

February 17, 2025

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 Lease of Real Estate Trust Beneficiaries in Japan
(“MI Terrace Yokohama Nishiguchi”, “MI Terrace Nagoya Aoi” and
“NPC Toyamaeki-Mae Square (land)”)

Mitsui Bussan & IDERA Partners Co., Ltd. (hereinafter the “Asset Manager”), the asset management company of MIRAI Corporation (hereinafter “MIRAI”) announces that MIRAI has decided to make the acquisition (hereinafter the “Acquisition”) and the start the lease of assets as follows.

1. Overview of the Acquisition

(1) Assets to be Acquired

Asset Category/ Asset Type (Note 1)		Name	Agreement Date (Note 2)	Acquisition Date	Seller	Acquisition Price (million yen) (Note 3)
Core Asset	Office	MI Terrace Yokohama Nishiguchi (Note 4)	February 17, 2025	February 18, 2025	Not disclosed (Note 6)	2,355
	Office	MI Terrace Nagoya Aoi (Note 5)		March 10, 2025	Nagoya Aoi LLC	4,525
	Retail	NPC Toyamaeki-Mae Square (land)		February 18, 2025	RICOH LEASING COMPANY, LTD.	1,020
Total						7,901

(Note 1) “Asset Category/Asset Type” is a classification based on the usage of assets. For details, please refer to Reference Material 2 “Descriptions of the details of Asset to be Acquired.”

(Note 2) “Agreement Date” is the signing date of the sale and purchase agreement with the Seller.

(Note 3) “Acquisition Price” shows the sale and purchase value of each asset to be acquired that is stated in the sale and purchase agreement with the seller.

The sale and purchase value does not include national or local consumption tax or expenses necessary for the acquisition, and it is rounded down to the nearest million yen. The same shall apply hereinafter.

(Note 4) “Name” is “Manulife place Yokohama” as of today, but will be changed to “MI Terrace Yokohama Nishiguchi” upon MIRAI’s acquisition.

(Note 5) “Name” is “Central Nagoya Aoi Building” as of today, but will be changed to “MI Terrace Nagoya Aoi” upon MIRAI’s acquisition.

(Note 6) “Not disclosed” due to the absence of the seller’s consent.

(2) Funds for Acquisition: Own funds

Proceeds from disposition of “Shibuya World East Building” and “Mi-Nara” today.

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

(4) Annual Rent: 376 million yen (Note)

MIRAI has determined that the tenants of the assets to be acquired conforms with the tenant selection criteria described in the “Report on the Operation System of Issuer of Real Estate Investment Trust Securities (Japanese versions only)” submitted on January 31, 2025.

(Note) For the definition of annual rent, please refer to Reference Material 2 “Descriptions of the details of Assets to be Acquired”.

(5) Brokerage: No

2. Reasons for Acquisition and Lease

Point

- Acquisition as part of asset replacement aiming for profitability improvement from both external and internal growth perspective.
- Expand post-acquisition upside potential through investment strategy based on cash flow characteristics and market environment under MIRAI Mid-Term Management Plan 2025 “Smart Defense & Offense with Aligned Interest”.
 - Mid-sized office with upside of rent located in a core regional city where supply and demand is stable.
 - Land asset for urban retail facility with strong upside potential located in an area with active redevelopment projects.

MIRAI Mid-term Management Plan 2025

■ In an uncertain market environment, “smart” defense to prepare for the next growth

賢守

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共攻

■ Going on the offensive for disciplined growth while “sharing” views and perspectives with investors

(Smart Defense)

(Offense with Aligned Interest)

DPU	NAV per Unit	AUM
Target of Smart Defense: 1,300 yen level	Target: Over 53,000 yen	Target: 200 billion yen

The Acquisition is part of the asset replacement (hereinafter the “Replacement” following the disposition of asset announced in “Notice Concerning Disposition and Lease Cancellation of Real Estate Trust Beneficiaries in Japan (“Shibuya World East Building” and “Mi-Nara”) dated February 10, 2025.

MIRAI has considered and completed acquisition of various types of assets based on the portfolio construction policy with “Smart Defense & Offense with Aligned Interest” strategy since the implementation of the Mid-Term Management Plan. Aim for higher asset returns that outweigh rising interest expenses and inflationary pressures by implementing investment strategies tailored to the cash flow characteristics and market environment of each asset type, while also working to improve the profitability of the portfolio and expand and realize its upside potential.

The Acquisition was decided based on the characteristics of each asset while considering the portfolio construction policy and the real estate market conditions. “MI Terrace Yokohama Nishiguchi” and “MI Terrace Nagoya Aoi” are mid-sized offices with stable supply and demand from tenants, and stable cash flow can be expected. Furthermore, due to the relatively short lease period, a positive reversion of rent can be pursued from time to time. “NPC Toyamaeki-Mae Square (land)” is situated in Toyama Station front where active redevelopment projects are taking place. This land asset for an urban retail facility has upside potential with a possible conversion to other asset types and further improvement in profitability.

The assets that were disposed of had an average NOI yield after depreciation of 3.2% (Note), while the average NOI yield after depreciation for assets to be acquired based on the appraisal NOI is 3.8%. Therefore, the external growth of the Replacement will contribute to the improvement of portfolio profitability.

In addition to stable cash flow, the assets to be acquired are expected to contribute to mid-to-long term internal growth by pursuing continuous positive reversion of rent and realizing long term upside potential.

