Japan Metropolitan Fund
Investment Corporation

August 26, 2026

To all concerned parties:

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Notice Concerning Acquisition of Trust Beneficiary Right in Real Estate in Japan (JMF-Residence Osaka Awaji) and Redemption of Silent Partnership Interest

Japan Metropolitan Fund Investment Corporation ("JMF")'s asset manager, KJR Management (the "Asset Manager"), decided today to acquire a trust beneficiary right in real estate in Japan (the "Property") as outlined below.

JMF hereby also announces that, in connection with the acquisition, the silent partnership interest in Godo Kaisha Rapport 2, which holds the Property as underlying asset, will be redeemed.

Highlights

- **Acquisition of rental housing where asset value has improved through rent increases during the holding period by the SPC.**
- **In addition to an actual-based NOI yield of 4.6% and an unrealized gain ratio of over 20%, further internal growth is expected to improve NOI yield to the 5.4% level.**

1. Overview of the Anticipated Acquisition

Property name	JMF-Residence Osaka Awaji (Note)
Location	10-8 Sugahara 2-chome, Higashiyodogawa-ku, Osaka-shi, Osaka
Asset class	Residence
Type of asset	Trust beneficiary right in real estate
Acquisition price (Planned)	734 million yen
Appraisal value	904 million yen
Contract completion date	August 26, 2026
Acquisition date (Scheduled)	August 31, 2026
Seller	Godo Kaisha Rapport2
Broker	None
Acquisition funds	Cash on hand (Planned)

(Note) The property name is the name used by JMF for management purposes. The facility is currently called "Luxe Awaji," but the facility name is scheduled to be changed to "JMF-Residence Osaka Awaji" after JMF's acquisition.

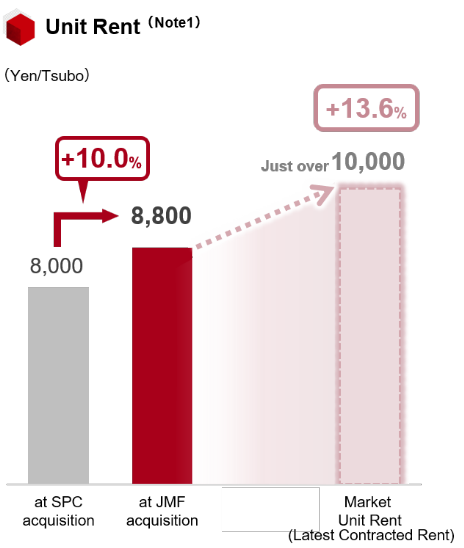
2. Reason for the Acquisition

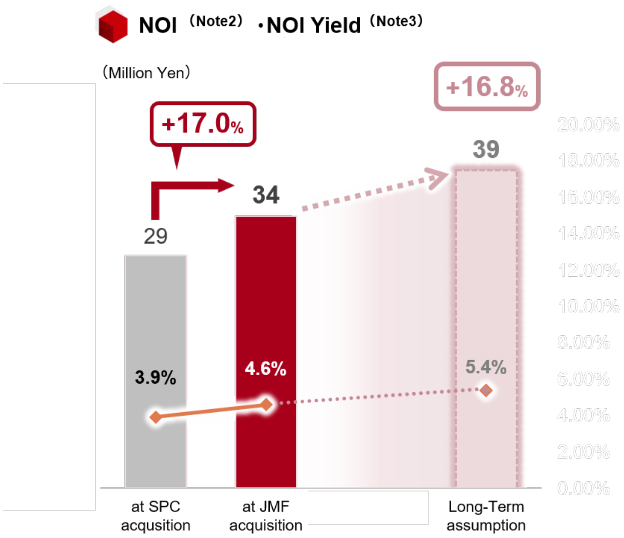
JMF has decided to acquire “JMF-Residence Osaka Awaji” (former name: Luxe Awaji), which is one of the underlying assets of the silent partnership investment announced in the “Notice Concerning Acquisition of Trust Beneficiary Right in Real Estate in Japan and Asset in Japan (Silent partnership interests) (JMF-Residence Meiekiminami and Silent Partnership Interests)” dated December 14, 2023.

The Property was acquired by Godo Kaisha Rapport2, a special purpose company (SPC), in December 2023, and JMF acquired the silent partnership interest. During the holding period by the SPC, the Property saw an increase in occupancy rates and proactive rent increases, resulting in a significant rise in the average rent per unit area by +10.0%. In addition, the latest maximum contracted rent per unit area is over 10,000 yen per tsubo, which is 13.6% higher than the average rent per unit area at the time of JMF’s acquisition, and further rent upside is expected through renewals and tenant replacements.

Against the backdrop of these rent increases, NOI has improved by 17.0% and NOI yield by 0.7% compared to the time of acquisition by the SPC. Furthermore, as a result of a 10% increase in the appraisal value, the unrealized gain ratio exceeds 20%, significantly improving profitability and asset value within the short 2.5-year holding period by the SPC.

JMF will further strive to improve profitability through the progress of further internal growth of the Property, and will also consider pursuing capital returns in the future.





