

(TSE Code: 8951)
February 20, 2019

To Our Unitholders

1-9-1 Marunouchi, Chiyoda-ku, Tokyo
Nippon Building Fund Inc.
Yoshiki Kageyama, Executive Director

Notice of Convocation of the 11th General Meeting of Unitholders

Nippon Building Fund Inc. (“NBF”) hereby notifies you of and requests your attendance at NBF’s 11th general meeting of unitholders to be held as outlined below.

Please note that if you are unable to attend on the day, you are entitled to exercise your voting rights in writing. Please take the time to review the reference documents attached hereto, indicate your vote in favor or against on the enclosed voting form and then return the voting form to arrive by 5 p.m. on March 12, 2019 (Tuesday).

In addition, pursuant to the provisions of Article 93, Paragraph 1 of the Act on Investment Trusts and Investment Corporations, NBF has provided in Article 21, Paragraph 1 of NBF’s Articles of Incorporation to the effect that “When unitholders do not attend the general meeting of unitholders and do not exercise their voting rights, those unitholders shall be deemed to vote in favor of the proposal submitted to that general meeting of unitholders (in cases where several proposals have been submitted, when there are conflicting proposals among these, then excluding any of such proposals)” and has provided in Article 21, Paragraph 2 of NBF’s Articles of Incorporation to the effect that “The number of voting rights held by the unitholders who are deemed to vote in favor of the proposal pursuant to the provisions of the preceding paragraph shall be included in the calculation of the number of voting rights of unitholders attending the meeting.”

Accordingly, please keep in mind that unitholders who do not attend on the day and do not exercise their voting rights by using the voting form will be deemed to vote in favor of each proposal at the general meeting of unitholders, and that the number of voting rights held by those unitholders will be included in the calculation of the number of voting rights of unitholders attending the meeting.

Description

1. Date and Time: March 13, 2019 (Wednesday) 10 a.m.
2. Venue: Station Conference Tokyo “Sapia Hall”
Sapia Tower 5F, 1-7-12 Marunouchi, Chiyoda-ku, Tokyo
3. Agenda of the General Meeting of Unitholders
Matters for Resolution
Proposal No. 1: Partial Amendment of Articles of Incorporation
Proposal No. 2: Appointment of One Executive Director
Proposal No. 3: Appointment of Two Substitute Executive Directors
Proposal No. 4: Appointment of Three Supervisory Directors

End

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- © Upon your attendance on the day, please submit the enclosed voting form to the reception at the venue.
- © On the day, the holding of an “Operating Results Briefing” by NBF’s asset management company Nippon Building Fund Management Ltd. is scheduled to follow after the closing of the general meeting of unitholders at the same venue.
- © If exercising voting rights by proxy, you are entitled to have one other unitholder with voting rights attend the general meeting of unitholders as your proxy. Please submit a document evidencing the authority of proxy, along with the voting form, to the reception at the venue.
- © Method of informing of any amendment of the reference documents for the general meeting of unitholders
Please note that, in cases where the need to amend the matters to be stated in the reference documents for the general meeting of unitholders arises during the period up to the day preceding the general meeting of unitholders, the amended matters will be posted on the internet on NBF’s website (<https://www.nbf-m.com/nbf/>).

Reference Documents for the General Meeting of Unitholders

Proposals and Reference Matters

Proposal No. 1: Partial Amendment of Articles of Incorporation

1. Summary of Proposal and Rationales for Submitting Proposal

- (1) NBF's head office location will be changed from Chiyoda Ward, Tokyo to Chuo Ward, Tokyo, with the head office relocation date to be decided at its board of directors meeting as the effective date. As the head office relocation date is to be decided at its board of directors meeting to be held by October 31, 2019, a provision to the effect that this amendment of its Articles of Incorporation shall become effective accordingly will be established as a supplementary provision (proposed amended Article 3 and Supplementary Provision 1).
- (2) Amendments will be made to clarify the contents of "real estate, etc." that apply to the calculation of Management Fees 1 and Management Fees 3, and to clarify the contents of the proceeds serving as the basis of the calculation of Management Fees 1 in line with such, and amendments will be made to clarify the handling of cases where NBF makes equity investment to acquire real estate, etc. for which Management Fees 3 apply (proposed amended Article 16, Item 1 and Item 3).
- (3) Cases requiring calculation of Management Fees 2 on a pro-rata basis based on the number of days are thought to be unlikely in actual practice and such will thus be deleted (proposed amended Article 16, Item 2).
- (4) Disposition fees payable to the asset management company in the event that NBF disposes of certain assets under management will be newly established as Management Fees 4 (proposed amended Article 16, Item 4).
- (5) In order to avoid the impact of the Japanese era name change, notation based on the Japanese calendar will be changed to notation based on the Gregorian calendar (proposed amended Article 18, Paragraph 1). For the numbering of laws and regulations, notation based on the Japanese calendar is the general practice and thus remains unchanged.
- (6) As the same term "real estate, etc." is being used with different meanings, defined terms will be changed and expressions will be adjusted in line with such for the purpose of avoiding overlaps in defined terms (proposed amended Article 16, Item 1, and Asset Management Objectives and Policies II (2) ① and IV).
- (7) In addition, necessary changes and clarification of expressions, corrections of words and phrases, and other changes will be made.