MIRAI has decided on the selection and acquisition of the Assets to be Acquired based on the above consideration.

Please refer to “Asset Replacement and Revisions to Forecasts- Supplementary Material for the Press Release dated February 17, 2025” released today for the impact of the Replacement including the Acquisition.

(Note) Of the figures under “Disposition”, the figure for Shibuya World East Building is based on the book value to the actual results for the fiscal period ended October 31, 2024 (annualized) while that of Mi-Nara is based on the book value to the actual results for the fiscal period ended April 30, 2024 and the fiscal period ended October 31, 2024 to adjust for seasonality of profits for comparison purpose.

(Reference) Value and Profitability of Assets to be Acquired

Name	Acquisition Price (million yen)	Appraisal Value (million yen)	Appraisal NOI Yield (Note 1)	NOI Yield after Depreciation (Note 2)
MI Terrace Yokohama Nishiguchi	2,355	2,540	3.8%	3.5%
MI Terrace Nagoya Aoi	4,525	4,880	4.4%	3.8%
NPC Toyamaeki-Mae Square (land)	1,020	1,100	4.0%	4.0%
Total/Average	7,901	8,520	4.1%	3.8%

(Note 1) “Appraisal NOI Yield” is calculated by dividing the appraisal NOI by the expected acquisition price rounding to the nearest tenth. “Appraisal NOI Yield” in the “Total/Average” shows “Average Appraisal NOI Yield”. The “Average Appraisal NOI yield” is weighted average of “Appraisal NOI Yield” by the Acquisition Price of each asset. Appraisal NOI refers to the net operating income (NOI) 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 derived by adding investment management profits on investment from security deposit and subtracting the capital expenditures. The above appraisal NOI means the 1st year NOI under DCF method (if any specific factors for the 1st year, it means the 2nd or the 3rd year NOI).

(Note 2) “NOI Yield after Depreciation” is calculated by subtracting depreciation from the appraisal NOI and dividing by the expected acquisition price rounding to the nearest tenth. “NOI Yield after Depreciation” in the “Total/Average” shows “Average NOI Yield after Depreciation”. “Average NOI Yield after Depreciation” is weighted average of “NOI Yield after Depreciation” by the Acquisition Price of each asset. Depreciation is estimated value calculated by the Asset Manager using straight-line method with certain assumptions. The same shall apply hereinafter.

3. Details of Assets to be Acquired

<MI Terrace Yokohama Nishiguchi>

Property Name	MI Terrace Yokohama Nishiguchi	Asset Category	Core Asset
		Asset Type	Office

Overview of the Specified Asset

Acquisition Date	February 18, 2025	Type of Specified Assets		Trust Beneficiaries
Acquisition Price	2,355 million yen	Overview of Trust Beneficiaries	Trustee	Mizuho Trust & Banking Co., Ltd.
Appraisal Value (Appraisal Date)	2,540 million yen (December 31, 2024)		Expiry Date of Trust	February 13, 2035
Nearest Station	10-minute walk from “Yokohama” Station of JR 7-minute walk from “Yokohama” Station of Yokohama Municipal Subway			
Address (Residential Address)	2-10-33, Kitasaiwai, Nishi-ku, Yokohama-shi, Kanagawa			
Land	Lot Number	2-10-18, Kitasaiwai, Nishi-ku, Yokohama-shi, Kanagawa, Other 4 parcel of land	Date of Building	April 13, 1990
	Building Coverage Ratio	100% (Note)	Structure	B1/9-story flat roof reinforced concrete structure
	Floor Area Ratio	500%	Usage	Office/Shop
	Use Districts	Commercial district	Gross Floor Area	2,878.14 sqm
	Site Area	589.85 sqm	Number of Parking Spaces	6
	Ownership Structure	Ownership	Ownership Structure	Ownership
PM Company	ITOCHU Urban Community Ltd.	ML Company	MIRAI Corporation	
Special Comment	Not applicable			

(Note) Specified building coverage ratio is 80%. However, the building has received relaxation to 100% for fireproof building located in a fire prevention district.

Overview of Lease

Total Rentable Area	2,328.47 sqm	Occupancy Ratio	100.0%
Principal Tenant	BEST,inc.	Number of Tenants	14
Annual Rent	111 million yen	Guarantee Deposit	79 million yen

Overview of Summary of Engineering Report

Survey Company	Daiwa Real Estate Appraisal Co., Ltd	Urgent Repairs	-
Date of the Report	January 2025	Long-term Repairs	7,968 thousand yen

Overview of Seismic Risk Analysis

Survey Company	Tokio Marine dR Co., Ltd.	PML	5.0%
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Collateral

Not applicable

Overview of the Real Estate Appraisal Report	
Appraisal Value	2,540 million yen
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal Date	December 31, 2024

(million yen)