Of the properties other than the Property held by Godo Kaisha Rapport1, 2, and 3, approximately 70% have already been sold to third parties or are scheduled to be sold. In addition, JMF will consider acquiring some of the properties that meet our acquisition criteria.

(Note1) The rent per unit area is as follows. “At the time of SPC acquisition” refers to the average rent per tsubo of the Property as of the end of December 2023, when the SPC acquired the Property (rounded down to the nearest hundred yen). “At the time of JMF acquisition” refers to the average rent per tsubo of the Property as of the end of June 2026 (rounded down to the nearest hundred yen). "Market rent (latest contract rent)" refers to the maximum contract rent per tsubo for units that have been newly leased within the past year.

(Note2) The details for each NOI are as follows. The figures for "At the time of SPC acquisition" refer to the NOI of the property calculated by JMF under certain assumptions as of the end of December 2023, when the SPC acquired the property. The figures for "At the time of JMF acquisition" refer to the assumed NOI at the time of acquisition by JMF. The figures for "Long-term" refer to the NOI based on future projections calculated by JMF as of the date of this document, taking into account certain assumptions. Note that none of these figures guarantee the actual NOI.

(Note3) NOI yield is calculated by dividing each NOI calculated in Note 2 by the acquisition price, rounded to the first decimal place.

3. Property Summary

For acquisition of the Property, JMF came to the decision based on evaluation of the following.

Location

- The property is located in an area with high transportation convenience, offering excellent access to central Osaka, including Osaka Station (Umeda Station) and Kyobashi Station, from the nearest stations: JR Awaji Station on the JR Osaka Higashi Line (15-minute walk) and Kami-Shinjo Station on the Hankyu Kyoto Line (17-minute walk). It is also just two stops from JR Awaji Station to Shin-Osaka Station.
- The surrounding area has a convenient living environment, with facilities such as the Higashiyodogawa Ward Office, large supermarkets, and home centers.

Building Spec

- The property is a 10-story apartment building with a total of 54 units. All units are 1K layouts.
- The property is equipped with facilities that cater to the needs of single residents, such as auto-lock systems, delivery lockers, and bathroom dryers.

Profitability and Potential

- Higashiyodogawa Ward, where the property is located, has seen an increasing number of households in recent years, suggesting high housing demand.
- Around Awaji Station, continuous grade separation projects for the Hankyu Kyoto and Senri Lines and land readjustment projects are underway, and future revitalization of the urban area around the station is expected.

■ Property Photos/Map

Enlarged Map (Image)
Please refer to the QR code for a detailed map.

https://maps.app.goo.gl/KZXVbsu4hs5k9sgs6

Property name		JMF-Residence Osaka Awaji
Location		2-10-8 Sugahara, Higashiyodogawa-ku, Osaka-shi, Osaka
Type of asset		Trust beneficiary right in real estate
Trustee		Mitsubishi UFJ Trust and Banking Corporation (Planned)
Trust period		From September 30, 2016 to August 31, 2046 (Planned)
Land	Land area	563.92 m^2
	Zoning	Category I residential zone / Category II residential zone
	Type of possession	Ownership
	FAR / building-to-land ratio	200% ・ 300% / 80%
Building	Total floor area	1,708.23 m^2
	Structure / stories	10 stories above ground, RC-structure with flat roof
	Type	Apartment
	Completion date	March 1, 2016
	Type of possession	Ownership
	Architect	Prime Design Co., Ltd.
	Constructor	Eternal Co., Ltd.
	Constructional Inspector	Osaka Building Disaster Prevention Center
	PML	12.4% (Based on the earthquake risk assessment (details) report prepared by Engineering and Risk Services Corporation)
Anticipated acquisition price		734 million yen
Appraisal value		904 million yen (Appraisal date: August 1, 2026)
Appraiser		Tanizawa Sogo Appraisal Co., Ltd.
Collateral conditions		None
Tenant Overview	Number of tenant(s)	54 (As of June 30, 2026)
	Annual rent	44 million yen
	Tenant leasehold / security deposit	0 million yen
	Total leased area	1,392.84 m^2
	Total leasable area	1,392.84 m^2
	Occupancy rate (based on leased area)	100.0%
Special notes		None

- Figures of less than one million yen are rounded down, and percentages are rounded to the first decimal place.
- "Location" represents the address of the property or the registered address of the building.
- "Land area", "Total floor area" are based on descriptions in registry books.
- "Zoning" represents the classification of land by its use, stipulated in Section 1-1, Article 8 of the City Planning Act.
- "Number of tenants" represents the total number of lease contracts (including the lease agreements, etc. concluded between the master lease company and end tenants; the same applies hereinafter) as of the above.
- "Annual rent" is calculated by multiplying the total of monthly rent and monthly common area charges indicated in the lease agreements, etc. for the assets to be acquired that are effective as of the above date by 12, and rounding down to the nearest million yen. Amounts clearly specified in the lease agreements as rent for parking lots, bicycle parking, etc., are not included.
- "Tenant leasehold / security deposit," "Total leased area," "Total leasable area," and "Occupancy rate (based on leased area)" are the totals of the figures based on lease agreements, etc. that are effective as of the above date.

