

December 22, 2025

To All Concerned Parties

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Notice Concerning Acquisition of Domestic Trust Beneficiary Interests **(Rental Housing 2 Properties)**

Daiwa Securities Living Investment Corporation (hereinafter referred to as the “Investment Corporation”) hereby announces that Daiwa Real Estate Asset Management Co. Ltd. (hereinafter referred to as the “Asset Manager”), the asset manager of the Investment Corporation, has resolved to acquire the following properties (hereinafter referred to as the “Acquisition”). Details are provided below.

I. General Outline of the Acquisition

A general outline of the properties to be acquired is detailed in the table below. On December 22, 2025, the Investment Corporation has concluded the purchase agreement with the seller for acquisition of properties to be acquired of. The acquisition is scheduled to take place on January 30, 2026.

No.	Name of property	Location	Property type (Note 1)	Anticipated acquisition price (A) (JPY thousand) (Note 2)	Appraisal value (December, 2025) (B) (JPY thousand)	Difference between anticipated acquisition price and appraisal value (B) - (A) (JPY thousand) ((A)/(B))	Seller
1	THE PALMS YOKOHAMA ISOGO (Note 3)	Yokohama, Kanagawa	Residence (Studio)	2,120,000	2,240,000	120,000 (94.6%)	Tosei Corporation/ Isogo Asset Management Co., Ltd
2	THE PALMS KINSHICHO (Note 3)	Sumida-ku, Tokyo	Residence (Studio)	1,700,000	1,780,000	80,000 (95.5%)	Tosei Corporation
Total				3,820,000	4,020,000	200,000	

(Note 1) “Studio type” refers to residences in the 1R, 1K, 1DK, and 1LDK layouts. “Family type” refers to residences in the 2K, 2DK, 2LDK, and above layouts. If there are multiple types of residences are mixed in one building, they are classified as belonging to the type with the largest number of units.

(Note 2) Anticipated acquisition price does not include acquisition expenses, adjustments to property tax and city planning tax and consumption tax and local consumption tax. The same applies hereinafter.

(Note 3) The name of the property will be changed to “Gran Casa Yokohama Isogo” and “Gran Casa Kinshicho II” on January 30, 2026.

(Note 4) There is no intermediary in the Acquisition.

(Note 5) Amounts are rounded to the nearest unit and percentages are rounded to the first decimal place. Unless stated otherwise, the same applies hereinafter.

II. Reason for the Acquisition

Based on the asset management objectives and policies set forth in the Investment Corporation Agreement, the Investment Corporation conducts business to ensure the steady growth of assets under management and stable earnings over the medium to long term. The properties to be acquired have been selected to diversify and enhance the portfolio with the aim of ensuring stable revenue. In addition, the tenants of the assets to be acquired meets the tenant selection criteria outlined in the Investment Corporation's Management System Report dated June 19, 2025.

III. Details of the Acquisition

The details of the asset to be acquired are summarized in the following individual property tables. The description of the items mentioned in the individual property tables is as follows.

