25th Fiscal Period Results

(July 1, 2015 to December 31, 2015)

February 26, 2016

Invincible Investment Corporation

Invincible Investment Corporation

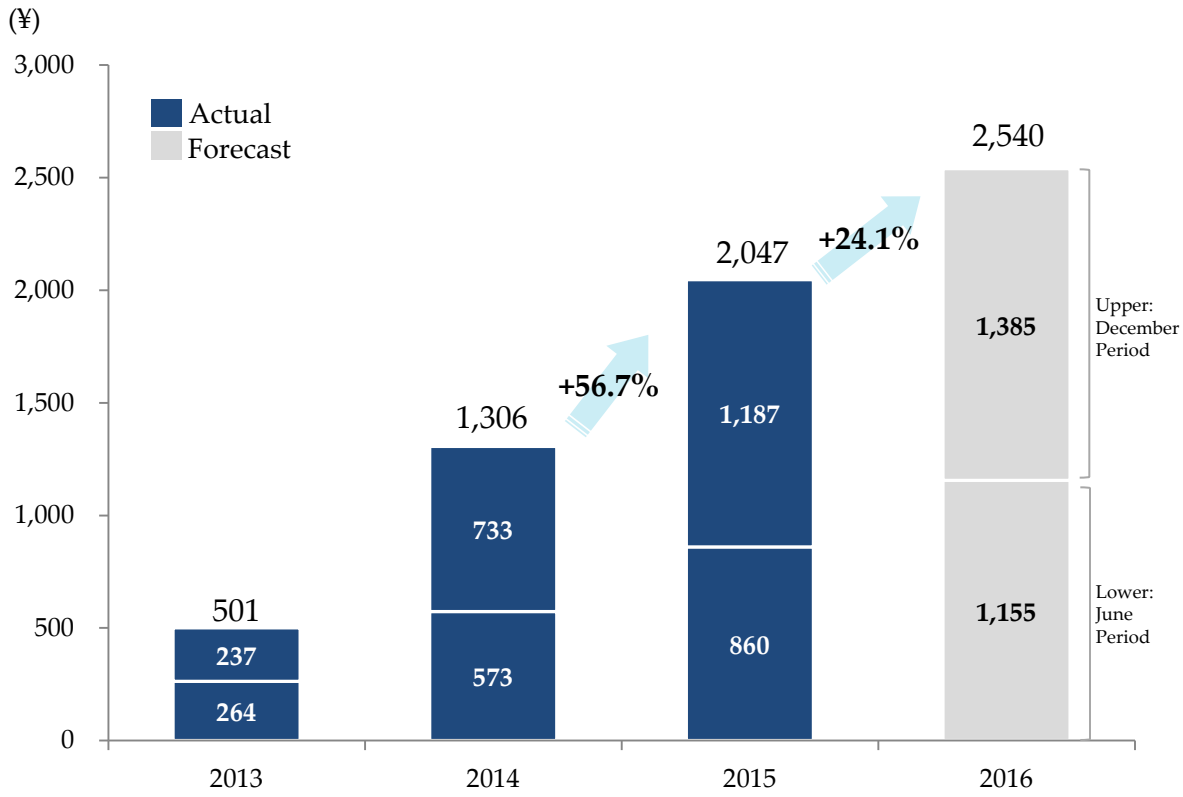
TSE Code: 8963

http://www.invincible-inv.co.jp/eng/

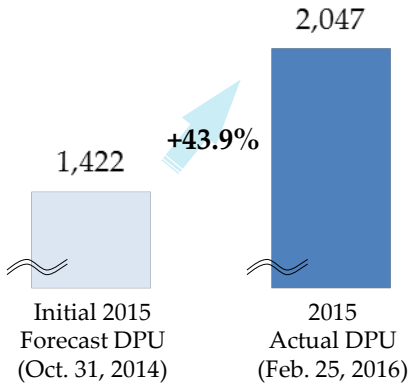
Continued Robust DPU Growth

- **2015 DPU of ¥2,047, which is 56.7% higher than 2014 DPU of ¥1,306, due to stronger internal growth**
- **2016 DPU forecast of ¥2,540 due to strong internal growth and acquisition of an additional six properties in January 2016**
- **NAV per unit has grown by 57.8% (1) since last year and leverage is down to 44.0%**
- **Increased asset values facilitated acquisition of additional assets without need for equity issuance**

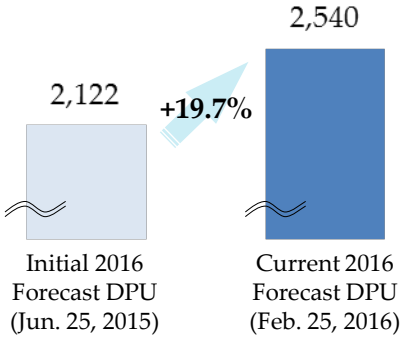
DPU Growth (2)



2015 DPU Change (2) (¥)



2016 DPU Forecast Change (2) (¥)



(Note1) Comparison of NAV per unit as of December 31, 2014 (¥26,671) and December 31, 2015 (¥42,093).
NAV= End-of-period Amount of Net Assets – Undistributed Profit + End-of-period Appraisal Value - Tangible property
(Note2) Based on the forecasts announced on February 25, 2016

Major Events in December 2015 Period (25th Fiscal Period)

2H 2015 DPU ended at ¥1,187 which is 55.6% higher than original forecast[1] of ¥763

Second Half 2015

- **Acquired 17 assets in two transactions (one without issuing equity), for a total of ¥42.5 bn[2]**
- **Appraisal value is up 13.2% for the existing portfolio[3]**
- **Second half ADR and NOI up 19.2%[4] and 27.7%[4], respectively**
- **Refinanced all debt to uncollateralized debt, at an average interest rate of 0.63%[5]**
- **Completed global offering of ¥29.4 bn[6]**
- **Included in FTSE EPRA/NAREIT Global Index**

January 2016

- **Acquired an additional six assets for ¥10.2 bn without issuing equity**
- **Updated MOU to include 25 hotels (6,769 rooms), including Sheraton Grande Tokyo Bay Hotel**

(Note 1) Forecast announced on October 31, 2014

(Note 2) Based on acquisition price.

(Note 3) Based on the 111 properties held as of December 31, 2015. Comparison between the appraisal value as of December 31, 2015 and the previous appraisal value; previous appraisal value refers to (i) appraisal value as of June 30, 2015 for the 94 properties held by INV on June 30, 2015, (ii) appraisal value as of May 1, 2015 for the 14 properties acquired on July 16, 2015, and (iii) appraisal value as of July 31, 2015 or August 10, 2015 for the three properties acquired on August 28, 2015

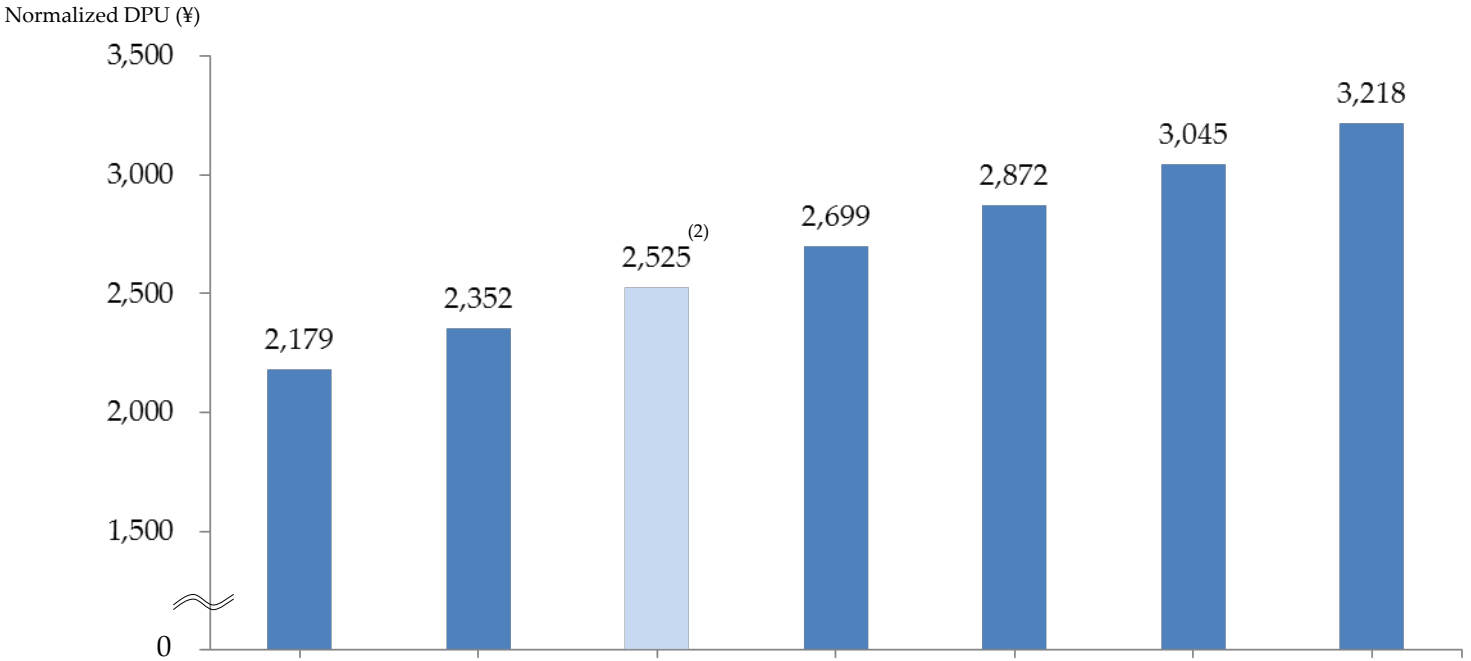
(Note 4) Based on 32 hotels in our portfolio, as of the end of December 31, 2015 which include all hotels with variable rent structures except for Hotel MyStays Haneda, which opened in September 2014. Super Hotel Shinbashi/Karasumoriguchi, Super Hotel Tokyo-JR Tachikawa Kitaguchi, Super Hotel JR Ueno-iriyaguchi and Comfort Hotel Toyama are also excluded because their leases have only fixed rent.

(Note 5) As of February 25, 2016

(Note 6) Including third party allotment

2016 ADR /DPU Sensitivity Analysis

- **A 10% increase of ADR(1) translates to a +13.7% increase in DPU**
- **Pursue additional external growth to achieve further DPU growth as well as internal growth**



ADR Growth Rate	-10.0%	-5.0%	0.0%	5.0%	10.0%	15.0%	20.0%
ADR(¥)	8,287	8,747	9,207 (1)	9,668	10,128	10,588	11,049
Normalized DPU Growth Rate	-13.7%	-6.9%	-	6.9%	13.7%	20.6%	27.4%

(Note 1) Average ADR of all of the 34 hotels with variable rent structures INV owns as of February 25, 2016.
(Note 2) The difference between the normalized DPU of ¥2,525 in 2016 and 2016 DPU forecast of ¥2,540, described on page 2 is primarily attributed to the treatment of property tax expenses pertaining to the properties acquired in 2015 and 2016.

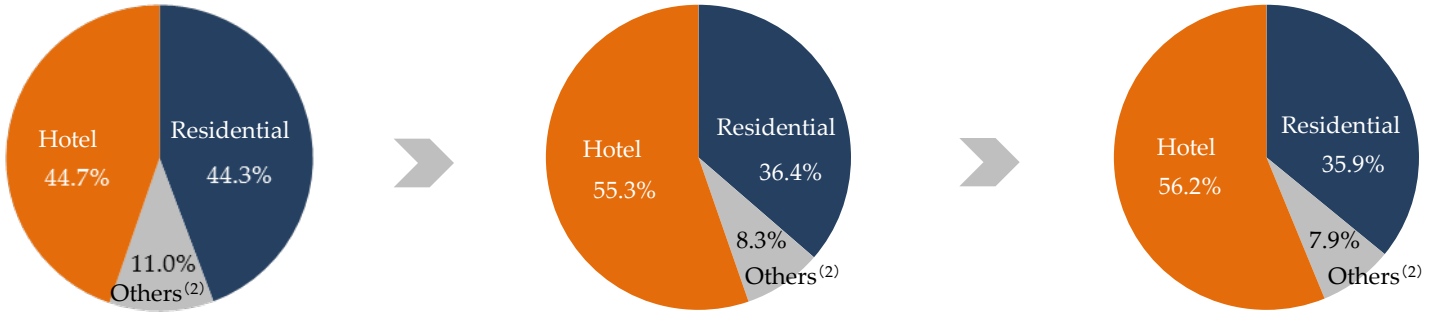
Significant Growth of Portfolio

As of January 31, 2016, increased hotel concentration to 56.2% and Greater Tokyo [1] concentration to 69.6%

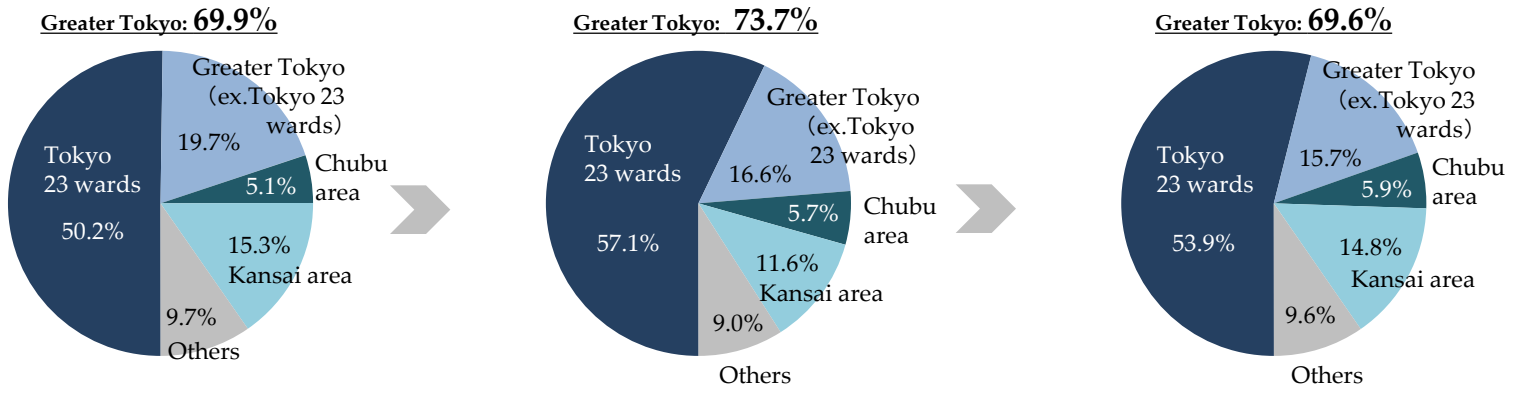
- ✓ No. of Properties: **117**
- ✓ No. of Hotels: **42**
- ✓ No. of Hotel Rooms: **5,627**
- ✓ No. of Apartment Units: **3,860**

94 properties as of end of June 2015	111 properties as of end of Dec. 2015	117 properties as of end of Jan. 2016

By Property Type[3]



By Geography [2][3]

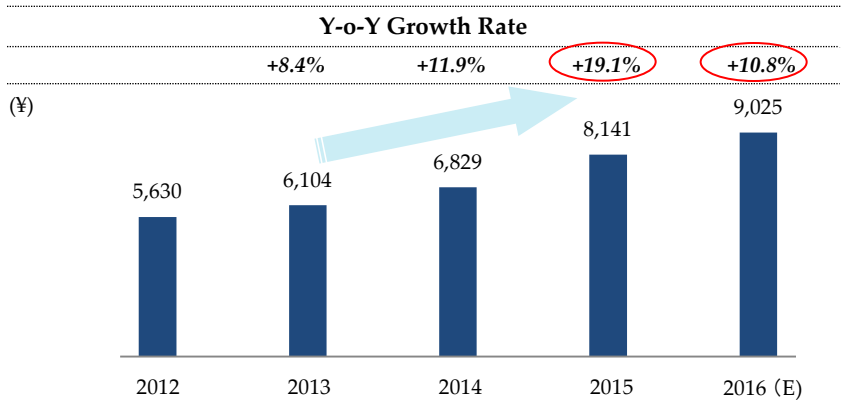


(Note 1) "Greater Tokyo" is "Tokyo", "Kanagawa," "Chiba" and "Saitama"
(Note 2) "Others" includes Office, Retail and Parking lot
(Note 3) Based on acquisition price

Strong Performance of Hotel Assets

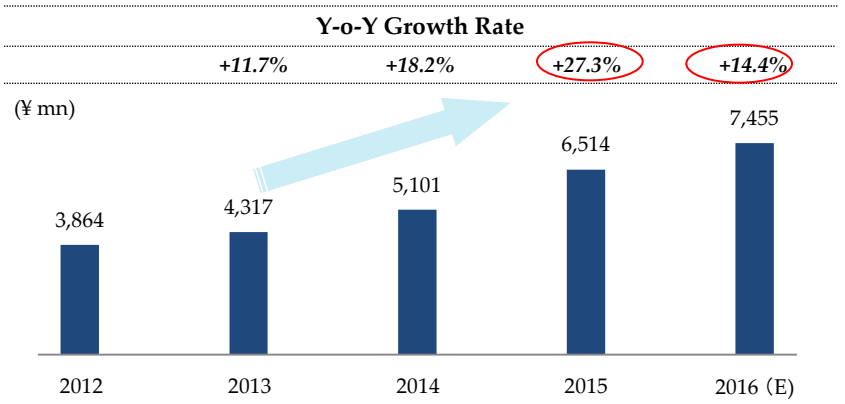
- **Actual results have surpassed initial forecast**
- **2016 budgeted growth is modest compared to 2015 growth**
- **Japan saw a record 19.7 million foreign visitors in 2015, up 47.1%. To date, volatility in Chinese equity market has not impacted dramatic increases in inbound Asian tourists**

ADR Growth (Annual) [1,2]

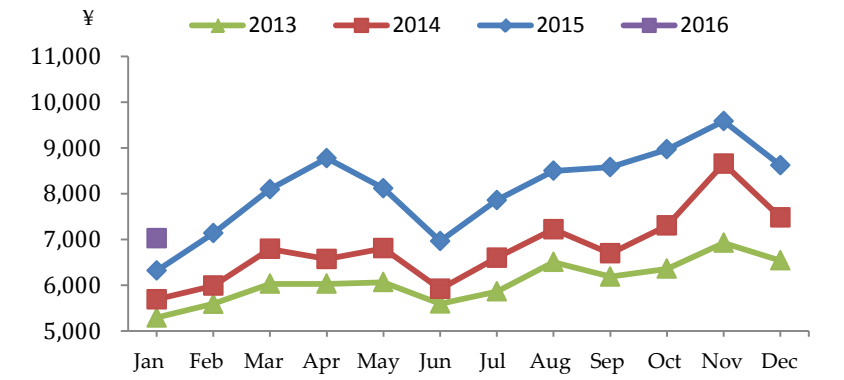


	2012	2013	2014	2015	2016 (E)
Occ.	83.9%	85.1%	88.4%	90.9%	91.9%

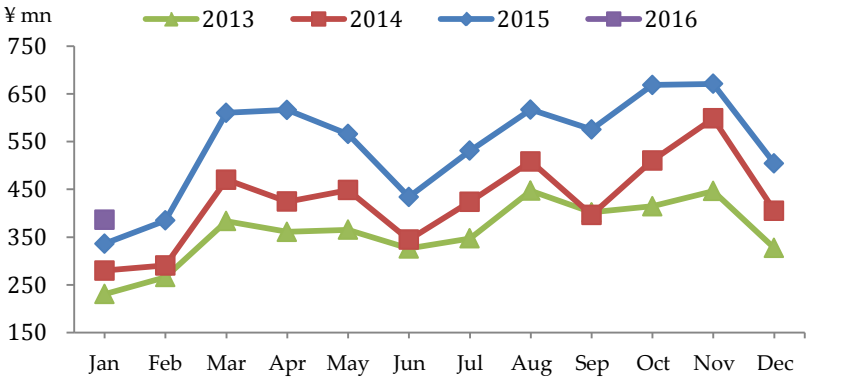
NOI Growth (Annual) [1,2]



ADR Monthly Trend [1,2]



NOI Monthly Trend [1,2]



(Note 1) Based on 32 hotels in our portfolio, as of the end of December 31, 2015 which include all hotels with variable rent structures except for Hotel MyStays Haneda, which opened in September 2014. Super Hotel Shinbashi/Karasumoriguchi, Super Hotel Tokyo-JR Tachikawa Kitaguchi, Super Hotel JR Uenoiriyaguchi and Comfort Hotel Toyama are also excluded because their leases have only fixed rent.
(Note 2) Pre-acquisition NOI are based on the actual results provided by sellers and adjusted to reflect for trust fees and insurance premiums assuming the properties had been held by Invincible.

