

**For Immediate Release**

Advance Residence Investment Corporation  
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Notice Concerning Acquisition of Investment Asset  
(RESIDIA Shirokane-Takanawa II and 10 other properties)

ITOCHU REIT Management Co., Ltd. (IRM), the asset management company to which Advance Residence Investment Corporation (ADR) entrusts the management of its assets, announced its decision today to have ADR acquire an asset located in Japan (hereafter, the “Acquisition”) as detailed below as part of ADR’s growth strategy.

1. Details of the Acquisition

IRM decided on the following acquisition pursuant to the target and policy of asset management as stipulated in the Articles of Incorporation of ADR, for steady increase in asset size and diversification and enhancement of the portfolio.

No.	Property Number	Name of the Asset-To-Be Acquired	Proposed Acquisition Price <sup>(Note1)</sup>	Building Age <sup>(Note2)</sup>	NOI Yield <sup>(Note3)</sup>	Yield after Depreciation <sup>(Note4)</sup>
(1)	T-182	RESIDIA Shirokane-Takanawa II	1,009 million yen	8.1 years	4.2%	3.6%
(2)	T-183	RESIDIA Meguro IV	1,853 million yen	7.7 years	4.2%	3.7%
(3)	T-184	RESIDIA Bunkyo Koishikawa II	1,772 million yen	7.0 years	4.2%	3.6%
(4)	T-185	RESIDIA Shinagawa Seaside	3,315 million yen	5.5 years	4.2%	3.5%
(5)	T-186.	Share Place Shimo-kitazawa	694 million yen	2.0 years	4.7%	3.9%
(6)	T-187	RESIDIA Ochanomizu III	1,279 million yen	6.8 years	4.2%	3.6%
(7)	T-188	RESIDIA Sangenjaya III	2,016 million yen	6.4 years	4.2%	3.6%
(8)	T-189	RESIDIA Sendagi	2,912 million yen	5.9 years	4.2%	3.5%

(9)	S-036	Tokyo Student-House Musashi-Kosugi	5,835 million yen	6.6 years	4.5%	3.6%
(10)	R-087	RESIDIA Kyudai- Gakkentoshi	1,048 million yen	3.5 years	5.1%	3.8%
(11)	R-088	RESIDIA Kyusandaimae	806 million yen	1.6 years	5.2%	3.6%
Total/Average <sup>(Note5)</sup>			22,539 million yen	6.1 years	4.4%	3.6%

(Note1) “Proposed Acquisition Price” refers to the purchase price written in the beneficiary transfer agreements for the Asset-To-Be-Acquired and does not include various expenses needed for the acquisition such as taxes and public dues.

(Note2) “Building Age” is the age of the building as of the date of this document and is rounded at the second decimal point.

(Note3) “NOI Yield” is calculated as follows: annualized NOI written in the appraisal document at the time of the acquisition of the asset-to-be-acquired and calculated using direct capitalization method / proposed acquisition price x 100. The calculated yield is rounded at the second decimal point.

(Note4) “Yield after Depreciation” is calculated as follows: (annualized NOI written in the appraisal document at the time of the acquisition of the asset-to-be-acquired and calculated using direct capitalization method – annual depreciation cost) / proposed acquisition price x 100. The calculated yield is rounded at the second decimal point. As is the case with the existing portfolio of ADR, the depreciation cost of the assets-to-be-acquired is calculated by ADR, using the straight-line method under certain assumptions, and estimated as below; T-182 RESIDIA Shirokane-Takanawa II: 5,808 thousand yen per annum, T-183 RESIDIA Meguro IV: 8,641 thousand yen per annum, T-184 RESIDIA Bunkyo Koishikawa II: 9,956 thousand yen per annum, T-185 RESIDIA Shinagawa Seaside: 21,865 thousand yen per annum, T-186 Share Place Shimo-kitazawa: 5,497 thousand yen per annum, T-187 RESIDIA Ochanomizu III: 8,255 thousand yen per annum, T-188 RESIDIA Sangenjaya III: 13,418 thousand yen per annum, T-189 RESIDIA Sendagi: 20,194 thousand yen per annum, S-036 Tokyo Student-House Musashi-Kosugi: 50,452 thousand yen per annum, R-087 RESIDIA Kyudai-Gakkentoshi: 13,955 thousand yen per annum, and R-088 RESIDIA Kyusandaimae: 12,793 thousand yen per annum.

(Note5) Building Age, NOI Yield, and Yield after Depreciation are weighted-average figures calculated by the Proposed Acquisition Price and rounded to the second decimal point.

In the real estate trading market, the supply of new, high-quality rental housing in good locations is limited, and the trading prices of properties in central metropolitan areas, where stable rental demand can be expected, continue to remain high, creating a difficult acquisition environment.

In this environment, ADR has decided to acquire properties located in Tokyo 23 Wards and Kawasaki City developed by IRM's sponsors, ITOCHU Corporation and ITOCHU Property Development, Ltd. as well as a recently built property located in Fukuoka City from a third party. The average Building Age of the Asset-To-Be-Acquired is 6.1 years, which is much lower than the average Building Age of the entire portfolio of 16.7 years<sup>(Note6)</sup> as of the end of July 2023.

(Note6) The Average Building Age for the entire portfolio is the weighted average Building Age of the properties in the portfolio, weighted by Acquisition Price and rounded to the second decimal place.

ADR has evaluated the characteristics of each property at the time of this acquisition as follows.

No.	Property Name	Property Characteristics
(1)	RESIDIA Shirokane-Takanawa II	Located an 8-minute walk from Shirokane-Takanawa Station on the Tokyo Metro Namboku Line and Toei Mita Line, the property has easy access to the Marunouchi and Otemachi areas, which are major business districts, and is therefore expected to enjoy broad demand from singles and DINKs who work in these areas.
(2)	RESIDIA Meguro IV	Located a 9-minute walk from Meguro Station on the JR Yamanote Line and other lines, the property has easy access to terminal stations such as Shinjuku and Shibuya, and is expected to attract a wide range of demand from singles and families who work in the area.
(3)	RESIDIA Bunkyo Koishikawa II	Located a 5-minute walk from Korakuen Station on the Tokyo Metro Marunouchi Line and Namboku Line, and a 5-minute walk from Kasuga Station on the Toei Mita Line, both stations provide easy access to the Marunouchi and Otemachi areas, which are major business districts, and therefore, a wide range of demand is expected, including single working people, DINKs, and families working in these areas. Therefore, a wide range of demand is expected, including singles, DINKs, and families working in the area.
(4)	RESIDIA Shinagawa Seaside	The property is a 4-minute walk from Aomono-Yokocho Station on the Keihin Kyuko Main Line, a stop on the limited express and express train lines, and as Shinagawa Station, a terminal station, is easily accessible from the station, solid demand from single persons working in the area is expected. In addition, there is a convenience store on the first floor of the property, making it convenient for daily life.
(5)	Share Place Shimo-Kitazawa	Located a 4-minute walk from Ikenoue Station on the Keio Inokashira Line and a 5-minute walk from Shimokitazawa Station on the Odakyu and Keio Inokashira Lines, this dormitory for working people is also equipped with a work lounge in the common area of the property, so it can expect diverse demand from single people working at Shibuya and Shinjuku stations as well as freelance IT engineers. The property is located in the Shimokitazawa Station area. The area around Shimokitazawa Station is also conveniently located with supermarkets, convenience stores, drugstores, etc.
(6)	RESIDIA Ochanomizu III	Located a 6-minute walk from Suehirocho Station on the Tokyo Metro Ginza Line and a 7-minute walk from Akihabara Station on the JR Yamanote Line and Ochanomizu Station on the Tokyo Metro Marunouchi Line, the station provides easy access to the Marunouchi and Otemachi areas and Shinbashi Station, which are major business areas, and is therefore expected to attract a wide range of single persons and DINKs working in these areas. Therefore, the property is expected to attract a wide range of demand from singles and DINKs who work in the area.
(7)	RESIDIA Sangenjaya III	Located a 6-minute walk from Sangenjaya Station on the Tokyu Denentoshi Line, the property has easy access to Shibuya Station, a terminal station, and can expect demand from singles, DINKs, and families who work in the area. In addition, the property has a convenience store on the first floor, making it convenient for daily life.
(8)	RESIDIA Sendagi	Located a 3-minute walk from Sendagi Station on the Tokyo Metro Chiyoda Line, the property has easy access to the Marunouchi and Otemachi areas, which are major business areas, and can expect demand from singles, DINKs, and families who work in the area. In addition, the property has a supermarket on the first floor, making it convenient for daily life.

(9)	Tokyo Student-House Musashi-Kosugi	Located a 14-minute walk from Musashi Kosugi Station on the JR Yokosuka Line, this student dormitory with meals is expected to be in demand by students commuting to Keio University (Hiyoshi Campus), Aoyama Gakuin University (Aoyama Campus), Temple University and other schools.
(10)	RESIDIA Kyudai-Gakkentoshi	The dormitory is a 4-minute walk from Kyudai-Gakkentoshi Station on the JR Chikuh Line and about 15 minutes by bus to Kyushu University Ito Campus, and as it is a student dormitory with meals, demand from students commuting to Kyushu University can be expected.
(11)	RESIDIA Kyusandaimae	This student dormitory with meals is located a 16-minute walk from Kashii Station on the JR Kagoshima Main Line, an 18-minute walk from Kyusandaimae Station on the same line, a 10-minute walk from the main gate of Kyushu Sangyo University, and a 15-minute walk from the main gate of Fukuoka Women's University, so demand from students attending Kyushu Sangyo University and Fukuoka Women's University is expected.

