



日本賃貸住宅投資法人
Japan Rental Housing Investments Inc.

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Financial Results for the 23rd Fiscal Period (Ended September 30, 2017)

November 16, 2017



株式会社ミカサ・アセット・マネジメント
Mi-Casa Asset Management Inc.

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I. Executive Summary for the 23rd (September 2017) Fiscal Period

1. Acquisition of New Properties and Disposition of Owned Properties (Execution of Asset Replacement)

(Acquisitions)

Acquired 3 newly-built properties (completed in February 2017) in Osaka for a total of JPY 4 billion yen on June 1, 2017. → Started management with a high occupancy rate.

(Dispositions)

Disposed Abreast ShinOsaka on September 28, 2017 (disposition price: JPY 1.8 billion, a serviced apartment acquired in 2010 through the merger with PRI)

→ Recorded gain on disposition of JPY 380 million (book value: JPY 1,360 million, appraisal value: JPY 1,460 million, both as of the end of the 22nd FP)

(Acquisitions)		Occ % Sep 2017
HS Umeda EAST	JPY 2.151bn	98.5%
Serenite Umeda EST	1.057	100.0%
Serenite Yuhigaoka EST	0.811	100.0%
Total of 3 properties	40.19bn	

(Disposition)

Brokers were Daiwa Securities and Daiwa Property

2. Operation

- Occupancy rate: 98.2% (+0.4 points compared to the initial forecast), remaining at over 98% for 6 consecutive periods (occupancy rate as of the end of the fiscal period: 98.4%)
- Rent: New contracts (1,459), rent increase 44.2% (-3.0 points from the previous fiscal period) / rent decrease 41.5% (+1.6 points from the previous fiscal period); Renewals (2,062), rent increase 5.6% (-1.4 points from the previous fiscal period)
- Parking occupancy rate: 94.2% at the end of the fiscal period
- Trust fees: Reduced by JPY 23 million (Changed the ownership form of 40 properties whose contract expired in the 23rd FP from trust beneficiary interests to actual real estate, as initially scheduled)

(Comparison of ave occ rates for Apr-Sep period)

23rd FP (2017): 98.2% ↑(+0.1P)
21st FP (2016): 98.1% ↓(-0.3P)
19th FP (2015): 98.4% ↑(+0.9P)
17th FP (2014): 97.5% -

(End of Sep 2017)

Long-term vacancy units (over 60 days): 35 units
(0.3% of entire units)

3. Finance

- Total amount procured: JPY 15.43 billion (= Bank borrowings: JPY 9.26 billion + Investment corporation bonds: JPY 4.6 billion + Property disposition: JPY 1.57 billion)
 - ① Refinanced JPY 10.834 billion of bank borrowings due in the 23rd FP with JPY 9.26 billion of bank borrowings and JPY 1.6 billion from issuance of investment corporation bonds.
 - ② In October 2017, Conducted early refinancing of JPY 4.57 billion out of JPY 7.57 billion of bank borrowings due in the 24th FP with JPY 3.0 billion from issuance of investment corporation bonds and JPY 1.57 billion with funds procured through property disposition. (Total asset LTV decreased by 0.3% to 50.9%)
- Fixed floating interest rates: Conducted interest rate swap for JPY 13.26 billion → Ratio of debt with fixed interest rates rose to 96.0% (after October 13, 2017)
- All-in financing costs of total interest bearing debt: 1.33% in the 22nd FP → 1.27% in the 23rd FP (-0.02% compared to the initial forecast)

(Breakdown of financing in 23rd FP)

Bank borrowing JPY 7.26 bn (8 yrs, 0.86%)
Bank borrowing JPY 2.0 bn (5.8 yrs, 0.69%)
Reit bond JPY 1.6 bn (10 yrs, 0.77%)
Reit bond JPY 3.0 bn (10 yrs, 0.81%)
Total JPY 13.86 bn (average 8.3 yrs, 0.82%)
Property disposition JPY 1.57 bn
Total JPY 15.43 bn

Concluded 3 interest rate swap contracts with Nomura Securities, total nominal amount of JPY 13.26 bn → Ratio of debt with fixed interest rates rose to 96.0%

4. IR

- Visited 62 institutional investors (38 companies in Tokyo and 24 regional financial institutions outside of Tokyo)
- Conducted overseas IR activities in Europe and US (Had one-on-one meetings with 17 overseas investors in Netherlands, UK, US and Canada)
- Participated in conference in Japan organized by securities companies (Had one-on-one meetings with 3 investors)
- Participated in 3 presentation meetings for individual investors organized by securities companies (with attendance of 443 unitholders in total)
- Held regular briefing sessions for JRH unitholders in Tokyo, Nagoya, Osaka and Fukuoka (with attendance of 377 unitholders in total).

(Ratio of investment units held as of Sep 2017 (change from previous period))

No big change from the previous period

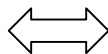
Financial institutions (including financial instrument trading companies)	54.5%(+0.2P)
Foreign companies	30.7%(-)
Individuals and others (18,162)	10.6%(-0.1P)
Other companies	4.1%(-0.3P)
Total	100.0%

5. Progress of Medium-term Plans (Please refer to page 4)

*Please refer to page 45 for details.

*Included to FTSE EPRA/NAREIT from Mar 2016

Progressed mostly as planned
(JPY 1,900 range within sight on
a normal basis from the 25th FP)

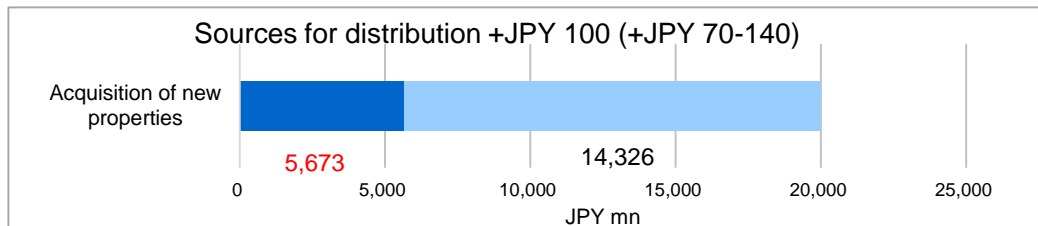


Medium-term target of distribution: Aim to achieve JPY 1,900 – 2,000 of
distribution per unit on a normal basis over the three-year period from 22nd
FP (ended March 2017) to 27th FP (ending September 2019)
(Sources for the increase of JPY 300:
JPY 100 from external growth + JPY 200 from internal growth, etc.)

1. Acquisition of new properties (Also conducting disposition considering market trends)

Target (JPY million)	Amount achieved in 23rd FP (JPY million)	Accumulated amount achieved (JPY million)	Progress rate (%)	Contribution to distribution (Note 1)
(10,000~) 20,000	2,628	5,673 (Note 2)	28.4	¥39

(Note 1) Distribution increase target JPY 200 / Asset size increase target JPY 20,000 million
x Accumulated amount achieved JPY 5,673 million. Distribution reserves of JPY 310
million was recorded in line with the disposition of Abreast ShinOsaka → JPY 18 per
unit to be distributed every fiscal period over the next 5 years.



(Note 2) Breakdown of the total amount of JPY 5,673 million based on acquisition prices
[New acquisition] 22nd FP: 1 property in Sapporo (JPY 4,530 million),
23rd FP: 3 properties in Osaka (JPY 4,019 million)
[Disposition] 22nd FP: 1 property in Sapporo and 4 properties in Kansai (JPY 1,484 million),
23rd FP: 1 property in Osaka (JPY 1,391 million)

2. Reduction of costs and payout of distribution reserves

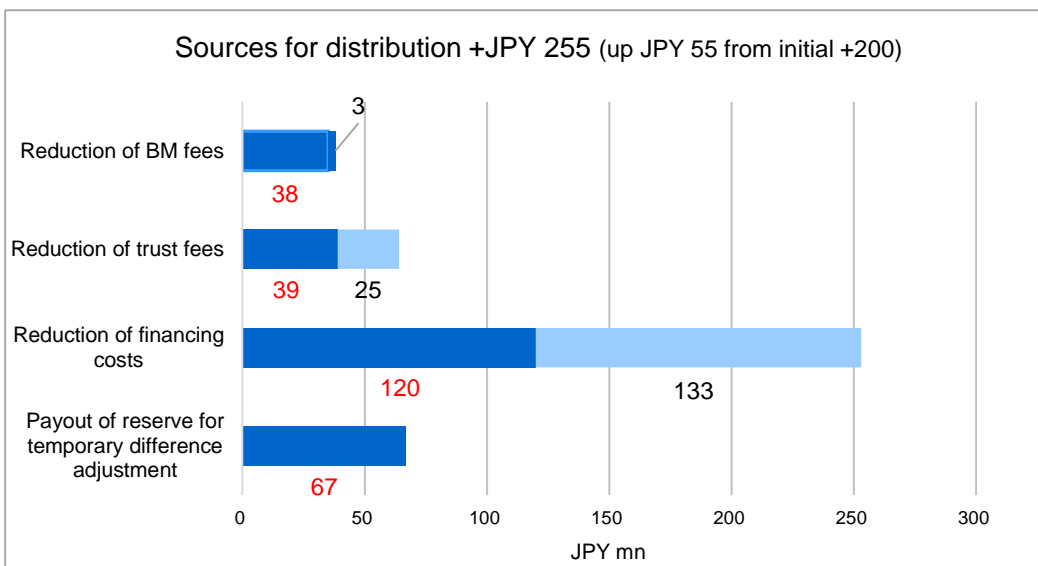
Target (JPY million)	Amount achieved in 23rd FP (JPY million)	Accumulated amount achieved (JPY million)	Progress rate (%)	Contribution to distribution (Note 3)
Reduction of BM fees 35.0	0.8	38.4	110.0	¥23
Reduction of trust fees 65.0	23.7	39.2	60.4	¥23
Reduction of financing costs 253.9 (Note 4)	35.6 (Note 5)	120.7	47.6	¥73
Payout of reserve for temporary difference adjustment 67.3 (Note 6)	67.3	67.3	100.0	¥41
Total	127.6	265.8	63.1	¥160

(Note 3) Amount achieved in each category / Number of investment units issued and outstanding (1,640,060).

(Note 4) Balance of interest bearing debt at the end of 21st FP (JPY 117,132 million) x (All-in financing costs for 21st FP (1.47%) – target all-in costs for 27th FP (1.04%)) / 2.

(Note 5) Balance of average debt at the end of 23rd FP (JPY 117,408 million) x (All-in financing costs for 21st FP (1.47%) – all-in costs for 23rd FP (1.27%)) / 2.

(Note 6) Balance after distributing period-end distribution for 22nd FP (JPY 6,733 million) / 50 years / 2.



21st Fiscal Period

22nd Fiscal Period [Changes from Previous Period]

1. Portfolio

■ Asset Size:	JPY 223.2 bn
■ NOI Yield:	5.73% (196 properties based)
■ Appraisal Value:	JPY 247.8 bn (197 properties based)
■ Unrealized Gain:	JPY 31.6 bn (197 properties based)
(appraisal / book value:	114.6%)

■ Asset Size:	JPY 225.9 bn [+JPY 2.6 bn]
■ NOI Yield:	5.67% [-0.06P] (196 properties based)
■ Appraisal Value:	JPY 254.1 bn [+JPY 6.2 bn] (199 properties based)
■ Unrealized Gain:	JPY 36.1 bn [+JPY 4.4 bn] (199 properties based)
(appraisal / book value:	116.6% [+1.9P])

2. Operations

■ Number of Properties:	197
■ Net Rentable Area:	532 thousand m ²
■ Average Occupancy Rate:	98.3%
(March 2017:	98.7%)
■ Average Rent at the end of the Period:	JPY 98,432

■ Number of Properties:	199 [+2]
■ Net Rentable Area:	535 thousand m ² [+3 thousand m ²]
■ Average Occupancy Rate:	98.2% [-0.1P]
(September 2017:	98.4% [-0.3P])
■ Average Rent at the end of the Period:	JPY 97,479 [-JPY 953]

3. Finance

■ Loan Balance:	JPY 117.1 bn
■ Ratio of Long-Term Interest Bearing Debt:	84.3% (Note1)
■ Average Loan Period:	5.54 years
■ Average Remaining Loan Period:	3.14 years
■ Appraisal Value Based LTV:	47.3%
■ Total Assets Based LTV:	51.2%
■ Total Unitholders' Capital:	JPY 91.7 bn
■ Total Units in Issue:	1,640,060 units
■ Credit Rating:	A+ Stable (JCR) A Stable (R&I)

■ Loan Balance:	JPY 120.1 bn [+JPY 3 bn] → JPY 115.5 bn (Note2)
■ Ratio of Long-Term Interest Bearing Debt:	81.7% [-2.6P] → 84.9% (Note1, 2)
■ Average Loan Period:	5.91 years [+0.37 years] → 5.97 yrs (Note2)
■ Average Remaining Loan Period:	3.54 years [+0.4 years] → 3.62 yrs (Note2)
■ Appraisal Value Based LTV:	47.3% [-] → 45.5% (Note2)
■ Total Assets Based LTV:	51.8% [+0.6P] → 50.9% (Note2)
■ Total Unitholders' Capital:	JPY 91.7 bn [-]
■ Total Units in Issue:	1,640,060 units [-]
■ Credit Rating:	A+ Stable (JCR) A Stable (R&I)

(Note1) Interest-bearing debt that is due for repayment within one year is excluded from long-term interest bearing debt.

(Note2) After the early repayment on October 2 and October 13, 2017, Loan Balance was JPY 115.5 billion (Average Loan Period of 5.97 years, Average Remaining Loan Period of 3.62 years, Ratio of Long-Term Interest Bearing Debt of 84.9%), Appraisal Value Based LTV was 45.5% and Total Assets Based LTV was 50.9%.

(Note3) Unit; rounded down, %; rounded

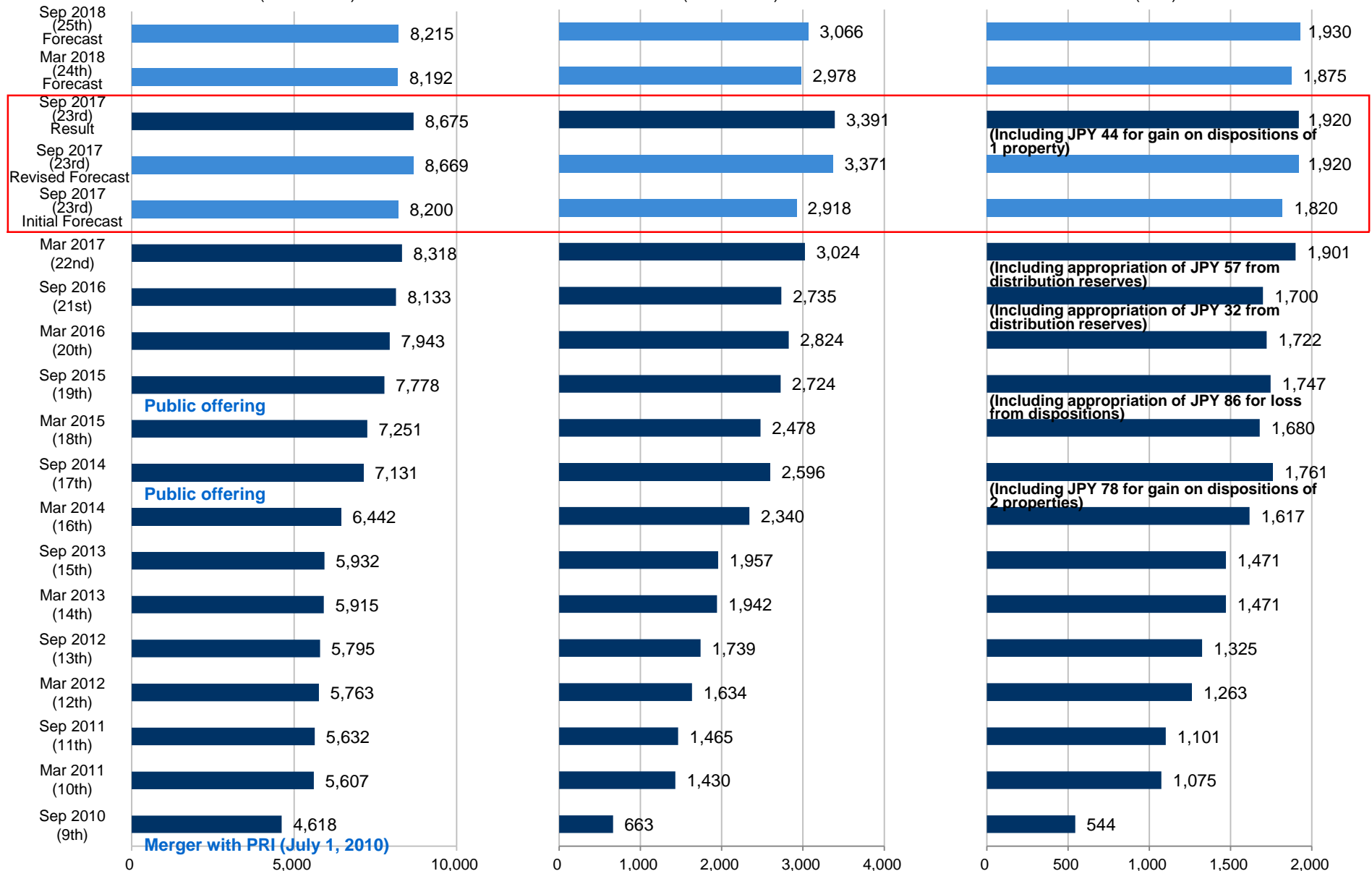
II. Overview of Financial Results for the 23rd (September 2017) Fiscal Period

Key Figures Trend

Operating Revenues (JPY million)

Net Profit (JPY million)

Distribution per Unit (JPY)



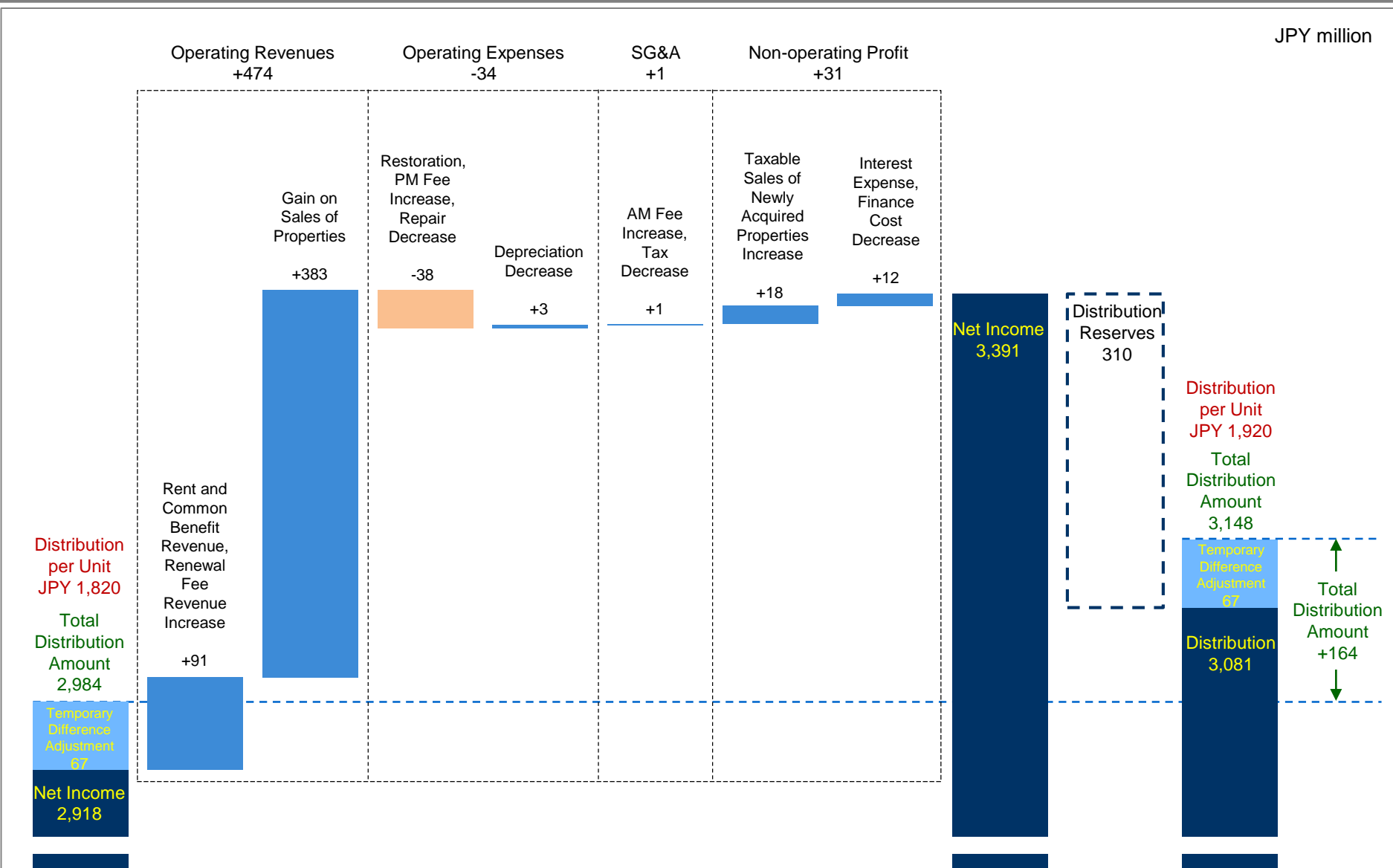
(Note) Figures on the 9th Fiscal Period do not include gains from negative goodwill. Performance figures on the 10th, 12th and 13th Fiscal Periods are real-term figures that exclude losses from property dispositions, etc. during the relevant period.

Initial Forecast (as of May 15, 2017) vs. Results for the 23rd Fiscal Period

JPY million

	(1) Initial Forecast (May 15, 2017)	Revised Forecast (Sep 15, 2017)	(2) Results	Difference (2) – (1)	Key Factors of the Difference
Operating Revenues	8,200	8,669	8,675	+474	Rent and Common Benefit Revenue Increase +8 Renewal Fee Revenue Increase +34 Other Revenue Increase +32 Gain on Sales of Properties +383 Other Increase +16
Operating Income	3,651	4,077	4,093	+441	(Operating Expenses Increase 38) Repair Expense Decrease +14 Restoration Expense Increase -25 PM Fee Increase -28 Utility Expense Decrease +11 Renewal Fee Increase -8 Other Increase -1 Depreciation Decrease +3 (SG&A Decrease 1) AM Fee Increase -14 Legal Fee Decrease +4 Tax Decrease +7 Other Decrease +4
Ordinary Income	2,919	3,372	3,391	+472	Other Non-operating Revenue +4 Taxable Sales of Newly Acquired Properties Increase +14 Interest Expense Decrease +10 Finance Cost Decrease +6 Other -4
Net Income	2,918	3,371	3,391	+472	Net Income per Unit Initial Forecast JPY 1,779 Revised Forecast JPY 2,055 Result JPY 2,067
Reserve for Temporary Difference Adjustment	67	67	67	0	—
Total Distribution Amount	2,984	3,148	3,148	+164	—
Distribution per Unit (JPY)	1,820	1,920	1,920	+100	Number of investment units in issue as of the end of the fiscal period : 1,640,060

JPY million



23rd FP
Forecast
(May 15, 2017)

23rd FP
Results

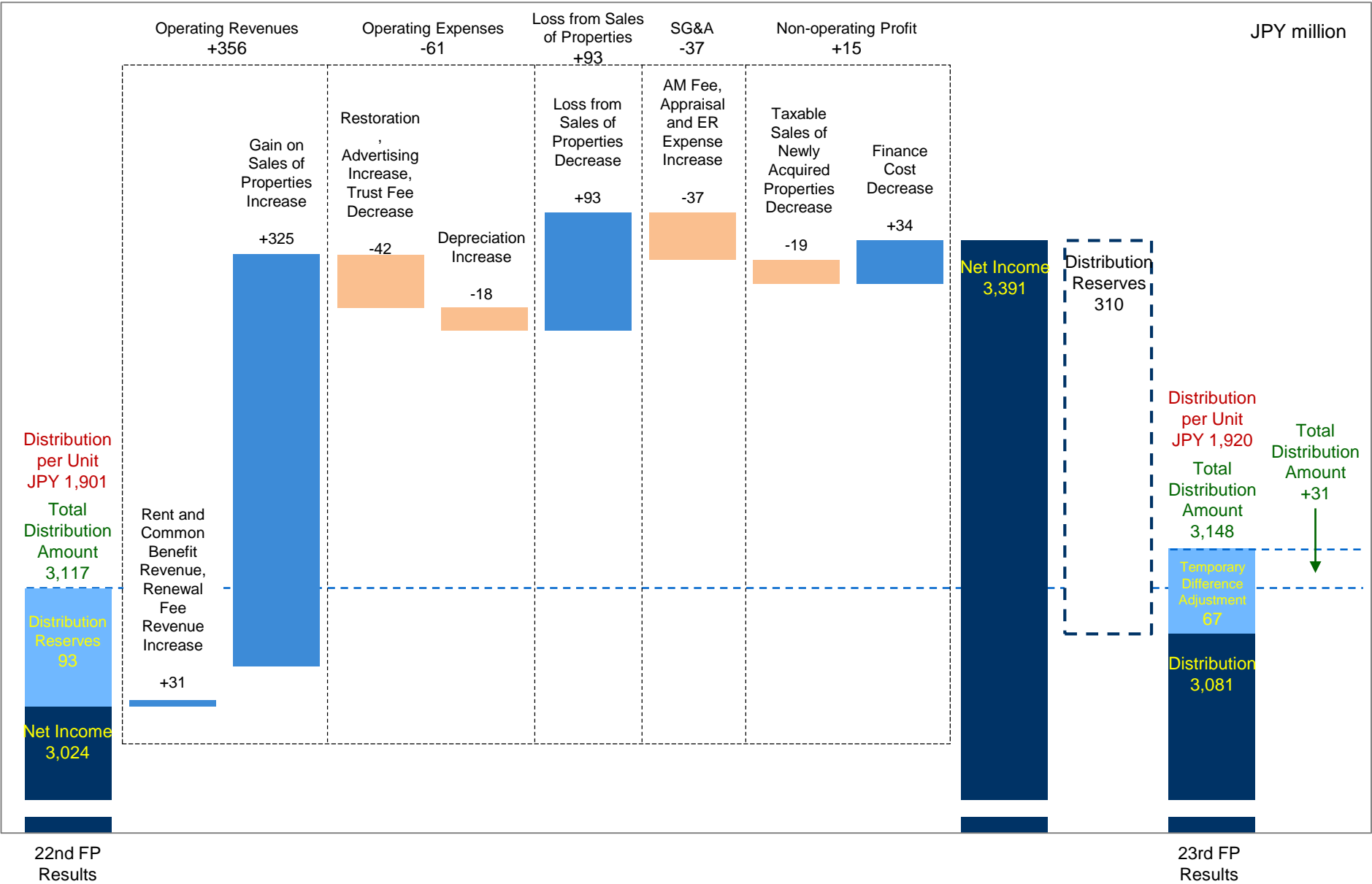
Results for the 22nd Fiscal Period vs. the 23rd Fiscal Period

JPY million

	(1) 22nd FP Results	(2) 23rd FP Results	Difference (2) – (1)	Key Factors of the Difference
Operating Revenues	8,318	8,675	+356	Rent and Common Benefit Revenue Increase +4 Key Money Increase +7 Renewal Fee Revenue Increase +11 Gain on Sales of Properties Increase +325 Other Increase +7
Operating Income	3,742	4,093	+351	(Operating Expenses Increase 42) Restoration Expense Increase -36 Advertising Expense Increase -25 Trust Fee Increase +23 Property Tax Increase -8 Other Decrease +4 Depreciation Increase -18 Loss from Sales of Properties Decrease +93 (SG&A Increase 38) AM Fee Increase -14 Appraisal and ER Expense Increase -17 Tax Increase -5
Ordinary Income	3,025	3,391	+366	Taxable Sales of Newly Acquired Properties Decrease -23 Interest Expense Decrease +4 Interest of Bond Increase -4 Finance Cost Decrease +33 Other +4
Net Income	3,024	3,391	+366	Net Income per Unit 22nd FP JPY 1,844 23rd FP JPY 2,067
Reversal of Distribution Reserve/Temporary Difference Adjustment	93	67	-25	—
Total Distribution Amount	3,117	3,148	+31	—
Distribution per Unit (JPY)	1,901	1,920	+19	Number of investment units in issue as of the end of the 22nd and 23rd fiscal period : 1,640,060

<Results for the 22nd Fiscal Period vs. the 23rd Fiscal Period>

JPY million



III. Forecast for the 24th (March 2018) and the 25th (September 2018) Fiscal Periods

Forecast for the 24th Fiscal Period (September 1, 2017 – March 31, 2018) and




the 25th Fiscal Period (April 1, 2018 – September 30, 2018)

JPY million

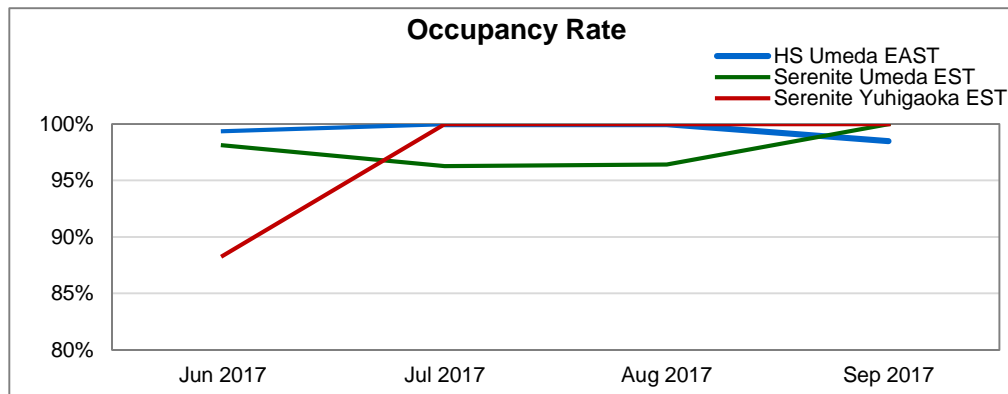
	(1) 23rd FP Results	(2) 24th FP Forecast	Difference (2) – (1)	Key Factors of the Difference	(3) 25th FP Forecast	Difference (3) – (2)	Key Factors of the Difference
Operating Revenues	8,675	8,192	-483	Rent and Common Benefit Revenue Decrease -41 Renewal Fee Revenue Decrease -10 Other Revenue Decrease -34 Gain on Sales of Properties -383 Decrease Other Decrease -12	8,215	+23	Rent and Common Benefit Revenue Increase +7 Renewal Fee Revenue Increase +12 Other Revenue Increase +4 Other Decrease -1
Operating Income	4,093	3,673	-419	(Operating Expenses Decrease 75) Repair Expense Decrease +23 Restoration Expense Decrease +22 BM Fee Decrease +15 Trust Fee Decrease +22 Other Increase -9 Depreciation Increase -7 (SG&A Increase 3) AM Fee Decrease +9 Appraisal and ER Expense Decrease +4 Other SG&A Increase -4 Tax Increase -4 Other Increase -8	3,707	+33	(Operating Expenses Decrease 7) Repair Expense Increase -7 Utility Expense Decrease +5 Advertising Expense Decrease +11 Trust Fee Decrease +8 Property Tax Increase -9 Other Increase -3 Depreciation Increase -1 (SG&A Decrease 5) AM Fee Decrease +2 Legal Fee Decrease +3 Appraisal and ER Expense Decrease +3 Other SG&A Increase -6 Other Decrease +1
Ordinary Income	3,391	2,978	-413	Taxable Sales of Newly Acquired Properties Decrease -35 Interest Expense Decrease +36 Finance Cost Decrease +23 Interest of Bond Increase -12 Other -5	3,067	+88	Interest Expense Decrease +24 Finance Cost Decrease +28 Other +2
Net Income	3,391	2,978	-413	Net Income per Unit 23rd FP JPY 2,067 24th FP JPY 1,815	3,066	+88	Net Income per Unit 25th FP JPY 1,870
(Reversal of Reserves) Distribution Reserves Temporary Difference Adjustments	67 -	67 31	0 +31	50 years equal amortization from 23rd FP 5 years equal amortization from 24th FP	67 31	0 0	—
Total Distribution Amount	3,148	3,075	-73	—	3,165	+90	—
Distribution per Unit (JPY)	1,920	1,875	-45	Number of investment units in issue as of the end of the fiscal period : 1,640,060	1,930	+55	Number of investment units in issue as of the end of the fiscal period : 1,640,060

IV. The 23rd (September 2017) Fiscal Period (details)

Acquired Property in the 23rd FP (June 1, 2017)

Property Name	Pictures	Location (Occupancy rates as of September 30, 2017)	Constructed	(A) Acquisition price (JPY thousand) ((A) / (B)) (Note)	(B) Appraisal value as of September 30, 2017 (JPY thousand)
HS Umeda EAST		Kita-ku, Osaka city, Osaka (98.5%) 15F, 127 units	February 2017	2,151,000 (91.9%)	2,340,000
Serenite Umeda EST		Kita-ku, Osaka city, Osaka (100.0%) 15F, 58 units	February 2017	1,057,000 (92.7%)	1,140,000
Serenite Yuhigaoka EST		Tennoji-ku, Osaka city, Osaka (100.0%) 15F, 56 units	February 2017	811,500 (93.4%)	869,000
Total				4,019,500 (92.4%)	4,349,000

(Note) Exclude acquisition-related expenses, fixed asset tax, city planning tax, and consumption tax and local consumption tax.