2. Content of Amendment

The content of the amendment is as follows:

(The amended portions are underlined)

Existing Articles of Incorporation	Proposed Amendment
<p>Article 3 (Location of Head Office) NBF shall have its head office located in <u>Chiyoda Ward</u>, Tokyo.</p>	<p>Article 3 (Location of Head Office) NBF shall have its head office located in <u>Chuo Ward</u>, Tokyo.</p>
<p>Article 16 (Method of Calculation and Time of Payment of Asset Management Fees to the Asset Management Company) (Omitted) (1) Management Fees 1 The amount equivalent to 2.5% of the amount of rent, common area charges, parking lot charges, incidental income, facility charges, facility installation fees, delay damages, lease contract cancellation penalty or monies similar thereto and other revenues arising from leasing operations <u>arising from real estate (including real estate underlying beneficiary certificates representing beneficial interests in trusts and other assets acquired by NBF; hereinafter, "Real Estate, etc." in this Article) that are Managed Assets</u> (provided, however, that revenues from the <u>sale of real estate and other assets that are Managed Assets</u> will be excluded; hereinafter, "Leasing Revenues" in this Item) as calculated on each closing date (rounded down to the nearest yen) will be payable. Payment will be made by the last day of each of March, June, September and December every year (or the immediately preceding business day if such day is a bank holiday) in the amount equivalent to 2.5% of Leasing Revenues for the three-month period leading thereto based on the annual management plan that the Asset Management Company submits at the beginning of every one-year period to NBF in accordance with the Asset Management Entrustment Agreement, and any deficit or surplus will be settled without delay after the finalization of financial results.</p>	<p>Article 16 (Method of Calculation and Time of Payment of Asset Management Fees to the Asset Management Company) (No amendment) (1) Management Fees 1 The amount equivalent to 2.5% of the <u>total amount of (i) rent, common area charges, parking lot charges, incidental income, facility charges, facility installation fees, delay damages, lease contract cancellation penalty or monies similar thereto and other <u>leasing operating revenues arising from leasing operations,</u> plus (ii) dividends, distributions or monies similar thereto and other proceeds, attributable to Real Estate, etc. (the assets defined in Asset Management Objectives and Policies II. (1) a. and II. (1) c. ① at the end of this document; the same shall apply hereinafter) recognized by NBF</u> (provided, however, that revenues from the <u>disposition of Real Estate, etc.</u> will be excluded; hereinafter, "Leasing Revenues, etc." in this Item) as calculated on each closing date (rounded down to the nearest yen) will be payable. Payment will be made by the last day of each of March, June, September and December every year (or the immediately preceding business day if such day is a bank holiday) in the amount equivalent to 2.5% of Leasing Revenues, <u>etc.</u> for the three-month period leading thereto based on the annual management plan that the Asset Management Company submits at the beginning of every one-year period to NBF in accordance with the Asset Management Entrustment Agreement, and any deficit or surplus will be settled without delay after the finalization of financial results.</p>

