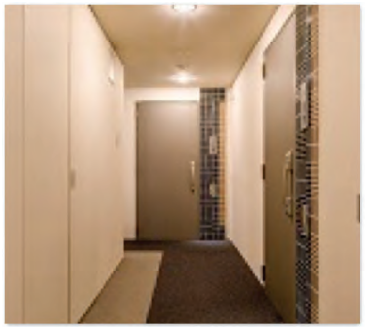
Measures to Ensure Sustainability

Multiple Measures to Ensure Sustainability and Retain & Increase Asset Value

Environmental Considerations

- **Installation of LED Lightings**
- **Putting up awareness posters to promote energy conservation**
- **Timely execution of large-scale repairs**

Example of Installation of LED Lightings



Measures to Improve Governance

- **Established a framework for compliance and risk management**
- **Asset management fee structure having a same boat incentive**
- **Timely and active disclosures**

more inline with unitholders' interest

Asset Management Fee I	Asset Management Fee II	Asset Management Fee III
Fee Linked to Total Asset Size	Fee Linked to NOI *1	Fee Linked Adjusted EPU *2
Previous fiscal end asset size x 0.20%	NOI x 3.00%	(AM Fees I + II) x Adjusted EPU x 0.008%

※1 NOI = Gross Operating Income minus Gross Operating Expense (excluding depreciation and loss from fixed asset retirement.)
※2 Adjusted EPU = Net Income excluding AM Fee III divided by number of outstanding asset at the fiscal period end.

Social Considerations

Emergency Kits



1) Improving Tenant Satisfaction

- *Rich menu of tenant services*
- *Posting of emergency maps in properties*
- *Distributing emergency kits to tenants*

AED



2) Contribution to the Community

- *Installation of machines that enables charitable donations*
- *Installation of AEDs*
- *Holding architectural design competition*
- *Volunteering in neighborhood clean-up*

Training Seminars



3) Human Capital Development and Employee Satisfaction

- *Provide variety of training seminars for employees*
- *Promoting work / life balance*
- *Providing ample company benefits*

Neighborhood Clean-up



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Recognitions for Sustainability Measures

ADR & ADIM were recognized by multiple parties for its sustainability measures

Selected as a constituent of MSCI Japan ESG Select Leaders Index

One and only residential J-REIT to be included in the initial constituents

MSCI | 2017 Constituent MSCI Japan ESG Select Leaders Index

The index is designed to target companies in the "MSCI Japan IMI Top 500 Index" that have high "Environmental", "Social" and "Governance" (ESG) profile relative to their sector peers.
Furthermore, the Government Pension Investment Fund (GPIF) announced that it has selected the index for their ESG investment strategy.

DBJ Green Building Certification

*DBJ Green Building Awarded to **7** properties**

NO.1** **Highest Number of Residential Certificate Awarded **

P-62 RESIDIA Tower Azabujuban

DBJ Green Building 2017



R-30 RESIDIA Izumi

DBJ Green Building 2017



Participated in GRESB Survey 2016

First residential J-REIT to participate in the survey in 2014

GRESB REAL ESTATE

2016 & 2017 GRESB Survey Result

Green Star

GRESB is an industry-driven organization committed to assessing the sustainability performance of real estate portfolios (public, private and direct) around the globe. The dynamic benchmark is used by institutional investors to engage with their investments with the aim to improve the sustainability performance of their investment portfolio, and the global property sector at large.

Received DBJ BCM Rating

The first and one and only J-REIT management company to receive the rating

DBJ BCM格付 2016

Rated by DBJ as a leading company executing measures in contingency planning, disaster prevention and mitigation

* *The seven properties are P-50 RESIDIA Nishi-Azabu, P-55 RESIDIA Tower Meguro-Fudomae, P-62 RESIDIA Tower Azabujuban, P-76 Park Tower Shibaura Bayward Urban Wing, C-65 RESIDIA Tower Kami-Ikebukuro and S-20 Pacific Royal Court Minato Mirai Ocean Tower, R-30 RESIDIA Izumi.*

** *Based on materials published by Development Bank of Japans as of June 30, 2017 and consolidated by AD Investment Management Co., Ltd.*

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246 RESIDIA *branded properties*

RESIDIA

Brand Identity

SMART

SIMPLE SENSUOUS

RESIDIA Customer Support

24 -7 call center for RESIDIA tenants

Moving Style

No-load moving between RESIDIA brand apartments
No key money, No brokerage fee

RESIDIA SUPPORT α

Nationwide preferential pricing at resorts, shopping centers and other facilities



