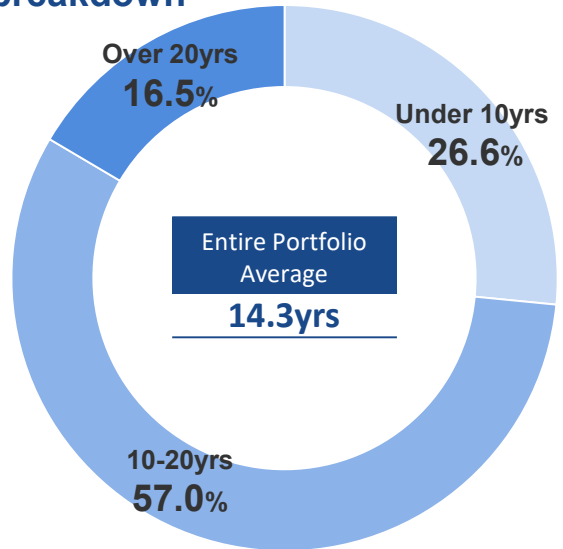
Residential Properties



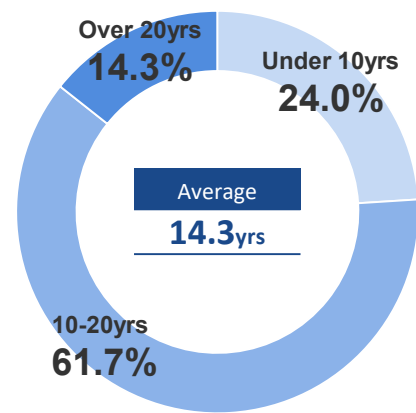
Healthcare Facilities



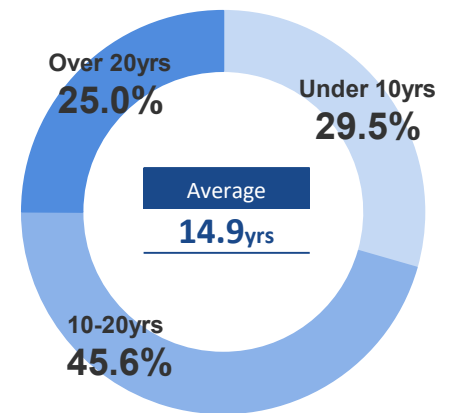
Property age breakdown (Note 1,3)



Residential Properties



Healthcare Facilities



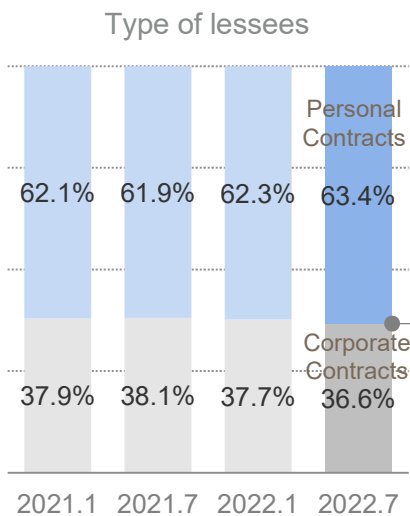
Note1: As at sept. 16, 2022, including To-be acquired asset

Note2: "Tokyo Metropolitan Area" includes Tokyo, Kanagawa, Saitama and Chiba. "Other Regional Areas" include government-designed municipalities and other regional cities. "Tokyo Central 8 Wards" include Minato-ku, Shibuya-ku, Chuo-ku, Chiyoda-ku, Shinjuku-ku, Meguro-ku, Setagaya-ku and Shinagawa-ku. "Osaka Metropolitan Area" includes Osaka, Kyoto, Nara, Hyogo and Shiga. "Three Major Metropolitan Area" includes Tokyo Metropolitan Area, Osaka Metropolitan Area and Nagoya Metropolitan Area. "Other Regional Areas" include regional cities excluding the three major metropolitan area.

Note3: "Property age" is calculated by the weighted average by the acquisition price of the periods from completion dates to Jul. 31, 2022.

Tenant Demographics Analysis of Residential Facilities

Type of Lessees (1)

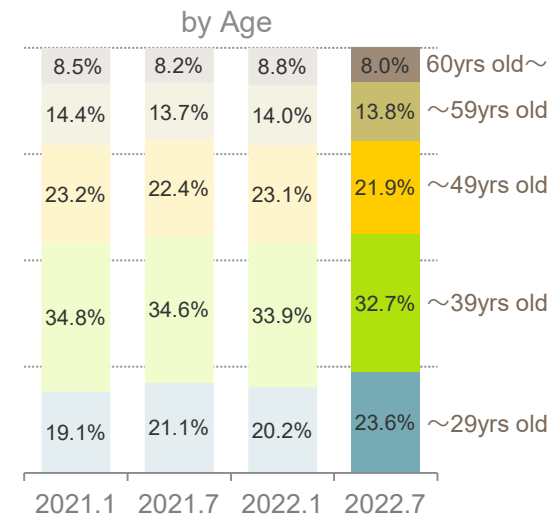
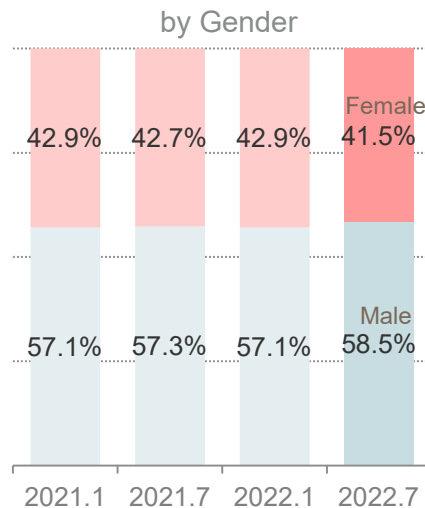


Large corporate contracts in Rental housing (2)

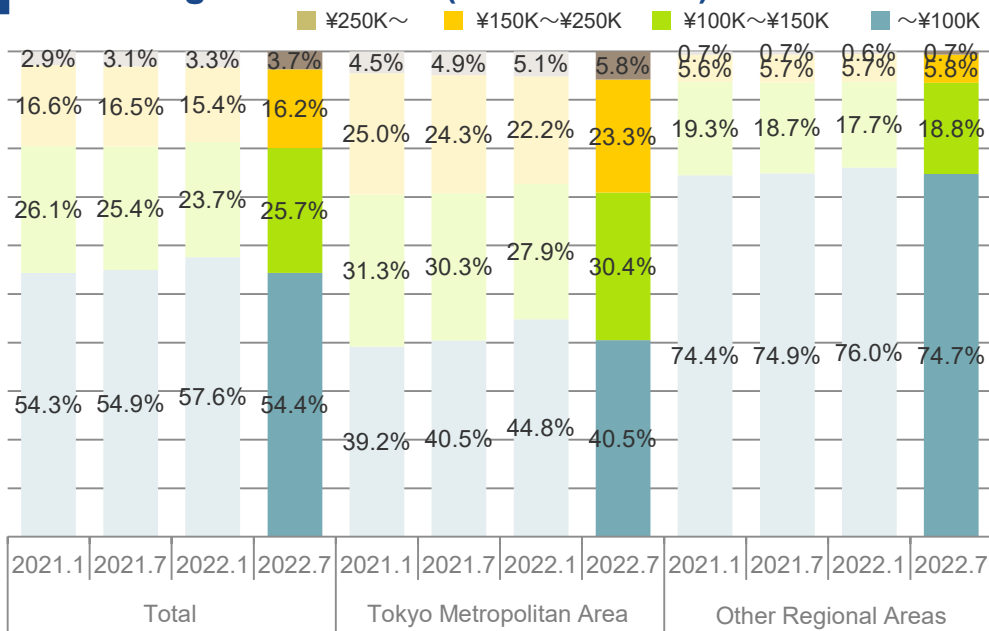
Property Name	# of Contracts	% in a property
KDX Residence Kamata-minami II	31 units	91.2%
KDX Residence Kamata-minami	69 units	86.3%
KDX Residence Nishi-Funabashi	42 units	73.7%
KDX Residence Higashi-Asakusa	22 units	61.1%
KDX Residence Nakaitabashi	45 units	57.7%
KDX Residence Okachimachi	27 units	52.9%
KDX Residence Yoga	18 units	47.4%
KDX Residence Mizonokuchi	42 units	42.9%
KDX Residence Higashi-Shinjuku	75 units	41.9%
KDX Residence Shonandai	33 units	31.7%

Note 1: Lessees of units at the end of each period include stores and offices.
 Note 2: Large corporate contracts are those that lease over 30% of the units in a certain property. However, properties which have rent guaranteed master lease contracts are excluded.

Personal Contracts breakdown



Rent Range breakdown (based on unit)



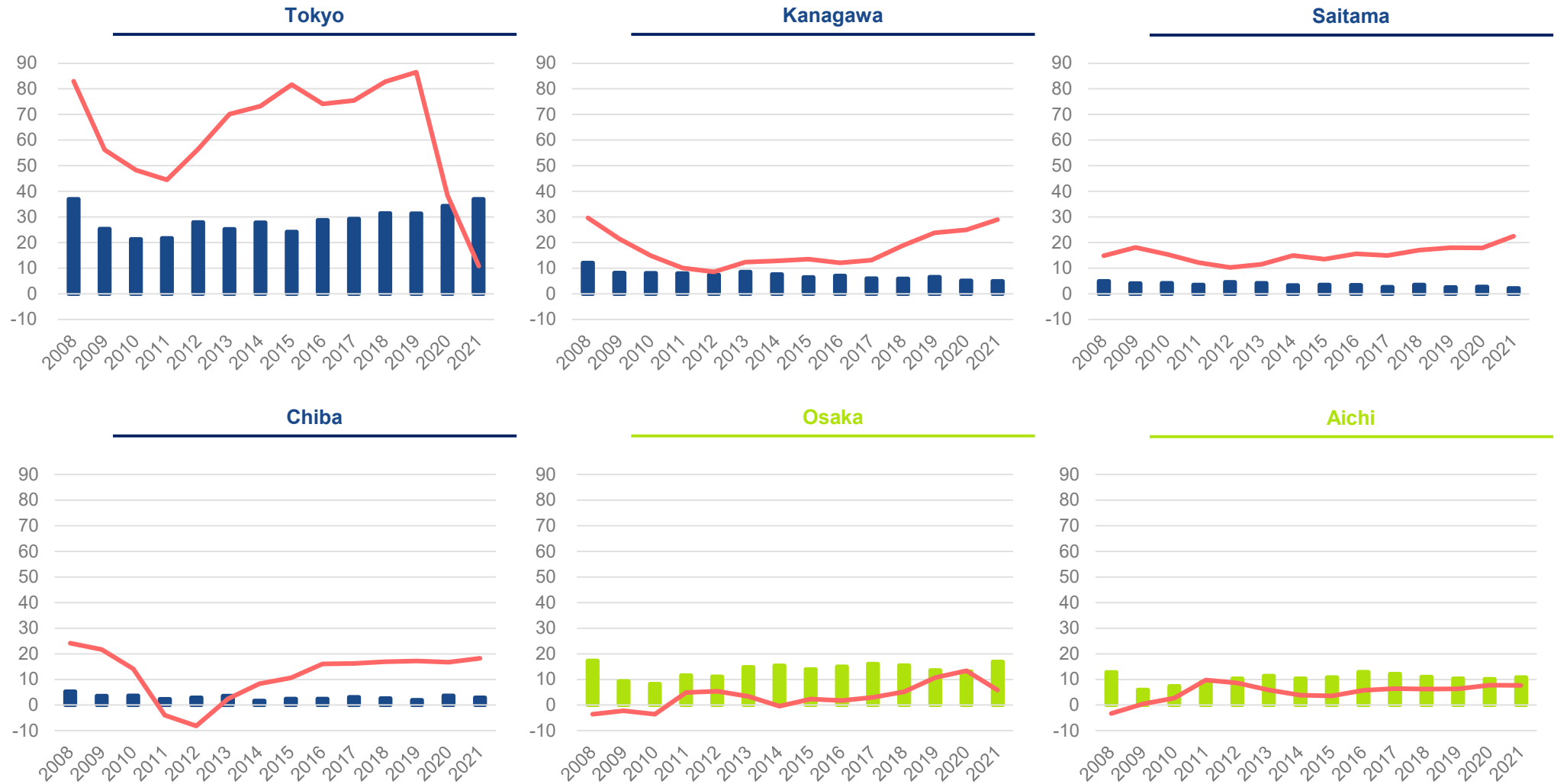
Average Rent per Residential Unit (3) (as of Jul 31, 2022)

Room Type	Tokyo Metropolitan Area	Other Regional Areas	Total
Studio	¥ 94,160 (▲ ¥ 492)	¥ 72,550 (+ ¥ 329)	¥ 87,543 (▲ ¥ 56)
Small Family	¥ 164,078 (▲ ¥ 573)	¥ 85,636 (+ ¥ 287)	¥ 126,094 (+ ¥ 217)
Family	¥ 224,953 (+ ¥ 1,249)	¥ 158,668 (+ ¥ 49)	¥ 192,327 (+ ¥ 816)
Total	¥ 135,063 (▲ ¥ 1,187)	¥ 94,342 (+ ¥ 25)	¥ 118,560 (▲ ¥ 388)

Note3: "()" Shows the amount of increase or decrease compared to the previous period.

Construction of rental apartments and net inflow of residents into major prefectures in Japan

■ Construction of rental apartments — Net inflow of residents
 (All units: K units or persons)

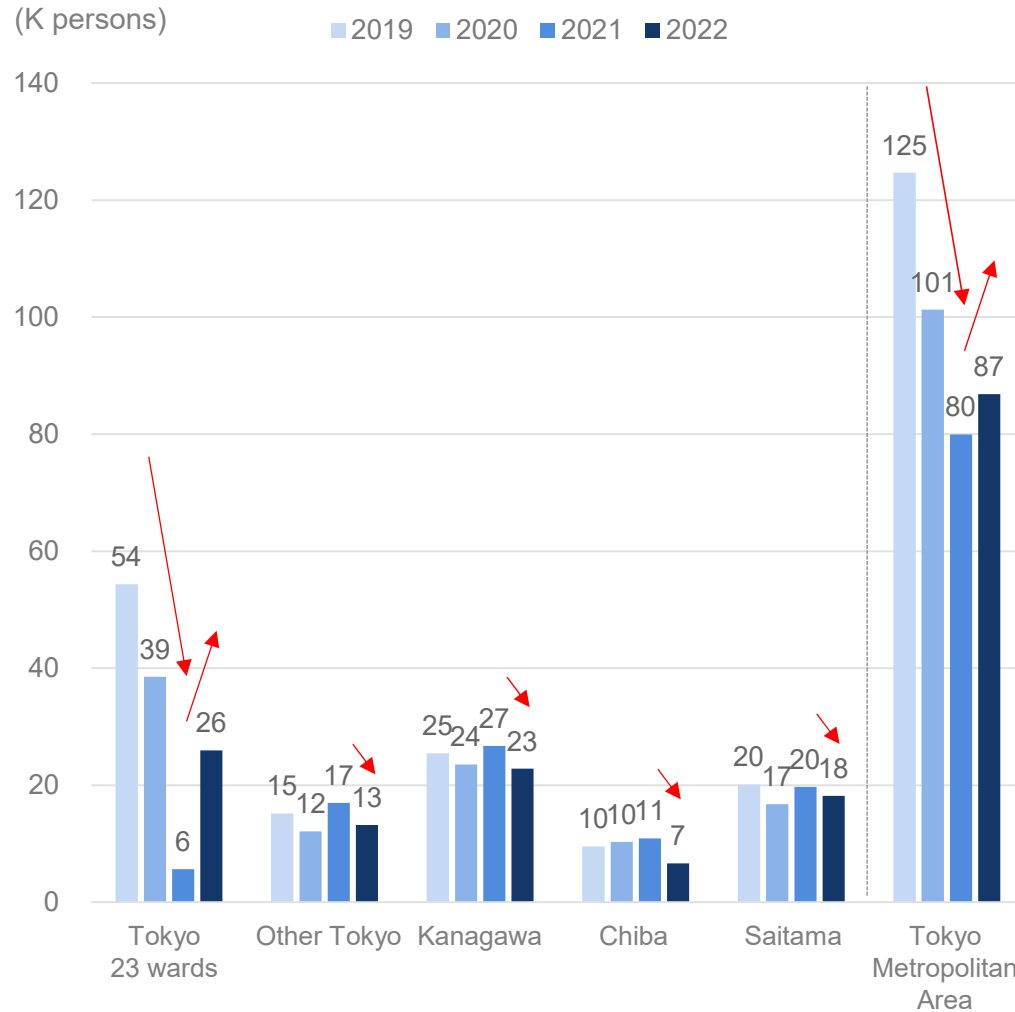


Source : Ministry of land, Infrastructure, Transport and Tourism. Statistics for the Construction of New Housing. Ministry of Internal Affairs and Communications. Report on Population Movement based on the Basic Resident Register.

