

Samty Residential Investment Corporation

(Securities Code: 3459)

Japan-Wide Portfolio

Supplementary Explanatory Material for the Press Release Published on June 20, 2023

- Notice Concerning Acquisition (Three Properties Including S-RESIDENCE Kachigawa Ekimae) and Disposition (Five Properties Including S-FORT Aoi) of Properties
- Notice Concerning Revisions to the Forecasts of Management Status and Distribution per Unit for the 16th Fiscal Period Ending July 2023 and the 17th Fiscal Period Ending January 2024

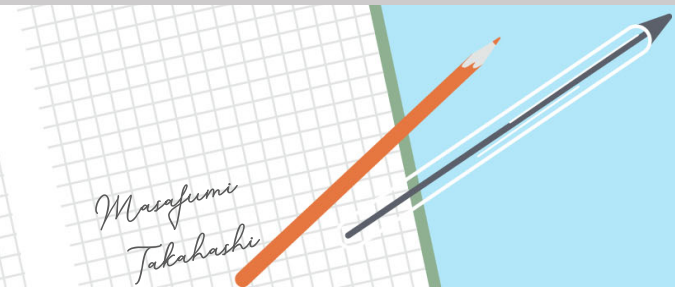
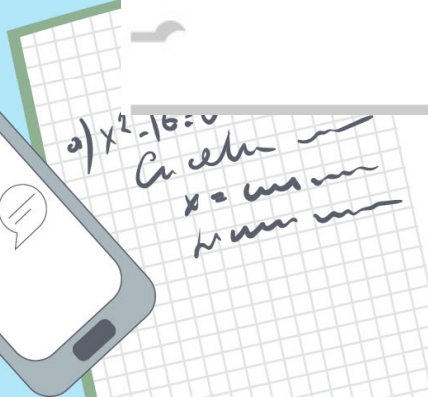


Sumi

New Brand

Green Cam

June 20, 2023



Overview of Asset Replacement

Asset Replacement Key Points

Acquisition

Acquisition of recently built properties in Greater Tokyo area and Other regional cities

Average building age: 2.7 years

Disposition

Realization of unrealized gains due to disposition price exceeding appraisal value

Total gain on disposition: 560 million yen

Utilization of Disposition Funds

Proceeds from the disposition will be used to acquire properties, including future properties, and the entire gain on distribution will be distributed

Enhancing portfolio quality through asset replacement

Overview of Asset Replacement

Disposition: 5 properties

Planned disposition price	4,441 million yen	Gain on disposition	560 million yen
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	Properties (3) scheduled for disposition on June 28, 2023		Properties (2) scheduled for disposition on November 28, 2023	
Property name	S-FORT Hakata-Higashi I S-FORT Hakata Higashi II 	S-FORT Kumamoto Senba 	S-FORT Aoi 	S-FORT Kumadaibyoin-mae 
Location	Hakata-ku, Fukuoka-shi	Chuo-ku, Kumamoto-shi	Higashi-ku, Nagoya-shi	Chuo-ku, Kumamoto-shi
Gain on disposition	242 million yen		318 million yen	
Planned disposition price	2,057 million yen		2,384 million yen	
Appraisal value	1,856 million yen		2,190 million yen	
Building age	17.6 years		13.4 years	



Acquisition: 3 properties

Planned date of acquisition	June 30, 2023	Average building age	2.7 years
Planned acquisition price	1,882 million yen	No. of rentable units	130 units

	Other regional cities	Greater Tokyo area	
Property name	S-RESIDENCE Kachigawa Ekimae 	S-FORT Omori Sanno 	S-FORT Kamiikedai 
Location	Kasugai-shi, Aichi	Shinagawa-ku, Tokyo	Ota-ku, Tokyo
Planned acquisition price	1,168 million yen	361 million yen	353 million yen
Appraisal value	1,200 million yen	371 million yen	356 million yen
Completion date	March 2023	September 2016	March 2017
No. of rentable units	101 units	15 units	14 units
Appraisal NOI yield	5.2%	3.8%	3.8%

Change to Forecasted Distribution per Unit for the 16th Fiscal Period Ending July 31, 2023, and the 17th Fiscal Period Ending January 31, 2024

