

**For Immediate Release**  
To Whom It May Concern

**Nomura Real Estate Master Fund, Inc.**  
Securities Code: 3462  
Shuhei Yoshida, Executive Director  
Asset Management Company: Nomura Real Estate Asset Management Co., Ltd.  
Koki Miura, President & Chief Executive Officer  
Inquiries: Hiroyuki Masuko  
Executive Officer  
Head of NMF Investment Management Group  
TEL +81-3-3365-8767 nmf3462@nomura-re.co.jp

### Notice Concerning Property Acquisition

Nomura Real Estate Master Fund, Inc. (“NMF” or the “Fund”) announces the decision made today by Nomura Real Estate Asset Management Co., Ltd., a licensed asset management company retained by the Fund to provide asset management services, to acquire properties (the “Acquisition”), as described below.

#### 1. Summary of Assets to Be Acquired

Property Name	Use	Scheduled Date of Purchase and Sales Agreement	Scheduled Date of Acquisition	Seller	Presence of Intermediary	Anticipated Acquisition Price (¥ million) (Note 1)
PROUD FLAT Shibuya Sasazuka	Residential	November 1, 2023	November 8, 2023	Nomura Real Estate Development, Co., Ltd.	No	2,200
PROUD FLAT Asakusa DIAGE					No	1,300
Irise Urayasu	Residential (Healthcare facility)		November 17, 2023	Individual (Note 2)	Yes (Note 3)	1,085
Total						4,585

(Note 1) The amounts stated exclude acquisition-related costs, property tax, city planning tax, consumption tax and local consumption tax.

(Note 2) Please refer to “4. Profile of Seller of the Asset to be Acquired” below.

(Note 3) The brokerage involved in the acquisition is not considered a related party under the Investment Trust Act.

The above properties are individually or collectively referred to hereinafter as the “Assets to be Acquired.”

#### 2. Reasons for the Acquisitions

The Fund determined that acquiring the Assets to be Acquired would help secure stable income and steady growth of the Fund’s portfolio over the medium to long term, in line with the asset management objectives and policies specified in the Fund’s Articles of Incorporation.



### 3. Summary of Assets to Be Acquired

#### (1) PROUD FLAT Shibuya Sasazuka

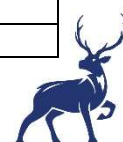
##### <Reasons for the Acquisition>

The main strengths of the Asset to be Acquired are as follows.

- The Asset is an 11 minute walk from Sasazuka Station on the Keio Line. Travel time is 6 minutes to Shinjuku Station, 16 minutes to Shibuya Station. Accordingly, the Asset has good access to terminal stations and major business and commercial areas, making it excellent in terms of convenient transportation.
- There are many restaurants and quality retailers in the surrounding area of Sasazuka Station, which is the nearest station, and also convenient facilities for daily living such as supermarkets, convenience stores, and restaurants.

##### <Summary of the Asset to be Acquired>

Property Name		PROUD FLAT Shibuya Sasazuka
Type of Asset		Real estate
Location (Note 1)	Registry	3-80-17 Hatagaya, Shibuya Ward, Tokyo
	Street	3-80-12 Hatagaya, Shibuya Ward, Tokyo
Access		11-minute walk from Sasazuka Station on the Keio Line 11-minute walk from Hatagaya Station on the Keio New Line
Completion Date (Note 1)		January 14, 2022
Use (Note 1)		Apartment, bicycle parking area
Structure (Note 1)		Thirteen-floor steel reinforced concrete structure with flat roof
Leasing Units		56
Architect		YANAGI GAKU ARCHITECTS Inc.
Builder		MORIYA CORPORATION
Building Inspection Agency		Japan Constructive Inspect Association
Area (Note 1)	Land	479.31 m <sup>2</sup>
	Floor Area	2,267.23 m <sup>2</sup>
Type of Ownership	Land	Ownership
	Building	Ownership
Building Coverage Ratio		70% (Note 2)
Floor Area Ratio		400%
Collateral		None
Property Management Company (Note 3)		Nomura Real Estate Partners Co., Ltd.
Master Leasing Company		Nomura Real Estate Partners Co., Ltd.
Type of Master Leasing (Note 4)		Pass through
Seismic Risk (PML)(Note 5)		4.6% (Based on the Earthquake PML Appraisal Report as of October 2023 by Sompo Risk Management Inc.)
Notes		Nomura Real Estate Partners Co., Ltd., the property management company, is considered a related party under the Investment Trust Act. To conform with urban planning, a road is to be constructed on the Property's west side. The timing of this construction has yet to be determined. When the plan is executed, the Property's boundary will move back approximately 2.8 m from the current boundary line of the road on its west side, and the property's land area will decrease by approximately 49 m <sup>2</sup> .
Anticipated Acquisition Price		¥2,200 million
Appraisal Value and Method		¥2,470 million (Based on the capitalization approach as of September 1, 2023) (Appraiser: Japan Real Estate Institute)
Appraisal NOI (Note 6)		¥83 million
Leasing Status (As of August 31, 2023) (Note 7)		
Total Number of Tenants		1 (Leasing Units 53)
Total Rental Income (Annual)		¥101 million
Security Deposits		¥9 million



Occupancy Rate	93.4%				
Total Leased Floor Space	1,722.02 m <sup>2</sup>				
Total Leasable Floor Space	1,843.88 m <sup>2</sup>				
Historical Occupancy Rates (Note 8)	August 2019	August 2020	August 2021	August 2022	August 2023
	—	—	—	64.9%	93.4%

(Note 1) Location and Other Items

Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2) Building Coverage Ratio

The Asset is located in a category II residential zone where the building coverage ratio is 60% in principle. However, because the Asset is a certified fireproof building in a fire prevention zone, the applied coverage ratio is 70%.