Key Operational Data for Hotel Properties

	2016 Forecast	2015 Actual	Jul. - Dec. 2015	Jan. - Jun. 2015
ADR (¥)	9,025	8,141	8,679	7,590
Occ.	91.9%	90.9%	91.2%	90.6%
RevPAR (¥)	8,290	7,400	7,915	6,877
GOP (¥)	7,846	6,905	3,762	3,143

Y-o-Y Growth				
ADR	+10.9%	+19.2%	+18.5%	+20.2%
Occ.	+1.0pt	+2.5pt	+1.7pt	+3.3pt
RevPAR	+12.0%	+22.6%	+20.7%	+24.8%
GOP	+13.6%	+25.4%	+23.5%	+27.7%

(Note 1) Based on 32 hotels in our portfolio, as of the end of December 31, 2015 which include all hotels with variable rent structures except for Hotel MyStays Haneda, which opened in September 26, 2014. Super Hotel Shinbashi/Karasumoriguchi, Super Hotel Tokyo-JR Tachikawa Kitaguchi, Super Hotel JR Uenoiriyaguchi and Comfort Hotel Toyama are also excluded because their leases have only fixed rent..

Chinese and Asian Tourist Growth Continues to be Strong

- **MyStays hotel portfolio demonstrated strong Chinese and other Asian tourist growth in 2015 and Chinese New Years**
- **In January 2015, Japan greatly increased the availability of multi-visit 3-year visa's for Chinese individuals**

Nationwide Asian Visitor Growth Continues to be Strong through January 2016

(thousands)		2016	2015						
		Jan	Dec	Nov	Oct	Sep	Aug	Jul	2015 CY
China	Current Period	475	347	363	446	491	592	577	4,994
	Year Before	226	190	207	223	246	254	281	2,409
	Y-o-Y	*110.0%*	*82.7%*	*74.9%*	*99.6%*	*99.6%*	*133.1%*	*105.1%*	*107.3%*
Other Asia[1]	Current Period	1,114	1,129	1,004	1,057	848	950	1,019	11,377
	Year Before	776	812	729	766	611	640	740	8,201
	Y-o-Y	*43.5%*	*39.0%*	*37.6%*	*38.0%*	*38.6%*	*48.3%*	*37.8%*	*38.7%*
Total Asia[1]	Current Period	1,589	1,476	1,367	1,502	1,339	1,541	1,596	16,370
	Year Before	1,002	1,002	937	989	858	894	1,021	10,610
	Y-o-Y	*58.5%*	*47.3%*	*45.9%*	*51.9%*	*56.1%*	*72.4%*	*56.3%*	*54.3%*

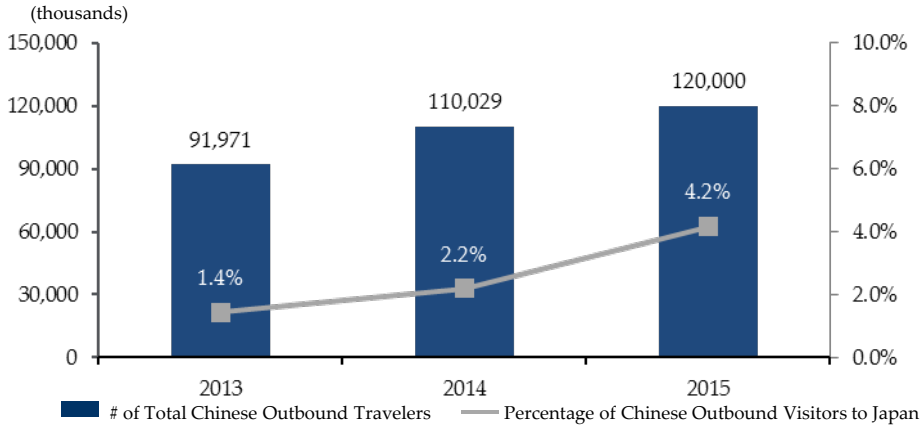
Source: JNTO,
(Note 1) Other Asia includes South Korea, Taiwan, Hong Kong, Thailand, Singapore, Malaysia, Indonesia, Philippines, Vietnam, and India. Total Asia means China and Other Asia

MyStays's Hotels Saw 107% Foreign Tourist Growth during Chinese New Year in 2016 vs. 2015

	2015	2016	Growth
China	1,595	3,170	99%
Taiwan / Hong Kong	1,346	3,554	164%
South Korea	636	875	38%
Thailand	283	454	60%
Other Asia	461	1,001	117%
Asia Total	**4,321**	**9,054**	**110%**
Other Foreign	751	1,430	90%
Foreign Total	**5,072**	**10,484**	**107%**

(Note 1) Based on 44 Hotel MyStays managed hotels
(Note 2) Chinese New Years defined as February 18-24, 2015 and February 7-13, 2016.

Chinese Outbound Travel Growing and Japan Capturing an Increasing Percentage

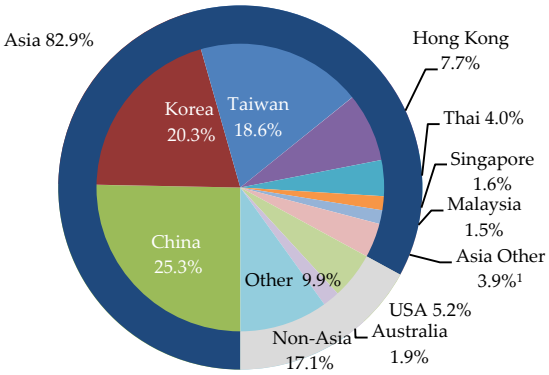


Source: JNTO, China National Tourism Administration
(Note 1) Based on private purpose
(Note 2) 2015 4Q data is estimate

Asia Overall Accounts for over 80% of Japan's Foreign Tourism

- **Japan's large array of attractive cities, tourist sites, activities, restaurants and shopping with proximity to Asia encourage repeat visitors**
- **In January, 2016, both total inbound visitors to Japan (up by 52%) and those from China (up by 110%) increased with even higher pace than 2015 average (47.1%, 107.3%)**

Inbound Growth up 47.1% (full year 2015)

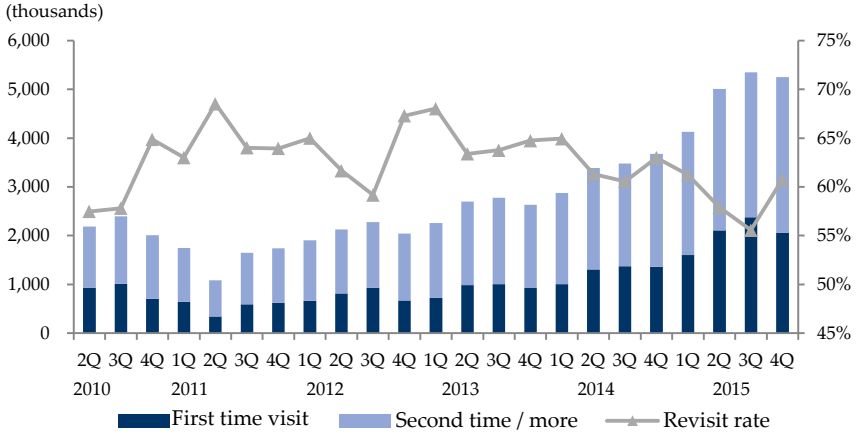


Top 5 Countries by Growth Rate (2015 Y-o-Y)

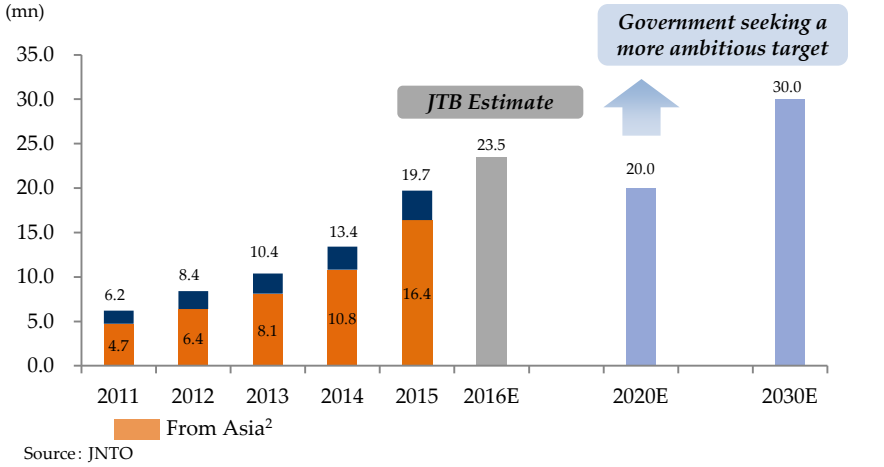
#1	China	+107.3%
#2	Hong Kong	+64.6%
#3	Vietnam	+49.2%
#4	Philippines	+45.7%
#5	South Korea	+45.3%

Source: JNTO

of Visitors to Japan and the Percent as Repeat Visitors

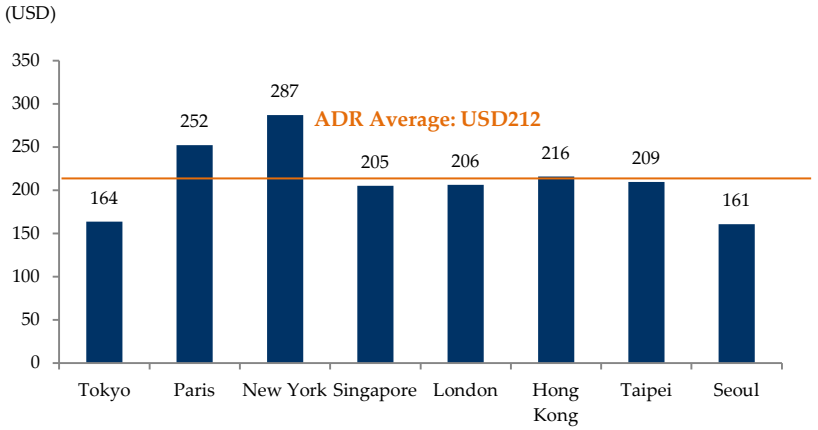


Inbound Visitors to Japan



Source: JNTO

Global Comparison of ADR[(3)]



Source: STR GLOBAL
(Asia Pacific Hotel Industry Performance for the Month of December 2015)

(Note 1) Other Asia includes Indonesia, Philippines, Vietnam, and India
(Note 2) In 2015 data, Asia includes China South Korea, Taiwan, Hong Kong, Thailand, Singapore, Malaysia, Indonesia, Philippines, Vietnam, and India

Competitive Advantages over Other Hotel J-REITs

- **91.3%[1] of Invincible's hotels are on variable rent structures**
- **76.2%[1] of Invincible's hotel portfolio is located in the top five prefectures for inbound guest nights**
- **GOP grew by 25.4% in 2015 over 2014 and has been maintaining a high GOP margin of 56.3%**

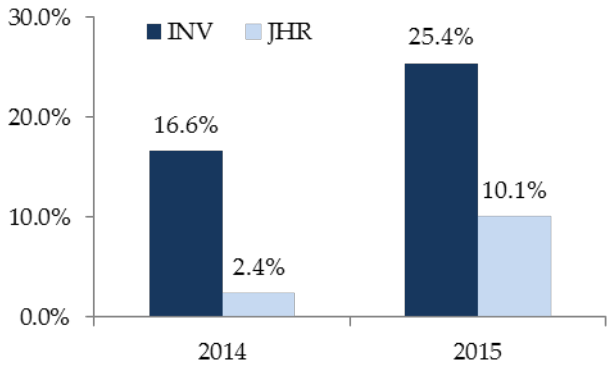
2014 Guest Nights of Inbound Visitors and Location Comparison with other Hotel J-REITs

	2014 Guest Nights (mn)	Invincible	Japan Hotel REIT	Hoshino Resorts REIT	Ichigo Hotel REIT
1. Tokyo	13.5	47.1%	21.5%	-	-
2. Osaka	5.8	10.4%	9.0%	-	8.0%
3. Hokkaido	4.0	3.5%	5.5%	2.2%	17.7%
4. Kyoto	3.4	5.8%	2.8%	3.3%	39.6%
5. Chiba	2.8	9.5%	21.1%	0.9%	-
Subtotal of top 5		**76.2%**	**60.0%**	**6.4%**	**65.3%**
6. Okinawa	2.3	-	19.1%	-	-
7. Aichi	1.5	2.9%	-	1.4%	13.1%
8. Kanagawa	1.3	11.9%	2.5%	1.1%	-
9. Fukuoka	1.3	2.6%	2.6%	9.5%	6.8%
10. Yamanashi	0.9	-	-	6.0%	-
Total of top 10		**93.7%**	**84.2%**	**24.5%**	**85.1%**

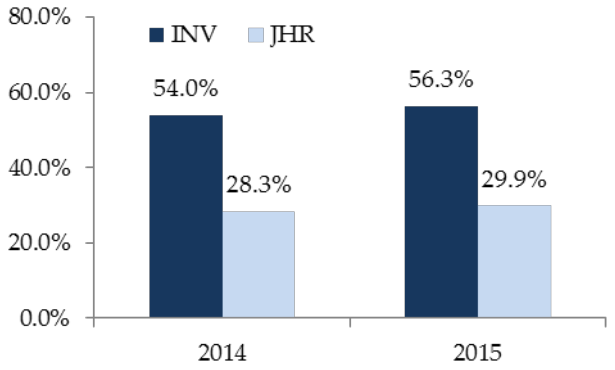
Source: Japan Tourism Agency, Company Disclosure

GOP Growth / Margin Comparison[2]

■ GOP Growth Rate



■ GOP Margin



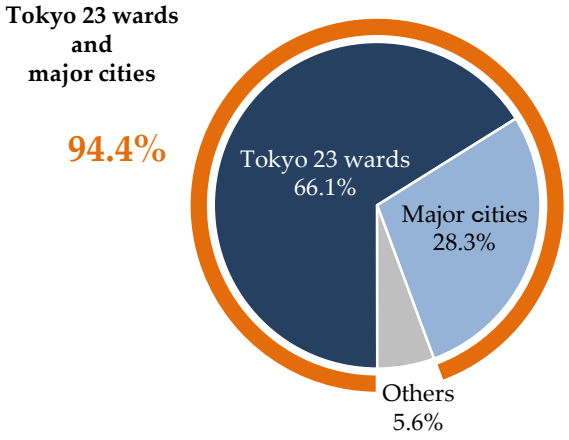
Source: Japan Hotel REIT ("JHR")

(Note 1) Based on acquisition price
(Note 2) JHR data is for major five hotels which are referred to by JHR as HMJ five hotels, each with variable rent schemes owned by JHR. HMJ means Hotel Management Japan which is the operator of these five JHR hotels (Kobe Meriken Park Oriental Hotel, Oriental Hotel Tokyo Bay, Namba Oriental Hotel, Hotel Nikko Alivilla and Oriental Hotel Hiroshima). Hoshino Resort REIT does not disclose GOP figures for its hotel properties; Invincible's hotels comprise the existing 32 hotels as of December 31, 2015, excluding Hotel MyStays Haneda, which opened in September 2014 and 4 hotels with fixed rent (Super Hotel Shinbashi/Karasumoriguchi, Super Hotel Tokyo-JR Tachikawa Kitaguchi, Super Hotel JR Uenoiriyaguchi and Comfort Hotel Toyama)

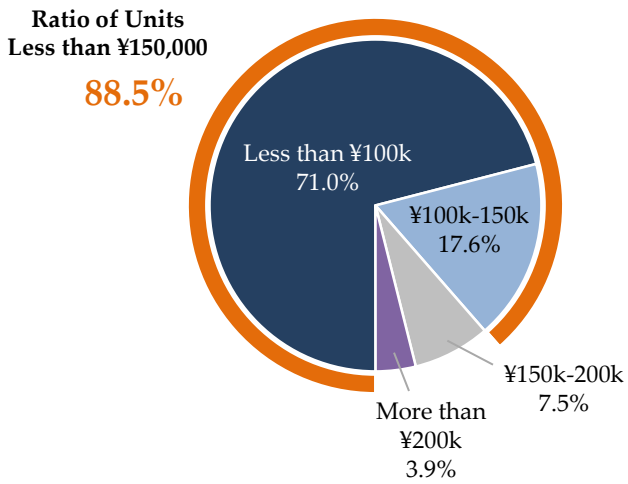
Residential Summary

- **Portfolio consisting of 67 properties and 3,860 units is highly concentrated in the Tokyo and major cities[1]**
- **88.5% of the rental units with monthly rent lower than ¥150,000. Affordable with an average rent of ¥99,885[2]**
- **Occupancy as of January 31, 2016 was 95.9%**
- **Since June 2013, the average renewal rate has been over 80% (with an average rent increase of 1.3%)**

Location (1) – based on acquisition price



Rent Level(2) – based on number of units




City House Tokyo Shinbashi


Spacia Ebisu


Winbell Kagurazaka

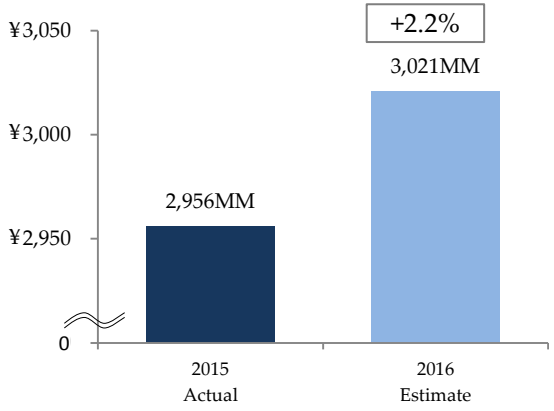

Lieto Court Mukojima


City Court Kitaichijo

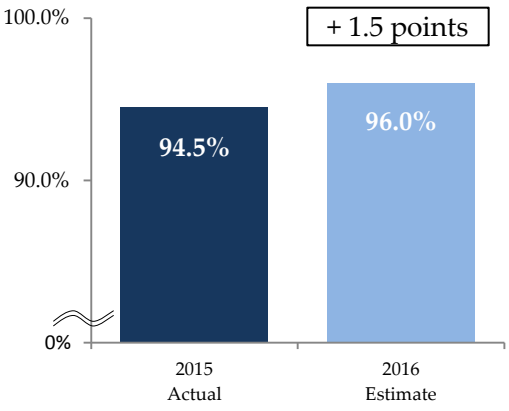
(Note 1) Major cities refers to "Government ordinance cities" in Japan with a population of 500 thousand or more.
(Note 2) Data for average rent as of January 31, 2016..