RESIDIA website
http://www.residia.jp

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Debt Structure

as of July 31, 2017

The Lineup of 26 Lenders Including 3 Mega Banks, 3 Major Trust Banks

Investment Corporation Bonds

Maturity	3 yrs	5 yrs	7 yrs	10 yrs	12 yrs	15 yrs
2017/7				#27 3.0 bn yen 0.50%		
2017/2		#26 2.0 bn yen 0.18%				
2016/6						#25 3.0bn yen 0.90%
2015/10		#23 1.5 bn yen 0.326%		#24 1.5bn yen 0.846%		
2015/4				#22 2 bn yen 0.726%		
2014/4				#21 2.5 bn yen 1.04%		
2013/11					#20 2 bn yen 1.41%	
2013/4				#19 3 bn yen 1.32%		
2012/9		#17 8 bn yen 0.87%	#18 4 bn yen 1.23%			
2012/4	#15 * 4 bn yen 0.86%	#16 4 bn yen 1.08%				
2011/9		#13 8 bn yen 1.27%	#14 2 bn yen 1.68%			

First residential J-REIT to issue 10, 12 and 15 year bonds

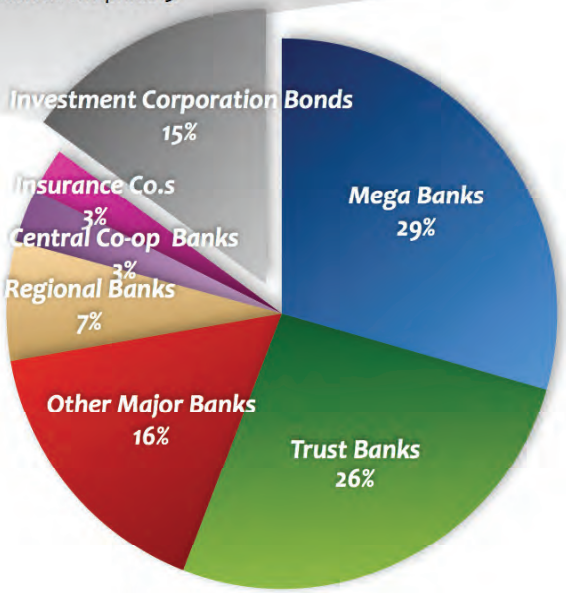
* #13 has been redeemed on Sept. 2016, #15 has been redeemed on April 2015.

Committed Lines of Credit

Lenders	Term	Outstanding Amount (bn yen)
Sumitomo Mitsui Trust Bank, The Bank of Tokyo-Mitsubishi UFJ Mizuho Bank	3 yr	20.0

Invited Two New Lenders as ADR's Lender

Lender Name	Timing
JAPAN POST INSURANCE Co., Ltd. Shinkin Central Bank	September financing