Existing Articles of Incorporation	Proposed Amendment
<p>(2) Management Fees 2 The amount equivalent to 3% of income before income taxes (provided, however, that in the event a loss is carried forward, then the amount of income before income taxes remaining after the entire amount of such loss has been covered) prior to deduction of Management Fees 2 as calculated on each closing date (rounded down to the nearest yen; provided, however, that in the event of a negative amount, then 0 yen) will be payable without delay after the finalization of financial results. <u>In the event that the period corresponding to the compensation falls short of the fiscal period, then the amount will be settled by calculating on a pro-rata basis based on the number of days.</u></p>	<p>(2) Management Fees 2 The amount equivalent to 3% of income before income taxes (provided, however, that in the event a loss is carried forward, then the amount of income before income taxes remaining after the entire amount of such loss has been covered) prior to deduction of Management Fees 2 as calculated on each closing date (rounded down to the nearest yen; provided, however, that in the event of a negative amount, then 0 yen) will be payable without delay after the finalization of financial results.</p>

Existing Articles of Incorporation	Proposed Amendment
<p>(3) Management Fees 3 In the event that Real Estate, etc. is newly acquired (in the event of merger by NBF, then succeeded by merger) as Managed Assets, the amount of the acquisition <u>amount</u> of said Real Estate, etc. (meaning the acquisition <u>amount</u> of both land and buildings; in the event of the simultaneous acquisition of multiple units of Real Estate, etc., then the acquisition <u>amount</u> of each Real Estate, etc., and in the event of merger by NBF, then the appraised value of each Real Estate, etc. succeeded by merger at the time of the merger; provided, however, that national consumption tax, regional consumption tax and miscellaneous costs of acquisition or succession are excluded) multiplied by the following percentage rates, in principle, in total amount (rounded down to the nearest yen) will be payable by the last day of the month following the month in which the acquisition date (in the event of merger by NBF, then the effective date of the merger) falls (or the immediately preceding business day if such day is a bank holiday); provided, however, that with the approval of the board of directors of NBF, compensation may be calculated using different rates not exceeding the following rates.</p> <ul style="list-style-type: none"> • The portion up to and including ¥10,000 million 0.5% • The portion exceeding ¥10,000 million up to and including ¥30,000 million 0.2% • The portion exceeding ¥30,000 million up to and including ¥50,000 million 0.05% • The portion exceeding ¥50,000 million nothing 	<p>(3) Management Fees 3 In the event that Real Estate, etc. is newly acquired (in the event of merger by NBF, then succeeded by <u>said merger</u>) as Managed Assets, the amount of the acquisition <u>price</u> of said Real Estate, etc. (meaning the acquisition <u>price</u> of both land and buildings; in the event of the simultaneous acquisition of multiple units of Real Estate, etc., then the acquisition <u>price</u> of each Real Estate, etc., <u>in the event of equity investment, then the equity investment amount</u>, and in the event of merger by NBF, then the appraised value of each Real Estate, etc. succeeded by <u>said merger</u> at the time of the merger; provided, however, that national consumption tax, regional consumption tax and miscellaneous costs of acquisition or succession are excluded) multiplied by the following percentage rates, in principle, in total amount (rounded down to the nearest yen) will be payable by the last day of the month following the month in which the acquisition date (in the event of merger by NBF, then the effective date of the merger) falls (or the immediately preceding business day if such day is a bank holiday); provided, however, that with the approval of the board of directors of NBF, compensation may be calculated using different rates not exceeding the following rates.</p> <ul style="list-style-type: none"> • The portion up to and including ¥10,000 million 0.5% • The portion exceeding ¥10,000 million up to and including ¥30,000 million 0.2% • The portion exceeding ¥30,000 million up to and including ¥50,000 million 0.05% • The portion exceeding ¥50,000 million nothing

Existing Articles of Incorporation	Proposed Amendment
(Newly established)	<p><u>(4) Management Fees 4</u> <u>In the event of disposition of Real Estate, etc. owned as Managed Assets, the amount of the disposition price of said Real Estate, etc. (in the event of the simultaneous disposition of multiple units of Real Estate, etc., then the disposition price of each Real Estate, etc.; provided, however, that national consumption tax, regional consumption tax and miscellaneous costs of disposition are excluded) multiplied by the following percentage rates, in principle, in total amount (rounded down to the nearest yen) will be payable by the last day of the month following the month in which the disposition date falls (or the immediately preceding business day if such day is a bank holiday); provided, however, that with the approval of the board of directors of NBF, compensation may be calculated using different rates not exceeding the following rates.</u></p> <ul style="list-style-type: none"> <u>• The portion up to and including ¥10,000 million 0.5%</u> <u>• The portion exceeding ¥10,000 million up to and including ¥30,000 million 0.2%</u> <u>• The portion exceeding ¥30,000 million up to and including ¥50,000 million 0.05%</u> <u>• The portion exceeding ¥50,000 million nothing</u>
<p>Article 18 (Convocation)</p> <p>1. NBF shall convene the general meeting of unitholders at a venue in the 23 wards of Tokyo on February 15 of Heisei 31 or after said date without delay and convene every two years thereafter on February 15 or after said date without delay.</p> <p>2.~4. (Omitted)</p>	<p>Article 18 (Convocation)</p> <p>1. NBF shall convene the general meeting of unitholders at a venue in the 23 wards of Tokyo on February 15, 2019 or after said date without delay and convene every two years thereafter on February 15 or after said date without delay.</p> <p>2.~4. (No amendment)</p>

