

October 23, 2017

For Immediate Release

Real Estate Investment Trust:

MIRAI Corporation

Michio Suganuma, Executive Director

(Securities Code: 3476)

Asset Management Company:

Mitsui Bussan & IDERA Partners Co., Ltd.

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**Notice Concerning Acquisition and Start of Lease/
Partial Disposition and Lease Cancellation of Real Estate Trust Beneficiaries in Japan**

Mitsui Bussan & IDERA Partners Co., Ltd. (hereinafter the “Asset Manager”), the asset management company of MIRAI corporation (hereinafter “MIRAI”) announces that MIRAI has determined the acquisition (hereinafter “acquisition”) and the start of lease/partial disposition (hereinafter “disposition”) and the lease cancellation of assets as follows.

1. Overview of the Acquisition

(1) Assets to be Acquired

Asset Category/ Asset Type (Note 1)	Name	Agreement Date	Acquisition Date	Sellers	Acquisition Price (million yen) (Note 2)
Core Asset	Office Tokyo Front Terrace (50.2% quasi-co-ownership) (Note 3)	October 26, 2017	October 26, 2017	GK Tennozu 1 (Limited Liability Company)	10,592
	Office Nippo Hommachi Building	The date agreed separately by the end of February 2018		Not disclosed (Note 4)	1,465
Growth Asset (Core Plus)	Retail Nara Heijo Plaza (temporary name)	October 24, 2017	October 26, 2017	GK Nara Heijo Plaza (Limited Liability Company)	4,100 (Note 5)
Total					16,157

(Note 1) “Asset Type” is a classification based on the usage of assets. For details, please refer to Reference Material 3 “Descriptions of the details of assets to be acquired and disposed.”

(Note 2) For “Acquisition Price,” the trading value of each asset to be acquired that is stated or scheduled to be stated in the sale and purchase agreement of each asset to be acquired is stated. The trading value does not include consumption tax, local consumption tax or expenses required for the acquisition, and it is rounded off to the nearest million yen. The same shall apply below.

(Note 3) This property is jointly acquired with JA Mitsui Leasing Tatemono Co., Ltd. (hereinafter “JA Mitsui Leasing Tatemono”). MIRAI will acquire 50.2% of the quasi-co-ownership interest, and JA Mitsui Leasing Tatemono will acquire the residual interest (49.8%) (hereinafter “residual quasi-co-ownership interest”). In principle, after the composition of the private REIT, which Mitsui & Co., Realty Management Ltd. (hereinafter “MBRM”) is considering, JA Mitsui Leasing Tatemono will dispose the residual quasi-co-ownership interest to the private REIT. MIRAI regards this acquisition as a joint acquisition with the Mitsui & Co. Group (Note 6).

(Note 4) Since consent regarding disclosure has not been obtained from the seller for an unavoidable reason, “Not disclosed” is stated.

(Note 5) The acquisition price of this property is 4,100 million yen. However, an additional investment is planned for the renovation of the facility after the acquisition by MIRAI, and the total investment including the additional investment is scheduled to be 5,050 million yen.

(Note 6) “Mitsui & Co. Group” refers to a corporate group comprised of Mitsui & Co., Ltd. (headquarters location: Chiyoda-ku, Tokyo; hereinafter “Mitsui & Co.”) and consolidated subsidiaries and affiliated companies accounted for by the equity method of Mitsui & Co. The same shall apply below.

(2) Funds for Acquisition: Loans and Own Funds

(Note) For details of the loans, please refer to the “Notice Concerning Borrowing of Funds and Repayment of Loans before Due Date” published today.

(3) Payment Method: The entire amount will be paid on the date of acquisition.

(4) Annual Rent: 1,511 million yen

MIRAI has decided that the tenant of the assets to be acquired conforms to the tenant selection criteria described in the “Report on the Operation System of Issuer of Real Estate Investment Trust Securities” submitted on July 28, 2017.

2. Overview of the Disposition

(1) Asset to be disposed

Name	Agreement Date	Projected Disposition Date (Note 1)	Buyer	Projected Disposition Price (A) (million yen) (Note 2)	Assumed Book Value (B) (million yen) (Note 3)	Difference between (A) and (B) (million yen) (Note 4)
Shinagawa Seaside Park Tower (36.6% quasi-co-ownership) (Note 5)	October 26, 2017	End of February 2018 or the date agreed separately	GK SS2 (Limited Liability Company) (Note 6)	12,004	11,753	251

(Note 1) The disposition date that is scheduled to be stated in the sale and purchase agreement of each asset to be disposed is stated.

(Note 2) The trading value of each asset to be disposed that is scheduled to be stated in the sale and purchase agreement of each asset to be disposed is stated. The trading value does not include consumption tax, local consumption tax or expenses required for the disposition, and it is rounded off to the nearest million yen. The same shall apply below.

(Note 3) The assumed book value at the disposition date is rounded off to the nearest million yen.

(Note 4) It is a reference value calculated as the difference between the disposition price and the assumed book value, which differs from the profit and loss on trading.

(Note 5) As MIRAI owns the entire Shinagawa Seaside Park Tower, MIRAI will own 63.4% of the quasi-co-ownership interest after transferring the assets to be disposed (36.6% quasi-co-ownership).

(Note 6) It is a GK (Limited Liability Company) that has a discretionary investment agreement with MBRM. In principle, after the composition of the private REIT, MIRAI will approve the position of the private REIT as the buyer and will dispose it to the private REIT.

(Note 7) This disposition price is scheduled to be used for the repayment of 10 billion yen of short-term loans as announced in “Notice Concerning Borrowing of Funds and Repayment of Loans before Due Date” dated October 23, 2017.

(2) Annual Rent: (743) million yen

(Reference) Profitability of Assets to be Acquired and Assets to be Disposed

	Name	Projected Acquisition/Disposition Price (million yen)	Appraisal Value (million yen)	Appraisal NOI Yield (Note 1)	NOI Yield after Depreciation (Note 2)
Assets to be Acquired	Tokyo Front Terrace (50.2% quasi-co-ownership interest)	10,592	10,793	4.1%	3.7%
	Nippo Hommachi Building	1,465	1,530	5.4%	4.8%
	Nara Heijo Plaza (temporary name) (Note 3)	4,100	5,520	8.9%	7.1%
Asset to be Disposed	Shinagawa Seaside Park Tower (36.6% quasi-co-ownership interest)	12,004	11,895	4.3%	3.5%

(Note 1) The value calculated by dividing the appraisal NOI by the acquisition price (acquisition price for assets to be disposed) is stated by rounding off to one decimal place. Appraisal NOI refers to the net operating income (NOI) that is obtained by subtracting operating expenses from operating revenues stated in the appraisal report, and it is income before subtracting depreciation. It differs from net cash flow (NCF) which is obtained by adding investment gains on security deposits, etc. to NOI and subtracting capital expenditures. The appraisal NOI mentioned above is NOI in the first fiscal period (the second or third fiscal period if there is a special factor in the first fiscal period) based on the DCF method. However, for trust real estate pertaining to trust beneficial interests that are quasi-co-owned by MIRAI, the amount that is obtained by multiplying the appraisal NOI of the trust real estate by the percentage of quasi-co-ownership interest is stated by rounding off to the nearest thousand yen. The same shall apply below.

(Note 2) The value calculated by dividing the number obtained by subtracting depreciation from the appraisal NOI by the acquisition price (acquisition price for assets to be disposed) is stated by rounding off to one decimal place. Depreciation is estimated values calculated by the Asset Manager under certain assumptions by the straight-line method. The same shall apply below.

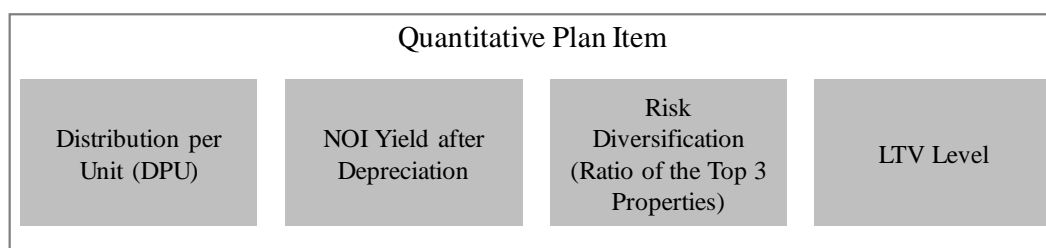
(Note 3) The acquisition price of this property is 4,100 million yen. However, additional investment is planned for the renovation of the facility after the acquisition by MIRAI, and the total investment including the additional investment is scheduled to be 5,050 million yen. The yield is the value obtained when the acquisition price is set at 5,050 million yen in consideration of future renovation, and the yield on the initial acquisition price is 11.0% for the appraisal NOI yield and 8.7% for the NOI yield after depreciation.

3. Reasons for Acquisition and Disposition

In June 2017, MIRAI formulated its mid-term management plan of “Repower 2020” as a management goal for returning to a growth path to achieve the sustainable growth of distribution per unit (DPU) (Note) and the recovery/ improvement of unitholder value. In order to achieve the sustainable growth of DPU and the recovery of unitholder value by expanding the portfolio, diversifying risk, and improving profitability, MIRAI has determined the acquisition and disposition of the portfolio based on a comprehensive view of the portfolio construction policy, trends in real estate markets, and characteristics of individual properties. For the evaluation points and features of each property, please refer to “4. Details of Assets to be Acquired and Disposed” below. The noteworthy points of the reasons for acquisition and transfer are as follows.

(Reference) Overview of Repower 2020 (Note)

Sustainable Growth of DPU and Recovery/Improvement of Unitholder Value



(Note) For specific details, please refer to “Progress of Mid-term Management Plan - Supplementary Material for the Press Release Dated October 23 and November 1, 2017 -”.

