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For Translation Purposes Only

Real Estate Investment Trust Securities Issuer  
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Notice Concerning Completion of Acquisition of Domestic Real Estate (Trust Beneficiary Interest in Real Estate and Real Estate (in Kind))

Samty Residential Investment Corporation (“Samty Residential”) has today completed acquisition of the following 4 properties which was announced in “Notice Concerning Acquisition and Lease of Domestic Real Estate (Trust Beneficiary Interests in Real Estate and Real Estate (in Kind)) and Disposition and Cancellation of Lease of Trust Beneficiary Interests in Domestic Real Estate (Asset Replacement)” dated January 25, 2019.

In addition, Samty Residential announces the overview of “A-50 S-RESIDENCE Shiga Hondouri” and “C-23 S-RESIDENCE Motoyawata” once again as details concerning “Leased area” “Occupancy rate” “Monthly rental revenue” and “Security and guarantee deposits” which have been finalized and changes from the announcement are underlined.

1. Completion of Acquisition of Domestic Real Estate

<Acquisition Assets>

Property Number	Property Name	Location	Acquisition Price <sup>(Note)</sup> (million yen)
<b>Major Regional Cities</b>			
A-50	S-RESIDENCE Shiga Hondouri	Kita-ku, Nagoya-shi	1,150
A-51	S-FORT Kobe Ogawadori	Hyogo-ku, Kobe-shi	599
<b>Other Regional Cities</b>			
B-24	S-FORT Kumamoto Gofukumachi	Chuo-ku, Kumamoto-shi	599
<b>Greater Tokyo Area</b>			
C-23	S-RESIDENCE Motoyawata	Ichikawa-shi, Chiba	1,678
Total			4,026

(Note) “Acquisition price” is the amount which was required for the acquisition of the acquired asset excluding various costs such as commission fees, taxes and public dues, etc. (the amount of the price of purchase of the real estate, provided in the sales agreement etc.), rounded down to the nearest million yen.

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A-50 S-RESIDENCE Shiga Hondouri

Property name		S-RESIDENCE Shiga Hondouri
Location		1-43 Shigahondori, Kita-ku, Nagoya-shi, Aichi
Type of specified asset		Real estate trust beneficial interest
Planned acquisition price		1,150 million yen
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		March 29, 2019
Trust expiration date		March 29, 2029
Planned acquisition date		March 29, 2019
Land	Type of ownership	Ownership
	Site area	564.17 m <sup>2</sup>
	Building coverage ratio	80% (Note 1)
	Floor area ratio	400%
	Zoning	Commercial district
Building	Type of ownership	Ownership
	Use	Appartment
	Total floor area	2,483.82 m <sup>2</sup>
	Construction completion	January 8, 2019
	Structure and floors	Reinforced concrete structure, flat roof, 9 floors
	Number of leasable units	88
Collateral		None
Propety management company		Haseko Livenet Inc.
Master lease company		Haseko Livenet Inc.
Master lease type		Pass-through type
Appraisal value (date of value)		1,160 million yen (January 1, 2019)
Real estate appraiser		The Tanizawa Sogo Appraisal Co., Ltd.
Probable maximum loss (PML value)		8.7%
Overview of leasing		
Total leasable area		2,217.60 m <sup>2</sup>
Leased area		1,714.28
Occupancy rate		77.3% (Note 2)
Number of tenants		1
Monthly rental revenue		4,547 thousand yen
Security and gurantee deposits		2,519 thousand yen
Characteristics of the property		<p>The Property, which has single-type units, is about a 2-minute walk from Shiga-hondori Station on the Nagoya City Subway Meijo Line.</p> <p>Completed in January 2019, the Property offers excellent access to the central areas of the city as it takes about 9 minutes to Sakae Station from Shiga-hondori Station by using the subway Meijo Line.</p> <p>There are living convenience facilities such as restaurants and supermarkets in the vicinity, and demand for lease from single-household working adults commuting to business areas can be anticipated.</p> <p>With such characteristics, the Property is believed to be highly competitive in the leasing market with areas with comparable supply and demand trends.</p>
Special remarks		Not applicable.

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(Note 1) Building coverage ratio allowed is currently 100% by easing of regulation for corner lots

(Note 2) The occupancy rate of the property as of March 29, 2019 is 77.3%, a slightly low level compared to the overall occupancy rate of Samty Residential's portfolio, as it has just been completed. Samty Residential will aim to raise the occupancy rate at an early stage through collaboration with the property management company and agile completion of leasing after acquisition under the exceptional asset management skills of the asset management company.