Item	Details	Remarks, etc.
Valuation	2,540	
Value based on the direct capitalization method	2,640	
Operating revenues	129	
Potential gross revenues:		
Sum of (a) through (d)	137	
(a) Rental revenues from rooms for rent including common area charges	125	Appraised by comprehensively considering the comparison with the standard of lease cases, the market situation of the surrounding area, and the current rent level, etc.
(b) Utilities revenues	7	
(c) Parking revenues	2	
(d) Other revenues	1	
Losses from vacancy, etc.	7	
Operating expenses	34	
Maintenance expenses	7	Reported based on the property management contract and actual amount
Utilities expenses	9	Assessed based on the income and expenses, etc.
Repair expenses	2	Assessed based on the engineering report and other similar cases
PM fees	2	Reported based on the property management contract
Advertisement and leasing expenses, etc.	1	Assumes 10.0% tenant turnover per year
Taxes and public dues	10	Assessed based on the tax for FY2024
Property and casualty insurance premiums	0	Assessed based on the insurance materials
Other expenses	0	Assessed based on the income and expenses, etc.
Net operating income	95	
Investment gains on lump-sum payment	0	
Capital expenditures	6	
Net cash flow	89	
Discount rate	3.4%	Appraised by comparing and examining multiple transaction yields in neighboring areas or similar areas within the same demand/supply zone, etc.
Value based on DCF method	2,500	
Discount rate	3.5%	Appraised based on the subject property's regional and individual risks
Terminal capitalization rate	3.6%	Assessed by taking into account the cap rate and future forecast uncertainty
Value based on cost approach	2,970	
Ratio of land	92.3%	
Ratio of building	7.7%	
Other matters to which the appraiser pays attention in the appraisal	Not applicable	

Characteristics of the Property

<Location>

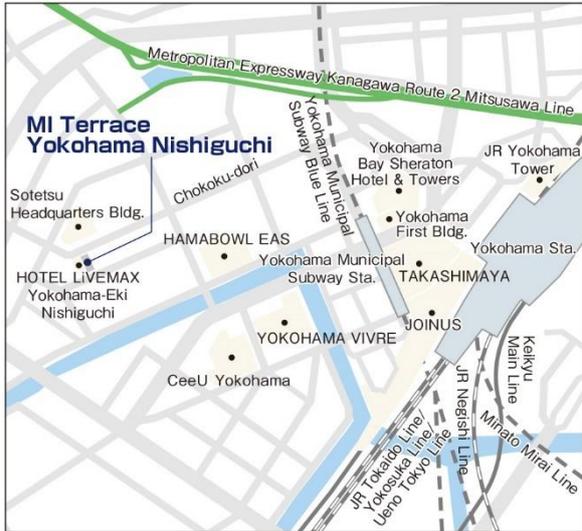
- The property is located within 10-minute walk from “Yokohama” Station of JR and within 7-minute walk from “Yokohama” Station of Yokohama Municipal Subway.
- The property is located in “Yokohama Nishiguchi” area, an office district adjacent to the west exit of “Yokohama” Station, a leading terminal station. It is a vibrant commercial district and has a high concentration of business in Yokohama City. Surrounded by small-to-mid-sized offices, the property enjoys high visibility facing the “Chokoku-Dori” street.

<Specification>

- The property’s standard floor area is approximately 77 tsubo, which is the main segment of the market where small-to-mid size buildings are dominant. The minimum dividable section size is approximately 20 tsubo, which caters to the leasing needs of surrounding area where many tenants occupy small spaces and the mostly regular shaped offices offers efficiency in layout.
- The main entrance to the building is on the north side facing a road and it also connects to a road on the south side where there are parking spaces (6 cars).

<Others>

- The majority of the buildings in the area were constructed between late the 1970s and 1990, with only limited number of buildings completed in the late 1990s. The building is considered relatively new in the area and has competitive advantage over competing buildings in the area.
- The building received “Rank A” certification from Comprehensive Assessment System for Built Environment Efficiency (CASBEE) for Real Estate.

Picture	Map of property
	

<MI Terrace Nagoya Aoi>

Property Name	MI Terrace Nagoya Aoi	Asset Category	Core Asset
		Asset Type	Office

Overview of the Specified Asset

Acquisition Date	March 10, 2025	Type of Specified Assets		Trust Beneficiaries	
Acquisition Price	4,525 million yen	Overview of Trust Beneficiaries	Trustee	Sumitomo Mitsui Trust Bank, Limited	
Appraisal Value (Appraisal Date)	4,880 million yen (December 31, 2024)		Expiry Date of Trust		March 31, 2035
Nearest Station	2-minute walk from “Shin-Sakaemachi” Station of Nagoya Municipal Subway Higashiyama Line				
Address (Residential Address)	1-20-22, Aoi, Naka-ku, Nagoya-shi, Aichi				
Land	Lot Number	1-2003, Aoi, Naka-ku, Nagoya-shi, Aichi, Other 10 parcel of land	Building	Date of Building	A) March 22, 1991 B) October 23, 1996
	Building Coverage Ratio	100% (Note)		Structure	A) B1/12-story flat roof steel structure B) 2-story galvanized steel sheet roof steel structure
	Floor Area Ratio	800%		Usage	A) Office/Warehouse B) Parking space/Office
	Use Districts	Commercial district		Gross Floor Area	A) 8,880.37 sqm B) 184.64 sqm
	Site Area	1,359.20 sqm		Number of Parking Spaces	158
	Ownership Structure	Ownership		Ownership Structure	Ownership
	PM Company	XYMAX TOKAI Corporation		ML Company	MIRAI Corporation
Special Comment Not applicable					

(Note) Specified building coverage ratio is 80%. However, the building has received relaxation to 100% for fireproof building located in a fire prevention district.

