



**Takara Leben Real Estate
Investment Corporation**

Securities Code: 3492

February 2023 Fiscal Period (10th Fiscal Period) Presentation Material



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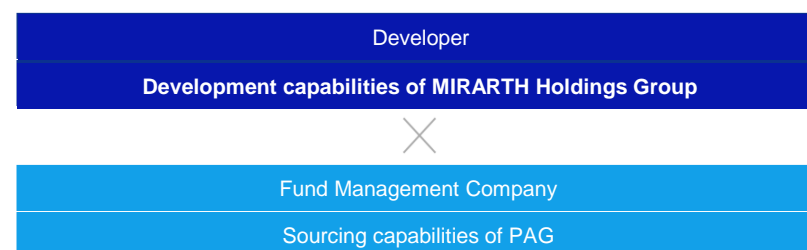
Overview

Name	Takara Leben Real Estate Investment Corporation
Securities Code	3492
Listed	July 27, 2018
Fiscal Closing	February, August
Asset Size (As of February 28, 2023)	121,023 million JPY (Acquisition price basis)
Portfolio Management Standards (Target investment ratios)	(By usage) Office/residence: No less than 70% Hotel/retail and other assets: No more than 30% (By area) Core areas: No less than 70% Sub-areas: No more than 30%
Asset Management Company	Takara PAG Real Estate Advisory Ltd.
Asset Management Company Sponsors	MIRARTH Holdings, Inc. (60%)* PAG Real Estate Holding Limited (30%) Kyoritsu Maintenance Co., Ltd. (5%) YAMADA HOLDINGS CO., LTD. (5%)

*The name was changed from Takara Leben Co., Ltd. as the organization changed to a holding company structure as of October 1, 2022.

Features

- (1) Leveraging the development capabilities of a comprehensive real estate developer and the sourcing capabilities of a fund management company
 ⇒ Steady external growth
 ⇒ Greater opportunity for property acquisition



- (2) Building a comprehensive portfolio by maximally leveraging the strengths of each sponsor company
 - Expertise in each of office, residence, hotel, retail and other properties
 - Diversified investment by geographic area and focused on the four major metropolitan areas
- (3) Management expertise and operational strengths
 - ⇒ Stable management and internal growth
 - Leveraging the operational capabilities of each sponsor company to improve profitability and optimize management costs
 - Achieving greater value by leveraging expertise

	Initial Targets/Plan	Results for the Period
Distributions	2,710 JPY per unit	2,710 JPY per unit (vs. forecast; same amount)
External Growth	<ul style="list-style-type: none"> Replace properties to enhance portfolio quality and stability Increase acquisition opportunities by utilizing the Asset Management Company's proprietary network Leverage sponsor pipeline to secure acquisition opportunities (Continuous acquisition of properties via MIRARTH HOLDINGS Group) 	<ul style="list-style-type: none"> Acquired eight residential properties and one retail property through public offering at the beginning of the period (eight sponsor properties, one through the asset management company's own network) Disposed of three properties during the period (one office, one hotel, one retail) Acquired eight residential properties through public offering in the 11th Fiscal Period for the second consecutive fiscal year (four sponsor properties, four through the asset management company's own network)
Internal Growth	<ul style="list-style-type: none"> Promoted flexible leasing activities in response to changes in the market environment or the needs of tenants Diversify proportion of upper tenants with the aim of reducing risk Continuing negotiations for elimination of rent gaps 	<ul style="list-style-type: none"> Succeeded in rapidly backfilling two office properties where occupancy had declined. This contributed to the overall occupancy rate increasing from 97.8% at the beginning of the period to 98.9% at the end of the period. Made progress in rent increases, primarily for residential properties Performance-linked rents at ACCESS by LOISIR HOTEL Nagoya are trending upward (approx. 2.9 times compared with the previous period) in line with the post-pandemic recovery.
ESG	<ul style="list-style-type: none"> Proactively consider new ESG-related initiatives Continue working to obtain additional external appraisals Further promote installation of LEDs in owned properties 	<ul style="list-style-type: none"> Restructure the MIRARTH HOLDINGS Group to reinforce ESG management Acquired "Green Star" designation in the 2022 GRESB Real Estate Assessment and "A-level" designation in the GRESB Public Disclosure Assessment Acquired CASBEE Evaluation for five additional properties (residential)
Finance	<ul style="list-style-type: none"> Extending borrowing periods, leveling off maturity ladder Alongside expanding asset size, using capital increases to improve liquidity in investment units and enhance procurement foundations 	<ul style="list-style-type: none"> Equity financing through public offering (6.4 billion yen) at the beginning of the period Concurrent bank loans (5.7 billion yen) and repayment of short-term borrowings (0.9 billion yen) Equity financing through public offering (4.1 billion yen) in the 11th Fiscal Period +OA third-party allotment (300 million yen) Concurrent bank loans (4.0 billion yen)

I. Overview and Impact of the Fourth Public Offering

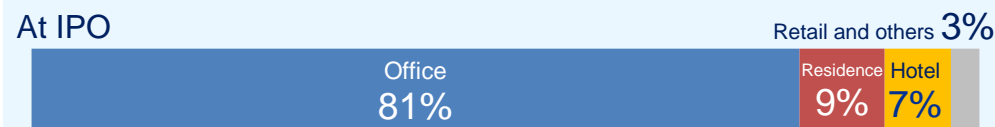
Highlights of the Fourth Public Offering (Beginning of the 11th Fiscal Period)

Summary of Public Offering

Offering Type	Domestic offering
Issue Price	88,422 JPY per unit
Issue Amount	85,293 JPY per unit
Number of Units Issued	General offering: 48,735 units
	Third-party allotment: 4,000 units (OA)
Total Issue Amount	General offering: 4,156 million JPY
	Third-party allotment: 341 million yen (OA)
Use of Funds	Allocated to funds for property acquisition

Impact of Property Acquisition Through Offering

➤ Diversification of portfolio

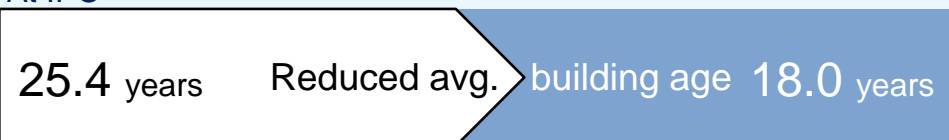


After New PO



➤ Younger average portfolio building age

At IPO



■ Use of Procured Funds

- Considering market conditions, reduce the scale of equity financing by covering a larger portion with cash on hand
- Utilize funds raised through public offering, borrowings, and cash on hand to acquire residential properties with high income stability

<Procured Funds>

Funds procured through
public offering
(General offering)
4.15 billion JPY

Borrowings
4.07 billion JPY

Cash on hand
Approx. 3 billion yen

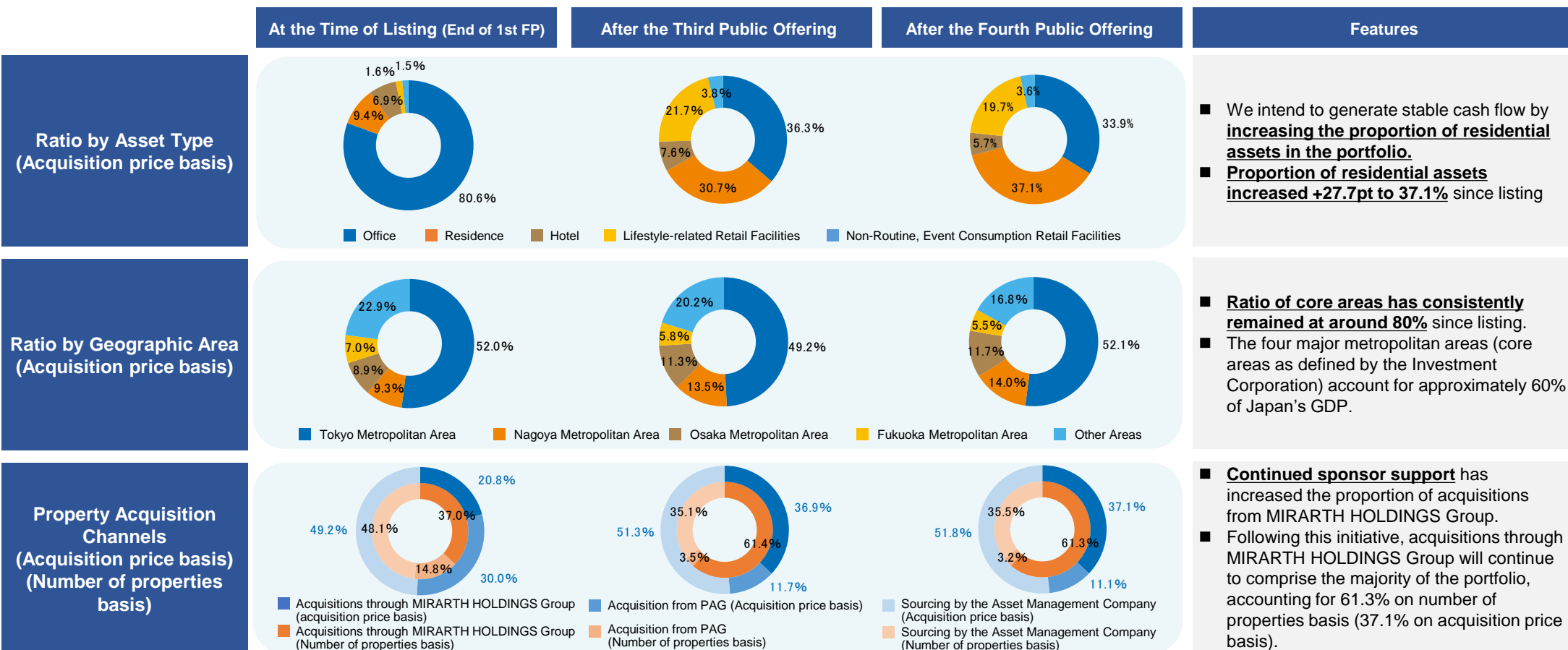
<Use of Funds>



**Acquisition of
8 properties**
(Total acquisition price:
10.64 billion JPY)

Impact of Capital Increase Through Public Offering (Qualitative Portfolio Enhancement (1))

- Increase proportion of residential assets, which are highly stable
- Replace assets through public offering to enhance stability of portfolio
- Continuous sponsor support has increased the proportion of property acquisitions via the main sponsor, MIRARTH HOLDINGS Group

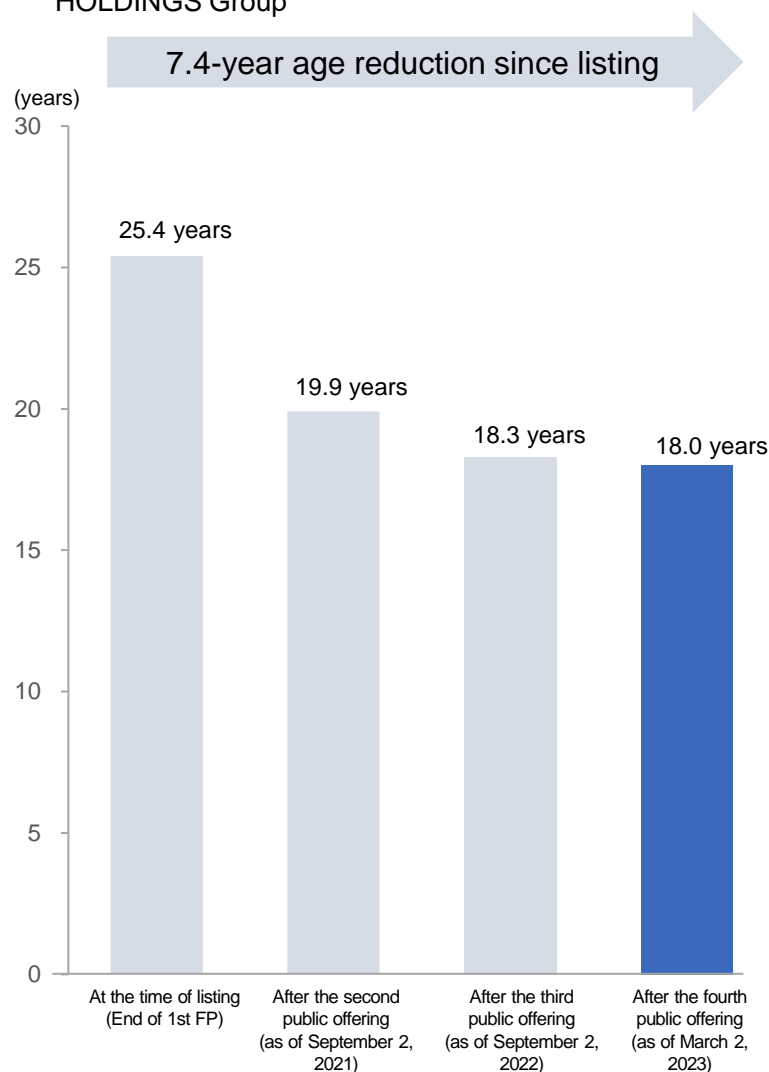


*Acquisitions through each sponsor group includes properties acquired through bridge funds, etc.

Impact of Capital Increase Through Public Offering (Qualitative Portfolio Enhancement (2))

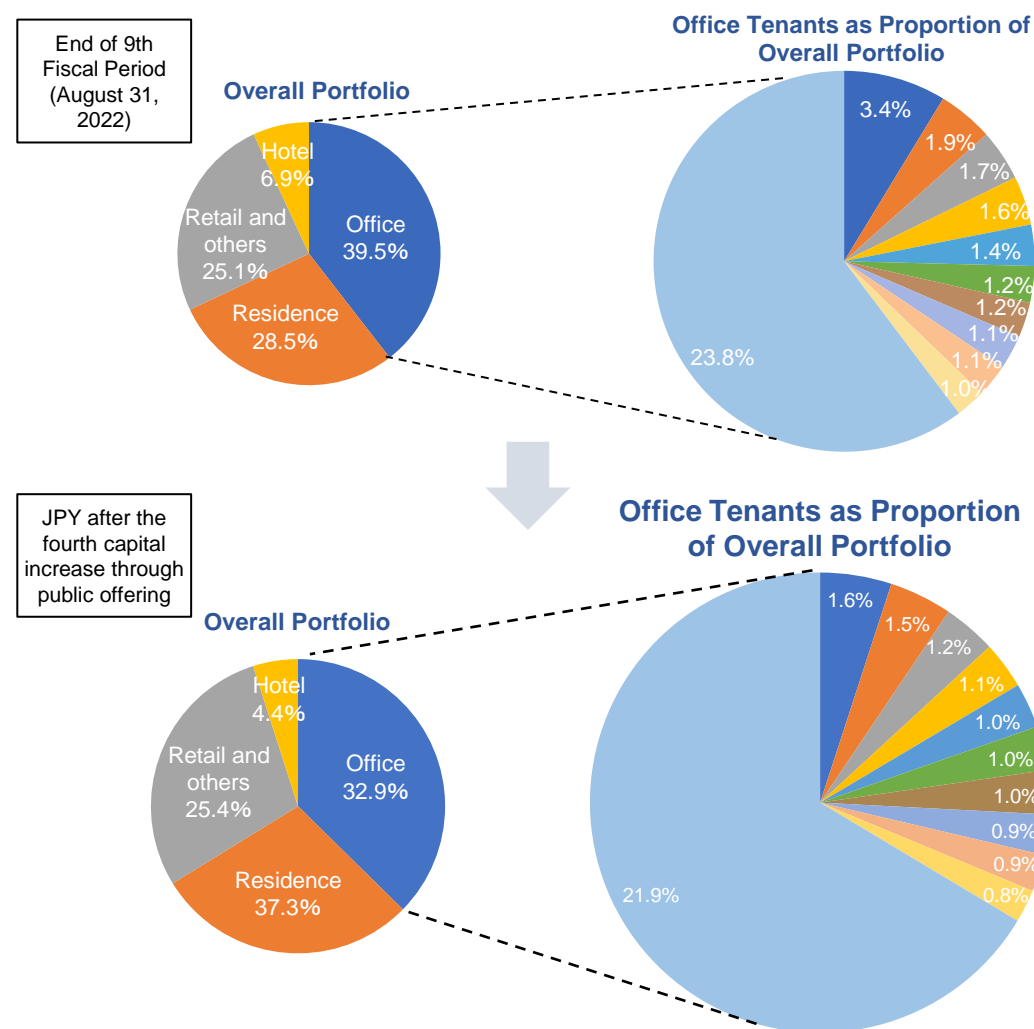
Average Building Age

- Improvement in average property age through acquisition of newer properties developed by the main sponsor, MIRARTH HOLDINGS Group



Tenant Diversification (Rent Basis)

- Following the departure of a major office tenant at the beginning of the 10th Fiscal Period, the company undertook aggressive leasing activities to backfill the vacancy.
- This, along with the effect of acquisition of residential properties through public offering, has reduced the risk of large tenants departing, and enhanced earnings stability.



Promoting Risk Management Through Strategic Replacement of Assets

- Reduce portfolio potential downside risk through strategic property replacement sparked by pandemic

Improve stability of DPU

Demonstrate strengths of **MIRARTH HOLDINGS Group** in external and internal growth

Acquire properties with focus on high-quality residential assets with potential for stable rental income and upside from rent increases

Third public offering
(beginning of the 10th period)



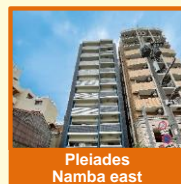
LUXENA KITASENJU



La Vita Higashi Ueno



LUXENA JOSHIN



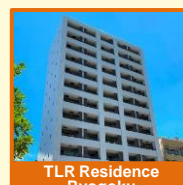
Pleiades
Namba east



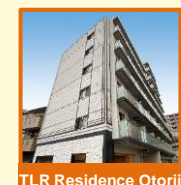
Kaden Sumairu Kan x
YAMADA web.com
Nara

Other: Four residential properties (nine properties in total)

Fourth public offering
(beginning of the 11th period)



TLR Residence
Ryogoku



TLR Residence Otorii



TLR Residence
Kameari



Fiel Kiyofune



SERENITE
Namba west

Other: Three residential properties (eight properties in total)

Replace or transfer properties from a medium- to long-term perspective while factoring in risks to cash flow stability

Properties transferred between
the 8th and 10th Fiscal Periods



Nagano Central
Building



SAMTY Shin-Osaka
Center Building



Yamagata Ekimae-dori
Building



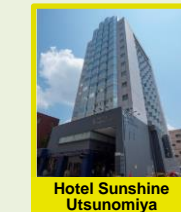
Shinsaibashi Building



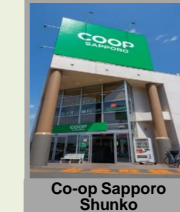
Chuo Bakuromachi
Building



Akasaka Kawase
Building



Hotel Sunshine
Utsunomiya

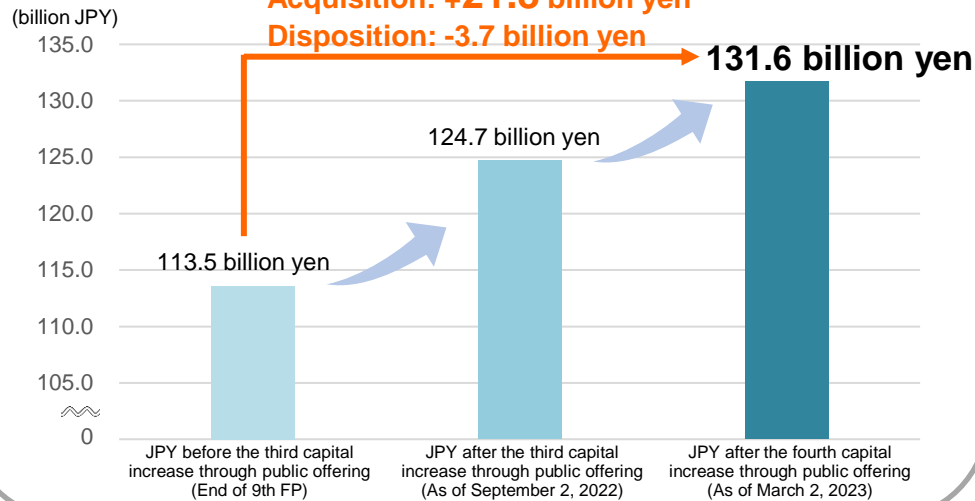


Co-op Sapporo
Shunko

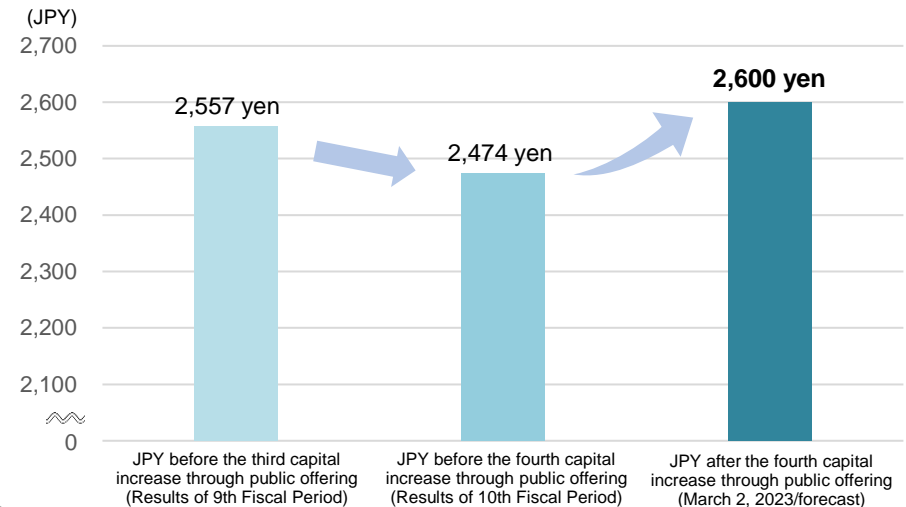
Office Residence Hotel Retail and others

- Utilize public offerings to steadily expand asset scale for two consecutive fiscal years amidst uncertainty in the environment

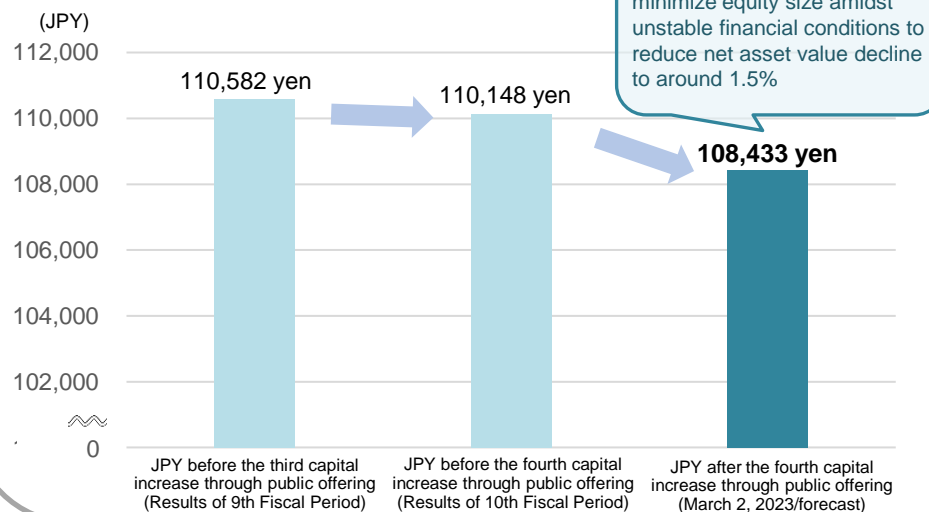
Asset Size



Distribution Per Unit (Ongoing Basis)



Net Asset Value Per Unit



Change in accounting policy

- Since listing, the proportion of residential assets in the Investment Corporation's portfolio has been increasing
- As a diversified REIT, we invest in a variety of asset types and plan to continue augmenting our investment in residential assets based on our sponsor's pipeline and prevailing conditions.