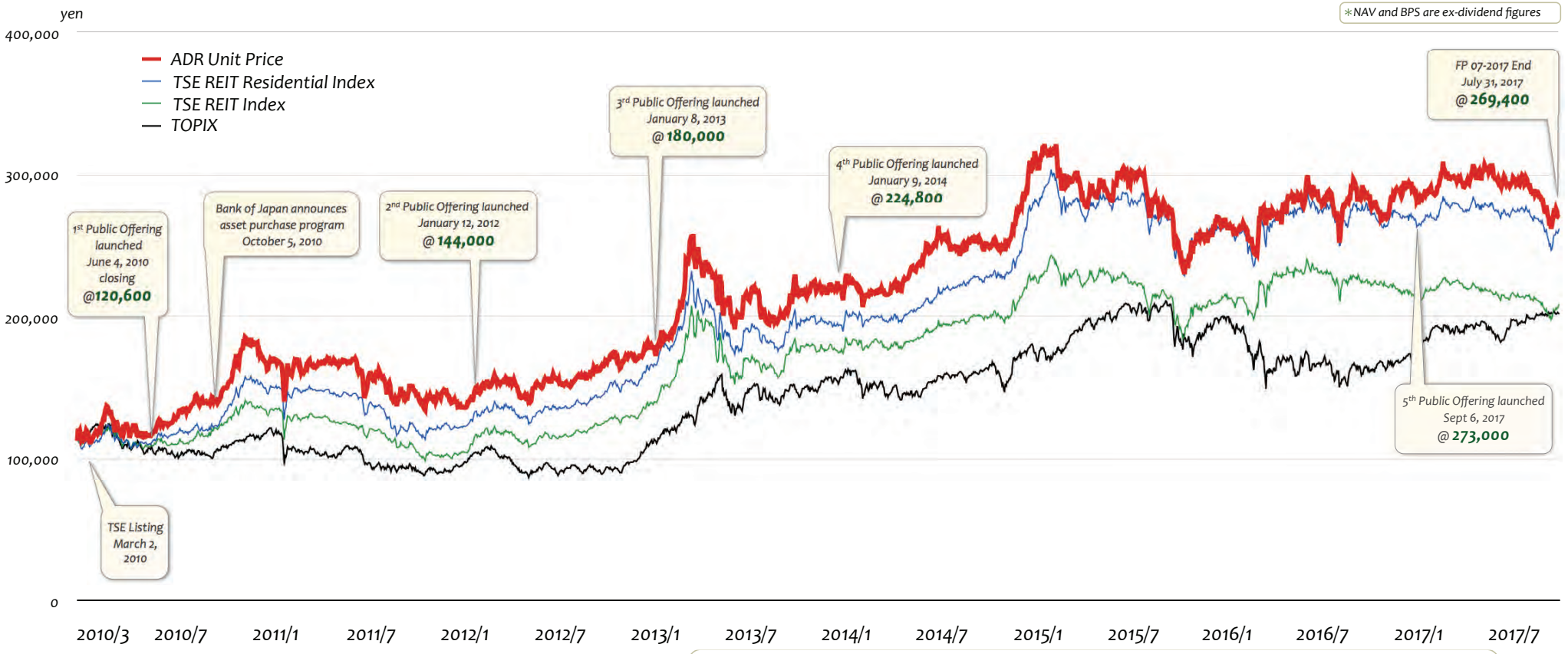
Loans

Lenders	Loan Outstanding (bn yen)	% share
Sumitomo Mitsui Trust Bank	30.3	16.1
The Bank of Tokyo-Mitsubishi UFJ	30.3	16.0
Mizuho Bank	18.1	9.6
Sumitomo Mitsui Banking Corporation	16.5	8.8
Mitsubishi UFJ Trust & Banking	15.2	8.1
Development Bank of Japan	15.5	8.2
MIzuho Trust & Banking	11.1	5.9
Aozora Bank	10.6	5.6
Resona Bank	8.1	4.3
The Norinchukin Bank	7.0	3.7
The Bank of Fukuoka	5.0	2.6
Shinsei Bank	4.2	2.2
Taiyo Life Insurance	3.0	1.6
The Nishi-Nippon City Bank	2.6	1.4
The Yamaguchi Bank	2.5	1.3
Tokio Marine & Nichido Fire Insurance	1.0	0.5
Mitsui Sumitomo Insurance	1.0	0.5
Nippon Life Insurance	1.0	0.5
The Gunma Bank	1.0	0.5
The Iyo Bank	1.0	0.5
The 77 Bank	1.0	0.5
The Kagawa Bank	0.5	0.3
The Tokyo Tomin Bank	0.5	0.3
The Hiroshima Bank	0.5	0.3
The Chugoku Bank	0.5	0.3
The Bank of Kyoto	0.5	0.3
Total	188.8	100

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Unit Price Chart

Key Figures	FP 01-2011	FP 07-2011	FP 01-2012	FP 07-2012	FP 01-2013	FP 07-2013	FP 01-2014	FP 07-2014	FP 01-2015	FP 07-2015	FP 01-2016	FP 07-2016	FP 01-2017	FP 07-2017
Market capitalization	168.8 bn yen @172,300	158.9 bn yen @162,200	134.7 bn yen @137,500	168.1 bn yen @152,900	209.1 bn yen @190,100	245.6 bn yen @198,100	269.3 bn yen @217,200	319.1 bn yen @245,500	391.9 bn yen @301,500	351.6 bn yen @270,500	338.6 bn yen @260,500	369.9bn yen @284,600	4,021bn yen @297,900	363.6 bn yen @269,400
Daily Average Trading volume	0.44 bn yen 3,247 units	0.31 bn yen 1,917 units	0.27 bn yen 1,907 units	0.46 bn yen 3,160 units	0.54 bn yen 3,208 units	1.29 bn yen 6,055 units	0.68 bn yen 3,174 units	0.62 bn yen 2,684 units	0.81 bn yen 2,922 units	0.92 bn yen 3,181 units	0.85 bn yen 3,344 units	1.26 bn yen 4,512 units	1.25 bn yen 4,389 units	0.93 bn yen 3,225 units
LTV (Total assets base)	52.4%	53.5%	54.6%	53.7%	53.8%	51.2%	52.1%	51.0%	50.1%	51.6%	51.4%	52.2%	49.6%	49.6%
NAV per Unit (yen)	152,749	154,360	156,459	155,966	158,313	164,311	171,850	182,367	198,261	207,281	216,739	223,586	230,621	237,214
BPS (yen)	159,564	156,548	156,140	152,689	152,440	153,020	152,821	155,220	155,160	155,161	155,161	155,161	158,601	158,353
Implied CAP rate	5.3%	5.5%	5.6%	5.4%	4.8%	4.7%	4.5%	4.3%	3.8%	4.1%	4.2%	4.1%	4.0%	4.4%



* TOPIX, TSE REIT Index and TSE REIT Residential Index are re-indexed by using Advance Residence's March 2, 2010 closing price of 112,500 yen as base price.