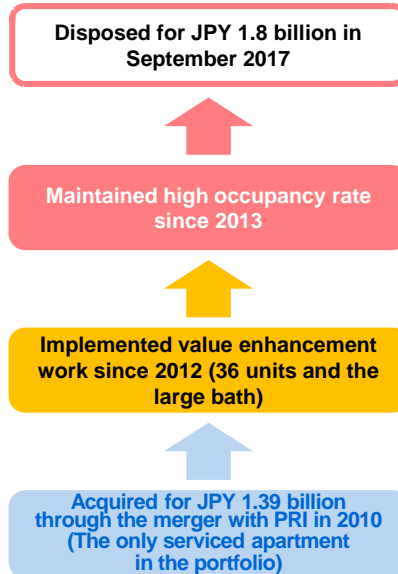


(Reasons for the disposition)

- ✓ Regional strategy (asset replacement)
- ✓ Future outlook on earnings of the asset
- ✓ Real estate transaction market trends in Osaka City (Hotels, minpaku (paid accommodations in private homes), etc. in line with the increase in the number of tourists)

(Property highlights)

- Acquired through the merger with PRI in 2010, at the price of JPY 1.39 bn
- 9 minutes walk from Shin-Osaka station (5 minutes walk from Higashi-Mikuni station on Midosuji metro line, 92 units in total)
- Only Serviced Apartment JRH held with Furniture, Main Bath Room, Breakfast and Dinner Service, 24H Reception, Room Cleaning, Dry-cleaning
- Tenants are mainly the officers and employees of major companies with corporate contracts.



Example of value enhancement work of units



(36 units converted from 2-bed-room to wide 1-bed-room)



NOI yield: 5.91% for the 23rd FP
Occupancy rate as of the end of the 22nd FP: 97.9%

Operating revenues JPY 78 mn
NOI 40
* Figures for 180 days, until the disposition in the period

(At the peak) NOI yield: 7.07% for the 16th FP
Occupancy rate as of the end of the period: 100.0%

Operating revenues JPY 88 mn
NOI 49

NOI yield: 5.02% for the 10th FP, right after the acquisition
Occupancy rate as of the end of the period: 71.8%

Operating revenues JPY 82 mn
NOI 34

Property Name	Pictures	Location (Acquisition)	Building Age (Note1)	Acquisition Price (JPY thousand) (Acquisition price based NOI yield) (Note3)	(A) Disposition Price (JPY thousand) (Note2) (Disposition price based NOI yield) (Note3)	As of the end of March 31, 2017				Gain/Loss on Sales (JPY thousand)
						(B) Book Value (JPY thousand) (Book value based NOI yield) (Note3)	(C) Appraisal Value (JPY thousand)	Difference; Appraisal Value and Book Value ((C)–(B)) (JPY thousand)	Difference; Disposition Price and Appraisal Value ((A)–(C)) (JPY thousand)	
Abreast ShinOsaka (Serviced Apartment)		Osaka city, Osaka (July 2010)	21.5	1,391,000 (6.37%)	1,800,000 (4.92%)	1,365,590 (6.49%)	1,460,000	94,409	340,000	383,198

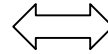
(Note1) The building age as of the closing date is indicated.

(Note2) Disposition Price excludes sales expenses, fixed asset tax and city planning tax adjustments, and consumption tax and local consumption tax; hereinafter the same.

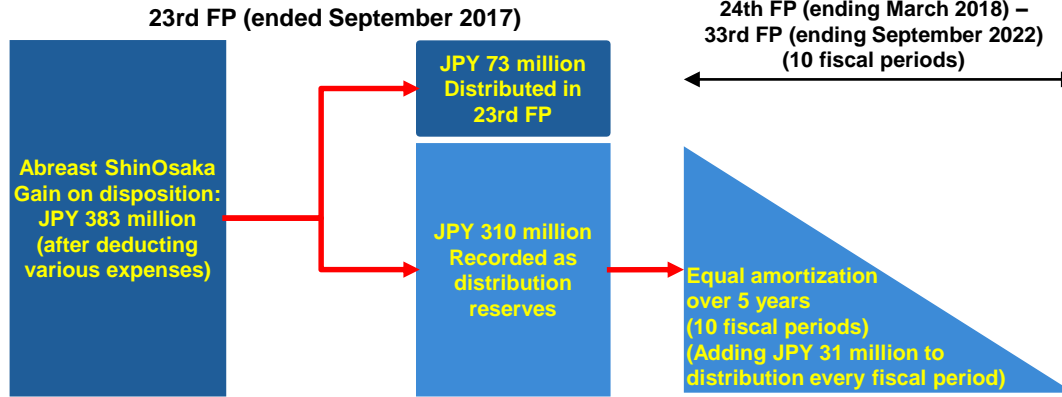
(Note3) NOI yield calculated as total NOI of 21st fiscal period and 22nd fiscal period divided by each of acquisition price, disposition price and book value.

Disposition Policy for Gain on Disposition of Abreast ShinOsaka

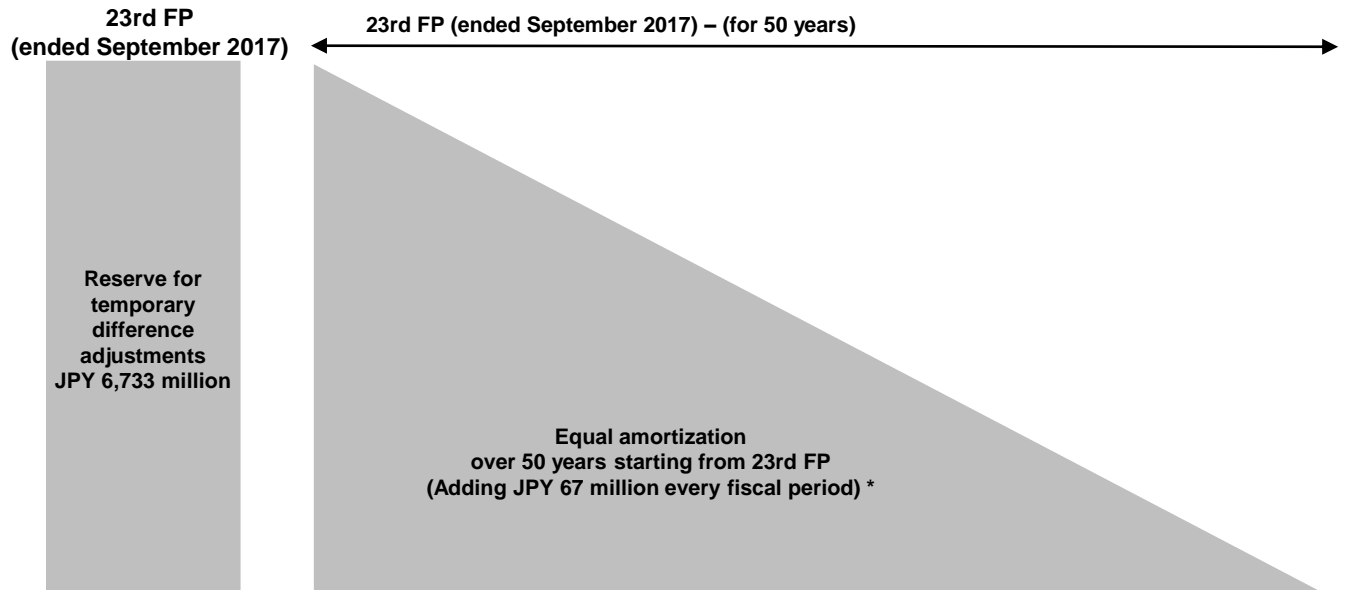
Basic stance: Determine distribution amounts for the 23rd FP and onward considering (1) leveling of distribution and (2) impact of property disposition on the overall earnings (NOI after depreciation of the property, JPY 26 million, and such)



Gain on sale → Record JPY 310 million as distribution reserves
(Equal distribution over 10 fiscal periods in 5 years)
Sales proceeds → Allocate to repayment of JPY 1.57 billion of loans



(Reference)
Handling of reserve for temporary difference adjustments






* In cases where utilization of the reserves is judged to be rational due to occurrence of loss on disposition of properties, impairment loss and other reasons, it is possible to move up the final date (in 50 years as of present) to deal with such unexpected situations. (In such cases, the amount used will be subtracted from the balance at that point. However, the amount of depreciation for each fiscal year (JPY 67 million) will remain unchanged until the final date.)

Acquisitions and Dispositions in 2 Years (from the FP ended in September 2015)

[Acquired 12 properties, JPY 19 bn ⇔ Disposed 6 properties, JPY 3.1 bn (Total gain JPY 0.34 bn)]





Acquisitions	Dispositions
■ Studio	■ Studio
● Family	● Family

<p>■ Gran Casa NagayamaKoen Dori Acq in Dec 2015</p>  <p><Sapporo, Hokkaido> JPY 1.0 bn</p>	<p>■ Gran Casa Minami11jo Acq in Mar 2016</p>  <p><Sapporo, Hokkaido> JPY 0.8 bn</p>	<p>● Chijikoukanmae Tower Residence Acq in Oct 2016</p>  <p><Sapporo, Hokkaido> JPY 4.5 bn</p>
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(High rise residence with 31 stories)

■ Flat Carrera
JPY 0.3 bn
Disp in Mar 2017

[Acquisitions and disposition in the 23rd FP]

<p>■ Runai Nippombashi anhelu Acq in Dec 2015</p>  <p><Osaka, Osaka> JPY 1.4 bn</p>	<p>■ HS Umeda EAST Acq in Jun 2017</p>  <p><Osaka, Osaka> JPY 2.1 bn</p>	<p>■ Serenite Umeda EST Acq Jun 2017</p>  <p><Osaka, Osaka> JPY 1.0 bn</p>	<p>■ Serenite Yuhigaoka EST Acq in Jun 2017</p>  <p><Osaka, Osaka> JPY 0.8 bn</p>
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(Newly constructed in 2017)

■ Abreast ShinOsaka
JPY 1.8 bn
Disp in Sep 2017

■ Gran Casa Minowa
Acq in Nov 2015




<Taito, Tokyo>
JPY 0.8 bn

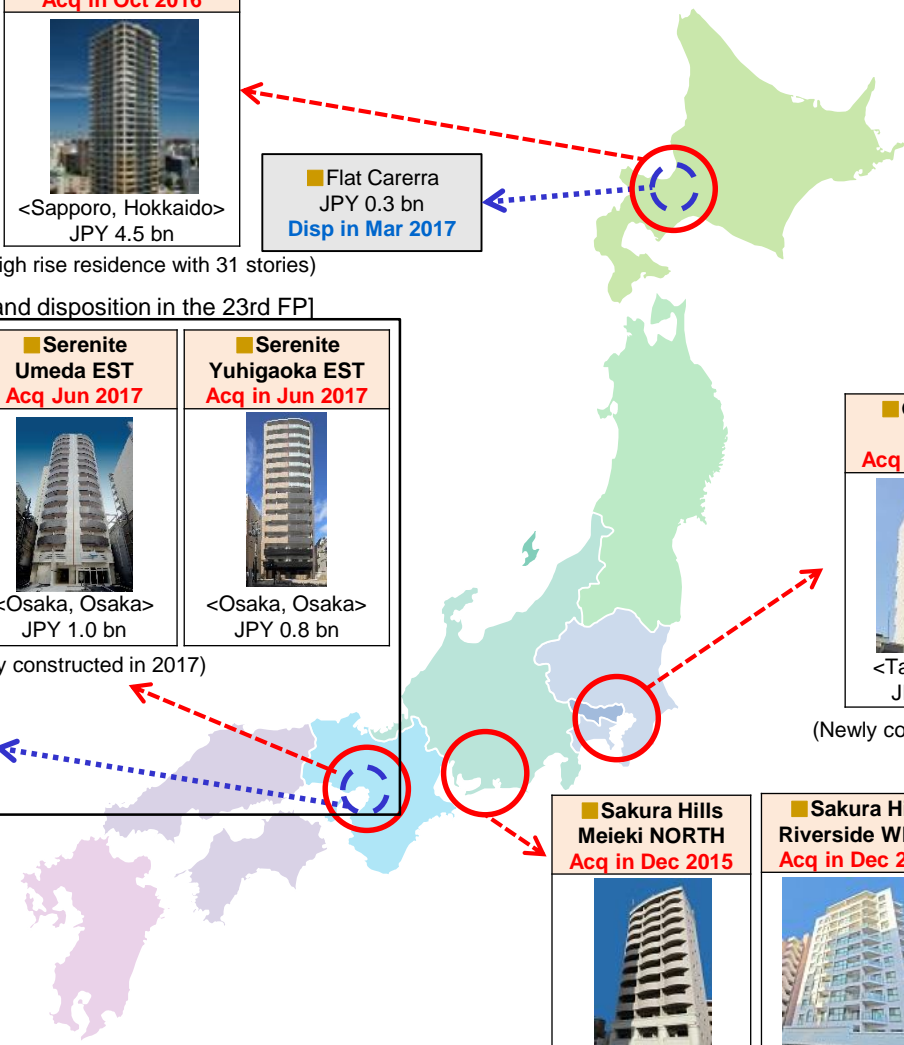
(Newly constructed in 2015)

<p>■ willDo ShinOsaka sl JPY 0.2 bn Disp in Mar 2017</p>	<p>■ willDo Kamishinjo wl JPY 0.3 bn Disp in Mar 2017</p>
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<p>■ Grand Mer HigashiYodogawa JPY 0.1 bn Disp in Mar 2017</p>	<p>■ Wind Four MinamiHommachi JPY 0.2 bn Disp in Mar 2017</p>
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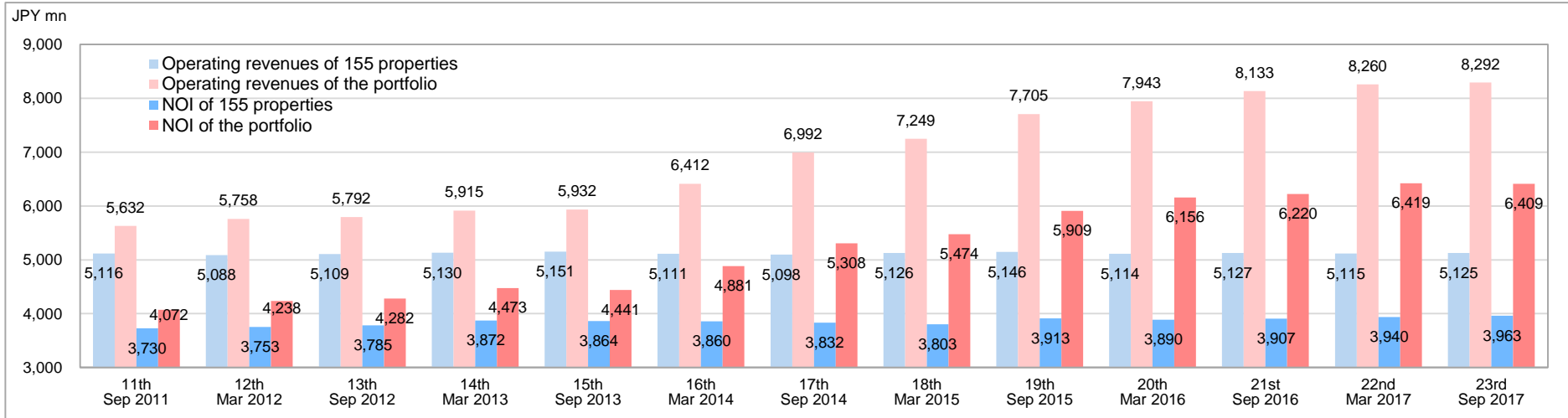
<p>■ Sakura Hills Meieki NORTH Acq in Dec 2015</p>  <p><Nagoya, Aichi> JPY 0.7 bn</p>	<p>■ Sakura Hills Riverside WEST Acq in Dec 2015</p>  <p><Nagoya, Aichi> JPY 1.9 bn</p>	<p>■ Sakura Hills Riverside EAST Acq in Dec 2015</p>  <p><Nagoya, Aichi> JPY 1.0 bn</p>	<p>● Sakura Hills Fujimi Acq in Dec 2015</p>  <p><Nagoya, Aichi> JPY 2.7 bn</p>
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<Close to JR Nagoya Station>



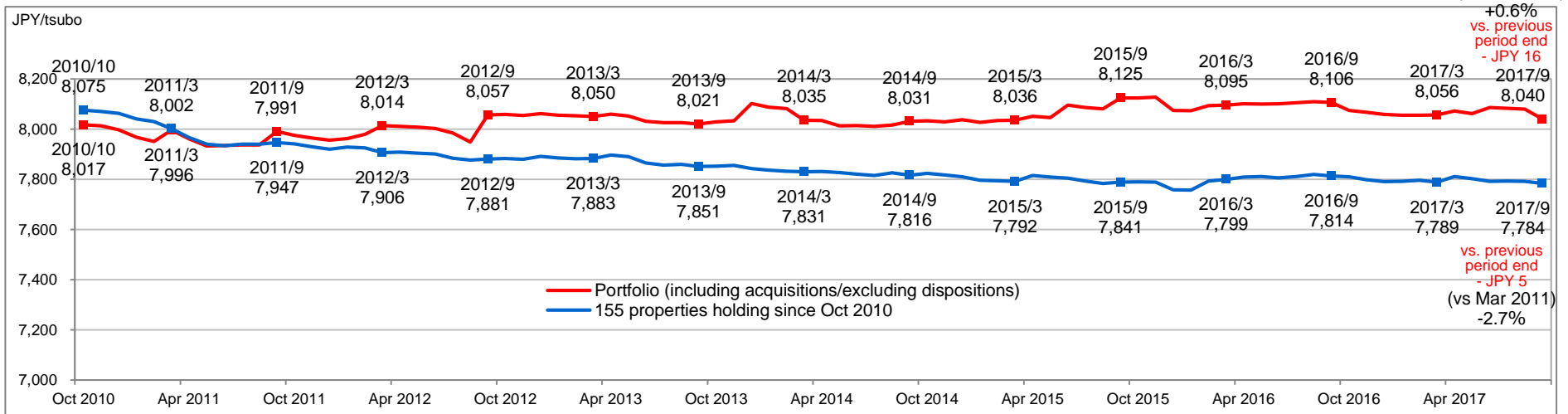
Operating Revenues and NOI

- ✓ Operating revenues of 155 properties, held for 6 years since the merger with PRI, stays flat (JPY 5,116 → 5,125 mn), NOI increased with 6 percentage points (JPY 3,730 → 3,963 mn)
- ✓ The numbers of the portfolio include acquired properties (total of JPY 88.3 bn) and disposed properties (total of JPY 12.8 bn)

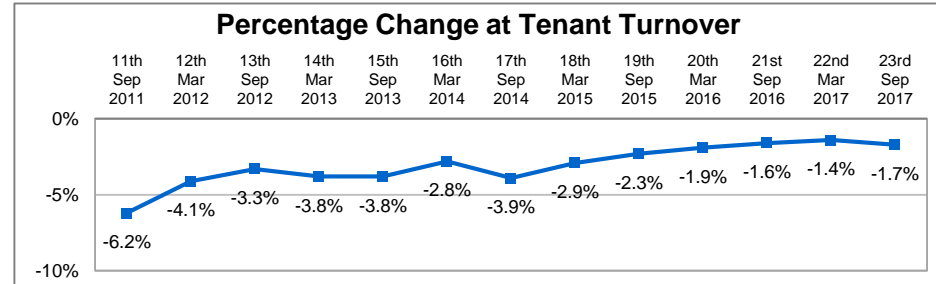
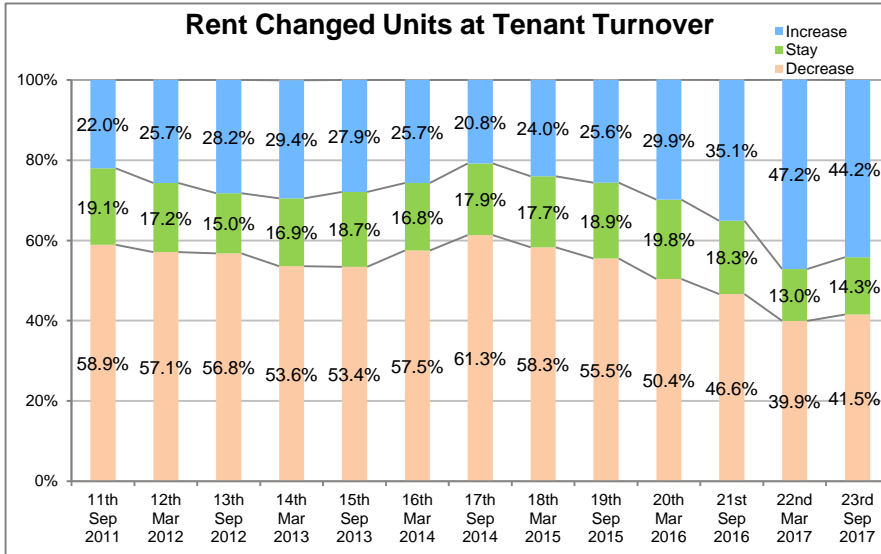


(Note) Operating revenues include rent income, common benefit revenue, parking revenue, incidental revenue, and other rental revenues.

Rent per Tsubo



Rent Trends at Tenant Turnover

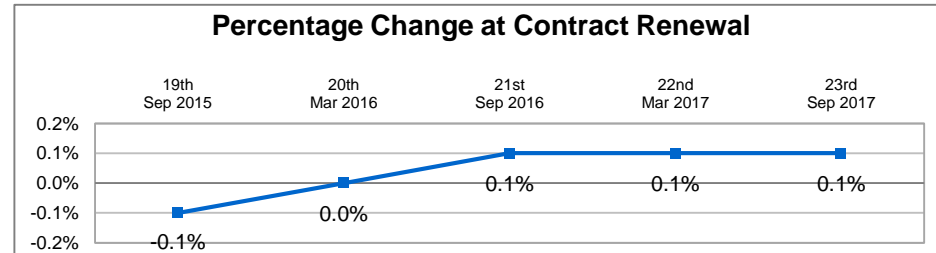
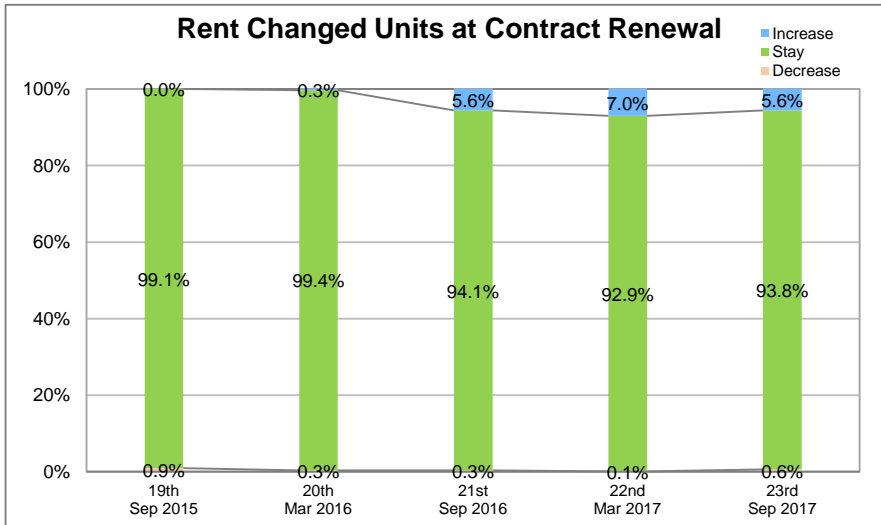


[Change in Rent at Tenant Turnover]

	# of units	Share	Previous rent (JPY)	Previous rent (JPY)	Change (JPY)	Change
Increase	645	44.2%	70,123,970	71,591,548	1,467,578	2.1%
Stay	209	14.3%	20,122,450	20,122,450	-	-
Decrease	605	41.5%	53,407,098	49,485,232	-3,921,866	-7.3%
Total	1,459	100.0%	143,653,518	141,199,230	-2,454,288	-1.7%

(Note) Calculated by excluding residential units for which prior rents are unknown due to cancellation of the sublease agreement and other factors among the newly acquired properties, and rental units with usages other than residential.

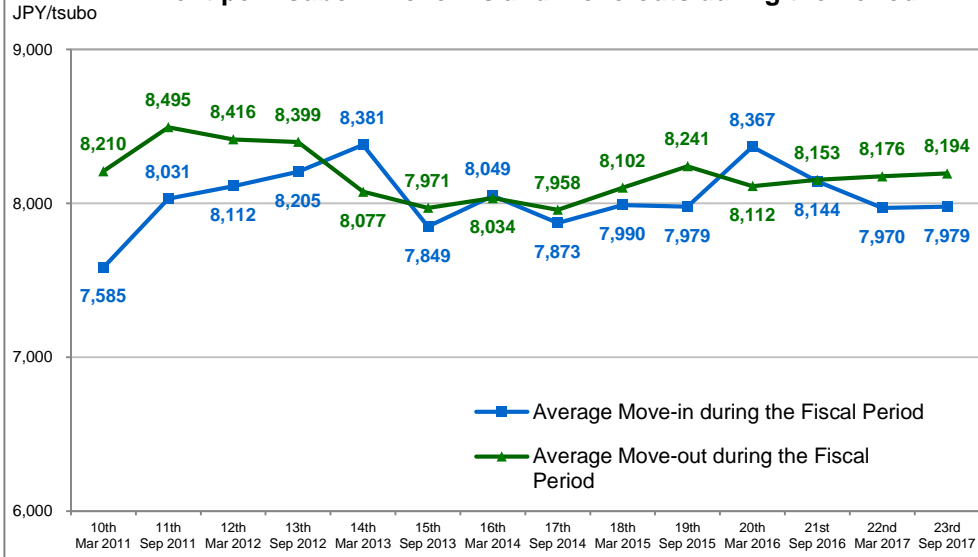
Rent Trends at Contract Renewal



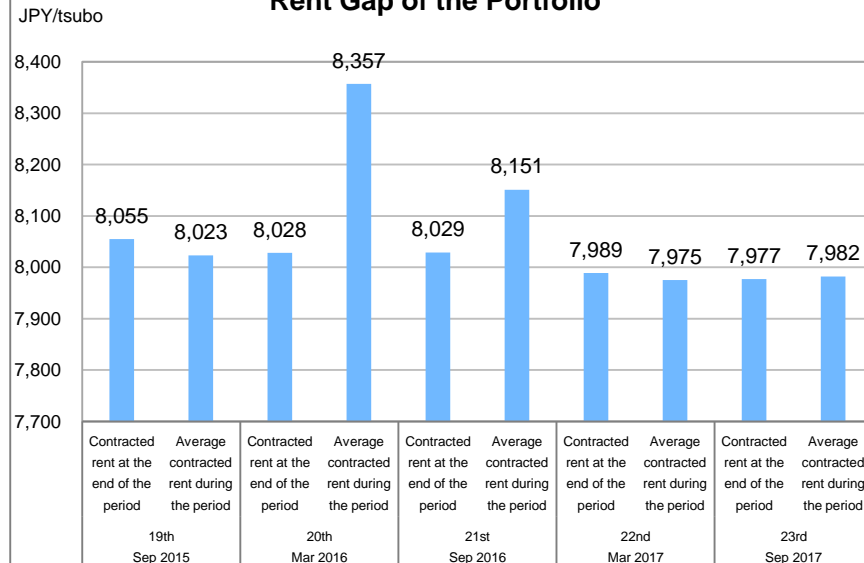
[Change in Rent at Contract Renewal]

	# of units	Share	Previous rent (JPY)	Previous rent (JPY)	Change (JPY)	Change
Increase	145	5.6%	14,121,978	14,334,817	212,839	1.51%
Stay	2,413	93.8%	243,246,990	243,246,990	0	0.00%
Decrease	15	0.6%	561,216	547,000	-14,216	-2.53%
Total	2,573	100.0%	257,930,184	258,128,807	198,623	0.08%

Rent per Tsubo – Move-ins and Move-outs during the Period

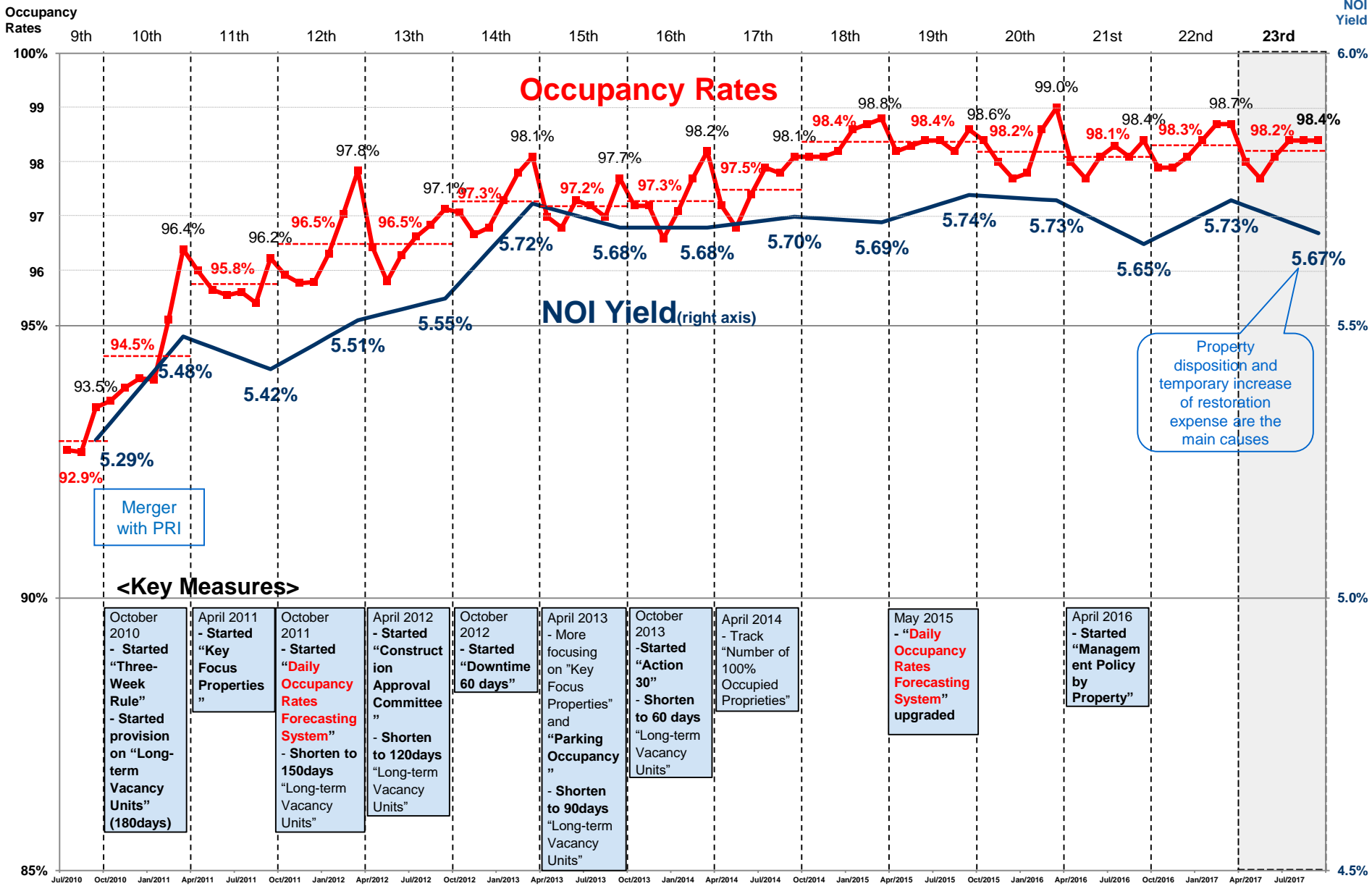


Rent Gap of the Portfolio

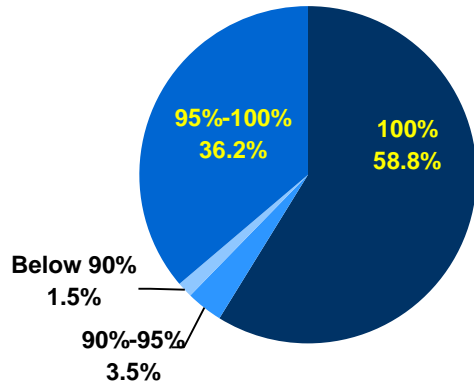


(Note) Calculation excludes non-residential units. Contracted rent included only contracted units as of the each fiscal period end.

