

Translation of Japanese Original

March 12, 2018

To All Concerned Parties

REIT Issuer:  
Kenedix Retail REIT Corporation  
Representative: Akihiro Asano, Executive Director  
(Securities Code: 3453)

Asset Manager:  
Kenedix Real Estate Fund Management, Inc.  
Representative: Masahiko Tajima, President & CEO  
Contact: Koichiro Nobata, Head of Planning Division,  
Retail REIT Department  
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Notice Concerning Acquisition of Property (Musashi Ranzan Distribution Center)

Kenedix Retail REIT Corporation (“KRR”) announced today that Kenedix Real Estate Fund Management, Inc. (“the Asset Manager”), the asset manager for KRR, has decided to acquire the following property.

1. Outline of the acquisition

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|-----|-------------------------------|--|
| (1) | Type of acquisition:          | Trust beneficiary interest in real estate            |
| (2) | Property name:                | Musashi Ranzan Distribution Center                   |
| (3) | Acquisition price (Note 1):   | 3,879,360,000 yen                                    |
| (4) | Appraisal NOI yield (Note 2): | 5.7%   |
| (5) | Date of contract:             | March 12, 2019                                       |
| (6) | Acquisition date:             | March 26, 2019                                       |
| (7) | Seller:                       | Please refer to Item 4. Seller’s profile for details |
| (8) | Acquisition funds:            | Cash on hand   |
| (9) | Settlement method:            | Payment in full at settlement                        |

(Note 1) Excluding acquisition costs, adjustment amount of property tax and city-planning tax, consumption tax, etc.

(Note 2) “Appraisal NOI yield” is calculated by dividing the appraisal NOI of the anticipated property as on the appraisal report as of February 1, 2019 by the anticipated acquisition price for the property and rounded to the first decimal place.

“Appraisal NOI” refers to the net operating income before depreciation expenses, which is calculated by deducting the operating expenses from the operating revenues described in the appraisal report, and thus, differs from NCF (Net Cash Flow) which is calculated by adding the profit from the investment of tenant deposits to and deducting capital expenditures from NOI. The appraisal NOI here is the NOI calculated using the direct capitalization method.

2. Reason for the acquisition

The acquisition is made to diversify and enhance the portfolio to realize the growth of asset size and secure stable revenues, in accordance with KRR’s investment targets and policies as set forth in its Articles of Incorporation. KRR makes focused investment in shopping centers for daily needs, but it has expanded its investment targets to distribution centers.

In acquiring the distribution centers, KRR especially evaluated the following points.

Acquisition highlight:

Distribution center in an area with a concentration of logistics facilities, near a Kan-Etsu Expressway interchange

(1) Location

The property is located within Ranzan area, approximately 2km from Ranzan-Ogawa Interchange of Kan-Etsu Expressway. This location allows the tenant of the property to make daily deliveries to Tokyo Metropolitan area via Kan-Etsu Expressway. The location also allows the tenant 24-hour operation since the property is within an industrial park. There is a concentration of relatively new logistics facilities built in or after year 2000, along Kan-Etsu Expressway, as Ken-O Expressway infrastructure is developed.

(2) Features of the building

The facility is a three-story box type distribution center with truck berths on the first floor. The facility includes berths that can handle marine containers, allowing tenants to use the facility as a distribution center for imports and exports as well. Because of this feature, the facility is suitable for storage and delivery of producer goods as well as consumer goods. Therefore, the facility may be used by wide range of tenants including manufacturers, wholesalers, retailers or third-party logistics operators.

(3) Tenant

The tenant is a third-party logistics operator for a manufacturer which operates in a factory nearby. The third-party logistics operator integrated 10 distribution centers in Saitama and Gunma prefectures to this facility. The facility is convenient for both the third-party logistics operator and the manufacturer to store and deliver manufactured goods to retailers. The facility meets the needs of the tenant with a large capacity for storage.

