

Notice: English translation of the updated report will be available only through to the current fiscal period.  
For reports of the next fiscal period onward, please refer to the Japanese version.

January 30, 2019

## Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties

Kenedix Office Investment Corporation (Securities Code: 8972)

Jiro Takeda, Executive Director

Asset Management Company: Kenedix Real Estate Fund Management, Inc.

Masahiko Tajima, President & CEO

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### 1. Basic Information

#### (1) Basic Policy Concerning Compliance

- ① Kenedix Office Investment Corporation's basic policy concerning compliance, points of concern and characteristics of management structure, etc. as an investment corporation.

The Board of Directors of Kenedix Office Investment Corporation ("the Investment Corporation") is comprised of one Executive Director and three Supervisory Directors. The position of Executive Director is concurrently held by the Director & COO, Head of Office REIT Department of Kenedix Real Estate Fund Management, Inc. ("the Asset Management Company"). As mentioned below, the Supervisory Directors are experts, including a lawyer, a certified public accountant and a real estate appraiser, and are third parties who are not related parties to the Asset Management Company. The Investment Corporation has prepared various rules and regulations, such as the Board of Directors' regulations and management rules on insider trading etc. At the same time, we hold Board of Directors meetings, which have in principle been held regularly once a month and we also hold provisional Board of Directors meetings when necessary. As such, the Investment Corporation has been able to and continues to make sound decisions. Furthermore, the Asset Management Company gives reports on the state of the execution of the asset management business at the Investment Corporation's Board of Directors meetings. In addition, by providing enough information so that the Board of Directors may make decisions, the Asset Management Company is striving to assist in the appropriate functioning of the Investment Corporation's check-and-balance system over the Asset Management Company.

- ② The Asset Management Company's basic policy concerning compliance, points of concern and characteristics of management structure, etc. as an asset management company.

The Asset Management Company has explicitly declared the following points concerning the basic policy of its compliance regulations:

- \* We fully recognize insufficiencies in carrying out strict compliance may undermine our management base, and consider the thorough execution of compliance as our highest priority issue.
- \* We are aware that we hold responsibility as an investment management business operator who manages assets as entrusted by several investment corporations for striving to produce value from our businesses sought by society, and we proactively and tirelessly strive towards ensuring compliance in order to enhance the qualitative and quantitative value of our businesses.
- \* By contributing to the development of the economy and society through the operation of compliance activities, we aim to raise the evaluation received from investors and to establish credibility from society at large.

Furthermore, in the abovementioned regulations, we have made the following provisions concerning the respective roles played by the Board of Directors, the Compliance Committee and the Compliance Officer in the promotion of compliance.

(Board of Directors)

- i. The Board of Directors is the decision-making body over basic matters pertaining to the promotion of compliance company-wide.
- ii. The Board of Directors is able to request the submission of reports as necessary from the Compliance Officer and the Compliance Committee concerning the state of promoting compliance.
- iii. The Board of Directors resolves following appointments.
  - (1) The External Commission Member for the Compliance Committee
  - (2) The External Commission Member for each department’s Asset Management Committee
  - (3) Compliance Officer

(Compliance Committee)

- i. The Compliance Committee, which is headed by the Compliance Officer, holds discussions and makes resolutions concerning matters related to overall compliance. The specific separation of deliberation and matters to be resolved is as set forth by organizational rules and Compliance Committee rules.
- ii. As head of the Compliance Committee, the Compliance Officer governs matters concerning the Asset Management Company compliance. The Compliance Committee discusses and resolves other important matters concerning compliance, which are then reported to the Board of Directors.

(Compliance Officer)

- i. The Compliance Officer establishes the internal compliance system and also strives to cultivate a corporate culture that fosters compliance with laws, regulations and rules. The specific separation of duties, etc. is as set forth by organizational rules.
- ii. The Compliance Officer confirms that the prescribed documents have been prepared when a corresponding each department establishes or revises management guidelines, asset management plans, etc., or a provision concerning the acquisition of individual assets is submitted, etc. After confirming preparation of the prescribed documents, the Compliance Officer conducts a preliminary assessment of whether or not important compliance issues exist, such as violations of laws and regulations.
- iii. As head of the Compliance Committee, the Compliance Officer governs matters concerning the Asset Management Company’s compliance.

Moreover, the overview of the operations, etc. of the Compliance Officer or Compliance Department and Compliance Committee are as shown in the following table.

Compliance Officer / Compliance Department

Separation of Duties	
i.	Items related to overall control of compliance, including drafting compliance programs and compliance manuals, etc.
ii.	Items related to establishment, amendment and abolishment of various company regulations, rules, etc. and verification of the observance status
iii.	Items related to verification of the observance status for laws, regulations and ordinances concerning overall business
iv.	Items related to overall control of handling of complaints
v.	Items related to management of information related to firms, insider trading, etc.
vi.	Items related to overall control of the information management
vii.	Items related to risk management
viii.	Items related to individual-based management of compliance risks and administrative risks
ix.	Items related to negotiations, etc. with regulatory authorities for matters of business duties

x. Other incidental or related items
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Compliance Committee

Board	President & CEO, Compliance Officer (Chairperson), Director (full-time) and External Commission Member (Note 1)
Content of Deliberation	<ul style="list-style-type: none"> <li>a. Matters concerning asset management of the Investment Corporation <ul style="list-style-type: none"> <li>i. Items related to transactions with related parties (Note 2) or those between the Asset Management Company and the Investment Corporation (Note 3) that fall under the asset management business (the “KDO Asset Management Business”) consigned to the Asset Management Company by the Investment Corporation</li> <li>ii. Items related to transactions conditionally approved in the management guidelines of the Office REIT Department or non-regulated transactions that fall under the KDO Asset Management Business</li> <li>iii. Items related to management policies concerning the KDO Asset Management Business (establishment and changes, etc. of the Office REIT Department’s management guidelines, asset management plans, medium-term business plans and annual business plans)</li> <li>iv. Items related to KDO Asset Management Business transactions that exceed the acquisition amount range stipulated in the annual asset management business plan.</li> <li>v. Other items incidental or related to the above items</li> </ul> </li> <li>b. Other matters <ul style="list-style-type: none"> <li>i. Items related to compliance and the compliance system within the Asset Management Company</li> <li>ii. Items related to the acquisition of shares, investment units, etc. by officers and employees, etc. stipulated in its management rules on insider trading, etc.</li> <li>iii. Items related to establishment, amendment and abolishment of various company regulations, rules, etc.</li> <li>iv. Items related to compliance concerning other items stipulated by the compliance officer as needed</li> <li>v. Other items incidental or related to the above items</li> </ul> </li> </ul>
Deliberation Method	<ul style="list-style-type: none"> <li>• Requires more than two-thirds of Committee members to be present. However, the Compliance Officer and the External Commission Member are required to attend.</li> <li>• A resolution is passed by a unanimous vote. However, Director (full-time) in charge of specific department has no voting right for asset management related matters other than in charge of self. Moreover, if a unanimous vote is not obtained, then the Compliance Officer returns the provision to the department that proposed it.</li> </ul>

Note 1: As of the date of this document, the External Commission Member is a lawyer who is not a related party to the Asset Management Company, officers and employees of the Asset Management Company, investment corporations that entrust asset management business to the Asset Management Company. Please refer to Item 2-(3) ② (iii) for the personal history, etc.

Note 2: Please refer to Item 2-(3) ① (ii) for the related parties

Note 3: Please refer to Item 2-(3) ①(iii) for the transactions with related parties or between the Asset Management Company and the Investment Corporation

## (2) Details of the Investment Corporation's Main Investors

As of October 31, 2018

Name	Relationship with the Investment Corporation, the Asset Management Company or sponsors and the background for holding units	Number of Investment Units owned	Ratio (%) (Note)
The Master Trust Bank of Japan, Ltd. (Trust Account)	Not applicable	85,714	20.00
Japan Trustee Services Bank, Ltd. (Trust Account)	Not applicable	75,720	17.67
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	Not applicable	21,459	5.00
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	Not applicable	21,237	4.95
JPMorgan Chase Bank 385628	Not applicable	12,051	2.81
Nomura Bank (Luxembourg) S.A.	Not applicable	11,517	2.68
State Street Bank and Trust Company 505001	Not applicable	7,546	1.76
State Street Bank and Trust Company 505012	Not applicable	6,177	1.44
The Bank of New York Mellon 140044	Not applicable	6,149	1.43
State Street Bank and Trust Company 505223	Not applicable	5,749	1.34
Total of 10		253,319	59.11

Note: The ratio is rounded down to the second decimal place

## (3) Major Shareholders of the Asset Management Company

As of October 31, 2018

Name	Relationship with the Investment Corporation, the Asset Management Company or sponsors and the background for holding units	Number of Stocks Owned (units)	Ratio (%)
Kenedix, Inc,	The wholly owning parent company and the sponsor company of the Asset Management Company. The sponsor, the Investment Corporation and the Asset Management Company has concluded the memorandum of understanding on the provision of real estate information (hereinafter, the "Memorandum of Understanding").	4,000	100.00
Total of 1		4,000	100.00

## (4) Investment Policies and Investment Target

Please refer to "1. Fund Information, [1] Status of Fund, 2. Investment Policy, (1) Investment Policy" and "(2) Investment Target" described in Kenedix Office Investment Corporation's Securities Report for the twenty-seventh fiscal period (Japanese version only).

## (4)-2 Matters Concerning Tenant Selection Standards

In relation to tenant selection standards for real estate etc. the Investment Corporation determines a tenant's occupancy after comprehensively considering its attributes, credibility, line of business, purpose of use, lease terms and conditions, and possible turnover, etc.

## (4)-3 Matters Concerning Investment in Overseas Real Estate

The Investment Corporation shall not invest in overseas real estate.

(5) Matters Concerning Sponsors

① Principal Activities of Sponsor Company Group (as of September 30, 2018)

The sponsor company group consists of Kenedix Inc., which is the sponsor company, 46 subsidiaries (including non-consolidated) and 24 related companies (including non-equity-method affiliates). Out of these, the following is information concerning 5 consolidated subsidiaries and 3 equity method affiliates. Moreover, other subsidiaries and affiliates are mainly investment vehicles (*tokumei-kumiai* operators), etc. (Note).

The core businesses of the Kenedix Group include asset management business, property management business, property operation business and real estate investment business. As such, the Kenedix Group provides general and comprehensive investment services to customers/investors by catering to the entire investment process, which includes the following: investment strategy proposals/investment advices regarding real estate and loans backed by real estate, etc., and asset management by operation/management of investment business.

Note: Investment vehicle: The Kenedix Group mainly uses Godo Kaisha as a typical “Investment Vehicle” as defined by the Companies Act of Japan. Godo Kaisha, etc. established by Kenedix, Inc. conclude *tokumei-kumiai* contracts with investors, originate the *tokumei-kumiai* and run the investment business with the Godo Kaisha, etc. as the *tokumei-kumiai* operators and the investors as participants in the *tokumei-kumiai*.