(Note 3) Property Management Company

Refers to the property management company that is scheduled to be appointed after acquisition.

(Note 4) Master Lease

The master lease scheme that is scheduled to apply after the Acquisition is stated. Note that the “pass-through type” is a scheme where a master lease company pays the same amounts as the rents stipulated in lease agreements with end-tenants.

(Note 5) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 6) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income - operating expenses) described in the real estate appraisal report with September 1, 2023 as the appraisal date.

(Note 7) Leasing Status

“Total Number of Tenants” is stated as “1” because, for the purpose of subleasing, all of the rooms are leased as a block, and then the lessee under such lease agreement (the master lease agreement) sub leases each of the rooms to the end tenants. “Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of August 31, 2023, actually leasing space in the building of the Asset (rounded down to the nearest million yen). The figure does not include any other incidental rent that may be agreed upon in connection with the said lease agreements, such as parking fees, signboard fees and warehouse fees. “Security Deposits” indicates the amount of security and other deposits specified in the aforementioned lease agreements (rounded down to the nearest million yen). “Occupancy Rate” is calculated by dividing Total Leased Floor Space as of August 31, 2023, by Total Leasable Floor Space. “Total Leased Floor Space” indicates the total floor space leased to end tenants as of August 31, 2023. “Total Leasable Floor Space” is the total floor space of offices, retail facilities, logistics facilities, residential facilities, hotels, etc. within the Asset that can be leased as of August 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

(Note 8) Historical Occupancy Rates

There are no applicable occupancy rates for the end of August 2021 and before because the building was not yet completed. The historical occupancy rates are based on the information from the seller.

## (2) PROUD FLAT Asakusa DIAGE

### < Reasons for the Acquisition >

The main strengths of the Asset to be Acquired are as follows.

- The Asset is an 11 minute walk from Asakusa Station on the Tokyo Metro Ginza Line. Travel time is 5 minutes to Ueno Station, 14 minutes to Nihombashi Station, and 19 minutes to Shimbashi Station from the Asset via the Tokyo Metro Ginza Line. Accordingly, the Asset has a good access to terminal stations and major business and commercial areas, making it excellent in terms of convenient transportation.
- There are many restaurants and goods retailers in the surrounding area of the nearest Asakusa Station and also convenient facilities for daily living such as supermarkets, convenience stores, and restaurants on Umamichi Dori and Kototoi Dori near to the Asset.

### < Summary of the Asset to be Acquired >

Property Name	PROUD FLAT Asakusa DIAGE	
Type of Asset	Real estate	
Location (Note 1)	Registry	6-411-1 Asakusa, Taito Ward, Tokyo
	Street	6-24-4 Asakusa, Taito Ward, Tokyo
Access	11-minute walk from Asakusa Station on the Tokyo Metro Ginza Line	
	10-minute walk from Asakusa Station on the Tobu Sky Tree Line/ Isesaki Line	



Completion Date <sup>(Note 1)</sup>	January 5, 2022				
Use <sup>(Note 1)</sup>	Apartment, bicycle parking area				
Structure <sup>(Note 1)</sup>	Ten-floor steel reinforced concrete structure with flat roof				
Leasing Units	41				
Architect	Form Architect Planning Co., Ltd.				
Builder	Raito Kogyo Co., Ltd.				
Building Inspection Agency	Ippan Zaidan Hojin Jutaku Kinyu Fukyu Kyokai				
Area <sup>(Note 1)</sup>	Land	322.46 m <sup>2</sup>			
	Floor Area	1,563.49 m <sup>2</sup>			
Type of Ownership	Land	Ownership			
	Building	Ownership			
Building Coverage Ratio	80%				
Floor Area Ratio	400%				
Collateral	None				
Property Management Company <sup>(Note 2)</sup>	Nomura Real Estate Partners Co., Ltd.				
Master Leasing Company	Nomura Real Estate Partners Co., Ltd.				
Type of Master Leasing <sup>(Note 3)</sup>	Pass through				
Seismic Risk (PML) <sup>(Note 4)</sup>	5.6% (Based on the Earthquake PML Appraisal Report as of October 2023 by Sampo Risk Management Inc.)				
Notes	Nomura Real Estate Partners Co., Ltd., the property management company, is considered a related party under the Investment Trust Act.				
Anticipated Acquisition Price	¥1,300 million				
Appraisal Value and Method	¥1,460 million (Based on the capitalization approach as of September 1, 2023) (Appraiser: Japan Real Estate Institute)				
Appraisal NOI <sup>(Note 5)</sup>	¥49 million				
Leasing Status (As of August 31, 2023) <sup>(Note 6)</sup>					
Total Number of Tenants	1 (Leasing Units 39)				
Total Rental Income (Annual)	¥62 million				
Security Deposits	¥5 million				
Occupancy Rate	94.6%				
Total Leased Floor Space	1,189.00 m <sup>2</sup>				
Total Leasable Floor Space	1,256.91 m <sup>2</sup>				
Historical Occupancy Rates <sup>(Note 7)</sup>	August 2019	August 2020	August 2021	August 2022	August 2023
	—	—	—	51.5%	94.6%

(Note 1) Location and Other Items

Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2) Property Management Company

Refers to the property management company that is scheduled to be appointed after acquisition.

