

June 25, 2018

Translation Purposes Only

To All Concerned Parties

Name of REIT Issuer:

Hulic Reit, Inc.

2-26-9 Hatchobori, Chuo-ku, Tokyo, Japan

Eiji Tokita, Executive Officer

(TSE Code: 3295)

Contact:

Asset Management Company

Hulic Reit Management Co., Ltd.

Eiji Tokita, President and CEO

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Notice Concerning the Acquisition of Property

TOKYO, June 25, 2018 – Hulic Reit, Inc. (hereinafter referred to as “Hulic Reit”) hereby announces that Hulic Reit Management Co., Ltd. (hereinafter referred to as “Hulic Reit Management”), which is entrusted with the management of the assets of Hulic Reit, has today made the decision to acquire the property listed below (hereinafter referred to as the “Property”).

Since the counterparty to the acquisition of the Property is an Interested Person, etc. (defined below) of Hulic Reit Management, and is an interested party according to Hulic Reit Management’s Regulations on Transactions with Interested Parties, the necessary procedures stipulated in the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended; hereinafter referred to as the “Act”) and Hulic Reit Management’s internal policies (including Regulations on Transactions with Interested Parties) have been completed concerning the acquisition.

1. Overview of the acquisition

(1) Category	Tokyo Commercial Property (Retail)
(2) Property name	Hulic Shimura-sakaue
(3) Location	Itabashi-ku, Tokyo
(4) Assets planned for acquisition	Real estate trust beneficiary rights
(5) Anticipated acquisition price	7,556 million yen (Note 1)
(6) Date of purchase and sale agreement	June 26, 2018(Note 2)
(7) Anticipated acquisition date (Note 3)	June 29, 2018(Note 3)
(8) Seller	Hulic Co., Ltd. (Note 4)
(9) Acquisition funds	Borrowings (Note 5) and cash on hand
(10) Settlement method	Full payment upon delivery

Notes:

- 1 “Anticipated acquisition price” does not include consumption or local taxes or the costs and expenses related to the acquisition.
- 2 Hulic Reit plans to execute the purchase agreement after consideration by and approval from the seller’s decision-making body.
- 3 “Anticipated acquisition date” is the anticipated date of acquisition stated in the relevant purchase and sale agreement.
- 4 Hulic Co., Ltd. is an Interested Person, etc. (as defined in Article 201 of the Act and Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (Cabinet Order No. 480 of 2000, as amended); the same shall apply hereinafter) of Hulic Reit Management, and is an interested party according to Hulic Reit Management’s Regulations on Transactions with Interested Parties.
- 5 For details, please refer to “Notice Concerning the Borrowing of Funds” announced today.

2. Reason for acquisition

In accordance with the basic policies of Hulic Reit, the purpose of acquiring the Property is to improve the portfolio. Hulic Reit Management has assessed each property based on the following factors.

1) Characteristics of location

The property is located twelve minutes on foot from Shimura Sakanoue Station on the Toei Subway Mita Line in an area between the Toei Subway Mita Line and Tobu Tojo Line that has a market population of 63,000 people within 1 km and nationwide top-class residential density, giving the location outstanding market potential. The site is located at a three-street intersection on a city road that serves as a highly convenient community road linked with National Road 17 and National Road 254 (Kawagoe Highway), and because it has excellent visibility and ample parking lot capacity has been secured at the facility, the site could have considerable appeal for car users.

2) Characteristics of property

The property is a complex facility comprised of a retail property block that was completed in November 2015 and a private nursing home block that was completed in February 2016. The retail property block has a total floor area of 13,809.33 m² with four floors above ground and one basement level. There are shops from the basement to the third floor and an outdoor parking lot on the fourth floor. In addition, consideration has been given to the environment through the use of an exterior design with wall greening and the active adoption of power supply to common area lighting using solar power generation and LED lighting. The private nursing home block has five floors above ground and one basement level, with private rooms from the first floor to the fifth floor, and has a common facility, entrance hall, cafeteria, functional training room, baths, offices, etc. on the basement floor, a hair salon, etc. on the first floor, and lounges on the second floor and the fourth floor. It is a large-scale private nursing home with a total floor area of 4,244.08 m² and ninety-two private rooms (capacity for a hundred people). The common areas give an open impression with features that include stairwells at entrances and wide corridors, and characteristics that include private rooms with an area that is somewhat broad and adjacent retail properties will make it possible to appeal to people with mild nursing care needs.