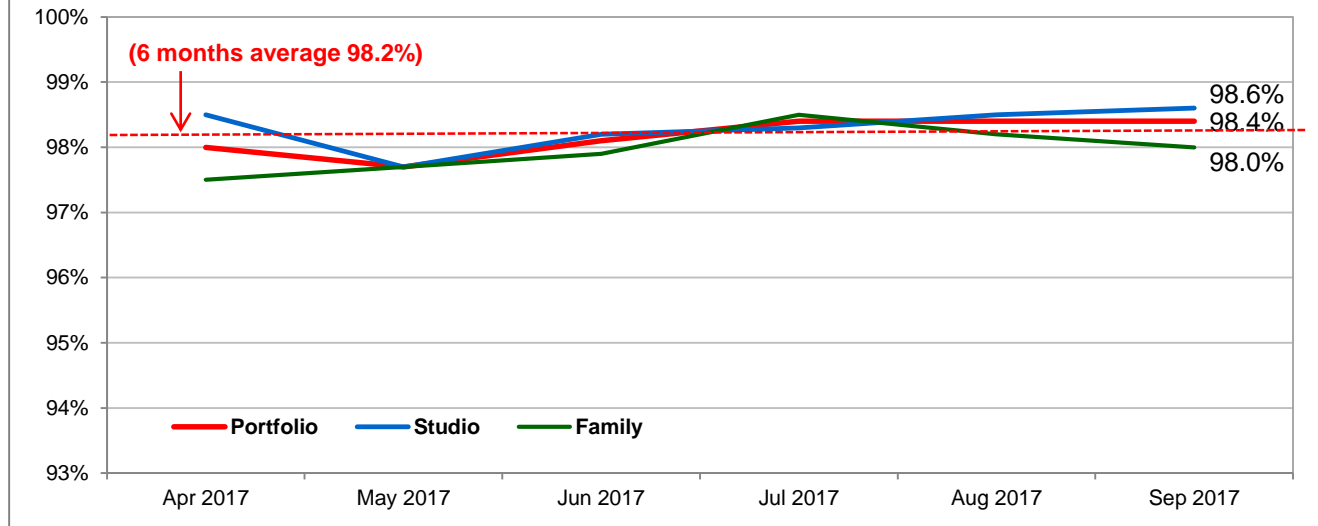
Occupancy and NOI Yield since the Merger with PRI in July 2010



September 2017 : Number of Properties by Occupancy Rate



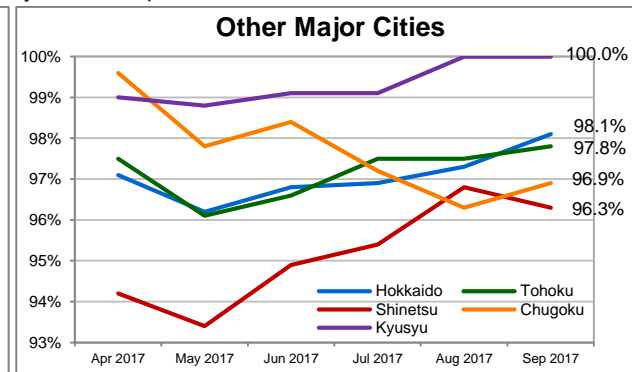
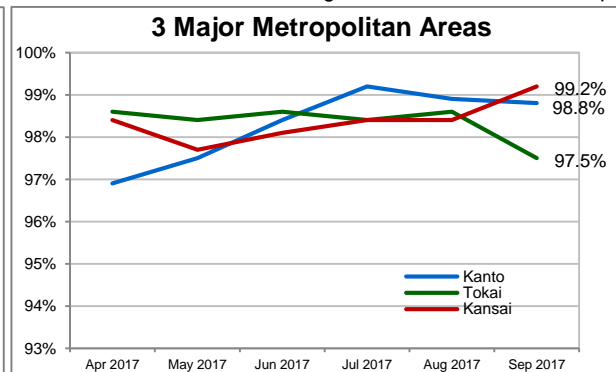
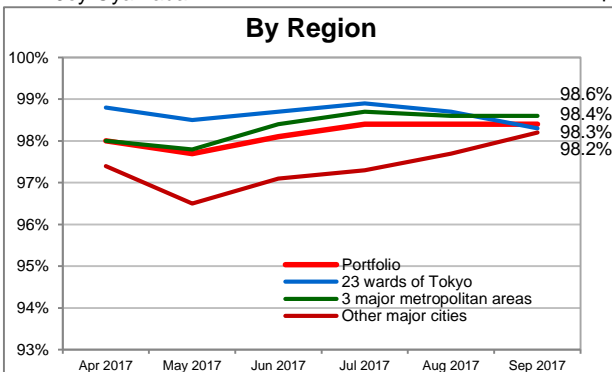
Occupancy Rate	# of Property	Share
100%	117	58.8%
95%-100%	72	36.2%
90%-95%	7	3.5%
Below 90%	3	1.5%
Total	199	100.0%



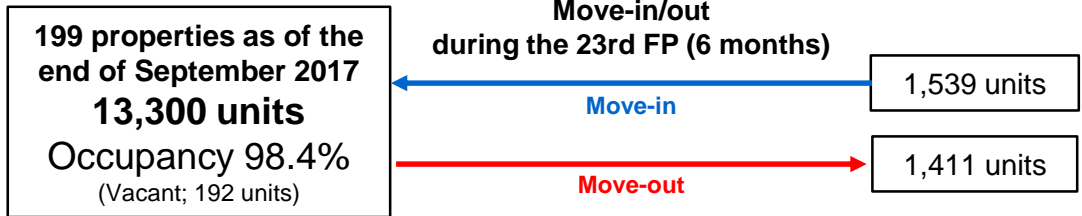
	April 2017	May 2017	June 2017	July 2017	August 2017	September 2017
Studio	98.5%	97.7%	98.2%	98.3%	98.5%	98.6%
Family	97.5%	97.7%	97.9%	98.5%	98.2%	98.0%
Portfolio	98.0%	97.7%	98.1%	98.4%	98.4%	98.4%

* 3 properties under 90% occupancy rate

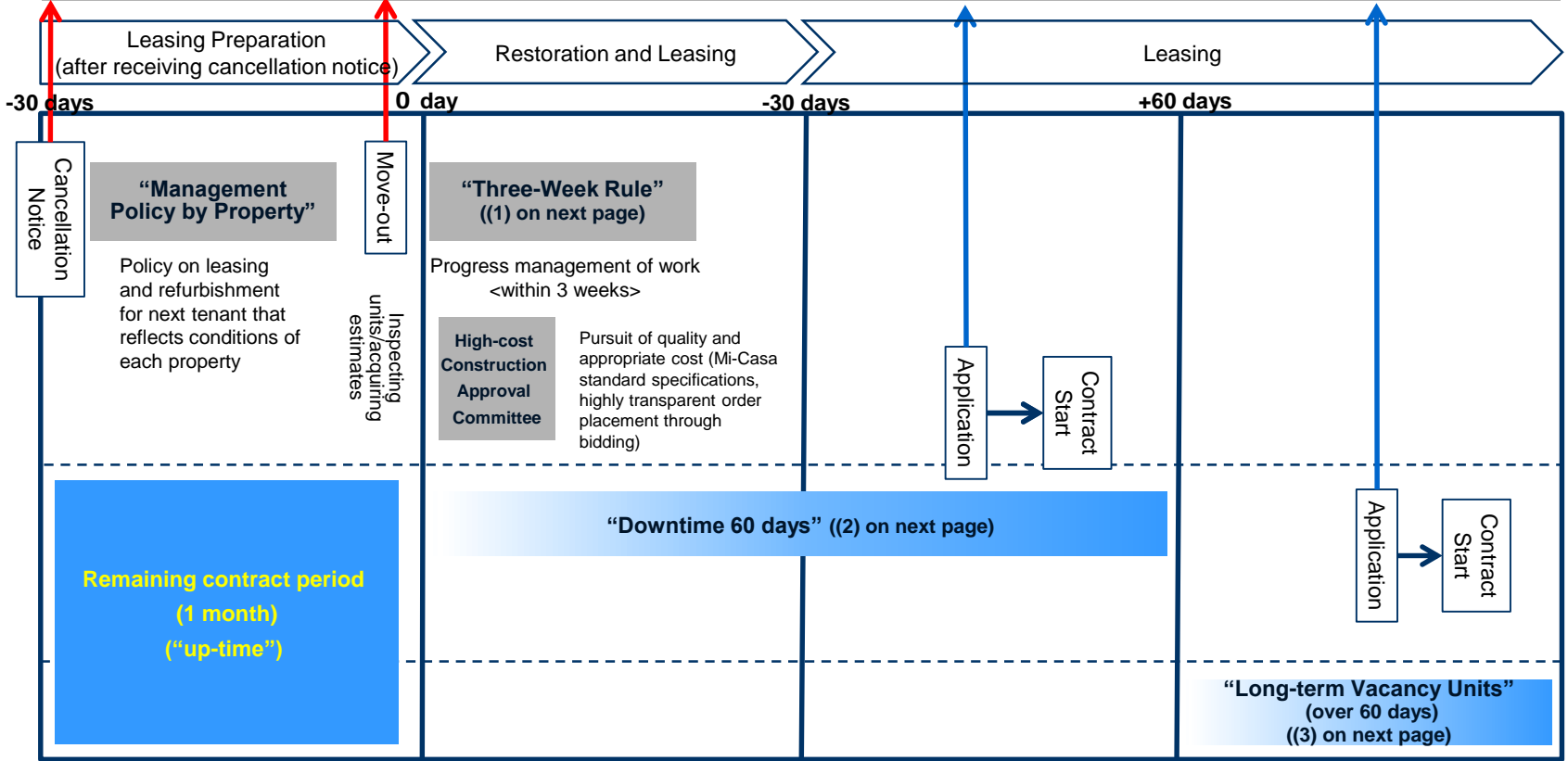
- willDo Inaei 57.6% Out of 91 units leased to a single tenant, a lump sum cancellation for 48 units was notified at the end of August → Occupancy rate is undergoing improvement (71.3% as of November 1, vacant units: 27)
- willDo Todoroki 62.8% 1 vacant non-residential/retail space → Drawing strong interest. Under negotiation with highly-likely tenant.
- Joy Oyamadai 83.1% 2 vacant non-residential/retail spaces → With contracts commencing at the end of October, occupancy rate has improved to 100%.



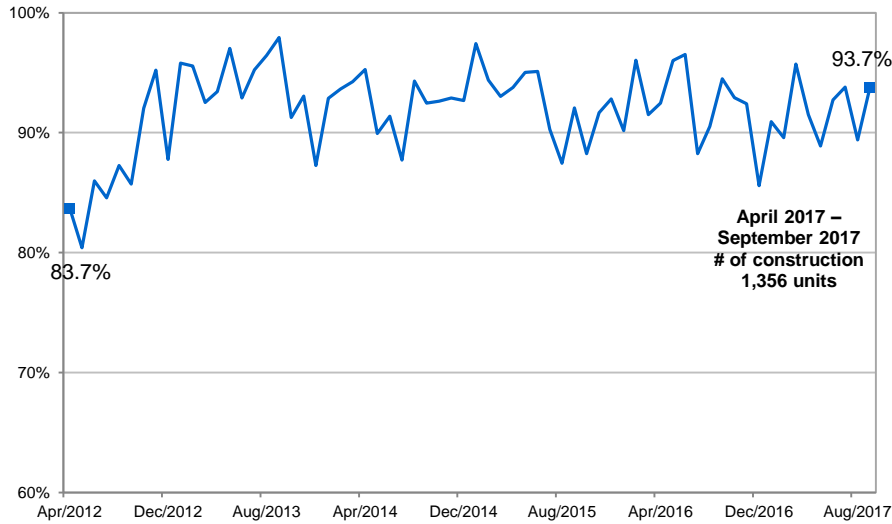
Tracking the Process from Moving-out to Moving-in



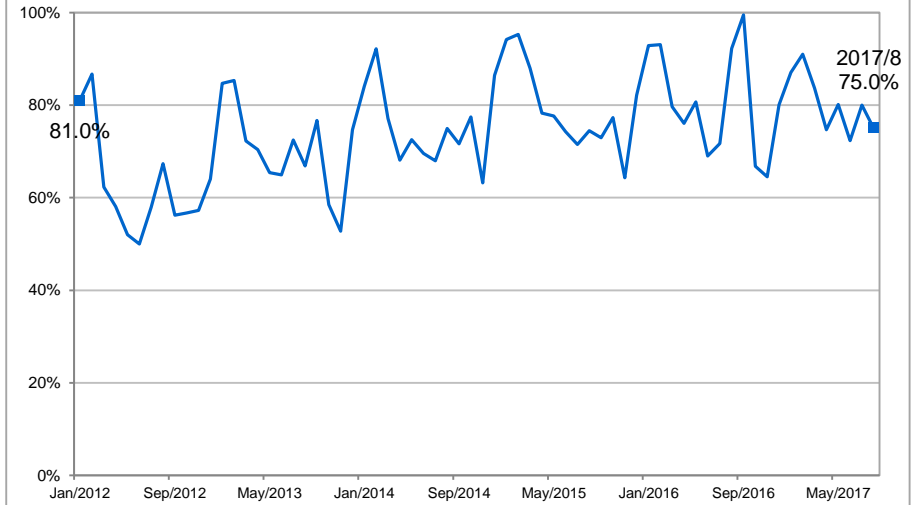
“Daily Occupancy Forecasting System”
 Forecasts monthly occupancy rates and tracks vacancy status of each property (both units and parking) every two hours.
 The information can be searched from outside via the Internet.



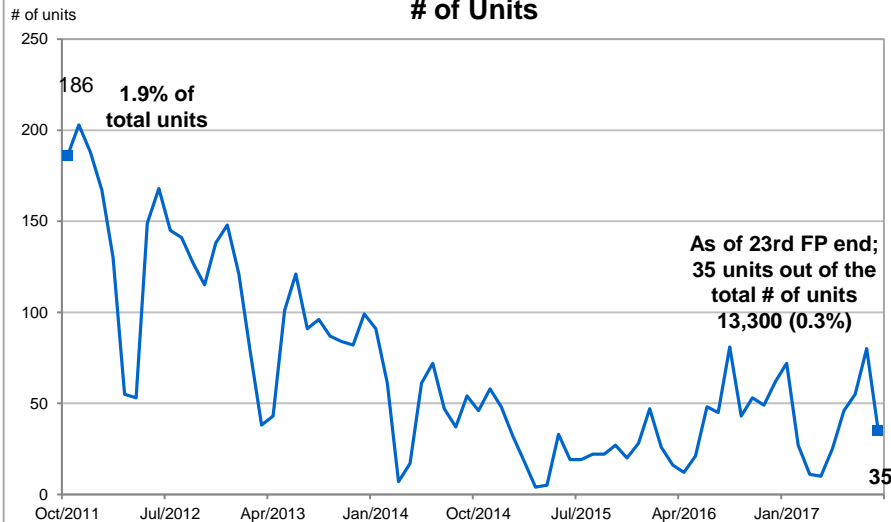
(1) Three-Week Rule - Trends in Achieved Rate



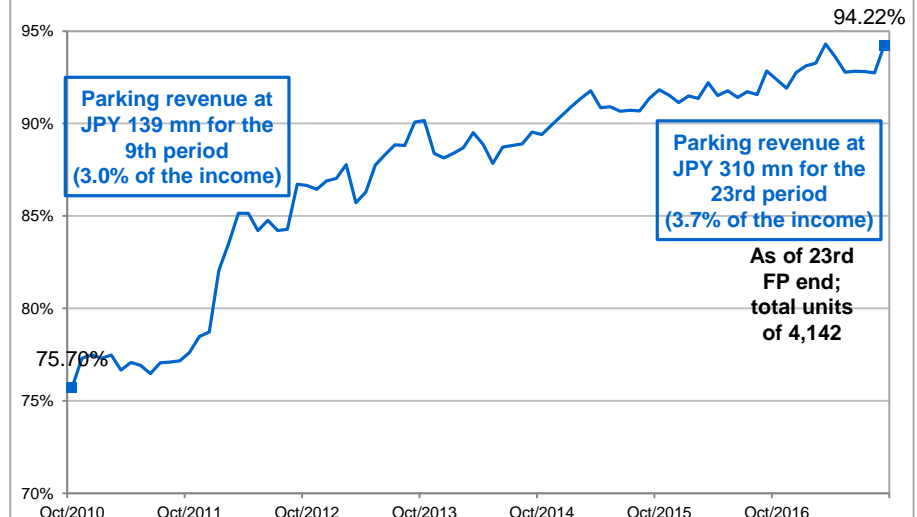
(2) Downtime 60 days – Trends in Achieved Rates



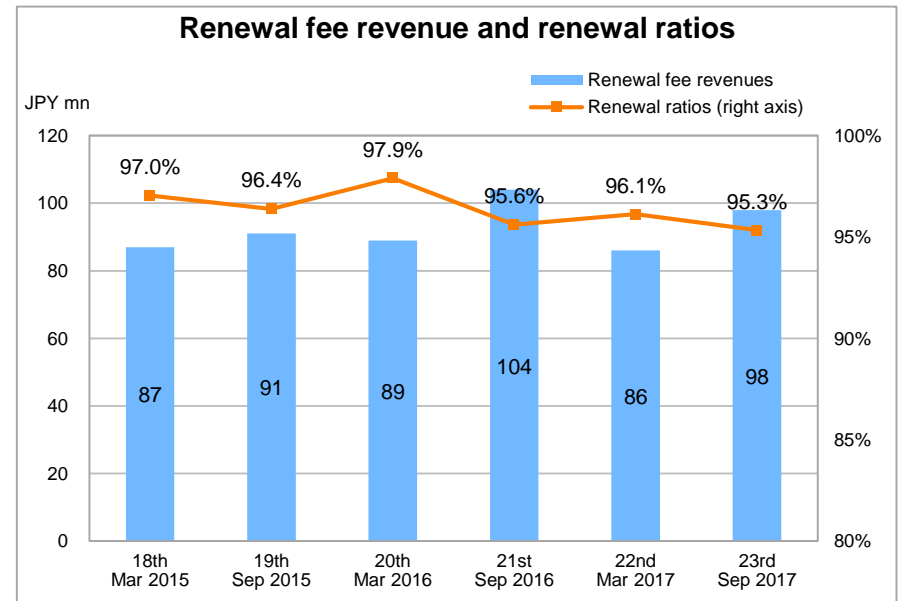
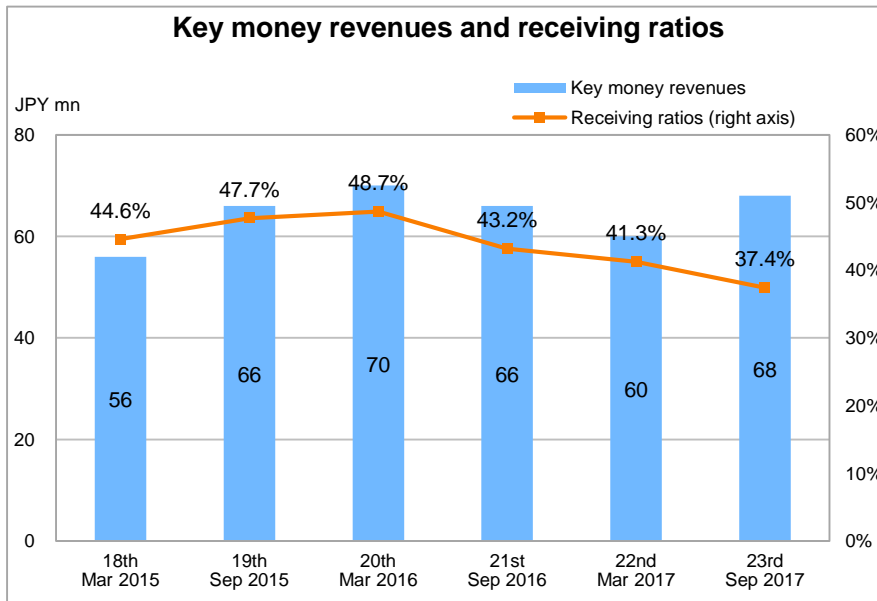
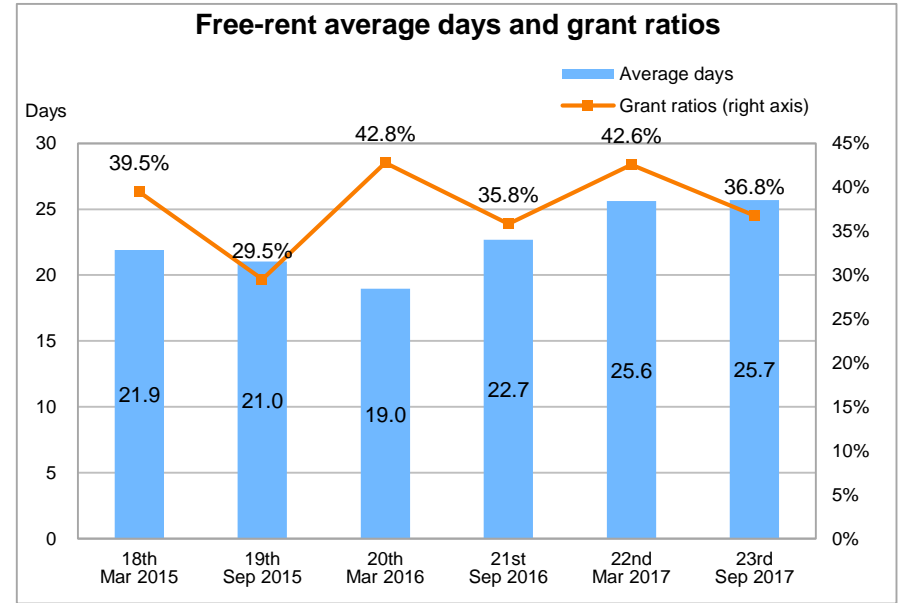
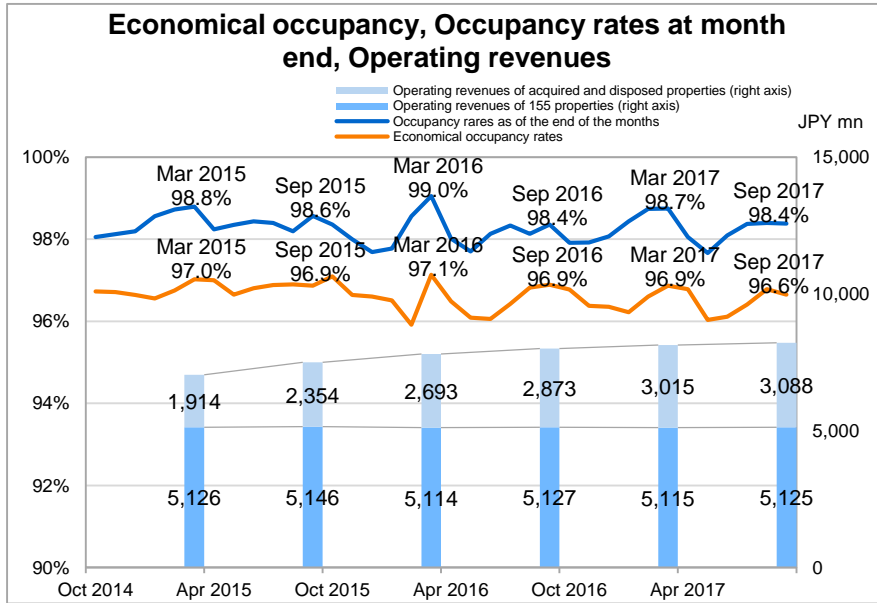
(3) Long-term Vacancy Units (over 60days) – Trend in # of Units



(Parking Occupancy Rates Trend)

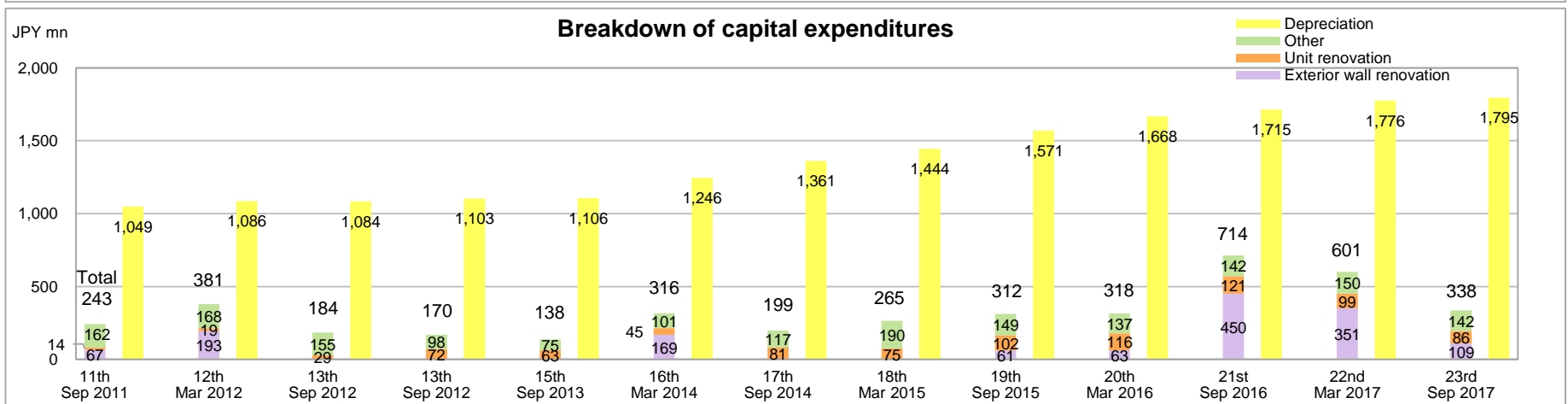
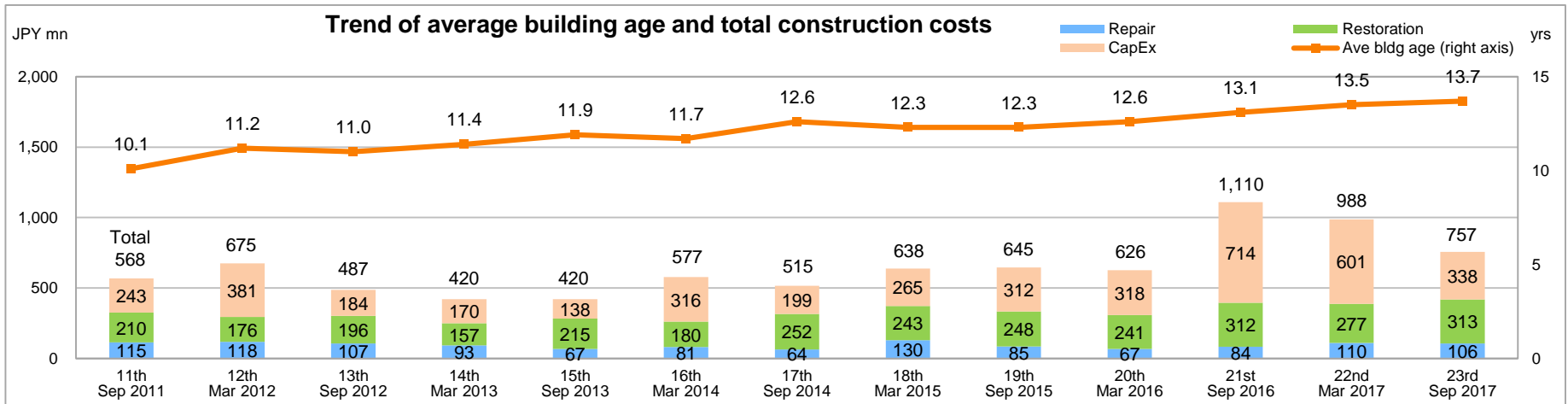


(Note) Parking revenue includes revenues from bike parking and bicycle lots



- In order to maintain/improve property competitiveness, continued to implement value-enhancement work for units/common areas and exterior wall renovation for properties over 10 years old in addition to regular refurbishment for following tenants.
- Placed orders through more transparent biddings, etc. by utilizing strength of being an independent entity
- Assumed total operation costs per fiscal period going forward (operating expenses + capital expenditure):
 - Restoration/repair costs (including some exterior wall renovation): Approx. JPY 0.4 billion (NOI yield after paying the costs maintained at around 77-78%)
 - Capital expenditure (value-enhancement work for units/common areas, exterior wall renovation): Upper limit at JPY 1.0 billion (Depreciation/fiscal year: Approx. JPY 1.8 billion)

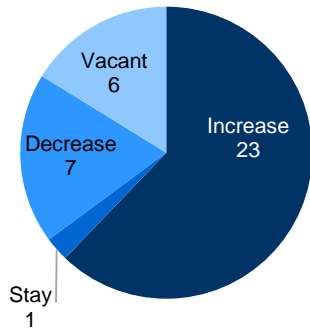
(Exterior wall renovations are implemented with diversified timing incorporating effective methods, after conducting regular inspections of properties over 10 years old.)