Overview of Lease

Total Rentable Area	5,676.21 sqm	Occupancy Ratio	85.3%
Principal Tenant	CLOSER LLC	Number of Tenants	9
Annual Rent	220 million yen	Guarantee Deposit	197 million yen

Overview of Summary of Engineering Report

Survey Company	Daiwa Real Estate Appraisal Co., Ltd	Urgent Repairs	-
Date of the Report	January 2025	Long-term Repairs	42,449 thousand yen

Overview of Seismic Risk Analysis

Survey Company	Tokio Marine dR Co., Ltd.	PML	3.4%
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Collateral

Not applicable

Overview of the Real Estate Appraisal Report	
Appraisal Value	4,880 million yen
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	December 31, 2024

(million yen)

Item	Details	Remarks, etc.
Valuation	4,880	
Value based on the direct capitalization method	4,980	
Operating revenues	316	
Potential gross revenues: Sum of (a) through (d)	331	
(a) Rental revenues from rooms for rent including common area charges	278	Consideration was given to current contracts and market levels
(b) Utilities revenues	24	Consideration was given to actual amount
(c) Parking revenues	26	Consideration was given to current fees and market levels
(d) Other revenues	2	Consideration was given to current fee
Losses from vacancy, etc.	14	Consideration was given to current occupancy rate, market vacancy rate, etc.
Operating expenses	105	
Maintenance expenses	24	Estimate amount
Utilities expenses	26	Assessed considering actual amount
Repair expenses	18	Annual average based on the engineering report
PM fees	3	Assessed value obtained based on actual amount
Advertisement and leasing expenses, etc.	2	Assessed value obtained based on actual amount
Taxes and public dues	25	Actual amount for FY2024
Property and casualty insurance premiums	1	Estimate amount
Other expenses	4	Assessed value obtained based on actual amount
Net operating income	211	
Investment gains on lump-sum payment	2	
Capital expenditures	24	Annual average based on the engineering report
Net cash flow	189	
Discount rate	3.8%	Assessed based on discount rate analysis under DCF method and taking into consideration of potential changes of net profit and disposition price which are not reflected in the discount rate and also taking into the consideration the yield of similar properties
Value based on DCF method	4,770	
Discount rate	3.6%	Assessed by the yield of financial assets and the method of determining the yield by comparing it with transaction cases of similar properties
Terminal capitalization rate	4.0%	Assessed by judging risks such as the uncertainty of the revenue forecast after the holding period in comparison with the cap rate and the possibility of an increase in capital expenditure, etc., based on the characteristics of the real estate market and the potential of the subject property
Value based on cost approach	2,370	
Ratio of land	84.5%	
Ratio of building	15.5%	
Other matters to which the appraiser pays attention in the appraisal	Considering that the subject property is a leasing property and a valuation that represents the investment profitability to show to investors, etc., is required, the valuation above is deemed most persuasive. The valuation obtained is higher than the value based on cost approach, mainly due to the fact that the subject property is leased and can receive stable rents. Since the cost approach is based on cost and the capitalization approach is based on profitability, the above valuation, which better reflects profitability, is believed to have exceeded the value based on cost approach.	

Characteristics of the Property

<Location>

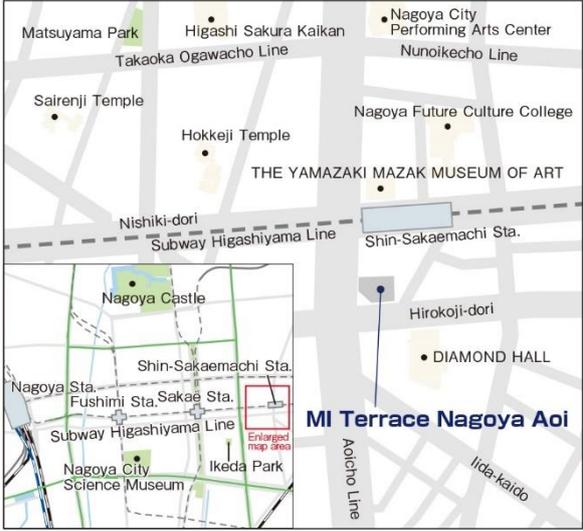
- The property is conveniently located within 2-minute walk from “Shinsakae-Machi” Station of Nagoya Municipal Subway Higashiyama Line and it also has high visibility as it faces the “Hirokoji-Aoi” intersection where National Route 153 and Hirokoji Street (Aichi Prefectural Road Nagoya Nagakute Route) intersect.
- The area is one of the submarkets of Nagoya City’s office market with good rail transport access. While Nagoya City’s central districts of “Meieki” and “Sakae” have large scale redevelopment projects in terms of future supply, there is currently no new supply in “Shin Sakae” area, meaning there is limited supply.

<Specification>

- The property’s standard floor area is approximately 154 tsubo, which is large for the area it is located and has competitive advantage in terms of scale. It is also possible to divide one floor into multiple sections.
- The common area has been renovated, ensuring it maintains the market competitiveness in the area. Furthermore, there is a mechanical parking garage that accommodates 158 cars.

<Others>

- During the bridge period, the sponsor made progress in improving occupancy and rent by backfilling the vacant sections at market rent. The occupancy rate as of February was 88.7% and we will aim for 100% occupancy as soon as possible.

