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For Translation Purposes Only

Real Estate Investment Trust Securities Issuer  
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Notice Concerning Acquisition of Asset (Equity Interest in Silent Partnership)

Samty Residential Investment Corporation (“Samty Residential”) hereby announces that Samty Asset Management Co., Ltd. (the “Asset Management Company”), to which Samty Residential entrusts management of its portfolio assets, decided today to acquire the asset (equity interest in silent partnership) (the “Acquisition”), as described below.

1. Overview of Acquisition

|   |  |
|---|--|
| (1) Name of asset to be acquired                    | Equity interest in silent partnership that has beneficiary interest (the “Beneficiary Interest”) of real estate in trust (the “Trust”) as asset under management |
| (2) Name of asset                                   | Equity interest in silent partnership with GK Bridge Third <small>(Note 1)</small>   |
| (3) Real estate in trust<br><small>(Note 2)</small> | S-RESIDENCE Shin Osaka Ekimae<br>S-RESIDENCE Esaka<br>will Do Kaguracho<br>Liber Utsunomiya I<br>Human Heim Sagamihara   |
| (4) Investment amount                               | Total 20 million yen (approximately 0.6% of total of equity investment in silent partnership, etc.)  |
| (5) Date of conclusion of contract                  | March 23, 2016   |
| (6) Date of acquisition                             | March 24, 2016 (scheduled)   |
| (7) Acquisition funds                               | Cash on hand   |

(Note 1) The asset is the equity interest in silent partnership (the “Equity Interest in Silent Partnership”) pertaining to silent partnership having GK Bridge Third (the “GK”) as the operator. Please refer to “3. Contents of Equity Interest in Silent Partnership (1) Overview of Silent Partnership to be Invested In” below for further details of the silent partnership.

(Note 2) The GK is scheduled to acquire the Beneficiary Interest on March 25, 2016.

2. Reasons for Acquisition

Samty Residential decided the Acquisition to secure opportunities for the flexible growth of the asset size in the future through the Acquisition, pursuant to asset management policies set forth in the articles of incorporation of Samty Residential.

In line with the Acquisition, Samty Residential is granted the preferential negotiation rights for the acquisition of the real estate in trust of the Trust or the Beneficiary Interest (collectively, the “Real Estate in Trust, etc.”). While

Disclaimer: This translation is for informational purposes only. Neither Samty Residential Investment Corporation nor Samty Asset Management Co., Ltd. guarantees the accuracy or completeness of the translation. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement concerning acquisition of trust beneficiary interests in domestic real estate by Samty Residential, and has not been prepared as an inducement or invitation for investment. We caution investors to refer to Samty Residential’s prospectus (available in Japanese) and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

Samty Residential is not obliged to acquire the Real Estate in Trust, etc., directly or through a third party, by obtaining these preferential negotiation rights, it believes that these will contribute to an expansion of its asset size and an increase in profitability from a mid- to long-term perspective as the execution of the preferential negotiation rights will secure opportunities for flexible acquisitions of excellent rental residences.

Samty Residential has the preferential negotiation rights, but this is a right, and presently this does not constitute a decision by Samty Residential or affiliate companies designated by Samty Residential (“Samty Residential, Etc.”) to acquire the Real Estate in Trust, etc. or guarantee that Samty Residential, Etc. can acquire the Real Estate in Trust, etc.

Samty Residential valued the following points of real estate in trust upon deciding on the acquisition of the Equity Interest in Silent Partnership.

| Property name                 | Characteristics of the property  |
|-------------------------------|--|
| S-RESIDENCE Shin Osaka Ekimae | This property, which has single and compact type units, is located in the station-front area about a four-minute walk from Shin-Osaka Station on the JR Tokaido Main Line.<br>Shinkansen lines are available from the nearest station, Shin-Osaka Station, and access to city center such as Umeda Station and Namba Station or to Kyoto and Kobe areas is also excellent. As convenience stores, restaurants, etc. are concentrated in the vicinity, favorable living convenience can be expected. Since the building has sophisticated designs for entrance, interior, etc. as well as excellent housing equipment, security systems, etc. in place, it offers convenience, comfort and safety, and thus is likely to be highly competitive in the leasing market. |
| S-RESIDENCE Esaka             | This property, which has single and compact type units, is about a five-minute walk from Esaka Station on the Osaka Municipal Subway, Midosuji Line.<br>Access from Esaka Station to city center such as Shin-Osaka Station, Umeda Station and Namba Station is excellent. The area surrounding Esaka Station is concentrated with shopping centers, convenience stores, restaurants and such, providing convenience to daily life. The building is a high-grade building with sophisticated design, and thus is likely to be highly competitive in the leasing market.  |
| will Do Kaguracho             | This property, which has single type unit, is about a five-minute walk from Shin Nagata Station on the JR Sanyo Main Line, Kobe Municipal Subway, Yamanote and Kaigan Lines. Access to Sannomiya Station and Osaka area is excellent.<br>It is located in the station-front area of Shin-Nagata Station and its vicinity has organized lots. Many facilities to enhance living convenience, including restaurants and convenience stores, are also found in the area, and the living environment is favorable as well.<br>With such characteristics, the property is believed to have comparatively a high level of competitiveness in the leasing market of areas with similar economic situations.   |
| Liber Utsunomiya I            | This property, which has compact type unit, is about a nine-minute walk from Utsunomiya Station on the JR Tohoku Main Line.<br>The east exit area of Utsunomiya Station, where the property is located, has an office district formed centering on the area along the Kinu-dori Street running through the station. As large-scale industrial parks of an electronics manufacturer, pharmaceutical company, machine industry, etc. as well as of a Japanese leading automobile manufacturer are  |