**【Kenedix, Inc.’s consolidated subsidiaries】**

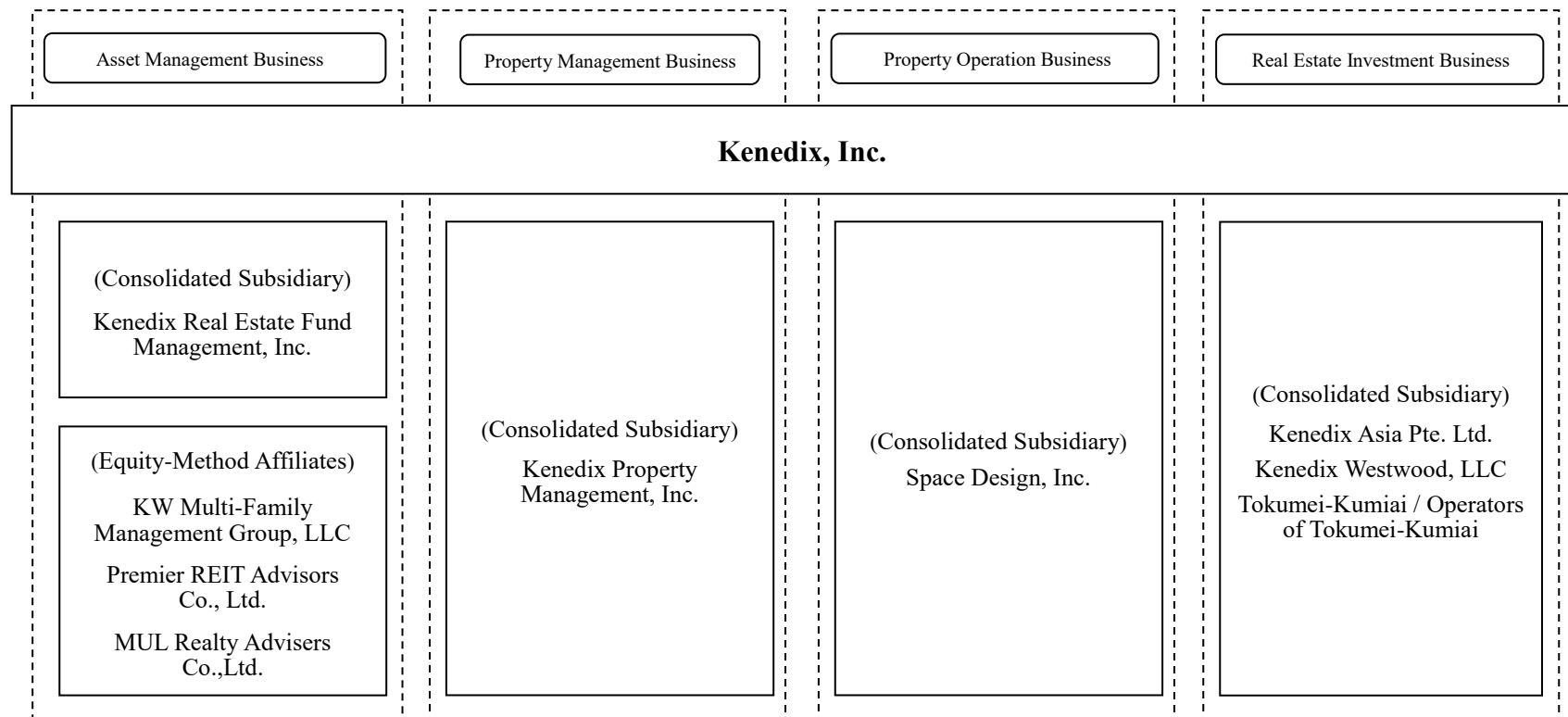
Consolidated Subsidiary	Main Description of Business
Kenedix Real Estate Fund Management, Inc.	Asset management business of real estate funds and management business of real estate investment trust
Space Design, Inc.	Entrustment of real estate-related operational business, etc.
Kenedix Property Management, Inc.	Entrustment of real estate-related property management business, etc.
Kenedix Asia Pte. Ltd.	Identification of and investment in real estate projects in Asia
Kenedix Westwood, LLC	Identification of and investment in real estate projects in the United States of America
Other 33 companies	

**【Kenedix, Inc.’s Equity-Method Affiliates】**

Equity-Method Affiliates	Main Description of Business
Premier REIT Advisors Co., Ltd.	Asset Management Company for Premier Investment Corporation
KW Multi-Family Management Group, LLC.	Identification of and asset management in real estate projects in the United States of America
MUL Realty Advisers Co., Ltd.	Management business of real estate funds
Other 20 companies	

【Structure of the Group Company】

(as of September 30, 2018)



② Agreements Concerning Supply on Properties and Information Provision with Sponsor Company Groups

i. Support from Kenedix, Inc. in the Provision of Investment Properties

(i). Provision of Property Sales Information Acquired by Kenedix, Inc.

In the event that Kenedix, Inc. obtains sales information (hereinafter, “Property Sales Information”) on properties, etc. owned or managed by parties other than respective parties of the Memorandum of Understanding (hereinafter, “Support-line Memorandum of Understanding”; as amended thereafter on its own), and in its reasonable opinion, meets the Investment Corporation’s investment criteria, Kenedix, Inc. has agreed to provide information regarding such properties, etc. to the Asset Management Company no later than the time it provides such information to parties other than the Asset Management Company (including but not limited to Kenedix Investment Partners, Inc. The same shall apply hereinafter.), unless otherwise prohibited by law or regulations or contracts to which it is a party.

(ii). Information regarding Property Sales Owned by Kenedix, Inc.

In the event that Kenedix, Inc. considers disposing of a property, etc. owned or planned to be acquired by Kenedix, Inc., its wholly owned entity (including silent partnership, but not limited to this), a fund fully financed by Kenedix, Inc. (including silent partnership, but not limited to this), or a fund fully financed by its wholly owned entity (excluding properties, etc. held in response to warehousing holding requests made by the Asset Management Company, as defined in iii.), and in its reasonable opinion, meets the Investment Corporation's investment criteria, Kenedix, Inc. provides information regarding such properties, etc. to the Asset Management Company no later than the time it provides such real estate information etc. to parties other than the Asset Management Company, unless the sale to the Investment Corporation is prohibited by law or regulations or contracts to which it is a party.

(iii). Disposition of Property Owned by Private Placement Funds Managed by Kenedix Investment Partners, Inc.

In the event that Kenedix Investment Partners, Inc. disposes of a property owned by a real estate investment fund (excluding warehousing function funds defined in the following ii.) for which Kenedix Investment Partners, Inc. serves as the asset management company and, in its reasonable opinion, meets the Investment Corporation's investment criteria, Kenedix Investment Partners, Inc. has agreed to provide information regarding such property to the Asset Management Company no later than the time it provides such information to parties other than the Asset Management Company, unless otherwise prohibited by law or regulations or contracts to which Kenedix Investment Partners, Inc. or said real estate investment fund is a party.

ii. Disposition of Property by a Warehousing Function Fund

As for properties, etc. owned or managed by Kenedix, Inc., Kenedix Investment Partners, Inc. or a third party, the Asset Management Company may request Kenedix Investment Partners, Inc. to originate a real estate investment fund for the purpose of securing future opportunities for the Investment Corporation to acquire properties. In the event that Kenedix Investment Partners, Inc. receives such a request from the Asset Management Company, it shall consider the said request in good faith.

In the event that Kenedix Investment Partners, Inc. accepts a request set forth under the abovementioned paragraph, it shall originate a property fund/real estate fund ("Warehousing Function Fund") for which it will serve as the asset management company and acquire properties, etc. relating to said request set forth under the abovementioned paragraph at said fund.

In the event that Kenedix Investment Partners, Inc. disposes of properties owned by the Warehousing Function Fund ("Warehousing Function Fund Properties"), it shall observe the following provisions.

- (a) When selling Warehousing Function Fund Properties, Kenedix Investment Partners, Inc. shall first offer it to the Asset Management Company for sale to the Investment Corporation.
- (b) After Kenedix Investment Partners, Inc. extends the offer of sale to the Asset Management Company set forth under (a), it shall discuss sales and purchase terms for the Warehousing Function Fund Properties with the Asset Management Company in good faith.
- (c) In the event that Kenedix Investment Partners, Inc. do not reach an agreement concerning the sales and purchase of the Warehousing Function Fund Properties after holding discussions as set forth under (b) or falls under certain conditions (hereinafter, "Reasons for Selling to a Third-Party"), Kenedix Investment Partners, Inc. may offer the sale of such Warehousing Function Fund Properties to a third-party after giving the Asset Management Company a notice that it will extend such offer the sale of Warehousing Function Properties to a party other than the Asset Management Company.

For details of disposition procedures or reasons for selling to a third-party, agreements shall separately be concluded between the respective parties of the Support-Line Memorandum of Understanding and the Warehousing Function Fund, after such details have been determined for each Warehousing Function Fund that will be originated.

iii. The Warehousing Function Offered by Kenedix

The Asset Management Company may request Kenedix, Inc. to purchase and temporarily hold a property owned or managed by Kenedix, Inc., Kenedix Investment Partners, Inc. or a third party with a view to reselling it to the Investment Corporation. In the event that Kenedix, Inc. receives such a request from the Asset Management Company, it shall consider said request in good faith.

In the event that Kenedix, Inc. has accepted such a request, Kenedix, Inc. will purchase the property directly or indirectly through its wholly owned entity.

When purchasing the property, Kenedix, Inc. may not offer such property to any party other than the Asset Management Company for one year following the acquisition. In addition, when the Asset Management Company makes an offer for the Investment Corporation to purchase the property during such period, Kenedix, Inc. must comply with the offer.

#### iv. Others

The Support-Line Memorandum of Understanding is to be valid for one year from November 1, 2018. The Support-Line Memorandum of Understanding will be extended automatically for one year from the date following of the expiration date under the same terms after each year unless any one of the Investment Corporation, the Asset Management Company, Kenedix, Inc. or Kenedix Investment Partners, Inc. notifies all other entities that signed this memorandum no later than 30 days prior to the expiration date of the intent not to renew the memorandum.

Furthermore, as a result of information provision, etc. based on the Support-Line Memorandum of Understanding, if the Investment Corporation receives Property Sales Information and also requests brokerage service based on the Real Estate Brokerage Act or brokerage service based on the Financial Instruments and Exchange Act after separately discussing and agreeing with Kenedix, Inc. and if such has resulted in acquisition of real estate, etc., the Investment Corporation shall pay the brokerage fee which is the amount separately agreed based on applicable laws and regulations (including ordinances, notices, etc.), customary business practices and the nature of services provided.

In addition, when the Investment Corporation reaches an agreement with Kenedix, Inc. and Kenedix Investment Partners, Inc. after separate discussions, it shall pay fees for services, etc. (including but not limited to provision of advice on constructing a scheme; investigation of real estate, etc.; preparation of documents required for transactions; and support services in searching for properties and completing transactions which are not part of brokerage services in the previous paragraph) that Kenedix, Inc. and Kenedix Investment Partners, Inc. have provided to the Investment Corporation based on the memorandum, in addition to brokerage fees stated in the previous paragraph. The amount of fees shall be the amount separately agreed based on applicable laws and regulations (including ordinances, notices, etc.), customary business practices and the nature of services provided.

#### v. Other Support-Line Memorandum of Understanding

The Asset Management Company provides asset management services to the Investment Corporation as well as Kenedix Residential Next Investment Corporation, Kenedix Private Investment Corporation and Kenedix Retail REIT Corporation. Kenedix, Inc., Kenedix Investment Partners, Inc. and the Asset Management Company have executed the Support-Line Memorandum of Understanding similar to the above with Kenedix Residential Next Investment Corporation, Kenedix Private Investment Corporation and Kenedix Retail REIT Corporation.