Stable Residential Portfolio

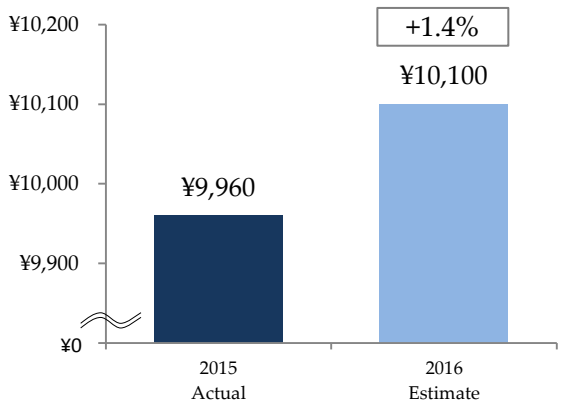
Net Operating Income[1] (2016 Forecasted Growth; +2.2%)



Occupancy Rate of Residential [1] (2016 Forecasted Growth; +1.5 points)

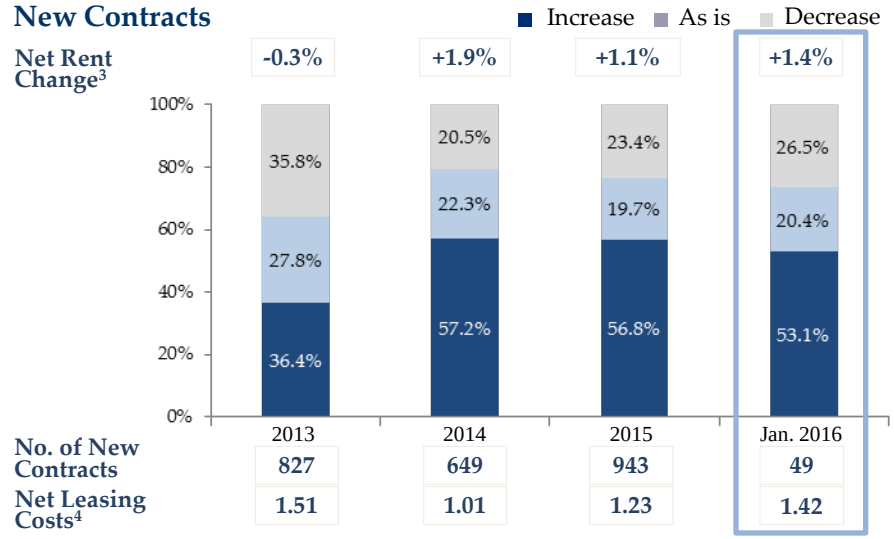


Average Rent per Tsubo[1] (2016 Forecasted Growth; +1.4%)

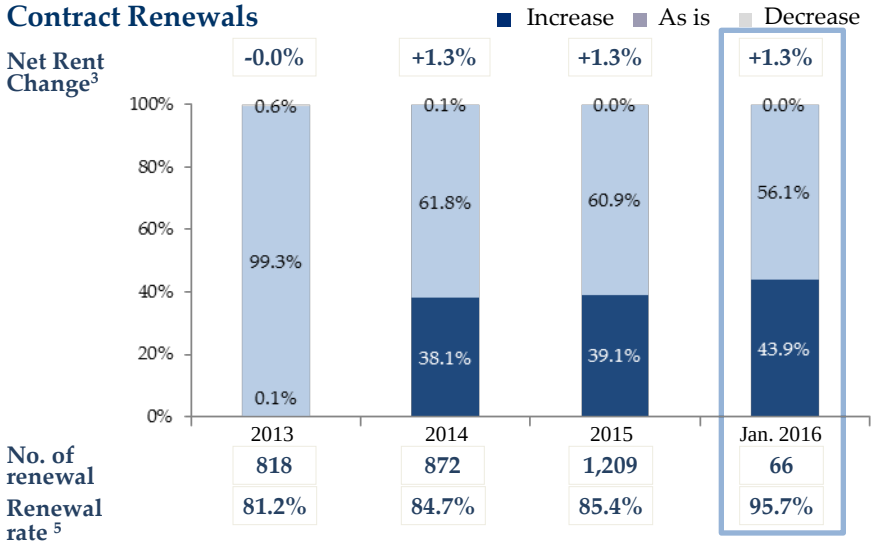


Steady Rental Growth from New Leases and Renewals [2] (85.4% Renewal Rate in 2015 / Forecasted Rent Increase on Renewal +1.3% in 2016)

New Contracts



Contract Renewals



(Note 1) Based on the 63 properties held by INV as of the end of December 2014
(Note 2) Based on the 66 properties held by INV as of the end of December 2015
(Note 3) Monthly rent increase (%) of new or renewed contracts compared with previous contracts of existing properties
(Note 4) Net Leasing Cost (Multiple of Monthly Rental) = Advertising Expenses (Multiple of Monthly Rental) + Free Rent (Multiple of Monthly Rental) – Key Money (Multiple of Monthly Rental)
(Note 5) Renewal rate is calculated by "Number of Renewals during the Period" ÷"Number of Cases Targeted for Renewal during the Period"

Continuous Improvement of Financial Conditions

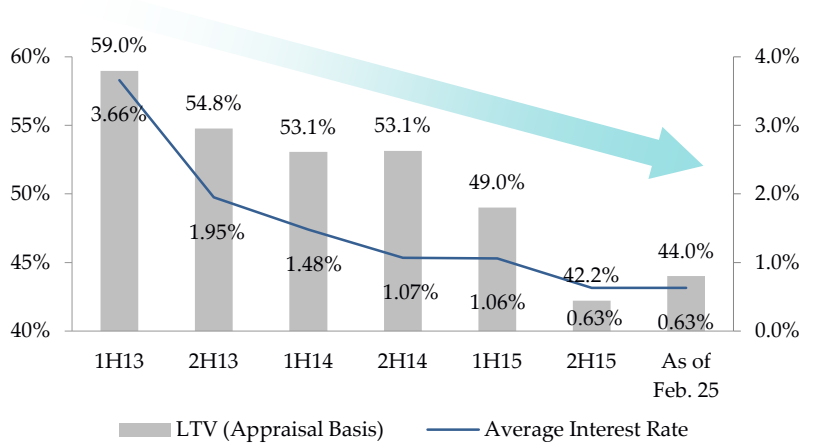
- **Leverage at 44% of appraisal value**
- **Proactively working to further increase banking group**

Borrowings

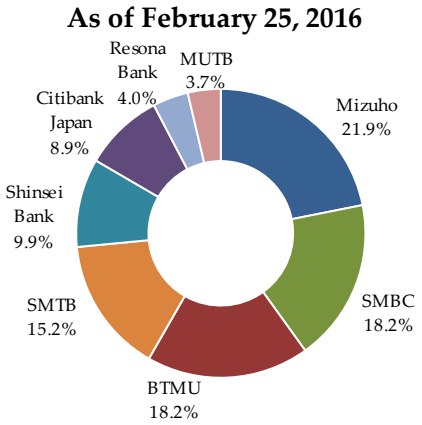
Loans	Term	Balance (¥ mn)	Interest Rate
New Syndicate Loan (E)[1]	3yrs.	28,979	1MT+0.4%
	4yrs.	28,979	1MT+0.5%
	5yrs.	28,979	1MT+0.6%
	10mo.	1,080	1MT+0.2%
Term Loan (A) [1]	4yrs	3,682	1MT+0.5%
Term Loan (B) [1]	3yrs.	4,250	1MT+0.4%
	5yrs.	4,250	1MT+0.6%
	1yrs.	498	1MT+0.2%
Total / Average Interest Rate	**4yrs**	**100,697**	**0.63%[1]**

(Note 1) C-tax loan isn't included in calculation of average loan term. Average Interest Rate of Loans; based on assumption 1 month TIBOR as of January 22, 2016, meanwhile interest rate of the first payment period for Term Loan (B) apply 2 month TIBOR.

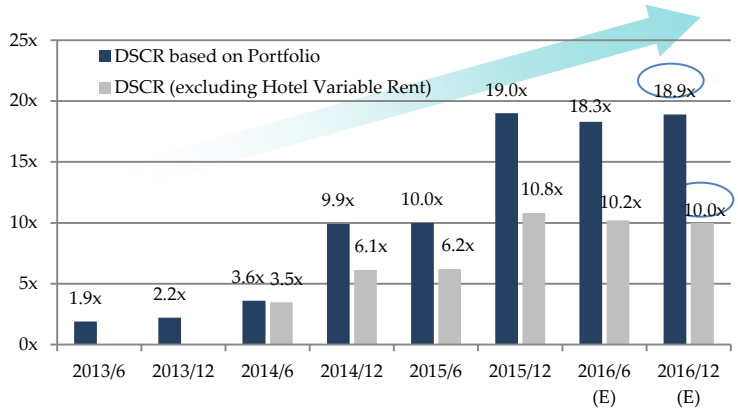
LTV[2] and Average Interest Rate[3]



Bank Formation



DSCR[4] / DSCR Excluding Hotel Variable Rent Portion[5]



(Note 2) LTV is calculated using the following formula: Interest-bearing Debts (excluding c-tax loan) / Total Appraisal Value
(Note 3) The average interest rate is calculated using the following formula:
(Total of loan amount outstanding at the end of each fiscal period multiplied by applicable interest rate at the end of each fiscal period for each of loans) / The loan amount outstanding at the end of each fiscal period

(Note 4) DSCR is calculated by dividing operating income, as adjusted for depreciation expenses from property rental business and any loss (gain) on sales of property by scheduled prepayments of loans payable and interest expense for the relevant period
(Note 5) Excluding hotel variable rental income portion from operating income in calculating DSCR

Extensive Sponsor Pipeline to Drive Further External Growth

- **The Sponsor Pipeline now comprises 6,769 hotel rooms and 743 apartment units, including the Sheraton Grande Tokyo Bay Hotel**

■ 25 Hotels Covered by the MOU(2)

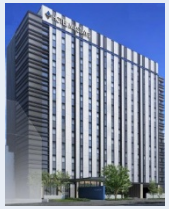
	Hotel Name	Asset Type	Location	No. of Rooms	Top 10 Inbound Tourist Destinations(3)
1	Hotel MyStays Gotanda Station	Limited Service Hotel	Shinagawa-ku, Tokyo	333	✔
2	Hotel MyStays Akasaka	Limited Service Hotel	Minato-ku,Tokyo	327	✔
3	Hotel MyStays Kanazawa	Limited Service Hotel	Kanazawa,Ishikawa	244	
4	Hotel MyStays Fukuoka-Tenjin	Limited Service Hotel	Fukuoka, Fukuoka	217	✔
5	Hotel MyStays Yokohama -Kannai	Limited Service Hotel	Yokohama, Kanagawa	166	✔
6	Hotel MyStays Hamamatsucho	Limited Service Hotel	Minato-ku, Tokyo	105	✔
7	Rihga Royal Hotel Kyoto	Full Service Hotel	Kyoto, Kyoto	489	✔
8	Narita Excel Hotel Tokyu	Full Service Hotel	Narita, Chiba	706	✔
9	Art Hotels Sapporo	Full Service Hotel	Sapporo, Hokkaido	418	✔
10	Best Western Hotel Fino Sapporo	Limited Service Hotel	Sapporo, Hokkaido	242	✔
11	Best Western Hotel Fino Oita	Limited Service Hotel	Oita, Oita	145	
12	Takamatsu Tokyu REI Hotel	Limited Service Hotel	Takamatsu, Kagawa	191	
13	Hotel Naqua City Hirosaki	Full Service Hotel	Hirosaki, Aomori	134	
14	Beppu Kamenoi Hotel	Resort Hotel	Beppu, Oita	322	
15	Fusaki Resort Village	Resort Hotel	Ishigaki, Okinawa	195	✔
16	Sheraton Grande Tokyo Bay Hotel	Full Service Hotel	Urayasu, Chiba	1,016	✔
17	Hotel Shin-Osaka Conference Center	Limited Service Hotel	Osaka, Osaka	397	✔
18	Art Hotels Asahikawa	Full Service Hotel	Asahikawa, Hokkaido	265	✔
19	Hotel MyStays Kanazawa Castle	Limited Service Hotel	Kanazawa, Ishikawa	206	
20	Hotel JAL City Matsuyama	Full Service Hotel	Matsuyama, Ehime	161	
21	Hotel Ueno East	Limited Service Hotel	Taito-ku, Tokyo	150	✔
22	(tentative) Hotel Mystays Honmachi 3-chome (Osaka)	Limited Service Hotel	Osaka, Osaka	120	✔
23	Hotel MyStays Sapporo Nakajima Park	Limited Service Hotel	Sapporo, Hokkaido	86	✔
24	Flexstay Inn Sakuragicho	Limited Service Hotel	Yokohama, Kanagawa	70	✔
25	MyCUBE by MYSTAYSl Asakusa Kuramae	Limited Service Hotel	Taito-ku, Tokyo	64	✔
	Total			***6,769***	

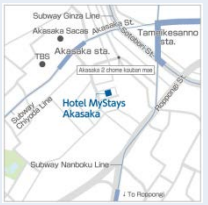
Sheraton Grande Tokyo Bay Hotel (Annex Under Construction)





Hotel MyStays Akasaka (Redevelopment)





Rihga Royal Hotel Kyoto (Renovation)



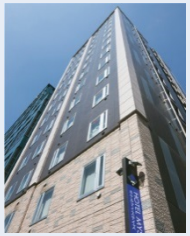


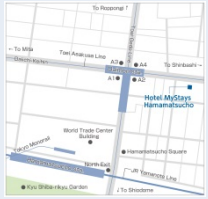
Hotel MyStays Kanazawa (Development)





Hotel MyStays Hamamatsucho





Hotel MyStays Gotanda Station (Renovation/Rebranding)



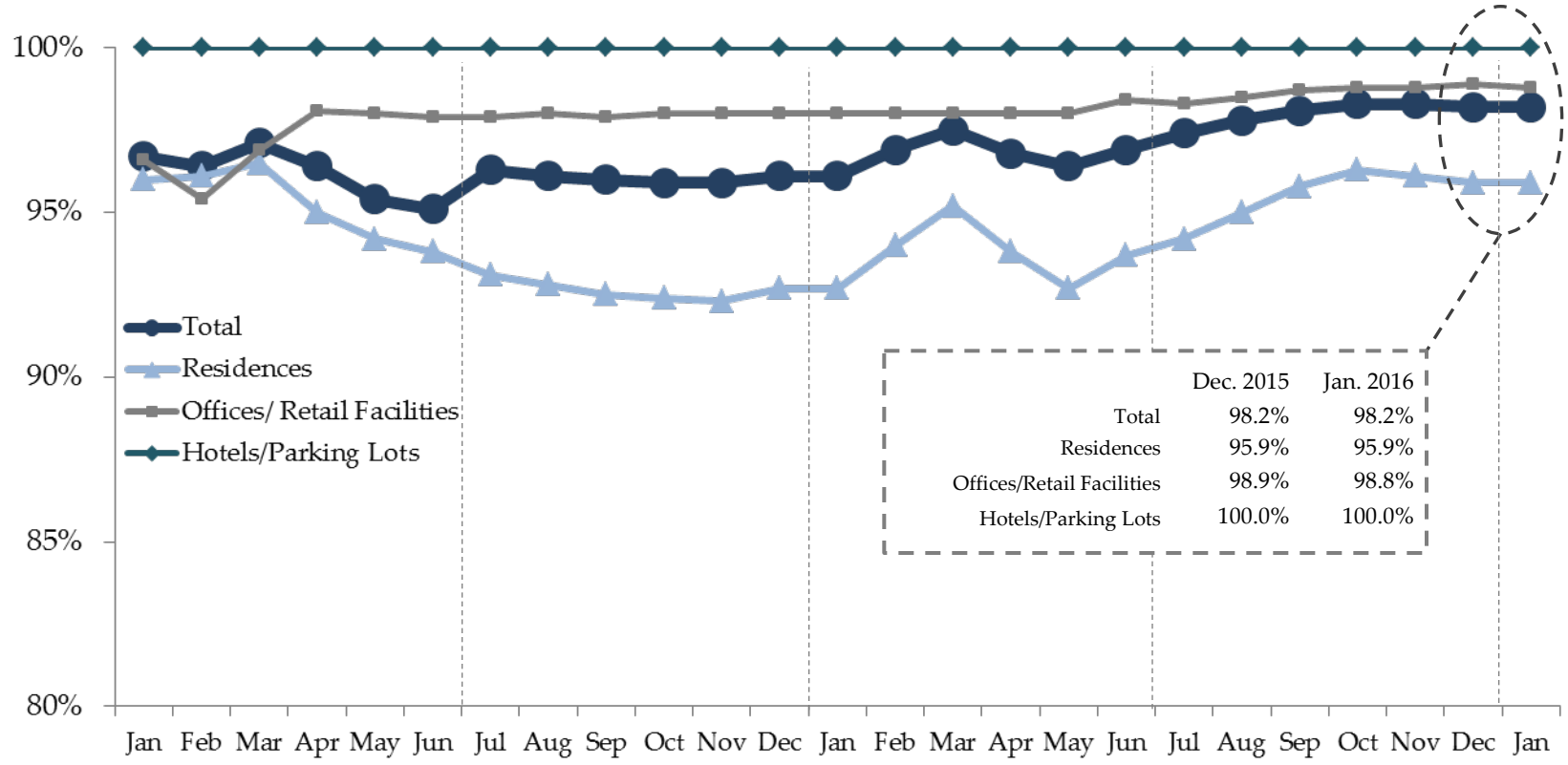


(Note 1) MOU providing preferential negotiation rights.
(Note 2) Properties covered by MOU. Invincible may elect to acquire only selected assets covered by the MOU or none at all and there is no assurance that Invincible will be able to acquire these assets
(Note 3) Properties located in prefectures that falls into the Top 10 Inbound Tourist Destinations are shown.

APPENDIX

Portfolio Occupancy

Monthly Occupancy Rate



	Dec. 2015	Jan. 2016
Total	98.2%	98.2%
Residences	95.9%	95.9%
Offices/Retail Facilities	98.9%	98.8%
Hotels/Parking Lots	100.0%	100.0%

Average Occupancy Rate

22nd Fiscal Period (1H/2014)	23rd Fiscal Period (2H/2014)	24th Fiscal Period (1H/2015)	25th Fiscal Period (2H/2015)
Total 95.8%	Total 96.1%	Total 96.8%	**Total 98.0%**
Residences 95.3%	Residences 92.6%	Residences 93.7%	**Residences 95.6%**
Office/Retail Facilities 97.1%	Office/Retail Facilities 98.0%	Office/Retail Facilities 98.1%	**Office/Retail Facilities 98.6%**
Hotel/Parking Lots 100.0%	Hotel/Parking Lots 100.0%	Hotel/Parking Lots 100.0%	**Hotel/Parking Lots 100.0%**