3. Details of the property

Property name		Musashi Ranzan Distribution Center
Anticipated acquisition date		March 26, 2019
Property type (Note 1)		L
Type of specified asset		Trust beneficiary interest in real estate (90% trust beneficiary co-ownership interest) (Note 2)
Trustee		Sumitomo Mitsui Trust Bank, Ltd. (planned)
Trust period		March 26, 2019 to April 30, 2037 (planned)
Seller		Sumitomo Mitsui Finance and Leasing Co., Ltd.
Location		3-2, Hanamidai Ranzancho Hikigun, Saitama
Land (Note 3)	Form of ownership	Proprietary ownership
	Land area	20,642.59 m <sup>2</sup>
	Zoning	Industrial area
	Building coverage ratio	50%
	Floor-area ratio	200%
Building (Note 3)	Form of ownership	Proprietary ownership
	Gross floor area	35,448.76 m <sup>2</sup>
	Date constructed	April 30, 2009
	Use	Warehouse
	Structure/No. of floors	S-structure/5-story building
Architect		Kanto Construction Co., Ltd., Architect Office
Construction company		Kanto Construction Co., Ltd.
Construction confirmation authority		Saitama Housing Inspection Center
Master lessee		-
Type of master lease		-
PM		Kenedix Real Estate Fund Management, Inc. (planned)

Sub-PM	Fukuda & Partners, Co., Ltd. (planned)
PML	1.46%
Acquisition price	3,879,360,000 yen
Appraisal value	4,000,000,000 yen (as of February 1, 2019) (Note 4)
Real estate appraiser	The Tanizawa Sōgō Appraisal Co., Ltd.
Appraisal NOI yield	5.7% (Note 5)
Collateral	None
Lease summary	(as of February 1, 2019)
Number of tenants	1
Annual rent	Undisclosed (Note 6)
Tenant deposits	Undisclosed (Note 6)
Leased area	32,935.54 m <sup>2</sup> (Note 4)
Leasable area	32,935.54 m <sup>2</sup> (Note 4)
Occupancy rate	100.0%
Remarks	<p>KRR will execute a quasi-co-ownership agreement with the quasi-co-owner (10% trust beneficiary co-ownership interest) of the property (“the Quasi-Co-Owner”). The agreement will stipulate the method of decision making concerning the property, such as the preferential offer to the other quasi-co-owner in the sale of quasi-co-ownership.</p> <p>Quasi-co-ownership interest (10% trust beneficiary co-ownership interest) of the Quasi-Co-Owner is planned to be pledged as a collateral. When there is a foreclosure on the quasi-co-ownership, KRR will have a preferential right to negotiate for the quasi-co-ownership.</p> <p>KRR has agreed with the seller to acquire the 10% quasi-co-ownership of the Quasi-Co-Owner if the Quasi-Co-Owner could not acquire the quasi-co-ownership. In such a case, acquisition price of the 10% quasi-co-ownership will be 431,040,000 yen (excluding acquisition costs, adjustment amount of property tax and city-planning tax, consumption tax).(*)</p> <p>The seller is currently making renovation regarding fireproof compartment to meet necessary standards set by the Building Standards Act at the expense and responsibility of the seller. If renovation stalls and the property cannot be in trust, the seller can cancel the purchase and sale agreement.</p> <p>Part of the property conflicts with the Building Standards Act and the Fire Service Act, other than above. KRR, however, has agreed with the seller that renovation and improvement be completed at the expense and responsibility of the seller by May 31, 2019.</p>

