

Financial Results

for Fiscal Period Ended July 2023 (The 16th Fiscal Period)

Friday, September 15, 2023



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# Management Summary

# **External Growth**

Asset Acquisition (May and June 2023)

Number of properties: 4 (acquisition price: 2.2 billion yen)

Asset Disposition (March and June 2023)

Number of properties: 4 (disposition price: 2.5 billion yen)

November 2023<sup>(Note 1)</sup> Number of properties: 2

Planned disposition price: 2.3 billion yen

# **Internal Growth**

Occupancy rate

Period average occupancy rate: 96.9%

■ Unit rent after adjustment(Note 2)

(change in unit rent for 178 properties owned as of the end of January 2023)

End of the fiscal period ended

January 2023: 101.9

End of the fiscal period ended

July 2023: 102.3

# Financial Management/Sustainability

 Implementation of refinancing including green loans (July 2023)

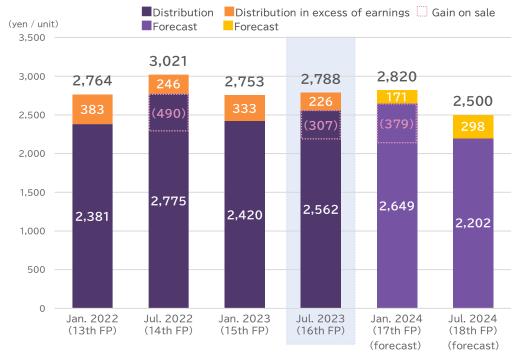
Borrowing amount: 5.5 billion yen (of which green loans: 2.3 billion yen)

 Acquisition of CASBEE Real Estate Evaluation Certification

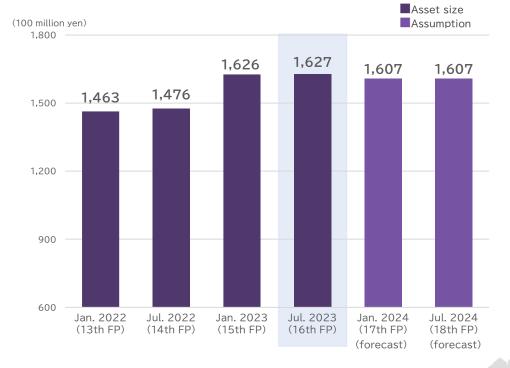
Number of properties: 3 (June 2023)

Number of properties: 2 (August 2023) (Note 1)

# Change in Distribution per Unit



# Change in Asset Size



(Note 1) Initiatives of the fiscal period ended January 2024 (17th FP).

(Note 2) Indexed by regarding the unit rent after adjustment upon listing (end of June 2015) as 100.

(Note 3) The figures in this document are rounded down to the nearest whole number and ratios are rounded off to the first decimal place. The same applies hereinafter.

# Financial Results for the Fiscal Period Ended July 2023 (16th FP)

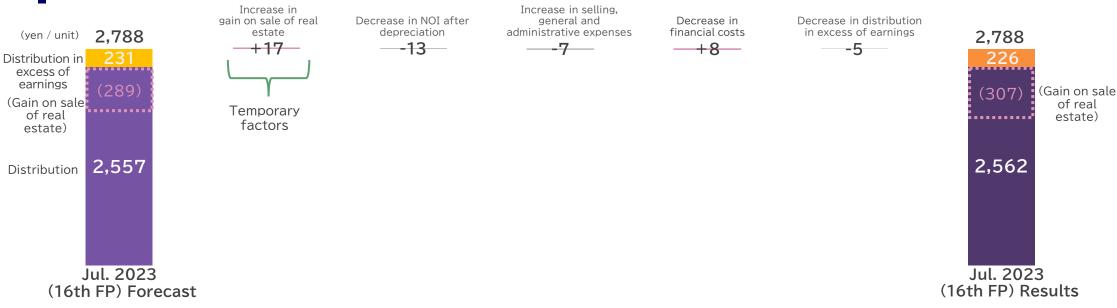
	(1) Fiscal period ended	Fiscal perio	od ended July	2023 (16th fis	cal period)	
(unit: million yen)	January 2023 (15th FP) Results	(2) Forecast	(3) Results	Comparison with forecast ((3)-(2))	Comparison with previous fiscal period ((3) - (1))	
Operating revenue	5,460	5,802	5,822	+19	+362	
Operating expenses	2,922	3,167	3,190	+23	+268	
Operating income	2,537	2,635	2,632	-3	+94	
Ordinary income	2,030	2,145	2,149	+3	+118	
Net income	2,029	2,144	2,148	+3	+118	
Total distribution per unit	2,753 yen	2,788 yen	2,788 yen	±0 yen	+35 yen	
Distribution per unit	2,420 yen	2,557 yen	2,562 yen	+5 yen	+142 yen	
Distribution in excess of earnings per unit	333 yen	231 yen	226 yen	-5 yen	-107 yen	
Number of investment units issued and outstanding	838,726 units	838,726 units	838,726 units	±0 units	±0 units	
Payout ratio	74.1%	72.0%	72.1%	+0.1%	-1.9%	
NAV per unit	118,744 yen	-	121,367 yen	-	+2,623 yen	
Number of properties	178 properties	178 properties	178 properties	±0 properties	±0 properties	

Vs.	Forecast ((3)-(2)) (unit: mil	llion yen)
	Increase in gain on sale of real estate	+14
Operating revenue	Increase in revenues from restoration costs	+10
	Increase in revenues from rents and common service fees	+8
	(Rent business expenses)	
	Increase in repair expenses and restoration costs	+17
Operating expenses	Increase in leasing promotion expenses	+9
CXPOIISOS	Decrease in utilities expenses	-7
	(Selling, general and administrative	e expenses)
	Increase in taxes and dues	+10
Ordinary	(Non-operating expenses)	
income	Decrease in borrowing-related expenses	-6

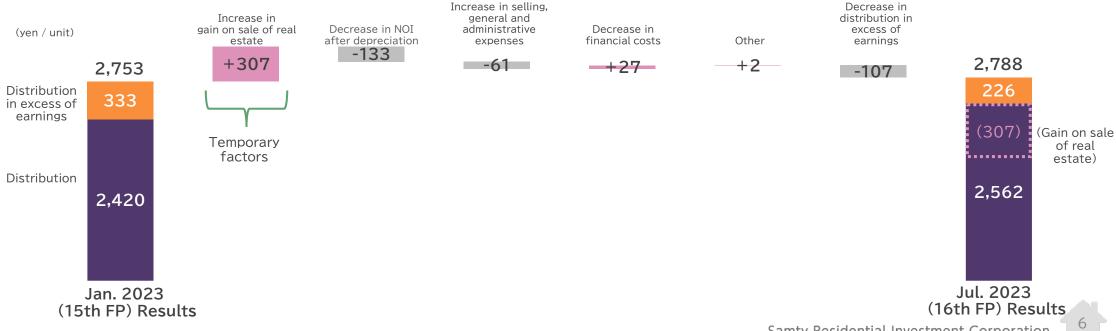
Vs. 15th Fiscal Period ((3)-(1)) (unit: million yen)								
Operating	Increase in gain on sale of real estate	+257						
revenue	Increase in revenues from key money	+36						
	(Rent business expenses)							
	Increase in leasing promotion expenses	+75						
	Increase in repair expenses and restoration costs	+73						
Operating expenses	(Selling, general and administrative expenses)							
,	Increase in asset management fees	+37						
	Increase in property survey expenses	+14						
	Increase in taxes and dues	+7						
Ordinary	(Non-operating expenses)							
income	Decrease in borrowing-related expenses	-22						

# Factors for Change in Distribution per Unit

# Factors for Change in Forecast and Results for the Fiscal Period Ended July 2023 (16th FP)



# Factors for Change in Results for the Fiscal Period Ended January 2023 (15th Fiscal Period) and the Fiscal Period Ended July 2023 (16th Fiscal Period)

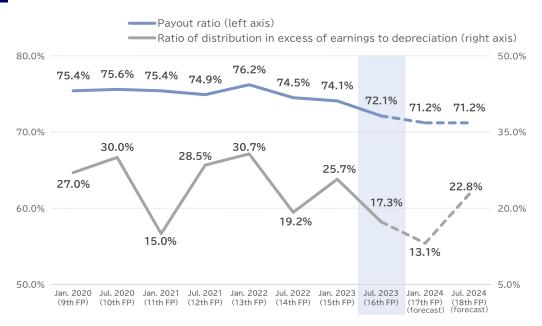


# Change in Distribution per Unit, Etc.

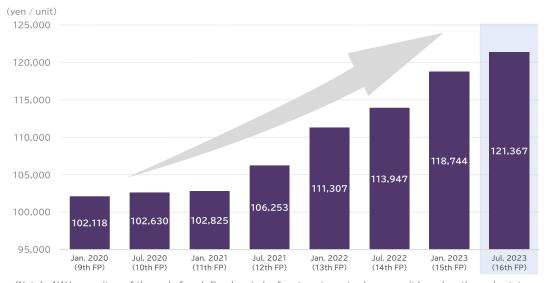
# Change in Distribution per Unit



# Change in Payout Ratio

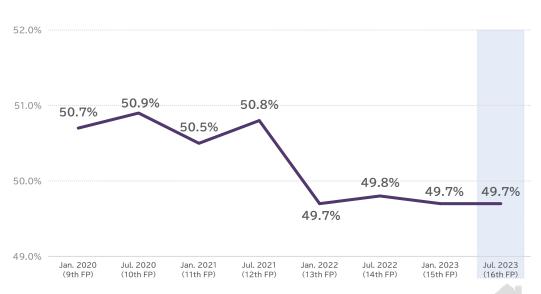


# Change in NAV per Unit



# (Note) NAV per unit as of the end of each fiscal period refers to net asset value per unit based on the real estate appraisal value calculated by the Asset Management Company and differs from the amount of net assets per unit shown on the balance sheet.

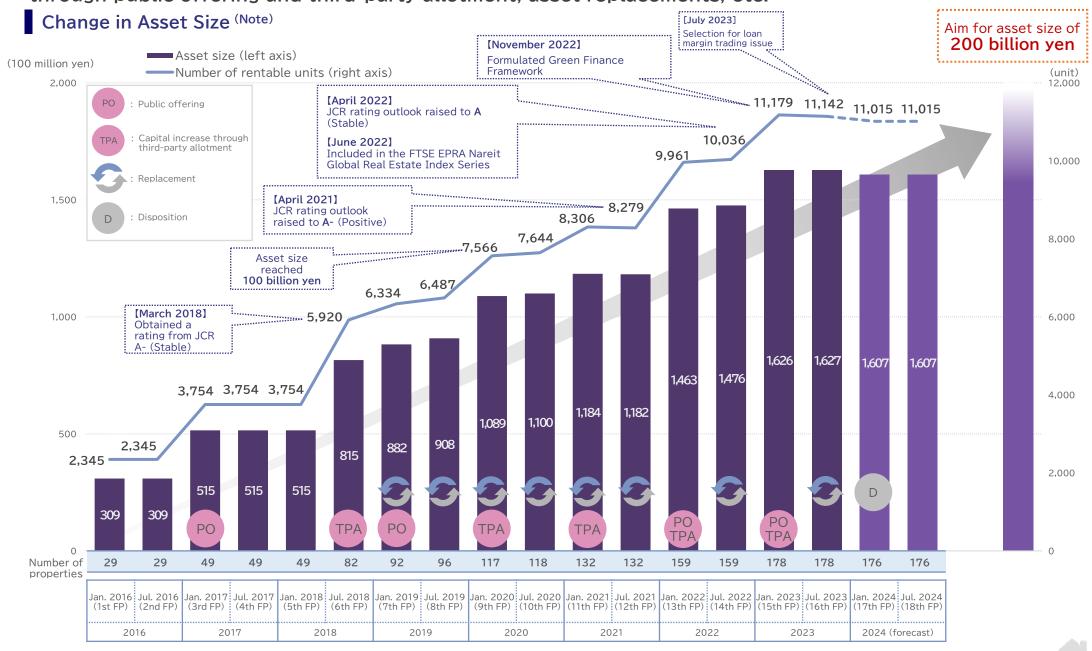
# Change in Total Asset-Based LTV





# Change in Asset Size

Realize the expansion of asset size and improvement of portfolio quality through asset acquisitions through public offering and third-party allotment, asset replacements, etc.



# Overview of Asset Replacement

In addition to unrealized gains being realized as the disposition price was above the appraisal value, achieved improved profitability and portfolio quality, such as rejuvenation of average age

<Asset Acquisition>

<Asset Disposition>

7 1000	Jul. 2023 (16th FP)									
	March 31, 2023	June 28, 2023								
	S-FORT Kurumamichi	S-FORT Hakata- Higashi I S-FORT Hakata- Higashi II	S-FORT Kumamoto Senba							
Property Name										
Location	Higashi-ku, Nagoya-shi	Hakata-ku, Fukuoka-shi	Chuo-ku, Kumamoto-shi							
Gain on sale	110 million yen	147 mill	ion yen							
Disposition price	530 million yen	2,057 million yen								
Appraisal value	490 million yen	1,856 mi	1,856 million yen							
Average building age (Note 1)	21.1 years	17.6	years							

November 28, 2	1 (17th FP) 2023, disposition 2 properties)					
S-FORT Aoi	S-FORT Kumadaibyoin- mae					
Higashi-ku, Nagoya-shi	Chuo-ku, Kumamoto-shi					
318 million y	en (assumed)					
2,384 million	yen (planned)					
2,190 million yen						
13.4	years					

### May 8, 2023 June 30, 2023 (3 properties) Major regional cities S-RESIDENCE S-RESIDENCE S-FORT S-FORT Kachigawa Ekimae Minamimaruyama Omori Sanno Kamiikedai Property Name Chuo-ku, Kasugai-shi, Shinagawa-ku, Ota-ku, Location Sapporo-shi Tokyo Tokyo 410 million yen 1,168 million yen 353 million yen 361 million yen price Appraisal value 413 million yen 1,200 million yen 371 million yen 356 million yen Completion March 2023 January 2022 September 2016 March 2017 time

101 units

5.2%

15 units

3.8%

# Change in Portfolio

	End of the fiscal perion ended January 2023 (15th FP)		Acquisition	R	eplacemer	nt	End of the fiscal period ended July 2023 (16th FP)	Disposition (planned)	End of the fiscal period ending January 2024 (17th FP) (assumed)
Number o		Disposition in March	Acquisition in May	Disposition in June		Acquisition in June S-RESIDENCE	178 properties	Disposition in November	176 properties
Total acquis	ition 162.6 billion yen	S-FORT	S-RESIDENCE	S-FORT Hakata-Higashi I S-FORT		Kachigawa Ekimae S-FORT Omori	162.7 billion yen	S-FORT Aoi S-FORT Kumadaibyoin-	160.7 billion yen
Number o rentable u		Kurumamichi	Minamimaruyama	Hakata-Higashi II S-FORT Kumamoto Senba	•	Sanno S-FORT Kamiikedai	11,142 units	mae	11,015 units
Average bui age <sup>(Note</sup>		<b>1</b> property Disposition price	1 property Acquisition price	<b>3</b> properties Disposition price		3 properties Acquisition price	11.5 years	2 properties  Planned disposition price	12.0 years
Average app NOI yield (N		<b>0.5</b> billion yen	<b>0.4</b> billion yen	Total 2.0 billion yen		Total 1.8 billion yen	5.0%	Total 2.3 billion yen	-

Number of

rentable units Appraisal NOI

yield (Note 2)

13 units

4.7%

14 units

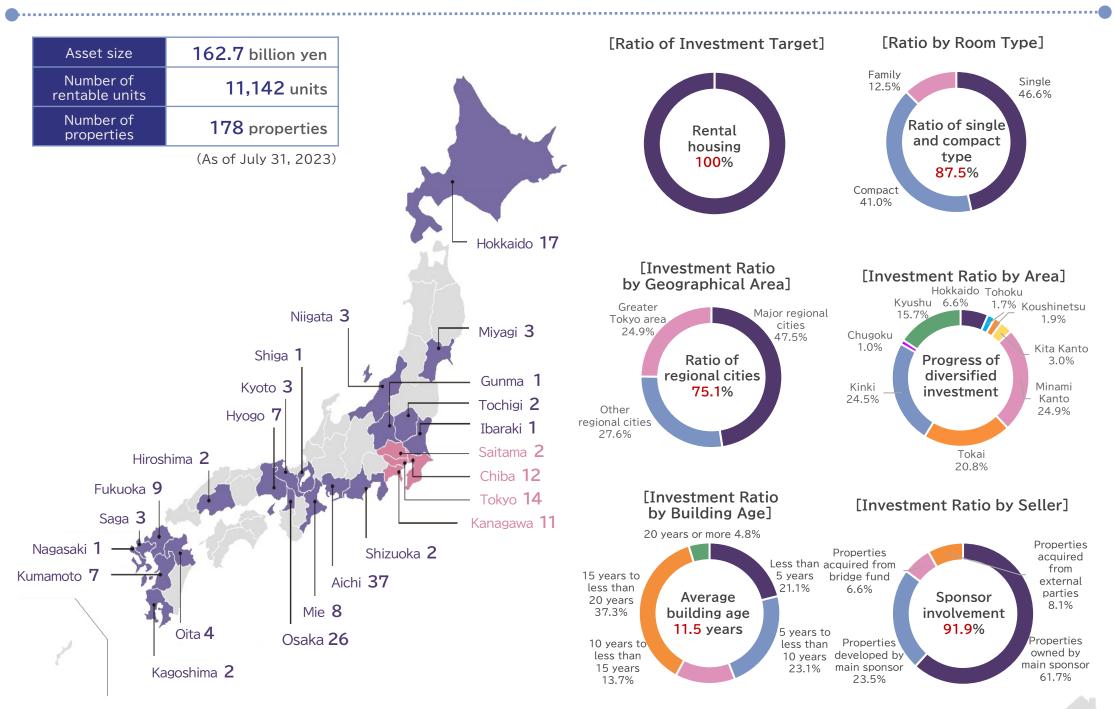
3.8%

<sup>(</sup>Note 1) "Building age" for the properties for disposition (planned) is calculated at the time of disposition (planned), and "Average building age" under Change in Portfolio is calculated as the weighted average of the building ages, based on acquisition price, at the end of each period and rounded off to the first decimal place.

ote 2) "Appraisal NOI yield" and "Average appraisal NOI yield" are calculated by dividing the appraisal NOI at the time of obtaining the appraisal report by the acquisition price, rounded off to the first decimal place. They are values calculated by the Asset Management Company and are not values shown in the real estate appraisal report.