Key Operational Data for Hotel Properties

	Property	Location	# of rooms	Acquisition Month	Occupancy Jan.-Dec.2015 Actual	Occupancy Y-o-Y (pt)	ADR (JPY) Jan.-Dec.2015 Actual	ADR (JPY) Y-o-Y	RevPAR (JPY) Jan.-Dec.2015 Actual	RevPAR (JPY) Y-o-Y	GOP (JPY Mn) Jan.-Dec.2015 Actual	GOP (JPY Mn) Y-o-Y	Daily Ratio Jan.-Dec.2015 Actual	Daily Ratio Y-o-Y	Overseas Sales Ratio Jan.-Dec.2015 Actual	Overseas Sales Ratio Y-o-Y
MyStays Hotel Management (MHM)																
	Hotel MyStays															
D1	Hotel MyStays Kanda	Chiyoda-ku, Tokyo	126	May 2014	94.5%	1.1	8,927	17.2%	8,435	18.6%	228	20.7%	98.2%	13.1%	45.1%	26.2%
D2	Hotel MyStays Asakusa	Sumida-ku, Tokyo	160	May 2014	94.7%	2.0	8,100	35.7%	7,670	38.7%	269	34.7%	97.1%	28.5%	64.2%	32.3%
D3	Hotel MyStays Kyoto-Shijo	Kyoto, Kyoto	224	Jul 2014	97.0%	1.1	13,271	27.3%	12,872	28.8%	653	30.8%	99.1%	0.1%	57.0%	21.1%
D4	MyStays Shin-Urayasu Conf. Ctr.	Urayasu, Chiba	175	Jul 2014	93.9%	8.8	10,314	2.3%	9,681	12.9%	381	12.3%	97.4%	-1.1%	9.0%	5.4%
D5	Hotel MyStays Maihama	Urayasu, Chiba	90	Jul 2014	94.7%	4.1	17,150	8.8%	16,239	13.7%	331	18.5%	99.8%	-0.1%	22.4%	19.2%
D7	Hotel MyStays Nagoya-Sakae	Nagoya, Aichi	270	Jul 2014	97.0%	2.5	7,284	18.1%	7,067	21.2%	357	26.9%	96.1%	-0.7%	29.9%	13.1%
D8	Hotel MyStays Sakaisuji-Honmachi	Osaka, Osaka	190	Jul 2014	93.9%	9.0	10,099	57.3%	9,479	74.0%	403	87.7%	94.6%	8.2%	47.2%	33.6%
D9	Hotel MyStays Yokohama	Yokohama, Kanagawa	190	Jul 2014	86.9%	-2.0	8,128	19.5%	7,065	16.8%	241	25.3%	97.4%	5.6%	12.0%	5.6%
D10	Hotel MyStays Nippori	Arakawa-ku, Tokyo	93	Jul 2014	93.2%	-1.0	8,787	25.4%	8,194	24.1%	165	25.2%	99.1%	12.4%	57.9%	27.0%
D11	Hotel MyStays Fukuoka-Tenjin-Minami	Fukuoka, Fukuoka	177	Jul 2014	93.5%	12.2	7,103	26.2%	6,642	45.1%	220	46.3%	97.8%	17.9%	13.6%	10.3%
D13	Hotel MyStays Ueno-Inaricho	Taito-ku, Tokyo	72	Jul 2014	92.5%	-0.2	9,062	27.7%	8,387	27.4%	119	33.8%	97.8%	9.5%	79.4%	30.6%
D17	Hotel MyStays Otemae	Osaka, Osaka	110	Jul 2014	94.8%	5.9	8,761	39.3%	8,306	48.5%	200	63.1%	84.9%	18.3%	51.1%	30.1%
D24	Hotel MyStays Haneda	Ota-ku, Tokyo	174	Jul 2015	95.0%	-	10,969	-	10,415	-	361	-	91.9%	-	20.9%	-
D25	Hotel MyStays Kameido P1	Koto-ku, Tokyo	265	Jul 2015	85.9%	3.2	6,176	14.6%	5,303	19.0%	354	24.0%	58.4%	2.5%	11.9%	8.2%
D26	Hotel MyStays Ueno-Iriyaguchi	Taito-ku, Tokyo	97	Jul 2015	93.7%	7.9	11,207	25.3%	10,505	36.9%	221	34.3%	98.5%	5.8%	57.7%	10.5%
D27	Hotel MyStays Kameido P2	Koto-ku, Tokyo	175	Jul 2015	89.2%	-0.0	6,054	20.8%	5,399	20.8%	234	22.7%	66.4%	7.0%	14.4%	8.1%
D31	Hotel MyStays Utsunomiya	Utsunomiya, Tochigi	116	Jul 2015	94.2%	10.4	6,757	3.2%	6,364	16.0%	136	11.4%	91.7%	2.3%	6.0%	4.3%
	FlexStay Inn															
D12	FlexStay Inn Iidabashi	Shinjuku-ku, Tokyo	59	Jul 2014	95.1%	1.8	9,495	18.4%	9,032	20.7%	113	15.9%	95.4%	11.4%	28.6%	22.2%
D14	FlexStay Inn Shinagawa	Shinagawa-ku, Tokyo	55	Jul 2014	96.0%	-0.3	9,632	21.8%	9,249	21.4%	109	29.5%	91.4%	4.3%	29.7%	13.6%
D15	FlexStay Inn Tokiwadai	Itabashi-ku, Tokyo	129	Jul 2014	86.5%	1.4	4,985	11.4%	4,311	13.2%	131	21.7%	34.7%	-0.5%	18.9%	10.6%
D16	FlexStay Inn Sugamo	Toshima-ku, Tokyo	104	Jul 2014	84.2%	-5.0	5,525	21.7%	4,653	14.9%	114	20.2%	41.4%	6.5%	6.6%	4.2%
D18	FlexStay Inn Kiyosumi-Shirakawa	Koto-ku, Tokyo	55	Jul 2014	90.6%	1.0	7,180	26.1%	6,509	27.4%	79	25.5%	75.4%	23.4%	24.7%	19.7%
D19	FlexStay Inn Nakanobu P1	Shinagawa-ku, Tokyo	39	Jul 2014	90.0%	1.6	6,165	17.8%	5,549	20.0%	47	17.6%	63.8%	25.6%	11.0%	9.9%
D20	FlexStay Inn Nakanobu P2	Shinagawa-ku, Tokyo	22	Jul 2014	92.5%	2.0	5,639	12.2%	5,214	14.6%	25	16.3%	59.9%	6.7%	8.2%	5.9%
D23	FlexStay Inn Shirogane	Minato-ku, Tokyo	84	Feb 2015	88.2%	1.5	6,777	15.2%	5,978	17.2%	112	18.3%	48.7%	0.0%	10.0%	6.1%
D30	FlexStay Inn Higashi-Jujo	Kita-ku, Tokyo	88	Jul 2015	87.5%	3.2	5,494	31.9%	4,807	36.8%	81	28.7%	87.8%	35.1%	41.9%	30.3%
D32	FlexStay Inn Kawasaki-Kaizuka	Kawasaki, Kanagawa	64	Jul 2015	87.8%	1.8	5,239	12.9%	4,599	15.2%	65	16.4%	25.6%	4.1%	1.1%	0.9%
D34	FlexStay Inn Kawasaki-Ogawacho	Kawasaki, Kanagawa	62	Jul 2015	90.4%	4.3	4,644	14.8%	4,196	20.6%	59	31.9%	14.1%	-3.2%	5.2%	4.3%
D35	FlexStay Inn Ekoda	Nerima-ku, Tokyo	210	Aug 2015	85.7%	-2.6	5,070	14.2%	4,348	10.8%	220	9.9%	45.2%	12.4%	4.5%	2.5%
Non-MHM Operators																
D6	Hotel Vista Premio Dojima	Osaka, Osaka	141	Jul 2014	93.0%	2.7	11,902	18.9%	11,074	22.4%	404	24.8%	-	-	28.0%	15.0%
D21	APA Hotel Yokohama-Kannai	Yokohama, Kanagawa	451	Feb 2015	93.9%	-0.6	7,831	9.5%	7,353	8.8%	470	0.8%	-	-	-	-
D22	Hotel Nets Hakodate	Hakodate, Hokkaido	202	Feb 2015	79.5%	2.5	6,862	8.0%	5,457	11.5%	200	23.7%	-	-	-	-
D28	Hotel Vista Shimizu	Shizuoka, Shizuoka	84	Jul 2015	79.4%	1.4	6,814	8.2%	5,410	10.0%	151	18.6%	-	-	7.9%	3.2%
Subtotal (by brand)																
MHM																
	MyStays		2,704		93.0%	4.0	9,048	22.0%	8,415	27.5%	4880	30.7%	92.9%	6.4%	34.4%	18.2%
	FlexStay Inn		971		88.2%	0.1	6,027	18.0%	5,317	18.2%	1160	19.4%	57.8%	10.7%	16.4%	11.0%
Non-MHM Operators			878		88.4%	0.9	8,137	11.2%	7,191	12.3%	1226	13.5%	-	-	21.1%	11.3%
Total (33 properties)			4,553		91.1%	2.5	8,252	19.2%	7,514	22.6%	7267	25.4%	86.3%	7.6%	30.3%	16.4%

(Note) Based on 33 hotels in our portfolio, as of the end of December 31, 2015 which include all hotels with variable rent structures except for Hotel MyStays Haneda, which opened in September 2014. Super Hotel Shinbashi/Karasumoriguchi, Super Hotel Tokyo-JR Tachikawa Kitaguchi, Super Hotel JR Uenoiriyaguchi and Comfort Hotel Toyama are also excluded because their leases have only fixed rent. Year on year figures for 2015 are based on 32 hotels excluding Hotel MyStays Haneda.

25th Fiscal Period Result – comparison with 24th Fiscal Period

(in million yen, otherwise stated)

	24th Fiscal Period Results	25th Fiscal Period Results	Change		Reasons for changes
Operating revenues	4,974	**6,863**	**1,889**	+38.0%	・Rent, common area fees, etc. +1,912 (Residence +183, Office +13, Hotel +1,713) ・Renewal fee revenue ▲14 ・Key money income ▲9 ・Restoration fee revenue ▲3
Rental revenues	4,974	**6,863**	**1,889**	+38.0%	
Operating expenses	2,163	**2,494**	**330**	+15.3%	・Depreciation expenses +288 ・Property tax ,etc +48 ・Maintenance costs +4 (Restoration costs ▲12, Utility expenses ▲2, Repair costs ▲3, miscellaneous expenses +9 , PM Fee +4 , Building management fees +4 , Land lease fees +4) ・Professional fees ▲2 ・Other taxes and dues ▲6 ・Advertising expenses and other fees for new contracts ▲9 ・Administrative service fees ▲13 ・Others +18
Repair costs	24	**21**	**▲3**	▲13.9%	
Operating Income	2,810	**4,369**	**1,558**	+55.4%	
Non-operating revenues	4	**2**	**▲2**	▲52.5%	
Non-operating expenses	519	**1,418**	**898**	+172.9%	
Interest Expenses	379	**296**	**▲82**	▲21.7%	・Decrease of interest rate related to refinance as of July 16, 2015
Finance-related costs	140	**982**	**841**	+600.0%	・One time costs related to upfront fee and penalty for pre payment.
Other non-operating expenses	0	**138**	**138**	—	・One time costs related to Global equity offering
Net Income	2,295	**2,952**	**657**	+28.6%	
Net Income per Unit (JPY)	860	**924**	**64**	+7.4%	
Reversal of Surplus per Unit (JPY)	—	**24**	**24**	—	
Distribution per Unit (JPY)	860	**948**	**88**	+10.2%	
NOI	4,127	**5,961**	**1,833**	+44.4%	
NOI yield	6.5%	**7.0%**	**0.5%**	—	

Financial Metrics

Items	21st Fiscal Period	22nd Fiscal Period	23rd Fiscal Period	24th Fiscal Period	25th Fiscal Period
	2013/7/1- 2013/12/31	2014/1/1- 2014/6/30	2014/7/1- 2014/12/31	2015/1/1- 2015/6/30	2015/7/1- 2015/12/31
Amount of Total Assets (mn JPY)	79,176	79,261	130,477	136,299	185,918
Amount of Net Assets (mn JPY)	35,844	36,373	61,392	61,731	91,758
Capital-to-Asset Ratio	45.3%	45.9%	47.1%	45.3%	49.4%
Total Amount of Investment (mn JPY)	29,134	29,134	53,096	53,096	82,465
End-of-period total number of units issued	1,573,179	1,573,179	2,668,686	2,668,686	3,193,686
Amount of Net Assets per Unit (JPY)	22,785	23,121	23,005	23,132	28,731
Return on Asset (ROA) (annualized)	0.9%	2.3%	3.0%	3.4%	3.2%
Return on Equity (ROE) (annualized)	2.1%	5.0%	6.4%	7.5%	6.4%
Amount of interest-bearing debts (mn JPY)	41,310	41,000	67,260	72,301	91,699
Weighted average interest rate	3.2%	1.8%	1.1%	1.0%	0.6%
Loan to Value (LTV 1)	53.9%	53.7%	53.1%	54.9%	50.8%
End-of-period Loan-to-Value based on Total Assets (LTV 2)	52.2%	51.7%	51.5%	53.0%	49.3%
Net Operating Income (NOI) (mn JPY)	2,006	2,018	3,861	4,127	5,961
NOI yield (annualized)	5.2%	5.3%	6.8%	6.5%	7.0%
Depreciation Expenses (mn JPY)	527	527	837	986	1,275
Funds From Operations (FFO) (mn JPY)	880	426	2,795	3,282	4,228
NAV(mn JPY)	36,245	37,286	71,175	78,960	134,430
NAV per Unit (JPY)	23,039	23,701	26,671	29,588	42,093
NAV ratio	0.6	1.0	1.9	2.2	1.7

(Note 1) Financial indicators calculation method in the above table are as follows.

- ROA(annualized)= Ordinary Income / Weighted Average Total Assets during the period x 100/days during the period x 3
- ROE(annualized)= Net Income / Weighted Average Net Assets during the period x 100/days during the period x 365
- LTV(1)= End-of-period Interest-Bearing Debt / (End-of-period Interest-Bearing Debt + Unitholders' Capital + Unitholders' Capital Surplus)x100
- LTV(2)= End-of-period Interest-Bearing Debt / End-of-period Total Assets x 100
- NOI= Rental Revenues - Property-Related Expenses + Depreciation Expenses
- NOI yield (annualized)=((Rental Revenues - Property-Related Expenses + Depreciation Expenses)/ days during the period x 365)/ Acquisition Price
- FFO= Net Income + Depreciation Expenses + Other Amortization – Gain on Sales of Properties + Loss from Sales of Properties
- NAV= End-of-period Amount of Net Assets – Undistributed Profit + End-of-period Appraisal Value - Tangible property (including leasehold rights in trust)
- NAV ratio = period-end unit price/ Amount of Net Assets per Unit

(Note 2) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.
In addition "Amount of Net Assets per Unit (JPY)" and "NAV per Unit (JPY)" are rounded to nearest yen.

Income Statement

Items	24th Fiscal Period 2015/1/1-2015/6/30-		25th Fiscal Period 2015/7/1-2015/12/31		Changes	
	Ths JPY	%	Ths JPY	%	Ths JPY	%
Operating revenues	4,974,760	100.0	6,863,775	100.0	1,889,015	38.0
Rental revenues (1)	4,974,760		6,863,775		1,889,015	
Operating expenses	2,163,828	43.5	2,494,667	36.3	330,838	15.3
Property related expenses (2)	1,834,039		2,178,165		344,126	
Depreciation expenses (3)	986,765		1,275,714		288,948	
NOI (1)-(2)+(3)	**4,127,486**		**5,961,324**		**1,833,837**	**44.4**
Asset management fees	180,000		180,000		-	
Directors' compensation	4,800		4,800		-	
Asset custody fees	6,342		6,794		451	
Administrative service fees	22,055		25,170		3,114	
Provision of allowance for doubtful accounts	467		58		-408	
Other	116,123		99,677		-16,445	
Operating income	2,810,931	56.5	4,369,108	63.7	1,558,176	55.4
Non-operating income	4,648	0.1	2,205	0.0	-2,442	-52.5
Interest income	1,242		814		-427	
Interest on tax refund	3,098		936		-2,161	
Other	307		454		146	
Non-operating expenses	519,670	10.4	1,418,020	20.7	898,350	172.9
Interest expenses	379,341		296,892		-82,448	
Loan-related costs	140,328		982,261		841,932	
Investment unit issuance expenses	-		138,866		138,866	
Ordinary income	2,295,909	46.2	2,953,293	43.0	657,384	28.6
Income before income taxes	2,295,909	46.2	2,953,293	43.0	657,384	28.6
Income taxes	605		605		-	
Net income	2,295,304	46.1	2,952,688	43.0	657,384	28.6
Retained earnings brought forward	75,399		75,634		234	
Unappropriated retained earnings / loss at the end of the period	2,370,704		3,028,323		657,618	27.7

Balance Sheet - Assets

Items	24th Fiscal Period (As of Jun. 30, 2015)		25th Fiscal Period (As of Dec. 31, 2015)		Changes	
	Ths JPY	%	Ths JPY	%	Ths JPY	%
Assets						
Current assets						
Cash and bank deposits	2,691,921		7,885,398		5,193,476	
Cash and bank deposits in trust	4,822,622		5,933,582		1,110,960	
Accounts receivables	190		124		-65	
Rental receivables	637,813		1,069,352		431,538	
Prepaid expenses	260,394		241,931		-18,462	
Consumption tax receivable	316,413		928,025		611,612	
Others	0		35		35	
Allowance for doubtful accounts	-2,436		-2,494		-58	
Total current assets	8,726,919	6.4	16,055,955	8.6	7,329,036	84.0
Non-current assets						
Property and equipment						
Buildings	77,048		76,507		-541	
Buildings and accompanying facilities	19,117		18,268		-849	
Structures	1,509		1,443		-65	
Land	711,834		711,834		0	
Buildings in trust	45,931,690		61,371,553		16,224,478	
Buildings and accompanying facilities in trust	10,196,539		12,358,438		2,161,898	
Structures in trust	195,246		189,591		-5,654	
Tools, furniture and fixtures in trust	178,020		251,331		73,310	
Land in trust	69,963,823		88,435,785		18,471,961	
Total property and equipment	127,274,829	93.4	163,414,753	87.9	36,139,923	28.4
Intangible assets						
Leasehold rights in trust	0		5,836,789		5,836,789	
Others	45		15		-30	
Total intangible assets	45	0.0	5,836,804	3.1	5,836,758	12,729,006.7
Investment and other assets						
Guarantee deposits	10,035		39,518		29,483	
Long-term prepaid expenses	251,697		533,409		281,712	
Others	36,218		38,429		-30	
Total investment and other assets	297,951	0.2	611,357	0.3	313,406	105.2
Total non-current assets	127,572,826	93.6	169,862,915	91.4	42,290,088	33.1
Total assets	136,299,746	100.0	185,918,871	100.0	49,619,125	36.4

Balance Sheet – Liabilities/Net Assets

Items	24th Fiscal Period (As of Jun. 30, 2015)		25th Fiscal Period (As of Dec. 31, 2015)		Changes	
	Ths JPY	%	Ths JPY	%	Ths JPY	%
Liabilities						
Current liabilities						
Accounts payable	168,742		136,766		-31,975	
Short-term loans payable	-		1,080,000		1,080,000	
Current portion of long-term loans payable	62,341,000		-		-62,341,000	
Current portion of long-term loans payable in trust	9,960,000		-		-9,960,000	
Accounts payable-other	43,752		47,597		3,845	
Accrued expenses	174,711		134,010		-40,701	
Income taxes payable	542		564		21	
Advances received	420,660		473,164		52,504	
Deposits received	10,108		23,043		12,935	
Total current liabilities	73,119,517	53.6	1,895,146	1.0	-71,224,371	-97.4
Non-current liabilities						
Long-term loans payable	-		90,619,000		90,619,000	
Tenant leasehold and security deposits in trust	1,420,014		1,617,867		197,852	
Tenant leasehold and security deposits	28,663		28,663		-	
Total non-current liabilities	1,448,677	1.1	92,265,530	49.6	90,816,852	6,268.9
Total liabilities	74,568,195	54.7	94,160,677	50.6	19,592,481	26.3
Net assets						
Unitholders' equity						
Unitholders' capital	53,096,413	39.0	82,465,438	44.4	29,369,025	55.3
Surplus						
Capital surplus	6,264,432		6,264,432		-	
Retained earnings	2,370,704		3,028,323		657,618	
Total surplus	8,635,136	6.3	9,292,755	5.0	657,618	7.6
Total unitholders' equity	61,731,550	45.3	91,758,194	49.4	30,026,643	48.6
Total net assets	61,731,550	45.3	91,758,194	49.4	30,026,643	48.6
Total liabilities and net assets	136,299,746	100.0	185,918,871	100.0	49,619,125	36.4

Net assets per unit as of the end of 25th Fiscal Period:
¥ 28,731

Total number of units issued and outstanding:
3,193,686units

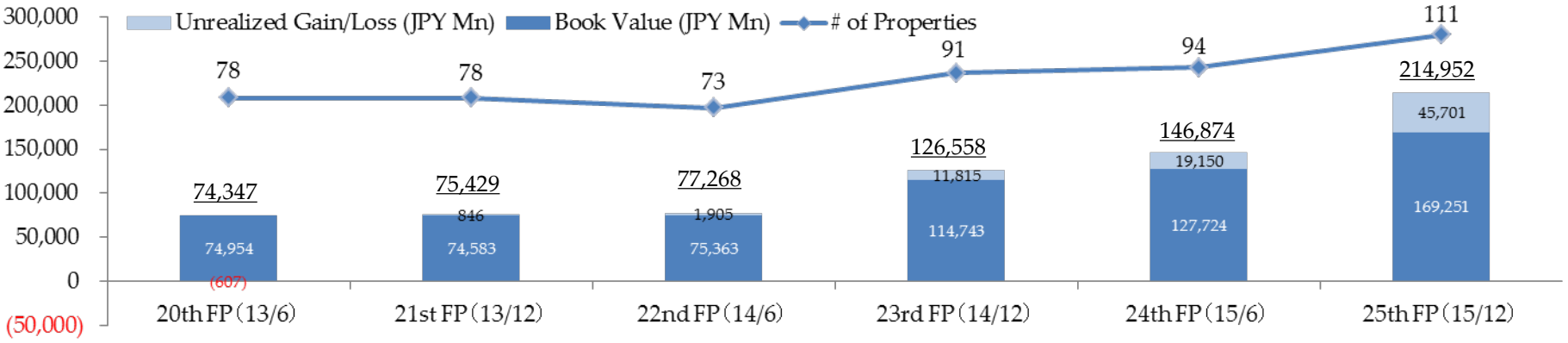
Cash Flow Statement / Financial Statements pertaining to Distribution of Monies