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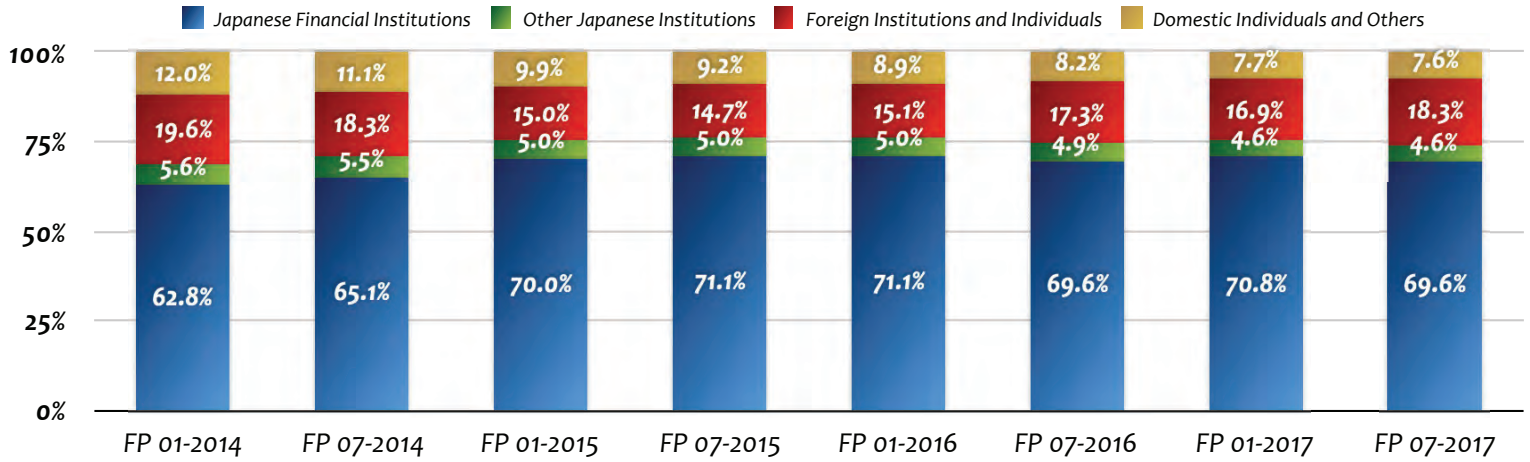
Major Unitholders

as of July 31, 2017

Increase in Overseas Investor Ownership

	Number of Unitholders		Number of Units		
	Unit-holders	diff	Units	diff	(%)
Japanese Financial Institutions	202	-5	939,481	-16,114	69.6%
Trust Banks	16	+1	693,776	-751	51.4%
Regional Banks	54	-5	130,948	-10,783	9.7%
Life Insurance	9	+1	44,153	+2,583	3.3%
Securities Companies	20	-1	15,944	-10,991	1.2%
Casualty Insurance	7	-	17,510	-	1.3%
Credit Unions & Co-ops	48	-	19,867	+3,862	1.5%
Shinkin Banks	48	-1	17,283	-34	1.3%
City Banks	0	-	0	-	0.0%
Other Japanese Corporations	256	-3	61,877	-776	4.6%
Foreign Corporations and Individuals	260	-15	246,608	+18,829	18.3%
Domestic Individuals and Others	15,943	-474	102,034	-1,939	7.6%
Total	**16,661**	**-497**	**1,350,000**	**-**	**100.0%**

Top 10 Unitholders	Holdings (units)	% share of issued and outstanding
Japan Trustee Services Bank, Ltd. (Tr. Acc.)	353,309	26.2%
The Master Trust Bank of Japan ,Ltd. (Tr. Acc.)	153,855	11.4%
Trust & Custody Services Bank, Ltd. (Securities Inv. Tr. Acc.)	83,527	6.2%
The Nomura Trust and Banking Co., Ltd. (Inv. Tr. Acc.)	52,528	3.9%
ITOCHU Corporation	34,800	2.6%
State Street Bank - West Pension Fund Clients - Exempt 505233	19,012	1.4%
Trust & Custody Services Bank, Ltd. (Cash in Tr. Taxable Acc.)	18,330	1.4%
DFA International Real Estate Securities Portfolio	16,526	1.2%
State Street Bank and Trust Company 505012	15,941	1.2%
State Street Bank and Trust Company 505223	14,869	1.1%
Total	**762,697**	**56.6%**



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Balance Sheet

Fiscal Period Ending July 31, 2017	in thousands yen
Assets	
Current assets	
Cash and deposits	12,989,663
Cash and deposits in trust	9,611,975
Operating accounts receivables	195,001
Prepaid expenses	473,090
Other	4,678
Allowance for doubtful accounts	△ 7,059
Current assets	23,267,349
Fixed assets	
Property, plant and equipment	
Buildings	63,076,183
Structures	16,784
Machinery and equipment	49,506
Tools, furniture and fixtures	106,827
Land	70,314,787
Buildings in trust	131,079,911
Structures in trust	93,921
Machinery and equipment in trust	80,653
Tools, furniture and fixtures in trust	288,862
Land in trust	156,457,632
Construction in progress	-
Property, plant and equipment	421,596,451
Intangible assets	
Leasehold right	1,071,902
Leasehold right in trust	2,043,828
Other	73
Intangible assets	3,115,804
Investments and other assets	
Securities investments	-
Long-term prepaid expenses	818,919
Guarantee deposits	529,605
Guarantee deposits in trust	1,026,585
Other	1,710
Investments and other assets	2,376,819
Fixed assets	427,089,075
Deferred assets	
Investment unit issuance expenses	5,785
Investment corporation bond issuance costs	117,268
Deferred assets	123,053
Total Assets	450,479,478