(1) T-182 RESIDIA Shirokane-Takanawa II



(2) T-183 RESIDIA Meguro IV



(3) T-184 RESIDIA Bunkyo Koishikawa II



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(4) T-185 RESIDIA Shinagawa Seaside



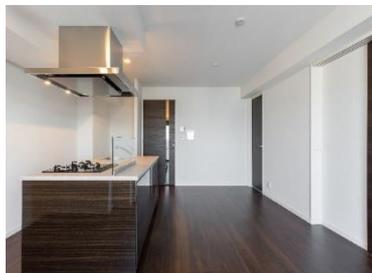
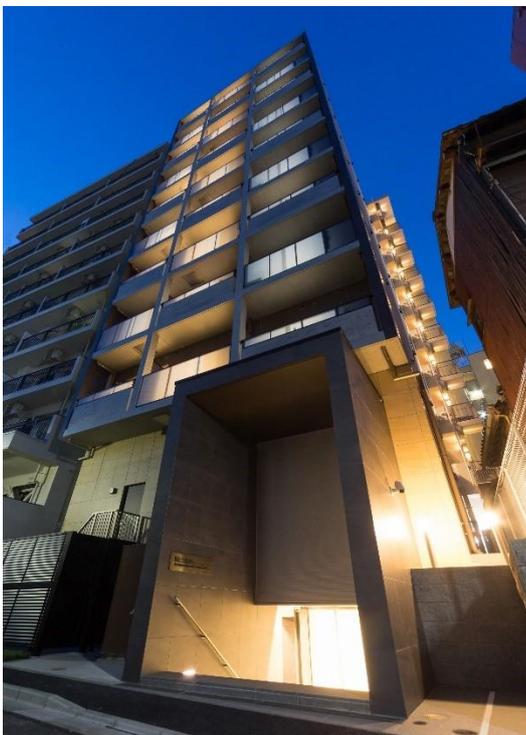
(5) T-186 Share Place Shimo-kitazawa



(6) T-187 RESIDIA Ochanomizu III



(7) T-188 RESIDIA Sangenjaya III



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(8) T-189 RESIDIA Sendagi

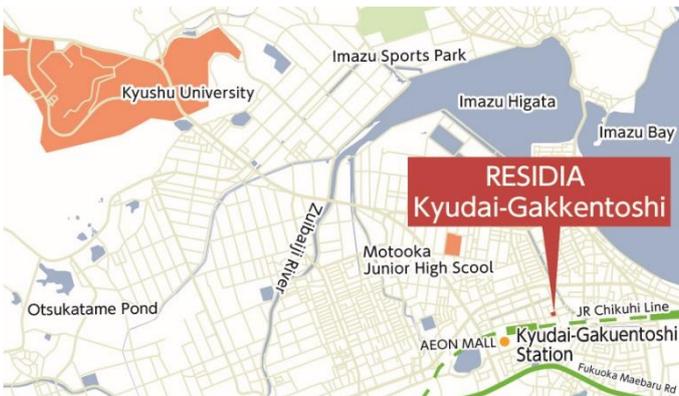


(9) S-036 Tokyo Student-House Musashi-Kosugi



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(10) R-087 RESIDIA Kyudai-Gakkentoshi



(11) R-088 RESIDIA Kyusandaimae



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## 2. Overview of acquisition

Property No.	T-182	T-183	T-187	T-188	T-189
Name of Asset-To-Be-Acquired	RESIDIA Shirokane-Takanawa II	RESIDIA Meguro IV	RESIDIA Ochanomizu III	RESIDIA Sangenjaya III	RESIDIA Sendagi
Type of Ownership	Beneficiary Interests in Trust	Beneficiary Interests in Trust	Beneficiary Interests in Trust	Beneficiary Interests in Trust	Beneficiary Interests in Trust
Acquisition Price (Price / Appraisal ratio)	1,009 million yen (88.5%)	1,853 million yen (88.7%)	1,279 million yen (87.6%)	2,016 million yen (87.7%)	2,912 million yen (89.1%)
Appraisal Value <sup>(Note1)</sup>	1,140 million yen	2,090 million yen	1,460 million yen	2,300 million yen	3,270 million yen
Seller	ITOCHU Corporation				
Scheduled Contract Date	September 12, 2023				
Scheduled Acquisition Date	September 29, 2023 or a date to be separately agreed upon with the Counterparty		April 18, 2024 or a date to be separately agreed upon with the Counterparty		
Acquisition Financing	Proceeds from issuance of new investment units and cash on hand (planned)		Proceeds from issuance of new investment units and cash on hand (planned)		Proceeds from the issuance of new investment units and Loans <sup>(Note2)</sup> (planned)
Payment Method	Full payment upon delivery				
Collateral	None				

Property No.	T-184	T-185	T-186.	S-036
Name of Asset-To-Be-Acquired	RESIDIA Bunkyo Koishikawa II	RESIDIA Shinagawa Seaside	Share Place Shimokitazawa	Musashi Kosugi, Student House, Tokyo
Type of Ownership	Beneficiary Interests in Trust	Beneficiary Interests in Trust	Beneficiary Interests in Trust	Beneficiary Interests in Trust
Acquisition Price (Price / Appraisal ratio)	1,772 million yen (88.6%)	3,315 million yen (90.6%)	694 million yen (89.0%)	5,835 million yen (92.3%)
Appraisal Value <sup>(Note1)</sup>	2,000 million yen	3,660 million yen	780 million yen	6,320 million yen
Seller	ITOCHU Property Development, Ltd..			
Scheduled Contract Date	September 12, 2023			
Scheduled Acquisition Date	September 29, 2023 or a date to be separately agreed upon with the Counterparty			April 18, 2024 or a date to be separately agreed upon with the Counterparty
Acquisition Financing	Proceeds from issuance of new investment units and cash on hand (planned)	Proceeds from the issuance of new investment units and Loans <sup>(Note2)</sup> (planned)	Proceeds from issuance of new investment units and cash on hand (planned)	Proceeds from the issuance of new investment units and Loans <sup>(Note2)</sup> (planned)
Payment Method	Full payment upon delivery			
Collateral	None			

Property No.	R-087	R-088
Name of Asset-To-Be-Acquired	RESIDIA Kyudai Gakkentoshi	RESIDIA Kyusandai-mae
Type of Ownership	Beneficiary Interests in Trust	Beneficiary Interests in Trust
Acquisition Price (Price / Appraisal ratio)	1,048 million yen (86.6%)	806 million yen (87.9%)
Appraisal Value <sup>(Note1)</sup>	1,210 million yen	918 million yen
Seller	Not disclosed	
Scheduled Contract Date	September 12, 2023	
Scheduled Acquisition Date	September 29, 2023 or a date to be separately agreed upon with the Counterparty	
Acquisition Financing	Proceeds from issuance of new investment units and cash on hand (planned)	
Payment Method	Full payment upon delivery	
Collateral	None	

(Note1) T-182 Appraisal Value of RESIDIA Shirokane-Takanawa II is the value as of June 1, 2023. The appraisal prices of the other 10 assets-to-be-acquired are as of August 1, 2023.

(Note2) Details of Loans will be announced as soon as they are finalized.

### 3.Details of Asset-To-Be-Acquired

No.	(1)	(2)
Property Number	T-182	T-183
Name of the Asset-To-Be-Acquired	RESIDIA Shirokane-Takanawa II	RESIDIA Meguro IV
Address	6-11, Mita 5-chome, Minato-ku, Tokyo	10-18, Meguro 2-chome, Meguro-ku, Tokyo

Land		
Type of Ownership	Ownership	Ownership
Area	224.13 m <sup>2</sup>	789.08 m <sup>2</sup>
Zoning	Semi-industrial zone	Commercial district, Type II residential district
FAR / Building Coverage Ratio	400%/60%	500%/80%, 300%/60%

Building		
Type of Ownership	Ownership	Ownership
Total Floor Space	1,104.28 m <sup>2</sup>	1,632.92 m <sup>2</sup>
Structure / Floors	Reinforced concrete structure with a flat-topped roof; 10 stories	Reinforced concrete structure with a flat-topped roof; 10 stories
Use	Apartment house	Apartment house
Construction Completion Date	August 26, 2015	January 20, 2016
Building Inspector	Urban Habitat Evaluation Center, Inc.	Bureau Veritas Japan K.K.
Building Designer	Kawamura Koei Corporation, First Class Registered Architect Office	Kawamura Koei Corporation, First Class Registered Architect Office
Structural Engineer	Atlas Design, Inc.	Hikari Architectural Design Office, Inc.
Construction Contractor	Kawamura Kouei Co.	Kawamura Kouei Co.