Items	24th Fiscal Period 2015/1/1-2015/06/30	25th Fiscal Period 2015/7/1-2015/12/31
	Ths JPY	Ths JPY
Cash flows from operating activities		
Income before income taxes	2,295,909	2,953,293
Depreciation and amortization	986,795	1,275,744
Investment unit issuance costs	-	138,866
Loan-related costs	140,328	982,261
Interest income	(1,242)	(814)
Interest expenses	379,341	296,892
Increase (decrease) in allowance for doubtful accounts	467	58
Decrease (increase) in rental receivables	6,739	(431,538)
Decrease (increase) in consumption taxes receivable	1,002,839	(611,612)
Increase (decrease) in accounts payable	21,539	(25,114)
Increase (decrease) in accounts payable-other	17,865	1,989
Increase (decrease) in accrued expenses	49,396	(9,097)
Increase (decrease) in advances received	49,576	52,504
Increase (decrease) in deposits received	(13,787)	12,935
Others	(9,953)	4,131
Subtotal	4,925,816	4,640,500
Interest income received	1,242	814
Interest expenses paid	(381,197)	(328,496)
Income taxes paid	(640)	(583)
Cash flows from operating activities	4,545,220	4,312,234
Cash flows from investment activities		
Purchases of property and equipment in trust	(13,512,228)	(37,422,498)
Purchases of leasehold rights in trust	-	(5,836,789)
Proceeds from tenant leasehold and security deposits in trust	406,054	239,098
Repayments of tenant leasehold and security deposits in trust	(35)	(37,422,498)
Others	(1,487)	(31,694)
Cash flows from investment activities	(13,202,847)	(43,092,621)
Cash flows from financing activities		
Proceeds from short-term loans payable	-	1,401,000
Repayments of short-term loans payable	-	(321,000)
Proceeds from long-term loans payable	6,241,000	90,619,000
Repayments of long-term loans payable	(1,200,000)	(62,341,000)
Repayments of long-term loans payable in trust	-	(9,960,000)
Payments for loan-related costs	(81,398)	(1,250,432)
Distribution payments	(1,952,824)	(2,292,901)
Proceeds from issuance of investment units	-	29,230,158
Cash flows from financing activities	3,006,776	45,084,824
Net increase (decrease) in cash and cash equivalents	(5,650,850)	6,304,437
Cash and cash equivalents at beginning of period	13,165,393	7,514,543
Cash and cash equivalents at end of period	7,514,543	13,818,981

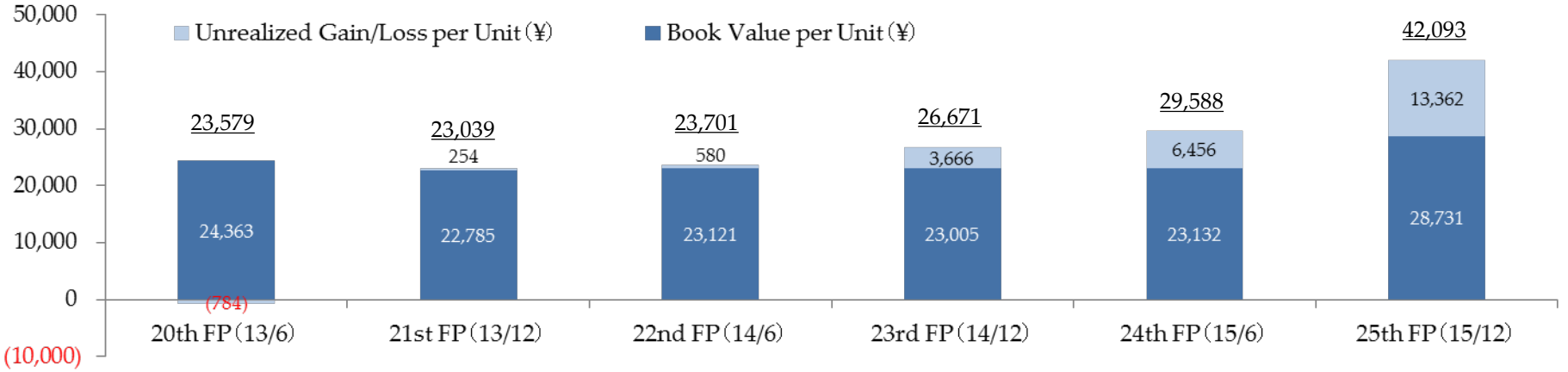
Items		24th Fiscal Period 2015/1/1-2015/06/30	25th Fiscal Period 2015/7/1-2015/12/31
Unappropriated retained earnings	(Ths JPY)	2,370,704	3,028,323
Distributions in excess of retained earnings Deduction from unit holders' capital	(Ths JPY)	-	763,290
Distributions	(Ths JPY)	2,295,069	3,790,905
Of which, distributions of earnings	(Ths JPY)	2,295,069	3,027,614
Of which, distributions in excess of retained earnings	(Ths JPY)	-	763,290
Distribution per Unit	(JPY)	860	1,187
Voluntary reserve Reserve for temporary Difference adjustment	(Ths JPY)	-	708
Retained earnings carried forward	(Ths JPY)	75,634	-

Summary of Appraisal Value

■ Trend of Appraisal Value (¥ mn)



■ Trend of NAV per Unit (¥)



Appraisal Value (1/3)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of June 2015			As of the end of December 2015			Change[1]		Appraiser[2]
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
A26	Nisshin Palacestage Daitabashi	1,251,830	1,135,384	1,160,000	4.9%	1,133,219	1,140,000	4.8%	-20,000	-0.1	Assets R&D
A27	Nisshin Palacestage Higashi-Nagasaki	1,229,070	1,112,109	1,260,000	5.0%	1,101,704	1,260,000	5.0%	0	-0.1	Assets R&D
A28	Growth Maison Gotanda	888,200	837,982	968,000	4.6%	833,739	983,000	4.5%	15,000	-0.1	Assets R&D
A29	Growth Maison Kameido	1,070,850	1,001,212	1,100,000	4.7%	995,286	1,100,000	4.6%	0	-0.1	Assets R&D
A30	Emerald House	1,505,161	1,401,495	1,280,000	4.9%	1,391,961	1,310,000	4.8%	30,000	-0.1	Assets R&D
A31	Harmonie Ochanomizu	1,428,024	1,368,879	1,320,000	4.6%	1,362,813	1,320,000	4.5%	0	-0.1	Assets R&D
A32	Suncrest Shakujii Koen	1,088,979	1,058,467	1,050,000	4.8%	1,078,787	1,070,000	4.7%	20,000	-0.1	Assets R&D
A33	Growth Maison Shin-Yokohama	1,059,457	983,126	1,160,000	4.8%	977,897	1,180,000	4.7%	20,000	-0.1	Assets R&D
A34	Belle Face Ueno Okachimachi	1,023,074	972,414	999,000	4.6%	967,058	1,020,000	4.5%	21,000	-0.1	Assets R&D
A35	Grand Rire Kameido	906,121	844,413	949,000	4.8%	840,893	969,000	4.7%	20,000	-0.1	Assets R&D
A36	Growth Maison Ikebukuro	825,411	767,381	868,000	4.6%	762,116	868,000	4.5%	0	-0.1	Assets R&D
A37	Growth Maison Yoga	795,986	758,631	697,000	4.7%	755,130	702,000	4.6%	5,000	-0.1	Assets R&D
A38	Route Tachikawa	676,951	646,671	616,000	4.9%	644,535	634,000	4.8%	18,000	-0.1	Assets R&D
A39	Shibuya Honmachi Mansion	651,474	656,256	609,000	4.8%	656,557	615,000	4.7%	6,000	-0.1	Assets R&D
A40	City Heights Kinuta	646,337	647,741	479,000	4.8%	647,243	486,000	4.7%	7,000	-0.1	Assets R&D
A41	Acseeds Tower Kawaguchi Namiki	620,893	561,513	707,000	5.5%	556,475	709,000	5.4%	2,000	-0.1	Assets R&D
A42	Capital Heights Kagurazaka	604,858	616,450	556,000	4.7%	617,064	562,000	4.6%	6,000	-0.1	Assets R&D
A43	College Square Machida	589,553	567,696	520,000	5.3%	565,807	530,000	5.2%	10,000	-0.1	Assets R&D
A44	Belair Meguro	589,004	568,104	592,000	4.4%	565,779	596,000	4.3%	4,000	-0.1	Assets R&D
A45	Wacore Tsunashima Ⅰ	572,914	541,379	511,000	5.0%	539,015	512,000	4.9%	1,000	-0.1	Assets R&D
A46	Foros Nakamurabashi	566,980	529,065	572,000	4.7%	526,547	564,000	4.6%	-8,000	-0.1	Assets R&D
A47	Growth Maison Kaijin	557,256	528,405	458,000	5.4%	525,655	444,000	5.3%	-14,000	-0.1	Assets R&D
A48	College Square Machiya	510,721	470,476	519,000	4.8%	467,190	530,000	4.7%	11,000	-0.1	Assets R&D
A51	City House Tokyo Shinbashi	2,520,000	2,380,280	2,950,000	4.6%	2,367,486	3,060,000	4.5%	110,000	-0.1	JREI
A52	Winbell Kagurazaka	3,260,000	3,099,292	3,730,000	4.3%	3,085,339	3,810,000	4.2%	80,000	-0.1	Morii
A53	Nishiwaseda Cresent Mansion	1,880,000	1,879,164	2,310,000	4.6%	1,879,064	2,380,000	4.5%	70,000	-0.1	Morii
A54	Lexington Square Akebonobashi	1,450,000	1,360,723	1,680,000	4.6%	1,354,258	1,740,000	4.5%	60,000	-0.1	Tanizawa
A56	Casa Eremitaggio	1,070,000	982,769	1,040,000	4.5%	975,886	1,050,000	4.4%	10,000	-0.1	JREI
A59	Towa City Coop Shin-otsuka Ⅱ	866,000	825,138	1,020,000	5.0%	827,901	1,040,000	4.9%	20,000	-0.1	JREI
A61	Bichsel Musashiseki	577,000	557,941	681,000	4.8%	555,975	695,000	4.7%	14,000	-0.1	Morii
A62	Lexel Mansion Ueno Matsugaya	970,000	885,428	1,120,000	4.7%	877,084	1,140,000	4.6%	20,000	-0.1	Tanizawa
A63	Towa City Coop Sengencho	1,110,000	1,033,411	1,320,000	5.6%	1,027,659	1,350,000	5.5%	30,000	-0.1	JREI
A64	Royal Park Omachi	415,000	394,684	520,000	6.1%	394,651	545,000	5.9%	25,000	-0.2	JREI
A65	Lexington Square Haginomachi	330,000	299,908	448,000	6.0%	296,358	450,000	5.9%	2,000	-0.1	JREI
A66	Visconti Kakuozan	255,000	237,057	258,000	5.6%	235,279	257,000	5.5%	-1,000	-0.1	Tanizawa
A71	Lexington Square Daitabashi	977,000	890,738	1,090,000	4.6%	882,736	1,110,000	4.5%	20,000	-0.1	Tanizawa
A72	Lexington Square Honjo-Azumabashi	511,000	459,927	576,000	4.7%	454,991	581,000	4.6%	5,000	-0.1	Tanizawa
A73	AMS TOWER Minami 6-Jo	1,180,000	1,029,619	1,150,000	5.7%	1,015,496	1,180,000	5.6%	30,000	-0.1	Tanizawa

(Note 1) As for the properties acquired during the December 2015 period, we treat the appraisal value obtained at the time of acquisition as the appraisal value as of the end of June 2015, for the purpose of comparison. These properties are residential properties (A100 through A102) and hotel properties (D24 through D34) acquired on July 16, 2015 and hotel properties (D35 - D37) acquired on August 28, 2015.

(Note 2) The names of the appraisers in the chart are abridged. Official names are as follows; Assets R&D: Assets Research and Development Inc.; JREI: Japan Real Estate Institute, Morii: Morii Appraisal & Investment Consulting, Inc., Tanizawa: The Tanizawa Sōgō Appraisal Co., Ltd., Daiwa: Daiwa Real Estate Appraisal Co., Ltd.

Appraisal Value (2/3)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of June 2015			As of the end of December 2015			Change[1]		Appraiser[2]
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
A75	Spacia Ebisu	7,010,000	6,631,130	7,560,000	4.4%	6,599,534	7,780,000	4.3%	220,000	-0.1	JREI
A76	Neo Prominence	1,660,000	1,642,621	1,820,000	5.0%	1,635,998	1,860,000	4.9%	40,000	-0.1	JREI
A77	Invoice Shin-Kobe Residence	1,260,000	1,228,067	1,410,000	5.1%	1,217,463	1,410,000	5.0%	0	-0.1	JREI
A78	Cosmo Court Motomachi	973,000	946,683	1,050,000	5.0%	936,711	1,070,000	4.9%	20,000	-0.1	JREI
A79	Revest Honjin	674,000	656,834	761,000	5.7%	649,399	784,000	5.6%	23,000	-0.1	JREI
A80	Revest Matsubara	657,000	642,713	761,000	5.3%	636,199	770,000	5.2%	9,000	-0.1	JREI
A81	Sun Terrace Minami Ikebukuro	625,000	610,799	695,000	4.6%	605,941	701,000	4.6%	6,000	-	JREI
A82	Alba Noritake Shinmachi	608,000	593,358	698,000	5.2%	586,580	712,000	5.1%	14,000	-0.1	JREI
A83	Revest Meieki Minami	597,000	583,549	695,000	5.0%	577,505	723,000	4.9%	28,000	-0.1	JREI
A84	Revest Heian	595,000	580,665	650,000	5.4%	574,265	666,000	5.2%	16,000	-0.2	JREI
A85	Vendir Hamaotsu Ekimae	581,000	563,189	684,000	6.0%	556,325	684,000	5.9%	0	-0.1	JREI
A86	Salvo Sala	544,000	532,005	619,000	5.3%	526,560	623,000	5.2%	4,000	-0.1	JREI
A87	Excellente Kagurazaka	543,000	533,726	598,000	4.4%	529,531	613,000	4.3%	15,000	-0.1	JREI
A88	Luna Court Edobori	525,000	511,873	567,000	5.2%	506,809	568,000	5.1%	1,000	-0.1	JREI
A89	Winntage Kobe Motomachi	512,000	497,024	585,000	5.1%	491,218	594,000	5.0%	9,000	-0.1	JREI
A90	Queen's Court Fukuzumi	456,000	448,013	538,000	4.5%	444,818	564,000	4.4%	26,000	-0.1	JREI
A91	Corp Higashinotoin	446,000	437,178	493,000	5.0%	433,378	500,000	4.9%	7,000	-0.1	JREI
A92	Belair Oimachi	412,000	406,245	477,000	4.5%	403,570	487,000	4.4%	10,000	-0.1	JREI
A93	Siete Minami-Tsukaguchi	374,000	367,045	418,000	5.3%	363,804	428,000	5.2%	10,000	-0.1	JREI
A94	Prime Life Sannomiya Isogami Koen	373,000	364,682	429,000	5.0%	361,256	432,000	4.9%	3,000	-0.1	JREI
A95	HERMITAGE NANBA WEST	355,000	349,895	409,000	5.2%	346,448	418,000	5.1%	9,000	-0.1	JREI
A96	Century Park Shinkawa 1-bankan	335,000	330,728	411,000	5.6%	327,704	418,000	5.5%	7,000	-0.1	JREI
A97	West Avenue	331,000	323,058	331,000	5.4%	320,851	327,000	5.3%	-4,000	-0.1	JREI
A98	Little River Honmachibashi	310,000	306,896	374,000	5.0%	304,022	381,000	4.9%	7,000	-0.1	JREI
A99	Prime Life Mikage	297,000	290,068	333,000	5.3%	287,108	337,000	5.2%	4,000	-0.1	JREI
A100	City Court Kitaichijo	1,782,000	-	1,800,000	5.3%	1,880,901	1,860,000	5.2%	60,000	-0.1	JREI
A101	Lieto Court Mukojima	1,683,000	-	1,700,000	4.8%	1,761,516	1,700,000	4.7%	0	-0.1	JREI
A102	Lieto Court Nishi-Ojima	1,634,000	-	1,650,000	4.6%	1,697,625	1,690,000	4.5%	40,000	-0.1	JREI
	Subtotal of Residential	63,182,111	55,269,403	67,359,000	-	60,305,706	68,592,000	-	1,233,000	-	-
B8	Kindai Kagaku Sha Building	1,301,357	1,232,770	1,040,000	4.7%	1,224,381	1,030,000	4.7%	-10,000	-0.1	Assets R&D
B9	Shinjuku Island	715,000	4,753,597	512,000	4.9%	4,730,966	524,000	4.8%	12,000	-0.1	Morii
B14	Lexington Plaza Nishigotanda	4,880,000	1,069,699	4,020,000	4.8%	1,082,297	4,030,000	4.7%	10,000	-0.1	JREI
B15	Cross Square NAKANO	1,060,000	749,948	944,000	4.9%	742,998	945,000	4.9%	1,000	-	JREI
B16	Ohki Aoba Building	816,000	3,145,977	665,000	6.0%	3,131,210	677,000	5.9%	12,000	-0.1	Tanizawa
B17	Lexington Plaza Hachiman	3,280,000	2,032,311	3,500,000	5.9%	2,002,872	3,500,000	5.9%	0	-	Morii
B18	AEON TOWN Sukagawa	2,320,000	708,686	2,320,000	6.5%	707,231	2,330,000	6.5%	10,000	-	Morii
	Subtotal of Offices and Commercial Facilities	14,372,357	13,692,991	13,001,000	-	13,621,959	13,036,000	-	35,000	-	-
C1	Times Kanda-Sudacho 4th	97,977	100,822	109,000	4.3%	100,821	112,000	4.2%	3,000	-0.1	Assets R&D
	Subtotal of Parking Lots	97,977	100,822	109,000	-	100,821	112,000	-	3,000	-	-

Please see P28 for the footnote.