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C-23 S-RESIDENCE Motoyawata

Property name		S-RESIDENCE Motoyawata
Location		5-7-16 Minamiyawata, Ichikawa-shi, Chiba
Type of specified asset		Real estate trust beneficial interest
Planned acquisition price		1,678 million yen
Trustee		Mizuho Trust & Banking Co., Ltd.
Trust establishment date		March 29, 2019
Trust expiration date		March 29, 2029
Planned acquisition date		March 29, 2019
Land	Type of ownership	Ownership
	Site area	1,110.49 m <sup>2</sup>
	Building coverage ratio	60%
	Floor area ratio	200%
	Zoning	Category 1 residential district
Building	Type of ownership	Ownership
	Use	Apartment
	Total floor area	2,602.54 m <sup>2</sup>
	Construction completion	January 3, 2019
	Structure and floors	Reinforced concrete structure, flat roof, 6 floors
	Number of leasable units	100
Collateral		None
Property management company		Samty Property Management Co., Ltd.
Master lease company		Samty Property Management Co., Ltd.
Master lease type		Pass-through type
Appraisal value (date of value)		1,680 million yen (January 1, 2019)
Real estate appraiser		The Tanizawa Sogo Appraisal Co., Ltd.
Probable maximum loss (PML value)		5.7%
Overview of leasing		
	Total leasable area	2,180.26 m <sup>2</sup>
	Leased area	2,180.26 m <sup>2</sup>
	Occupancy rate <sup>(Note 1)</sup>	100%
	Number of tenants	1
	Monthly rental revenue	8,000 thousand yen
	Security and gurantee deposits	8,000 thousand yen
Characteristics of the property		<p>The Property, which has single-type units, is about a 4-minute walk from Motoyawata Station on the Toei Shinjuku Line. Two railway lines namely the Sobu Line and the Toei Shinjuku Line are available at Motoyawata Station, and the Property offers excellent access to the center of Tokyo as it takes about 30 minutes to Tokyo Station. The area is a mixed residential district with single-family houses, apartments and condominiums located behind the commercial district in front of the station. With plenty of such living convenience facilities as supermarkets, clinics and post offices in the vicinity of the station, the Property is in an environment that offers both convenience of transportation and living convenience. Demand for lease from single-household working adults commuting to business areas can be anticipated. With such characteristics, the Property is believed to be highly competitive in the</p>

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	leasing market with areas with comparable supply and demand trends.
Special remarks	Not applicable.

(Note) As to the Property, a lease agreement was concluded between the tenant and Samty Co., Ltd., on January 21, 2019, and the master lease company has succeeded the status of lessor in the said lease agreement on March 29, 2019. The overview is as follows.

Overview of the lease agreement			
Name of tenant	Annual rent (million yen) (Note 1)	Contract period	Security and guarantee deposits (million yen)
Not disclosed (Note 2)	96	From February 1, 2019 to January 31, 2022	8
Rent revision : The rent may be revised under certain condition even during the contract period. Cancellation : On and after the renewal date of the contract period, the lessee may cancel part of the agreement by requesting cancellation up to three months prior. Such request for cancellation can be made only once every six months, and the target of cancellation is limited to the area equivalent to one floor in one request for cancellation. Renewal of agreement: Unless a written notice is given by the lessee up to three months prior to the expiration date of the contract period, the agreement will be automatically renewed for a period of two years. In addition, the number of residential units which the lessee may cancel due to the expiration of the contract period without renewing the agreement is limited to the number equivalent to the number of units found on a single floor at maximum.			

(Note 1) "Annual rent" indicates the annualized amount calculated by multiplying the monthly rent by 12. The monthly rent is the total monthly rent (including the common area expense, but not fees for incidental facilities such as parking lots or trunk rooms) stated in the lease agreement. Rent will be paid from April 1, 2019. Amounts are rounded down to the nearest million yen. Consumption tax and other taxes are excluded.

(Note 2) The name of tenant is not disclosed as no consent to disclosure was obtained from the tenant.

## 2. Future Outlook

There will be no changes to the business results forecasts for the fiscal period ending July 2019 (from February 1, 2019 to July 31, 2019) and the fiscal period ending January 2020 (from August 1, 2019 to January 31, 2020) announced in the Summary of Financial Results dated March 15, 2019 as the impact of the property acquisition on the business results are factored into the forecasts.

\*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: <https://www.samty-residential.com/en/>

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