➡ Changed the accounting policy from the 10th Fiscal Period **to more accurately and appropriately reflect the Investment Corporation's actual management situation in financial statements as the proportion of residential assets increases.**

Before change

Non-deductible consumption taxes on fixed assets are recorded as long-term prepaid expenses and are amortized equally over 5 years.

After change

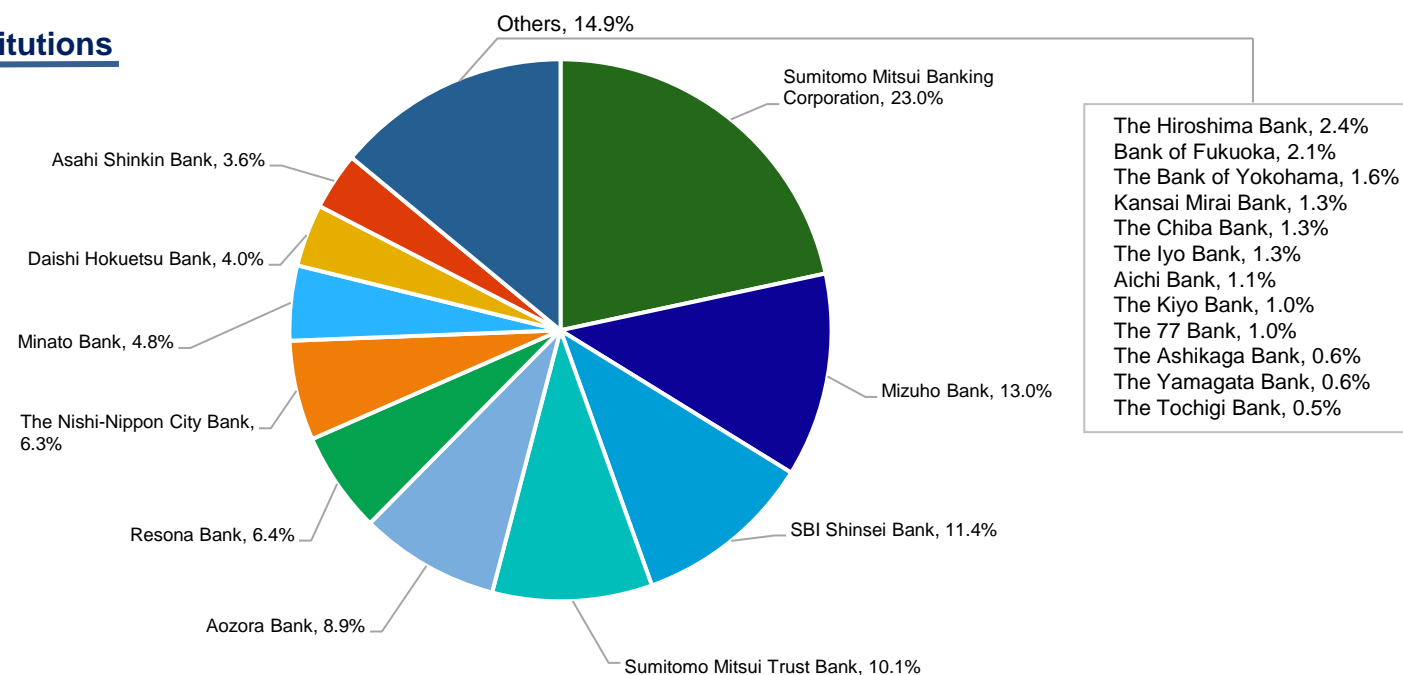
Non-deductible consumption taxes on fixed assets are included in the acquisition cost of individual fixed assets

*NAV per unit is calculated based on the figures after adjustment in line with change in accounting policy.

Expanding Pool of Lender Financial Institutions

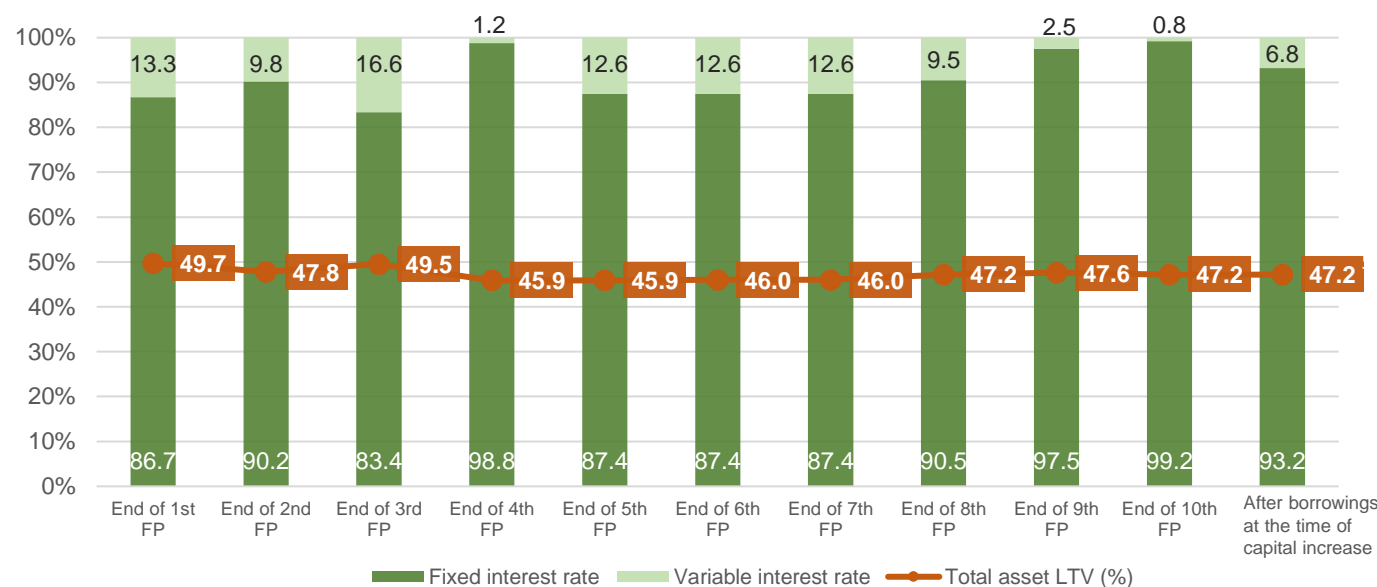
- Currently, we have 22 financial institutions as lenders.
- Stabilizing funding foundations by enhancing transacting bank pool

Total borrowings
At end of 10th FP: 63,080 million JPY
 (Borrowings as of the time of the fourth public offering: 4,070 million yen)
After taking out loans at the time of capital increase: 67,150 million JPY



Ratio of Fixed Interest Rates, LTV Management

- Considering financial market trends, we procured loans at acceptable variable interest rates for this capital increase.
- LTV essentially unchanged
- Policy to construct a sound financial standing by maintaining a high fixed interest rate ratio and appropriate LTV control to mitigate financial risk





II. Overview of the 10th Fiscal Period

10th Fiscal Period Financial Highlights

(Unit: million JPY)

	10th FP Results vs. Forecast				9th FP vs. 10th FP			
	Initial Forecast	Actual	Difference	Major Factors	9th FP	10th FP	Difference	Major Factors
Number of Days in Operation	181 days	181 days	-	-	184 days	181 days	-	-
Operating Revenue	3,495	3,612	+117	+50 Increase in gain on transfer of property (Akasaka Kawase) +34 Increase in rental income (ACCESS +25, etc.) +5 Increase in utilities reimbursement revenue +28 Other	3,545	3,612	+67	-110 Decrease in gain on disposition of property (9th FP: 248, 10th FP: 137) -102 Decrease in revenue during period from transfer of property +60 Increase in revenue from properties acquired in the previous period +314 Increase in revenue during period from acquisition of property -94 Total increase/decrease in revenue for existing properties (NT Building -93, HAKATA REISENMACHI Building -42, ACCESS by LOISIR HOTEL Nagoya +30, etc.)
Operating Income	1,955	2,092	+136	+117 Increase in operating revenue -27 Increase in utilities expenses -15 Increase in repair expenses +82 Decrease in non-deductible consumption tax expenses -21 Other	2,020	2,092	+71	+67 Increase in operating revenue +38 Decrease in expenses during period from transfer of property -19 Increase in expenses from properties acquired in the previous period -73 Increase in expenses during period from acquisition of property +76 Decrease in non-deductible consumption tax expenses -18 Other
Ordinary Income	1,610	1,743	+132	+136 Increase in operating income -4 Increase in financing-related expenses	1,727	1,743	+16	+71 Increase in operating income -40 Increase in interest on borrowings -14 Increase in financing-related expenses
Net Income	1,610	1,717	+107	+132 Increase in ordinary income -25 Increase in income taxes deferred	1,726	1,717	-8	+16 Increase in ordinary income -25 Increase in income taxes deferred
Total Amount of Distributions	1,730	1,730	-	+107 Increase in net income -107 Decrease in reversal of retained earnings	1,729	1,730	+1	-8 Decrease in net income +10 Increase in reversal of retained earnings (two in previous period, 12 in current period)
Distributions per Unit (including distributions in excess of earnings)	2,710 JPY	2,710 JPY	-	Total number of investment units issued and outstanding: 638,600 units	3,008 JPY	2,710 JPY	-298 JPY	Total number of investment units issued and outstanding at end of 9th FP: 575,000 units Total number of investment units issued and outstanding at end of 10th FP: 638,600 units

(Note) Figures are rounded down to the nearest million JPY, so totals may not add up.

Balance Sheet



Takara Leben Real Estate
Investment Corporation

(Unit: million JPY)

	9th FP vs 10th FP			
	9th FP	10th FP	Difference	Major Factors
Current Assets	6,698	9,965	+3,267	
Cash and Deposits (including in trust)	6,197	9,645	+3,447	-11,735 Property acquisition +3,826 Property disposition +5,780 New loans -975 Repayment of short-term loans +6,418 Capital increase through public offering
Other Current Assets	500	319	-180	-184 Reversal of deferred consumption tax
Fixed Assets	115,584	123,772	+8,187	
Tangible Fixed Assets	114,630	123,395	+8,765	+11,735 Property acquisition -3,826 Property disposition 875 Non-deductible consumption tax included in book value
Intangible Assets	2	1	0	
Investments and Other Assets	951	374	-576	-535 Reversal of deferred consumption tax
Deferred Assets	20	37	+16	
Total Assets	122,302	133,774	+11,471	

(Unit: million JPY)

	9th FP vs 10th FP			
	9th FP	10th FP	Difference	Major Factors
Current Liabilities	7,754	6,801	-953	
Current Portion of Long-term Loans Payable	6,000	6,000	-	
Other Current Liabilities	1,754	801	-953	-975 Repayment of short-term loans
Non-current Liabilities	55,292	61,203	+5,910	
Long-term Loans payable	51,300	57,080	+5,780	+5,780 New loans
Other Non-current Liabilities	3,992	4,123	+130	
Total Liabilities	63,047	68,005	+4,957	
Net Assets	59,255	65,769	+6,513	+6,418 Capital increase through public offering
Total Liabilities and Net Assets	122,302	133,774	+11,471	

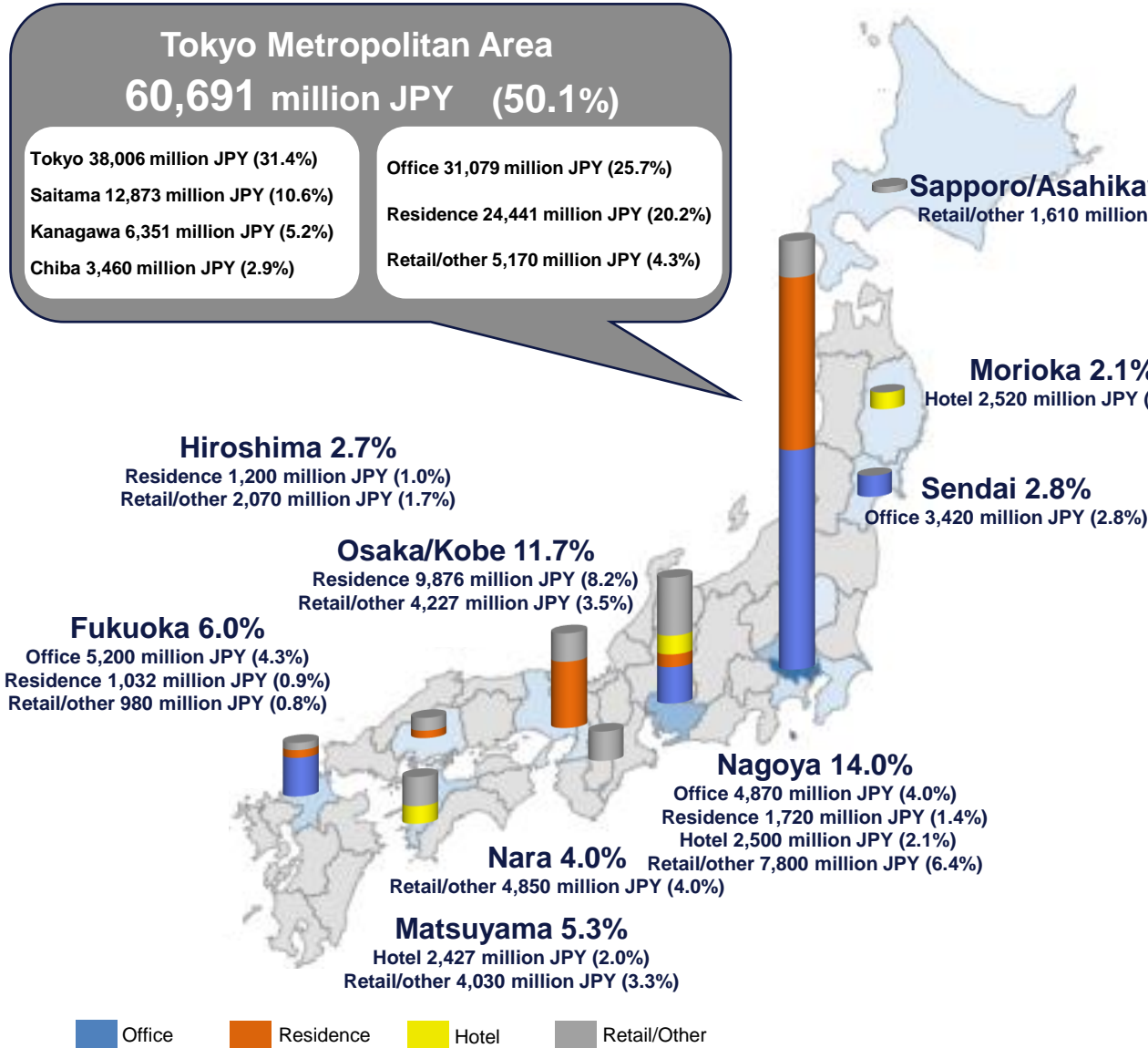
(Note) Figures are rounded down to the nearest million JPY, so totals may not add up.