Appraisal Value (3/3)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of June 2015			As of the end of December 2015			Change[1]		Appraiser[2]
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
D1	Hotel MyStays Kanda	2,851,000	2,878,730	3,560,000	4.9%	2,864,942	5,000,000	5.1%	1,440,000	0.2	JREI
D2	Hotel MyStays Asakusa	2,584,000	2,593,839	3,480,000	5.5%	2,581,962	5,330,000	5.7%	1,850,000	0.2	JREI
D3	Hotel MyStays Kyoto-Shijo	6,024,460	5,949,936	9,200,000	5.5%	5,904,823	13,400,000	5.7%	4,200,000	0.2	JREI
D4	MyStays Shin- Urayasu Conference Center	4,930,200	4,865,812	5,670,000	5.5%	4,829,797	6,200,000	5.3%	530,000	-0.2	JREI
D5	Hotel MyStays Maihama	4,870,312	4,814,110	5,220,000	5.4%	4,783,439	5,640,000	5.2%	420,000	-0.2	JREI
D6	Hotel Vista Premio Dojima	3,845,400	3,792,073	5,200,000	5.3%	3,760,639	5,560,000	5.1%	360,000	-0.2	JREI
D7	Hotel MyStays Nagoya-Sakae	2,958,000	2,891,566	3,210,000	6.3%	2,857,518	4,920,000	6.9%	1,710,000	0.6	JREI
D8	Hotel MyStays Sakaisuji-Hon-	2,514,820	2,488,955	3,870,000	5.6%	2,471,561	7,010,000	7.0%	3,140,000	1.4	JREI
D9	Hotel MyStays Yokohama	2,119,900	2,082,818	2,680,000	5.9%	2,068,442	3,310,000	5.8%	630,000	-0.1	JREI
D10	Hotel MyStays Nippori	1,898,540	1,879,974	2,430,000	5.0%	1,867,125	3,760,000	5.4%	1,330,000	0.4	JREI
D11	Hotel MyStays Fukuoka-Tenjin-Minami	1,570,520	1,555,841	2,100,000	6.0%	1,545,303	3,330,000	7.4%	1,230,000	1.4	JREI
D12	Flexstay Inn Iidabashi	1,381,660	1,375,149	1,600,000	5.1%	1,365,075	1,760,000	4.9%	160,000	-0.2	JREI
D13	Hotel MyStays Ueno Inaricho	1,331,960	1,315,490	1,780,000	4.8%	1,303,805	2,680,000	5.0%	900,000	0.2	JREI
D14	Flexstay Inn Shinagawa	1,242,500	1,236,730	1,540,000	5.1%	1,231,080	1,670,000	5.0%	130,000	-0.1	JREI
D15	Flexstay Inn Tokiwadai	1,242,500	1,241,835	1,440,000	5.5%	1,237,891	1,840,000	5.4%	400,000	-0.1	JREI
D16	Flexstay Inn Sugamo	1,192,800	1,181,384	1,410,000	5.2%	1,173,293	2,120,000	5.4%	710,000	0.2	JREI
D17	Hotel MyStays Otemae	1,192,800	1,187,068	1,730,000	6.3%	1,180,372	2,960,000	7.8%	1,230,000	1.5	JREI
D18	Flexstay Inn Kiyosumi Shirakawa	749,476	748,551	848,000	5.7%	745,286	999,000	5.4%	151,000	-0.3	JREI
D19	Flexstay Inn Nakanobu P1	589,442	588,554	659,000	5.4%	585,129	709,000	5.3%	50,000	-0.1	JREI
D20	Flexstay Inn Nakanobu P2	283,290	285,924	318,000	5.4%	284,698	341,000	5.3%	23,000	-0.1	JREI
D21	APA Hotel Yokohama-Kannai	8,350,000	8,341,990	8,600,000	5.0%	8,266,341	8,870,000	4.8%	270,000	-0.2	JREI
D22	Hotel Nets Hakodate	2,792,000	2,792,631	2,870,000	6.6%	2,762,625	2,890,000	6.6%	20,000	-	JREI
D23	Flexstay Inn Shirogane	2,119,000	2,122,643	2,140,000	5.5%	2,117,033	2,180,000	5.4%	40,000	-0.1	JREI
D24	Hotel MyStays Haneda	7,801,000	-	7,880,000	5.2%	7,759,594	8,150,000	5.0%	270,000	-0.2	JREI
D25	Hotel MyStays Kameido P1	5,594,000	-	5,650,000	5.6%	5,576,612	6,680,000	5.8%	1,030,000	0.2	JREI
D26	Hotel MyStays Ueno Iriyaguchi	3,821,000	-	3,860,000	5.7%	3,808,945	4,290,000	5.8%	430,000	0.1	JREI
D27	Hotel MyStays Kameido P2	3,742,000	-	3,780,000	5.6%	3,726,317	4,480,000	5.9%	700,000	0.3	JREI
D28	Hotel Vista Shimizu	2,198,000	-	2,220,000	6.5%	2,186,336	2,260,000	6.4%	40,000	-0.1	JREI
D29	Super Hotel Shinbashi/ Karasumoriguchi	1,624,000	-	1,640,000	4.3%	1,627,818	1,720,000	4.1%	80,000	-0.2	JREI
D30	Flexstay Inn Higashi-Jujo	1,277,000	-	1,290,000	6.3%	1,279,050	1,330,000	6.2%	40,000	-0.1	JREI
D31	Hotel MyStays Utsunomiya	1,237,000	-	1,250,000	6.6%	1,242,879	1,250,000	6.6%	0	-	JREI
D32	Flexstay Inn Kawasaki-Kaizuka	980,000	-	990,000	6.0%	977,143	1,010,000	5.9%	20,000	-0.1	JREI
D33	Comfort Hotel Toyama	979,000	-	989,000	5.9%	979,660	1,030,000	5.7%	41,000	-0.2	JREI
D34	Flexstay Inn Kawasaki-Ogawacho	906,000	-	915,000	5.8%	906,397	933,000	5.7%	18,000	-0.1	JREI
D35	Flexstay Inn Ekoda	5,069,000	-	5,120,000	5.5%	5,055,999	5,220,000	5.4%	100,000	-0.1	JREI
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	1,170,000	-	1,180,000	4.5%	1,173,736	1,210,000	4.4%	30,000	-0.1	Daiwa
D37	Super Hotel JR Ueno-iriyaguchi	1,130,000	-	1,140,000	4.1%	1,134,373	1,170,000	4.0%	30,000	-0.1	Daiwa
	Subtotal of Hotels	96,162,580	58,211,612	109,459,000	-	95,223,054	133,212,000	-	23,753,000	-	-
	Total	173,815,026	127,274,829	189,928,000	-	169,251,542	214,952,000	-	25,024,000	-	-

Please see P28 for the footnote.

Property Income (1/4)

(in ¥ thousand)

Property Number	A26	A27	A28	A29	A30	A31	A32	A33	A34	A35	A36	A37	A38	A39	A40
Property Name	Nisshin Palacestage Daitabashi	Nisshin Palacestage Higashi-Nagasaki	Growth Maison Gotanda	Growth Maison Kameido	Emerald House	Harmonie Ochanomizu	Suncrest Shakujii Koen	Growth Maison Shin-Yokohama	Belle Face Ueno Okachimachi	Grand Rire Kameido	Growth Maison Ikebukuro	Growth Maison Yoga	Route Tachikawa	Shibuya Honmachi Mansion	City Heights Kinuta
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	39,112	44,131	27,351	33,293	42,204	37,837	36,341	35,887	30,622	26,619	25,305	22,164	21,787	20,262	17,163
Rent, common area fees / GOP(1)	36,020	39,784	26,772	31,168	39,615	35,168	33,183	33,323	30,475	26,619	23,323	20,996	19,095	19,000	15,887
Other revenue	3,092	4,347	579	2,124	2,589	2,669	3,158	2,563	146	-	1,982	1,168	2,691	1,262	1,276
② Property related expenses	20,182	25,970	8,918	15,747	18,461	15,376	17,864	13,959	12,633	7,880	12,075	9,047	8,202	6,857	5,635
Facility management fees	7,153	6,991	2,668	4,805	5,366	4,088	5,054	3,417	4,944	98	2,962	2,421	2,020	2,555	2,007
(of which, repair cost)	353	314	353	331	375	618	438	69	-	38	60	109	92	734	72
(of which, utility expenses)	1,520	2,015	270	550	975	685	1,141	569	486	-	587	391	427	220	75
Tax and other public charges	1,616	2,714	1,330	1,687	2,566	1,874	3,135	2,408	1,665	1,720	1,054	1,370	1,070	927	983
Insurance expenses	72	110	43	61	117	65	105	79	56	64	43	43	46	38	34
Depreciation expenses(⑦)	8,299	12,744	4,351	5,925	9,672	7,090	7,496	6,129	5,355	5,496	5,264	4,028	4,142	2,218	1,673
Other expenses	3,039	3,409	525	3,267	738	2,257	2,071	1,924	610	500	2,750	1,183	922	1,117	935
③ Rental income (①−②)	18,929	18,161	18,432	17,545	23,743	22,461	18,477	21,927	17,988	18,739	13,230	13,116	13,585	13,405	11,528
④ NOI (①−②+⑦)	27,229	30,905	22,783	23,471	33,416	29,552	25,973	28,057	23,344	24,236	18,495	17,145	17,728	15,623	13,202
⑤ Capital expenditure	6,135	2,339	108	-	139	1,024	27,816	900	-	1,976	-	528	2,006	2,519	1,176
⑥ NCF(④−⑤)	21,094	28,565	22,675	23,471	33,276	28,527	-1,843	27,157	23,344	22,259	18,495	16,617	15,721	13,103	12,025

Property Number	A41	A42	A43	A44	A45	A46	A47	A48	A51	A52	A53	A54	A56	A59	A61
Property Name	Acseeds Tower Kawaguchi Namiki	Capital Heights Kagurazaka	College Square Machida	Belair Meguro	Wacore Tsunashima I	Foros Nakamurabashi	Growth Maison Kaijin	College Square Machiya	City House Tokyo Shinbashi	Winbell Kagurazaka	Nishiwasea Cresent Mansion	Lexington Square Akebonobashi	Casa Eremitaggio	Towa City Coop Shin-otsuka II	Bichsel Musashisekii
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	24,609	18,605	17,484	16,591	18,189	17,872	22,357	14,706	91,326	102,344	70,527	49,358	30,488	33,697	24,129
Rent, common area fees / GOP(1)	23,558	18,417	17,484	15,265	17,774	16,087	19,861	14,706	87,140	94,570	67,206	47,064	28,419	32,382	23,359
Other revenue	1,051	187	-	1,325	414	1,784	2,495	-	4,185	7,773	3,320	2,293	2,069	1,315	769
② Property related expenses	9,708	7,834	4,096	7,055	8,469	9,883	15,680	5,018	37,320	41,939	25,611	19,749	16,166	15,280	8,911
Facility management fees	2,792	3,108	149	2,345	2,675	2,341	4,741	-	14,053	11,652	10,153	5,072	3,307	5,971	3,523
(of which, repair cost)	223	52	149	24	27	84	122	-	975	234	895	96	265	44	173
(of which, utility expenses)	412	337	-	186	649	334	1,089	-	0	1,509	695	511	925	-	540
Tax and other public charges	1,126	1,091	1,517	872	891	989	2,135	937	4,949	6,320	3,596	2,204	1,675	1,384	1,174
Insurance expenses	47	41	40	28	38	36	89	30	130	169	121	68	53	59	54
Depreciation expenses(⑦)	5,038	2,323	1,889	2,324	3,952	4,673	6,564	3,549	13,177	16,004	7,727	8,657	9,145	4,991	2,739
Other expenses	703	1,269	500	1,484	911	1,842	2,149	500	5,008	7,791	4,013	3,746	1,984	2,872	1,419
③ Rental income (①−②)	14,900	10,770	13,387	9,535	9,719	7,988	6,676	9,687	54,005	60,405	44,915	29,608	14,321	18,417	15,217
④ NOI (①−②+⑦)	19,938	13,093	15,276	11,860	13,671	12,661	13,240	13,237	67,183	76,410	52,643	38,266	23,467	23,409	17,957
⑤ Capital expenditure	-	2,937	-	-	1,587	2,155	3,813	264	383	2,051	7,628	2,192	2,262	7,754	773
⑥ NCF(④−⑤)	19,938	10,156	15,276	11,860	12,084	10,506	9,426	12,972	66,800	74,358	45,014	36,073	21,205	15,654	17,183

(Note 1) Rent and common area fees are entered for residential, office building and retail facility. Rent is entered for parking lot. GOP is entered for hotel.
(Note 2) As the consent for disclosure has not been obtained from the tenant, the figures are not disclosed.

Property Income (2/4)

(in ¥ thousand)

Property Number	A62	A63	A64	A65	A66	A71	A72	A73	A75	A76	A77	A78	A79	A80	A81
Property Name	Lexel Mansion Ueno Matsugaya	Towa City Coop Sengencho	Royal Park Omachi	Lexington Square Haginomachi	Visconti Kakuozan	Lexington Square Daitabashi	Lexington Square Honjo-Azumabashi	AMS TOWER Minami 6-Jo	Spacia Ebisu	Neo Prominence	Invoice Shin-Kobe Residence	Cosmo Court Motomachi	Revest Honjin	Revest Matsubara	Sun Terrace Minami Ikebukuro
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	34,353	54,348	25,904	17,373	9,620	31,704	17,679	46,125	203,351	63,002	46,814	37,098	31,945	28,756	22,630
Rent, common area fees / GOP(1)	31,395	50,447	22,934	15,749	8,575	30,118	16,902	44,427	180,321	54,201	44,087	35,885	29,988	26,485	20,823
Other revenue	2,958	3,900	2,969	1,624	1,045	1,585	777	1,698	23,029	8,800	2,727	1,213	1,957	2,271	1,807
② Property related expenses	20,101	30,765	13,396	8,138	7,416	14,964	9,990	33,104	73,715	28,648	24,252	18,326	13,292	15,136	10,383
Facility management fees	6,586	15,246	5,986	2,188	2,888	2,954	2,171	6,336	13,704	11,964	4,392	3,622	3,033	3,718	3,040
(of which, repair cost)	2,185	299	839	-	174	35	18	1,041	639	-	125	-	32	137	289
(of which, utility expenses)	560	10	1,779	617	146	488	355	740	2,201	4,230	585	607	394	365	410
Tax and other public charges	1,880	3,004	1,583	1,148	903	1,546	812	6,442	8,786	3,554	2,731	2,307	1,799	1,867	909
Insurance expenses	66	122	70	44	25	48	35	138	277	140	81	79	70	64	33
Depreciation expenses(⑦)	8,343	7,475	4,248	3,550	1,778	8,002	4,935	14,123	37,256	10,235	11,458	9,972	7,435	7,038	4,857
Other expenses	3,224	4,916	1,506	1,207	1,821	2,410	2,037	6,063	13,691	2,753	5,589	2,344	952	2,448	1,541
③ Rental income (①−②)	14,252	23,582	12,507	9,234	2,204	16,740	7,688	13,020	129,636	34,353	22,561	18,772	18,653	13,620	12,246
④ NOI (①−②+⑦)	22,596	31,057	16,756	12,785	3,982	24,742	12,623	27,143	166,892	44,588	34,019	28,744	26,088	20,658	17,104
⑤ Capital expenditure	-	1,723	4,215	-	-	-	-	-	5,660	3,612	853	-	-	523	-
⑥ NCF(④−⑤)	22,596	29,334	12,540	12,785	3,982	24,742	12,623	27,143	161,231	40,975	33,166	28,744	26,088	20,135	17,104

Property Number	A82	A83	A84	A85	A86	A87	A88	A89	A90	A91	A92	A93	A94	A95	A96
Property Name	Alba Noritake Shinmachi	Revest Meieki Minami	Revest Heian	Vendir Hamaotsu Ekimae	Salvo Sala	Excellente Kagurazaka	Luna Court Edobori	Winntage Kobe Motomachi	Queen's Court Fukuzumi	Corp Higashinotoin	Belair Oimachi	Siete Minami-Tsukaguchi	Prime Life Sannomiya Isogami Koen	HERMITAGE NANBA WEST	Century Park Shinkawa 1-bankan
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	25,999	26,282	23,297	30,247	24,735	18,265	20,341	22,271	17,033	17,945	14,857	16,431	14,943	15,790	16,411
Rent, common area fees / GOP(1)	24,499	25,268	21,877	28,358	23,057	17,610	19,430	21,382	15,944	17,217	14,224	15,427	14,060	14,817	13,819
Other revenue	1,500	1,013	1,419	1,889	1,678	655	910	888	1,089	727	633	1,004	882	973	2,592
② Property related expenses	13,283	12,635	13,682	16,047	14,999	8,137	10,814	13,809	7,339	7,622	6,263	8,604	7,837	7,757	7,748
Facility management fees	3,252	2,960	3,596	5,307	4,887	1,876	3,277	3,785	2,195	2,105	1,871	3,209	1,780	2,139	1,923
(of which, repair cost)	156	31	265	42	140	88	489	25	30	166	16	342	6	312	246
(of which, utility expenses)	364	558	320	2,139	1,011	265	890	500	184	662	174	388	231	286	262
Tax and other public charges	1,737	1,660	1,404	1,952	1,565	775	1,180	1,588	752	912	670	983	848	1,015	873
Insurance expenses	64	68	46	75	52	31	40	50	28	35	24	34	26	31	46
Depreciation expenses(⑦)	6,924	6,948	6,399	6,997	5,444	4,194	5,064	5,805	3,195	3,799	2,675	3,240	3,426	3,446	3,901
Other expenses	1,304	998	2,235	1,715	3,048	1,259	1,252	2,580	1,167	769	1,023	1,137	1,756	1,124	1,003
③ Rental income (①−②)	12,715	13,646	9,614	14,199	9,736	10,127	9,526	8,461	9,694	10,323	8,593	7,826	7,106	8,032	8,662
④ NOI (①−②+⑦)	19,640	20,594	16,014	21,196	15,181	14,322	14,590	14,267	12,889	14,122	11,268	11,066	10,532	11,479	12,564
⑤ Capital expenditure	146	905	-	133	-	-	-	-	-	-	-	-	-	-	877
⑥ NCF(④−⑤)	19,493	19,689	16,014	21,063	15,181	14,322	14,590	14,267	12,889	14,122	11,268	11,066	10,532	11,479	11,686

(Note 1) Rent and common area fees are entered for residential, office building and retail facility. Rent is entered for parking lot. GOP is entered for hotel.
(Note 2) As the consent for disclosure has not been obtained from the tenant, the figures are not disclosed.

