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Morgan Stanley Investment Management Raises JPY131 Billion for North Haven Real Estate Japan Strategy Fund I

NEW YORK – Morgan Stanley Real Estate Investing (MSREI), the private real estate investment arm of Morgan Stanley Investment Management (MSIM), today announced it has held the final close and raised JPY131 billion (approximately US\$900 million) for its inaugural North Haven Real Estate Japan Strategy Fund I (JSF or the Fund), exceeding the original fundraising target of JPY 75 billion (approximately US\$500 million). The majority of the JSF investor base is comprised of Japanese pension funds and financial institutions, paired with foreign sovereign wealth funds.

JSF, a Japanese Yen-denominated closed-end fund, will seek to invest in assets that benefit from Japan's structural tailwinds, including domestic urbanization and international migration, relatively high return to office rates plus growing office employment, and strong e-commerce and supply chain reconfiguration, which will support the residential, office and industrial real estate sectors, respectively. The Fund will focus on properties within these sectors in Tokyo, Osaka, and other major markets across Japan with the objective of producing attractive risk-adjusted returns using prudent leverage. JSF completed its first acquisition in March 2025, and to date has committed approximately 8% of the Fund across several residential investments.

Commenting on JSF's strategy, Yu Kawamata, Co-Head of MSREI Asia Investments and Head of MSREI Japan, said: "Japan has a positive macroeconomic outlook driven by inflation and wage growth, regulatory changes shifting corporate behavior towards efficiency, and attractive yield spreads with favorable financing terms. Against this backdrop, real estate fundamentals continue to improve, particularly for sectors supported by long-term structural tailwinds. With 25+ years of investing experience in Japan, we believe MSREI is well positioned to leverage its in-depth local market knowledge and strong access to opportunities through long-standing relationships to successfully invest JSF on behalf of investors."

"We are extremely pleased with the strong investor support for JSF both from existing and new investors who recognize and value MSREI's long history and deep expertise in Japan, having deployed more than \$10 billion of equity capital in the country since 1998," said Toru Bando, CIO of MSREI and Head of MSREI Asia. "With domestic capital in Japan increasing allocations to

alternative products, including real estate, and broader institutional investor interest in Japan, we believe JSF offers investors a differentiated country-specific investment solution that combines MSREI's strong local investing capabilities with a unique global perspective delivered through managing over \$50 billion of real estate assets globally and having the ability to leverage the broader Morgan Stanley franchise in Japan."

About Morgan Stanley Real Estate Investing

Morgan Stanley Real Estate Investing (MSREI) is the global private real estate investment management business of Morgan Stanley. One of the most active global real estate investors in the world for over three decades, MSREI employs a patient, disciplined approach through global value-add / opportunistic and regional core / core-plus real estate investment strategies. With 17 offices throughout the U.S., Europe and Asia, regional teams of dedicated real estate professionals combine a unique global perspective with local presence and significant transaction execution expertise. As of June 30, 2025, MSREI manages \$54 billion of gross real estate assets worldwide on behalf of its clients.

About Morgan Stanley Investment Management

Morgan Stanley Investment Management, together with its investment advisory affiliates, has more than 1,300 investment professionals around the world and \$1.7 trillion in assets under management as of June 30, 2025. Morgan Stanley Investment Management strives to provide strong long-term investment performance, outstanding service and a comprehensive suite of investment management solutions to a diverse client base, which includes governments, institutions, corporations and individuals worldwide. For further information about Morgan Stanley Investment Management, please visit www.morganstanley.com/im.

About Morgan Stanley

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