■ Property acquisitions at beginning of period

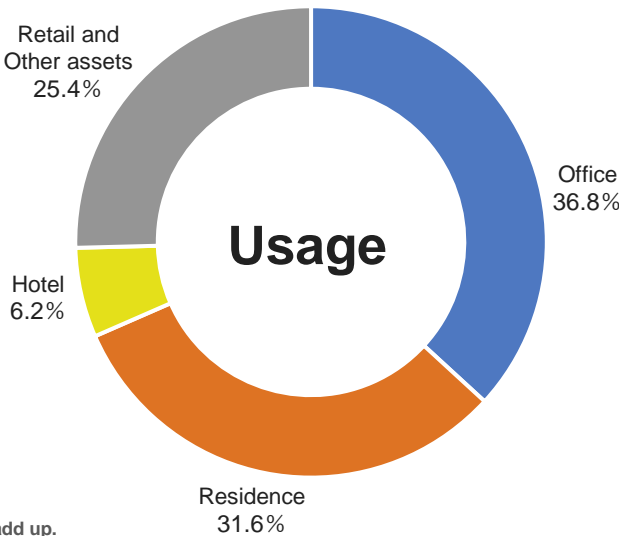
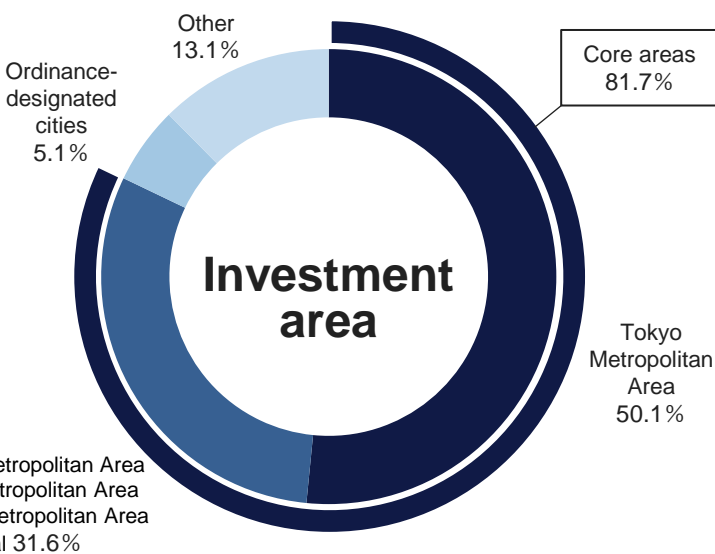
- Acquired nine new properties (eight residential, one retail) through the third public offering at the beginning of the 10th Fiscal Period

	R-23	R-24	R-25	R-26	R-27	R-28	R-29	R-30	C-13
	LUXENA KITASENJU	La Vita Higashi Ueno	LUXENA JOSHIN	LUXENA UMEKOJI- KYOTONISHI	LUXENA KIYOMIZU- GOJO	La Vita Nijo Gekko	La Vita Toji	Pleiades Namba east	Kaden Sumairu Kan x YAMADA web.com Nara
									
Acquisition Price	1,540 million JPY	1,280 million JPY	620 million JPY	725 million JPY	515 million JPY	515 million JPY	465 million JPY	675 million JPY	4,850 million JPY
Appraisal Value (End of 10th FP)	1,610 million JPY	1,290 million JPY	634 million JPY	772 million JPY	597 million JPY	535 million JPY	477 million JPY	717 million JPY	5,170 million JPY
Total Floor Area	1,893.46 m ²	1,029.91 m ²	1,290.49 m ²	1,466.11 m ²	1,068.10 m ²	930.56 m ²	874.80 m ²	1,271.00 m ²	9,827.47 m ²
Location	17-6, Senju Kawaracho, Adachi-ku, Tokyo	1-19-7, Higashi-Ueno, Taito-ku, Tokyo	4-20-3, Jyosai, Nishi-ku, Nagoya-shi, Aichi	67-2, Nishi-Shichijo Goryo-cho, Shimogyo-ku, Kyoto-shi, Kyoto	360, Yamazaki-cho, Yamato Oji Gojoagaru, Higashiyama-ku, Kyoto-shi, Kyoto	33-5, Nishinokuyohigashige kkocho, Kyoto Nakagyo-ku, Kyoto-shi, Kyoto	84, Nishikujokaigacho, Kyoto Minami-ku, Kyoto-shi, Kyoto	1-22-7, Nipponbashi, Chuo-ku, Osaka-shi, Osaka	463-4, Kashiwagi-cho, Nara-shi, Nara
Access	Four-minute walk from Senju Ohashi Station on the Keisei Main Line Ten-minute walk from Kitasenju Station on JR Jyoban Line, the Tobu Skytree Line, the Tokyo Metro Chiyoda and Hibiya lines, and Tsukuba Express	Four-minute walk from Naka- Okachimachi Station on the Tokyo Metro Hibiya Line Six-minute walk from Shin-Okachimachi Station on the Toei Oedo Line and Tsukuba Express	Two-minute walk from Jyosoin Station on the Tsurumai Line of the Nagoya Municipal Subway	Eight-minute walk from Umeoji Kyoto Nishi Station on JR Sanin Main Line (Sagano Line)	Six-minute walk from Kiyomizu Gojo Station on the Keihan Main Line Fourteen-minute walk from Kyoto Kawaramachi Station on the Hankyu Kyoto Line	Five-minute walk from Nijo Station on JR Sanin Main Line (Sagano Line) and the Tozai Line of the Kyoto Municipal Subway	Three-minute walk from Toji Station on the Kintetsu Kyoto Line	Three-minute walk from Nipponbashi Station on the Osaka Metro Sakaisuji and Sennichimae lines Three-minute walk from Kintetsu Nipponbashi Station on the Kintetsu Namba Line	Approx. 1,800 m southwest from Shin- Omiya Station on the Kintetsu Nara Line Approx. 2,000 m southwest from Nara Station on JR Kansai Main Line (Yamatoji Line)
Completed	January 2022	February 2019	February 2022	July 2019	March 2015	July 2017	September 2018	December 2013	November 2008
Number of Units	52	21	34	51	32	30	30	36	-
Acquisition Date	September 2, 2022	September 2, 2022	September 2, 2022	September 2, 2022	September 2, 2022	September 2, 2022	September 2, 2022	September 2, 2022	September 2, 2022
Occupancy Rate (End of September 2022 ⇒ End of February 2023)	96.9% ⇒ 100%	95.6% ⇒ 95.6%	96.5% ⇒ 100%	100% ⇒ 100%	97.5% ⇒ 97.5%	100% ⇒ 100%	90.0% ⇒ 100%	91.8% ⇒ 100%	100% ⇒ 100%

Portfolio Diversification by Geographic Area (As of February 28, 2023)



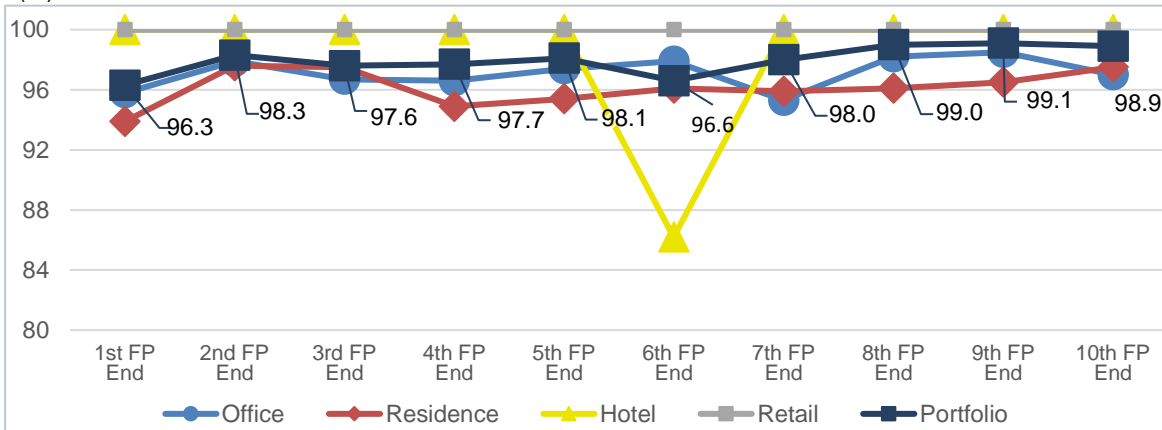
Portfolio Diversification by Category (As of February 28, 2023)



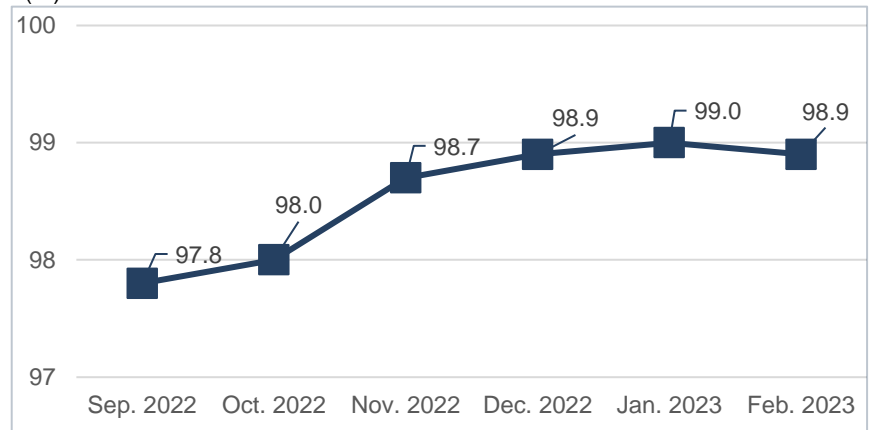
*Amounts in the graph are presented as the acquisition prices for each category and are rounded down to the nearest million JPY, so totals may not add up.
*Ratios of portfolio categories are rounded to the first decimal place.

Trends in Occupancy Rates

(%) Occupancy Rates (as of period-end) Since Listing

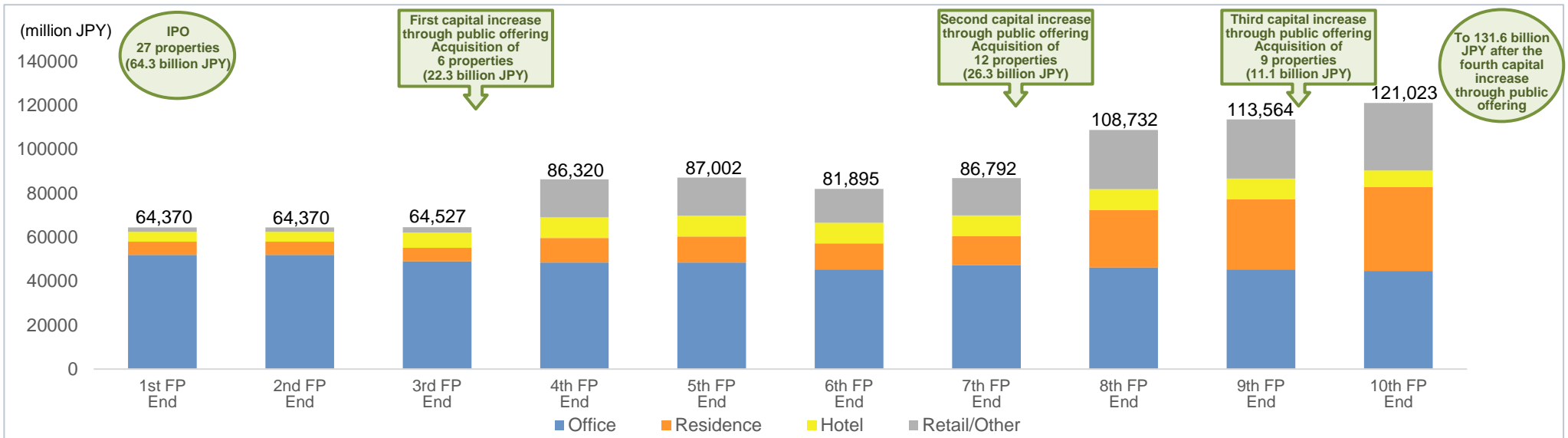


(%) Monthly Portfolio Occupancy Rates in the 10th FP



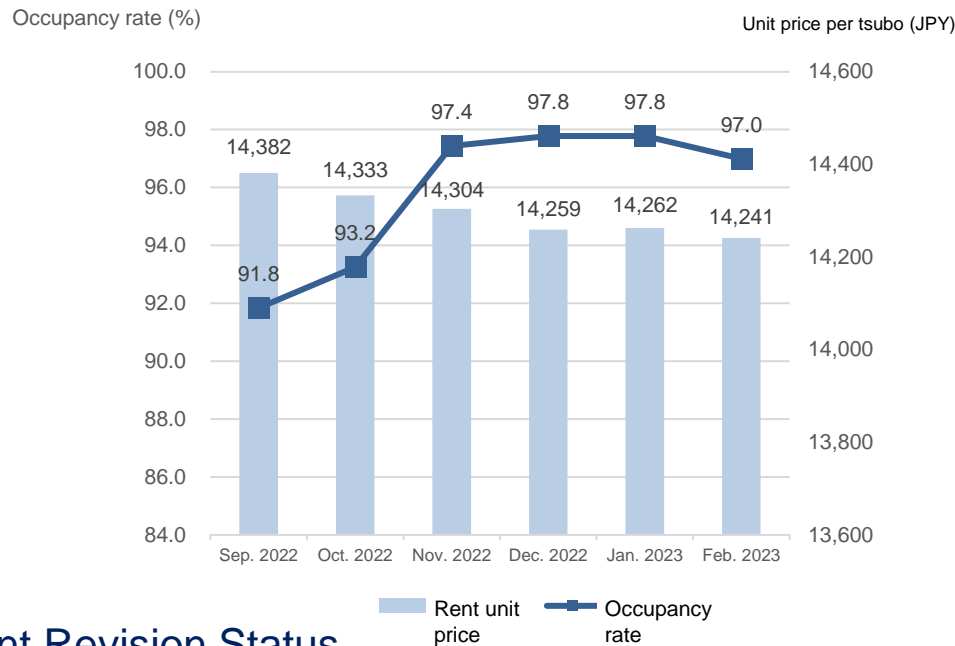
The Investment Corporation has maintained an end-of-period occupancy rate for the entire portfolio in the upper 90% range since listing, and during the period under review, backfilling resulted in rapid improvement in occupancy.

Asset Size



Steadily expanding asset size via use of capital increase through public offering, seizing promising opportunities while improving portfolio quality

Trends in Occupancy Rate and Rent Unit Price

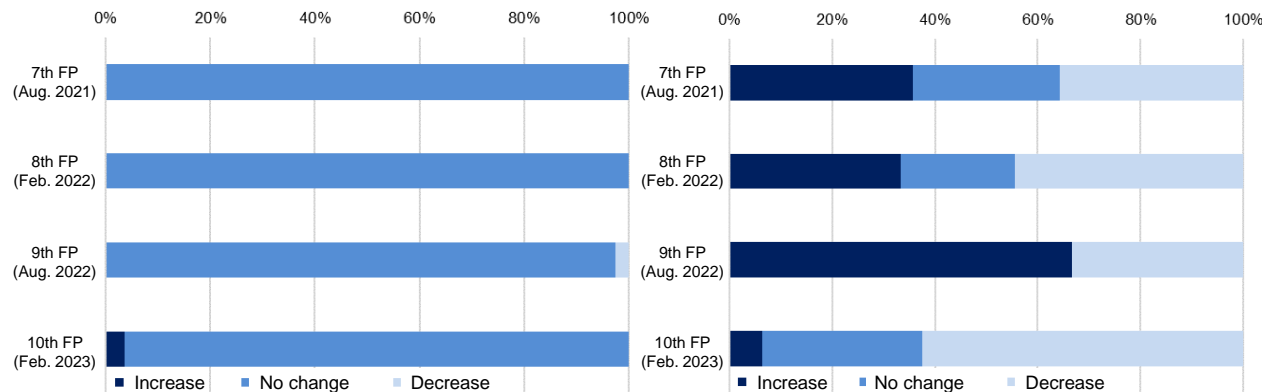


- The departure of a major tenant at the beginning of the period contributed to the occupancy rate declining to 91.8% as of the end of September 2022.
⇒ Success with rapid backfilling helped maintain 97% level after November 2022
- Portfolio average rent per tsubo declined slightly on property transfers, but generally remained stable

Rent Revision Status

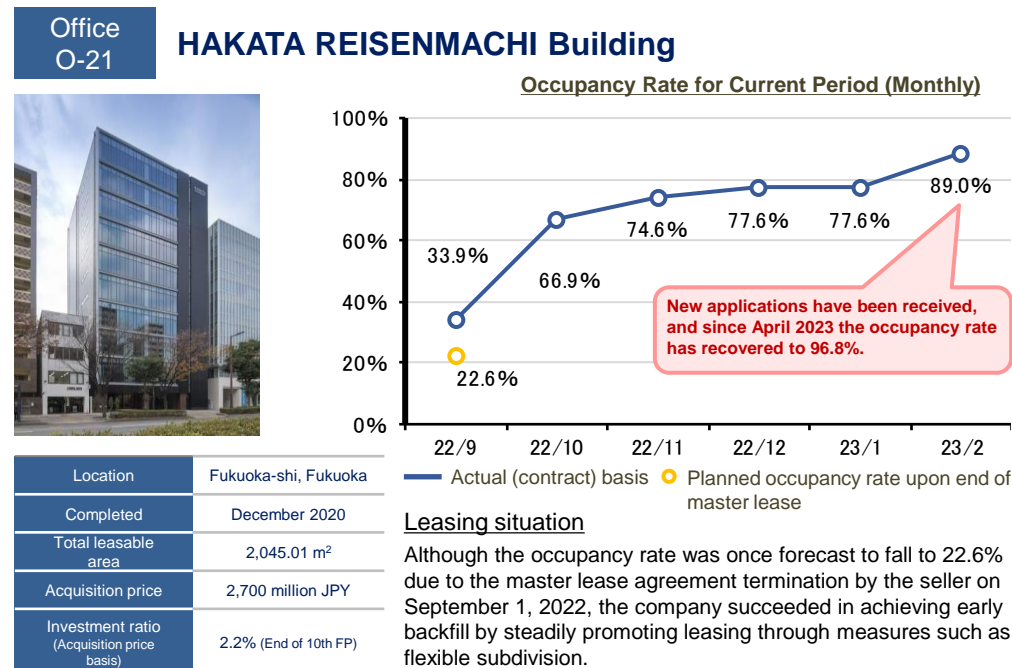
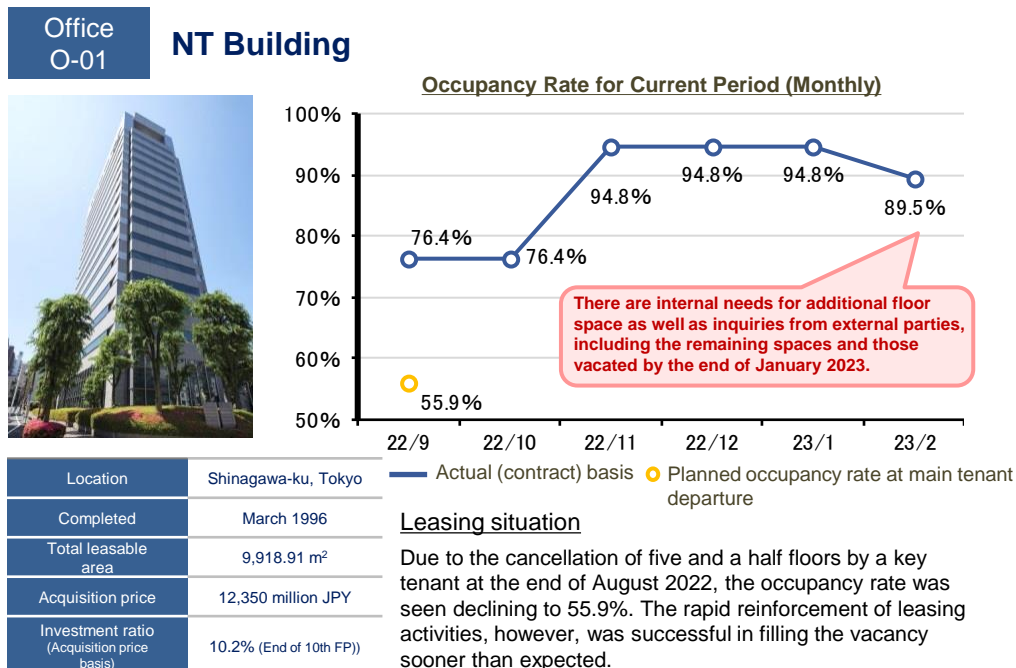
At Time of Renewal

At Time of New Contract



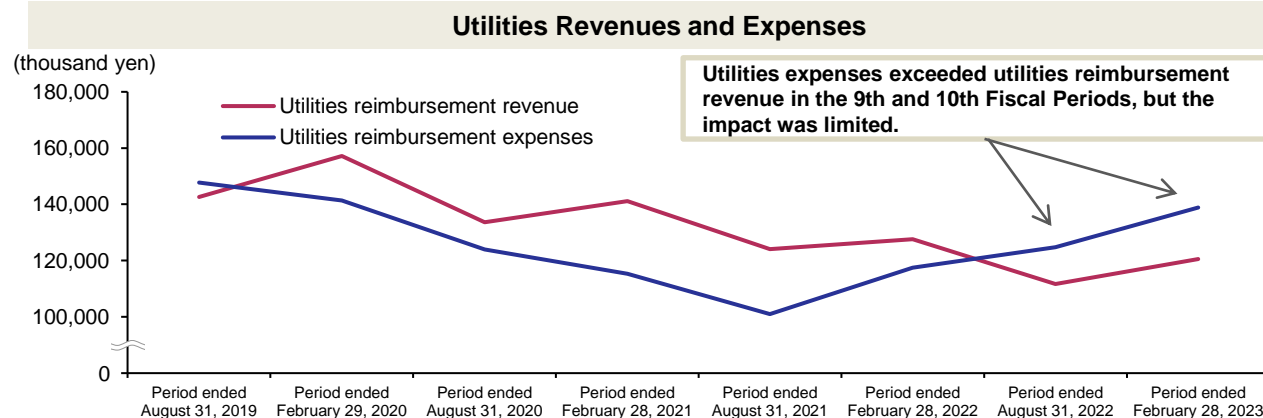
- Achieved rent increase for certain tenants at time of contract renewal
- In certain cases, rents at the time of new contracts were reduced slightly to encourage rapid occupancy, but the degree of impact was minimized.

Status of leasing for properties with lower occupancy rates



⇒ The Investment Corporation has almost completed the backfilling of properties with low occupancy and will continue working to maintain high occupancy and enhance the per-unit rental rate.