Unit Renovations (Total: JPY 72 million)

Enhancement of property value through dwelling unit renovation

- 37 rooms (Total: JPY 72 million, average cost: JPY 1,958 thousand)
- Out of units renovated during the 23rd fiscal period, effect on monthly rents of 31 units under contract: Rent increased for 23 units, rent remained unchanged for 1 unit and rent decreased for 7 units (Increase of JPY 16 thousand per month in total)



*Breakdown of 7 units with rent decrease

- ① Rent gap (5 units)
(4 out of 5 moved in before the Global Financial Crisis with the oldest in 2005)
- ② Other (2 units)

Unit renovation case

Greenhills Roka Constructed in 1988 (Setagaya-ku, Tokyo)
Room 405 renovation cost: JPY 3 million
Rent including common area fee: JPY 131,000 → JPY 148,000 after renovation (asking)



Exterior wall renovation (Total: JPY 104 million)

Glana Ueno (Taito-ku, Tokyo/Constructed in 2005) JPY 53 million
willDo Takasago (Sendai-city, Miyagi/Constructed in 2005) 51

Glana Ueno



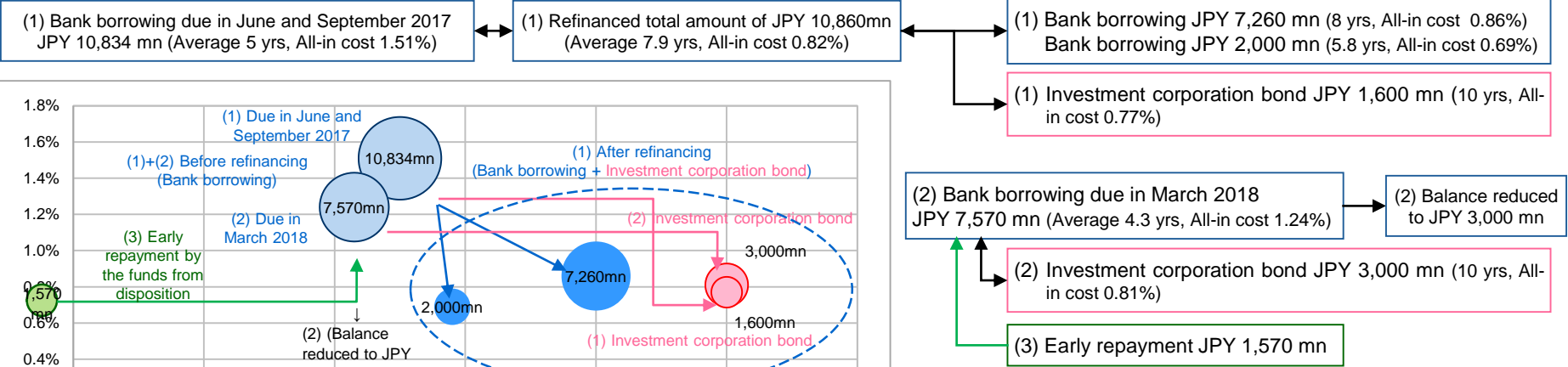
Family-type 36 units
Acquired in Sep 2011
Acquisition price: JPY 1.10 billion
(Appraisal value at the end of 23rd fiscal period: JPY 1.53 billion)
Occupancy rate at the end of Sep 2017: 100.0%
NOI yield 6.36%

willDo Takasago



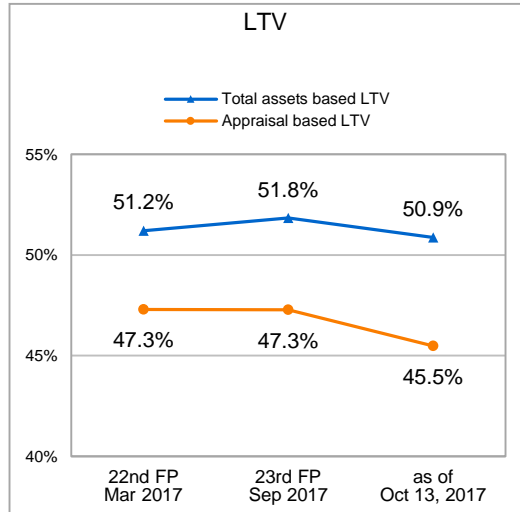
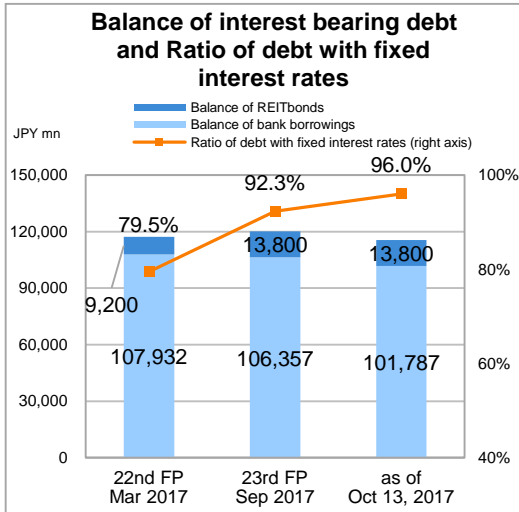
Family-type 32 units
Acquired in Jun 2006
Acquisition price: JPY 0.36 billion
(Appraisal value at the end of 23rd fiscal period: JPY 0.38 billion)
Occupancy rate at the end of Sep 2017: 100.0%
NOI yield 5.90%

➤ Refinanced JPY 13.86 billion of bank borrowings and investment corporation bonds due in the 23rd fiscal period



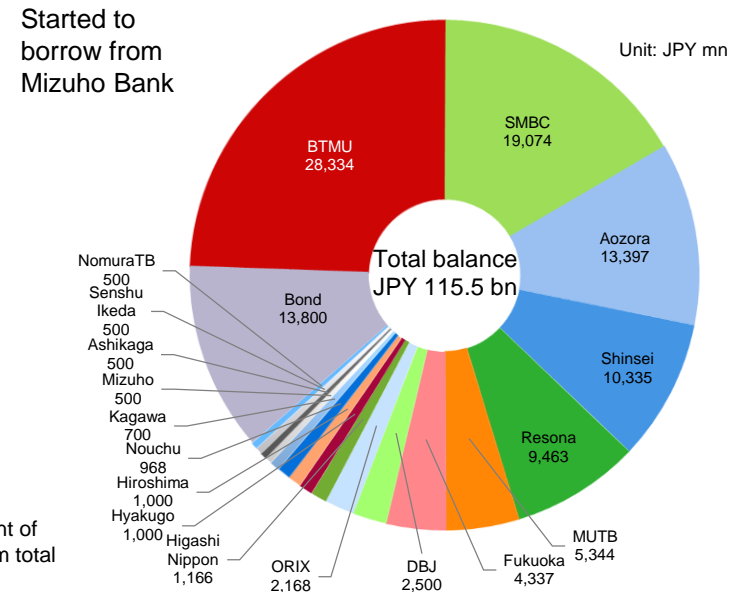
(Note) All-in cost is calculated by adding base interest rate (1m Tibor at the time of refinancing (0.03%)) to the financing costs during the fiscal period. For bank borrowings after refinancing, cost for fixing interest rate through interest rate swap is added.

➤ Trends in major financial indicators of interest-bearing debt

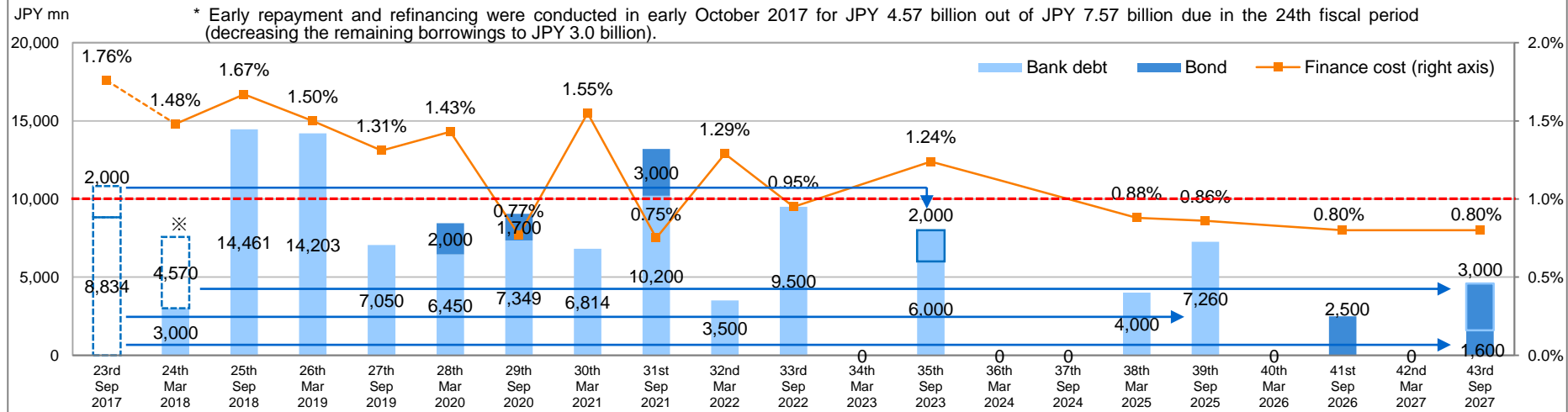


(Note) Total asset as of October 13, 2017 is calculated as total amount of early repayment done on October 2 and 13, 2017 deducts from total asset as of the end of the 23rd period (September 30, 2017).

➤ Breakdown of interest-bearing debt (as of October 13, 2017)

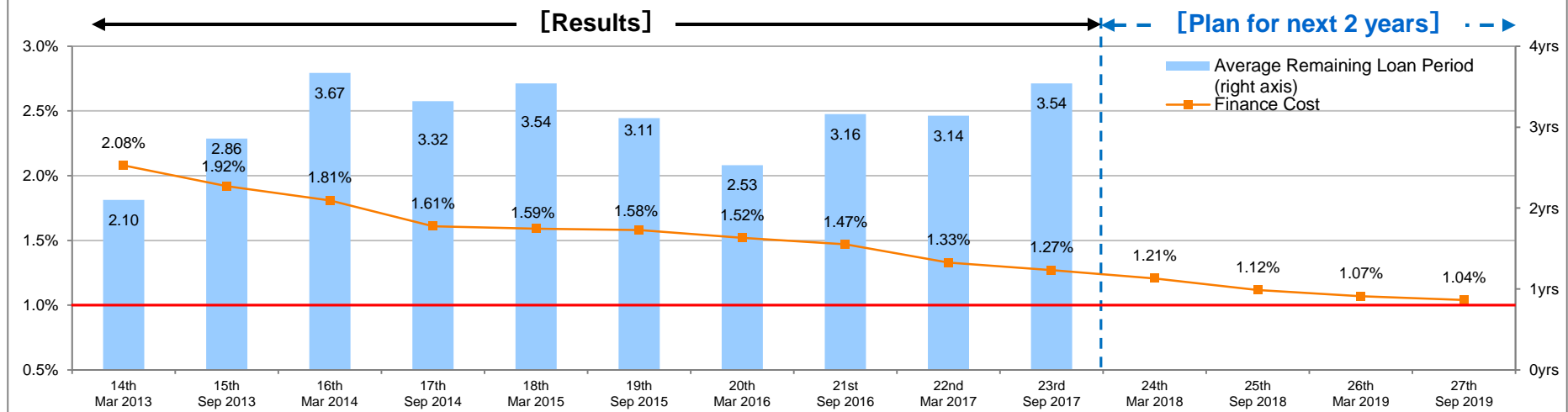


Maturity Ladder and Financial Cost (as of October 13, 2017)



(Note) Finance costs are the total of interest expenses, finance-related costs and costs for fixing interest rates for the loans due in the respective fiscal period. Out of the costs for fixing interest rates, fixed interest rates based on each interest rate swap agreement of which hedge target is not specified are calculated by multiplying the amount of loans with unfixed interest rates due in the respective fiscal period by an interest rate obtained through weighted averaging of the total of fixed interest rates based on each interest rate swap agreement with notional principal.

All-in Finance Costs and Average Tenor



(Note) Finance costs for the 24th and 25th FPs are estimated as assumptions for business results forecast announced on November 15, 2017; and finance costs for the 26th FP and onward are estimated under a condition that the existing loans due in the respective fiscal period are refinanced at 1% (total of interest expenses, finance related costs and amortization of bond issuance costs).

This is a target set by the Asset Manager as of November 15, 2017 and is not a guaranteed amount.

Total appraisal value of 199 properties JPY 254.1 bn

(+JPY 6.2 bn from end of 22nd FP; +JPY 3.3 bn from end of 22nd FP excluding 3 properties newly acquired in 23rd FP and 1 property disposed in 23rd FP)



Unrealized gain JPY 36.1 bn
(vs. 22nd FP +JPY 4.4 bn)

	# of Properties	Appraisal Value 22nd FP (JPY million)	Appraisal Value 23rd FP (JPY million)	Change	Appraisal NOI Cap Rate		
					22nd FP	23rd FP	Change
Properties held since 22nd FP end	196	246,426	249,803	1.4%	5.1%	5.0%	-0.1%
by Type							
Studio	127	151,418	153,327	1.3%	5.1%	5.0%	-0.1%
Family	69	95,008	96,476	1.5%	5.2%	5.1%	-0.1%
by Region							
23 wards of central Tokyo	68	103,529	105,325	1.7%	4.7%	4.6%	-0.1%
The 3 major metropolitan areas	90	98,852	100,087	1.2%	5.3%	5.2%	-0.1%
Other major cities	38	44,045	44,391	0.8%	5.7%	5.7%	0.0%
Acquired 3 property in the 23rd FP	3	4,282	4,349	1.6%	4.8%	4.7%	-0.1%

(Note) 71 properties were appraised by Tanizawa Sōgō Appraisal Co., Ltd., 40 properties were appraised by Daiwa Real Estate Appraisal Co., Ltd., and 88 properties were appraised by Japan Real Estate Institute.

a. Appraisal Value

Increased (+JPY 1 mn - 150 mn): 151 properties
Stayed: 30 properties,
Decreased (-JPY 72 mn - 1 mn): 18 properties

b. Cap Rate

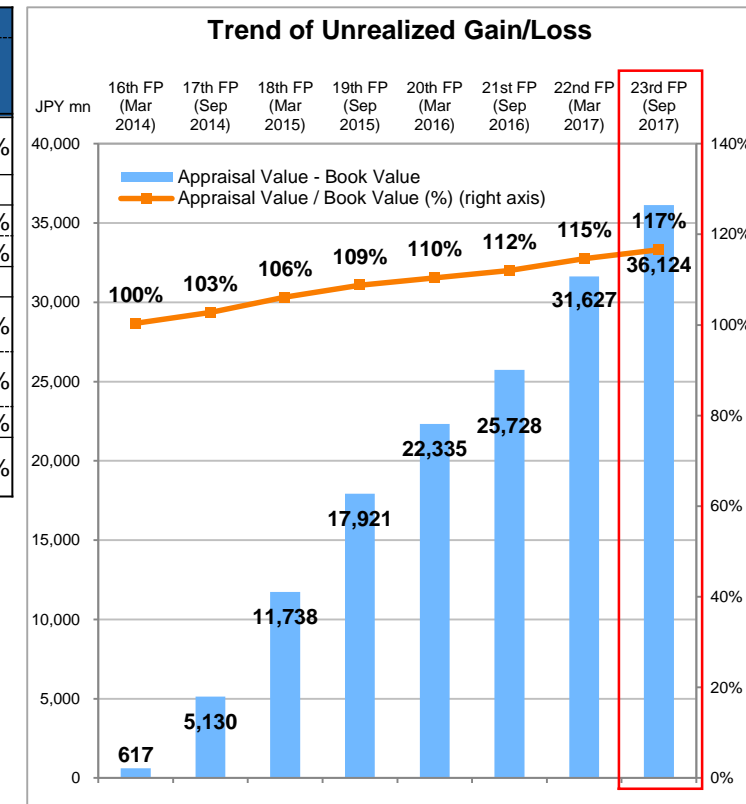
Decreased (10 - 20 bps): 149 properties
Stayed: 50 properties
Increased: None

c. Operations

Operating income: Decreased by 0.14% from the previous period
(Fully occupied rent income -0.16%, Fully occupied parking income -0.78%, Other income -1.14%, Vacancy loss -2.08%)

Operating expense: Decreased by 0.07% from the previous period
(Utility expense -2.19%, Restoration expense +1.37%, Other expense +3.58%)

NOI: Decreased by 0.15% from the previous period



V. Future Growth Strategy

Aim to increase net profit through (1) new property acquisitions (on selective basis, given market conditions) (2) maximization of income from each property based on “Management Policy by Property” and (3) reduction of costs/expenses.

(1) New Properties Acquisitions

(Targeting AUM: JPY 250 bn)

(2) Operation of properties held

Maximization of income, etc. from each property

(3) Cost Reduction

(Reductions of BM fees, trust banks fees (by shifting the existing properties from the form of Trust Beneficiary Interest to real estate properties) and financing costs)

- (1) Properties with fewer competitive bidders or bilaterally negotiable transactions due to a rational reason
- (2) Undervalued properties (properties of which NOI can be improved in terms of rent, occupancy rate, operating expenses, etc. upon acquisition)
- (3) Not-for-sale properties (properties that are not on the market)

Acquisitions: Properties in the Tokyo metropolitan area, Sapporo, Sendai, Nagoya, Osaka and Fukuoka that are JPY 1 bn or more per property in general
Dispositions: Properties in other areas than the Tokyo metropolitan area are JPY 0.5 bn or less per property in general (continue gradual shuffling)

Finance Strategy

(Financing with Bank Loans)

Maintaining and expanding relationships with existing banks
(Contemplate to further reduce financing costs and extend borrowing tenors)

Use of Bridge Facility
(Secured first refusal right to acquire the subject properties)

(Fund Procurement from Financial Market)

Issuance of investment corporation bonds
(Diversify sources of finance, improve fixed rate borrowing ratios)

Further increase of fixed rates borrowings

Public offering
(Subject to LTV, amount of property acquisitions, etc.)

(Use of JPY 6.7 billion Temporary Difference Adjustment)

Payout for unitholders scheduled started from the 23rd FP based on equal amortization over 50 years
(When temporary dilution and such occur in line with loss on sale of real estate*, impairment loss, one-time depreciation and capital increase, appropriation will continue to be made.)

* A loss on the disposition of properties is posted; (for cases when disposition of more than one property is conducted and the total gain/loss on the disposition is in the negative (hereinafter, the “net loss”), the policy is to make the appropriation to the net loss.

(1) External Growth

Expand the asset size

Targeting AUM: JPY250 billion

Direct acquisition by JRH as well as indirect acquisitions using the Bridge Facility

■ Investment Criteria

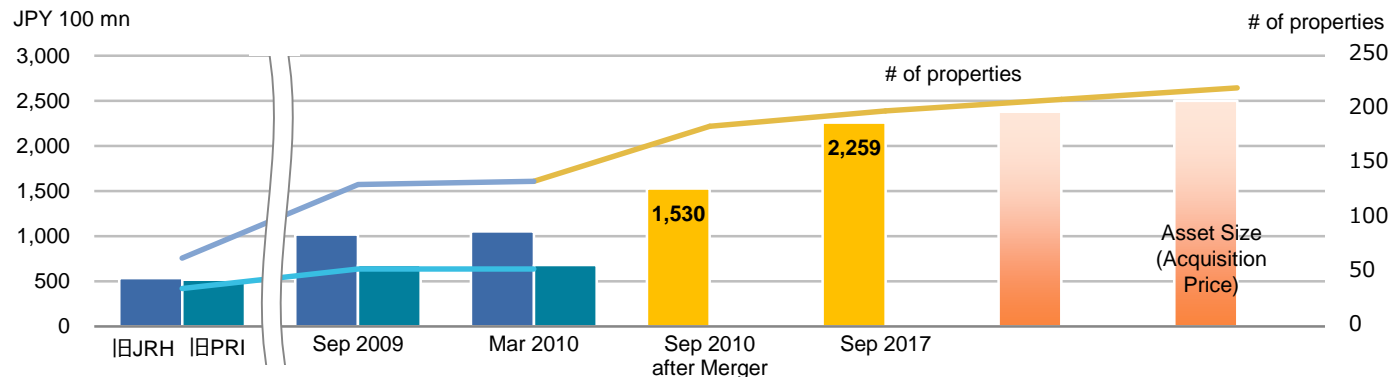
- Profitability: Acquisition price and NOI yield after depreciation (earning capacity based on analysis of financing and JRH costs)
- Superiority: Location, building age and size of property
- Potential: Rent level and occupancy rate, volatility after passage of time (building age), supply of and demand for competing properties, location and household trends
- Liquidity: Past record of acquisitions and sales, price per property, and appraisal value

■ Acquisition Policy

- Promote acquisition through negotiated transactions (actively avoid competitive bidding where there are a large number of participants) and independent approach methods
- Making use of the accumulated property information since 2010, monthly flow information, independently acquired information, etc.
- Invest in high-quality assets in metropolises such as Tokyo (mainly in the 23 wards), Sapporo, Sendai, Osaka, Nagoya, and Fukuoka
- Basic benchmark for acquisitions: Studio and family apartments in the price range of over JPY1 bn per property (avoid premium rental properties)
- In areas other than Tokyo, the Investment Corporation will decide upon the investment amount after taking into account factors such as market size (assuming portfolio reshuffle of low-interest yield properties)
- Building age: Less than 10 years, in principle
- Average NOI yield: 5% or above, in principle

■ Disposition Policy

- Strategic decision-making from the viewpoint of real estate market trends and the entire portfolio
- Based on analysis of profitability, local characteristics, size of property, operational efficiency, etc.
- Utilize reserve for temporary difference adjustment for realized losses arising from disposed properties and etc. (balance following dividend disbursement in the 23rd fiscal period (forecast): JPY 6.6 bn)
- Disposition based on leveraging the network and knowhow of the asset management company



(Note) Bar graph: Asset Size (Acquisition Price), Line graph: # of properties

(2) Internal Growth

“Daily Occupancy Rate Forecasting System” enable us to grasp on-the-ground conditions, engage in studying issues based on a hands-on approach, and undertake the actions outlined here in a swift manner.

■ Improvement in Profitability

- Maximization of income from each property based on “Management Policy by Property”
- Challenges to raising rents and stemming the downfall, others revenue growth
 - Improvement in product marketability as a result of upgrade of restoration
 - Improvement of parking occupancy rates
- Maintaining high occupancy rates
 - Eliminating long-term vacancies and preventing future occurrences
 - Presales before cancellation of contract, stronger management of mockups
- Cutting downtime
 - Systematic implementation of “Three-Week Rule”
 - Stronger efforts on “Key Focus Properties”
 - Shorten downtime (“Downtime 60 days”)
 - “Action 30 days” (Focusing on the units that has been vacant for 30 days since the leasing started)

■ Cost Reduction

- Review of PM companies as part of sustained efforts to reducing costs
- Reducing costs by obtaining volume discounts by engaging with suppliers with a countrywide presence
- Maintain outflows at appropriate levels by closely monitoring high-cost work orders

(3) Finance Strategy

Will flexibly implement financial strategies depending on the financial condition of JRH and borrowing circumstances.

Will aim to diversify financing sources by increasing the number of lenders, ongoing public offerings and issuance of investment corporation bonds.

■ Leverage Ratio

- LTV (interest-bearing debt / total assets) up to 55%

■ Debt-financing Strategy

- Expand the number of correspondent financial institutions based on the concept of achieving a stable bank formation
- Continue to reduce all-in financing costs
- Extend borrowing periods and diversify payment due dates
- Continue to issue investment corporation bonds
- New property acquisitions using a mix of cash (depreciation – capital expenditure) and bank debt

■ Equity-financing Strategy

- Investment unit price per unit shall in principle exceed net assets per unit (NAV higher than 1)
- Make decisions upon comprehensively considering capital market trends, impact on distributions, acquisition capacity after public offering, etc.
- Consider public offering taking total assets based LTV into account

Policy Regarding ESG (Adopted on August 22, 2016)

Japan Rental Housing Investments Inc. (the "Investment Corporation") and Mi-Casa Asset Management Inc. (the "Asset Manager") will focus on the following items in asset management for the Investment Corporation with the judgment that emphasizing ESG (Environment, Social and Governance) contributes to the enhancement of the Investment Corporation's medium- to long-term corporate value.

1. Initiatives on Environmental Protection (Environment)

We will proactively promote initiatives on environmental protection such as resource and energy-saving measures through the introduction of facilities and equipment contributing to environmental protection at properties owned by the Investment Corporation.

2. Connection to Society (Social)

We will proactively disclose information and fulfill accountability to all stakeholders including investors in the Investment Corporation and correspondent banks through IR activities, etc. We will accomplish the social missions of a listed investment corporation and its asset manager by providing high-quality and comfortable residential spaces in partnership with the property management companies to all of the tenants occupying the Investment Corporation's properties. In addition, the Asset Manager aims to achieve an ideal working environment that places importance on the work-life balance of officers and employees while endeavoring to develop human resources such as through training inside and outside the company, to contribute to society through excellent asset management.

3. Corporate Governance (Governance)

The Asset Manager and the Investment Corporation will conduct highly transparent and reasonable decision making by observing the laws and regulations and various rules while being aware of the importance of corporate ethics and compliance. Furthermore, the Asset Manager will make efforts to enhance the internal control environment such as in preventing conflicts of interests and implementing risk management as well as conducting educational and enlightenment activities for officers and employees, etc. to fulfill obligations to the care of good management and its fiduciary duty (fiduciary liability).

Continuous Efforts for Sustainability

■ Considerations for environment and energy-saving

- Installation of LED lighting (1,164 units)
- Installation of energy-saving air-conditioners (279 units)
- Water-saving shower faucet valve 173 pieces
- Changing to eco-friendly wall papers upon refurbishment for next tenant (Approximately 94,202 m²)
→ Reducing CO2 emissions by approximately 17,900 kg
- Posting a notice in buildings calling for energy/water conservation

DBJ Green Building Certification



Serenite Honmachi Grande

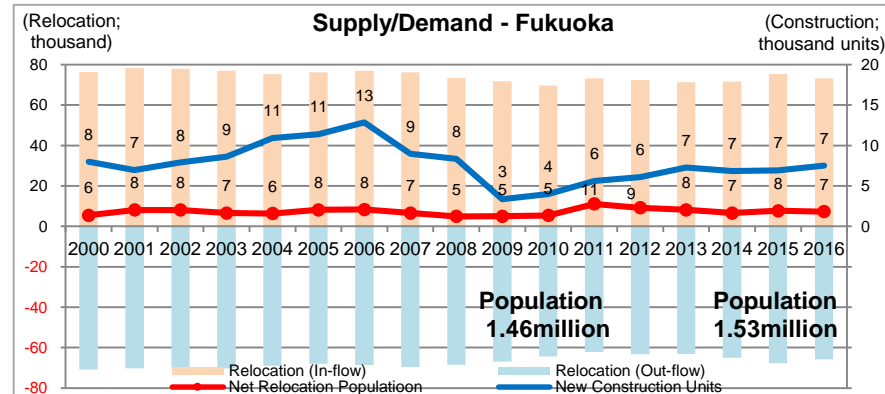
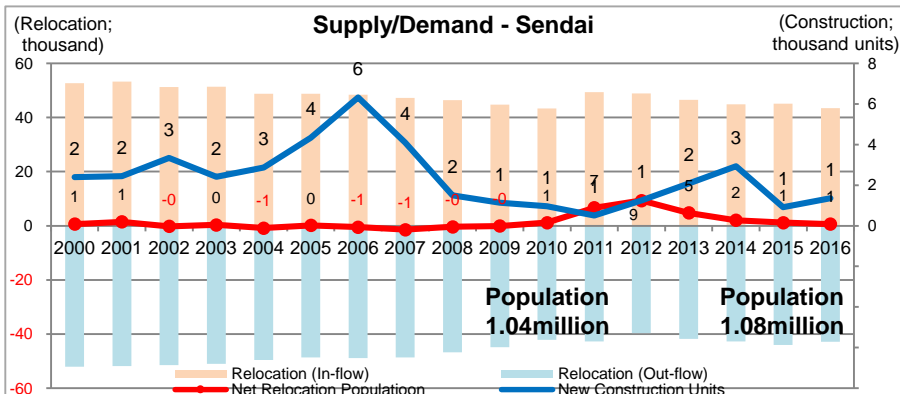
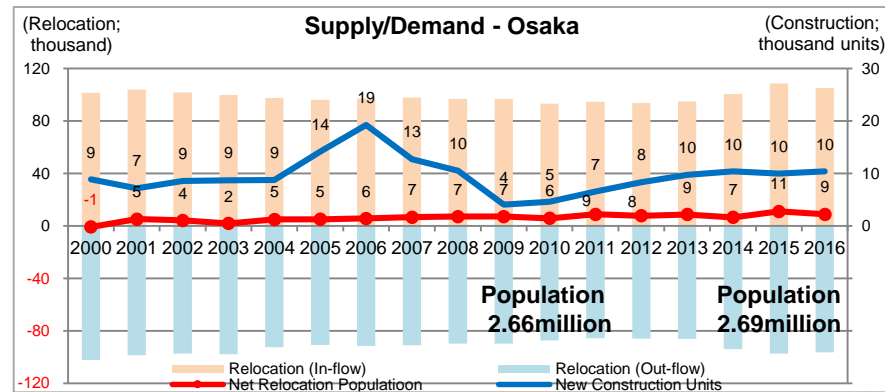
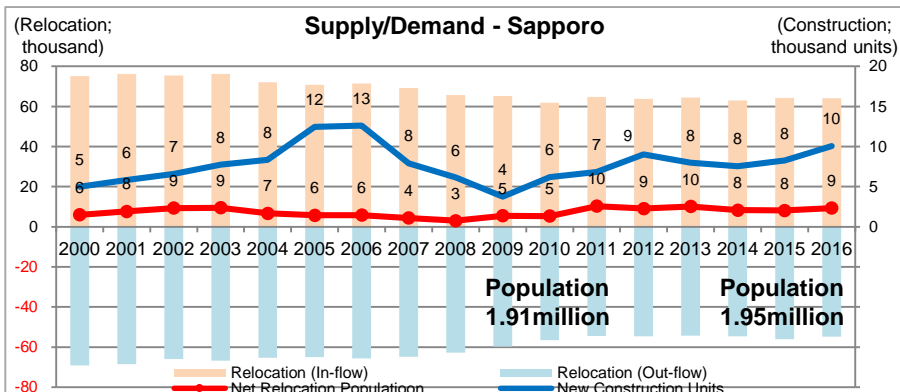
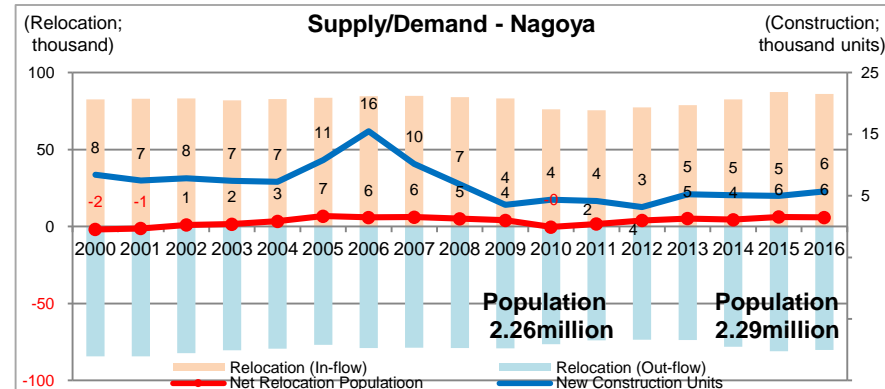
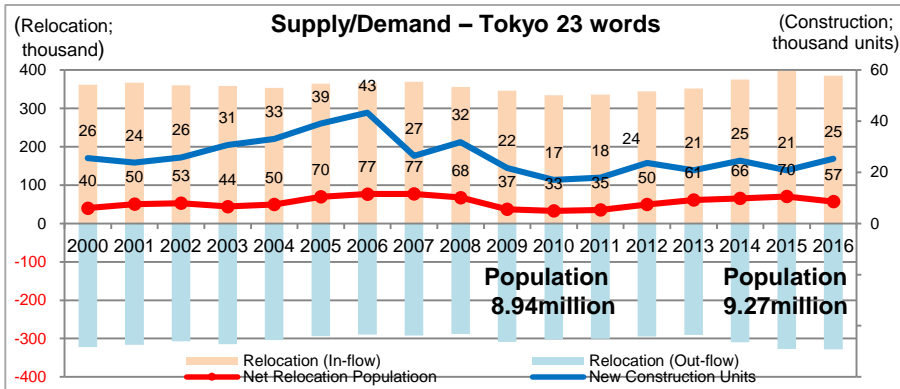
Property with high environmental & social awareness