Others	<p>Notes:</p> <ol style="list-style-type: none"> <li>1. Properties are categorized into the following six types of properties: NSC (Neighborhood Shopping Center), SM (Supermarket), CSC (Community Shopping Center), Urban Station-Front SC (Urban Station-Front Shopping Center), SS (Specialty Store) and L (Logistics facility).</li> <li>2. KRR will acquire 90% of the trust beneficiary co-ownership interest in the property.</li> <li>3. Refers to the land and entire building of the property.</li> <li>4. Represents the amount corresponding to the trust beneficiary co-ownership interest (90% of the trust beneficiary co-ownership interest) to be acquired by KRR.</li> <li>5. “Appraisal NOI yield” is calculated by dividing the appraisal NOI of the anticipated property as on the appraisal report as of February 1, 2019 by the anticipated acquisition price for the property and rounded to the first decimal place. “Appraisal NOI” refers to the net operating income before depreciation expenses, which is calculated by deducting the operating expenses from the operating revenues described in the appraisal report, and thus, differs from NCF (Net Cash Flow) which is calculated by adding the profit from the investment of tenant deposits to and deducting capital expenditures from NOI. The appraisal NOI here is the NOI calculated using the direct capitalization method.</li> <li>6. Undisclosed as KRR has not obtained consent from the tenant.</li> </ol>
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(\*) In case KRR acquires the remaining 10% quasi-co-ownership interest, cash on hand is assumed as acquisition funds.

#### 4. Overview of the seller

Name	Sumitomo Mitsui Finance and Leasing Co., Ltd.
Address	1-3-2 Marunouchi, Chiyoda-ku, Tokyo
Name and title of representative	Masaki Tachibana, President
Description of business	<ol style="list-style-type: none"> <li>1. Acquisition and leasing of a range of equipment and facilities, including ships, aircrafts, vehicles, industrial machinery, machine tools, electronic computers, office appliance, medical equipment, commercial equipment property, real estate, etc.</li> <li>2. Purchase/sale of used equipment/facilities and used property of the same types as above</li> <li>3. Maintenance of equipment/facilities and properties of the same types as above</li> <li>4. Commissioned office work using electronic computers</li> <li>5. Consulting on office automation and management rationalization</li> <li>6. Financial services</li> <li>7. Data processing</li> <li>8. Transaction of financial instruments</li> <li>9. Marketing of life insurance policies</li> <li>10. Acquisition of and investment in stocks and other securities</li> <li>11. All kinds of services ancillary to the above businesses</li> </ol>
Capital	15.0 billion yen
Incorporation	February 4, 1963

Net assets	824,602 million yen (Consolidated, as of the end of March 2018)
Total assets	5,662,990 million yen (Consolidated, as of the end of March 2018)
Major shareholders (Shareholding ratios)	Sumitomo Mitsui Financial Group, Inc. 50.0% Sumitomo Corporation 50.0% (as of the end of December 2018, excluding treasury stock)
Relationship between KRR/the Asset Manager and the seller	
Capital relationship	No special capital relationship between KRR/the Asset Manager and the seller. Also, no special capital relationship between the related parties/affiliates of KRR/the Asset Manager and the related parties/affiliates of the seller.
Personnel relationship	The Asset Manager has an assigned employee from the seller as of today.
Business relationship	The seller, as an Alliance Company for KRR, provides services and property information preferentially to KRR in accordance with an alliance agreement.
Related party transactions	The seller is not deemed a related party under either the Investment Trust Law or the “Retail REIT Division’s Internal Regulations on Related Party Transactions” of the Asset Manager.

5. Status of property acquirer and previous owners

Details are omitted since the seller of the property is not a special related party of KRR or the Asset Manager.

6. Details of brokerage

Not applicable

7. Transactions with related parties

KRR will conclude a property management agreement with the trustee and the Asset Manager. Fees to the Asset Manager regarding the property are at the same level as that of existing properties.