(Note 3) Master Lease

The master lease scheme that is scheduled to apply after the Acquisition is stated. Note that the “pass-through type” is a scheme where a master lease company pays the same amounts as the rents stipulated in lease agreements with end-tenants.

(Note 4) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 5) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income - operating expenses) described in the real estate appraisal report with September 1, 2023 as the appraisal date.

(Note 6) Leasing Status

“Total Number of Tenants” is stated as “1” because, for the purpose of subleasing, all of the rooms are leased as a block, and then the lessee under such lease agreement (the master lease agreement) sub leases each of the rooms to the end tenants. “Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of August 31, 2023, actually leasing space in the building of the Asset (rounded down to the nearest million yen). The figure does not include any other incidental rent that may be agreed upon in connection with the said lease agreements, such as parking fees, signboard fees and warehouse fees. “Security Deposits” indicates the amount of security and other deposits specified in the aforementioned lease agreements (rounded down to the nearest million yen). “Occupancy Rate” is calculated by dividing Total Leased Floor Space as of August 31, 2023, by Total Leasable Floor Space. “Total Leased Floor Space” indicates the total floor space leased to end tenants as of August 31, 2023 “Total Leasable Floor Space” is the total



floor space of offices, retail facilities, logistics facilities, residential facilities, hotels, etc. within the As set that can be leased as of August 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

(Note 7) Historical Occupancy Rates

There are no applicable occupancy rates for the end of August 2021 and before because the building was not yet completed. The historical occupancy rates are based on the information from the seller.

(3) Irise Urayasu

<Reasons for the Acquisition>

The main strengths of the Asset to be Acquired are as follows.

- The Asset is a 9 minutes bus ride and 7 minutes walk from Urayasu Station on the Tokyo Metro Tozai Line and a 11 minutes bus ride and 7 minutes walk from Maihama Station on the JR Keiyo Line, and boasts excellent convenience of transportation and daily living with convenience stores, drugstores, and other stores in the surrounding area as well as a general hospital and parks within walking distance.
- Urayasu City, where the Asset is located, Ichikawa City and Edogawa Ward are in the same supply and demand zone. The zone has a population growth rate of persons aged 75 or older (from 2015 to 2045) above the national average, and is an ideal place for senior housing in many respects.
- Since HITOWA Care Service Co., Ltd., which is a tenant and the operator of the Asset, has an industry-leading scale of business, strong creditworthiness, and a good record of operation, and also its rent burden ratio in the tenant and operator income is judged to be on an appropriate level, stable asset management profits can be expected over the medium to long term.

<Summary of the Asset to be Acquired>

Property Name		Irise Urayasu
Type of Asset		Real estate
Location (Note1)	Registry	3-2-1 Higashino, Urayasu City, Chiba
	Street	3-2-11 Higashino, Urayasu City, Chiba
Access		9 minutes bus ride and 7 minutes walk from Urayasu Station on the Tokyo Metro Tozai Line 11 minutes bus ride and 7 minutes walk from Maihama Station on the JR Keiyo Line
Completion Date (Note1)		January 28, 2016
Use (Note1)		Senior home
Structure (Note1)		Four-floor steel framed structure with flat roof
Leasing Units		59
Architect		STARTS Construction and Asset Management Co Ltd.
Builder		STARTS Construction and Asset Management Co Ltd.
Building Inspection Agency		Japan Constructive Inspect Association
Area (Note1)	Land	1,248.21 m <sup>2</sup>
	Floor Area	2,236.48 m <sup>2</sup>
Type of Ownership	Land	Ownership
	Building	Ownership
Building Coverage Ratio		70% (Note2)
Floor Area Ratio		183.66% (Note3)
Collateral		None
Property Management Company (Note 4)		Tokyu Housing Lease Corporation
Master Leasing Company		None
Type of Master Leasing		None
Seismic Risk (PML)(Note 5)		11.6% (Based on the Earthquake PML Appraisal Report as of October 2023 by Sompo Risk Management Inc.)



Notes	It has been agreed with the lessee, HITOWA Care Service Co., Ltd., that when the Asset is disposed of to a third party, the lessee shall be asked in advance if there is an intention to acquire the Asset, and if the lessee wishes to acquire the Asset, the lessee shall be given priority over third parties to acquire the Asset.				
Anticipated Acquisition Price	¥1,085 million				
Appraisal Value and Method	¥1,150 million (Based on the capitalization approach as of October 1, 2023) (Appraiser: Japan Valuers Co., Ltd.)				
Appraisal NOI (Note 6)	¥46 million				
Leasing Status (As of August 31, 2023) (Note 7)					
Total Number of Tenants	1				
Representative Tenant	HITOWA Care Service Co., Ltd. (Note 8)				
Total Rental Income (Annual)	Undisclosed				
Security Deposits	Undisclosed				
Occupancy Rate	100.0%				
Total Leased Floor Space	2,236.35 m <sup>2</sup>				
Total Leasable Floor Space	2,236.35 m <sup>2</sup>				
Historical Occupancy Rates	August 2019	August 2020	August 2021	August 2022	August 2023
	100.0%	100.0%	100.0%	100.0%	100.0%
Status of Residents and Overview of the Facility (Entry date of the disclosure statement: July 1, 2020) (Note 9)					
Operator	HITOWA Care Service Co., Ltd.				
Establishment Date	April 1, 2016				
Type of Facility	Residential type paid senior home				
Number of Rooms	59				
Type of Rights for Residence	Usage rights method				
Resident Capacity (people)	59				
Range of Living Floor Space	18.00 m <sup>2</sup> ~20.70 m <sup>2</sup>				
Number of Residents	58				
Entering Requirements (Note 10)	Self-reliant, Certified for support need and long-term care				
Resident Capacity Rate (Note 11)	98.3%				
Average Required Level of Nursing Care of Residents (Note 12)	2.6				
Average Age of Residents	87.3 years old				
Service Fee Payment Method (Note 13)		One-time fee method	Monthly fee method		
	One-time entrance fee	-	-		
	Monthly fee	-	¥217 thousand		
Staff Engaged in Nursing Care	-				
Staff at Nighttime (Number of staff members at minimum)	-				
Cooperating Medical Institutions	Merical Corporation Foundation Meirikai Gyotoku General Hospital Edogawa Fureai Clinic Medical Corporation Association Kenshinkai Magokoro Clinic Nazuna Clinic Nishikasai Yuubinkyoku-mae Dental Clinic				