(1) Risk Control through Collaboration with Both Sponsors

From the viewpoint of appropriate risk control, MIRAI will work on the progress of risk diversification by portfolio replacement and joint acquisition through collaboration with Mitsui & Co. Group and IDERA Capital Management Ltd. (hereinafter referred to as “IDERA Capital”), which are the sponsors. Specifically, in general, Shinagawa Seaside Park Tower (36.6% quasi-co-ownership interest), which is the asset to be disposed, is scheduled to be disposed to the private REIT after its composition (Note). In addition, for Tokyo Front Terrace, MIRAI will acquire 50.2% of the quasi-co-ownership interest, and JA Mitsui Leasing Tatemono will acquire the residual quasi-co-ownership interest at the same time. In principle, JA Mitsui Leasing Tatemono will transfer the residual quasi-co-ownership interest to the private REIT after its composition. MIRAI believes that it will promote the properties dispersal (the ratio of the top 3 properties (acquisition price base) was 64.7% before acquisition and disposition, and 51.4% after acquisition and disposition) and the tenants dispersal (the ratio of the top 10 tenants (rent base) was 56.5% before acquisition and disposition, and 53.0% after acquisition and disposition), and as a result, it will further improve the cash flow stability by disposition its largest owned property Shinagawa Seaside Park Tower (36.6% quasi-co-ownership interest) and jointly acquiring Tokyo Front Terrace by utilizing the proceeds from the disposition. For the progress of Repower 2020 through the acquisition and disposition, please refer to “Progress of Mid-term Management Plan - Supplementary

Material for the Press Release Dated October 23 and November 1, 2017 - ”.

Regarding the strategic sharing of properties with the private REIT, when compared with investment alone, the flexibility of future investment considerations will increase by restraining the amount of investment by MIRAI while controlling the concentration risk of properties and tenants to a certain extent and making it possible to acquire a large-scale property whose competitors are limited. As a result, MIRAI believes that it will be able to differentiate itself from others in the acquisition competition and achieve superior information collection and acquisition negotiation in acquiring properties.

(Note) MIRAI has entered into a disposition agreement with GK SS2 (Limited Liability Company), which has a discretionary investment agreement with the Mitsui & Co. Group, for 36.6% of the quasi-co-ownership interest in trust beneficiary interests related to Shinagawa Seaside Park Tower. In principle, after the composition of the private REIT, which Mitsui & Co. Group is considering, MIRAI will approve the position of the private REIT as the buyer and will dispose it to the private REIT.

(2) Incorporation of Stable Operating Property with Sponsor Support Demonstrated

a. Acquisition of the First Growth Asset (Core-plus Asset) Nara Heijo Plaza After IPO by the Sourcing of the Mitsui & Co. Group

By utilizing the diverse network of business domains of the Mitsui & Co. Group, MIRAI will acquire Nara Heijo Plaza from the GK (Limited Liability Company) formed by Yamaki Co., Ltd. (Note 1), which has extensive experience in commercial facility revitalization. The acquisition of this property is a joint project with Yamaki Co., Ltd. In addition to concluding a property management agreement with Yamaki Co., Ltd., MIRAI will sign a master lease agreement with GK Nara Heijo Plaza (Limited Liability Company) (hereinafter the “ML”), the seller. Since the master lease agreement with the ML is pass-through type and the profitability of the property depends on the lease agreement between ML and the end tenants, MIRAI has formulated an investment scheme that can reduce the leasing risks and pursue aggressive returns by concluding a five-year lease guarantee agreement with Yamaki Co., Ltd. and ML from the reopening after renovation scheduled for April 2018. This property is the first Growth Asset for MIRAI that can be expected to have a relatively high yield, with 8.9% of the appraisal NOI yield and 7.1% of the yield after depreciation. Even in the downside case based on the rent guarantee agreement, it is expected to secure a certain level of yield with 6.5% of the NOI yield and 4.6% of the yield after depreciation.

In addition, MIRAI will carry out construction along with the renewal plan in cooperation with Yamaki Co., Ltd. for the reopening after renovation scheduled for April 2018, and the total amount of the renewal construction is currently scheduled to be 950 million yen. Since there will be no rental income from the end tenants during the renewal construction period, ML agreed to pay a fixed rent equivalent to the fixed cost. MIRAI is promoting leasing activities to the end tenants in parallel with the renewal construction, and it has set certain targets with Yamaki Co., Ltd., which actually conducts leasing and has confirmed these targets achievement regarding the lease agreements situation with the end tenants at the time of the reopening after renovation scheduled for April 2018. For details of the scheme of this property, please refer to “4. Details of Assets to be Acquired and Disposed” below.

With the acquisition of this property, which is the first Growth Asset for MIRAI, it has entered into a support agreement (Note 2) with Yamaki Co., Ltd. with the aim of acquiring the expertise regarding the leasing and renovation of retail properties to utilize its expertise in the long-term operation of the property and the acquisition and operation of retail properties in the future.

(Note 1) Overview of Yamaki Co., Ltd.

Yamaki Co., Ltd. is a commercial consulting company engaged in the renovation and rehabilitation of complex retail properties and shopping centers. Since its founding, the company has been engaged in rehabilitation projects involving more than 100 complex retail properties and its philosophy is that “we do not make changes to the city, but we change ourselves with local businesses and shops” and “we do not aim to make profits, but we are naturally profitable.” The complex retail properties, which have been rehabilitated by Yamaki Co., Ltd., include ISEHARA coma (Isehara City, Kanagawa Prefecture, reopened after renovation in June 2016) and the former Omiya Loft (Saitama City, Saitama Prefecture, reopened after renovation in September 2014).

(Company Profile)

Name	Yamaki Co., Ltd.
Location	5th floor, 45th Kowa Building, 15-9, Minami Aoyama 1-chome, Minato-ku, Tokyo
Representative	Representative Director, Shuhei Yamashita
Business Contents	Consulting for the development and renovation of complex commercial facilities, subleasing business, operation management, etc.
Capital	50 million yen (as of March 31, 2017)
Date of establishment	January 20, 1988

(Note 2) Overview of support agreement with Yamaki Co., Ltd.

The support agreement concluded between MIRAI, the Asset Manager, and Yamaki Co., Ltd. is primarily aimed at acquiring expertise on the leasing and renovation of retail properties and providing growth opportunities to MIRAI through the support. The main contents of the support agreement are as follows.

- ① Provision of sales information
- ② Review of master lease agreement
- ③ Business support for property acquisition and operation
- ④ Provision of market information
- ⑤ Provision of redevelopment support and value upgrade support
- ⑥ Review of capital alliance
- ⑦ Cooperation in securing human resources

b. Acquisition of Tokyo Front Terrace with Value Upgrade Support by IDERA Capital

Tokyo Front Terrace is a property in which IDERA Capital, the sponsor, undertakes the asset management business since August 2014, and it was acquired by the GK (Limited Liability Company) with the investment of IDERA Capital on the premise that the tenant renting the entire property would leave. At the time of the acquisition of the property, IDERA Capital implemented a general survey of market needs and decided that the property had sufficient room for achieving the “value-adding capability for real estate” through the large-scale renovation. In October 2015, following the acquisition, it conducted aggressive leasing activities while enhancing the competitiveness of the property by completely rebuilding the grand entrance on the 1st and 2nd floors, increasing the ceiling height by lowering the floor, introducing barrier-free measures, implementing LED lighting and a whole-building air-conditioning system that enables precise and easy control, and renovations from the perspective of women. As a result, the occupancy rate, which was 0% as of September 2014 immediately after IDERA Capital undertook the asset management business, was improved to 96% as of October 2017, demonstrating the “value-adding capability for real estate” of IDERA Capital. MIRAI has decided to acquire the property as a stable operating property with the “value-adding capability for real estate” of IDERA Capital, and believes that it will continue to operate steadily by utilizing sponsor support.

4. Details of Assets to Be Acquired and Disposed

(1) Asset to be acquired

Property Name	Tokyo Front Terrace		Asset Category		Core Asset
			Asset Type		Office
Overview of the Specified Asset					
Date of Acquisition	October 26, 2017		Type of Specified Assets		Trust beneficiaries (50.2% quasi-co-ownership) (Note 1)
Acquisition Price	10,592 million yen (Note 1)		Overview of Trust Beneficiaries	Trustee	Mitsubishi UFJ Trust and Banking Corporation
Appraisal Value (Date of Appraisal)	10,793 million yen (Note 1) (September 30, 2017)			Expiry Date of Trust	August 31, 2024 (Note 2)
Nearest Station	1-minute walk from Tennozu Isle Station on the Tokyo Monorail or 5-minute walk from Tennozu Isle Station on the Rinkai Line				
Address (Residential Address)	2-3-14, Higashishinagawa, Shinagawa-ku, Tokyo				
Land	Lot Number	2-4-4, Higashishinagawa, Shinagawa-ku, Tokyo Other 6 parcels of land	Building	Date of Building	June 1, 1992
	Building Coverage Ratio	100% (Note 3)		Structure	Steel-frame/steel-reinforced concrete, reinforced concrete, flat-roofed steel-frame glass plate, steel sheet roofing building with 30 stories above ground and two underground stories (Note 6)
	Floor Area Ratio	666.60% (Note 4)		Usage	Office/ Store (Note 7)
	Use Districts	Commercial districts		Gross Floor Area	146,697.51 m ² (Note 8)
	Site Area	17,189.24 m ² (Note 5)		Number of Cars at Parking Spaces	469 (Note 9)
	Ownership Structure	Ownership rights (Co-ownership)		Ownership Structure	Unit ownership (Co-ownership)
PM Company	XYMAX ALPHA Corporation		Master Lease Company		-
Special Comment					
<ul style="list-style-type: none">• The surface right owned by Tokyo Monorail Co., Ltd. is attached to part of the land of the property for the purpose of owning station facilities, etc., and an easement designating adjacent land as dominant land has been established and registered for the purpose of maintaining train operation, etc.• The property is one of five buildings located in “Sea Fort Square”, and the common areas available to all unit owners of the building include an advertising pillar located in the parking lot, arch structures (so-called pergolas) (all of which are taller than 4 meters), and the roof of a bicycle parking lot for which the existences of applications for the confirmation required by the Building Standards Act are unknown,.• If a quasi co-ownership interest is to be disposed based on an agreement between the quasi co-owners of the trust beneficiary rights of the property, to which the trust beneficiaries are parties, the transfer must be negotiated with the other quasi co-owners in advance. It has also been agreed as follows: even when they agree to assign the share to a third party, quasi-co-owners shall remain entitled to purchase it with a term equivalent to or better than that agreed with the third party.					
(Note 1) MIRAI plans to acquire 50.2% of the quasi co-ownership interest of the trust beneficiary rights, and the information other than the “Acquisition Price” and “Appraisal Value” presented is information about the entire property.					
(Note 2) When the property is acquired, an agreement on the change of real estate management and disposal trust will be signed, and the trust period will expire on October 31, 2027 after the change.					
(Note 3) The designated building coverage ratio is 80%, but it is eased to 100% due to fireproof buildings in the fire control area.					
(Note 4) The designated floor area ratio is 500%, but it is eased to 666.60% due to the comprehensive design system.					