|                       |   |
|-----------------------|---|
|                       | <p>situated there, housing demand is strong among commuters who seek proximity to the area, raising its popularity even within the city. With such characteristics, the property is believed to have comparatively a high level of competitiveness in the leasing market of areas with similar economic situations.</p>   |
| Human Heim Sagamihara | <p>This property, which has single type unit, is about a four-minute walk from Sagamihara Station on the JR Yokohama Line. Strong demand for housing for singles remains solid among university students or workers who commute to Sagamihara City or to the surrounding cities. For there are convenient facilities such as a shopping area and a general hospital around the property among other reasons, it shows superiority in being convenient. With such characteristics, the property is believed to have comparatively a high level of competitiveness in the leasing market of areas with similar economic situations.</p> |

### 3. Contents of Equity Interest in Silent Partnership

#### (1) Overview of Silent Partnership to be Invested In

| Name of business operator   | GK Bridge Third   |                          |  |   |   |  |   |
|---|---|--------------------------|--|---|---|--|---|
| Valid period of silent partnership agreement  | March 31, 2023  |                          |  |   |   |  |   |
| Total amount of silent partnership equity interest  | 3,290 million yen   |                          |  |   |   |  |   |
| Overview of silent partnership agreement  | <p>The following is an overview of the silent partnership in which Samty Residential will invest.</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th colspan="2" style="text-align: center;">GK Bridge Third (Note 4)</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">(Asset)<br/>Trust beneficiary interest in real estate, etc. (Note 1):<br/>8,290 million yen</td> <td style="vertical-align: top;">(Debt)<br/>Non-recourse loan:<br/>5,000 million yen</td> </tr> <tr> <td></td> <td style="vertical-align: top;">(Capital)<br/>Equity investment in silent partnership, etc. (Note 2), (Note 3):<br/>3,290 million yen</td> </tr> </tbody> </table> <p>(Note 1) Trust beneficiary rights in real estate, etc. include money reserve, costs to formulate silent partnership, etc. Furthermore, total real estate appraisal value is 8,442 million yen.</p> <p>(Note 2) Samty Residential is scheduled to invest 20 million yen (approx. 0.6%) of the total amount of equity investment in silent partnership, etc.</p> <p>(Note 3) Samty Co., Ltd., the parent company of the Asset Management Company, is scheduled to conduct a 320 million yen silent partnership investment (approx. 9.7%) in GK Bridge Third. Since Samty Co., Ltd. is a wholly owning parent company of the Asset Management Company, it falls under an interested party, etc. as defined under the Act on Investment Trusts and Investment Corporations (the "Investment Trusts Act"), and under an interested party, etc. as set forth in the interested party transaction rules of the Asset Management Company.</p> <p>(Note 4) Hankyu Investment Partners Inc. is scheduled to be the asset management company of GK Bridge Third. There is no special relationship between Samty Residential/the Asset Management Company and the company.</p> <p>Calculation period : The calculation period is every three months, from March 1 through the end of May, from June 1 through the end of August, from September 1 through the end of November of each year, and December 1 through the end of February of next year. However the first calculation period is from March 24, 2016 through May 31, 2016 and the last date of the final</p> | GK Bridge Third (Note 4) |  | (Asset)<br>Trust beneficiary interest in real estate, etc. (Note 1):<br>8,290 million yen | (Debt)<br>Non-recourse loan:<br>5,000 million yen |  | (Capital)<br>Equity investment in silent partnership, etc. (Note 2), (Note 3):<br>3,290 million yen |
| GK Bridge Third (Note 4)  |   |                          |  |   |   |  |   |
| (Asset)<br>Trust beneficiary interest in real estate, etc. (Note 1):<br>8,290 million yen | (Debt)<br>Non-recourse loan:<br>5,000 million yen   |                          |  |   |   |  |   |
|   | (Capital)<br>Equity investment in silent partnership, etc. (Note 2), (Note 3):<br>3,290 million yen   |                          |  |   |   |  |   |