Picture	Map of property
	

< NPC Toyamaeki-Mae Square (land)>

Property Name	NPC Toyamaeki-Mae Square (land)	Asset Category	Core Asset
		Asset Type	Retail

Overview of the Specified Asset

Acquisition Date	February 18, 2025	Type of Specified Assets		Trust Beneficiaries	
Acquisition Price	1,020 million yen	Overview of Trust Beneficiaries	Trustee	Mitsubishi UFJ Trust and Banking Corporation	
Appraisal Value (Appraisal Date)	1,100 million yen (December 31, 2024))		Expiry Date of Trust	February 28, 2035	
Nearest Station	3-minute walk from “Toyama” Station of JR 3-minute walk from “Dentetsu-Toyama” Station of Toyama Chiho Railway Main Line 1-minute walk from “Dentetsu-Toyamaeki Esta-mae” Station of Toyama Chiho Railway Tram Line				
Address (Lot Number)	1-5-1, Sakuramachi, Toyama-shi, Toyama				
Land	Lot Number	1-5-1, Sakuramachi, Toyama-shi, Toyama	Building	Date of Building	-
	Building Coverage Ratio	100% (Note 1)		Structure	-
	Floor Area Ratio	454.2% (Note 2)		Usage	-
	Use Districts	Commercial district		Gross Floor Area	-
	Site Area	1,599.70 sqm		Number of Parking Spaces	-
	Ownership Structure	Ownership		Ownership Structure	-
	PM Company	-		ML Company	-
Special Comment Not applicable					

(Note 1) Specified building coverage ratio is 80%. However, the building has received relaxation to 100% for mitigation by corner lots.

(Note 2) The specified floor area ratio is 600% but is limited to 454.2% by the width of the front road.

Overview of Lease

Total Rentable Area	1,599.70 sqm	Occupancy Ratio	100.0%
Principal Tenant	Nihon Parking Corporation	Number of Tenants	1
Annual Rent	Not disclosed (Note)	Guarantee Deposit	Not disclosed (Note)

(Note) Not disclosed due to the absence of a tenant’s consent. Rent type is fixed rent.

Overview of Summary of Engineering Report (Note)

Survey Company	-	Urgent Repairs	-
Date of the Report	-	Long-term Repairs	-

(Note) MIRAI has separately obtained the “Soil Contamination Risk Assessment Report” by Daiwa Real Estate Appraisal Co., Ltd.

Overview of Seismic Risk Analysis

Survey Company	-	PML	-
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Collateral

Not applicable

Overview of the Real Estate Appraisal Report	
Appraisal Value	1,100 million yen
Appraiser	Daiwa Real Estate Appraisal Co., Ltd
Appraisal Date	December 31, 2024

(million yen)

Item	Details	Remarks, etc.
Valuation	1,100	
Value based on the capitalization method over a definite term (Inwood Method)	1,100	
Operating revenues	Not disclosed (Note)	
Potential gross revenues:		
Sum of (a) through (d)		
(a) Rental revenues from rooms for rent including common area charges		
(b) Utilities revenues		
(c) Parking revenues		
(d) Other revenues		
Losses from vacancy, etc.		
Operating expenses		
Maintenance expenses		
Utilities expenses		
Repair expenses		
PM fees		
Advertisement and leasing expenses, etc.		
Taxes and public dues		
Property and casualty insurance premiums		
Other expenses		
Net operating income	40	
Investment gains on lump-sum payment	0	Assessed based on both investment management and funding aspects
Capital expenditures	-	
Net cash flow	40	
Discount rate	4.1%	
Value based on DCF method	1,100	
Discount rate	4.1%	Assessed based on comparison against discount rate on other similar real estate transactions and return on other financial products
Terminal capitalization rate	-	
Other matters to which the appraiser pays attention in the appraisal	Not applicable	

(Note) The reason for “Not disclosed” shown above is that applicable items include information without consents from lessee for disclosure or information that could be used to deduce these amounts. Disclosure of these information could endanger maintenance of long-term lease contract due to the relationship with the lessee being damaged, and therefore may be detrimental to unitholder’s value. Therefore, except in instances where it was deemed that no harm would result from disclosure, the information is not disclosed.

Characteristics of the Property

<Location>

- The property is located within 3-minute walk from “Toyama” Station of JR and “Dentetsu-Toyama” Station of Toyama Chiho Railway Main Line as well as 1-minute walk from “Dentetsu-Toyamaeki Esta-mae” Station of Toyama Chiho Railway Tram Line and favorably located in bustling station front with high concentration of restaurants and hotels. Toyama City, the capital of Toyama Prefecture, spans from the central to the southeast of the prefecture and is a designated core city. The current Toyama City was established in 2005 through the merger of various regions, and it is not only the center of commerce and industry in Toyama Prefecture but also serves as the hub city for Hokuriku region. In recent years, urban development has been executed radiating from Toyama Station under urban planning to implement a compact city strategy aiming for demotorization.
- From Toyama Station, there are ample public transport options including buses and the LRT (Toyama Light Rail). The Hokuriku Shinkansen commenced operation in 2015 which has brought in more visitors from outside the area, including the greater Tokyo area, and further development of the area is anticipated.

<Specification>

- There is parking garages in upper floors of the building. In addition to being close to train station, it has a partnership with the neighbouring hotel which fits for wide range of uses.
- The property is located near a major road with high traffic volume, leading to high parking demand. The location is convenient for people who drive and need to park their vehicles.
- There is a high concentration of retail facilities and hotels on the south side of Toyama Station, resulting in high parking demand. The land lessee, “Nihon Parking Corporation” (the operator of the parking spaces), is one of the top revenue-generating operators among parking lot operators. Given the stability of the business, the risk of tenant departure is quite low.

<Others>

- The acquisition opportunity was identified through information from Mitsui & Co. Group who also provided support during the bridge period prior to the Acquisition.

