

June 25, 2025

To all concerned parties:

Investment Corporation

**Japan Metropolitan Fund Investment Corporation**

(Tokyo Stock Exchange Company Code: 8953)

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Asset Management Company

**KJR Management**

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**Notice Concerning Disposition of Real Estate in Japan and Trust Beneficiary Right  
in Real Estate in Japan (JMF-Bldg. Jingumae 01 and JMF-Bldg. Toyochō 02)**

Japan Metropolitan Fund Investment Corporation (“JMF”) announces today that KJR Management, JMF’s asset manager (the “Asset Manager”), determined to dispose of real estate in Japan and the trust beneficiary right in real estate in Japan (hereinafter real estate in Japan and the trust beneficiary right in real estate in Japan are individually referred to as the “Property”, and collectively referred to as the “Properties”) as outlined below.

1. Overview of Disposition

Property name	JMF-Bldg. Jingumae 01	JMF-Bldg. Toyochō 02
Location	30-12, Jingumae 3-chome, Shibuya-ku, Tokyo	6-35, Shinsuna 1-chome, Koto-ku, Tokyo
Asset class	Mixed-use (Office and Retail)	Office
Disposition price (Planned)	5,460 million yen	10,100 million yen
Appraisal value	4,060 million yen	7,900 million yen
Book value <sup>(Note 1)</sup>	5,254 million yen	9,823 million yen
Gains on disposition <sup>(Note 2)</sup>	Approx. 0.17 billion yen	Approx. 0.13 billion yen
Broker	None	Applicable
Purchaser	Not disclosed <sup>(Note 3)</sup>	Not disclosed <sup>(Note 3)</sup>
Completion date of contract	June 25, 2025	
Disposition date (Scheduled)	July 11, 2025 (47th fiscal period)	August 1, 2025 (47th fiscal period)

(Note 1) The book value is the actual value as of the end of February 2025 (46th fiscal period).

(Note 2) Gains on disposition are reference figures as the difference calculated at this time by subtracting book value (the estimated figures as of the month of disposition) and disposition-related expenses from the planned disposition price, and may differ from the actual gains on disposition.

(Note 3) Not disclosed as the purchaser has not agreed to the disclosure. There are no capital, personal or business relationships to note between JMF/the Asset Manager and the purchaser.

## 2. Reason for Disposition

### Highlights

- **Disposed of two properties at a NOI yield based on disposition price of around 2.5%**
- **Enhanced NAV by disposal of properties with unrealized losses at prices above the book values**
- **Returning of the entire gains on sale of approx. 0.3 billion yen in the 47th fiscal period**

JMF aims to enhance total returns (DPU and NAV) and expand the growth cycle using “internal growth” and “return of gains on sales” as drivers.

NOI yield after depreciation of both of the Properties is below the portfolio average, and as they have unrealized losses, the Asset Manager considered multiple scenarios for the Properties, taking into account tenant continuity and replaceability. As a result, it determined that disposal of the Properties at prices above book value (comparison to appraisal value – JMF-Bldg. Jingumae 01: +34.5%, JMF-Bldg. Toyochō 02: +27.8%), and returning the entire gains on sale to unitholders, as well as eliminating the unrealized losses through the disposition, would enhance NAV, thereby contributing to maximizing unitholder value. For these reasons, the Asset Manager decided to dispose of the Properties.

### **(1) Acquired gains on sale through disposition at favorable yields, taking advantage of the booming office trading market**

Against the backdrop of a booming office trading market, favorable yields on sale of the Properties of 2.4% for JMF-Bldg. Jingumae 01 and 2.7% for JMF-Bldg. Toyochō 02 have been realized by the disposition, leading to acquisition of gains on sale of the Properties, despite the fact that they have unrealized losses.

### **(2) Continuing return of gains on sales**

JMF plans to return the entire amount of the gains on disposition of the Properties of approximately 0.3 billion yen to unitholders in the August 2025 (47th) fiscal period. In addition, it plans to use proceeds from the disposition for the acquisition of its own investment units or the acquisition of new assets. It intends to continue returning at least 300 yen per unit in each fiscal period from gains on sales and will further accelerate the speed at which it disposes of properties.