|  |  |
|--|--|
|  | <p>calculation period shall be the termination date of the silent partnership agreement.</p> <p>Distribution of profits or losses : The operator will distribute profits and losses that arise from the silent partnership operation to the silent partners in each calculation period according to the distribution ratios of profit or loss. Furthermore, the limit of loss to be borne by the silent partners shall be the amount of investment of the silent partners. However, if profit has arisen from the silent partnership operation and if there is untreated cumulative loss borne by silent partners, the profits shall firstly be allotted to the cumulative loss.</p>   |
| <p>Overview of preferential negotiation rights for acquisition</p> | <p>Period : From March 25, 2016 to March 25, 2019, or to a date on which Samty Residential waives the first negotiation rights (the waiver of first negotiation right shall be made in written notice addressed to the operator), whichever is earlier (the “Period of Preferential Purchase”).</p> <p>Outline of rights : Samty Residential may preferentially negotiate with the operator with regard to the acquisition of the Real Estate in Trust, etc. (only for acquisition in whole) by notifying the purchase of the Real Estate in Trust, etc. in writing during the Period of Preferential Purchase. The operator, in principle, will not conduct sales activities of or disclose the information of the Real Estate in Trust, etc. to parties other than Samty Residential during the Period of Preferential Purchase.</p> <p>Terms and conditions for exercising preferential negotiation rights : All of the following terms must be met for exercising of preferential negotiation rights.<br/> (1) Transaction date is on a business day during the Period of Preferential Purchase.<br/> (2) The purchase price of the Real Estate in Trust, etc. does not exceed 7,930 million yen.<br/> (3) The amount of payment for sales in the transaction of the Real Estate in Trust, etc. should be an amount that allows payment, etc. of liabilities related to the silent partnership agreement borne by preferential silent partners of silent partnership.</p> <p>Other : The preferential negotiation right is held by the Samty Residential as a right and does not bear any obligation to acquire the Real Estate in Trust, etc. in the future. Furthermore, since consent of the operator will be the condition for the acquisition of the Real Estate in Trust, etc. based on the preferential negotiation right, acquisition of the Real Estate in Trust, etc. is not necessarily guaranteed.</p> |

#### 4. Overview of Real Estate in Trust

The overview of the Real Estate in Trust is as shown in the table below. Please refer to the following terms with regard to the tables.

- “Trustee” indicates the trustee of trust pertaining to trust beneficiary interests in real estate.
- “Location” is based on the residential address. However, for properties that have no residential address, the building address on the registry is indicated. In addition, “Use,” “Construction completion,” “Structure and floors” and “Total floor area” of buildings are based on information in the real estate registry, and may not necessarily be identical with the present state.
- “Building coverage ratio” is, in principle, the figures provided in accordance with related laws and regulations, such as the Building Standards Act and the City Planning Act. Depending on the real estate, there are cases where the “Building coverage ratio” in the tables are subject to certain relaxation measures or restriction measures. In addition, where there are several building coverage ratios that apply to a site, the building coverage ratio is converted to one that applies to the entire site.
- “Floor area ratio” is, in principle, the figures provided in accordance with related laws and regulations, such as the Building Standards Act and the City Planning Act. Depending on the acquired asset, there are cases where the “Floor area ratio” in the table is subject to certain relaxation measures or restriction measures. In addition, where there are several floor area ratios that apply to a site, the floor area ratio is converted to one that applies to the entire site.
- “Use district” is the type of use district listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.
- “Total floor area” is the entire building’s floor area (excluding the floor area of attached buildings).
- “Number of leasable units” is the number of units that can be leased as of February 29, 2016.
- “Property management company” is the company to which property management is entrusted with regard to the real estate.
- “Master lease company” is the lessee that has concluded a master lease agreement with the owner of the real estate.
- “Master lease type” indicates whether a pass-through type master lease agreement (a master lease agreement in which it is agreed that the rent of the master lease agreement shall be the same as the rent the master lease company collects from end tenants, (actual sub-lessees using the space)) or a fixed rent type master lease agreement (a master lease agreement in which it is agreed that the rent of the master lease agreement shall be a fixed rent) is concluded.
- “Probable Maximum Loss (PML value)” is the value calculated in the evaluation of seismic risk analysis conducted by Tokio Marine & Nichido Risk Consulting Co., Ltd. Furthermore, “PML (Probable Maximum Loss)” refers to the extent of the damage that would be incurred due to the largest earthquake (a great earthquake with the likelihood of occurring once in 475 years = a great earthquake with a 10% likelihood of occurring once in 50 years) foreseen during the assumed useful life (50 years being the usual useful life of a building) as a ratio (%) of the replacement value for the foreseeable restoration costs of the damage.
- “Total leasable area” is the total floor area of residences and shops, etc. that is practically leasable to end tenants (if the common area, etc. is leased, the concerned area is also included). Total leasable area is not based on the real estate registry, but the floor area stated in the lease agreement or the floor area calculated from the building as-built drawing, etc., and may not necessarily be identical to the floor area written in the