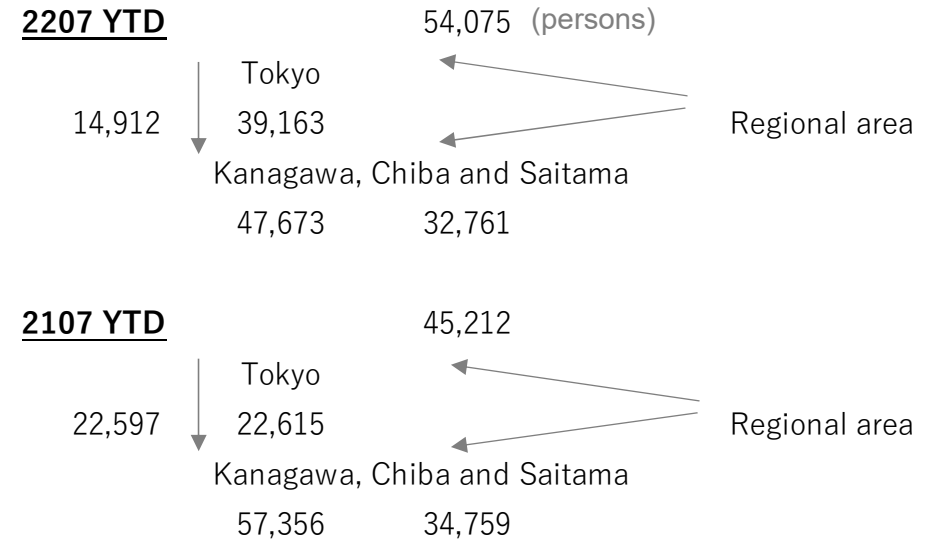
Note : The total number for each year includes reinforced concrete and steel reinforced concrete buildings. The net inflow of residents is calculated by subtracting the total number of Japanese residents moving out of the relevant prefecture from the total number of Japanese residents moving into the relevant prefecture.

Demographics of Tokyo Metropolitan Area

Net population inflow into Tokyo metropolitan area ^(Note)



Migration pattern

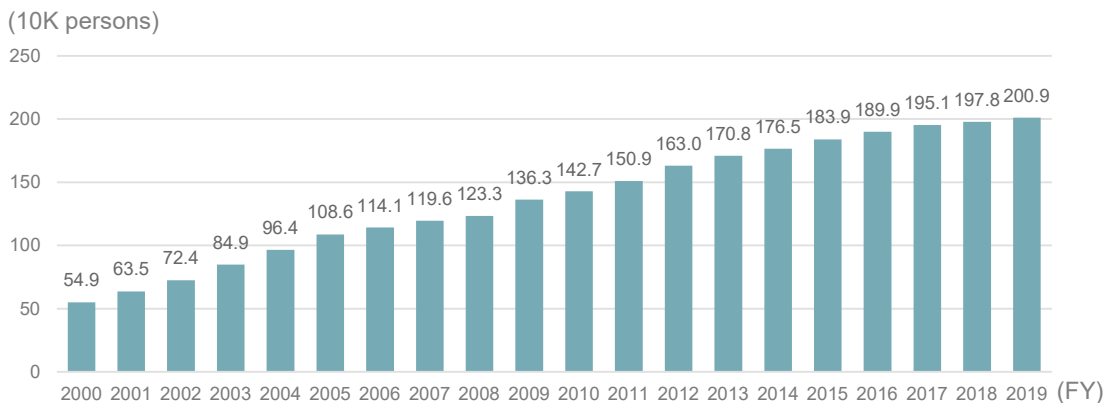


Source : Created by the Asset Management Company based on the Statistics Bureau, Ministry of Internal Affairs and Communications "Basic Resident Register Population Migration Report Monthly Report"
 Note: YTD from Jan. to Jul. for each year

The Business Climate for Healthcare Facilities in Japan

- The nursing care workforce in Japan has increased by 1.45 million people (about ×3.7) since the enactment of the Act on Long-term Care Insurance in FY2000.
- New initiatives such as attracting diverse workforce and installing nursing robots are launched

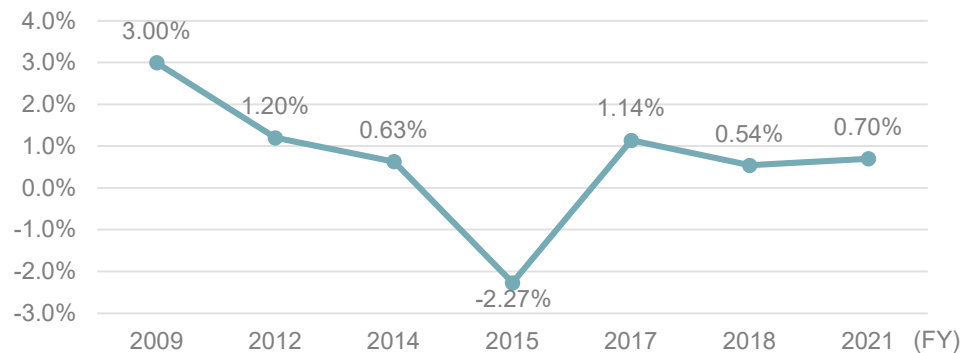
Japan's Nursing Care Workforce



Source: Survey of Institutions and Establishments for Long-term Care, Ministry of Health, Labour and Welfare

- Revised rate of nursing care fee generally keeps positive since 2009—and increased by 0.70% in FY2021.
- Recruiting rate and turnover rate for nursing care workforce are downward trend

Revised rate of nursing care fee



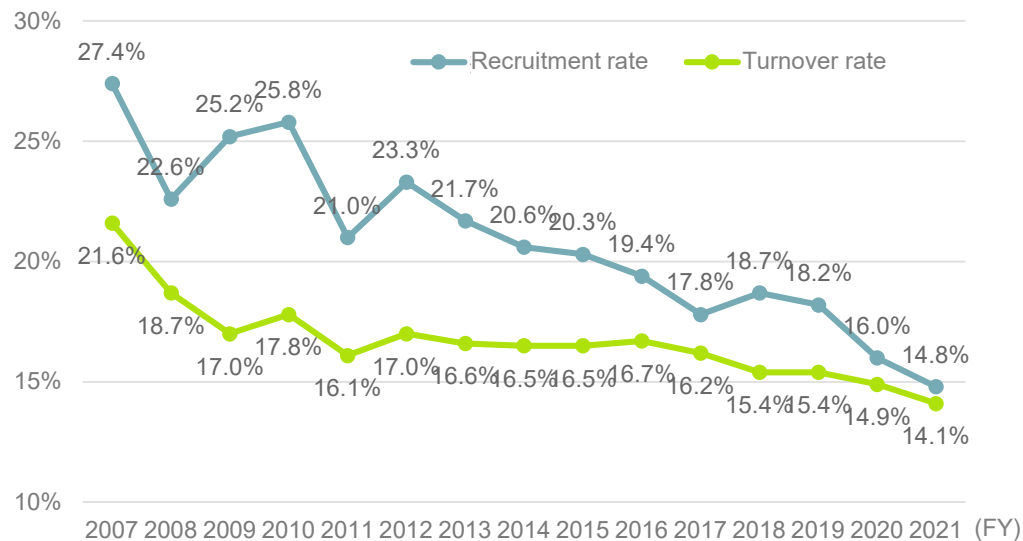
Source: Ministry of Health, Labour and Welfare

Measures to Recruit Nursing Care Workers

	Significant Measures Implemented	Additional Significant Measures to be Implemented
Improving the treatment of nursing care staff	(Actual) Average monthly wage increased by an amount equivalent to ¥57,000 Monthly wage increased by ¥14,000 (FY2017) Monthly wage increased by ¥13,000 (FY2015) Monthly wage increased by ¥6,000 (FY2012) Monthly wage increased by ¥24,000 (FY2009)	○ From October 2019, further treatment improvements will be implemented, with a focus on experienced and skilled nursing care workers, with the aim of achieving wage levels that are comparable to those in other industries for leader-level nursing care workers
Recruit and train many types of people	○ Loans for care worker training and outplacement ○ Integrated support for middle-aged and older people with no experience in nursing care, from introductory training to post-training experience support and matching	○ Implement of seminars to promote the entry of active elderly people into the nursing care sector ○ Promote of work-related activities in the nursing care field using volunteer points
Increasing retention and raising productivity	○ Promote the use of nursing care robots and ICT ○ Support for establishing and operating childcare facilities in nursing care facilities and offices ○ Reduce the financial burden of taking training seminars for career advancement and support for substitute care workers	○ Develop leader-level nursing care workers and improve practical skills through team care ○ Accelerate introduction of nursing care robots and ICT ○ Popularize productivity improvement guidelines ○ Establish of a consultation service for concerns and promote of interaction among young employees
Make nursing care jobs more appealing	○ Promote the understanding of nursing care work among students, their guardians and career guidance staff ○ Organize events to learn about nursing care	○ Disseminate information on the appeal of nursing careers to young people, people who have finished raising children, and active elderly people
Improvement of the acceptance environment for foreign workers	○ Support for international students aiming to become nursing care workers (Promotion of loans for care worker training, consultation support for daily life, etc.)	○ Improve the acceptance environment for foreign nursing care workers with special skills, etc. (Promote Japanese nursing care through local information sessions, etc. Group training to improve nursing care skills. Support for learning Japanese for nursing care. Consultation support and patrol visits for nursing care work, etc.)

Source: Ministry of Health, Labour and Welfare

Recruitment rate and Turnover rate for Nursing Care Workforce



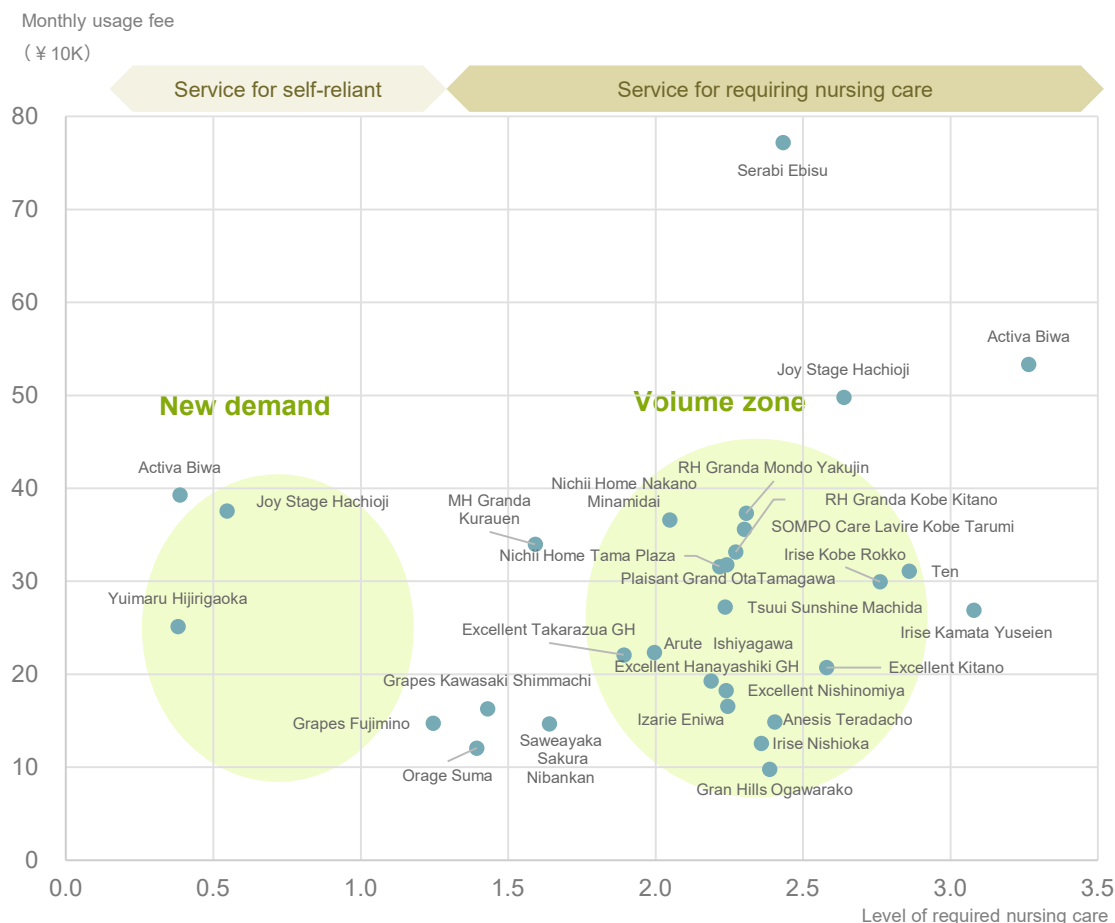
Source: Survey of Nursing care labor situation 2021, Care Work Foundation

Classification of Senior Living Facilities

Classification of Senior Living Facilities by Type (Note1)

	For persons living on their own (self-reliant)		For persons requiring nursing care	
	Mid-price range	High price range	Mid-price range	High price range
Market demand	◎ (Potential demand)	△ (Price)	◎ (Volume zone)	○ (Price)
Monthly housing charge	¥ 0.1~0.3 million	¥ 0.3 million ~	¥ 0.1~0.3 million	¥ 0.3 million ~
Unit size	25~50m ²	50~100m ²	15~25m ²	18~25m ²
Room amenities	Washroom, bathroom, air conditioner, etc		bathroom, kitchen, etc.	
Shared amenities	Dining room, kitchen, lounge, etc.		public bathroom, Leisure facilities, etc.	
			bathroom (for individual, public bath room and mechanical bathroom), helper station, health management room, rehabilitation room, etc.	

Average Required Level of Nursing and Monthly Paid Fee by Facilities (Note2)



Note 1: The above chart shows, in a simplified manner, the general features of market demand, monthly housing charge, unit size, room amenities and shared amenities assumed by KDR to pertain to the mentioned types of senior living facilities. "The monthly usage fee" indicates the monthly usage fee for single person room for the general public shown in the explanatory documents of important matter(excluding the co-payment of nursing care insurance service, In cases the lump-sum payment is received, added the amount of prorating the lump-sum payment to the anticipated period of residence stipulated in the explanatory documents of important matters, etc.)

Note 2: This diagram is a simplified analysis of attributes of senior living facilities in the portfolio as of July 31, 2022. For "Joy Stage Hachioji" and "Active Biwa", the average value for each of service for self-reliant and service for requiring nursing care in the facility are shown.

Overview of Operators

Operators of KDR-owned Properties

Operator (Parent company, etc.)	Established	Facilities operated (1)	Capacities (1)	Listed/Unlisted	Locations owned by KDR (Property name)
Sompo Care Inc. (Sompo Holdings, Inc.)	May 1997	468	29,443	Consolidated subsidiary of Sompo Holdings, Inc. (TSE Prime Market listed)	Sompo Care Lavire Kobe Tarumi Grapes Kawasaki Shimmachi Grapes Fujimino
Benesse Style Care Co., Ltd. (Benesse Holdings, Inc.)	September 1995	346	19,798	Consolidated subsidiary of Benesse Holdings, Inc. (TSE Prime Market listed)	Rihabili-home Granda Mondo Yakujin Medical-home Granda Kurakuen Rihabili-home Granda Kobe Kitano
HITOWA Care Service Co., Ltd. (HITOWA Holdings Co., Ltd.)	November 2006	125	7,744	Unlisted company	Irise Kamata/Yuseien, Irisse Nishioka Izarie Eniwa building (Irisse Eniwa) Irisse Kobe Rokko
Nichii Carepalace Company (NICHII HOLDINGS CO., LTD.)	June 1964	466	15,127	Unlisted company	Nichii Home Nakano Minamidai Nichii Home Tama Plaza
Sawayaka Club Co., Ltd. (Uchiyama Holdings Co., Ltd.)	December 2004	95	5,556	Consolidated subsidiary of UCHIYAMA HOLDINGS Co., Ltd. (TSE Standard Market listed)	Sawayaka Sakura Nibankan
Tsukui Holdings Corporation	June 1969	84	3,538	Unlisted company	Tsukui Sun-shine Machida
Care 21 Corporation	November 1993	121	4,195	TSE Standard Market listed	Plaisant Grand Ota tamagawa
HIMEDIC Inc. (Resorttrust, Inc.)	September 1992	17	2,138	Consolidated subsidiary of Resorttrust, Inc. (TSE Prime Market listed)	Activa Biwa
NOTE Social Welfare Corporation (Tsushima Health care & Welfare Group)	June 1983	27	1,780	Unlisted organization	Ten
Excellent Care System Co., Ltd.	August 2004	63	2,817	Unlisted company	Excellent Nishinomiya, Excellent Kitano Excellent Hanayashiki Garden Hills Excellent Takarazuka Garden Hills
Community Net Inc.	June 1998	14	772	Unlisted company	Yuimaru Hijirigaoka
Medical Corporation Souseikai	November 1999	243	12,541	Unlisted organization	Anesis Teradacho, Rococo-riha, Orage Suma, Canadian Hill, Anesis Hyogo, Arute Ishiyagawa
Solasto Corporation	October 1968	157	4,589	TSE Prime Market listed	Serabi Ebisu
NM LIFE Co., Ltd. (Iriscare Co., Ltd.)	October 1995	1	232	Unlisted company	Joy Stage Hachioji
Silver Town Ltd. (Iriscare Co., Ltd.)	February 2002	3	197	Unlisted company	Gran Hills Ogawarako

Note1: Facilities operated and capacities are based on Shukan Koreisha Jutaku Shimbun ("Weekly Senior Housing Newspaper"), August 3 and 10, 2022 (Issue 681) and these figures are the number and the capacity of the facilities operated by the company's group the operator belongs to (the number of rooms only for Nichii Carepalace Company). However, some figures are based on information obtained from operators, etc. (as of the end of June 2022) and these are figures for the relevant operator alone.

