

## **Information under Article 23 of European Alternative Investment Fund Managers Directive for Dutch Investors**

November 17, 2017

### **Disclaimer**

This document has been prepared solely for the purpose of providing Dutch investors with certain information under Article 23 of the European Alternative Investment Fund Managers Directive (European Directive 2011/61/EU) (the “AIFMD”) as implemented in the Netherlands. Accordingly, you should not use this document for any other purpose.

### ***Netherlands***

The units of ORIX JREIT Inc. (“OJR”) are being marketed in the Netherlands under Section 1:13b of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, or the “Wft”). In accordance with this provision, ORIX Asset Management Corporation (the “AIFM”) has submitted a notification with the Dutch Authority for the Financial Markets. The units of OJR will not, directly or indirectly, be offered, sold, transferred or delivered in the Netherlands, except to or by individuals or entities that are qualified investors (*gekwalificeerde beleggers*) within the meaning of Article 1:1 of the Wft, and as a consequence neither the AIFM nor OJR is subject to the license requirement pursuant to the Wft. Consequently, neither the AIFM nor OJR is subject to supervision of the Dutch Central Bank (De Nederlandsche Bank, “DNB”) or the Netherlands Authority for Financial Markets (Autoriteit Financiële Markten, the “AFM”) and this Article 23 AIFMD Prospectus is not subject to approval by the AFM. No approved prospectus is required to be published in the Netherlands pursuant to Article 3 of the European Directive 2003/71/EC (the EU Prospectus Directive) as amended and implemented in Netherlands law. The AIFM is therefore solely subject to limited ongoing regulatory requirements as referred to in Article 42 of the AIFMD.

### ***European Economic Area***

In relation to each Member State of the European Economic Area (the “EEA”) which has implemented the Prospectus Directive (each, a Relevant Member State), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) no offer of units of OJR may be made to the public in that Relevant Member State except in circumstances falling within Article

3(2) of the Prospectus Directive, provided that no such offer of units shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive, or a supplement to a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression “an offer of units to the public” in relation to any units in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the units to be offered so as to enable an investor to decide to purchase or subscribe the units, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

The units of OJR are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended, “IMD”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the units of OJR or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the units of OJR or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

<b>Article 23 (1)(a)</b>	
Objectives of the AIF	<p>ORIX JREIT Inc. (the "OJR" or the "AIF") invests in a wide variety of real estate properties centered on office buildings and also including logistics facilities, retail facilities, residential properties and hotels and other properties. OJR seeks to provide stable distributions and healthy asset growth over the medium to long term, by developing greater synergy with the ORIX Group, which positions real estate as a growth driver for the future, and by adopting a flexible growth strategy of the kind only OJR could execute. Please also see OJR's website "<a href="http://www.orixreit.com/en/feature/feature1.html">Management Philosophy</a>" (<a href="http://www.orixreit.com/en/feature/feature1.html">http://www.orixreit.com/en/feature/feature1.html</a>).</p>
Investment strategy	<p>OJR entrusts its asset management to ORIX Asset Management Corporation (the "AIFM"). OJR aims for stable growth in unitholder value by implementing multiple strategies backed by three pillars – "Diversified REIT", "ORIX Synergy" and "Operating Expertise." OJR's investment strategy is composed of its "External Growth Strategy," "Internal Growth Strategy" and "Financial Strategy" as described in "Overview of Growth Strategy" under "Growth Strategy" at OJR's website (<a href="http://www.orixreit.com/en/feature/feature3.htm">http://www.orixreit.com/en/feature/feature3.htm</a>). The External Growth Strategy is based on OJR's investment policy to make selective investments in various asset types, while managing risk by leveraging its strengths, and to engage in ongoing consideration of opportunities to replace properties in the portfolio depending on the market environment. The Internal Growth Strategy is based on OJR's management policy to improve the competitiveness of its properties and strengthen relationships with tenants by taking advantage of the ORIX Synergy derived from ORIX Group's expertise and nation-wide network. The Financial Strategy is based on OJR's policy to reduce financing costs while emphasizing the strengthening of its financial stability, and to secure capacity to borrow flexibly for future acquisitions.</p>
Types of assets the AIF may invest in.	<p>(a) Real estate (Real estate lease rights, land rights, trust beneficial interests entrusting real estate, real estate lease rights, and/or land rights, beneficial interests in money trusts and equity in investments)</p> <p>(b) Real estate securities (Preferred securities, beneficiary certificates, investment securities and beneficiary certificates related to special purpose trusts)</p> <p>(c) Specified assets (Negotiable securities, money claims, bank deposits, call loans, transferable bank deposits and infrastructure-related assets)</p> <p>(d) Other asset (excluding above assets) (Trade mark rights, copyrights, movables and equity in investments in associations)</p>