3. Overview of the Properties

• Hulic Shimura-sakaue (Note 1)

Specified assets category		Real estate trust beneficiary rights
Anticipated acquisition price		7,556 millions of yen
Trustee		Mizuho Trust & Banking Co., Ltd.
Date trust initiated		June 29, 2018
Expiration date of trust period		June 30, 2028
Nearest station		12-minute walk from Shimura-sakaue, a station on the Toei Mita Line
Address (domicile)		3-20-1, Maeno-cho, Itabashi-ku, Tokyo, etc.
Land	Lot number	3-20-1, Maeno-cho, Itabashi-ku, Tokyo
	Building-to-land ratio	70.32% (Note 2)
	Floor-area ratio	228.43% (Note 2)
	Zoning	Neighborhood commercial area, category I medium-to-high-rise exclusive residential zone
	Site area	6,483.83 m ² (Note 3)
	Type of ownership	Proprietary ownership
Building	Completed	(Retail property block) November 2015 (Private nursing home block) February 2016
	Structure	(Retail property block) S/SRC (Private nursing home block) RC
	Number of floors	(Retail property block) 4F/B1 (Private nursing home block) 5F/B1
	Use	(Retail property block) Department store and parking lot (Private nursing home block) Private nursing home
	Total floor space	(Retail property block) 13,809.33 m ² (Note 4) (Private nursing home block) 4,244.08 m ² (Note 4)
	Number of parking spaces	(Retail property block) 170 cars (Private nursing home block) 4 cars
	Type of ownership	(Retail property block) Ownership (Private nursing home block) Ownership
Collateral		None
PM company		Hulic Co., Ltd. (anticipated) (Note 5)
Master lease company		Hulic Co., Ltd. (anticipated) (Note 5)
Appraisal value (Date of valuation)		7,620 million yen (June 1, 2018)
Appraisal company		Japan Real Estate Institute
PML value		(Retail property building) 4.29% (Note 6) (Private nursing homes block) 5.57% (Note 6)
Details of Tenant (Note 7) (Note 8)		
	Total leased floor space	11,528.34 m ²
	Total leasable floor space	11,528.34 m ²
	Occupancy rate	100.0%
	Main tenant	Sakurajyuji Co., Ltd
	Total number of tenants	4
	Total lease income (annualized)	469 million yen (Note 9)
	Lease and guarantee deposits	354 million yen (Note 10)
Special remarks		<ul style="list-style-type: none"> • Preferential negotiating rights for the purchase of the property have been granted to the end tenants of the private nursing home block. • The road on the northwest side of the property is designated as a city planning road (before project implementation) and in the event the project is implemented according to the city plans, a part of the land of the property may be expropriated, but the building should not exceed the legal standard for building-to-land ratio and floor-area ratio.

Notes:

- 1 Details are as of the anticipated acquisition date, confirmed as of June 25, 2018.
- 2 Values stated based on certification as a planned site for integrated design as a single complex based on the provision of Article 86, Paragraph 1 of the Building Standards Act.
- 3 Based on the entry in the property registry; the actual status may differ in some cases.
- 4 Based on the entry in the property registry.