Picture



Map of property



4. Overview of sellers

The seller of “MI Terrace Yokohama Nishiguchi” is a Japanese corporation, however the name is not disclosed because the seller has not consented to the disclosure. The seller is not defined as a related party, etc. in Article 201, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended), and not an interested party under the stakeholder transaction rule of the Asset Manager. In addition, there are no capital, personal, or business relationships to be noted between MIRAI or the Asset Manager and the seller, and the seller is not a related party of MIRAI or the Asset Manager. The sellers of “MI Terrace Nagoya Aoi” and “NPC Toyamaeki-Mae Square (land)” are as follows.

<MI Terrace Nagoya Aoi>

Name	Nagoya Aoi LLC
Address	1-4-1, Marunouchi, Chiyoda-ku, Tokyo
Representative	Representative Partner, General Incorporated Association liquid rainbow
Business Description	Acquisition, holding, disposal, leasing and management of real estate, etc.
Stated Capital	0.1 million yen
Date of Establishment	June 24, 2019
Net Assets	Not disclosed (Note)
Total Assets	Not disclosed (Note)
Major shareholder	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.
Personnel	There is no personnel 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 IDERA Capital Management Ltd., a major shareholder of the Asset Manager, so it is deemed to be a stakeholder in the transaction rule of the Asset Manager.

(Note) Not disclosed due to the absence of a tenant’s consent.

<NPC Toyamaeki-Mae Square (land)>

Name	RICOH LEASING COMPANY, LTD.
Address	4-1, Kioicho, Chiyoda-ku, Tokyo
Representative	Representative Director, President Tokuharu Nakamura
Business Description	Leasing and financing business, service business, etc.
Stated Capital	7,896 million yen (March 31, 2024)
Date of Establishment	December 21, 1976
Net Assets	217,019 million yen (March 31, 2024)
Total Assets	1,239,455 million yen (March 31, 2024)
Major shareholder	RICOH COMPANY, LTD. (33.7%), Mizuho Leasing Company, Limited (20%) (as of September 30, 2024)
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.
Personnel	There is no personnel 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 an investment advisory contract with Mitsui & Co., Realty Management Ltd., that is 49% owned by Mitsui & Co. Asset Management Holdings LTD, a major shareholder of the Asset Manager, so it is deemed to be a stakeholder in the transaction rule of the Asset Manager.

5. Description of seller

The seller of “MI Terrace Nagoya Aoi” is a limited liability company which has entered into an asset management consignment contract (discretionary investment contract) with the sponsor of the Asset Manager. The seller of “NPC Toyamaeki-Mae Square (land)” is a limited company which has entered into an asset management consignment contract (investment advisory contract) with an associated company of the sponsor of the Asset Manager. The seller of “MI Terrace Yokohama Nishiguchi” is not an interested party in relation to MIRAI and the Asset Manager. The table below describes the seller of “MI Terrace Nagoya Aoi” and “NPC Toyamaeki-Mae Square (land)” as follows: a. name of the party b. relationship with the party c. history of and reason for acquisition.

Property name (Address)	MIRAI	Previous Owner	Owner before the Previous Owner
※	c. Acquisition (disposition) price Date of Acquisition (disposition)	a. b. c. Acquisition (disposition) price Date of Acquisition (disposition)	a. b. c. Acquisition (disposition) price Date of Acquisition (disposition)
MI Terrace Nagoya Aoi (1-20-22, Aoi, Naka-ku, Nagoya-shi, Aichi)	MIRAI acquires this property based on its judgment that it is competitive property that can secure profitability over the medium to long term and is in line with the investment criteria of MIRAI. MIRAI has determined that the acquisition price is reasonable as it is less than the appraisal value (4,880 million yen) by Japan Valuers Co., Ltd.	a. Nagoya Aoi LLC b. This is the limited liability company that has entered into an asset management consignment contract (discretionary investment contract) with the sponsor of the Asset Manager. c. It acquired for investment purpose.	A party that is not an interested party
	4,525 million yen (excluding tax)	Omitted because the property was owned for more than a year.	-
	March 2025	April 2020	-
NPC Toyamaeki-Mae Square (land) (1-5-1, Sakuramachi, Toyama-shi Toyama)	MIRAI acquires this property based on its judgment that it is competitive property that can secure profitability over the medium to long term and is in line with the investment criteria of MIRAI. MIRAI has determined that the acquisition price is reasonable as it is less than the appraisal value (1,100 million yen) by Daiwa Real Estate Appraisal Co., Ltd.	a. RICOH LEASING COMPANY, LTD. b. This is a limited company which has entered into an asset management consignment contract (investment advisory contract) with an associated company of the sponsor of the Asset Manager c. It acquired for the investment purpose.	A party that is not an interested party
	1,020 million yen (exclusive of tax)	1,000 million yen (exclusive of tax)	-
	February 2025	March 2024	-

6. Transactions with Interested Parties, etc.

The seller of “MI Terrace Nagoya Aoi” and “NPC Toyamaeki-Mae Square (land)” are deemed to be an interested party under the stakeholder transaction rule of the Asset Manager. Therefore, the necessary discussions and resolutions have been made based on the said rule and other company rules.

7. Overview of Brokerage

There is no corresponding item in respect of assets to be acquired.

8. Future Outlook

Please refer to “Notice Concerning Revisions to Forecasts for the Fiscal Period Ending April 30, 2025” announced today regarding the impact to the operation from the asset replacement.