real estate registry

- “Leased area” is the area for which lease agreements are actually concluded with end tenants (or the master lessee if a fixed rent type master lease agreement is concluded) if the master lease type as of February 29, 2016 is a pass-through type master lease agreement (the area indicated in lease agreements) (however, only the area of residences and shops, etc. is included (if the entirety of a room is being leased) and the leased area of parking lots, etc. are not included).
- “Occupancy rate” is the rate of rented area to rentable area as of February 29, 2016 rounded to the nearest first decimal place.
- “Number of tenants” indicates a total number of tenants who have directly concluded lease agreements with the trustee.
- When the master lease type is a pass-through type master lease agreement, “Monthly rental revenue” is the total monthly rent, as of February 29, 2016 (including the common area expense, but not fees for incidental facilities such as parking lots or trunk rooms) stated in the lease agreement executed by the master lease company, or the owners of each real estate or trust real estate with end tenants (or the master lessee if a fixed rent type master lease agreement is concluded). Amounts are rounded down to the nearest thousand yen. Consumption tax and other taxes are excluded.
- “Security and guarantee deposits” is the total amount of security and guarantee deposits as of February 29, 2016 based on lease agreements executed with end tenants, rounded down to the nearest thousand yen. However, if such does not need to be repaid based on special policy conditions such as the redemption of the deposit in a lease agreement, such an amount is excluded.
- “Characteristics of the property” are the basic nature, characteristics, etc. of the real estate with reference to the real estate appraisal report.
- “Special remarks” are matters recognized as important as of February 29, 2016, regarding the right and use, etc. of the real estate, as well as consideration of the degree of impact on the appraised value, profitability, and appropriation. They include the following matters:
  - i. Significant limitation or restriction by laws, ordinances, rules and regulations
  - ii. Significant burdens or limitations on rights, etc.
  - iii. Significant cases where there are architectural structures crossing the boundaries of the concerned property, etc. and cases where there are issues with boundary confirmation, etc., and related arrangements, etc.
  - iv. Significant agreements, arrangements, etc. made with co-owners or sectional owners
- Unless otherwise stated, percentage figures in the above-mentioned sections are rounded to the nearest first decimal place. As such, figures may not necessarily add up to 100%.
- Regarding monetary amounts in the above-mentioned sections are rounded down to the nearest million yen.

(1) S-RESIDENCE Shin Osaka Ekimae

|                                   |                                 |   |
|-----------------------------------|---------------------------------|---|
| Property name                     |                                 | S-RESIDENCE Shin Osaka Ekimae                               |
| Location                          |                                 | 1-18-31 Higashi Nakajima, Higashi Yodogawa-ku, Osaka, Osaka |
| Type of specified asset           |                                 | Trust beneficiary interest in real estate                   |
| Trustee                           |                                 | Sumitomo Mitsui Trust Bank, Limited.                        |
| Trust establishment date          |                                 | March 25, 2016  |
| Trust expiration date             |                                 | March 24, 2016  |
| Land                              | Type of ownership               | Ownership   |
|                                   | Site area                       | 786.56 m <sup>2</sup>                                       |
|                                   | Building coverage ratio         | 80%   |
|                                   | Floor area ratio                | 600%  |
|                                   | Use district                    | Commercial district   |
| Building                          | Type of ownership               | Ownership   |
|                                   | Use                             | Apartment   |
|                                   | Total floor area                | 4,930.18 m <sup>2</sup>                                     |
|                                   | Construction completion         | September 24, 2015  |
|                                   | Structure and floors            | Reinforced concrete structure, flat roof, 15 floors         |
|                                   | Number of leasable units        | 167   |
| Collateral                        |                                 | None  |
| Property management company       |                                 | Goodworks Co., Ltd.   |
| Master lease company              |                                 | Goodworks Co., Ltd.   |
| Master lease type                 |                                 | Fixed rent type (Note 5)                                    |
| Appraisal value (date of value)   |                                 | 2,650 million yen<br>February 1, 2016                       |
| Real estate appraiser             |                                 | The Tanizawa Sogo Appraisal Co., Ltd                        |
| Probable Maximum Loss (PML value) |                                 | 6.6%  |
| Overview of leasing               |                                 |   |
|                                   | Total leasable area             | 4,534.98 m <sup>2</sup>                                     |
|                                   | Leased area                     | 4,534.98 m <sup>2</sup>                                     |
|                                   | Occupancy rate                  | 100.0%  |
|                                   | Number of tenants               | 1   |
|                                   | Monthly rental revenue          | 12 million yen  |
|                                   | Security and guarantee deposits | 1 million yen   |
| Special remarks                   |                                 | Not applicable  |