Property with 268 studio units in Osaka city
Completed in February 2015
Newly acquired in June 2015
Acquisition price: JPY 4.28 billion
(Appraisal value at the end of 23rd fiscal period: JPY 5.11 billion)

Appendices

Lease Supply/Demand

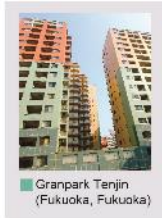


(Source) Relocation balance: Population Movement from Basic Resident Register, MIC
Construction work on new rental apartments: Survey on Construction Works by the MLIT (construction of rental units and SRC/RC apartments complexes)

Total: **199** properties

Total asset: **¥225.9** bn
(based on the acquisition price)

Total unit: **13,300**



Hokkaido area (Sapporo)
of properties: 17

Tohoku / Shinetsu area
(Sendai / Morioka / Niigata)
of properties: 16

Kyushu / Chugoku area
(Fukuoka / Okayama)
of properties: 5

Tokyo area
of properties: 97

Osaka area
of properties: 38

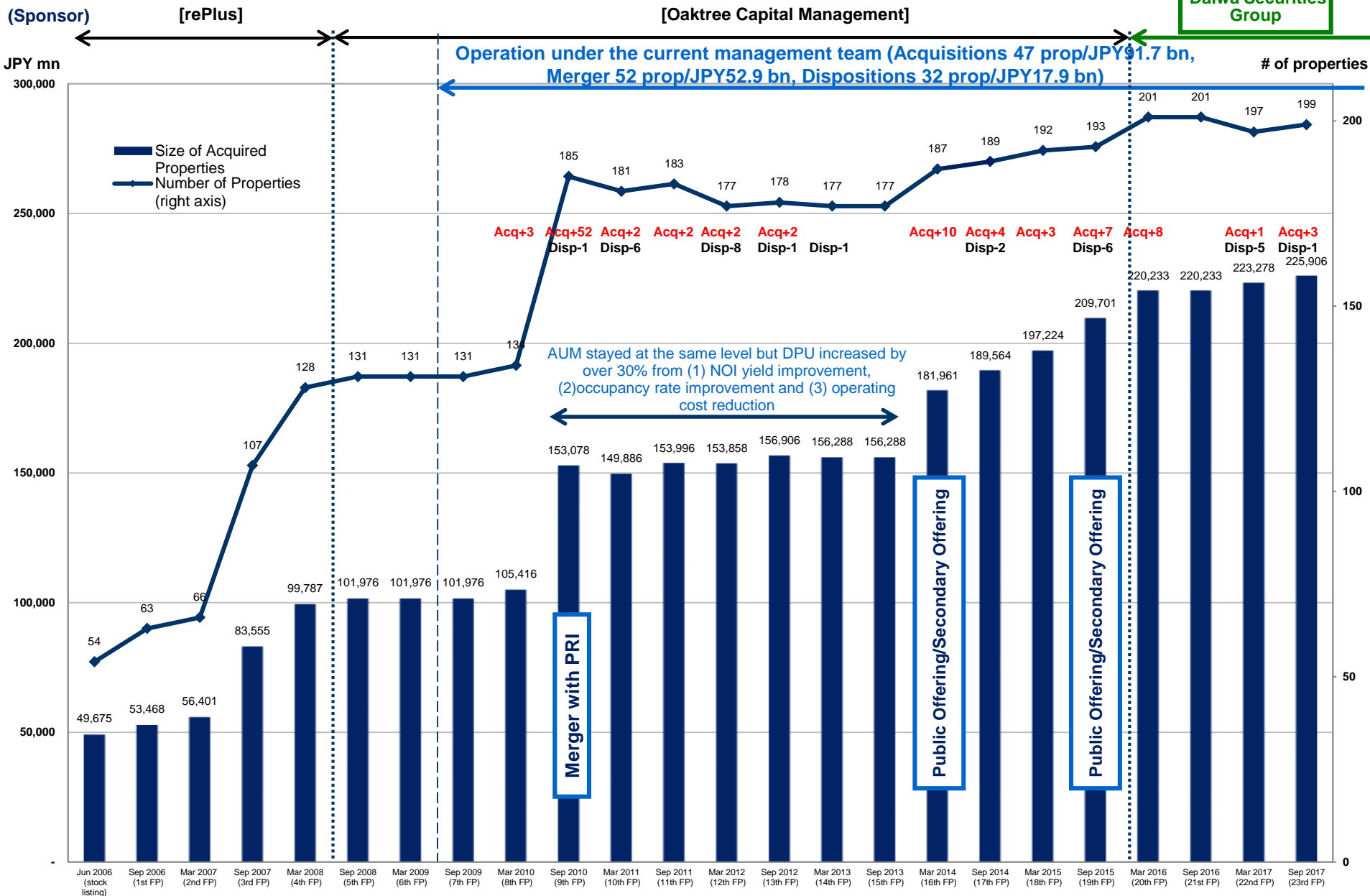
Nagoya area
of properties: 26



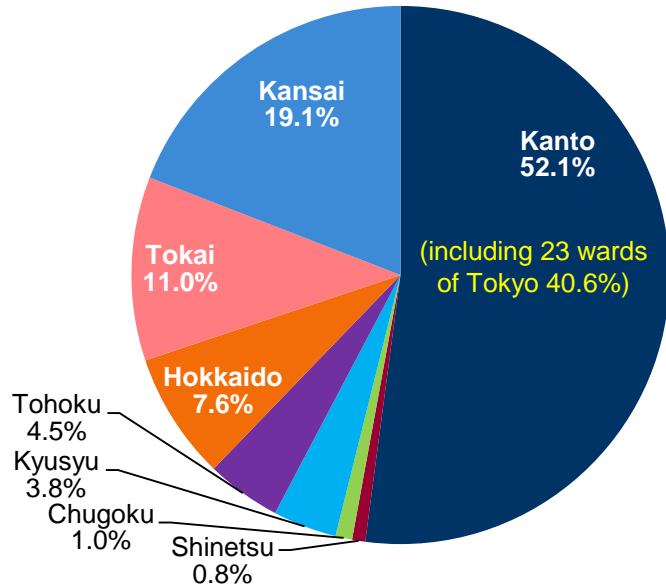
■ Studio rental apartment ■ Family rental apartment



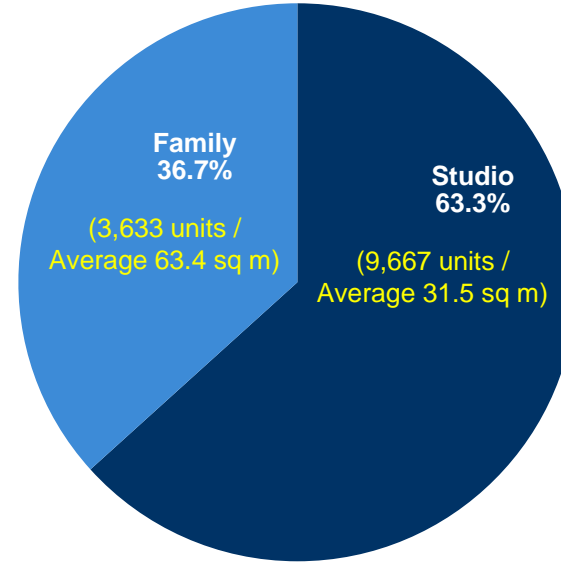
Portfolio Growth (Acquisition Price based)



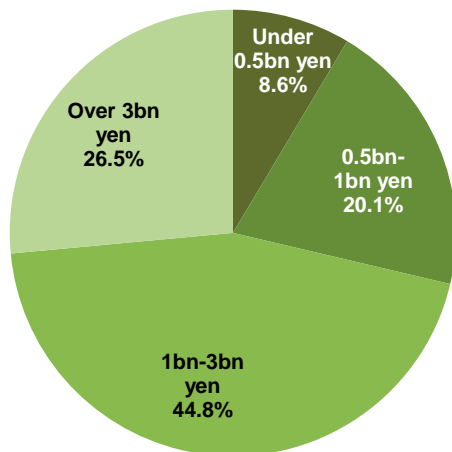
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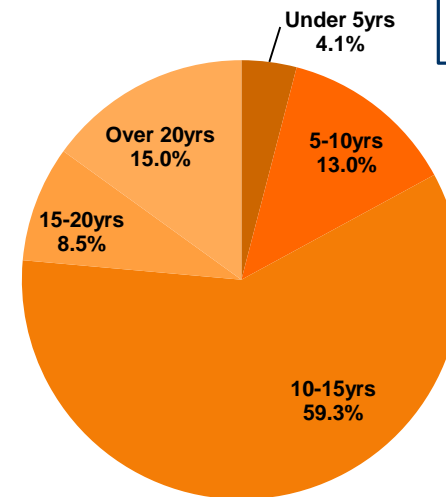
<Size>



Average size
JPY1,135 mn

JPY 1 bn or more per property in general for the new acquisitions

<Age>



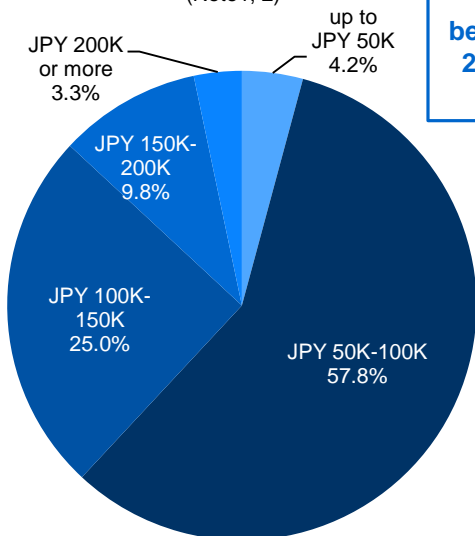
Average age
13.7 yrs

Building age less than 10 years in general for the new acquisitions

(Note) Each percentage is calculated based on the acquisition price (rounded off to one decimal place)

Monthly Rent per Unit

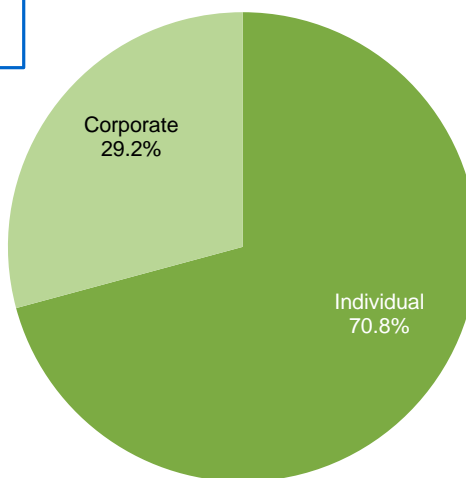
(Note1, 2)



96.8% are below than JPY 200 thousand per month

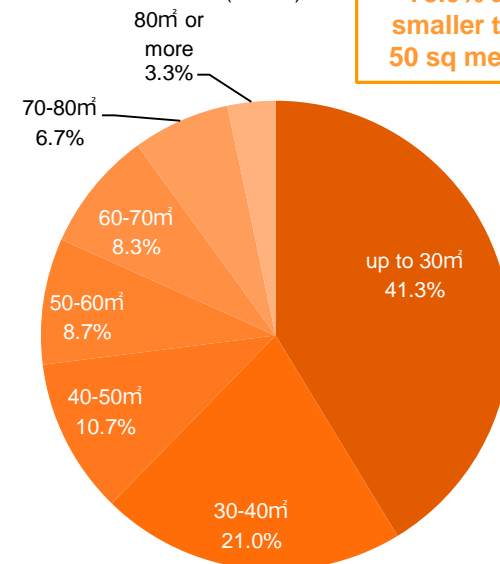
Lessee Type

(Note 1, 3)



Unit Size

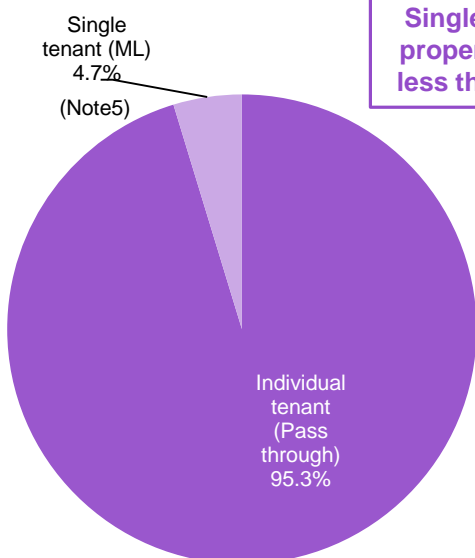
(Note 1)



73.0% are smaller than 50 sq meters

Lease Type

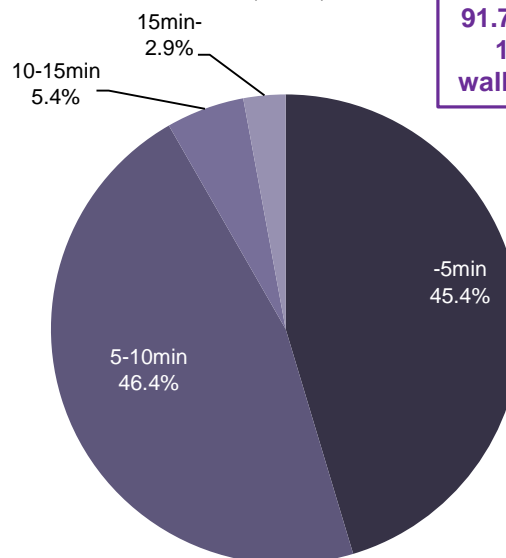
(Note 4)



Single tenant properties are less than 4.7%

Walking Distance from Stations

(Note 4)



91.7% are within 10 minutes walking distance

(Note1) Calculation excludes subleased properties and non-residential units (i.e. office, retail).

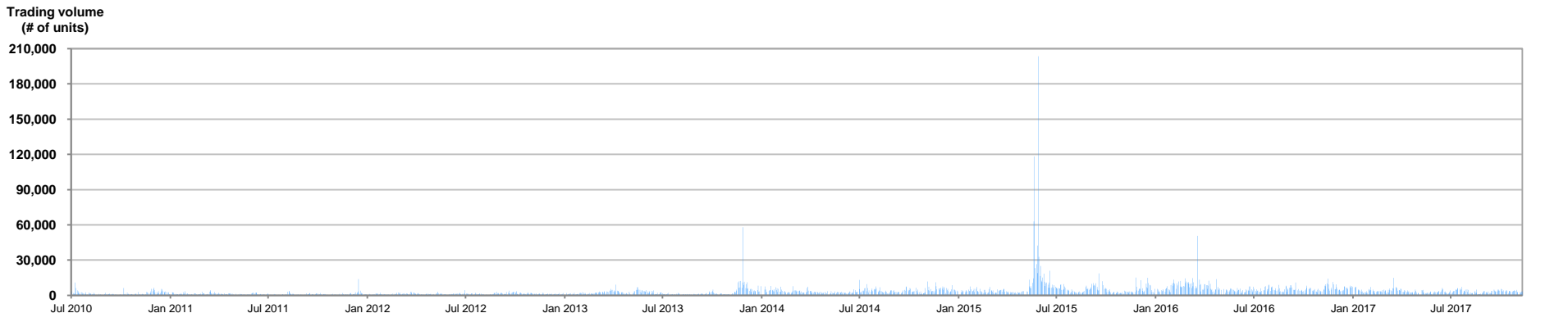
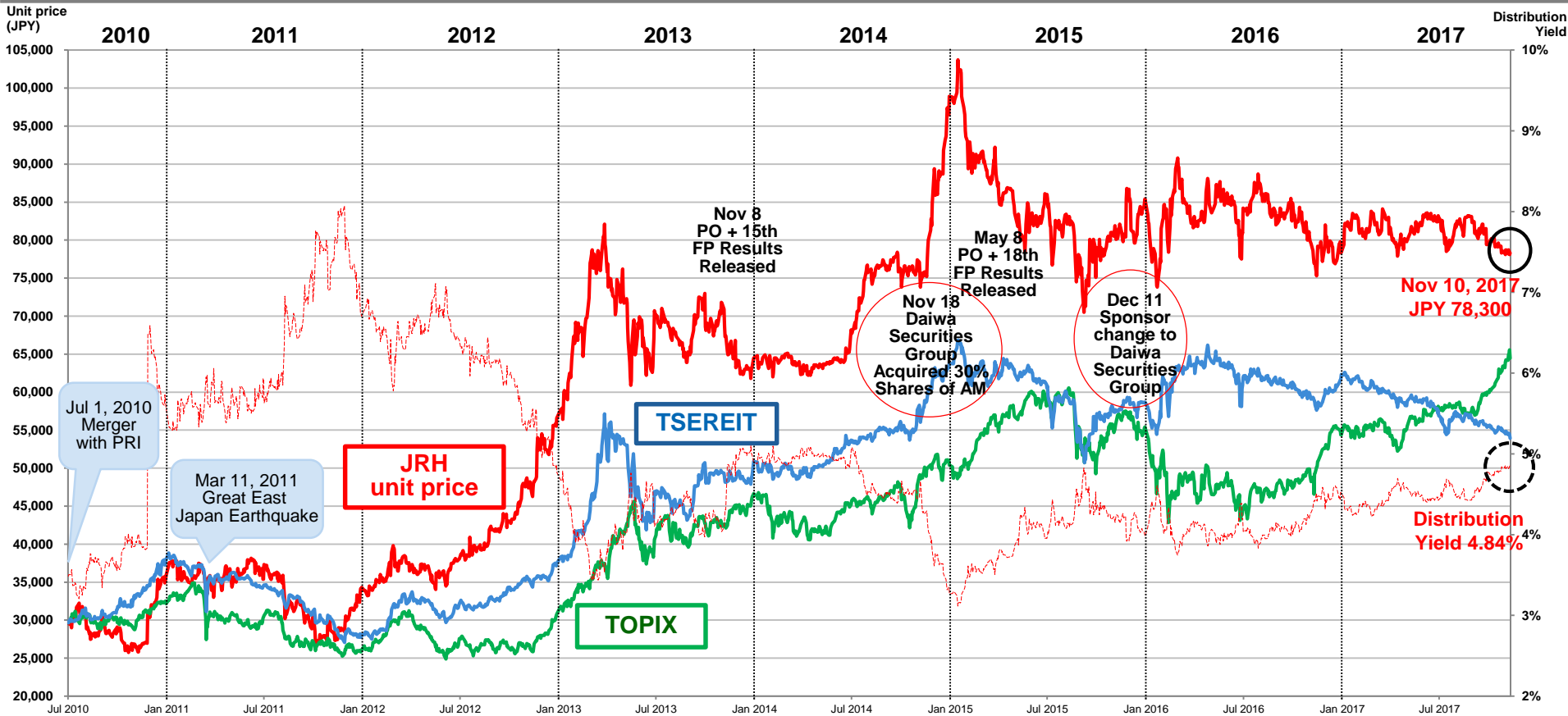
(Note 2) Calculation based on the total amount of monthly rent and common area fee as of September 30, 2017. For the vacant units, calculation based on the total amount of the asking rent and common area fee.

(Note 3) Calculation excludes the vacant units as of September 30, 2017.

(Note 4) Calculation based on the acquisition price.

(Note 5) Out of 4.7% (17 buildings with a total acquisition price of JPY 10.6 billion), 2.8% is leased by Mainichicomnet Co., Ltd. (10 student apartments in Tokyo with a total acquisition price of JPY 6.3 billion) and the remaining 1.9% is leased by a operating companies (7 buildings with a total acquisition price of JPY 4.3 billion). Since leasing an entire building to a single tenant accompanies a risk of having only one tenant, it is our policy not to newly make such investment in principle.

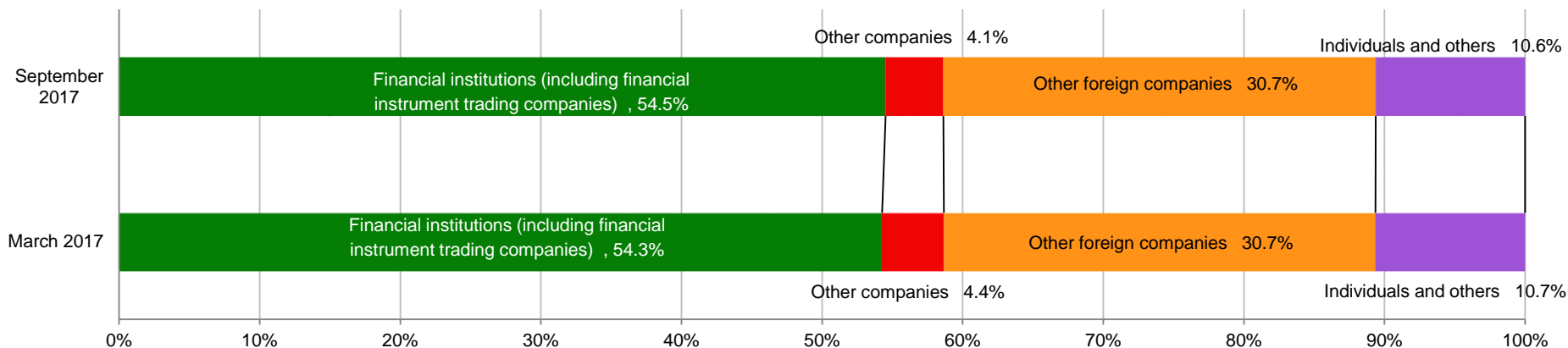
JRH Unit Price/Distribution Yield/Trading Volume



(Note) TOPIX, TSEREIT: Indexed based on JRH's investment unit price as of July 1, 2010

Source: Bloomberg

The Ratio of Investment Units Held



<Top Unitholders >

<Number of Unitholders by Investor Type>

Ranking	Unitholders (Top 10)	September 2017			Number of Units Held as of March 2017 (Note2)
		Number of Units Held	% of Total Units in Issue (Note 1)	Change	
1	The Master Trust Bank of Japan (Trust account)	313,907	19.1%	+84,852	229,055
2	Japan Trustee Services Bank, Ltd. (Trust account)	231,189	14.0%	-16,139	247,328
3	Nomura Bank (Luxembourg) S.A.	101,450	6.1%	-18,239	119,689
4	Nomura Trust and Banking Company (Trust account)	91,385	5.5%	-248	91,633
5	Trust & Custody Services Bank (Securities investment trust account)	66,691	4.0%	-76,352	143,043
6	Daiwa Securities Group Inc.	55,014	3.3%	-	55,014
7	Mizuho Trust & Banking Co., Ltd.	31,337	1.9%	+7,975	23,362
8	STATE STREET BANK - WEST PENSION FUND CLIENTS - EXEMPT 505233	27,095	1.6%	-	-
9	STATE STREET BANK AND TRUST COMPANY 505012	26,315	1.6%	-90	26,405
10	STATE STREET BANK AND TRUST COMPANY 505223	24,965	1.5%	-	-
Subtotal		969,348	59.1%		

	March 2017	September 2017	Change
Financial Institutions (including financial instrument trading companies)	81	83	+2
Other Domestic Companies	219	209	-10
Other Foreign Companies	211	226	+15
Individuals and Others	18,219	18,162	-57
Total	18,730	18,680	-50

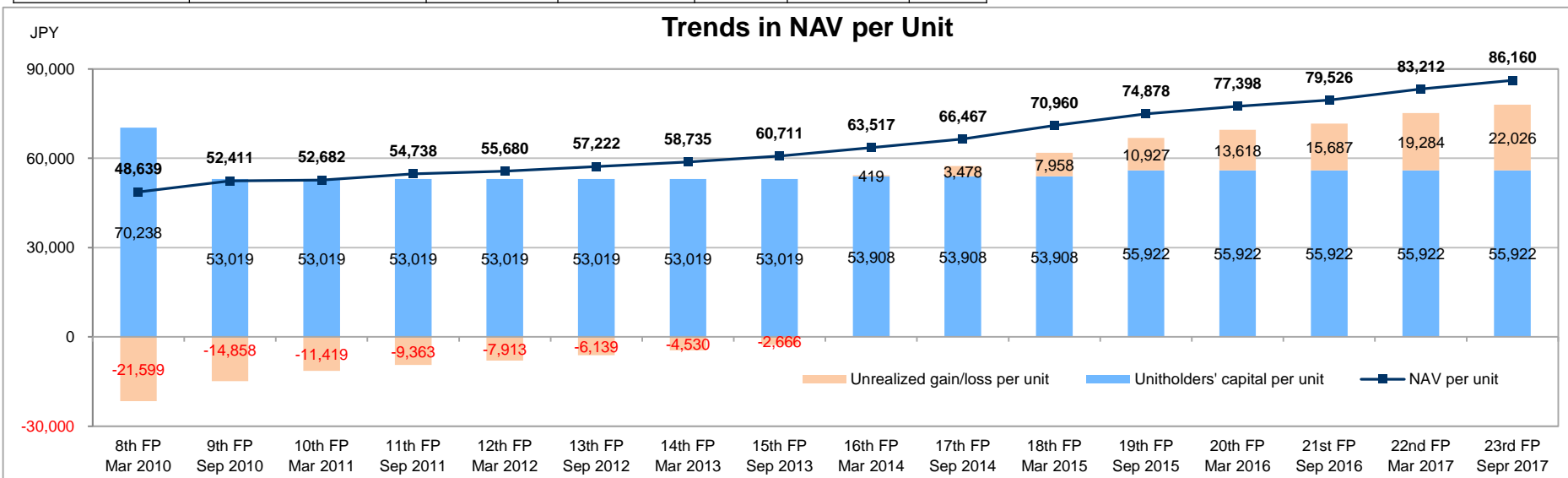
(Note1) The ratio of investment units held in comparison to the total units in issue is rounded down to the second decimal point.

(Note2) Indicate top 10 unitholders as of the end of March 2017.

Date	Details	Total Investment (JPY)		Total Units in Issue		Note
		Change	Balance	Change	Number of Units	
October 7, 2005	Private placement	100,000,000	100,000,000	200	200	
December 13, 2005	Third-party allotment	8,900,000,000	9,000,000,000	17,800	18,000	
June 21, 2006	Public offering of new equity	18,748,800,000	27,748,800,000	43,400	61,400	
April 26, 2007	Public offering of new equity	18,595,161,900	46,343,961,900	34,300	95,700	
May 24, 2007	Third-party allotment	963,370,341	47,307,332,241	1,777	97,477	
August 28, 2008	Third-party allotment	12,250,000,000	59,557,332,241	70,000	167,477	
October 2, 2009	Third-party allotment	6,000,119,300	65,557,451,541	65,863	233,340	
June 30, 2010	Third-party allotment	5,000,236,650	70,557,688,191	43,035	276,375	(Note1)
July 1, 2010	Investment unit split	-	70,557,688,191	829,125	1,105,500	(Note2)
July 1, 2010	Merger	-	70,557,688,191	225,300	1,330,800	(Note3)
November 26, 2013	Public offering of new equity	8,148,307,200	78,705,995,391	131,200	1,462,000	
December 18, 2013	Third-party allotment	811,104,360	79,517,099,751	13,060	1,475,060	
May 27, 2015	Public offering of new equity	12,198,615,000	91,715,714,751	165,000	1,640,060	

Total Investment	JPY 91,715,714,751
Total Number of Investment Units Authorized	5,000,000 units
Total Number of Investment Units Outstanding	1,640,060 units

(Note1) Third party allotment of new investment units done at an issue price of 116,190 yen per unit with the purpose of repaying a part of the loans that were transferred as part of the merger with PRI
 (Note2) Conducted a four-to-one investment unit split
 (Note3) With the absorption-type merger, the merger was conducted with PRI treated as the Investment Corporation Extinguished in Absorption-Type Merger in accordance with article 147 of the Act on Investment Trusts and Investment Corporations



Occupancy Rates

Type	Sep 2006	Mar 2007	Sep 2007	Mar 2008	Sep 2008	Mar 2009	Sep 2009	Mar 2010	Sep 2010	Mar 2011	Sep 2011	Mar 2012	Sep 2012	Mar 2013	Sep 2013	Mar 2014	Sep 2014	Mar 2015	Sep 2015	Mar 2016	Sep 2016	Mar 2017	Sep 2017
Studio	94.45%	95.17%	94.66%	96.29%	94.43%	94.57%	94.23%	96.54%	95.67%	97.71%	96.69%	98.25%	97.05%	98.44%	97.84%	98.83%	98.35%	99.20%	98.54%	99.23%	98.65%	98.99%	98.65%
Family	98.02%	97.01%	94.82%	95.02%	93.70%	93.07%	91.27%	95.36%	92.09%	95.43%	95.97%	97.71%	97.27%	97.74%	97.57%	97.42%	97.89%	98.26%	98.61%	98.79%	97.95%	98.43%	98.03%
Premium (Note1)	94.20%	97.61%	96.78%	96.68%	90.07%	78.06%	71.29%	77.51%	77.31%	79.76%	88.23%	87.58%	-	-	-	-	-	-	-	-	-	-	-
Portfolio	96.83%	96.56%	94.82%	95.70%	93.91%	93.20%	91.91%	95.23%	93.50%	96.40%	96.24%	97.84%	97.15%	98.14%	97.72%	98.20%	98.14%	98.80%	98.57%	99.05%	98.36%	98.75%	98.38%
Area (Note2)	Sep 2006	Mar 2007	Sep 2007	Mar 2008	Sep 2008	Mar 2009	Sep 2009	Mar 2010	Sep 2010	Mar 2011	Sep 2011	Mar 2012	Sep 2012	Mar 2013	Sep 2013	Mar 2014	Sep 2014	Mar 2015	Sep 2015	Mar 2016	Sep 2016	Mar 2017	Sep 2017
Seven wards of central Tokyo	94.99%	97.43%	97.11%	96.40%	92.70%	84.26%	80.45%	87.47%	91.13%	94.57%	93.50%	95.89%	95.08%	96.84%	96.78%	97.87%	97.05%	-	-	-	-	-	-
23 wards of Tokyo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	98.74%	98.78%	98.86%	99.20%	98.71%	98.25%
Three major metropolitan areas	98.04%	97.81%	96.35%	96.89%	95.33%	94.93%	93.34%	96.67%	94.12%	96.80%	96.32%	98.04%	97.27%	98.41%	97.84%	98.24%	98.36%	98.60%	98.24%	99.08%	98.02%	98.62%	98.58%
Other major cities	92.49%	90.36%	89.06%	91.90%	90.12%	90.55%	90.83%	93.68%	93.15%	96.22%	97.32%	98.27%	97.90%	98.03%	97.88%	98.23%	98.11%	99.20%	98.92%	99.18%	98.09%	99.01%	98.17%
Portfolio	96.83%	96.56%	94.82%	95.70%	93.91%	93.20%	91.91%	95.23%	93.50%	96.40%	96.24%	97.84%	97.15%	98.14%	97.72%	98.20%	98.14%	98.80%	98.57%	99.05%	98.36%	98.75%	98.38%
Building Age	Sep 2006	Mar 2007	Sep 2007	Mar 2008	Sep 2008	Mar 2009	Sep 2009	Mar 2010	Sep 2010	Mar 2011	Sep 2011	Mar 2012	Sep 2012	Mar 2013	Sep 2013	Mar 2014	Sep 2014	Mar 2015	Sep 2015	Mar 2016	Sep 2016	Mar 2017	Sep 2017
5 yrs or less	99.05%	98.84%	95.89%	96.53%	95.03%	94.91%	94.35%	97.29%	95.76%	97.28%	97.78%	99.61%	99.02%	98.27%	93.32%	99.75%	95.91%	-	99.45%	96.80%	98.96%	97.92%	98.86%
5 yrs to 10 yrs	96.94%	98.08%	95.97%	97.28%	93.39%	92.97%	93.17%	90.79%	95.49%	97.55%	96.53%	98.19%	97.26%	98.97%	98.15%	97.94%	98.56%	98.88%	98.49%	99.22%	98.54%	98.65%	98.39%
10 yrs to 15 yrs	94.16%	91.23%	91.25%	96.41%	94.04%	94.52%	90.17%	96.92%	92.70%	97.83%	96.56%	98.10%	98.28%	97.96%	98.57%	99.25%	98.58%	98.83%	98.50%	98.97%	98.77%	98.98%	98.64%
15 yrs to 20 yrs	97.09%	96.90%	94.05%	94.21%	92.62%	90.85%	89.94%	94.90%	90.62%	93.23%	93.71%	95.34%	94.70%	95.27%	95.47%	98.60%	97.15%	98.26%	98.09%	98.97%	98.69%	98.90%	99.56%
Excess 20 yrs	97.25%	94.56%	95.22%	92.75%	92.80%	90.26%	87.76%	90.30%	89.82%	94.84%	95.49%	97.45%	96.78%	97.83%	97.29%	97.72%	97.47%	98.84%	98.88%	99.12%	97.20%	98.35%	97.13%
Portfolio	96.83%	96.56%	94.82%	95.70%	93.91%	93.20%	91.91%	95.23%	93.50%	96.40%	96.24%	97.84%	97.15%	98.14%	97.72%	98.20%	98.14%	98.80%	98.57%	99.05%	98.36%	98.75%	98.38%
Size	Sep 2006	Mar 2007	Sep 2007	Mar 2008	Sep 2008	Mar 2009	Sep 2009	Mar 2010	Sep 2010	Mar 2011	Sep 2011	Mar 2012	Sep 2012	Mar 2013	Sep 2013	Mar 2014	Sep 2014	Mar 2015	Sep 2015	Mar 2016	Sep 2016	Mar 2017	Sep 2017
0.5 bn yen or less	96.42%	96.03%	94.05%	95.18%	93.00%	93.31%	91.91%	95.48%	93.66%	97.61%	97.40%	98.15%	97.73%	98.39%	97.62%	98.56%	97.75%	98.95%	98.55%	99.22%	98.09%	99.17%	98.70%
0.5 to 1.0 bn yen	94.88%	93.60%	94.44%	94.20%	92.68%	90.97%	90.44%	94.46%	93.46%	95.56%	96.76%	98.18%	97.54%	98.23%	98.13%	98.71%	98.70%	99.22%	98.69%	98.91%	97.69%	98.45%	98.01%
1.0 to 3.0 bn yen	98.01%	98.09%	93.32%	95.77%	94.77%	95.84%	93.88%	95.84%	93.97%	96.68%	95.65%	97.68%	96.88%	97.92%	97.64%	98.64%	97.93%	98.49%	98.54%	99.06%	98.63%	98.92%	98.40%
Excess 3.0 bn yen	98.67%	99.70%	99.75%	99.33%	96.34%	93.18%	91.62%	95.33%	91.52%	95.37%	94.09%	96.78%	95.74%	98.18%	96.92%	95.94%	98.19%	98.81%	98.49%	99.06%	98.77%	98.47%	98.61%
Portfolio	96.83%	96.56%	94.82%	95.70%	93.91%	93.20%	91.91%	95.23%	93.50%	96.40%	96.24%	97.84%	97.15%	98.14%	97.72%	98.20%	98.14%	98.80%	98.57%	99.05%	98.36%	98.75%	98.38%