- (Note 5) The trust related to the trust beneficiary rights planned to be acquired by MIRAI holds the co-ownership interests concerning part of the entire site of "Sea Fort Square", including the site of the property, and the proportion of the co-ownership interests is 3,675,562/10,000,000. In addition, other sections of the entire site of "Sea Fort Square" are owned by third parties, which are given rights to use the site of the property based on the management agreement.
- (Note 6) The structure of the entire building is presented, and the structure of the unit ownership constituting the trust beneficiary rights of MIRAI is steel-frame reinforced concrete, a steel-frame building with 25 stories above ground and one underground story.
- (Note 7) The use of the entire "Sea Fort Square" is presented, and the use of the building owned by MIRAI will be offices.
- (Note 8) The total floor area of the entire building is presented, and the sum of the area of unit ownership that constitutes the trust pertaining to the beneficial interests that were acquired by MIRAI or the area of the excluding element corresponding to the percentage of co-ownership interest based on the property registration book is 28,954.48 m². Of this area, MIRAI owns 50.2% of the quasi co-ownership interests.
- (Note 9) The number of units in the entire "Sea Fort Square" is presented.

Overview of Lease			
Total Rentable Area	9,692.94 m ²	Occupancy Ratio	96.5%
Principal Tenant	JTB Global Marketing & Travel Inc.	Number of Tenants	22
Annual Rent	579 million yen	Guarantee Deposit	529 million yen
Overview of Summary of Engineering Report			
Survey Company	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Urgent Repairs	-
Date of the Report	August 2017	Long-term Repairs	24,569 thousand yen
Overview of seismic risk analysis			
Survey Company	Tokio Marine & Nichido Risk Consulting Co., Ltd.	PML	3.0%
Status of Security Setting	None		

Overview of the Real Estate Appraisal Report	
Appraisal Value	10,793 million yen (Note 1)
Name of Appraiser	The Japan Real Estate Institute
Date of Appraisal	September 30, 2017

(Amount: million yen)

Item	Details (Note 2)	Remarks, etc.
Valuation	21,500	
Price based on the direct capitalization method	21,700	
Operating revenues	1,366	
Potential gross revenues: Sum of (a) through (d)	1,408	
(a) Rental revenues from rooms for rent including common area charges	1,282	Based on the average rent under the current lease, the standard of new rent under the new lease and the attributes of the lessees, the unit price standard including rent that enables stable revenues over the medium to long term was assessed for calculation.
(b) Utilities revenues	120	Based on the results of the previous year and the expected utility revenues and expenses, the utilization of rooms was reviewed, and then the utility revenues/expenses were calculated on the assumption that the rooms are fully utilized.
(c) Parking revenues	-	Revenue from parking lots will not be posted, because the same amount of expenses will be incurred.
(d) Other revenues	5	Revenue from vending machines is posted.
Losses such as vacant rooms	42	In the same supply-demand area, similar and replaceable real estate is reviewed as well as the demand-supply trend, the previous utility ratio and the future trend. Based on the result, the mid-and long-term utilization ratio was assessed for reporting.
Operating expenses	473	

Item				Details (Note 2)	Remarks, etc.
			Maintenance expenses	136	With reference to the results of previous years and the maintenance and operation costs of similar real estate, the individual characteristics of the real estate concerned were considered for reporting.
			Utilities expenses	137	Based on the results of the previous year and the expected utility expenses, the room utilization ratio was considered for reporting.
			Repair expenses	14	With reference to the results of the previous financial year, future maintenance and operation costs and the cost standard of similar real estate as well as the repair/renovation annual average costs in the engineering report were considered for reporting.
			PM fees	14	With reference to the compensation ratio based on the contract, the same of similar real estate and the characteristic nature of the real estate concerned were considered for reporting.
			Tenant recruitment expenses, etc.	10	The average annual amount assessed based on the lessee's expected operation period was reported.
			Taxes and public dues	157	The average amount of tax and burden adjustment described on materials regarding taxes and public dues were reviewed for assessment.
			Non-life insurance premiums	2	The insurance premium based on the insurance policy and the insurance premium rate of similar buildings were considered for reporting.
			Other expenses	0	The exclusive charge for the installation site for the fuel tank for a generator was reported.
			Net operating income	892	
			Gains on lump-sum payment	11	The interest rates of operations and procurement were considered. The assessed rate was 1%.
			Capital expenditures	34	Capital expenditures for similar real estate, the age of the building and the average maintenance/renovation in the engineering report were considered for assessment.
			Net cash flow	869	
			Capitalization rate	4.0%	The location of the real estate and the spread attributable to the conditions were adjusted, and future uncertainty and transaction yield in relation to similar real estate were considered for assessment.
			Price based on DCF method	21,300	
			Discount rate	3.7%	With reference to the investment return on similar real estate, the characteristic nature of the real estate was considered comprehensively for assessment.
			Final capitalization rate	4.1%	With reference to the transaction yields of similar real estate, the characteristic nature of the real estate was considered comprehensively for assessment.
Cost approach value				20,100	
		Ratio of land	86.2%	By applying the sales comparison approach, the land price was assessed based on the actual transaction price for calculation.	
		Ratio of building	13.8%	By applying the prime cost method procurement, the price for fresh procurement was adjusted, and then the marketability of the building and site as a whole was considered for calculation.	
Other matters to which the appraiser pays attention in the appraisal				Not applicable	

(Note 1) The amount equivalent to the quasi-co-ownership interest (50.2%) that MIRAI plans to acquire is shown.

(Note 2) The value of the entire Tokyo Front Terrace is shown.

Characteristics of the Property
<p><Location></p> <ul style="list-style-type: none"> - This property is a large-scale office building in “Sea Fort Square”. It can be expected stable income. - You can reach it within a one-minute walk from Tennozu Isle Station of the Tokyo Monorail and a five-minute walk from the same of Tokyo Waterfront Area Rapid Transit. The property connects with the stations through the arcade, and you can reach it without an umbrella even when it is raining. - It has good access to the Tokyo metropolitan area and Haneda airport, so it is blessed with an excellent location. It can also be accessed directly from JR Shinagawa Station, a hub station in Tokyo by the circular bus. - “Sea Fort Square”, in which the property is located, has also amenities including restaurants, hotels and theaters. <p><Facility ></p> <ul style="list-style-type: none"> - It was renovated in 2015. The theme of the renovation was “comfort” and included various steps to create a comfortable office environment. It now has a magnificent entrance with a 2-story ceiling, a new air-conditioning system, LED lights, new plumbing such as toilet and staff kitchen facilities, a higher ceiling (upgraded to 2,630 mm), an automatic security system and indoor smoking rooms. - The property is located in the northernmost quarter, and it receives sunlight from three directions. Its standard floor area is 300 tsubo (approximately 1,000 m²) and it has a rectangular layout, which is appropriate for various office uses. The building is also equipped with an emergency power generator for the use of tenants, enabling stable power supply during emergencies. - “Sea Fort Square” has an underground common car park from which there is direct access to the property by elevator. <p><Other></p> <ul style="list-style-type: none"> - With such an access environment and office specifications, a reasonable rent is offered. - The occupancy rate of the property is 96.5% as of October 1, 2017, which is considered to be appropriate. The acquisition of the property is intended to generate constant revenue; therefore, the seller owes a duty to pay the amount equivalent to the rent for 6 months (5 months for some rooms) for vacant rooms and the free rent for occupied units to MIRAI. IDERA Capital serves as a joint and several guarantor.

Property Name		Nippo Hommachi Building		Asset Category		Core Asset	
				Asset Type		Office	
Overview of the Specified Asset							
Date of Acquisition		Date agreed separately up to the end of February 2018		Type of Specified Assets		Trust beneficiaries	
Acquisition Price		1,465 million yen		Overview of Trust Beneficiaries	Trustee	Mitsubishi UFJ Trust and Banking Corporation (expected)	
Appraisal Value (Date of Appraisal)		1,530 million yen (August 31, 2017)			Expiry Date of Trust	October 31, 2027 (expected)	
Nearest Station		Two-minute walk from Sakaisuji-Hommachi Station of Osaka City Subway, five-minute walk from Hommachi Station of the same.					
Address (Residential Address)		2-4-6, Minami Hommachi, Chuo-ku, Osaka-shi, Osaka					
Land	Lot Number	2-36-3, Minami Hommachi, Chuo-ku, Osaka-shi, Osaka; Other 1 parcel of land; 2-65-3, Hommachi, Chuo-ku		Building	Date of Building	August 31, 1990	
	Building Coverage Ratio	100% (Note 1)			Structure	Steel/Reinforced concrete, 11-story building above ground	
	Floor Area Ratio	800%			Usage	Office	
	Use Districts	Commercial districts			Gross Floor Area	3,841.12 m²	
	Site Area	502.95 m²			Number of Cars at Parking Spaces	31	
	Ownership Structure	Ownership rights			Ownership Structure	Ownership rights	
PM Company		XYMAX KANSAI Corporation (expected)		Master Lease Company		MIRAI Corporation (expected)	
Special Comment Not applicable.							
(Note 1) The designated building coverage ratio is 80%, but it is eased to 100% for fire-resistant buildings in fire protection districts.							
Overview of Lease							
Total Rentable Area		2,551.43 m²		Occupancy Ratio		100%	
Principal Tenant		Not disclosed (Note 2)		Number of Tenants		40	
Annual Rent		92 million yen		Guarantee Deposit		43 million yen	
(Note 2) No disclosure, because consent was not obtained from the tenants.							
Overview of Summary of Engineering Report							
Survey Company		Daiwa Real Estate Appraisal Co., Ltd		Urgent Repairs		-	
Date of the Report		September 2017		Long-term Repairs		14,646 thousand yen	
Overview of seismic risk analysis							
Survey Company		Tokio Marine & Nichido Risk Consulting Co., Ltd.		PML		14.6%	
Status of Security Setting		None					

Overview of the Real Estate Appraisal Report	
Appraisal Value	1,530 million yen
Name of Appraiser	Japan Valuers Co., Ltd.
Date of Appraisal	August 31, 2017

(Amount: million yen)