Trustee	Sumitomo Mitsui Trust Bank, Limited (planned)	Sumitomo Mitsui Trust Bank, Limited (planned)
Trust Contract Period	From September 29, 2023 to September 30, 2033 (planned)	From September 29, 2023 to September 30, 2033 (planned)
Property Management Company	ITOCHU Urban Community Co., Ltd. (planned)	ITOCHU Urban Community Co., Ltd. (planned)
Master Lessee	ITOCHU Urban Community Co., Ltd. (planned)	ITOCHU Urban Community Co., Ltd. (planned)
Master Lease type	Pass-through	Pass-through

Summary of Building Conditions Investigation Report		
Investigator	Tokio Marine dR Co., Ltd.	Tokio Marine dR Co., Ltd.
Investigation Date	April 21, 2023	April 21, 2023
Emergency Repair Costs	-	-

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Short-term Repair Costs (within 1 year)	-	-
Long-term Repair Costs (next 12 years)	18,699 thousand yen	32,284 thousand yen
Building Replacement Price	264,000 thousand yen	455,000 thousand yen

Earthquake PML	2.8%	3.2%
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Lease Conditions		
Point in Time	As of July 31, 2023	As of July 31, 2023
Total Tenants	1	1
Leasable Units	27 units	51 units
Leased Units	27 units	46 units
Leasable Floor Area	867.42 m <sup>2</sup>	1,513.52 m <sup>2</sup>
Leased Area	867.42 m <sup>2</sup>	1,383.85 m <sup>2</sup>
Occupancy Rate (based on floor area)	100.0%	91.4%
Monthly Rent	4,386 thousand yen	7,068 thousand yen
Deposits, Guarantees, etc.	4,302 thousand yen	6,521 thousand yen

Number of Units by Type		
Single	18 units	44 units
Compact	9 units	0 units
Family	0 units	7 units
Large	0 units	0 units
Dormitory	0 units	0 units
Other	0 units	0 units

Other Relevant Information		
	None	None

No.	(3)	(4)
Property Number	T-184	T-185
Name of the Asset-To-Be-Acquired	RESIDIA Bunkyo Koishikawa II	RESIDIA Shinagawa Seaside
Address	3-26-3 Koishikawa, Bunkyo-ku, Tokyo	4-3-1 Higashi-Shinagawa, Shinagawa-ku, Tokyo

Land		
Type of Ownership	Ownership	Ownership
Area	344.14 m <sup>2</sup>	904.30 m <sup>2</sup>
Zoning	Commercial district	Semi-industrial zone
FAR / Building Coverage Ratio	600%/80%	300%/60%

Building		
Type of Ownership	Ownership	Ownership
Total Floor Space	1,799.11 m <sup>2</sup>	3,604.99 m <sup>2</sup>
Structure / Floors	Reinforced concrete structure with a flat-topped roof; 15 stories	Reinforced concrete structure with a flat-topped roof; 11 stories
Use	Apartment unit	Apartment buildings and stores
Construction Completion Date	September 14, 2016	March 13, 2018
Building Inspector	The Building Center of Japan	ERI Japan, Ltd.
Building Designer	Raymond Design Office, Inc.	Matsuo Corporation First-Class Architect's Office
Structural Engineer	Beams Design Consultants, Inc.	Tei & A Associates, Inc.
Construction Contractor	Sato Kogyo Corporation Tokyo Branch	Matsuo Corporation

Trustee	Mitsubishi UFJ Trust and Banking Corporation (planned)	Mitsubishi UFJ Trust and Banking Corporation (planned)
Trust Contract Period	From September 29, 2023 to September 30, 2033 (planned)	From September 29, 2023 to September 30, 2033 (planned)
Property Management Company	ITOCHU Urban Community Co., Ltd. (planned)	ITOCHU Urban Community Co., Ltd. (planned)
Master Lessee	ITOCHU Urban Community Co., Ltd. (planned)	ITOCHU Urban Community Co., Ltd. (planned)
Master Lease type	Pass-through	Pass-through

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Summary of Building Conditions Investigation Report		
Investigator	Tokio Marine dR Co., Ltd.	Tokio Marine dR Co., Ltd.
Investigation Date	May 11, 2023	April 20, 2023
Emergency Repair Costs	-	-
Short-term Repair Costs (within 1 year)	-	-
Long-term Repair Costs (next 12 years)	31,651 thousand yen	40,626 thousand yen
Building Replacement Price	444,000 thousand yen	888,000 thousand yen
Earthquake PML	3.5%	5.7%
Lease Conditions		
Point in Time	As of July 31, 2023	As of July 31, 2023
Total Tenants	1	1
Leasable Units	43 units	107 units
Leased Units	43 units	107 units
Leasable Floor Area	1,513.59 m <sup>2</sup>	2,600.11 m <sup>2</sup>
Leased Area	1,455.90 m <sup>2</sup>	2,600.11 m <sup>2</sup>
Occupancy Rate (based on floor area)	96.2%	100.0%
Monthly Rent	7,416 thousand yen	14,090 thousand yen
Deposits, Guarantees, etc.	6,923 thousand yen	30,266 thousand yen
Number of Units by Type		
Single	15 units	92 units
Compact	26 units	14 units
Family	2 units	0 units
Large	0 units	0 units
Dormitory	0 units	0 units
Other	0 units	1 unit
Other Relevant Information		
	None	None
No.	(5)	(6)
Property Number	T-186	T-187
Name of the Asset-To-Be-Acquired	Share Place Shimo-kitazawa	RESIDIA Ochanomizu III
Address	1-42-3 Kitazawa, Setagaya-ku, Tokyo	5-6, Sotokanda 2-chome, Chiyoda-ku, Tokyo
Land		
Type of Ownership	Ownership (3600/3600 co-ownership interest in the private road portion (Lot No. 352-1))	Ownership
Area	500.54 m <sup>2</sup> (However, this does not include the area corresponding to the co-ownership interest in the private road portion.) (*1)	358.12 m <sup>2</sup> (*2)
Zoning	Type 1 residential area	Commercial district
FAR / Building Coverage Ratio	200%/60%	500%/80%
Building		
Type of Ownership	Ownership	Ownership
Total Floor Space	735.38 m <sup>2</sup>	1,301.32 m <sup>2</sup>
Structure / Floors	Steel-framed structure with flat roof; 4 stories	Reinforced concrete structure with a flat-topped roof; 10 stories
Use	school dormitory	apartment unit
Construction Completion Date	September 14, 2021	November 18, 2016
Building Inspector	UDI Verification and Inspection Co.	Urban Habitat Evaluation Center, Inc.
Building Designer	Sekisui Unit, Ltd. Kawasaki Sha Maison Branch First-Class Registered Architect Office	Goda Corporation First-Class Architect Office
Structural Engineer	TOYO ARCHITECTURAL STRUCTURE DESIGN OFFICE Co.	Cross Factory Co.
Construction Contractor	Sekisui Unit, Ltd. Kawasaki Sha Maison Branch	Goda Corporation Tokyo Head Office

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Trustee	Mitsubishi UFJ Trust and Banking Corporation (planned)	Sumitomo Mitsui Trust Bank, Limited (planned)
Trust Contract Period	From September 29, 2023 to September 30, 2033 (planned)	From April 18, 2024 to April 30, 2034 (planned)
Property Management Company	ITOCHU Urban Community Co., Ltd.	ITOCHU Urban Community Co., Ltd.
Master Lessee	ITOCHU Urban Community Co., Ltd.	ITOCHU Urban Community Co., Ltd.
Master Lease type	Pass-through	Pass-through

Summary of Building Conditions Investigation Report		
Investigator	Tokio Marine dR Co., Ltd.	Tokio Marine dR Co., Ltd.
Investigation Date	May 11, 2023	April 20, 2023
Emergency Repair Costs	-	-
Short-term Repair Costs (within 1 year)	-	-
Long-term Repair Costs (next 12 years)	7,394 thousand yen	22,524 thousand yen
Building Replacement Price	178,000 thousand yen	316,000 thousand yen

Earthquake PML	9.0%	5.8%
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Lease Conditions		
Point in Time	As of July 31, 2023	As of July 31, 2023
Total Tenants	1	1
Leasable Units	43 units	35 units
Leased Units	43 units	34 units
Leasable Floor Area	735.38 m <sup>2</sup>	1,126.32 m <sup>2</sup>
Leased Area	735.38 m <sup>2</sup>	1,096.19 m <sup>2</sup>
Occupancy Rate (based on floor area)	100.0%	97.3%
Monthly Rent	2,881 thousand yen	5,367 thousand yen
Deposits, Guarantees, etc.	2,881 thousand yen	5,848 thousand yen

Number of Units by Type		
Single	0 units	17 units
Compact	0 units	17 units
Family	0 units	1 unit
Large	0 units	0 units
Dormitory	43 units	0 units
Other	0 units	0 units

Other Relevant Information		
	The land (Lot No. 352-1) pertaining to the private road burden portion (co-ownership) is undetermined except for the boundary with the trust land (Lot No. 352-9).	None

(\*1) Setback area (approx. 8.23m<sup>2</sup>) is included.

(\*2) Includes the portion of the private road (approx. 98.51m<sup>2</sup>).

No.	(7)	(8)
Property Number	T-188	T-189
Name of the Asset-To-Be-Acquired	RESIDIA Sangenjaya III	RESIDIA Sendagi
Address	2-19-7 Sangenjaya, Setagaya-ku, Tokyo	3-7-9 Yanaka, Taito-ku, Tokyo

Land		
Type of Ownership	Ownership	Ownership
Area	341.41 m <sup>2</sup> (*3)	1,086.80 m <sup>2</sup>
Zoning	Commercial district	Neighborhood commercial district, Type 1 residential district
FAR / Building Coverage Ratio	500%/80%	300%/80%, 300%/60%

Building		
Type of Ownership	Ownership	Ownership
Total Floor Space	1,811.48 m <sup>2</sup>	2,745.30 m <sup>2</sup>
Structure / Floors	Reinforced concrete structure with a flat-topped roof; 10 stories and 1 basement story	Reinforced concrete structure with a flat-topped roof; 6 stories
Use	Apartment buildings and stores	Apartment buildings and stores

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Construction Completion Date	May 2, 2017	October 6, 2017
Building Inspector	Urban Habitat Evaluation Center, Inc.	ERI Japan Ltd.
Building Designer	Goda Corporation First-Class Architect Office	Matsuo Construction Co., Ltd. first-class architect's office
Structural Engineer	Cross Factory Inc. first-class architect office	Tetsuken Kanda Design Studio First Class Architect Office, Inc.
Construction Contractor	Goda Corporation Tokyo Head Office	Matsuo Corporation Tokyo Branch