(Note 1) Location and Other Items

Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2) Building Coverage Ratio

The asset is located in a category 1 exclusive residential area and a category 1 low-rise exclusive residential area, which is applicable to the ratio of 60%. However, the asset is eligible for a relief since it falls under the category of corner lots designated by the Specific Administrative Agency. Accordingly, the applied building ratio is 70%.

(Note 3) Floor Area Ratio

The asset is located in a category 1 exclusive residential area and a category 1 low-rise exclusive residential area, and the floor area ratio is 200% for 25m from the road edge on the northeast side and 150% for the area beyond 25m, weighted according to the area. The averaged value will be applied.

(Note 4) Property Management Company

Refers to the property management company that is scheduled to be appointed after acquisition.

(Note 5) PML (Probable Maximum Loss)

PML shows the probable maximum amount of loss that can be expected to incur once every 475 years or once every 50 years with 10% probability during the anticipated period of use (i.e., 50 years as the expected lifetime of a standard



building) as a ratio (percentage) of the expected recovery cost to the replacement cost.

(Note 6) Appraisal NOI

“Appraisal NOI” is the annual NOI (operating income - operating expenses) described in the real estate appraisal report with October 1, 2023 as the appraisal date.

(Note 7) Leasing Status

“Total Number of Tenants” is stated as “1” because, for the purpose of subleasing, all of the rooms are leased as a block, and then the lessee under such lease agreement (the master lease agreement) sub leases each of the rooms to the end tenants. “Total Rental Income” is the amount obtained by multiplying by 12 the monthly rent and common area charges stated in the lease agreements by the total number of end tenants as of August 31, 2023, actually leasing space in the building of the Asset (rounded down to the nearest million yen). The figure does not include any other incidental rent that may be agreed upon in connection with the said lease agreements, such as parking fees, signboard fees and warehouse fees. “Security Deposits” indicates the amount of security and other deposits specified in the aforementioned lease agreements (rounded down to the nearest million yen). “Occupancy Rate” is calculated by dividing Total Leased Floor Space as of August 31, 2023, by Total Leasable Floor Space. “Total Leased Floor Space” indicates the total floor space leased to end tenants as of August 31, 2023. “Total Leasable Floor Space” is the total floor space of offices, retail facilities, logistics facilities, residential facilities, hotels, etc. within the Asset that can be leased as of August 31, 2023 (if the common area, etc. is leased, the floor space thereof is included).

(Note 8) Overview of Lease Contract with Representative Tenant

Agreement format: Regular building lease contract for the use of paid senior home business and other welfare businesses for the elderly (including insured in-home long-term care support business and insured in-home service business)

Contract period: From March 1, 2016 to February 28, 2046.

Rent revision: Every ten years, the lessor and the lessee may revise the rent following consultations if rent revision is deemed necessary based on any of the following factors: changes in prices of goods, increase/decrease of taxes and other public dues on land and buildings, changes in the rents of neighboring buildings and changes in other economic conditions, etc.

Contract renewal: Unless either the lessor or the lessee manifests an intention of any kind no later than 12 months prior to the expiration of the contract period, the contract will be continued on an automatic renewal basis for an additional five years under the same terms and conditions as those effective at the expiration of the original or any such extended period thereof.

Early termination: The 28-year period between March 1, 2016 and February 29, 2044 is set as a non-termination period. Except as otherwise provided, the lessee cannot terminate the contract during such period.

Should the lessee attempt to terminate the contract due to unavoidable reasons, the lessee shall pay the rent for the remaining period till the end of non-termination period as a penalty for breach of contract.

If the lessee terminates the contract after the non-termination period, the security deposit shall be surrendered and paid to the lessor as penalty for breach of contract.

(Note 9) Status of Residents and Overview of the Facility

The status of residents and the overview of the facility are described based on information, etc. cited in the disclosure statement or the website of the asset. The items described as “-” is omitted since they are not found in the disclosure statement or the website of the asset.

(Note 10) Entering Requirements

Regarding the entering requirements, only subjects related to the required level of nursing care in the requirements for entering the asset are described.

(Note 11) Resident Capacity Rate

The resident capacity rate is the ratio calculated by dividing the number of residents by the capacity, and the number of residents includes those residents who are temporarily absent.

(Note 12) Average Required Level of Nursing Care of Residents

The average required level of nursing care of residents is expressed as the value calculated by dividing the total of multipliers in accordance with the required level of nursing care, described in the table below, by the number of residents.