Item	Details	Remarks, etc.
Valuation	1,530	
Price based on the direct capitalization method	1,550	
Operating revenues	115	
Potential gross revenues: Sum of (a) through (d)	120	
(a) Rental revenues from rooms for rent including common area charges	97	Mid-and long-term stable and obtainable rent is assessed for reporting.
(b) Utilities revenues	11	Assessed based on the actual amount.
(c) Parking revenues	10	Assessed based on the actual amount.
(d) Other revenues	1	Assessed based on the actual amount.
Losses such as vacant rooms	4	Assessed based on mid-and long-term stable utilization for reporting.
Operating expenses	33	
Maintenance expenses	8	Assessed based on estimates.
Utilities expenses	9	Assessed based on the actual amount.
Repair expenses	2	Reported based on ER.
PM fees	2	Assessed based on estimates.
Tenant recruitment expenses, etc.	0	Assessed based on the actual amount.
Taxes and public dues	9	Assessed based on the actual amount.
Non-life insurance premiums	0	Assessed based on fresh procurement cost.
Other expenses	0	Assessed based on the actual amount.
Net operating income	81	
Gains on lump-sum payment	0	1.0 % is judged to be reasonable as an operation yield.
Capital expenditures	12	Reported based on ER.
Net cash flow	69	
Capitalization rate	4.5%	Assessment was undertaken considering revenue and variable risk of principal on top of the discount rate as well as transactions of similar real estate.
Price based on DCF method	1,500	
Discount rate	4.3%	Assessed with reference to a comparison of transaction cases of similar real estate, the yield of financial assets and investors' study results.
Final capitalization rate	4.7%	Assessed in consideration of the future uncertainty of the capitalization rate and building deterioration risk.
Cost approach value	1,030	
Ratio of land	80.3%	By applying the sales comparison approach, the land price was assessed based on the actual transaction price for calculation.
Ratio of building	19.7%	The building price was calculated by the assessment obtained by applying the cost method and multiplying the original cost rate judged by the fresh procurement price, current status and regional characteristics.
Other matters to which the appraiser pays attention in the appraisal	Not applicable	

Characteristics of the Property	
<Location >	
-	The nearest station, Sakaisuji-Hommachi of the Osaka City Subway, offers excellent transportation convenience. It is possible to use both the Sakaisuji line and the Chuo line. Hommachi Station, which is within walking distance from it, has a direct connection with the following lines: Midosuji, Yotsubashi and Chuo. Drivers can enjoy excellent access to their destinations because it is located close to the entrance of the highway.
-	It is also located near the Midosuji district, a central business area of Osaka, Hommachi-dori, a hub of East-West traffic lines, and the Senba area surrounded by the Sakaisuji district, where financial institutions, pharmaceutical and textile companies converge.
<Facility>	
-	It was built in 1990, and it is now 25 years old. However, a major renovation was undertaken in 2012, and the refurbished entrance and the common area give a luxury impression despite its age.
-	Rooms can be rented by 10-tsubo (approximately 33 m ²) unit, so the property offers excellent diversity in terms of its office area.
-	It is a compact building, yet it is full of amenities including common lounges, conference rooms and smoking rooms.

Property Name		Nara Heijo Plaza (temporary name)		Asset Category		Growth Asset (Core-plus Asset)	
				Asset Type		Retail	
Overview of the Specified Asset							
Date of Acquisition		October 26, 2017		Type of Specified Assets		Trust beneficiaries, real estate (Note 1)	
Acquisition Price		4,100 million yen (Note 2)		Overview of Trust Beneficiaries	Trustee	Sumitomo Mitsui Trust Bank, Limited	
Appraisal Value (Date of Appraisal)		5,520 million yen (Note 3) (July 31, 2017)			Expiry Date of Trust	October 31, 2026 (expected)	
Nearest Station		12-minute walk from Shin-Omiya Station of <u>Kintetsu Railway</u>					
Address (Residential Address)		1-3-1, Nijo Oji Minami, Nara-shi, Nara					
Land	Lot Number	1-26-2, Nijo Oji Minami, Nara-shi, Nara Other 63 parcels of land		Building	Date of Building	① Department store (September 9, 1989) ② Parking space (June 27, 2003)	
	Building Coverage Ratio	83.01% (Note 4)					
	Floor Area Ratio	330.13% (Note 5)					
	Use Districts	Commercial districts, second-class residential areas			Structure	① Steel reinforced concrete 7-story building ② Steel-framed 3-story building	
	Site Area	53,214.66 m ² (Note 6)				Usage	Department store, parking space
					Gross Floor Area	①72,944.41 m ² ②4,543.32 m ²	
		Number of Parking Spaces	1,360				
	Ownership Structure	Ownership and leasehold interest		Ownership Structure	Ownership rights		
PM Company		Yamaki Co., Ltd.		Master Lease Company		GK Nara Heijo Plaza (Limited Liability Company)	
Special Comment Not applicable.							
(Note 1) A car park area will be acquired as a real property, and the trust will be formed with Sumitomo Mitsui Trust Bank, Limited as a beneficiary.							
(Note 2) The acquisition price of the property is 4,100 million yen. Additional investment is planned for the purpose of renovation after the acquisition. Accordingly, the total investment will be 5,050 million yen.							
(Note 3) The Appraisal Value will reflect the factors after renovation such as the state of the lease as of July 2017 and successfully concluded transactions of similar real properties in the same supply-demand areas and peripheral regions.							
(Note 4) The designated building coverage ratio is between 60% and 80%. However, it has turned out to be 83.01% in consideration of the relaxation of the corner area and the weighted average.							
(Note 5) The designated floor area ratio is between 200% and 400%. However, in consideration of the weighted average, it has turned out to be 330.13%.							
(Note 6) The area shown includes a leased area of 19,650.73m ² .							
Overview of Lease							
Total Rentable Area		72,944.41 m ²		Occupancy Ratio		100.0%	
Principal Tenant		GK Nara Heijo Plaza (Limited Liability Company)		Number of Tenants (Note 7)		1	
Annual Rent (Note 7)		840 million yen		Guarantee Deposit (Note 8)		-	
(Note 7) The ML entered into lease contracts with multiple end tenants. The annual rent is calculated based on the minimum guarantee for the period of 5 years from the reopening in accordance with the ML and the rent guarantee agreement between MIRAI and Yamaki Co., Ltd.							
(Note 8) The amount shown here is valid as of today's date.							
Overview of Summary of Engineering Report							
Survey Company		Daiwa Real Estate Appraisal Co., Ltd		Urgent Repairs		-	

Date of the Report	September 2017	Long-term Repairs	161,212 thousand yen
Overview of seismic risk analysis			
Survey Company	Tokio Marine & Nichido Risk Consulting Co., Ltd.	PML	9.9%
Status of Security Setting	None		

Overview of the Real Estate Appraisal Report	
Appraisal Value	5,520 million yen
Name of Appraiser	Daiwa Real Estate Appraisal Co., Ltd
Date of Appraisal	July 31, 2017

(Amount: million yen)

Item	Details	Remarks, etc.
Valuation	5,520	
Price based on the direct capitalization method	5,340	
Operating revenues	1,228	
Potential gross revenues: Sum of (a) through (d)	1,309	
(a) Rental revenues from rooms for rent including common area charges	1,022	
(b) Utilities revenues	213	With reference to the new rent of similar real estate, the monthly rent was assessed as 1,400 yen per tsubo for reporting.
(c) Parking revenues	-	
(d) Other revenues	73	
Losses such as vacant rooms	80	
Operating expenses	799	
Maintenance expenses	160	With reference to the standard of similar real estate, the monthly rent was assessed as 1,050 yen per tsubo for reporting.
Utilities expenses	305	With reference to the standard of similar real estate, the monthly rent was assessed as 2,000 yen per tsubo for reporting.
Repair expenses	37	They were assessed as being equivalent to 30% of the annual average of the long-term repair and renewal costs for reporting.
PM fees	48	Assessed based on the terms of the contract (planned).
Tenant recruitment expenses, etc.	10	They are assessed and reported as being equivalent to 1.0 month of a new tenant and reported with reference to the expenses for seeking new tenants of similar real estate.
Taxes and public dues	113	Based on the actual amount, they were assessed and reported in consideration of the level of charges and the trend of land prices.
Non-life insurance premiums	8	They were assessed and reported as being equivalent to 0.04% of the fresh procurement price with reference to the insurance of similar real estate.
Other expenses	115	The land price and sales promotion expenses were reported.
Net operating income	428	
Gains on lump-sum payment	4	The operation yield was assessed as 1.0% in comprehensive consideration of the management of lump-sum payment from the operational and procurement viewpoints.
Capital expenditures	123	They were assessed and reported as being equivalent to 70% of the average annual amount of long-term repair and renewal.
Net cash flow	309	
Capitalization rate	5.8%	Here, the yield of similar real estate is used as the standard. It is assessed comprehensively in consideration of the locational condition and building condition as well as the rent standard, relevant interests and contractual terms.
Price based on DCF method	5,600	

Item		Details	Remarks, etc.
	Discount rate	5.6%	It is assessed in comparison with the yields of other financial products related to similar real estate.
	Final capitalization rate	6.0%	It is assessed in consideration of the marketability of the real estate at the time of the completion of the capitalization rate analysis period.
Cost approach value		7,880	
	Ratio of land	60.6%	By applying the sales comparison approach, the land price was assessed based on the actual transaction price for calculation.
	Ratio of building	39.4%	The building price was calculated by the assessment obtained by applying the cost method and multiplying the original cost rate judged by the fresh procurement price, current status and regional characteristics.
Other matters to which the appraiser pays attention in the appraisal		Not applicable	