Take measures to mitigate risk of rising electricity rates, particularly for office properties



Utilities Expenses/by Application (10th period results)

Office	Residence	Hotel	Retail/Other
83.7%	12.5%	0.6%	3.2%

Recovery measures

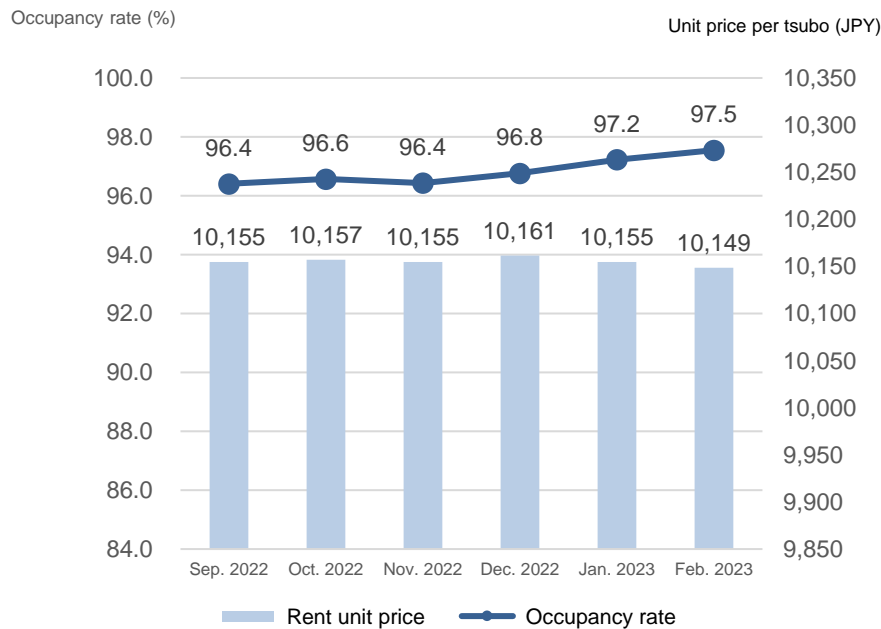
- 1) Increase in revenue due to **revision of unit prices billed to tenants**
(Review conducted for 10 properties—primarily offices—with new unit prices to be applied from the 11th Fiscal Period)
- 2) Reduction of increase in unit price paid by **switching to new electric power company**
(Switched at six properties—primarily offices—with new contracts starting in April 2023)

Effects of recovery (11th Fiscal Period)

+ 10 million yen improvement in profitability to reduce loss margin

⇒ While the effect of higher electricity rates on the Investment Corporation is limited, we are working to further mitigate the impact

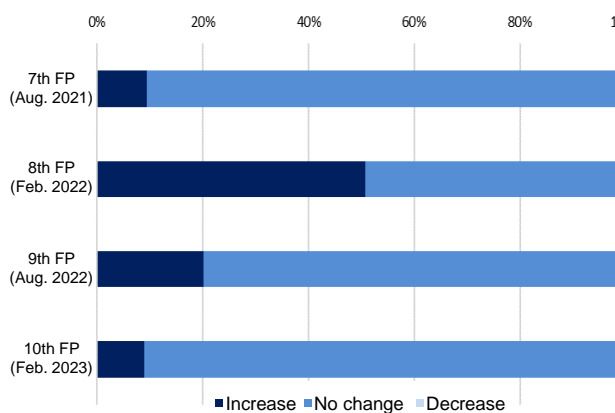
Trends in Occupancy Rate and Rent Unit Price



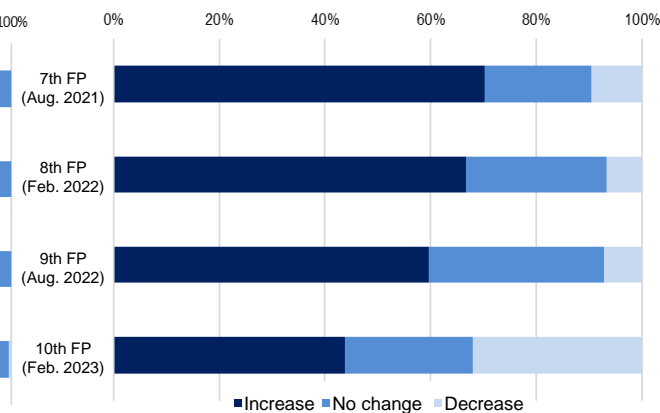
- The occupancy rate for the fiscal period ending February 28, 2023 (10th Fiscal Period) is trending upward, at around 97%.
- Average rent per tsubo across the portfolio remained stable throughout the period

Rent Revision Status

At Time of Renewal



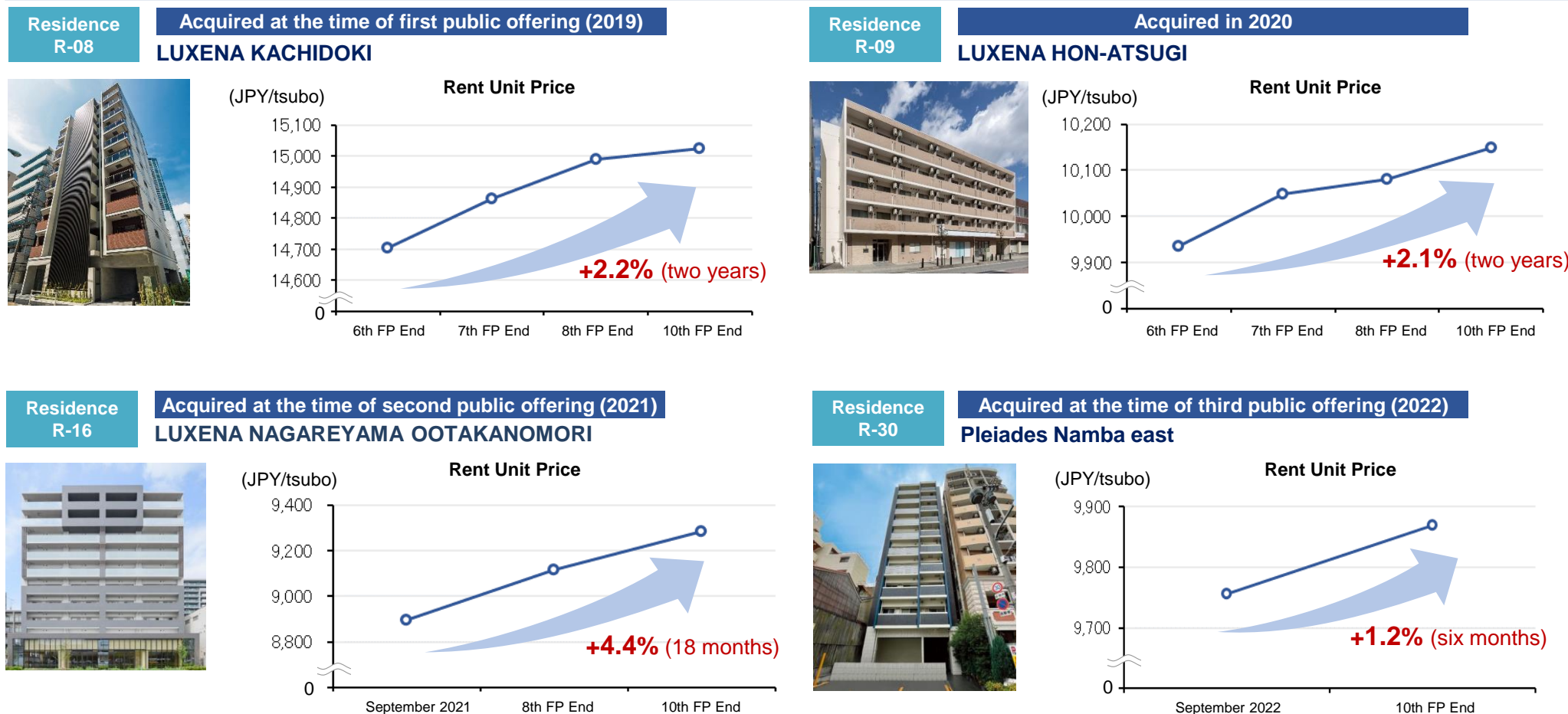
At Time of New Contract



- Continue raising rents to the extent possible upon contract renewal
- There were increases or decreases in rent upon conclusion of new contracts depending on the property.

- Many of the residential assets acquired from sponsors, on the back of high quality, rents were successfully increased after acquisition.

Cases of rent increase for properties acquired from sponsors



- Maintained average occupancy rate of 100% during the period
- Lifestyle-oriented retail facilities account for high share, at over 85%
- Secured long-term stability of cash flows by holding land with leasehold interest in lifestyle-related retail facilities and retail facilities with highly creditworthy tenants

Rate by Facility Type (acquisition price basis)

Lifestyle-related (85%)



YAMADA web.com
Matsuyama Toiyacho



Tecc LIFE SELLECT
KobeTarium (Land)



TA Shonan
Kugenumakaigan



AEON STYLE Onomichi
(Land)



DCM Daiki Onomichi
(Land)



Cainz Omiya



APITA NAGOYA-MINAMI



Kaden Sumairu Kan x YAMADA
web.com Nara

Non-routine, event consumption type (15%)



Prio Daimyo II



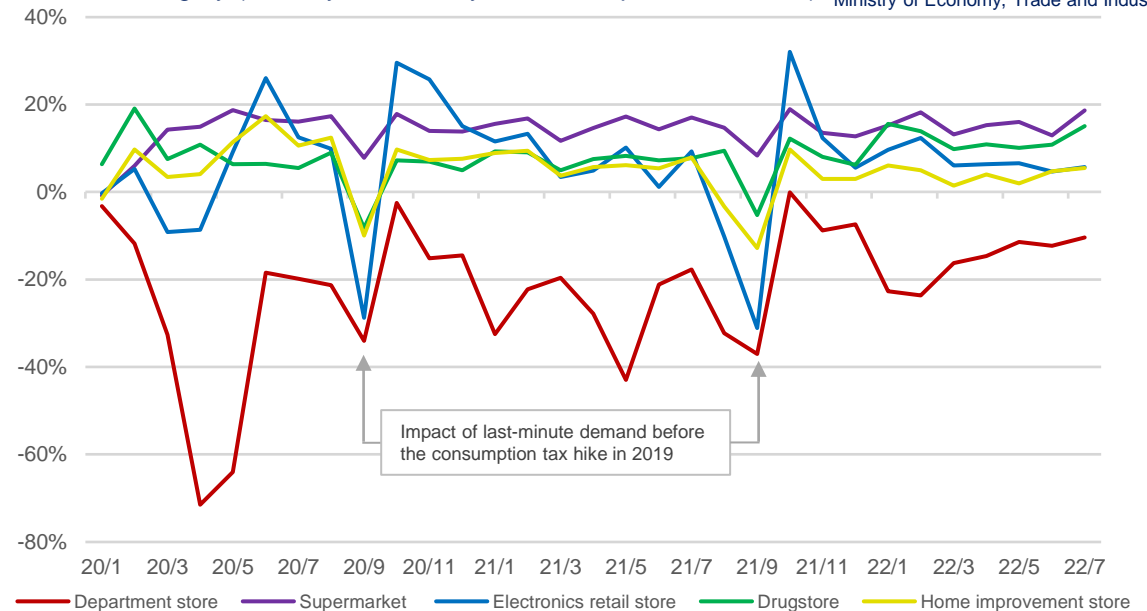
BIGMOTOR Sapporo Kiyota
(Land)



BIGMOTOR Konosu
(Land)

Sales by Business Category (January 2020 ~ July 2022; Compared with 2019)

Source:
"Current Survey of Commerce" by the
Ministry of Economy, Trade and Industry

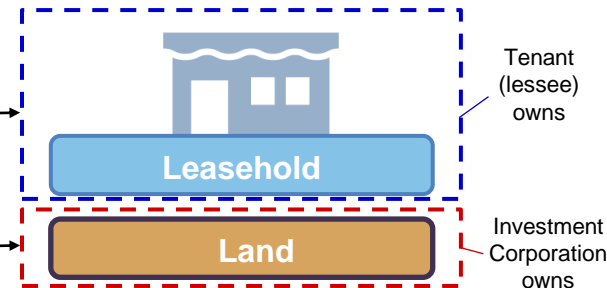


⇒ Sales of lifestyle-oriented retail facilities remained steady through the pandemic

Investment in Land

- **Stable rental revenue over the long term**
Investment Corporation's average remaining lease period for land:
Approximately 23 years
- **Careful selection of properties with high expectation for rental demand**
Careful selection and investment in high-quality properties with strong replaceability of and lasting demand from tenants
- No additional investment needed in maintenance, repairs, etc., no unexpected expenditures

Fixed-term
leasehold for
business use

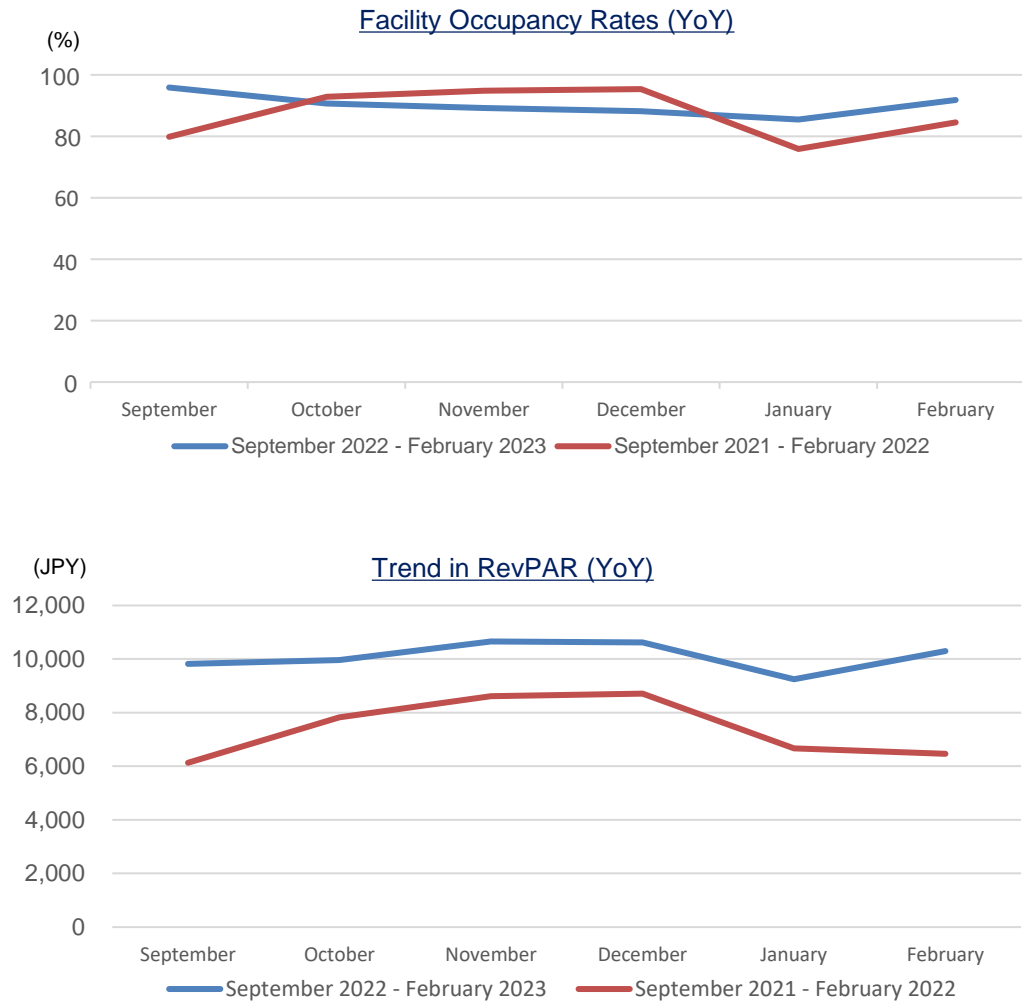


⇒ Supporting portfolio profitability through stable cash flows over the long term

Performance of Asset Management - Hotel -

- In line with recovery from the COVID-19 pandemic, hotels' occupancy rate and RevPAR remained strong.
- Performance-linked rents at ACCESS by LOISIR HOTEL Nagoya are trending upward (approx. 2.9 times compared with the previous period).

Management status for Dormy Inn Matsuyama and Dormy Inn Morioka (two properties with fixed rents)



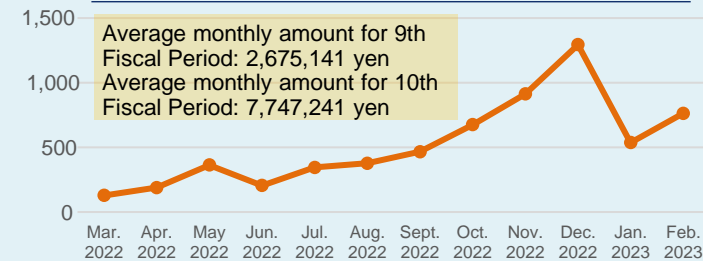
Management status for ACCESS by LOISIR HOTEL Nagoya (variable rent)

- After the opening in May 2021, it has operated smoothly.
- **Continued increase in performance-linked rent (GOP-linked)**

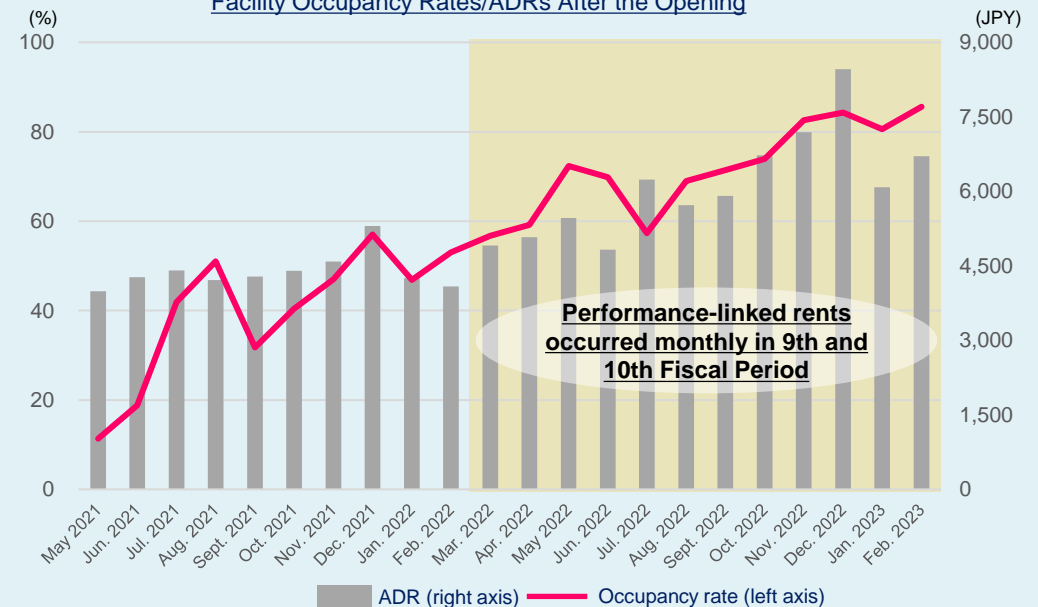
(tens of thousands of yen)

Performance-linked Rent Trends in 9th and 10th Fiscal Periods

Average monthly amount for 9th Fiscal Period: 2,675,141 yen
Average monthly amount for 10th Fiscal Period: 7,747,241 yen



Facility Occupancy Rates/ADRs After the Opening



Financial Indicators

	Period ended February 29, 2020 (4th FP)	Period ended August 31, 2020 (5th FP)	Period ended February 28, 2021 (6th FP)	Period ended August 31, 2021 (7th FP)	Period ended February 28, 2022 (8th FP)	Period ended August 31, 2022 (9th FP)	Period ended February 28, 2023 (10th FP)
Interest-bearing debt (million JPY)	43,400	43,400	43,400	43,400	57,300	58,275	63,080
Total asset LTV	45.9%	45.9%	46.0%	46.0%	47.2%	47.6%	47.2%
Market value LTV	42.8%	43.1%	43.5%	43.5%	44.8%	45.1%	45.0%
Average interest rate	0.57%	0.63%	0.63%	0.63%	0.62%	0.70%	0.72%
Average borrowing period	3.2 years	3.9 years	3.9 years	4.3 years	4.2 years	4.6 years	4.6 years

Credit Ratings

JCR

A

(Stable)

Changed on June 6, 2022

R&I

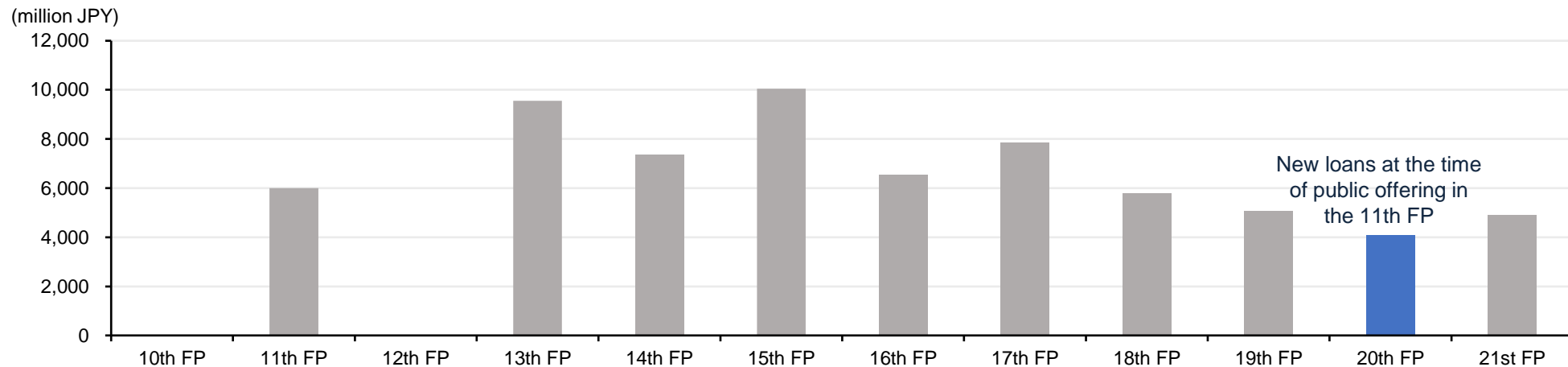
A-

(Stable)