Required level of Nursing care	Self-reliant	Support need 1	Support need 2	Long-term care 1	Long-term care 2	Long-term care 3	Long-term care 4	Long-term care 5	Others
Multiplier	0	0.375	1	1	2	3	4	5	1

(Note 13) Service Fee Payment Method

The “one time fee method” in the service fee payment method is a method of paying part of the service fee related to the health care facility in a lump. The “monthly fee method” is a method of dividing and paying the said service fee monthly. The monthly usage fee is the monthly fee displayed in the important matter manual or the price list obtained from the operator. Some residents pay nursing care fee and other charges in addition to one-time entrance fee and monthly service fee.



#### 4. Profile of Seller of the Asset to be Acquired

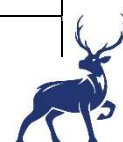
The Seller for PROUD FLAT Shibuya Sasazuka and PROUD FLAT Asakusa DIAGE are as follows.

Company Name	Nomura Real Estate Development Co., Ltd.
Head Office	1-26-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Representative	Daisaku Matsuo, President & CEO
Principal Business	Real Estate
Capital	¥2,000 million (as of April 1, 2023)
Established	April 15, 1957
Net Assets	¥184.8 billion (as of March 31, 2023)
Total Assets	¥1,866.0 billion (as of March 31, 2023)
Major Shareholder (Shareholding Ratio)	Nomura Real Estate Holdings, Inc. (100%)
Relationships with the Fund and/or the Asset Management Company and the Seller	
Capital	Nomura Real Estate Development Co., Ltd. holds 4.95% of the Fund's investment units (as of August 31, 2023). As a wholly owned subsidiary of Nomura Real Estate Holdings, Inc., which also holds 100% interests in the shares of the Asset Management Company, Nomura Real Estate Development Co., Ltd. is a related party of the Asset Management Company as defined in the Investment Trust Act.
Personal	The Asset Management Company's employees and officers are seconded from Nomura Real Estate Development Co., Ltd.
Transactions	Nomura Real Estate Development Co., Ltd. is a property management company of the Fund and a lessee of real estate properties owned by the Fund. Moreover, the Asset Management Company has entered into an agreement on provision of information and a basic agreement on the leasing value chain with the said company.
Related Party Status	Nomura Real Estate Development Co., Ltd. does not fall under the definition of a related party of the Fund for the accounting purpose. However, the said company is a related party of the Asset Management Company as it is a subsidiary of a common parent company, as stated above.

As the consent from the seller of Irise Urayasu, who is an individual, has not been obtained for disclosure, this information is not disclosed. Neither the Fund nor the Asset Management Company has any notable capital, personnel or transactional relationship with the seller and those including the close family members of the seller, corporations and their subsidiaries whose the majority shares are held by the seller or the close family members.

#### 5. Summary of Operator of Healthcare Facilities

Company Name	HITOWA Care Service Co., Ltd.
Head Office	2-15-3 Konan, Minato Ward, Tokyo
Representative	Representative Director and President Yoshiteru Hakamada
Principal Business	Operation of paid nursing home, operation of serviced senior citizens' housing, designated in-home long-term care support business based on Long-Term Care Insurance Act, and the following in-home service business based on Long-Term Care Insurance Act
Capital	¥50 million (as of March 31, 2023)
Net sales	¥60,100 million (as of September 30, 2022) <sup>(Note 1)</sup>
Established	November 1, 2006
Attribution	Subsidiary of HITOWA Holdings Co., Ltd.
Number of operating facilities	Undisclosed <sup>(Note 2)</sup>
Number of operating rooms	Undisclosed <sup>(Note 2)</sup>
Relationships with the Fund and/or the Asset Management Company and the Seller	





Capital	Neither the Fund nor the Asset Management Company has any notable capital relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable capital relationship with those associated with the relevant company.
Personal	Neither the Fund nor the Asset Management Company has any notable personal relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable personal relationship with those associated with the relevant company.
Transactions	Neither the Fund nor the Asset Management Company has any notable transactions with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable transactions with those associated with the relevant company.
Related Party Status	The said company does not fall under a related party of either the Fund or the Asset Management Company. In addition, the persons or companies associated with the said company do not fall under related parties of either the Fund or the Asset Management Company.

(Note 1) Net sales of HITOWA Holdings Co., Ltd. is shown because the net sales of HITOWA Care Service Co., Ltd. is not disclosed.

(Note 2) This information is undisclosed because it is not disclosed by the operator.

## 6. Status of Owner of the Asset to be Acquired

The status of the Seller for PROUD FLAT Shibuya Sasazuka and PROUD FLAT Asakusa DIAGE are as follows.

Status of Owner	Current Owner and/or Trustee	Previous Owner and/or Trustee
Company Name	Nomura Real Estate Development Co., Ltd.	—
Relationship with Parties with Special Interest	Please refer to “4. Profile of Seller of the Asset to be Acquired” above	—
Background/Reasons for Acquisition, etc.	For development for later sale	—
Acquisition Price (Including Other Related Expenses)	— (Note)	—
Acquisition Date	—	—

(Note) Omitted because, for the land, the current owner owned for more than one year, and, for the building, there is no previous owner.

Irise Urayasu is not acquired from parties who have special interests in the Fund or the Asset Management Company.



## 7. Transactions with Related Parties

### (1) Transactions related to the acquisition of the Asset to be Acquired

The acquisition of PROUD FLAT Shibuya Sasazuka and PROUD FLAT Asakusa DIAGE is considered to fall under transactions with a related party under the Investment Trust Act as stated above. Accordingly, the acquisitions of each property, the acquisition prices, and other relevant terms have been duly examined and authorized by the Asset Management Company's compliance committee and investment committee pursuant to its investment committee rules, rules of compliance, compliance manual, rules concerning transactions with related parties, and other relevant internal rules and guidelines.