Samty Residential Investment Corporation

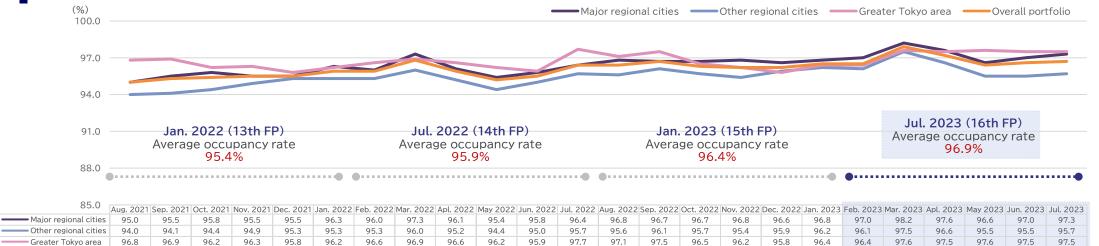
# Portfolio Overview



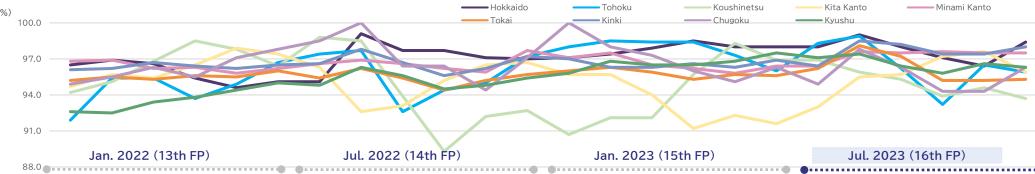
# Change in Occupancy Rates

Average occupancy rate of the overall portfolio for the fiscal period ended July 2023 (16th FP) was 96.9%, achieving the highest figure since listing

# Change in Occupancy Rate by Area



# Change in Occupancy Rate by Region



0 E O																								
85.0	Aug. 2021	Sep. 2021	Oct. 2021	Nov. 2021	Dec. 2021	Jan. 2022	Feb. 2022	Mar. 2022	Apl. 2022	May 2022	Jun. 2022	Jul. 2022	Aug. 2022	Sep. 2022	Oct. 2022	Nov. 2022	Dec. 2022	Jan. 2023	Feb. 2023	Mar. 2023	Apl. 2023	May 2023	Jun. 2023	Jul. 2023
	96.5	96.9	96.6	95.4	94.6	95.1	95.1	99.1	97.7	97.7	97.1	97.0	97.1	97.4	97.9	98.5	98.0	98.0	98.0	99.0	98.0	97.1	96.4	98.4
Tohoku	91.9	95.4	95.4	93.7	94.9	96.7	97.4	97.7	92.6	94.4	95.0	97.2	98.0	98.5	98.4	98.4	97.3	96.0	98.3	98.9	96.2	93.2	96.5	95.9
Koushinetsu	94.2	95.1	96.8	98.5	97.8	96.4	98.8	98.5	93.9	89.3	92.2	92.7	90.7	92.1	92.1	95.7	98.3	96.9	96.9	95.9	95.3	93.9	94.6	93.7
Kita Kanto	94.7	95.7	95.4	96.5	97.9	97.4	96.3	92.6	93.1	95.2	96.5	96.7	95.7	95.7	94.0	91.2	92.3	91.6	93.0	95.5	95.7	97.2	97.6	95.9
—— Minami Kanto	96.8	96.9	96.2	96.3	95.8	96.2	96.6	96.9	96.6	96.2	95.9	97.7	97.1	97.5	96.5	96.2	95.8	96.4	96.4	97.6	97.5	97.6	97.5	97.5
—— Tokai	95.2	95.5	95.3	95.6	95.5	96.0	95.4	96.2	95.4	94.4	95.2	95.7	96.0	96.3	95.9	95.3	95.7	95.6	96.2	98.1	97.2	95.2	95.2	95.3
Kinki	96.1	96.2	96.7	96.4	96.2	96.5	96.6	97.8	96.7	95.6	96.2	97.2	97.0	96.3	96.3	96.6	96.3	96.9	96.4	98.5	98.2	97.4	97.4	98.0
Chugoku	94.9	95.5	96.3	95.5	97.1	97.8	98.5	100.0	96.4	96.4	94.4	97.1	100.0	98.0	97.3	96.0	95.1	96.3	94.9	97.8	96.3	94.3	94.3	96.3
Kyushu	92.6	92.5	93.4	93.8	94.4	95.0	94.8	96.3	95.6	94.5	94.8	95.4	95.8	96.8	96.5	96.5	96.8	97.5	97.1	97.4	96.4	95.8	96.6	96.3

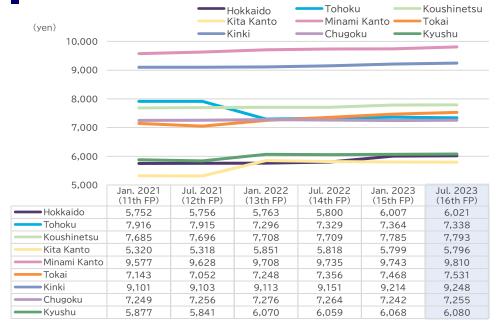
(Note) "Occupancy rate" is the ratio of the total leased area to the total leasable area at the end of each month, rounded off to the first decimal place.

# Change in Unit Rent After Adjustment



Unit rent after adjustment = {Monthly rent revenue + {Key money revenue ÷ Assumed contract period)} ÷ Contracted area (Note 2) Indexed by regarding the unit rent after adjustment upon listing (end of June 2015) as 100.

# Change in Average Unit Rent by Region



# (Reference) Condominium Rent Indices

	Q1 2023	Comparisor previous fisca (Q4 2022	Year-or compa (Q1 20	rison	
Sapporo-shi	117.46	Û	6.60	[ <u>}</u>	-0.22
Sendai-shi	120.18		1.54	N.	2.57
Nagoya-shi	111.54		2.58		4.64
Kyoto-shi	113.52		2.25		2.21
Osaka-shi	115.74	ZJ.	2.72	ZJ.	3.48
Fukuoka-shi	119.02	[]	0.38		1.14

(Note) The figures are indexed by regarding the unit rent for single type (18 m<sup>2</sup> or more and less than 30 m<sup>2</sup>) in the first quarter of 2009 (January to March) as 100.

Source: Prepared by the Asset Management Company based on condominium rent indices (At Home Co., Ltd., Sumitomo Mitsui Trust Research Institute Co., Ltd.).

# Trends of Rent upon Replacement and Renewal

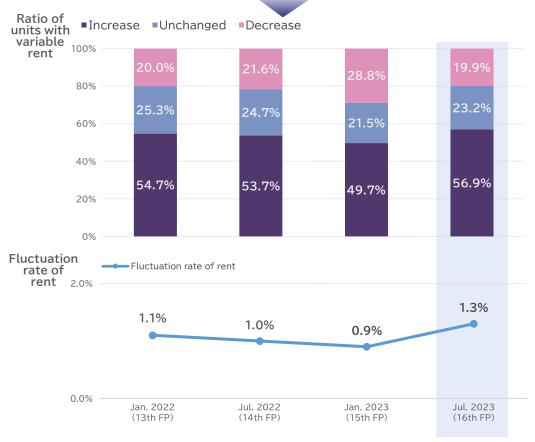
The number of units with higher rent increased both at the time of replacement and at renewal, and the fluctuation rate of rent at the time of replacement remained at a high level of 1.3%

# Trends of Rent upon Replacement (Monthly)

	No. of units (ratio)	Pervious rent including common area expenses (thousand yen)	Current rent including common area expenses (thousand yen)	Amount of rent increase/ decrease (thousand yen)	Fluctuation rate of rent
Decrease	273 (19.9%)	19,842	19,082	-760	-3.8%
Unchanged	319 (23.2%)	24,837	24,837	±0	±0.0%
Increase	782 (56.9%)	61,309	63,458	+2,148	+3.5%
Total	1,374 (100.0%)	105,989	107,377	+1,387	+1.3%

# Trends of Rent upon Renewal (Monthly)

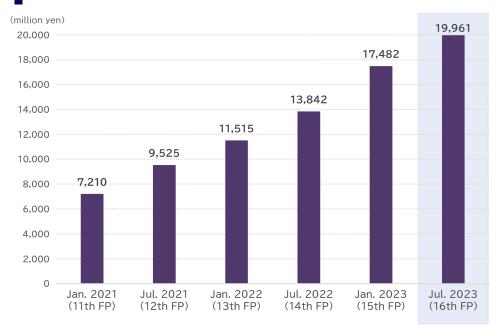
	No. of units (ratio)	Pervious rent including common area expenses (thousand yen)	Current rent including common area expenses (thousand yen)	Amount of rent increase/ decrease (thousand yen)	Fluctuation rate of rent
Decrease	0 (0.0%)	0	0	±0	±0.0%
Unchanged	2,405 (92.1%)	186,635	186,635	±0	±0.0%
Increase	206 (7.9%)	15,991	16,263	+272	+1.7%
Total	2,611 (100.0%)	202,627	202,899	+272	+0.1%



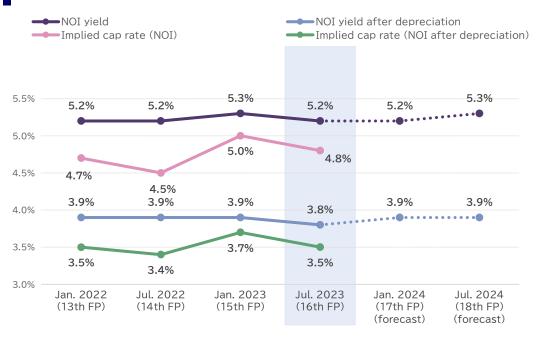


(Note 1) "Rent" above includes common area expenses.(Note 2) Among the properties owned at the end of the fiscal period ended July 2023 (16th FP), fixed-rent ML properties are excluded.

# Change in Unrealized Gain Based on Appraisal



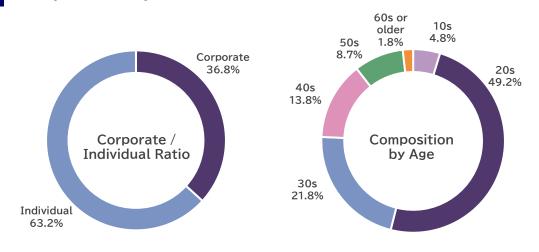
# Change in Portfolio Yield (Note1)



# Change in Capitalization Rate Based on Appraisal



# Composition by Tenant Attribute (Note2)



Note 1) "Implied cap rate" is calculated using the following formula.

Implied cap rate = portfolio NOI (annualized)/ (market capitalization at end of period + net interest-bearing debt + tenant leasehold and security deposits)

(Note 2) Among the properties owned at the end of the fiscal period ended July 2023 (16th FP), fixed-rent ML properties are excluded.

Hold regular online meetings with PM companies at least once a month to share leasing and construction status and strengthen cooperation

⇒ Find problems in each property at an early stage and take appropriate measures in a timely manner

# **Renovation Work**

Planning to prevent facilities becoming outdated and to enhance competitiveness, and implementing large-scale renovation work alongside renovation of common areas

### [Problem]

average occupancy Greater Tokyo (Note) As of July 2022

Tendency of longer downtime

Visible facility deterioration over time

Visually outdated design

Planning to enhance value by incorporating the characteristics of the Nihombashi area into the design and reforming it into a space with an overall coherent style

### [Example of work]

Tiles at the entrance are deteriorated, and the plants do not match the style of the space.





Transformed the space to have a Japanese style demonstrating the visual theme of the S-RESIDENCE condominium brand developed by Samty Group



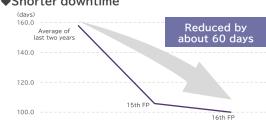


# [Expected effects]

The following effects with the ongoing exclusive area renovation work are expected

# ◆Increased occupancy rate 100.0 9.9% increase

### Shorter downtime



# Value Enhancement Work

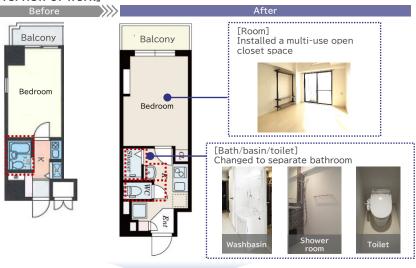
S-FORT Kinshicho

Carried out renovations (floorplan changes) aimed at promoting leasing and increasing rents

### [Problem]

A room with a unit bathroom with sink and toilet is not considered convenient nor good for the competitiveness of the property and is not likely to be preferred.

### [Overview of work]



### [Effect]

- ◆Increased profitability due to 10,000 yen increase in monthly rent
- ◆Shorter downtime due to enhanced room usability and property competitiveness

# Large-scale Repair

To avoid a decline in portfolio quality over time, implement large-scale repair based on long-term maintenance and repair plan

### Properties carried out in the 16th FP

- ◆ S-FORT Tsutsujigaoka Koen
- ◆ S-FORT Suzuka
- ◆ S-FORT Kumamoto Gofukumachi
- ◆ S-FORT Shizuoka Tennocho
- ◆ S-FORT Nihombashi Hakozaki

### Planned for the 17th FP

- ◆ S-FORT Nagasaki Daigaku Byoin-mae
- ◆ S-FORT Yokkaichi Nishi Shinchi
- ◆ S-FORT Fuiimidai
- S-FORT Nakahirodori

# Examples of Initiatives to Improve the Value of Owned Properties (2) .....

Pursuing new initiatives to realize strengthening of property competitiveness, maintenance and enhancement of asset values, and increase in resident satisfaction

# Introduction of Sharing Services

### 16th FP New initiatives

### ◆Shaero electric-powered motorcycles

Besides increasing profitability by effectively utilizing open spaces, intend to improve convenience for residents and the community, and enhance property competitiveness



### Number of properties introduced in the 16th FP

15 properties



Shaero electric powered motorcycles can run for 30km on an electric charge of about 10 yen. They are expected to contribute to ESG initiatives as a socially friendly shared mobility means that has a low environmental footprint, noise, and exhaust levels.

### Properties introduced

S-FORT Nihombashi Hakozaki S-RESIDENCE Matsudo S-RESIDENCE Motovawata S-FORT Kinshicho S-FORT Yokohama Aobadai S-FORT Kawasaki Shinmeicho

Motovawata Mairie

Funabashi roots

S-FORT Nakaitabashi S-FORT Kameido S-RESIDENCE Kitaseniu reiz S-RESIDENCE Yokohama Tanmachi S-FORT Funabashi Tsukada S-FORT Todakoen S-FORT Hova





# **◆**Car sharing

S-FORT

S-FORT

### [Properties introduced in the 16th FP] 3 properties

S-RESIDENCE Kitaseniu reiz S-FORT Chikushi Dori

S-FORT Kokura



# Introduction of Touchless Intercom Systems

Improve resident convenience and intend to enhance property security and competitiveness





### Unlocking by key readers

- Prevent pranks and illegal unlocking by lock picking
- · Security system that can disable a key that has been lost
- · Reduce maintenance cost for keyholes due to abrasion

# Subletting Car and Bicycle Parking Lots

Secure profit by effectively utilizing available spaces

### [Properties introduced in the 16th FP] 11 properties

S-FORT S-FORT Fukuoka Kencho Mae Kokura S-FORT S-FORT Atsuta Hanacho Takamiya S-FORT S-FORT Horitatori Meinohama S-FORT S-FORT Odawara Sakaecho Kego Tower S-FORT S-FORT Tsurumicho Higashi Betsuin



# **Ongoing Initiatives**

S-RESIDENCE

Takaida Central

### Sustainability Initiatives: P27 onward

Initiatives	Total (out of 178 properties)
Introduction of electronic breakers	117 properties
Adoption of LED lighting for common areas	97 properties
Introduction of free internet	152 properties
Installation of delivery boxes	172 properties
Introduction of delivery drop-off services	94 properties

# Financial Highlights (1)

# List of Major Financial Indicators

Total interest- bearing debt	Total-asset based LTV	Rating (JCR)
85,150 million yen	49.7%	<b>A</b> (Stable)
Ratio of long- term debt	Fixed interest rate ratio	Average remaining borrowing period
86.1%	71.5%	3.3 years

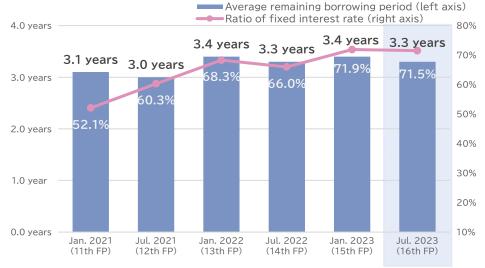
# Overview of Borrowings in the 16th FP (July 2023 refinancing)

	Overview of Repayment									
Repayment amount	5,250 million yen	400 million yen								
Average interest rate (Note 1)	Base interest +0.70% Base interest +0.55%	0.96%								
Average borrowing period (Note 1)	4.4 years	5.1 years								
Fixed/floating	Floating	Fixed								

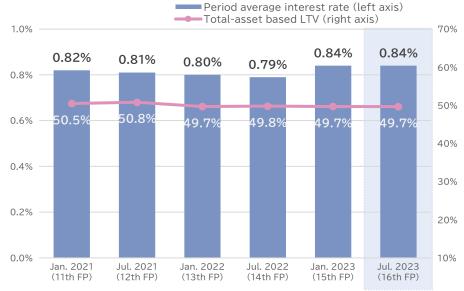
(Of which, 150 million yen allocated from cash on hand)

Overview of Prod	curement	Green loans	Investment target green building
Procurement amount	3,200 million yen	2,300 million yen	DBJ Green Building 2022 ★★★
Average interest rate (Note 1)	Base interest +0.60%	Base interest +0.60%	
Average borrowing period (Note 1)	5.0 years	5.0 years	
Fixed/floating	Floating	Floating	(S-RESIDENCE Esaka)

# Change in Average Remaining Borrowing Period and Fixed-Interest Rate Ratio



# Change in Average Interest Rate During the Period and Total-Asset Based LTV (Note2)

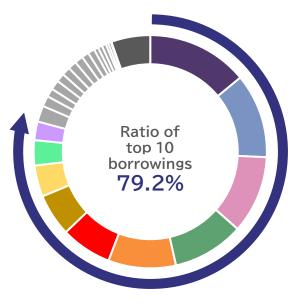


lote 1) "Average interest rate" and "Average borrowing period" are calculated as the weighted average of the figures at the time of procurement, the interest rate is rounded off to the second decimal place, and the borrowing period is rounded off to the first decimal place.