Trustee	Sumitomo Mitsui Trust Bank, Limited (planned)	Sumitomo Mitsui Trust Bank, Limited (planned)
Trust Contract Period	From April 18, 2024 to April 30, 2034 (planned)	From April 18, 2024 to April 30, 2034 (planned)
Property Management Company	ITOCHU Urban Community Co., Ltd.	ITOCHU Urban Community Co., Ltd.
Master Lessee	ITOCHU Urban Community Co., Ltd.	ITOCHU Urban Community Co., Ltd.
Master Lease type	Pass-through	Pass-through

Summary of Building Conditions Investigation Report		
Investigator	Tokio Marine dR Co., Ltd.	Tokio Marine dR Co., Ltd.
Investigation Date	April 25, 2023	April 25, 2023
Emergency Repair Costs	-	-
Short-term Repair Costs (within 1 year)	-	-
Long-term Repair Costs (next 12 years)	30,512 thousand yen	41,695 thousand yen
Building Replacement Price	470,000 thousand yen	664,000 thousand yen

Earthquake PML	3.2%	6.4%
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Lease Conditions		
Point in Time	As of July 31, 2023	As of July 31, 2023
Total Tenants	1	1
Leasable Units	49 units	50 units
Leased Units	47 units	49 units
Leasable Floor Area	1,596.15 m <sup>2</sup>	2,376.48 m <sup>2</sup>
Leased Area	1,518.83 m <sup>2</sup>	2,326.26 m <sup>2</sup>
Occupancy Rate (based on floor area)	95.2%	97.9%
Monthly Rent	8,182 thousand yen	11,757 thousand yen
Deposits, Guarantees, etc.	14,304 thousand yen	48,490 thousand yen

Number of Units by Type		
Single	36 units	24 units
Compact	6 units	18 units
Family	6 units	7 units
Large	0 units	0 units
Dormitory	0 units	0 units
Other	1 unit	1 unit

Other Relevant Information		
	None	None

(\*3) Includes setback area (approx. 8.20 m<sup>2</sup>).

No.	(9)	(10)
Property Number	S-036	R-087
Name of the Asset-To-Be-Acquired	Tokyo Student-House Musashi-Kosugi	RESIDIA Kyudai-Gakkentoshi
Address	399-1 Ichinotsubo, Nakahara-ku, Kawasaki City, Kanagawa Prefecture	1-11-28, Nishi-To, Nishi-ku, Fukuoka City, Fukuoka Prefecture, Japan

Land		
Type of Ownership	Ownership	Ownership
Area	3,419.11 m <sup>2</sup>	1,423.59 m <sup>2</sup>
Zoning	Industrial zone	Type 1 exclusive district for medium and high-rise residential buildings
FAR / Building Coverage Ratio	200%/60%	150%/60%

Building		
Type of Ownership	Ownership	Ownership

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Total Floor Space	6,845.00 m <sup>2</sup>	2,164.50 m <sup>2</sup>
Structure / Floors	Reinforced concrete structure with a flat-topped roof; 7 stories	Reinforced concrete structure with a flat-topped roof; 5 stories
Use	School dormitory	School dormitory
Construction Completion Date	January 26, 2017	March 13, 2020
Building Inspector	Bureau Veritas Japan K.K.	ERI Japan Ltd.
Building Designer	Raymond Design Office, Inc.	Frameworks Inc.
Structural Engineer	Beams Design Consultants, Inc.	Fukuoka Structure Co.
Construction Contractor	Matsuo Corporation Tokyo Branch	Matsuo Construction Co.

Trustee	Mitsubishi UFJ Trust and Banking Corporation (planned)	Mitsubishi UFJ Trust and Banking Corporation (planned)
Trust Contract Period	From April 18, 2024 to April 30, 2034 (planned)	From September 29, 2023 to September 30, 2033 (planned)
Property Management Company	ITOCHU Urban Community Co., Ltd.	Student Information Center, Inc.
Master Lessee	ITOCHU Urban Community Co., Ltd.	Sigma Japan K.K. (planned)
Master Lease type	Rent Guarantee	Rent Guarantee

Summary of Building Conditions Investigation Report		
Investigator	Tokio Marine dR Co., Ltd.	Tokio Marine dR Co., Ltd.
Investigation Date	April 24, 2023	May 25, 2023
Emergency Repair Costs	-	-
Short-term Repair Costs (within 1 year)	-	-
Long-term Repair Costs (next 12 years)	114,487 thousand yen	24,108 thousand yen
Building Replacement Price	1,738,000 thousand yen	529,000 thousand yen

Earthquake PML	6.6%	4.9%
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Lease Conditions		
Point in Time	As of July 31, 2023	As of July 31, 2023
Total Tenants	1	1
Leasable Units	390 units	94 units
Leased Units	390 units	94 units
Leasable Floor Area	6,845.00 m <sup>2</sup>	2,164.50 m <sup>2</sup>
Leased Area	6,845.00 m <sup>2</sup>	2,164.50 m <sup>2</sup>
Occupancy Rate (based on floor area)	100%	100%
Monthly Rent	23,010 thousand yen	4,888 thousand yen
Deposits, Guarantees, etc.	300 thousand yen	154 thousand yen

Number of Units by Type		
Single	0 units	0 units
Compact	0 units	0 units
Family	0 units	0 units
Large	0 units	0 units
Dormitory	390 units	94 units
Other	0 units	0 units

Other Relevant Information		
	None	None

No.	(11)
Property Number	R-088
Name of the Asset-To-Be-Acquired	RESIDIA Kyusandaimae
Address	1-20-18 Shokadai, Higashi-ku, Fukuoka City, Fukuoka Prefecture

Land	
Type of Ownership	Ownership
Area	1,709.95 m <sup>2</sup>
Zoning	Type 1 exclusive district for medium and high-rise residential buildings

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FAR / Building Coverage Ratio	100%/60%
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Building	
Type of Ownership	Ownership
Total Floor Space	2,004.88 m <sup>2</sup>
Structure / Floors	Reinforced concrete structure with a flat-topped roof; 4 stories
Use	Apartment unit
Construction Completion Date	January 20, 2022
Building Inspector	Bureau Veritas Japan K.K.
Building Designer	Heisei Corporation
Structural Engineer	Tanaka Kozo Sekkei First Class Architect Office Co.
Construction Contractor	Heisei Corporation

Trustee	Mitsubishi UFJ Trust and Banking Corporation
Trust Contract Period	From July 1, 2023 to September 30, 2033 (planned)
Property Management Company	J.S.B. Corporation (planned)
Master Lessee	J.S.B. Corporation (planned)
Master Lease type	Rent Guarantee

Summary of Building Conditions Investigation Report	
Investigator	Tokio Marine dR Co., Ltd.
Investigation Date	May 25, 2023
Emergency Repair Costs	-
Short-term Repair Costs (within 1 year)	-
Long-term Repair Costs (next 12 years)	20,243 thousand yen
Building Replacement Price	479,000 thousand yen

Earthquake PML	2.6%
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Lease Conditions	
Point in Time	As of July 31, 2023
Total Tenants	1
Leasable Units	80 units
Leased Units	80 units
Leasable Floor Area	2,004.88 m <sup>2</sup>
Leased Area	2,004.88 m <sup>2</sup>
Occupancy Rate (based on floor area)	100%
Monthly Rent	3,912 thousand yen
Deposits, Guarantees, etc.	0 yen

Number of Units by Type	
Single	0 units
Compact	0 units
Family	0 units
Large	0 units
Dormitory	80 units
Other	0 units

Other Relevant Information	
	None

For details regarding the items in the above table, please refer to "For an explanation of the items stated in the Notice Concerning Acquisition of Assets" on ADR's website. (<https://www.adr-reit.com/ir/news/>)

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#### 4. Appraisal Report Summary

(1)T-182 RESIDIA Shirokane-Takanawa II

Appraisal date: as of June 1, 2023

Appraiser	Japan Real Estate Institute	Appraisal Value	1,140,000 thousand yen
Appraisal Items	Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value	1,140,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price	1,150,000		
Total Potential Income	55,936		
Rental income	54,353	Appraised, taking into account the rent based on the current lease contract and the rent that would be paid if the subject property were newly leased, etc.	
Other income	1,583	Renewal fee income was allocated based on an assessment of the average annual turnover rate of tenants and the average contract period, as well as actual amounts.	
Total Effective Income	53,261		
Losses from Vacancies, etc.	2,675	Recorded after assessing a stable mid- to long-term Occupancy rate level based on the occupancy status and supply-demand trends of similar properties, as well as the occupancy status and future trends for the subject property.	
Losses from Delinquencies	0	The Company determined that no recording is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business	10,646		
Maintenance and Management Fees	2,988	The amount is recorded in consideration of the individual characteristics of the subject property, with reference to the actual amount in past fiscal years and the level of similar properties.	
Utilities Costs	600	The amount is recorded with reference to the actual results of past fiscal years and taking into consideration the level of similar properties and the individual characteristics of the subject property.	
Management Commission Fees	1,035	Recorded with reference to the remuneration rate based on the terms of the scheduled contract, etc., and taking into consideration the remuneration rate for similar properties and the individual characteristics of the subject property.	
Taxes and Public Dues	2,900	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium	57	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses	2,205	Administrative fees required when recruiting new tenants, with reference to contract terms and lease terms of similar properties, and advertising expenses, etc., with reference to actual results from previous years, and Renewal fees, taking into account the annual average turnover rate and Occupancy rate, etc.	
Repair Costs	861	In addition to the restoration costs based on the level of restoration costs normally incurred and the lessor's share of such costs, repair and maintenance costs were recorded by considering the actual amount of repair and maintenance costs in previous years, the level of similar properties, and the annual average amount of repair and renewal costs in the engineering report.	
Other Expenses	0	Not accounted for.	
Net Operating Income	42,615		
Earnings from Deposits	39	Appraised the number of months of stable deposits over the medium to long term, and multiplied by the Occupancy rate, and then multiplied by the assumed investment yield of 1.0%.	
Capital Expenditures	1,091	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
Net Cash Flow DCF Price	41,563		
Cap Rate	3.6%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price	1,130,000		
Discount Rate	3.4%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate	3.7%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value	1,120,000		
Land ratio	81.4%		
Building Ratio	18.6%		
Other items considered by the appraiser in the appraisal			
None in particular.			