Property Income (3/4)

(in ¥ thousand)

Property Number	A97	A98	A99	A100	A101	A102	subtotal	B8	B9	B14	B15	B16	B17	B18	subtotal
Property Name	West Avenue	Little River Honmachibashi	Prime Life Mikage	City Court Kitaichijo	Lieto Court Mukojima	Lieto Court Nishi-Ojima		Kindai Kagaku Sha Building	Shinjuku Island	Lexington Plaza Nishigotanda	Cross Square NAKANO	Ohki Aoba Building	Lexington Plaza Hachiman	AEON TOWN Sukagawa	
number of operating days	184	184	184	169	169	169	-	184	184	184	184	184	184	184	-
① Rental revenues	10,366	13,332	12,003	59,410	47,395	44,694	2,175,138	38,433	(Note 2)	150,219	36,311	39,494	166,052	142,027	589,738
Rent, common area fees / GOP[(1)]	10,021	13,181	11,675	54,921	46,115	44,503	2,033,489	33,981	(Note 2)	133,537	29,992	32,159	131,345	142,027	520,241
Other revenue	344	151	327	4,488	1,279	191	141,648	4,452	(Note 2)	16,682	6,319	7,335	34,707	-	69,496
② Property related expenses	7,045	6,933	6,558	28,279	22,412	16,322	997,313	23,111	(Note 2)	67,272	17,365	21,840	81,152	94,980	315,338
Facility management fees	2,374	1,993	1,259	6,203	5,678	4,195	282,157	7,073	(Note 2)	27,013	7,011	9,264	47,712	56,124	159,168
(of which, repair cost)	561	158	-	165	229	124	16,744	296	(Note 2)	566	432	215	794	-	2,304
(of which, utility expenses)	217	337	154	1,126	441	680	41,809	3,230	(Note 2)	17,122	2,587	4,360	36,022	-	63,322
Tax and other public charges	561	946	762	-	-	-	116,467	4,557	(Note 2)	12,462	3,857	4,086	11,345	7,560	46,978
Insurance expenses	25	28	22	211	99	78	4,417	85	(Note 2)	228	98	121	188	234	1,043
Depreciation expenses(⑦)	2,963	2,874	2,960	20,460	13,717	11,025	448,826	10,588	(Note 2)	26,477	4,090	7,462	21,031	29,438	100,544
Other expenses	1,120	1,090	1,553	1,404	2,917	1,022	145,443	806	(Note 2)	1,089	2,307	905	873	1,622	7,604
③ Rental income (①−②)	3,320	6,398	5,445	31,130	24,982	28,371	1,177,825	15,322	(Note 2)	82,947	18,946	17,653	84,900	47,046	274,399
④ NOI (①−②+⑦)	6,284	9,272	8,405	51,590	38,700	39,397	1,626,652	25,910	(Note 2)	109,425	23,036	25,115	105,932	76,485	374,943
⑤ Capital expenditure	756	-	-	-	228	218	100,330	2,199	(Note 2)	3,846	16,688	512	6,265	-	29,512
⑥ NCF(④−⑤)	5,528	9,272	8,405	51,590	38,471	39,179	1,526,321	23,710	(Note 2)	105,578	6,348	24,603	99,667	76,485	345,431

Property Number	C1	subtotal	D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12	D13
Property Name	Times Kanda-Sudacho 4th		Hotel MyStays Kanda	Hotel MyStays Asakusa	Hotel MyStays Kyoto-Shijo	MyStays Shin-Urayasu Conference Center	Hotel MyStays Maihama	Hotel Vista Premio Dojima	Hotel MyStays Nagoya-Sakae	Hotel MyStays Sakaisuji-Hon-	Hotel MyStays Yokohama	Hotel MyStays Nippori	Hotel MyStays Fukuoka-Tenjin-Minami	Flexstay Inn Iidabashi	Hotel MyStays Ueno Inaricho
number of operating days	184	-	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	2,700	2,700	117,428	142,768	370,894	217,548	188,788	216,812	201,397	240,538	134,323	83,977	125,043	59,153	61,488
Rent, common area fees / GOP[(1)]	2,700	2,700	117,428	142,768	370,894	217,548	188,788	216,803	201,397	240,538	134,323	83,977	125,043	59,153	61,488
Other revenue	-	-	-	-	-	-	-	9	-	-	-	-	-	-	-
② Property related expenses	257	257	20,703	21,454	59,383	49,845	38,936	62,396	67,965	26,251	31,353	17,209	19,238	15,182	15,439
Facility management fees	-	-	-	-	-	-	-	8,208	17,163	-	-	-	-	-	-
(of which, repair cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax and other public charges	256	256	4,420	3,925	10,518	8,159	3,192	11,855	4,627	6,420	4,476	1,746	5,092	4,503	1,482
Insurance expenses	-	-	98	121	263	222	112	306	264	131	216	69	109	100	50
Depreciation expenses(⑦)	1	1	15,680	16,882	48,086	40,958	35,124	41,518	45,402	19,193	26,153	14,887	13,531	10,074	13,400
Other expenses	-	-	504	525	515	505	505	507	508	504	507	505	505	504	505
③ Rental income (①−②)	2,442	2,442	96,725	121,313	311,511	167,702	149,852	154,416	133,431	214,287	102,969	66,767	105,805	43,970	46,049
④ NOI (①−②+⑦)	2,444	2,444	112,406	138,195	359,597	208,660	184,977	195,935	178,833	233,481	129,123	81,655	119,336	54,045	59,449
⑤ Capital expenditure	-	-	1,892	5,005	2,973	4,943	4,454	10,084	11,354	1,800	11,778	2,039	2,994	-	1,716
⑥ NCF(④−⑤)	2,444	2,444	110,513	133,190	356,624	203,717	180,523	185,850	167,479	231,681	117,345	79,616	116,342	54,045	57,733

(Note 1) Rent and common area fees are entered for residential, office building and retail facility. Rent is entered for parking lot. GOP is entered for hotel.
(Note 2) As the consent for disclosure has not been obtained from the tenant, the figures are not disclosed.

Property Income (3/4)

(in ¥ thousand)

Property Number	D14	D15	D16	D17	D18	D19	D20	D21	D22	D23	D24	D25	D26	D27	D28
Property Name	Flexstay Inn Shinagawa	Flexstay Inn Tokiwadai	Flexstay Inn Sugamo	Hotel MyStays Otemae	Flexstay Inn Kiyosumi Shirakawa	Flexstay Inn Nakanobu P1	Flexstay Inn Nakanobu P2	APA Hotel Yokohama-Kannai	Hotel Nets Hakodate	Flexstay Inn Shirogane	Hotel MyStays Haneda	Hotel MyStays Kameido P1	Hotel MyStays Ueno Iriyaguchi	Hotel MyStays Kameido P2	Hotel Vista Shimizu
number of operating days	184	184	184	184	184	184	184	184	184	184	169	169	169	169	169
① Rental revenues	56,956	69,464	57,405	121,301	43,269	24,491	13,100	236,234	124,347	57,114	204,721	182,201	121,374	125,072	81,760
Rent, common area fees / GOP(1)	56,956	69,464	57,405	121,301	43,269	24,491	13,100	236,234	124,347	57,114	204,721	182,201	121,374	125,072	81,758
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
② Property related expenses	8,974	11,319	14,076	13,895	11,392	5,607	2,667	76,738	31,559	7,774	54,885	31,132	20,932	24,771	20,285
Facility management fees	-	-	-	-	-	-	-	-	-	-	-	-	2,257	-	441
(of which, repair cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax and other public charges	1,678	3,433	2,894	3,608	3,383	945	524	-	-359	37	-	-	-	-	-
Insurance expenses	41	90	74	126	86	27	16	285	205	61	177	173	85	107	96
Depreciation expenses(⑦)	6,749	7,289	10,602	9,655	7,415	4,129	1,622	75,948	31,207	7,168	54,337	30,586	18,215	24,290	19,375
Other expenses	505	505	505	505	507	504	504	503	506	505	370	373	374	372	372
③ Rental income (①−②)	47,981	58,145	43,328	107,406	31,877	18,883	10,432	159,495	92,787	49,340	149,835	151,068	100,442	100,300	61,474
④ NOI (①−②+⑦)	54,731	65,434	53,930	117,061	39,292	23,012	12,054	235,444	123,995	56,508	204,173	181,655	118,657	124,591	80,850
⑤ Capital expenditure	1,100	3,346	2,511	2,960	4,150	704	396	300	1,202	1,559	-	2,000	-	-	-
⑥ NCF(④−⑤)	53,631	62,088	51,419	114,101	35,142	22,308	11,658	235,144	122,793	54,949	204,173	179,655	118,657	124,591	80,850

Property Number	D29	D30	D31	D32	D33	D34	D35	D36	D37	subtotal	Total
Property Name	Super Hotel Shinbashi/ Karasumori guchi	Flexstay Inn Higashi-Jujo	Hotel MyStays Utsunomiya	Flexstay Inn Kawasaki-Kaizuka	Comfort Hotel Toyama	Flexstay Inn Kawasaki-Ogawacho	Flexstay Inn Ekoda	Super Hotel Tokyo-JR Tachikawa Kitaguchi	Super Hotel JR Ueno-iriyaguchi		
number of operating days	169	169	169	169	169	169	126	126	126	-	-
① Rental revenues	36,303	45,317	110,292	35,764	33,030	31,266	84,916	21,704	18,623	4,096,198	6,863,775
Rent, common area fees / GOP(1)	36,303	45,317	110,292	35,764	33,030	31,266	84,916	21,704	18,623	4,096,188	6,652,619
Other revenue	-	-	-	-	-	-	-	-	-	10	211,156
② Property related expenses	5,388	5,365	15,074	9,759	8,403	5,565	22,002	6,899	5,421	865,256	2,178,165
Facility management fees	702	-	-	818	-	-	-	949	731	31,271	472,597
(of which, repair cost)	702	-	-	-	-	-	-	745	526	1,973	21,022
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	105,131
Tax and other public charges	-	-	-	-	-	-	-	-	-	86,566	250,268
Insurance expenses	40	50	347	40	85	27	88	40	27	4,473	9,934
Depreciation expenses(⑦)	4,273	4,941	14,354	8,526	7,944	5,165	21,635	5,628	4,381	726,341	1,275,714
Other expenses	372	372	372	374	372	372	278	280	281	16,602	169,651
③ Rental income (①−②)	30,915	39,951	95,217	26,005	24,627	25,701	62,914	14,804	13,201	3,230,942	4,685,610
④ NOI (①−②+⑦)	35,188	44,893	109,571	34,531	32,572	30,866	84,549	20,433	17,583	3,957,284	5,961,324
⑤ Capital expenditure	-	-	2,500	230	-	-	-	-	-	83,991	213,834
⑥ NCF(④−⑤)	35,188	44,893	107,071	34,301	32,572	30,866	84,549	20,433	17,583	3,873,292	5,747,489

(Note 1) Rent and common area fees are entered for residential, office building and retail facility. Rent is entered for parking lot. GOP is entered for hotel.
(Note 2) As the consent for disclosure has not been obtained from the tenant, the figures are not disclosed.

Portfolio Properties (as of February 25, 2016) (1/3)

Property Number	Property Name	Address	Acquisition Date	Completion Date	Acquisition Price (JPY Mn)	Investment Ratio (%)	Rentable Unit	Leaable Area (m^2)	Leased Area[(1)] (m^2)	Occupancy Rate[(1)] (%)
A26	Nisshin Palacestage Daitabashi	Suginami-ku, Tokyo	Jul 28, 2005	Dec 1992	1,251	0.7	98	1,771.13	1,719.18	97.1
A27	Nisshin Palacestage Higashi-Nagasaki	Toshima-ku, Tokyo	Jul 28, 2005	Mar 1989	1,229	0.7	60	2,681.94	2,657.58	99.1
A28	Growth Maison Gotanda	Shinagawa-ku, Tokyo	Jan 30, 2006	Jul 2005	888	0.5	48	1,051.50	1,051.50	100.0
A29	Growth Maison Kameido	Koto-ku, Tokyo	Mar 30, 2006	Oct 2005	1,070	0.6	66	1,367.96	1,326.50	97.0
A30	Emerald House	Itabashi-ku, Tokyo	Aug 1, 2006	Feb 1995	1,505	0.8	96	2,152.31	2,107.93	97.9
A31	Harmonie Ochanomizu	Bunkyo-ku, Tokyo	Aug 3, 2006	Mar 1997	1,428	0.8	65	1,748.24	1,748.24	100.0
A32	Suncrest Shakujii Koen	Nerima-ku, Tokyo	Aug 3, 2006	Mar 1990	1,088	0.6	29	3,029.16	2,938.63	97.0
A33	Growth Maison Shin-Yokohama	Yokohama, Kanagawa	Aug 3, 2006	Mar 2006	1,059	0.6	68	1,858.44	1,830.44	98.5
A34	Belle Face Ueno Okachimachi	Taito-ku, Tokyo	Aug 1, 2006	Feb 2006	1,023	0.6	64	1,351.11	1,351.11	100.0
A35	Grand Rire Kameido	Koto-ku, Tokyo	Aug 3, 2006	Mar 2006	906	0.5	72	1,562.26	1,562.26	100.0
A36	Growth Maison Ikebukuro	Toshima-ku, Tokyo	Aug 3, 2006	Jan 2006	825	0.4	42	952.89	930.49	97.6
A37	Growth Maison Yoga	Setagaya-ku, Tokyo	Aug 3, 2006	Mar 2006	795	0.4	39	1,015.34	963.16	94.9
A38	Route Tachikawa	Tachikawa, Tokyo	Aug 3, 2006	Mar 1997	676	0.4	24	1,368.57	1,368.57	100.0
A39	Shibuya Honmachi Mansion	Shibuya-ku, Tokyo	Aug 3, 2006	Dec 1986	651	0.4	25	1,167.50	1,167.50	100.0
A40	City Heights Kinuta	Setagaya-ku, Tokyo	Aug 3, 2006	Mar 1983	646	0.4	19	1,235.93	1,169.33	94.6
A41	Acseeds Tower Kawaguchi Namiki	Kawaguchi, Saitama	Aug 3, 2006	Feb 2006	620	0.3	57	1,210.74	1,040.66	86.0
A42	Capital Heights Kagurazaka	Shinjuku-ku, Tokyo	Aug 3, 2006	May 1987	604	0.3	26	1,126.65	1,048.08	93.0
A43	College Square Machida	Machida, Tokyo	Aug 1, 2006	Mar 1984	589	0.3	62	1,047.75	1,047.75	100.0
A44	Belair Meguro	Meguro-ku, Tokyo	Aug 1, 2006	Oct 2005	589	0.3	25	557.05	512.23	92.0
A45	Wacore Tsunashima Ⅰ	Yokohama, Kanagawa	Aug 3, 2006	Feb 1991	572	0.3	50	907.46	852.08	93.9
A46	Foros Nakamurabashi	Nerima-ku, Tokyo	Aug 3, 2006	Sep 2001	566	0.3	37	815.77	815.77	100.0
A47	Growth Maison Kaijin	Funabashi, Chiba	Aug 1, 2006	Oct 1993	557	0.3	34	2,040.27	1,973.84	96.7
A48	College Square Machiya	Arakawa-ku, Tokyo	Aug 3, 2006	Mar 2006	510	0.3	43	871.35	871.35	100.0
A51	City House Tokyo Shinbashi	Minato-ku, Tokyo	Feb 1, 2010	Aug 2004	2,520	1.4	86	3,364.00	3,197.22	95.0
A52	Winbell Kagurazaka	Shinjuku-ku, Tokyo	Feb 1, 2010	Feb 2004	3,260	1.8	118	4,032.70	3,973.56	98.5
A53	Nishiwaseda Cresent Mansion	Shinjuku-ku, Tokyo	Feb 1, 2010	Jul 1987	1,880	1.0	69	4,310.77	4,179.56	97.0
A54	Lexington Square Akebonobashi	Shinjuku-ku, Tokyo	Feb 1, 2010	Dec 2004	1,450	0.8	88	1,987.88	1,916.52	96.4
A56	Casa Eremitaggio	Meguro-ku, Tokyo	Feb 1, 2010	Dec 2003	1,070	0.6	17	1,197.19	1,161.65	97.0
A59	Towa City Coop Shin-otsuka Ⅱ	Toshima-ku, Tokyo	Feb 1, 2010	May 1993	866	0.5	58	1,627.13	1,549.50	95.2
A61	Bichsel Musashiseki	Nerima-ku, Tokyo	Feb 1, 2010	Feb 1992	577	0.3	70	1,220.24	1,167.46	95.7
A62	Lexel Mansion Ueno Matsugaya	Taito-ku, Tokyo	Feb 1, 2010	Jan 2005	970	0.5	29	1,969.45	1,969.45	100.0
A63	Towa City Coop Sengencho	Yokohama, Kanagawa	Feb 1, 2010	Oct 1992	1,110	0.6	154	3,426.36	3,196.10	93.3
A64	Royal Park Omachi	Sendai, Miyagi	Feb 1, 2010	Feb 1993	415	0.2	51	1,929.59	1,885.59	97.7
A65	Lexington Square Haginomachi	Sendai, Miyagi	Feb 1, 2010	Aug 2005	330	0.2	39	1,528.58	1,452.17	95.0
A66	Visconti Kakuozan	Nagoya, Aichi	Feb 1, 2010	Sep 2003	255	0.1	8	705.75	536.38	76.0
A71	Lexington Square Daitabashi	Suginami-ku, Tokyo	Feb 1, 2010	Nov 2006	977	0.5	43	1,430.64	1,258.96	88.0
A72	Lexington Square Honjo-Azumabashi	Sumida-ku, Tokyo	Feb 1, 2010	Oct 2006	511	0.3	33	784.74	761.34	97.0
A73	AMS TOWER Minami 6-Jo	Sapporo, Hokkaido	Feb 1, 2010	Feb 2007	1,180	0.6	120	4,460.56	4,143.67	92.9
A75	Spacia Ebisu	Shibuya-ku, Tokyo	Feb 1, 2010	Feb 2003	7,010	3.8	109	7,794.91	7,316.23	93.9
A76	Neo Prominence	Kita-ku, Tokyo	Sep 28, 2012	Apr 1994	1,660	0.9	52	3,574.70	3,263.62	91.3
A77	Invoice Shin-Kobe Residence	Kobe, Hyogo	Sep 28, 2012	Jan 2007	1,260	0.7	81	2,773.71	2,554.07	92.1

Portfolio Properties (as of February 25, 2016) (2/3)

Property Number	Property Name	Address	Acquisition Date	Completion Date	Acquisition Price (JPY Mn)	Investment Ratio (%)	Rentable Unit	Leaable Area (m^2)	Leased Area[(1)] (m^2)	Occupancy Rate[(1)] (%)
A78	Cosmo Court Motomachi	Kobe, Hyogo	Sep 28, 2012	Mar 2007	973	0.5	82	2,310.49	2,194.33	95.0
A79	Revest Honjin	Nagoya, Aichi	Sep 28, 2012	Mar 2007	674	0.4	80	1,933.80	1,861.53	96.3
A80	Revest Matsubara	Nagoya, Aichi	Sep 28, 2012	Mar 2007	657	0.4	70	1,955.40	1,819.94	93.1
A81	Sun Terrace Minami Ikebukuro	Toshima-ku, Tokyo	Sep 28, 2012	Feb 1998	625	0.3	38	898.70	898.70	100.0
A82	Alba Noritake Shinmachi	Nagoya, Aichi	Sep 28, 2012	Nov 2006	608	0.3	64	1,731.68	1,647.21	95.1
A83	Revest Meieki Minami	Nagoya, Aichi	Sep 28, 2012	Feb 2007	597	0.3	61	1,634.60	1,634.60	100.0
A84	Revest Heian	Nagoya, Aichi	Sep 28, 2012	Nov 2006	595	0.3	40	1,554.03	1,554.03	100.0
A85	Vendir Hamaotsu Ekimae	Otsu, Shiga	Sep 28, 2012	Feb 2007	581	0.3	81	2,670.66	2,333.64	87.4
A86	Salvo Sala	Osaka, Osaka	Sep 28, 2012	Jan 2007	544	0.3	54	1,428.12	1,406.89	98.5
A87	Excellente Kagurazaka	Shinjuku-ku,Tokyo	Sep 28, 2012	Jan 2007	543	0.3	33	701.92	619.39	88.2
A88	Luna Court Edobori	Osaka, Osaka	Sep 28, 2012	Feb 2004	525	0.3	50	1,185.50	1,185.50	100.0
A89	Winntage Kobe Motomachi	Kobe, Hyogo	Sep 28, 2012	May 2007	512	0.3	57	1,433.35	1,180.86	82.4
A90	Queen's Court Fukuzumi	Koto-ku, Tokyo	Sep 28, 2012	Sep 2006	456	0.2	25	765.18	738.89	96.6
A91	Corp Higashinotoin	Kyoto, Kyoto	Sep 28, 2012	Feb 2004	446	0.2	42	1,029.05	1,007.11	97.9
A92	Belair Oimachi	Shinagawa-ku, Tokyo	Sep 28, 2012	Apr 2006	412	0.2	26	530.60	530.60	100.0
A93	Siete Minami-Tsukaguchi	Amagasaki, Hyogo	Sep 28, 2012	Jan 2007	374	0.2	40	1,020.86	969.86	95.0
A94	Prime Life Sannomiya Isogami Koen	Kobe Hyogo	Sep 28, 2012	Nov 2006	373	0.2	32	789.12	789.12	100.0
A95	HERMITAGE NANBA WEST	Osaka, Osaka	Sep 28, 2012	Dec 2006	355	0.2	21	992.76	905.31	91.2
A96	Century Park Shinkawa 1-bankan	Nagoya, Aichi	Sep 28, 2012	Sep 2001	335	0.2	44	1,477.62	1,345.08	91.0
A97	West Avenue	Kunitachi, Tokyo	Sep 28, 2012	Oct 1991	331	0.2	40	794.80	635.82	80.0
A98	Little River Honmachibashi	Okasa, Osaka	Sep 28, 2012	Jun 2007	310	0.2	31	974.81	944.86	96.9
A99	Prime Life Mikage	Kobe, Hyogo	Sep 28, 2012	Jan 2007	297	0.2	28	761.18	735.64	96.6
A100	City Court Kitaichijo	Sapporo, Hokkaido	Jul 16, 2015	Nov 2007	1,782	1.0	127	5,230.18	5,063.65	96.8
A101	Lieto Court Mukojima	Sumida-ku, Tokyo	Jul 16, 2015	Feb 2008	1,683	0.9	82	2,940.20	2,911.08	99.0
A102	Lieto Court Nishi-Ojima	Koto-ku, Tokyo	Jul 16, 2015	Feb 2008	1,634	0.9	91	2,048.28	2,048.28	100.0
A103	Royal Parks Momozaka	Okasa, Osaka	Jan 22, 2016	Jun 2007	2,910	1.6	147	8,776.26	8,776.26	100.0
	Subtotal of Residential				66,092	35.9	3,860	128,579.37	123,275.41	95.90
B8	Kindai Kagaku Sha Building	Shinjuku-ku, Tokyo	Aug 1, 2006	Jun 1991	1,301	0.7	13	1,451.54	1,433.17	98.7
B9	Shinjuku Island	Shinjuku-ku, Tokyo	Mar 26, 2007	Jan 1995	715	0.4	1	526.43	526.43	100.0
B14	Lexington Plaza Nishigotanda	Shinagawa-ku, Tokyo	Feb 1, 2010	Jun 1993	4,880	2.7	11	6,033.58	6,033.58	100.0
B15	Cross Square NAKANO	Nakano-ku, Tokyo	Feb 1, 2010	Jan 1993	1,060	0.6	45	2,145.00	1,696.66	79.1
B16	Ohki Aoba Building	Sendai, Miyagi	Feb 1, 2010	Jul 1997	816	0.4	13	2,178.41	2,178.41	100.0
B17	Lexington Plaza Hachiman	Sendai, Miyagi	Feb 1, 2010	Dec 2005	3,280	1.8	18	8,419.15	8,419.15	100.0
B18	AEON TOWN Sukagawa	Sukagawa, Fukushima	Feb 1, 2010	Oct 2005	2,320	1.3	1	18,440.58	18,440.58	100.0
	Subtotal of Offices and Commercial Facilities				14,372	7.8	102	39,194.69	38,727.98	98.80
C1	Times Kanda-Sudacho 4th	Chiyoda-ku, Tokyo	Jan 22, 2007	-	97	0.1	1	81.04	81.04	100.0
	Subtotal of Parking Lots				97	0.1	1	81.04	81.04	100.00
D1	Hotel MyStays Kanda	Chiyoda-ku, Tokyo	May 23, 2014	Dec 2005	2,851	1.5	126	2,585.72	2,585.72	100.0
D2	Hotel MyStays Asakusa	Sumida-ku, Tokyo	May 23, 2014	Jan 1990	2,584	1.4	160	3,327.38	3,327.38	100.0
D3	Hotel MyStays Kyoto-Shijo	Kyoto, Kyoto	Jul 17, 2014	Jan 2008	6,024	3.3	224	7,241.51	7,241.51	100.0
D4	MyStays Shin- Urayasu Conference Center	Urayasu, Chiba	Jul 17, 2014	Mar 2009	4,930	2.7	175	6,232.30	6,232.30	100.0