Fiscal Period Ending July 31, 2017	in thousands yen
Liabilities	
Current liabilities	
Operating accounts payable	298,506
Current portion of investment corporation bond	8,000,000
Current portion of long-term loans payable	25,446,329
Accounts payable-other	1,352,658
Accrued expenses	110,602
Accrued consumption taxes	29,026
Advances received	58,572
Other	18,723
Current liabilities	35,314,419
Long-term liabilities	
Investment corporation bond	26,500,000
Long-term loans payable	163,428,000
Tenant leasehold and security deposits	1,223,124
Tenant leasehold and security deposits in trust	3,259,350
Long-term liabilities	194,410,475
Liabilities	229,724,894
Net assets	
Unitholders' equity	
Unitholders' capital, gross	127,690,098
Surplus	
Capital surplus	53,220,279
Reserve for dividend	33,202,036
Unappropriated retained earnings (undisposed loss)	6,642,169
Surplus	93,064,485
Unitholders' equity	220,754,583
Net assets	220,754,583
Liabilities and net assets	450,479,478

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Profit and Loss Statement

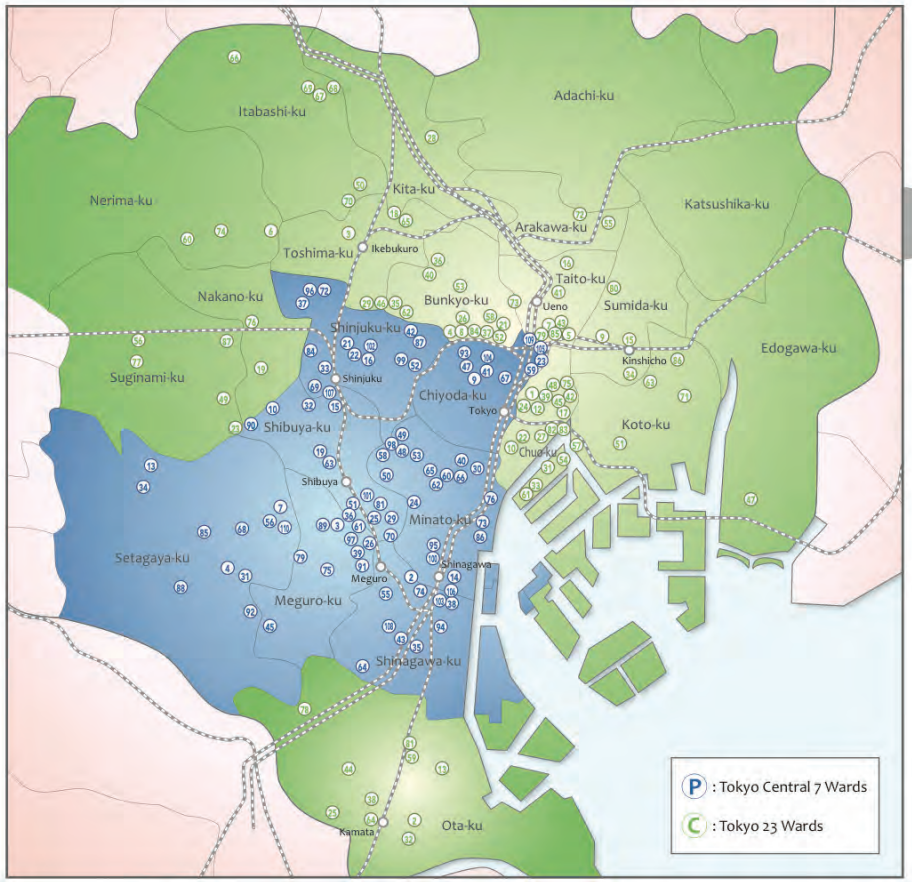
Fiscal Period Ending July 31, 2016 (from February 1, 2017 to July 31, 2017)	in thousands yen
Operating revenue	
Rent revenue-real estate	15,918,444
Dividend income	-
Gain on sales of real estate properties	-
Operating revenue	15,918,444
Operating expenses	
Expenses related to rent business	6,275,634
Loss on sales	-
Asset management fee	1,152,793
Asset custody fee	9,751
Administrative service fees	59,318
Directors' compensations	3,600
Taxes and dues	265,817
Provision of allowance for doubtful accounts	-
Bad debts expenses	408
Other operating expenses	182,187
Operating expenses	7,949,510
Operating income	7,968,934
Non-operating income	
Interest income	6,700
Interest on securities	8,296
Reversal of distributions payable	1,154
Claim compensation income	809
Other	20
Non-operating income	16,981
Non-operating expenses	
Interest expenses	930,276
Interest expenses on investment corporation bonds	163,328
Amortization of investment unit issuance expenses	1,388
Amortization of corporation bonds issuance expenses	13,839
Investment unit issuance expenses	-
Borrowing related expenses	225,093
Other	9,214
Non-operating expenses	1,343,141
Ordinary income	6,642,774
Income before income taxes	6,642,774
Income taxes-current	605
Income taxes	605
Net income	6,642,169
Retained earnings brought forward	-
Unappropriated retained earnings (undisposed loss)	6,642,169

