MASTER FUND
野村不動産マスターファンド投資法人

[For Translation Purposes Only]

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For Immediate Release

To Whom It May Concern

Nomura Real Estate Master Fund, Inc.
Securities Code: 3462
Shuhei Yoshida, Executive Director
Asset Management Company:
Nomura Real Estate Asset Management Co., Ltd.
Masaomi Katayama, President & Chief Executive Officer
Inquiries: Yuichi Kaneyama
General Manager of Fund Management Department
Listed REIT Investment Management Group
TEL +81-3-6271-9627 nmf3462@nomura-re.co.jp

Notice Concerning Acquisition of Property in Japan

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

1. Summary of Asset to Be Acquired

Property Name	Use	Scheduled Date of Purchase and Sales Agreement	Scheduled Date of Acquisition	Seller	Presence of Intermediary	Anticipated Acquisition Price (¥ million) (Note 1)
Best Western Hotel Fino Tokyo Akasaka (Note 2)	Hotels	August 20, 2026	September 1, 2026	ICHIKEN Co., Ltd.	No	8,700

(Note 1) The amount stated excludes acquisition related costs, property tax, city planning tax, consumption tax and local consumption tax.

(Note 2) The Asset to be Acquired is, as of today's date, a beneficial interest in trust of real property; however, following its acquisition by the Fund, the trust agreement will be cancelled on the scheduled date of acquisition, and the real estate constituting the trust property will be acquired through distribution in kind.

The above property to be acquired is referred to hereinafter as the "Asset."

2. Reasons for the Acquisition

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

The Asset is a hotel situated a 3-minute walk from the Akasuka-mitsuke Station on the Tokyo Metro Ginza and Marunouchi Lines, and Akasaka Station on the Chiyoda Line. This area offers excellent access to major central business areas and major terminal stations within Tokyo, and is expected to attract a wide range of demand for accommodation from both tourists and business travelers. In 2024, the total number of overnight stays in Minato-ku was 8.08 million, of which 3.66 million were by international visitors, accounting for approximately 45% of the total (Note 1). Furthermore, Minato-ku has set a target of achieving a total of over 9 million overnight stays by 2026 (Note 1), and demand for accommodation, particularly from inbound tourists, is expected to continue to grow. Against the backdrop of this favorable environment, since the Asset operates under a fully variable rent agreement with the operator, it is possible to capitalize on the growth in demand for accommodation and improvements in average room rates and occupancy rates through increased rental income. Consequently, medium- to long-term revenue growth is anticipated, and we believe this will contribute to enhancing the Fund's profitability and the value of the Fund's portfolio.

Following the acquisition of the Asset, the Fund's hotel sector will comprise 9 properties with a total value of 37 billion yen (Note 2), accounting for 3.3% of the sector's total (Note 2). As all of these properties are situated in locations that rely on tourist resources, it is believed that robust domestic and international tourism demand will continue to provide a tailwind. Furthermore, the Acquisition will be funded using cash on hand.

Please refer to 3. Summary of Asset to be Acquired below for details of the reasons for acquisition of the Asset.

(Note 1) Source: Minato-ku's "Sightseeing movement basic investigation report which affects the next Minato City sightseeing promotion plan formulation"

(Note 2) Source: Minato-ku's "The 4th Minato City Tourism Promotion Plan (FY2024–FY2026)"