<sup>(</sup>Note 2) Period-end average interest rate is calculated based on the weighted average of the interest rates at the end of each fiscal period, rounded off to the second decimal place.

# Financial Highlights (2)

# List of Interest-Bearing Debt



Lender (Top 10 borrowings)	Amount outstanding (million yen)	Ratio
■Sumitomo Mitsui Banking Corporation	11,955	14.0%
■Mizuho Bank, Ltd.	9,975	11.7%
SBI Shinsei Bank, Limited	9,175	10.8%
■Aozora Bank, Ltd.	8,450	9.9%
■The Bank of Fukuoka, Ltd.	7,990	9.4%
■ The Nishi-Nippon City Bank, Ltd.	6,000	7.0%
■Resona Bank, Limited	5,000	5.9%
The Higo Bank, Ltd.	3,700	4.3%
■THE KAGAWA BANK, Ltd.	2,975	3.5%
■Kansai Mirai Bank, Limited	2,200	2.6%
Total (1)	67,420	79.2%

Lender	Amount outstanding (million yen)	Ratio
■The Juhachi-Shinwa Bank, Ltd.	1,900	2.2%
■The Bank of Yokohama, Ltd.	1,250	1.5%
■The Kumamoto Bank, Ltd.	1,130	1.3%
■JAPAN POST BANK Co., Ltd.	1,000	1.2%
■The Hiroshima Bank, Ltd.	1,000	1.2%
■The Bank of Saga Ltd.	1,000	1.2%
■THE HYAKUGO BANK, LTD.	1,000	1.2%
■The Yamaguchi Bank, Ltd.	1,000	1.2%
■Daishi Hokuetsu Bank, Ltd.	850	1.0%
■San ju San Bank, Ltd.	800	0.9%
■The Kagoshima Bank, Ltd.	500	0.6%
■THE SHIZUOKA BANK, LTD.	500	0.6%
■The Dai-ichi Life Insurance Company, Limited	500	0.6%
■The Chiba Bank, Ltd.	300	0.4%
■Fukoku Mutual Life Insurance Company	300	0.4%
■THE OITA BANK,LTD.	100	0.1%
■Investment corporation bonds	4,600	5.4%
Total (2)	17,730	20.8%
Total ((1)+(2))	85,150	100.0%

# Status of Maturity Ladder





# Growth Strategy (1)

Aiming for stable increase in unitholder value through external growth with sponsor support and utilization of gain on sale through continuous asset replacement

**Growth Strategy** 

Enhancing unitholder value

# Stable distributions

# **Growth of NAV**

External Growth

- 1. Expand the asset size through continuous property acquisition
- 2. Enhance portfolio quality and realize unrealized gains through asset replacement

nternal Growth

- Reinforce property competitiveness through appropriate capital investment
- 2. Enhance profitability by maintaining and improving average occupancy rates and increasing rents upon replacement and renewal

Financial Operation /

- Financing mindful of financial soundness and earnings stability
- 2. Improve credit rating
- 3. Continuously acquire external certifications and participate in various initiatives

[Main Sponsor]

[Sub-sponsor]



SAMTY

Property acquisition pipeline supported by Samty Group

# 大和証券グループ本社

Daiwa Securities Group In

Stable fund procurement system supported by Daiwa Securities Group Inc.

Collaboration between Samty Group and Daiwa Securities

Group Inc. (Note1)

(Provision of information on CRE (Corporate Real Estate)/ Cooperation in real estate sales for wealthy individuals and crowdfunding)

# Future Targets (Note2)

Samty Residential Investment Corporation aims for external growth utilizing various support provided based on sponsor support agreements with its sponsors.



# Sponsor Pipelines (Note3)

- Under the Sponsor Support Agreement, Samty Residential Investment Corporation has been granted preferential negotiation rights for "S-RESIDENCE", a luxury condominium brand developed by Samty Group.
- Preferential negotiation rights are granted for some of the properties owned by Samty Co., Ltd.

# Growth Strategy (2)

- As initiatives for the fiscal period ending January 2024 (17th FP), we are planning the disposition of two properties in November 2023, and distributing the full amount of the gain on sale
- Continuous asset acquisition and replacement has promoted enhanced profitability and a rejuvenated average building age, while realizing unrealized gains

# Continuous Asset Replacement Utilizing Sponsor Support

tion	Total acquisition price	(7th FP) PO 8,127 million yen	(8th FP)  5,510 million yen	(9th FP) TPA  18,872 million yen	(10th FP)  1,784 million yen	(11th FP) TPA  11,828 million yen	(12th FP)  1,787 million yen	(13th FP) TPA/PO 28,104 million yen	(14th FP)  3,752 million yen	(15th FP) TPA/PO 15,067 million yen	(16th FP)  2,292 million yen	(17th FP) (Assumption)
cquisition	Total appraisal value <sup>(Note1)</sup>	8,380 million yen	5,534 million yen	19,084 million yen	1,828 million yen	11,944 million yen	1,810 million yen	28,396 million yen	3,827 million yen	14,948 million yen	2,340 million yen	-
اۆا	Average building age <sup>(Note2)</sup>	3.9 years	2.8 years	11.2 years	13.7 years	11.2 years	10.6 years	8.8 years	0.6 years	3.8 years	2.4 years	_

Improve portfolio quality by replacing properties that are less competitive or whose repair costs were expected to increase with highly profitable properties or newly built properties

		<u> </u>	•	<u> </u>	•	•	<u> </u>		•		•	
tion	Total (planned) disposition price	1,600 million yen	3,300 million yen	830 million yen	856 million yen	3,835 million yer	2,087 million yen	-	2,887 million yen	-	2,587 million yen	2,384 million yen
posi	Total appraisal value <sup>(Note1)</sup>	1,590 million yen	3,270 million yen	830 million yen	856 million yen	3,710 million yer	2,087 million yen	-	2,809 million yen	-	2,346 million yen	2,190 million yen
Dis	Average building age <sup>(Note2)</sup>	10.8 years	11.5 years	11.9 years	14.1 years	16.4 years	13.3 years	-	17.2 years	-	18.2 years	13.4 <sub>years</sub>



(Note 1) The numerical value at the time of obtaining the appraisal report is shown.

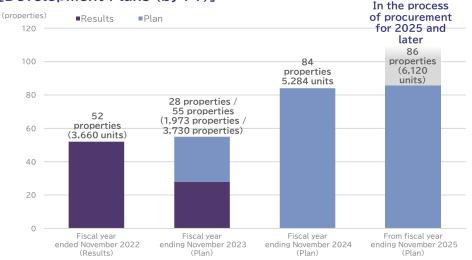
<sup>(</sup>Note 2) "Average building age" is calculated as the weighted average of the building ages at the time of acquisition or disposition based on the acquisition price, while "Portfolio average building age" is calculated as the weighted average of the building ages as of the end of each fiscal period, based on the acquisition price, and rounded off to the first decimal place.

# Growth Support through Sponsor Support

# Samty's Plans for Residential Development

- 28 properties (1,973 units) completed by the second quarter of the fiscal year ending November 30, 2023
- Development plans are underway for a total of 197 properties and approximately 13,000 units in cities across the country. Residential development will continue to be promoted to expand income gains

# [Development Plans (by FY)]



# [Development Plans (by Area)]

	Hokkaido	Greater Tokyo area	Chubu	Kansai	Chugoku and Shikoku	Kyushu	
Number of properties	19	49	62	29	18	20	197
Number of units	712	2,363	4,836	2,541	1,401	1,303	13,156

(Source) SAMTY Co., Ltd.'s "Explanatory Material for Financial Results: First Half of the Fiscal Year Ending November 30, 2023"

The total number of developments completed and plans for Samty's own development brand

"S-RESIDENCE" and other investment properties

# Samty's Plans for Acquisition of Profitable Properties

- Acquired 45 profitable properties worth approximately 27.9 billion yen in the first half of the fiscal year ending November 30, 2023
- From the third quarter of the fiscal year ending November 30, 2023, onward. we will focus on purchasing, with plans to acquire 24 profitable properties worth approximately 25.9 billion ven during the fiscal year ending November
- The progress rate based on the price is 63.5%

# [Acquisitions (Progress against Plan)]

Full-year fiscal	Up to the second quarter on November 3	
plan	Results	Progress
50.0 billion yen	27.9 billion yen	55.8%

Settlement	Fiscal period ending November 2023							
planned	Plan for the whole period	Results + Settlement planned	Progress					
3.9 billion yen	50.0 billion yen	31.8 billion yen	63.5%					

# [Acquisition (by Geographic Area)]

(properties)	Hokkaido	Greater Tokyo area	Chubu	Kansai	Chugoku and Shikoku	Kyushu	
Acquisition settlement results (Up to the second quarter)	5	11	6	9	5	9	45
Settlement planned	-	1	1	2	-	1	5
Total	5	12	7	11	5	10	50
Settlement planned for the next period and after	2	7	1	8	1	5	24

(Source) SAMTY Co., Ltd.'s "Explanatory Material for Financial Results: First Half of the Fiscal Year Ending November 30, 2023"

- As for residential development, a development plan for a total of 197 properties with more than 13,000 units is underway. (Note: as of May 31, 2023)
- We have developed properties across the country without focus on particular geographical areas.
- Steady progress in acquisition of profitable real estate
- Residential development plans and acquisition plans for profitable properties have been progressing steadily in regional cities, which is the main investment area of Samty Residential Investment Corporation, Further accumulation of pipeline properties is expected.

# Management Forecast for the Fiscal Period Ending January 2024 (17th FP) and Fiscal Period Ending July 2024 (18th FP)

Expect to further increase distribution in Jan. 2024 (17th FP) due to disposition of two properties (+32 yen vs. 16th FP results)

(unit: million yen)		(1)		Jan. 2024	(17	th FP)	Jul. 2024	(18	th FP)
		Jul. 2023 (16th FP) Results	(	2) Forecast		forecast for e 16th fiscal period	(3) Forecast		. forecast for e 17th fiscal period ((3) - (2))
Oį	perating revenue	5,822		5,788		-34	5,517		-270
Oį	perating expenses	3,190		3,065		-125	3,164		+99
Oı	perating income	2,632		2,723		+90	2,352		-370
Oı	dinary income	2,149		2,223		+74	1,848		-375
Net income		2,148		2,222		+73	1,847		-375
	otal distribution er unit	2,788 yen		2,820 yen		+32 yen	2,500 yen		-320 yen
	Distribution per unit	2,562 yen		2,649 yen		+87 yen	2,202 yen		-447 yen
	Distribution in excess of earnings per unit	226 yen		<b>171</b> yen		-55 yen	298 yen		+127 yen
in is:	umber of vestment units sued and itstanding	838,726 units		838,726 units		±0 units	838,726 units		±0 units
Pa	yout ratio	72.1%		71.2%		-0.8%	71.2%		-0%
No	o. of properties	178 properties		176 properties		-2 properties	176 properties		±0 properties

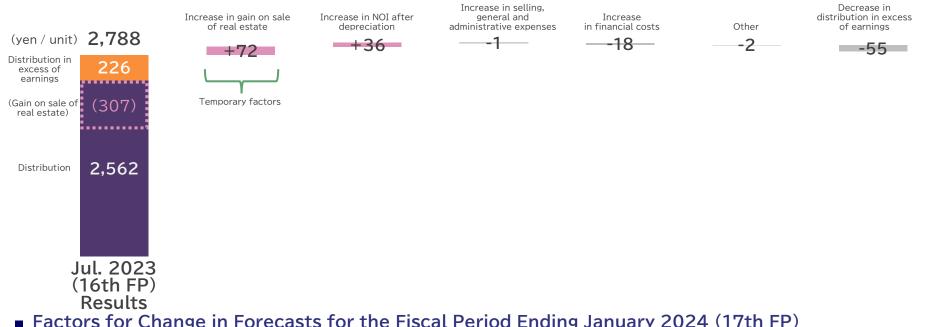
# [Assumed occupancy rate] (17th FP) 96.2% (18th FP) 96.7%

Vs. results for the 16th fiscal period ((2)-(1)) (unit: million yen)				
Operating revenue	Increase in gain on sale of real estate	+60		
	Decrease in revenues from restoration costs	-36		
	Decrease in revenues from key money	-35		
Operating expenses	(Rent business expenses)			
	Decrease in leasing promotion expenses	-56		
	Decrease in repair expenses and restoration costs	-52		
	(Selling, general and administrative expenses)			
	Increase in taxes and dues	+10		
Ordinary income	(Non-operating expenses)			
	Increase in borrowing- related expenses	+15		

Vs. forecast for the 17th fiscal period ((3)-(2)) $\min_{\text{million yen)}}$				
Loss of gain on sale of real estate	-318			
Increase in revenues from restoration costs	+44			
Decrease in revenues from rents and common service fees	-39			
Decrease in revenues from insurance expenses	-26			
(Rent business expenses)				
Increase in leasing promotion expenses	+50			
Increase in repair expenses and restoration costs	+35			
(Selling, general and administrative expenses)				
Decrease in asset management fees	-18			
(Non-operating expenses)				
Increase in borrowing-related expenses	+4			
	Loss of gain on sale of real estate  Increase in revenues from restoration costs  Decrease in revenues from rents and common service fees  Decrease in revenues from insurance expenses  (Rent business expenses)  Increase in leasing promotion expenses  Increase in repair expenses and restoration costs  (Selling, general and administrative Decrease in asset management fees  (Non-operating expenses)  Increase in borrowing-related			

# Factors for Change in Distribution per Unit

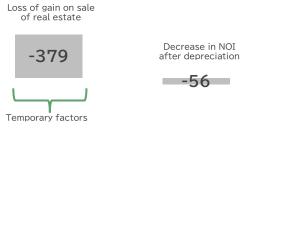
# Factors for Change in Results for the Fiscal Period Ended July 2023 (16th FP) and Forecast for the Fiscal Period Ending January 2024 (17th FP)





# Factors for Change in Forecasts for the Fiscal Period Ending January 2024 (17th FP) and Fiscal Period Ending July 2024 (18th FP)













# Basic Philosophy of Samty Residential Investment Corporation

# Basic Philosophy of Samty Residential Investment Corporation

As the only listed REIT with approximately 70% of its portfolio comprised of residential properties located in regional cities, Samty Residential Investment Corporation believes that the effective use of funds raised from the capital market will provide lateral support to local governments promoting regional development.

# Basic Philosophy of Samty Residential Investment Corporation (Excerpt)

Without bias toward the Greater Tokyo area, Samty Residential Investment Corporation, in a wide range of regional cities across Japan...aims to provide residents with safe, secure, comfortable, and relaxing residences.

Furthermore, our policy is to actively consider investing in real estate such as apartments for students near academic facilities and properties with nurseries or other childcare support-related facilities attached.

It is Samty Residential Investment Corporation's basic philosophy that through these investment activities, the effective use of funds it has procured from the capital market in medium- to long-term initiatives will provide lateral support to local governments which are actively promoting measures to create environments, services, employment opportunities, etc. that are attractive to residents with originality and ingenuity, and thereby revitalizing Japan's economy starting with its regional cities.

# Providing Investment Opportunities in Properties Located in Regional Cities

With approximately 70% of its portfolio invested in regional cities, Samty Residential Investment Corporation offers investors the opportunity to make small-lot investments in real estate located in regional areas.

Number of owned properties located in regional cities	139 properties
Total value of owned properties located in regional cities	122.3 billion yen
Total unitholders of Samty Residential Investment	   15 101

(Note) The above figures are as of the end of July 2023.

# Creating Regional Employment

# Creating employment in major regional cities by establishing satellite offices

The Asset Management Company has established an Asset Management Division to provide leasing management services for rental properties developed and owned by Samty Co., Ltd. and others in major regional cities throughout Japan, and has opened satellite offices in Sapporo, Nagoya, Osaka, Hiroshima and Fukuoka. It will actively hire local people to staff the satellite offices, creating employment and thereby promoting regional development.

