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For Translation Purposes Only

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

Samty Residential Investment Corporation ("Samty Residential") has today completed acquisition of S - RESIDENCE Matsudo which was announced in "Notice Concerning Acquisition and Lease of Domestic Real Estate (Trust Beneficiary Interests in Real Estate and Real Estate (in Kind))" dated August 10, 2018.

In addition, Samty Residential announces the overview of the property once again as details concerning "Total floor area," "Construction completion," "Leased area," "Occupancy rate," "Number of tenants," "Monthly rental revenue," "Security and guarantee deposits" and "Special remarks," which were undetermined at the time of the announcement, have been finalized and as there were some changes to what was indicated concerning the details of a lease agreement concluded with Samty Co., Ltd. Changes from "Notice Concerning Acquisition and Lease of Domestic Real Estate (Trust Beneficiary Interests in Real Estate and Real Estate (in Kind))" dated August 10, 2018 are underlined.

1. Completion of Acquisition of Domestic Real Estate

< Acquisition Assets >

C-22 S-RESIDENCE Matsudo

Property name	S-RESIDENCE Matsudo	
Location	5-7 Honcho, Matsudo-shi, Chiba (Note 2)	
Type of specified asset	Real estate trust beneficial interest	
Planned acquisition price	840million yen	
Trustee	Mizuho Trust & Banking Co., Ltd.	
Trust establishment date	November 26, 2018	
Trust expiration date	November 30, 2028	
Planned acquisition date	November 26, 2018	
Land	Type of ownership	Ownership
	Site area	257.18 m ²
	Building coverage ratio	80%(Note1)
	Floor area ratio	360%(Note1)
	Zoning	Commercial district
Building	Type of ownership	Ownership

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	Use	Appartment(Note2)
	Total floor area	<u>1,352.21 m²(Note2)</u>
	Construction completion	October <u>10</u> , 2018(Note2)
	Structure and floors	Reinforced concrete structure, flat roof, 14floors(Note2)
	Number of leasable units	52(Note2)
Collateral	None	
Property management company	Samty Property Management Co., Ltd.	
Master lease company	Samty Property Management Co., Ltd.	
Master lease type	Pass-through type	
Appraisal value (date of value)	850million yen (June 1, 2018)	
Real estate appraiser	The Tanizawa Sogo Appraisal Co., Ltd.	
Probable maximum loss (PML value)	3.4%	
Overview of leasing		
	Total leasable area	<u>1,180.53 m²</u>
	Leased area	<u>1,180.53 m²</u> (Note3)
	Occupancy rate	<u>100.0%</u> (Note3)
	Number of tenants	<u>1</u> (Note3)
	Monthly rental revenue	<u>4,015 thousand yen</u> (Note3)
	Security and gurantee deposits	<u>74 thousand yen</u> (Note3)
Characteristics of the property	<p>The Property, which has single type units, is about a 3-minute walk from Matsudo Station on the JR Joban Line. It offers excellent access to the center of business and commercial areas in Tokyo as it takes about 19 minutes to Ueno Station and about 35 minutes to Otemachi Station using the Joban Line and Tokyo Metro Chiyoda Line. With streets lined with condominiums, shops, etc., the area forms a district where residences and commercial facilities gather together. There are a wide range of shop, etc. located in the vicinity of the station offering favorable living convenience, and thus demand for lease from single-household working adults also seeking proximity to central Tokyo can be anticipated.</p> <p>With such characteristics, the Property is believed to be highly competitive in the leasing market with areas with comparable supply and demand trends.</p>	
Special remarks	<u>Not applicable.</u>	

(Note 1) Building coverage ratio allowed is currently 100% and floor area ratio 539.64% by easing of regulation for fire-resistant buildings in fire protection districts and specified roads.

(Note 2) "Location" is based on the residential address. "Site area" of land and "Use," "Total floor area," "Construction completion" and "Structure and floors" of building are based on information in the real estate registry. "Number of leasable units" is the number of units (including the number of stores, etc., if any) that can be leased as of today.

(Note 3) A pass-through type master lease agreement is concluded between the trustee of the Property and Samty Property Management Co., Ltd., and a lease agreement between Samty Property Management Co., Ltd. and Samty Co., Ltd., the seller of the Property, both dated November 26, 2018. The agreement guarantees leasing, up to the number of vacant units as of November 26, 2018, until July 31, 2019 in principle with Samty Co., Ltd. as an end tenant, and units occupied as of November 26, 2018 or units that became vacant after the conclusion of the agreement are not subject to the leasing by Samty Co., Ltd. "Monthly rental revenue" and "Security and guarantee deposits" include rents as well as security and guarantee deposits to be paid by the end tenant.

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Overview of the lease agreement			
Name of tenant	Monthly rent (million yen)	Contract period	Security and guarantee deposits (million yen)
Samty Co., Ltd.	3 (Note 4)	From November 26, 2018 to November 25, 2020	-
Rent revision: There is no provision regarding rent revision. Cancellation: <u>The lessee may cancel the agreement upon discussion on August 1, 2019 or after or when the number of units that are the target of the agreement becomes two.</u> However, even on July 31, 2019 or before, if a tenant finds an end tenant who would replace the former under the same leasing terms and conditions as the lease agreement for Samty Property Management Co., Ltd., the lessor, and Samty Property Management Co., Ltd. and the new end tenant concludes a new lease agreement, Samty Co., Ltd. may cancel the lease agreement with Samty Property Management Co., Ltd. for that particular unit on the day prior to the start date of the new lease agreement.			

2. Future Outlook

There will be no changes to the business results forecasts for the fiscal period ending January 2019 (from August 1, 2018 to January 31, 2019) and the fiscal period ending July 2019 (from February 1, 2019 to July 31, 2019) announced in the Summary of Financial Results dated September 14, 2018 as the impact of the property acquisition on the business results are factored into the forecasts.

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

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

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