(Note 3) Based on the (anticipated) acquisition price

3. Summary of Asset to Be Acquired

Best Western Hotel Fino Tokyo Akasaka

<Reasons for the Acquisition>

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

- The Asset is situated a 3-minute walk from the Akasuka-mitsuke Station on the Tokyo Metro Ginza and Marunouchi Lines, and Akasaka Station on the Chiyoda Line, offering excellent transport links. With a wealth of restaurants and commercial facilities in the vicinity, and excellent access to major terminal stations within Tokyo, the property is well-suited as a base for inbound tourists (the primary target audience) during their stay in Japan. Moreover, given the concentration of embassies and office buildings in the surrounding area, as well as its proximity to the Kasumigaseki area, a hub for government offices, the property is also expected to benefit from steady demand from business travelers (the secondary target audience) on weekdays.
- The 87 guest rooms consist mainly of double rooms (approximately 86%) that can also accommodate two guests, alongside twin rooms, enabling the hotel to meet a wide range of demand for accommodation, including from inbound tourists and business travelers.
- The operator, Polaris Holdings Co., Ltd., has an operating platform comprising 124 properties and 17,476 rooms both domestically and internationally (including hotels scheduled to commence operations) as of June 30, 2026. It has also managed KOKO HOTEL Kyoto Sanjo and KOKO HOTEL Kanazawa Station, both of which are owned by the Fund.

<Summary of the Asset to be Acquired>

Property Name		Best Western Hotel Fino Tokyo Akasaka
Type of Asset		Real estate
Location (Note 1)	Registry	3-702 Akasaka, Minato-ku, Tokyo; and three other plots
	Street	3-7-12 Akasaka, Minato-ku, Tokyo
Access		3-minute walk from Akasaka-mitsuke Station on the Tokyo Metro Ginza and Marunouchi Lines 3-minute walk from Akasaka Station on the Tokyo Metro Chiyoda Line
Completion Date (Note 1)		March 18, 2020
Use (Note 1)		Hotel/retail
Structure (Note 1)		Thirteen-floor steel-framed reinforced structure with a flat roof, comprising one basement level
Architect		Asai Ken Architectural Research Inc. (First-Class Architect Office)
Builder		ICHIKEN Co., Ltd.
Building Inspection Agency		JAPAN ERI CO., LTD.
Area (Note 1)	Land	443.84 m^2

	Floor Area	2,384.56 m^2
Type of Ownership	Land	Ownership
	Floor Area	Ownership
Building Coverage Ratio		100%(Note 2)
Floor Area Ratio		509.90% (Note 3)
Collateral		None
Property Management Company (Note 4)		Sun Frontier Fudousan Co., Ltd.
Master Leasing Company		None
Type of Master Leasing		None
Seismic Risk (PML) (Note 5)		6.3% (Based on the Earthquake PML Appraisal Report as of July 2026 by Sompo Risk Management Inc.)
Notes		—
Anticipated Acquisition Price		¥8,700 million
Appraisal Value and Method		¥10,930 million (Based on the capitalization approach as of July 1, 2026) (Appraiser: Japan Valuers Co., Ltd.)
Appraisal NOI (Note 6)		¥385 million
Leasing Status (As of September 1, 2026) (Note 7)		
Total Number of Tenants		2
Name of Tenant		Polaris Holdings Co., Ltd., etc.
Hotel Operator		Polaris Holdings Co., Ltd.
Total Rental Income (Annual)	Hotel	Variable rent calculated by applying a fixed rate to the hotel's GOP
	Retail	Undisclosed
Security Deposits		Undisclosed
Occupancy Rate		100%
Total Leased Floor Space		2,183.47 m^2
Total Leasable Floor Space		2,183.47 m^2

Historical Occupancy Rates (Note 8)	June 2022	June 2023	June 2024	June 2025	June 2026
	100%	100%	100%	100%	100%

(Note 1) Location and Other Items
Location (registry), Completion Date, Use, Structure and Area are based on the information in the real estate registry.

(Note 2) Building Coverage Ratio
As the Asset is a fireproof building in a fire prevention zone, it qualifies for a bonus and the applied cover ratio is 100%.

(Note 3) Floor Area Ratio
The site of the Asset falls within a commercial zone (656%) and a commercial zone (500%), and a weighted average figure, calculated in proportion to the area of each zone, is applied.

(Note 4) Property Management Company
Refers to the property management company that is scheduled to be appointed after acquisition.