<Description of Items>

1. “Location (residential indication)” is stated based on the residential indication in principle. Where residential indication is not shown, building location (if there is more than one, the location of one of the buildings) is shown in accordance with either the housing number indication or the registry (including the Registration Record; the same applies hereinafter).
2. “Form of ownership” for both Land and Building refers to the type of rights held by the Investment Corporation for real estate and by the Trustee for real estate trust beneficiary interests.
3. “Zoning” for Land refers to the types of use districts stipulated by Item 1, Paragraph 1, Article 8 of the City Planning Act (Law No. 100 of 1968, including later amendments) (hereinafter referred to as the “City Planning Act”).
4. “Area” for Land is shown in accordance with the registry and may not correspond to the current reality.
5. “FAR” for Land refers to the ratio of the sum of the floor space of the building to the land area as stipulated in Article 52 of the Building Standards Act (Law No. 201 of 1950, including later amendments) (hereinafter referred to as the “Building Standards Act”), and the upper limit of floor-to-area ratio (designated floor-to-area ratio) as determined by city planning according to the use area. The designated floor-to-area ratio can be mitigated, increased, or reduced due to the width of roads connected to the site and other reasons, and may differ from the floor-to-area ratio that is actually in use.
6. “Building-to-land ratio” for Land shows the ratio of the building area to the land area as stipulated in Article 53 of the Building Standards Act, and the upper limit of building-to-land ratio (designated building-to-land ratio) as determined by city planning according to the use area. The designated building-to-land ratio can be mitigated, increased, or reduced due to fireproofed structures in a fire prevention districts and other factors, and may differ from the building-to-land ratio that is actually in use.
7. “Use” for Building refers to the building type recorded in the registry.
8. “Structure/Floors” for Building is based on records in the registry.
9. “Number of leasable units” (in the case of residence) indicates the number of units that can be leased as of October 31, 2025 for the Asset to Be Acquired.
10. “Number of leasable compartments” (in case of healthcare facilities) indicates the number of compartments of a building where a lease contract has been concluded, and includes retail stores, offices, etc., if any.
11. “Total floor area” for Building is based on records in the registry and does not include the floor area of annexed buildings.
12. “Construction completion” for Building refers to the date of completion recorded in the registry.
13. “Estimated emergency repair expenses,” “Estimated short-term repair expenses,” and “Estimated long-term repair expenses” are rounded down to the thousands, while ratios are rounded to the first decimal place.
14. “PML” data was acquired from Tokyo Marine dR Co., Ltd. in December 2025.
15. “Property manager” is the property management company entrusted with, or scheduled to be entrusted with the property management operations.
16. “Master lessee” is the party that has, or is scheduled to enter into a master lease agreement concerning the asset in question.
17. “Type of master lease” is either “Pass through” or “Guaranteed rent” “Pass through” is a master lease agreement where the master lessee passes on the rent equivalent to rent paid by the end tenant, and “Guaranteed rent” is a master lease agreement in which the master lessee pays a fixed rent.
18. “Real estate rent revenue” is the monthly rental income (rent, common service fee, parking lot income, etc.) rounded down to less than 1,000 yen based on the figures and information available as of October 31, 2025 of the Asset to Be Acquired.
19. “Lease and guarantee deposits, etc.” are the lease or guarantee deposits (residences, retail stores, offices, parking lots, etc.) rounded down to less than 1,000 yen based on the figures and information available as of October 31, 2025 of the Asset to Be Acquired.
20. “Leasable area” shows the leasable area of each of the Asset to Be Acquired as of October 31, 2025 excluding area used by storage spaces, parking spaces, custodian areas, signboards, vending machines, antennas and other spaces leased to the lessee in addition to their main use, or other areas leased for the maintenance and supervision of the relevant property (including loan for use). Furthermore, leasable area is calculated using the center line of the wall, and includes the meter boxes and pipe spaces allotted to each unit.
21. “Number of tenants” shall be one if a master lease agreement has, or is scheduled to be concluded with a master lessee.
22. “Total leased area” is the sum of the area leased through lease agreements with end tenants (however, in cases where properties are wholly leased to realtors through guaranteed rent agreements or where a master lessee wholly leases it to another company, lease agreements where properties are wholly leased to a lessee) at the Asset to Be Acquired that are in effect as of October 31, 2025.

23. “Occupancy rate” is the figure obtained by dividing the total leased area by the leasable area for the asset to be acquired as of October 31, 2025, rounded down to the first decimal place.
24. The “Collateral” section denotes if there is collateral to be borne by the Investment Corporation for the asset to be acquired, or if there is collateral to be borne after the acquisition.
25. The “Features” sections have been prepared based on the analyses of the Asset Manager and the appraisal reports of the real estate appraiser concerning the Asset to Be Acquired.
26. The “Special Notes” section denotes important factors upon considering the rights, appraisal values, the impact on profitability and disposability, etc., concerning the Asset to Be Acquired.