Appraiser	Japan Real Estate Institute	Appraisal Value	2,090,000 thousand yen
Appraisal Items	Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value	2,090,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price	2,110,000		
Total Potential Income	98,264		
Rental income	95,214	Appraised, taking into account the rent based on the current lease contract and the rent that would be paid if the subject property were newly leased, etc.	
Other income	3,050	Renewal fee income was allocated based on an assessment of the average annual turnover rate of tenants and the average contract period, as well as actual amounts.	
Total Effective Income	92,504		
Losses from Vacancies, etc.	5,760	Recorded after assessing a stable mid- to long-term Occupancy rate level based on the occupancy status and supply-demand trends of similar properties, as well as the occupancy status and future trends for the subject property.	
Losses from Delinquencies	0	The Company determined that no recording is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business	14,583		
Maintenance and Management Fees	2,214	The amount is recorded in consideration of the individual characteristics of the subject property, with reference to the actual amount in past fiscal years and the level of similar properties.	
Utilities Costs	1,000	The amount is recorded with reference to the actual results of past fiscal years and taking into consideration the level of similar properties and the individual characteristics of the subject property.	
Management Commission Fees	1,792	Recorded with reference to the remuneration rate based on the terms of the scheduled contract, etc., and taking into consideration the remuneration rate for similar properties and the individual characteristics of the subject property.	
Taxes and Public Dues	4,256	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium	96	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses	3,760	Administrative fees required when recruiting new tenants, with reference to contract terms and lease terms of similar properties, and advertising expenses, etc., with reference to actual results from previous years, and Renewal fees, taking into account the annual average turnover rate and Occupancy rate, etc.	
Repair Costs	1,465	In addition to the restoration costs based on the level of restoration costs normally incurred and the lessor's share of such costs, repair and maintenance costs were recorded by considering the actual amount of repair and maintenance costs in previous years, the level of similar properties, and the annual average amount of repair and renewal costs in the engineering report.	
Other Expenses	0	Not accounted for.	
Net Operating Income	77,921		
Earnings from Deposits	68	Appraised the number of months of stable deposits over the medium to long term, and multiplied by the Occupancy rate, and then multiplied by the assumed investment yield of 1.0%.	
Capital Expenditures	1,883	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
Net Cash Flow DCF Price	76,106		
Cap Rate	3.6%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price	2,070,000		
Discount Rate	3.4%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate	3.7%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value	2,070,000		
Land ratio	84.2%		
Building Ratio	15.8%		
Other items considered by the appraiser in the appraisal			
None in particular.			

(3) T-184 RESIDIA Bunkyo Koishikawa II

Appraisal date: as of August 1, 2023

Appraiser	Japan Real Estate Institute		Appraisal Value	2,000,000 thousand yen
Appraisal Items		Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value		2,000,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price		2,020,000		
Total Potential Income		94,948		
Rental income		91,677	Appraised, taking into account the rent based on the current lease contract and the rent that would be paid if the subject property were newly leased, etc.	
Other income		3,271	Key Money and Renewal fee income is recorded based on an assessment of the average annual turnover rate of tenants and the average length of tenancy.	
Total Effective Income		90,205		
Losses from Vacancies, etc.		4,743	Recorded after assessing a stable mid- to long-term Occupancy rate level based on the occupancy status and supply-demand trends of similar properties, as well as the occupancy status and future trends for the subject property.	
Losses from Delinquencies		0	The Company determined that no recognition is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business		15,755		
Maintenance and Management Fees		4,150	The amount is recorded in consideration of the individual characteristics of the subject property, with reference to the actual amount in past fiscal years and the level of similar properties.	
Utilities Costs		880	The amount is recorded with reference to the actual results of past fiscal years and taking into consideration the level of similar properties and the individual characteristics of the subject property.	
Management Commission Fees		1,742	Recorded with reference to the remuneration rate based on the terms of the scheduled contract, etc., and taking into consideration the remuneration rate for similar properties and the individual characteristics of the subject property.	
Taxes and Public Dues		3,818	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium		95	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses		3,646	Administrative fees required when recruiting new tenants, with reference to contract terms and lease terms of similar properties, and advertising expenses, etc., with reference to actual results from previous years, and Renewal fees, taking into account the annual average turnover rate and Occupancy rate, etc.	
Repair Costs		1,424	In addition to the restoration costs based on the level of restoration costs normally incurred and the lessor's share of such costs, repair and maintenance costs were recorded by considering the actual amount of repair and maintenance costs in previous years, the level of similar properties, and the annual average amount of repair and renewal costs in the engineering report.	
Other Expenses		0	Not accounted for.	
Net Operating Income		74,450		
Earnings from Deposits		68	Appraised the number of months of stable deposits over the medium to long term, and multiplied by the Occupancy rate, and then multiplied by the assumed investment yield of 1.0%.	
Capital Expenditures		1,847	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
Net Cash Flow DCF Price		72,671		
Cap Rate		3.6%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price		1,980,000		
Discount Rate		3.4%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate		3.7%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value		1,960,000		
Land ratio		79.0%		
Building Ratio		21.0%		
Other items considered by the appraiser in the appraisal				
None in particular.				

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(4) T-185 RESIDIA Shinagawa Seaside

Appraisal date: as of August 1, 2023

Appraiser	Japan Real Estate Institute		Appraisal Value	3,660,000 thousand yen
Appraisal Items		Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value		3,660,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price		3,690,000		
Total Potential Income		177,680		
Rental income		171,533	Appraised, taking into account the rent based on the current lease contract and the rent that would be paid if the subject property were newly leased, etc.	
Other income		6,147	Renewal fee income was allocated based on an assessment of the average annual turnover rate of tenants and the average contract period, as well as actual amounts.	
Total Effective Income		168,395		
Losses from Vacancies, etc.		9,285	Recorded after assessing a stable mid- to long-term Occupancy rate level based on the occupancy status and supply-demand trends of similar properties, as well as the occupancy status and future trends for the subject property.	
Losses from Delinquencies		0	The Company determined that no recording is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business		29,579		
Maintenance and Management Fees		4,846	The amount is recorded in consideration of the individual characteristics of the subject property, with reference to the actual amount in past fiscal years and the level of similar properties.	
Utilities Costs		1,900	The amount is recorded with reference to the actual results of past fiscal years and taking into consideration the level of similar properties and the individual characteristics of the subject property.	
Management Commission Fees		3,063	Recorded with reference to the remuneration rate based on the terms of the scheduled contract, etc., and taking into consideration the remuneration rate for similar properties and the individual characteristics of the subject property.	
Taxes and Public Dues		9,340	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium		185	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses		8,138	Administrative fees required when recruiting new tenants, with reference to contract terms and lease terms of similar properties, and advertising expenses, etc., with reference to actual results from previous years, and Renewal fees, taking into account the annual average turnover rate and Occupancy rate, etc.	
Repair Costs		2,107	In addition to the restoration costs based on the level of restoration costs normally incurred and the lessor's share of such costs, repair and maintenance costs were recorded by considering the actual amount of repair and maintenance costs in previous years, the level of similar properties, and the annual average amount of repair and renewal costs in the engineering report.	
Other Expenses		0	Not accounted for.	
Net Operating Income		138,816		
Earnings from Deposits		210	Appraised the number of months of stable deposits over the medium to long term, and multiplied by the Occupancy rate, and then multiplied by the assumed investment yield of 1.0%.	
Capital Expenditures		2,370	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
Net Cash Flow DCF Price		136,656		
Cap Rate		3.7%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price		3,630,000		
Discount Rate		3.5%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate		3.8%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value		3,210,000		
Land ratio		76.4%		
Building Ratio		23.6%		
Other items considered by the appraiser in the appraisal				
None in particular.				

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(5) T-186 Share Place Shimokitazawa

Appraisal date: as of August 1, 2023

Appraiser	Japan Real Estate Institute	Appraisal Value	780,000 thousand yen
Appraisal Items	Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value	780,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price	787,000		
Total Potential Income	34,574		
Rental income	34,572	Rental income is recorded based on the current lease contract, taking into consideration the contracted rent level in the surrounding area and the rent level of end-tenants.	
Other income	2	Recorded with reference to actual amounts.	
Total Effective Income	34,574		
Losses from Vacancies, etc.	0	Not recorded because the amount of income is assessed based on mid- to long-term estimates.	
Losses from Delinquencies	0	The Company determined that no recording is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business	2,062		
Maintenance and Management Fees	0	Not recorded as it is the lessee's responsibility.	
Utilities Costs	0	Not recorded as it is the lessee's responsibility.	
Management Commission Fees	240	Recorded with reference to the remuneration rate based on the terms of the scheduled contract, etc., and taking into consideration the remuneration rate of similar properties and the individual characteristics of the subject property.	
Taxes and Public Dues	1,598	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium	39	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses	0	No tenant solicitation costs, etc., are recorded.	
Repair Costs	185	Restoration costs are not recorded because they are based on the terms of the scheduled contract. Repair and maintenance costs are recorded by taking into account the actual amounts of repair and maintenance costs in previous years, the level of similar properties, and the annual average of repair and renewal costs in the engineering report, etc.	
Other Expenses	0	Not accounted for.	
Net Operating Income	32,512		
Earnings from Deposits	29	Appraised the number of months of stable deposits over the medium to long term, and multiplied by the Occupancy rate, and then multiplied by the assumed investment yield of 1.0%.	
Capital Expenditures	431	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
FF&E Reserve	1,400	The appraisal was made with reference to the level of FF&E reserve and repair and renewal contracts in similar properties.	
Net Cash Flow DCF Price	30,710		
Cap Rate	3.9%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price	773,000		
Discount Rate	3.7%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate	4.0%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value	781,000		
Land ratio	74.8%		
Building Ratio	23.7%		
Other Auxiliary Facilities	1.5%		
Other items considered by the appraiser in the appraisal			
None in particular.			