Moreover, the Support-Line Memorandum of Understanding approves in advance that, with regard to the information about the sale of real estate, etc. and warehoused real estate, etc. provided by Kenedix, Inc. or Kenedix Investment Partners, Inc. based on the Support-Line Memorandum of Understanding, if the Asset Management Company decides to not acquire the relevant assets for the Investment Corporation after investigating acquisition loyally with the due care of a prudent manager (hereafter, the real estate, etc. that is decided not to be acquired is referred to as the “real estate, etc. not to be acquired”), other investment corporations to which the Asset Management Company provides asset management services may investigate the real estate, etc. not to be acquired and, based on the investigation, may acquire it (however, if said other investment corporations have acquired the real estate, etc. not to be acquired and the Investment Corporation had issued a purchase confirmation letter for the relevant real estate, etc. not to be acquired, the Asset Management Company shall report the acquisition to the Investment Corporation without delay).

Furthermore, the Asset Management Company has established a Pipeline Meeting in order to prevent arbitrary allocation of the information about the sale of



real estate, etc., prevent conflicts of interest arising between investment corporations, and secure loyalty to each investment corporation in conducting operations, and has adopted rules on “preferential rights to study property information.” For the outline of the rules, please refer to “1. Fund Information, [1] Status of Fund, 1. Overview of the Investment Corporation, (4) Structure of the Investment Corporation, ③ Items for Decision-Making on Investment Management Related to KDO Asset Management Business, (c) Prevention of Conflicts of Interest Arising among Funds (the Outline of Preferential Rights)” described in Kenedix Office Investment Corporation’s Securities Report for the twenty-seventh fiscal period (Japanese version only).

As stated above, there is a possibility that the investment targets overlap between the Investment Corporation and Kenedix Investment Partners, Inc., which manages privately placed funds. However, the Asset Management Company believes that segregation is possible as the basic risk-return profiles of customer investors are different between the privately placed funds and the Investment Corporation, and the information is provided in accordance with the priority set forth in the above-mentioned Support-Line Memorandum of Understanding. In addition, Kenedix, Inc. has acquired part of the shares (shareholding ratio: 30%) of Premier REIT Advisors Co., Ltd., which is entrusted with the asset management of Premier Investment Corporation, a J-REIT that has an investment target that partially overlaps with the Investment Corporation, on October 30, 2014. Furthermore, the Investment Corporation and the Asset Management Company judged that there will be no special impact on property acquisition opportunities of the Investment Corporation associated with the share acquisition, as the Asset Management Company receives sales information on properties, etc. obtained by Kenedix, Inc. at the same time as parties other than the Asset Management Company based on the Support-line Memorandum of Understanding.

2. Management Structure and System of the Investment Corporation and the Asset Management Company

(1) Investment Corporation

① Directors of the Investment Corporation

As of January 30, 2019

Title	Name	Brief Personal History (Note)		Reason for Selection
Executive Director	Jiro Takeda	April 1993 August 2000 October 2002 May 2005 May 2014  March 2017  April 2018	Joined Sumitomo Trust and Banking Co., Ltd. Joined Sanko Estate Co., Ltd. Joined GMAC Commercial Mortgage Japan, K. K. Joined Hudson Japan K. K., Asset Management Division as a Vice President Joined Kenedix, Inc., Fund Management Department as a Head of Fund Management Team 1 Assigned as a Head of Planning Division, Office REIT Department of Kenedix Real Estate Fund Management, Inc. Assigned as a Director & COO, Head of Office REIT Department of Kenedix Real Estate Fund Management, Inc. (current position) Assigned as an Executive Director of Kenedix Office Investment Corporation (current position)	Jiro Takeda was selected based on expectations due to his knowledge and experience concerning the financial and real estate business
Supervisory Director	Shiro Toba	October 1989 March 1993 January 1997 May 2002 April 2004 January 2005  May 2005	Joined Chuo Shinko Audit Corporation Became a Japanese certified public accountant Established Toba Public Accounting Office (current position) Became a Japanese certified tax accountant Assigned as a Director of Majestec Corporation (current position) Assigned as a Representative Director of Minori Accounting Co., Ltd. (current position) Assigned as a Supervisory Director of Kenedix Realty Investment Corporation (currently Kenedix Office Investment Corporation) (current position)  Concurrent positions held that are not conflicts of interest: 36 corporations including Minori Accounting Co., Ltd., etc.	Shiro Toba was selected based on expectations due to his knowledge and experience as an expert concerning accounting and taxes
Supervisory Director	Yoshihiro Morishima	April 1974 July 1977 October 1982 January 1985 March 1985 February 1992 February 1994 October 1996  February 1999  October 2000 April 2001  April 2002  September 2003 April 2006 April 2011	Joined The Mitsubishi Trust Banking Corporation, Machida Branch Transferred to Real Estate Division Transferred to Gotanda Branch Transferred to Shibuya Branch Registered as the real estate appraiser Transferred to Real Estate Division Transferred to Takamatsu Branch as a Vice President External assignment to Ryoushin Jyutaku Hanbai Kabushikigaisha as an Executive Director / Senior Sales Director Assigned as a General Manager of Tokyo Business Division VI, Mitsubishi Trust Banking Corporation Transferred to Real Estate Appraisal Division as a General Manager Guest Professor of Faculty of Real Estate Sciences Department of Real Estate Sciences, Meikai University Transferred to Real Estate Consulting Division as a General Manager of Mitsubishi Trust Banking Corporation Left the Mitsubishi Trust Banking Corporation Adviser of Tokyo Association of Real Estate Appraisers (current position) Officer of Morishima Consulting Office of Real Estate	Yoshihiro Morishima was selected based on expectations due to his knowledge and experience concerning the financial and real estate business

Title	Name	Brief Personal History (Note)		Reason for Selection
		March 2012 February 2014 September 2016 October 2016	Assigned as a Supervisory Director of Kenedix Realty Investment Corporation (currently Kenedix Office Investment Corporation) (current position) Assigned as President of Y.K. Island Forest (current position) Adviser of Housing Improvement & Development Corporation Foundation (current position) Officer of Morishima Consulting Office of Real Estate (current position)  Concurrent positions held that are not conflicts of interest: 5 corporations including Y.K. Island Forest, etc.	
Supervisory Director	Takahiro Seki	April 1989 April 1990 January 1991 April 1997  November 2000  May 2001 February 2002 June 2002 February 2014	Joined Goldman Sachs (Japan) Corp. Joined S. G. Warburg Securities (Japan) Inc. Left S. G. Warburg Securities (Japan) Inc. Became a member of Tokyo Bar Association Law Offices Joined Kataoka & Kobayashi as an Associate Assigned as an Executive Officer and Head of Legal Office, GE Fleet Services Corporation Assigned as a director and Head of Legal Office Joined Miyakezaka Sogo Law Offices as an Associate Became Partner (current position) Assigned as a Supervisory Director of Kenedix Office Investment Corporation (current position)  Concurrent positions held that are not conflicts of interest: 1 corporation, Miyakezaka Sogo Law Offices	Takahiro Seki was selected based on expectations due to his knowledge and experience as an expert concerning law

Note: Corporate names, etc. are in principle stated at that time. With regards to the Investment Corporation, Corporate names are stated at the time of the appointments and noted as of the date of this document in brackets.

② Reasons why Executive Director of the Investment Corporation concurrently holding the position of executives and regular employees of the Asset Management Company and measures for relationships involving conflicts of interests

Name	Title of the Asset Management Company	Reasons for Concurrent Position	Measures for Relationships involving Conflicts of Interests
Jiro Takeda	Director & COO, Head of Office REIT Department	<p>(1) Necessity of Concurrent Position                      The majority of decisions made for the Investment Corporation are made based on judgments made by the Asset Management Company due to the consignment of asset management to the Asset Management Company. Therefore, close cooperation and information sharing are required between the management of the Investment Corporation and the management of the Asset Management Company.                      Furthermore, the following are duties of Executive Directors of the Investment Corporation and information sharing is vital in order for them to fulfill their duties.</p> <p>① Executive Directors must obtain approval from the Board of Directors meeting for executing certain operations (Article 109, Paragraph 2 of the Investment Trust Act). These operations include concluding asset management agreements, payment of expenses for managing assets, such as asset management fees, and matters related to the operations of the Asset Management Company. By holding a concurrent position, we believe he is able to give accurate and sufficient explanations to the Board of Directors and thus assist the Board of Directors in making sound decisions.</p> <p>② Executive Directors must report the state of executing business to the Board of Directors (Article 109, Paragraph 3 of the Investment Trust Act). By holding a concurrent position, we believe he is able to give detailed and precise reports to the Board of Directors.</p> <p>③ Executive Directors are accountable for giving explanation to unitholders at the General Meeting of Unitholders (Article 94, Paragraph 1 of the Investment Trust Act and Article 314 of the Companies Act). As we mentioned above, the Asset Management Company is entrusted with the asset management of the Investment Corporation and acts as an Asset Management Company. Therefore, we believe that his concurrent position as a Director of the Asset Management Company and as an Executive Director of the Investment Corporation will enable him to give accurate and sufficient explanations to unitholders.</p> <p>④ Since the Asset Management Company has been entrusted with operations set forth in agreements, it must report the state of entrusted matters to the Investment Corporation, which is the investment corporation. Therefore, we believe that holding concurrent position will enable him to sufficiently carry out these responsibilities.</p> <p>As we mentioned above, in view of the agreements made between the Asset Management Company and the Investment Corporation, as well as the nature of duties of the Executive Directors of the Investment Corporation, we believe that his concurrent position as the</p>	<p>(1) The Asset Management Company has Office REIT Department Related-party Transaction Rules, which set forth that transactions of acquisition and disposition of assets with related parties must be given approval by the Investment Corporation’s Board of Directors in the form of a resolution and consent by Executive Director. In order to propose the matter to the Board of Directors, it must first be given approval of resolution by the Compliance Committee and the KDO Asset Management Committee.                      According to the rules, in order for a proposal to pass the Compliance Committee, it must be given unanimous approval by all members of the Committee, including the External Commission Member (a lawyer who is a third party but who is not a related party). Furthermore, related-party transactions that are given official approval are immediately disclosed.</p> <p>(2) In the event the Investment Corporation engages, under instruction of the Asset Management Company, in the purchase and sale of specified assets and other transactions stipulated in the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (Government Ordinance No. 480 of 2000, as amended thereafter; hereafter, “Enforcement Order of the Investment Trust Act”) with the Asset Management Company or directors or executive officers of the Asset Management Company, other investment corporations to which the Asset Management Company provides asset management services, related</p>

<p style="text-align: center;">Jiro Takeda</p>	<p style="text-align: center;">Director &amp; COO, Head of Office REIT Department</p>	<p>Representative Director of the Asset Management Company and as an Executive Director of the Investment Corporation will enable him to carry out appropriate and sound management with expedition. Therefore, the concurrent position is highly necessary.</p> <p>(2) Capacity for Holding Concurrent Position Special conflicts of interest are not seen to arise as a result of the Representative Director of the Asset Management Company concurrently holding position of Executive Director of the Investment Corporation, who makes decisions for the Investment Corporation.</p> <p>Moreover, Executive Director, Jiro Takeda has financial experience working in a financial institution named the Sumitomo Trust and Banking Co., Ltd. (current Sumitomo Mitsui Trust Bank, Limited). He then joined asset management companies of real estate private funds. Due to his experience in real estate finance backed by financial knowledge earned prior to his entrance, we expect him to conduct management using his wide range of knowledge and experience.</p>	<p>parties and other parties stipulated in the Enforcement Order of the Investment Trust Act, the Asset Management Company shall, pursuant to the provisions of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations (Ordinance of the Prime Minister's Office No. 129 of 2000, as amended thereafter; hereafter, "Enforcement Ordinance of the Investment Trust Act"), provide a written report describing matters relating to the aforementioned transactions to the Investment Corporation, other investment corporations to which the Asset Management Company provides asset management services (limited to those that invest in similar asset types as the relevant specified assets) and other parties stipulated in the Enforcement Order of the Investment Trust Act.</p>
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③ Other relationships involving Conflicts of Interest due to other positions held simultaneously by Directors for the Investment Corporation (excluding contents mentioned above ②)

Each Director has no relation or transaction involving conflicts of interest.