1. THE PALMS YOKOHAMA ISOGO

Overview of the Property				
Category of anticipated property for acquisition		Trust beneficiary interests		
Trustee		Sumitomo Mitsui Trust Bank, Limited (planned)		
Term of trust agreement		undecided		
Scheduled acquisition price		JPY 2,120 million	Scheduled acquisition date	January 30, 2026
Appraisal value (appraisal date)		JPY 2,240 million (as of December 1, 2025)	Appraisal firm	Tanizawa Sogo Appraisal CO., Ltd.
Location (Residential indication)		3-4-4, Isogo, Isogo-ku, Yokohama-shi, Kanagawa		
Access		Approximately 450 m from “Isogo” Station on the JR Negishi Line		
Land	Form of ownership	Ownership	Zoning	Commercial District
	Area	565.39m²	FAR/Building-to-land ratio	400% / 80%
Building	Form of ownership	Ownership	Use	Condominium, parking
	Structure/Floors	RC, 9-story building with flat roof	Number of leasable units	75 units
	Total floor area	2,389.17 m²	Construction completion	October 11, 2024
	Building engineer			
Constructor		SEIWA-CORPORATION. Co., Ltd.		
Building inspection agency		Toshi Kenchiku Kakunin Center Co., Ltd.		
Estimated emergency repair expenses		JPY 0 thousand	Estimated short-term repair expenses	JPY 0 thousand
Estimated long-term repair expenses		JPY 23,495 thousand	PML	12.7%
Property manager		Tokyu Housing Lease Corporation (planned)		
Master lessee		G.K. Japan Rental Housing	Type of master lease	Pass through
Overview of Leasing				
Real estate rent revenue		JPY 8,393 thousand		
Lease and guarantee deposits		JPY 13,514 thousand		
Total leasable area		2,225.59 m²	Number of tenants	1
Total leased area		2,225.59 m²	Occupancy rate	100.0%
Collateral		None		
Features				
Site features: The property is a condominium completed in October 2024, located a 6-minute walk from “Isogo” Station on the JR Negishi Line. In addition to good access toward Yokohama, there are direct trains to the Shinagawa area, making it highly accessible. The station and the surrounding neighborhood of the property are well equipped with convenient daily-life facilities , and the property is expected to attract stable demand from single occupants and DINKS.				
Property features: The 9-story reinforced concrete building consists of 67 1K units, 8 1DK units. Common facilities such as auto-locking door, intercom with monitor, security camera, delivery box, water boilers with a reheating function, warm water washing toilet seat, etc., are equipped as standard, it is a property that provides residents with high quality and comfortable life.				
Special Notes				
None				