Characteristics of the Property
<p><Location></p> <p>① The potential of Nara as a city of international tourism and culture</p> <ul style="list-style-type: none"> - The former site of Heijo Palace as well as temples such as Todai-ji, Kasuga Taisha, Mount Kasuga Ancient forest, Kofuku-ji, Gango-ji, Yakushi-ji and Toshodai-ji were registered as the ancient capital of Nara's cultural assets in the category of world heritage in 1998. Nara became Japan's capital in 710 and remained the capital for 74 years after the national capital was transferred by Emperor Genmei from Fujiwara Palace to Heijo Palace, and then it became a center of national politics and economy with the stunning Tenpyo culture. - Heijo Palace is said to be the end of the Silk Road, and Shoso-in holds many treasures from China and Persia through the Japanese envoy to China. Many other national treasures including the Ashura statue were created during this period. - Benefiting from tourism resources with a long history of 1,400 years, the number of tourists to Nara stood at 41.46 million in 2015. It shows an increasing trend with the recent increase in the number of foreign tourists. - Since the initial planning stage, Nara city has been planned to be a stopover from Osaka for the Linear Chuo Shinkansen (super express) line to be opened in 2037. The candidate area is located around Shin-Omiya Station of the Kintetsu Railway. <p>② Omiya Street Project at the local government's initiative</p> <ul style="list-style-type: none"> - Omiya Street (Hanna Road), which is adjacent to the property, is a street full of registered heritage temples and shrines. It connects the Nara park area to the former site of Heijo Palace. The local government is undertaking a large-scale improvement project. - The adjacent Heijo Palace Site Historical Park is a representative Japanese history/cultural heritage. To enhance its preservation and further use, the cabinet decided to improve the park as a national government park in 2008. - Suzaku Gate Plaza in the park is being improved as a zone in which various facilities will be constructed, including the site for exhibition and guidance of the former site of Heijo Palace, as well as the tourism network center with traffic terminals and a tourist bureau. It is expected to open in March 2018. - On the southwest side of the property, the Omiya Street New Hotel and Exchange Hub business project is in progress. The luxury hotel JW Marriott Hotel Nara has already decided to open here, and facilities such as bus terminals, car parks and convention centers will open in 2020. <p>③ Characteristics of transportation access and commercial areas</p> <ul style="list-style-type: none"> - This property is located within a 12-minute walk and a 5-minute drive by bus from Shin-Omiya Station of the Kintetsu Railway. It faces the main national roads No. 24 and 369 (Omiya Street). The national roads run in four directions, and they are main access roads to Osaka and Kyoto. Accordingly, it is expected to attract many customers from a widespread area. - The 2010 national census shows that the population of the commercial areas is 16,000 within 1 km, 128,000 within 3 km and 307,000 within 5 km. As compared with the census in 2005, a marginal increase can be recognized. - The population by age shows that the ratio of 25-39 is higher than average within 1 km compared to that of Nara, and the ratio above 65 is relatively low. This may indicate that the working age population is high. It appears that the population of families is high on the east side within 2 km of the property. The daytime-nighttime population ratio is as high as 146%, and workers comprise 71%. This indicates that there is a large population inflow from outside the commercial areas. <p>(Note) The ratio of the daytime population per permanent population of 100.</p> <p><Facility></p> <p>① The landmarks on the former site of the Heijo Palace area</p> <ul style="list-style-type: none"> - This is a large-scale retail property of 22,000 tsubo (approximately 66,000 m²), and Nara Sogo opened in 1989 as Nara's biggest urban department store. - With the aim of achieving sales of 35 billion yen, over 80 billion yen was invested. The luxurious department store has a Yumedono golden hall, automation clock, art museum, and a rotating panoramic-view restaurant. The opening of the store was big news back then. However, the Sogo group filed for civil rehabilitation in 2000, and it was closed. The department store was succeeded by Ito-Yokado (Nara store) in 2003. - In the central Nara area where the property is located there are many monuments, and it is difficult to build new retail properties similar to the property. Accordingly, the property, which has a square-shaped sales floor, is considered to have scarcity value. <p>② Characteristics of the facility</p> <ul style="list-style-type: none"> - For over 30 years since 1989, it has operated as a large department store and supermarket. As a result, it is well recognized by local residents. - In expectation of visits from drivers, the facility has a car park (mainly flat) that accommodates 1,360 cars. <p><Other></p> <p>Revitalization plan to create a tourism-oriented retail property</p> <ul style="list-style-type: none"> - The GK (limited liability company) formed by Yamaki Co., Ltd., a retail property revitalization expert, has leased the property, and it is bringing the revitalization project forward toward the 2018 April renewal opening. - 80-90% of customers will be local residents. Accordingly, the main section of the facility will be stores selling everyday foods and

medications as well as fashion, sports, convenience goods and electric appliances.

- On the south side facing Omiya Street there will be a lively space where participatory markets, an outdoor café and a street performance stage will open. At the main entrance, a satellite studio will be built to communicate tenant information, event information and tourism information.
- As a centerpiece of the tourism-oriented retail property, a space for the world's first permanent goldfish museum, Samurai-Ninja palace and a fair day will be created. The plan intends to offer a location for foreign tourists to experience content relevant to Nara, thereby making the facility an extremely vibrant area.
- The 5th and 6th floors and the rooftop will be one of Nara's largest amusement parks, which will be an entertainment space for local residents and tourists. On the disc-shaped 7th floor, which is a symbolic structure of the property, a simple accommodation facility will be constructed, and it overlooks the scenic beauty of Nara city, the former site of Heijo Palace, Nara Park and Mount Kasuga.
- To improve transportation access, we plan to arrange a free shuttle bus every 20 minutes between the main stations and terminals nearby, and build a parking space for large tourist buses. We will also attract tourist groups and school trips in partnership with travel agencies.
- We plan to build a catering establishment including a food court with tables for 520 customers, which will be one of the largest of its kind in the city, buffet restaurants, a rooftop beer garden with a live stage and BBQ corners.
- We plan to have a day care center for tenants' employees and tourists and employee canteens along with other welfare facilities so that approximately 1,500 employees can work there comfortably.

<Profitability>

- According to the agreement, ML will pay fixed monthly rent of 22 million yen until the renewal opening day in April 2018 to make up for the fixed cost. From the renewal opening day onwards, if the master lease rent falls below 70 million yen per month in the 5 years after the renewal opening, the trust beneficiary, Yamaki Co., Ltd. and ML will sign a rent guarantee agreement, under which Yamaki Co., Ltd. will bear the balance. Accordingly, we are applying a proactive investment scheme with reduction of the leasing risk.

(Renewal plan outline)



(Note) The pictures of the indoor/outdoor appearances are based on the current plan, and the actual appearances may vary.

(2) Asset to be disposed

Property Name	Shinagawa Seaside Park Tower		Asset Category		Core Asset
			Asset Type		Office
Overview of the Specified Asset					
Assignment date	The end of Feburary 2018 or a date agreed seperately		Type of Specified Assets		Trust beneficiaries (36.6% quasi-co-ownership) (Note 1)
Disposition price	12,004 million yen		Overview of Trust Beneficiaries	Trustee	Mitsubishi UFJ Trust and Banking Corporation
Appraisal Value (Date of Appraisal)	11,895 million yen (Note 2) (September 30, 2017)			Expiry Date of Trust	December 31, 2026
Nearest Station	2 minutes' walk from Shinagawa Seaside Station of Tokyo Waterfront Area Rapid Transit and 8 minutes' walk from Aomono Yokocho Station of Keikyu Corporation				
Address (Residential Address)	4-12-4, Higashishinagawa, Shinagawa-ku, Tokyo				
Land	Lot Number	4-100-2, Higashishinagawa, Shinagawa-ku, Tokyo	Building	Date of Building	① September 30, 2002 ② (B101) July 25, 2003 (Note 6) ③ (B108) July 25, 2003 (Note 6)
	Building Coverage Ratio	70% (Note 3)		Structure	(Note 7)
	Floor Area Ratio	599.06% (Note 4)		Usages	① Parking space ② Store/Office ③ Parking space
	Use Districts	Quasi-industrial districts		Gross Floor Area	55,930.90 m ² (Note 8)
	Site Area	17,386.11 m ² (Note 5)		Number of Cars at Parking Spaces	63
	Ownership Structure	Ownership rights (Co-ownership)		Ownership Structure	Unit ownership (Part co-ownership)
PM Company	XYMAX ALPHA Corporation		Master Lease Company		-
Special Comment					
<ul style="list-style-type: none">Part of the entire site of “Shinagawa Seaside Forest” that includes the site of this property is owned by a third party, and the right to mutually use the site is established by the management bylaw.Subject to the agreement between quasi-co-owners of trust beneficiary rights of the trust beneficiary, a principal party of the contract, when assigning a quasi-co-ownership interest, must be sure to hold negotiations between quasi-co-owners in advance. It has also been agreed as follows: even when they agree to assign the share to a third party, quasi-co-owners shall remain entitled to purchase it with a term equivalent to or better than that agreed with the third party.					
(Note 1) 36.6% of the quasi-co-ownership interest is assigned, but except for the Disposition Price and Appraisal Value, the value of the entire property (equivalent to 100%) is shown.					
(Note 2) The Appraisal Value of the entire property is 32,500 million yen.					
(Note 3) The designated building coverage ratio is 60%, but it is eased to 70% for corner lots and fire-resistant buildings, given that there is a 50% regulation on redevelopment district planning areas.					
(Note 4) The designated floor area ratio is 300%, but the floor area ratio for the entire A-1 Block including the site of this property is set at 599.06% based on the accreditation in Article 86, Paragraph 1 of the Building Standards Act (accreditation of collective housing facilities).					
(Note 5) The percentage of the co-ownership interest that constitutes the trust pertaining to trust beneficial interests that were acquired by MIRAI is 532,699/1,000,000.					
(Note 6) The names in parentheses are those of the buildings stated in the registration book. For building 1), the name of the building is not stated in the registration book.					
(Note 7) ①Steel-frame/steel reinforced concrete building (hereinafter the “SRC”) with one floor. ②Flat-roofed SRC, reinforced concrete (hereinafter					

the “RC”) and steel-frame (hereinafter the “S”) building with 25 stories above ground and two underground stories, ③SRC building with one floor.

(Note 8) This property is a unit ownership building, and the sum of the area of unit ownership that constitutes the trust pertaining to trust beneficial interests that were acquired by MIRAI or the area of the excluding element corresponding to the percentage of co-ownership interest based on the property registration book is 51,637.15 m² (excluding accessory buildings). The area of each excluding element in the registration book and the percentage of the co-ownership interest in unit ownership that constitutes the trust pertaining to trust beneficial interests that were acquired by MIRAI in the exclusive elements of buildings 1) and 3) are as follows.