Rated on March 22, 2021

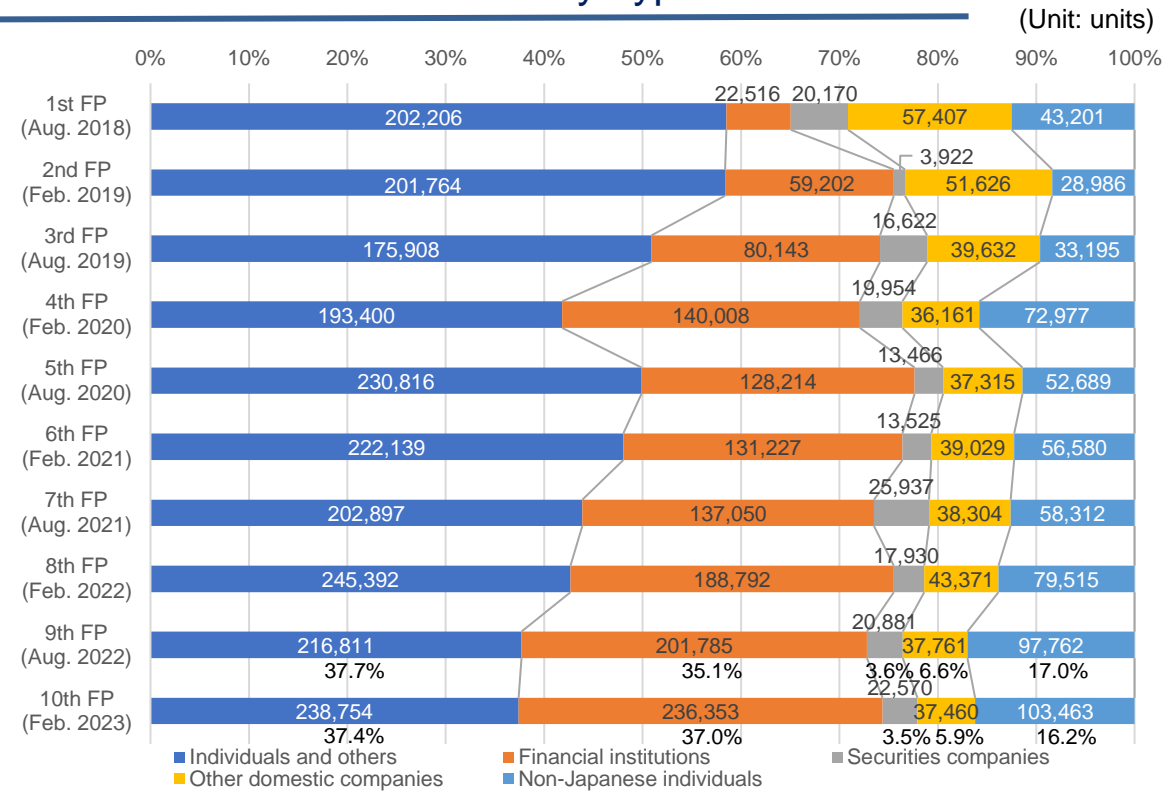
Maturity Ladder

- Prolong borrowing periods and level off maturity ladder for new loans
- Further diversify repayment dates in new loans upon the public offering in the 11th Fiscal Period



Composition of Unitholders

Number of Investment Units by Type of Unitholder



Major Unitholders (Top 10)

Name	Number of Investment Units Owned (units)	Ownership (%)
1 Custody Bank of Japan, Ltd. (Trust Account)	87,404	13.7
2 The Master Trust Bank of Japan (Trust Account)	78,395	12.3
3 The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	27,350	4.3
4 MIRARTH HOLDINGS, Inc.	14,385	2.3
5 JP MORGAN CHASE BANK 385771	10,485	1.6
6 Japan Securities Finance Co., LTD.	8,659	1.4
7 SMBC Nikko Securities Inc.	8,629	1.4
8 STATE STREET BANK WEST CLIENT – TREATY 505234	8,371	1.3
9 Kinki Industrial Credit Association	5,590	0.9
10 BNP PARIBAS ARBITRAGE SNC	5,246	0.8

Number of Unitholders by Type of Shareholder

(Unit: People)

	1st FP (Aug. 2018)		2nd FP (Feb. 2019)		3rd FP (Aug. 2019)		4th FP (Feb. 2020)		5th FP (Aug. 2020)		6th FP (Feb. 2021)		7th FP (Aug. 2021)		8th FP (Feb. 2022)		9th FP (Aug. 2022)		10th FP (Feb. 2023)	
Individuals and others	12,291	96.5%	14,827	97.1%	15,084	97.4%	18,455	97.3%	21,032	97.5%	22,221	97.5%	22,221	97.4%	26,244	97.5%	24,152	97.3%	26,091	97.2%
Financial institutions	33	0.3%	35	0.2%	40	0.3%	43	0.2%	37	0.2%	35	0.2%	39	0.2%	46	0.2%	47	0.2%	51	0.2%
Securities companies	20	0.2%	26	0.2%	25	0.2%	25	0.1%	26	0.1%	24	0.1%	29	0.1%	23	0.1%	22	0.1%	22	0.1%
Other domestic corporations	359	2.8%	335	2.2%	260	1.7%	303	1.6%	324	1.5%	341	1.5%	335	1.5%	384	1.4%	343	1.4%	404	1.5%
Foreign corporations	36	0.3%	50	0.3%	74	0.5%	135	0.7%	150	0.7%	173	0.8%	192	0.8%	210	0.8%	249	1.0%	286	1.1%
Total	12,739	100.0%	15,273	100.0%	15,483	100.0%	18,961	100.0%	21,569	100.0%	22,794	100.0%	22,816	100.0%	26,907	100.0%	24,813	100.0%	26,854	100.0%

- Takara Leben Co., Ltd. shifted to a holding company structure as of October 1, 2022, and the name was changed to MIRARTH HOLDINGS, Inc.
- Transcending the boundaries of a general real estate developer, evolving into a new entity that co-creates future towns with the local community and enhanced ESG management further.

MIRARTH HOLDINGS^{*}

Real estate business

Energy business

Asset management
business

Other businesses

Background

While our core business is new condominiums, we are diversifying into other areas such as energy, asset management, and overseas business.

Objective

Building a system that promotes sustainable growth and allows quick and flexible management decisions, and strengthens governance

^{*} MIRARTH is a word created through the merging of the words Mirai (future) and Earth. It is our desire to “evolve into a company that makes the future of people and the Earth happy by contributing to the community in general.”

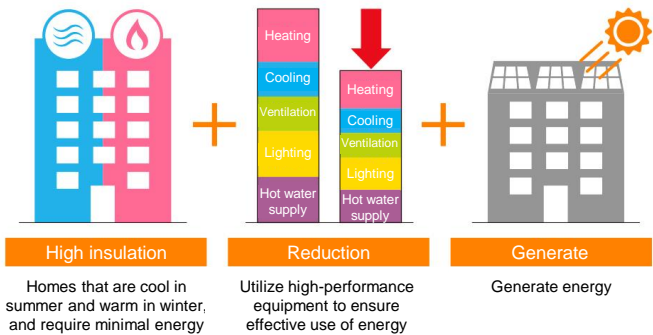
Examples of Initiatives in MIRARTH HOLDINGS Group

Approach to Net Zero Emissions Condominium (ZEH-M)

With the aim of building sustainable lifestyles, MIRARTH HOLDINGS is actively working to promote ZEH-M to provide better homes for its customers in an environmentally friendly manner. Registered as a ZEH Developer since fiscal 2018 We have completed two developments to this point (February 2022 and January 2023), and one is scheduled for development (scheduled for completion in November 2023).

What is
ZEH?

ZEH is a house that simultaneously achieves a “comfortable indoor environment” and a “net annual residential energy consumption of approximately zero or less.”



Introduction Examples of ZEH-M

Name of condominium	Leben Nagano Nakagoshō THE PEERLESS
Address	1-17 Nakagoshō, Nagano City, Nagano Prefecture
Access	Eight-minute walk from Nagano station on JR Hokuriku Shinkansen, JR Shinetsu Main Line, Shinonoi Line, Iiyama Line, and Shinano Railway Kita-Shinano Line
No. of units	47
Completed	February 2022
Primary energy reduction rate	29.0%



Name of condominium	Leben Toyama Nishimachi RESONACIA
Address	5-1 Furukajimachi, Toyama City, Toyama Prefecture
Access	Four-minute walk from Nishimachi Station on Toyama Chiho Railway Main Line
No. of units	42
Completed	Jan. 2023
Primary energy reduction rate	22.0%



Name of condominium	Leben Toyama Jintsu Honmachi ONE TOWER
Address	2-2-1 Jinzuhoonmachi, Toyama City, Toyama Prefecture
Access	Seven-minute walk from Toyama Station on the JR Hokuriku Shinkansen, JR Takayama Line, and Ainokaze Toyama Railway
No. of units	88
Completed	Scheduled for completion in November 2023
Primary energy reduction rate	27.0%



ESG Initiatives (2) - Policy/External Evaluation -

- With the support of the MIRARTH Holdings Group, aiming to maximize unitholder value, create a sustainable environment, and contribute to local communities and society through consideration of ESG - Environment, Social, and Governance - in asset management operations.

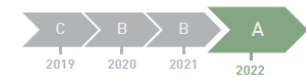
Sustainability Basic Policy

1. Initiatives to prevent global warming
2. Reducing environmental load
3. Legal compliance and building internal systems
4. Communication with stakeholders
5. Proactive information disclosure

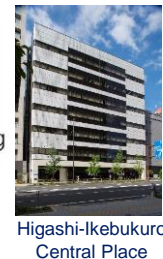
Materiality	Specific Initiatives	Related SDGs
1. Promoting climate change action (E)	(1) Reducing GHGs (2) Effective use of water resources (3) Managing waste	13
2. Implementation of renewable energies and ongoing usage rate improvement (E)	(1) Receiving support and cooperation from MIRARTH HOLDINGS Group for promotion of renewable energy implementation initiatives (2) Exploring and implementing various renewable energy sources such as green certificates, PPAs (Power Purchase Agreements) small hydropower generation, etc.	7 13
3. Reducing environmental load and strengthening resilience (E)	(1) Building a more robust portfolio through effective use of CAPEX (2) Promoting green leases (3) Enhancing BCP	11
4. Improving employee and tenant health and comfort (S)	(1) Ongoing implementation of employee satisfaction surveys and continued opportunities for regular dialogue with top management (2) Promoting flexible work styles (3) Ongoing implementation of tenant satisfaction surveys	3 11
5. Respect for human rights, diversity, and human resources development (S)	(1) Promoting human rights-related awareness and education (2) Building work environments mindful of diversity and inclusion (3) Promoting human resources development, enhancing training programs and encouraging acquisition of qualifications	5 8
6. Building a disciplined organizational structure and stakeholder engagement (G)	(1) Prohibiting political donations and preventing corruption (2) Establishing an effective internal control system (3) Enhancing disclosure	16 17

GRESB Assessment

- The GRESB Real Estate Assessment score continued to rise, and **Green Star designation was obtained for the fourth consecutive year.**
- **Acquired the highest A-level designation** in the GRESB Public Disclosure assessment for strength of ESG information disclosure.



DBJ Green Building Certification



CASBEE Real Estate Accreditation

- Obtained certification for five additional properties as of March 1, 2023 (Rating: A)



Environmental Initiatives

LED conversion for energy saving (Example)



NT Building (entrance)



L.Biz Sendai (leased room)



NT Building (vehicle route)

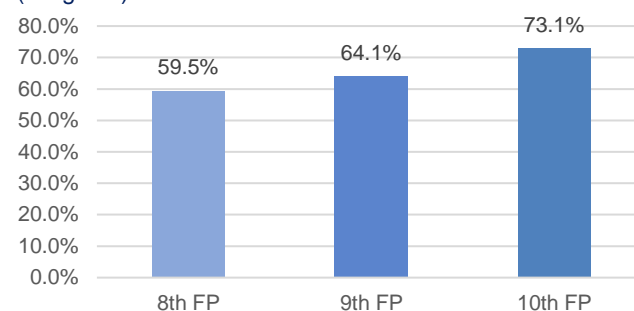


Hakata Gion Building (elevator lobby)

(LED conversion rate)

No. of Properties	Portfolio LED Conversion Rate	
41 properties	Total 73.1%	Of which, 91.1% in common areas
		Of which, 62.1% in exclusive areas

(Progress)



*Ratios are calculated based on area

Governance Initiatives

Policy on Investor-Oriented Management

Takara PAG Real Estate Advisory, Ltd., an asset management company, formulated a policy on customer-oriented business operations in response to the "Principles for Customer-Oriented Business Conduct" published by Japan's Financial Services Agency in March 2017 (revised in January 2021).

⇒ We regard the Investment Corporation and its unitholders as our customers, and we will strive to deliver customer-oriented services in dealing with assets under our management. Disclose policies established to realize operational objectives and regularly disclose the status of the policies.

URL: <https://www.takara-pag.com/ja/policy/index.html>



Social Initiatives

Tenant communication

- Install electric vehicle (EV) charging facilities to enhance customer satisfaction
- "Terra Charge" EV vehicle charging outlets are scheduled to be installed at LUXENA HIGASHI-KOENJI, LUXENA HEIWADAI, and four other properties from May 2023 onward.

Exclusive smartphone app allows users to quickly ascertain charging status and history.
⇒ Settlement via app



Employee communication

- Personal interviews with the President
- The President has conducted one-on-one interviews with all the employees of the Asset Management Company on a quarterly basis since fiscal 2022.

ESG Information Disclosure

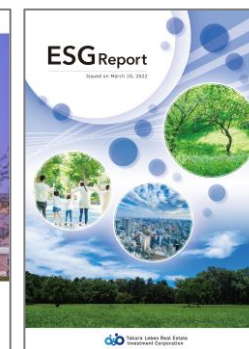
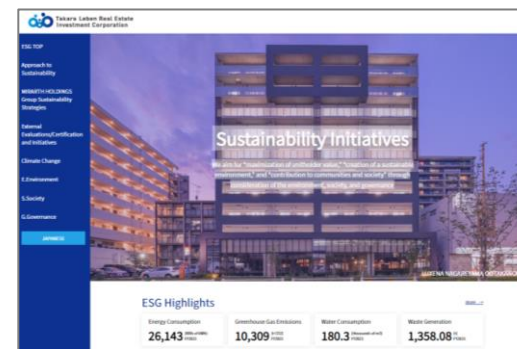
Disclosing information on ESG initiatives to a wide range of investors and other stakeholders

ESG website URL: <https://takara-reit.co.jp/en/esg/index.html>

⇒ Proactive disclosure of information through the establishment of a dedicated ESG website (updated in March 2023)

ESG report URL: <https://takara-reit.co.jp/asset/esg/img-en/esgreport-en-2022.pdf>

⇒ Report on our approach to ESG and initiatives in general (issued in March 2023)





III. Investment Strategy for the 11th and 12th Fiscal Periods

Financial Forecasts for the 11th and 12th Fiscal Periods

(Unit: million JPY)

	10th FP Actual	11th FP Forecast	Difference	Major Factors	11th FP Forecast	12th FP Forecast	Difference	Major Factors
Number of Days in Operation	181 days	184 days	-	-	184 days	182 days	-	-
Operating Revenue	3,612	3,775	+162	-137 Decrease in gain on disposition of property -23 Decrease in revenue from disposition of properties +271 Increase in revenue during period from acquisition of property in the 11th Fiscal Period +52 Increase in existing property income (NT Building +67, HAKATA REISENMACHI Building +30)	3,775	3,811	+36	+36 Increase in income gain on existing properties during the period (NT Building +38)
Operating Income	2,092	2,161	+68	+162 Increase in operating revenue +15 Decrease in rental expenses from transfer of property -85 Increase in rental expenses during period from acquisition of property in the 11th Fiscal Period -21 Accrual of fixed tax on properties acquired in the 10th Fiscal Period -3 Other	2,161	2,215	+54	+36 Increase in operating revenue +24 Decrease in leasing expenses -6 Other
Ordinary Income	1,743	1,782	+38	68 Increase in operating income -29 Increase in interest expenses and other operating expenses	1,782	1,839	+57	+54 Increase in operating income +2 Decrease in non-operating expenses
Net Income	1,717	1,756	+38	+38 Increase in ordinary income	1,756	1,813	+57	+57 Increase in ordinary income
Total Amount of Distributions	1,730	1,797	+66	+38 Increase in net income +28 Adjustment through retained earnings (10th FP: 12, 11th FP: 41)	1,797	1,813	+15	+57 Increase in net income -41 Increase in unappropriated retained earnings
Distributions per Unit (including distributions in excess of earnings)	2,710 JPY	2,600 JPY	-110 JPY	Total number of investment units issued and outstanding at end of 10th FP: 638,600 units Total number of investment units issued and outstanding at end of 11th FP: 691,335 units	2,600 JPY	2,623 JPY	+23 JPY	Total number of investment units issued and outstanding: 691,335 units

(Note) Figures are rounded down to the nearest million JPY, so totals may not add up.

Acquired Properties in the 11th Fiscal Period - Capital Increase Through Public Offering -

	TLR Residence Ryogoku	TLR Residence Otorii	TLR Residence Kameari	Fiel Kiyofune	SERENiTE Namba west	Colline Ensoleille	Rock Field Nishi-Oi	La Vita YATSUKA- EKIMAE I-II
								
Acquisition Price	2,000 million JPY	1,470 million JPY	1,900 million JPY	1,500 million JPY	1,300 million JPY	970 million JPY	535 million JPY	970 million JPY
Appraisal Value	2,040 million JPY	1,490 million JPY	1,910 million JPY	1,510 million JPY	1,310 million JPY	984 million JPY	544 million JPY	982 million JPY
Total Floor Area	2,176.42 m ²	1,553.17 m ²	2,097.63 m ²	6,211.93 m ²	2,339.28 m ²	3,108.25 m ²	760.89 m ²	1,587.02 m ² (I) 2,042.77 m ² (II)
Appraisal NOI Yield	3.6%	3.6%	3.6%	4.7%	4.4%	5.0%	3.6%	5.1%
Location	1-1-2 Ishiwara, Sumida-ku, Tokyo	3-2-14 Haginaka, Ota-ku, Tokyo	3-10-14 Kameari, Katsushika-ku, Tokyo	1-1-6, Kiyofunecho, Nakagawa-ku, Nagoya-shi, Aichi	1-2-1 Ashihara, Naniwa-ku, Osaka-shi, Osaka	2-12-28 Shirako, Wako-shi, Saitama	1-7-3 Nishioi, Shinagawa-ku, Tokyo	1-8-18 (I), 20 (II) Sezaki, Soka-shi, Saitama
Access	Two-minute walk from Ryogoku Station on Toei Oedo Line Nine-minute walk from Ryogoku Station on JR Chuo-Sobu Line	Six-minute walk from Otorii Station on the Keikyu Airport Line	Four-minute walk from Kameari Station on the JR Joban Line	18-minute walk from Arako Station on the Nagoya Waterfront Area Rapid Transit Aonami Line Two-minute walk from Shinoharabashi stop on Nagoya City Bus	Six-minute walk from Ashiharabashi Station on JR Osaka Loop Line Six-minute walk from Ashiharacho Station on the Nankai Electric Railway Koya Line Eight-minute walk from Sakuragawa Station on the Osaka Metro Sennichimae Line and Hanshin Electric Railway Namba Line	13-minute walk from Narimasu Station on the Tokyo Metro Yurakucho/Fukutoshin Line 16-minute walk from Narimasu Station on the Tobu Tojo Line 20-minute walk from Wakoshi Station on the Tobu Tojo Line and Tokyo Metro Yurakucho/Fukutoshin Line	Three-minute walk from Nishi-Oi Station on the JR Yokosuka and Shonan-Shinjuku lines	Two-minute walk from Tanizuka Station on the Tobu Isezaki Line
Asset Type	Residence	Residence	Residence	Residence	Residence	Residence	Residence	Residence
Completed	July 2004	September 2014	February 2016	February 2006	November 2008	February 1996	February 2009	March 1995 (I) January 2001 (II)
Seller	Godo Kaisya Island Ship No. 4	Godo Kaisya Island Ship No. 4	Godo Kaisya Island Ship No. 4	Undisclosed	Godo Kaisya Island Ship No. 4	Godo Kaisya Island Ship No. 4	Godo Kaisya Island Ship No. 4	Godo Kaisya Island Ship No. 4
Acquisition Date	March 2, 2023	March 2, 2023	March 2, 2023	March 2, 2023	March 2, 2023	March 2, 2023	March 2, 2023	March 2, 2023
Occupancy Rate (End of March 2023)	96.6%	100%	97.3%	100%	92.2%	95.6%	92.4%	98.1%
Number of Units	60	53	72	85	90	45	16	47

(Note) "Appraisal NOI Yield" is the figure obtained by dividing the net operating income (NOI) stated in the appraisal report by acquisition price.