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(6) T-187 RESIDIA Ochanomizu III

Appraisal date: as of August 1, 2023

Appraiser	Japan Real Estate Institute	Appraisal Value	1,460,000 thousand yen
Appraisal Items	Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value	1,460,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price	1,470,000		
Total Potential Income	69,194		
Rental income	66,984	Appraised, taking into account the rent based on the current lease contract and the rent that would be paid if the subject property were newly leased, etc.	
Other income	2,210	Renewal fee income was allocated based on an assessment of the average annual turnover rate of tenants and the average contract period, as well as actual amounts.	
Total Effective Income	65,800		
Losses from Vacancies, etc.	3,394	Recorded after assessing a stable mid- to long-term Occupancy rate level based on the occupancy status and supply-demand trends of similar properties, as well as the occupancy status and future trends for the subject property.	
Losses from Delinquencies	0	The Company determined that no recording is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business	11,606		
Maintenance and Management Fees	2,136	The amount is recorded in consideration of the individual characteristics of the subject property, with reference to the actual amount in past fiscal years and the level of similar properties.	
Utilities Costs	800	The amount is recorded with reference to the actual results of past fiscal years and taking into consideration the level of similar properties and the individual characteristics of the subject property.	
Management Commission Fees	1,277	Recorded with reference to the remuneration rate based on the terms of the scheduled contract, etc., and taking into consideration the remuneration rate for similar properties and the individual characteristics of the subject property.	
Taxes and Public Dues	3,351	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium	68	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses	2,440	Administrative fees required when recruiting new tenants, with reference to contract terms and lease terms of similar properties, and advertising expenses, etc., with reference to actual results from previous years, and Renewal fees, taking into account the annual average turnover rate and Occupancy rate, etc.	
Repair Costs	1,074	In addition to the restoration costs based on the level of restoration costs normally incurred and the lessor's share of such costs, repair and maintenance costs were recorded by considering the actual amount of repair and maintenance costs in previous years, the level of similar properties, and the annual average amount of repair and renewal costs in the engineering report.	
Other Expenses	460	Town council fees and other expenses are recorded as other expenses.	
Net Operating Income	54,194		
Earnings from Deposits	49	Appraised the number of months of stable deposits over the medium to long term, and multiplied by the Occupancy rate, and then multiplied by the assumed investment yield of 1.0%.	
Capital Expenditures	1,314	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
Net Cash Flow DCF Price	52,929		
Cap Rate	3.6%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price	1,440,000		
Discount Rate	3.4%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate	3.7%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value	1,370,000		
Land ratio	79.1%		
Building Ratio	20.9%		
Other items considered by the appraiser in the appraisal			
None in particular.			

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(7) T-188 RESIDIA Sangenjaya III

Appraisal date: as of August 1, 2023

Appraiser	Japan Real Estate Institute		Appraisal Value	2,300,000 thousand yen
Appraisal Items		Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value		2,300,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price		2,320,000		
Total Potential Income		105,911		
Rental income		103,403	Appraised, taking into account the rent based on the current lease contract and the rent that would be paid if the subject property were newly leased, etc.	
Other income		2,508	Renewal fee income is recorded based on an assessment of the average annual turnover rate of tenants and the average contract period.	
Total Effective Income		100,711		
Losses from Vacancies, etc.		5,200	Recorded after assessing a stable mid- to long-term Occupancy rate level based on the occupancy status and supply-demand trends of similar properties, as well as the occupancy status and future trends for the subject property.	
Losses from Delinquencies		0	The Company determined that no recording is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business		15,422		
Maintenance and Management Fees		2,394	The amount is recorded in consideration of the individual characteristics of the subject property, with reference to the actual amount in past fiscal years and the level of similar properties.	
Utilities Costs		900	The amount is recorded with reference to the actual results of past fiscal years and taking into consideration the level of similar properties and the individual characteristics of the subject property.	
Management Commission Fees		1,815	Recorded with reference to the remuneration rate based on the terms of the scheduled contract, etc., and taking into consideration the remuneration rate for similar properties and the individual characteristics of the subject property.	
Taxes and Public Dues		5,081	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium		99	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses		3,723	Administrative fees required when recruiting new tenants, with reference to contract terms and lease terms of similar properties, and advertising expenses, etc., with reference to actual results from previous years, and Renewal fees, taking into account the annual average turnover rate and Occupancy rate, etc.	
Repair Costs		1,410	In addition to the restoration costs based on the level of restoration costs normally incurred and the lessor's share of such costs, repair and maintenance costs were recorded by considering the actual amount of repair and maintenance costs in previous years, the level of similar properties, and the annual average amount of repair and renewal costs in the engineering report.	
Other Expenses		0	Not accounted for.	
Net Operating Income		85,289		
Earnings from Deposits		141	Appraised the number of months of stable deposits over the medium to long term, and multiplied by the Occupancy rate, and then multiplied by the assumed investment yield of 1.0%.	
Capital Expenditures		1,780	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
Net Cash Flow DCF Price		83,650		
Cap Rate		3.6%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price		2,280,000		
Discount Rate		3.4%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate		3.7%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value		1,860,000		
Land ratio		77.4%		
Building Ratio		22.6%		
Other items considered by the appraiser in the appraisal				
None in particular.				

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(8) T-189 RESIDIA Sendagi

Appraisal date: as of August 1, 2023

Appraiser	Japan Real Estate Institute		Appraisal Value	3,270,000 thousand yen
Appraisal Items		Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value		3,270,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price		3,300,000		
Total Potential Income		148,058		
Rental income		145,192	Appraised, taking into account the rent based on the current lease contract and the rent that would be paid if the subject property were newly leased, etc.	
Other income		2,866	Renewal fee income was recorded based on an assessment of the average annual turnover rate of tenants and the average contract period.	
Total Effective Income		141,816		
Losses from Vacancies, etc.		6,242	Recorded after assessing a stable mid- to long-term Occupancy rate level based on the occupancy status and supply-demand trends of similar properties, as well as the occupancy status and future trends for the subject property.	
Losses from Delinquencies		0	The Company determined that no recording is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business		20,963		
Maintenance and Management Fees		3,228	The amount is recorded in consideration of the individual characteristics of the subject property, with reference to the actual amount in past fiscal years and the level of similar properties.	
Utilities Costs		1,000	The amount is recorded with reference to the actual results of past fiscal years and taking into consideration the level of similar properties and the individual characteristics of the subject property.	
Management Commission Fees		2,308	Recorded with reference to the remuneration rate based on the terms of the scheduled contract, etc., and taking into consideration the remuneration rate for similar properties and the individual characteristics of the subject property.	
Taxes and Public Dues		6,604	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium		139	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses		4,849	Administrative fees required when recruiting new tenants, with reference to contract terms and lease terms of similar properties, and advertising expenses, etc., with reference to actual results from previous years, and Renewal fees, taking into account the annual average turnover rate and Occupancy rate, etc.	
Repair Costs		1,757	In addition to the restoration costs based on the level of restoration costs normally incurred and the lessor's share of such costs, repair and maintenance costs were recorded by considering the actual amount of repair and maintenance costs in previous years, the level of similar properties, and the annual average amount of repair and renewal costs in the engineering report.	
Other Expenses		1,078	Town council fees and internet costs, etc. are accounted for.	
Net Operating Income		120,853		
Earnings from Deposits		467	Appraised the number of months of stable deposits over the medium to long term, and multiplied by the Occupancy rate, and then multiplied by the assumed investment yield of 1.0%.	
Capital Expenditures		2,433	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
Net Cash Flow DCF Price		118,887		
Cap Rate		3.6%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price		3,240,000		
Discount Rate		3.4%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate		3.7%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value		2,810,000		
Land ratio		75.3%		
Building Ratio		24.7%		
Other items considered by the appraiser in the appraisal				
None in particular.				

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(9) S-036 Student House Musashi Kosugi, Tokyo

Appraisal date: as of August 1, 2023

Appraiser	Japan Real Estate Institute	Appraisal Value	6,320,000 thousand yen
Appraisal Items	Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value	6,320,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price	6,370,000		
Total Potential Income	283,155		
Rental income	279,817	Rental income is recorded based on the current lease agreement, taking into account the rent level of end-tenants, etc.	
Other income	3,338	Recorded with reference to actual amounts.	
Total Effective Income	281,869		
Losses from Vacancies, etc.	1,286	The residential portion is not recorded as it is subject to the terms and conditions of the scheduled contract. The parking lot portion is recorded after assessing a stable mid- to long-term Occupancy rate level based on the occupancy status and supply-demand trends of similar properties, as well as the occupancy status and future trends related to the subject property.	
Losses from Delinquencies	0	The Company determined that no recording is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business	20,359		
Maintenance and Management Fees	0	Not recorded as it is the lessee's responsibility.	
Utilities Costs	0	Not recorded as it is the lessee's responsibility.	
Management Commission Fees	72	Recorded with reference to the remuneration rate based on the terms of the scheduled contract, etc., and taking into consideration the remuneration rate of similar properties and the individual characteristics of the subject property.	
Taxes and Public Dues	15,565	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium	362	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses	0	Not recorded as it is the lessee's responsibility.	
Repair Costs	2,860	Restoration costs are not recorded because they are based on the terms of the scheduled contract. Repair and maintenance costs are recorded by taking into account the actual amounts of repair and maintenance costs in previous years, the level of similar properties, and the annual average of repair and renewal costs in the engineering report, etc.	
Other Expenses	1,500	Recorded with reference to actual amounts.	
Net Operating Income	261,510		
Earnings from Deposits	0	No lump-sum payments were given or received and therefore not recorded.	
Capital Expenditures	6,681	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
Net Cash Flow DCF Price	254,829		
Cap Rate	4.0%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price	6,270,000		
Discount Rate	3.8%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate	4.1%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value	5,800,000		
Land ratio	70.6%		
Building Ratio	29.4%		
Other items considered by the appraiser in the appraisal			
None in particular.			