Existing Articles of Incorporation	Proposed Amendment
(Newly established)	<u>Supplementary Provision 1. The amendment of Article 3 shall become effective on the NBF head office relocation date that is decided at NBF's board of directors meeting to be held by October 31, 2019. This Article shall delete this after the concerned entry into force of amendments.</u>
<p>Asset Management Objectives and Policies</p> <p>(Omitted)</p> <p>I. Basic Policies on Asset Management (Omitted)</p> <p>II. Type, Purpose, Scope, etc. of Assets for Asset Management</p> <p>(1) Investment Objectives</p> <p>a. (Omitted)</p> <p>b. (Omitted)</p> <p>c. ①~④ (Omitted)</p> <p>⑤Movables (excluding those in b. ⑪)</p> <p>⑥~⑦ (Omitted)</p> <p>(2) Investment Stance</p> <p>① NBF will principally invest in real estate consisting of buildings primarily used for offices with their underlying land located in the Tokyo CBDs, Other Greater Tokyo and Other Cities as well as securities, beneficiary certificates representing beneficial interests in trusts and other assets backed by such real estate.</p>	<p>Asset Management Objectives and Policies</p> <p>(No amendment)</p> <p>I. Basic Policies on Asset Management (No amendment)</p> <p>II. Type, Purpose, Scope, etc. of Assets for Asset Management</p> <p>(1) Investment Objectives</p> <p>a. (No amendment)</p> <p>b. (No amendment)</p> <p>c. ①~④ (No amendment)</p> <p>⑤Movables (excluding those in b. ⑪ <u>of this Paragraph</u>)</p> <p>⑥~⑦ (No amendment)</p> <p>(2) Investment Stance</p> <p>① NBF will principally invest in real estate consisting of buildings primarily used for offices with their underlying land located in the Tokyo CBDs, Other Greater Tokyo and Other Cities as well as securities, beneficiary certificates representing beneficial interests in trusts and other assets backed by such real estate <u>(hereinafter, collectively referred to as "Real Estate Related Assets")</u>.</p>

Existing Articles of Incorporation	Proposed Amendment
<p>② When investing in individual <u>real estate (including real estate underlying securities, beneficiary certificates representing beneficial interests in trusts and other assets acquired by NBF; hereinafter, “Real Estate, etc.” in this Paragraph)</u>, selections will be made through comprehensive research and analysis based on the forecast investment yields resulting from the acquisition price and anticipated profits of said <u>real estate</u>, future prospects and stability of the area of location, availability of measures responding to risks of deterioration and obsolescence <u>of real estate</u>, insurability and so forth. Upon the selections, comprehensive research and analysis will be made by taking scale of building, construction type and specifications of facilities, earthquake resistance, measures regarding status of legal title, tenancy characteristics, building management relations, and environmental, condition of land, etc. into consideration.</p> <p>③ For composition of the portfolio, the investment strategy divides the investment area into three areas consisting of Tokyo CBDs, Other Greater Tokyo and Other Cities in such manner that 70% or greater of the total amount of the <u>amount</u> of real estate, real estate leasehold rights and superficies or real estate, real estate leasehold rights and superficies underlying beneficiary certificates representing beneficial interests in trusts are allocated to Tokyo CBDs and Other Greater Tokyo and 30% or less to Other Cities. The purpose of this area diversification is to mitigate cash flow risks such as risk of earthquakes, risk of vacancies and so forth.</p>	<p>② When investing in individual <u>Real Estate Related Assets</u>, selections will be made through comprehensive research and analysis based on the forecast investment yields resulting from the acquisition price and anticipated profits of said <u>Real Estate Related Assets</u>, future prospects and stability of the area of location <u>of the real estate comprising said Real Estate Related Assets or real estate underlying such</u>, availability of measures responding to risks of deterioration and obsolescence <u>thereof</u>, insurability and so forth. Upon the selections, comprehensive research and analysis will be made by taking scale of building, construction type and specifications of facilities, earthquake resistance, measures regarding status of legal title, tenancy characteristics, building management relations, and environmental, condition of land, etc. into consideration.</p> <p>③ For composition of the portfolio, the investment strategy divides the investment area into three areas consisting of Tokyo CBDs, Other Greater Tokyo and Other Cities in such manner that 70% or greater of the total amount of the <u>price</u> of real estate, real estate leasehold rights and superficies or real estate, real estate leasehold rights and superficies underlying beneficiary certificates representing beneficial interests in trusts are allocated to Tokyo CBDs and Other Greater Tokyo and 30% or less to Other Cities. The purpose of this area diversification is to mitigate cash flow risks such as risk of earthquakes, risk of vacancies and so forth.</p>