Please also refer to the “Supplemental Material Concerning Today’s Press Release” dated today.

## 3. Property Summary

A summary of the Property to be disposed of is set out in Part 1, Fund Information, Item 1. Status of the Fund, 5 Status of investment management, (2) Investment assets, of JMF’s securities report for the 46th fiscal period submitted on May 29, 2025.

## 4. Overview of Purchasers

The purchasers are a domestic company for JMF-Bldg. Jingumae 01 and a domestic TMK for JMF-Bldg. Toyochō 02, but we have not obtained the necessary permission from the purchasers to disclose their names and other related information. There are no capital, personal or business relationships to note between JMF/the Asset Manager and the purchasers. In addition, the purchasers do not fall under the category of related parties of JMF/the Asset Manager.

5. Overview of Broker

There are no capital, personal or business relationships to note between JMF/the Asset Manager and the broker for the transfer of JMF-Bldg. Toyochō 02.

6. Means of Payment

Full payment at the time of transfer

7. Disposition Schedule

Property Name	JMF-Bldg. Jingumae 01	JMF-Bldg. Toyochō 02
Decision-making date	June 25, 2025	
Disposition contract signing date		
Payment date (Scheduled)	July 11, 2025	August 1, 2025
Property transfer date (Scheduled)		

8. Future Outlook

As a result of the dispositions, JMF expects to record a gain on sales of approximately 0.3 billion yen in the August 2025 (47th) fiscal period, but the impact of the dispositions on the fiscal period ending the August 2025 fiscal period (47th fiscal period: March 1, 2025 to August 31, 2025) and the February 2026 (47th fiscal period: September 1, 2025 to February 28, 2026), will be minor and there are no revisions of forecasts of results.

9. Appraisal Report Summary

Property name	JMF-Bldg. Jingumae 01
Appraiser	Japan Real Estate Institute
Appraisal value	4,060 million yen
Appraisal date	February 28, 2025

Item	Value	Notes
Indicated value by income approach	4,060 million yen	
DC method	4,120 million yen	
Operating income	173 million yen	
Effective gross income	178 million yen	
Losses from vacancy, etc.	5 million yen	
Operational cost	42 million yen	
Maintenance and management fee	6 million yen	
Utility cost	8 million yen	
Repair expenses	1 million yen	
Property manager fee	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
Leasing cost	2 million yen	
Property tax	21 million yen	
Insurance premium	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
Other expenses	3 million yen	
Net operating income	130 million yen	
Operating profit on lump-sum payments	0 million yen	
Capital expenditure	3 million yen	
Net cash flow	127 million yen	
Capitalization rate	3.1 %	
DCF method	4,000 million yen	
Discount rate	2.9 %	
Terminal capitalization rate	3.2 %	
Indicated value by cost approach	4,210 million yen	
Land ratio	91.7 %	
Building ratio	8.3 %	

Other matters of consideration	N/A
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Property name	JMF-Bldg. Toyochō 02
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	7,900 million yen
Appraisal date	February 28, 2025

Item	Value	Notes
Indicated value by income approach	7,900 million yen	
DC method	8,000 million yen	
Operating income	645 million yen	
Effective gross income	681 million yen	
Losses from vacancy, etc.	35 million yen	
Operational cost	313 million yen	
Maintenance and management fee	128 million yen	
Utility cost	85 million yen	
Repair expenses	17 million yen	
Property manager fee	8 million yen	
Leasing cost	5 million yen	
Property tax	64 million yen	
Insurance premium	1 million yen	
Other expenses	2 million yen	
Net operating income	332 million yen	
Operating profit on lump-sum payments	4 million yen	
Capital expenditure	40 million yen	
Net cash flow	295 million yen	
Capitalization rate	3.7 %	
DCF method	7,850 million yen	
Discount rate	3.8 %	
Terminal capitalization rate	3.9 %	
Indicated value by cost approach	8,430 million yen	
Land ratio	83.4 %	
Building ratio	16.6 %	

Other matters of consideration	N/A
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