# Creating regional employment by hiring PM/BM companies

By proactively hiring local companies that are familiar with the characteristics of respective areas for property and building management (PM/BM) for the properties it owns, Samty Residential Investment Corporation is creating new regional employment and contributing to the revitalization of regional city economies.

# Providing Comfortable Spaces for the People Supporting Infrastructure and Industries in Regional Cities

### S-FORT Nagasaki Daigaku Byoin-mae <sub>Nagasaki-shi,</sub> Nagasaki

With universities and university hospitals located nearby, rental demand is expected from students and hospital staff. As an infrastructure facility located in a regional city, it provides residents with safe, secure, comfortable, and relaxing residences (conforms with Nagasaki prefectural ordinance on welfare town planning).

Acquired CASBEE Real Estate Evaluation Certification in August 2023, and evaluated for high environmental performance.





### S-RESIDENCE Yokosuka Chuo Yokosuka-shi, Kanagawa

This property has a long-term lease agreement as company housing for a nearby public hospital and is expected to generate stable cash flow over the long term.

In addition to providing a comfortable living space for people supporting the local healthcare system, the building also houses a nursery school on the first floor, contributing to the creation of a community offering long-term living appeal to local residents.





# Sustainability Initiatives

# Sustainability Policy/Promotion System

We have established and put into practice the Sustainability Policy, based on the recognition that making efforts to promote sustainability in consideration of Environmental, Social, and Governance elements will contribute to maximization of the interests of customers over the medium to long term. In order to put this policy into practice, a Sustainability Promotion Office has been established to review and formulate various policies, targets, and measures. In principle, the office holds regular meetings at least once every three months and performs necessary administrative work under the direction of the Chief Operating Officer.



# Construct Internal System for Strengthening Promotion Efforts

# **◆**Constructing policies

We formulate various policies and promote initiatives to achieve the individual items set forth in the above Sustainability Policy. Recently, we formulated our Sustainable Procurement Policy in December 2022 and will formulate our Climate Change Countermeasures and Resilience Policy in fiscal year 2023.

### ◆Identifying materiality (important issues)

We identify materiality (important issues) through consultation at the Sustainability Promotion Office

# ◆Formulated Green Finance Framework

We formulated our Green Finance Framework so as to contribute to the creation of a sustainable environment and society through green finance for investment toward resolving environmental problems.

	Outstanding procurement (million yen)	Unallocated amount (million yen)	
Green bonds	1,400	_	
Green loans	2,300	_	16th FP new initiatives
Total	3,700	_	

# Participation in External Sustainability-related Initiatives

Expressing support for TCFD and disclosure



The Asset Management Company expressed support for the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. It also joined the TCFD Consortium, an organization of companies that have expressed their support. Preparations are being made to disclosure information based on the TCFD recommendations.

# ◆Participation in GRESB Real Estate Assessment



GRESB

Promote implementation of specific measures for structural strengthening and reducing the environmental impact of properties owned

# Planning to announce evaluation results in October 2023

- Holding regular meetings based on the Sustainability Promotion System rules to identify issues related to owned properties and internal regulations and systems
- Promoting accurate and efficient understanding of environmental performance data of owned properties by introducing a dedicated system
- Acquiring third-party assurance of environmental performance data in accordance with international assurance standards
- Striving to further collaborate with external stakeholders based on the Sustainable Procurement Policy for property management companies and suppliers

We are conducting disclosure on overall sustainability-related initiatives at Samty Residential Investment Corporation and the Asset Management Company. For details, please refer to the URL below.

URL: https://www.samty-residential.com/en/esg/index.html





# Sustainability Initiatives (1)-1 -Environment-

# Status of Acquisition of Environmental Certification from External Evaluation Organization (As of the end of August 2023)

Number of properties	22 properties
Total floor space	84,139.61 m <sup>2</sup>
Proportion of properties with certification (proportion of total floorspace)	19.7 %







Aim to reduce environmental footprint through initiatives to promote acquisition of environmental certification





S-FORT Osu Kannon S Rank



S-RESIDENCE Shin Osaka Ekimae A Rank



S-FORT
Funabashi Tsukada
A Rank
\*\*\*

# Properties newly acquiring certification in 17th FP <CASBEE Real Estate>



S-RESIDENCE Midoribashi Ekimae A Rank \*\*\*



S-FORT Nagasaki Daigaku Byoin-mae A Rank

# **Environmental Targets/Performance of Owned Properties**

◆ Target (Target year: 2025)

Annual total energy use intensity

5% reduction vs. 2020

(Average of 1% per year)

(Note)

Note) Reduction target for Scope 1 (GHG emissions from fossil fuel consumption in common areas) and Scope 2 (GHG emissions from electricity consumed in common areas).

# Environmental performance results

Item/Unit		FY2020	FY2021	FY2022	Reduction rate (vs. 2020, Intensity- based)
Energy use	Total use (kWh)	2,711,481.6	3,103,343.8	3,617,195.0	11 10/
	Intensity (kWh/m²)	34.1	28.9	30.3	-11.1%
t-CO <sub>2</sub> e emissions	Total use (t-CO <sub>2</sub> e)	1,267.4	1,481.7	1,480.0	22.00/
	Intensity (t-CO2e/m²)	0.0159	0.0138	0.0124	-22.0%

# Sustainability Initiatives (1)-2 -Environment-

# **Examples of Initiatives at Owned Properties**

# ◆ CO<sub>2</sub> emissions reduction by utilization of renewable energy

- We are introducing renewable energy power plans for electricity used in common areas of some properties.
- Furthermore, for a portion of the properties introduced, in our plan, we add environmental value from non-fossil certificates with tracking derived from renewable energy sources to the plan, resulting in electricity that is virtually 100% renewable energy and compliant with RE100, an international initiative on renewable energy use promoted by the Ministry of the Environment.

### Number of properties introduced

6 properties/178 properties

### ◆ Adoption of LED for lighting fixtures at common areas

We promote the reduction of electricity usage and a lower environmental impact by adopting LEDs for lighting in common areas such as entrances and corridors.

### Number of properties introduced

**97** properties/178 properties





# ◆ Conclusion of green lease clauses (Note 1)

By working together with property management companies and tenants, Samty Residential Investment Corporation promotes the conclusion of green lease clauses seeking to reduce environmental burden.

### Conclusion rate

56.8% (Note 2)

(Note 1) This means that building owners and tenants collaborate to voluntarily decide the reduction of environmental load such as energy saving of real estate as well as the improvement of work environment by concluding contracts and memorandums, etc., and put the content of the agreement into practice.

(Note 2) Percentage of the total leasable area of the entire portfolio as of April 30, 2023.

### Installation of housing facilities that take energy and resource conservation into consideration

We promote energy and resource conservation and the reduction of our environmental burden by adopting water-saving faucets and toilets, multi-layered glass, etc.

# Introduction of electronic breakers

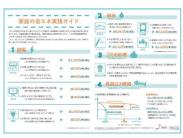
We promote the adoption as well as sequential switching to LED lighting to reduce electricity usage.

# Sorting and managing waste and environmental improvement

- We are appropriately sorting and managing waste and are installing in-ceiling ozone deodorizers at some properties as part of measures to reduce odors from trash.
- We are providing energy-saving practice guides for households and displaying educational posters about the 3Rs (Reduce, Reuse, and Recycle), to utilize limited resources.







# Other Initiatives

# Use of eco-friendly materials in printed materials for unitholders

- Using environmentally friendly FSC-certified paper and vegetable ink in printed materials such as asset management reports for unitholders.
- In 2022, we changed the envelopes used for mailing materials to investors to ones that use eco-friendly materials.







# ◆ Digitizing the prospectus

- In the August 2022 capital increase through public offering, we provided prospectus documents electronically to reduce environmental burden.
- This reduced approximately 900,000 A4 sheets of paper expected to be used in the capital increase through public offering.





# Sustainability Initiatives (2)-1 -Social-

# Initiatives for Residents, Regions/Society (Community)

# ◆ Introduction of delivery drop-off services

In addition to delivery boxes and in-person delivery, increasing the number of delivery options is expected to not only improve convenience for residents and differentiate the properties but also reduce  ${\rm CO_2}$  emissions with reduction in need for re-delivery, offering bonus benefits for ESG initiatives

# Number of properties introduced

94 properties / 178 properties

### [Mechanism]

Dedicated devices are installed at the entrance of homes supporting automatic locks. These devices manage and control data regarding delivery information, delivery personnel, and locking and unlocking, enabling a range of partnered drop-off services



### Introduction of IoT devices

By installing a dedicated device, residents can operate home appliances, lock doors, etc. remotely from their smartphones and monitor their rooms with cameras and sensors. This improves convenience, safety, and satisfaction

Monitoring of electricity consumption enables energy management, which is expected to aid energy conservation and other ESG initiatives



# Installation of social contribution/disaster support-type vending machines

We are installing social contribution-type vending machines that donate a portion of their sales to organizations engaged in social contribution activities, environmental preservation activities, etc., as well as disaster support-type vending machines, which are equipped with a function that provides products free of charge during a disaster



[Recipient of support] The Japanese Red Cross Society



[Recipient of support] Specified non-profit organization green bird



Disaster supporttype vending machine

# Installation of delivery boxes

Delivery boxes are installed in sequence with the aim not just of improving convenience for residents, but also of reducing CO<sub>2</sub> emissions by reducing redeliveries by delivery companies.

Number of properties introduced

172 properties / 178 properties

# S-FORT Atsuta Rokuban

### Disaster-prevention initiatives

In order to provide a safe and secure residential space to residents, at some properties we are sequentially introducing disaster prevention facilities such as rooftop waterproofing as well as installing disaster prevention cabinets in elevators and displaying disaster prevention posters in preparation for disasters like typhoons and



<Disaster prevention map>

### **♦** Installation of AEDs

Samty Residential Investment Corporation promotes installation of AED (automated external defibrillator) to contribute to peace of mind and safety of residents as well as community members.



### Education to promote use of stairs

In order to promote health among residents, we have displayed posters promoting the use of the stairs beside the elevators in some buildings.



# Conducting tenant satisfaction surveys

We conduct feedback meetings with property management companies based on survey results and promote consideration of new facility installation and review of operational systems with an aim to improve tenant satisfaction.

# Sustainability Initiatives (2)-2 -Social-

# Initiatives for Investors/Information Disclosure

### Proactive disclosure of information and IR activities

We prepare materials, build websites, implement disclosure in a timely manner and disclose information in Japanese and English with visibility in mind by placing emphasis on appropriate information disclosure to all investors.

Samty Residential Investment Corporation proactively discloses information on the status of properties, etc. on the website when disasters such as typhoons and earthquakes occur at the areas where its properties are located.

Samty Residential Investment Corporation publishes articles featuring regional cities in the asset management report under its philosophy of "revitalizing Japan's economy starting with its regional cities." It has featured Osaka, Kyoto, Niigata, Fukuoka, Hokkaido, Nagasaki, Shizuoka, Shiga, Chiba, Kumamoto and Aichi so far.

We regularly hold online and phone teleconferences with institutional investors in Japan and overseas institutional investors in Europe and Asia.







January 2023
Appeared on Radio NIKKEI "Gojikara Seiron with Seiji Yoshizaki"
(With personality Mr. Seiji Yoshizaki, Chief Director of Housing Real Estate Institute)



April 2023 Appeared on Radio NIKKEI "Asaichi Market Square Asazai" (With personality Mr. Tetsuo Inoue, representative of Spring Capital)

# Initiatives for Employees of the Asset Management Company

# Capacity development/personnel training and establishment of comfortable working environment

We are making the following efforts to develop human resources with high expertise and a wide range of knowledge and to build a comfortable working environment where employees can fully demonstrate their abilities.

- Support for qualification acquisition
- Support for training and implementation of in-house training
- Implementation of regular health checkups
- Promotion of work-life balance
- Whistleblowing system named "Samty Asset Hotline"
- Carrying out employee satisfaction surveys
- Installation of break spaces



[License Holders]	Number of people
Real estate transaction specialist (Note)	57
ARES Certified Master	16
Real estate appraiser	4

- Establishment and implementation of remote work regulations
- Implementation of a hybrid work style that combines telecommuting and in-person work
- Introduction of hot desking system
- Providing all employees with laptop PCs and smartphones
- Introduction of web-conferencing system
- Renewal of internal systems to strengthen information security







# Sustainability Initiatives (3) -Governance-

# Compliance

### ◆ Internal compliance systems

The Asset Management Company has set forth compliance with laws and regulations as a management policy, and the management team actively endeavors to develop and strengthen systems for compliance with laws and regulations and internal control systems. To create appropriate operational systems, the Asset Management Company has appointed a Senior Compliance Officer as a manager responsible for matters related to compliance and ensures the effectiveness of internal control functions at other departments. Furthermore, with the establishment and operation of the Residential REIT / Compliance Committee, the Asset Management Company will establish a multi-layered system for compliance with laws, regulations, etc.

### Compliance training

Every month, we decide a theme and conduct compliance training for all officers and employees.

The status of training held from February 2023 to August 2023 is as follows.

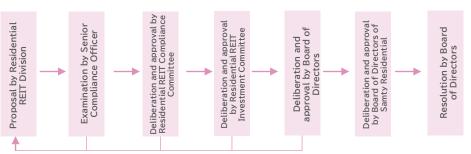
Month held	Theme
February 2023	Basic compliance knowledge
March 2023	Financial risk management and cybersecurity
April 2023	Insider trading regulations
May 2023	Response to anti-social forces
June 2023	Compliance FY2023 edition
July 2023	Information management
August 2023	Financial compliance countermeasures to prevent scandals such as those occurring in succession

# Accumulative Investment System of Investment Units and Investment Unit Ownership Program

We aim to raise the awareness of the officers and employees of Samty Co., Ltd. and Samty Asset Management Co., Ltd. on the business performance of Samty Residential Investment Corporation through the system and intend to improve medium- to long-term unitholder value by matching our interests with those of Samty Residential Investment Corporation's unitholders

# Decision-making Procedures concerning Transactions with Interested Parties, Etc.

The acquisition or disposition of assets by Samty Residential Investment Corporation will be managed through a transparent decision-making process. Voluntary rules have been established on transactions with interested parties, etc. with an aim to prevent harm to the interests of Samty Residential caused by conducting transactions with such parties.



Instructions to cancel or change details of the proposal

# Same-boat Investment by Samty Co., Ltd., the Main Sponsor

In order to match the interests of unitholders and sponsors, Samty Residential Investment Corporation and the Asset Management Company have confirmed with each other the intent of Samty Co., Ltd. to sincerely consider the acquisition of part of the investment units when Samty Residential Investment Corporation newly issues investment units and the intent of Samty Co., Ltd. to continue to hold the investment units unless there are special circumstances when holding the investment units of Samty Residential Investment Corporation in the main sponsor support agreement.

As of July 31, 2023, Samty Co., Ltd. held 113,383 units, and had a holding ratio of 13.5%.





# Features of Samty Residential Investment Corporation and Portfolio Development Policy

Features of Samty Residential Investment Corporation

Portfolio Development Policy

Investment Ratio by Asset Class (Note 1)

80% or more

Residential properties

residences

(1) Investment in residence which is a highly stable asset class



Focus on single and compact type

Single Type

Floor per unit of less than 30 m<sup>2</sup>

**Compact Type** 

Floor per unit of between 30 m<sup>2</sup>

and less than 60 m<sup>2</sup>

(2) Diversification of portfolio primarily in major regional cities



Investment Ratio by Geographical Area (Note 2) Major regional

> cities 50% or more

(Sapporo, Sendai, Nagoya, Kyoto, Osaka, Kobe, Hiroshima excluding major and Fukuoka)

Other regional cities 20% or less

(Regional cities regional cities

**Greater Tokyo** area Around 30%

Operating

facilities

20% or less

Regional cities around 70%

(3) Solid sponsor structure consisting of real estate and financial sponsors



**Property Acquisition Pipeline** 





Stable Financing System

(Note 1) "Residential properties" represents rental housing and "Operating facilities" represents hotels, health care properties and other operating facilities.

(Note 2) "Investment ratio" is based on acquisition price (excluding expenses and taxes associated with acquisition). The above investment ratios are future targets and actual portfolio composition may vary

# **Distribution Policy**

# Cash Management Strategy

Cash will be allocated based on a comprehensive review of the external economic environment, real estate market conditions, and financial condition of Samty Residential Investment Corporation

Capital expenditures to maintain building functions, etc.

Securement of working capital on hand, etc.

# Optimally allocate free cash to each of the following measures from the cash after distribution

Return to unitholders including distribution in excess of earnings

- Reinforcement of the financial base by reducing interestbearing debt. etc.
- Investment that should help enhance the portfolio's profitability

(Note) Based on the characteristics of the portfolio, Samty Residential Investment Corporation will optimally distribute free cash flow after allocating funds to reserves for capital expenditures to maintain the building functions, working capital and such, in accordance with the situations of the time.