Existing Articles of Incorporation	Proposed Amendment
<p>④ In principle, NBF acquires Real Estate, <u>etc.</u> which are leased/leasable assets at the time of closing. NBF may acquire Real Estate, <u>etc.</u> which are not yet leasable at the time of closing based on consideration of the impact on NBF’s asset management activities after taking into account the investment amount, the date of completion or of becoming leasable, estimated revenue and so forth; provided, however, that the contract amount of acquisition price of any such unleasable asset combined with the total contract amount of acquisition price of previously acquired unleasable assets (but excluding unleasable assets which thereafter become operational) will not exceed 10% of the total assets indicated on the most recent balance sheet of NBF. For this purpose, “leased/leasable assets” shall mean <u>Real Estate, etc.</u> with respect to which the construction of the building has been completed and such building is leased or leasable. Real Estate, <u>etc.</u> which are owned by NBF and have become operational at some point shall be deemed “leasable” thereafter (including such cases as reconstruction or large-scale renovation of a building). In addition, “unleasable assets” shall mean Real Estate, <u>etc.</u> other than leased/leasable assets.</p>	<p>④ In principle, NBF acquires Real Estate <u>Related Assets</u> which are leased/leasable assets at the time of closing. NBF may acquire Real Estate <u>Related Assets</u> which are not yet leasable at the time of closing based on consideration of the impact on NBF’s asset management activities after taking into account the investment amount, the date of completion or of becoming leasable, estimated revenue and so forth; provided, however, that the contract amount of acquisition price of any such unleasable asset combined with the total contract amount of acquisition price of previously acquired unleasable assets (but excluding unleasable assets which thereafter become operational) will not exceed 10% of the total assets indicated on the most recent balance sheet of NBF. For this purpose, “leased/leasable assets” shall mean <u>real estate comprising Real Estate Related Assets or real estate underlying such</u> with respect to which the construction of the building has been completed and such building is leased or leasable. Real Estate <u>Related Assets</u> which are owned by NBF and have become operational at some point shall be deemed “leasable” thereafter (including such cases as reconstruction or large-scale renovation of a building). In addition, “unleasable assets” shall mean Real Estate <u>Related Assets</u> other than leased/leasable assets.</p>