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- 5 Hulic Co., Ltd. is an Interested Person, etc. of Hulic Reit Management, and is an interested party according to Hulic Reit Management’s Regulations on Transactions with Interested Parties.
- 6 The figure is based on the earthquake PML appraisal report by Sampo Risk Management & Health Care Inc.
- 7 As the trustee and the master lease company enter into a pass-through master lease agreement with no rent guarantee, total leased floor space, occupancy rate, total number of tenants, total lease income and lease and guarantee deposits of the end-tenants subleased by the master lease company are indicated in the “Details of Tenant.” Note that the totals for the retail property block and private nursing home block are stated.
- 8 Our lease agreements with end tenants include a lease agreement for a private nursing home. The overview of such lease agreement is as follows:
 Form of agreement : Ordinary building lease agreement for the purpose of operating a private nursing home
 Period : March 1, 2016 to February 29, 2036
 Revision of rent : In principal, the rent will not be revised within the period of 10 years from the commencement date of the lease agreement. However, the parties may discuss revision of the rent in the case where the current rent becomes inappropriate compared to the rent of similar buildings in the surrounding area due to significant changes in taxes and public dues, prices of goods and services or others factors relating to economic conditions.
 Renewal of agreement : The term of lease agreement will be automatically renewed for a period of three years unless otherwise notified in writing by either of the lessor or lessee by the date that is 12 months before the expiration date of the current lease term, and the same shall apply to each subsequent lease term.
 Termination during the lease term: The lessor may not terminate the lease agreement during the initial lease term or any subsequently renewed lease terms. The lessee is required to notify the lessor in writing at least 12 months before the expiration date in order to terminate the lease agreement; provided, however, that the lessee may terminate the lease agreement immediately by paying an amount equivalent to the rent for 12 months and restoring the building to the original condition. In addition to the above, the lessee would be required to pay the penalty fee provided in the lease agreement in order to terminate the lease agreement during the lease term.
- 9 The annualized amount is calculated by multiplying the total amount of monthly rent in each lease agreement with end-tenants (including common services fees; limited to rent for rooms that are occupied by tenants and excluding fees for using warehouses, signboards, and parking lots; also not taking free rent, etc. into consideration and excluding consumption taxes) by 12 and rounding to the nearest million yen.
- 10 Total lease and guarantee deposits in each lease agreement with end-tenants are rounded to the nearest million yen.

Status of Tenants and Overview of Facilities (Date of Statement of Material Matters: March 1, 2018)			
Facility type	With nursing care (general type)	Opening date	March 1, 2016
Tenant rights format	Use rights	Number of rooms	92
Living space floor area (m ²)	20.6 to 32.8	Capacity (persons)	100
Tenancy requirements	Independent, need of support, and need of nursing care	Number of tenants (persons)	61
Average tenant age	86.7	Occupancy rate (%)	61
Method of payment of fees	Lump-sum payment	Monthly payment	
	Occupancy lump-sum fee (yen)	7,000,000 to 24,500,000	—
	Monthly use fee (yen)	214,400 to 396,600	360,233 to 542,433
Personnel systems relating to nursing care	At least 2.5:1	Night time personnel system (Minimum number of workers)	At least one caregiver At least one nursing employee

4. Overview of Operator

Trade name	Sakurajyuji Co., Ltd
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Location	1-1-1, Miyuki-kibe, Minami-ku, Kumamoto-shi, Kumamoto
Name and title of representative	Masato Kaji, President and CEO
Primary business lines	Operation of private nursing home business and others
Business Overview	Operates private nursing homes and others for the elderly, etc. under the Hospitalment brand in Kumamoto Prefecture, Fukuoka Prefecture, and Tokyo as a member of the Sakurajyuji Group centered around Sakurajyuji Co., Ltd
Paid-in capital	3 million yen (as of June 1, 2018)
Date of establishment	August, 19, 1982
Number of facilities operated	7 (as of June 1, 2018) (Note 1)
Number of tenant rooms operated	781 (as of June 1, 2018) (Note 1)
Net sales	Not disclosed (Note 2)
Ordinary income	Not disclosed (Note 2)
Relationship with Hulic Reit and Hulic Reit Management	
Capital relationship	There are no significant capital relationships among Hulic Reit, Hulic Reit Management, and Sakurajyuji Co., Ltd. There are no significant capital relationships between the related persons or affiliates of Hulic Reit, Hulic Reit Management, and Sakurajyuji Co., Ltd.
Personnel relationship	There are no significant personnel relationships among Hulic Reit, Hulic Reit Management, and Sakurajyuji Co., Ltd. There are no significant personnel relationships between the related persons or affiliates of Hulic Reit, Hulic Reit Management, and Sakurajyuji Co., Ltd.
Transactional relationship	An end-tenant and operator of assets owned by Hulic Reit; executed a lease agreement with the master lease company (Hulic Co., Ltd.).
Status as a related party	Sakurajyuji Co., Ltd does not constitute a related party of Hulic Reit and Hulic Reit Management. In addition, parties or affiliates related to Sakurajyuji Co., Ltd do not constitute related parties of Hulic Reit and Hulic Reit Management.