	<p>Please also see OJR’s website “<a href="http://www.orixreit.com/file/en-kiyaku-63deb2250b0832fd0714f6fc2e869d8631995867.pdf">Article of Incorporation</a>” (<a href="http://www.orixreit.com/file/en-kiyaku-63deb2250b0832fd0714f6fc2e869d8631995867.pdf">http://www.orixreit.com/file/en-kiyaku-63deb2250b0832fd0714f6fc2e869d8631995867.pdf</a>).</p>
<p>Techniques it may employ and all associated risks.</p>	<p>OJR has a diversified portfolio based on property type and geography, and implements a flexible external growth strategy through replacement of portfolio assets as necessary and utilization of its synergies with ORIX group. OJR also executes its internal growth strategy through tenant diversification and utilization of its synergies with sponsors, such as through direct property management in an effort to increase the portfolio's profitability and stability.</p> <p>The principal risks with respect to investment in OJR are as follows:</p> <ul style="list-style-type: none"> <li>• any adverse conditions in the Japanese economy could adversely affect OJR;</li> <li>• OJR may not be able to acquire properties to execute the growth and investment strategy in a manner that is accretive to earnings;</li> <li>• illiquidity in the real estate market may limit the ability to grow or adjust the portfolio;</li> <li>• the past experience of the AIFM in the Japanese real estate market is not an indicator or guarantee of the future results;</li> <li>• OJR’s reliance on ORIX Group could have a material adverse effect on the business;</li> <li>• there are potential conflicts of interest between OJR and ORIX Group as well as the AIFM;</li> <li>• OJR faces significant competition in seeking tenants and it may be difficult to find replacement tenants;</li> <li>• increases in prevailing market interest rates may increase the interest expense and may result in a decline in the market price of the units;</li> <li>• OJR may suffer large losses if any of the properties incurs damage from a natural or man-made disaster;</li> <li>• A significant portion of the properties in the portfolio is located in the Greater Tokyo Area;</li> <li>• any inability to obtain financing for future acquisitions could adversely affect the growth of the portfolio;</li> <li>• OJR’s failure to satisfy a complex series of requirements pursuant to Japanese tax regulations would disqualify OJR from certain taxation benefits and significantly reduce the cash distributions to the unitholders; and</li> <li>• the ownership rights in some of the properties may be declared invalid or limited.</li> </ul> <p>In addition, OJR is subject to the following risks:</p> <ul style="list-style-type: none"> <li>• risk of increasing operating costs;</li> </ul>