Existing Articles of Incorporation	Proposed Amendment
⑤ (Omitted)	⑤ (No amendment)
⑥ Regarding acquired <u>Real Estate, etc.</u> , the goal is to obtain steady growth of operating profits on a medium-to-long-term basis by planning to maintain and improve asset value and competitive ability through ongoing investment in facilities and by expanding income (increasing rents, etc., increasing occupancy rates, extending the term of leases and rendering them more stable, etc.) and reducing expenses (reducing property management fees, utilities expenses, etc.).	⑥ Regarding acquired <u>real estate comprising Real Estate Related Assets</u> or real estate underlying such, the goal is to obtain steady growth of operating profits on a medium-to-long-term basis by planning to maintain and improve asset value and competitive ability through ongoing investment in facilities and by expanding income (increasing rents, etc., increasing occupancy rates, extending the term of leases and rendering them more stable, etc.) and reducing expenses (reducing property management fees, utilities expenses, etc.).
⑦ In disposing of individual Real Estate, <u>etc.</u> , selections will be made through comprehensive research and analysis based on the forecasted income, actual and predicted fluctuations in asset value, future prospects and stability of the area of location, risks of deterioration and obsolescence of real estate and predicted costs thereof as well as the composition of the portfolio, etc. Sell/hold studies will be periodically undertaken with respect to all operating Real Estate, <u>etc.</u>	⑦ In disposing of individual Real Estate <u>Related Assets</u> , selections will be made through comprehensive research and analysis based on the forecasted income, actual and predicted fluctuations in asset value, future prospects and stability of the area of location, risks of deterioration and obsolescence of real estate and predicted costs thereof as well as the composition of the portfolio, etc. Sell/hold studies will be periodically undertaken with respect to all operating Real Estate <u>Related Assets</u> .
⑧~⑨ (Omitted)	⑧~⑨ (No amendment)
III. Investment Restrictions	III. Investment Restrictions
(1)~(2) (Omitted)	(1)~(2) (No amendment)
(3) NBF will not invest in <u>real estate (including real estate underlying securities, beneficiary certificates representing beneficial interests in trusts and other assets acquired by NBF)</u> located outside of Japan.	(3) NBF will not invest in <u>Real Estate Related Assets</u> consisting of real estate or backed by such located outside of Japan.
(4) (Omitted)	(4) (No amendment)

Existing Articles of Incorporation	Proposed Amendment
<p>IV. Purpose and Scope of Leasing of Assets in the Portfolio</p> <p>(1) NBF will, in principle, for the purpose of assuring stable income on a medium-to-long-term basis, lease out all real estate <u>(including real estate underlying beneficiary certificates representing beneficial interests in trusts and other assets acquired by NBF)</u> or movables incidental to said real estate (hereinafter, “<u>Real Estate, etc.</u>”) included in Managed Assets (including installation of parking lots, billboards, etc.).</p> <p>(2) When conducting the leasing of <u>Real Estate, etc.</u> in the preceding Item, leasehold and security deposits, etc. and other similar monies (hereinafter, “Security Deposits, etc.”) may be received or deposited and the received Security Deposits, etc. will be managed in accordance with the requirements of the Management Policies.</p> <p>(3) Assets other than <u>Real Estate, etc.</u> included in Managed Assets will not be leased out.</p>	<p>IV. Purpose and Scope of Leasing of Assets in the Portfolio</p> <p>(1) NBF will, in principle, for the purpose of assuring stable income on a medium-to-long-term basis, lease out all real estate <u>comprising Real Estate Related Assets or real estate underlying such</u> or movables incidental to said real estate (hereinafter, <u>collectively referred to as “Leased Assets” in this Paragraph</u>) included in Managed Assets (including installation of parking lots, billboards, etc.).</p> <p>(2) When conducting the leasing of <u>Leased Assets</u> in the preceding Item, leasehold and security deposits, etc. and other similar monies (hereinafter, “Security Deposits, etc.”) may be received or deposited and the received Security Deposits, etc. will be managed in accordance with the requirements of the Management Policies.</p> <p>(3) Assets other than <u>Leased Assets</u> included in Managed Assets will not be leased out.</p>

Proposal No. 2: Appointment of One Executive Director

As the term of office of the executive director Yoshiki Kageyama will expire as of March 16, 2019, the appointment of one executive director is requested. Pursuant to the provisions of NBF's Articles of Incorporation, the term of office of the executive director appointed based on this proposal shall be two years from the assumption of office on March 17, 2019.

This proposal concerning the appointment of executive director is one for which resolution to submit such to the general meeting of unitholders was passed with the unanimous consent of NBF's supervisory directors at the board of directors meeting held on January 30, 2019.

The executive director candidate is as follows:

Name (Date of birth)	Career summary	Number of NBF investment units owned
Koichi Nishiyama (July 2, 1951)	Apr. 1974 Joined Mitsui Fudosan Co., Ltd. Apr. 2000 Manager of Building Fund Office, Building Division of Mitsui Fudosan Co., Ltd. Sept. 2000 President and Representative Director of MF Asset Management Co., Ltd. (now Nippon Building Fund Management Ltd.) Dec. 2000 Seconded to MF Asset Management Co., Ltd. (now Nippon Building Fund Management Ltd.) Aug. 2001 Executive Director of NBF June 2003 Member Director of The Investment Trusts Association, Japan May 2007 Director of The Association for Real Estate Securitization July 2009 Member Director of The Investment Trusts Association, Japan Apr. 2012 Corporate Adviser of Mitsui Fudosan Co., Ltd. June 2012 Corporate Auditor of Mitsui Fudosan Co., Ltd.	0 units

- There is no special vested interest between the executive director candidate Koichi Nishiyama and NBF.