(Note 5) As for this property, a fixed rent type master lease agreement is concluded between the trustee and Goodworks Co., Ltd. on March 25, 2016. However, the fixed rent type master lease agreement will be shifted to a pass-through type lease agreement starting from a month which follows a month in which the total of monthly rents set forth in the sub-lease agreements (excluding, however, agreements for space other than leased rooms) with end tenants concluded on the first day of the relevant month or before exceeds the amount which is equivalent to 90% of the total of room rents and common area expenses (the "Leasing Target Level").

(2) S-RESIDENCE Esaka

|                                   |                                 |   |
|-----------------------------------|---------------------------------|---|
| Property name                     |                                 | S-RESIDENCE Esaka                                   |
| Location                          |                                 | 12-31 Hiroshiba-cho, Suita, Osaka                   |
| Type of specified asset           |                                 | Trust beneficiary interest in real estate           |
| Trustee                           |                                 | Sumitomo Mitsui Trust Bank, Limited.                |
| Trust establishment date          |                                 | March 25, 2016                                      |
| Trust expiration date             |                                 | March 24, 2016                                      |
| Land                              | Type of ownership               | Ownership   |
|                                   | Site area                       | 717.00 m <sup>2</sup>                               |
|                                   | Building coverage ratio         | 80%   |
|                                   | Floor area ratio                | 600% / 400% (Note 6)                                |
|                                   | Use district                    | Commercial district                                 |
| Building                          | Type of ownership               | Ownership   |
|                                   | Use                             | Apartment   |
|                                   | Total floor area                | 4,684.77 m <sup>2</sup>                             |
|                                   | Construction completion         | September 9, 2015                                   |
|                                   | Structure and floors            | Reinforced concrete structure, flat roof, 14 floors |
|                                   | Number of leasable units        | 138   |
| Collateral                        |                                 | None  |
| Property management company       |                                 | Goodworks Co., Ltd.                                 |
| Master lease company              |                                 | Goodworks Co., Ltd.                                 |
| Master lease type                 |                                 | Fixed rent type (Note 7)                            |
| Appraisal value (date of value)   |                                 | 2,480 million yen<br>February 1, 2016               |
| Real estate appraiser             |                                 | The Tanizawa Sogo Appraisal Co., Ltd                |
| Probable Maximum Loss (PML value) |                                 | 6.7%  |
| Overview of leasing               |                                 |   |
|                                   | Total leasable area             | 3,739.30 m <sup>2</sup>                             |
|                                   | Leased area                     | 3,739.30 m <sup>2</sup>                             |
|                                   | Occupancy rate                  | 100.0%  |
|                                   | Number of tenants               | 1   |
|                                   | Monthly rental revenue          | 11 million yen                                      |
|                                   | Security and guarantee deposits | 4 million yen                                       |
| Special remarks                   |                                 | Not applicable                                      |

(Note 6) The standard floor area ratio for the subject land is 554.92%.

(Note 7) As for this property, a fixed rent type master lease agreement is concluded between the trustee and Goodworks Co., Ltd. on March 25, 2016. However, the fixed rent type master lease agreement will be shifted to a pass-through type lease agreement starting from a month which follows a month in which the total of monthly rents set forth in the sub-lease agreements (excluding, however, agreements for space other than leased rooms) with end tenants concluded on the first day of the relevant month or before exceeds the amount which is equivalent to 90% of the total of room rents and common area expenses (the "Leasing Target Level").