	<ul style="list-style-type: none"> <li>• risk of depending on the efforts of the AIFM’s key personnel;</li> <li>• risk of the restrictive covenants under debt financing arrangement;</li> <li>• risk of entering into forward commitment contracts;</li> <li>• risk of termination of leasehold rights in the underlying land</li> <li>• risk of third party’s leasehold interests in the underlying land;</li> <li>• risk of holding the property in the form of stratified ownership (kubun shoyū) interests or co-ownership interests (kyōyū-mochibun);</li> <li>• risk of holding the property through trust beneficiary interests;</li> <li>• risk of the defective title, design, construction or other defects or problems in the properties;</li> <li>• risk of suffering impairment losses relating to the properties;</li> <li>• risk of decreasing tenant leasehold deposits and/or security deposits;</li> <li>• risk of tenant’s default as a result of financial difficulty or insolvency;</li> <li>• risk of relying on expert appraisals and engineering, environmental and seismic reports as well as industry and market data;</li> <li>• risk of the presence of hazardous or toxic substances in the properties, or the failure to properly remediate such substances;</li> <li>• risk of the strict environmental liabilities for the properties as owner;</li> <li>• risk of the insider trading regulations;</li> <li>• risk of the amendment of the applicable administrative laws and local ordinances;</li> <li>• risk of the tight supervision by the regulatory authorities;</li> <li>• risk of holding interests in properties through preferred shares of special purpose companies (tokutei mokuteki kaisha);</li> <li>• risk of holding Japanese anonymous association (tokumei kumiai) interests with respect to properties OJR may acquire;</li> <li>• risk of the tax authorities’ disagreement with the AIFM’s interpretations of the Japanese tax laws and regulations;</li> <li>• risk of being unable to benefit from reductions in certain real estate taxes enjoyed by qualified J-REITs; and</li> <li>• risk of changes in Japanese tax laws.</li> </ul>
Any applicable investment restrictions	<p>OJR is subject to investment restrictions under Japanese laws and regulations (e.g., the Act on Investment Trusts and Investment Corporations (the “ITA”), the Financial Instruments and Exchange Act (the “FIEA”)) as well as its articles of incorporation.</p> <p>OJR must invest primarily in specified assets as defined in the ITA. Specified assets include, but are not limited to, securities, real estate, leaseholds of real estate, surface rights (chijō-ken) (i.e., right to use land for the purpose of having a structure on it) or trust beneficiary interests for securities or real estate, leaseholds of real estate or</p>

	<p>surface rights. A listed J-REIT must invest substantially all of its assets in real estate, real estate-related assets and liquid assets as provided by the listing requirements. Real estate in this context includes, but is not limited to, real estate, leaseholds of real estate, surface rights, and trust beneficiary interests for these assets, and real estate-related assets in this context include, but not limited to, anonymous association (tokumei kumiai) interests for investment in real estate. Pursuant to the ITA, J-REITs may not develop land for housing or to construct buildings.</p>
<p>Circumstances in which the AIF may use leverage.</p>	<p>OJR may take out loans or issue long-term or short-term corporate bonds for the purpose of investing in properties, conducting repairs and related work, paying cash distributions, repaying obligations (including repayment of tenant leasehold or security deposits, and obligations related to loans or long-term or short-term corporate bonds) and other activities.</p>
<p>The types and sources of leverage permitted and associated risks.</p>	<p>Loans or corporate bonds. OJR currently does not have any outstanding guarantees and may be subject to restrictive covenants in connection with any future indebtedness that may restrict the operations and limit the ability to make cash distributions to unitholders, to dispose of the properties or to acquire additional properties. Furthermore, OJR may violate restrictive covenants contained in the loan agreements OJR executes, such as the maintenance of debt service coverage or loan-to-value ratios, which may entitle the lenders to require OJR to collateralize the properties or demand that the entire outstanding balance be paid. Further, in the event of an increase in interest rates, to the extent that OJR has any debt with unhedged floating rates of interest or OJR incurs new debt, interest payments may increase, which in turn could reduce the amount of cash available for distributions to unitholders. Higher interest rates may also limit the capacity for short- and long-term borrowings, which would in turn limit the ability to acquire properties. Thus, higher interest rates could cause the market price of the units to decline.</p>
<p>Any restrictions on leverage</p>	<p>The maximum amount of each loan and corporate bond issuance will be ¥1 trillion, and the aggregate amount of all such debt will not exceed ¥1 trillion.</p>
<p>Any restrictions on collateral and asset reuse</p>	<p>No applicable arrangements.</p>