Distribution Forecast Key Points

Measures

Five consecutive years of asset replacement starting in 2019

Boosting DPU through distribution of gain on disposition

Gain on Disposition

Recording gain on disposition over two fiscal periods

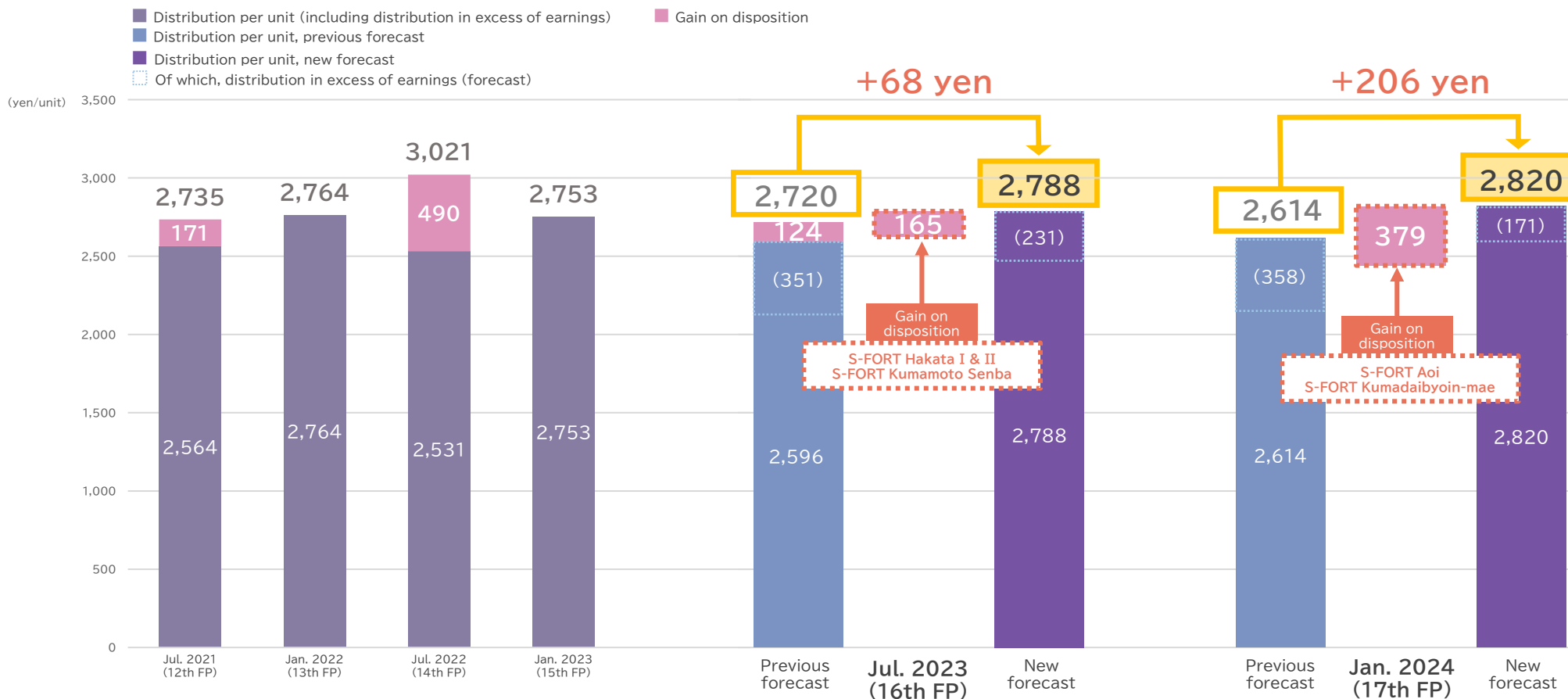
16th FP: 242 million yen
17th FP: 318 million yen

Distribution Per Unit

The entire gain on disposition is to be distributed, with an increased distribution expected vs. the previous forecast.

16th FP: +68 yen (2,788 yen)
17th FP: +206 yen (2,820 yen)

Changes in Distribution Per Unit



Notes

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- ① Figures and amounts are rounded down to the nearest unit, and percentages are rounded to the first decimal place. The same shall apply hereafter.
- ② Please refer to the “Notice Concerning Acquisition (Three Properties Including S-RESIDENCE Kachigawa Ekimae) and Disposition (Five Properties Including S-FORT Aoi) of properties” released today for detailed acquisition and disposition terms. Note that the disposition transaction for the two properties scheduled for disposition on November 28, 2023 (S-FORT Aoi and S-FORT Kumadaibyoin-mae), is subject to the completion by the buyer of the necessary financing for the purchase of the trust beneficiary interest and other conditions.
- ③ “Other regional cities” refers to regional cities other than Sapporo, Sendai, Nagoya, Kyoto, Osaka, Kobe, Hiroshima, and Fukuoka. The same shall apply hereafter.
- ④ “Greater Tokyo area” refers to Tokyo, Kanagawa, Saitama, and Chiba. The same shall apply hereafter.
- ⑤ “Gain on disposition” is the estimated value obtained by deducting the estimated book value and various costs related to the disposition from the planned disposition price.
- ⑥ “Average building age” for the Assets to Be Acquired is calculated as the weighted average of the building ages as of the planned acquisition date and based on the planned acquisition price, rounded to the first decimal place.
- ⑦ “Average building age” for the Assets to be Sold is calculated as the weighted average of the building ages as of the planned disposition date and based on the planned disposition price, rounded to the first decimal place.
- ⑧ “Appraisal NOI yield” for the Assets to be Acquired is the figure calculated by dividing the appraisal NOI for the Assets to be Acquired by the planned acquisition price, rounded to the first decimal place. Note that for each, the value at the time of obtaining the appraisal report is shown.

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- ① The amounts for the 16th fiscal period ending July 31, 2023, and the 17th fiscal period ending January 31, 2024 are estimates as of the date of this document, and do not constitute a guarantee that Samty Residential Investment Corporation will distribute these amounts.
- ② Gain on disposition for the 16th fiscal period ending July 31, 2023, includes gain on disposition of S-FORT Kurumamichi, for which disposition occurred on March 31, 2023.
- ③ For the assumptions used in calculations for the “previous forecast,” please refer to “(REIT) Summary of Financial Results for Fiscal Period Ended January 2023” released on March 17, 2023.
- ④ For the assumptions used in calculations for the “new forecast,” please refer to “Revision of Forecasted Financial Results and Distribution per Unit for the 16th Fiscal Period Ending July 31, 2023, and the 17th Fiscal Period Ending January 31, 2024” released today.

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by the Director-General of the Kanto Finance Bureau (Kinsho))
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