(3) will Do Kaguracho

|                                   |                                 |   |
|-----------------------------------|---------------------------------|---|
| Property name                     |                                 | will Do Kaguracho                                   |
| Location                          |                                 | 5-3-25 Kagura-cho, Nagata-ku, Kobe, Hyogo           |
| Type of specified asset           |                                 | Trust beneficiary interest in real estate           |
| Trustee                           |                                 | Sumitomo Mitsui Trust Bank, Limited.                |
| Trust establishment date          |                                 | March 25, 2016                                      |
| Trust expiration date             |                                 | March 24, 2016                                      |
| Land                              | Type of ownership               | Ownership   |
|                                   | Site area                       | 1,709.71 m <sup>2</sup>                             |
|                                   | Building coverage ratio         | 80%   |
|                                   | Floor area ratio                | 300%  |
|                                   | Use district                    | Neighborhood commercial district                    |
| Building                          | Type of ownership               | Ownership   |
|                                   | Use                             | Apartment   |
|                                   | Total floor area                | 5,210.97 m <sup>2</sup>                             |
|                                   | Construction completion         | November 11, 2007                                   |
|                                   | Structure and floors            | Reinforced concrete structure, flat roof, 12 floors |
|                                   | Number of leasable units        | 168   |
| Collateral                        |                                 | None  |
| Property management company       |                                 | Global Community Co., Ltd.                          |
| Master lease company              |                                 | Global Community Co., Ltd.                          |
| Master lease type                 |                                 | Pass-through type                                   |
| Appraisal value (date of value)   |                                 | 2,080 million yen<br>February 1, 2016               |
| Real estate appraiser             |                                 | The Tanizawa Sogo Appraisal Co., Ltd                |
| Probable Maximum Loss (PML value) |                                 | 9.5%  |
| Overview of leasing               |                                 |   |
|                                   | Total leasable area             | 4,900.32 m <sup>2</sup>                             |
|                                   | Leased area                     | 4,841.94 m <sup>2</sup>                             |
|                                   | Occupancy rate                  | 98.8%   |
|                                   | Number of tenants               | 1   |
|                                   | Monthly rental revenue          | 11 million yen                                      |
|                                   | Security and guarantee deposits | 0 million yen                                       |
| Special remarks                   |                                 | Not applicable                                      |

(4) Liber Utsunomiya I

|                                   |                                 |   |
|-----------------------------------|---------------------------------|---|
| Property name                     |                                 | Liber Utsunomiya I                                  |
| Location                          |                                 | 4-2-23 Higashi Shukugo, Utsunomiya, Tochigi         |
| Type of specified asset           |                                 | Trust beneficiary interest in real estate           |
| Trustee                           |                                 | Sumitomo Mitsui Trust Bank, Limited.                |
| Trust establishment date          |                                 | March 25, 2016                                      |
| Trust expiration date             |                                 | March 24, 2016                                      |
| Land                              | Type of ownership               | Ownership   |
|                                   | Site area                       | 413.00 m <sup>2</sup>                               |
|                                   | Building coverage ratio         | 80%   |
|                                   | Floor area ratio                | 600%  |
|                                   | Use district                    | Commercial district                                 |
| Building                          | Type of ownership               | Ownership   |
|                                   | Use                             | Apartment   |
|                                   | Total floor area                | 2,908.71 m <sup>2</sup>                             |
|                                   | Construction completion         | September 25, 2007                                  |
|                                   | Structure and floors            | Reinforced concrete structure, flat roof, 14 floors |
|                                   | Number of leasable units        | 52  |
| Collateral                        |                                 | None  |
| Property management company       |                                 | Apamanshop Sublease Co., Ltd.                       |
| Master lease company              |                                 | Apamanshop Sublease Co., Ltd.                       |
| Master lease type                 |                                 | Pass-through type                                   |
| Appraisal value (date of value)   |                                 | 639 million yen<br>February 1, 2016                 |
| Real estate appraiser             |                                 | Japan Real Estate Institute                         |
| Probable Maximum Loss (PML value) |                                 | 2.8%  |
| Overview of leasing               |                                 |   |
|                                   | Total leasable area             | 2,330.64 m <sup>2</sup>                             |
|                                   | Leased area                     | 2,150.58 m <sup>2</sup>                             |
|                                   | Occupancy rate                  | 92.3%   |
|                                   | Number of tenants               | 1   |
|                                   | Monthly rental revenue          | 3 million yen                                       |
|                                   | Security and guarantee deposits | 6 million yen                                       |
| Special remarks                   |                                 | Not applicable                                      |