- ① 4,323.66 m² (separately, there is the second underground portion of 3,375.10 m² of the accessory building (parking lot)) (percentage of co-ownership interest: 213,061/1,000,000)
- ② 49,665.50 m² (separately, there is a total of 1,657.78 m² of the first underground portion and the first and second stories above ground of the accessory buildings (stores, warehouses and machine rooms))
- ③ 1,941.74 m² (percentage of co-ownership interest: 540,983/1,000,000)

Overview of Lease			
Total Rentable Area	35,024.82 m ²	Occupancy Ratio	100.0%
Principal Tenant	NTT Comware Corporation	Number of Tenants	23
Annual Rent	743 million yen	Guarantee Deposit	601 million yen

Overview of the Real Estate Appraisal Report	
Appraisal Value	11,895 million yen (Note 1)
Name of Appraiser	The Japan Real Estate Institute
Date of Appraisal	September 30, 2017

(Amount: million yen)

Item	Details (Note 2)	Remarks, etc.
Valuation	32,500	
Price based on the direct capitalization method	32,600	
Operating revenues	2,342	
Potential gross revenues: Sum of (a) through (d)	2,412	
(a) Rental revenues from rooms for rent including common area charges	2,076	Based on the average rent under the current lease, the standard of new rent under the new lease and the attributes of the lessees, the unit price standard including rent that enables stable revenues over the medium to long term was assessed for calculation.
(b) Utilities revenues	250	Based on the results of the previous financial year, the utilization ratio was considered and the utility revenue was calculated on the assumption that the utilization ratio is 100%.
(c) Parking revenues	15	Based on the average usage fee provided in the lease contract and the usage fee on the assumption that the car park will be newly leased, the unit level of the usage fee that can be collected constantly in the mid- to long-term period is assessed for reporting.
(d) Other revenues	40	Hourly parking revenue is reported as other revenue.
Losses such as vacant rooms	70	Based on the utilization ratio of similar real estate in the same supply-demand area, the supply-demand trend and the previous utilization ratio of the property and future trend, the mid- to long-term period is assessed for reporting.
Operating expenses	887	
Maintenance expenses	270	With reference to the results of previous years and the maintenance and operation costs of similar real estate, the individual characteristics of the real estate concerned were considered for reporting.
Utilities expenses	338	Based on the results of the previous financial year, the utilization ratio of the rented area is reviewed for reporting.
Repair expenses	42	With reference to the results of the previous financial year, future maintenance and operation costs and the cost standard of similar real estate as well as the repair/renovation annual average costs in the engineering report were considered for

Item		Details (Note 2)	Remarks, etc.
			reporting.
	PM fees	25	With reference to the compensation ratio based on the contract, the same of similar real estate and the characteristic nature of the real estate concerned were considered for reporting.
	Tenant recruitment expenses, etc.	12	Assessed based on the lessee's expected operating term
	Taxes and public dues	197	The average amount of tax and burden adjustment described on materials regarding taxes and public dues were reviewed for assessment.
	Non-life insurance premiums	2	The insurance premium based on the insurance policy and the insurance premium rate of similar buildings were considered for reporting.
	Other expenses	0	
	Net operating income	1,454	
	Gains on lump-sum payment	14	Assessed on the assumption that the yield ratio is 1.0%
	Capital expenditures	100	Capital expenditures for similar real estate, the age of the building and the average maintenance/renovation in the engineering report were considered for assessment.
	Net cash flow	1,368	
	Capitalization rate	4.2%	The location of the real estate and the spread attributable to the conditions were adjusted, and future uncertainty and transaction yield in relation to similar real estate were considered for assessment.
	Price based on DCF method	32,400	
	Discount rate	3.8%	With reference to the investment return on similar real estate, the characteristic nature of the real estate was considered comprehensively for assessment.
	Final capitalization rate	4.3%	With reference to similar real estate's future trends of investment yield, the investment risk of the property, the general forecast of economic growth and the trend of the price of real estate and rent are reviewed comprehensively for assessment.
	Cost approach value	29,900	
	Ratio of land	76.1%	By applying the sales comparison approach, the land price was assessed based on the actual transaction price for calculation.
	Ratio of building	23.9%	By applying the prime cost method procurement, the price for fresh procurement was adjusted, and then the marketability of the building and site as a whole was considered for calculation.
Other matters to which the appraiser pays attention in the appraisal		Not applicable	

(Note 1) The amount equivalent to the quasi-co-ownership interest that MIRAI plans to dispose (36.6%) is shown.

(Note 2) The amount of the entire Shinagawa Seaside Park Tower is shown.

5. Overview of sellers and buyers

(1) Sellers

The seller of Nippo Hommachi Building is a Japanese corporation; however the name is not disclosed because its consent has not been obtained. The undisclosed acquiring party does not have a capital relationship, human relationship or transactional relationship with MIRAI or the Asset Manager that should be disclosed. It is not deemed to be a related party, either. Other acquiring parties are as follows:

【Tokyo Front Terrace (50.2% quasi-co-ownership)】

Name	GK Tennoz 1 (Limited Liability Company)
Address	c/- Tokyo Kyodo Accounting Office, 1-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo
Representative	Representative Partner, General Incorporated Association Isle Executor, Masakazu Hongo
Business Description	1. Retention, management, sale and purchase of trust beneficial interests 2. Sale, purchase, retention, lease and management of real estate 3. Research, planning and consulting service relating to urban redevelopment and other land development 4. Purchase receivables 5. Money lending 6. Any and all businesses incidental to each of the foregoing
Stated Capital	500,000 yen
Date of Establishment	March 1, 2010
Net Assets	Not disclosed (Note)
Total Assets	Not disclosed (Note)
Contributors	General Incorporated Association Isle
Relationships between the company and MIRAI and the Asset Manager	
Capital	The company is the limited liability company invested in by IDERA Capital, a major shareholder in the Asset Manager. As of today, IDERA Capital holds about 1.7 % of the investment equity issued by MIRAI.
Personal	There is no personal relationship to state between the company and MIRAI and the Asset Manager.
Business	There is no business relationship to state between the company and MIRAI and the Asset Manager.
Relevance to related party	The company does not fall under a related party of MIRAI or the Asset Manager. The company has entered into a discretionary investment contract with IDERA Capital, a major shareholder in the Asset Manager, so it is deemed to be a stakeholder of the transaction rule of the Asset Manager.

(Note) Not disclosed due to the absence of an assignee's consent.

【Nara Heijo Plaza】

Name	GK Nara Heijo Plaza (Limited Liability Company)
Address	1-3-1, Nijo Oji Minami, Nara-shi, Nara
Representative	Representative Partner, Shuhei Yamashita
Business Description	1. Holding, selling/purchasing, leasing, management and acquisition/holding/disposal of trust beneficiary rights on real estate and other assets 2. Any and all businesses incidental or relating to each of the foregoing
Stated Capital	10,000 yen
Date of Establishment	May 26, 2017
Net Assets	Not disclosed (Note)
Total Assets	Not disclosed (Note)
Contributors	Not disclosed (Note)
Relationships between the company and MIRAI and the Asset Manager	
Capital	There is no capital relationship to state between the company and MIRAI and the Asset Manager.
Personal	There is no personal relationship to state between the company and MIRAI and the Asset Manager.
Business	There is no business relationship to state between the company and MIRAI and the Asset Manager.
Relevance to related party	The company does not fall under a related party of MIRAI and the Asset Manager.

(Note) Not disclosed due to the absence of an assignee's consent.

(2) Buyers

【Shinagawa Seaside Park Tower (36.6% quasi-co-ownership)】

Name	GK SS2 (Limited Liability Company)
Address	1-4-20-2216, Ariake, Koto-ku, Tokyo
Representative	Representative Partner, Takafumi Inaba
Business Description	1. Acquisition, retention and disposal of real estate 2. Lease and management of real estate 3. Acquisition, retention and disposal of trust beneficial interests in real estate 4. Any and all businesses incidental or relating to each of the foregoing
Stated Capital	100,000 yen
Date of Establishment	July 27, 2015
Net Assets	Not disclosed (Note)
Total Assets	Not disclosed (Note)
Contributors	Not disclosed (Note)
Relationships between the company and MIRAI and the Asset Manager	
Capital	There is no capital relationship to state between the company and MIRAI and the Asset Manager.
Personal	There is no personal relationship to state between the company and MIRAI and the Asset Manager.
Business	There is no business relationship to state between the company and MIRAI and the Asset Manager.
Relevance to related party	The company does not fall under a related party of MIRAI and the Asset Manager. This company has entered into a discretionary investment contract with MBRM invested in by Mitsui & Co. Asset Management Holdings LTD, a major shareholder in the Asset Manager. It is therefore deemed to be a stakeholder in the transaction rule of the Asset Manager.

(Note) Not disclosed due to the absence of an assignee's consent.

6. Description of sellers

The seller of Tokyo Front Terrace (50.2% quasi-co-ownership) is the limited liability company that has entered into an asset management service contract (discretionary investment contract) with a sponsor of the Asset Manager. The other sellers are not stakeholders in relation to MIRAI and the Asset Manager. The table below describes the seller of Tokyo Front Terrace (50.2% quasi-co-ownership) as follows: ① company name or personal name ② relationship with special stakeholders ③ history of and reason for acquisition.

Property Name (Address)	MIRAI	Previous Owner	Owner before the Previous Owner
※	③ Acquisition (disposition) price Date of Acquisition (disposition)	①, ②, ③ Acquisition (disposition) price Date of Acquisition (disposition)	①, ②, ③ Acquisition (disposition) price Date of Acquisition (disposition)
Tokyo Front Terrace (2-3-14, Higashi-Shinagawa, Shinagawa-ku, Tokyo)	MIRAI acquires this property based on its judgement that it is a competitive property that can secure profitability over the medium to long term because it meets the investment standards of MIRAI. Because the purchase price is less than the appraisal value (10,793 million yen) according to the Japan Real Estate Institute, MIRAI has decided that the purchase price is reasonable.	① GK Tennozu 1 (Limited Liability Company) ② This is the limited liability company that has entered into an asset management service contract (discretionary investment contract) with a sponsor of the Asset Manager. The above sponsor holds more than 50% of the investment equity of the anonymous association of the limited liability company. ③ A foreign investor, who is a member of the Fosun Group, acquired this property solely for investment purposes.	Other than a party who has a special interest
	10,592 million yen (tax excluded)	Omitted because this property has been owned for more than a year.	—
	October 2017	August 2014	—

7. Overview of Intermediation

There is no corresponding item in respect of the disposition of Shinagawa Seaside Park Tower (36.6% quasi-co-ownership). The intermediary of Nara Heijo Plaza is a Japanese corporation, but the name and intermediation fee are not disclosed because consent has not been obtained. The undisclosed intermediary is not deemed to have a capital relationship or human/transactional relationship with MIRAI and the Asset Manager that should be presented. It is not deemed to be a stakeholder either. As for Nippo Hommachi Building, the contract date has not yet been determined and the intermediary's consent has not been obtained, so no disclosure is made here. The table below shows the intermediaries of Tokyo Front Terrace (50.2% quasi-co-ownership).