## (2) Asset Management Company

## ① Directors of the Asset Management Company

As of January 30, 2019

Title • Full-time/Part-time	Name	Brief Personal History (Company names etc. at that time)		Concurrent Positions • External Assignment
Chairman, Representative Director (Full-time)	Ryosuke Homma	April 1968 April 1973 February 1979 June 1986 June 1992 September 1994 October 1996 November 2003 March 2007 March 2010 March 2013 October 2013 March 2017	Mitsubishi Corporation Mitsubishi Company (Thailand) Ltd. Baghdad Office of Mitsubishi Corporation Overseas Construction Department of Mitsubishi Corporation Los Angeles Office of Mitsubishi International Corporation President & CEO of MC Realty, Inc. President & CEO of Kennedy-Wilson Japan Co., Ltd. President & CEO of KW Pension Fund Advisors Co., Ltd. Chairman, Representative Director of Kenedix, Inc. Chairman & Director of Kenedix, Inc. Adviser of Kenedix, Inc (current position) President & CEO of Kenedix Real Estate Fund Management, Inc. Chairman, Representative Director of Kenedix Real Estate Fund Management, Inc. (current position)	-
President & CEO (Full-time)	Masahiko Tajima	April 1988 July 2000 May 2005  June 2007 February 2012  October 2013 March 2014  May 2014 March 2015 March 2017	The Mitsui Trust and Banking Co., Ltd. Sumitomo Life Insurance Company Joined Kenedix, Inc. Seconded to Kenedix REIT Management, Inc. as a Head of Financial Planning Department, Director & Head of Financial Planning Department Executive Officer & Head of Corporate Planning Department of Kenedix, Inc. Director of Kenedix Real Estate Fund Management, Inc. Director of Space Design, Inc. Director, Head of Corporate Planning Department of Kenedix, Inc. Director of Japan Senior Living Partners, Ltd. Director & CFO, Head of Corporate Planning Department of Kenedix, Inc. President & CEO of Kenedix Real Estate Fund Management, Inc. (current position)	-
Director & COO, Head of Office REIT Department (Full-time)	Jiro Takeda	Please refer to above “(1) Investment Corporation ①Directors of the Investment Corporation.”		Executive Director of Kenedix Office Investment Corporation (concurrent position)  External assignment from Kenedix, Inc.

<p>Director &amp; COO, Head of Retail REIT Department (Full-time)</p>	<p>Akihiro Asano</p>	<p>April 1994 January 2001 January 2004 January 2009 January 2013 March 2014  September 2014  October 2014</p>	<p>Mitsubishi Corporation, Development &amp; Construction Division Seconded to Mitsubishi Corp, - UBS Realty Inc. Kennedy-Wilson Japan Co., Ltd., Investment Department Mitsui &amp; Co., Logistics Partners Ltd. Outside Director Head of Strategic Investment Team. 1 of Kenedix, Inc. Executive Officer, Deputy Head of Strategic Investment Department, Head of Strategic Investment Team. 1 Director &amp; COO, Head of Retail REIT Department of Kenedix Real Estate Fund Management, Inc. (current position) Executive Director of Kenedix Retail REIT Corporation (current position)</p>	<p>Executive Director of Kenedix Retail REIT Corporation (concurrent position)  External assignment from Kenedix, Inc.</p>
<p>Director &amp; COO, Head of Residential REIT Department and Head of Asset Investment Division, Residential REIT Department (Full-time)</p>	<p>Keisuke Sato</p>	<p>April 1993 October 2002 May 2006 October 2007 November 2011 February 2012 August 2012  October 2013  March 2016 March 2017 March 2017  March 2018</p>	<p>Tokyu Land Corporation J.P. Morgan Securities Asia Private Limited Capital Advisers Co., Ltd. Roundhill Capital Partners K. K. Kenedix, Inc. Head of Financial Planning Department of Kenedix REIT Management, Inc. Director &amp; Head of Investment Management Department, Kenedix REIT Management, Inc. Head of Investment Management Division, KRI Fund Department of Kenedix Real Estate Fund Management, Inc. Head of Planning Division, Residential REIT Department Director &amp; COO, Head of Residential REIT Department Executive Director of Kenedix Residential Investment Corporation (current position) Director &amp; COO, Head of Residential REIT Department and Head of Asset Investment Division, Residential REIT Department of Kenedix Real Estate Fund Management, Inc. (current position)</p>	<p>Executive Director of Kenedix Residential Next Investment Corporation (concurrent position)  External assignment from Kenedix, Inc.</p>
<p>Director &amp; COO, Head of Private REIT Department (Full-time)</p>	<p>Motoshi Ichiki</p>	<p>April 1990  March 1994 March 1996 March 1999 March 2001 August 2002 March 2009 January 2010 June 2010 December 2011 October 2013 October 2013  October 2013  February 2014  March 2017  April 2018</p>	<p>Corporate Business Division 7, Head Office of The Nippon Credit Bank, Limited Aoyama Branch Office Fukuoka Branch Office Shibuya Branch Office Corporate Business Division 4, Head Office Real Estate Department of Kennedy-Wilson Japan Co., Ltd. Corporate Planning Department Seconded to Kenedix Asset Management, Inc. Seconded to Pacific Holdings, Inc. Corporate Planning Department of Kenedix, Inc. Special Appointed Manager of Kenedix Real Estate Fund Management, Inc. Head of KPI Fund Department, Head of Planning Division, KPI Fund Department Executive Director of Kenedix Private Investment Corporation (current position) Head of Private REIT Department, Head of Planning Division, Private REIT Department of Kenedix Real Estate Fund Management, Inc. Director &amp; COO, Head of Private REIT Department, Head of Planning Division, Private REIT Department Director &amp; COO, Head of Private REIT Department (current position)</p>	<p>Executive Director of Kenedix Private Investment Corporation (concurrent position)  External assignment from Kenedix, Inc.</p>

Statutory Auditor (Part-time)	Haruo Funabashi	<p>July 1969 June 1988 May 1989 March 1995 July 1997 June 1998</p> <p>June 2000 July 2001 February 2003 May 2004 October 2004 October 2004 March 2005 June 2009 September 2013 October 2013</p> <p>June 2015 June 2016 June 2017</p>	<p>Joined Ministry of Finance Assigned as Deputy Financial Commissioner, Ministry of Finance Counselor, Japanese Embassy in France Assigned as Commissioner, Tokyo Customs Assigned as Deputy Commissioner, National Tax Administration Assigned as Secretary General, Securities and Exchange Surveillance Commission</p> <p>Assigned as Director General, Minister's Secretariat, National Land Agency Assigned as Vice-Minister for Land and Hokkaido Development, Ministry of Land, Infrastructure and Transport Chief Executive Officer of Sirius Institute Inc. (current position) Visiting Professor, Graduate School of International Corporate Strategy, Hitotsubashi University Corporate Auditor of KW REIT Management, Inc. Corporate Auditor of KW Pension Fund Advisors Co., Ltd. Corporate Auditor of Kennedy-Wilson Japan Co., Ltd. (current position) Director of The Dai-ichi Mutual Life Insurance Company Outside Director of MORIMOTO Co.,Ltd. (current position) Statutory Auditor of Kenedix Real Estate Fund Management, Inc. (current position)</p> <p>Outside Director of Hitachi Capital Corporation Outside Director of SMBC Trust Bank Ltd. (current position) Director of The Dai-ichi Life Insurance Company, Limited (current position)</p>	<p>Chief Executive Officer, Sirius Institute Inc. (concurrent position)</p> <p>Corporate Auditor, Kenedix, Inc. (concurrent position)</p> <p>Outside Director, MORIMOTO Co.,Ltd. (concurrent position)</p> <p>Outside Director, SMBC Trust Bank Ltd. (concurrent position)</p> <p>Director, The Dai-ichi Life Insurance Company, Limited (concurrent position)</p>
Statutory Auditor (Part-time)	Shintaro Kanno	<p>October 1994 March 2001 June 2001 March 2003 April 2004 October 2013</p> <p>November 2015</p>	<p>Tohmatsu &amp; Co. Akasaka Houwa Accounting Firm Statutory Auditor of Kennedy-Wilson Japan Co., Ltd. (current position) Representative, Shintaro Kanno Accounting Firm (current position) Statutory Auditor of KW Pension Fund Advisors Co., Ltd. Statutory Auditor of Kenedix Real Estate Fund Management, Inc. (current position) Statutory Auditor, MARSH Co., Ltd.</p>	<p>Statutory Auditor, Kenedix, Inc. (concurrent position)</p> <p>Representative, Shintaro Kanno Accounting Firm (concurrent position)</p>
Statutory Auditor (Part-time)	Masayuki Kobayashi	<p>April 1984 August 2001 June 2002 September 2003 June 2005 March 2008 June 2010 December 2013 March 2017 March 2017</p> <p>April 2018</p>	<p>Tokyu Construction Co., Ltd. Lumenis Co., Ltd. Pacific Management Corporation Representative Director of Business and Asset Solution Corporation Corporate Officer of Pacific Management Corporation Director &amp; Head of Administration Headquarter Head of Compliance Department of Kenedix, Inc. Head of General Administration &amp; Human Resources Department Statutory Auditor of Kenedix, Inc. (current position) Statutory Auditor of Kenedix Real Estate Fund Management, Inc. (current position) Statutory Auditor of Kenedix Investment Partners, Inc. (current position)</p>	<p>Statutory Auditor, Kenedix, Inc. (concurrent position)</p> <p>Statutory Auditor, Kenedix Investment Partners, Inc. (concurrent position)</p>



Statutory Auditor (Part-time)	Keizo Katayama	April 1982	Hiei Sangyo K.K.	Statutory Auditor, Kenedix, Inc. (concurrent position)
		December 1991	NOHMI BOSAI LTD.	
		August 1992	Nihon Jisho K.K.	
		May 2001	Sportsplex Japan Co., Ltd.	
		February 2002	Kennedy-Wilson Japan Co., Ltd.	
		May 2004	Head of Osaka Office of Kenedix, Inc.	
		January 2007	Executive Officer, Head of Osaka Office	
		February 2010	Director of Kenedix Advisors, Inc.	
		August 2011	President & CEO	
		October 2013	Executive Officer, Head of Fund Management Department of Kenedix, Inc.	
January 2014	President & CEO of Kenedix Property Management, Inc.	Statutory Auditor, Kenedix Investment Partners, Inc. (concurrent position)		
August 2015	President & CEO of Kenedix Engineering, Inc.			
March 2018	Statutory Auditor of Kenedix, Inc. (current position)			
April 2018	Statutory Auditor of Kenedix Real Estate Fund Management, Inc. (current position)			
		Statutory Auditor of Kenedix Investment Partners, Inc. (current position)		

② Status of Employees at the Asset Management Company

As of January 30, 2019

Assignor Company	Number of Employees	Concurrent Positions with Previous Company
Kenedix, Inc.	102	3 concurrent positions (Internal Audit Department: 3)
Sumitomo Mitsui Finance and Leasing Company, Limited	1	—
Shinsei Bank, Limited	2	—
Total Number of Loaned Employees	105	—
Total Number of Employees in the Asset Management Company (Note)	105	—