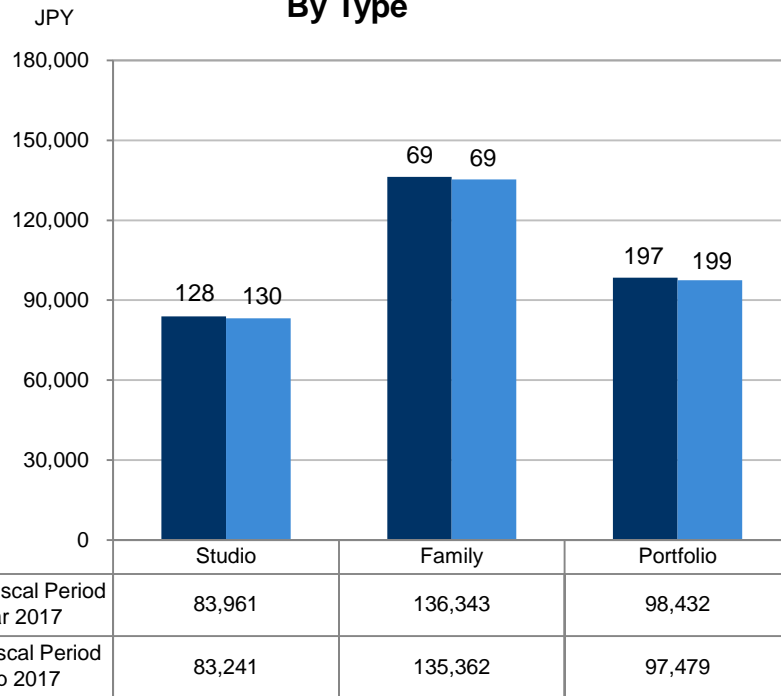
(Note1) On May 24, 2012, the categories of rental residential properties were changed from studio type, family type and premium type into studio type and family type.

(Note2) On January 29, 2015, the investment areas were changed from Seven wards of central Tokyo, Three major metropolitan areas and Other major cities to 23 wards of Tokyo, Three major metropolitan areas and Other major cities.

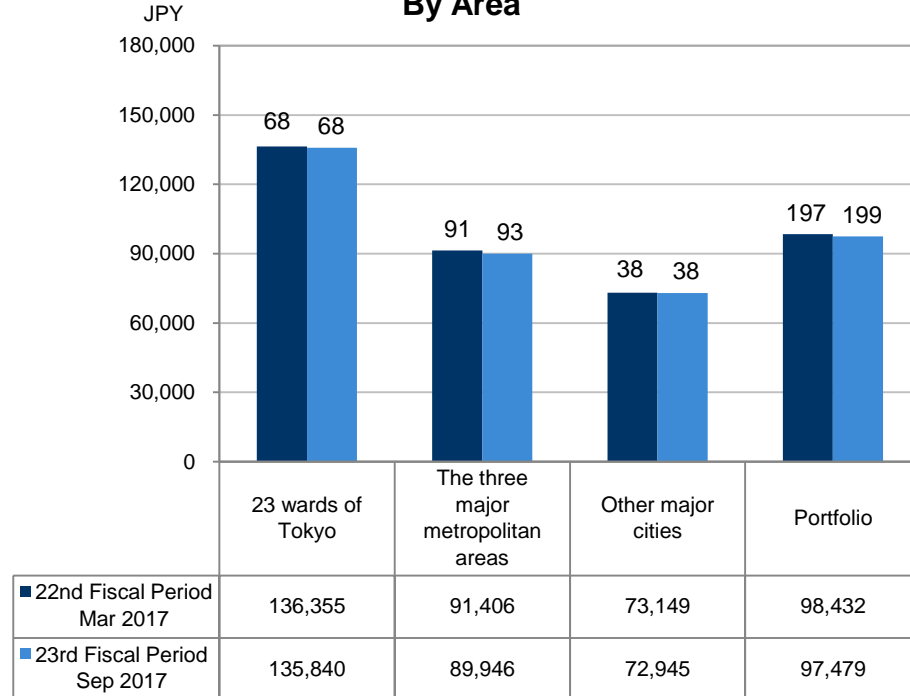
Category of Properties	Number of Properties	Average Acquisition Price (Thousand yen)	Number of Rentable Units	Average Number of Rentable Units per Property	Average Rentable Floor Area per Unit (sq. meter)
Studio	130	1,099,903	9,667	74	31.5
Family	69	1,201,726	3,633	52	63.4
Total (Average)	199	1,135,208	13,300	66	40.2

Category of Properties	Number of Properties	Average Acquisition Price (Thousand yen)	Number of Rentable Units	Average Number of Rentable Units per Property	Average Rentable Floor Area per Unit (sq. meter)
23 wards of Tokyo	68	1,348,641	3,502	51	40.5
The three major metropolitan areas	93	1,011,429	6,237	67	39.7
Other major cities	38	1,056,209	3,561	93	41.0
Total (Average)	199	1,135,208	13,300	66	40.2

By Type

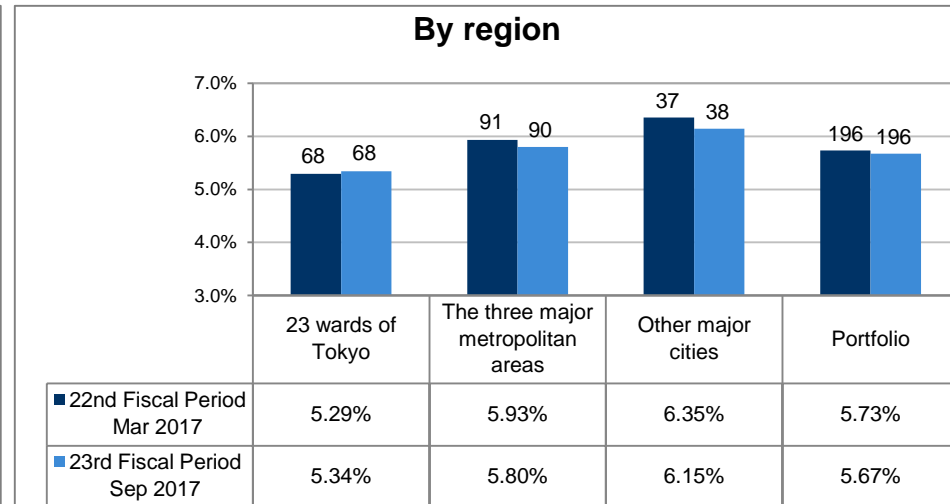
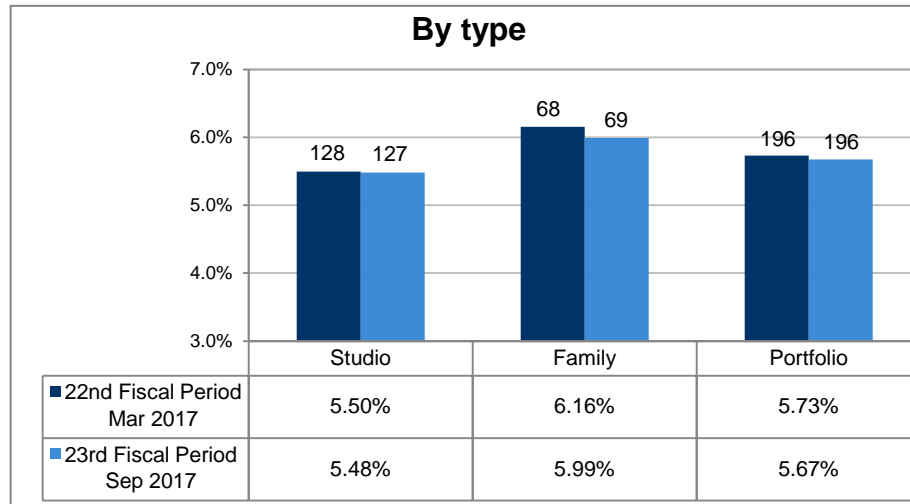


By Area



(Note) Average rent per unit calculations: rental revenue (rent + common-service charges) / total contracted area

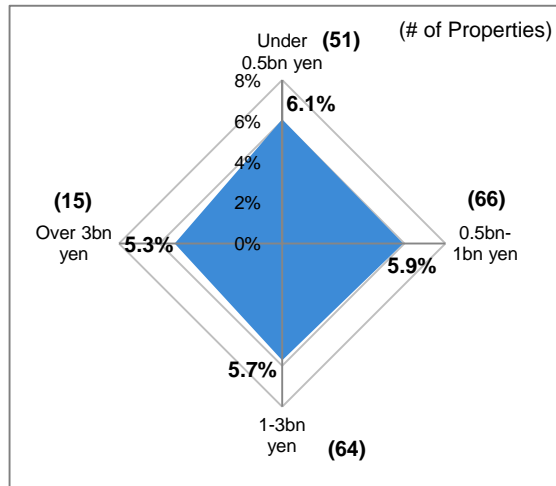
NOI Yield (by Type and Region)



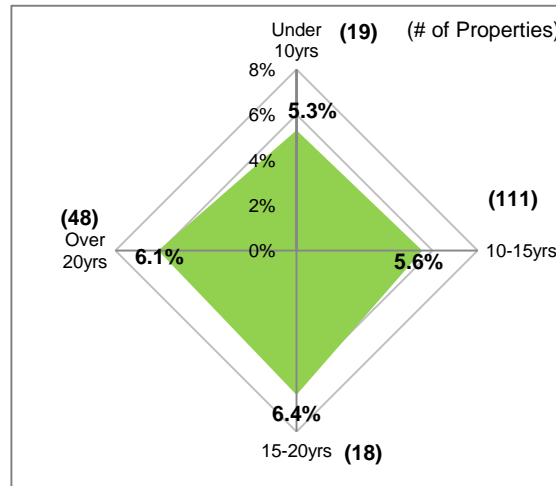
(Note1) Number of properties: 196 in the 22nd fiscal period exclude 1 newly acquired property, 196 in the 23rd fiscal period exclude 3 newly acquired properties (numbers of properties indicated on top of the bar graphs)

(Note2) NOI yield: Annual income and expenditure in the rental business / acquisition price of property excluding tax

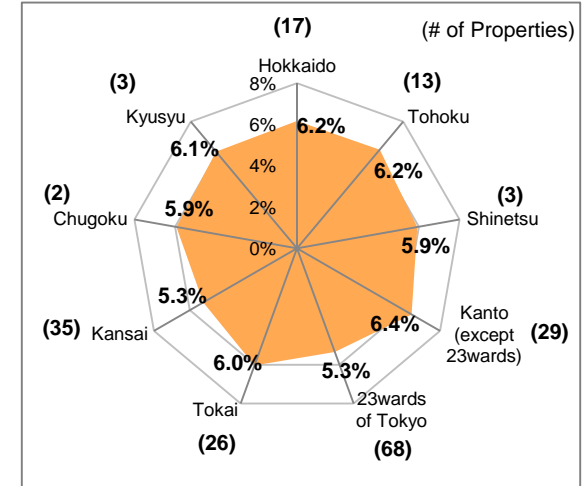
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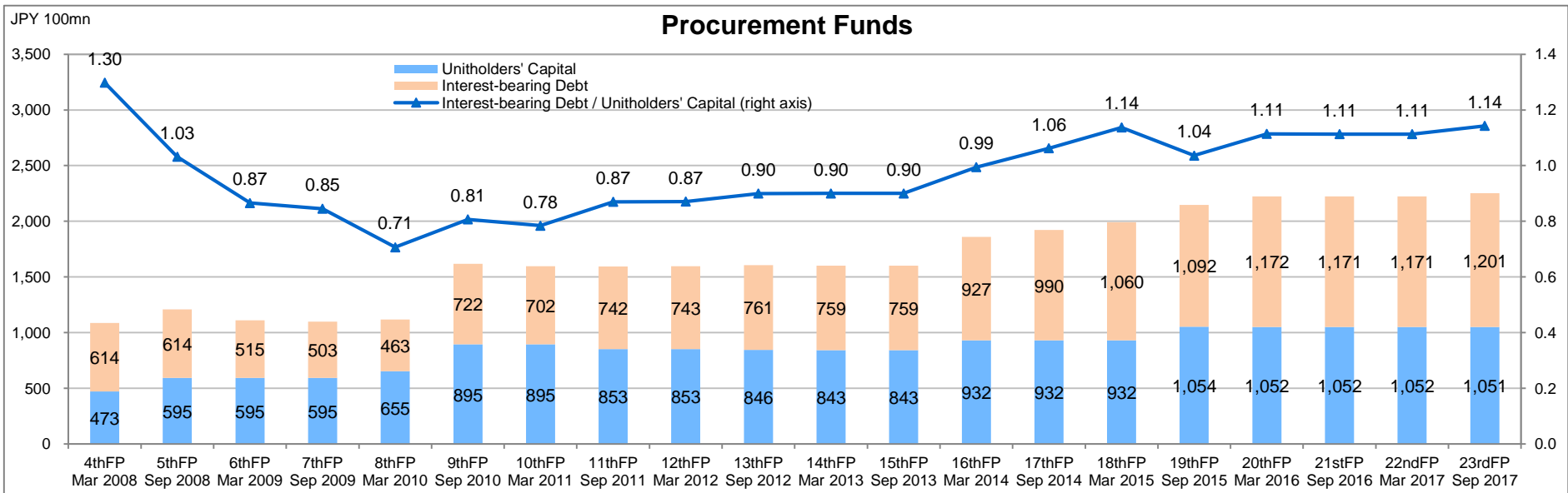
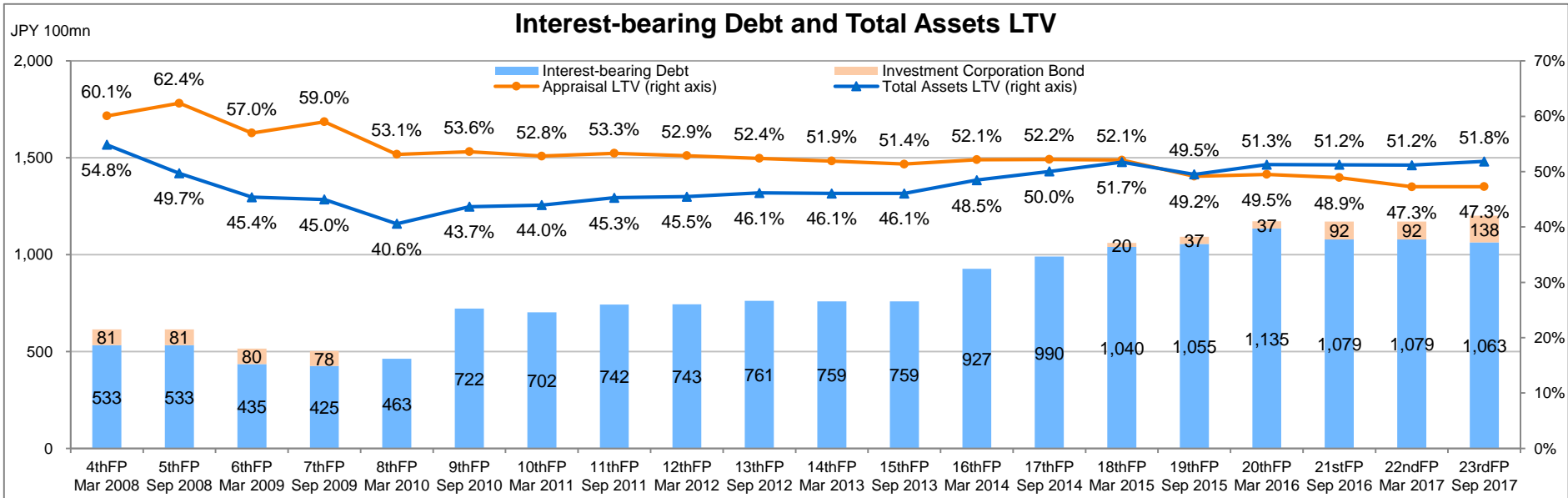


<By building age>



<By region>





Interest Bearing Debt (as of September 30, 2017)

Lender	Borrowing Amount (million yen) (Note)	Interest Rate (%) (Note)	Loan Origination Date	Repayment Date	Remarks
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,550	0.78%	Mar 25, 2013	Mar 23, 2018	Unsecured /Unguaranteed
	1,459	0.78%	Jun 24, 2013	Jun 22, 2018	
	1,400	0.73%	Oct 18, 2013	Mar 23, 2018	
	430	0.78%	Dec 25, 2013	Dec 25, 2018	
	630	0.78%	Jan 31, 2014	Dec 25, 2018	
	1,050	0.88%	Mar 6, 2014	Mar 22, 2020	
	1,050	0.98%	Mar 6, 2014	Mar 22, 2021	
	808	0.63%	Mar 26, 2014	Dec 25, 2018	
	1,000	0.78%	Mar 26, 2014	Mar 23, 2020	
	1,544	0.88%	Mar 26, 2014	Mar 22, 2021	
	550	0.63%	Jul 1, 2014	Jun 28, 2019	
	500	0.63%	Sep 1, 2014	Aug 30, 2019	
	1,300	0.63%	Sep 22, 2014	Sep 30, 2019	
	1,000	0.78%	Dec 24, 2014	Jun 30, 2022	
	500	0.73%	Feb 2, 2015	Feb 28, 2022	
	500	0.78%	Jun 1, 2015	Jun 30, 2023	
	888	0.78%	Jun 22, 2015	Jun 30, 2023	
	800	0.68%	Mar 25, 2016	Jun 22, 2021	
	4,470	0.43%	Jun 22, 2016	Jun 22, 2021	
	2,000	0.46%	Sep 20, 2016	Sep 22, 2022	
	757	0.35%	Mar 22, 2017	Jul 22, 2020	
	2,000	0.56%	Mar 22, 2017	Mar 24, 2025	
	3,330	0.54%	Jun 22, 2017	Jun 23, 2025	
	1,000	0.46%	Sep 21, 2017	Jun 30, 2023	
Subtotal	30,116				
Sumitomo Mitsui Banking Corporation	400	0.78%	Mar 25, 2013	Mar 23, 2018	Unsecured /Unguaranteed
	4,612	0.78%	Jun 24, 2013	Jun 22, 2018	
	770	0.78%	Dec 25, 2013	Dec 25, 2018	
	230	0.78%	Jan 31, 2014	Dec 25, 2018	
	500	0.88%	Mar 6, 2014	Mar 22, 2020	
	500	0.98%	Mar 6, 2014	Mar 22, 2021	
	500	0.63%	Mar 26, 2014	Dec 25, 2018	
	1,000	0.78%	Mar 26, 2014	Mar 23, 2020	
	1,666	0.88%	Mar 26, 2014	Mar 22, 2021	
	500	0.73%	Feb 2, 2015	Feb 28, 2022	
	500	0.78%	Jun 1, 2015	Jun 30, 2023	
	993	0.78%	Jun 22, 2015	Jun 30, 2023	
	600	0.68%	Mar 25, 2016	Jun 22, 2021	
	1,970	0.43%	Jun 22, 2016	Jun 22, 2021	
	1,500	0.46%	Sep 20, 2016	Sep 22, 2022	
	1,824	0.35%	Mar 22, 2017	Jul 22, 2020	
	1,250	0.54%	Jun 22, 2017	Jun 23, 2025	
Subtotal	19,315				
Aozora Bank, Ltd.	300	0.78%	Mar 25, 2013	Mar 23, 2018	Unsecured /Unguaranteed
	7,154	0.78%	Jun 24, 2013	Jun 22, 2018	
	400	0.88%	Mar 6, 2014	Mar 22, 2020	
	400	0.98%	Mar 6, 2014	Mar 22, 2021	
	1,000	0.63%	Mar 26, 2014	Dec 25, 2018	
	1,000	0.78%	Mar 26, 2014	Mar 23, 2020	
	1,154	0.88%	Mar 26, 2014	Mar 22, 2021	
	500	0.73%	Feb 2, 2015	Feb 28, 2022	
	412	0.78%	Jun 22, 2015	Jun 30, 2023	
	758	0.35%	Mar 22, 2017	Jul 22, 2020	
	500	0.54%	Jun 22, 2017	Jun 23, 2025	
	Subtotal	13,578			

Lender	Borrowing Amount (million yen) (Note)	Interest Rate (%) (Note)	Loan Origination Date	Repayment Date	Remarks		
Shinsei Bank, Limited	770	0.78%	Dec 25, 2013	Dec 25, 2018	Unsecured /Unguaranteed		
	230	0.78%	Jan 31, 2014	Dec 25, 2018			
	500	0.88%	Mar 6, 2014	Mar 22, 2020			
	500	0.98%	Mar 6, 2014	Mar 22, 2021			
	1,000	0.78%	Mar 26, 2014	Mar 23, 2020			
	500	0.73%	Feb 2, 2015	Feb 28, 2022			
	500	0.78%	Jun 1, 2015	Jun 30, 2023			
	674	0.78%	Jun 22, 2015	Jun 30, 2023			
	1,242	0.43%	Jun 22, 2016	Jun 22, 2021			
	1,000	0.46%	Sep 20, 2016	Sep 22, 2022			
	1,239	0.35%	Mar 22, 2017	Jul 22, 2020			
	1,500	0.56%	Mar 22, 2017	Mar 24, 2025			
	680	0.54%	Jun 22, 2017	Jun 23, 2025			
	Subtotal	10,335					
	Resona Bank, Limited.	1,000	0.78%	Mar 25, 2013		Mar 23, 2018	Unsecured /Unguaranteed
		550	0.73%	Oct 18, 2013		Mar 23, 2018	
		770	0.78%	Dec 25, 2013		Dec 25, 2018	
		230	0.78%	Jan 31, 2014		Dec 25, 2018	
500		0.63%	Mar 26, 2014	Dec 25, 2018			
500		0.78%	Dec 24, 2014	Jun 30, 2022			
500		0.78%	Jun 1, 2015	Jun 30, 2023			
715		0.78%	Jun 22, 2015	Jun 30, 2023			
1,318		0.43%	Jun 22, 2016	Jun 22, 2021			
1,000		0.46%	Sep 20, 2016	Sep 22, 2022			
1,315		0.35%	Mar 22, 2017	Jul 22, 2020			
1,000		0.54%	Jun 22, 2017	Jun 23, 2025			
1,000	0.46%	Sep 21, 2017	Jun 30, 2023				
Subtotal	10,398						
Mitsubishi UFJ Trust and Banking Corporation	200	0.78%	Mar 25, 2013	Mar 23, 2018	Unsecured /Unguaranteed		
	1,160	0.78%	Dec 25, 2013	Dec 25, 2018			
	340	0.78%	Jan 31, 2014	Dec 25, 2018			
	1,295	0.63%	Mar 26, 2014	Dec 25, 2018			
	500	0.73%	Feb 2, 2015	Feb 28, 2022			
	518	0.78%	Jun 22, 2015	Jun 30, 2023			
	500	0.46%	Sep 20, 2016	Sep 22, 2022			
	951	0.35%	Mar 22, 2017	Jul 22, 2020			
	Subtotal	5,464					
	The Bank of Fukuoka, Ltd.	837	0.78%	Jun 24, 2013		Jun 22, 2018	Unsecured /Unguaranteed
1,160		0.78%	Dec 25, 2013	Dec 25, 2018			
340		0.78%	Jan 31, 2014	Dec 25, 2018			
500		0.63%	Mar 26, 2014	Dec 25, 2018			
500		0.73%	Feb 2, 2015	Feb 28, 2022			
500		0.56%	Mar 22, 2017	Mar 24, 2025			
Subtotal	4,337						
Development Bank of Japan Inc.	1,000	0.93%	Sep 22, 2014	Sep 30, 2019	Unsecured/Unguaranteed		
	1,500	0.46%	Sep 20, 2016	Sep 22, 2022			
Subtotal	2,500						
ORIX Bank Corporation	398	0.78%	Jun 24, 2013	Jun 22, 2018	Unsecured /Unguaranteed		
	770	0.78%	Dec 25, 2013	Dec 25, 2018			
	500	0.63%	Mar 26, 2014	Dec 25, 2018			
	500	0.73%	Feb 2, 2015	Feb 28, 2022			
	Subtotal	2,168					
The HIGASHI-NIPPON BANK, LIMITED	400	0.78%	Mar 25, 2013	Mar 23, 2018	Unsecured /Unguaranteed		
	600	0.73%	Oct 18, 2013	Mar 23, 2018			
	770	0.78%	Dec 25, 2013	Dec 25, 2018			
Subtotal	1,770						

Lender	Borrowing Amount (million yen) (Note)	Interest Rate (%) (Note)	Loan Origination Date	Repayment Date	Remarks
The Norinchukin Bank	1,170	0.38%	Mar 22, 2016	Mar 23, 2018	Unsecured /Unguaranteed
	505	0.35%	Mar 22, 2017	Jul 22, 2020	
Subtotal	1,675				
The Kagawa Bank, Ltd.	1,000	0.63%	Jul 1, 2014	Jun 28, 2019	Unsecured/Unguaranteed
Subtotal	1,000				
The Hiroshima Bank, Ltd.	500	0.63%	Jul 1, 2014	Jun 28, 2019	Unsecured /Unguaranteed
	500	0.63%	Sep 1, 2014	Aug 30, 2019	
Subtotal	1,000				
The Kagawa Bank, Ltd.	700	0.63%	Jul 1, 2014	Jun 28, 2019	Unsecured/Unguaranteed
Subtotal	700				
Mizuho Bank, Ltd.	500	0.54%	Jun 22, 2017	Jun 23, 2025	Unsecured/Unguaranteed
Subtotal	500				
The Ashikaga Bank, Ltd.	500	0.63%	Mar 26, 2014	Dec 25, 2018	Unsecured/Unguaranteed
Subtotal	500				
The Senshu Ikeda Bank, Ltd.	500	0.63%	Sep 1, 2014	Aug 30, 2019	Unsecured/Unguaranteed
Subtotal	500				
The Nomura Trust and Banking Co., Ltd.	500	0.63%	Sep 1, 2014	Aug 30, 2019	Unsecured/Unguaranteed
Subtotal	500				
Total	106,357				
First Unsecured Investment Corporation Bond	2,000	0.69%	Feb 13, 2015	Feb 13, 2020	Unsecured /Unguaranteed
Second Unsecured Investment Corporation Bond	1,700	0.72%	Jul 28, 2015	Jul 28, 2020	
Third Unsecured Investment Corporation Bond	3,000	0.28%	Jun 15, 2016	Jun 15, 2021	
Fourth Unsecured Investment Corporation Bond	2,500	0.72%	Jun 15, 2016	Jun 15, 2026	
Fifth Unsecured Investment Corporation Bond	1,600	0.66%	Jun 9, 2017	Jun 9, 2027	
Sixth Unsecured Investment Corporation Bond	3,000	0.73%	Sep 21, 2017	Sep 21, 2027	
Total	13,800				
Total	120,157				

(Note) Figures rounded down to the nearest million. Interest rate rounded off to second decimal place

Outstanding Balance and shares of interest bearing debt by Lender

Lenders	9th FP		22nd FP		23rd FP				24th FP		
	Sep 30, 2010 (Merger with PRI)		Mar 31, 2017		Issuance of Bond and Refinancing (Jun 2017)	Issuance of Bond and Refinancing (Sep 2017)	Sep 30, 2017		Early Repayment (Oct 2 and 13, 2017)		
	Balance (JPY mn)	Share	Balance (JPY mn)	Share	Change (JPY mn)	Change (JPY mn)	Balance (JPY mn)	Share	Change (JPY mn)	Balance (JPY mn)	Share
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	12,692	17.6%	30,119	25.7%	-3,333 +3,330	-1,000 +1,000	30,116	25.1%	-1,782	28,334	24.5%
Sumitomo Mitsui Banking Corporation	11,278	15.6%	19,316	16.5%	-1,251 +1,250	-	19,315	16.1%	-241	19,074	16.5%
Aozora Bank, Ltd	22,751	31.5%	15,642	13.4%	-2,564 +500	-	13,578	11.3%	-181	13,397	11.6%
Shinsei Bank, Limited	2,689	3.7%	10,340	8.8%	-685 +680	-	10,335	8.6%	-	10,335	8.9%
Resona Bank, Limited	4,075	5.6%	9,898	8.5%	-1,000 +1,000	-500 +1,000	10,398	8.7%	-935	9,463	8.2%
Mitsubishi UFJ Trust and Banking Corporation	1,987	2.8%	5,464	4.7%	-	-	5,464	4.5%	-120	5,344	4.6%
The Bank of Fukuoka, Ltd.	-	-	4,337	3.7%	-	-	4,337	3.6%	-	4,337	3.8%
Development Bank of Japan Inc.	-	-	2,500	2.1%	-	-	2,500	2.1%	-	2,500	2.2%
ORIX Bank Corporation	400	0.6%	2,168	1.9%	-	-	2,168	1.8%	-	2,168	1.9%
THE HIGASHI-NIPPON BANK, LIMITED	-	-	2,270	1.9%	-	-500	1,770	1.5%	-604	1,166	1.0%
The Hyakugo Bank, Ltd.	-	-	1,000	0.9%	-	-	1,000	0.8%	-	1,000	0.9%
The Hiroshima Bank, Ltd.	-	-	1,000	0.9%	-	-	1,000	0.8%	-	1,000	0.9%
The Norinchukin Bank	4,850	6.7%	1,675	1.4%	-	-	1,675	1.4%	-707	968	0.8%
The Kagawa Bank, Ltd.	-	-	700	0.6%	-	-	700	0.6%	-	700	0.6%
Mizuho Bank, Ltd.	-	-	-	-	+500	-	500	0.4%	-	500	0.4%
The Ashikaga Bank, Ltd.	-	-	500	0.4%	-	-	500	0.4%	-	500	0.4%
The Senshu Ikeda Bank, Ltd.	-	-	500	0.4%	-	-	500	0.4%	-	500	0.4%
The Nomura Trust and Banking Co., Ltd.	-	-	500	0.4%	-	-	500	0.4%	-	500	0.4%
Total bank borrowings (Note1)	72,225	100.0%	107,932	92.1%	-1,574	-	106,357	88.5%	-4,570	101,787	88.1%
Investment corporation bond	-	-	9,200	7.9%	+1,600	+3,000	13,800	11.5%	-	13,800	11.9%
Total interest bearing debt	72,225	100.0%	117,132	100.0%	+25	+3,000	120,157	100.0%	-4,570	115,587	100.0%
Total assets LTV (Note2)	43.7%	-	51.2%	-	-	-	51.8%	-	-	49.9%	-
Appraisal LTV	53.6%	-	47.3%	-	-	-	47.3%	-	-	45.5%	-

(Note1) Number of "9th FP Total" includes the balance of the borrowings from 5 financial institutions which is not on the list.