arrangements.	
Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF.	OJR has set an upper limit of 70% as a general rule for its loan-to-value, or LTV, ratio which is the ratio of (x) the aggregate principal amount of borrowings, corporation bonds and tenant deposits (excluding cash and deposits) to (y) the total assets of the portfolio as a whole (excluding cash and deposits) in order to operate with a stable financial condition. OJR may, however, temporarily exceed such levels as a result of property acquisitions or other events.
<b>Article 23(1) (b)</b>	
Procedure by which the AIF may change its investment strategy / investment policy.	<p>For amendment of the articles of incorporation, it requires a quorum of a majority of the total issued units and at least a two-thirds vote of the voting rights represented at the meeting. Unitholders should note, however, that under the ITA and our articles of incorporation, unitholders who do not attend and exercise their voting rights at a general meeting of unitholders are deemed to be in agreement with proposals submitted at the meeting, except in cases where contrary proposals are also being submitted.</p> <p>Amendment of OJR's investment strategy requires a quorum of a majority of all the investment committee members and at least a majority of the voting rights represented at the investment committee meeting. Attendance by and approval of an external committee member is required to pass any agenda item.</p>
<b>Article 23(1) (c)</b>	
Description of the main legal implications of the contractual relationship entered into for the purpose of investment , including	<p>The AIFM has entered into sponsor support agreements, governed by Japanese law, with ORIX Corporation, ORIX Real Estate Corporation and ORIX Management Information Center Corporation to receive advice regarding trends in the sale and lease of certain properties, finance and capital markets and governmental policy. OJR is not involved in or threatened by any legal arbitration, administrative or other proceedings, the results of which might, individually or in the aggregate, be material.</p> <p>OJR is a corporate-type investment trust in the form of investment corporation (toshi hojin) provided for under the ITA. Therefore, the relationship between OJR and its unitholders is governed by OJR's articles of incorporation (as opposed to individual agreements), which can be amended from time to time upon resolution of a general unitholders' meeting. OJR's articles of incorporation stipulate rules relating to general</p>

<p>jurisdiction, applicable law, and the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established.</p>	<p>unitholders meetings, including the convocation, setting of record date, exercise of voting rights, resolutions and election of OJR's directors. The relationship between OJR and its unitholders is also governed by, and is subject to the provisions of, Japanese law, including the ITA.</p> <p>The courts in Japan would recognize as a valid and final judgment any final and conclusive civil judgment for monetary claims (which, for this purpose, are limited to those of a purely civil nature and do not include monetary claims of the nature of criminal or administrative sanction, such as punitive damages, even though they take the form of civil claims) against OJR obtained in a foreign court provided that (i) the jurisdiction of such foreign court is admitted under the laws of Japan, (ii) OJR has received service of process for the commencement of the relevant proceedings, otherwise than by a public notice or any method comparable thereto, or has appeared without any reservation before such foreign court, (iii) neither such judgment nor the relevant proceeding is repugnant to public policy as applied in Japan, and (iv) there exists reciprocity as to the recognition by such foreign court of a final judgment obtained in a Japanese court and (v) there is no conflicting judgement on the subject matter by any Japanese court.</p>
<p><b>Article 23(1) (d)</b></p>	
<p>The identity of the AIFM, AIF's depository, auditor and any other service providers and a description of their duties and the</p>	<ul style="list-style-type: none"> <li>• AIFM (Asset Manager) and Property Manager: ORIX Asset Management Corporation</li> <li>• Auditor: KPMG AZSA LLC</li> <li>• Custodian, General Administrator and Transfer Agent: The Sumitomo Mitsui Trust and Banking Company, Limited.</li> </ul> <p>Service providers owe contractual obligations under their respective agreements with the AIF or the AIFM, as the case may be. In addition, the FIEA provides that the Asset Manager owes the AIF a fiduciary duty and must conduct its activities as the asset manager in good faith. The FIEA also prohibits the Asset Manager from engaging in certain specified conduct, including entering into transactions outside the ordinary course of business or with related parties of the Asset Manager that are contrary to or violate the AIF's interests. Pursuant to the ITA, the unitholders have the right to approve the execution or termination of the asset management agreement at a general meeting of unitholders.</p>

investors' rights thereto.	
<b>Article 23(1) (e)</b>	
Description of how the AIFM complies with the requirements to cover professional liability risks (own funds / professional indemnity insurance).	Not applicable.
<b>Article 23(1) (f)</b>	
Description of any delegated management function such as portfolio management or risk management and of any safekeeping function delegated	Not applicable. There is no delegation of such functions beyond the AIFM, which is responsible for portfolio and risk management, and the Custodian, which is responsible for safekeeping activities.