# (Reference) Use of Free Cash (million yen) 1,200 900 900 985 1,085 373 1,096 373 1,096 534 1,099 1,099 1,098 510 482 0 Jan, 2022 Jan, 2022 Jan, 2023 Jan, 2024 Jul, 2024 (13th FP) (14th FP) (15th FP) (15th FP) (16th FP) (17th FP) (17th FP) (18th FP)

# Distributions in Excess of Earnings

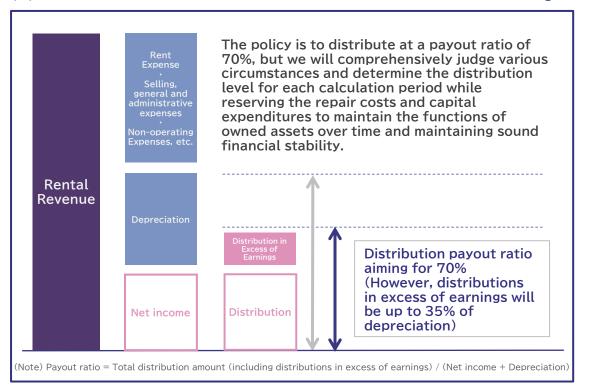
## (1) Determination of distributions

With a view to enhancing unitholder value over the medium to long term, distributions in excess of earnings are authorized when Samty Residential Investment Corporation's portfolio meets the conditions indicated on the right.

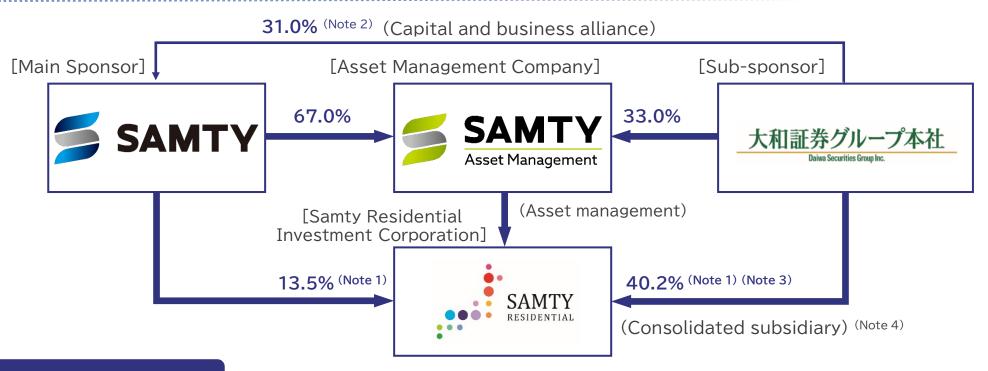


(Note) Excluding amount equivalent to incidental expenses upon acquisition

# (2) Determination of amount of distributions in excess of earnings



# Sponsor Structure of Samty Residential Investment Corporation



## **Sponsor Support**



Samty Residential Investment Corporation aims to develop and acquire properties in a wide range of regional cities in Japan and realize efficient leasing and operation through the utilization of Samty's resources and expertise accumulated as a comprehensive real estate group.

- Stable supply of new properties
- Enhancement of added value by running a unified brand
- Provide warehousing function
- Provide human resources / operation management support

## 大和証券グループ本社

Daiwa Securities Group Inc.

Samty Residential Investment Corporation aims to maintain and expand its stable fund procurement system with the utilization of the functions and network of Daiwa Securities Group Inc. as a comprehensive securities group as well as reduce financial costs by increasing credibility based on the solid financial base and network of Daiwa Securities Group.

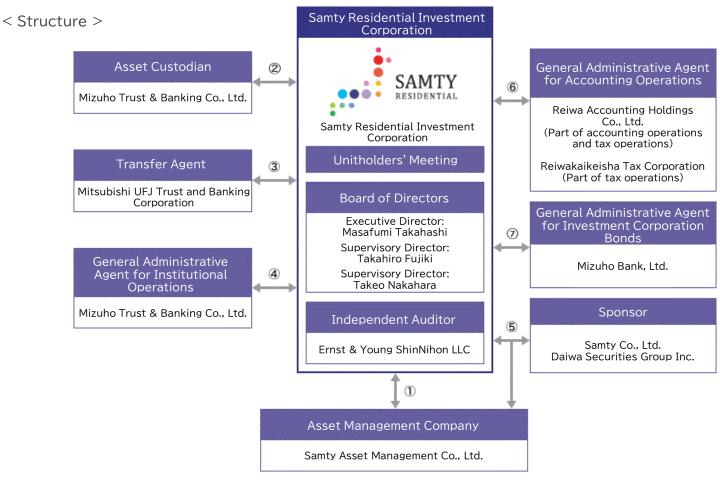
- Reduction of financial cost
- Support for maintenance and expansion of stable fund procurement system
- Support for the formation of bridge fund
- Cooperation in securing staff
- (Note 1) Figures for the investment ratio in the sponsor structure are calculated by dividing the number of shares (investment units) held as of July 31, 2023, by the number of shares (investment units) (including treasury shares (investment units issued and outstanding)).
- (Note 2) The investment interest of Daiwa Securities Group Inc., in Samty Co., Ltd. is the ownership ratio that includes equity in Daiwa PI Partners Co., Ltd., a consolidated subsidiary of Daiwa Securities Group Inc., as of May 31, 2023.
- Note 3) It includes equity in Daiwa PI Partners Co., Ltd. (1.3%), which is a subsidiary of Daiwa Securities Group Inc.

  Note 4) Samty Residential Investment Corporation is expected to fulfill requirements to be a non-family company in the conduit requirements and has agreed with Daiwa Securities Group Inc. on conducting necessary cooperation so that the requirements to be a non-family company are maintained.

# Overview of Samty Residential Investment Corporation

## Overview of Samty Residential Investment Corporation

Name	Samty Residential Investment Corporation (Abbreviation: SRR)	Location	1-8-3 Marunouchi, Chiyoda-ku, Tokyo
<b>Executive Director</b>	Masafumi Takahashi	Date of listing	June 30, 2015
Securities code	3459	Fiscal period ends	January and July

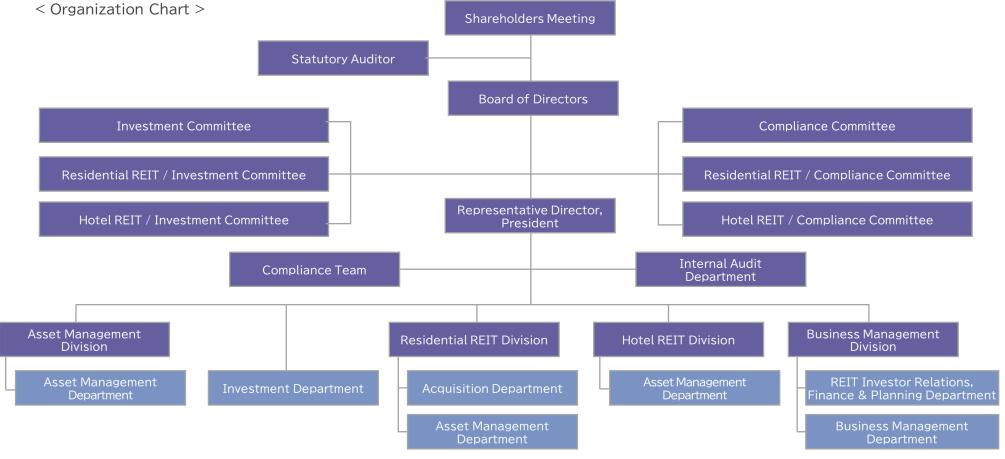


- ① Asset Management Agreement ② Asset Custodian Agreement ③ Transfer Agent Agreement
- General Administrative Agreement (Institutional Operations and Administration)
- ⑤ Sponsor Support Agreement ⑥ Accounting Administration Agreement and Certified Tax Accountant Services Agreement
- Tinancial Affairs, Issuance, and Payment Agency Agreement

## Overview of Asset Management Company

### Overview of Asset Management Company





## Overview of Main Sponsor

### Overview of Samty Co., Ltd.

Listing	Tokyo Stock Exchange Prime Market (Securities code: 3244)
Establishment	December 1, 1982 (Celebrating the 40th anniversary of our founding)
Location of head	[Osaka Head Office] 1-8-39 Nishimiyahara, Yodogawa-ku, Osaka-shi
office	[Tokyo Head Office] 1-8-3 Marunouchi, Chiyoda-ku, Tokyo
Post and name of representative	Yasuhiro Ogawa, Representative Director and President
Capital	<b>20,657</b> million yen (as of May 31, 2023)
Business description	Real estate development business, real estate solution business, real estate leasing business, hotel development, ownership, and management business, etc.
Operating results (consolidated	Net sales: 65,282 million yen
basis) (Q2 of FY11/23)	Ordinary income: 3,278 million yen
Number of employees	<b>793 on a consolidated basis</b> (as of May 31, 2023)

### ◆ Ads featuring "Samty the Dog" currently being shown



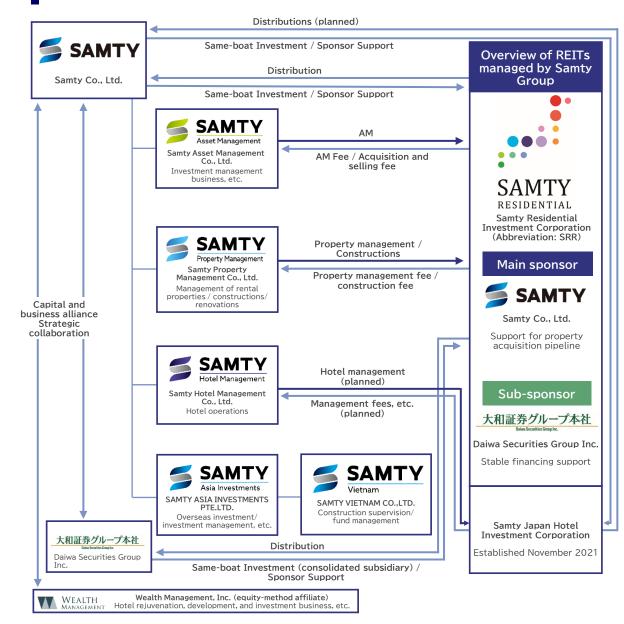
We are broadcasting TV ads that express our slogan, "Samty, beyond real estate." which we formulated in August 2021. Celebrity Ayako Imoto provided the voice of the main character, Samty, and sang the theme song.

### Official sponsor of ORIX BUFFALOES



We have continuously supported ORIX BUFFALOES, being a stadium advertisement sponsor since 2012 and official sponsor since the 2022 season. We supported the team as the main sponsor for the official game held at the Kyocera Dome Osaka in August 2023.

## Overview of Samty Group



## Business Model of the Main Sponsor

## Capital Gain Business

#### Real estate development business

Engaged in property development business of Samty Group. Develops and provides rental condominiums, hotels and office buildings for real estate funds, such as "S-RESIDENCE" series for rental condominiums and "S-PERIA" series for hotels.

### Real estate solution business

Acquire existing high potential income-producing properties in the market and enhance their values with an aim to resell to REITs or corporates.

#### (Overseas business)

The growth driver of the Group, investing and financing in properties and projects in Asian countries and elsewhere.

Have been participating in "Smart City Development" project (condominiums project) in Hanoi since December 2020, working together with major Vietnamese developer.

### Business model (domestic)

### Income Gain Business

#### Real estate leasing business

This business generates stable income by holding properties developed internally or acquired from outside sources and is positioned as the core of the income gain business. Other investment dividends from REITs are also included in this business segment.

#### Hotel leasing and operation business

Receives room revenues and ongoing management fees from hotels owned by Samty and hotels managed by Samty Group, etc.

In addition, dividend income from investments in hotel-related funds is also included in this business segment.

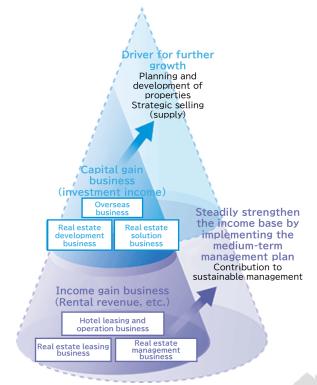
#### Real estate management business

In addition to receiving fees for asset management (AM) and property management (PM) services for properties owned mainly by REITs, engages in construction and renovation of external properties and management of condominiums for sale.





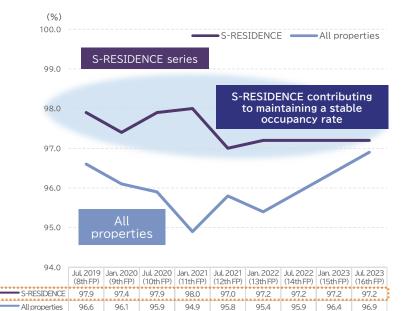




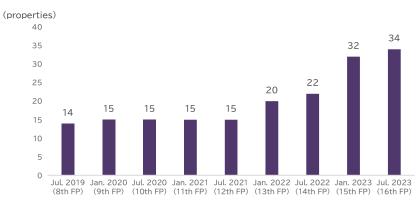
## Advantages of the Sponsor Brand "S-RESIDENCE"

- ◆ "S-RESIDENCE" is a rental condominium brand developed by Samty Group since 2005
- ◆ Samty Residential Investment Corporation owns 34 properties (2 properties newly acquired in the 16th FP) and contributes to maintaining and enhancing portfolio quality

# S-RESIDENCE Period Average Occupancy Rate at Samty Residential Investment Corporation (Note)

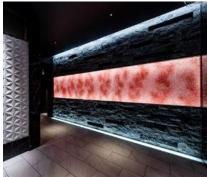


# Number of "S-RESIDENCE" Properties at Samty Residential Investment Corporation



- The concept and design of the building reflects the needs of the area, with spacious entrance halls and interior corridors, creating a luxurious hotel-like atmosphere
- High-quality design and comfort attracts singles and DINKs, enabling early leasing up and maintenance of high occupancy rates





Serene and massive entrance hall



Ample and practical Bright, stylish bathroom and storage at entrance system kitchen



Hotel-like corridors respecting guests' privacy



Bathroom heater/dryer/ventilation system assuring comfort when taking a bath in winter or drying clothes on rainy days

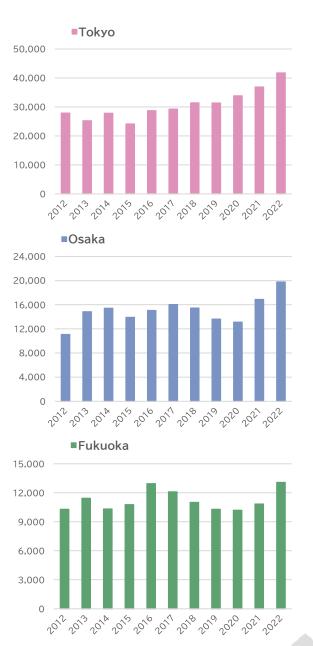
(Note) "S-RESIDENCE period average occupancy rate" is the rate of the total leased area to the total leasable area at the end of each month, rounded off to the first decimal place.

# Market Environment Concerning Residence Investments (1)

## **Number of Rental Condominium Starts**

(unit)



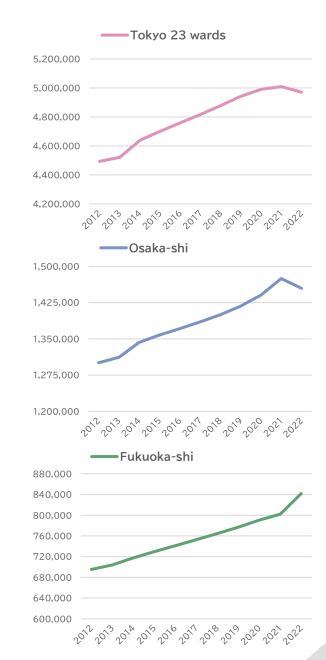


# Market Environment Concerning Residence Investments (2)

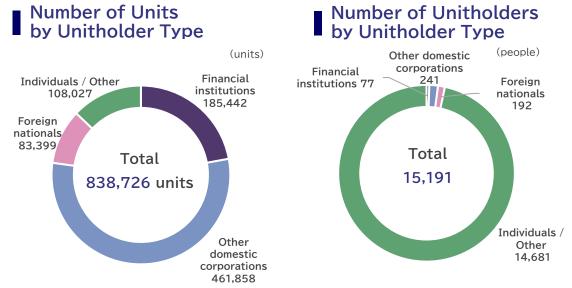
## **Number of Households**

(households)



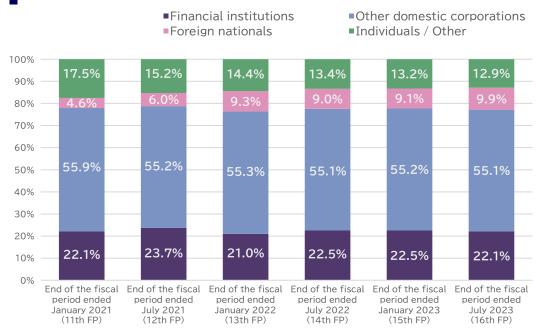


## **Unitholder Information**



(Note 1) "Other domestic corporations" includes Daiwa Securities Group Inc. and Samty Co., Ltd.
 (Note 2) Based on the unitholder registry at the end of the fiscal period ended July 2023 (16th fiscal period). The same applies hereinafter.