【Tokyo Front Terrace (50.2% quasi-co-ownership)】

Name	SMBC Trust Bank Ltd.
Address	19th floor-East, Nishi-shinbashi Square, 1-3-1, Nishi-shinbashi, Minato-ku, Tokyo
Representative	President and CEO, Hidetoshi Furukawa
Business Description	Banking business and trust business
Stated Capital	87,550 million yen (as of March 31, 2017)
Date of Establishment	February 25, 1986
Relationships between the company and MIRAI and the Asset Manager	
Capital	There is no capital relationship to state between the company and MIRAI and the Asset Manager.
Personal	There is no personal relationship to state between the company and MIRAI and the Asset Manager.
Business	There is no business relationship to state between the company and MIRAI and the Asset Manager.
Relevance to related party	The company does not fall under a related party of MIRAI and the Asset Manager.
Intermediation Fee	Not disclosed (Note)

(Note) The amount of the intermediary fee is not disclosed because consent has not been obtained from the intermediary.

8. Transactions with Interested Parties, etc

The seller of Tokyo Front Terrace (50.2% quasi-co-ownership) and the buyer of Shinagawa Seaside Park Tower (36.6% quasi-co-ownership) are deemed to be Interested Parties under the stakeholder transaction rule of the Asset Manager, so the necessary discussions and resolutions have been made based on the said rule and other company rules.

9. Future Outlook

The acquisition and disposition have only a minor impact on the management status for the period ending October 2017 (the 3rd fiscal period), and there is no change to the forecast. As for the management status for the period ending April 2018 (the 4th fiscal period), the gain on disposition of real estate and a temporary increase in lease business revenue is expected. Accordingly, the business income, etc. is expected to increase occasionally. On the other hand, the renewal of Nara Heijo Plaza could increase the current provisional construction cost (950 million yen) and construction incidental expenses and change the ratio of expenses. Besides, new tenants may result in repair and construction expenses, expenses for the removal of the existing facilities and loss on the retirement of fixed assets. Such possible impacts are being investigated, and once the outlook becomes clear and any possible changes in the prospect of the management status becomes necessary, such changes will be announced promptly. Nara Heijo Plaza is scheduled to open at the end of April 2018, and the main lease revenue will be received in the period ending October 2018 (the 5th fiscal period).

(End)

* Homepage address for MIRAI: <http://3476.jp/en>

This press release is the English translation of the announcement in Japanese on MIRAI's website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

(Reference press release, etc.)

Dated 10/23/2017 "Notice Concerning Borrowing of Funds and Repayment of Loans before Due Date"

Dated 10/23/2017 "Progress of Mid-Term Management Plan - Supplementary Material for the Press Release Dated October 23 and November 1, 2017 -"

<Reference Materials >

Reference Material 1: Pictures, images and maps of the property

Reference Material 2: Portfolio List after the acquisition and disposition

Reference Material 3: Descriptions of the details of assets to be acquired and disposed

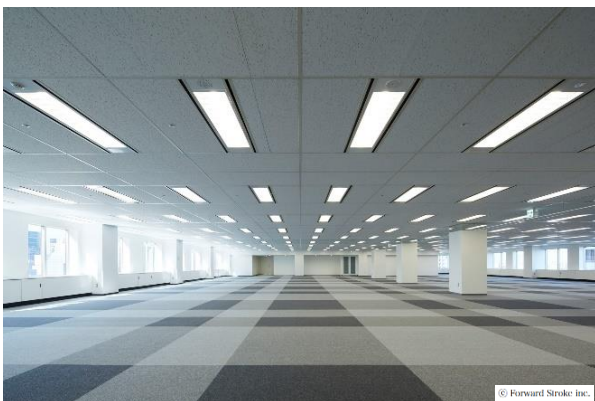
Reference Material 1 Pictures, images and maps of the property

Tokyo Front Terrace

Pictures



Map

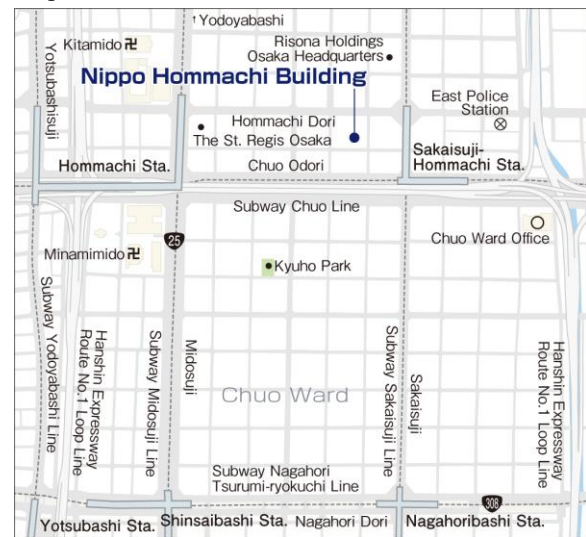


Nippo Hommachi Building

Pictures



Map

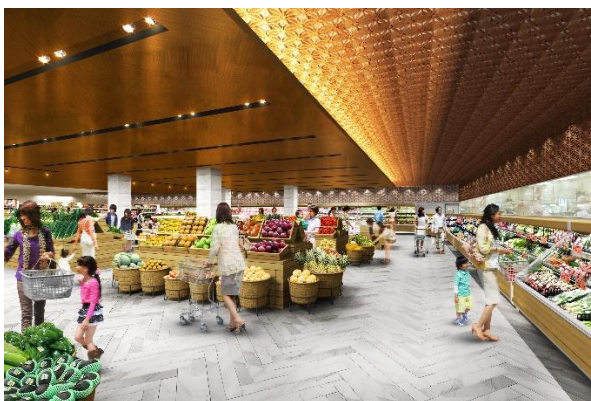
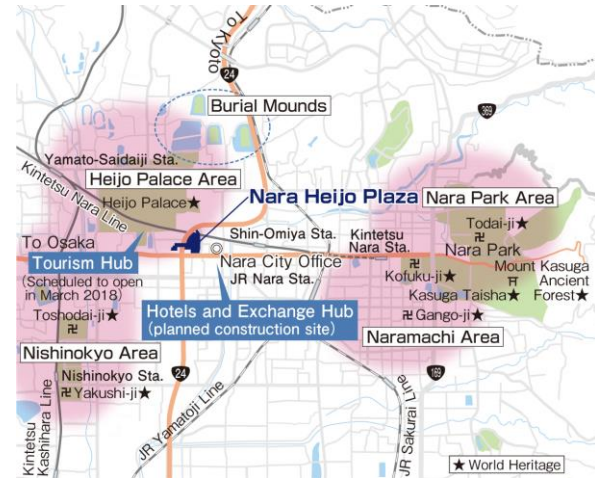


Nara Heijo Plaza

Pictures and images (Note)



Map



(Note) It is based on the current plan. Actual results may vary.

Reference 2 Portfolio List after the acquisition and disposition

Asset Category/ Asset Type		Area	Property Name	Acquisition Price (million yen) (Note 1)	Ratio (%) (Note 2)	Acquisition Date
Core Asset	Office	Tokyo	Shinagawa Seaside Park Tower (Note 3) (Note 4)	20,288	19.3	December 16, 2016
	Office	Tokyo	Kawasaki Tech Center	23,182	22.0	December 16, 2016
	Office	Tokyo	Shinjuku Eastside Square (Note 3)	10,000	9.5	December 16, 2016
	Office	Tokyo	Hillcoat Higashi-Shinjuku	3,900	3.7	December 16, 2016
	Office	Tokyo	Tokyo Front Terrace (Note 3)	10,592	10.1	October 26, 2017
	Office	Osaka	Nippo Hommachi Building	1,465	1.4	Date agreed separately up to the end of February 2018
	Retail	Osaka	MIUMIU Kobe (land)	6,300	6.0	December 16, 2016
	Retail	Tokyo	Shibuya World East Building	3,200	3.0	December 16, 2016
	Retail	Tokyo	AEON Kasai	9,420	9.0	December 16, 2016
	Retail	Osaka	DAIKI Izumi-Chuo	3,000	2.9	December 16, 2016
	Hotel	Others	Hotel Sunroute Niigata	2,108	2.0	December 16, 2016
	Hotel	Others	Daiwa Roynet Hotel Akita	2,042	1.9	December 16, 2016
	Hotel	Others	Super Hotel Sendai / Hirosedori	1,280	1.2	December 16, 2016
	Hotel	Osaka	Super Hotel Osaka / Tennoji	1,260	1.2	December 16, 2016
	Hotel	Tokyo	Super Hotel Saitama / Omiya	1,123	1.1	December 16, 2016
	Hotel	Osaka	Super Hotel Kyoto Karasuma Gojo	1,030	1.0	December 16, 2016
	Hotel	Others	Comfort Hotel Shin-Yamaguchi	902	0.9	December 16, 2016
Growth Asset (Core-plus Asset)	Retail	Osaka	Nara Heijo Plaza (temporary name)	4,100	3.9	October 26, 2017
Total				105,192	100.0	—

(Note 1) "Acquisition Price" describes the price of each asset provided or planned to be provided in the purchase and sales contract in respect of each property. The purchase and sales prices do not include national or local consumption tax or expenses necessary for the acquisition, and the value is rounded down when a fraction of less than 100 yen is included.

(Note 2) "Ratio" is the ratio against the total of the acquisition price of each property, and the value is rounded off to the first decimal place.

(Note 3) Where the asset is owned by unit or is quasi-co-owned, the value in relation to the ratio of the unit ownership and quasi-co-ownership interest belonging to MIRAI is shown.

(Note 4) The value shown here is the one in relation to the co-ownership interest belonging to MIRAI (63.4%) after the sales of the co-owned share of 36.6% (planned assignment date: the end of February 2018 or the date agreed upon separately).

Reference Material 3 Descriptions of the details of assets to be acquired and disposed

Items (A) to (M) below explain the descriptions in the columns of “4. Details of assets to be acquired and disposition” above. If the date is not shown, the descriptions should be as of August 31, 2017. The tenant information is as of October 1, 2017.