<p>by the depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations.</p>	
<p><b>Article 23(1) (g)</b></p>	
<p>Description of the AIF's valuation procedure and pricing methodology, including the methods used in valuing hard-to-value assets.</p>	<p>OJR shall evaluate assets in accordance with its Article of Incorporation. The methods and standards that OJR uses for the evaluation of assets shall be based on the Regulations Concerning the Calculations of Investment Corporations, as well as the Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations and other regulations stipulated by ITA, in addition to Japanese GAAP. J-REITs may only use the valuation methods prescribed in the rules of the Investment Trusts Association, Japan, which emphasize market price valuation. Please also see OJR's website "<a href="http://www.orixreit.com/file/en-kiyaku-63deb2250b0832fd0714f6fc2e869d8631995867.pdf">Article of Incorporation</a>" (<a href="http://www.orixreit.com/file/en-kiyaku-63deb2250b0832fd0714f6fc2e869d8631995867.pdf">http://www.orixreit.com/file/en-kiyaku-63deb2250b0832fd0714f6fc2e869d8631995867.pdf</a>).</p>
<p><b>Article 23(1) (h)</b></p>	
<p>Description of the AIF's liquidity risk management</p>	<p>OJR seeks to manage the capital resources and liquidity sources to provide adequate funds for current and future financial obligations and other cash needs and acquisitions. OJR has entered into commitment lines, dispersed repayment terms, and diversified lenders and financing methods, and manages the liquidity risk thereby. As OJR is a closed-end investment corporation, unitholders are not entitled to request</p>

<p>nt, including redemptio n rights in normal and exceptiona l circumstan ces and existing redemptio n arrangeme nts with investors.</p>	<p>the redemption of their investment. Please also see OJR’s website “<a href="http://www.orixreit.com/en/finance/interest.html">Financial Date (Overview of Borrowings and Bonds)</a>” (<a href="http://www.orixreit.com/en/finance/interest.html">http://www.orixreit.com/en/finance/interest.html</a>).</p>
<p><b>Article 23(1) (i)</b></p>	
<p>Description of all fees, charges and expenses and a maximum amount which is directly / indirectly borne by the investors.</p>	<p>Compensation: The articles of incorporation provide that the AIF may pay its respective officers up to ¥800 thousand per month. The board of officers is responsible for determining a reasonable compensation amount for the executive officer and each of the supervisory officers.</p> <p>Asset Management Fee: The AIF will pay the Asset Manager an asset management fee as follows:</p> <p>(a) Management Fee 1 An amount equal to 0.175% of OJR’s total assets (rounded down to the nearest whole yen) on the immediately preceding the last day of the fiscal period (the last day of the fiscal period shall hereinafter be referred to as “Account Closing Date”) shall be designated Management Fee 1 for the fiscal period beginning on the date that follows such immediately preceding Account Closing Date. Half of the aforementioned amount (rounded down to the nearest whole yen) shall be paid promptly i) after the last days of May and August of the fiscal period beginning on the date that follows the immediately preceding Account Closing Date (when the immediately preceding fiscal period ends on the last day of February) and ii) after the last days of November and February (when the immediately preceding fiscal period ends on the last day of August).</p> <p>(b) Management Fee 2</p>

An amount equivalent to 3% (rounded down to the nearest whole yen) of the adjusted net income shall be designated Management Fee 2 for the fiscal period beginning on the next day to the Account Closing Date of the immediately preceding fiscal period, where the adjusted net income shall be i) OJR's pre-tax net income in the immediately preceding fiscal period, plus ii) amount equal to interest paid and other interest expenses in such immediately preceding fiscal period, plus/minus iii) gain or loss from the sale of real estate-related assets and infrastructure-related assets (including movables acquired or sold at the same time as the acquisition or sale of real estate related assets and infrastructure-related assets) in such immediately preceding fiscal period. Half of the aforementioned 3% amount (rounded down to the nearest whole yen) shall be paid either i) promptly after the last days of May and August in the fiscal period beginning on the next day to the Account Closing Date of the immediately preceding fiscal period (if the fiscal period preceding the last day of May/August ends on the last day of February), or ii) promptly after the last days of November and February (if the fiscal period preceding the last day of November/February ends on the last day of August). If the adjusted net income is zero or negative, the adjusted net income to be used in the calculation of Management Fee 2 shall be zero, and therefore the Management Fee 2 shall be zero.