(Note2) Total Assets LTV = Interest-bearing Debt / Total Assets x 100

Item	22nd (March 2017) Fiscal Period	23rd (September 2017) Fiscal Period	Reference
Number of actual days of operation	182	183	-
Return on assets (ROA)	1.3%	1.5%	Ordinary income/ (Total assets at the beginning of the period + Total assets at the end of the period) / 2) x 100
(annualized)	2.7%	2.9%	-
Return on equity (ROE)	2.8%	3.1%	Profit / ((Net assets at the beginning of the period + Net assets at the end of the period) / 2) x 100
(annualized)	5.6%	6.3%	-
Capital adequacy ratio as of the end of the fiscal term	47.2%	46.7%	Net assets at the end of the period / Total assets at the end of the period x 100
Depreciation	JPY 1,776 mn	JPY 1,795 mn	-
Rental NOI (Net Operating Income)	JPY 6,419 mn	JPY 6,409 mn	Rental revenues – property-related expenses + depreciation
FFO(Funds from Operation) per investment unit	JPY 3,104	JPY 3,065	FFO (Profit + Depreciation + Amortization - Gains on sales of property + Impairment loss) / Total number of investment units outstanding as of the end of the fiscal period
FFO (Funds from Operation) multiple	13.1 times	13.0 times	Unit price at the end of the fiscal term / Annualized FFO per unit
Debt service coverage ratio (DSCR)	11.3 times	11.1 times	(Profit before interest, Depreciation and Amortization - Gain or loss of the disposition of real estate + Impairment loss) / Interest expenses
Total interest-bearing debt	JPY 117,132 mn	JPY 120,157 mn	Interest-bearing debt at the end of the period
Ratio of interest-bearing debt to total assets	51.2%	51.8%	(Interest-bearing debt at the end of the period / Total assets at the end of the period) x 100

(JPY thousand)

	22nd Fiscal Period From October 1, 2016 to March 31, 2017	23rd Fiscal Period From April 1, 2017 to September 30, 2017
Operating revenues:		
Rental revenues	8,260,383	8,292,283
Gain on sales of properties	58,125	383,198
Total operating revenues	8,318,509	8,675,482
Operating expenses:		
Rental expenses	3,616,960	3,678,086
Losses from sales of properties	93,232	-
Asset management fees	549,500	563,800
Directors' remuneration	6,000	6,000
Asset custody fees	13,551	13,637
Administrative service fees	38,103	37,971
Audit fees	14,500	14,500
Provision for doubtful accounts	6,400	3,456
Write off of accounts receivable	-	55
Other operating expenses	238,182	264,770
Total operating expenses	4,576,431	4,582,276
Operating income	3,742,077	4,093,205
Non-operating income:		
Interest income	9	7
Miscellaneous income	66,439	47,009
Total non-operating income	66,448	47,017
Non-operating expenses:		
Interest expenses	496,111	495,357
Finance-related expenses	274,836	241,136
Amortization of issuance costs of new units	3,543	2,473
Amortization of bond issuance costs	6,985	7,822
Other non-operating expenses	1,611	1,582
Total non-operating expenses	783,088	748,373
Ordinary income	3,025,437	3,391,849
Income before income taxes	3,025,437	3,391,849
Income taxes – current	605	605
Total income taxes	605	605
Profit	3,024,832	3,391,244
Retained earnings at beginning of period	338	649
Unappropriated retained earnings	3,025,171	3,391,894

(JPY thousand)

	22nd Fiscal Period From October 1, 2016 to March 31, 2017	23rd Fiscal Period From April 1, 2017 to September 30, 2017
Breakdown of Rental Revenues and Expenses		
A. Rental revenues		
(Rent income)	7,113,781	7,111,191
(Common service fees)	471,844	479,395
(Parking fees)	310,257	310,587
(Incidental revenues)	54,197	53,123
(Other rental revenues)	310,305	337,985
Total	8,260,383	8,292,283
B. Rental expenses:		
(Management fees)	444,525	447,153
(Taxes and public dues) *2	504,773	513,670
(Utilities)	153,455	146,059
(Repairs) *3	388,056	420,320
(Insurance expenses)	19,136	18,304
(Advertising expenses)	192,351	221,102
(Trust fees)	63,009	39,242
(Depreciation)	1,776,455	1,795,143
(Other rental expenses)	75,197	77,089
Total	3,616,960	3,678,086
C. Rental income *1	4,643,423	4,614,197
(A - B)		

	22nd Fiscal Period	23rd Fiscal Period
*1 Rental income		(JPY million)
Rental revenues	8,260	8,292
Rental expenses	3,616	3,678
Rental income	4,643	4,614
NOI	6,419	6,409

*2 Taxes and public dues

Number of properties that fixed assets tax and city planning tax are charged

22nd Fiscal Period	200	22nd Fiscal Period	197
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*3 Repairs

	22nd Fiscal Period	23rd Fiscal Period
Repair cost	388	420
Capital expenditures	601	338

Balance Sheets

(JPY thousand)			(JPY thousand)			(JPY million)		
	22nd Fiscal Period (March 31, 2017)	23rd Fiscal Period (September 30, 2017)	22nd Fiscal Period (March 31, 2017)	23rd Fiscal Period (September 30, 2017)	22nd Fiscal Period	23rd Fiscal Period	22nd Fiscal Period	23rd Fiscal Period
Assets:								
Current assets:								
Cash and bank deposits *1	9,006,692	10,867,851	Investments and other assets:					
Cash and bank deposits in trust *1	2,156,041	1,450,014	Guaranteed securities deposited	9,805	9,861	*1 Cash and deposits	9,006	10,867
Rental receivables	183,680	193,892	Lease deposits	743	743	Cash and bank deposits in trust	2,156	1,450
Prepaid expenses	485,281	462,222	Long-term prepaid expenses	622,343	552,224	Total	11,162	12,317
Other current assets	1	56	Reserve fund for repair	120,095	129,486	Leasehold and security deposits received	977	1,162
Allowance for doubtful accounts	-16,288	-14,323	Total investments and other assets	752,987	692,314	Leasehold and security deposits received in trust	841	575
Total current assets	11,815,408	12,959,714	Total fixed assets	217,021,430	218,743,895	Balance	9,344	10,580
Fixed assets:								
Property and equipment: *2								
Buildings	64,556,754	86,625,590	Deferred assets:					
Accumulated depreciation	-10,098,439	-15,700,561	Issuance costs of new units	5,359	2,885	*2 Property and equipment	JPY 223,278 mn	JPY 225,906 mn
Buildings, net	54,458,315	70,925,029	Bond issuance costs	62,329	99,195	Total acquisition price		
Structures	289,962	378,651	Total deferred assets	67,689	102,080			
Accumulated depreciation	-91,097	-137,768	Total assets	228,904,528	231,805,690	*3 Interest bearing debt		23rd Fiscal Period
Structures, net	198,865	240,883	Liabilities:			Balance of interest bearing debt		JPY 120,157 mn
Machinery and equipment	125,384	421,406	Current liabilities:			Long-term interest bearing debt ratio		81.7%
Accumulated depreciation	-50,076	-180,194	Accounts payable	567,636	381,924	(Long-term debt / Interest bearing debt)		
Machinery and equipment, net	75,308	241,211	Current portion of long-term debt *3	18,404,405	22,031,660			
Tools, furniture and fixtures	455,328	563,504	Other accounts payable	20,280	36,810	*4 Unitholders' capital		(JPY million)
Accumulated depreciation	-243,818	-305,085	Accrued expenses	433,721	455,489	(1) 10/7/2005 Establishment through private placement		100
Tools, furniture and fixtures, net	211,509	258,418	Income taxes payable	605	605	(2) 12/13/2005 Third-party allotment		8,900
Land	48,701,856	64,567,879	Consumption taxes payable	15,886	42,438	(3) 6/21/2006 IPO		18,748
Construction in progress	3,559	14,947	Rents received in advance	645,943	451,471	(4) 4/26/2007 PO		18,595
Buildings in trust	71,010,798	51,032,495	Other current liabilities	20,266	18,436	(5) 5/24/2007 Third-party allotment		963
Accumulated depreciation	-10,657,832	-6,594,876	Total current liabilities	20,108,745	23,418,835	(6) 8/28/2008 Third-party allotment		12,250
Buildings in trust, net	60,352,966	44,437,618	Long-term liabilities:			(7) 10/2/2009 Third-party allotment		6,000
Structures in trust	370,724	291,848	Bonds	9,200,000	13,800,000	(8) 2010/6/30 Third-party allotment		5,000
Accumulated depreciation	-120,544	-95,759	Long-term loans *3	89,527,660	84,326,000	(9) 11/26/2013 PO		8,148
Structures in trust, net	250,180	196,089	Leasehold and security deposits received *1	977,014	1,162,482	(10) 12/18/2013 Third-party allotment		811
Machinery and equipment in trust	394,682	100,859	Leasehold and security deposits received in trust *1	841,470	575,243	(11) 5/27/2015 PO		12,198
Accumulated depreciation	-156,081	-38,923	Derivatives liabilities	287,294	190,884	23rd Fiscal Period end		91,175
Machinery and equipment in trust, net	238,601	61,935	Total long-term liabilities	100,833,439	100,054,610			
Tools, furniture and fixtures in trust	173,871	88,081	Total liabilities	120,942,184	123,473,446			
Accumulated depreciation	-82,100	-35,695	Net assets:					
Tools, furniture and fixtures in trust, net	91,771	52,385	Unitholders' equity:					
Land in trust	51,132,739	36,499,697	Unitholders' capital *4	91,715,714	91,715,714			
Construction in progress in trust	5,704	8,529	Surplus:					
Total property and equipment	215,721,379	217,504,625	Capital surplus	6,682,398	6,682,398			
Intangible assets:								
Right of using water facilities	241	215	Voluntary reserves					
Leasehold for land in trust	546,283	546,283	Distribution reserves	6,826,354	-			
Trademark rights	538	455	Reserve for adjustment of temporary differences	-	6,733,122			
Total intangible assets	547,064	546,955	Total discretionary reserves	6,826,354	6,733,122			
			Retained earnings	3,025,171	3,391,894			
			Total surplus	16,533,923	16,807,414			
			Total unitholders' equity	108,249,638	108,523,128			
			Valuation and translation adjustments					
			Deferred gains or losses on hedges	-287,294	-190,884			
			Total valuation and translation adjustments	-287,294	-190,884			
			Total net assets	107,962,343	108,332,244			
			Total liabilities and net assets	228,904,528	231,805,690			

(JPY thousand)

	22nd Fiscal Period From October 1, 2016 to March 31, 2017	23rd Fiscal Period From April 1, 2017 to September 30, 2017
Cash flows from operating activities:		
Income before income taxes	3,025,437	3,391,849
Depreciation	1,776,455	1,795,143
Amortization of long-term prepaid expenses	244,645	213,625
Amortization of bond issuance costs	6,985	7,822
Amortization of issuance costs of new units	3,543	2,473
Interest income	-9	-7
Interest expenses	496,111	495,357
Increase (Decrease) in allowance for doubtful accounts	3,137	-1,965
Decrease (Increase) in rental receivables	-35,271	-10,211
Decrease (Increase) in prepaid expenses	52,181	-29,450
Increase (Decrease) in accounts payable	59,332	-39,507
Increase (Decrease) in other accounts payable	-26,808	26,552
Decrease (Increase) in consumption taxes payable	-15,804	18,006
Increase (Decrease) in accrued expenses	10,396	20,735
Increase (Decrease) in rents received in advance	-3,694	-194,472
Decrease from sales of property and equipment	1,017,527	1,351,304
Decrease from sales of property and equipment in trust	336,231	-
Long-term prepaid expenses paid	-69,781	-90,996
Other - net	-2,858	-13,879
Sub-total	6,877,759	6,942,379
Interest received	9	7
Interest paid	-491,632	-494,324
Income taxes paid	-605	-605
Net cash provided by operating activities	6,385,531	6,447,457

(JPY thousand)

	22nd Fiscal Period From October 1, 2016 to March 31, 2017	23rd Fiscal Period From April 1, 2017 to September 30, 2017
Cash flows from investing activities:		
Purchase of property and equipment	-596,662	-4,935,784
Purchase of property and equipment in trust	-5,119,450	-137,457
Net increase (decrease) in leasehold and security deposits received	59,334	185,468
Net increase (decrease) in leasehold and security deposits received in trust	-29,567	-266,227
Cash used in investing activities	-5,686,345	-5,154,000
Cash flows from financing activities:		
Proceeds from long-term loans	11,349,000	9,260,000
Repayment of long-term loans	-11,349,000	-10,834,405
Proceeds from issuance of bonds	-	4,600,000
Payments for bond issuance costs	-	-44,687
Dividends paid	-2,789,237	-3,119,230
Net cash provided by (used in) financing activities	-2,789,237	-138,324
Net increase (decrease) in cash and cash equivalents	-2,090,051	1,155,132
Cash and cash equivalents at beginning of period	13,252,785	11,162,733
Cash and cash equivalents at end of period	11,162,733	12,317,866

List of Properties (as of September 30, 2017)

Studio

Property No.	Property Name	Area	Constructed	Total Number of Rentable Unit	Total Rentable Floor Space (square meters)	Occupancy Rate (Sep 30, 2017)	(1) Acquisition Price (JPY thousand)	(2) Book Value 23rd fiscal period end (JPY thousand)	(3) Appraisal value 22nd fiscal period (JPY thousand)	(4) Appraisal value 23rd fiscal period (JPY thousand)	(4) - (3) (JPY thousand)	(4) - (1) (JPY thousand)	(4) - (2) (JPY thousand)	Appraiser
O-1-001	Satella Kita 34jo	Sapporo city, Hokkaido	Sep 1994	181	5,691.72	99.3%	1,133,714	1,032,073	1,170,000	1,180,000	10,000	46,285	147,926	1
O-1-004	Satella Nagayama	Asahikawa city, Hokkaido	Feb 1997	79	2,904.83	96.5%	342,428	326,534	370,000	365,000	-5,000	22,571	38,465	3
O-1-032	willDo Kita 24jo	Sapporo city, Hokkaido	Feb 2006	36	1,279.89	100.0%	316,000	278,873	254,000	255,000	1,000	-61,000	-23,873	3
O-1-034	Gran Casa Minami13jo	Sapporo city, Hokkaido	Jan 2006	48	1,836.38	100.0%	463,000	417,110	392,000	396,000	4,000	-67,000	-21,110	3
O-1-035	Gran Casa Minami9jo	Sapporo city, Hokkaido	Oct 2006	55	2,246.01	98.2%	533,000	472,019	453,000	450,000	-3,000	-83,000	-22,019	3
O-1-090	Sky Hills N15	Sapporo city, Hokkaido	Mar 2000	111	3,524.83	100.0%	712,000	685,123	941,000	944,000	3,000	232,000	258,876	1
O-1-091	Sky Hills Sakaemachi	Chitose city, Hokkaido	Feb 2002	134	5,335.70	100.0%	832,000	775,506	916,000	919,000	3,000	87,000	143,493	1
O-1-092	Dormy Chitose	Chitose city, Hokkaido	Mar 1999	110	2,239.00	100.0%	476,000	445,021	493,000	493,000	0	17,000	47,978	1
O-1-093	Sky Hills Takada I	Chitose city, Hokkaido	Jan 1992	120	3,748.80	100.0%	448,000	440,508	494,000	494,000	0	46,000	53,491	1
O-1-128	Alpha Tower Sapporo Minami4jo	Sapporo city, Hokkaido	Apr 2009	100	4,413.21	97.7%	1,185,000	1,150,616	1,400,000	1,390,000	-10,000	205,000	239,383	3
O-1-132	Residence Sapporo Minami4jo	Sapporo city, Hokkaido	Sep 2007	99	3,581.86	100.0%	1,140,000	1,124,757	1,340,000	1,330,000	-10,000	190,000	205,242	3
O-1-146	Gran Casa NagayamaKoen Dori	Sapporo city, Hokkaido	Jan 2007	92	3,921.77	98.7%	1,002,000	1,086,610	1,020,000	1,040,000	20,000	38,000	-46,610	3
O-1-151	Gran Casa Minami11jo	Sapporo city, Hokkaido	Apr 2007	72	2,671.28	95.7%	830,000	909,961	867,000	852,000	-15,000	22,000	-57,961	3
O-2-037	willDo Nishishitadaicho	Morioka city, Iwate	May 2006	76	2,304.00	100.0%	512,000	479,823	532,000	549,000	17,000	37,000	69,176	3
O-2-054	willDo Kamisugi 3chome	Sendai city, Miyagi	Mar 2007	46	1,517.81	98.0%	506,000	433,126	542,000	549,000	7,000	43,000	115,873	2
O-2-065	Grandmason Shichifuku	Sendai city, Miyagi	Feb 1999	38	1,083.70	97.6%	342,000	334,574	284,000	284,000	0	-58,000	-50,574	2
O-2-094	Living Stage Higashi-Sendai	Sendai city, Miyagi	Jul 1996	52	1,596.53	92.1%	317,200	293,544	368,000	368,000	0	50,800	74,455	2
O-2-123	West Park Hasekura	Sendai city, Miyagi	Mar 2007	138	5,150.62	100.0%	1,240,000	1,199,130	1,930,000	1,920,000	-10,000	680,000	720,869	3
O-2-137	Forest Hill SendaiAoba	Sendai city, Miyagi	Mar 2007	252	6,497.06	100.0%	2,750,000	2,777,460	3,030,000	3,030,000	0	280,000	252,539	2
O-2-140	Gran Casa Sendai Itsutsusbashi	Sendai city, Miyagi	Nov 2007	120	4,726.20	98.5%	2,100,000	2,146,136	2,180,000	2,180,000	0	80,000	33,863	2
O-3-079	willDo Ishizuecho	Niigata city, Niigata	Feb 2007	48	1,868.64	100.0%	462,510	391,302	484,000	478,000	-6,000	15,489	86,697	3
O-3-080	willDo Sasaguchi	Niigata city, Niigata	Feb 2007	28	1,008.00	96.4%	266,000	232,574	273,000	275,000	2,000	9,000	42,425	3
O-4-005	willDo Koshigaya	Koshigaya city, Saitama	Apr 2005	49	1,230.28	100.0%	499,333	442,355	511,000	519,000	8,000	19,666	76,644	1
O-4-006	Joyful Sayama	Sayama city, Saitama	Jul 1991	52	870.97	96.2%	216,619	205,360	199,000	201,000	2,000	-15,619	-4,360	1
O-4-007	Lumiere Hachioji	Hachioji city, Tokyo	Mar 1986	95	1,692.90	96.9%	480,761	456,722	425,000	428,000	3,000	-52,761	-28,722	1
O-4-008	willDo Kiyosumi	Koto ku, Tokyo	Dec 2005	200	7,497.46	99.0%	5,024,619	4,700,256	6,010,000	6,120,000	110,000	1,095,380	1,419,743	3
O-4-009	Turkey's Denenchofu No.2	Ota ku, Tokyo	Feb 1989	27	462.12	100.0%	281,523	271,793	312,000	316,000	4,000	34,476	44,206	1
O-4-010	willDo HonChiba	Chiba city, Chiba	Oct 1990	30	1,903.82	97.5%	379,857	360,398	411,000	413,000	2,000	33,142	52,601	1
O-4-011	willDo Yokohama Minami	Yokohama city, Kanagawa	Feb 2002	21	493.59	100.0%	233,142	206,127	257,000	262,000	5,000	28,857	55,872	1
O-4-012	Site Pia	Sagamihara city, Kanagawa	Oct 1987	86	1,697.50	98.1%	506,142	493,504	490,000	493,000	3,000	-13,142	-504	3
O-4-024	VISTA Supreme	Machida city, Tokyo	Mar 2005	37	892.88	100.0%	563,584	516,015	473,000	474,000	1,000	-89,584	-42,015	3
O-4-025	Joy Oyamada	Setagaya ku, Tokyo	Jul 1985	21	1,064.55	83.1%	624,265	646,916	609,000	617,000	8,000	-7,265	-29,916	3
O-4-031	willDo Otsuka	Toshima ku, Tokyo	Mar 1994	27	1,091.54	100.0%	725,229	730,471	650,000	678,000	28,000	-47,229	-52,471	3
O-4-038	willDo Niiza	Niiza city, Saitama	Nov 2006	56	1,260.00	100.0%	590,438	519,818	535,000	544,000	9,000	-46,438	-24,181	3
O-4-039	Toshin Shoto Mansion	Shibuya ku, Tokyo	Jun 1978	27	1,044.66	100.0%	912,000	962,114	880,000	881,000	1,000	-31,000	-81,114	3
O-4-055	Harmony Kamikitazawa	Setagaya ku, Tokyo	Feb 1993	29	539.48	100.0%	400,000	399,109	332,000	333,000	1,000	-67,000	-66,109	3
O-4-062	willDo Minami Urawa	Saitama city, Saitama	Mar 2007	29	725.62	97.2%	396,000	362,415	408,000	417,000	9,000	21,000	54,584	3
O-4-069	College Square Kitakobukuro	Itabashi ku, Tokyo	Feb 2006	50	1,065.00	100.0%	727,000	656,269	762,000	767,000	5,000	40,000	110,730	2
O-4-070	College Square TobuNerima	Itabashi ku, Tokyo	Oct 2005	63	1,360.10	100.0%	892,000	823,965	915,000	927,000	12,000	35,000	103,034	2
O-4-071	College Square Akatsuka	Nerima ku, Tokyo	Mar 2006	54	1,110.75	100.0%	734,000	660,556	764,000	764,000	0	30,000	103,443	2
O-4-072	College Square Higashikurume	Higashikurume city, Tokyo	Sep 2007	45	936.72	100.0%	523,000	449,241	548,000	560,000	12,000	37,000	110,758	1
O-4-073	College Square Waseda II	Toshima ku, Tokyo	Jul 2007	14	297.24	100.0%	215,000	196,704	283,000	282,000	-1,000	67,000	85,295	2
O-4-074	College Square Myogadani	Bunkyo ku, Tokyo	Mar 2007	68	1,420.77	100.0%	1,060,000	977,139	1,220,000	1,250,000	30,000	190,000	272,860	1
O-4-075	College Square Shinkoita	Katsushika ku, Tokyo	Mar 2007	54	1,139.10	100.0%	724,000	652,044	750,000	750,000	0	26,000	97,955	2
O-4-076	College Square Kiba	Koto ku, Tokyo	Nov 2006	42	897.39	100.0%	639,000	578,302	718,000	736,000	18,000	97,000	157,697	1
O-4-077	College Square Kinshicho	Koto ku, Tokyo	Mar 2006	31	667.36	100.0%	490,000	440,449	510,000	522,000	12,000	32,000	81,550	1
O-4-078	College Square Waseda	Shinjuku ku, Tokyo	Mar 2007	19	392.03	100.0%	316,000	304,269	329,000	337,000	8,000	21,000	32,730	1
O-4-089	Lexington Square ShinjukuGyoen	Shinjuku ku, Tokyo	Aug 2005	48	1,383.59	100.0%	1,010,000	1,028,436	1,280,000	1,280,000	0	270,000	251,563	2
O-4-095	Prospect NihonbashiHoncho	Chuo ku, Tokyo	Nov 2004	50	1,295.76	100.0%	808,000	786,722	1,100,000	1,120,000	20,000	312,000	333,277	3
O-4-096	Maison de Ville Takanawa Gyoranazaka	Minato ku, Tokyo	Mar 1999	70	1,778.37	98.6%	1,480,000	1,443,029	1,710,000	1,750,000	40,000	270,000	306,970	3

(Note) Numbers in the columns "Appraisal Value 22nd fiscal period" of 3 property acquired during the 23rd Fiscal Period are appraisal values as of acquisition.

In column of "Appraiser", representation of "1" is for Tanizawa Sōgō Appraisal Co., Ltd., "2" for Daiwa Real Estate Appraisal Co., Ltd., "3" for Japan Real Estate Institute.

Studio

Property No.	Property Name	Area	Constructed	Total Number of Rentable Unit	Total Rentable Floor Space (square meters)	Occupancy Rate (Sep 30, 2017)	(1) Acquisition Price (JPY thousand)	(2) Book Value 23rd fiscal period end (JPY thousand)	(3) Appraisal value 22nd fiscal period (JPY thousand)	(4) Appraisal value 23rd fiscal period (JPY thousand)	(4) - (3) (JPY thousand)	(4) - (1) (JPY thousand)	(4) - (2) (JPY thousand)	Appraiser
O-4-097	Roppongi Rise House	Minato ku, Tokyo	Mar 2003	34	1,242.23	95.2%	912,000	889,590	1,080,000	1,100,000	20,000	188,000	210,409	3
O-4-098	TK Flats Shibuya	Shibuya ku, Tokyo	Nov 2002	194	6,984.28	99.6%	4,770,000	4,588,089	5,580,000	5,730,000	150,000	960,000	1,141,910	3
O-4-099	Maison de Ville NakaMeguro	Meguro ku, Tokyo	Feb 1999	50	1,275.00	100.0%	1,050,000	1,016,578	1,310,000	1,340,000	30,000	290,000	323,421	3
O-4-100	Prospect KALON Minowa	Taito ku, Tokyo	Feb 2007	82	3,075.70	97.0%	1,620,000	1,458,336	1,960,000	2,000,000	40,000	380,000	541,663	3
O-4-101	Prospect Shinonomebashi	Koto ku, Tokyo	Mar 2004	171	4,919.31	100.0%	3,040,000	2,887,576	3,830,000	3,930,000	100,000	890,000	1,042,423	3
O-4-102	Prospect Monzenakacho	Koto ku, Tokyo	Jan 2007	62	1,790.56	100.0%	1,080,000	1,017,831	1,390,000	1,390,000	0	310,000	372,168	2
O-4-103	Prospect Ogikubo	Suginami ku, Tokyo	Feb 2007	40	1,123.59	97.6%	701,000	649,622	864,000	865,000	1,000	164,000	215,377	2
O-4-104	Exceria Ikebukuro West II	Toshima ku, Tokyo	Sep 2006	48	1,379.52	100.0%	852,000	847,676	1,040,000	1,040,000	0	188,000	192,323	2
O-4-105	Prospect OmoriKaigan	Ota ku, Tokyo	Feb 2003	89	2,506.04	99.0%	1,480,000	1,406,663	1,900,000	1,940,000	40,000	460,000	533,336	3
O-4-106	Prospect MusashiShinjo	Kawasaki city, Kanagawa	May 2008	85	1,855.03	100.0%	1,050,000	958,243	1,270,000	1,270,000	0	220,000	311,756	2
O-4-107	Fragrance Kawasaki	Kawasaki city, Kanagawa	Sep 2003	45	1,065.87	100.0%	548,900	497,193	674,000	674,000	0	125,100	176,806	3
O-4-108	Prospect ChuoRinkan	Yamato city, Kanagawa	May 2006	48	1,121.28	97.9%	524,000	459,892	649,000	649,000	0	125,000	189,107	2
O-4-120	Gala Place Shinjuku Gyoen	Shinjuku ku, Tokyo	Feb 2007	104	2,837.72	99.1%	2,170,000	2,117,032	2,760,000	2,840,000	80,000	670,000	722,967	1
O-4-121	Joyce Court	Ota ku, Tokyo	Nov 2002	154	6,268.53	99.5%	3,010,000	2,948,385	3,740,000	3,830,000	90,000	820,000	881,614	3
O-4-122	Act Forme Asakusa	Taito ku, Tokyo	Oct 2000	46	2,220.17	98.1%	1,216,000	1,196,479	1,750,000	1,720,000	-30,000	504,000	523,250	1
O-4-125	Gran Casa Roppongi	Minato ku, Tokyo	Mar 1993	17	1,407.63	100.0%	1,480,808	771,743	880,000	881,000	1,000	-599,808	109,256	2
O-4-126	Gran Casa MinamiAoyama	Minato ku, Tokyo	Oct 2006	21	1,862.73	100.0%	3,750,000	2,312,999	2,100,000	2,110,000	10,000	-1,640,000	-202,999	2
O-4-127	Storia Jinguumei	Shibuya ku, Tokyo	Nov 2004	49	2,071.60	93.8%	3,160,000	3,178,963	2,450,000	2,460,000	10,000	-700,000	-718,963	2
O-4-129	Gran Casa Shinjuku Gyoen	Shinjuku ku, Tokyo	Feb 2003	92	3,307.07	96.5%	2,525,000	2,590,933	3,200,000	3,240,000	40,000	715,000	649,066	1
O-4-133	Lietocourt Yotsuya	Shinjuku ku, Tokyo	Jan 2006	49	2,397.81	97.8%	1,716,800	1,711,425	2,030,000	2,100,000	70,000	383,200	388,574	3
O-4-134	Lietocourt Motoakasaka	Minato ku, Tokyo	Apr 2006	37	1,282.94	100.0%	1,095,700	1,093,298	1,350,000	1,390,000	40,000	294,300	296,701	3
O-4-138	Gran Casa Ginza East	Chuo ku, Tokyo	Feb 2005	53	2,774.19	97.9%	2,000,000	2,118,552	2,130,000	2,190,000	60,000	190,000	71,447	3
O-4-145	Gran Casa Minowa	Taito ku, Tokyo	Sep 2015	28	1,241.22	100.0%	850,000	908,065	875,000	888,000	13,000	38,000	-20,065	3
O-5-013	willDo Kanayama masaki	Nagoya city, Aichi	Feb 2006	48	1,192.32	97.9%	490,095	426,839	582,000	585,000	3,000	94,904	158,160	3
O-5-026	Excelsior Sakae	Nagoya city, Aichi	Mar 2002	48	1,486.56	100.0%	641,767	604,020	534,000	535,000	1,000	-106,767	-69,020	3
O-5-027	willDo Hibino	Nagoya city, Aichi	Jan 2006	31	767.25	93.5%	317,603	281,632	303,000	303,000	0	-14,603	-21,367	3
O-5-040	willDo Chiyoda	Nagoya city, Aichi	Jul 2006	60	1,445.80	96.6%	633,000	546,682	610,000	615,000	5,000	-18,000	68,317	2
O-5-041	willDo Taiko dori	Nagoya city, Aichi	Aug 2006	98	3,127.32	100.0%	1,120,000	1,200,000	1,200,000	1,230,000	30,000	110,000	259,497	1
O-5-042	willDo Kanayama	Nagoya city, Aichi	Sep 2006	36	892.44	97.2%	370,000	325,294	395,000	400,000	5,000	30,000	74,705	2
O-5-043	willDo Kanayama sawashita	Nagoya city, Aichi	Jan 2007	36	970.80	97.4%	375,000	327,126	415,000	418,000	3,000	43,000	90,873	2
O-5-056	willDo Kachigawa	Kasugai city, Aichi	Feb 2007	64	1,548.80	100.0%	503,000	432,107	625,000	636,000	11,000	133,000	203,892	1
O-5-057	Stagea Kogane	Nagoya city, Aichi	Feb 2007	67	1,651.21	100.0%	600,000	522,473	567,000	577,000	10,000	-23,000	54,526	3
O-5-063	willDo Inaei	Nagoya city, Aichi	Mar 2007	91	2,348.20	57.6%	641,000	560,141	682,000	635,000	-47,000	-6,000	74,858	2
O-5-066	willDo Higashibetsuin	Nagoya city, Aichi	Jun 2007	66	1,640.76	98.5%	703,000	610,576	714,000	727,000	13,000	24,000	116,423	3
O-5-081	willDo Matsubara	Nagoya city, Aichi	Aug 2007	54	1,344.60	98.1%	549,000	482,311	562,000	564,000	2,000	15,000	81,688	3
O-5-082	willDo Yokkaichi Unomori	Yokkaichi city, Mie	Sep 2007	54	2,160.00	100.0%	529,150	445,362	574,000	588,000	14,000	58,850	142,637	3
O-5-086	willDo Daikancho	Nagoya city, Aichi	Mar 2008	55	1,320.00	98.2%	655,000	579,837	645,000	650,000	5,000	-5,000	70,162	3
O-5-088	willDo Takabata	Nagoya city, Aichi	Mar 2008	54	1,319.22	100.0%	494,115	428,954	504,000	514,000	10,000	19,884	85,045	3
O-5-147	Sakura Hills Riverside WEST	Nagoya city, Aichi	Nov 2007	76	4,502.48	100.0%	1,920,000	2,024,434	2,130,000	2,170,000	40,000	250,000	145,565	1
O-5-148	Sakura Hills Riverside EAST	Nagoya city, Aichi	Nov 2007	47	2,288.65	100.0%	1,030,000	1,084,916	1,170,000	1,190,000	20,000	160,000	105,083	1
O-5-149	Sakura Hills Meieki NORTH	Nagoya city, Aichi	Nov 2007	34	1,685.16	100.0%	750,000	794,336	830,000	853,000	23,000	103,000	58,663	1
O-6-014	willDo Ichioka	Osaka city, Osaka	Feb 2006	62	1,682.06	100.0%	722,761	635,618	666,000	677,000	11,000	-45,761	41,381	3
O-6-015	willDo Ebie	Osaka city, Osaka	Feb 2006	28	763.63	100.0%	350,904	309,211	336,000	343,000	7,000	-7,904	33,788	3
O-6-016	willDo ImafukuNishi	Osaka city, Osaka	Oct 2005	29	1,040.41	100.0%	413,857	368,592	366,000	371,000	5,000	-42,857	2,407	1
O-6-017	Maison Flora	Kobe city, Hyogo	Jun 1990	38	1,686.72	100.0%	584,285	576,346	462,000	480,000	18,000	-104,285	-96,346	3
O-6-046	willDo Tsukamoto	Osaka city, Osaka	Mar 2006	66	1,711.17	100.0%	730,000	642,340	747,000	769,000	22,000	39,000	126,659	1
O-6-047	willDo Temmabashi	Osaka city, Osaka	Sep 2005	20	678.00	100.0%	338,000	303,112	303,000	306,000	3,000	-32,000	2,887	1
O-6-048	willDo SakaisujiiHommachi	Osaka city, Osaka	Sep 2006	21	740.28	100.0%	325,000	287,922	254,000	260,000	6,000	-65,000	-27,922	1
O-6-049	willDo Tanimachi	Osaka city, Osaka	Jan 2007	54	1,927.80	100.0%	1,040,000	959,629	883,000	889,000	6,000	-151,000	-70,629	3
O-6-050	willDo Namba w II	Osaka city, Osaka	Mar 2006	45	1,146.51	100.0%	486,000	424,634	427,000	429,000	2,000	-57,000	4,365	1