[Details of property management fee]

Property management fee (annual): 3.6 million yen (planned)

Fees associated with the management of construction projects:

Construction price	Fees
Less than 1 million yen	None
1 million yen to less than 2 million yen	6%
2 million yen to less than 5 million yen	120,000 yen + 5% on the portion exceeding 2 million yen
5 million yen to less than 10 million yen	270,000 yen + 4% on the portion exceeding 5 million yen
10 million yen to less than 100 million yen	470,000 yen + 3% on the portion exceeding 10 million yen
100 million yen to less than 200 million yen	3,170,000 yen + 2% on the portion exceeding 100 million yen
200 million yen or more	5,170,000 yen + 1% on the portion exceeding 200 million yen

8. Acquisition schedule

Acquisition decision date	March 12, 2019
Scheduled contract date	March 12, 2019
Scheduled payment date / delivery date	March 26, 2019 (planned)

9. Future outlook

There are no changes to the forecasts of financial results of KRR published in the “Financial Report for the Fiscal Period Ended September 30, 2018” dated November 14, 2018 as the impact of acquiring Musashi Ranzan Distribution Center and Yokohama Kamigo Distribution Center on the financial results is minimal.

10. Summary of real estate appraisal report

Summary of real estate appraisal report		
Appraisal value	4,000,000,000 yen	
Appraiser	The Tanizawa Sōgō Appraisal Co., Ltd.	
Date of appraisal	February 1, 2019	
Item	Content	Basis
Income capitalization approach value	4,000,000,000 yen	Calculated by the DCF method, with the results verified using the direct-capitalization method
Value based on direct capitalization method	4,010,000,000 yen	Calculated by dividing the stabilized NCF by the cap rate
(1) Gross operating revenue	Undisclosed	
Effective gross operating revenue	Undisclosed	
Loss from vacancy, etc.	0 yen	Calculated based on the occupancy rate level that is expected to remain stable over the medium term
(2) Operating expenses	Undisclosed	
Maintenance expenses	0 yen	None on assumption that the expenses are borne by the tenant
Utility expenses	0 yen	None on assumption that the expenses are borne by the tenant
Repair expenses	Undisclosed	
PM fees	3,600,000 yen	Calculated based on anticipated PM fees for the property
Tenant recruit expenses, etc.	0 yen	None assuming long-term tenancy
Taxes and dues	Undisclosed	
Insurance premium	Undisclosed	
Other expenses	Undisclosed	
(3) Net operating income (NOI= (1)-(2))	246,511,563 yen	
(4) Profit from security deposits	703,860 yen	Calculated on assumption that the investment yield is 1.0%
(5) Capital expenditure	11,520,000 yen	The average annual renovation expenses described in the engineering report plus CM fees
(6) Net cash flow (NCF=(3)+(4)-(5))	235,695,423 yen	
(7) Cap rate	5.3%	Calculated based on overall evaluation of the location, building specifications and contract terms of the property
Value based on DCF method	4,000,000,000 yen	
Discount rate	[1st to 5th year] 5.3% [6th to 11th year] 5.4%	Calculated based on transactions of comparable properties and by taking into account the uniqueness of the property as financial assets in terms of investment yield
Terminal cap rate	5.5%	Calculated by taking into account the characteristics of the NCF used for the capitalization rate and future uncertainties/ liquidity/ marketability of the property
Value based on cost method	3,950,000,000 yen	
Ratio of land	30.4%	
Ratio of building	69.6%	
Adjustments in estimated value and considerations taken into account in determining appraisal value	<p>The property is a distribution center located approx. 4.6km northwest of Musashi-ranzan Station on Tobu Tojo Line and 2.4km northeast from Musashi-Ogawa Interchange of Kan-Etsu Expressway.</p> <p>The location is close to an expressway interchange and both manufacturing and consumptive areas. In addition, since the property is within an industrial park, 24-hour operation is possible. Securing labor force from nearby areas is also possible. The facility was built in 2009 and has sufficient features as a distribution center. From the factors above, the property is considered to be relatively competitive within the area.</p>	

(Note 1) The appraisal value represents the value of the trust beneficiary co-ownership interest held by the seller (a trust beneficiary co-ownership interest of 90%), while other figures and amounts represent the amounts and figures for the land and all building of the property.