- A) “Asset Category/Asset Type”
- “Core Asset” means core assets of MIRAI’s portfolio. Specifically, it refers to traditional investment real estate such as offices, retail, hotels, accommodation and logistics facilities for which the utilization ratio is (or is likely to be) more than 80% and for which MIRAI judges that stable rent revenue can be expected.
 - “Growth Asset” refers to the assets that MIRAI judges will have a competitive edge in the investment and management of real estate. Of these assets, the “Core-plus Asset” refers to those traditional investment assets such as offices, retail, hotels and residential properties that MIRAI judges to be profitable from the following viewpoints:
 - a) stable future cashflow;
 - b) better profitability during investment management through upgrade lease, small-scale renovation and conversion; and
 - c) higher rent and improved vacancy factor.
- B) “Nearest Station”
- The walking time required in the section “Nearest Station” is calculated on the assumption that one minute is required to walk 80 meters, and the calculated value is rounded up if a fraction beyond the first decimal point is included, based on the Fair Competition Rule on the indication of real property (Fair Trade Commission Notice No.23 in 2005) and the enforcement regulation on the Fair Competition Rule on the indication of real property (Approval No.107 by the Fair Trade Commission in 2005).
- C) “Address (Residential Address)”
- “Address (Residential Address)” shows the residence indication of the property. If the residence indication is not implemented, the location or locations (any one of them) of the building on the registry is shown.
- D) “Land”
- “Lot Number” is described based on the registry.
 - “Building Coverage Ratio” and “Floor Area Ratio” are the values provided by relevant laws such as the Building Standards Act and the Urban Planning Act. Depending on the asset planned to be acquired, certain easing measures or restrictions may be applied to the “Building Coverage Ratio” and “Floor Area Ratio” in the table below.
 - “Use Districts” describe the types of use districts under Section 8, subsection 1, paragraph 1 of the Urban Planning Act.
 - “Site Area” is based on the description in the registry, and it may not match the current state. Where an asset planned to be acquired is a co-owned share, the area of the entire property is shown.
 - “Ownership Structure” describes the type of rights that a beneficiary of the trust on the land holds or will hold.
- E) “Building”
- “Date of Building” describes the construction date in the registry.
 - “Structure” is based on the description in the registry.
 - “Usage” describes the main types of the buildings in the registry.
 - “Gross Floor Area” is based on the description of the registry. Where an asset to be acquired is an exclusive portion of the building subject to section ownership, the area of the exclusively owned portion is shown. Where an asset planned to be acquired is a co-owned portion of the building, the area of the entire building is shown.
 - “Number of Parking Spaces” shows the number of cars the car park can accommodate. This car park is secured within the site (including the car park inside the building) of the asset planned to be acquired as of August 31, 2017. Where a co-owned share and section ownership will be acquired, the number of cars to be parked in relation to the entire asset planned to be acquired is shown.
 - “Ownership Structure” describes the types of rights that a beneficiary of the trust on the real estate holds or will hold in relation to the asset planned to be acquired.

- F) “PM Company”
 - “PM Company” describes the companies that have entered or will enter into a valid property management contract as of August 31, 2017 in relation to the asset planned to be acquired.
- G) “Master Lease Company”
 - “Master Lease Company” describes the companies that have entered or will enter into a valid master lease contract as of August 31, 2017 in relation to the asset planned to be acquired.
- H) “Special Comment”
 - In principle, “Special Comment” describes items that are considered critical based on the information as of August 31, 2017:
 - a) in terms of the interests and use of each asset; and
 - b) in consideration of the impact on the appraisal value of the asset, profitability and ease of disposal.
- I) “Overview of Lease”
 - For “Overview of Lease,” the content of an effective lease agreement, etc. as of October 1, 2017 for each asset to be acquired is stated based on the values and information provided by the seller of each asset to be acquired, etc., unless otherwise stated.
 - For “Total Establishment of Security,” the area that is rentable based on the lease agreement or the building drawings of the building pertaining to each asset to be acquired as of October 1, 2017 is stated. For properties with land lease rights, the area of the land with land lease rights is stated. In addition, only the area of the rooms for rent is stated, in principle, and the area of incidental areas such as parking lots and warehouses is not included. If the asset to be acquired is a co-ownership interest or a quasi-co-ownership interest of the building, it is calculated according to its percentage.
 - For “Occupancy Ratio,” the ratio of the total leased area to the total rentable area of each asset to be acquired as of October 1, 2017 is stated, rounded off to one decimal place.
 - For “Principal Tenant,” the tenant with the largest leased area of the total leased area of each asset to be acquired is stated. For properties with a fixed-rent master lease under which MIRAI will receive a certain amount of rent, regardless of changes in the rents of end tenants, under the master lease concluded on the asset to be acquired, the Master Lease Company is stated. In addition, if consent regarding disclosure is not obtained from the end tenants, “Not disclosed” is stated in the “Principal Tenant” column.
 - For “Number of Tenants,” the number of tenants of each asset to be acquired is stated based on the lease agreement of each asset to be acquired as of October 1, 2017 (limited to those who have already moved in as of this date). However, if a master lease agreement is concluded for the asset to be acquired, the total number of end tenants (limited to those who have already moved in as of this date) is stated for properties with a pass-through master lease in which MIRAI receives rents from the end tenants as they are, in principle. For properties with a fixed-rent master lease under which MIRAI will receive a certain amount of rent, regardless of changes in the rents of end tenants, only the Master Lease Company is stated as the tenant in the number of tenants, and the number of tenants calculated using the number of tenants based on the lease agreements between the Master Lease Company and the end tenants for the relevant asset to be acquired is stated in parentheses. In addition, if only land with land lease rights is acquired, the total number of the land lessees is stated. However, the number of tenants of incidental areas such as parking lots and warehouses is not included.
 - For “Annual Rent,” the annualized amount calculated by multiplying the monthly rent (including rent for rooms and common area charges (if any) and excluding rent for incidental areas such as parking lots and warehouses) by 12 is stated for the building indicated in the lease agreement of each asset to be acquired as of October 1, 2017 (limited to those who have already moved in as of this date), rounded down to the nearest million yen. In this calculation, the Annual Rent is calculated based on the upper limit of fixed rent provided for in the agreement. In addition, for properties in which the tenant becomes the sublessor as the Master Lease Company, the annualized amount that is calculated by multiplying the monthly rent in the lease agreement concluded with the end tenants by 12 is stated for properties with a pass-through master lease in which MIRAI receives rents from the end tenants as they are, in principle, while the annualized amount that is calculated by multiplying the monthly rent in the master lease agreement by 12 is stated for properties with a fixed-rent master lease in which MIRAI will receive a certain amount of rent, regardless of changes in the rents of end tenants. Free rent and rent holidays as of August 31, 2016 are not taken into account. If consent

- regarding disclosure is not obtained from the end tenants, “Not disclosed” is stated. If the asset to be acquired is a co-ownership interest or a quasi-co-ownership interest of the building, it is calculated according to its percentage.
- For “Guarantee Deposits,” the total amount of guarantee deposits required under the lease agreement of each asset to be acquired as of October 1, 2017 (limited to those for tenants who have already moved in as of this date) is stated, rounded down to the nearest million yen. However, guarantee deposits for incidental areas such as parking lots and warehouses are not included. If a master lease agreement is concluded for the asset to be acquired, the total amount of guarantee deposits under the lease agreements concluded with the end tenants is stated, rounded down to the nearest million yen. If consent regarding disclosure is not obtained from the end tenants, “Not disclosed” is stated. In addition, even if the termination or cancellation of the lease agreement is offered by an end tenant, “Occupancy Rate,” “Number of Tenants,” “Annual Rent” and “Guarantee Deposit” are stated based on the assumption that the lease agreement with the end tenant exists if the agreement continues as of October 1, 2017. If the asset to be acquired is a co-ownership interest or a quasi-co-ownership interest of the building, it is calculated according to its percentage.
- J) “Overview of Summary of Engineering Report”
- For “Urgent Repairs,” expenses that are stated as repair and renewal expenses that are deemed to be necessary urgently or within approximately one year from the inspection date in the building condition inspection report are stated by rounding down to the nearest thousand yen.
 - For “Long-term Repairs,” the annual average amount or the amount converted to the annual average amount of expenses stated as repair and renewal expenses that are expected for 12 years from the inspection date in the building condition inspection report is stated by rounding down to the nearest thousand yen. If the asset to be acquired is a co-ownership interest or a quasi-co-ownership interest of the building, it is calculated according to its percentage.
- K) “Status of Security Setting”
- “None” is stated when the security setting is canceled after the acquisition of the property.
- L) “Overview of the Real Estate Appraisal Report”
- For “Overview of the Real Estate Appraisal Report,” the general description of the real estate appraisal reports (hereinafter “Appraisal Reports”) that were commissioned by MIRAI and prepared by Daiwa Real Estate Appraisal Co., Ltd., Japan Real Estate Institute, and Japan Valuers Co. Ltd. to appraise each asset to be acquired based on the points to note for the appraisal of real estate under the Act on Investment Trusts and Investment Corporations as well as the Act on Real Property Appraisal (Act No. 152 of 1963 including subsequent amendments; hereinafter “Act on Real Property Appraisal”) and the real property appraisal standards are stated. The real estate appraisals are only the judgements and opinions of the appraisers at a certain point in time, and do not guarantee the adequacy or accuracy of their content or tradability at the Appraisal Value.
 - There is no special interest between MIRAI and the Asset Manager and Daiwa Real Estate Appraisal Co., Ltd., Japan Real Estate Institute, and Japan Valuers Co. Ltd., which conducted the real estate appraisal.
 - Unless otherwise noted, amounts are rounded down to the nearest million yen. Values in percentages are rounded to one decimal place.
- M) “Characteristics of the Property”
- For “Characteristics of the Property,” it indicates the point of view for property acquirement of MIRAI. For Nara Heijo Plaza, it is based on the publication material obtained by the Asset Manager and the description of the Market Report prepared by GEO AKAMATSU CO., LTD., and for other assets to be acquired, in principle, it is based on the description of the Market Research Report prepared by CBRE K.K. and partially based on the material obtained by the Asset Manager to state the basic nature, characteristics, and features of the area in which it is located of each asset to be acquired. The reports are only the judgements and opinions of the external experts who created them at a certain point in time, and they do not guarantee the adequacy or accuracy of their content. Environmental changes, etc. after the reports were prepared are not reflected.