(c) Management Fee 3

If OJR acquires new real estate-related assets or infrastructure-related assets, an amount equal to not more than 0.5% of the acquisition price (rounded down to the nearest whole yen) of the real estate-related asset or the infrastructure-related assets, excluding consumption tax, local consumption tax and expenses accompanying the acquisition, shall be designated Management Fee 3 and paid within one month of the end of the month of the date of the acquisition (the date when the transfer of ownership rights or other related rights takes effect).

(d) Management Fee 4

If real estate-related assets or infrastructure-related assets from among assets under management are sold, an amount equivalent to not more than 0.5% of the sale price (rounded down to the nearest whole yen) of the real estate-related assets or the infrastructure-related assets, excluding consumption tax and local consumption tax, shall be designated Management Fee 4 and paid within one month of the end of the month of the date of the sale (the date when the transfer of ownership rights or other related rights takes effect).

In addition to the above, the AIF will pay the Asset Manager a management agent fee as follows:

(a) For management of the board of officers

¥1.5 million per fiscal period

(b) For management of the general meeting of unitholders

¥5 million per general meeting

Property Management Fee: The AIF will pay the AIFM as the Property Manager a monthly fee calculated in accordance with the following formula within six months of the end of the relevant month:

Total monthly revenue of each property (excluding the properties for residence and other properties that the AIF and the Property Manager otherwise agree to exclude) × 0.3%

Custodian Fee: The AIF will pay the amount of monthly fee calculated the following formula to the Custodian on the Account Closing Date basis:

The amount of assets as of the end of each month × 0.03% ÷ 12

(For securities, the fee will be calculated based on the closing price on stock exchanges and for real estate and trust beneficial interests, the fee will be calculated based on the book value after the depreciation as of the end of each month.)

General Administrators Fee: The AIF will pay the amount of monthly fee calculated the following formula to the General Administrators on the Account Closing Date basis:

The amount of assets as of the end of each month × 0.09% ÷ 12

(For securities, the fee will be calculated based on the closing price on stock exchanges and for real estate and trust beneficial interests, the fee will be calculated based on the book value after the depreciation as of the end of each month.)

Transfer Agent Fee (Standard Fee):

Standard fees are for services such the preparation, maintenance and storage of the unitholder register; and preparation of materials concerning end-of-period unitholder statistical data (number of unitholders, total units held, distribution per geographic area). Monthly standard fees will be calculated in the manner below. There is a minimum monthly fee of ¥150,000.

Number of Investors	Fees per Investor
The first 5,000 Investors	¥90
More than 5,000 and not more than 10,000	¥75
More than 10,000 and not more than 30,000	¥65
Over 30,000 and not more than 50,000	¥55

	<table border="1"> <tr> <td>Over 50,000 and not more than 100,000</td> <td>¥45</td> </tr> <tr> <td>Over 100,000 and not more than 150,000</td> <td>¥35</td> </tr> <tr> <td>Over 150,000 and not more than 200,000</td> <td>¥30</td> </tr> <tr> <td>Over 200,000 and not more than 250,000</td> <td>¥25</td> </tr> <tr> <td>Over 250,000 and not more than 300,000</td> <td>¥20</td> </tr> <tr> <td>Over 300,000 Investors</td> <td>¥10</td> </tr> </table>	Over 50,000 and not more than 100,000	¥45	Over 100,000 and not more than 150,000	¥35	Over 150,000 and not more than 200,000	¥30	Over 200,000 and not more than 250,000	¥25	Over 250,000 and not more than 300,000	¥20	Over 300,000 Investors	¥10
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Over 250,000 and not more than 300,000	¥20												
Over 300,000 Investors	¥10												
	<p>Auditor Fee: The AIF may pay the independent auditor up to ¥20 million per fiscal period. The board of officers is responsible for determining the compensation amount for the independent auditor.</p>												
<b>Article 23(1) (j)</b>													
Description of the AIFM's procedure to ensure fair treatment of investors and details of any preferential treatment received by investors, including detailing the type of investors and their legal or economic links with the AIF or AIFM.	<p>Under Article 77 paragraph 4 of the Act on Investment Trusts and Investment Corporations of Japan, which applies the requirements of Article 109 paragraph 1 of the Companies Act to investment corporations, investment corporations are required to treat unitholders equally depending on the number and content of units held. In addition, upon liquidation, the allotment of residual assets to unitholders is required to be made equally depending on the number units held under Article 77 paragraph 2 item 2 and Article 158 of the ITA.</p>												