## Change in Ratio of Unitholders



## **Major Unitholders**

Name of unitholder	No. of investment units held (units)	Ownership ratio		
Daiwa Securities Group Inc.	326,210	38.9%		
Samty Co., Ltd.	113,383	13.5%		
Custody Bank of Japan, Ltd. (Trust Account)	50,079	6.0%		
The Master Trust Bank of Japan, Ltd. (Trust Account)	43,612	5.2%		
Kinkisangyou Shinkumi Bank	18,400	2.2%		
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	16,809	2.0%		
JP MORGAN CHASE BANK 385771	10,860	1.3%		
Daiwa PI Partners Co., Ltd.	10,858	1.3%		
Daido Shinyokumiai	6,044	0.7%		
Osaka co-sei Shinkin Bank	5,820	0.7%		
Major unitholders (top 10)	602,075	71.8%		

# Portfolio List (As of July 31, 2023) (1)

																•••••
Area	Property No.	Property Name	Location	Room Type (Average area based)	Acquisition period	ML type	Acquisition price (million yen)	Investment ratio	Balance sheet amount at end of period (million yen)	Appraisal value (million yen)	Appraisal NOI yield	No. of rentable units (unit)	No. of leased units (unit)	Total rentable area (m²)	Leased area (m²)	Occupancy rate
	A-001	S-FORT Shin Osaka ravir	Yodogawa-ku, Osaka-shi	Single	April 15, 2015	Pass-through-type	635	0.4%	641	730	5.1%	49	46	1,290.84	1,212.00	93.9%
	A-004	S-FORT Chikushi Dori	Hakata-ku, Fukuoka-shi	Compact	May 1, 2015	Pass-through-type	1,170	0.7%	1,110	1,430	5.4%	90	89	3,706.56	3,664.96	98.9%
	A-005	S-FORT Fukuoka Kencho Mae	Hakata-ku, Fukuoka-shi	Single	April 15, 2015	Pass-through-type	979	0.6%	930	1,200	5.5%	104	102	2,566.72	2,517.36	98.1%
	A-006	S-FORT Takamiya	Minami-ku, Fukuoka-shi	Single	May 1, 2015	Pass-through-type	794	0.5%	706	964	5.5%	82	80	2,105.13	2,055.45	97.6%
	A-007	S-FORT Tsutsujigaoka Koen	Miyagino-ku, Sendai-shi	Compact	April 15, 2015	Pass-through-type	1,340	0.8%	1,362	1,600	5.8%	94	90	3,609.49	3,408.58	94.4%
	A-008	S-RESIDENCE Namba Briller	Naniwa-ku, Osaka-shi	Single	July 1, 2015	Pass-through-type	2,020	1.2%	1,917	2,680	5.1%	154	145	3,631.60	3,420.45	94.2%
	A-009	S-FORT Tsurumai marks	Naka-ku, Nagoya-shi	Family	July 1, 2015	Pass-through-type	1,020	0.6%	966	1,540	5.8%	42	39	2,772.00	2,574.00	92.9%
	A-010	S-FORT Rokuban-cho	Atsuta-ku, Nagoya-shi	Compact	July 1, 2015	Pass-through-type	722	0.4%	664	860	5.0%	56	54	1,833.29	1,770.11	96.6%
	A-011	S-FORT Nakajima Koen	Chuo-ku, Sapporo-shi	Family	July 1, 2015	Pass-through-type	1,590	1.0%	1,548	1,780	5.3%	75	74		5,239.33	99.0%
	A-012	S-FORT Hokudai Mae S-RESIDENCE Kobe Isogamidori	Kita-ku, Sapporo-shi	Compact	July 1, 2015	Pass-through-type	690 2,470	0.4%	663	873	5.6%	59	59	2,287.22	2,287.22	100.0%
	A-013	S-RESIDENCE Robe Isogamidori	Chuo-ku, Kobe-shi	Single	July 1, 2015	Pass-through-type		1.5%	2,341	3,260	5.5%	166	161	4,372.45	4,229.61	96.7%
	A-017	Shin Osaka Ekimae	Higashi Yodogawa-ku, Osaka-shi	Single	August 2, 2016	Pass-through-type	2,489	1.5%	2,362	3,210	5.0%	167	167	4,534.98	4,534.98	100.0%
	A-019	S-FORT Aoi	Higashi-ku, Nagoya-shi	Family	August 2, 2016	Pass-through-type	870	0.5%	881	1,110	5.2%	28	27	1,842.68	1,776.87	96.4%
	A-022	S-FORT Tsurumai arts	Naka-ku, Nagoya-shi	Family	August 2, 2016	Pass-through-type	680	0.4%	686	910	5.6%	28	28	1,988.56	1,988.56	100.0%
	A-023	S-FORT Tsurumai cube	Naka-ku, Nagoya-shi	Compact	August 2, 2016	Pass-through-type	570	0.4%	550	731	5.4%	32	32	1,460.64	1,460.64	100.0%
	A-024	S-FORT Fukuoka Higashi	Hakata-ku, Fukuoka-shi	Compact	August 2, 2016	Pass-through-type	1,900	1.2%	1,873	2,230	5.2%	135	131	5,584.41	5,436.49	97.4%
	A-025	S-RESIDENCE Kobe Motomachi	Chuo-ku, Kobe-shi	Single	August 2, 2016	Pass-through-type	1,200	0.7%	1,133	1,500	5.3%	81	79	2,169.67	2,122.50	97.8%
	A-026	S-FORT Kobe Kaguracho	Nagata-ku, Kobe-shi	Single	August 2, 2016	Pass-through-type	1,858	1.1%	1,793	2,440	6.2%	168	157	4,900.32	4,579.53	93.5%
	A-027	S-FORT Nijo-jo mae	Nakagyo-ku, Kyoto-shi	Compact	August 2, 2016	Fixed-rent-type	812	0.5%	781	954	4.9%	47	47	1,735.95	1,735.95	100.0%
	A-028	S-FORT Chion-in mae	Higashiyama-ku, Kyoto-shi	Compact	August 2, 2016	Fixed-rent-type	500	0.3%	486	565	4.6%	18	18	1,049.01	1,049.01	100.0%
	A-030	S-RESIDENCE Midoribashi Ekimae	Higashinari-ku, Osaka-shi	Single	February 1, 2018	Pass-through-type	1,846	1.1%	1,808	2,350	5.1%	148	146	3,691.67	3,641.89	98.7%
	A-031	S-FORT Tsurumai reale	Showa-ku, Nagoya-shi	Family	February 1, 2018	Pass-through-type	1,571	1.0%	1,540	2,040	5.3%	56	56	3,597.72	3,597.72	100.0%
	A-032	S-FORT Osu Kannon	Naka-ku, Nagoya-shi	Single	March 1, 2018	Pass-through-type	1,147	0.7%	1,151	1,450	5.4%	84	83	2,514.12	2,491.16	99.1%
	A-033	S-FORT Kita-Sanno	Nakagawa-ku, Nagoya-shi	Compact	February 1, 2018	Pass-through-type	841	0.5%	827	908	4.7%	36	34	1,757.61	1,656.25	94.2%
	A-034	S-FORT Aratamabashi	Minami-ku, Nagoya-shi	Compact	February 1, 2018	Pass-through-type	449	0.3%	457	475	5.1%	29	29	1,699.11	1,699.11	100.0%
	A-035	S-FORT Toyohira Sanjyo	Toyohira-ku, Sapporo-shi	Compact	February 1, 2018	Pass-through-type	762	0.5%	769	871	5.7%	63	61	2,868.75	2,753.89	96.0%
S)	A-036	S-FORT Kitamaruyama	Chuo-ku, Sapporo-shi	Compact	February 1, 2018	Pass-through-type	425	0.3%	428	483	5.3%	49	46	1,613.38	1,519.30	94.2%
citie	A-039	S-FORT Kobe Sannomiya-Kita	Chuo-ku, Kobe-shi	Single	February 1, 2018	Pass-through-type	515	0.3%	528	561	4.8%	45	44	884.88	864.36	97.7%
alc	A-040	S-FORT Nakahirodori	Nishi-ku, Hiroshima-shi	Single	February 1, 2018	Pass-through-type	885	0.5%	874	919	4.9%	74	74	2,127.92	2,127.92	100.0%
ou	A-041	S-FORT Tsurumicho	Naka-ku, Hiroshima-shi	Compact	February 1, 2018	Pass-through-type	820	0.5%	811	837	4.8%	51	48	2,006.49	1,851.69	92.3%
Regi	A-042	S-FORT Aoba Kamisugi	Aoba-ku, Sendai-shi	Compact	February 1, 2018	Pass-through-type	918	0.6%	945	1,110	5.5%	66	62	2,072.84	1,948.50	94.0%
	A-043	S-RESIDENCE Shin Osaka Ridente	Yodogawa-ku, Osaka-shi	Single	August 28, 2018	Pass-through-type	1,338	0.8%	1,320	1,630	4.6%	90	89	2,083.41	2,060.47	98.9%
Major	A-044	S-FORT Fukushima La Luna	Kita-ku, Osaka-shi	Compact	August 28, 2018	Pass-through-type	896	0.6%	885	1,070	4.5%	48	48	1,473.04	1,473.04	100.0%
Σ	A-045	S-FORT Fukushima Libre	Fukushima-ku, Osaka-shi	Single	August 28, 2018	Pass-through-type	538	0.3%	537	643	4.7%	36	36	900.72	900.72	100.0%
	A-046	S-FORT Kamiyashiro	Meito-ku, Nagoya-shi	Single	August 28, 2018	Pass-through-type	429	0.3%	432	453	5.2%	42	36	1,029.42	882.36	85.7%
	A-047	S-RESIDENCE Miyanomori	Chuo-ku, Sapporo-shi	Family	August 28, 2018	Pass-through-type	660	0.4%	655	722	5.1%	22	22	1,954.81	1,954.81	100.0%
	A-048	S-FORT Higashi-Sapporo Nordo	Shiroishi-ku, Sapporo-shi	Compact	August 28, 2018	Pass-through-type	303	0.2%	304	334	5.6%	24	24	1,204.96	1,204.96	100.0%
	A-049	S-RESIDENCE Aoi	Higashi-ku, Nagoya-shi	Single	February 28, 2019	Pass-through-type	1,484	0.9%	1,460	1,800	4.7%	95	94	2,393.73	2,368.53	98.9%
	A-050	S-RESIDENCE Shiga Hondori	Kita-ku, Nagoya-shi	Single	March 29, 2019	Pass-through-type	1,150	0.7%	1,131	1,300	4.7%	88	83	2,217.60	2,091.77	94.3%
	A-051	S-FORT Kobe Ogawadori	Hyogo-ku, Kobe-shi	Single	March 29, 2019	Pass-through-type	599	0.4%	608	627	5.1%	46	46	1,322.64	1,322.64	100.0%
	A-052	S-FORT Sakuragawa Minami	Naniwa-ku, Osaka-shi	Single	August 26, 2019	Pass-through-type	1,056	0.6%	1,080	1,210	5.3%	100	97	2,458.43	2,383.14	96.9%
	A-053	S-FORT Fukushima EBIE	Fukushima-ku, Osaka-shi	Single	August 26, 2019	Pass-through-type	538	0.3%	547	625	5.0%	36	36	1,044.72	1,044.72	100.0%
	A-054	S-FORT Miyakojima Uchindai	Miyakojima-ku, Osaka-shi	Single	August 26, 2019	Pass-through-type	456	0.3%	463	486	4.4%	28	27	789.74	763.64	96.7%
	A-055	S-FORT Miyakojima KERS	Miyakojima-ku, Osaka-shi	Compact	August 26, 2019	Pass-through-type	342	0.2%	350	372	4.6%	20	20	720.69	720.69	100.0%
	A-056	S-FORT Oimazato-Nishi	Higashinari-ku, Osaka-shi	Single	August 26, 2019	Pass-through-type	331 557	0.2%	337	359	4.6%	29	27	643.77	599.50	93.1%
	A-057	S-RESIDENCE Chikusa	Chikusa-ku, Nagoya-shi	Single	August 26, 2019	Pass-through-type		0.3%	558	655	4.7%	44	41	1,003.97	936.76	93.3%
	A-058	S-FORT Sakurayama	Mizuho-ku, Nagoya-shi	Compact	August 26, 2019	Pass-through-type	766 530	0.5%	780	758	4.7%	59	57	1,794.42	1,733.22	96.6%
	A-059	S-FORT Sapporo N15 S-FORT Nangodori	Higashi-ku, Sapporo-shi Shiroishi-ku, Sapporo-shi	Compact	September 30, 2019	Pass-through-type	297	0.3%	556	565	5.3%	55	51	2,229.91	2,083.27	93.4%
	A-060 A-061	S-FORT Meinohama	Nishi-ku, Fukuoka-shi	Compact Single	August 26, 2019	Pass-through-type	482	0.2% 0.3%	304 485	325 535	5.7% 5.4%	31 50	31 47	1,191.66 1,364.28	1,191.66 1,224.96	100.0% 89.8%
	A-061 A-062	S-FORT Osaka Doshin	Kita-ku, Osaka-shi	Family	August 26, 2019	Pass-through-type	1,765	1.1%	1,790	1,910	4.3%	36	35	2,597.52	2,524.84	97.2%
	A-062 A-063	S-FORT Usaka Dosiiii	Naka-ku, Nagoya-shi	Compact	August 3, 2020 August 3, 2020	Pass-through-type	720	0.4%	731	736	4.5%	56	54	1,684,48	1,624.32	96.4%
	A-063 A-064	S-FORT Moriyama	Moriyama-ku, Nagoya-shi	Single	August 3, 2020 August 3, 2020	Pass-through-type Pass-through-type	460	0.4%	481	497	5.5%	54	54	1,590.84	1,529.72	96.4%
	A-065	S-FORT Jingu Minami	Atsuta-ku, Nagoya-shi	Single	August 3, 2020 August 3, 2020	Pass-through-type Pass-through-type	380	0.2%	399	459	5.8%	39	34	1,003.64	879.67	87.6%
	A-066	S-FORT Atsuta Rokuban	Atsuta-ku, Nagoya-shi	Single	November 30, 2020	Pass-through-type	734	0.5%	763	809	4.8%	57	54	1,637.41	1,558.36	95.2%
	A-067	S-FORT Kitachikusa	Chikusa-ku, Nagoya-shi	Compact	November 30, 2020	Pass-through-type	662	0.4%	690	744	4.8%	40	38	1,600.00	1,520.00	95.0%
	A-068	S-FORT Saikotori	Atsuta-ku, Nagoya-shi	Family	November 30, 2020	Pass-through-type	395	0.2%	410	400	5.1%	24	24	1,463.48	1,463.48	100.0%
	A-069	S-FORT Fukuzumi	Toyohira-ku, Sapporo-shi	Compact	November 30, 2020	Pass-through-type	310	0.2%	324	318	5.2%	29	29	1,151.44	1,151.44	100.0%
	A-070	S-FORT Muromi	Sawara-ku, Fukuoka-shi	Single	November 30, 2020	Fixed-rent-type (Pass-through- type only for parking lot)	665	0.4%	682	727	5.2%	87	87	1,848.00	1,848.00	100.0%