2. THE PALMS KINSHICHO

Overview of the Property				
Category of anticipated property for acquisition		Trust beneficiary interests		
Trustee		Sumitomo Mitsui Trust Bank, Limited (planned)		
Term of trust agreement		undecided		
Scheduled acquisition price		JPY 1,700 million	Scheduled acquisition date	January 30, 2026
Appraisal value (appraisal date)		JPY 1,780 million (as of December 1, 2025)	Appraisal firm	Tanizawa Sogo Appraisal CO., Ltd.
Location (Residential indication)		2-2-8, Kotobashi, Sumida-ku, Tokyo		
Access		Approximately 400 m from “Kinshicho” Station on the JR Sobu Line and Tokyo Metro Hanzomon Line		
Land	Form of ownership	Ownership	Zoning	Commercial District
	Area	313.58m²	FAR/Building-to-land ratio	600% / 80%
Building	Form of ownership	Ownership	Use	Condominium, shop
	Structure/Floors	RC, 11-story building with flat roof	Number of leasable units	30 units
	Total floor area	1,355.88 m²	Construction completion	December 19, 2023
Building engineer		First-class Registered Architect Office, SHINNIHON CORPORATION		
Constructor		SHINNIHON CORPORATION		
Building inspection agency		JCIA		
Estimated emergency repair expenses		JPY 0 thousand	Estimated short-term repair expenses	JPY 0 thousand
Estimated long-term repair expenses		JPY 13,326 thousand	PML	5.1%
Property manager		Tokyu Housing Lease Corporation (planned)		
Master lessee		G.K. Japan Rental Housing	Type of master lease	Pass through
Overview of Leasing				
Real estate rent revenue		JPY 6,001 thousand		
Lease and guarantee deposits		JPY 20,171 thousand		
Total leasable area		1,249.20 m²	Number of tenants	1
Total leased area		1,222.14 m²	Occupancy rate	97.8%
Collateral		None		
Features				
<p>Site features:</p> <p>The property is a condominium completed in December 2023, located a 5-minute walk from “Kinshicho” Station on the JR Sobu Line and the Tokyo Metro Hanzomon Line. The property offers excellent access to central Tokyo and superior transportation convenience, with a full range of convenient daily facilities around the station and the property, making it a property that is expected to have stable demand from single occupants and DINKS.</p> <p>Property features:</p> <p>The 11-story reinforced concrete building consists of 9 1R units, 9 1DK units, 1 2DK unit, 10 2LDK units and one shop. Common facilities such as auto-locking door, intercom with monitor, security camera, delivery box, water boilers with a reheating function, warm water washing toilet seat, etc., are equipped as standard, it is a property that provides residents with high quality and comfortable life.</p>				
Special Notes				
None				

IV. Profile of the Counterparty

(1)	Company name	Tosei Corporation
(2)	Location	4-5-4, Shibaura, Minato-ku, Tokyo
(3)	Title and name of representative	Seiichiro Yamaguchi, President and CEO
(4)	Description of business	Revitalization, Development, Rental, Fund and Consulting, Property Management, Hotel
(5)	Amount of capital	JPY 6,624 million
(6)	Sales amount	JPY 45,587 million
(7)	Date of incorporation	February 2, 1950
(8)	Net assets	JPY 81,996 million
(9)	Total assets	JPY 244,994 million
(10)	Major shareholders	Nagoya Railroad Co.,Ltd (15.4%), Zeus Capital Limited (12.3%), Seiichiro Yamaguchi (11.1%), The Master Trust Bank of Japan, Ltd. (10.7%)

(11)	Relationship between the seller and the Investment Corporation/Asset Manager	
	Capital relationship	There is no capital relationship required to be disclosed between the Investment Corporation/Asset Manager and the transferee. In addition, there is no capital relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the transferee.
	Personnel relationship	There is no personnel relationship required to be disclosed between the Investment Corporation/Asset Manager and the transferee. In addition, there is no personnel relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the transferee.
	Business relationship	There is no business relationship required to be disclosed between the Investment Corporation/Asset Manager and the transferee. In addition, there is no business relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the transferee.
	Status of classification as related party	The transferee is not classified as related party with Investment Corporation/Asset Manager.

(1)	Company name	Isogo Asset Management Co., Ltd
(2)	Location	4-5-4, Shibaura, Minato-ku, Tokyo
(3)	Title and name of representative	Kosuke Yoneda, Representative of Director
(4)	Description of business	Real estate leasing, brokerage, management, and sales
(5)	Amount of capital	JPY 15 million
(6)	Sales amount	JPY 17 million
(7)	Date of incorporation	February 27, 1961
(8)	Net assets	JPY 927 million
(9)	Total assets	JPY 1,076 million
(10)	Major shareholders	Tosei Corporation (100.0%)
(11)	Relationship between the seller and the Investment Corporation/Asset Manager	
	Capital relationship	There is no capital relationship required to be disclosed between the Investment Corporation/Asset Manager and the transferee. In addition, there is no capital relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the transferee.
	Personnel relationship	There is no personnel relationship required to be disclosed between the Investment Corporation/Asset Manager and the transferee. In addition, there is no personnel relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the transferee.
	Business relationship	There is no business relationship required to be disclosed between the Investment Corporation/Asset Manager and the transferee. In addition, there is no business relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the transferee.
	Status of classification as related party	The transferee is not classified as related party with Investment Corporation/Asset Manager.