(End)

* URL: <https://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 2/10/2025 “Notice Concerning Disposition and Lease Cancellation of Real Estate Trust Beneficiaries in Japan (“Shibuya World East Building” and “Mi-Nara”)

Dated 2/17/2025 “Notice Concerning Revisions to Forecasts for the Fiscal Period Ending April 30, 2025”

Dated 2/17/2025 “Asset Replacement and Revisions to Forecasts - Supplementary Material for the Press Release dated February 17, 2025 -“

<Reference Materials>

Reference Material 1: Portfolio List after the Acquisition

Reference Material 2: Descriptions of the details of Assets to be Acquired

Reference Material 1: Portfolio List after the Acquisition

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 (quasi-co-ownership 63.4%) (Note 3)	20,288	11.4	December 16, 2016
	Office	Tokyo	Kawasaki Tech Center	23,182	13.0	December 16, 2016
	Office	Tokyo	Shinjuku Eastside Square (quasi-co-ownership 5%) (Note 3)	10,000	5.6	December 16, 2016
	Office	Tokyo	Tokyo Front Terrace (quasi-co-ownership 50.2%) (Note 3)	10,592	6.0	October 26, 2017
	Office	Nagoya	MI Terrace Nagoya-Fushimi	8,886	5.0	June 1, 2018
	Office	Others	Hiroshima Rijo-dori Building	2,250	1.3	March 31, 2020
	Office	Osaka	BizMiiX Yodoyabashi	2,041	1.1	November 1, 2018
	Office	Osaka	TCA Building	2,120	1.2	January 28, 2021
	Office	Others	Ehime Building/Hiroshima	2,780	1.6	January 12, 2022
	Office	Others	MI Terrace Sendai Hirose-dori	2,022	1.1	November 1, 2022
	Office	Tokyo	MI Terrace Kita-Ueno	3,557	2.0	March 30, 2023
	Office	Others	MI Terrace Hamamatsu	2,603	1.5	December 1, 2023
	Office	Tokyo	MI Terrace Yokohama Nishiguchi	2,355	1.3	February 18, 2025
	Office	Nagoya	MI Terrace Nagoya Aoi	4,525	2.5	March 10, 2025
	Retail	Tokyo	THINGS Aoyama	2,912	1.6	January 9, 2020
	Retail	Others	MI Cube Sendai Clisroad	1,330	0.7	March 31, 2020
	Retail	Tokyo	MI Cube Machida East	1,977	1.1	March 30, 2023
	Retail	Osaka	MI Cube Shinsaibashi	2,644	1.5	March 1, 2024
	Retail	Others	NPC Toyamaeki-Mae Square (land)	1,020	0.6	February 18, 2025
	Retail	Tokyo	AEON Kasai (Note 3)	9,420	5.3	December 16, 2016
	Retail	Osaka	CAINZ MALL Hikone (land)	3,598	2.0	March 31, 2021
	Retail	Others	Maxvalu Takatori (land)	950	0.5	March 31, 2021
	Retail	Tokyo	Tsurumi Fuga 1 (Note 3)	5,300	3.0	January 12, 2022
	Retail	Nagoya	BIGMOTOR Ginan (land)	1,080	0.6	January 12, 2022
	Hotel	Others	Hotel Sunroute Niigata	2,108	1.2	December 16, 2016
	Hotel	Others	Daiwa Roynet Hotel Akita	2,042	1.1	December 16, 2016
	Hotel	Others	Super Hotel Sendai / Hirose-dori	1,280	0.7	December 16, 2016
	Hotel	Osaka	Super Hotel Osaka / Tennoji	1,260	0.7	December 16, 2016
	Hotel	Tokyo	Super Hotel Saitama / Omiya	1,123	0.6	December 16, 2016
	Hotel	Osaka	Super Hotel Kyoto Karasuma Gojo	1,030	0.6	December 16, 2016
	Hotel	Nagoya	EN HOTEL Ise	1,800	1.0	March 1, 2018
	Hotel	Others	Comfort Hotel Kitakami	820	0.5	March 1, 2018
	Hotel	Tokyo	Hotel Wing International Select Ueno /Okachimachi	3,720	2.1	May 15, 2018
Hotel	Others	Smile Hotel Naha City Resort	4,000	2.2	November 1, 2018	
Hotel	Others	Smile Hotel Hakataeki-Mae	3,800	2.1	November 1, 2018	
Hotel	Nagoya	Smile Hotel Nagoya-Sakae	2,950	1.7	November 1, 2018	
Hotel	Nagoya	Kuretake Inn Premium Nagoya Nayabashi	2,470	1.4	December 1, 2023	
Hotel	Nagoya	Hotel Wing International Select Nagoya Sakae	1,700	1.0	December 1, 2023	
Hotel	Others	Hotel Kuretakeso Hiroshima Otemachi	2,540	1.4	December 1, 2023	
Residence	Others	Fiel Johoku	2,210	1.2	March 31, 2023	
Growth Asset (New Type Asset)	Industrial	Osaka	Rokko Island DC (quasi-co-ownership 92.45%) (Note 3)	7,996	4.5	October 26, 2017
	Industrial	Tokyo	Odawara Material Storage and Delivery Center (land)	2,300	1.3	November 1, 2018
	Industrial	Tokyo	Yokohama-Daikokucho Maintenance Center (land)	1,490	0.8	March 1, 2021
	Educational	Tokyo	Tokyo Eiseigakuen Senmongakko	3,900	2.2	March 25, 2022
Total				177,974	100.0	-

(Note 1) "Acquisition Price" shows the purchase and sale value of each asset to be acquired that is stated in the sale and purchase agreement entered with the sellers. The purchase and sale values do not include national or local consumption tax or expenses necessary for the acquisition, and it is rounded down to the nearest million yen. Although the acquisition price of "BizMiiX Yodoyabashi" on its sale and purchase agreement is 1,750 million yen, the acquisition price is defined as total investment amount of 2,041

million yen including the additional investment made following the acquisition for the conversion of the property. For “BizMiiX Yodoyabashi”, the total investment including the additional investment of 2,041 million yen is defined as acquisition price.