(Note 2) Figures used in the direct capitalization method include information that KRR has not obtained consent from the lessee for its disclosure. Such information or figures that can make calculation of such information are not disclosed in (1) and (2) above.

KRR website address: <https://www.krr-reit.com/en/>

*This notice is the English translation of the Japanese announcement on March 12, 2019. However, no assurance or warranties are given for the completeness or accuracy of this English translation.*

**Attached materials**

Reference material 1. Property photograph and map

Reference material 2. Property portfolio of KRR

Reference material 1. Property photograph and map





Reference material 2. Property portfolio of KRR (after the acquisition of Musashi Ranzan Distribution Center, Zama Distribution Center, Oppama Distribution Center and Yokohama Kamigo Distribution Center and disposition of Solala Plaza)

No.	Type (Note1)	Property name	Location	(Anticipated) acquisition date	(Anticipated) acquisition price (million yen) (Note 2)	Appraisal value (million yen) (Note 3)	Share (%) (Note 4)
T-1	CSC	Fululu Garden Yachiyo	Yachiyo, Chiba	February 10, 2015	14,848	15,200	6.9
T-2	Urban Station-Front SC	MONA Shin-Urayasu	Urayasu, Chiba	February 10, 2015	8,063	9,410	3.8
T-3	Urban Station-Front SC	Passaggio Nishiarai	Adachi-ku, Tokyo	February 10, 2015	5,850	6,710	2.7
T-4	Urban Station-Front SC	Daikanyama Address Dixsept	Shibuya-ku, Tokyo	February 10, 2015	5,390	6,370	2.5
T-5	NSC	Unicus Ina	Kitaadachi-gun, Saitama	February 10, 2015 (Note 5)	4,470	5,050	2.1
T-6	NSC	Yorktown Kita-Kaname	Hiratsuka, Kanagawa	February 10, 2015	4,000	4,350	1.9
T-7	NSC	Unicus Yoshikawa	Yoshikawa, Saitama	February 10, 2015	3,600	3,840	1.7
T-8	SS	Sports Club Renaissance Fujimidai	Nerima-ku, Tokyo	February 10, 2015	2,586	2,760	1.2
T-9	NSC	Super Viva Home Iwatsuki (Land)	Saitama, Saitama	October 2, 2015	4,815	5,510	2.3
T-10	SS	K's Denki Shonan-Fujisawa (Land)	Fujisawa, Kanagawa	October 2, 2015	3,169	3,510	1.5
T-11	NSC	Unicus Kamisato (Land)	Kodama-gun, Saitama	October 2, 2015	3,000	3,050	1.4
T-12	NSC	Unicus Konosu (Land)	Konosu, Saitama	October 2, 2015	1,700	1,770	0.8
T-13	SM	Inageya Yokohama Minamihonjuku (Land)	Yokohama, Kanagawa	October 2, 2015	1,442	1,430	0.7
T-15	NSC	Nakamachidai Tokyu Store	Yokohama, Kanagawa	April 21, 2016	3,360	3,810	1.6
T-16	SS	Central Wellness Club Nagatsuta Minamidai	Yokohama, Kanagawa	April 20, 2016	1,724	1,890	0.8
T-17	SM	Life Kameido	Koto-ku, Tokyo	April 21, 2016	1,450	1,520	0.7
T-18	NSC	Totsuka-Fukaya Shopping Center (Land)	Yokohama, Kanagawa	April 19, 2017	4,170	4,310	2.0
T-19	NSC	Yumemachi Narashinodai Mall	Funabashi, Chiba	April 19, 2017	3,416	3,510	1.6
T-20	NSC	Kawamachi Yahagi Mall	Chiba, Chiba	May 18, 2017	3,097	3,210	1.4
T-21	SS	Prime Square Jiyugaoka	Meguro-ku, Tokyo	April 19, 2017	2,820	2,830	1.3
T-22	SS	Round1 Ichikawa-Onitaka	Ichikawa, Chiba	April 19, 2017	1,880	1,970	0.9
T-23	SM	Ozeki Tokiwadai	Itabashi-ku, Tokyo	February 13, 2018	1,263	1,350	0.6
T-24	SS	Konami Sports Club Shibuya	Shibuya-ku, Tokyo	April 27, 2018	3,400	3,420	1.6