### (2) The property management and master lease transactions of PROUD FLAT Shibuya Sasazuka and PROUD FLAT Asakusa DIAGE

The property management company and master leasing company of PROUD FLAT Shibuya Sasazuka and PROUD FLAT Asakusa DIAGE, Nomura Real Estate Partners Co., Ltd., is considered a related party under the Investment Trust Act as stated above. Accordingly, the fees and other terms of the consignment of property management, as well as the lease period, rental rate, and other leasing terms, related to PROUD FLAT Shibuya Sasazuka and PROUD FLAT Asakusa DIAGE have been duly examined and authorized by the Asset Management Company's compliance committee and investment committee pursuant to relevant internal rules and guidelines.

Since none of the transactions described in (1) through (2) above falls under the category of transactions between the Fund and a related party of an asset management company as set forth in Article 201-2, Paragraph 1 of the Investment Trust Act, the approval of the Board of Directors of the Fund has not been obtained.

## 8. Form of Payment, etc.

Regarding the acquisitions, The Fund will complete settlement by a lump-sum payment on the date of acquisition by paying the agreed price for the property in full to the seller using cash on hand.

## 9. Schedule for the Acquisitions

November 1, 2023	Conclusion of purchase agreement for acquisition of the Asset (PROUD FLAT Shibuya Sasazuka, PROUD FLAT Asakusa DIAGE and Irise Urayasu)
November 8, 2023	Acquisition of the Assets to be Acquired (PROUD FLAT Shibuya Sasazuka and PROUD FLAT Asakusa DIAGE)
November 17, 2023	Acquisition of the Asset to be Acquired (Irise Urayasu)

## 10. Outlook

There is currently no revision to the forecast for the fiscal period ending February 29, 2024 (September 1, 2023 to February 29, 2024) and the fiscal period ending August 31, 2024 (March 1, 2024 to August 31, 2024) because the impact of the Acquisitions on operation of the entire portfolio is minimal.

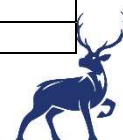


## 11. Appraisal Summary

Property Name	PROUD FLAT Shibuya Sasazuka
Appraisal Value	¥2,470,000,000
Appraiser	Japan Real Estate Institute
Appraisal Date	September 1, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	2,470,000,000	Calculated taking into account the capitalization approach price determined using both the direct capitalization approach and the discounted cash flow approach
Price Calculated by the Direct Capitalization Approach	2,490,000,000	Calculated by reducing stable medium to long term net cash flow based on the capitalization rate
(1) Operating Income (a)-(b)	105,091,000	
(a) Gross Rental Income	110,089,000	Calculated based on appropriate rent levels recognized as stable over the medium to long term
(b) Losses due to Vacancies, etc.	4,998,000	Calculated on the assumption of a stable occupancy rate over the medium to long term
(2) Operating Expenses	21,983,000	
Maintenance Costs	3,752,000	Calculated based on the anticipated maintenance work cost, cost levels at similar properties and other factors
Utilities Costs	1,200,000	Calculated with reference to the actual amounts in past fiscal years and cost levels for comparable properties
Repair Costs	1,218,000	Calculated in consideration of the cost levels at similar properties, annual average amount of repair and renewal costs given in the Engineering Report and other factors
Property Management Fees	3,037,000	Calculated based on the anticipated compensation fee rate, compensation fee rates adopted to similar properties, and other factors
Advertisement for Leasing Costs, etc.	5,214,000	Recorded the annual average calculated based on the expected turnover period of tenants
Taxes	6,858,000	Calculated based on the tax base amounts in the fiscal year 2023 and other factors
Insurance Premium	99,000	Calculated based on insurance quotes, the premium rates at similar properties and other factors
Other Expenses	605,000	Recorded internet expenses
(3) Net Operating Income from Leasing Business (NOI=(1)-(2))	83,108,000	
(4) Profit through Management of Temporary Deposits, etc.	77,000	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	920,000	Calculated in consideration of the capital expenditure levels at similar properties, the building's age, and the annual average repair and renewal costs given in the Engineering Report, based on the assumption of leveled accumulation in each period
(6) Net Cash Flow (NCF = (3)+(4)-(5))	82,265,000	
(7) Capitalization Rate	3.3%	Calculated based on such factors as the yield that provides reference to each district, while adjusting spreads according to the Asset's locational conditions, building conditions, and other conditions, as well as future uncertainties.
Price Calculated by the Discounted Cash Flow Approach	2,450,000,000	
Discount Rate	3.1%	Calculated with a comprehensive consideration of the Property's characteristics with reference to the yields on investments in similar properties and other factors.
Terminal Capitalization Rate	3.4%	Calculated based on a comprehensive consideration of such factors as the yields on investment in similar properties, future trends of investment yields, risks of the property as an investment, general forecasts of future economic growth rate, and the trends of real estate prices and rents
Cost Approach Price	2,340,000,000	



	Ratio of Land	78.0%	
	Ratio of Building	22.0%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	<p>The Sasazuka area, where the subject property is located, has good traffic access to Shinjuku, a terminal station, and stable demand from tenants can be expected.</p> <p>The subject property is designed as a rental condominium for single-person or small households who prioritize traffic convenience to central Tokyo. Since it was built in 2022, the facilities and specifications are also of a high standard. The appraisal value was determined in view of the above factors.</p>		

