

■ Explanation of Summary of the To-be-acquired Assets

i) Explanation of “Land” ,“Building”

- “Type of Ownership” indicates the scheduled type of ownership, whether the property is going to be held as beneficiary interest in trust or as actual real estate.
- “Site area” for the land provides the area of the land as indicated in the registry. However, there are possibilities that the actual site areas of the property are not as indicated in the registry.
- “Zoning” for the land provides the zoning classification given in Article 8-1-1 of the City Planning Law.
- The “FAR / Building coverage ratio” for the land provides the designated FAR or building coverage ratio determined by city planning.
- “Total floor area,” “Structure / Floors,” “Use” and “Construction completion date” for the building are each pursuant to the entries indicated in the registry for the property. However, “Use” column provides the primary use out of the types indicated in the registry for the real estate in trust. “Total floor area” column provides the floor area of the overall building (excludes floor area of annexed buildings).
- “Trustee” indicates the trustee or the trustee to be indicated in the trust agreement for the asset to be acquired as of the date of this document.
- “Master lessee” names the lessee that, as of the date of this document, is scheduled to enter into a master lease agreement with the titleholder of the real estate or the real estate in trust.
- “Master lease type” indicates “Pass-through” when the master lease agreement states that the master lessee is to pay the same amount of rent as the rent due to be paid to the master lessee by end-tenants and “Guaranteed payment” when the master lease agreement states that the master lessee is to pay a guaranteed amount of rent, as of the date of this document. However, “Master lease type” indicates “Guaranteed payment” even if a master lease agreement is a pass-through lease in the case that a sublessee to which the master lessee subleases all units is to pay a guaranteed amount of rent to the master lessee.
- “Property manager” names the property manager that, as of the date of this document, is scheduled to be delegated to conduct property management services for the respective real estate or the real estate in trust. Where property management services are re-delegated, the property manager re-delegated to conduct property management services is shown.

ii) Explanation of “Summary of Building Conditions Investigation Report”

- The entries are based on the report from Investigation company, ADR does not guarantee it.

iii) Explanation of “Lease Conditions”

- If there is or scheduled to be a lease contract with a master lessee, the number of *Total tenants* will be indicated as “1.”
- “Leasable units” provide the number of leasable units of the real estate in trust or real estate as of the date of this document based on information received from the current titleholder. If the contract is a guaranteed payment contract, the “Leasable units” indicate the number of units which can be leased.
- “Leasable floor area” provides the leasable floor area of the real estate in trust or real estates (excluding leasable parking area) that ADR will acquire as of the date of this document based on information received from the current titleholder or which is indicated on the contracts or indicated on the plans.
- “Leased floor area” indicate the leased floor space. If the contract type is a path-through contract, the leased floor area indicates the actual total leased area to the end-tenants. If the contract type is a guaranteed payment contract, the leased floor area indicates the total leasable floor area. The entries are based on information received from the current titleholder or which is indicated on the contracts or indicated on the plans.
- “Monthly rent” provides the total sum of monthly rents as indicated in the lease contracts concluded by the end-tenants if the master lease is pass through type. In case the master lease “guaranteed payment type,” “Monthly rent” provides the total sum of monthly rents as indicated in the lease or sublease contract with guaranteed payment. Either includes fixed common fees, but excludes usage fees of affixed facilities such as monthly parking lots and trunk rooms. Monetary amounts less than thousand yen are rounded down, and consumption tax is excluded as well.
- “Deposits, guarantees, etc.” provides the total balance based on the lease contract with monetary amounts less than thousand yen rounded down. However, in case in the lease contracts there are special provision that allow nonreturnable deposits, such as cancellation deduction and amortization of security deposit, then the monetary amount is provided after the deduction.
- Occupancy rate is calculated as follows. “Leased area” ÷ “Leasable area” × 100

iv) Explanation of “Breakdown of residential unit type”

- “Breakdown of residential unit type” lists the types of residential units based on the following classification. Store, office and other uses apart from residential units are shown under “Other.”

Layout	Exclusive-use floor area							
	~30m ²	~40m ²	~50m ²	~60m ²	~70m ²	~80m ²	~90m ²	Over 90m ²
Studio	S	S	C	C	L	L	L	L
1 bedroom	S	C	C	C	L	L	L	L
2 bedroom		C	C	F	F	F	F	L
3 bedroom			F	F	F	F	F	L
4 bedroom					F	F	F	L

- S: Single type Primarily residential units designed for single-person households
- C: Compact type Primarily residential units designed for single-person households and small-family households (2 to 3 people)
- F: Family type Primarily residential units designed for family households
- L: Large type Primarily residential units designed for foreigners

Studio	1R, 1K or studio
1 bedroom	1DK or 1LDK
2 bedroom	2DK, 2LDK, 1LDK+S, etc.
3 bedroom	3DK, 3LDK, 2LDK+S, etc.
4 bedroom	4DK, 4LDK, 3LDK+S, etc., or those with 5 or more rooms that are in ongoing use for living, working, gathering, leisure or other similar purposes
Dormitory type	Residential units without bathrooms or facilities for installing washing machines within the units, but are covered for by making them available for use as shared facilities within the property (communal bathing, laundry, etc., spaces)

- Life & Senior House Kohoku II, Cocofump Hiyoshi and College Court Tanashi are categorised as Dormitory type due to their characteristics.
- “Units” provide the leasable units of the property categorised by the number of units of each type of residential unit that is leasable as of the date of this document based on information received from the current titleholder.

v) Explanation of “Special Notation”

“Special Notation” presents matters recognized to be of importance in association with the rights, use of the assets to be acquired, as well as matters recognized to be of importance in the consideration of the degree of impact on the appraised value, profitability and appropriation of the assets to be acquired, including the following items

- Significant burdens or limitations with regard to rights.
- Significant cases where there are architectural structures crossing the boundaries of the concerned real estate in trust and cases where there are issues with boundary confirmation and related arrangements.
- Significant agreements, arrangements made with co-owners and sectional owners

■ Explanation of Summary of the appraisal report

- The entries in each field of “Summary of Real Estate Appraisal Report” are pursuant to the entries in the appraisal report for the respective real estates or the real estate in trust.
- The monetary amounts are rounded down to the nearest million yen.
- ADR is not an interested party to appraisal company that is described.