No.	Type (Note 1)	Property name	Location	(Anticipated) acquisition date	(Anticipated) acquisition price (million yen) (Note 2)	Appraisal value (million yen) (Note 3)	Share (%) (Note 4)
O-1	NSC	Blumer Maitamon	Kobe, Hyogo	February 10, 2015	8,389	9,370	3.9
O-2	SM	Life Takadono (Land)	Osaka, Osaka	February 10, 2015	2,685	3,150	1.3
O-3	NSC	DCM Kahma MEGA Don Quijote UNY Omihachiman	Omihachiman, Shiga	February 10, 2015	2,140	2,470	1.0
O-4	NSC	Blumer HAT Kobe	Kobe, Hyogo	April 16, 2015	11,000	11,500	5.1
O-5	Urban Station- Front SC	Carino Esaka	Suita, Osaka	October 2, 2015	6,555	7,040	3.1
O-6	Urban Station- Front SC	COMBOX Komyoike	Izumi, Osaka	October 2, 2015	6,450	6,790	3.0
O-7	SM	Hankyu Oasis Hirakatadeguchi	Hirakata, Osaka	October 2, 2015	1,280	1,330	0.6
O-8	SS	Welcia Kishiwadakamori (Land)	Kishiwada, Osaka	October 2, 2015	487	488	0.2
O-9	SM	Life Nishi-Tengachaya	Osaka, Osaka	January 21, 2016	1,505	1,690	0.7
O-10	NSC	Million Town Tsukaguchi (Land)	Amagasaki, Hyogo	April 21, 2016	3,723	3,950	1.7
N-1	SS	DCM Kahma Nakagawa Tomita (Land)	Nagoya, Aichi	February 10, 2015	2,311	2,700	1.1
N-2	NSC	Valor Ichinomiya-Nishi	Ichinomiya, Aichi	February 10, 2015	2,174	2,330	1.0
N-4	SS	Homecenter Kohnan Sunadabashi	Nagoya, Aichi	April 21, 2016	7,140	7,290	3.3
N-5	SS	K's Denki Shin-Moriyama (Land)	Nagoya, Aichi	November 1, 2016	1,370	1,440	0.6
N-6	NSC	Resora Obu Shopping Terrace	Obu, Aichi	August 1, 2017	7,911	7,950	3.7
F-1	SM	Sunny Noma	Fukuoka, Fukuoka	February 10, 2015	1,497	1,620	0.7
F-2	SS	Round1 Stadium Hakata-Hanmichibashi	Fukuoka, Fukuoka	April 19, 2017	5,020	5,500	2.3
F-3	NSC	Kurume-Nishi Shopping Center	Kurume, Fukuoka	April 19, 2017	1,515	1,720	0.7
R-1	NSC	Roseo Mito	Mito, Ibaraki	February 10, 2015 (Note 6)	10,046	11,700	4.7
R-2	SS	K's Denki Aomori Honten	Aomori, Aomori	February 10, 2015	1,469	1,580	0.7
R-3	SS	Super Sports Xebio Aomori-Chuo	Aomori, Aomori	February 10, 2015	898	938	0.4
R-4	NSC	Ashico Town Ashikaga	Ashikaga, Tochigi	October 2, 2015	4,180	5,030	2.0
R-5	NSC	Yorktown Shinden-Higashi	Sendai, Miyagi	October 2, 2015	3,252	3,340	1.5
R-6	SM	Kasumi Technopark Sakura	Tsukuba, Ibaraki	October 2, 2015	830	876	0.4