4. Profile of the sellers

Name		Godo Kaisha Rapport2
Location		In AOJ Tax Accountant Corporation, 2-10 Hatchobori 4-chome, Chuo-ku, Tokyo
Name and job title of the representative		Representative Partner SH Rapport2 Executing person Takahito Idesawa
Business		1. Acquisition, holding, and disposition of real estate 2. Leasing and management of real estate 3. Acquisition, holding, and disposition of trust beneficiary rights in real estate 4. Other businesses incidental or related to the items described above
Capital		100,000 yen
Date established		November 10, 2023
Relationship with JMF / the Asset Manager		
	Capital relationship Personal relationship Business relationship	JMF has made a silent partnership investment in the company, accounting for 28.6% of the total silent partnership investment amount. Except for this, there are no relationships between JMF or the Asset Manager and the company that are required to be disclosed. In addition, there are no relationships between the related parties/related companies of JMF or the Asset Manager and the related parties/related companies of the seller that are required to be disclosed.
	Status as a related party	Any of the seller or the related parties/related companies of the seller do not fall under the related party of JMF or the Asset Manager.

5. Status of the seller, etc.

This transaction does not constitute a transaction with a party having a special interest in JMF or the Asset Manager.

6. Means of Payment

Full payment at the time of transfer

7. The Acquisition schedule

Decision-making date	August 26, 2026
Contract completion date	
Payment date	August 31, 2026 (Scheduled)
Property delivery date	

8. Overview of Redemption

After JMF acquires the property from the seller, Godo Kaisha Rapport2, Godo Kaisha Rapport2 will have completed the sale of all its properties; therefore, the redemption of the silent partnership equity interest in Godo Kaisha Rapport2 held by JMF is scheduled to be carried out sequentially in August and

October 2026.

In addition, regarding Godo Kaisha Rapport1, as well as Godo Kaisha Sapphire1 and Godo Kaisha Sapphire2 held by JMF, which were announced in the "Notice Concerning Acquisition of Domestic Assets (Silent Partnership Equity Interest)" dated March 22, 2024, the redemption of the silent partnership equity interests in Godo Kaisha Rapport1, Godo Kaisha Sapphire1, and Godo Kaisha Sapphire2 held by JMF is also scheduled to be carried out sequentially in August 2026 and February 2027 due to the sale of some properties.

9. Future Outlook

The impact of the acquisition of this property on JMF's operating results for the August 2026 fiscal period (49th fiscal period: from March 1, 2026 to August 31, 2026) and the February 2027 fiscal period (50th fiscal period: from September 1, 2026 to February 28, 2027) is minimal, and there are no changes to the forecasts of operating results.

In addition, JMF expects to record a certain amount of profit in connection with the redemption of the silent partnership interests, but as this is currently under review, details will be announced in the Financial Results Summary scheduled to be released on October 21, 2026.

10. Appraisal Report Summary

Property name	JMF-Residence Osaka Awaji
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	904 million yen
Appraisal date	August 1, 2026

Item	Value	Notes
Indicated value by income approach	904 million yen	
DC method	940 million yen	
Operating income	51 million yen	
Effective gross income	53 million yen	Includes bicycle parking/motorcycle parking income and other income, in addition to rental income
Losses from vacancy, etc.	1 million yen	
Operational cost	12 million yen	
Maintenance and management fee	1 million yen	Assessed based on provided materials, etc.
Utility cost	0 million yen	
Repair expenses	2 million yen	Assessed with reference to ER and similar cases Note that this item includes restoration costs
Property manager fee	0 million yen	Assessed based on provided materials, etc. However, construction supervision fees are excluded
Leasing cost	0 million yen	
Property tax	3 million yen	Assessed by taking into account property tax materials, etc.
Insurance premium	0 million yen	Assessed based on insurance materials
Other expenses	2 million yen	
Net operating income	38 million yen	
Operating profit on lump-sum payments	0 yen	
Capital expenditure	4 million yen	Assessed with reference to ER and similar cases
Net cash flow	34 million yen	
Capitalization rate	3.7%	
DCF method	888 million yen	
Discount rate	3.9%	
Terminal capitalization rate	3.9%	
Indicated value by cost approach	840 million yen	
Land ratio	67.1%	
Building ratio	32.9%	

Other matters of consideration	N/A

[Reference]

Prospective Income and Expenditures for the Properties

NOI	38 million yen
NOI yield	5.3%
Depreciation	7 million yen
NOI yield after depreciation	4.3%

・NOI (Net Operating Income) refers to NOI used in the Direct Capitalization Method on the appraisal report.
・NOI yield is calculated by dividing NOI by the acquisition price and rounded to the first decimal place.
・Depreciation is a rough estimate at present.
・NOI yield after depreciation is calculated by dividing NOI after deducting depreciation by the acquisition price and rounded to the first decimal place.