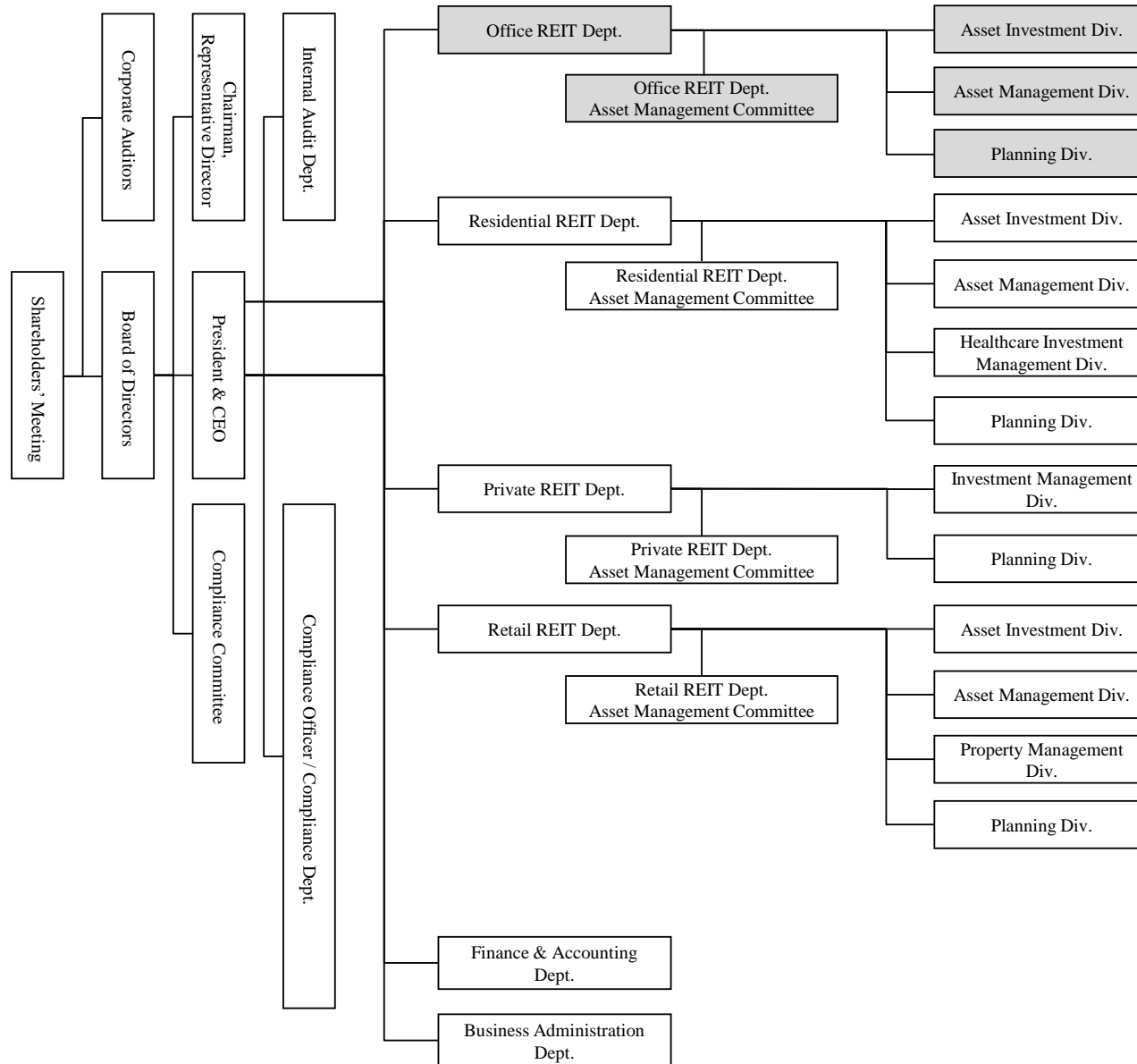
Note: The number of employees excludes representative director, outside director, statutory auditor and temporary staff

③ Management Structure of the Investment Corporation and the Asset Management Company

Organization chart and outline of each operation related to asset management (of the Investment Corporation, mainly) are as follows.

As of January 30, 2019

The Asset Management Company Organization Chart



Note: The Asset Management Company transferred the asset management business concerning the private placement fund to Kenedix Investment Partners, Inc. (the “Transfer”) on November 1, 2018 in order to further strengthen its own expertise in the asset management business of investment corporations by specializing in and focusing on asset management business of investment corporations. Since the asset management business concerning the private placement fund entrusted to the Asset Management Company was to cease to exist in line with the transfer, the Asset Management Company abolished the Private Fund Department which had been supervising the asset management business concerning the private placement fund at the Asset Management Company on the same day.

The Asset Management Company executes investment management operations based on the above organization. The operations of the Asset Management Company are divided into respective sections comprising the Asset Investment Division, Asset Management Division and Planning Division of the Office REIT Department in charge of the Investment Corporation, as well as the Residential REIT Department in charge of Kenedix Residential Next Investment Corporation, the Retail REIT Department of Kenedix Retail REIT Corporation, the Private REIT Department in charge of Kenedix Private Investment Corporation, and the Finance & Accounting Department, Business Administration Department, Compliance Officer / Compliance Department and the Internal Audit Department that are departments common to all investment corporations. The Asset Investment Division, Asset Management Division and Planning Division are headed by the Director & Head of Office REIT Department and the Head of each division while the Finance & Accounting Department, Business Administration Department, Compliance Department and the Internal Audit Department are headed by the head of each department for the common departments.

Furthermore, we have established the Office REIT Department Asset Management Committee (“KDO Asset Management Committee”) that is the body for discussing matters related to asset management of the Office REIT Department, as well as a Compliance Committee which is the body responsible for discussing compliance matters. Moreover, please refer to 1. (1) above concerning the Compliance Officer / Compliance Department and Compliance Committee.

#### Outline of Each Organization in the Asset Management Company

The principal operations for each organization are as follows. While the organizations and institutions indicated above are engaged in the asset management and other operations for Kenedix Residential Next Investment Corporation, Kenedix Private Investment Corporation and Kenedix Retail REIT Corporation as well as in the asset management of the Investment Corporation, the following descriptions are primarily for items related to the asset management of the Investment Corporation.

Name of Department	Separation of Duties
Office REIT Department	<p>Overall asset management business for the Investment Corporation</p> <p>a. Asset Investment Division</p> <ul style="list-style-type: none"> <li>i. Items related to establishment and changes of the Investment Corporation's management guidelines</li> <li>ii. Items related to the acquisition of assets concerning the KDO Asset Management Business</li> <li>iii. Items related to the disposal of assets concerning the KDO Asset Management Business (only items closely related to the acquisition of assets)</li> <li>iv. Items related to individual-based management of the Investment Corporation's investment management risks (acquisition of assets)</li> <li>v. Items related to research and analysis on the real estate market (related to the Investment Corporation)</li> <li>vi. Other incidental items above or related items</li> </ul> <p>b. Asset Management Division</p> <ul style="list-style-type: none"> <li>i. Items related to the asset management concerning the KDO Asset Management Business</li> <li>ii. Items related to establishment and changes of the Investment Corporation's property management plan</li> <li>iii. Items related to the management of budget and performance of real estate, etc. owned by the Investment Corporation</li> <li>iv. Items related to individual-based management of the Investment Corporation's investment management risks (asset management)</li> <li>v. Items related to individual-based management of the Investment Corporation's real estate management risks (management)</li> <li>vi. Items related to construction management for the Investment Corporation's real estate, etc. owned by the Investment Corporation</li> <li>vii. Items related to individual-based management of the Investment Corporation's real estate management risks (construction work)</li> <li>viii. Items related to the disposal of assets concerning the KDO Asset Management Business (excluding items closely related to the acquisition of assets)</li> <li>ix. Items related to individual-based management of the Investment Corporation's investment management risks (disposal of assets)</li> <li>x. Other incidental items above or related items</li> </ul>

Name of Department	Separation of Duties
Office REIT Department	<p>c. Planning Division</p> <ul style="list-style-type: none"> <li>i. Items related to direct financing such as the issuance of investment units and investment corporation bonds, out of items related to fund raising of the Investment Corporation</li> <li>ii. Items related to capital policy of the Investment Corporation</li> <li>iii. Items related to establishment and changes of the medium-term business plan of the Investment Corporation</li> <li>iv. Items related to establishment and changes of the annual business plan of the Investment Corporation</li> <li>v. Items related to IR activities of the Investment Corporation</li> <li>vi. Items related to disclosures of the Investment Corporation (including semi-annual report. Support by Finance &amp; Accounting Department for preparation of securities report and financial report)</li> <li>vii. Items related to research and analysis on the real estate investment trust market (related to the Investment Corporation)</li> <li>viii. Items related to the Investment Corporation's responses to unitholders (excluding items related to general unitholders meeting)</li> <li>ix. Items related to negotiations, etc. between regulatory authorities for matters of business duties (related to the Investment Corporation)</li> <li>x. Items related to responses, etc. to related organizations (related to the Investment Corporation)</li> <li>xi. Other incidental items above or related items</li> </ul>

Name of Department	Separation of Duties
Finance & Accounting Department	<p>Office REIT Department related business</p> <ul style="list-style-type: none"> <li>i. Items related to indirect financing such as borrowings from financial institutions, of the Investment Corporation</li> <li>ii. Items related to accounting and book closing of the Investment Corporation</li> <li>iii. Items related to preparation of securities report of the Investment Corporation</li> <li>iv. Items related to preparation of financial report of the Investment Corporation</li> <li>v. Items related to support for the Planning Division, Office REIT Department for semi-annual report of the Investment Corporation</li> <li>vi. Items related to budget compilation of the Investment Corporation</li> <li>vii. Items related to individual-based management of financial risks</li> <li>viii. Items related to negotiations, etc. between regulatory authorities for matters of business duties of the Investment Corporation</li> <li>ix. Other incidental items above or related items</li> </ul>

Name of Department	Separation of Duties
Business Administrative Department	<ul style="list-style-type: none"> <li>i. Items related to operation of general unitholders meeting and the board of directors' meeting of the Investment Corporation</li> <li>ii. Items related to operation of shareholders' meetings, board of directors' meetings and various committees of the Asset Management Company</li> <li>iii. Items related to general affairs, accounting and human resources</li> <li>iv. Items related to individual-based management of system risks, administrative risks and business continuity risks</li> <li>v. Items related to negotiations, etc. between regulatory authorities for matters of business duties (for the Asset Management Company)</li> <li>vi. Other incidental items above or related items</li> </ul>

Name of Department	Separation of Duties
Compliance Officer / Compliance Department	Please refer to above "1. Basic Information (1) Basic Policy Concerning Compliance"

Name of Department	Separation of Duties
Internal Audit Department	i. Items related to internal audit

#### KDO Asset Management Committee

Board	Head of Office REIT Department (Chairman), Head of Asset Investment Division, Office REIT Department, Head of Asset Management Division, Office REIT Department, Head of Planning Division, Office REIT Department, Compliance Officer, Head of Finance & Accounting Department, External Commission Member (Note)
Contents of Deliberation	<ul style="list-style-type: none"> <li>i. Items related to management policies concerning the KDO Asset Management Business (establishment, changes, etc. of the Office REIT Department's management guidelines, asset management plans, medium-term business plans and annual business plans)</li> <li>ii. Items related to acquisition and disposal of assets that fall under the KDO Asset Management Business</li> <li>iii. Items related to asset management that falls under the KDO Asset Management Business</li> <li>iv. Items related to development of the budget and financial results of the Investment Corporation</li> <li>v. Items related to fund procurement and ALM (Asset Liability Management) of the Investment Corporation</li> <li>vi. Items related to disclosures of the Investment Corporation</li> <li>vii. Items related to risk management that falls under the KDO Asset Management Business</li> <li>viii. Other items incidental or related to the above items</li> </ul>