<b>Article 23(1) (k)</b>	
The latest annual report referred to in Article 22(1).	Information in addition to the information in this document may be found in our most recent semi-annual report prepared in accordance with Article 22 of the AIFMD, which is available at the Asset Manager’s office located at ORIX Shiba 2-chome Building, 2-14-5 Shiba, Minato-ku, Tokyo.
<b>Article 23(1) (l)</b>	
The procedure and conditions for the issue and sale of the units.	OJR is authorized under the articles of incorporation to issue up to 10,000,000 units. Its units have been listed on the Tokyo Stock Exchange since June 12, 2002. Secondary market sales and transfers of units will be conducted in accordance with the rules of the Tokyo Stock Exchange. Unit prices on the Tokyo Stock Exchange are determined on a real-time basis by the equilibrium between bids and offers. The Tokyo Stock Exchange sets daily price limits, which limit the maximum range of fluctuation within a single trading day. Daily price limits are set according to the previous day’s closing price or special quote.
<b>Article 23(1) (m)</b>	
Latest net asset value of the AIF or latest market price of the unit or share of the AIF.	The AIF discloses the latest market price of the unit on daily basis on its website. Please see OJR’s website “ <a href="http://www.orixreit.com/en/chart/index.html">Stock Price Information</a> ” ( <a href="http://www.orixreit.com/en/chart/index.html">http://www.orixreit.com/en/chart/index.html</a> ).

Article 23(1) (n)				
Details of the historical performance of the AIF, where available.	The units of OJR were listed on the Tokyo Stock Exchange on June 12, 2002.			
	The AIF discloses the latest financial data periodically on its website.			
	The most recent five fiscal period performance of the units is as follows.			
	Fiscal period	Total Assets (JPY million)	Total Net Assets (JPY million)	Total Net Assets per unit (base value) (JPY)
	27th fiscal period (From March 1, 2015 to August 31, 2015)	532,695	259,747	116,180
	28th fiscal period (From September 1, 2015 to February 29, 2016)	559,742	273,193	117,720
	29th fiscal period (From March 1, 2016 to August 31, 2016)	592,110	289,865	119,714
	30th fiscal period (From September 1, 2016 to February 28, 2017)	639,534	308,823	122,324
31st fiscal period (From March 1, 2017 to August 31, 2017)	657,898	334,685	124,883	
Please also see OJR's website " <a href="http://www.orixreit.com/en/ir/highlight.html">Financial Data (Balance Sheets)</a> " ( <a href="http://www.orixreit.com/en/ir/highlight.html">http://www.orixreit.com/en/ir/highlight.html</a> ).				

Article 23(1) (o)	
<p>Identity of the prime broker, any material arrangements of the AIF with its prime brokers, how conflicts of interest are managed with the prime broker and the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets, and information about any transfer of liability to the prime</p>	<p>Not applicable prime broker.</p>

broker that may exist.	
<b>Article 23(1) (p)</b>	
Description of how and when periodic disclosures will be made in relation to leverage, liquidity and risk profile of the assets, pursuant to Articles 23(4) and 23(5).	The AIFM will disclose the matters described in Articles 23(4) and 23(5) periodically through its Internet website and semi-annual report.
<b>Article 23(2)</b>	
The AIFM shall inform the investors before they invest in the AIF of any arrangement made by the depository to contractual	Not applicable.

ly discharge itself of liability in accordance with Article 21(13).	
The AIFM shall also inform investors of any changes with respect to depository liability without delay.	Not applicable.