Notes:

- 1 The number of facilities operation and the number of rooms operated by Sakurajyuji Co., Ltd based on figure released by or stated in an interview with Sakurajyuji Co., Ltd
- 2 Not disclosed because approval for disclosure is not acquired from the operator.

5. Overview of the counterparty of the acquisition

Trade name	Hulic Co., Ltd.
Location	7-3 Nihonbashi Odenmachi, Chuo-ku, Tokyo
Name and title of representative	President, Representative Director Manabu Yoshidome
Primary business lines	Holding, lease, purchase, and sale of real estate and brokerage services
Paid-in capital	62,718 million yen (as of March 31, 2018)
Date of establishment	March 26, 1957
Net assets	375,803 million yen (as of March 31, 2018)
Total assets	1,406,952 million yen (as of March 31, 2018)
Major shareholders and shareholding ratios	Meiji Yasuda Life Insurance Company (7.18%), Sompo Japan Nipponkoa Insurance Inc. (6.67%), Tokyo Tatemono Co., Ltd. (6.31%) (as of December 31, 2017)
Relationship with Hulic Reit and Hulic Reit Management	
Capital relationship	As of June 25, 2018, Hulic Co., Ltd. holds 11.41% of the total number of investment units issued of Hulic Reit. Hulic Co., Ltd. is the parent company (100% investment ratio) of Hulic Reit Management, and is therefore an Interested Person, etc. of Hulic Reit Management.
Personnel relationship	As of today, certain employees of Hulic Reit Management are on secondment from Hulic Co., Ltd.
Transactional relationship	Hulic Reit acquired three properties (15,250 million yen) (including additional acquisition) and transferred one property (7,205 million yen) (spin off) in the fiscal period ended February 2018, and acquired one property (11,000 million yen) and transferred one property (3,930 million yen) (spin off) in the fiscal period ended August 2018 from Hulic Co., Ltd.
Status as a related party	Hulic Co., Ltd. is a related party of Hulic Reit and Hulic Reit Management. Moreover, as described above, Hulic Co., Ltd. is an Interested Person, etc. of Hulic Reit Management.

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6. Status of the property acquirer

Property acquisition from a person that has special interests is as follows. In the table below, (i) the company name/name, (ii) the relationship with the person that has special interests, and (iii) the background/reason for the acquisition are indicated.

Property name Location	Previous owner/trust beneficiary	Owner/Trust beneficiary prior to the previous owner/trust beneficiary
	(i), (ii), (iii) Acquisition (transfer) price Acquisition (transfer) date	(i), (ii), (iii) Acquisition (transfer) price Acquisition (transfer) date
Hulic Shimura-sakaue 3-20-1, 3-20-2, Maeno-cho, Itabashi-ku, Tokyo	(i) Hulic Co., Ltd. (ii) Parent company of Hulic Reit Management (iii) Acquired with the intention of investment	Those other than a person that has special interests
	Omitted as the current owner/trust beneficiary has owned the property for over a year	—
	March 1999	—

7. Overview of intermediary

Not applicable

8. Acquisition schedule

Acquisition decision date	Anticipated date for purchase and sales agreement	Anticipated payment date	Anticipated acquisition date
June 25, 2018	June 26, 2018	June 29, 2018	June 29, 2018

9. Future outlook

The acquisition of the Property will not have a material impact on the outlook for the financial results for the fiscal period ended August 31, 2018 (March 1, 2018 to August 31, 2018) and the fiscal period ending February 28, 2019 (September 1, 2018 to February 28, 2019), so there will be no change to the forecasts of these financial results.