Deliberation Method	<ul style="list-style-type: none"> <li>• Shall require more than two-thirds of Committee members to be present. However, the Head of Office REIT Department, the Compliance Officer and the External Commission Member (or the Head of Office REIT Department and the Compliance Officer if discussions and resolutions are made on the items designated in above iv. through vi. and items incidental or related to them) shall attend.</li> <li>• A resolution is passed by more than two-thirds of votes of the members present including the External Commission Member and Head of Office REIT Department.</li> <li>• For the resolutions, members who are related parties (including but not limited to the concurrent officers of related-party transactions as set forth in the Office REIT Department Related-party Transaction Rules. The same shall apply hereinafter.) are not allowed to participate in the vote. In this case, the relevant members are not included in the number of members and the number of members present.</li> <li>• Despite the above, if Head of Office REIT Department, the Compliance Officer or the External Commission Member falls under the members who are related parties regarding the resolutions, the KDO Asset Management Committee meeting may be held without the participation of the relevant members in the vote.</li> <li>• Despite the above, if the Head of Office REIT Department or the External Commission Member falls under the members who are related parties regarding the resolutions, resolutions may be made without obtaining consent of the relevant members.</li> <li>• If the Compliance Officer recognizes any proposal to have a material problem in terms of compliance, the Compliance Officer may return the provision to the department that proposed it even if it is under discussion.</li> </ul>
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Note: As of the date of this document, the External Commission Member is a real estate appraiser who is not a related party to the Asset Management Company, officers and employees of the Asset Management Company, the Investment Corporation that entrust asset management business to the Asset Management Company. With regards to the Compliance Committee, please refer to above “1. Basic Information (1) Basic Policy Concerning Compliance.”

### (3) Efforts surrounding Conflict of Interest Transactions, etc.

#### ① Response Policy and Management Structure against Conflict of Interest Transactions

To conduct transactions related to the asset management business for the Investment Corporation, the Asset Management Company has established regulations that are voluntary rules for transactions with the Asset Management Company or related parties (hereafter, the “Office REIT Department Related-party Transaction Rules”), as outlined below, and stringently established the decision-making process for conducting transactions with related parties as described in (iv) below.

#### (i) Compliance with the Law

The Asset Management Company, acting among the Investment Corporation, related parties or the Asset Management Company, must not be engaged in unnecessary business or business that would have a negative impact on the Investment Corporation’s profits. In the event that it has dealings with a related party or the Investment Corporation, the Asset Management Company will comply with the clauses concerning dealings with related parties contained within the Financial Instruments and Exchange Act, Act on the Investment Trusts and Investment Corporations (“the Investment Trust Act,” Law No. 480 of 2000 as amended thereafter), the Enforcement Order of the Investment Trust Act, the Enforcement Ordinance of the Investment Trust Act, Real Estate Brokerage Act (“the Real Estate Brokerage Act,” Law No. 176 of 1952 and any amendments thereto) and the Office REIT Department Related-party Transaction Rules.

#### (ii) Related Parties

A related party is defined as follows:

- i. A related party or directors as defined under the Investment Trust Act and the Enforcement Order of the Investment Trust Act

- ii. Investment corporations other than the Investment Corporation with which the Asset Management Company has executed asset management agreements
- iii. Special Purpose Companies in which parties defined in i. or ii. above have majority ownership, investments in *tokumei-kumiai* or preferential equity participation
- iv. Entities that entrust asset management operations to parties falling into categories i. or ii.

(iii) Related-party Transactions

The Office REIT Department Related-party Transaction Rules provide the following terms and conditions for transactions with related parties or between the Asset Management Company and the Investment Corporation. Those that meet verification terms and conditions over and above legal and regulatory criteria, and present no financial drawbacks for the Investment Corporation when compared with normal transactions of a similar nature, undergo rigorous checks carried out by the Compliance Committee.

i. Acquisition of Real Estate-related

- a. In the event of real estate, real estate leasehold rights, land rights or easements, or trust beneficiary interests in real estate, real estate leasehold rights, land rights or easements (hereinafter “Real Estate-related” in some cases) being acquired from a related party or the Asset Management Company, these will not be acquired for more than an appraisal value (hereinafter, “appraisal value determined by a third-party appraiser”) determined by an real estate appraiser who is not a related party (including corporates, the same applies below). However, the appraisal value determined by a third-party appraiser represents the base price of the property, and does not include taxes, acquisition-related expenses, expenses for creation of trust, reserves in the trust accounts, income from assets in trust, settlement of time distribution of property taxes, etc.
- b. Despite a. above, if the Investment Corporation utilizes the warehousing set forth in the Support-Line Memorandum of Understanding, which is concluded among the Asset Management Company, Kenedix, Inc., Kenedix Investment Partners, Inc. and the Investment Corporation, to acquire the Real Estate-related from Kenedix, Inc. or corporations wholly owned by Kenedix, Inc. or warehousing funds for which Kenedix Investment Partners, Inc. performs consigned asset management operations, the Investment Corporation may acquire the Real Estate-related in return for the expenses associated with the warehousing service and the appraisal value determined by a third-party appraiser for acquisitions.
- c. As a rule, no Real Estate-related will be acquired from investment corporations other than the Investment Corporation with which the Asset Management Company has executed asset management agreements.
- d. In the event of assets other than the Real Estate-related (excluding investment in equity in *tokumei-kumiai* pertaining to real estate or securities backed by real estate) being acquired from a related party or the Asset Management Company, the actual cash value shall be ascertained, or otherwise based on a. above.
- e. In the event that a decision is made to acquire the Real Estate-related from a related party or the Asset Management Company based on a. to d. above, this will be disclosed without delay.

ii. Disposal of Real Estate-related

- a. In the event of Real Estate-related being transferred to a related party or the Asset Management Company, it will not be transferred for less than the appraisal value determined by a third-party appraiser. However, the appraisal value determined by a third-party appraiser represents the base price of the property, and does not include taxes, transfer-related expenses, expenses for creation of trust, reserves in the trust accounts, income from assets in trust, settlement of time distribution of property taxes, etc.
- b. As a rule, no Real Estate-related will be transferred to investment corporations other than the Investment Corporation with which the Asset Management Company has executed asset management agreements.
- c. In the event of assets other than Real Estate-related being transferred to a related party or the Asset Management Company, the actual cash value shall be ascertained, or otherwise based on a. above.



- d. In the event that a decision is made to transfer Real Estate-related to a related party or the Asset Management Company based on a. to c. above, this will be disclosed without delay.
- iii. Real Estate Leaseholds (Except a monthly rent of less than 100,000 yen per contract)
- a. In the event of leasing real estate to a related party or the Asset Management Company, the market value, market rate for the area, will be examined, as well as independent third parties' written opinion referred to, as it must be leased under conditions deemed to be fair and appropriate.
  - b. As a rule, no property will be leased to investment corporations other than the Investment Corporation with which the Asset Management Company has executed asset management agreements.
  - c. In the event that a decision is made to lease property to a related party or the Asset Management Company based on a. and b. above, this will be disclosed without delay.
- iv. Entrustment of Acquisition, Disposition and Leasing Intermediary Business of Real Estate-related
- a. In the event of entrusting the intermediary of the acquisition or disposition of real estate-related to the related parties, remuneration shall be within a range stipulated by the Real Estate Brokerage Act and shall be determined following consideration of the amount of the sales price, the degree of difficulty of the operations and other factors.
  - b. In the event of entrusting the intermediary of the leasing of specified assets to related parties or the Asset Management Company, remuneration shall be within a range stipulated by the Real Estate Brokerage Act and shall be determined following consideration of the rent level, the degree of difficulty of the operations and other factors.
  - c. In the event that a decision is made to carry out entrustment of the intermediary for a related party or the Asset Management Company based on a. and b. above, this will be disclosed without delay.
- v. Entrustment of Real Estate Property Management Business
- a. In the event of entrustment of real estate property management business for a related party or the Asset Management Company, their past performance, company credit rating will be examined and the commission fees decided, taking into account the market level of the commission fee, content and overall extent of the services offered.
  - b. With regard to acquired properties, in the event that a related party is already active in the real estate property management business, the post-acquisition management of the real estate will be awarded to the aforementioned related party, but the commission fees will be decided based on a. above.
  - c. As a rule, the real estate property management business will not be entrusted to investment corporations other than the Investment Corporation with which the Asset Management Company has executed asset management agreements.
  - d. In the event that a decision is made to entrust real estate property management business as defined in a. to c. above to related parties or the Asset Management Company, this will be disclosed without delay.
- vi. Orders of Construction Works, etc. (Except less than 10.0 million yen per order)
- a. In the event of placing an order for construction work to a related party or the Asset Management Company over and above obtaining and comparing estimates from third parties, orders for construction work will be placed under conditions deemed to be fair and appropriate.
  - b. In the event that a decision is made to place an order for construction work to a related party or the Asset Management Company based on a. above, this will be disclosed at each period by construction work.

vii. Investment in Equity in *Tokumei-kumiai*, etc.

a. If the Investment Corporation wishes to invest in equity in *tokumei-kumiai* pertaining to real estate or securities backed by real estate and any of the following conditions apply, it may not make such investment unless the acquisition price of the Real Estate-related to be acquired by the operator of the *tokumei-kumiai* or issuer of securities backed by real estate (hereinafter collectively referred to as “Invested Entity”) is below the appraisal value determined by a third party.

① If the Invested Entity is a related party

② If the Invested Entity is to acquire Real Estate-related from a related party

However, the acquisition price or the appraisal value determined by a third-party appraiser represents the base price of the property, and does not include taxes, acquisition-related expenses, expenses for creation of trust, reserves in the trust accounts, income from assets in trust, settlement of time distribution of property taxes, etc.

b. If the Invested Entity is to acquire several Real Estate-related, the above a. judgment must be made through the total acquisition price and total appraisal value determined by a third-party appraiser.

c. In the event of making a decision to carry out investment in equity in *tokumei-kumiai* pertaining to real estate or securities backed by real estate based on a. above, this will be disclosed without delay.

viii. Acquisition, Disposition or Lease of the Securities

In the event of acquiring, disposing of or leasing the securities with related parties (excluding the transaction stated above (i) to (iii) and (vii)), items stated above (i) to (iii) and (vii) are applied.

(iv) Procedures for conducting transactions with related parties

In the event of business being conducted with related parties or between the Asset Management Company and the Investment Corporation, in accordance with internal rules and regulations stated above (i) and in response to the details of the transaction, the following procedures will be adhered to:

i. Transactions that Falls Under (iii) i. to iii. or vi. to viii. Above

a. After proposed by Office REIT Department, if no points are deemed to be at issue from the Compliance Officer’s assessment, a proposal will be submitted to the Compliance Committee.

b. If authorization is granted after deliberation by the Compliance Committee, the proposal will be further deliberated by the KDO Asset Management Committee. Upon the deliberation by the KDO Asset Management Committee, the Compliance Officer shall make a report concerning the findings and the course of the deliberation of the Compliance Committee.

c. If authorization is granted after deliberation by the KDO Asset Management Committee, the Investment Corporation’s Board of Directors will be requested to conduct deliberation and the proposed transaction shall be granted with the authorization and consent of the Executive Directors of the Investment Corporation based on the resolution. However, if the transaction falls under transactions, etc. stipulated in Article 245-2 of the Enforcement Ordinance of the Investment Trust Act (excluding when previous owner’s holding period of the real estate, etc. was less than one year in the case the transaction is an acquisition of real estate, etc.), authorization by the Investment Corporation’s Board of Directors or the consent of the Executive Directors of the Investment Corporation based on the resolution shall not be required, and the proposed transaction shall be conducted based on the authorization granted by the KDO Asset Management Committee. In the event of making a decision to carry out investment in equity in *tokumei-kumiai* which is defined in a. above, this will be disclosed without delay.