V. Funds for Acquisition

Use cash on hand.

VI. Schedule of the Acquisition

- Decision of acquisition and conclusion of purchase agreement: December 22, 2025
- Payment and acquisition: January 30, 2026

VII. Financial Impact on the Investment Corporation in the event that Forward Commitments, etc. cannot be fulfilled.

The purchase and sale agreement for the assets to be acquired corresponds to a forward commitment, etc. (referring to a postdated purchase and sales agreement under which payment and delivery shall be made at least one month after the conclusion of the contract, or any other contract similar thereto) as specified in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.

If either party to the purchase and sale agreement fails to satisfy its obligations as prescribed in the purchase and sale agreement (hereinafter, the "party in breach of contract"), the counterparty may, after issuing a written demand for satisfaction specifying a reasonable period of time, cancel the agreement. In this case, the counterparty may demand a penalty equivalent to 10% of the total transfer funds from the party in breach of contract.

VIII. Settlement Method

A lump-sum settlement shall be made at the time of the Acquisition.

IX. Forecasts

Due to the acquisition of the assets announced today in the " Notice Concerning Acquisition of Domestic Trust Beneficiary Interests (Rental Housing 2 Properties)", there have been changes to the assumptions underlying the operating outlook for the fiscal period ending March 2026 (40th fiscal period) announced on November 20, 2025. Accordingly, we have revised the forecasts of operating results and distributions. For details, please refer to the "Notice Concerning Revision to Forecasts of Operating Results and Distribution for the Fiscal Period Ending March 2026 (40th Fiscal Period)" released today. Furthermore, the Acquisition will have only a slight impact on the asset management condition for the fiscal period ending September 2026 (41st fiscal period), and there is no change in the asset management forecast.