Property Name	PROUD FLAT Asakusa DIAGE
Appraisal Value	¥1,460,000,000
Appraiser	Japan Real Estate Institute
Appraisal Date	September 1, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	1,460,000,000	Calculated taking into account the capitalization approach price determined using both the direct capitalization approach and the discounted cash flow approach
Price Calculated by the Direct Capitalization Approach	1,470,000,000	Calculated by reducing stable medium to long term net cash flow based on the capitalization rate
(1) Operating Income (a)-(b)	64,655,000	
(a) Gross Rental Income	67,413,000	Calculated based on appropriate rent levels recognized as stable over the medium to long term
(b) Losses due to Vacancies, etc.	2,758,000	Calculated on the assumption of a stable occupancy rate over the medium to long term
(2) Operating Expenses	15,377,000	
Maintenance Costs	3,779,000	Calculated based on the anticipated maintenance work cost, cost levels at similar properties and other factors
Utilities Costs	850,000	Calculated with reference to the actual amounts in past fiscal years and cost levels for comparable properties
Repair Costs	843,000	Calculated in consideration of the cost levels at similar properties, annual average amount of repair and renewal costs given in the Engineering Report and other factors
Property Management Fees	1,869,000	Calculated based on the anticipated compensation fee rate, compensation fee rates adopted to similar properties, and other factors
Advertisement for Leasing Costs, etc.	3,211,000	Recorded the annual average calculated based on the expected turnover period of tenants
Taxes	4,300,000	Calculated based on the tax base amounts in the fiscal year 2023 and other factors
Insurance Premium	70,000	Calculated based on insurance quotes, the premium rates at similar properties and other factors
Other Expenses	455,000	Recorded internet expenses
(3) Net Operating Income from Leasing Business (NOI=(1)-(2))	49,278,000	
(4) Profit through Management of Temporary Deposits, etc.	47,000	Calculated based on an investment yield of 1.0%
(5) Capital Expenditure Reserve	660,000	Calculated in consideration of the capital expenditure levels at similar properties, the building's age, and the annual average repair and renewal costs given in the Engineering Report, based on the assumption of leveled accumulation in each period
(6) Net Cash Flow (NCF = (3)+(4)-(5))	48,665,000	
(7) Capitalization Rate	3.3%	Calculated based on such factors as the yield that provides reference to each district, while adjusting spreads according to the Asset's locational conditions, building conditions, and other conditions, as well as future uncertainties.



Price Calculated by the Discounted Cash Flow Approach	1,450,000,000	
Discount Rate	3.1%	Calculated with a comprehensive consideration of the Property's characteristics with reference to the yields on investments in similar properties and other factors.
Terminal Capitalization Rate	3.4%	Calculated based on a comprehensive consideration of such factors as the yields on investment in similar properties, future trends of investment yields, risks of the property as an investment, general forecasts of future economic growth rate, and the trends of real estate prices and rents
Cost Approach Price	1,370,000,000	
Ratio of Land	73.6%	
Ratio of Building	26.4%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	<p>The Asakusa area, where the subject property is located, is a popular tourist destination with many historical sights, and with its good traffic access to central Tokyo, stable demand from tenants can be expected.</p> <p>The building is designed as a rental condominium for single or small households who prioritize traffic convenience to central Tokyo. Since it was built in 2022, its facilities and specifications are also of a high standard.</p> <p>In view of the above factors, the appraisal value was determined.</p>	

Property Name	Irise Urayasu
Appraisal Value	¥1,150,000,000
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	October 1, 2023

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	1,150,000,000	Determined by associating the price calculated by the direct capitalization approach with the price calculated by the discounted cash flow approach
Price Calculated by the Direct Capitalization Approach	1,170,000,000	
(1) Operating Income (a)-(b)	Undisclosed	(Undisclosed)
Total Potential Income, sum of (a) to (d)	Undisclosed	
(a) Rental Income including Common Service Expenses	Undisclosed	
(b) Utilities Costs Income	Undisclosed	
(c) Parking Lot Income	Undisclosed	
(d) Other Income	Undisclosed	
Losses due to Vacancies, etc.	Undisclosed	
Bad Debt Loss	Undisclosed	
(2) Operating Expenses	Undisclosed	
Maintenance Costs	Undisclosed	
Utilities Costs	Undisclosed	
Repair Costs	Undisclosed	
Property Management Fees	Undisclosed	
Advertisement for Leasing Costs, etc.	Undisclosed	
Taxes	Undisclosed	
Insurance Premium	Undisclosed	
Other Expenses	Undisclosed	
(3) Net Operating Income from Leasing Business ((1)-(2))	46,510,404	
(4) Profit through Management of Temporary Deposits, etc.	Undisclosed	(Undisclosed)
(5) Capital Expenditure Reserve	Undisclosed	
(6) Net Cash Flow ((3)+(4)-(5))	45,551,584	



	(7)Capitalization Rate	3.9%	
	Price Calculated by the Discounted Cash Flow Approach	1,130,000,000	
	Discount Rate	3.7%	Calculated in consideration of the property's local and specific characteristics, referring to the yields of transactions of surrounding properties and other factors
	Terminal Capitalization Rate	4.1%	
Cost Approach Price		873,000,000	
	Ratio of Land	77.5%	
	Ratio of Building	22.5%	
Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	The property is a paid nursing home in Urayasu City, Chiba. The neighborhood and surrounding area is a residential area with mainly apartment buildings and detached houses as well as nursing homes. Various public utility facilities such as parks and hospitals are also in the area. Many facilities that are convenient for daily life are available near the closest station. In this area, the land is a corner lot of a large scale, and has high utilization efficiency as a residential site including a healthcare facility. In addition, the building has been properly maintained and repaired, and is expected to have stable occupancy in the future. Taking the above factors into consideration, the appraisal value was determined by focusing on the income value that appropriately reflects the investment profitability value.		