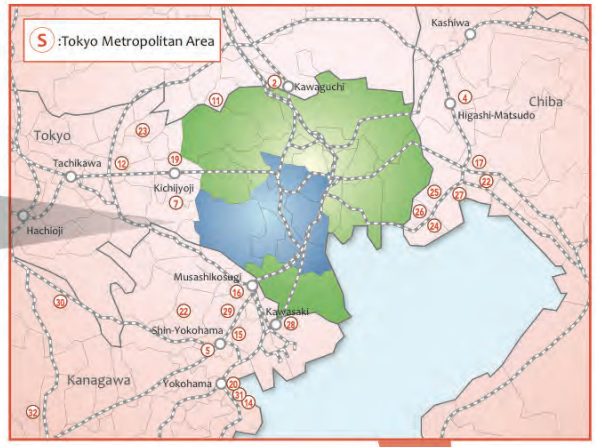
Fiscal Period Ending July 31, 2016 (from February 1, 2017 to July 31, 2017)	in thousands yen
A. Revenue from Property Leasing	
Rental	
Rent income	14,071,111
Facility charge	747,834
Parking fee	437,625
Subtotal	15,256,571
Other revenues related to property leasing	
Income from leasing rights, etc.	78,459
Miscellaneous income	583,413
Subtotal	661,872
Total revenues from property leasing	15,918,444
B. Rental Expenses	
Taxes and Duties	848,599
Property management fees	1,145,863
Utilities	241,068
Repairs and maintenance	560,021
Insurance	25,024
Trust fee	71,278
Other rental expenses	751,862
Depreciation and amortization	2,631,916
Total rental expenses	6,275,634
C. Operating Income from Property Leasing Activities (A-B)	9,642,810

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Portfolio Map

as of July 31, 2017





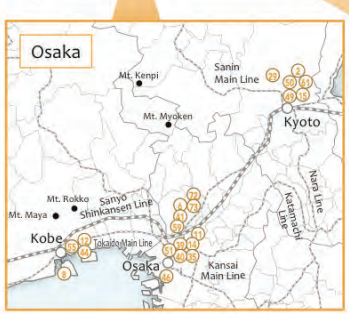














No. of Properties
260

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Portfolio

(as of July 31, 2016)