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10. Summary of Appraisal Report

Appraisal value	7,620 million yen (Note 1)
Appraiser	Japan Real Estate Institute
Date of valuation	June 1, 2018

(Million of yen)

Item	Breakdown	Remarks
Appraisal value based on income method (Note 2)	7,620	Estimated with appraisal value based on direct capitalization method and appraisal value based on DCF method handled equally
Appraisal value based on direct capitalization method	7,760	
(1) Operating revenue	511	
Potential gross income	511	Estimated rent revenues based on current lease agreements in consideration of details of lease agreements, market reports, etc.
Losses from vacancy, etc.	0	Not recorded because it was deemed that there was a high likelihood of the current tenant occupying over the medium to long term in consideration of factors including the occupancy rate and demand trends for similar real estate in alternative competitive relationships in a similar region in the same demand area, and the contents of lease agreements related to the target real estate
(2) Operating expenses	155	
Maintenance and management fee/PM fee (Note 3)	64	Estimated in consideration of the individual characteristics of the target real estate, in reference to past results, expense levels for similar real estate, etc.
Utility expenses	42	Estimated based on past results, after giving consideration to the occupancy rate for rental units, etc.
Repair expenses	1	Estimated in reference to past results, and in consideration of future management and operation plans, expense levels for similar real estate, and average annual repair and renewal expenses in engineering reports
Tenant recruitment/solicitation expenses, etc.	0	Not recorded because occupancy of the current tenant is expected for the medium to long term
Taxes and public dues	47	Estimated based on materials related to taxes and public dues
Insurance premium	0	Estimated in reference to insurance premiums based on insurance contracts and the premium rate for similar real estate, etc.
Other expenses	1	
(3) Net operating income (NOI: (1) - (2))	356	
(4) Profit from security deposits	4	Estimated based on evaluation of lease deposit and investment return
(5) Capital expenditures	2	Estimated in consideration of capital expenditure levels for similar real estate, the age of the building, and average annual repair and renewal expenses in engineering reports
Net cash flow ((3) + (4) - (5))	357	
Cap rate	4.6%	Estimated by adding or subtracting the spread due to the location characteristics, property characteristics, etc. of the target real estate to the yield for real estate viewed as having the lowest risk, and also taking into consideration the yield after depreciation

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Appraisal value based on DCF method	7,480	
Discount rate	4.4%	Estimated in reference to the investment yield for similar real estate transactions, after taking into consideration the individuality of the target real estate
Terminal cap rate	4.9%	Estimated in reference to the investment yields of similar real estate transactions, after taking into comprehensive consideration factors including general forecasts on the future rate of economic growth and trends in real estate prices and rents
Appraisal value based on cost method (Note 2)	7,520	
Ratio of land	59.2%	
Ratio of building	40.8%	

Other matters considered by appraiser in determination of appraisal value	None
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Notes:

- 1 Appraisal value based on income method that reflects the profitability and investment return of the Property is used. Also, in addition to the unique characteristics of a home for the aged (inclusion of system correction risks and other business risks, difficulty of changing use based on the low level of general usability of the building and social needs, the reliance of rental income stability and continuity on the operator, and restrictions on market participants and the relative lack of fluidity), appraisal agencies appraise the real estate by taking into consideration the appropriateness of rent levels in light of the income and expenditures of the individual property, the operating capabilities of the lessee (operator), details of the lease agreement, and other factors..
- 2 Appraisal value figures have been rounded to the nearest million yen. Note that these figures are not the revenue and expenses forecast by Hulic Reit or Hulic Reit Management.
- 3 The maintenance and management fee and PM fee stated above are combined, because individual disclosure of the maintenance and management fee and PM fee amount levels may affect the other transactions of each contractor with respect to building management and PM services, which could pose an obstacle to efficient performance of services by Hulic Reit and could harm unitholder interests.

11. Overview of Building Inspection Report

Property name	Inspection company	Inspection performed on	Cost of urgent/short-term repairs (Millions of yen) (Note 1)	Cost of long-term repairs (Millions of yen) (Note 2)
Hulic Shimura-sakaue	Tokyo Bldg-Tech Center Co., Ltd.	June 18, 2018	-	(Retail property block) 1 (Private nursing home block) 0

Notes:

- 1 “Cost of urgent/short-term repairs” includes the cost of updating and repair work and urgent repairs generally required within one year as shown on the Building Inspection Report.
- 2 “Cost of long-term repairs” includes the average annual amount rounded to the nearest million yen for the costs appearing on the Building Inspection Report as updating and repair work forecast over the next twelve-year period.