**Article 23(4)(a)**

Percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature. The percentage shall be calculated as the net value of those assets subject to special arrangements divided by the net asset value of the AIF concerned.	There are no assets that are subject to special arrangements arising from their illiquid nature.
Overview of any special arrangements, including whether they relate to side pockets, gates or other arrangements.	There are no such special arrangements.
Valuation methodology applied to assets which	There are no such special arrangements.

are subject to such arrangements.	
How management and performance fees apply to such assets.	There are no such special arrangements.
<b>Article 23(4)(b)</b>	
Any new arrangements for managing the liquidity of the AIF.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
For each AIF that the AIFM manages that is not an unleveraged closed-end AIF, notify to investors whenever they make changes to its liquidity management systems (which enable an AIFM to monitor the liquidity risk of the AIF and to ensure the liquidity profile of the	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

investments of the AIF complies with its underlying obligations) that are material in accordance with Article 106(1) of Regulation (EU) No 231/2013(ie. there is a substantial likelihood that a reasonable investor, becoming aware of such information, would reconsider its investment in the AIF, including because such information could impact an investor's ability to exercise its rights in relation to its investment, or otherwise prejudice the interests of

one or more investors in the AIF).	
Immediately notify investors where they activate gates, side pockets or similar special arrangements or where they decide to suspend redemptions.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Overview of changes to liquidity arrangements, even if not special arrangements.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Terms of redemption and circumstances where management discretion applies, where relevant.	OJR is a closed-end investment corporation, unitholders are not entitled to request the redemption of their investment.
Also any voting or other restrictions exercisable,	There are no voting or other restrictions on the rights attaching to units.

<p>the length of any lock-up or any provision concerning 'first in line' or 'pro-rating' on gates and suspensions shall be included.</p>	
<p><b>Article 23(4)(c)</b></p>	
<p>The current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks.</p>	<p>The fund proceeds from borrowings and issuance of corporation bonds are used for the purposes of acquisition of real estate and beneficiary rights to real estate trusts, repayment of loans and redemption of corporation bonds. These borrowings and bonds are exposed to liquidity risks. OJR strives to reduce the liquidity risks by diversifying the financing methods and lenders, dispersing repayment dates and establishing commitment lines. Borrowings and corporation bonds are also exposed to a risk of rising interest rates. OJR controls the impact of interest rate increases by maintaining a lower ratio of interest-bearing debt, while holding the ratio of interest-bearing debt with long-term fixed interest rates at a higher level. Deposits are held for the purpose of managing excess funds, and are exposed to credit risks, such as bankruptcy of the depository financial institutions. OJR controls such credit risks by using depository financial institutions with high credit ratings. Leasehold and security deposits are deposits received from tenants, which are exposed to liquidity risks when the tenants vacate the properties. In principle, OJR manages the risk by retaining funds that would enable OJR to return necessary amounts to tenants.</p>
<p>Measures to assess the sensitivity of the AIF's portfolio to the most relevant risks to which the AIF is or could be exposed.</p>	<p>No such measures have been implemented.</p>

<p>If risk limits set by the AIFM have been or are likely to be exceeded and where these risk limits have been exceeded a description of the circumstances and the remedial measures taken.</p>	<p>No such situation has occurred.</p>
<p><b>Article 23(5)(a)</b></p>	
<p>Any changes to the maximum amount of leverage which the AIFM may employ on behalf of the AIF, calculated in accordance with the gross and commitment methods. This shall include the original and revised maximum level of</p>	<p>Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.</p>

<p>leverage calculated in accordance with Articles 7 and 8 of Regulation (EU) No 231/2013, whereby the level of leverage shall be calculated as the relevant exposure divided by the net asset value of the AIF.</p>	
<p>Any right of the reuse of collateral or any guarantee granted under the leveraging agreement, including the nature of the rights granted for the reuse of collateral and the nature of the guarantees granted.</p>	<p>To be disclosed in the semi-annual report and on OJR's website.</p>
<p>Details of any change in</p>	<p>Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.</p>

<p>service providers relating to the above.</p>	
<p><b>Article 23(5)(b)</b></p>	
<p>Information on the total amount of leverage employed by the AIF calculated in accordance with the gross and commitment methods</p>	<p>The aggregate amount of debt with interest is JPY 286,517 million as of August 31, 2017. Please also see OJR’s website “<a href="http://www.orixreit.com/en/finance/interest.html">Financial Information (Overview of Borrowings and Bonds)</a>” (<a href="http://www.orixreit.com/en/finance/interest.html">http://www.orixreit.com/en/finance/interest.html</a>).</p>