- d. The proposed transaction shall be conducted if authorization is granted after deliberation by the Investment Corporation's Board of Directors and consent of the Executive Directors of the Investment Corporation was given based on the resolution.
  - e. If authorization is granted to the proposed transaction by the Investment Corporation's Board of Directors and consent of the Executive Directors of the Investment Corporation was given based on the resolution, or when the transaction shall be conducted based on the proviso in c. above, the Compliance Officer shall report the summary to the Board of Directors.
- ii. Transactions that Fall Under (iii) iv. or v. Above
- a. After proposed by Office REIT Department, if no points are deemed to be at issue from the Compliance Officer's assessment, a proposal will be submitted to the Compliance Committee.
  - b. If authorization is granted after deliberation by the Compliance Committee, the proposal will be further deliberated by the KDO Asset Management Committee. Upon deliberation by the KDO Asset Management Committee, the Compliance Officer shall make a report concerning the findings and the course of the deliberation of the Compliance Committee.
  - c. The proposed transaction shall be conducted if authorization is granted after deliberation by the KDO Asset Management Committee.
  - d. If authorization is granted to the proposed transaction by the KDO Asset Management Committee, the Compliance Officer shall report the summary of the authorization to the Board of Director

(v) Reporting to the Investment Corporation

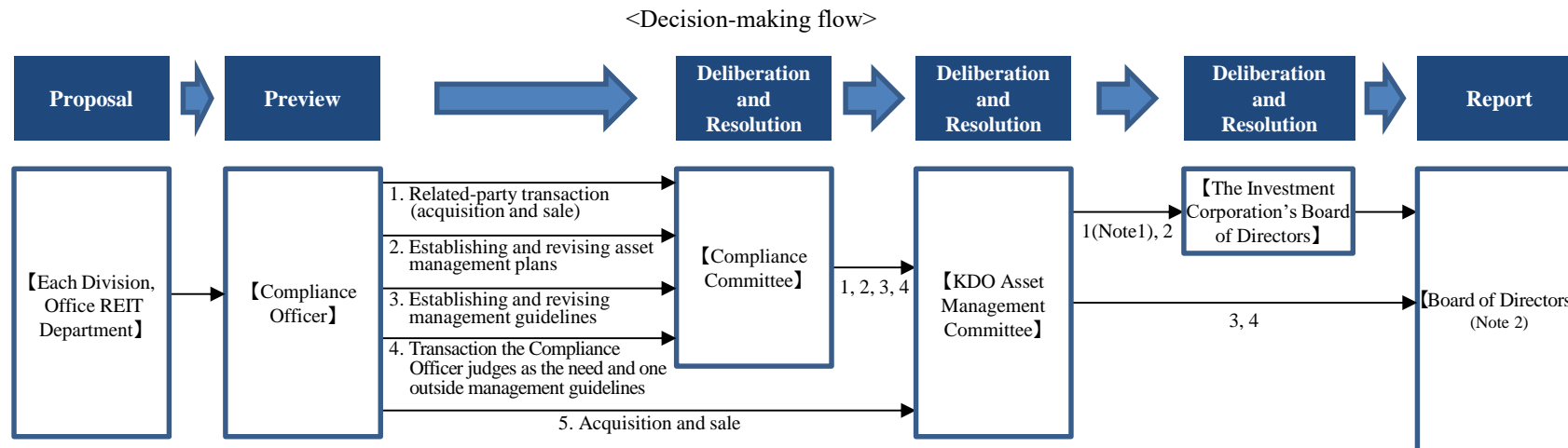
In the event the Investment Corporation is engaged, under instruction of the Asset Management Company, in the purchase and sale of specified assets and other transactions stipulated in the Enforcement Order of the Investment Trust Act with the Asset Management Company or directors of the Asset Management Company or executive officer, other investment corporations to which the Asset Management Company provides asset management services, related parties and other parties stipulated in the Enforcement Order of the Investment Trust Act, the Asset Management Company shall, pursuant to the provisions of the Enforcement Ordinance of the Investment Trust Act, provide a written report describing matters relating to the aforementioned transactions to the Investment Corporation, other investment corporations to which the Asset Management Company provides asset management services (limited to those that invest in similar asset types as the relevant specified assets) and other parties stipulated in the Enforcement Order of the Investment Trust Act.

(vi) Decision-Making Body for Investment Management

As an asset management company entrusted with asset management by the Investment Corporation, the Asset Management Company establishes management guidelines of the Office REIT Department (hereafter may be referred to as the "Management Guidelines"), and sets forth basic investment management guidelines, including investment policy, related-party transaction rules, distribution policy and disclosure policy, regarding the asset management of the Investment Corporation.

Furthermore, as set forth in the management guidelines, the Asset Management Company establishes asset management plans, etc. (besides asset management plans, including medium-term business plans and annual business plans). It also selects investment property and makes decisions to acquire them, according to investment policy set forth in the management guidelines and related-party transaction rules.

The basic decision-making flow for establishing and revising management guidelines and asset management plans, etc. are shown below. Also, the basic decision-making flow pertaining to acquisition and sales of assets are shown below.



Note 1: In case that the said transaction falls under the prescribed minor transaction, the said transaction is implemented with the resolution of approval of KDO Asset Management Committee, without requirement of the resolution for approval of the Investment Corporation's Board of Directors and the consent of the Executive Director of the Investment Corporation based on the said resolution.

Note 2: The above 3 and 4 are also reported to the Investment Corporation's Board of Directors.

② Reasons for adopting the Management Structure

(i) Role that the Executive Director of the Investment Corporation plays with respect to a transaction with potential conflicts of interests

Please refer to abovementioned “(1) Investment Corporation ② Reasons why Executive Director of the Investment Corporation concurrently holding the position of officers and employees of the Asset Management Company and Measures for Relationships involving Conflicts of Interests,” for further details.

(ii) Role that the Board of Directors plays with respect to a transaction with potential conflicts of interests

The board of directors of the Asset Management Company is comprised of 6 directors and 4 auditors. (Please refer to above mentioned (2) Asset Management Company ① Directors of the Asset Management Company for details.) Out of 4 part-time auditors, 2 holds concurrent position as full-time auditor of the sponsor company and the other 2 hold concurrent position as part-time auditor of the sponsor company.

In the Office REIT Department Related-party Transaction Rules for the Asset Management Company, it is stated that it must not be engaged in transactions with related parties that damage the interest of the Investment Corporation or in unnecessary transactions.

Transactions with a related party stipulated in the company regulations of the Asset Management Company may not be submitted to the Investment Corporation's board of directors meeting unless it has been approved by the Compliance Committee. We believe that our check-and-balance system is working well, since approval by the Compliance Committee involves strict procedures, as mentioned in the above “(3). Efforts surrounding Conflict of Interest Transactions, etc. ① Response Policy and Management Structure for Conflict of Interest Transactions, (iv) Procedures for Conducting Transactions with Related Parties.”

(iii) Details concerning External Commission Member of the Compliance Committee

The External Commission Member of the Compliance Committee is Akitoshi Ishimoto, a lawyer who is not a related party to the sponsor company group. We receive his opinions as he is a professional in law who is endowed with abundant knowledge and experience. Furthermore, the Committee is structured so that decisions by the Committee are approved only by a unanimous vote by all who are present. As such, we believe that the check-and-balance system comprising an External Commission Member is working well over matters related to conflict of interest transactions. Details concerning brief personal history and status of concurrent position are as follows.

Name	Brief Personal History (Company names etc. at that time)	
Akitoshi Ishimoto (Lawyer)	April 1990	Registered as an attorney-at-law (Tokyo Bar Association) Joined Takao Ono Law Office
	April 2000	Akitoshi Ishimoto Law Office (current position)
	February 2005	Compliance Committee External Member, Kenedix REIT Management, Inc.
	April 2007	Outside auditor, Ai Holdings Corporation (current position)
	September 2007	Outside director, HOUSECOM CORPORATION (current position)
	October 2013	Compliance Committee External Member, Kenedix Real Estate Fund Management, Inc. (current position)

(iv) Details concerning Compliance Officer

The Compliance Officer is expected to fulfill duties regarding conflict of interest transactions and compliance with laws and regulations, according to organizational rules and compliance regulations as mentioned in “1. Basic Information, (1) Basic Policy Concerning Compliance, ② The Asset Management Company’s basic policy concerning compliance, points of concern and characteristics of management structure, etc. as an asset management company” above. As a person responsible for compliance with laws and regulations according to the compliance manuals, the Compliance Officer functions as a “Leader responsible for promoting compliance with laws and regulations, etc.,” “Planning for guidance and training, and promoting leader pertaining to compliance with laws and regulations, etc.,” “Planning and promoting compliance programs,” “Appropriately hosting and management of Compliance Committee meetings as head of the Committee,” and “Investigation and research of related laws and regulations.”

The personal history of the Compliance Officer who took office on October 1, 2014, is as follows. Moreover, he does not hold concurrent positions or duties within the company.

Name	Brief Personal History (Company names etc. at that time)	
Shoji Higashi	April 1984	Joined Mori Building Co., Ltd.
	April 1988	Transferred to Legal Division
	August 1999	MORI TRUST CO., LTD. Senior Vice Manager of General Affairs Department, Legal Section
	July 2000	Manager of General Affairs Department, Legal Section
	December 2000	Manager of President's Office
	February 2001	General Electric International, Inc. External assignment to GE Real Estate Corporation Senior Operation Manager
	August 2002	GE Real Estate Corporation Senior Operation Manager
	September 2006	Managing Director Head of Legal and Management Division
	January 2009	GE Capital Japan Managing Executive Officer of Real Estate Business Leader of Operation Risk Management Division
	October 2014	Kenedix Real Estate Fund Management, Inc. Head of Compliance Department and Compliance Officer (current position)

### 3. Transactions with those who are related to sponsors and other parties

#### (1) Transactions with related parties, etc.

##### ① Status of the Transaction

None applicable.

##### ② Fees

Classification	Total Payment of Fee (A) (Millions of Yen)	Breakdown of Transactions with Related Parties etc.		Ratio
		Payee	Payment Amount (B) (Millions of Yen)	(B/A) %
Real Estate Survey Report Preparation Fee	8	Kenedix, Inc.	8	100.0
Property Management Fee	603	Kenedix Property Management, Inc.	558	92.5

Note: The payment amount on repair works ordered to related parties in the fiscal period except the above-mentioned total payment of fee, etc. is as follows. In addition, the following figures have not been audited by independent auditors.

Kenedix Engineering, Inc.: Capex work (27 million yen), Repair work (38 million yen)

In addition, the details of the property management fees paid to Kenedix Property Management, Inc. are as follows.

i. Leasing Management Fees: Rental income x 2% + real estate operating income after management overhead expenses and before depreciation x 2%

ii. Management Transfer Fees: Set based on the property purchase price or sale price, as shown in the table below.

Property (Trust Beneficiary Interest) Price	Management Transfer Fees (At the time of Purchase and Sale)
Less than 1.0 billion yen	1.8 million yen
1.0 billion yen and more, and less than 3.0 billion yen	2.0 million yen
3.0 billion yen and more, and less than 5.0 billion yen	2.2 million yen
5.0 billion yen and more, and less than 10.0 billion yen	2.4 million yen
10.0 billion yen or more	2.5 million yen

iii. Construction Supervision Fees: Set based on the construction price, as shown in the table below.

Construction price	Construction Supervision Fees
Less than 1 million yen	None
1 million yen and more, and less than 5 million yen	5% of construction price
5 million yen and more, and less than 10 million yen	250,000 yen + 4% of the amount of construction price that exceeds 5 million yen
10 million yen and more, and less than 100 million yen	450,000 yen + 3% of the amount of construction price that exceeds 10 million yen
100 million yen or more	Negotiated on a case by case basis

iv. Brokerage Fee

In the case that the Property Management Company itself acted as the broker for tenants (including expansion of floor area by existing tenants), a brokerage fee of up to an amount equivalent to one month's rent shall be paid.

v. Renewal of Lease Agreement Fee

The fee shall be paid in accordance with the lease agreement renewal condition.

③ Lease Transactions

Classification	Total Income (A) (Millions of Yen)	Incomes from Related Parties, etc.		Ratio
		Related Party	Income (B) (Millions of Yen)	(B/A) %
Rent revenue (leasing income, common area charges)	12,730	Space Design, Inc.	29	0.2%
		Asset One Co., Ltd.	19	0.2%
		Japan Senior Living Partners, Inc.	2	0.0%

\*The figures in the above table have not been audited by independent auditors. In addition, "Ratio" is shown as rounded to the first decimal place.

(2) Status of Acquirer of Properties

① Company name ② Relationship to specified related party ③ Background, reason and others for sale

None applicable.



4. Others

(1) Policies to Select Appraisers and their Overview

① Policies for Selection of Appraisers

The Asset Management Company selects candidates for real estate appraisers (company given comprehensive approval) upon condition that the following criteria are met: the fact that the company is not a related party to the Investment Corporation, and that it is a major real estate appraiser who has an abundant track record and a good social reputation. Moreover, the following 5 companies are the companies given comprehensive approval as of the date of this document.

- Japan Real Estate Institute
- Daiwa Real Estate Appraisal Co., Ltd.
- Tanizawa Sogo Appraisal Co., Ltd.
- JLL Morii Valuation & Advisory K.K.
- Rich Appraisal Institute Co., Ltd

② Summary of Appraisers for the Properties held as of the End of Twenty-seventh Fiscal Period

as of October 31, 2018

Property Name	Details of the Appraiser			
	Name	Address	No. of Qualified Appraisers (excluding assistants)	Reasons for Selection
A-3 Higashi-Kayabacho Yuraku Building A-6 Harajuku F.F. Building A-7 KDX Minami Aoyama Building A-13 KDX Kojimachi Building A-14 KDX Funabashi Building A-16 Toshin 24 Building A-17 KDX Ebisu Building A-20 KDX Kayabacho Building A-21 KDX Shinbashi Building A-22 KDX Shin-Yokohama Building A-26 KDX Kiba Building A-30 KDX Nishi-Gotanda Building A-32 KDX Shiba Daimon Building A-37 KDX Ochanomizu Building A-38 KDX Nishi-Shinjuku Building A-41 KDX Shinjuku 286 Building A-48 KDX Kawasaki-Ekimae Hon-cho Building A-51 KDX Hamacho Nakanohashi Building A-53 KDX Hakata-Minami Building A-54 KDX Kitahama Building A-55 Shin-toshin Maruzen Building A-56 KDX Jimbocho Building A-59 KDX Iwamoto-cho Building A-60 KDX Harumi Building A-62 Koishikawa TG Building A-63 KDX Gotanda Building A-64 KDX Nihonbashi 216 Building A-66 KDX Shinjuku Building	Japan Real Estate Institute	1-2-3 Kaigan, Minato-ku, Tokyo, 105-0022	267 appraisers	The company on the left is a major appraiser with an abundant track record. It also has a high degree of awareness of real estate market trends of major cities in Japan and has a good social reputation so that we selected it. For each individual property, we select appraisers based on the assessment of their amount of concentration of operations and business reliability, etc. at the time of making a request.

Property Name	Details of the Appraiser			
	Name	Address	No. of Qualified Appraisers (excluding assistants)	Reasons for Selection
A-69 KDX Kobayashi-Doshomachi Building A-78 KDX Tachikawa Ekimae Building A-79 KDX Nagoya Ekimae Building A-84 KDX Kasuga Building A-89 KDX Takanawadai Building A-91 KDX Mita Building A-92 KDX Akihabara Building A-94 KDX Musashi-Kosugi Building A-98 KDX Hiroshima Building A-104 KDX Minami-Honmachi Building A-107 KDX Ginza East Building A-111 KDX Nagoya Nichigin-mae Building A-112 KDX Toranomom 1chome Building A-113 KDX Shin-Nihonbashi Ekimae Building A-114 KDX Nihonbashi Edo-dori Building A-117 BR Gotanda A-120 KDX Yoyogi Building A-121 Ginza 4chome Tower C-1 Frame Jinnan-zaka				
A-1 KDX Nihonbashi 313 Building A-4 KDX Hatchobori Building A-5 KDX Nakano-Sakaue Building A-8 Kanda Kihara Building A-12 Portus Center Building A-19 KDX Hamamatsucho Building A-27 KDX Kajicho Building A-29 KDX Higashi-Shinjuku Building A-31 KDX Monzen-Nakacho Building A-33 KDX Okachimachi Building A-34 KDX Hon-Atsugi Building A-35 KDX Hachioji Building A-42 KDX Karasuma Building A-44 KDX Sendai Building A-46 Hiei Kudan-Kita Building A-58 KDX Nagoya Sakae Building A-67 KDX Ginza 1chome Building A-68 KDX Nihonbashi Honcho Building A-70 KDX Sapporo Building A-71 KDX Iidabashi Building A-72 KDX Higashi Shinagawa Building A-73 KDX Hakozaki Building A-74 KDX Shin Nihonbashi Building A-82 KDX Higashi Umeda Building A-83 KDX Fuchu Building	Daiwa Real Estate Appraisal Co., Ltd.	1-4-1 Nishihonmachi, Nishi-ku, Osaka, Osaka, 550-0005	109 appraisers	The company on the left is a major appraiser with an abundant track record. It also has a high degree of awareness of real estate market trends of major cities in Japan and has a good social reputation so that we selected it. For each individual property, we select appraisers based on the assessment of their amount of concentration of operations and business reliability, etc. at the time of making a request.

Property Name	Details of the Appraiser			
	Name	Address	No. of Qualified Appraisers (excluding assistants)	Reasons for Selection
A-85 KDX Nakameguro Building				
A-86 KDX Omiya Building				
A-87 Itopia Nihonbashi SA Building				
A-88 KDX Shinjuku 6-chome Building				
A-90 KDX Ikebukuro Building				
A-93 KDX Iidabashi Square				
A-95 KDX Toyosu Grand Square				
A-96 KDX Takadanobaba Building				
A-97 KDX Utsunomiya Building				
A-99 KDX Ikebukuro West Building				
A-100 Senri Life Science Center Building				
A-101 KDX Yokohama Building				
A-102 KDX Yokohama Nishiguchi Building				
A-106 KDX Sakura-dori Building				
A-108 Pentel Building				
A-109 KDX Hamamatsucho Center Building				
A-110 KDX Shin-Osaka Building				
A-115 ARK Mori Building				
A-116 KDX Nishi-Shinbashi Building				
A-118 KDX Sapporo Kitaguchi Building				
A-119 KDX Shibuya Nanpeidai Building				
A-122 Mitsubishijuko Yokohama Building				
A-123 JN Building				
A-124 CROSS PLACE Hamamatsucho				
D-2 Shinjuku 6chome Building (Land)				

(2) Policies to Select a Company to Prepare an Engineering Report and their Overview

① Policies for Selection of a Company to Prepare an Engineering Report

The Asset Management Company selects candidates for companies to prepare engineering reports (company given comprehensive approval) upon condition that the following criteria are met: the fact that the company is not a related party to the Investment Corporation, and that it has an abundant track record and history. Moreover, the following 6 companies are the companies given comprehensive approval as of the date of this document.

- TOKYO MARINE & NICHIDO RISK CONSULTING CO., LTD.
- HI International Consultant Co., LTD.
- Sompo Risk Management Inc.
- ERI Solution Co., Ltd.
- Daiwa Real Estate Appraisal Co., Ltd.
- K.K. Field Partners

② Summary of the Company to Prepare Engineering Reports

Property Name	Summary of Engineering Report Creation Agency			
	Name	Address	Business Content	Reasons for Selection
A-124 CROSS PLACE Hamamatsucho	TOKYO MARINE & NICHIDO RISK CONSULTING CO., LTD.	1-5-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004	In order to calculate a reasonable value for real estate transactions and securitization; determine the code compliance and state of deterioration of the building and facilities, estimating the repair costs, calculating the reasonableness of the structural calculations and probable maximum loss (PML value) from the standpoint of seismic risk, and the risk of contamination from harmful substances like asbestos and PCB from environmental aspect. Furthermore, risk of soil or groundwater contamination etc., comprehensively inspects and diagnoses those risks and proposes the necessary countermeasures.	The company has been selected because of its achievements and experience in providing property due diligence services since the dawn of the real estate securitization industry in Japan, the credibility of its reports.

(3) Other Transactions that May Have Potential Perceived Conflicts of Interests

There are no relevant items during the twenty-seventh fiscal period.

#### (4) Details of the IR Activities

We promote on disclosure of information and IR activities based on the following basic policy.

##### ① Basic Policies with respect to IR activities

- Proactive IR activities to provide information to wide range of investors and related parties.
- Disclose information as promptly and accurately as possible.
- Make revisions to the information disclosure system when needed.

##### ② Disclosure of Information in Timely Manner

- Registration with TDnet of Tokyo Stock Exchange and timely disclosure of information through press releases.
- Disclosure of “Information concerning resolved fact” and “Information concerning facts that occurred” adequately.

##### ③ IR Activities

(i) Disclosure of Information through the Investment Corporation’s website

(ii) Various Meetings

- Presentation of financial results with the analysts, domestic institutional investors and lenders.
- Seminars and meetings for individual investors through the events sponsored by Tokyo Stock Exchange, Inc, ARES and securities companies, etc.

(iii) Presentation of Financial Results for Investors

- Financial IR activities mainly by individual meetings for domestic and foreign institutional investors.
- Individual meetings and small group meetings targeting lenders and bond investors.

(iv) Property Tour

- Property tour for the institutional investors, lenders and bond investors.

(v) Response to Various Medias (Magazines, Newspaper, Website, etc.)

##### ④ Outline of IR Procedures

We establish IR methods that match the IR target in view of the composition of unitholders (ratio of units owned (unitholder attribute-based), number of unitholders (unitholder attribute-based) and trading volume, etc.).

##### ⑤ Structure

Duties concerning disclosure of information are handled by the Planning Division, Office REIT Department and the Head of the Planning Division, Office REIT Department is the responsible person.

#### (5) Establishment of a Structure for Eliminating Antisocial Forces

The Asset Management Company has established a manual on how to respond to antisocial forces, preempt violence from antisocial forces, clarify how to respond as an organization and ensure that there are no relations or dealings with antisocial forces as well as no use of antisocial forces. Furthermore, the company has designated the company personnel who are responsible for preventing unreasonable requests and holds company seminars for all officers and employees as a part of efforts to disseminate knowledge and promote thorough compliance of the manual, etc. on how to respond to antisocial forces.