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
P-2	RESIDIA Shimazuyama	Shinagawa-ku, Tokyo	12 - 2004	115	2,860	0.6%	3,190	2,381	34.0%	4.3%	96.7%
P-3	RESIDIA Nakameguro	Meguro-ku, Tokyo	2 - 2005	88	1,730	0.4%	2,090	1,425	46.6%	2.6%	100.0%
P-4	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	3 - 2002	28	1,229	0.3%	1,260	1,178	6.9%	7.3%	96.8%
P-7	RESIDIA Ikejiriohashi	Setagaya-ku, Tokyo	8 - 2005	42	1,230	0.3%	1,410	1,162	21.3%	3.1%	92.9%
P-9	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	3 - 2004	86	2,270	0.5%	2,610	2,039	27.9%	2.9%	98.9%
P-10	RESIDIA Hatagaya	Shibuya-ku, Tokyo	2 - 2006	35	1,130	0.3%	1,230	1,069	15.0%	7.3%	100.0%
P-13	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	7 - 2006	39	1,120	0.3%	1,280	1,065	20.1%	7.0%	96.3%
P-14	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	2 - 2007	120	2,720	0.6%	2,990	2,549	17.3%	4.3%	100.0%
P-15	RESIDIA Yoyoginomori	Shibuya-ku, Tokyo	3 - 2007	22	732	0.2%	735	708	3.7%	4.4%	92.0%
P-16	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	2 - 2009	39	750	0.2%	912	724	26.0%	4.3%	100.0%
P-19	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	8 - 2001	30	588	0.1%	726	564	28.6%	8.2%	100.0%
P-21	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	2 - 2004	54	1,380	0.3%	1,700	1,309	29.9%	4.8%	88.6%
P-22	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	8 - 2000	48	941	0.2%	1,150	932	23.3%	5.3%	94.0%
P-23	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	2 - 2004	65	1,520	0.3%	2,070	1,407	47.1%	4.1%	100.0%
P-24	RESIDIA Azabujuban II	Minato-ku, Tokyo	2 - 2001	37	874	0.2%	1,050	888	18.2%	3.1%	85.5%
P-25	RESIDIA Ebisu	Shibuya-ku, Tokyo	1 - 2001	26	554	0.1%	680	569	19.4%	3.0%	100.0%
P-26	RESIDIA Meguro	Shinagawa-ku, Tokyo	10 - 1999	20	722	0.2%	723	742	-2.6%	6.2%	92.1%
P-29	RESIDIA Hiroo II	Shibuya-ku, Tokyo	11 - 2005	76	1,660	0.4%	2,090	1,533	36.3%	2.9%	95.4%
P-30	Pianetta Shiodome	Minato-ku, Tokyo	2 - 2005	67	1,950	0.4%	2,250	1,808	24.4%	5.3%	94.7%
P-31	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	10 - 2004	18	333	0.1%	389	310	25.1%	8.5%	93.6%
P-32	RESIDIA Yoyogi	Shibuya-ku, Tokyo	2 - 2005	16	326	0.1%	398	309	28.5%	11.0%	80.7%
P-33	RESIDIA Nishi-Shinjuku	Shinjuku-ku, Tokyo	2 - 2005	19	363	0.1%	439	345	27.0%	9.9%	90.0%
P-34	RESIDIA Kyodo	Setagaya-ku, Tokyo	2 - 2005	15	286	0.1%	340	267	27.3%	10.6%	83.1%
P-35	RESIDIA Oimachi	Shinagawa-ku, Tokyo	12 - 2005	48	947	0.2%	1,120	873	28.2%	4.3%	98.0%
P-36	RESIDIA Ebisu II	Shibuya-ku, Tokyo	1 - 2006	61	2,280	0.5%	2,810	2,222	26.5%	3.4%	95.0%
P-37	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	9 - 2006	70	1,180	0.3%	1,470	1,100	33.5%	4.8%	97.6%
P-38	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	8 - 2006	122	2,040	0.5%	2,370	1,924	23.1%	4.0%	99.1%
P-39	RESIDIA Meguro II	Meguro-ku, Tokyo	1 - 2006	34	1,190	0.3%	1,340	1,145	17.0%	6.5%	85.8%
P-40	RESIDIA Toranomon	Minato-ku, Tokyo	9 - 2006	63	1,320	0.3%	1,550	1,246	24.3%	3.3%	100.0%
P-41	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	3 - 2006	52	1,160	0.3%	1,500	1,103	35.9%	2.8%	100.0%
P-42	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	8 - 2006	52	918	0.2%	1,070	871	22.8%	2.1%	94.5%
P-43	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	7 - 2007	40	1,050	0.2%	1,300	994	30.7%	4.8%	90.4%
P-45	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	3 - 2002	28	1,050	0.2%	1,240	1,031	20.2%	7.3%	85.6%
P-47	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	12 - 2004	65	2,310	0.5%	2,710	2,159	25.5%	2.3%	100.0%
P-48	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	8 - 2004	68	3,660	0.8%	3,820	3,442	11.0%	3.5%	94.1%
P-49	RESIDIA Akasaka	Minato-ku, Tokyo	5 - 2004	37	1,180	0.3%	1,410	1,107	27.3%	8.3%	100.0%
P-50	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	7 - 2004	125	6,780	1.5%	7,640	6,410	19.2%	2.8%	97.6%
P-51	RESIDIA Daikanyama	Shibuya-ku, Tokyo	7 - 2004	42	2,150	0.5%	2,150	1,994	7.8%	4.0%	92.6%
P-52	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	8 - 2004	85	2,500	0.6%	2,960	2,341	26.4%	3.6%	88.3%
P-53	RESIDIA Roppongi-Hinokichokoen	Minato-ku, Tokyo	9 - 1999	89	3,570	0.8%	4,370	3,596	21.5%	6.8%	93.0%
P-55	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	1 - 2007	358	16,500	3.7%	18,600	15,091	23.2%	1.8%	100.0%
P-56	RESIDIA Sangenjaya	Setagaya-ku, Tokyo	1 - 2005	78	2,760	0.6%	3,460	2,542	36.1%	2.7%	97.2%
P-58	RESIDIA Minami-Aoyama	Minato-ku, Tokyo	3 - 2005	13	728	0.2%	486	701	-30.7%	2.0%	100.0%
P-59	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	10 - 2003	64	1,620	0.4%	2,070	1,500	38.0%	3.4%	91.3%
P-60	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	4 - 2006	31	1,430	0.3%	1,440	1,348	6.8%	3.2%	100.0%
P-61	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	3 - 2007	39	2,020	0.5%	2,200	1,945	13.1%	7.1%	97.5%
P-62	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	1 - 2003	113	6,190	1.4%	6,070	5,994	1.3%	0.7%	94.6%