Welfare Facility and Senior Housing Facility Operators Ranked by Capacities

Capacities of Welfare Facilities and Senior Housing Facilities

Rank	Company	Major brands	Locations owned by KDR ⁽¹⁾	Total ⁽²⁾	
				Facilities	Capacities
1	Sompo Care	Lavire Gran, Lavire, Sompo no ie, Lavire Residence, Sompo no ie S, Grapes	3	468	29,443
2	Benesse Style Care	Aria, Kurara, Granny & Granda, Madoka, Bonsejour, Kokochi, Li-Re	3	346	19,798
3	Gakken Group	Cocofan, Ai no ie, Faminew, Ensemble		471	16,982
4	NICHII Group	Nichii no Kirameki, Nichii no Hohoemi, Nichii Home, Iris Garden	2	466	15,127
5	Kawashima Corporation	Sunny Life, Yawaragien		147	13,872
6	Souseikai Group	Good Care, Sonorous Court, Calmecourt, Eldercout Care, Life Court	6	243	12,541
7	BestLife	BestLife		184	11,951
8	KOYAMA Healthcare Group	(No specific brand)		206	11,520
9	Aoikai Group	Aoi no sono, Aoi no sato		97	8,724
10	Kinoshita Care	Life commune, Lien Reve, Ouen Kazoku		135	8,335
11	ALSOK Group	Minna no ie, Home Station House, Belparjyu, Rose Life		202	8,255
12	HITOWA Care Service	Irise	4	125	7,744
13	Fuji Jutaku Group	Fuji Palace Senior		220	7,606
14	Half Century More	SunCity		17	7,108
15	Saiseikai Group	(No specific brand)		104	7,102
16	Tokushukai Group	Tokushuen		79	5,886
17	Sawayaka Club	Sawayaka	1	95	5,556
18	VATI	Anshin Home, Furusato Home		150	5,553
19	Seirei Social Welfare Community	Eden no sono, Aikoen		34	5,065
20	Charm Care Corporation	Charm, Charm Suite, Charm Premier		72	4,957
23	Solasto Group	Solasto, Nagoyaka, Gracemate, Ayame, Serabi	1	157	4,589
26	Care 21	Plaisant maison, Plaisant Grand, Tanoshii ie	1	121	4,195
30	TSUKUI	TSUKUI Sunshine, TSUKUI Sunforest	1	84	3,584
38	Excellent Care System	Excellent, Grand Home, Suite	4	63	2,817
56	Resorttrust Group	Trust Garden, Felio	1	17	2,138
70	Tsushima Health care & Welfare Group	NOTE	1	27	1,780
204	Community Net	Yuimaru	1	14	772

Source: Shukan Koreisha Jutaku Shimbun ("Weekly Senior Housing Newspaper"), August 3 and 10, 2022 (Issue 681)

Note1: As of end of July 2022.

Note2: The number of facilities and capacities are based on information in Shukan Koreisha Jutaku Shimbun, August 3 and 10, 2022 (Issue 681). For corporate groups, the number of facilities and number of rooms are for all senior care facilities, such as private senior homes, serviced senior housings and special nursing homes for the elderly, of affiliated companies .

Status of Lease Agreements (Healthcare Facilities)

No.	Name	Operator ^(1,2)	Facility Type	Remaining Term ⁽³⁾ (yrs)	Revision Period	Date of Next Revision
H-1	Irise Kamata/Yuseien	HITOWA Care Service Co., Ltd.	Nursing Care	19.9	Each 5 years	2027/7/1
H-2	Nichii Home Nakano Minamidai	Nichii Carepalace Company	Nursing Care	4.6	Each 3 years	2025/4/1
H-3	Joy Stage Hachioji	NM LIFE Co., Ltd.	Nursing Care	13.5	Not allowed ⁽⁴⁾	-
H-4	Yuimaru Hijirigaoka	Community Net Inc.	Residential	42.3	Not allowed ⁽⁵⁾	-
H-5	Nichii Home Tama Plaza	Nichii Carepalace Company	Nursing Care	10.0	Each 3 years	2027/9/1
H-6	Ten	NOTE Social Welfare Corporation	Nursing Care	15.5	Not allowed ⁽⁵⁾	-
H-7	Irise Nishioka	HITOWA Care Service Co., Ltd.	Residential	21.8	Not allowed ⁽⁴⁾	-
H-8	Izarie Eniwa Building ⁽⁶⁾	HITOWA Care Service Co., Ltd.	Nursing Care	22.6	Not allowed ⁽⁴⁾	-
H-9	Sawayaka Sakura Nibankan	Sawayaka Club Co., Ltd.	Nursing Care	10.6	Not allowed ⁽⁴⁾	-
H-10	Active Biwa	HIMEDIC Inc.	Nursing Care	5.0	Each 3 years	2024/1/29
H-11	Sompo Care LAVIERE Kobe Tarumi	Sompo Care Inc.	Nursing Care	7.8	Not allowed ⁽⁷⁾	-
H-12	Rehabili-home Granda Mondo Yakujin	Benesse Style Care Co., Ltd.	Residential	15.0	Not allowed ⁽⁷⁾	-
H-13	Excellent Nishinomiya	Excellent Care System Co., Ltd.	Nursing Care	12.1	Not allowed ⁽⁸⁾	-
H-14	Gran Hills Ogawarako	Silver Town Ltd.	Serviced	7.2	Each 3 years ⁽⁹⁾	2023/11/12
H-15	Excellent Kitano	Excellent Care System Co., Ltd.	Residential	13.0	Not allowed ⁽⁸⁾	-
H-16	Anesis Teradacho	Souseikai Medical Corporation	Nursing and health	13.6	Each 5 years	2026/12/31
H-17	Rococo-riha	Souseikai Medical Corporation	Nursing and health	13.6	Each 5 years	2026/12/31
H-18	Orage Suma	Souseikai Medical Corporation	Nursing and health	13.6	Each 5 years	2026/12/31
H-19	Canadian Hill	Souseikai Medical Corporation	Nursing and health	13.6	Each 5 years	2026/12/31
H-20	Anesis Hyogo	Souseikai Medical Corporation	Nursing and health	13.6	Each 5 years	2026/12/31
H-21	Plaisant Grand Ota tamagawa	Care 21 Corporation	Nursing Care	15.5	Not allowed ⁽⁷⁾	-
H-22	Tsukui Sun-shine Machida (West)	Tsukui Holdings Corporation	Nursing Care	19.6	Each 5 years	2027/4/1
	(East)			21.8	Each 5 years	2025/6/1
H-23	Serabi Ebisu	Solasto Corporation	Nursing Care	5.0	Each 3 years	2025/5/1
H-24	Arute Ishiyagawa	Souseikai Medical Corporation	Nursing Care	26.0	Each 5 years	2027/7/1
H-25	Medical-home Granda Kurakuen	Benesse Style Care Co., Ltd.	Nursing Care	28.3	Not allowed ⁽⁷⁾	-
H-26	Rehabili-home Granda Kobe Kitano	Benesse Style Care Co., Ltd.	Nursing Care	23.6	Not allowed ⁽⁷⁾	-
H-27	Grapes Kawasaki Shimmachi	Sompo Care Inc.	Serviced	15.4	Each 5 years	2025/9/1
H-28	Grapes Fujimino	Sompo Care Inc.	Serviced	15.4	Each 5 years	2025/9/1
H-29	Irise Kobe Rokko	HITOWA Care Service Co., Ltd.	Nursing Care	24.5	Each 10 years	2027/2/1
H-30	Excellent Hanayashiki Garden Hills	Excellent Care System Co., Ltd.	Nursing Care	14.7	Not allowed ⁽⁸⁾	-
H-31	Excellent Takarazuka Garden Hills	Excellent Care System Co., Ltd.	Nursing Care	18.9	Not allowed ⁽⁸⁾	-
Average				15.1		

- Note 1: In the case there are multiple tenants in each facility, status is referred based on lease agreements with operators which are main tenants.
- Note 2: Types of lease agreements are all ordinary lease agreements excluding "Gran Hills Ogawarako" "Arute Ishiyagawa". The type of lease agreement of "Gran Hills Ogawarako" "Arute Ishiyagawa" are a fixed-term lease agreement.
- Note 3: "Remaining Term" is calculated from July 31, 2022 to the termination date of agreements with operators.
- Note 4: As a rule, no revision is allowed in term of agreements. Discussion is allowed about increase in rent by inflation and rising interest rates.
- Note 5: As a rule, no revision is allowed in term of agreements. Discussion is allowed by each three years in the case conditions are highly unreasonable because of the changes of economic climate but if the discussion is failed, tenants are needed to pay current rent.
- Note 6: Contents of lease agreements about "Irise Eniwa" occupying from 4F to 6F of "Izarie Eniwa Building".
- Note 7: As a rule, no revision is allowed in term of agreements. Discussion is allowed in the case conditions are highly unreasonable because of the changes of economic climate.
- Note 8: As a rule, no revision is allowed in term of agreements. Discussion is allowed by each three years in the case conditions are highly unreasonable because of the changes of economic climate and invested by the lessor to add to the real estate (including repair and extra renovation)
- Note 9: Requests of rent reduction aren't allowed except the case that the facility has defects or is unable to be used.

Revision Period









2023		2024		2025		2026	
Jan. (22nd)	Jul. (23rd)	Jan. (24th)	Jul. (25th)	Jan. (26th)	Jul. (27th)	Jan. (28th)	Jul. (29th)

● Gran Hills Ogawarako
● Activa Biwa

● Nichii Home Nakano Minamidai
● Serabi Ebisu
● Tsukui Machida (East)
● Kawasaki Shimmachi
● Fujimino

Unitholder benefit programs

- KDR has implemented a Unitholder Benefit Program with the cooperation of operators of healthcare facilities.
- The following is a summary of the unitholder benefit program for the fiscal year ended July 31, 2022 (21st fiscal period)

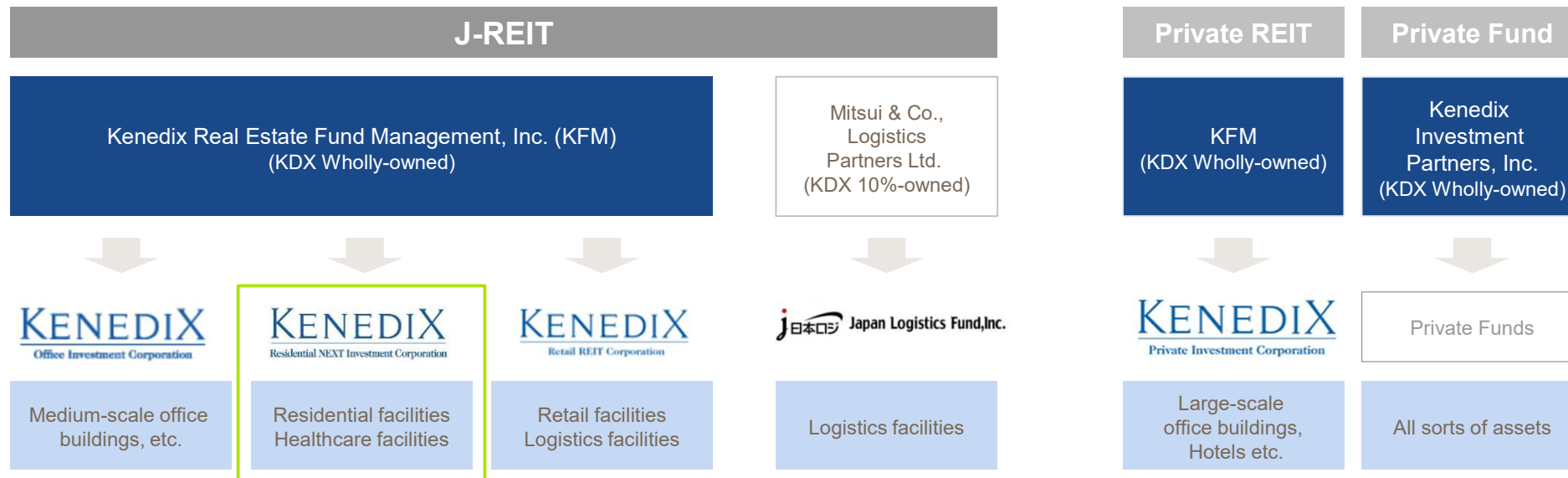
Operator		Benefit Plan
HASEKO SENIOR WELL DESIGN	 長谷工 シニアウェルデザイン	<ul style="list-style-type: none"> • One-day facility site-visit(lunch included) free of charge
SENIOR LIFE COMPANY		<ul style="list-style-type: none"> • ≪Lump sum payment plan≫ Discount for the initial lump sum payment for resident (¥ 300,000 discount) • Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast) • One-day facility site-visit (with lunch) free of charge
Sompo Care Inc.	 SOMPOケア	<ul style="list-style-type: none"> • ≪Lump sum payment plan≫ 3% discount from the initial lump sum payment for resident • ≪Monthly payment Plan≫ 3% discount of the amount equivalent to the rent out of the monthly payments (The rent for one month is free at some facilities)
HITOWA Care Service Co., Ltd.	 イリーゼ	<ul style="list-style-type: none"> • Discount on usage charge for two-month equivalent
Nichii Carepalace Company	 ニチイ	<ul style="list-style-type: none"> • Discount on initial move-in costs • Nichii home: ¥ 100,000, Iris Garden: ¥ 50,000 (tax included)
Sawayaka Club Corporation	 さわやか倶楽部	<ul style="list-style-type: none"> • 10% discount on usage charge for the first monthly payment. • Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast) • One-day facility site-visit(with lunch) free of charge
CARE TWENTYONE CORPORATION	 ケア21	<ul style="list-style-type: none"> • One-day facility site-visit(with lunch) free of charge
Excellent Care System Co., Ltd.	 株式会社 エクセレントケアシステム	<ul style="list-style-type: none"> • One-day facility site-visit(with lunch) free of charge
NM LIFE Co., Ltd.	 終の住処 ジョイステージ八王子 介護付有料老人ホーム 公益社団法人全国有料老人ホーム協会会員	<ul style="list-style-type: none"> • Discount on one-time payment for resident (¥ 200,000 discount) • Trial residence free of charge, up to three times (1-night, 2-day stay, with dinner and breakfast) • Same-day facility site-visit(with lunch) free of charge (within the three times)

Note1: Facilities subject to the Unitholder Benefit Program are private nursing homes that above companies operate (limited to directly operated facilities only for Sompo Care Inc.) as of July 31, 2022. Apartments for the elderly of Senior Life Company and Serviced housing for the elderly of Sompo Care Inc. are also subject to the program.

Note2: The implementation and the contents of the Unitholder Benefit Program are subject to the future changes as determined by the Investment Corporation.

Summary of Kenedix Group

Main Funds Kenedix Group Involves in Operation

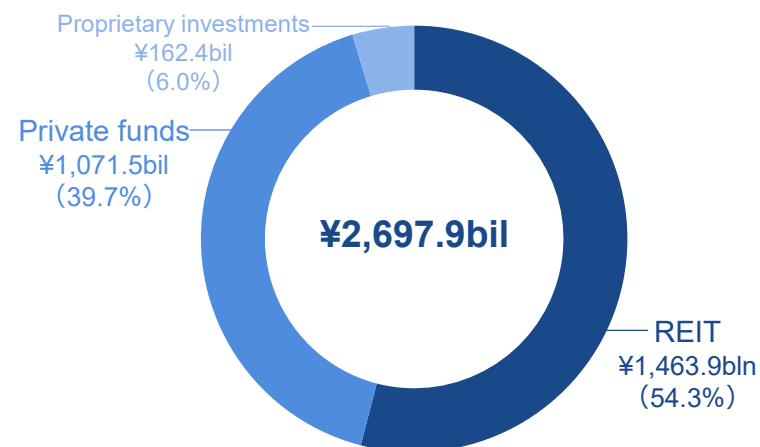


Priority Rights of Consideration for Real Estate Sale Information in Asset Management Company















































Property type	Total floor area per investment property (m ²)	Primary	2nd
Residential	All	KDR	KPI ⁽¹⁾
Healthcare	All	KDR	—
Accommodation	All	KPI ⁽¹⁾	KDR
Childcare facilities	All	KDR	—

Note 1: "KPI" indicates Kenedix Private Investment Corporation.

Breakdown of AUM (as of the end of June 2022)



Support System by Sponsor and Support Companies

		Support for:  Residential facilities			 Healthcare facilities		 Accommodation	
Sponsor	External growth support			Internal growth support		Finance support Financing means for bridge funds, etc. provided	Personnel support or provision of expertise	
	Information provision (1)	Development (2)	Warehousing	Renovations, maintenance	Backup operator (3)			
	  	  	  				  	
 	  		  			  	  	
Support Companies								
								
		  						
								

Note1: "Information provision" means support to provide, to KDR or KFM under certain conditions, information on sales of third parties' real properties, etc. that Sponsor or individual Support Companies obtain on their own or information on sales of real properties that Sponsor, individual Support Companies or their group companies, etc. possess (among other Support Companies, with respect to Sumitomo Mitsui Finance and Leasing Company, Limited and SMFL Mirai Partners, Company, Limited only information on sales of real properties, etc. owned by themselves or their group companies, etc. (including the SPCs). With respect to Shinsei Bank and Mitsubishi UFJ Trust and Banking Corporation, only information on sales of third parties' real properties, etc. that they obtain on their own).

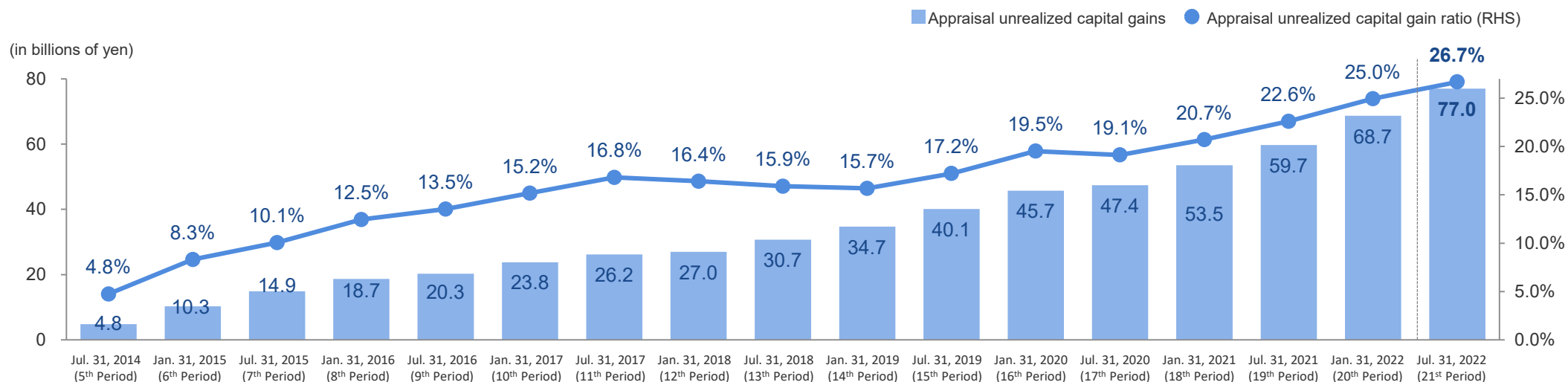
Note2: "Development" means support to provide cooperation to the extent practically reasonable and under practically reasonable conditions when KDR requests support for new development of investable assets or redevelopment of real properties, etc. that KDR possesses or considers to acquire.

Note3: "Backup operator" means support to consider to be backup operators for existing operators who are managing facilities which are located on real properties, etc. that KDR possesses or considers to acquire when KDR requests.

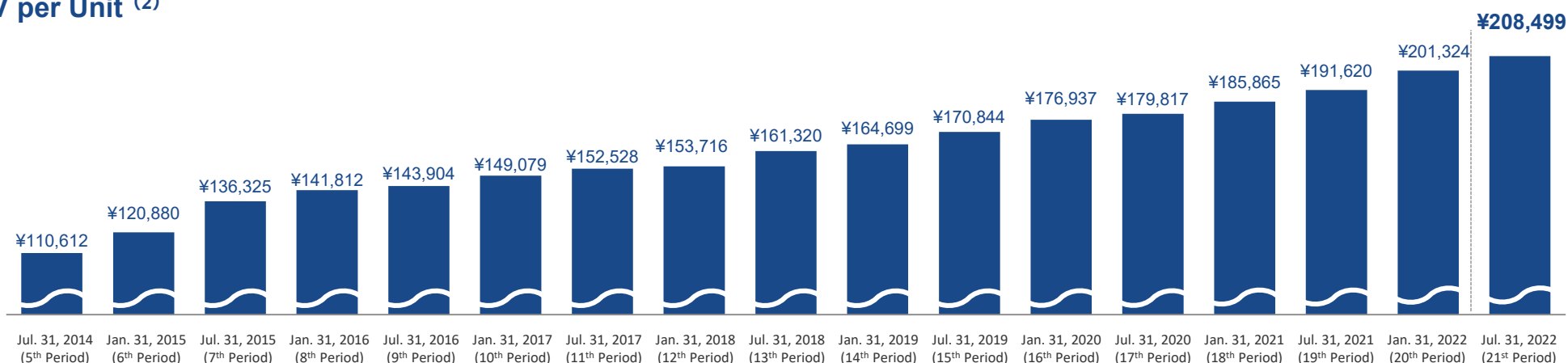
Note4: The chart above shows a summary of support set forth in each support agreement executed by and among Sponsor, Kenedix Investment Partners Inc. (KIP), each of the Support Companies and KDR/KFM or agreeing succession resulting from the merger. Neither the Sponsor nor the individual Support Companies are necessarily contractually obligated to provide the support above, and Sponsor, KIP and the individual Support Companies have not guaranteed or promised to provide the support above.

Appraisal Unrealized Capital Gains and NAV per Unit

Appraisal Unrealized Capital Gains and Appraisal Unrealized Gain Ratio⁽¹⁾



NAV per Unit (2)



Note1: "Appraisal Unrealized Capital Gains" = Total Appraisal Value at the End of the Period – Total Book Value at the End of the Period. "Appraisal Unrealized Capital Gain Ratio" = Total Appraisal Unrealized Capital Gains at the End of the Period / Total Book Value at the End of the Period.

note2: "NAV per unit" has been changed as follows, including for past figures

Calculation method up until the 11th fiscal period: NAV per unit = (end of period total assets - unappropriated retained earnings + end of period appraisal value - property, plant and equipment)/number of outstanding units

Calculation method from the 12th fiscal period: NAV per unit = (end of period total assets - total distribution amount + end of period appraisal value - property, plant and equipment – land leasehold in trust) /number of outstanding units

As the investment units were split in two on March 1, 2018, NAV per unit at the end of January 2018 (end of the 12th fiscal period) and prior periods are prorated by two to reflect the impact of the unit split.

Financial Statements

Balance Sheets

(in thousands of yen)

	20 th fiscal period (as of Jan. 31, 2022)	21 st fiscal period (as of Jul. 31, 2022)
Assets		
Current assets		
Cash and deposits	13,828,613	14,043,415
Cash and deposits in trust	11,153,990	11,460,934
Operating accounts receivable	236,109	57,058
Prepaid expenses	10,310	16,867
Consumption tax receivable, etc.	—	9,475
Other	5,272	8,062
Total current assets	¥25,234,296	¥25,595,814
Noncurrent assets		
Property, plant and equipment		
Land	173,018	173,018
Building in trust	98,586,055	103,318,397
Structures in trust	981,703	1,073,882
Machinery and equipment in trust	1,058,565	1,053,181
Tools, furniture and fixtures in trust	877,913	1,028,358
Land in trust	172,904,875	180,334,732
Total property, plant and equipment, net	¥274,582,133	¥286,981,571
Intangible assets		
Land leasehold in trust	1,113,305	1,851,176
Other	1,681	905
Total intangible assets	¥1,114,987	¥1,852,082
Investments and other assets		
Investment securities	109,688	—
Lease and guarantee deposits	89,381	89,348
Long-term prepaid expenses	1,016,936	940,044
Other	166,099	324,482
Total investments and other assets	¥1,382,104	¥1,353,875
Total noncurrent assets	¥277,079,225	¥290,187,529
Deferred assets		
Investment corporation bond issuance costs	48,069	44,100
Investment unit issuance costs	48,750	59,235
Total deferred assets	¥96,819	¥103,335
Total assets	¥302,410,342	¥315,886,678

(in thousands of yen)

	20 th fiscal period (as of Jan. 31, 2022)	21 st fiscal period (as of Jul. 31, 2022)
Liabilities		
Current liabilities		
Operating accounts payable	655,849	786,274
Short-term loans payable	2,500,000	4,400,000
Current portion of Investment corporation bonds	—	—
Current portion of long-term loans payable	19,750,000	14,050,000
Accounts payable-other	409,744	386,351
Accrued expenses	54,800	59,408
Income taxes payable	605	605
Accrued consumption taxes	31,944	16,126
Advances received	1,263,949	1,387,348
Deposits received	71,603	84,024
Other	6,636	100
Total current liabilities	¥24,745,132	¥21,170,239
Noncurrent liabilities		
Investment corporation bonds	7,700,000	7,700,000
Long-term loans payable	125,870,000	133,470,000
Tenant leasehold and security deposits in trust	3,464,769	3,731,982
Trust tenants lump sum deposits	4,671,456	4,414,784
Asset retirement obligations	68,264	68,451
Other	100,012	73,051
Total noncurrent liabilities	¥141,874,503	¥149,458,269
Total liabilities	¥166,619,636	¥170,628,508
Net Assets		
Unitholders' equity		
Unitholders' capital	116,322,630	125,564,617
Surplus		
Investment surplus	13,187,100	13,187,100
Reserve for temporary difference adjustment	1,880,000	1,860,000
Unappropriated retained earnings (undisposed loss)	4,335,589	4,393,566
Total surplus	¥19,402,689	¥19,440,666
Total unitholders' equity	¥135,725,319	¥145,005,284
Valuation and translation adjustments		
Deferred gains or losses on hedges	65,386	252,885
Total valuation and translation adjustments	¥65,386	¥252,885
Total net assets	¥135,790,706	¥145,258,169
Total liabilities and net assets	¥302,410,342	¥315,886,678

Financial Statements

Statements of Income and Retained Earnings

(in thousands of yen)

	20 th fiscal period from: Aug. 1, 2021 to: Jan. 31, 2022	21 st fiscal period from: Feb. 1, 2022 to: Jul. 31, 2022
Operating revenues		
Rent revenues-real estate	8,434,013	8,790,331
Other lease business revenue	528,925	651,165
Gain on sales of real estate, etc.	180,124	—
Dividend received	—	6,207
Total operating revenues	¥9,143,063	¥9,447,705
Operating expenses		
Expenses related to rent business	3,257,431	3,549,451
Asset management fees	684,755	675,353
Asset custody fees	15,460	15,846
Administrative service fees	51,082	52,332
Directors' compensation	5,400	4,500
Other operating expenses	288,082	299,578
Total operating expenses	¥4,302,212	¥4,597,062
Operating Income	¥4,840,850	¥4,850,642
Non-operating income		
Interest income	42	46
Dividends and redemption-prescription	141	151
Consumption tax refund, etc.	—	—
Interest on tax refund	—	—
Total non-operating income	¥184	¥197
Non-operating expenses		
Interest expenses	533,039	523,531
Interest expenses on Investment corporation bonds	26,994	26,386
Borrowing expenses	134,043	153,526
Investment corporation bond issuance costs	3,968	3,968
Amortization of investment unit issuance costs	23,027	20,728
Total non-operating expenses	¥721,074	¥728,141
Ordinary Income	¥4,119,960	¥4,122,698

(in thousands of yen)

	20 th fiscal period from: Aug. 1, 2021 to: Jan. 31, 2022	21 st fiscal period from: Feb. 1, 2022 to: Jul. 31, 2022
Income before income taxes	¥4,119,960	¥4,122,698
Income taxes-current	605	605
Total income taxes	¥605	¥605
Net Income	¥4,119,355	¥4,122,093
Retained earnings brought forward	216,234	271,473
Unappropriated retained earnings (undisposed loss)	¥4,335,589	¥4,393,566

Distributions

	20 th fiscal period from: Aug. 1, 2021 to: Jan. 31, 2022	21 st fiscal period from: Feb. 1, 2022 to: Jul. 31, 2022
I. Retained earnings at the end of period	4,335,589,580 yen	4,393,566,974 yen
II. Reversal of voluntary retained earnings		
Reversal of reserve for temporary difference adjustments	20,000,000 yen	20,000,000 yen
III. Total distributions	4,084,116,183 yen	4,288,653,558 yen
(Distributions per unit)	(4,101 yen)	(4,101 yen)
IV. Retained earnings brought forward to the next period	271,473,397 yen	124,913,416 yen

Statements of Cash Flows

(in thousands of yen)

	20 th fiscal period from: Aug. 1, 2021 to: Jan. 31, 2022	21 st fiscal period from: Feb. 1, 2022 to: Jul. 31, 2022
Net cash provided by (used in) operating activities	6,135,552	6,084,281
Net cash provided by (used in) investing activities	△13,488,628	△14,488,536
Net cash provided by (used in) financing activities	4,799,806	8,926,001
Net increase (decrease) in Cash and Cash Equivalents	¥△2,553,270	¥521,746
Cash and cash equivalents at the beginning of period	27,535,874	24,982,604
Cash and cash equivalents at the End of Period	¥24,982,604	¥25,504,350

Appraisal Values 1/7

(in millions of yen)

No.	Property Name	Appraiser	Appraisal Value			Cap Rate		Discount Rate		Terminal Cap Rate		Acquisition Price	Difference	Book Value	Difference
			Previous	End of the 21 st Period	Difference	Previous	End of the 21 st Period	Previous	End of the 21 st Period	Previous	End of the 21 st Period				
			a	b	c [b-a]							d	e [b-d]	f	g [b-f]
T-1	KDX Daikanyama Residence	F	7,210	7,450	240	3.4%	3.3%	3.2%	3.1%	3.5%	3.4%	4,700	2,750	4,701	2,748
T-3	KDX Odemma Residence	F	2,600	2,690	90	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	1,775	915	1,662	1,027
T-4	KDX Iwamoto-cho Residence	F	1,160	1,220	60	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	822	398	764	455
T-5	KDX Bunkyo Sengoku Residence	F	2,030	2,120	90	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	1,488	632	1,426	693
T-6	KDX Azumabashi Residence	F	1,100	1,100	-	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	650	450	590	509
T-7	KDX Shimura Sakaue Residence	F	3,940	4,140	200	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	2,830	1,310	2,563	1,576
T-9	Cosmo Heim Motosumiyoshi	F	2,460	2,520	60	4.1%	4.0%	3.9%	3.8%	4.2%	4.1%	2,087	433	2,151	368
T-10	KDX Musashi Nakahara Residence	F	796	767	-29	4.3%	4.2%	4.1%	4.0%	4.4%	4.3%	637	130	645	121
T-11	KDX Chiba Chuo Residence	D	1,870	1,890	20	4.6%	4.6%	4.4%	4.4%	4.8%	4.8%	1,480	410	1,303	586
T-12	KDX Kawaguchi Saiwai-cho Residence	F	1,630	1,790	160	4.1%	4.0%	3.9%	3.8%	4.2%	4.1%	1,150	640	1,166	623
T-13	KDX Residence Shirokane I	F	4,080	4,220	140	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	3,000	1,220	3,063	1,156
T-15	KDX Residence Shirokane II	F	4,050	4,150	100	3.4%	3.3%	3.2%	3.1%	3.5%	3.4%	2,800	1,350	2,848	1,301
T-16	KDX Residence Minami-aoyama	F	2,710	2,710	-	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	2,230	480	2,258	451
T-17	KDX Residence Minami-azabu	F	3,060	3,180	120	3.4%	3.3%	3.2%	3.1%	3.5%	3.4%	2,080	1,100	2,126	1,053
T-18	KDX Residence Shiba Koen	F	2,610	2,680	70	3.4%	3.3%	3.2%	3.1%	3.5%	3.4%	1,781	899	1,795	884
T-19	KDX Residence Azabu East	F	2,320	2,390	70	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	1,560	830	1,566	823
T-20	KDX Residence Takanawa	F	1,250	1,300	50	3.4%	3.3%	3.2%	3.1%	3.5%	3.4%	770	530	783	516
T-21	KDX Residence Nishihara	F	2,110	2,170	60	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	1,450	720	1,485	684
T-22	KDX Residence Daikanyama II	F	1,120	1,280	160	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	730	550	794	485
T-24	KDX Residence Nihombashi Suitengu	D	4,420	4,530	110	3.8%	3.8%	3.8%	3.8%	4.0%	4.0%	3,240	1,290	3,124	1,405
T-25	KDX Residence Nihombashi Hakozaeki	D	1,520	1,520	-	3.8%	3.8%	3.6%	3.6%	4.0%	4.0%	1,147	373	1,124	395
T-26	KDX Residence Higashi-shinjuku	F	4,680	4,820	140	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	3,270	1,550	3,180	1,639
T-27	KDX Residence Yotsuya	F	3,350	3,480	130	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	2,260	1,220	2,295	1,184
T-28	KDX Residence Nishi-shinjuku	F	1,570	1,630	60	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	1,000	630	1,008	621
T-29	KDX Residence Kagurazaka	F	1,060	1,100	40	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	720	380	697	402
T-30	KDX Residence Futako Tamagawa	F	1,680	1,730	50	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	1,250	480	1,268	461
T-31	KDX Residence Komazawa Koen	F	1,290	1,330	40	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	920	410	888	441
T-32	KDX Residence Misyuku	F	1,080	1,120	40	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	760	360	784	335
T-33	KDX Residence Yoga	F	999	1,020	21	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	700	320	715	304

Tokyo Metropolitan Area

Appraisal Values 2/7

(in millions of yen)

No.	Property Name	Appraiser	Appraisal Value			Cap Rate		Discount Rate		Terminal Cap Rate		Acquisition Price	Difference	Book Value	Difference
			Previous	End of the 21 st Period	Difference	Previous	End of the 21 st Period	Previous	End of the 21 st Period	Previous	End of the 21 st Period				
			a	b	c [b-a]							d	e [b-d]	f	g [b-f]
T-34	KDX Residence Shimouma	F	860	883	23	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	600	283	625	257
T-35	Raffine Minami-magome	F	1,530	1,560	30	4.5%	4.4%	4.3%	4.2%	4.6%	4.5%	1,250	310	1,230	329
T-36	KDX Residence Yukigaya Otsuka	F	1,460	1,510	50	3.8%	3.7%	3.6%	3.5%	3.9%	3.8%	1,050	460	1,038	471
T-37	KDX Residence Denen Chofu	D	1,380	1,380	-	4.1%	4.1%	3.9%	3.9%	4.3%	4.3%	1,000	380	1,056	323
T-38	KDX Residence Tamagawa	F	1,060	1,070	10	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	776	294	706	363
T-39	KDX Residence Monzennakacho	F	1,100	1,130	30	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	773	357	775	354
T-40	KDX Residence Okachimachi	F	1,200	1,240	40	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	850	390	853	386
T-41	KDX Residence Moto-asakusa	F	1,120	1,150	30	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	800	350	795	354
T-42	KDX Residence Itabashi Honcho	F	877	899	22	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	620	279	576	322
T-43	KDX Residence Azusawa	F	729	751	22	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	550	201	536	214
T-45	KDX Residence Yokohama Kannai	F	1,100	1,120	20	4.1%	4.0%	3.9%	3.8%	4.2%	4.1%	800	320	753	366
T-46	KDX Residence Miyamaedaira	F	1,250	1,290	40	4.0%	3.9%	3.8%	3.7%	4.1%	4.0%	999	291	988	301
T-47	KDX Residence Machida	F	2,350	2,400	50	3.8%	3.7%	3.6%	3.5%	3.9%	3.8%	1,800	600	1,706	693
T-48	KDX Residence Kinshicho	F	1,930	2,010	80	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	1,350	660	1,328	681
T-49	KDX Residence Nihombashi Hamacho	F	1,480	1,520	40	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	996	524	1,024	495
T-50	KDX Residence Nihombashi Ningyocho	F	757	777	20	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	530	247	556	220
T-51	KDX Residence Jiyugaoka	F	1,790	1,840	50	3.4%	3.3%	3.2%	3.1%	3.5%	3.4%	1,268	572	1,315	524
T-52	KDX Residence Togoshi	F	5,290	5,430	140	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	3,745	1,685	3,666	1,763
T-53	KDX Residence Shinagawa Seaside	F	3,560	3,620	60	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	2,593	1,027	2,584	1,035
T-54	KDX Residence Ojima	F	2,720	2,780	60	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	1,857	923	1,770	1,009
T-55	KDX Residence Oyama	F	3,660	3,760	100	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	2,679	1,081	2,550	1,209
T-56	KDX Residence Hanzomon	F	6,340	6,560	220	3.6%	3.5%	3.3%	3.2%	3.7%	3.6%	4,832	1,728	4,914	1,645
T-57	KDX Residence Akihabara II ⁽²⁾	F	1,200	1,260	60	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	850	410	890	369
T-58	KDX Residence Kagurazaka Dori	F	2,390	2,510	120	3.3%	3.2%	3.1%	3.0%	3.4%	3.3%	1,360	1,150	1,362	1,147
T-59	KDX Residence Sendagi	F	2,700	2,820	120	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	2,200	620	2,317	502
T-60	KDX Residence Seijo	F	1,760	1,800	40	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	1,400	400	1,442	357
T-61	KDX Residence Akihabara	F	1,750	1,810	60	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	1,250	560	1,221	588
T-62	KDX Residence Iriya	F	1,530	1,590	60	3.8%	3.7%	3.6%	3.5%	3.9%	3.8%	1,062	528	1,034	555

Tokyo Metropolitan Area

Appraisal Values 3/7

(in millions of yen)

No.	Property Name	Appraiser	Appraisal Value			Cap Rate		Discount Rate		Terminal Cap Rate		Acquisition Price	Difference	Book Value	Difference
			Previous	End of the 21 st Period	Difference	Previous	End of the 21 st Period	Previous	End of the 21 st Period	Previous	End of the 21 st Period				
			a	b	c [b-a]							d	e [b-d]	f	g [b-f]
T-63	KDX Residence Tachikawa	F	3,980	4,090	110	3.8%	3.7%	3.6%	3.5%	3.9%	3.8%	3,026	1,063	2,955	1,134
T-64	KDX Residence Tsurumi	F	1,640	1,720	80	4.4%	4.3%	4.2%	4.1%	4.5%	4.4%	1,050	670	1,138	581
T-65	KDX Residence Morishita Chitose	M	1,470	1,470	-	3.7%	3.7%	3.5%	3.5%	3.9%	3.9%	1,100	370	1,079	390
T-66	KDX Residence Akasaka	F	2,130	2,210	80	3.2%	3.1%	3.0%	2.9%	3.3%	3.2%	1,150	1,060	1,167	1,042
T-67	KDX Residence Kanda	F	1,260	1,280	20	3.4%	3.3%	3.2%	3.1%	3.5%	3.4%	700	580	700	579
T-68	KDX Residence Ebisu	F	4,980	5,150	170	3.2%	3.1%	3.0%	2.9%	3.3%	3.2%	2,845	2,305	2,873	2,276
T-69	KDX Residence Nishi-magome	F	1,390	1,400	10	3.6%	3.5%	3.4%	3.3%	3.7%	3.6%	1,130	270	1,141	258
T-70	KDX Residence Nishi-azabu	F	1,870	1,910	40	3.3%	3.2%	3.1%	3.0%	3.4%	3.3%	1,224	686	1,225	684
T-71	KDX Residence Azabu Sendaizaka	F	1,230	1,270	40	3.3%	3.2%	3.1%	3.0%	3.4%	3.3%	792	477	795	474
T-72	KDX Residence Waseda Tsurumaki	F	888	907	19	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	561	346	549	357
T-73	KDX Residence Bunkyo Yushima	F	1,020	1,050	30	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	695	355	687	362
T-74	KDX Residence Kamishakujii	F	888	911	23	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	648	263	645	265
T-75	KDX Residence Shin-otsuka	F	1,190	1,190	-	3.8%	3.8%	3.6%	3.6%	3.9%	3.9%	764	426	754	435
T-76	KDX Residence Sakurajosui	F	1,270	1,290	20	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	894	396	882	407
T-77	KDX Residence Ryogoku	F	1,310	1,350	40	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	842	508	828	521
T-78	KDX Residence Toyosu	T	7,910	7,920	10	3.7%	3.6%	3.9%	3.8%	3.9%	3.8%	7,500	420	7,565	354
T-79	KDX Residence Asagaya	F	2,400	2,460	60	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	1,930	530	1,963	496
T-80	KDX Residence Hiyoshi	F	2,880	3,070	190	4.1%	3.9%	3.9%	3.7%	4.2%	4.0%	2,635	434	2,668	401
T-81	KDX Residence Kamikitazawa	F	1,540	1,580	40	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	1,360	220	1,393	186
T-82	KDX Residence Kaminoge	F	1,350	1,390	40	3.5%	3.4%	3.3%	3.2%	3.6%	3.5%	1,111	279	1,124	265
T-83	KDX Residence Higashi-Asakusa	F	790	811	21	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	687	123	701	109
T-84	KDX Residence Nishi-Funabashi	F	1,100	1,120	20	4.2%	4.1%	4.0%	3.9%	4.3%	4.2%	975	144	1,005	114
T-85	KDX Residence Hatagaya	F	2,840	2,870	30	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	2,500	370	2,619	250
T-86	KDX Residence Asagaya II	F	1,040	1,060	20	3.8%	3.7%	3.6%	3.5%	3.9%	3.8%	939	120	972	87
T-87	KDX Residence Gakugeidaigaku	T	829	830	1	3.7%	3.6%	3.8%	3.7%	3.9%	3.8%	750	80	775	54
T-88	KDX Residence Kamata-minami	F	2,260	2,320	60	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	1,918	401	1,955	364
T-89	KDX Residence Kichijoji	T	650	650	-	4.0%	3.9%	4.1%	4.0%	4.2%	4.1%	621	29	650	-
T-90	KDX Residence Mitaka	F	3,040	3,130	90	3.8%	3.7%	3.6%	3.5%	3.9%	3.8%	2,530	600	2,671	458
T-91	KDX Residence Nakanobu	T	910	914	4	3.8%	3.7%	3.9%	3.8%	4.0%	3.9%	830	84	846	67

Note 1: Regarding Appraisers, "F" means Japan Real Estate Institute, "D" means Daiwa Real Estate Appraisal co., Ltd., "M" means JLL Morii Valuation & Advisory K.K. and "T" means The Tanizawa Sogo Appraisal Co., Ltd. Appraisal values are rounded down to the nearest ¥min. Contents of the real estate appraisal are opinions and judgements at the time of evaluation(Previous; July 31, 2021, 20th Period; January 31, 2022), and do not guarantee the validity, accuracy and the possibility of sales at appraisal values. Subtotal and Total of "Cap Rate", "Discount Rate" and "Terminal Cap Rate" are calculated by the weighted average by the appraisal value. For properties for which multiple discount rates are set per fiscal period, the value for the first fiscal period in which a discount rate was applied is shown above.

Appraisal Values 4/7

(in millions of yen)

	No.	Property Name	Appraiser	Appraisal Value			Cap Rate		Discount Rate		Terminal Cap Rate		Acquisition Price	Difference	Book Value	Difference
				Previous	End of the 21 st Period	Difference	Previous	End of the 21 st Period	Previous	End of the 21 st Period	Previous	End of the 21 st Period				
				a	b	c [b-a]						d	e [b-d]	f	g [b-f]	
Tokyo Metropolitan Area	T-92	KDX Residence Ichikawa	D	916	916	-	3.9%	3.9%	3.7%	3.7%	4.1%	4.1%	840	76	874	41
	T-93	KDX Residence Hatchobori	T	3,590	3,650	60	3.6%	3.5%	3.7%	3.6%	3.8%	3.7%	3,000	650	3,202	447
	T-94	KDX Residence Nakaitabashi	F	1,930	1,940	10	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	1,736	203	1,848	91
	T-95	KDX Residence Shonandai	D	1,640	1,650	10	4.2%	4.2%	4.0%	4.0%	4.4%	4.4%	1,500	150	1,551	98
	T-96	KDX Residence Ikebukuro West	D	2,570	2,570	-	3.6%	3.6%	3.4%	3.4%	3.8%	3.8%	2,237	332	2,339	230
	T-97	KDX Residence Tennocho	D	936	915	-21	3.9%	3.9%	3.7%	3.7%	4.1%	4.1%	843	71	902	12
	T-98	KDX Residence Kawasaki	D	1,020	1,030	10	3.9%	3.9%	3.5%	3.5%	4.1%	4.1%	910	120	946	83
	T-99	KDX Residence Kamata-minami II	F	883	887	4	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	780	107	809	77
	T-100	KDX Residence Kamishakujii II	T	3,340	3,380	40	3.9%	3.8%	4.0%	3.9%	4.1%	4.0%	3,087	292	3,214	165
	T-101	Hulic Residence Tsudanuma	D	1,320	1,320	-	4.4%	4.4%	4.1%	4.1%	4.5%	4.5%	1,150	170	1,211	108
	T-102	KDX Residence Yokohama Momijizaka	F	5,350	5,410	60	3.8%	3.7%	3.6%	3.5%	3.9%	3.8%	5,000	410	5,189	220
	T-103	KDX Residence Umejima	F	-	2,780	-	-	3.7%	-	3.5%	-	3.8%	2,373	407	2,484	295
	T-104	KDX Residence Mizonokuchi	F	-	3,010	-	-	3.9%	-	3.7%	-	4.1%	2,781	229	2,949	60
	T-105	KDX Residence Hachioji Otsuka	D	-	1,590	-	-	4.2%	-	4.0%	-	4.4%	1,490	100	1,616	-26
T-106	KDX Residence Tsudanuma II	D	-	966	-	-	4.2%	-	4.0%	-	4.4%	920	46	957	8	
	Subtotal / Average			204,178	217,854	13,676	3.7%	3.6%	3.5%	3.4%	3.8%	3.7%	161,485	56,368	162,846	55,007
Other Regional Areas	R-2	KDX Jozenji Dori Residence	D	1,390	1,390	-	4.8%	4.8%	4.6%	4.6%	5.0%	5.0%	1,015	375	879	510
	R-3	KDX Izumi Residence	F	1,530	1,590	60	4.1%	4.0%	3.9%	3.8%	4.2%	4.1%	1,120	470	1,003	586
	R-4	KDX Chihaya Residence	F	1,520	1,610	90	4.2%	4.1%	4.0%	3.9%	4.3%	4.2%	1,080	530	947	662
	R-5	KDX Sakaisuji Hommachi Residence	F	3,940	3,980	40	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	2,910	1,070	2,593	1,386
	R-7	KDX Takarazuka Residence	F	2,140	2,110	-30	4.0%	3.9%	3.8%	3.7%	4.1%	4.0%	1,510	600	1,268	841
	R-8	KDX Shimizu Residence	F	2,220	2,270	50	4.2%	4.1%	4.0%	3.9%	4.3%	4.2%	1,680	590	1,482	787
	R-9	KDX Residence Odori Koen	F	1,080	1,110	30	4.4%	4.3%	4.2%	4.1%	4.5%	4.4%	765	345	745	364
	R-10	KDX Residence Kikusui Yojo	F	1,120	1,140	20	4.6%	4.5%	4.4%	4.3%	4.7%	4.6%	830	310	835	304
	R-11	KDX Residence Toyohira Koen	F	621	632	11	4.7%	4.6%	4.5%	4.4%	4.8%	4.7%	445	187	451	180
	R-13	KDX Residence Ichiban-cho	D	739	739	-	4.8%	4.8%	4.6%	4.6%	5.0%	5.0%	530	209	476	262
R-16	KDX Residence Higashi-sakura I	F	2,630	2,640	10	4.1%	4.0%	3.9%	3.8%	4.2%	4.1%	2,350	290	2,165	474	
R-17	KDX Residence Higashi-sakura II	F	1,100	1,110	10	4.1%	4.0%	3.9%	3.8%	4.2%	4.1%	900	210	833	276	
R-18	KDX Residence Jingumae	F	1,090	1,090	-	4.4%	4.3%	4.2%	4.1%	4.5%	4.4%	840	250	768	321	

Appraisal Values 5/7

(in millions of yen)

No.	Property Name	Appraiser	Appraisal Value			Cap Rate		Discount Rate		Terminal Cap Rate		Acquisition Price	Difference	Book Value	Difference
			Previous	End of the 21 st Period	Difference	Previous	End of the 21 st Period	Previous	End of the 21 st Period	Previous	End of the 21 st Period				
			a	b	c [b-a]							d	e [b-d]	f	g [b-f]
R-19	KDX Residence Nishi-oji	D	960	958	-2	4.5%	4.5%	4.3%	4.3%	4.7%	4.7%	813	145	747	210
R-20	KDX Residence Saiin	D	533	533	-	4.5%	4.5%	4.3%	4.3%	4.7%	4.7%	440	93	399	133
R-21	KDX Residence Namba	F	1,820	1,860	40	4.2%	4.1%	4.0%	3.9%	4.3%	4.2%	1,410	450	1,314	545
R-22	KDX Residence Namba-minami	F	1,750	1,750	-	4.2%	4.2%	4.0%	4.0%	4.3%	4.3%	1,350	400	1,220	529
R-24	KDX Residence Ibaraki I・II	F	1,527	1,557	30	4.5%	4.4%	4.3%	4.2%	4.6%	4.5%	1,275	282	1,284	272
R-25	KDX Residence Toyonaka-minami	F	992	1,030	38	4.4%	4.3%	4.2%	4.1%	4.5%	4.4%	740	290	640	389
R-26	KDX Residence Moriguchi	F	718	746	28	4.3%	4.2%	4.1%	4.0%	4.4%	4.3%	551	195	487	258
R-27	KDX Residence Sannomiya	F	1,320	1,350	30	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	1,080	270	1,032	317
R-28	Ashiya Royal Homes	F	2,010	2,090	80	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	1,360	730	1,602	487
R-29	KDX Residence Funairi Saiwai-cho	F	779	794	15	5.0%	4.9%	4.8%	4.7%	5.1%	5.0%	588	206	523	270
R-30	KDX Residence Tenjin-higashi II	F	1,000	1,030	30	4.2%	4.1%	4.0%	3.9%	4.3%	4.2%	680	350	625	404
R-32	KDX Residence Nishi Koen	F	980	1,010	30	4.2%	4.1%	4.0%	3.9%	4.3%	4.2%	763	247	698	311
R-33	KDX Residence Hirao Josui-machi	F	1,010	1,040	30	4.0%	3.9%	3.8%	3.7%	4.1%	4.0%	760	280	724	315
R-35	Leopalace Flat Shin-sakae	M	4,630	4,630	-	4.1%	4.1%	4.0%	4.0%	4.3%	4.3%	3,500	1,130	3,320	1,309
R-36	KDX Residence Konan Yamate	F	1,240	1,270	30	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	973	297	941	328
R-37	KDX Residence Hommachibashi	F	3,910	3,990	80	3.9%	3.8%	3.7%	3.6%	4.0%	3.9%	3,201	789	3,053	936
R-38	KDX Residence Minami-kusatsu	D	2,550	2,560	10	5.2%	5.2%	5.0%	5.0%	5.4%	5.4%	1,974	585	1,904	655
R-39	KDX Residence Ohori Harbor View Tower	D	5,220	5,220	-	4.4%	4.4%	4.2%	4.2%	4.6%	4.6%	4,606	613	4,316	903
R-40	KDX Residence Minami-sanjo	F	1,820	1,870	50	4.4%	4.3%	4.2%	4.1%	4.5%	4.4%	915	955	858	1,011
R-41	Serenite Kita-kyuhoji	M	1,720	1,720	-	3.8%	3.8%	3.6%	3.6%	4.0%	4.0%	1,290	429	1,218	501
R-42	Serenite Nishinomiya Hommachi	T	750	764	14	4.5%	4.4%	4.6%	4.5%	4.7%	4.6%	617	146	615	148
R-43	KDX Residence Nishijin	T	1,810	1,820	10	4.3%	4.3%	4.4%	4.4%	4.5%	4.5%	1,600	220	1,718	101
R-44	Serenite Kobe Motomachi	T	2,680	2,740	60	4.3%	4.2%	4.4%	4.3%	4.5%	4.4%	2,390	350	2,404	335
R-45	KDX Residence Shukugawa Hills	D	7,430	7,440	10	4.2%	4.2%	4.0%	4.0%	4.4%	4.4%	6,884	555	7,234	205
R-46	KDX Residence Sendai Station East	F	1,490	1,510	20	4.3%	4.2%	4.1%	4.0%	4.4%	4.3%	1,340	170	1,387	122
R-47	Serenite Kosihen Plie	T	-	840	-	-	4.4%	-	4.5%	-	4.6%	770	70	825	14
Subtotal / Average			71,769	73,533	1,764	4.2%	4.2%	4.1%	4.0%	4.4%	4.3%	57,847	15,685	55,553	17,979
Residential Properties total / Average			275,947	291,387	15,440	3.8%	3.7%	3.6%	3.6%	3.9%	3.9%	219,333	72,053	218,400	72,986

Other Regional Areas

Appraisal Values 6/7

(in millions of yen)															
No.	Property Name	Appraiser	Appraisal Value			Cap Rate		Discount Rate		Terminal Cap Rate		Acquisition Price	Difference	Book Value	Difference
			Previous	End of the 21 st Period	Difference	Previous	End of the 21 st Period	Previous	End of the 21 st Period	Previous	End of the 21 st Period				
			a	b	c [b-a]							d	e [b-d]	f	g [b-f]
H-1	Irise Kamata/Yuseien	D	1,050	1,070	20	4.6%	4.5%	4.4%	4.3%	4.8%	4.7%	1,120	-50	1,061	8
H-2	Nichii Home Nakano-Minamidai	D	1,970	2,020	50	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	1,780	240	1,754	265
H-3	Joy Stage Hachioji	T	3,890	3,960	70	5.2%	5.1%	5.1%	5.0%	5.4%	5.3%	3,690	270	3,769	190
H-4	Yuimaru Hijirigaoka	F	1,140	1,170	30	4.8%	4.7%	4.6%	4.5%	5.0%	4.8%	1,120	50	1,041	128
H-5	Nichii Home Tama Plaza	D	3,050	3,050	-	5.0%	5.0%	4.8%	4.8%	5.2%	5.2%	2,940	110	2,719	330
H-6	Ten	T	2,660	2,660	-	6.0%	6.0%	6.1%	6.1%	6.2%	6.2%	2,630	30	2,497	162
H-7	Irise Nishioka	F	838	860	22	5.2%	5.1%	5.0%	4.9%	5.4%	5.2%	858	2	780	79
H-8	Izarie Eniwa Building	F	1,760	1,770	10	5.6%	5.5%	5.4%	5.3%	5.8%	5.6%	1,660	110	1,501	268
H-9	Sawayaka Sakura Nibankan	D	990	991	1	5.5%	5.5%	5.3%	5.3%	5.7%	5.7%	989	2	886	104
H-10	Activa Biwa	T	6,480	6,490	10	5.7%	5.7%	5.8%	5.8%	5.9%	5.9%	6,560	-70	6,296	193
H-11	Sompo Care LAVIERE Kobe Tarumi	T	2,110	2,150	40	4.9%	4.8%	4.9%	4.8%	5.1%	5.0%	2,110	40	2,017	132
H-12	Rihabili-home Granda Mondo Yakujin	F	1,300	1,340	40	4.5%	4.4%	4.2%	4.1%	4.7%	4.5%	1,253	87	1,168	171
H-13	Excellent Nishinomiya	T	917	935	18	5.0%	4.9%	5.0%	4.9%	5.2%	5.1%	971	-36	892	42
H-14	Gran Hills Ogawarako	T	1,340	1,340	-	7.2%	7.2%	7.1%	7.1%	7.4%	7.4%	1,380	-40	1,226	113
H-15	Excellent Kitano	T	782	800	18	4.7%	4.6%	4.7%	4.6%	4.9%	4.8%	737	63	738	61
H-16	Anesis Teradacho	D	3,640	3,640	-	5.0%	5.0%	4.7%	4.7%	5.2%	5.2%	3,490	150	3,371	268
H-17	Rococo-riha	D	2,170	2,170	-	5.1%	5.1%	4.8%	4.8%	5.3%	5.3%	2,100	70	1,997	172
H-18	Orange Suma	T	2,810	2,810	-	5.2%	5.2%	5.0%	5.0%	5.4%	5.4%	2,810	-	2,688	121
H-19	Canadian Hill	T	1,870	1,870	-	4.7%	4.7%	4.6%	4.6%	4.9%	4.9%	1,830	40	1,818	51
H-20	Anesis Hyogo	T	1,430	1,430	-	4.8%	4.8%	4.7%	4.7%	5.0%	5.0%	1,420	10	1,368	61
H-21	Plaisant Grand Ota tamagawa	F	3,280	3,400	120	3.9%	3.8%	3.7%	3.6%	4.1%	3.9%	3,057	342	3,181	218
H-22	Tsukui Sun-shine Machida	F	7,260	7,490	230	4.2%	4.1%	4.0%	3.9%	4.4%	4.2%	6,934	555	6,965	524
H-23	Serabi Ebisu	J	1,700	1,700	-	4.0%	4.0%	3.8%	3.8%	4.2%	4.2%	1,690	10	1,710	-10
H-24	Arute Ishiyagawa	T	1,360	1,360	-	5.4%	5.4%	5.1%	5.1%	5.2%	5.2%	1,061	299	1,083	276
H-25	Medical-home Granga Kurakuen	T	2,820	2,820	-	4.6%	4.5%	4.6%	4.5%	4.8%	4.7%	2,709	110	2,815	4
H-26	Rihabili-home Granda Kobe Kitano	F	1,880	1,940	60	4.4%	4.3%	4.2%	4.1%	4.6%	4.4%	1,720	220	1,785	154
H-27	Grapes Kawasaki Shimmachi	D	1,520	1,520	-	4.0%	4.0%	3.8%	3.8%	4.2%	4.2%	1,470	50	1,532	-12
H-28	Grapes Fujimino	D	1,550	1,550	-	4.2%	4.2%	4.0%	4.0%	4.4%	4.4%	1,520	30	1,590	-40
H-29	Irise Kobe Rokko	T	-	1,350	-	-	4.6%	-	4.5%	-	4.8%	1,200	150	1,261	88
H-30	Excellent Hanayashiki Garden Hills	T	-	1,400	-	-	4.6%	-	4.6%	-	4.8%	1,287	113	1,373	26
H-31	Excellent Takarazuka Garden Hills	T	-	2,490	-	-	4.5%	-	4.5%	-	4.7%	2,340	150	2,477	12
Subtotal / Average			63,567	69,546	5,979	4.9%	4.8%	4.8%	4.7%	5.1%	5.0%	66,437	3,108	65,374	4,171

Healthcare Facilities

Appraisal Values 7/7

(in millions of yen)																
No.	Property Name	Appraiser	Appraisal Value			Cap Rate		Discount Rate		Terminal Cap Rate		Acquisition Price	Difference	Book Value	Difference	
			Previous	End of the 21 st Period	Difference	Previous	End of the 21 st Period	Previous	End of the 21 st Period	Previous	End of the 21 st Period					
			a	b	c [b-a]							d	e [b-d]	f	g [b-f]	
Accommodation	A-1	HOTEL LiVEMAX Tokyo-Otsuka-Ekimae	T	2,370	2,370	-	4.1%	4.1%	4.0%	4.0%	4.3%	4.3%	2,390	-20	2,436	-66
	A-2	HOTEL LiVEMAX Yokohamaeki-Nishiguchi	T	2,600	2,600	-	4.1%	4.1%	4.0%	4.0%	4.3%	4.3%	2,570	30	2,621	-21
	Subtotal / Average				4,970	4,970	-	4.1%	4.1%	4.0%	4.0%	4.3%	4.3%	4,960	10	5,058
Grand total				344,484	365,903	21,419							290,730	75,172	288,832	77,070

Note 1: Regarding Appraisers, “F” means Japan Real Estate Institute, “D” means Daiwa Real Estate Appraisal co., Ltd., “M” means JLL Morii Valuation & Advisory K.K. and “T” means The Tanizawa Sogo Appraisal Co., Ltd. Appraisal values are rounded down to the nearest ¥mln. Contents of the real estate appraisal are opinions and judgements at the time of evaluation(Previous; January 31, 2022, 21st Period; July 31, 2022), and do not guarantee the validity, accuracy and the possibility of sales at appraisal values. Subtotal and Total of “Cap Rate”, “Discount Rate” and “Terminal Cap Rate” are calculated by the weighted average by the appraisal value. For properties for which multiple discount rates are set per fiscal period, the value for the first fiscal period in which a discount rate was applied is shown above.

Note 2: The property name of T-57 was changed from B-site Akihabara to KDX Residence Akihabara II as of February 5, 2022. The same shall apply hereafter.

Summary of Portfolio Performance

Trends in Portfolio Performance

	16 th fiscal period (as of Jan. 31, 2020)	17 th fiscal period (as of Jul. 31, 2020)	18 th fiscal period (as of Jan. 31, 2021)	19 th fiscal period (as of Jul. 31, 2021)	20 th fiscal period (as of Jan. 31, 2022)	21 st fiscal period (as of Jan. 31, 2022)
Number of Properties	144 props	151 props	157 props	161 props	165 props	173 props
Properties Acquired during the period	2 props	8 props	6 props ⁽³⁾	5 props	5 props	8 props
Properties Transferred during the period	1 prop	1 prop	0 prop	1 prop	1 Prop	0 Prop
Total Acquisition Price	234,766 million	248,905 million	259,449 million	265,762 million	277,569 million	290,730 million
Total Book Value	234,307 million	248,229 million	258,384 million	264,204 million	275,695 million	288,832 million
Total Appraisal Value	280,059 million	295,688 million	311,926 million	323,918 million	344,484 million	365,903 million
Rentable Units ⁽¹⁾	8,399 units	8,709 units	9,285 units	9,389 units	9,640 units	10,039 units
Rentable Area ⁽¹⁾	335,344.55 m ²	344,419.86 m ²	357,570.50 m ²	360,067.69 m ²	370,396.10 m ²	383,810.01 m ²
Leasing Business Revenues	8,027 million	8,289 million	8,382 million	8,758 million	8,962 million	9,441 million
Leasing Business Expenses (ex. Depreciation)	1,482 million	1,538 million	1,556 million	1,787 million	1,667 million	1,883 million
NOI (Net Operating Income) ⁽²⁾	6,545 million	6,551 million	6,825 million	6,971 million	7,295 million	7,557 million
NOI Cap Rate (per year)	5.5 %	5.5 %	5.4 % ⁽⁴⁾	5.3 % ⁽⁴⁾	5.3 % ⁽⁴⁾	5.3 % ⁽⁴⁾
Capital Expenditure	656 million	515 million	478 million	625 million	639 million	812 million
Depreciation	1,428 million	1,467 million	1,504 million	1,546 million	1,589 million	1,665 million
Depreciation Rate (per acquisition price, year)	1.2 %	1.2 %	1.2 % ⁽⁴⁾	1.2 % ⁽⁴⁾	1.2 % ⁽⁴⁾	1.2 % ⁽⁴⁾
NOI Cap Rate after Depreciation (per year)	4.3 %	4.3 %	4.2 % ⁽⁴⁾	4.2 % ⁽⁴⁾	4.2 % ⁽⁴⁾	4.2 % ⁽⁴⁾

Note 1: "Rentable Units" and "Rentable Area" don't include healthcare facilities.

Note 2: NOI=Operating Revenues – Operating Expenses(ex. Depreciation) (Rounded down to the nearest one decimal places)

Note 3: Cases in which a part of the property was additionally acquired are not included.

Note 4: Properties acquired or sold during each fiscal period are excluded from the calculation.

Portfolio Performance in 1H 2022 1/7

(in thousands of yen)																	
No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units (unit)	Rentable Area (m ²)	Rented Area (m ²)	Occupancy Rate (%)	Operating Days (days)	Leasing Business Revenue a	Leasing Business Expenses b	NOI c [a-b]	Depreciation d	Leasing Business Income e [c-d]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)
T-1	KDX Daikanyama Residence	4,700,000	4,701,692	7,450,000	SF	86	5,338.99	5,200.93	97.4%	181	165,747	27,999	137,748	17,775	119,972	5.9%	5.1%
T-3	KDX Odemma Residence	1,775,000	1,662,983	2,690,000	SF	54	2,353.23	2,222.39	94.4%	181	57,174	15,774	41,399	11,230	30,169	4.7%	3.4%
T-4	KDX Iwamoto-cho Residence	822,000	764,386	1,220,000	SF	36	1,131.24	1,108.68	98.0%	181	27,422	6,259	21,163	5,364	15,798	5.2%	3.9%
T-5	KDX Bunkyo Sengoku Residence	1,488,000	1,426,986	2,120,000	S	77	2,054.10	2,054.10	100.0%	181	52,544	13,706	38,838	6,820	32,018	5.3%	4.3%
T-6	KDX Azumabashi Residence	650,000	590,767	1,100,000	S	41	1,054.83	983.61	93.2%	181	25,688	5,866	19,822	5,122	14,699	6.1%	4.6%
T-7	KDX Shimura Sakaue Residence	2,830,000	2,563,051	4,140,000	F	85	6,117.48	5,842.07	95.5%	181	109,885	23,068	86,816	22,204	64,611	6.2%	4.6%
T-9	Cosmo Heim Motosumiyoshi	2,087,000	2,151,246	2,520,000	S	180	4,538.04	4,256.92	93.8%	181	75,236	24,130	51,106	5,971	45,135	4.9%	4.4%
T-10	KDX Musashi Nakahara Residence	637,000	645,972	767,000	F	35	2,123.46	2,062.98	97.2%	181	26,090	7,766	18,323	3,111	15,211	5.8%	4.8%
T-11	KDX Chiba Chuo Residence	1,480,000	1,303,782	1,890,000	S	106	3,546.91	3,480.11	98.1%	181	65,018	22,584	42,433	17,774	24,658	5.8%	3.4%
T-12	KDX Kawaguchi Saiwai-cho Residence	1,150,000	1,166,454	1,790,000	SF	61	2,491.66	2,361.41	94.8%	181	51,663	11,088	40,575	8,409	32,165	7.1%	5.6%
T-13	KDX Residence Shirokane I	3,000,000	3,063,579	4,220,000	SF	50	3,617.32	3,441.73	95.1%	181	116,967	36,322	80,645	9,464	71,181	5.4%	4.8%
T-15	KDX Residence Shirokane II	2,800,000	2,848,465	4,150,000	S	85	2,889.66	2,866.46	99.2%	181	90,628	24,392	66,236	8,126	58,110	4.8%	4.2%
T-16	KDX Residence Minami-aoyama	2,230,000	2,258,314	2,710,000	SF	20	1,680.79	1,625.21	96.7%	181	52,668	14,234	38,434	3,810	34,623	3.5%	3.1%
T-17	KDX Residence Minami-azabu	2,080,000	2,126,153	3,180,000	SF	62	2,785.42	2,710.72	97.3%	181	75,068	14,340	60,727	8,326	52,401	5.9%	5.1%
T-18	KDX Residence Shiba Koen	1,781,000	1,795,236	2,680,000	SF	64	2,507.52	2,377.12	94.8%	181	64,626	14,092	50,533	6,523	44,009	5.7%	5.0%
T-19	KDX Residence Azabu East	1,560,000	1,566,785	2,390,000	S	76	1,849.00	1,743.94	94.3%	181	58,699	10,908	47,791	4,366	43,424	6.2%	5.6%
T-20	KDX Residence Takanawa	770,000	783,426	1,300,000	SF	27	1,034.27	969.64	93.8%	181	27,529	7,263	20,266	3,309	16,956	5.3%	4.4%
T-21	KDX Residence Nishihara	1,450,000	1,485,395	2,170,000	SF	39	2,310.08	2,253.06	97.5%	181	50,895	10,345	40,550	6,943	33,606	5.6%	4.7%
T-22	KDX Residence Daikanyama II	730,000	794,616	1,280,000	F	17	985.10	985.10	100.0%	181	29,562	8,009	21,552	1,802	19,750	6.0%	5.5%
T-24	KDX Residence Nihombashi Suitengu	3,240,000	3,124,345	4,530,000	F	79	5,534.86	5,534.86	100.0%	181	105,227	13,307	91,920	18,746	73,174	5.7%	4.6%
T-25	KDX Residence Nihombashi Hakozaeki	1,147,000	1,124,874	1,520,000	S	60	1,537.38	1,512.35	98.4%	181	40,297	9,024	31,273	7,163	24,109	5.5%	4.2%
T-26	KDX Residence Higashi-shinjuku	3,270,000	3,180,018	4,820,000	S	179	4,358.43	4,242.88	97.3%	181	113,940	20,298	93,642	12,041	81,600	5.8%	5.0%
T-27	KDX Residence Yotsuya	2,260,000	2,295,617	3,480,000	F	42	3,101.16	2,983.76	96.2%	181	85,074	17,076	67,998	8,641	59,357	6.1%	5.3%
T-28	KDX Residence Nishi-shinjuku	1,000,000	1,008,467	1,630,000	S	54	1,345.92	1,298.89	96.5%	181	36,971	6,030	30,940	4,439	26,501	6.2%	5.3%
T-29	KDX Residence Kagurazaka	720,000	697,354	1,100,000	S	34	890.93	841.21	94.4%	181	23,649	4,736	18,913	3,501	15,411	5.3%	4.3%
T-30	KDX Residence Futako Tamagawa	1,250,000	1,268,869	1,730,000	F	38	2,339.62	2,339.62	100.0%	181	44,258	7,079	37,179	5,097	32,081	6.0%	5.2%
T-31	KDX Residence Komazawa Koen	920,000	888,206	1,330,000	SF	32	1,020.18	959.02	94.0%	181	29,648	5,607	24,041	4,941	19,100	5.3%	4.2%
T-32	KDX Residence Misyuku	760,000	784,191	1,120,000	S	39	1,103.82	1,048.13	95.0%	181	27,052	6,455	20,597	3,706	16,890	5.5%	4.5%
T-33	KDX Residence Yoga	700,000	715,495	1,020,000	S	38	1,012.80	962.16	95.0%	181	26,939	4,929	22,009	3,014	18,995	6.3%	5.5%

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) [footprint of equal or more than 18m² and less than 30m² and more than 20 rentable units per property], Small Family (SF): (intended primarily for households of couples or families with infants) [footprint of equal or more than 30m² and less than 60m² and more than 15 rentable units per property], Family (F): (intended primarily for households of three or more families) [footprint of equal or more than 60m² and more than 5 rentable units per property]

Portfolio Performance in 1H 2022 2/7

(in thousands of yen)																	
No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units	Rentable Area	Rented Area	Occupancy Rate	Operating Days	Leasing Business Revenues	Leasing Business Expenses	NOI	Depreciation	Leasing Business Income	NOI Cap Rate	NOI Cap Rate after Depreciation
						(unit)	(m ²)	(m ²)	(%)	(days)	a	b	c [a-b]	d	e [c-d]	(per year)	(per year)
T-34	KDX Residence Shimouma	600,000	625,115	883,000	S	29	829.05	801.69	96.7%	181	20,463	5,205	15,258	2,756	12,501	5.1%	4.2%
T-35	Raffine Minami-magome	1,250,000	1,230,922	1,560,000	S	56	2,408.56	2,408.56	100.0%	181	41,292	3,690	37,601	2,614	34,986	6.1%	5.6%
T-36	KDX Residence Yukigaya Otsuka	1,050,000	1,038,628	1,510,000	S	72	1,526.98	1,485.18	97.3%	181	38,630	10,031	28,598	5,956	22,642	5.5%	4.3%
T-37	KDX Residence Denen Chofu	1,000,000	1,056,297	1,380,000	F	36	2,359.44	2,359.44	100.0%	181	40,432	6,903	33,528	4,300	29,228	6.8%	5.9%
T-38	KDX Residence Tamagawa	776,000	706,505	1,070,000	S	52	1,170.40	1,106.00	94.5%	181	26,791	9,487	17,303	5,975	11,327	4.5%	2.9%
T-39	KDX Residence Monzennakacho	773,000	775,339	1,130,000	S	49	1,171.41	1,147.11	97.9%	181	27,339	5,490	21,849	4,539	17,310	5.7%	4.5%
T-40	KDX Residence Okachimachi	850,000	853,171	1,240,000	S	51	1,329.79	1,329.79	100.0%	181	30,781	6,375	24,406	4,232	20,173	5.8%	4.8%
T-41	KDX Residence Moto-asakusa	800,000	795,053	1,150,000	SF	44	1,314.91	1,248.58	95.0%	181	30,622	6,830	23,792	4,957	18,835	6.0%	4.7%
T-42	KDX Residence Itabashi Honcho	620,000	576,656	899,000	S	46	1,127.58	972.66	86.3%	181	24,573	7,831	16,742	4,285	12,457	5.4%	4.1%
T-43	KDX Residence Azusawa	550,000	536,721	751,000	S	39	989.82	989.82	100.0%	181	20,760	4,466	16,294	3,496	12,797	6.0%	4.7%
T-45	KDX Residence Yokohama Kannai	800,000	753,294	1,120,000	S	72	1,602.16	1,530.17	95.5%	181	34,711	10,069	24,642	6,179	18,462	6.2%	4.7%
T-46	KDX Residence Miyamaedaira	999,000	988,451	1,290,000	F	40	2,448.27	2,387.85	97.5%	181	37,507	9,324	28,183	5,291	22,891	5.7%	4.6%
T-47	KDX Residence Machida	1,800,000	1,706,223	2,400,000	F	52	3,832.53	3,556.84	92.8%	181	65,792	13,416	52,376	16,029	36,347	5.9%	4.1%
T-48	KDX Residence Kinshicho	1,350,000	1,328,099	2,010,000	F	33	2,024.81	1,961.15	96.9%	181	47,048	8,682	38,366	7,583	30,782	5.7%	4.6%
T-49	KDX Residence Nihombashi Hamacho	996,000	1,024,997	1,520,000	F	28	1,756.27	1,756.27	100.0%	181	36,438	5,909	30,529	4,844	25,685	6.2%	5.2%
T-50	KDX Residence Nihombashi Ningyocho	530,000	556,004	777,000	S	27	877.14	877.14	100.0%	181	18,190	5,157	13,032	2,409	10,623	5.0%	4.0%
T-51	KDX Residence Jiyugaoka	1,268,000	1,315,327	1,840,000	SF	48	1,637.00	1,637.00	100.0%	181	40,644	8,203	32,441	4,724	27,716	5.2%	4.4%
T-52	KDX Residence Togoshi	3,745,000	3,666,204	5,430,000	SF	144	4,591.76	4,428.74	96.4%	181	124,151	25,389	98,762	18,440	80,322	5.3%	4.3%
T-53	KDX Residence Shinagawa Seaside	2,593,000	2,584,692	3,620,000	S	127	3,314.75	3,151.17	95.1%	181	84,860	27,134	57,725	13,278	44,446	4.5%	3.5%
T-54	KDX Residence Ojima	1,857,000	1,770,070	2,780,000	S	117	2,372.67	2,190.16	92.3%	181	65,649	16,722	48,927	11,216	37,710	5.3%	4.1%
T-55	KDX Residence Oyama	2,679,000	2,550,366	3,760,000	SF	145	4,009.07	3,778.54	94.2%	181	94,609	18,456	76,152	16,797	59,355	5.7%	4.5%
T-56	KDX Residence Hanzomon	4,832,000	4,914,494	6,560,000	F	85	4,854.23	4,796.21	98.8%	181	137,221	22,572	114,648	15,966	98,682	4.8%	4.1%
T-57	KDX Residence Akihabara II	850,000	890,030	1,260,000	S	52	1,254.50	578.46	46.1%	181	5,692	15,443	-9,751	3,097	-12,848	-2.3%	-3.0%
T-58	KDX Residence Kagurazaka Dori	1,360,000	1,362,823	2,510,000	S	70	1,809.84	1,713.27	94.7%	181	52,024	10,318	41,705	3,775	37,930	6.2%	5.6%
T-59	KDX Residence Sendagi	2,200,000	2,317,604	2,820,000	F	40	3,159.89	2,941.10	93.1%	181	68,558	11,334	57,223	8,955	48,267	5.2%	4.4%
T-60	KDX Residence Seijo	1,400,000	1,442,514	1,800,000	SF	38	2,198.56	2,198.56	100.0%	181	43,955	7,474	36,481	5,182	31,298	5.3%	4.5%
T-61	KDX Residence Akihabara	1,250,000	1,221,526	1,810,000	SF	32	1,929.61	1,929.61	100.0%	181	41,308	8,240	33,068	6,897	26,170	5.3%	4.2%
T-62	KDX Residence Iriya	1,062,000	1,034,347	1,590,000	S	57	1,899.29	1,790.29	94.3%	181	39,543	9,980	29,563	6,310	23,252	5.6%	4.4%

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Portfolio Performance in 1H 2022 3/7

(in thousands of yen)

No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units (unit)	Rentable Area (m ²)	Rented Area (m ²)	Occupancy Rate (%)	Operating Days (days)	Leasing Business Revenue a	Leasing Business Expenses b	NOI c [a-b]	Depreciation d	Leasing Business Income e [c-d]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)
T-63	KDX Residence Tachikawa	3,026,200	2,955,837	4,090,000	S	174	4,314.87	4,266.55	98.9%	181	101,817	21,170	80,646	22,182	58,464	5.4%	3.9%
T-64	KDX Residence Tsurumi	1,050,000	1,138,908	1,720,000	SF	59	3,499.84	3,389.42	96.8%	181	55,568	8,430	47,138	6,668	40,469	9.1%	7.8%
T-65	KDX Residence Morishita Chitose	1,100,000	1,079,202	1,470,000	S	65	1,614.28	1,562.04	96.8%	181	39,121	8,438	30,682	5,826	24,856	5.6%	4.6%
T-66	KDX Residence Akasaka	1,150,000	1,167,376	2,210,000	SF	28	1,180.71	1,140.44	96.6%	181	41,653	7,953	33,700	4,223	29,476	5.9%	5.2%
T-67	KDX Residence Kanda	700,000	700,339	1,280,000	SF	30	1,031.09	978.91	94.9%	181	29,218	5,180	24,038	3,692	20,346	6.9%	5.9%
T-68	KDX Residence Ebisu	2,845,000	2,873,760	5,150,000	SF	65	2,659.66	2,485.81	93.5%	181	95,801	13,862	81,938	11,290	70,647	5.8%	5.0%
T-69	KDX Residence Nishi-magome	1,130,000	1,141,081	1,400,000	S	47	1,297.27	1,246.76	96.1%	181	30,240	6,957	23,282	4,893	18,388	4.2%	3.3%
T-70	KDX Residence Nishi-azabu	1,224,000	1,225,923	1,910,000	SF	33	1,357.88	1,237.35	91.1%	181	39,950	8,427	31,523	4,599	26,923	5.2%	4.4%
T-71	KDX Residence Azabu Sendaizaka	792,300	795,272	1,270,000	S	30	878.50	878.50	100.0%	181	27,508	7,394	20,113	3,035	17,078	5.1%	4.3%
T-72	KDX Residence Waseda Tsurumaki	561,000	549,424	907,000	S	39	808.54	808.54	100.0%	181	21,633	5,822	15,810	3,021	12,789	5.7%	4.6%
T-73	KDX Residence Bunkyo Yushima	695,000	687,394	1,050,000	S	38	939.89	919.49	97.8%	181	24,912	6,403	18,509	3,261	15,247	5.4%	4.4%
T-74	KDX Residence Kamishakujii	648,000	645,545	911,000	S	47	1,032.18	989.54	95.9%	181	23,225	5,869	17,355	4,271	13,083	5.4%	4.1%
T-75	KDX Residence Shin-otsuka	764,000	754,930	1,190,000	S	40	872.00	872.00	100.0%	181	25,080	1,904	23,175	3,433	19,742	6.1%	5.2%
T-76	KDX Residence Sakurajosui	894,000	882,202	1,290,000	S	43	1,227.16	1,040.11	84.8%	181	27,222	8,668	18,554	4,124	14,429	4.2%	3.3%
T-77	KDX Residence Ryogoku	842,000	828,673	1,350,000	S	36	1,190.53	1,098.99	92.3%	181	29,255	6,253	23,001	4,392	18,608	5.5%	4.5%
T-78	KDX Residence Toyosu	7,500,000	7,565,709	7,920,000	S	242	6,811.38	6,811.38	100.0%	181	182,569	20,757	161,812	28,307	133,504	4.4%	3.6%
T-79	KDX Residence Asagaya	1,930,000	1,963,654	2,460,000	SF	44	1,996.08	1,952.84	97.8%	181	52,726	8,004	44,722	4,238	40,484	4.7%	4.2%
T-80	KDX Residence Hiyoshi	2,635,300	2,668,813	3,070,000	F	92	6,131.93	6,131.93	100.0%	181	83,922	14,963	68,958	10,336	58,622	5.3%	4.5%
T-81	KDX Residence Kamikitazawa	1,360,000	1,393,091	1,580,000	SF	39	1,971.07	1,920.54	97.4%	181	38,224	9,054	29,170	2,708	26,461	4.3%	3.9%
T-82	KDX Residence Kaminoge	1,111,000	1,124,891	1,390,000	S	34	1,224.87	1,224.87	100.0%	181	26,200	4,310	21,889	2,721	19,167	4.0%	3.5%
T-83	KDX Residence Higashi-Asakusa	687,730	701,219	811,000	S	36	1,013.40	1,013.40	100.0%	181	19,680	5,258	14,421	2,559	11,862	4.2%	3.5%
T-84	KDX Residence Nishi-Funabashi	975,350	1,005,837	1,120,000	S	57	1,277.78	1,256.24	98.3%	181	28,637	5,248	23,389	4,786	18,602	4.8%	3.8%
T-85	KDX Residence Hatagaya	2,500,000	2,619,403	2,870,000	S	87	2,659.50	2,465.21	92.7%	181	61,902	16,305	45,597	6,517	39,079	3.7%	3.2%
T-86	KDX Residence Asagaya II	939,400	972,983	1,060,000	SF	32	957.67	837.37	87.4%	181	23,166	4,338	18,828	2,485	16,343	4.0%	3.5%
T-87	KDX Residence Gakugeidaigaku	750,000	775,286	830,000	SF	23	820.01	750.62	91.5%	181	18,216	3,643	14,572	2,080	12,492	3.9%	3.4%
T-88	KDX Residence Kamata-minami	1,918,300	1,955,727	2,320,000	S	80	2,203.87	2,203.87	100.0%	181	50,915	7,557	43,358	6,509	36,848	4.6%	3.9%
T-89	KDX Residence Kichijoji	621,000	650,879	650,000	SF	21	665.39	550.00	82.7%	181	15,782	3,726	12,056	2,243	9,812	3.9%	3.2%
T-90	KDX Residence Mitaka	2,530,000	2,671,003	3,130,000	SF	51	2,631.45	2,631.45	100.0%	181	68,240	7,944	60,296	8,436	51,859	4.8%	4.1%
T-91	KDX Residence Nakanobu	830,000	846,119	914,000	S	32	845.78	845.78	100.0%	181	23,094	3,926	19,168	2,197	16,971	4.7%	4.1%

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Portfolio Performance in 1H 2022 4/7

(in thousands of yen)

No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units (unit)	Rentable Area (m ²)	Rented Area (m ²)	Occupancy Rate (%)	Operating Days (days)	Leasing Business Revenues a	Leasing Business Expenses b	NOI c [a-b]	Depreciation d	Leasing Business Income e [c-d]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)	
T-92	KDX Residence Ichikawa	840,000	874,683	916,000	S	47	1,015.39	1,015.39	100.0%	181	23,010	4,511	18,499	2,672	15,826	4.4%	3.8%	
T-93	KDX Residence Hatchobori	3,000,000	3,202,115	3,650,000	F	46	2,821.15	2,821.15	100.0%	181	80,386	11,073	69,313	9,875	59,437	4.7%	4.0%	
T-94	KDX Residence Nakaitabashi	1,736,432	1,848,640	1,940,000	S	78	1,972.49	1,947.31	98.7%	181	44,587	9,472	35,115	6,237	28,877	4.1%	3.4%	
T-95	KDX Residence Shonandai	1,500,000	1,551,877	1,650,000	S	104	2,723.20	2,723.20	100.0%	181	49,253	9,659	39,593	7,391	32,202	5.3%	4.3%	
T-96	KDX Residence Ikebukuro West	2,237,796	2,339,251	2,570,000	S	89	2,274.70	2,274.70	100.0%	181	55,252	9,276	45,975	8,063	37,912	4.1%	3.4%	
T-97	KDX Residence Tennocho	843,836	902,190	915,000	S	29	1,185.08	1,159.08	97.8%	181	23,312	5,581	17,731	3,330	14,400	4.2%	3.4%	
T-98	KDX Residence Kawasaki	910,000	946,714	1,030,000	S	57	1,179.11	1,179.11	100.0%	181	24,628	5,628	18,999	3,660	15,339	4.2%	3.4%	
T-99	KDX Residence Kamata-minami II	780,000	809,900	887,000	S	34	881.96	881.96	100.0%	181	20,583	4,128	16,454	2,603	13,850	4.3%	3.6%	
T-100	KDX Residence Kamishakujii II	3,087,014	3,214,034	3,380,000	SF	114	3,988.06	3,852.43	96.6%	181	82,341	13,188	69,153	13,626	55,526	4.5%	3.6%	
T-101	Hulic Residence Tsudanuma	1,150,000	1,211,013	1,320,000	S	99	2,477.01	2,477.01	100.0%	181	34,425	22,558	11,867	4,744	7,123	2.1%	1.2%	
T-102	KDX Residence Yokohama Momijizaka	5,000,000	5,189,919	5,410,000	F	75	4,795.16	4,472.65	93.3%	181	124,670	19,067	105,603	18,031	87,571	4.3%	3.5%	
T-103	KDX Residence Umejima	2,373,000	2,484,033	2,780,000	SF	90	3,265.57	3,265.57	100.0%	122	42,948	2,606	40,341	6,632	33,708	5.1%	4.2%	
T-104	KDX Residence Mizonokuchi	2,781,000	2,949,786	3,010,000	S	98	4,103.23	3,961.93	96.6%	108	41,926	4,361	37,565	7,399	30,165	4.6%	3.7%	
T-105	KDX Residence Hachioji Otsuka	1,490,000	1,616,262	1,590,000	S	110	2,914.23	2,914.23	100.0%	61	13,200	320	12,879	2,446	10,433	5.2%	4.2%	
T-106	KDX Residence Tsudanuma II	920,000	957,495	966,000	SF	51	1,647.07	1,647.07	100.0%	73	9,967	707	9,259	1,589	7,670	5.0%	4.2%	
Subtotal / Average		161,485,658	162,846,636	217,854,000		6,242	224,812.48	217,423.16	96.7%		5,071,762	1,052,763	4,018,998	701,197	3,317,801	5.1%⁽²⁾	4.2%⁽²⁾	
Other Regional Areas	R-2	KDX JozenjiDori Residence	1,015,000	879,013	1,390,000	S	92	3,330.15	3,208.69	96.4%	181	51,964	12,450	39,513	10,525	28,988	7.9%	5.8%
	R-3	KDX Izumi Residence	1,120,000	1,003,909	1,590,000	F	40	2,798.20	2,731.74	97.6%	181	42,461	9,373	33,087	9,408	23,679	6.0%	4.3%
	R-4	KDX Chihaya Residence	1,080,000	947,697	1,610,000	SF	92	2,936.40	2,814.80	95.9%	181	47,547	18,263	29,284	10,328	18,955	5.5%	3.5%
	R-5	KDX Sakaisuji Hommachi Residence	2,910,000	2,593,758	3,980,000	SF	160	6,385.70	6,158.91	96.4%	181	111,760	24,787	86,973	24,509	62,463	6.0%	4.3%
	R-7	KDX Takarazuka Residence	1,510,000	1,268,367	2,110,000	F	80	4,631.16	4,631.16	100.0%	181	60,375	12,911	47,463	16,910	30,552	6.3%	4.1%
	R-8	KDX Shimizu Residence	1,680,000	1,482,521	2,270,000	SF	148	6,255.16	6,018.85	96.2%	181	76,435	18,039	58,395	14,355	44,040	7.0%	5.3%
	R-9	KDX Residence Odori Koen	765,000	745,815	1,110,000	SF	78	2,762.76	2,621.08	94.9%	181	33,663	10,133	23,530	8,635	14,894	6.2%	3.9%
	R-10	KDX Residence Kikusui Yojo	830,000	835,115	1,140,000	SF	84	3,413.06	3,307.16	96.9%	181	39,754	10,639	29,115	8,462	20,652	7.1%	5.0%
	R-11	KDX Residence Toyohira Koen	445,000	451,123	632,000	SF	65	2,253.81	2,253.81	100.0%	181	24,350	8,813	15,536	4,988	10,548	7.0%	4.8%
	R-13	KDX Residence Ichiban-cho	530,000	476,368	739,000	SF	45	1,818.09	1,818.09	100.0%	181	27,935	6,329	21,605	5,164	16,441	8.2%	6.3%
R-16	KDX Residence Higashi-sakura I	2,350,000	2,165,921	2,640,000	SF	187	6,221.83	5,723.08	92.0%	181	88,818	30,559	58,259	18,350	39,908	5.0%	3.4%	
R-17	KDX Residence Higashi-sakura II	900,000	833,747	1,110,000	SF	66	2,655.31	2,258.51	85.1%	181	35,731	13,005	22,726	7,256	15,469	5.1%	3.5%	
R-18	KDX Residence Jingumae	840,000	768,057	1,090,000	SF	95	2,724.19	2,510.96	92.2%	181	39,703	13,277	26,426	7,643	18,782	6.3%	4.5%	
R-19	KDX Residence Nishi-oji	813,000	747,534	958,000	S	76	2,353.55	2,353.55	100.0%	181	34,076	9,550	24,525	6,505	18,020	6.1%	4.5%	

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) [footprint of equal or more than 18m² and less than 30m² and more than 20 rentable units per property], Small Family (SF): (intended primarily for households of couples or families with infants) [footprint of equal or more than 30m² and less than 60m² and more than 15 rentable units per property], Family (F): (intended primarily for households of three or more families) [footprint of equal or more than 60m² and more than 5 rentable units per property]

Note2: Properties acquired during the 21st fiscal period (T-103~T-106, R-47) are excluded from the calculation.