No.	Type (Note 1)	Property name	Location	(Anticipated) acquisition date	(Anticipated) acquisition price (million yen) (Note 2)	Appraisal value (million yen) (Note 3)	Share (%) (Note 4)
R-7	Urban Station-Front SC	Solala Plaza (Note 7)	Sendai, Miyagi	April 21, 2016	-	-	-
R-8	NSC	P-1 Plaza Tenno	Hamamatsu, Shizuoka	April 22, 2016	4,010	4,350	1.9
R-9	NSC	Seiyu Rakuichi Moriya (Land)	Moriya, Ibaraki	January 31, 2017	4,111	4,230	1.9
R-10	NSC	Sun Street Hamakita	Hamamatsu, Shizuoka	April 27, 2017	10,746	11,160 (Note 8)	5.0
R-11	SS	Costco Wholesale Sapporo Warehouse	Sapporo, Hokkaido	May 31, 2018	4,210	4,410	2.0
L-1	L	Zama Distribution Center (Note 9)	Zama, Kanagawa	April 5, 2019	1,400	1,640	0.7
L-2	L	Oppama Distribution Center (Note 9)	Yokosuka, Kanagawa	April 5, 2019	1,300	1,580	0.6
L-3	L	Musashi Ranzan Distribution Center	Hiki-gun, Saitama	March 26, 2019	3,879	4,000 (Note 8)	1.8
L-4	L	Yokohama Kamigo Distribution Center (Note 10)	Yokohama, Kanagawa	April 11, 2019	790 (Note 11)	840	0.4
Total/Average					213,786	230,792	100.0

(Note 1) Properties are categorized into the following six types of properties: NSC (Neighborhood Shopping Center), SM (Supermarket), CSC (Community Shopping Center), Urban Station-Front SC (Urban Station-Front Shopping Center), SS (Specialty Store) and L (Logistics facility).

(Note 2) “(Anticipated) acquisition price” indicates the purchase price of each property specified in purchase agreement in relation to the acquisition of each property (excluding acquisition costs, adjustment in property tax and city-planning tax, and consumption tax; and rounded down to the nearest one million yen). (As for the properties with building expansion, the price includes the amount described in the construction contract and construction design/supervision outsourcing contracts related to construction of the building for the secondhand shop building (excluding expenses and taxes and rounded down to the nearest million yen).

(Note 3) “Appraisal values” are the values as of the end of September 2017 for the properties held as of September 30, 2017, as of January 1, 2019 for Zama Distribution Center and Oppama Distribution Center.

(Note 4) “Share” indicates the percentage of the (anticipated) acquisition price for each property in the total (anticipated) acquisition price, rounded down to the first decimal place.

(Note 5) A restaurant building additionally acquired on January 16, 2017.

(Note 6) A second-hand store building additionally acquired on November 26, 2015.

(Note 7) For details of the disposition of Solala Plaza, please refer to “Notice Concerning Disposition of Property (Solala Plaza)” dated November 14, 2018, “Notice Concerning the Change of the Buyer of Solala Plaza” dated December 20, 2018 and “Notice Concerning the Completion of Property Disposition (Solala Plaza (49% quasi co-ownership interests))” dated December 21, 2018.

(Note 8) Represents the amount corresponding to the trust beneficiary co-ownership interest (a trust beneficiary co-ownership interest of 90%).

(Note 9) For details of the acquisition of Zama Distribution Center and Oppama Distribution Center, please refer to “Notice Concerning Acquisition of Property (Zama Distribution Center and Oppama Distribution Center)” dated January 16, 2019 and “Notice Concerning the Change of Property Name” dated March 12, 2019.

(Note 10) For details of the acquisition of Yokohama Kamigo Distribution Center, please refer to “Notice Concerning Acquisition of Property (Yokohama Kamigo Distribution Center)” dated March 12, 2019.

(Note 11) Assumed construction cost for property expansion of Yokohama Kamigo Distribution Center is not included.