Portfolio Properties (as of February 25, 2016) (3/3)

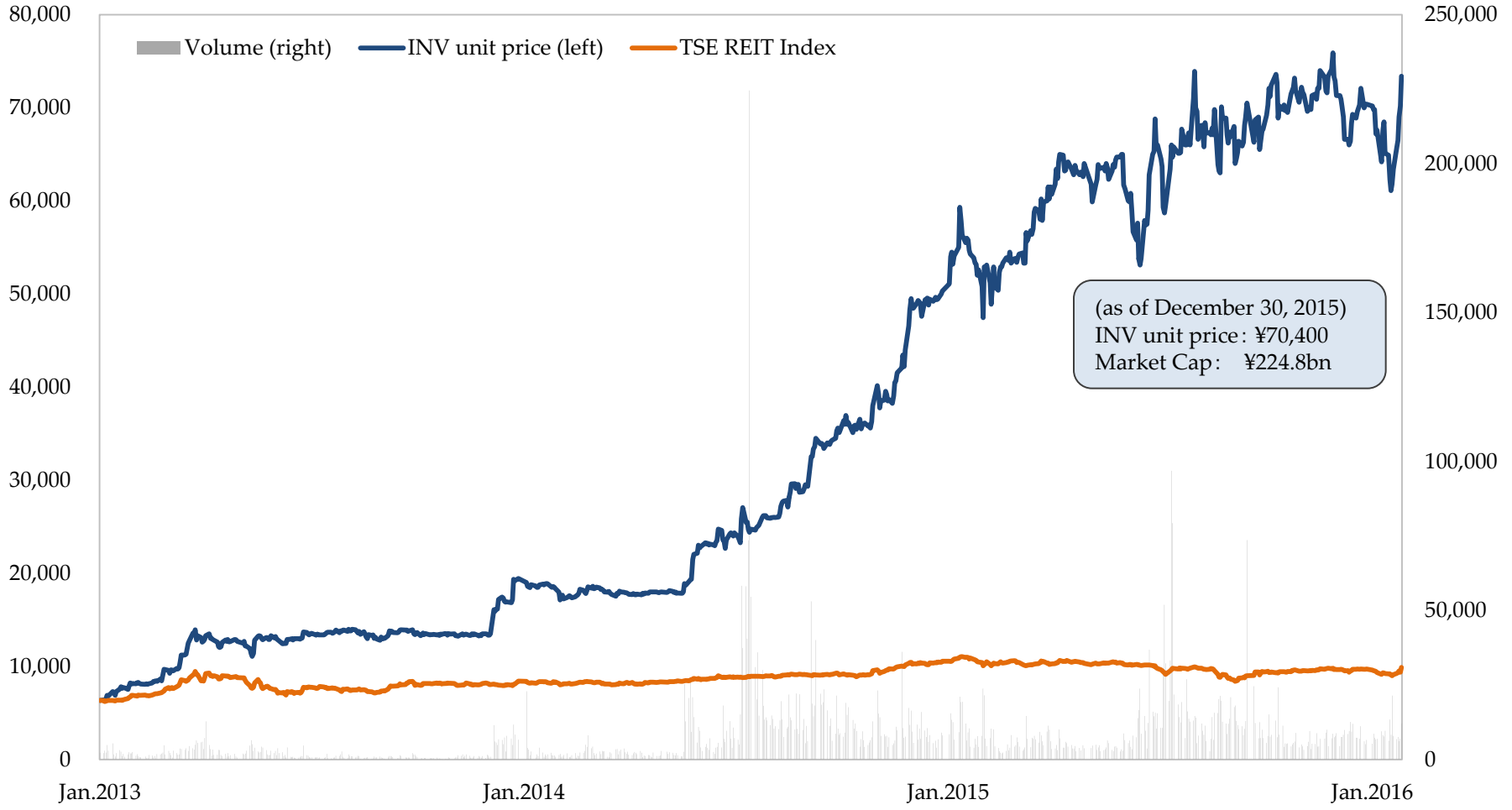
Property Number	Property Name	Address	Acquisition Date	Completion Date	Acquisition Price (JPY Mn)	Investment Ratio (%)	Rentable Unit	Leaable Area (m^2)	Leased Area[1] (m^2)	Occupancy Rate[1] (%)
D5	Hotel MyStays Maihama	Urayasu, Chiba	Jul 17, 2014	Jun 2005	4,870	2.6	90	2,456.36	2,456.36	100.0
D6	Hotel Vista Premio Dojima	Osaka, Osaka	Jul 17, 2014	Aug 1990	3,845	2.1	141	9,445.32	9,445.32	100.0
D7	Hotel MyStays Nagoya-Sakae	Nagoya, Aichi	Jul 17, 2014	Nov 1979	2,958	1.6	270	9,064.71	9,064.71	100.0
D8	Hotel MyStays Sakaisuji-Hon-	Osaka, Osaka	Jul 17, 2014	Jul 2008	2,514	1.4	190	4,188.83	4,188.83	100.0
D9	Hotel MyStays Yokohama	Yokohama, Kanagawa	Jul 17, 2014	Oct 1974	2,119	1.2	190	7,379.43	7,379.43	100.0
D10	Hotel MyStays Nippori	Arakawa-ku, Tokyo	Jul 17, 2014	Apr 1987	1,898	1.0	93	1,719.29	1,719.29	100.0
D11	Hotel MyStays Fukuoka-Tenjin-Minami	Fukuoka, Fukuoka	Jul 17, 2014	Feb 2008	1,570	0.9	177	3,412.71	3,412.71	100.0
D12	Flexstay Inn Iidabashi	Shinjuku-ku, Tokyo	Jul 17, 2014	Dec 1990	1,381	0.8	59	2,953.38	2,953.38	100.0
D13	Hotel MyStays Ueno Inaricho	Taito-ku, Tokyo	Jul 17, 2014	Dec 1986	1,331	0.7	72	1,150.76	1,150.76	100.0
D14	Flexstay Inn Shinagawa	Shinagawa-ku, Tokyo	Jul 17, 2014	Oct 1986	1,242	0.7	55	1,134.52	1,134.52	100.0
D15	Flexstay Inn Tokiwadai	Itabashi-ku, Tokyo	Jul 17, 2014	Dec 1989	1,242	0.7	129	2,539.75	2,539.75	100.0
D16	Flexstay Inn Sugamo	Toshima-ku, Tokyo	Jul 17, 2014	Jan 1992	1,192	0.6	104	2,089.86	2,089.86	100.0
D17	Hotel MyStays Otemae	Osaka, Osaka	Jul 17, 2014	Dec 1986	1,192	0.6	110	4,956.66	4,956.66	100.0
D18	Flexstay Inn Kiyosumi Shirakawa	Koto-ku, Tokyo	Jul 17, 2014	May 1992	749	0.4	55	2,673.64	2,673.64	100.0
D19	Flexstay Inn Nakanobu P1	Shinagawa-ku, Tokyo	Jul 17, 2014	Sep 1986	589	0.3	39	770.56	770.56	100.0
D20	Flexstay Inn Nakanobu P2	Shinagawa-ku, Tokyo	Jul 17, 2014	Mar 1989	283	0.2	22	391.49	391.49	100.0
D21	APA Hotel Yokohama-Kannai	Yokohama, Kanagawa	Feb 6, 2015	Apr 2005	8,350	4.5	451	6,568.51	6,568.51	100.0
D22	Hotel Nets Hakodate	Hakodate, Hokkaido	Feb 6, 2015	Feb 2008	2,792	1.5	202	7,961.26	7,961.26	100.0
D23	Flexstay Inn Shirogane	Minato-ku, Tokyo	Feb 6, 2015	Jun 1986	2,119	1.2	84	1,754.06	1,754.06	100.0
D24	Hotel MyStays Haneda	Ota-ku, Tokyo	Jul 16, 2015	Apr 2001	7,801	4.2	174	5,400.16	5,400.16	100.0
D25	Hotel MyStays Kameido P1	Koto-ku, Tokyo	Jul 16, 2015	Mar 1991	5,594	3.0	265	4,349.67	4,349.67	100.0
D26	Hotel MyStays Ueno Iriyaguchi	Taito-ku, Tokyo	Jul 16, 2015	Nov 1985	3,821	2.1	97	2,247.92	2,247.92	100.0
D27	Hotel MyStays Kameido P2	Koto-ku, Tokyo	Jul 16, 2015	Mar 1991	3,742	2.0	175	2,793.99	2,793.99	100.0
D28	Hotel Vista Shimizu	Shimizu, Shizuoka	Jul 16, 2015	Jan 2007	2,198	1.2	152	3,559.81	3,559.81	100.0
D29	Super Hotel Shinbashi/ Karasumoriguchi	Minato-ku, Tokyo	Jul 16, 2015	Feb 2008	1,624	0.9	74	1,403.89	1,403.89	100.0
D30	Flexstay Inn Higashi-Jujo	Kita-ku, Tokyo	Jul 16, 2015	Jun 1986	1,277	0.7	88	1,714.53	1,714.53	100.0
D31	Hotel MyStays Utsunomiya	Utsunomiya, Tochigi	Jul 16, 2015	Jan 1990	1,237	0.7	116	11,733.23	11,733.23	100.0
D32	Flexstay Inn Kawasaki-Kaizuka	Kawasaki, Kanagawa	Jul 16, 2015	Apr 1990	980	0.5	64	1,190.57	1,190.57	100.0
D33	Comfort Hotel Toyama	Toyama, Toyama	Jul 16, 2015	Mar 2007	979	0.5	150	3,305.64	3,305.64	100.0
D34	Flexstay Inn Kawasaki-Ogawacho	Kawasaki, Kanagawa	Jul 16, 2015	Apr 1989	906	0.5	62	725.60	725.60	100.0
D35	Flexstay Inn Ekoda	Nerima-ku, Tokyo	Aug 28, 2015	Jan 1989	5,069	2.8	210	3,932.93	3,932.93	100.0
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	Tachikawa, Tokyo	Aug 28, 2015	Nov 2007	1,170	0.6	96	1,832.97	1,832.97	100.0
D37	Super Hotel JR Ueno-iriyaguchi	Taito-ku, Tokyo	Aug 28, 2015	Mar 2006	1,130	0.6	69	1,279.16	1,279.16	100.0
D38	Hotel MyStays Shinsaibashi	Osaka, Osaka	Jan 22, 2016	Sep 1984	3,160	1.7	54	1,942.01	1,942.01	100.0
D39	Comfort Hotel Kurosaki	Kitakyusyu, Fukuoka	Jan 22, 2016	Feb 2009	1,148	0.6	151	3,207.60	3,207.60	100.0
D40	Comfort Hotel Maebashi	Maebashi, Gunma	Jan 22, 2016	Mar 2009	1,128	0.6	153	3,660.96	3,660.96	100.0
D41	Comfort Hotel Tsubamesanjo	Sanjyo, Niigata	Jan 22, 2016	Jun 2007	1,010	0.5	132	3,099.90	3,099.90	100.0
D42	Comfort Hotel Kitami	Kitami, Hokkaido	Jan 22, 2016	Mar 2008	851	0.5	127	3,009.50	3,009.50	100.0
	Subtotal of Hotels				103,459	56.2	5,627	152,388.05	152,388.05	100.00
	Total				184,022	100.0	9,590	320,243.15	314,472.48	98.20

Borrowing (as of February 25, 2016)

Name	Lender	Borrowing Date	Borrowing Amount	Interest Rate (annual rate)	Maturity Date
New Syndicate Loan (E)	Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mizuho Bank, Ltd. Shinsei Bank, Limited Citibank Japan Ltd. Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited. Mitsubishi UFJ Trust and Banking Corporation	July 16, 2015	**¥28,979** mn	**0.53000%** (1) Floating interest rate (JPY 1 month TIBOR+0.40%)	July 16, 2018
		July 16, 2015	**¥28,979** mn	**0.63000%** (1) Floating interest rate (JPY 1monthTIBOR+0.50%)	July 16, 2019
		July 16, 2015	**¥28,979** mn	**0.73000%** (1) Floating interest rate (JPY 1monthTIBOR+0.60%)	July 16, 2020
	Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mizuho Bank, Ltd.	July 16, 2015	**¥1,080** mn	**0.33000%** (1) Floating interest rate (JPY 1monthTIBOR+0.20%)	May 16, 2016
Term Loan (A)	Mizuho Bank, Ltd.	August 28, 2015	**¥3,682** mn	**0.63000%** (1) Floating interest rate (JPY 1monthTIBOR+0.50%)	August 28, 2019
Term Loan (B)	Sumitomo Mitsui Trust Bank, Limited Mitsubishi UFJ Trust and Banking Corporation	January 22, 2016	**¥4,250** mn	**0.55000%** (2) Floating interest rate (JPY1monthTIBOR+0.40%)	January 22, 2019
		January 22, 2016	**¥4,250** mn	**0.75000%** (2) Floating interest rate (JPY 1monthTIBOR+0.60%)	January 22, 2021
	Sumitomo Mitsui Trust Bank, Limited	January 22, 2016	**¥498** mn	**0.35000%** (2) Floating interest rate (JPY 1monthTIBOR+0.20%)	January 22, 2017
	Subtotal of Short Term Debt		**¥1,578** mn		
	Subtotal of Long Term Debt		**¥99,119** mn		
	Total Debt		**¥100,697** mn		

(Note 1) The interest rates are applicable for the period from January 29, 2016 to February 28, 2016.
(Note 2) The interest rates are applicable for the period from January 22, 2016 to February 28, 2016.

Unit Price Information



Source: TSE and Bloomberg

(Note) TSE REIT Index has been indexed, assuming the closing price of TSE REIT Index as of January 4, 2013 was the same as the closing price of INV unit on the same day.

Overview of Unitholders

Major Unitholders (TOP10)

24th Fiscal Period (As of Jun.30, 2015)

	Name	Number of units held	(%)
1	Calliope Godo Kaisha	609,942	22.85
2	The Master Trust Bank of Japan ,Ltd. (trust account)	417,709	15.65
3	Japan Trustee Services Bank, Ltd. (trust account)	393,997	14.76
4	Trust & Custody Services Bank, Ltd. (securities investment trust account)	261,662	9.80
5	Rayo Godo Kaisha	149,925	5.61
6	The Nomura Trust and Banking Co., Ltd. (investment trust account)	85,410	3.20
7	NORTHEN TRUST CO. (AVFC) RE 15PCT TREATY ACCOUNT	57,474	2.15
8	STATE STREET BANK AND TRUST COMPANY 505225	42,993	1.61
9	BNP PARIBAS SECURITIES SERVICES LUXEMBOURG/JASDEC/HENDERSON HHFSICAV	31,048	1.16
10	STATE STREET BANK AND TRUST COMPANY	26,954	1.01
	Total	2,077,114	77.83

Number of investment units issued and outstanding: 2,668,686

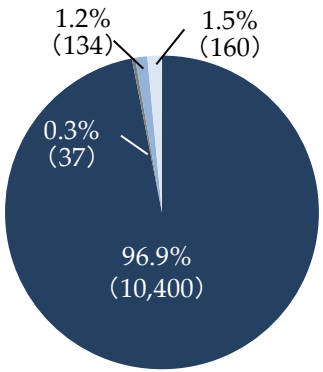
25th Fiscal Period (As of Dec.31, 2015)

	Name	Number of units held	(%)
1	Calliope Godo Kaisha	609,942	19.09
2	The Master Trust Bank of Japan, Ltd. (trust account)	457,742	14.33
3	Japan Trustee Services Bank, Ltd. (trust account)	380,895	11.92
4	Trust & Custody Services Bank, Ltd. (securities investment trust account)	327,963	10.26
5	Rayo Godo Kaisha	149,925	4.69
6	The Nomura Trust and Banking Co., Ltd. (investment trust account)	132,316	4.14
7	STATE STREET BANK AND TRUST COMPANY	75,193	2.35
8	STATE STREET BANK AND TRUST COMPANY 505225	68,976	2.15
9	NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT	47,899	1.49
10	JP MORGAN CHASE BANK 385632	44,809	1.40
	Total	2,295,660	71.88

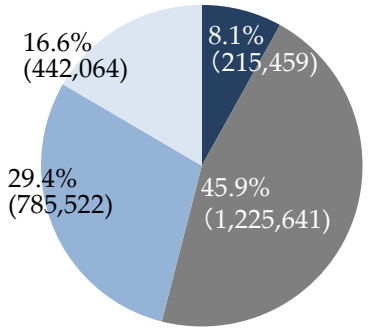
Number of investment units issued and outstanding: 3,193,686

24th Fiscal Period

Number of Unitholders
(Total: 10,731 person)

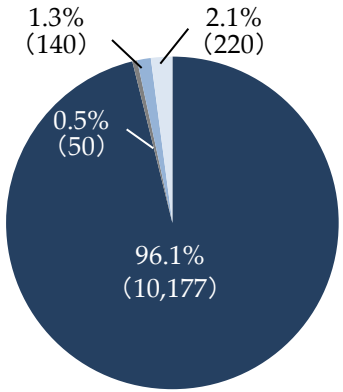


Number of Units held by Unitholders
(Total units: 2,668,686 units)

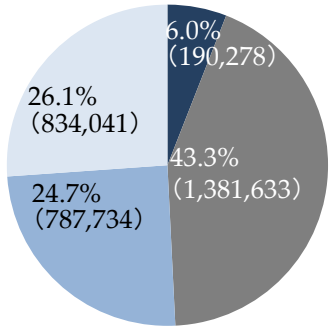


25th Fiscal Period

Number of Unitholders
(Total:10,587 person)



Number of Units held by Unitholders
(Total units: 3,193,686 units)



Individuals ■ Financial Institution (incl. securities companies) ■ Other domestic corporations ■ Foreign companies, etc.

Note

Note

Disclaimer

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Consonant
Investment Management

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