X. Summary of Appraisal Report

Property Name				THE PALMS YOKOHAMA ISOGO	
Appraisal Value				JPY 2,240,000,000	
Appraiser				Tanizawa Sogo Appraisal CO., Ltd.	
Date of Appraisal				December 1, 2025	
Item				Details	Overview, etc.
Value indicated by income approach			JPY thousand	2,240,000	-
	Value indicated by the Direct Capitalization Method		JPY thousand	2,290,000	-
	(1) Total Operating Income: (a)-(b)		JPY thousand	106,034	-
	(a)	Rental revenues including common service fees	JPY thousand	104,821	Rental revenue: Revenue that can be earned on an ordinary basis by leasing or contracting the operation of all or part of the subject property. (assuming full occupancy) Common service fee revenue: Among the expenses required on a recurring basis for the maintenance, management, and operation of the subject property, revenue collected through contracts with lessees related to common areas. (assuming full occupancy)
		Parking fees	JPY thousand	540	Income generated by leasing the parking lot attached to the subject property to tenants, etc. and income generated by renting the parking lot by the hour. (assuming the lot is full)
		Other revenues	JPY thousand	3,979	Income from other revenues such as fees for installing signs, antennas, vending machines, etc., and one-time payments that do not require refunds of key money, renewal fees, or similar charges.
		(b)	Losses from vacancies	JPY thousand	3,306
	Bad debt losses		JPY thousand	-	Not recorded as it is secured by deposit, etc.
	(2) Total Operating Expenses		JPY thousand	19,695	-
		Operation costs	JPY thousand	3,084	Expenses required on a recurring basis for the maintenance and management of the subject property, including building and facility management, security, cleaning, etc.
		Utilities	JPY thousand	801	Expenses required for electricity, water, gas, district heating and cooling heat source, etc. in the operation of the subject property.
		Repairs and maintenance expense	JPY thousand	2,473	Of the amount paid for repair or improvement of buildings, facilities, etc. related to the subject property, the cost required for ordinary maintenance and management of the said buildings, facilities, etc. or to restore the partially damaged buildings, facilities, etc. to their original state.
		Property management fees	JPY thousand	1,836	Expenses for the management of the subject property.
		Tenant promotion fees, etc.	JPY thousand	2,979	Expenses required for intermediary services and advertising, etc. when recruiting new tenants, as well as expenses required for the renewal of tenant lease contracts and re-signing of lease contracts.
		Taxes and public dues	JPY thousand	6,188	(Land) Property tax, city planning tax. (Buildings, etc.) Property tax, city planning tax.
		Nonlife insurance	JPY thousand	317	Charges for fire insurance for the subject property and attached facilities, liability insurance to cover damage to third parties, etc. due to defects or accidents in the management of the subject property, etc.
		Other expenses	JPY thousand	2,014	Internet usage fees, etc. are recorded as Other expenses.
	(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	86,339	-
	(4) Lump-sum Investment Return		JPY thousand	77	Investment income is appraised assuming an investment yield of 1.0%.
	(5) Capital Expenditure		JPY thousand	1,580	Expenses for repair or improvement of buildings, facilities, etc. related to the subject property that are recognized to increase the value of the said buildings, facilities, etc. or increase their durability.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	84,836	-
(7) Capitalization Rate		(%)	3.7	Assessed through comparison to transactions of similar properties.	
Value Indicated by DCF Method		JPY thousand	2,220,000	-	
	Discount Rate	(%)	3.8	Assessed by adding the individual risks of the subject property to the base yield.	
	Terminal Capitalization Rate	(%)	3.9	Assessed by taking into account future uncertainties and other factors to the Capitalization rate.	
Value indicated by cost approach			JPY thousand	2,030,000	-
	Land Ratio	(%)	60.1	-	
	Property Ratio	(%)	39.9	-	