Studio

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O-6-051	willDo Namba w l	Osaka city, Osaka	Aug 2006	66	1,699.50	100.0%	690,000	588,164	610,000	610,000	0	-80,000	21,835	1
O-6-059	willDo Hamasaki dori	Kobe city, Hyogo	Feb 2007	199	5,886.70	99.5%	2,280,000	2,024,834	2,220,000	2,260,000	40,000	-20,000	235,165	2
O-6-060	willDo Minamimorimachi	Osaka city, Osaka	Mar 2007	31	1,028.48	100.0%	493,000	452,488	464,000	474,000	10,000	-19,000	21,511	1
O-6-064	willDo Matsuyamachi	Osaka city, Osaka	Apr 2007	60	1,865.64	100.0%	810,000	710,308	829,000	832,000	3,000	22,000	121,691	3
O-6-067	willDo ShinOsaka	Osaka city, Osaka	Jun 2007	66	1,713.36	100.0%	861,000	755,783	954,000	972,000	18,000	111,000	216,216	1
O-6-083	willDo Sannomiya East	Kobe city, Hyogo	Aug 2007	63	1,760.15	100.0%	731,000	617,488	765,000	765,000	0	34,000	147,511	3
O-6-085	willDo Kujo	Osaka city, Osaka	Feb 2000	63	1,260.36	100.0%	537,000	510,421	556,000	566,000	10,000	29,000	55,578	3
O-6-112	Abreast Sakuragawa	Osaka city, Osaka	Aug 2000	48	1,009.92	97.9%	385,800	352,526	475,000	476,000	1,000	90,200	123,473	3
O-6-113	Prospect Bishoen	Osaka city, Osaka	Oct 2005	26	901.91	100.0%	277,000	256,357	312,000	314,000	2,000	37,000	57,642	3
O-6-114	Prospect Nakanoshima	Osaka city, Osaka	Aug 2006	63	1,615.05	100.0%	734,000	656,165	839,000	859,000	20,000	125,000	202,834	1
O-6-116	Prospect Toyonaka Hattori	Toyonaka city, Osaka	Dec 2005	34	981.12	100.0%	366,000	324,448	401,000	408,000	7,000	42,000	83,551	3
O-6-117	Prospect Shimogamo	Kyoto city, Kyoto	Feb 2006	31	675.21	100.0%	281,000	260,479	294,000	294,000	0	13,000	33,520	2
O-6-118	Prospect Kawaramachi Gojo	Kyoto city, Kyoto	Jan 2007	52	1,523.12	100.0%	583,000	529,172	687,000	694,000	7,000	111,000	164,827	2
O-6-119	Gransys Esaka	Suita city, Osaka	Feb 2008	90	2,623.86	93.2%	1,260,000	1,227,877	1,680,000	1,690,000	10,000	430,000	462,122	1
O-6-131	Serenite Koshien	Nishinomiya city, Hyogo	Feb 2010	197	5,615.79	100.0%	2,550,000	2,497,352	2,800,000	2,850,000	50,000	300,000	352,647	3
O-6-136	Pregio Miyakojima	Osaka city, Osaka	Mar 2009	120	3,313.20	99.2%	1,610,000	1,667,351	1,790,000	1,790,000	0	180,000	122,648	3
O-6-139	Serenite ShinOsaka Nibankan	Osaka city, Osaka	Jan 2009	224	6,173.16	99.5%	3,510,000	3,665,244	3,640,000	3,680,000	40,000	170,000	14,755	1
O-6-141	Gran Casa UmedaKita	Osaka city, Osaka	Nov 2007	126	3,451.14	100.0%	2,050,000	2,088,512	2,210,000	2,240,000	30,000	190,000	151,487	1
O-6-142	Serenite Honmachi Grande	Osaka city, Osaka	Feb 2015	268	7,591.92	98.4%	4,286,000	4,376,709	5,050,000	5,110,000	60,000	824,000	733,290	3
O-6-143	Gransys Tenmabashi	Osaka city, Osaka	May 2007	166	6,749.31	97.7%	4,050,000	4,166,875	4,410,000	4,410,000	0	360,000	243,124	3
O-6-144	DayGran Tsunami	Osaka city, Osaka	Mar 2007	79	2,470.36	100.0%	1,030,000	1,075,520	1,120,000	1,140,000	20,000	110,000	64,479	3
O-6-150	Runai Nippombashi anhel0	Osaka city, Osaka	Feb 2009	113	3,114.19	96.1%	1,400,000	1,478,120	1,580,000	1,600,000	20,000	200,000	121,879	1
O-6-152	HS Umeda EAST	Osaka city, Osaka	Feb 2017	127	3,356.62	98.5%	2,151,000	2,273,911	2,290,000	2,340,000	50,000	189,000	66,088	3
O-6-153	Serenite Umeda EST	Osaka city, Osaka	Feb 2017	58	1,715.35	100.0%	1,057,000	1,126,370	1,120,000	1,140,000	20,000	83,000	13,629	3
O-6-154	Serenite Yuhigaoka EST	Osaka city, Osaka	Feb 2017	56	1,397.20	100.0%	811,500	861,235	872,000	869,000	-3,000	57,500	7,764	3
O-7-068	willDo Okayamaeki Nishiguchi	Okayama city, Okayama	Sep 2007	109	3,794.40	98.2%	1,220,000	1,028,202	1,270,000	1,260,000	-10,000	40,000	231,797	1
O-7-087	willDo Okayamadaiku	Okayama city, Okayama	Mar 2008	98	3,446.94	95.4%	1,040,000	960,855	1,160,000	1,170,000	10,000	130,000	209,144	1
O-9-053	willDo Nakasu	Fukuoka city, Fukuoka	Jan 2007	175	5,759.40	100.0%	2,460,000	2,248,901	2,470,000	2,530,000	60,000	70,000	281,098	3
O-9-130	Renaissance 21 Hakata	Fukuoka city, Fukuoka	Mar 2007	109	4,010.95	100.0%	1,500,000	1,525,294	1,670,000	1,710,000	40,000	210,000	184,705	3
O-9-135	Granpark Tenjin	Fukuoka city, Fukuoka	Feb 2005	341	14,299.21	100.0%	4,698,000	4,644,834	5,740,000	5,850,000	110,000	1,152,000	1,205,165	3
Studio type subtotal				9,667	305,241.08	98.7%	142,987,419	136,234,841	155,700,000	157,676,000	1,976,000	14,688,580	21,441,158	-

Family

Property No.	Property Name	Area	Constructed	Total Number of Rentable Unit	Total Rentable Floor Space (square meters)	Occupancy Rate (Sep 30, 2017)	(1) Acquisition Price (JPY thousand)	(2) Book Value 23rd fiscal period end (JPY thousand)	(3) Appraisal value 22nd fiscal period (JPY thousand)	(4) Appraisal value 23rd fiscal period (JPY thousand)	(4) - (3) (JPY thousand)	(4) - (1) (JPY thousand)	(4) - (2) (JPY thousand)	Appraiser
F-1-041	Palais d'or Maruyama	Sapporo city, Hokkaido	Nov 1989	64	4,637.08	97.5%	559,000	604,810	904,000	962,000	58,000	403,000	357,189	1
F-1-069	Gran Casa Urasando	Sapporo city, Hokkaido	Feb 2006	78	4,537.83	95.7%	1,510,000	1,582,400	1,700,000	1,720,000	20,000	210,000	137,599	1
F-1-070	Gran Casa Kita3jo	Sapporo city, Hokkaido	Jan 2012	84	4,346.56	98.7%	1,265,880	1,376,487	1,390,000	1,460,000	70,000	194,120	83,512	3
F-1-075	Chijikoukanmae Tower Residence	Sapporo city, Hokkaido	May 2006	141	11,705.28	95.8%	4,530,000	4,797,615	4,560,000	4,750,000	190,000	220,000	-47,615	3
F-2-001	Royal Garden Shinrin Koen	Sendai city, Miyagi	Aug 1989	29	2,051.07	96.1%	396,190	367,559	273,000	280,000	7,000	-116,190	-87,559	2
F-2-002	Green Park Komatsujiima	Sendai city, Miyagi	Oct 1990	46	3,027.17	97.0%	550,523	504,080	401,000	413,000	12,000	-137,523	-91,080	2
F-2-003	Dia Palace Izumizaki	Sendai city, Miyagi	Jul 1989	37	2,060.77	98.5%	355,095	369,442	317,000	317,000	0	-38,095	-52,442	2
F-2-004	willDo Takasago	Sendai city, Miyagi	Jun 2005	32	1,623.68	100.0%	364,904	371,485	370,000	385,000	15,000	20,095	13,514	3
F-2-042	Living Stage MinamiSendai	Sendai city, Miyagi	Apr 1995	27	1,330.83	100.0%	159,500	150,228	222,000	232,000	10,000	72,500	81,771	3
F-2-043	Takasagoseki Nibankan	Sendai city, Miyagi	Feb 1995	41	3,336.52	90.3%	558,000	542,701	716,000	727,000	11,000	169,000	184,298	3
F-3-034	Ark Heim Niigata	Niigata city, Niigata	Nov 1989	115	6,945.03	95.3%	1,060,000	1,046,393	930,000	884,000	-46,000	-176,000	-162,393	3
F-4-005	Johanna Mansion	Maebashi city, Gunma	Feb 1992	53	4,143.96	100.0%	556,714	523,757	363,000	346,000	-17,000	-210,714	-177,757	1
F-4-006	Iruma Ekimae Building	Iruma city, Saitama	Mar 1986	68	4,359.31	98.8%	1,517,000	1,582,113	1,670,000	1,680,000	10,000	163,000	97,886	1
F-4-007	Iruma Ekimae Buiding No.II	Iruma city, Saitama	Mar 1988	53	3,592.48	100.0%	687,666	778,571	618,000	638,000	20,000	-49,666	-140,571	1
F-4-008	Sereno Omiya	Saitama city, Saitama	Nov 1997	102	6,710.68	100.0%	1,554,523	1,555,984	1,690,000	1,810,000	120,000	255,476	254,015	1
F-4-009	Suzuran-kan	Saitama city, Saitama	Mar 2000	20	1,160.80	100.0%	441,190	406,976	522,000	551,000	29,000	109,809	144,023	1
F-4-010	Bonheur Tokiwa	Saitama city, Saitama	Feb 1988	29	1,951.89	100.0%	752,904	742,009	720,000	742,000	22,000	-10,904	-9	3
F-4-011	Profit Link Takenotsuka	Adachi ku, Tokyo	Feb 1990	46	2,431.33	100.0%	636,333	630,131	630,000	661,000	31,000	24,666	30,868	1
F-4-013	Dream Heights	Itabashi ku, Tokyo	Oct 1985	19	1,100.31	100.0%	358,666	384,929	399,000	426,000	27,000	67,333	41,070	1
F-4-014	Green Hills Asukayama	Kita ku, Tokyo	Feb 1992	28	1,477.38	100.0%	587,238	577,045	616,000	650,000	34,000	62,761	72,954	1
F-4-015	Oji Heights	Kita ku, Tokyo	Nov 1991	20	986.52	100.0%	347,857	350,521	436,000	459,000	23,000	111,142	108,478	1
F-4-016	Sakagami Royal Heights No. II	Arakawa ku, Tokyo	Oct 1990	28	1,173.65	96.8%	360,714	354,790	413,000	436,000	23,000	75,285	81,209	1
F-4-017	willDo Todoroki	Setagaya ku, Tokyo	Oct 1996	26	2,422.06	62.8%	1,764,809	1,787,350	1,600,000	1,630,000	30,000	-134,809	-157,350	3
F-4-018	Chez Moi Sakuragaoka	Tama city, Tokyo	Mar 1989	31	1,911.36	92.8%	609,904	631,411	594,000	621,000	27,000	11,095	-10,411	1
F-4-019	Libest NishiChiba	Chiba city, Chiba	Feb 1999	140	11,060.14	100.0%	2,152,476	2,003,464	2,420,000	2,440,000	20,000	287,523	436,535	1
F-4-020	Corinne Tsudanuma	Narashino city, Chiba	Mar 1989	20	1,435.80	100.0%	352,761	371,674	328,000	341,000	13,000	-11,761	-30,674	3
F-4-022	Chigasaki Daikan Plaza	Chigasaki city, Kanagawa	Sep 1987	34	1,838.43	97.1%	453,571	469,761	431,000	461,000	30,000	7,428	-8,761	1
F-4-028	Winbell Chorus Hiratsuka No.13	Hiratsuka city, Kanagawa	Dec 1990	33	1,533.82	100.0%	477,587	471,503	360,000	343,000	-17,000	-134,587	-128,503	3
F-4-029	Libest Higashi Nakayama	Funabashi city, Chiba	Feb 2000	76	6,011.80	97.7%	1,371,314	1,258,496	1,670,000	1,630,000	-40,000	258,685	371,503	1
F-4-031	MGA Kanamachi	Katsushika ku, Tokyo	Sep 1990	26	1,522.89	100.0%	484,000	490,407	415,000	426,000	11,000	-58,000	-64,407	3
F-4-035	Greenhills Roka	Setagaya ku, Tokyo	Mar 1988	22	1,199.95	91.0%	662,000	687,744	628,000	656,000	28,000	-6,000	-31,744	1
F-4-036	Lofty Hirai	Edogawa ku, Tokyo	May 1989	19	939.95	95.3%	324,000	318,494	324,000	335,000	11,000	11,000	16,505	1
F-4-038	Colonnade Kasuga	Bunkyo ku, Tokyo	Jul 1991	46	4,344.72	100.0%	3,115,277	3,176,979	2,520,000	2,610,000	90,000	-505,277	-566,979	2
F-4-039	The Palms Yoyogi Uehara Cosmo Terrace	Shibuya ku, Tokyo	Nov 2004	30	1,804.69	96.3%	1,250,000	1,275,173	1,430,000	1,490,000	60,000	240,000	214,826	2
F-4-040	Sun Terrace Yoyogi Uehara	Shibuya ku, Tokyo	Feb 1999	21	1,763.33	100.0%	1,180,000	1,224,252	1,480,000	1,530,000	50,000	350,000	305,747	2
F-4-044	Prospect NihombashiKoaicho	Chuo ku, Tokyo	Mar 2007	37	1,364.02	100.0%	840,000	752,281	1,060,000	1,130,000	70,000	290,000	377,718	1
F-4-045	Park Terrace Ebisu	Shibuya ku, Tokyo	Oct 2000	51	2,755.28	100.0%	2,060,000	2,056,386	2,620,000	2,750,000	130,000	690,000	693,613	1
F-4-046	Prospect Dogenzaka	Shibuya ku, Tokyo	Feb 2005	47	2,081.54	100.0%	1,590,000	1,539,065	1,950,000	2,070,000	120,000	480,000	530,934	3
F-4-047	Prospect Glarsa Hiroo	Shibuya ku, Tokyo	Nov 2005	112	3,861.29	99.4%	3,560,000	3,235,590	4,090,000	4,320,000	230,000	760,000	1,084,409	3
F-4-048	Prospect Hatsudai	Shibuya ku, Tokyo	Feb 2006	22	817.43	100.0%	518,000	501,538	629,000	654,000	25,000	136,000	152,461	2
F-4-049	Prospect NishiSugamo	Kita ku, Tokyo	Jun 2006	42	2,063.60	95.4%	1,110,000	1,023,144	1,230,000	1,300,000	70,000	190,000	276,855	3
F-4-050	Prospect Machiya	Arakawa ku, Tokyo	Aug 2006	21	1,177.71	100.0%	484,000	422,779	551,000	582,000	31,000	98,000	159,220	3
F-4-051	Prospect KiyosumiTeien	Koto ku, Tokyo	Feb 2002	77	5,601.46	100.0%	2,630,000	2,459,719	3,100,000	3,270,000	170,000	640,000	810,280	3
F-4-052	Prospect Morishita	Koto ku, Tokyo	Jan 2006	45	2,399.23	100.0%	1,260,000	1,152,478	1,560,000	1,610,000	50,000	350,000	457,521	2
F-4-053	Prospect Onshiko	Koto ku, Tokyo	Feb 2005	61	2,073.21	98.1%	1,110,000	998,839	1,520,000	1,620,000	100,000	510,000	621,160	1
F-4-054	BELNOS 34	Katsushika ku, Tokyo	May 1991	100	5,328.66	100.0%	1,700,000	1,837,171	2,330,000	2,510,000	180,000	810,000	672,828	1
F-4-055	SK Residence	Toshima ku, Tokyo	Feb 1990	30	1,624.73	100.0%	805,000	803,897	987,000	1,030,000	43,000	225,000	226,102	3
F-4-056	Angel Heim NishiRokugo No.2	Ota ku, Tokyo	May 1997	40	2,776.64	97.7%	1,012,000	982,665	1,350,000	1,360,000	10,000	348,000	377,334	3
F-4-057	Deim Hashimoto	Sagamihara city, Kanagawa	Aug 1987	92	3,134.24	100.0%	748,000	740,838	918,000	962,000	44,000	214,000	221,161	2
F-4-058	Prospect Kawasaki	Kawasaki city, Kanagawa	Aug 2006	52	3,404.96	100.0%	1,520,000	1,381,287	2,070,000	2,170,000	100,000	650,000	788,712	1

Family

Property No.	Property Name	Area	Constructed	Total Number of Rentable Unit	Total Rentable Floor Space (square meters)	Occupancy Rate (Sep 30, 2017)	(1) Acquisition Price (JPY thousand)	(2) Book Value 23rd fiscal period end (JPY thousand)	(3) Appraisal value 22nd fiscal period (JPY thousand)	(4) Appraisal value 23rd fiscal period (JPY thousand)	(4) - (3) (JPY thousand)	(4) - (1) (JPY thousand)	(4) - (2) (JPY thousand)	Appraiser
F-4-059	Prospect UrawaTokiwa	Saitama city, Saitama	Feb 1993	30	2,263.20	96.7%	717,000	660,306	888,000	934,000	46,000	217,000	273,693	1
F-4-064	Glana Ueno	Taito ku, Tokyo	Aug 2005	36	2,147.40	100.0%	1,100,000	1,114,706	1,440,000	1,530,000	90,000	430,000	415,293	3
F-4-065	The Residence Honmoku Yokohama Bayside	Yokohama city, Kanagawa	Feb 2008	159	13,584.07	97.7%	5,550,000	5,394,240	6,530,000	6,660,000	130,000	1,110,000	1,265,759	3
F-4-066	Lietocourt Asakusabashi	Taito ku, Tokyo	May 2005	49	2,632.94	100.0%	1,615,800	1,600,502	1,930,000	2,020,000	90,000	404,200	419,497	3
F-4-071	Gran Casa ShinKoiwa	Katsushika ku, Tokyo	Feb 2006	36	2,467.92	97.0%	1,510,000	1,557,492	1,550,000	1,590,000	40,000	80,000	32,507	2
F-4-072	Gran Casa Ryogoku Ichibankan	Sumida ku, Tokyo	Feb 2006	33	2,136.53	96.9%	1,420,000	1,466,319	1,440,000	1,460,000	20,000	40,000	-6,319	2
F-4-073	Gran Casa Ryogoku Nibankan	Sumida ku, Tokyo	Jun 2006	18	1,131.90	100.0%	770,000	798,142	789,000	796,000	7,000	26,000	-2,142	2
F-5-023	willDo Temmicho	Nagoya city, Aichi	Mar 2006	40	2,185.20	100.0%	627,785	570,515	756,000	769,000	13,000	141,215	198,484	3
F-5-032	Stellato City Sakurayama	Nagoya city, Aichi	Jul 2006	26	1,914.07	100.0%	735,000	657,171	751,000	787,000	36,000	52,000	129,828	1
F-5-037	willDo Kurokawa	Nagoya city, Aichi	Feb 2006	26	1,933.37	100.0%	677,000	573,068	585,000	613,000	28,000	-64,000	39,931	1
F-5-060	Gran Casa Daikancho	Nagoya city, Aichi	Mar 1986	96	5,962.18	96.0%	1,082,000	1,135,307	1,290,000	1,420,000	130,000	338,000	284,692	1
F-5-061	Gran Casa Gokiso	Nagoya city, Aichi	Feb 1991	78	5,195.21	98.6%	932,500	961,218	1,270,000	1,350,000	80,000	417,500	388,781	1
F-5-067	Lietocourt Marunouchi	Nagoya city, Aichi	Sep 2005	120	9,350.67	99.1%	3,756,800	3,714,597	4,700,000	4,880,000	180,000	1,123,200	1,165,402	1
F-5-068	Gran Casa Kamimaezu	Nagoya city, Aichi	Jun 2006	70	5,365.64	100.0%	2,050,000	2,031,047	2,450,000	2,570,000	120,000	520,000	538,952	1
F-5-074	Sakura Hills Fujimi	Nagoya city, Aichi	Jun 2007	119	6,769.82	97.9%	2,750,000	2,873,067	2,960,000	3,090,000	130,000	340,000	216,932	1
F-6-026	willDo NishiAkashi	Akashi city, Hyogo	Mar 2003	64	4,703.40	100.0%	635,666	539,408	785,000	812,000	27,000	176,333	272,591	3
F-6-033	La Vita Nippombashi	Osaka city, Osaka	Sep 2006	69	4,647.08	100.0%	1,860,000	1,655,969	1,770,000	1,860,000	90,000	0	204,030	1
F-6-062	Crown Heim NishiTanabe	Osaka city, Osaka	Jan 2004	22	1,536.03	100.0%	405,000	390,066	466,000	481,000	15,000	76,000	90,933	3
F-6-063	Prospect Katsura	Kyoto city, Kyoto	Mar 1996	29	1,796.59	100.0%	470,000	445,220	474,000	474,000	0	4,000	28,779	2
Family type Subtotal				3,633	230,666.29	98.0%	82,919,158	81,792,806	92,849,000	96,476,000	3,627,000	13,556,841	14,683,193	-
Total				13,300	535,907.37	98.4%	225,906,578	218,027,647	248,549,000	254,152,000	5,603,000	28,245,421	36,124,352	-

F-4-065 The Residence Honmoku Yokohama Bayside



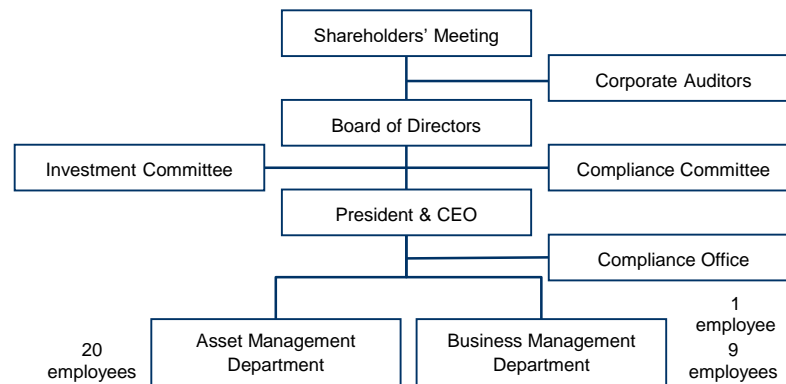
A 159-unit family-type condominium developed as a condo-for-sale, completed in 2008
 Newly acquired in November 2013 for JPY 5.55 billion
 (Appraisal value at the end of 22nd fiscal period: JPY 6.55 billion)

Organization of Asset Management Company

- **N a m e** Mi-Casa Asset Management Inc.
- **E s t a b l i s h e d** February 25, 2005
- **P e r m i t s / L i c e n s e s**
 - April 15, 2005 Obtained license as real estate transaction service (Governor of Tokyo (3), License No. 84345)
 - July 15, 2005 Certified as discretionary transaction agent under the Building Lots and Building Transaction Business Law (Minister of Land, Infrastructure and Transport, License No. 40)
 - October 4, 2005 Obtained certification to conduct businesses related to investment trust management (Prime Minister, License No. 53)
 - September 30, 2007 Registered as financial instrument exchanger (Head of Kanto Local Finance Bureau (Kinsho) No. 416)
- **H i s t o r y**
 - February 25, 2005 Established
 - October 24, 2008 Corporate name changed to Mi-Casa Asset Management Inc. from re-plus REIT management inc.
 - July 1, 2010 Merged with Prospect Reit Advisors Co., Ltd.
 - November 28, 2014 Daiwa Securities Group Inc. took a stake (Acquired 30% of issued stocks)
 - December 18, 2015 Daiwa Securities Group Inc. took a stake (Holding 98% of issued stocks)
- **P r e s i d e n t & C E O** Yutaka Higashino
- **O f f i c e r s** Koji Watanabe (Managing Director & General Manager of Business Management Department), Kazuhiko Ukaji (Auditor), Satoshi Nakamura (Asset Management)
- **L o c a t i o n** 6-16-12, Shinbashi, Minato-ku, Tokyo, Japan
- **B u s i n e s s** Asset Management
- **C a p i t a l** JPY 400 million
- **S h a r e h o l d e r s (h o l d i n g s)**
 - Daiwa Securities Group Inc. 98.1%
 - The Bank of Tokyo-Mitsubishi UFJ, Ltd. 1.0%
 - Sumitomo Mitsui Banking Corporation 1.0%

September 30, 2017, the total number of executives and employees is 33 (full-time).

Organizational Chart



Yutaka Higashino

President & CEO

Mr. Higashino joined Mi-Casa as President & CEO in 2009. Previously, he worked for *Morgan Stanley Japan Securities Co., Ltd.*, and was seconded as CEO of *MS Real Estate Advisors Co., Ltd.*, an asset manager for its real estate core fund. His previous real estate experience includes development, finance and investment management at *Orix Real Estate Corporation*, *Daikyo Inc.* and *The Sanwa Bank, Limited* (The Bank of Tokyo-Mitsubishi UFJ, Ltd.) where he had spent most of his career in Tokyo, Los Angeles and New York. He has more than 30 years of banking, finance and real estate experience as head of Corporate Banking / Structured Finance divisions in the New York branch, General Manager of the Structured Finance department and Higashi-Ebisu branch in Tokyo. Qualified as Licensed Real Estate Broker and ARES certified Master.

Koji Watanabe

Managing Director & General Manager
of Business Management Department

Mr. Watanabe was seconded to Mi-Casa as Managing Director by *Daiwa Securities Co. Ltd.* in December 2015. Before joining Mi-Casa, he worked for *Daiwa Securities Co. Ltd.* as a Managing Director of Finance Department. Also he had spent his career and gained finance experience at *Daiwa International Trust Bank, Ltd.* (Currently *Sumitomo Mitsui Trust Banking, Limited*), *Credito Italiano S.p.A*, *The Bank of Nova Scotia*, and *The Long-Term Credit Bank of Japan, Ltd.*

Kazuhiko Ukaji

Auditor

Mr. Ukaji was seconded to Mi-Casa as Auditor by *Daiwa Securities Co. Ltd.* in April 2016. Before joining Mi-Casa, he worked for *Daiwa Securities Co. Ltd.* as a Managing Director of Compliance Department. Also he had spent five years as Managing Director of Fixed Income, Currency and Commodities (FICC) Bond Trading Department of *Daiwa Securities Co. Ltd.*

Satoshi Nakamura

Executive Officer
Asset Management Department

Mr. Nakamura joined Mi-Casa in April 2009 and he has led the asset management department. He has more than 25 years of experience in the real estate business. Before joining Mi-Casa, Mr. Nakamura worked for *GE Japan Corporation* as an asset manager, managing office and residential buildings ranging from 40 through ¥120 bn. Prior to that, Mr. Nakamura was at *Ken Corporation* as a property manager for his clients, such as MS, GS, GE. Mr. Nakamura started his career at *Daido Corporation* as a home developer of foreign-style houses. He is qualified as a Licensed Real Estate Broker.

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