(Note 5) PML (Probable Maximum Loss)
PML shows the probable losses which would be caused by a maximum size earthquake (a great earthquake which is expected to occur once every 475 years or with a 10% probability of occurring once every 50 years) during the anticipated period of use (i.e., 50 years as expected life time of a standard building), as a percentage of the expected recovery cost to the replacement cost.

(Note 6) Appraisal NOI
"Appraisal NOI" is the annual NOI (operating income minus operating expenses) stated in the real estate appraisal report with July 1, 2026 as the appraisal date.

(Note 7) Leasing Status
"Total Number of Tenants," "Name of Tenant," "Total Rental Income," "Security Deposits," "Occupancy Rate," "Total Leased Floor Space," and "Total Leasable Floor Space" are based on the fixed-term lease agreement that is expected to go into effect on the date of acquisition.
Total Rental Income and Security Deposits are not disclosed because a consent has not been obtained from tenants.

(Note 8) Historical Occupancy Rates
The historical occupancy rates are based on the information from the seller.

4. Profile of Seller of the Asset to be Acquired

Company Name	ICHIKEN Co., Ltd.
Head Office	Shinagawa Intercity Tower A, 2-15-1 Konan, Minato-ku, Tokyo
Representative	Representative Director & President Hiroaki Masakiyo
Principal Business	General construction Office building leasing Residential and commercial facility development Planning, design, construction, and management of mixed-use commercial facilities Planning, design, construction, and management of specialist retail outlets Grid-connected battery storage business
Capital	4,329,646,860 yen (as of March 31, 2026)
Established	June 15, 1930
Net Assets	40,021 million yen (as of March 31, 2026)
Total Assets	74,436 million yen (as of March 31, 2026)
Major Shareholder (Shareholding Ratio)	MARUHAN Corporation (40.00%), Ichieikai Shareholding Association (3.63%), MURAKAMI TAKATERU (3.28%), Custody Bank of Japan, Ltd. (Trust Account) (2.19%), SBI SECURITIES Co., Ltd. (1.60%), etc.
Relationships of the Fund and/or the Asset Management Company with the Seller	
Capital	Neither the Fund nor the Asset Management Company has any capital relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable capital relationship with those associated with the relevant company.
Personal	Neither the Fund nor the Asset Management Company has any personal relationship with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable personal relationship with those associated with the relevant company.
Transactions	Neither the Fund nor the Asset Management Company has any notable transactions with the said company. In addition, any persons or companies associated with the Fund or the Asset Management Company have no notable transactions with those associated with the relevant company.
Related Party Status	The said company does not fall under the definition of a related party of the Fund or the Asset Management Company for the accounting purpose. In addition, any persons or companies associated with the said company does not fall under the definition of a related party of the Fund or the Asset Management Company for the accounting purpose.

5. Status of Owner of the Asset to be Acquired

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

6. Transactions with Related Parties

There is no transaction with related parties.

7. Form of Payment, etc.

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

8. Schedule for the Acqusition

August 20, 2026	Conclusion of a purchase agreement for the acquisition of the Asset
September 1, 2026	Acquisition of the Asset

9. Outlook

Since the Acquisition will be implemented after the end of the fiscal period ending August 2026 (March 1, 2026 to August 31, 2026), there will be no impact on the operating status for the fiscal period ending August 2026. Also, as the effect of the Acquisition on the operating status of the entire portfolio for the fiscal period ending February 2027 (September 1, 2026 to February 28, 2027) is immaterial, the financial outlook, including that of the Acquisition, will be announced in the financial summary for the fiscal period ending August 2026, which is scheduled to be released on October 16, 2026.

10. Appraisal Summary

Property Name	Best Western Hotel Fino Tokyo Akasaka

Appraisal Value*	¥10,930,000,000
Appraiser	Japan Valuers Co., Ltd.
Appraisal Date	July 1, 2026

*The appraised value shown above is calculated by deducting 70,000,000 yen in cross-border fees from the income value.