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
P-63	RESIDIA Shibuya	Shibuya-ku, Tokyo	6 - 2006	40	1,250	0.3%	1,540	1,207	27.5%	3.5%	95.4%
P-64	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	11 - 2005	65	1,880	0.4%	2,260	1,768	27.8%	3.4%	98.6%
P-65	RESIDIA Azabudai	Minato-ku, Tokyo	2 - 2006	47	1,610	0.4%	1,760	1,549	13.6%	4.6%	100.0%
P-66	RESIDIA Shibadaimon II	Minato-ku, Tokyo	8 - 2006	48	1,740	0.4%	1,850	1,681	10.0%	3.3%	93.8%
P-67	RESIDIA Kanda	Chiyoda-ku, Tokyo	6 - 2006	43	1,140	0.3%	1,440	1,091	32.0%	4.9%	100.0%
P-68	RESIDIA Sangenjaya II	Setagaya-ku, Tokyo	3 - 2006	34	1,280	0.3%	1,500	1,223	22.6%	4.4%	94.3%
P-69	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	5 - 2007	74	1,830	0.4%	2,170	1,720	26.2%	10.9%	96.9%
P-70	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	8 - 2007	26	923	0.2%	1,010	876	15.3%	2.8%	100.0%
P-72	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	12 - 2002	19	974	0.2%	1,080	919	17.4%	4.9%	100.0%
P-73	RESIDIA Shibaura	Minato-ku, Tokyo	9 - 1991	153	4,670	1.1%	5,570	4,420	26.0%	2.8%	93.2%
P-74	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	1 - 2007	16	930	0.2%	963	884	8.8%	7.9%	94.9%
P-75	RESIDIA Yutenji	Meguro-ku, Tokyo	8 - 2006	118	5,260	1.2%	5,980	5,063	18.1%	7.8%	100.0%
P-76	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	5 - 2005	191	9,570	2.2%	11,400	8,967	27.1%	3.6%	95.8%
P-79	RESIDIA Kamimeguro	Meguro-ku, Tokyo	1 - 1993	16	878	0.2%	1,010	852	18.5%	7.7%	94.6%
P-81	Windsor House Hiroo	Shibuya-ku, Tokyo	6 - 2003	12	1,750	0.4%	1,490	1,641	-9.3%	4.8%	91.5%
P-84	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	2 - 1997	26	1,460	0.3%	1,630	1,378	18.2%	8.8%	88.5%
P-85	RESIDIA Komazawa	Setagaya-ku, Tokyo	10 - 2008	59	870	0.2%	1,230	834	47.5%	10.0%	100.0%
P-86	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	1 - 2010	72	2,400	0.5%	2,980	2,342	27.2%	4.4%	97.7%
P-87	RESIDIA Ichigaya-Yakuoji	Shinjuku-ku, Tokyo	8 - 2008	98	2,070	0.5%	2,530	2,005	26.2%	3.0%	97.4%
P-88	RESIDIA Yoga	Setagaya-ku, Tokyo	6 - 2008	66	1,523	0.3%	1,840	1,556	18.2%	10.3%	98.7%
P-89	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	3 - 2007	70	3,300	0.7%	4,260	3,348	27.2%	2.4%	96.0%
P-90	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	1 - 2011	167	3,760	0.8%	4,590	3,725	23.2%	4.2%	98.6%
P-91	RESIDIA Meguro III	Meguro-ku, Tokyo	1 - 2010	31	950	0.2%	1,300	961	35.2%	2.6%	97.5%
P-92	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	10 - 2007	17	778	0.2%	960	784	22.4%	5.4%	89.3%
P-93	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	1 - 2012	48	1,240	0.3%	1,670	1,239	34.8%	2.6%	97.6%
P-94	RESIDIA Omori II	Shinagawa-ku, Tokyo	3 - 2012	90	1,620	0.4%	2,120	1,615	31.3%	2.2%	98.0%
P-95	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	3 - 2012	53	1,480	0.3%	1,950	1,480	31.7%	6.7%	98.7%
P-96	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	3 - 2008	187	3,656	0.8%	4,430	3,790	16.9%	A 2.9% B 2.9% C 3.0%	97.3%
P-97	RESIDIA Nakameguro II	Meguro-ku, Tokyo	8 - 2006	50	1,119	0.3%	1,420	1,125	26.2%	2.7%	98.0%
P-98	ARTIS COURT Minamiaoyama	Minato-ku, Tokyo	7 - 2008	23	1,720	0.4%	1,930	1,736	11.1%	3.9%	100.0%
P-99	RESIDIA Yotsuya-Sanchome	Shinjuku-ku, Tokyo	5 - 2009	90	2,090	0.5%	2,770	2,099	31.9%	3.8%	97.7%
P-100	RESIDIA Takanawa-Katsurazaka	Minato-ku, Tokyo	3 - 2006	45	900	0.2%	1,050	948	10.7%	5.4%	95.6%
P-101	RESIDIA Ebisu III	Shibuya-ku, