

October 24, 2022

Diamond Realty Management Inc.

**Announcement Concerning the Commencement of Expansion Construction on a Property Owned by DREAM Private REIT, Inc. (Shinyamashita Logistics Center)**

DREAM Private REIT Inc. ("DPR"), for which Diamond Realty Management Inc. has been entrusted with asset management operations, has been considering expansion of an annex on the premises of its Shinyamashita Logistics Center ("the Property"), utilizing the excess floor area ratio, based on the lessee's desire to expand the floor space.

Based on the above study, DPR has decided to start construction of a new annex building (the "Expansion Project"), and has obtained a certificate of confirmation on August 10, 2022, and started construction of the Expansion Project on September 1, 2022.

This is the first expansion of a DPR-owned property, and the Expansion Project is expected to be a concrete example of the acquisition of a prime asset in a market where property prices are soaring.



1. Outline of this Expansion Project

This Expansion Project aims to improve profitability and achieve long-term stable income by expanding the building by utilizing excess floor space based on the superiority of the property's location and the lessee's need for additional floor space.

The Property is a logistics facility located in Naka-ku, Yokohama City, with excellent access to the nearby Port of Yokohama, as well as the Port of Kawasaki, the Port of Tokyo, and Haneda Airport, and in addition, because of the major consumption areas such as Yokohama City, Kawasaki City, and Tokyo in its backyard, the Property is highly convenient as a large-scale collection and delivery base with broad jurisdiction. Furthermore, the Property is currently used as a logistics facility for imported goods by a major furniture company, a lessee's shipper, and is one of the top container handling facilities in the Port of Yokohama (approximately 17,000 containers per year). DPR highly evaluated the Property's location and decided to acquire it as a seed property at the start of operations in 2012. Since then, the occupancy rate has remained at 100%, and the Property has contributed to DPR's total earnings.

In addition, as mentioned above, the Property has an unused portion of the floor area ratio, and market rents are expected to be earned by investing only in building construction costs associated with the construction of such unused portion without securing a new site, and thus, upon completion of this Expansion Project, income is expected to increase for the rent on the expansion building.

## 2. Outline of the expansion building

Type of property <sup>(*1)</sup>	Trust beneficiary right in real estate
Property name	DPR Shinyamashita Logistics Center Expansion Project <sup>(*2)</sup>
Location	Shinyamashita, Naka-ku, Yokohama City, Kanagawa
Application	Logistics facilities
Total Floor Area	11,775.69 m <sup>2</sup>
Structure	Steel-framed ground, 3 floors above ground <sup>(*3)</sup>
Building Specifications for Sustainability Building	<ul style="list-style-type: none"> <li>• Power saving by LED lighting inside buildings</li> <li>• Cubicle ( Electricity receiving and transforming equipment ) installation <sup>(*3)</sup> on the deck on the second floor of the expansion building</li> <li>• Rooftop greening</li> <li>• Establishment of parking facilities for people with disabilities</li> </ul> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div>
Scheduled date of completion	July 31, 2023

(Note 1) DPR will acquire the expansion building as real estate and entrust additionally on the same date.

(Note 2) The property name of the expansion building is scheduled to be "Shinyamashita Logistics Center Annex."

(Note 3) Cubicles (power receiving and transforming equipment) for the expansion building will be installed on the second floor deck to reduce flood damage in the event of a disaster.

## 3. Schedule (planned)

September 1, 2022	Construction started
July 31, 2023	Delivery of construction completed
August 1, 2023	Start of operation

[Location Map]



(NOTE)The aerial photographs of Google map are processed by an asset-management company.



[Image Perspective]



**【Outline of Diamond Realty Management Inc.】**

Head Office: 2-16-1 Hirakawa-cho, Chiyoda-ku, Tokyo

Business Services: Sales of private real estate funds/ real estate management business/  
advisory & consulting services

Shareholder: Wholly owned by Mitsubishi Corp .

Representative: Ryuta Takeuchi, President and CEO

Establishment: 2004 years

Number of employees: 97 (as of the end of August, 2022)

**【For Comments or Inquiries on this Press Release】** ]

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