Acquisition of preferential negotiation rights

- Secured future property acquisition opportunities through acquisition of preferential negotiation rights, as in the preceding fiscal period

Acquired preferential negotiating rights from Bridge Vehicle (Island Ship No. 4)

↓ Acquired upon capital increase through fourth public offering



LUXENA TOYOCHO



La Vita
NAMBA MOTOMACHI



La Vita
Shin-Okachimachi



TLR
Residence Ryogoku



La Vita
Yatsuka Station I



TLR
Residence Otorii



La Vita
Yatsuka Station II



TLR
Residence Kameari



Colline Ensoleille



SERENITE
Namba west



Rock Field
Nishi-Oi

Acquired preferential negotiating rights from Bridge Vehicle (Island Ship No. 5)

- After signing a preferential buying negotiation contract with Godo Kaisya Island Ship No. 5 as of March 29, 2023, acquired preferential negotiating rights related to 2 residential properties.



Name	LUXENA HACHIOJI MINAMICHO
Address	6-10 Minamicho, Hachioji-shi, Tokyo
Total Floor Area	2,392.78 m ²
Access	10-minute walk from Hachioji Station on the JR Chuo Line
Usage	Residence
Completed	Oct. 2022
Buyer	Takara Leben Co., Ltd.
Number of Units	44
Acquisition History	Pipeline



Name	LUXENA KINSHICHO
Address	1-18-4 Mori, Koto-ku, Tokyo
Total Floor Area	919.86 m ²
Access	Eight-minute walk from Kinshicho Station on the JR Sobu Line and Tokyo Metro Hanzomon Line Four-minute walk from Sumiyoshi Station on the Tokyo Metro Hanzomon Line
Usage	Residence
Completed	Oct. 2022
Buyer	Takara Leben Co., Ltd.
Number of Units	30
Acquisition History	Pipeline



IV. Growth Strategy

External Growth Strategy

- Acquisition of New Properties -

- Expanding opportunities to acquire properties from non-sponsors by fully utilizing the proprietary information network of the Asset Management Company

2023: New Property Acquisition (As of April 18)

Type	Amount (millions of JPY)	Ratio (%)	Number of Properties
Office	147,348	30.9	49
Residence	153,567	32.2	122
Retail	59,573	12.5	23
Land	14,279	3.0	7
Logistics	14,000	2.9	2
Hotel	79,720	16.7	14
Development land	0	0.0	0
Other	8,315	1.7	5
Total	476,803	100.0	222

⇒ Selecting specific properties for consideration based on suitability of price, compliance with investment criteria, etc.

Total Estimated Price of Properties under Consideration for Acquisition (as of April 18, 2023)

Sponsor Pipeline
Approximately 65%,
estimated 44.0 billion JPY

Property developed by MIRARTH HOLDINGS Group
(Examples of specific assets: LUXENA/L.Biz series, etc.)
*See next page for sponsor pipeline status

**Asset Management
Company**
Own channels
Approximately 35%,
estimated 23.0 billion JPY

Identifying and scrutinizing
prime investment opportunities
from a broad range of
applications and price ranges
(including bridge cases)

Reference

Continued to obtain numerous new properties

2022

Type	Amount (millions of JPY)	Ratio (%)	Number of Properties
Office	691,353	32.0	240
Residence	789,188	36.6	585
Retail	381,062	17.7	137
Land	47,970	2.2	32
Logistics	7,620	0.4	12
Hotel	190,870	8.8	51
Development land	1,700	0.1	4
Other	48,280	2.2	34
Total	2,158,044	100.0	1,095

2021

Type	Amount (millions of JPY)	Ratio (%)	Number of Properties
Office	750,290	37.0	312
Residence	770,131	37.9	628
Retail	269,344	13.3	123
Land	46,744	2.3	41
Logistics	47,100	2.3	20
Hotel	73,642	3.6	38
Development land	18,473	0.9	6
Other	53,702	2.6	20
Total	2,029,428	100.0	1,188

➤ Rich pipeline leveraging the main sponsor MIRARTH HOLDINGS Group's development capability

■ Residence

Property Name	Location	Completed (expected)	Units/Rooms Number of Sections
LUXENA HEIWAJIMA	Ohta-ku, Tokyo	Completed	41
LUXENA HACHIOJI-SHINMACHI	Hachioji-shi, Tokyo	Completed	37
LUXENA KAMIMAEZU	Naka-ku, Nagoya	Completed	112
LUXENA TABATA-KITA	Arakawa-ku, Tokyo	Completed	42
LUXENA WAKO	Wako-shi, Saitama	Completed	30
LUMINOUS Tamuromachi	Oita-shi, Oita	April 2023	44
LUXENA NIHONBASHI HORIDOMECHO	Chuo-ku, Tokyo	June 2023	27
LUXENA YOKOHAMA TSURUMI I	Yokohama-shi, Kanagawa	July 2023	90
LUXENA MARUNOUCHI	Naka-ku, Nagoya	July 2023	65
LUXENA MACHIYA	Arakawa-ku, Tokyo	November 2023	25
LUMINOUS Tsukiyama	Matsuyama-shi, Aichi	December 2023	70
Hachimanyama Student Mansion	Suginami-ku, Tokyo	January 2024	131
LUXENA HIRATSUKA	Hiratsuka-shi, Kanagawa	February 2024	41
LUXENA MATSUDO	Matsudo-shi, Chiba	March 2024	55
LUXENA YOKOHAMA TSURUMI II	Yokohama-shi, Kanagawa	April 2024	98
LUXENA ISOGO	Yokohama-shi, Kanagawa	June 2024	58
LUXENA YACHIYODAI	Yachiyo-shi, Chiba	June 2024	41
LUXENA URAWA	Urawa-shi, Saitama	July 2024	29
LUXENA KOIWA	Edogawa-ku, Tokyo	August 2024	31
LUXENA HIRAI	Edogawa-ku, Tokyo	September 2024	43
LUXENA MINAMISENJU	Arakawa-ku, Tokyo	October 2024	26
LUXENA KAWASAKI	Kawasaki-shi, Kanagawa	January 2025	90
LUXENA HACHIOJI-TERAMACHI	Hachioji-shi, Tokyo	March 2025	71

(Note) Although the Investment Corporation has acquired preferential negotiating rights with respect to each of the properties described above, there is no guarantee that these properties will be acquired in the future.

(Note) Buildings for which rendering is presented may vary after completion.

(Note) The above list includes properties under development; some property names are tentative and subject to change. The name may be changed in the future.

■ Office

Property Name	Location	Completed (expected)	Units/Rooms Number of Sections
L.Biz Hatchobori	Chuo-ku, Tokyo	Completed	8
L.Biz Ochanomizu	Chiyoda-ku, Tokyo	Completed	7
L.Biz Gofukumachi	Fukuoka-shi, Fukuoka	Completed	8
L.Biz Hakata Station	Fukuoka-shi, Fukuoka	March 2024	10
L.Biz Hirakawacho	Chiyoda-ku, Tokyo	April 2024	9

■ Hotel

Property Name	Location	Completed (expected)	Units/Rooms Number of Sections
Hotel Wing International Takamatsu	Takamatsu-shi, Kagawa	Completed	132
UENO URBAN HOTEL ANNEX	Taito-ku, Tokyo	Completed	65



Current Status of Medium-Term DPU Target



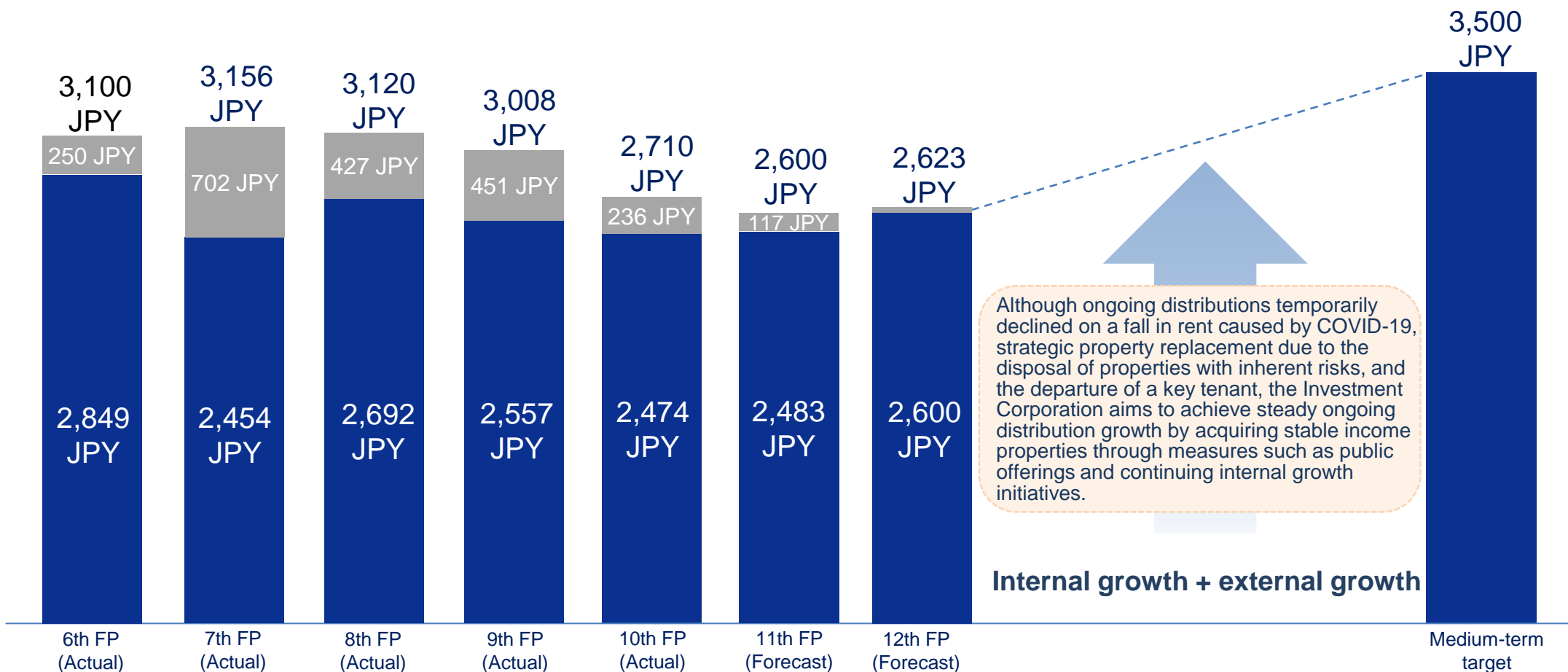
Takara Leben Real Estate
Investment Corporation

Medium-term distribution target: **3,500 JPY**

- Maintain medium-term target level in light of the recovery from the pandemic
- Aim to boost ongoing distributions through steady internal growth as well as external growth resulting from public offerings, etc.
- The balance of retained earnings after distribution for the 10th Fiscal Period is approximately 245 million yen (354 yen/unit) ⇒ Supports distribution stability

Effect of property
disposition/property tax
effect/reversal of retained
earnings

Stabilized basis excluding
temporary impact



Note: Amounts are calculated by dividing the amount of each item by the total number of investment units issued and outstanding. These are rounded down to the nearest JPY, so some portions do not match total amount.



V. Appendix

Occupancy Rate by Property

(Unit: %)

Asset Type	Premises Number	Property Name	End of September 2022	End of October 2022	End of November 2022	End of December 2022	End of January 2023	End of February 2023
Office	O-01	NT Building	76.4	76.4	94.8	94.8	94.8	89.5
	O-02	Higashi-Ikebukuro Central Place	100.0	100.0	100.0	100.0	100.0	100.0
	O-03	Nagoya Center Plaza Building	100.0	100.0	100.0	100.0	100.0	100.0
	O-05	Omiya NSD Building	100.0	100.0	100.0	100.0	100.0	100.0
	O-07	Hakata Gion Building	100.0	100.0	100.0	100.0	100.0	100.0
	O-09	L.Biz Jimbocho	100.0	100.0	100.0	100.0	100.0	100.0
	O-11	L.Biz Sendai	98.0	97.8	97.8	97.8	97.8	95.8
	O-12	Sendai Nikko Building	100.0	100.0	100.0	100.0	100.0	100.0
	O-18	Akasaka Kawase Building	78.3	78.3	78.3	—	—	—
	O-19	Yoyogi 1-chome Building	100.0	100.0	100.0	100.0	100.0	100.0
	O-20	Kawagoe West Building	100.0	100.0	100.0	100.0	100.0	100.0
	O-21	HAKATA REISENMACHI Building	33.9	66.9	74.6	77.6	77.6	89.0
	Total Office		91.8	93.2	97.4	97.8	97.8	97.0
Residence	R-01	Amare Tokaidori	87.6	93.6	93.8	93.8	97.8	96.8
	R-02	Dormy Ukimafunado	100.0	100.0	100.0	100.0	100.0	100.0
	R-03	Benefis Hakata-Minami Grand Sweet	98.7	98.7	95.9	97.1	97.1	97.1
	R-04	LUXENA HIGASHI-KOENJI	92.8	90.4	90.4	89.6	87.1	97.4
	R-06	J City Hatchobori	97.0	98.0	98.0	95.8	94.9	95.7
	R-07	LUXENA HEIWADAI	96.8	97.9	99.2	100.0	100.0	96.5
	R-08	LUXENA KACHIDOKI	100.0	92.5	92.7	87.8	87.8	95.1
	R-09	LUXENA HON-ATSUGI	92.1	90.8	92.1	97.4	100.0	100.0
	R-10	LUXENA KADOMA	98.1	96.8	97.4	99.4	97.4	96.8
	R-11	LUXENA TODAKOEN	96.1	96.1	94.0	97.9	100.0	100.0
	R-12	LUXENA TODAKOEN II	100.0	94.6	92.4	94.6	94.6	91.4
	R-13	LUXENA AKIHABARA	89.5	86.0	87.3	91.3	98.7	100.0
	R-14	Fiore Residence Dejima Kaigan Dori	96.5	96.5	94.7	94.7	96.5	92.6
	R-15	LUXENA MUSASHI-SHINJO	100.0	100.0	100.0	100.0	100.0	100.0
	R-16	LUXENA NAGAREYAMA OOTAKANOMORI	96.6	100.0	100.0	96.0	94.5	96.8
	R-17	PRIME SQUARE	100.0	100.0	100.0	100.0	100.0	100.0
	R-18	Winbell Chorus SeisekiSakuragaoka	95.6	96.4	96.4	96.4	100.0	100.0
	R-19	Mare Isogo Building	100.0	100.0	100.0	100.0	100.0	100.0
	R-20	TLR Residence Kawasaki Daishi	98.6	97.2	98.6	98.6	98.6	97.2

Occupancy Rate by Property

(Unit: %)

Asset Type	Premises Number	Property Name	End of September 2022	End of October 2022	End of November 2022	End of December 2022	End of January 2023	End of February 2023
Residence	R-21	TLR Residence Honmachi WEST	96.8	97.9	95.9	98.6	97.9	96.0
	R-22	TLR Residence Takaida	90.1	91.6	90.1	87.4	90.4	94.6
	R-23	LUXENA KITASENJU	96.9	96.9	96.9	98.5	100.0	100.0
	R-24	La Vita Higashi Ueno	95.6	86.0	86.0	76.5	81.6	95.6
	R-25	LUXENA JOSHIN	96.5	96.5	93.0	100.0	100.0	100.0
	R-26	LUXENA UMEKOJI-KYOTONISHI	100.0	100.0	100.0	100.0	98.1	100.0
	R-27	LUXENA KIYOMIZU-GOJO	97.5	97.5	97.4	100.0	100.0	97.5
	R-28	La Vita Nijo Gekko	100.0	100.0	100.0	100.0	96.8	100.0
	R-29	La Vita Toji	90.0	93.3	96.7	93.3	96.7	100.0
	R-30	Pleiades Namba east	91.8	94.5	97.3	100.0	100.0	100.0
	Total Residence		96.4	96.6	96.4	96.8	97.2	97.5
Hotel	H-01	Dormy Inn Matsuyama	100.0	100.0	100.0	100.0	100.0	100.0
	H-03	Dormy Inn Morioka	100.0	100.0	100.0	100.0	100.0	100.0
	H-04	ACCESS by LOISIR HOTEL Nagoya	100.0	100.0	100.0	100.0	100.0	100.0
	Total Hotel		100.0	100.0	100.0	100.0	100.0	100.0
Retail and Other Assets	C-01	Prio Daimyo II	100.0	100.0	100.0	100.0	100.0	100.0
	C-02	Co-op Sapporo Shunko	100.0	—	—	—	—	—
	C-03	TA Shonan Kugenumakaigan	100.0	100.0	100.0	100.0	100.0	100.0
	C-05	YAMADA web.com Matsuyama Toiyacho	100.0	100.0	100.0	100.0	100.0	100.0
	C-06	Tecc LIFE SELLECT KobeTarumi (Land))	100.0	100.0	100.0	100.0	100.0	100.0
	C-07	AEON STYLE Onomichi (Land)	100.0	100.0	100.0	100.0	100.0	100.0
	C-08	BIGMOTOR Sapporo Kiyota (Land)	100.0	100.0	100.0	100.0	100.0	100.0
	C-09	DCM Daiki Onomichi (Land)	100.0	100.0	100.0	100.0	100.0	100.0
	C-10	Cainz Omiya	100.0	100.0	100.0	100.0	100.0	100.0
	C-11	APiTA NAGOYA-MINAMI	100.0	100.0	100.0	100.0	100.0	100.0
	C-12	BIGMOTOR Konosu (Land)	100.0	100.0	100.0	100.0	100.0	100.0
	C-13	Kaden Sumairu Kan×YAMADA web.com Nara	100.0	100.0	100.0	100.0	100.0	100.0
	Total Retail and Other Assets		100.0	100.0	100.0	100.0	100.0	100.0
Portfolio Total			97.8	98.0	98.7	98.9	99.0	98.9

Appraisal Value



Takara Leben Real Estate
Investment Corporation

Asset Type	Property Number	Property Name	Acquisition Price (million JPY)	Period-end Book Value (million JPY)	9th FP			10th FP			Difference			Appraisal Value - Book Value (10th FP end) (million JPY)
					Period-end Appraisal Value (million JPY)	Appraisal NOI (million JPY)	Cap Rate (%)	Period-end Appraisal Value (million JPY)	Appraisal NOI (million JPY)	Cap Rate (%)	Period-end Appraisal Value (million JPY)	Appraisal NOI (million JPY)	Cap Rate (%)	
Office	O-01	NT Building	12,350	12,627	12,600	506	3.7	12,700	506	3.7	100	0	—	72
	O-02	Higashi-Ikebukuro Central Place	9,780	9,869	10,900	415	3.7	10,900	415	3.7	—	0	—	1,030
	O-03	Nagoya Center Plaza Building	4,870	5,239	5,230	265	4.7	5,260	261	4.6	30	(4)	(0.1)	20
	O-05	Omiya NSD Building	3,493	3,528	3,960	194	4.6	3,960	194	4.6	—	0	—	431
	O-07	Hakata Gion Building	2,500	2,510	2,930	130	4.1	2,960	130	4.1	30	0	—	449
	O-09	L.Biz Jimbocho	1,006	1,006	1,180	45	3.6	1,170	45	3.6	(10)	0	—	163
	O-11	L.Biz Sendai	1,680	1,641	1,670	92	4.7	1,670	92	4.7	—	0	—	28
	O-12	Sendai Nikko Building	1,740	1,761	1,800	89	4.2	1,790	87	4.1	(10)	(2)	(0.1)	28
	O-19	Yoyogi 1-Chome Building	1,850	1,925	2,170	74	3.2	2,170	74	3.2	—	0	—	244
	O-20	Kawagoe West Building	2,600	2,635	2,780	129	4.5	2,760	128	4.5	(20)	0	—	124
	O-21	HAKATA REISENMACHI Building	2,700	2,809	2,720	105	3.8	2,610	101	3.8	(110)	(4)	—	(199)
	Total Office		44,569	45,555	47,940	2,048	—	47,950	2,037	—	10	(11)	—	2,394
Residence	R-01	Amare Tokaidori	1,100	1,058	1,220	58	4.4	1,210	58	4.4	(10)	0	—	151
	R-02	Dormy Ukimafunado	1,080	1,083	1,130	56	4.4	1,130	56	4.4	—	0	—	46
	R-03	Benefis Hakata-Minami Grand Sweet	1,032	994	1,180	54	4.3	1,210	54	4.2	30	0	(0.1)	215
	R-04	LUXENA HIGASHI-KOENJI	1,060	1,071	1,170	44	3.6	1,200	44	3.5	30	0	(0.1)	128
	R-06	J City Hatchobori	1,200	1,187	1,260	65	4.7	1,260	64	4.7	—	0	—	72
	R-07	LUXENA HEIWADAI	3,910	3,894	4,430	175	3.8	4,510	172	3.7	80	(3)	(0.1)	615
	R-08	LUXENA KACHIDOKI	1,120	1,128	1,320	47	3.5	1,350	47	3.4	30	0	(0.1)	221
	R-09	LUXENA HON-ATSUGI	705	716	777	38	4.6	784	38	4.5	7	0	(0.1)	67
	R-10	LUXENA KADOMA	2,000	2,124	2,170	95	4.3	2,170	95	4.3	—	0	—	45
	R-11	LUXENA TODAKOEN	910	950	978	40	4.0	978	39	3.9	—	(1)	(0.1)	27
	R-12	LUXENA TODAKOEN II	1,200	1,247	1,260	52	4.0	1,280	52	3.9	20	0	(0.1)	32
	R-13	LUXENA AKIHABARA	2,300	2,359	2,460	82	3.2	2,430	81	3.2	(30)	0	—	70
	R-14	Fiore Residence Dejima Kaigan Dori	560	593	595	30	4.6	609	30	4.5	14	0	(0.1)	15
	R-15	LUXENA MUSASHI-SHINJO	1,900	1,965	2,020	82	3.9	2,030	82	3.9	10	0	—	64
	R-16	LUXENA NAGAREYAMA OOTAKANOMORI	2,840	2,943	3,070	131	4.1	3,130	130	4.0	60	0	(0.1)	186
	R-17	PRIME SQUARE	620	647	753	33	4.2	748	32	4.1	(5)	0	(0.1)	100
	R-18	Winbell Chorus SeisekiSakuragaoka	730	756	841	40	4.2	856	40	4.1	15	0	(0.1)	99
	R-19	Mare Isogo Building	1,900	2,011	2,170	103	4.5	2,200	102	4.4	30	0	(0.1)	188