(5) Human Heim Sagamihara

|                                   |                                 |   |
|-----------------------------------|---------------------------------|---|
| Property name                     |                                 | Human Heim Sagamihara                               |
| Location                          |                                 | 2-4-4 Sagamihara, Chuo-ku, Sagamihara, Kanagawa     |
| Type of specified asset           |                                 | Trust beneficiary interest in real estate           |
| Trustee                           |                                 | Sumitomo Mitsui Trust Bank, Limited.                |
| Trust establishment date          |                                 | February 29, 2016                                   |
| Trust expiration date             |                                 | February 28, 2026                                   |
| Land                              | Type of ownership               | Ownership   |
|                                   | Site area                       | 359.33 m <sup>2</sup>                               |
|                                   | Building coverage ratio         | 80%   |
|                                   | Floor area ratio                | 500%  |
|                                   | Use district                    | Commercial district                                 |
| Building                          | Type of ownership               | Ownership   |
|                                   | Use                             | Apartment   |
|                                   | Total floor area                | 1,467.91 m <sup>2</sup>                             |
|                                   | Construction completion         | January 9, 2007                                     |
|                                   | Structure and floors            | Reinforced concrete structure, flat roof, 12 floors |
|                                   | Number of leasable units        | 53  |
| Collateral                        |                                 | None  |
| Property management company       |                                 | Shimuzu Comprehensive Development                   |
| Master lease company              |                                 | Shimuzu Comprehensive Development                   |
| Master lease type                 |                                 | Pass-through type                                   |
| Appraisal value (date of value)   |                                 | 593 million yen<br>February 1, 2016                 |
| Real estate appraiser             |                                 | Japan Real Estate Institute                         |
| Probable Maximum Loss (PML value) |                                 | 4.7%  |
| Overview of leasing               |                                 |   |
|                                   | Total leasable area             | 1,198.26 m <sup>2</sup>                             |
|                                   | Leased area                     | 1,131.15 m <sup>2</sup>                             |
|                                   | Occupancy rate                  | 94.4%   |
|                                   | Number of tenants               | 1   |
|                                   | Monthly rental revenue          | 3 million yen                                       |
|                                   | Security and guarantee deposits | 1 million yen                                       |
| Special remarks                   |                                 | Not applicable.                                     |

#### 5. Overview of Business Operator of Silent Partnership

|  |   |
|--|---|
| (1) Name   | GK Bridge Third   |
| (2) Location   | 1-4-1 Nihonbashi, Chuo-ku, Tokyo  |
| (3) Representative   | Representative partner: GK Bridge Third<br>Executor of representative partner: Takanori Mishina   |
| (4) Capital  | 100,000 yen   |
| (5) Establishment  | February 5, 2016  |
| (6) Relationship between Samty Residential, its asset management company |   |
| Capital relationship<br>Human relationship<br>Business relationship      | Samty Residential and its asset management company do not have any capital, human, and business relationships that should be statutory reported with the business operator. The related parties of Samty Residential and its asset management company do not have any capital, human, and business relationships that should be specifically reported with the related parties of the business operator. Samty Residential and Samty Co., Ltd., the wholly owning parent company of the Asset Management Company, are scheduled to conduct silent partnership investment of approximately 0.6% and 9.7% in the business operator, respectively. |
| Related parties  | The business operator does not come under the category of related parties of Samty Residential and its asset management company. Related parties of the business operator do not come under the category related parties of Samty Residential and its asset management company.   |

#### 6. Settlement Method

Please see “7. Schedule of Acquisition” below

#### 7. Schedule of Acquisition

|                |  |
|----------------|--|
| March 23, 2016 | Determination of acquisition   |
| March 23, 2016 | Conclusion of silent partnership agreement   |
| March 24, 2016 | Silent partnership investment (scheduled)  |
| March 25, 2016 | Transfer of trust beneficiary interest in real estate (scheduled) to the business operator |

#### 8. Future Outlook

The impact on the operating forecast for the fiscal year ending July 2016 (February 1, 2016 through July 31, 2016) will be minimal, and Samty Residential will not make any revisions to its forecast.

#### <Reference Materials>

Reference Material 1: Overview of Appraisal Reports

Reference Material 2: Photograph of Exterior and Map

\*This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

\*Samty Residential Investment Corporation website: <http://www.samty-residential.com/en/>