Other items of note by appraiser	None
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Property Name				THE PALMS KINSHICHO		
Appraisal Value				JPY 1,780,000,000		
Appraiser				Tanizawa Sogo Appraisal CO., Ltd.		
Date of Appraisal				December 1, 2025		
Item				Details	Overview, etc.	
Value indicated by income approach			JPY thousand	1,780,000	-	
	Value indicated by the Direct Capitalization Method			JPY thousand	1,840,000	-
	(1) Total Operating Income: (a)-(b)			JPY thousand	78,420	-
	(a)	Rental revenues including common service fees		JPY thousand	78,608	Rental revenue: Revenue that can be earned on an ordinary basis by leasing or contracting the operation of all or part of the subject property. (assuming full occupancy) Common service fee revenue: Among the expenses required on a recurring basis for the maintenance, management, and operation of the subject property, revenue collected through contracts with lessees related to common areas. (assuming full occupancy)
		Parking fees		JPY thousand	540	Income generated by leasing the parking lot attached to the subject property to tenants, etc. and income generated by renting the parking lot by the hour. (assuming the lot is full)
		Other revenues		JPY thousand	2,007	Income from other revenue such as fees for installing signs, antennas, vending machines, etc., and one-time payments that do not require refunds of key money, renewal fees, or similar charges.
		(b)	Losses from vacancies		JPY thousand	2,736
	Bad debt losses		JPY thousand	-	Not recorded as it is secured by deposit, etc.	
	(2) Total Operating Expenses			JPY thousand	13,375	-
		Operation costs		JPY thousand	3,324	Expenses required on a recurring basis for the maintenance and management of the subject property, including building and facility management, security, cleaning, etc.
		Utilities		JPY thousand	659	Expenses required for electricity, water, gas, district heating and cooling heat source, etc. in the operation of the subject property.
		Repairs and maintenance expense		JPY thousand	1,334	Of the amount paid for repair or improvement of buildings, facilities, etc. related to the subject property, the cost required for ordinary maintenance and management of the said buildings, facilities, etc. or to restore the partially damaged buildings, facilities, etc. to their original state.
		Property management fees		JPY thousand	1,146	Expenses for the management of the subject property.
		Tenant promotion fees, etc.		JPY thousand	2,127	Expenses required for intermediary services and advertising, etc. when recruiting new tenants, as well as expenses required for the renewal of tenant lease contracts and re-signing of lease contracts.
		Taxes and public dues		JPY thousand	3,327	(Land) Property tax, city planning tax. (Buildings, etc.) Property tax, city planning tax.
		Nonlife insurance		JPY thousand	201	Charges for fire insurance for the subject property and attached facilities, liability insurance to cover damage to third parties, etc. due to defects or accidents in the management of the subject property, etc.
		Other expenses		JPY thousand	1,254	Internet usage fees, etc. are recorded as Other expenses.
		(3) Net Operating Income (NOI): (1)-(2)			JPY thousand	65,045
	(4) Lump-sum Investment Return			JPY thousand	201	Investment income is appraised assuming an investment yield of 1.0%.
	(5) Capital Expenditure			JPY thousand	980	Expenses for repair or improvement of buildings, facilities, etc. related to the subject property that are recognized to increase the value of the said buildings, facilities, etc. or increase their durability.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)			JPY thousand	64,266	-
	(7) Capitalization Rate			(%)	3.5	Assessed through comparison to transactions of similar properties.
	Value Indicated by DCF Method			JPY thousand	1,760,000	-
		Discount Rate		(%)	3.6	Assessed by adding the individual risks of the subject property to the base yield.
		Terminal Capitalization Rate		(%)	3.7	Assessed by taking into account future uncertainties and other factors to the Capitalization rate.
Value indicated by cost approach			JPY thousand	1,960,000	-	
	Land Ratio		(%)	75.0	-	
	Property Ratio		(%)	25.0	-	
Other items of note by appraiser				None		

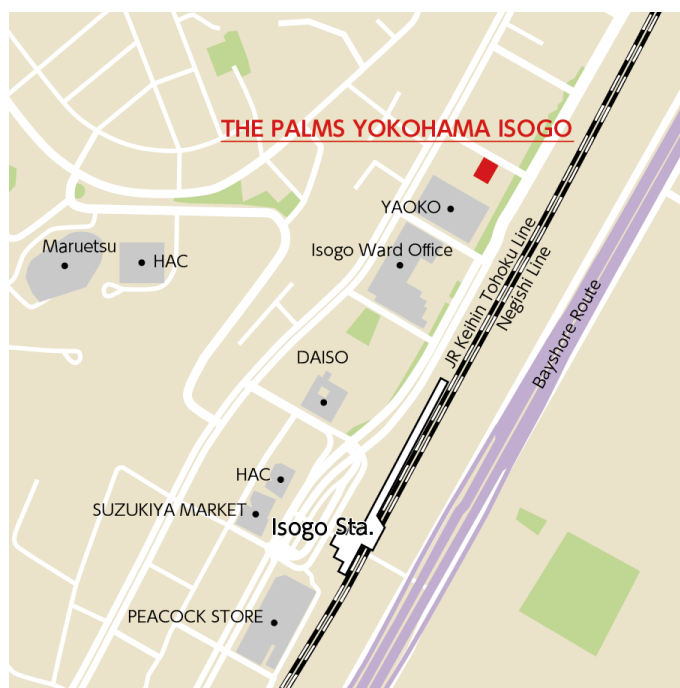
(Reference Material) Exterior and Map of the Asset to Be Acquired