(Yen)

Item	Amount or Percentage	Grounds
Capitalization Approach Price	11,000,000,000	Determined by associating the price calculated by the direct capitalization approach with the price calculated by the discounted cash flow approach
Income Value Calculated by the Direct Capitalization Approach	11,200,000,000	
(1) Operating Income	433,400,707	
Total Potential Income, sum of (a) to (d)	435,591,323	
(a) Rental Income including Common Service Expenses	410,809,320	Calculated based on the current rent, market rent levels, etc.
(b) Utilities Costs Income	13,689,000	
(c) Parking Lot Income	7,200,000	
(d) Other Income	3,893,003	
Losses due to Vacancies, etc.	2,190,616	Calculated with reference to similar precedents, etc.
Bad Debt Loss	0	
(2) Operating Expenses	47,641,103	
Maintenance Costs	4,238,640	
Utilities Costs	13,482,240	
Repair Costs	915,583	Calculated based on the engineering report
Property Management Fees	1,200,000	Calculated with reference to estimated amounts and general market rates, etc.
Advertisement for Leasing	647,740	Calculated with reference to similar precedents, etc.
Taxes	26,580,105	Calculated based on actual figures for the fiscal year 2024 and general market rates, etc.
Insurance Premium	181,620	Calculated based on estimated amounts and general market rates, etc.
Other Expenses	395,175	CM fee
(3) Net Operating Income from Leasing Business ((1)-(2))	385,759,604	
(4) Profit through Management of Temporary Deposits, etc.	339,196	Taking into account ordinary savings account interest rates, etc.
(5) Capital Expenditure Reserve	5,519,417	Calculated based on the engineering report
(6) Net Cash Flow ((3)+(4)-(5))	380,579,383	
(7) Capitalization Rate	3.4%	Calculated based on the local characteristics and specific features of the relevant property, taking into account factors such as the yields on properties in the vicinity
Income Value Calculated by the DCF Method	10,800,000,000	
Discount Rate	3.2%	Calculated based on the local characteristics and specific features of the relevant property, taking into account factors such as the yields on properties in the vicinity
Terminal Capitalization Rate	3.6%	The above capitalization rate is determined by taking into account future trends in investment returns, etc.
Cost Approach Price	5,720,000,000	
Ratio of Land	95.1%	
Ratio of Building	4.9%	

Matters Noted in Reconciliation of Indicated Value and Determination of Appraisal Value	The relevant property is a hotel specializing in accommodation located in Minato-ku, Tokyo. The neighboring area and its surroundings are lined with numerous office buildings incorporating retail space and hotels. Owing to its excellent railway links, it is an area where not only offices and commercial facilities but also public institutions such as the National Diet Building are concentrated. Within this area, the relevant site is a plot of land of substantial size fronting two streets, and possesses conditions that allow for highly efficient use as a hotel location. Furthermore, the relevant building has been properly maintained and repaired, and stable operation is anticipated going forward. Taking the above factors into consideration, the appraisal value was determined by focusing on the income value that appropriately reflects the investment profitability value, while taking into account cross-border fees.

[Exhibit]

Exhibit 1	Overview of the Portfolio after the Acquisition
Exhibit 2	Photos and Map of the Asset to be acquired

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

Exhibit 1

Overview of the Portfolio after the Acquisition

(¥ million)

Sector \ Area	Greater Tokyo Area (Note 1)	Others (Note 1)	(Anticipated) Total Acquisition Price (by Area)	Investment Ratio (%) (Note 2)
Office	361,365	62,820	424,185	38.3
Retail	114,818	67,890	182,709	16.5
Logistics	237,992	3,460	241,452	21.8
Residential (including healthcare facilities)	194,269	22,160	216,429	19.6
Hotels	11,060	25,941	37,001	3.3
Others	4,900	—	4,900	0.4
(Anticipated) Total Acquisition Price (by Area)	924,406	184,272	1,106,677	100.0
Investment Ratio (%) (Note 2)	83.5	16.5	100.0	

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

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

Exhibit 2

Photos and Map of the Asset to be Acquired

Best Western Hotel Fino Tokyo Akasaka