Reference Material 1: Overview of Appraisal Reports

| Property name   | S-RESIDENCE<br>Shin Osaka Ekimae        | S-RESIDENCE<br>Esaka                    | will Do Kaguracho                       |
|---|---|---|---|
| Appraisal value   | 2,650,000,000 yen                       | 2,480,000,000 yen                       | 2,080,000,000 yen                       |
| Appraiser   | The Tanizawa Sogo<br>Appraisal Co., Ltd | The Tanizawa Sogo<br>Appraisal Co., Ltd | The Tanizawa Sogo<br>Appraisal Co., Ltd |
| Date of value   | February 1, 2016                        | February 1, 2016                        | February 1, 2016                        |
| Appraisal value by capitalization method<br>(units: thousand yen) | 2,650,000                               | 2,480,000                               | 2,080,000                               |
| Appraisal value using the direct<br>capitalization method         | 2,680,000                               | 2,510,000                               | 2,090,000                               |
| (1) Operating profit (a – b)                                      | 160,749                                 | 149,061                                 | 140,420                                 |
| a) Total potential profit   | 168,938                                 | 157,210                                 | 147,893                                 |
| b) Loss from vacancies, etc.                                      | 8,188                                   | 8,148                                   | 7,473                                   |
| (2) Operating costs   | 28,233                                  | 24,974                                  | 25,607                                  |
| Maintenance and management<br>expenses                            | 3,265                                   | 2,019                                   | 2,175                                   |
| Property management fees  | 3,095                                   | 2,926                                   | 2,697                                   |
| Fees for finding tenants, etc.                                    | 7,482                                   | 6,842                                   | 5,925                                   |
| Utilities expenses  | 1,632                                   | 1,346                                   | 1,470                                   |
| Repair expenses   | 4,499                                   | 3,787                                   | 4,585                                   |
| Taxes and dues  | 7,753                                   | 7,593                                   | 8,319                                   |
| Non-life insurance premiums                                       | 184                                     | 160                                     | 153                                     |
| Other expenses  | 321                                     | 298                                     | 280                                     |
| (3) Net operating profit (NOI = 1 – 2)                            | 132,515                                 | 124,087                                 | 114,812                                 |
| (4) Income from deposits  | 227                                     | 208                                     | 0                                       |
| (5) Capital expenditure   | 1,605                                   | 1,440                                   | 1,760                                   |
| (6) Net profit (NCF = 3 + 4 – 5)                                  | 131,138                                 | 122,855                                 | 113,052                                 |
| (7) Cap rate  | 4.9%                                    | 4.9%                                    | 5.4%                                    |
| Appraisal value using the discount cash<br>flow method            | 2,630,000                               | 2,470,000                               | 2,080,000                               |
| Discount rate   | 5.0%                                    | 5.0%                                    | 5.5%                                    |
| Terminal cap rate   | 5.1%                                    | 5.1%                                    | 5.6%                                    |
| Appraisal value by cost method                                    | 2,200,000                               | 2,330,000                               | 1,460,000                               |
| Land ratio  | 41.5%                                   | 50.5%                                   | 50.4%                                   |
| Building ratio  | 58.5%                                   | 49.5%                                   | 49.6%                                   |

Disclaimer: This translation is for informational purposes only. Neither Samty Residential Investment Corporation nor Samty Asset Management Co., Ltd. guarantees the accuracy or completeness of the translation. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement concerning acquisition of trust beneficiary interests in domestic real estate by Samty Residential, and has not been prepared as an inducement or invitation for investment. We caution investors to refer to Samty Residential's prospectus (available in Japanese) and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

|   |                             |                             |
|---|-----------------------------|-----------------------------|
| Property name   | Liber Utsunomiya I          | Human Heim Sagamihara       |
| Appraisal value   | 639,000,000 yen             | 593,000,000 yen             |
| Appraiser   | Japan Real Estate Institute | Japan Real Estate Institute |
| Date of value   | February 1, 2016            | February 1, 2016            |
| Appraisal value by capitalization method<br>(units: thousand yen) | 639,000                     | 593,000                     |
| Appraisal value using the direct capitalization method            | 645,000                     | 599,000                     |
| (1) Operating profit (a – b)                                      | 49,174                      | 40,357                      |
| a) Total potential profit   | 50,717                      | 43,155                      |
| b) Loss from vacancies, etc.                                      | 1,543                       | 2,798                       |
| (2) Operating costs   | 11,758                      | 8,906                       |
| Maintenance and management expenses                               | 2,100                       | 1,967                       |
| Property management fees  | 965                         | 783                         |
| Fees for finding tenants, etc.                                    | 1,377                       | 1,656                       |
| Utilities expenses  | 1,240                       | 1,000                       |
| Repair expenses   | 1,322                       | 553                         |
| Taxes and dues  | 4,597                       | 2,553                       |
| Non-life insurance premiums                                       | 144                         | 88                          |
| Other expenses  | 13                          | 306                         |
| (3) Net operating profit (NOI = 1 – 2)                            | 37,416                      | 31,451                      |
| (4) Income from deposits  | 145                         | 60                          |
| (5) Capital expenditure   | 2,098                       | 360                         |
| (6) Net profit (NCF = 3 + 4 – 5)                                  | 35,463                      | 31,151                      |
| (7) Cap rate  | 5.5%                        | 5.2%                        |
| Appraisal value using the discount cash flow method               | 633,000                     | 587,000                     |
| Discount rate   | 5.3%                        | 5.0%                        |
| Terminal cap rate   | 5.7%                        | 5.4%                        |
| Appraisal value by cost method                                    | 515,000                     | 377,000                     |
| Land ratio  | 33.3%                       | 39.3%                       |
| Building ratio  | 66.7%                       | 60.7%                       |

Reference Material 2: Photograph of Exterior and Map

(1) S-RESIDENCE Shin Osaka Ekimae



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(2) S-RESIDENCE Esaka



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(3) will Do Kaguracho



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(4) Liber Utsunomiya I



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(5) Human Heim Sagamihara



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