Appraisal Value

Asset Type	Property Number	Property Name	Acquisition Price (million JPY)	Period-end Book Value (million JPY)	9th FP			10th FP			Difference (Note 2)			Appraisal Value - Book Value (10th FP end) (million JPY)
					Period-end Appraisal Value (million JPY)	Appraisal NOI (million JPY)	Cap Rate (%)	Period-end Appraisal Value (million JPY)	Appraisal NOI (million JPY)	Cap Rate (%)	Period-end Appraisal Value (million JPY)	Appraisal NOI (million JPY)	Cap Rate (%)	
Residence	R-20	TLR Residence Kawasaki Daishi	1,346	1,451	1,410	57	3.9	1,420	56	3.8	10	(1)	(0.1)	(31)
	R-21	TLR Residence Honmachi WEST	3,479	3,696	3,490	126	3.5	3,490	126	3.5	—	0	—	(206)
	R-22	TLR Residence Takaida	942	1,014	1,010	44	4.1	1,010	43	4.0	—	0	(0.1)	(4)
	R-23	LUXENA KITASENJU	1,540	1,608	—	—	—	1,610	59	3.5	—	—	—	1
	R-24	La Vita Higashi Ueno	1,280	1,316	—	—	—	1,290	45	3.3	—	—	—	(26)
	R-25	LUXENA JOSHIN	620	661	—	—	—	634	27	4.2	—	—	—	(27)
	R-26	LUXENA UMEKOJI-KYOTONISHI	725	767	—	—	—	772	32	3.9	—	—	—	4
	R-27	LUXENA KIYOMIZU-GOJO	515	545	—	—	—	597	23	3.8	—	—	—	51
	R-28	La Vita Nijo Gekko	515	541	—	—	—	535	21	3.9	—	—	—	(6)
	R-29	La Vita Toji	465	494	—	—	—	477	19	3.9	—	—	—	(17)
	R-30	Pleiades Namba east	675	707	—	—	—	717	29	3.8	—	—	—	9
	Total Residence		38,269	39,541	34,714	1,463	—	41,637	1,710	—	291	(11)	—	2,095
Hotel	H-01	Dormy Inn Matsuyama	2,427	2,271	2,550	132	5.0	2,550	132	5.0	—	0	—	278
	H-03	Dormy Inn Morioka	2,520	2,359	2,570	130	4.9	2,560	130	4.9	(10)	0	—	200
	H-04	ACCESS by LOISIR HOTEL Nagoya	2,500	2,479	2,190	106	4.2	2,200	105	4.2	10	(1)	—	(279)
	Total Hotel		7,447	7,111	7,310	369	—	7,310	367	—	—	(1)	—	198
Retail and Other Assets	C-01	Prio Daimyo II	980	996	1,120	48	4.1	1,130	48	4.1	10	0	—	133
	C-03	TA Shonan Kugenmakaigan	500	501	570	27	4.7	571	27	4.7	1	0	—	69
	C-05	YAMADA web.com Matsuyama Toiyacho	4,030	3,974	4,410	300	6.8	4,410	300	6.8	—	—	—	435
	C-06	Tecc LIFE SELLECT KobeTarumi (Land))	4,227	4,281	4,350	207	4.8	4,290	207	4.9	(60)	—	0.1	8
	C-07	AEON STYLE Onomichi (Land)	900	930	1,040	49	4.7	1,040	49	4.7	—	—	—	109
	C-08	BIGMOTOR Sapporo Kiyota (Land)	1,610	1,650	1,790	(Note 1)	(Note 1)	1,790	(Note 1)	(Note 1)	—	—	—	139
	C-09	DCM Daiki Onomichi (Land)	1,170	1,193	1,240	65	5.3	1,240	65	5.3	—	—	—	46
	C-10	Cainz Omiya	2,520	2,533	2,590	125	4.4	2,600	125	4.4	10	—	—	66
	C-11	API TA NAGOYA-MINAMI	7,800	7,896	8,250	402	4.6	8,270	402	4.6	20	0	—	373
	C-12	BIGMOTOR Konosu (Land)	2,150	2,181	2,290	(Note 1)	(Note 1)	2,290	(Note 1)	(Note 1)	—	—	—	108
	C-13	Kaden Sumairu Kan×YAMADA web.com Nara	4,850	5,048	—	—	—	5,170	273	5.2	—	—	—	121
	Total Retail and Other Assets		30,737	31,187	27,650	1,227	—	32,801	1,501	—	(19)	0	—	1,613
Portfolio Total			121,023	123,395	117,614	5,108	—	129,698	5,617	—	282	(23)	—	6,302

(Note 1) This information is not presented as the DCF method is the only method applied to BIGMOTOR Sapporo Kiyota (Land) and BIGMOTOR Konosu (Land).

(Note 2) Regarding the difference between the 9th and 10th Fiscal Periods, the nine properties acquired in the 10th Fiscal Period—LUXENA KITASENJU, La Vita Higashi Ueno, LUXENA JOSHIN, LUXENA UMEKOJI-KYOTONISHI, LUXENA KIYOMIZU-GOJO, La Vita Nijo Gekko, La Vita Toji, Pleiades Namba east, Kaden Sumairu Kan×YAMADA web.com Nara—are not included.

Balance Sheet (10th Fiscal Period)



Takara Leben Real Estate
Investment Corporation

<Assets> (Unit: thousand JPY)	9th FP	10th FP
Current assets		
Cash and deposits	3,619,842	6,880,357
Cash and deposits in trust	2,577,890	2,765,198
Account receivable	93,166	95,711
Prepaid expenses	402,799	223,809
Other current assets	4,363	-
Total current assets	6,698,042	9,965,076
Fixed assets		
Tangible fixed assets		
Buildings, net	3,787,111	3,837,749
Structures, net	27,566	27,325
Machinery and equipment, net	40,409	39,221
Tools, furniture and fixtures, net	25,363	21,915
Land	6,280,425	5,617,204
Buildings in trust, net	26,487,887	29,862,632
Structures in trust, net	140,318	178,895
Machinery and equipment in trust, net	9,519	16,350
Tools, furniture and fixtures in trust, net	69,891	80,068
Land in trust	77,753,189	83,699,906
Construction in progress in trust	8,851	14,417
Total tangible assets	114,630,532	123,395,686
Intangible assets		
Software	2,362	1,702
Total intangible assets	2,362	1,702
Investments and other assets		
Long-term prepaid expenses	940,826	363,948
Security deposits	11,000	11,000
Other assets	10	10
Total investments and other assets	951,836	374,958
Total fixed assets	115,584,731	123,772,347
Deferred assets		
Investment unit issuance costs	20,211	37,109
Total deferred assets	20,211	37,109
Total assets	122,302,985	133,774,533

<Liabilities> (Unit: thousand JPY)	9th FP	10th FP
Current liabilities		
Operating accounts payable	310,387	460,534
Short-term loans payable	975,000	-
Current portion of long-term loans payable	6,000,000	6,000,000
Current portion of tenant leasehold and security deposit in trust	62,103	62,103
Accounts payable	238,190	210,283
Accrued expenses	21,443	18,330
Income taxes payable	598	598
Accrued consumption tax, etc.	131,364	2,689
Advances received	8,499	32,817
Other current liabilities	7,156	14,241
Total current liabilities	7,754,743	6,801,598
Non-current liabilities		
Long-term loans payable	51,300,000	57,080,000
Tenant leasehold and security deposits	198,676	189,070
Tenant leasehold and security deposits in trust	3,672,238	3,755,432
Deferred tax liabilities	-	74,196
Asset retirement obligations	89,310	82,835
Others	32,757	22,290
Total non-current liabilities	55,292,983	61,203,825
Total liabilities	63,047,726	68,005,423
<Net assets> (Unit: thousand JPY)	9th FP	10th FP
Unitholders' equity		
Unitholders' capital	57,382,134	63,801,091
Deduction from unitholders' capital		
Allowance for temporary difference adjustment	(10,218)	(8,537)
Total deduction from unitholders' capital	(10,218)	(8,537)
Unitholders' capital, net	57,371,916	63,792,554
Surplus		
Retained earnings	1,883,342	1,976,555
Total surplus	1,883,342	1,976,555
Total unitholders' equity	59,255,258	65,769,110
Valuation and translation adjustments		
Total net assets	59,255,258	65,769,110
Total liabilities and net assets	122,302,985	133,774,533

Statement of Income / Statement of Cashflow (10th Fiscal Period)



Takara Leben Real Estate
Investment Corporation

<Statement of Income> (Unit: thousand JPY)	9th FP	10th FP
Operating revenue		
Rental revenue	3,163,845	3,323,900
Other rental revenue	133,435	151,279
Gain on sales of real estate properties	248,108	137,582
Total operating revenue	3,545,389	3,612,762
Operating expenses		
Expenses related to property rental business	1,122,990	1,227,789
Asset management fee	199,266	173,785
Asset custody and administrative service fees	23,642	24,481
Directors' compensation	2,400	2,400
Taxes and dues	109,941	33,570
Other operating expenses	66,876	58,622
Total operating expenses	1,525,116	1,520,649
Operating income	2,020,272	2,092,113
Non-operating income		
Interest income	41	42
Reversal of distributions payable	832	370
Interest on tax refund	122	-
Income from insurance claim	2,327	405
Others	952	-
Total non-operating income	4,275	818
Non-operating expenses		
Interest expenses	184,114	224,185
Borrowing related expenses	101,437	115,555
Amortization of investment unit issuance costs	11,687	9,560
Total non-operating expenses	297,239	349,301
Ordinary income	1,727,309	1,743,629
Income before income taxes	1,727,309	1,743,629
Income taxes		
Income taxes-current	605	605
Income taxes-deferred	-	25,223
Total income taxes	605	25,828
Net income	1,726,704	1,717,801
Retained earnings brought forward	156,638	152,061
Cumulative effect of a change in accounting policies	-	106,693
Retroactive retained earnings carried forward	156,638	258,754
Unappropriated retained earnings	1,883,342	1,976,555

<Statement of Cash Flows> (Unit: thousand JPY)	9th FP	10th FP
Cash flows from operating activities		
Income before income taxes	1,727,309	1,743,629
Depreciation	437,981	488,110
Amortization of investment unit issuance costs	11,687	9,560
Borrowing related expenses	93,409	102,830
Interest income	(41)	(42)
Interest expense	184,114	224,185
Loss on retirement of fixed assets	-	5,354
Decrease (increase) in operating accounts receivable	(6,392)	3,673
Decrease (increase) in consumption tax receivable	99,075	-
Increase (decrease) in consumption tax payable	131,364	(128,674)
Decrease (increase) in prepaid expenses	(45,730)	11,379
Decrease (increase) in long-term prepaid expenses	(47,666)	6,271
Increase (decrease) in operating accounts payable	60,048	(36,874)
Increase (decrease) in accounts payable	26,054	(26,430)
Increase (decrease) in advances received	(15,128)	24,318
Decrease in disposal of property, plant and equipment due to sale	-	712,110
Decrease in disposal of property, plant and equipment in trust due to sale	930,789	3,114,175
Others	4,482	23,315
Sub total	3,591,357	6,276,893
Interest income received	41	42
Interest expenses paid	(178,256)	(227,298)
Income taxes paid	(605)	(605)
Net cash provided by (used in) operating activities	3,412,537	6,049,032
Cash flows from investing activities		
Purchases of property, plant and equipment	(2,898)	(41)
Purchase of property, plant and equipment in trust	(6,364,931)	(12,031,780)
Purchase of intangible assets	(1,096)	-
Proceeds from tenant leasehold and security deposits received	8,414	-
Repayments of tenant leasehold and security deposits	-	(13,375)
Proceeds from tenant leasehold and security deposits in trust	11,651	89,543
Repayments of tenant leasehold and security deposits in trust	(17,542)	(78,827)
Net cash provided by (used in) investing activities	(6,366,403)	(12,034,483)
Cash flows from financing activities		
Proceeds from short-term loans payable	974,800	-
Repayment of short-term loans payable	-	(975,000)
Proceeds from long-term loans payable	9,814,340	5,693,103
Repayments of long-term loans payable	(9,950,000)	-
Proceeds from issuance of investment units	-	6,393,675
Payments of investment unit issuance costs	(8,913)	-
Distributions paid	(1,791,762)	(1,730,016)
Net cash provided by (used in) financing activities	(961,535)	9,381,761
Net increase (decrease) in cash and cash equivalents	(3,915,402)	3,396,311
Cash and cash equivalents at the beginning of the period	7,360,022	3,444,620
Cash and cash equivalents at the end of the period	3,444,620	6,840,931

Profit and Loss by Property



Takara Leben Real Estate
Investment Corporation

(Unit: thousand JPY)

Property name	O-01	O-02	O-03	O-05	O-07
	NT Building	Higashi-Ikebukuro Central Place	Nagoya Center Plaza Building	Omiya NSD Building	Hakata Gion Building
					
Days in operation	181	181	181	181	181
① Operating revenue from real estate leasing	212,268	265,974	206,327	130,604	91,829
Lease business revenue	191,664	242,826	177,862	122,833	84,946
Other lease business revenue	20,603	23,148	28,464	7,770	6,883
② Operating expenses from real estate leasing	113,740	47,674	76,918	33,281	24,981
Management fee	45,700	9,866	24,604	12,449	7,127
Utilities expenses	26,946	20,451	25,714	8,793	7,143
Taxes and dues	25,267	14,839	16,096	8,021	7,672
Insurance premium	673	400	607	210	181
Repair expenses	14,698	1,708	3,903	3,413	2,410
Trust fee	400	375	300	300	400
Other expenses	53	33	5,692	92	46
③ NOI (①-②)	98,528	218,300	129,409	97,322	66,848
④ Depreciation	41,873	30,563	35,157	8,971	13,298
⑤ Operating income (loss) from real estate leasing (③-④)	56,654	187,737	94,251	88,350	53,550
⑥ Acquisition price	12,350,000	9,780,000	4,870,000	3,493,900	2,500,000
⑦ NOI yield (%・Annualized)	1.61	4.50	5.36	5.62	5.39

Profit and Loss by Property



Takara Leben Real Estate
Investment Corporation

(Unit: thousand JPY)

Property name	O-09	O-11	O-12	O-18	O-19
	L.Biz Jimbocho	L.Biz Sendai	Sendai Nikko Building	Akasaka Kawase Building	Yoyogi 1-chome Building
					
Days in operation	181	181	181	106	181
① Operating revenue from real estate leasing	26,988	71,086	67,316	8,709	42,658
Lease business revenue	26,527	60,652	61,890	7,964	42,658
Other lease business revenue	461	10,434	5,426	744	-
② Operating expenses from real estate leasing	4,027	31,489	24,475	4,764	4,257
Management fee	1,780	8,030	5,690	1,688	1,101
Utilities expenses	-	7,677	8,296	767	-
Taxes and dues	1,773	5,005	7,642	1,328	2,714
Insurance premium	30	173	134	92	49
Repair expenses	113	10,268	2,125	809	-
Trust fee	300	300	450	-	375
Other expenses	29	33	135	78	16
③ NOI (①-②)	22,961	39,596	42,840	3,945	38,400
④ Depreciation	2,789	9,352	6,403	682	3,920
⑤ Operating income (loss) from real estate leasing (③-④)	20,171	30,243	36,436	3,263	34,479
⑥ Acquisition price	1,006,000	1,680,000	1,740,000	690,000	1,850,000
⑦ NOI yield (%・Annualized)	4.60	4.75	4.97	1.97	4.19

Profit and Loss by Property



Takara Leben Real Estate
Investment Corporation

(Unit: thousand JPY)

Property name	O-20	O-21	R-01	R-02	R-03
	Kawagoe West Building	HAKATA REISENMACHI Building	Amare Tokaidori	Dormy Ukimafunado	Benefis Hakata-Minami Grand Sweet
					
Days in operation	181	181	181	181	181
① Operating revenue from real estate leasing	89,367	26,663	36,925	35,493	36,033
Lease business revenue	83,159	25,583	36,344	30,252	35,063
Other lease business revenue	6,207	1,080	580	5,241	970
② Operating expenses from real estate leasing	19,521	33,161	10,532	5,053	9,323
Management fee	6,102	21,797	5,465	615	3,192
Utilities expenses	7,775	2,675	447	14	315
Taxes and dues	4,189	6,082	2,153	1,678	2,610
Insurance premium	102	102	90	68	86
Repair expenses	917	1,597	1,895	2,346	2,787
Trust fee	400	300	300	300	300
Other expenses	34	605	180	29	31
③ NOI (①-②)	69,845	(6,497)	26,392	30,440	26,709
④ Depreciation	8,578	9,914	9,564	3,025	6,848
⑤ Operating income (loss) from real estate leasing (③-④)	61,266	(16,412)	16,827	27,414	19,861
⑥ Acquisition price	2,600,000	2,700,000	1,100,000	1,080,000	1,032,000
⑦ NOI yield (%・Annualized)	5.42	(0.49)	4.84	5.68	5.22

Profit and Loss by Property



Takara Leben Real Estate
Investment Corporation

(Unit: thousand JPY)

Property name	R-04	R-06	R-07	R-08	R-09
	LUXENA HIGASHI-KOENJI	J City Hatchobori	LUXENA HEIWADAI	LUXENA KACHIDOKI	LUXENA HON-ATSUGI
					
Days in operation	181	181	181	181	181
① Operating revenue from real estate leasing	29,995	41,222	112,842	29,428	26,019
Lease business revenue	28,516	41,033	108,825	28,640	24,558
Other lease business revenue	1,478	188	4,017	787	1,460
② Operating expenses from real estate leasing	9,312	8,736	18,133	5,728	7,147
Management fee	4,280	3,446	7,645	3,179	3,062
Utilities expenses	345	431	2,477	382	1,031
Taxes and dues	1,553	2,916	5,174	1,098	1,078
Insurance premium	44	86	200	47	62
Repair expenses	2,757	1,524	2,229	615	1,897
Trust fee	300	300	375	375	-
Other expenses	30	30	31	30	15
③ NOI (①-②)	20,682	32,485	94,708	23,699	18,871
④ Depreciation	4,106	5,567	12,116	5,030	3,508
⑤ Operating income (loss) from real estate leasing (③-④)	16,575	26,917	82,591	18,668	15,363
⑥ Acquisition price	1,060,000	1,200,000	3,910,000	1,120,000	705,000
⑦ NOI yield (%・Annualized)	3.93	5.46	4.88	4.27	5.40

Profit and Loss by Property



Takara Leben Real Estate
Investment Corporation

(Unit: thousand JPY)

Property name	R-10	R-11	R-12	R-13	R-14
	LUXENA KADOMA	LUXENA TODAKOEN	LUXENA TODAKOEN II	LUXENA AKIHABARA	Fiore Residence Dejima Kaigan Dori
					