# Portfolio List (As of July 31, 2023) (2)

<u> </u>																
Area	Property No.		Location	Room Type (Average area based)	Acquisition period	ML type	Acquisition price (million ven)	Investment ratio	Balance sheet amount at end of period (million yen)	Appraisal value (million ven)		No. of rentable units (unit)		Total rentable area (m²)	Leased area (m²)	Occupancy rate
	A-071	S-FORT Atsuta Hanacho	Atsuta-ku, Nagoya-shi	Compact	May 31, 2021	Pass-through-type	836	0.5%	867	922	4.5%	36	33	1,510.56	1,385.12	91.7%
	A-072	S-FORT Horitatori	Mizuho-ku, Nagoya-shi	Single	May 31, 2021	Pass-through-type	487	0.3%	517	541	4.9%	35	31	1,030.40	912.21	88.5%
	A-073	S-FORT Kego Tower	Chuo-ku, Fukuoka-shi	Compact	August 3, 2021	Pass-through-type	4,320	2.7%	4,423	4,570	4.3%	130	127	7,415.36	7,246.18	97.7%
	A-074	S-RESIDENCE Aoi II	Higashi-ku, Nagoya-shi	Compact	August 3, 2021	Pass-through-type	1,820	1.1%	1,896	2,030	4.6%	95	94	3,215.72	3,190.20	99.2%
	A-075	S-FORT Meiekiminami 5-Chome	Nakamura-ku, Nagoya-shi	Compact	August 3, 2021	Pass-through-type	684	0.4%	710	746	4.4%	41	35	1,450.31	1,226.13	84.5%
	A-076	S-FORT Hakozaki Higashi	Higashi-ku, Fukuoka-shi	Compact	August 3, 2021	Pass-through-type	680	0.4%	706	724	5.4%	66	65	2,360.60	2,328.04	98.6%
	A-077	S-RESIDENCE Meiekiminami	Nakamura-ku, Nagoya-shi	Single	August 3, 2021	Pass-through-type	665	0.4%	689	718	4.2%	44	43	1,072.06	1,047.44	97.7%
	A-078	S-FORT Kanayama	Nakagawa-ku, Nagoya-shi	Compact	August 3, 2021	Pass-through-type	612 545	0.4%	635	636	4.6%	44	44	1,380.28	1,380.28	100.0%
	A-079 A-080	S-FORT Izumi Chuo S-RESIDENCE Soen EAST	Izumi-ku, Sendai-shi Chuo-ku, Sapporo-shi	Compact	August 3, 2021	Pass-through-type	477	0.3%	566	586 521	5.7%	40 45	40	2,159.25 1,500.45	2,159.25	100.0%
	A-080 A-081	S-FORT Yagoto	Tempaku-ku, Nagoya-shi	Compact Single	August 3, 2021	Pass-through-type	442	0.3%	510 464	456	5.0% 4.8%	45	45 40	1,500.45	1,500.45 974.80	95.2%
S	A-081 A-082	S-FORT Sapporo Kita 5-Jo	Chuo-ku, Sapporo-shi	Compact	August 3, 2021	Pass-through-type Pass-through-type	405	0.3%	437	426	5.3%	48	40	1,643.20	1,608.36	97.9%
iţi	A-082	S-FORT Sapporo Motomachi	Higashi-ku, Sapporo-shi	Compact	August 3, 2021 August 3, 2021	Pass-through-type	385	0.2%	415	432	5.3%	33	32	1,363.97	1,326.34	97.2%
ī	A-084	S-RESIDENCE Joshin II	Nishi-ku, Nagoya-shi	Single	November 30, 2021	Pass-through-type	787	0.5%	820	899	5.0%	58	57	1,486.62	1,461.36	98.3%
na	A-085	S-RESIDENCE Sengencho	Nishi-ku, Nagoya-shi	Single	November 30, 2021	Pass-through-type	443	0.3%	472	524	4.9%	36	34	843.75	796.95	94.5%
je	A-086	S-FORT Taisho riviere	Taisho-ku, Osaka-shi	Single	February 28, 2022	Pass-through-type	1,000	0.6%	1,047	1,020	4.1%	66	66	1,524.60	1,524.60	100.0%
Re	A-087	S-RESIDENCE	Fushimi-ku, Kyoto-shi	Single			2,235	1.4%	2,361	2,300	5.1%	185	185	3,233.80	3,233.80	100.0%
/ajor	A-087	Kyoto Takeda Dormitory S-RESIDENCE	Chuo-ku, Sapporo-shi	Compact	August 2, 2022 August 2, 2022	Fixed-rent-type Pass-through-type	1,421	0.9%	1,489	1,430	4.7%	89	89	3,344.79	3,344.79	100.0%
_		Maruyama Omotesando														
	A-089	S-RESIDENCE Soen S-FORT Sakuragawa	Chuo-ku, Sapporo-shi	Compact	August 2, 2022	Pass-through-type	1,081 743	0.7%	1,145	1,090	4.9%	51	51	3,007.01	3,007.01	100.0%
	A-090 A-091	S-FORT Bentencho	Naniwa-ku, Osaka-shi	Compact	August 2, 2022	Pass-through-type	607	0.5%	766	756	4.5% 4.5%	33	32 49	1,300.10	1,265.13	97.3% 98.0%
		S-RESIDENCE	Minato-ku, Osaka-shi	Single	August 2, 2022	Pass-through-type		0.4%	631	610		50		1,231.50	1,206.87	
	A-092 A-093	Kindaibijutsukan-mae S-RESIDENCE Meieki	Chuo-ku, Sapporo-shi Nishi-ku, Nagoya-shi	Compact Single	August 2, 2022 August 2, 2022	Pass-through-type	594 522	0.4%	639 546	595 543	4.7%	40 32	38	1,531.93 788.00	1,454.77 738.95	95.0% 93.8%
	A-094	S-FORT Joshin	Nishi-ku, Nagoya-shi	Single	August 2, 2022	Pass-through-type Pass-through-type	522	0.3%	547	528	4.4%	37	37	1,104,80	1,104.80	100.0%
	A-095	S-FORT Sakuranomiya	Miyakojima-ku, Osaka-shi	Single	August 2, 2022	Pass-through-type	512	0.3%	542	547	4.1%	32	32	795.64	795.64	100.0%
	A-096	S-RESIDENCE Horita	Mizuho-ku, Nagoya-shi	Single	August 2, 2022	Pass-through-type	475	0.3%	512	470	4.6%	36	35	885.96	861.42	97.2%
	A-097	S-FORT Tsukisamu	Toyohira-ku, Sapporo-shi	Compact	August 2, 2022	Pass-through-type	326	0.2%	358	344	5.0%	34	34	1,135.05	1,135.05	100.0%
	A-098	S-RESIDENCE Minamimaruyama	Chuo-ku, Sapporo-shi	Family	May 8, 2023	Pass-through-type	410	0.3%	441	433	5.0%	13	13	1,102.05	1,102.05	100.0%
	B-003	S-FORT Yokkaichi Motomachi	Yokkaichi-shi, Mie	Compact	July 1, 2015	Pass-through-type	480	0.3%	445	639	6.9%	54	53	1,691.28	1,660.83	98.2%
	B-004	S-FORT Suzuka	Suzuka-shi, Mie	Compact	July 1, 2015	Pass-through-type	580	0.4%	607	698	6.7%	69	67	2,286.69	2,225.79	97.3%
	B-005	S-RESIDENCE Esaka	Suita-shi, Osaka	Single	August 2, 2016	Pass-through-type	2,323	1.4%	2,235	2,880	4.9%	138	129	3,739.30	3,531.04	94.4%
	B-006	S-FORT Utsunomiya	Utsunomiya-shi, Tochigi	Compact	August 2, 2016	Pass-through-type	612	0.4%	591	768	5.8%	52	51	2,330.64	2,286.21	98.1%
	B-007	S-FORT Yokkaichi Nishi Shinchi	Yokkaichi-shi, Mie	Compact	August 2, 2016	Pass-through-type	630	0.4%	620	801	6.6%	60	55	2,192.48	1,979.48	90.3%
	B-008	S-FORT Saga Honjo	Saga-shi, Saga	Compact	August 2, 2016	Fixed-rent-type	1,050	0.6%	995	1,180	5.8%	127	127	4,972.84	4,972.84	100.0%
	B-009	S-FORT Saga Idaimae	Saga-shi, Saga	Compact	August 2, 2016	Fixed-rent-type	375	0.2%	388	450	6.5%	46	46	1,507.35	1,507.35	100.0%
	B-010	S-FORT Nishinomiya	Nishinomiya-shi, Hyogo	Single	February 1, 2018	Pass-through-type	1,412	0.9%	1,405	1,670	5.2%	102	99	2,887.26	2,794.96	96.8%
	B-011	S-FORT Nishinomiya Uegahara	Nishinomiya-shi, Hyogo	Single	February 1, 2018	Pass-through-type	789	0.5%	778	914	4.9%	62	62	1,546.28	1,546.28	100.0%
	B-012	S-FORT Mito Chuo	Mito-shi, Ibaraki	Family	February 1, 2018	Pass-through-type	1,807	1.1%	1,855	2,340	5.5%	80	80	6,503.80	6,503.80	100.0%
	B-013	S-FORT Tsu Shinmachi	Tsu-shi, Mie	Compact	February 1, 2018	Pass-through-type	767	0.5%	763	852	5.9%	69	65	2,463.30	2,320.50	94.2%
	B-014	S-FORT Mie Daigaku-mae S-FORT Takasagomachi	Tsu-shi, Mie	Compact	February 1, 2018	Pass-through-type	599 1,015	0.4%	598	645	5.8%	62	62	1,874.88	1,874.88	100.0%
	B-015 B-016	S-FORT Takasagomachi S-FORT Oita Ekimae	Oita-shi, Oita Oita-shi, Oita	Compact	February 1, 2018	Pass-through-type	904	0.6%	985 879	1,100 975	5.5%	92 91	87 91	3,588.84	3,316.02	92.4%
es	B-016 B-017	S-FORT Oita Ekillide S-FORT Oita Otemachi	Oita-shi, Oita	Single Single	February 1, 2018	Fixed-rent-type	277	0.6%	277	318	5.6%	35	35	2,662.36 905.80	2,662.36 905.80	100.0%
: <u>:</u>	B-017 B-018	S-FORT Suizenii	Chuo-ku, Kumamoto-shi	Compact	February 1, 2018 February 1, 2018	Fixed-rent-type Pass-through-type	1,332	0.2%	1,334	1,360	5.2%	119	113	4,256.91	4,070.59	95.6%
ها	B-019	S-FORT Kumadaibyoin-mae	Chuo-ku, Kumamoto-shi	Compact	February 1, 2018	Pass-through-type	1,125	0.7%	1,087	1,110	5.1%	99	92	3,458.07	3,217.83	93.1%
<u>ioi</u>	B-021	S-FORT Esaka Tarumicho	Suita-shi, Osaka	Single	August 28, 2018	Pass-through-type	774	0.5%	759	908	4.9%	48	46	1,267.30	1,211.18	95.6%
Seg_	B-022	S-FORT Niigata Honcho	Chuo-ku, Niigata-shi	Compact	August 28, 2018	Pass-through-type	960	0.6%	968	1,060	5.5%	83	76	2,604.25	2,384.09	91.5%
- E	B-023	S-FORT Motohama	Naka-ku, Hamamatsu-shi	Single	August 28, 2018	Pass-through-type	239	0.1%	244	259	5.7%	34	28	1,010.60	832.30	82.4%
Othe	B-024	S-FORT Kumamoto Gofukumachi	Chuo-ku, Kumamoto-shi	Compact	March 29, 2019	Pass-through-type	599	0.4%	655	604	5.2%	54	46	2,290.68	1,945.68	84.9%
	B-025	S-FORT Esaka Salita	Suita-shi, Osaka	Single	August 26, 2019	Pass-through-type	417	0.3%	424	439	4.6%	30	30	755.40	755.40	100.0%
	B-026	S-FORT Esaka LIBERTS	Suita-shi, Osaka	Single	August 26, 2019	Pass-through-type	340	0.2%	352	359	4.7%	24	24	613.08	613.08	100.0%
	B-027	S-FORT Otsukawa	Handa-shi, Aichi	Compact	August 26, 2019	Pass-through-type	657	0.4%	665	689	6.0%	63	59	3,250.36	3,032.40	93.3%
	B-028	S-FORT Saga Tenjin	Saga-shi, Saga	Compact	August 26, 2019	Pass-through-type	738	0.5%	761	785	5.9%	72	68	2,895.36	2,723.10	94.1%
	B-029	S-FORTNagasaki Daigaku Byoin-mae	Nagasaki-shi, Nagasaki	Compact	August 26, 2019	Pass-through-type	1,340	0.8%	1,328	1,470	5.8%	110	109	3,721.97	3,682.97	99.0%
	B-030	S-FORT Kumamoto Keitoku	Chuo-ku, Kumamoto-shi	Compact	August 26, 2019	Pass-through-type	454	0.3%	461	453	4.9%	38	36	1,582.77	1,499.82	94.8%
	B-031	S-FORT Shizuoka Tennocho	Aoi-ku, Shizuoka-shi	Single	February 3, 2020	Pass-through-type	969	0.6%	1,088	1,060	5.7%	90	86	2,649.60	2,515.29	94.9%
	B-032 B-033	S-FORT Konan Umekage I S-FORT Esaka Koen	Konan-shi, Shiga	Compact	August 3, 2020	Fixed-rent-type	1,465 1,260	0.9%	1,482 1,282	1,650 1,320	7.3% 4.3%	181 55	181 55	5,813.49 1,869.20	5,813.49 1,869.20	100.0%
	B-033 B-034	S-FORT Oita Kotobukimachi	Suita-shi, Osaka Oita-shi, Oita	Compact	August 3, 2020 August 3, 2020	Pass-through-type	732	0.8%	741	786	5.8%	82	79	3.067.08	2,918,58	95.2%
	B-034 B-035	S-FORT Hotakubo	Chuo-ku, Kumamoto-shi	Compact	August 3, 2020 August 3, 2020	Pass-through-type Pass-through-type	593	0.4%	607	608	5.8%	79	79	3,040.33	2,918.58	95.2%
		S-FORT Kumamoto Kenritsu					426									
	B-036	Daigaku-mae	Higashi-ku, Kumamoto-shi	Compact	November 30, 2020	Pass-through-type	426	0.3%	481	429	5.6%	48	48	1,495.20	1,495.20	100.0%