* This press release was distributed to:

The Tokyo Stock Exchange Press Club (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), and the press club for construction publications of the MLIT

* Hulic Reit’s website: <http://www.hulic-reit.co.jp/>

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Attachments

Reference Attachment 1 Map and Photo of the Property

Reference Attachment 2 Portfolio List after Acquiring the Property

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Reference Attachment 1

Map and Photo of the Property



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Reference Attachment 2

Portfolio List after Acquiring the Property

Category	Property name	Location	(Anticipated) Acquisition price (Millions of yen) (Note 1)	Investment ratio (%) (Note 2)	(Anticipated) Acquisition date (Note 3)	
Tokyo Commercial Properties	Office properties	Hulic Kamiyacho Building	(20,100) (16,650) Total 36,750 (Note 4) (Note 5)	(7.4%) (6.1%) Total 13.5% (Note 5)	February 7, 2014 March 15, 2016	
		Hulic Kudan Building (Land)	Chiyoda-ku, Tokyo	11,100	4.1%	February 7, 2014
		Toranomon First Garden	Minato-ku, Tokyo	8,623 (Note 4)	3.2%	February 7, 2014
		Rapiros Roppongi	Minato-ku, Tokyo	(5,160) (1,050) Total 6,210 (Note 4) (Note 5)	(1.9%) (0.4%) Total 2.3% (Note 5)	February 7, 2014 September 16, 2016
		Hulic Takadanobaba Building	Toshima-ku, Tokyo	3,900	1.4%	February 7, 2014
		Hulic Kanda Building	Chiyoda-ku, Tokyo	3,780	1.4%	February 7, 2014
		Hulic Kandabashi Building	Chiyoda-ku, Tokyo	2,500	0.9%	February 7, 2014
		Hulic Kakigaracho Building	Chuo-ku, Tokyo	2,210	0.8%	February 7, 2014
		Ochanomizu Sola City	Chiyoda-ku, Tokyo	(22,854) (15,295) Total 38,149 (Note 4) (Note 5)	(8.4%) (5.6%) Total 14.1% (Note 5)	November 7, 2014 October 4, 2016
		Hulic Higashi Ueno 1-Chome Building(Note 6)	Taito-ku, Tokyo	2,678	1.0%	October 16, 2014
		Tokyo Nishi Ikebukuro Building	Toshima-ku, Tokyo	1,580 (Note 4)	0.6%	March 31, 2015
		Gate City Ohsaki	Shinagawa-ku, Tokyo	4,370 (Note 4)	1.6%	April 16, 2015
		Hulic Toranomon Building	Minato-ku, Tokyo	(12,740) (5,570) Total 18,310 (Note 4) (Note 5)	(4.7%) (2.1%) Total 6.7% (Note 5)	December 25, 2015 September 1, 2016
		Hulic Shibuya 1-chome Building	Shibuya-ku, Tokyo	5,100	1.9%	March 31, 2017
		Hulic Higashi Nihonbashi Building	Chuo-ku, Tokyo	3,480	1.3%	March 31, 2017
		Hulic Jimbocho Building	Chiyoda-ku, Tokyo	1,460	0.5%	April 28, 2017
		Hulic Ginza 7-Chome Building	Chuo-ku, Tokyo	11,000 (Note 4)	4.1%	March 29, 2018
		Subtotal	-	161,200	59.4%	-
	Retail properties	Oimachi Redevelopment Building (#2)	Shinagawa-ku, Tokyo	9,456	3.5%	February 7, 2014
		Oimachi Redevelopment Building (#1)	Shinagawa-ku, Tokyo	6,166 (Note 4)	2.3%	February 7, 2014
Dining Square Akihabara Building		Chiyoda-ku, Tokyo	3,200	1.2%	February 7, 2014	