Proposal No. 3: Appointment of Two Substitute Executive Directors

In preparation for the vacancy of an executive director or for the situation where the number of executive directors becomes fewer than the legally-prescribed number due to the resolution pertaining to the appointment of the substitute executive director Morio Shibata ceasing to be effective as of March 16, 2019, the appointment of two substitute executive directors is requested. The order of priority for the assumption of office of executive director in the event that this proposal is approved shall be Yoshiyuki Tanabe as first priority and Morio Shibata as second priority. Pursuant to the provisions of NBF's Articles of Incorporation, the period that the resolution pertaining to the appointment of substitute executive directors based on this proposal remains in force shall be two years from March 17, 2019, the date of the assumption of office of executive director based on Proposal No. 2.

The appointment of substitute executive directors shall be effective unless the appointment is revoked by resolution of NBF's board of directors as allowed only if prior to assumption of office of executive director.

This proposal concerning the appointment of substitute executive directors is one for which resolution to submit such to the general meeting of unitholders was passed with the unanimous consent of NBF's supervisory directors at the board of directors meeting held on January 30, 2019.

The substitute executive director candidates are as follows:

Candidate number	Name (Date of birth)	Career summary, and status of significant concurrent holding of positions	Number of NBF investment units owned
1	Yoshiyuki Tanabe (July 25, 1958)	<p>Apr. 1982 Joined Mitsui Fudosan Co., Ltd.</p> <p>Apr. 2005 General Manager, Strategy Planning and Administration Department, Retail Properties Division of Mitsui Fudosan Co., Ltd.</p> <p>Mar. 2008 Seconded to Mitsui Fudosan Frontier REIT Management Inc. Vice President and Representative Director of Mitsui Fudosan Frontier REIT Management Inc.</p> <p>Oct. 2008 Chief Executive Officer and Representative Director of Mitsui Fudosan Frontier REIT Management Inc.</p> <p>Apr. 2011 General Manager, Chubu Branch of Mitsui Fudosan Co., Ltd. Seconded to Mitsui Fudosan Residential Co., Ltd. General Manager, Chubu Branch of Mitsui Fudosan Residential Co., Ltd.</p> <p>Apr. 2015 General Manager, Affiliated Business Department of Mitsui Fudosan Co., Ltd.</p> <p>Apr. 2018 Seconded to Nippon Building Fund Management Ltd. President and CEO of Nippon Building Fund Management Ltd. (current)</p>	4 units
2	Morio Shibata (Nov. 6, 1965)	<p>Apr. 1988 Joined Mitsui Fudosan Co., Ltd.</p> <p>July 2005 Director and Chief Financial Officer of Mitsui Fudosan Accommodations Fund Management Co., Ltd.</p> <p>Apr. 2012 Executive Manager of Finance Group, Accounting and Finance Department of Mitsui Fudosan Co., Ltd.</p> <p>Apr. 2016 Seconded to Nippon Building Fund Management Ltd. Director, Chief Investment Officer and Chief Financial Officer of Nippon Building Fund Management Ltd. (current)</p>	0 units

- The substitute executive director candidate Yoshiyuki Tanabe is President and CEO of Nippon Building Fund Management Ltd., which is the counterparty to the Asset Management Entrustment Agreement and the Agreement for General Administration Regarding the Management of Institutions concluded by NBF. There is no other special vested interest with NBF.
- The substitute executive director candidate Morio Shibata is Director, Chief Investment Officer and Chief Financial Officer of Nippon Building Fund Management Ltd., which is the counterparty to the Asset Management Entrustment Agreement and the Agreement for General Administration Regarding the Management of Institutions concluded by NBF. There is no other special vested interest with NBF.

Proposal No. 4: Appointment of Three Supervisory Directors

As the term of office of the three supervisory directors Hakaru Goto, Masahiko Yamazaki and Yutaka Kawakami will expire as of March 16, 2019, the appointment of three supervisory directors is requested. Pursuant to the provisions of NBF's Articles of Incorporation, the term of office of the supervisory directors appointed based on this proposal shall be two years from the assumption of office on March 17, 2019.