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Appraiser	Japan Real Estate Institute	Appraisal Value	1,210,000 thousand yen
Appraisal Items		Appraised Value (thousands of yen)	Basis.
Income Capitalization Approach Value		1,210,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.
Direct Capitalization Price		1,210,000	
Total Potential Income		59,582	
Rental income		59,579	Recorded rent based on the current lease agreement.
Other income		3	Recorded with reference to actual amounts.
Total Effective Income		59,402	
Losses from Vacancies, etc.		180	The residential portion is not recorded, taking into account the content of the lease contract and the creditworthiness of the lessee. For the parking lot portion, the stable mid- to long-term Occupancy rate level is assessed and recorded based on the occupancy status and supply-demand trend of similar properties, as well as the occupancy status and future trend of the subject property.
Losses from Delinquencies		0	The Company determined that no recording is required, taking into account the situation of the lessee and other factors.
Expenses from rental business		5,760	
Maintenance and Management Fees		0	Not recorded as it is the lessee's responsibility.
Utilities Costs		0	Not recorded as it is the lessee's responsibility.
Management Commission Fees		22	The residential portion is not recorded because the lessee performs building management services according to the lease agreement. The parking lot portion is recorded in consideration of the remuneration rate for similar properties and the individual nature of the subject property.
Taxes and Public Dues		5,024	Recorded based on documents related to taxes and public dues, etc.
Non-life Insurance Premium		111	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.
Leasing Expenses		0	The building lease contract is a single building lease contract, and therefore, the cost of tenant replacement or renewal is not recorded, as it is considered appropriate to consider such costs in the capitalization rate.
Repair Costs		603	Restoration costs are not recorded because they are borne by the lessee. Repair and maintenance expenses are recorded by taking into account the actual amount of repair and maintenance expenses in previous years, the level of similar properties, and the annual average amount of repair and renewal expenses in the engineering report, etc.
Other Expenses		0	Not accounted for.
Net Operating Income		53,642	
Earnings from Deposits		0	No lump-sum payments were given or received and therefore not recorded.
Capital Expenditures		1,406	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.
FF&E Reserve		200	The appraisal was based on the level of FF&E reserve in comparable properties.
Net Cash Flow DCF Price		52,036	
Cap Rate		4.3%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.
DCF price		1,200,000	
Discount Rate		4.1%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.
Terminal Cap Rate		4.4%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.
Cost Approach Value		1,260,000	
Land ratio		57.5%	
Building Ratio		42.0%	
Other Auxiliary Facilities		0.5%	

Other items considered by the appraiser in the appraisal

None in particular.

(11) R-088 RESIDIA Kyusandai-mae

Appraisal date: as of August 1, 2023

Appraiser	Japan Real Estate Institute	Appraisal Value	918,000 thousand yen
Appraisal Items	Appraised Value (thousands of yen)	Basis.	
Income Capitalization Approach Value	918,000	The Income Capitalization Approach Value of the subject property was estimated by relating the Income Capitalization Value obtained by the DCF to the Income Capitalization Value obtained by the Direct Capitalization Approach Value.	
Direct Capitalization Price	922,000		
Total Potential Income	48,267		
Rental income	48,264	Recorded rent based on the current lease agreement.	
Other income	3	Recorded with reference to actual amounts.	
Total Effective Income	48,267		
Losses from Vacancies, etc.	0	Not recorded in consideration of the contents of the lease contract and the creditworthiness of the lessee.	
Losses from Delinquencies	0	The Company determined that no recognition is required, taking into account the situation of the lessee and other factors.	
Expenses from rental business	6,046		
Maintenance and Management Fees	240	The amount was recorded in consideration of the individual characteristics of the subject property, with reference to the details of the lease agreement and actual amounts in previous years.	
Utilities Costs	500	Utilities Costs of similar properties and the individual characteristics of the subject property were taken into account.	
Management Commission Fees	40	The residential portion is not recorded because the lessee performs building management services according to the lease agreement. The parking lot portion is recorded in consideration of the remuneration rate for similar properties and the individual nature of the subject property.	
Taxes and Public Dues	4,659	Recorded based on documents related to taxes and public dues, etc.	
Non-life Insurance Premium	101	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.	
Leasing Expenses	0	The building lease contract is a single building lease contract, and therefore, the cost of tenant replacement or renewal is not recorded, as it is considered appropriate to consider such costs in the capitalization rate.	
Repair Costs	506	Restoration costs are not recorded because they are borne by the lessee. Repair and maintenance expenses are recorded by taking into account the actual amount of repair and maintenance expenses in previous years, the level of similar properties, and the annual average amount of repair and renewal expenses in the engineering report, etc.	
Other Expenses	0	Not accounted for.	
Net Operating Income	42,221		
Earnings from Deposits	0	Not accounted for.	
Capital Expenditures	1,181	Appraised, taking into account the level of Capital Expenditures of similar properties, Building Age, and the average annual amount of repair and renewal expenses in the engineering report, etc.	
FF&E Reserve	1,399	The appraisal was based on the level of FF&E reserve in comparable properties.	
Net Cash Flow DCF Price	39,641		
Cap Rate	4.3%	Appraised by adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions to/from the standard yield of each area, and also by taking into account future uncertainties and transaction yields on similar properties, etc.	
DCF price	913,000		
Discount Rate	4.1%	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment yields, etc., in transactions with similar properties.	
Terminal Cap Rate	4.4%	The appraisal was made with reference to the transaction yields of similar properties, etc., and comprehensively taking into account future trends in investment yields, the riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends in real estate prices and rents, etc.	
Cost Approach Value	986,000		
Land ratio	47.0%		

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Building Ratio	51.2%
Other Auxiliary Facilities	1.8%
Other items considered by the appraiser in the appraisal	
None in particular.	

## 5. Financial Impact on ADR in the Event of Failure to Fulfill Forward Commitment, etc.

Beneficiary Interests in Trust transfer agreements (hereafter, the “Agreement”) for the asset-to-be-acquired (T-187 RESIDIA Ochanomizu III, T-188 RESIDIA Sangenjaya III, T-189 RESIDIA Sendagi and S-036 Tokyo Student-House Musashi-Kosugi) constitutes a forward commitment, etc.<sup>(Note)</sup> by an investment corporation defined in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. published by the Financial Services Agency.

The Agreement provides that if ADR or the seller violates a provision of the Agreement, the counterparty has the right to terminate the Agreement and claim an amount equivalent to 20% of the transaction price of the asset-to-be-acquired as penalty.

However, ADR is not obliged to pay penalties to the seller for the expiration or cancellation of the Agreement except where ADR is at fault.

(Note) Refers to a postdated sales agreement under which payment and property delivery shall be made at least one month after the conclusion of the agreement, or any other agreement similar thereto.

## 6. Overview of the Seller

- (1) T-182 RESIDIA Shirokane-Takanawa II, T-183 RESIDIA Meguro IV, T-187 RESIDIA Ochanomizu III, T-188 RESIDIA Sangenjaya III, T-189 RESIDIA Sendagi

Trade Name	ITOCHU Corporation
Location	3-1-3 Umeda, Kita-ku, Osaka-shi, Osaka
Representative	Keita Ishii, President and Chief Operating Officer
Principal business	ITOCHU is involved in domestic trading, import/export, and overseas trading of various products such as textile, machinery, metals, energy, chemicals, food, general product, realty, information, insurance, logistics, construction, and finance, as well as business investment in Japan and overseas.
Capital	253,448 million yen
Data of establishment	December 1, 1949
Total assets	13,111,652 million yen (as of March 31, 2023)
Shareholders' equity	4,819,511 million yen (as of March 31, 2023)
Total capital	5,463,627 million yen (as of March 31, 2023)
Large shareholders and Shareholding ratio	The Master Trust Bank of Japan, Ltd.(16.25%) etc. (as of March 31, 2023)
Relationship with ADR or ADIM	
Equity relations	As of the end of July 2023, the said company owns 2.5% of ADR's outstanding investment units. In addition, the said company is a shareholder of IRM and falls under the category of an interested party, etc. of ADR as defined in the Law Concerning Investment Trusts and Investment Corporations.
Personnel relations	As of today, one of the IRM's executives and employees is seconded from the said company.
Business relations	The following is a summary of specified asset sales transactions, etc. for the fiscal year ended July 31,

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	2023. Bought amount 0 yen /Sold amount 0 yen
Related parties' status	The said company is not a related party of ADR. The said company is the parent company of IRM and falls under the category of a related party.