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

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

Reference Material 2: Descriptions of the details of assets to be acquired

Items (A) to (M) below explain description in the columns of “3. Details of Assets to be Acquired” above. The descriptions are as of end of December 2024 unless otherwise stated.

- 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, residential 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 (New Type Asset)” refers to assets with less real estate investment and management track record in the market compared to core assets and are less competitive and MIRAI determines that there is a potential for market expansion in the future.
- B) “Overview of Trust Beneficiaries”
- “Trustee” and “Expiry Date of Trust” show the trustees and the expiry date of the trust as of the Acquisition Date.
- C) “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 when 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).
- D) “Address (Residential Address)/ (Lot Number)”
- “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.
- E) “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 Article 8, Section 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. If asset to be acquired is a co-ownership stake of land, the entire parcel is shown.
 - “Ownership Structure” describes the type of rights that a beneficiary of the trust on the asset to be acquired holds or will hold.
- F) “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 building in the registry.
 - “Gross Floor Area” is based on the description of the registry. If asset to be acquired is strata title ownership interest, the floor area of the strata title ownership is shown. If asset to be acquired is a co-ownership, the total floor 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 to be acquired as of end of December 2024. Where a co-owned share and sectional ownership will be acquired, the number of cars to be parked in relation to the entire asset to be acquired is shown.
 - “Ownership Structure” describes the types of rights that a beneficiary of the trust on the asset to be acquired holds or will hold.

- G) “PM Company”
- “PM Company” describes the companies that will enter into a valid property management contract as of the acquisition date.
- H) “Master Lease Company”
- “Master Lease Company” describes the companies that will enter into a valid master lease contract as of the acquisition date.
- I) “Special Comment”
- In principle, “Special Comment” describes items that are considered critical based on the information as of end of December 2024.
 - a) in terms of the interests and use of each asset; and
- J) “Overview of Lease”
- “Overview of Lease” are based on figures and information provided by current owners of assets or trust beneficiaries to be acquired and shows contents of effective lease contracts as of end of December 2024 unless otherwise stated.
 - For “Total Rentable Area”, the area that is rentable based on the lease contract or the building drawings of the building pertaining to each asset to be acquired as of end of December 2024 is stated. In case of land asset, the area of the land is listed. However, the number of tenants of incidental areas such as parking lots and warehouses is not included. If asset to be acquired is a co-ownership or quasi-co-ownership, it is calculated based on the proportion of ownership.
 - For “Occupancy Ratio”, the ratio of the total leased area to the total rentable area of each asset to be acquired as of end of December 2024 is stated, rounded 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 as of end of December 2024 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, the Master Lease Company under the agreement to be concluded on the asset to be acquired 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 contract of each asset to be acquired as of end of December 2024 (limited to those who have already moved in as of this date). However, if a master lease contract 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 based on the lease contract 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 leasehold 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 contract of each asset to be acquired as of end of December 2024 (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 Master Lease Company becomes sublessor to tenants, the annualized amount that is calculated by multiplying the monthly rent in the lease contract 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 contract 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 the same date are not taken into account. If consent regarding disclosure is not obtained from the end tenants, “Not disclosed” is stated. If asset to be acquired is a co-ownership or quasi-co-ownership, it is calculated based on the proportion of ownership.
 - For “Guarantee Deposits,” the total amount of guarantee deposits required under the lease contract of each asset to be acquired as of end of December 2024 (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 contract is concluded for the asset to be acquired, the total amount of guarantee deposits under the lease contract 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. If asset to be acquired is a co-ownership or quasi-co-ownership, it is calculated based on the proportion of ownership.
- For each of asset to be acquired, lease contracts with end tenants are deemed to be in effect and are included in calculation for “Occupancy Ratio”, “Number of Tenants”, “Annual Rent”, “Guarantee Deposit” and others so long as the agreements are in effect as of end of December 2024 even if they may be cancelled or notice of cancellation may be submitted.
- K) 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 ownership percentage.
- L) “Collateral”
- “None” is stated when the collateral is canceled after the acquisition of the property.
- M) “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 Tanizawa Sogo Appraisal Co., Ltd., Japan Valuers Co., Ltd. and Daiwa Real Estate Appraisal 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 Tanizawa Sogo Appraisal Co., Ltd. Japan Valuers Co., Ltd. and Daiwa Real Estate Appraisal 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.
- N) “Characteristics of the Property”
- For “Characteristics of the Property,” it indicates the point of view for property acquisition of MIRAI. In principle, it is based on the description of “Office Market Research” prepared by CBRE K.K., “Market Report” by Nomura Real Estate Retail Properties Co., Ltd. and partially based on the material obtained by the Asset Manager to state the basic nature, characteristics, and features of the area in which each asset to be acquired is located. 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.