# Portfolio List (As of July 31, 2023) (3)

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Area	Property No.	Property Name	Location	Room Type (Average area based)	Acquisition period	ML type	Acquisition price (million yen)	Investment ratio	Balance sheet amount at end of period (million ven)	Appraisal value (million ven)	Appraisal NOI yield	No. of rentable units (unit)	No. of leased units (unit)	Total rentable area (m²)	Leased area (m²)	Occupancy rate
	B-037	S-FORT Kasugai	Kasugai-shi, Aichi	Family	May 31, 2021	Pass-through-type	464	0.3%	484	507	5.7%	37	36	2,398.34	2,330.24	97.2%
	B-038	S-FORT Kokura	Kokurakita-ku, Kitakyushu-shi	Compact	August 3, 2021	Pass-through-type	1,400	0.9%	1,440	1,450	5.3%	122	111	5,006.68	4,549.24	90.9%
	B-039	S-FORT Niigata Ekimae	Chuo-ku, Niigata-shi	Compact	August 3, 2021	Pass-through-type	1,395	0.9%	1,461	1,460	5.3%	94	87	3,303.57	3,041.77	92.1%
	B-040	S-FORT Takasaki	Takasaki-shi, Gunma	Family	August 3, 2021	Pass-through-type	1,098	0.7%	1,147	1,120	5.2%	48	43	3,775.68	3,391.60	89.8%
	B-041	S-FORT Yokkaichi arcam	Yokkaichi-shi, Mie	Family	August 3, 2021	Pass-through-type	823	0.5%	869	850	5.0%	42	41	2,604.42	2,542.41	97.6%
	B-042	S-FORT Kagoshima Chuo	Kagoshima-shi, Kagoshima	Compact	August 3, 2021	Pass-through-type	787	0.5%	820	797	5.1%	64	62	2,260.21	2,184.17	96.6%
	B-043	S-FORT Heisei Keyakidori	Minami-ku, Kumamoto-shi	Compact	August 3, 2021	Pass-through-type	755	0.5%	794	788	5.9%	90	87	3,699.42	3,571.88	96.6%
es	B-044	S-FORT Yokkaichi zeal	Yokkaichi-shi, Mie	Compact	August 3, 2021	Pass-through-type	612	0.4%	647	627	5.0%	42	42	1,876.98	1,876.98	100.0%
l citi	B-045	S-FORT Utsunomiya Minamiodori	Utsunomiya-shi, Tochigi	Compact	November 30, 2021	Pass-through-type	1,309	0.8%	1,376	1,370	5.0%	70	66	3,258.30	3,042.00	93.4%
e Lo	B-046	S-FORT Ichinomiya Honmachi	Ichinomiya-shi, Aichi	Single	February 25, 2022	Pass-through-type	540	0.3%	585	613	5.3%	48	46	1,224.96	1,173.92	95.8%
.igi	B-047	S-RESIDENCE Senrioka	Settsu-shi, Osaka	Single	February 28, 2022	Pass-through-type	1,012	0.6%	1,070	1,170	4.8%	75	75	1,898.25	1,898.25	100.0%
& Se	B-048	S-RESIDENCE Takaida Central	Higashiosaka-shi, Osaka	Single	August 2, 2022	Pass-through-type	1,388	0.9%	1,479	1,510	5.3%	138	138	3,220.54	3,220.54	100.0%
er	B-049	S-RESIDENCE Sakaishi Ekimae	Kita-ku, Sakai-shi	Single	August 2, 2022	Pass-through-type	906	0.6%	957	978	4.8%	84	84	1,985.52	1,985.52	100.0%
눌	B-050	S-FORT Niigata Sasaguchi	Chuo-ku, Niigata-shi	Single	August 2, 2022	Pass-through-type	720	0.4%	791	742	5.1%	59	59	1,762.61	1,762.61	100.0%
	B-051	S-RESIDENCE Yokkaichi Motomachi	Yokkaichi-shi, Mie	Single	August 2, 2022	Pass-through-type	720	0.4%	776	757	5.3%	60	59	1,497.48	1,472.26	98.3%
	B-052	S-FORT Kagoshima Ekimae Bayside	Kagoshima-shi, Kagoshima	Compact	August 2, 2022	Pass-through-type	672	0.4%	716	719	5.2%	60	59	1,990.92	1,956.30	98.3%
	B-053	S-RESIDENCE Ichinomiya Ekimae	Ichinomiya-shi, Aichi	Single	August 2, 2022	Pass-through-type	650	0.4%	693	711	5.0%	55	52	1,311.75	1,240.20	94.5%
	B-054	S-FORT Esaka Fiore	Suita-shi, Osaka	Compact	August 2, 2022	Pass-through-type	489	0.3%	514	493	4.4%	28	27	868.84	837.81	96.4%
	B-055	S-RESIDENCE Kachigawa Ekimae	Kasugai-shi, Aichi	Single	June 30, 2023	Pass-through-type	1,168	0.7%	1,256	1,200	5.3%	101	75	2,761.34	2,050.50	74.3%
	C-001	S-FORT Maita Koen	Minami-ku, Yokohama-shi	Single	April 15, 2015	Pass-through-type	987	0.6%	910	1,260	5.0%	70	69	1,607.40	1,587.15	98.7%
	C-002	S-FORT Nihombashi Hakozaki	Chuo-ku, Tokyo	Compact	July 1, 2015	Pass-through-type	925	0.6%	992	1,180	4.6%	36	35	1,114.38	1,076.47	96.6%
	C-004	S-FORT Shiomi	Koto-ku, Tokyo	Single	July 1, 2015	Pass-through-type	866	0.5%	823	1,090	5.0%	52	50	1,042.48	1,002.46	96.2%
	C-006	S-FORT Shonan Hiratsuka	Hiratsuka-shi, Kanagawa	Single	July 1, 2015	Pass-through-type	818	0.5%	788	1,110	5.8%	66	66	1,717.46	1,717.46	100.0%
	C-007	S-FORT Nishifunabashi	Funabashi-shi, Chiba	Single	July 1, 2015	Pass-through-type	732	0.4%	693	889	5.2%	47	44	1,397.64	1,285.55	92.0%
	C-008	S-FORT Maihama	Urayasu-shi, Chiba	Single	July 1, 2015	Pass-through-type	1,130	0.7%	1,136	1,430	5.3%	83	80	1,726.56	1,664.08	96.4%
	C-009	S-FORT Ichikawa	Ichikawa-shi, Chiba	Single	July 1, 2015	Pass-through-type	809	0.5%	845	916	4.9%	51	51	1,255.90	1,255.90	100.0%
	C-010	S-RESIDENCE Yokosuka Chuo	Yokosuka-shi, Kanagawa	Compact	August 2, 2016	Fixed-rent-type	850	0.5%	808	1,010	6.0%	25	25	1,492.09	1,492.09	100.0%
	C-012	S-FORT Hoya	Nishitokyo-shi, Tokyo	Single	February 1, 2018	Fixed-rent-type	645	0.4%	634	929	5.8%	60	60	1,177.94	1,177.94	100.0%
	C-013	S-FORT Tamagawagakuen-mae	Machida-shi, Tokyo	Single	February 1, 2018	Pass-through-type	587 520	0.4%	589	704	4.6%	45	45	978.75	978.75	100.0%
-	C-014 C-015	S-FORT Tsurukawa S-RESIDENCE	Machida-shi, Tokyo Kanagawa-ku, Yokohama-shi	Family Single	February 1, 2018 February 1, 2018	Pass-through-type Fixed-rent-type	627	0.3%	570 616	696 789	5.3% 5.0%	30 36	29 36	1,886.70 772.38	1,823.81 772.38	96.7% 100.0%
		Yokohama Tanmachi														
	C-016	S-FORT Chigasaki	Chigasaki-shi, Kanagawa	Compact	February 1, 2018	Pass-through-type	1,137	0.7%	1,124	1,290	4.8%	36	31	1,382.17	1,158.77	83.8%
	C-017	S-FORT Kawaguchi Namiki	Kawaguchi-shi, Saitama	Single	February 1, 2018	Pass-through-type	1,110	0.7%	1,097	1,260	4.7%	70	69	1,457.51	1,436.86	98.6%
-	C-018	S-FORT Todakoen S-FORT Funabashi Tsukada	Toda-shi, Saitama	Single	February 1, 2018	Pass-through-type	914 1,900	0.6%	900	1,080	4.9%	62	61	1,438.71	1,415.08	98.4%
e a	C-019 C-020	S-FORT Kashiwa	Funabashi-shi, Chiba	Compact Single	February 1, 2018	Fixed-rent-type	536	1.2% 0.3%	1,890 538	2,020 596	4.9% 4.9%	117 37	117 37	5,640.60 983.06	5,640.60 983.06	100.0% 100.0%
a -	C-020	S-FORT Fujimidai	Kashiwa-shi, Chiba Nakano-ku, Tokyo	Compact	February 1, 2018	Pass-through-type	1,150	0.3%	1,177	1,640	5.2%	61	60	2,054.86	2,017.13	98.2%
8	C-021	S-RESIDENCE Matsudo	Matsudo-shi, Chiba	Single	August 28, 2018 November 26, 2018	Pass-through-type Pass-through-type	840	0.7%	831	990	4.7%	52	52	1,180.53	1,180.53	100.0%
è	C-022	S-RESIDENCE Motoyawata	Ichikawa-shi, Chiba	Single	March 29, 2019	Fixed-rent-type	1,678	1.0%	1,671	1,950	4.7%	100	100	2,180.26	2,180.26	100.0%
e .	C-024	S-FORT Kinshicho	Sumida-ku, Tokyo	Single	August 26, 2019	Pass-through-type	1,510	0.9%	1,530	1,740	4.6%	93	91	1,956.87	1,916.51	97.9%
eat	C-025	S-FORT Komazawa Daigaku	Setagaya-ku, Tokyo	Compact	August 26, 2019	Pass-through-type	528	0.3%	534	589	3.9%	16	16	536.60	536.60	100.0%
	C-026	S-FORT Yokohama Aobadai	Aoba-ku, Yokohama-shi	Family	August 26, 2019	Pass-through-type	5,400	3.3%	5,436	5,860	4.2%	153	152	9,274.43	9,198.32	99.2%
	C-027	S-FORT Aoba Shiratoridai	Aoba-ku, Yokohama-shi	Compact	August 26, 2019	Pass-through-type	846	0.5%	874	897	4.7%	37	36	2,179.25	2,124.00	97.5%
	C-028	S-FORT Kawasaki Shinmeicho	Saiwai-ku, Kawasaki-shi	Compact	August 26, 2019	Pass-through-type	609	0.4%	613	684	4.4%	32	32	994.63	994.63	100.0%
	C-029	S-FORT Motoyawata Mairie	Ichikawa-shi, Chiba	Single	August 26, 2019	Pass-through-type	678	0.4%	684	725	4.3%	40	36	826.18	743.52	90.0%
	C-030	S-FORT Funabashi roots	Funabashi-shi, Chiba	Single	July 31, 2020	Pass-through-type	815	0.5%	830	841	4.5%	59	57	1,201.50	1,160.80	96.6%
	C-031	S-FORT Tama-plaza	Miyamae-ku, Kawasaki-shi	Compact	August 3, 2020	Pass-through-type	648	0.4%	659	714	4.5%	29	28	1,367.88	1,322.78	96.7%
	C-032	S-FORT Odawara	Odawara-shi, Kanagawa	Single	August 3, 2020	Pass-through-type	613	0.4%	622	653	5.3%	49	47	1,279.24	1,225.86	95.8%
	C-033	S-FORT Nakaitabashi	Itabashi-ku, Tokyo	Single	August 3, 2021	Pass-through-type	3,365	2.1%	3,438	3,500	3.9%	141	136	3,946.25	3,801.53	96.3%
	C-034	S-FORT Kameido	Koto-ku, Tokyo	Family	August 3, 2021	Pass-through-type	1,248	0.8%	1,285	1,340	4.3%	35	34	2,577.48	2,504.45	97.2%
	C-035	S-FORT Gyotoku	Ichikawa-shi, Chiba	Single	August 3, 2021	Pass-through-type	919	0.6%	947	988	4.1%	50	48	1,283.80	1,233.84	96.1%
	C-036	S-FORT Funabashi Kaijin	Funabashi-shi, Chiba	Single	August 3, 2021	Pass-through-type	898	0.6%	929	952	4.3%	64	63	1,512.96	1,489.32	98.4%
	C-037	S-FORT Funabashi Honcho	Funabashi-shi, Chiba	Single	August 3, 2021	Pass-through-type	768	0.5%	792	815	4.6%	50	48	1,235.10	1,185.74	96.0%
	C-038	S-FORT Hachioji	Hachioji-shi, Tokyo	Single	August 3, 2021	Pass-through-type	462	0.3%	486	491	5.1%	46	42	1,049.43	962.23	91.7%
	C-039	S-RESIDENCE Kitasenju reiz	Adachi-ku, Tokyo	Compact	February 28, 2022	Pass-through-type	1,200	0.7%	1,244	1,270	4.0%	46	46	1,432.67	1,432.67	100.0%
	C-040	S-FORT Odawara Sakaecho	Odawara-shi, Kanagawa	Single	August 2, 2022	Pass-through-type	484	0.3%	510	496	5.1%	40	38	1,003.20	953.04	95.0%
	C-041	S-FORT Omori Sanno	Shinagawa-ku, Tokyo	Single	June 30, 2023	Pass-through-type	361	0.2%	374	372	3.8%	15	14	404.91	382.47	94.5%
	C-042	S-FORT Kamiikedai	Ota-ku, Tokyo	Single	June 30, 2023	Pass-through-type	353	0.2%	367	357	3.9%	14	10	386.02	261.52	67.7%
						Total 178 properties	162,783	100.0%	164,629	184,591	5.0%	11,142	10,786	376,845.03	364,555.23	96.7%

# **Balance Sheet**

Investment unit issuance expenses Investment corporation bond issuance

Total deferred assets

Total assets

(Unit:	thousand	yen)
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					(Unit: thousand yen)
	15th fiscal period (as of January 31, 2023)	16th fiscal period (as of July 31, 2023)		15th fiscal period (as of January 31, 2023)	16th fiscal period (as of July 31, 2023)
Assets			Liabilities		
Current assets			Current liabilities		
Cash and deposits	3,185,547	3,617,126	Operating accounts payable	463,360	641,878
Cash and deposits in trust	2,478,881	2,455,340	Current portion of long-term borrowings	11,450,000	11,800,000
Operating accounts receivable	16,939	24,140	Accounts payable - other	109,061	110,527
Prepaid expenses	206,059	215,109	Accrued expenses	5,226	4,765
Consumption tax receivable	61,624	-	Distributions payable	16,147	15,964
Other	4,662	3,198	Consumption taxes payable	-	96,161
Total-current assets	5,953,716	6,314,915	Income taxes payable	984	712
Non-current assets			Advances received	825,754	841,502
Property, plant and equipment			Deposits received	16,867	17,078
Buildings	11,747,842	11,564,830	Total current liabilities	12,887,403	13,528,590
Structures	8,641	6,104	Non-current liabilities		
Machinery and equipment	28,596	27,525	Investment corporation bonds	4,600,000	4,600,000
Tools, furniture and fixtures	36,457	39,610	Long-term borrowings	69,250,000	68,750,000
Land	13,591,916	13,664,715	Leasehold and guarantee deposits received	92,610	90,779
Buildings in trust	63,729,564	63,386,412	Leasehold and guarantee deposits received in trust	510,752	502,077
Structures in trust	9,128	8,453	Total non-current liabilities	74,453,362	73,942,857
Machinery and equipment in trust	612,135	603,445	Total liabilities	87,340,765	87,471,448
Tools, furniture and fixtures in trust	170,597	185,307	Net assets		
Land in trust	75,024,593	75,142,697	Unitholders' equity		
Total property, plant and equipment	164,959,475	164,629,103	Unitholders' capital	84,710,081	84,710,081
Intangible fixed assets			Deduction from unitholders' capital	(2,599,022)	(2,878,317)
Software	1,293	836	Unitholders' capital, net	82,111,059	81,831,763
Total intangible fixed assets	1,293	836	Surplus		
Investment and other assets			Unappropriated retained earnings (undisposed loss)	2,030,240	2,149,006
Deferred tax assets	18	5	Total surplus	2,030,240	2,149,006
Lease and guarantee deposits	11,699	11,745	Total unitholders' equity	84,141,299	83,980,770
Long-term prepaid expenses	469,422	426,158	Total net assets	84,141,299	83,980,770
Total investment and other assets	481,140	437,909	Total liabilities and net assets	171,482,065	171,452,218
Total non-current assets	165,441,909	165,067,849			
Deferred asset					

29,331

40,122

69,453

171,452,218

41,810

44,629

86,439

171,482,065

# **Statement of Income**

(Unit:	thousand	yen)	
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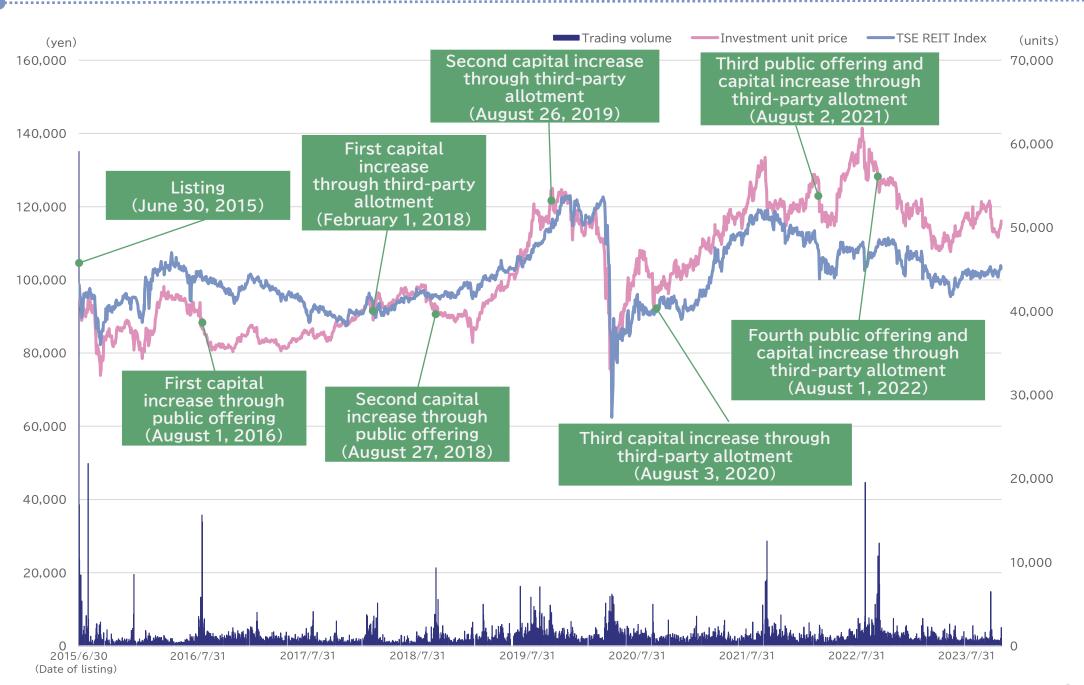
		(Unit: thousand yen)
	15th fiscal period (From August 1, 2022 to January 31, 2023)	16th fiscal period (From February 1, 2023 to July 31, 2023)
Operating revenue		
Leasing business revenue	5,057,516	5,077,503
Other leasing business revenue	402,742	487,703
Gain on sale of real estate properties	-	257,527
Total operating revenue	5,460,258	5,822,734
Operating expenses		
Expenses related to leasing business	2,230,331	2,446,749
Asset management fees	424,135	461,586
Asset custody fees	7,551	8,092
Administrative service fees	55,050	49,590
Remuneration for directors (and other officers)	3,060	3,060
Audit fees	15,900	16,200
Other operating expenses	186,425	205,292
Total operating expenses	2,922,454	3,190,571
Operating income	2,537,803	2,632,163
Non-operating income		
Interest income	11	15
Interest on tax refund	-	182
Reversal of distribution payable	3,070	2,418
Other	-	6
Total non-operating income	3,082	2,622
Non-operating expenses		
Interest expenses	331,815	338,798
Interest expenses on investment corporation bonds	18,027	17,323
Financing fees	140,817	112,122
Amortization of investment unit issuance expenses	13,070	12,478
Amortization of investment corporation bond issuance costs	5,877	4,506
Other	343	342
Total non-operating expenses	509,952	485,573
Ordinary income	2,030,933	2,149,212
Income before income taxes	2,030,933	2,149,212
Income taxes - current	988	716
Income taxes - deferred	(0)	13
Total income taxes	987	729
Net income	2,029,946	2,148,483
Retained earnings brought forward	293	523
Unappropriated retained earnings (undisposed loss) (-)	2,030,240	2,149,006

# **Statement of Cash Flows**

(Unit: thousand yen)

					(Unit: thousand yen)
	15th fiscal period (From Aug. 1, 2022 to Jan. 31, 2023)	16th fiscal period (From Feb. 1, 2023 to July 31, 2023)		15th fiscal period (From Aug. 1, 2022 to Jan. 31, 2023)	16th fiscal period (From Feb. 1, 2023 to July 31, 2023)
Cash flows from operating activities			Cash flows from investing activities		
Income before income taxes	2,030,933	2,149,212	Purchase of property, plant and equipment	(3,790,168)	(1,278,557)
Depreciation	1,086,266	1,097,006	Purchase of property, plant and equipment in trust	(12,831,339)	(1,459,473)
Interest income	(11)	(15)	Payments of leasehold and guarantee deposits	_	(85)
Interest expenses	349,842	356,122	Proceeds from return of leasehold and guarantee deposits	-	39
Amortization of investment unit issuance expenses	13,070	12,478	Refund of leasehold and guarantee deposits received	(5,602)	(14,501)
Amortization of investment corporation bond issuance costs	5,877	4,506	Proceeds from leasehold and guarantee deposits received	12,663	12,671
Decrease (increase) in operating accounts receivable	(4,854)	(7,200)	Refund of leasehold and guarantee deposits received in trust	(40,064)	(57,868)
Decrease (increase) in consumption taxes refund receivable	(61,624)	61,624	Proceeds from leasehold and guarantee deposits received in trust	52,826	49,194
Increase (decrease) in accrued consumption taxes	(119,656)	96,161	Net cash provided by (used in) investing activities	(16,601,685)	(2,748,581)
Decrease (increase) in prepaid expenses	(13,923)	(9,049)	Cash flows from financing activities		
Increase (decrease) in operating accounts payable	65,739	(90,794)	Proceeds from long-term borrowings	12,500,000	5,500,000
Increase (decrease) in accounts payable – other	3,473	1,465	Repayments of long-term borrowings	(5,035,000)	(5,650,000)
Increase (decrease) in advances received	71,379	15,747	Proceeds from issuance of investment corporation bonds	1,400,000	-
Decrease (increase) in long-term prepaid expenses	(49,965)	43,264	Redemption of investment corporation bonds	(1,000,000)	-
Decrease in property, plant and equipment due to sale	-	1,245,519	Payments of investment corporation bond issuance costs	(18,131)	-
Decrease in property, plant and equipment in trust due to sale	-	993,682	Proceeds from issuance of investment units	8,445,911	-
Other, net	40,660	1,219	Payments of investment unit issuance expenses	(24,630)	-
Subtotal	3,417,207	5,970,952	Distributions paid	(2,322,551)	(2,306,776)
Interest received	11	15	Net cash provided by (used in) financing activities	13,945,598	(2,456,776)
Interest paid	(351,268)	(356,583)	Net increase (decrease) in cash and cash equivalents	408,895	408,037
Income taxes paid	(968)	(988)	Cash and cash equivalents at beginning of period	5,255,534	5,664,429
Net cash provided by (used in) operating activities	3,064,982	5,613,395	Cash and cash equivalents at end of period	5,664,429	6,072,466

# Change in Investment Unit Price



(Note) "TSE REIT Index" is indexed based on the investment unit price as of the date of listing of Samty Residential Investment Corporation (June 30, 2015).

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