Portfolio Performance in 1H 2022 5/7

(in thousands of yen)

No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units	Rentable Area	Rented Area	Occupancy Rate	Operating Days	Leasing Business Revenues	Leasing Business Expenses	NOI	Depreciation	Leasing Business Income	NOI Cap Rate	NOI Cap Rate after Depreciation
						(unit)	(m ²)	(m ²)	(%)	(days)	a	b	c [a-b]	d	e [c-d]	(per year)	(per year)
R-20	KDX Residence Saiin	440,000	399,750	533,000	S	49	1,094.81	1,029.10	94.0%	181	18,628	5,037	13,590	3,916	9,673	6.2%	4.4%
R-21	KDX Residence Namba	1,410,000	1,314,856	1,860,000	S	118	3,387.30	3,054.02	90.2%	181	55,665	14,092	41,573	10,295	31,278	5.9%	4.5%
R-22	KDX Residence Namba-minami	1,350,000	1,220,751	1,750,000	S	131	3,813.31	3,632.59	95.3%	181	55,012	14,118	40,893	12,082	28,811	6.1%	4.3%
R-24	KDX Residence Ibaraki I-II	1,275,000	1,284,192	1,557,000	F	61	4,701.87	4,701.87	100.0%	181	56,455	17,187	39,267	6,371	32,896	6.2%	5.2%
R-25	KDX Residence Toyonaka-minami	740,000	640,778	1,030,000	SF	70	2,024.50	1,876.29	92.7%	181	30,031	6,966	23,065	8,427	14,638	6.3%	4.0%
R-26	KDX Residence Moriguchi	551,000	487,449	746,000	F	28	1,942.78	1,942.78	100.0%	181	24,620	6,551	18,069	5,513	12,555	6.6%	4.6%
R-27	KDX Residence Sannomiya	1,080,000	1,032,271	1,350,000	S	86	2,292.72	2,139.26	93.3%	181	36,685	14,022	22,662	8,188	14,474	4.2%	2.7%
R-28	Ashiya Royal Homes	1,360,000	1,602,395	2,090,000	F	22	4,044.46	3,245.97	80.3%	181	56,181	33,897	22,283	6,545	15,737	3.3%	2.3%
R-29	KDX Residence Funairi Saiwai-cho	588,000	523,481	794,000	S	64	1,889.53	1,889.53	100.0%	181	29,466	6,914	22,551	5,421	17,130	7.7%	5.9%
R-30	KDX Residence Tenjin-higashi II	680,000	625,399	1,030,000	SF	63	2,602.53	2,478.60	95.2%	181	31,433	8,593	22,840	6,496	16,343	6.8%	4.8%
R-32	KDX Residence Nishi Koen	763,000	698,986	1,010,000	F	36	2,522.16	2,522.16	100.0%	181	32,448	7,519	24,928	6,521	18,407	6.6%	4.9%
R-33	KDX Residence Hirao Josui-machi	760,000	724,512	1,040,000	F	24	2,098.68	2,098.68	100.0%	181	29,343	7,033	22,309	5,064	17,245	5.9%	4.6%
R-35	Leopalace Flat Shin-sakae	3,500,000	3,320,402	4,630,000	S	274	11,589.95	11,589.95	100.0%	181	121,557	14,132	107,425	33,429	73,995	6.2%	4.3%
R-36	KDX Residence Konan Yamate	973,000	941,505	1,270,000	SF	55	1,923.22	1,893.35	98.4%	181	33,380	7,433	25,946	4,993	20,953	5.4%	4.3%
R-37	KDX Residence Hommachibashi	3,201,000	3,053,073	3,990,000	SF	134	6,511.88	6,321.99	97.1%	181	106,958	24,186	82,771	22,756	60,015	5.2%	3.8%
R-38	KDX Residence Minami-kusatsu	1,974,666	1,904,547	2,560,000	S	170	5,735.96	5,735.96	100.0%	181	107,258	29,830	77,427	18,847	58,580	7.9%	6.0%
R-39	KDX Residence Ohori Harbor View Tower	4,606,296	4,316,607	5,220,000	SF	212	11,855.63	10,859.68	91.6%	181	185,869	46,201	139,668	42,942	96,725	6.1%	4.2%
R-40	KDX Residence Minami-sanjo	915,000	858,537	1,870,000	SF	114	5,269.39	5,078.35	96.4%	181	63,340	11,902	51,437	11,373	40,064	11.3%	8.8%
R-41	Serenite Kita-kyuhoji	1,290,740	1,218,621	1,720,000	S	85	2,277.14	2,164.71	95.1%	181	41,717	12,939	28,777	10,160	18,617	4.5%	2.9%
R-42	Serenite Nishinomiya Hommachi	617,048	615,837	764,000	S	51	1,351.68	1,250.27	92.5%	181	23,850	5,655	18,194	4,764	13,430	5.9%	4.4%
R-43	KDX Residence Nishijin	1,600,000	1,718,728	1,820,000	SF	128	4,472.72	4,299.18	96.1%	181	56,832	22,600	34,231	7,803	26,428	4.3%	3.3%
R-44	Serenite Kobe Motomachi	2,390,000	2,404,930	2,740,000	S	138	3,787.85	3,665.34	96.8%	181	77,972	16,727	61,245	14,606	46,638	5.2%	3.9%
R-45	KDX Residence Shukugawa Hills	6,884,800	7,234,626	7,440,000	F	239	17,575.39	16,906.06	96.2%	181	223,864	56,241	167,623	31,404	136,218	4.9%	4.0%
R-46	KDX Residence Sendai Station East	1,340,000	1,387,232	1,510,000	S	88	2,254.34	2,151.90	95.5%	181	41,223	11,551	29,671	7,839	21,832	4.5%	3.3%
R-47	Serenite Koshien Plie	770,000	825,339	840,000	SF	49	1,438.36	1,407.84	97.9%	122	17,263	2,192	15,070	3,610	11,460	5.9%	4.5%
Subtotal / Average		57,847,551	55,553,765	73,533,000		3,797	158,997.53	152,345.82	95.8%		2,271,638	601,666	1,669,972	452,419	1,217,552	5.8%⁽²⁾	4.3%⁽²⁾
Residential facilities total / Average		219,333,209	218,400,401	291,387,000		10,039	383,810.01	369,768.98	96.3%		7,343,400	1,654,430	5,688,970	1,153,616	4,535,353	5.3%⁽²⁾	4.2%⁽²⁾

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) [footprint of equal or more than 18m² and less than 30m² and more than 20 rentable units per property], Small Family (SF): (intended primarily for households of couples or families with infants) [footprint of equal or more than 30m² and less than 60m² and more than 15 rentable units per property], Family (F): (intended primarily for households of three or more families) [footprint of equal or more than 60m² and more than 5 rentable units per property]

Note 2: Properties acquired during the 21st fiscal period (T-103~T-106, R-47) are excluded from the calculation.

Portfolio Performance in 1H 2022 6/7

(in thousands of yen)

No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Facility Type ⁽¹⁾	Rentable Area (m ²)	Rentable Units (unit)	Capacity (people)	Occupancy Rate	Actual Occupancy Rate ⁽²⁾	Operating Days (days)	NOI a	Depreciation b	Leasing Business Income c [a-b]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)
										Utilization Rate ⁽³⁾ 2022.06						
H-1	Irise Kamata/Yuseien	1,120,000	1,061,357	1,070,000	Nursing care	2,086.40	48	55	100.0%	78.2%	181	27,836	11,435	16,400	5.0%	3.0%
H-2	Nichii Home Nakano-Minamidai	1,780,000	1,754,053	2,020,000	Nursing care	3,339.00	83	83	100.0%	67.5%	181	44,792	3,603	41,188	5.1%	4.7%
H-3	Joy Stage Hachioji	3,690,000	3,769,781	3,960,000	Nursing care	13,812.27	232	263	100.0%	80.2%	181	104,657	30,701	73,955	5.7%	4.0%
H-4	Yuimaru Hijirigaoka	1,120,000	1,041,323	1,170,000	Residential	4,385.53	70	109	100.0%	63.3%	181	30,271	9,100	21,170	5.5%	3.8%
H-5	Nichii Home Tama Plaza	2,940,000	2,719,810	3,050,000	Nursing care	8,208.65	154	158	100.0%	87.3%	181	82,105	30,960	51,144	5.6%	3.5%
H-6	Ten	2,630,000	2,497,300	2,660,000	Nursing care	6,473.60	85	89	100.0%	59.6%	181	84,658	29,269	55,389	6.5%	4.2%
H-7	Irise Nishioka	858,000	780,478	860,000	Residential	3,140.27	83	83	100.0%	100.0%	181	23,096	9,198	13,897	5.4%	3.3%
H-8	Izarie Eniwa Building	1,660,000	1,501,990	1,770,000	Nursing care	5,343.39	73	73	96.6%	100.0%	181	46,317	18,271	28,045	5.6%	3.4%
H-9	Sawayaka Sakura Nibankan	989,000	886,877	991,000	Nursing care	3,628.51	92	92	100.0%	100.0%	181	29,400	12,441	16,958	6.0%	3.5%
H-10	Activa Biwa	6,560,000	6,296,306	6,490,000	Nursing care	39,649.84	384	445	100.0%	82.0%	181	224,270	65,124	159,145	6.9%	4.9%
H-11	Sompo Care LAVIERE Kobe Tarumi	2,110,000	2,017,766	2,150,000	Nursing care	4,493.35	100	100	100.0%	75.0%	181	52,787	12,020	40,767	5.0%	3.9%
H-12	Rihabili-home Granda Mondo Yakujin	1,253,000	1,168,930	1,340,000	Residential	3,287.80	62	63	100.0%	Not disclosed	181	30,521	9,997	20,523	4.9%	3.3%
H-13	Excellent Nishinomiya	971,000	892,927	935,000	Nursing care	2,685.48	67	70	100.0%	97.1%	181	24,413	9,720	14,692	5.1%	3.1%
H-14	Gran Hills Ogawarako	1,380,000	1,226,880	1,340,000	Serviced housing	4,180.28	103	107	100.0%	98.1%	181	52,349	18,180	34,168	7.6%	5.0%
H-15	Excellent Kitano	737,000	738,377	800,000	Residential	1,339.58	41	41	100.0%	87.8%	181	18,452	4,209	14,242	5.0%	3.9%
H-16	Anesis Teradacho	3,490,000	3,371,406	3,640,000	Nursing & health (with Nursing care)	7,856.64	45 100	150 100	100.0%	93.9% 95.0%	181	93,766	32,037	61,729	5.4%	3.6%
H-17	Rococo-riha	2,100,000	1,997,433	2,170,000	Nursing & health	3,860.29	52	100	100.0%	91.0%	181	55,529	16,603	38,926	5.3%	3.7%
H-18	Orage Suma	2,810,000	2,688,800	2,810,000	Nursing & health (with Serviced housing)	5,995.74	100 35	100 40	100.0%	87.9% 85.0%	181	76,308	23,919	52,389	5.5%	3.8%
H-19	Canadian Hill	1,830,000	1,818,310	1,870,000	Nursing & health	3,731.26	40	115	100.0%	92.1%	181	46,368	7,662	38,706	5.1%	4.3%
H-20	Anesis Hyogo	1,420,000	1,368,455	1,430,000	Nursing & health	4,415.16	58	100	100.0%	87.3%	181	37,648	10,545	27,103	5.3%	3.8%
H-21	Plaisant Grand Ota tamagawa	3,057,630	3,181,427	3,400,000	Nursing care	3,175.15	80	80	100.0%	88.8%	181	66,075	9,932	56,143	4.4%	3.7%
H-22	Tsukui Sun-shine Machida	6,934,600	6,965,020	7,490,000	Nursing care	15,553.33	348	348	100.0%	98.3%	181	160,954	38,367	122,587	4.7%	3.6%
H-23	Serabi Ebisu	1,690,000	1,710,106	1,700,000	Nursing care	1,557.73	34	34	100.0%	85.3%	181	35,395	2,996	32,398	4.2%	3.9%
H-24	Arute Ishiyagawa	1,061,000	1,083,429	1,360,000	Nursing care (with Group Home)	3,444.81	54 -	64 -	100.0%	87.5% Not disclosed	181	39,938	20,022	19,915	7.6%	3.8%
H-25	Medical-home Granga Kurakuen	2,709,440	2,815,253	2,820,000	Nursing care	3,900.59	68	73	100.0%	Not disclosed	181	65,167	13,420	51,747	4.9%	3.9%
H-26	Rihabili-home Granda Kobe Kitano	1,720,000	1,785,147	1,940,000	Nursing care	2,725.53	59	60	100.0%	Not disclosed	181	42,953	8,845	34,107	5.0%	4.0%
H-27	Grapes Kawasaki Shimmachi	1,470,000	1,532,041	1,520,000	Serviced housing	3,455.79	69	83	100.0%	84.3%	181	32,225	7,563	24,662	4.4%	3.4%
H-28	Grapes Fujimino	1,520,000	1,590,459	1,550,000	Serviced housing	3,693.83	86	118	100.0%	74.6%	181	34,491	9,386	25,105	4.6%	3.3%
H-29	Irise Kobe Rokko	1,200,000	1,261,589	1,350,000	Nursing care	2,278.43	53	53	100.0%	75.5%	153	27,850	5,705	22,145	5.5%	4.4%
H-30	Excellent Hanayashiki Garden Hills	1,287,000	1,373,236	1,400,000	Nursing care	3,469.84	87	87	100.0%	92.0%	153	31,014	8,341	22,673	5.7%	4.2%
H-31	Excellent Takarazuka Garden Hills	2,340,000	2,477,980	2,490,000	Nursing care	5,414.02	130	130	100.0%	79.8%	122	42,025	9,165	32,860	5.4%	4.2%
Subtotal / Average		66,437,670	65,374,261	69,546,000		180,582.09	3,175	3,666	99.9%	85.2%⁽⁴⁾		1,763,644	498,749	1,264,894	5.4%⁽⁵⁾	3.9%⁽⁵⁾

Note 1: About "Facility Type", "Nursing care" shows Private Senior homes for the elderly (with nursing care), "Residential" shows Private Senior homes for the elderly (residential) and "Serviced housing" shows Serviced housing for the elderly.

Note 2: "Actual Occupancy Rate (based on end-tenants)" = The number of residents / the number of Capacity. "Actual Occupancy Rate" is based on documents from operators but that of H-12, H-24(GH), H-25, H-26 isn't disclosed because KDR isn't admitted to disclose from the operator.

Note 3: "Utilization Rate" = Total amount of users / Extended number of capacity in June 2022. "Utilization Rate" is based on documents from operators

Note 4: The figure is the average actual occupancy.

Note 5: Properties acquired during the 21st fiscal period (H-29 ~ H-31) are excluded from the calculation

Portfolio Performance in 1H 2022 7/7

(in thousands of yen)

	No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Rentable Area (m ²)	Rented Area (m ²)	Occupancy Rate	Operating Days (days)	NOI a	Depreciation b	Leasing Business Income c [a-b]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)
Accommodation	A-1	HOTEL LIVEMAX Tokyo-Otsuka-Ekimae	2,390,000	2,436,695	2,370,000	1,660.21	1,660.21	100.0%	181	50,156	6,020	44,135	4.2%	3.7%
	A-2	HOTEL LIVEMAX Yokohamaeki-Nishiguchi	2,570,000	2,621,388	2,600,000	1,997.18	1,997.18	100.0%	181	55,109	7,447	47,661	4.3%	3.7%
	Subtotal / Average		4,960,000	5,058,084	4,970,000	3,657.39	3,657.39	100.0%		105,265	13,468	91,797	4.3%	3.7%
Grand total / Average			290,730,879	288,832,748	365,903,000	568,049.49	553,827.64	97.5%		7,557,880	1,665,834	5,892,045	5.3% ⁽¹⁾	4.2% ⁽¹⁾

Note 1: Properties acquired during the 21st fiscal period (T-103~T-106, R-47, H-29~H-31) are excluded from the calculation