1. THE PALMS YOKOHAMA ISOGO

Exterior



MAP



2. THE PALMS KINSHICHO

Exterior



MAP



(Additional Material) Overview of the Portfolio accompanying the Acquisition

<Number of properties, etc.>

	Properties owned as of today (a)	Assets to be acquired (b)	(a) + (b)
Total number of properties	235 properties	2 properties	237 properties
Total number of leasable units	17,408 units	105 units	17,513 units
Total leasable area	713,396.34 m ²	3,474.79 m ²	716,871.13 m ²

<Asset size, etc.>

	Properties owned as of today (a)	Assets to be acquired (b)	(a) + (b)
Total (anticipated) acquisition price	JPY 388.9 billion	JPY 3.8 billion	JPY 392.7 billion
Appraisal value	JPY 481.2 billion	JPY 4.0 billion	JPY 485.2 billion

(Note 1) "Total (anticipated) acquisition price is calculated based on the (anticipated) acquisition price.

(Note 2) The appraised value includes the appraised value as of October 1, 2025, for Gran Casa Kamata West, as of November 1, 2025, Gran Casa Yokohama Ishikawacho and Gran Casa Kawasaki Ikuta, as of November 30, 2025, Gran Casa Hirose-dori and Gran Casa Ichibancho, as of December 1, 2025, THE PALMS YOKOHAMA ISOGO and THE PALMS KINSHICHO, and as of September 30, 2025, for other properties.

<Amount and rate of investment by type (based on anticipated acquisition price) >

	Properties owned as of today (a)	Assets to be acquired (b)	(a) + (b)
Studio	JPY 213.3 billion (54.8%)	JPY 3.8 billion	JPY 217.1 billion (55.3%)
Family	JPY 81.1 billion (20.9%)	-	JPY 81.1 billion (20.7%)
Healthcare	JPY 94.4 billion (24.3%)	-	JPY 94.4 billion (24.1%)

(Reference) Operating Results and Distribution for the fiscal period ended September 2025 (39th Fiscal Period) and

Forecasts of Operating Results and Distribution for the fiscal period ending March 2026 (40th Fiscal Period)

	Operating revenue	Operating income	Ordinary income	Net income	Net income per unit	Distribution per unit
39th fiscal period results	JPY14,662 million	JPY7,774 million	JPY6,607 million	JPY6,607 million	JPY2,758	JPY2,700
40th fiscal period previously announced forecast (A)	JPY13,990 million	JPY7,199 million	JPY5,968 million	JPY5,968 million	JPY2,501	JPY2,510
40th fiscal period revised forecast (B)	JPY14,906 million	JPY7,986 million	JPY6,728 million	JPY6,728 million	JPY2,819	JPY2,600
Difference (B-A)	JPY915 million	JPY786 million	JPY760 million	JPY760 million	JPY318	JPY90
Percentage difference	6.5%	10.9%	12.7%	12.7%	12.7%	3.6%

(Note 1) Previously announced forecast number of investment units issued and outstanding at the end of the period: 2,386,042 units.

(Note 2) The fiscal period of the Investment Corporation is from April 1 to September 30 every year and from October 1 to March 31 of the following year. The same applies hereinafter.

(Note 3) The above figures are the current forecasts calculated based on the conditions described in the attached assumptions of the " Notice Concerning Revision to Forecasts of Operating Results and Distribution for the Fiscal Period Ending March 2026 (40th Fiscal Period) " announced today, and the actual operating revenue, operating income, ordinary income, net income, net income per unit and distribution per unit may vary. In addition, these forecasts do not guarantee the distribution amounts.

(Note 4) As the distribution amount for the fiscal period ending March 2026 includes the expected reversal of reserve for temporary difference adjustments of JPY 79 million and expected internal reserves of JPY 603 million, the distribution amount differs from the amount of net income. In addition, there is currently no plan to make any Optimal Payable Distribution.

(Note 5) When a certain degree of discrepancy from the above forecasts is expected, the forecasts may be revised.

For details, please refer to the "Notice Concerning Revision to Forecasts of Operating Results and Distribution for the Fiscal Period Ending March 2026 (40th Fiscal Period)," announced today.

End