Days in operation	181	181	181	181	181
① Operating revenue from real estate leasing	67,612	25,838	34,223	49,714	21,052
Lease business revenue	64,670	25,368	32,286	46,844	20,254
Other lease business revenue	2,942	469	1,937	2,869	798
② Operating expenses from real estate leasing	15,908	5,309	5,863	12,704	4,825
Management fee	6,641	2,482	2,696	8,255	1,471
Utilities expenses	2,289	393	403	422	900
Taxes and dues	5,580	1,742	1,568	2,388	1,381
Insurance premium	168	46	72	76	59
Repair expenses	1,042	311	789	1,083	675
Trust fee	-	300	300	300	300
Other expenses	185	33	33	177	35
③ NOI (①-②)	51,704	20,528	28,360	37,010	16,227
④ Depreciation	17,199	5,652	6,781	6,854	3,847
⑤ Operating income (loss) from real estate leasing (③-④)	34,505	14,876	21,578	30,155	12,380
⑥ Acquisition price	2,000,000	910,000	1,200,000	2,300,000	560,000
⑦ NOI yield (%・Annualized)	5.21	4.55	4.77	3.24	5.84

Profit and Loss by Property

(Unit: thousand JPY)

Property name	R-15	R-16	R-17	R-18	R-19
	LUXENA MUSASHI-SHINJO	LUXENA NAGAREYAMA OTAKANOMORI	PRIME SQUARE	Winbell Chorus SeisekiSakuragaoka	Mare Isogo Building
					
Days in operation	181	181	181	181	181
① Operating revenue from real estate leasing	49,785	86,647	18,750	28,897	60,408
Lease business revenue	49,714	83,260	18,750	27,773	60,272
Other lease business revenue	70	3,386	-	1,124	136
② Operating expenses from real estate leasing	8,262	16,529	2,183	7,535	8,375
Management fee	3,939	7,531	187	2,896	3,762
Utilities expenses	355	1,866	-	632	719
Taxes and dues	3,422	4,232	1,364	1,730	2,381
Insurance premium	90	186	45	73	132
Repair expenses	121	2,321	192	1,810	1,049
Trust fee	300	375	375	375	300
Other expenses	33	17	18	16	29
③ NOI (①-②)	41,522	70,118	16,567	21,362	52,033
④ Depreciation	9,051	18,811	3,543	3,390	9,897
⑤ Operating income (loss) from real estate leasing (③-④)	32,471	51,306	13,024	17,972	42,135
⑥ Acquisition price	1,900,000	2,840,000	620,000	730,000	1,900,000
⑦ NOI yield (%・Annualized)	4.41	4.98	5.39	5.90	5.52

Profit and Loss by Property

(Unit: thousand JPY)

Property name	R-20	R-21	R-22	R-23	R-24
	TLR Residence Kawasaki Daishi	TLR Residence Honmachi WEST	TLR Residence Takaida	LUXENA KITASENJU	La Vita Higashi Ueno
					
Days in operation	181	181	181	180	180
① Operating revenue from real estate leasing	33,356	73,928	25,295	37,041	22,842
Lease business revenue	32,738	72,690	24,133	36,322	21,827
Other lease business revenue	617	1,237	1,161	719	1,014
② Operating expenses from real estate leasing	6,481	10,502	7,955	4,206	6,511
Management fee	4,801	7,275	4,069	3,225	4,291
Utilities expenses	326	694	994	329	225
Taxes and dues	-	0	-	0	2
Insurance premium	63	156	80	64	34
Repair expenses	964	2,054	2,341	231	1,253
Trust fee	300	300	450	297	697
Other expenses	25	21	19	55	7
③ NOI (①-②)	26,875	63,425	17,340	32,834	16,331
④ Depreciation	7,471	10,866	4,730	7,372	3,588
⑤ Operating income (loss) from real estate leasing (③-④)	19,403	52,559	12,609	25,462	12,742
⑥ Acquisition price	1,346,153	3,479,011	942,120	1,540,000	1,280,000
⑦ NOI yield (%・Annualized)	4.03	3.68	3.71	4.32	2.59

Profit and Loss by Property



Takara Leben Real Estate
Investment Corporation

(Unit: thousand JPY)

Property name	R-25	R-26	R-27	R-28	R-29
	LUXENA JOSHIN	LUXENA UMEKOJI-KYOTONISHI	LUXENA KIYOMIZU-GOJO	La Vita Nijo Gekko	La Vita Toji
					
Days in operation	180	180	180	180	180
① Operating revenue from real estate leasing	18,934	22,182	17,170	14,723	12,992
Lease business revenue	18,604	21,471	16,569	14,386	12,782
Other lease business revenue	329	711	601	336	210
② Operating expenses from real estate leasing	2,563	2,924	2,620	2,402	2,975
Management fee	1,525	2,134	1,645	1,574	2,194
Utilities expenses	195	301	379	203	146
Taxes and dues	0	0	0	0	0
Insurance premium	47	50	76	32	51
Repair expenses	62	125	206	279	270
Trust fee	297	297	297	297	297
Other expenses	433	13	13	13	14
③ NOI (①-②)	16,371	19,258	14,550	12,320	10,017
④ Depreciation	4,226	4,899	2,901	2,655	3,140
⑤ Operating income (loss) from real estate leasing (③-④)	12,144	14,358	11,648	9,665	6,876
⑥ Acquisition price	620,000	725,000	515,000	515,000	465,000
⑦ NOI yield (%・Annualized)	5.35	5.39	5.73	4.85	4.37

Profit and Loss by Property



Takara Leben Real Estate
Investment Corporation

(Unit: thousand JPY)

Property name	R-30	H-01	H-02	H-03	H-04
	Pleiades Namba east	Dormy Inn Matsuyama	Hotel Sunshine Utsunomiya	Dormy Inn Morioka	ACCESS by LOISIR HOTEL Nagoya
					
Days in operation	180	181	19	181	181
① Operating revenue from real estate leasing	19,289	76,548	6,783	74,958	46,483
Lease business revenue	19,289	76,500	6,783	74,958	46,483
Other lease business revenue	-	48	-	-	-
② Operating expenses from real estate leasing	2,688	8,895	2,232	8,208	7,197
Management fee	2,004	765	38	749	464
Utilities expenses	227	798	-	-	-
Taxes and dues	-	6,834	2,072	7,246	5,957
Insurance premium	48	165	66	198	95
Repair expenses	96	-	-	-	256
Trust fee	297	300	43	-	375
Other expenses	13	31	13	15	48
③ NOI (①-②)	16,601	67,652	4,550	66,749	39,286
④ Depreciation	4,444	19,220	3,274	27,227	10,978
⑤ Operating income (loss) from real estate leasing (③-④)	12,156	48,432	1,276	39,522	28,307
⑥ Acquisition price	675,000	2,427,000	2,000,000	2,520,000	2,500,000
⑦ NOI yield (%・Annualized)	4.99	5.62	4.37	5.34	3.17

Profit and Loss by Property



Takara Leben Real Estate
Investment Corporation

(Unit: thousand JPY)

Property name	C-01	C-02	C-03	C-05	C-06
	Prio Daimyo II	Co-op Sapporo Shunko	TA Shonan Kugenumakaigan	YAMADA web.com Matsuyama Toiyacho	Tecc LIFE SELLECT KobeTarumi (Land)
					
Days in operation	181	36	181	181	181
① Operating revenue from real estate leasing	30,588	8,307	17,821	(Note)	(Note)
Lease business revenue	27,988	8,307	15,816	(Note)	(Note)
Other lease business revenue	2,599	-	2,004	(Note)	(Note)
② Operating expenses from real estate leasing	6,258	2,244	4,065	(Note)	(Note)
Management fee	1,211	83	1,058	(Note)	(Note)
Utilities expenses	2,471	-	1,891	(Note)	(Note)
Taxes and dues	1,872	2,005	908	(Note)	(Note)
Insurance premium	21	39	16	(Note)	(Note)
Repair expenses	247	46	176	(Note)	(Note)
Trust fee	400	59	-	(Note)	(Note)
Other expenses	35	12	15	(Note)	(Note)
③ NOI (①-②)	24,330	6,062	13,756	150,510	103,685
④ Depreciation	1,345	2,586	1,365	15,654	-
⑤ Operating income (loss) from real estate leasing (③-④)	22,984	3,475	12,390	134,855	103,685
⑥ Acquisition price	980,000	1,036,000	500,000	4,030,000	4,227,000
⑦ NOI yield (%・Annualized)	5.01	5.93	5.55	7.53	4.95

Profit and Loss by Property



Takara Leben Real Estate
Investment Corporation

(Unit: thousand JPY)

Property name	C-07	C-08	C-09	C-10	C-11
	AEON STYLE Onomichi (Land)	BIGMOTOR Sapporo Kiyota (Land)	DCM Daiki Onomichi (Land)	Cainz Omiya	APiTA NAGOYA-MINAMI
					
Days in operation	181	181	181	181	181
① Operating revenue from real estate leasing	28,566	(Note)	(Note)	(Note)	(Note)
Lease business revenue	28,566	(Note)	(Note)	(Note)	(Note)
Other lease business revenue	-	(Note)	(Note)	(Note)	(Note)
② Operating expenses from real estate leasing	4,060	(Note)	(Note)	(Note)	(Note)
Management fee	142	(Note)	(Note)	(Note)	(Note)
Utilities expenses	-	(Note)	(Note)	(Note)	(Note)
Taxes and dues	3,904	(Note)	(Note)	(Note)	(Note)
Insurance premium	-	(Note)	(Note)	(Note)	(Note)
Repair expenses	-	(Note)	(Note)	(Note)	(Note)
Trust fee	-	(Note)	(Note)	(Note)	(Note)
Other expenses	14	(Note)	(Note)	(Note)	(Note)
③ NOI (①-②)	24,505	37,143	(Note)	65,586	205,660
④ Depreciation	-	-	-	9,349	22,018
⑤ Operating income (loss) from real estate leasing (③-④)	24,505	37,143	(Note)	56,237	183,641
⑥ Acquisition price	900,000	1,610,000	1,170,000	2,520,000	7,800,000
⑦ NOI yield (%・Annualized)	5.49	4.65	(Note)	5.25	5.32

Profit and Loss by Property

(Unit: thousand JPY)

Property name	C-12	C-13
	BIGMOTOR Konosu (Land)	Kaden Sumairu Kan × YAMADA web.com Nara
		
Days in operation	181	180
① Operating revenue from real estate leasing	(Note)	(Note)
Lease business revenue	(Note)	(Note)
Other lease business revenue	(Note)	(Note)
② Operating expenses from real estate leasing	(Note)	(Note)
Management fee	(Note)	(Note)
Utilities expenses	(Note)	(Note)
Taxes and dues	(Note)	(Note)
Insurance premium	(Note)	(Note)
Repair expenses	(Note)	(Note)
Trust fee	(Note)	(Note)
Other expenses	(Note)	(Note)
③ NOI (①-②)	48,650	147,217
④ Depreciation	-	11,828
⑤ Operating income (loss) from real estate leasing (③-④)	48,650	135,388
⑥ Acquisition price	2,150,000	4,850,000
⑦ NOI yield (%・Annualized)	4.56	6.16

(Note) Due to the approval of the tenant not being obtained, it is not disclosed.

Indicators	1st FP (Aug. 2018)	2nd FP (Feb. 2019)	3rd FP (Aug. 2019)	4th FP (Feb. 2020)	5th FP (Aug. 2020)	6th FP (Feb. 2021)	7th FP (Aug. 2021)	8th FP (Feb. 2022)	9th FP (Aug. 2022)	10th FP (Feb. 2023)
Days in operation	33	181	184	182	184	181	184	181	184	181
NOI (JPY million)	314	1,717	1,489	2,142	2,140	2,097	1,995	2,696	2,611	2,734
FFO (Funds from Operation/JPY million)	112	1,412	1,139	1,711	1,706	1,618	1,441	2,072	1,915	2,067
FFO per unit (JPY)	324	4,087	3,297	3,699	3,689	3,499	3,115	3,604	3,332	3,237
Interest-bearing debt (JPY million)	34,600	33,260	35,980	43,400	43,400	43,400	43,400	57,300	58,275	63,080
Interest-bearing debt to total assets (%)	49.7	47.8	49.5	45.9	45.9	46.0	46.0	47.2	47.6	47.2
Loan to appraisal value (%)	47.6	45.1	46.8	42.8	43.1	43.5	43.5	44.8	45.1	45.0
Net Asset Value per unit (JPY)	101,345	104,710	104,539	112,296	111,103	109,202	109,764	111,380	112,104	110,148

(Note) Calculation is based on the following formula

NOI = Property related revenues - Property related expenses + Depreciation - Gains on sales of property

FFO = Net income + Depreciation and amortization ± Gains (losses) on sales of property

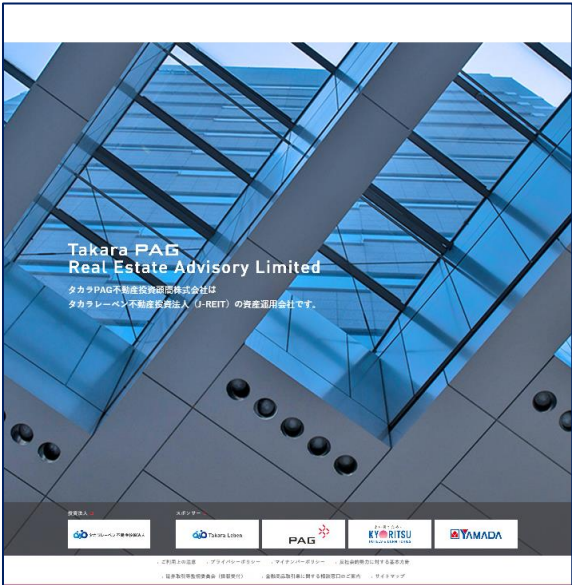
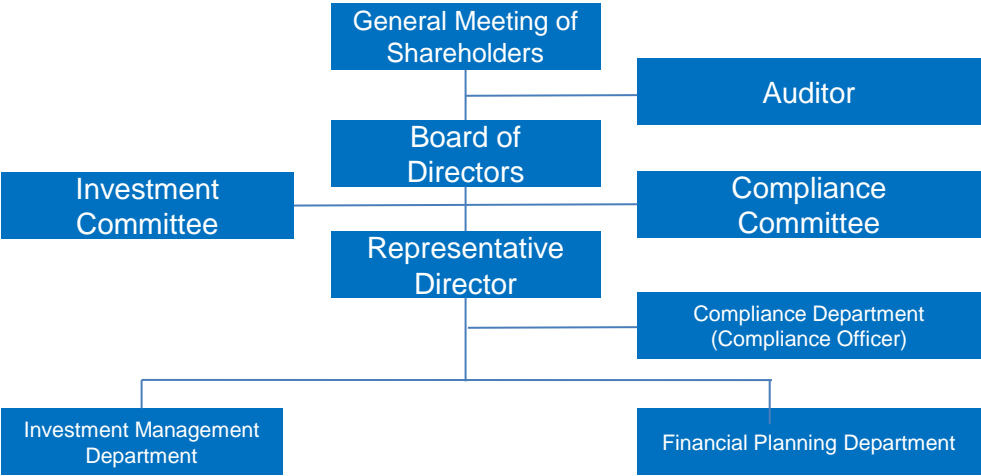
FFO per unit = FFO / Total number of investment units issued and outstanding

Interest-bearing debt ratio (LTV) at the end of the period = Interest-bearing debt at the end of the period / Total assets at the end of the period X 100

Appraisal LTV = Interest-bearing debt at the end of the period / (Total assets at the end of the period + Appraisal value of properties, etc. – Book value of properties, etc. at the end of the period) X 100

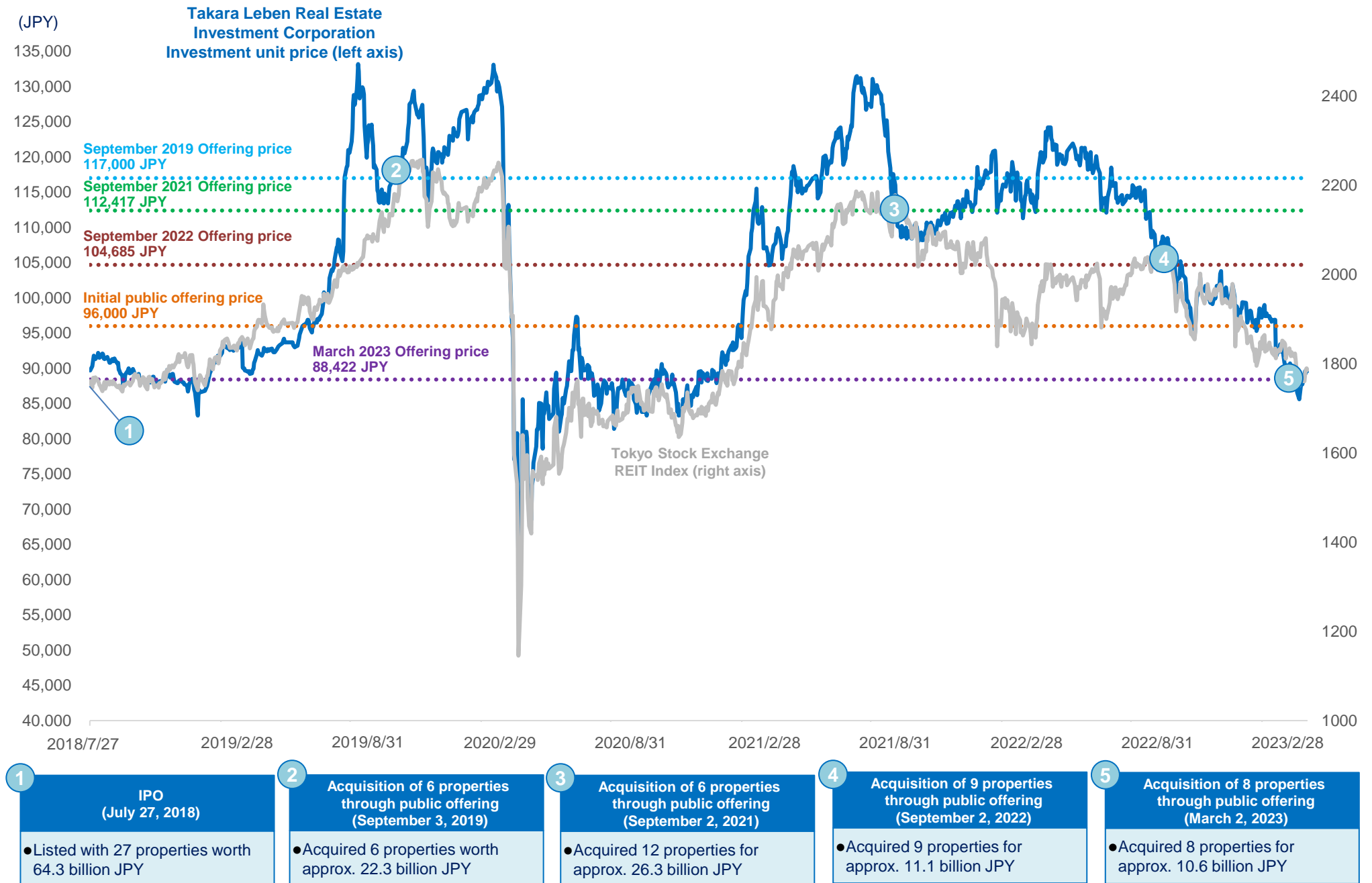
NAV per unit = (Net assets at the end of the period - Total distributions to be paid + Total appraisal value of real estate, etc. – Total book value of real estate, etc. at the end of the period) / Total number of investment units issued and outstanding

Name	Takara PAG Real Estate Investment Advisors Co., Ltd.
Address	Akasaka 1-14-15, Minato-ku, Tokyo
Representative	Masayuki Ishihara, Representative Director Tetsuo Saida, President and Representative Director
Date of Incorporation	January 15, 2016
Paid-in Capital	50 million JPY
Shareholder Composition	MIRARTH Holdings, Inc. (60%) PAG Real Estate Holding Limited (30%) Kyoritsu Maintenance Co., Ltd. (5%) Yamada Holdings Corporation (5%)



Website: <https://www.takara-pag.com/>

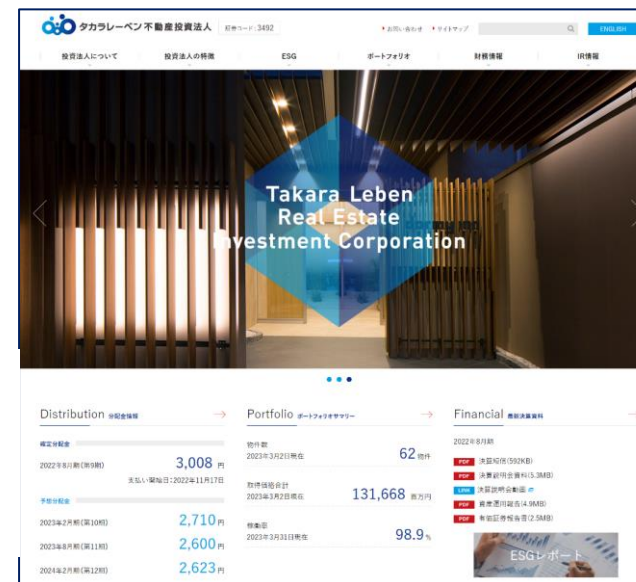
Investment Unit Price Trends Since Listing





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