- (2) T-184 RESIDIA Bunkyo Koishikawa II, T-185 RESIDIA Shinagawa Seaside, T-186 Share Place Shimo-kitazawa, S-036 Tokyo Student-House Musashi-Kosugi

Trade Name	ITOCHU Property Development, Ltd.
Location	2-9-11 Akasaka, Minato-ku, Tokyo
Representative	Norio Matsu, President
Principal business	Apartment and house construction and sales, real estate operation, management, and consulting, etc.
Capital	10,225 million yen
Data of establishment	December 1, 1997
Total assets	-
Shareholders' equity	-
Total capital	-
Large shareholders and Shareholding ratio	ITOCHU Corporation(100.0%)
Relationship with ADR or ADIM	
Equity relations	The said company holds 20.0% of IRM's outstanding shares and is a support line company of ADR.
Personnel relations	As of today, one of the IRM's executives and employees is seconded from the said company.
Business relations	The following is a summary of specified asset sales transactions, etc. for the fiscal year ended July 31, 2023. Bought amount 0 yen Sold amount 0 yen
Related parties' status	The said company is not a related party of ADR. The said company is the subsidiary of parent company ITOCHU Corporation (100%) and falls under the category of a related party.

- (3) R-087 RESIDIA Kyudai-Gakkentoshi, R-088 RESIDIA Kyusandaimae

The seller is a domestic corporation, but details are not disclosed because consent could not be obtained from the seller. The company does not fall under the category of a party having a special interest relationship with ADR or IRM.

## 7. Status of seller

- (1) T-182 RESIDIA Shirokane-Takanawa II

Status of Property Owners, etc.	Previous owner, etc.	The time before last owner, etc.
Company Name / Name	ITOCHU Corporation	Other than those with a special interest
Special Interests. Relationship with a certain person	Interested parties as defined in the internal rules of IRM	-
Background and reason for acquisition, etc.	Rental Housing Development Objectives	-
Acquisition Price	Omitted for development purposes	-
Acquisition period	(Land) June 2014	-

	(Building) August 2015	
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(2) T-183 RESIDIA Meguro IV

Status of Property Owners, etc.	Previous owner, etc.	The time before last owner, etc.
Company Name / Name	ITOCHU Corporation	Other than those with a special interest
Special Interests. Relationship with a certain person	Interested parties as defined in the internal rules of IRM	-
Background and reason for acquisition, etc.	Rental Housing Development Objectives	-
Acquisition Price	Omitted for development purposes	-
Acquisition period	(Land) August 2014, October 2014 (Building) January 2016	-

(3) T-184 RESIDIA Bunkyo Koishikawa II

Status of Property Owners, etc.	Previous owner, etc.	The time before last owner, etc.
Company Name / Name	ITOCHU Property Development, Ltd.	Other than those with a special interest
Special Interests. Relationship with a certain person	Interested parties as defined in the internal rules of IRM	-
Background and reason for acquisition, etc.	Rental Housing Development Objectives	-
Acquisition Price	Omitted for development purposes	-
Acquisition period	(Land) July 2014 (Building) September 2016	-

(4) T-185 RESIDIA Shinagawa Seaside

Status of Property Owners, etc.	Previous owner, etc.	The time before last owner, etc.
Company Name / Name	ITOCHU Property Development, Ltd.	Other than those with a special interest
Special Interests. Relationship with a certain person	Interested parties as defined in the internal rules of IRM	-
Background and reason	Rental Housing Development Objectives	-

for acquisition, etc.		
Acquisition Price	Omitted for development purposes	-
Acquisition period	(Land) April 2014 (Building) March 2018	-

(5) T-186 Share Place Shimokitazawa

Status of Property Owners, etc.	Previous owner, etc.	The time before last owner, etc.
Company Name / Name	ITOCHU Property Development, Ltd.	Other than those with a special interest
Special Interests. Relationship with a certain person	Interested parties as defined in the internal rules of IRM	-
Background and reason for acquisition, etc.	Rental Housing Development Objectives	-
Acquisition Price	Omitted for development purposes	-
Acquisition period	(Land) October 2017 (Building) September 2021	-

(6) T-187 RESIDIA Ochanomizu III

Status of Property Owners, etc.	Previous owner, etc.	The time before last owner, etc.
Company Name / Name	ITOCHU Corporation	Other than those with a special interest
Special Interests. Relationship with a certain person	Interested parties as defined in the internal rules of IRM	-
Background and reason for acquisition, etc.	Rental Housing Development Objectives	-
Acquisition Price	Omitted for development purposes	-
Acquisition period	(Land) September 2014 July 2015 July 2023 (Note 10) (Building) November 2016	-

(Note) A portion of this site (98.51m<sup>2</sup>) is a private road, which the previous owner will purchase from a third party for 1,000 thousand yen in July 2023 and then sell to ADR. The 407 thousand yen in registration-related costs incurred by the previous owner in acquiring the said private road will be settled between the previous owner and ADR.

(7) T-188 RESIDIA Sangenjaya III

Status of Property Owners, etc.	Previous owner, etc.	The time before last owner, etc.
Company Name / Name	ITOCHU Corporation	Other than those with a special interest
Special Interests. Relationship with a certain person	Interested parties as defined in the internal rules of IRM	-
Background and reason for acquisition, etc.	Rental Housing Development Objectives	-
Acquisition Price	Omitted for development purposes	-
Acquisition period	(Land) March 2015 April 2015 (Building) May 2017	-

(8) T-189 RESIDIA Sendagi

Status of Property Owners, etc.	Previous owner, etc.	The time before last owner, etc.
Company Name / Name	ITOCHU Corporation	Other than those with a special interest
Special Interests. Relationship with a certain person	Interested parties as defined in the internal rules of IRM	-
Background and reason for acquisition, etc.	Rental Housing Development Objectives	-
Acquisition Price	Omitted for development purposes	-
Acquisition period	(Land) November 2014 December 2014 (Building) October 2017	-

(9) S-036 Tokyo-Student House Musashi-Kosugi

Status of Property Owners, etc.	Previous owner, etc.	The time before last owner, etc.
Company Name / Name	ITOCHU Property Development, Ltd.	Other than those with a special interest
Special Interests. Relationship with a certain person	Interested parties as defined in the internal rules of IRM	-
Background and reason for acquisition, etc.	Rental Housing Development Objectives	-
Acquisition Price	Omitted for development purposes	-
Acquisition period	(Land) December 2014	-

		April 2015 (Building) January 2017	
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(10) R-087 RESIDIA Kyudai-Gakkentoshi, R-088 RESIDIA Kyusandaimae

Omitted since the acquisition is not from a specially interested party.

#### 8. Interest of IRM in the Asset-To-Be-Acquired

(1) In conducting transactions with interested parties as described in 7. Seller Status (Acquisition of properties from parties with special relationships) above, IRM has followed the required procedures in accordance with the provisions of IRM's internal rules "Rules on Transactions with Interested Parties.

(2) Of the above assets-to-be-acquired, ADR has agreed that T-182 RESIDIA Shirokane-Takanawa II, T-183 RESIDIA Meguro IV, T-184 RESIDIA Bunkyo Koishikawa II, T-185 RESIDIA Shinagawa Seaside, T-186 Share Place Shimo-kitazawa, T-187 RESIDIA Ochanomizu III, T-188 RESIDIA Sangenjaya T-189 RESIDIA Sendagi and S-036 Tokyo Student-House Musashi-Kosugi, the master lease and property management services will be entrusted to ITOCHU Urban Community Co., Ltd. which is an interested party of the IRM. Therefore, necessary procedures are scheduled to be taken in accordance with internal rules regarding the conclusion of a building lease and management operation consignment agreement, etc. with the company.

#### 9. Matters concerning earthquake resistance, etc.

For the Asset-To-Be-Acquired (except for R-088 RESIDIA Kyusandaimae), ADR has received notifications that the structural calculation documents have been approved by the designated structural calculation inspection institute in accordance with the revision of the Building Standard Act that came into effect in June 2007.

For R-088 RESIDIA Kyusandaimae, a third-party investigation was conducted on the validity of the structural calculation report, and the investigation results were obtained to the effect that there was no evidence of willful falsification, forgery, or other irregularities in the structural calculation report, etc., and that the structural calculation was conducted in compliance with the law.

#### Survey Company Overview

Trade name	Tokio Marine dR Co., Ltd.
Head Office Address	5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
Representative	Nobuhiro Tsutsumi, Representative Director and President
Amount of Capital	100 million yen
Major Shareholder	Tokio Marine Holdings, Inc.
Principal Businesses	1. research, study, information provision, diagnosis, consulting, seminar organization, publication, and training services related to safety, disaster prevention, hygiene, environment, product safety, information management, etc. (2) Contracted work and administrative work related to safety, disaster prevention, hygiene, the environment, product safety, information management, etc., performed by companies, etc.

	Design, construction, and supervision of building construction, civil engineering, equipment construction, soil decontamination, etc. 4. due diligence services such as collection and analysis of market information, risk measurement, and calculation of corporate value, etc.
ADR and Relationship with IRM	none in particular

#### 10. Broker Profile

Not applicable.

#### 11. Outlook

As described in the "*Notice Concerning Revision to Forecast of Financial Results for the Period Ending January 31, 2024 (FP27) and Forecast of Financial Results for the Period Ending July 31, 2024 (FP28)*" released today.

#### About Advance Residence Investment Corporation

Advance Residence Investment Corporation is the largest J-REIT specializing in residential properties and is managed by ITOCHU REIT Management Co., Ltd. (IRM), the asset management company of the ITOCHU Group, investing in over 270 rental apartments located mostly in central Tokyo and in other major cities throughout Japan (AUM over 470 billion yen). ADR can be expected have a stable dividend in the long-term and can be considered as a defensive J-REIT, on back of the stable income from residential assets and with the largest dividend reserve among J-REITs.

**"Advance" is the common brand name of the real estate investment corporation managed by ITOCHU REIT Management Co., Ltd.**

ADR's website: <https://www.adr-reit.com/en/>

IRM's website : <https://www.itc-rm.co.jp/en/>