Note: The information that is subject to a confidentiality obligation to the lessee and information that can be used to calculate the said information is included. Therefore, that information is not disclosed because disclosure of such information may cause a disadvantage to NMF due to a breach of confidentiality obligations, etc., and ultimately may be detrimental to the interests of unitholders. Therefore, the information is not disclosed.

## **Exhibits**

Exhibit 1 Overview of the Portfolio after the Transaction

Exhibit 2 Photos and Maps of the Asset to be Acquired

\*Nomura Real Estate Master Fund, Inc.'s website: <https://www.nre-mf.co.jp/en/>



## Exhibit 1

## Overview of the Portfolio after the Transaction

(¥ million)

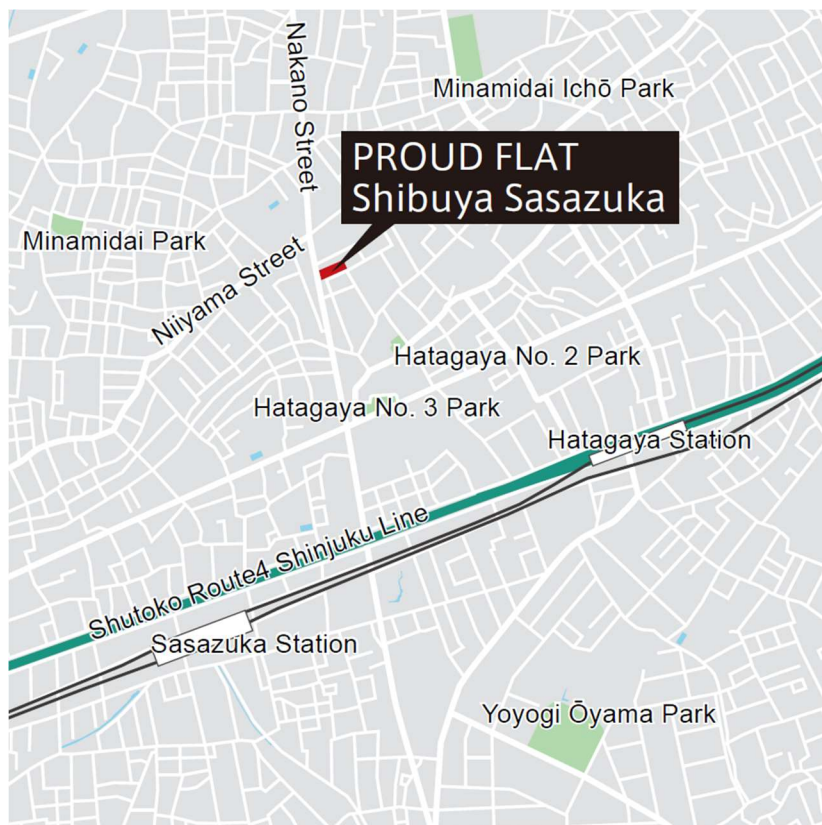
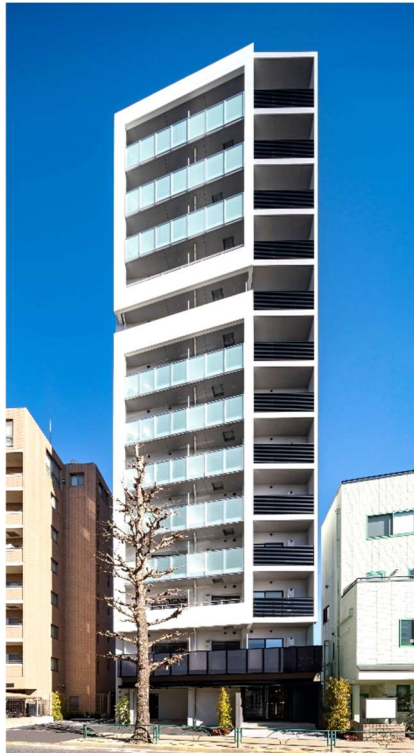
Sector \ Area	Greater Tokyo Area <sup>(Note 1)</sup>	Other Areas	(Anticipated) Total Acquisition Price (by Sector)	Investment Ratio (%) <sup>(Note 2)</sup>
Office	403,585	65,100	468,685	42.5
Logistics	220,472	3,460	223,932	20.3
Residential (Healthcare facility)	190,892	27,934	218,826	19.8
Retail	109,888	67,890	177,779	16.1
Hotels	—	9,450	9,450	0.9
Others	4,900	—	4,900	0.4
(Anticipated) Total Acquisition Price (by Area)	929,738	173,834	1,103,573	100.0
Investment Ratio (%) <sup>(Note 2)</sup>	84.2	15.8	100.0	

(Note 1) “Greater Tokyo Area” refers to Tokyo Prefecture, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture. “Other Areas” refers to cabinet-order designated cities, prefectural capitals, and cities having a population of at least 100,000 and their peripheral areas, excluding those in Greater Tokyo Area.

(Note 2) “Investment Ratio” indicates the ratio of the (anticipated) total acquisition price of properties for each use or in each area to the (anticipated) total acquisition price of the entire portfolio. As the figures are rounded to the first decimal place, they may not add up to exactly 100%.



Photos and Access Map of the Asset to be Acquired  
PROUD FLAT Shibuya Sasazuka





PROUD FLAT Asakusa DIAGE



Irise Urayasu