Pursuant to the provisions of the Act on Investment Trusts and Investment Corporations and NBF's Articles of Incorporation, the number of supervisory directors must be at least one more than the number of executive directors.

The supervisory director candidates are as follows:

Candidate number	Name (Date of birth)	Career summary, status of significant concurrent holding of positions, and positions at NBF	Number of NBF investment units owned
1	Masahiko Yamazaki (Mar. 14, 1953)	<p>Apr. 1978 Registered Attorney at Law Joined Daini Tokyo Bar Association Joined Kiyoshi Fukuoka Law Office</p> <p>Apr. 1986 Established Yamazaki Masahiko Law Office (current)</p> <p>Feb. 2012 Member of Disciplinary Actions Committee at Daini Tokyo Bar Association</p> <p>Apr. 2012 Professor at Graduate School of Law, Hosei University</p> <p>June 2014 Outside Director of Ikegami Tsushinki Co., Ltd. (current)</p> <p>Mar. 2017 Supervisory Director of NBF (current)</p>	0 units
2	Yutaka Kawakami (June 13, 1952)	<p>Feb. 1976 Joined Tohmatsu Aoki & Co. (now Deloitte Touche Tohmatsu LLC)</p> <p>Mar. 1980 Registered Certified Public Accountant</p> <p>July 1984 Started working at New York office of Tohmatsu Aoki & Co. (now Deloitte Touche Tohmatsu LLC)</p> <p>June 1990 Partner of Tohmatsu & Co. (now Deloitte Touche Tohmatsu LLC)</p> <p>June 2007 National Board Member and Managing Partner, Human Resource at Tohmatsu & Co.</p> <p>Mar. 2017 Supervisory Director of NBF (current) Outside Corporate Auditor of Asahi Group Holdings, Ltd. (current)</p> <p>June 2018 KYODO News Auditor (current)</p>	0 units

Candidate number	Name (Date of birth)	Career summary, status of significant concurrent holding of positions, and positions at NBF	Number of NBF investment units owned
3	Motohiko Sato (Oct. 26, 1963)	<p>Apr. 1987 Joined Kanto Local Finance Bureau, Ministry of Finance</p> <p>Oct. 1990 Joined Japan Real Estate Institute</p> <p>Apr. 1993 Registered as Real Estate Appraiser</p> <p>Aug. 1995 Established Sogo Zaisan Kantei Representative of Sogo Zaisan Kantei (current)</p> <p>Apr. 1998 Chiba District Court Auction Appraiser (current)</p> <p>Apr. 2012 Chiba Family Court Domestic Relations Conciliation Commissioner (current)</p> <p>June 2015 Secretary-General for Chiba Prefecture Land Price Publication of Land Appraisal Committee, Ministry of Land, Infrastructure, Transport and Tourism (current)</p> <p>June 2015 Vice Chairman of Chiba Association of Real Estate Appraisers (current)</p> <p>July 2015 Secretary-General for Chiba Prefecture Fixed Asset Appraisal (current)</p> <p>July 2015 Member of Land Price Survey Committee, Japan Association of Real Estate Appraisers (current)</p> <p>Oct. 2015 Chief Appraiser for Chiba Prefecture of Tokyo Regional Taxation Bureau (current)</p> <p>Apr. 2016 Secretary-General for Chiba Prefecture Land Price Survey (current)</p> <p>Feb. 2018 Expert Adviser to Court Estate Division Conciliation Standard Valuation Working Group of Operations Committee, Japan Association of Real Estate Appraisers (current)</p>	0 units

- There is no special vested interest between each supervisory director candidate and NBF.
- The supervisory director candidates Masahiko Yamazaki and Yutaka Kawakami currently supervise all aspects of the execution of duties by NBF's executive directors as NBF's supervisory directors.
- The supervisory director candidate Masahiko Yamazaki is Representative of Yamazaki Masahiko Law Office.
- The supervisory director candidate Motohiko Sato is Representative of Sogo Zaisan Kantei.

Reference Matters

When there are conflicting proposals among the proposals submitted to the general meeting of unitholders, the provisions of “deemed votes in favor” provided in Article 93, Paragraph 1 of the Act on Investment Trusts and Investment Corporations and Article 21 of NBF’s Articles of Incorporation shall not apply to any of such proposals. None of the proposals of Proposal No. 1, Proposal No. 2, Proposal No. 3 or Proposal No. 4 above falls under the category of conflicting proposals.

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