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	Hulic Jingumae Building	Shibuya-ku, Tokyo	2,660	1.0%	February 7, 2014
	Hulic Shinjuku 3-Chome Building	Shinjuku-ku, Tokyo	5,550	2.0%	October 16, 2014
	Yokohama Yamashitacho Building	Yokohama-shi, Kanagawa	4,850	1.8%	October 16, 2014
	Leaf Minatomirai (Land)	Yokohama-shi, Kanagawa	1,755 (Note 4) (Note 7)	0.6%	March 30, 2016
	Orchid Square	Chiyoda-ku, Tokyo	3,502	1.3%	March 30, 2016
	Hulic Todoroki Building	Setagaya-ku, Tokyo	1,200	0.4%	December 27, 2016
	Hulic Omori Building	Shinagawa-ku, Tokyo	3,420	1.3%	March 31, 2017
	HULIC &New SHIBUYA	Shibuya-ku, Tokyo	3,150 (Note 4)	1.2%	June 30, 2017
	HULIC &New SHINBASHI	Minato-ku, Tokyo	3,100	1.1%	November 1, 2017
	Hulic Shimura-sakaue	Itabashi-ku, Tokyo	7,556	2.8%	June 29, 2018
	Subtotal	-	55,565	20.5%	-
	Intermediate total	-	216,765	79.8%	-

Next-Generation Assets	Private nursing homes	Aria Matsubara	Setagaya-ku, Tokyo	3,244	1.2%	February 7, 2014
		Trust Garden Youganomori	Setagaya-ku, Tokyo	5,390	2.0%	February 7, 2014
		Trust Garden Sakurashinmachi	Setagaya-ku, Tokyo	2,850	1.0%	February 7, 2014
		Trust Garden Suginami Miyamae	Suginami-ku, Tokyo	2,760	1.0%	February 7, 2014
		Trust Garden Tokiwamatsu	Shibuya-ku, Tokyo	3,030	1.1%	September 1, 2016
		Sompo Care La vie Re Kitakamakura	Yokohama-shi, Kanagawa	1,780	0.7%	June 30, 2017
		Subtotal	-	19,054	7.0%	-
	Network centers	Ikebukuro Network Center	Toshima-ku, Tokyo	4,570	1.7%	February 7, 2014
		Tabata Network Center	Kita-ku, Tokyo	1,355	0.5%	February 7, 2014
		Hiroshima Network Center	Hiroshima-shi, Hiroshima	1,080	0.4%	February 7, 2014
		Atsuta Network Center	Nagoya-shi, Aichi	1,015	0.4%	February 7, 2014
		Nagano Network Center	Nagano-shi, Nagano	305	0.1%	February 7, 2014
		Chiba Network Center	Inzai-shi, Chiba	7,060	2.6%	December 16, 2014
		Sapporo Network Center	Sapporo-shi, Hokkaido	2,510	0.9%	December 16, 2014
		Keihanna Network Center	Kizukawa-shi, Kyoto	1,250	0.5%	October 16, 2014
Subtotal	-	19,145	7.1%	-		

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Hotel	Sotetsu Fresa Inn Ginza 7-Chome	Chuo-ku, Tokyo	(4,370) (7,150) Total 11,520 (Note 4) (Note 5)	(1.6%) (2.6%) Total 4.2% (Note 5)	September 16, 2016 November 1, 2017
	Sotetsu Fresa Inn Tokyo-Roppongi	Minato-ku, Tokyo	5,000 (Note 4)	1.8%	November 1, 2017
	Subtotal	-	16,520	6.1%	-
	Intermediate total	-	54,719	20.2%	-
Total of the portfolio		-	271,484	100.0%	-

Notes:

1. “(Anticipated) Acquisition price” lists the acquisition price listed in the relevant purchase and sale agreement for each asset held and the Property, rounded to the nearest million yen. The acquisition price does not include consumption or local taxes or the costs and expenses related to the acquisition.
2. “Investment ratio” represents the percentage of the (anticipated) acquisition price of each asset held and the Property to the total (anticipated) acquisition price, rounded to one decimal place.
3. “(Anticipated) Acquisition date” is the anticipated date of acquisition stated in the relevant purchase and sale agreement for each asset held and the Property.
4. The figure is based on the ratio of sectional ownership interest or quasi-co-ownership interest owned by Hulic Reit in the properties.
5. For additional acquisitions, the acquisition prices in respective acquisition dates and the investment ratios are indicated in parentheses respectively, and their total values at the bottom line.
6. The decision was made on June 25, 2018 to acquire co-ownership interests in the neighboring land on June 29, 2018.
7. The figure shows the equivalent to the 15% quasi-co-ownership interest in the property held by Hulic Reit at the anticipate Acquisition date.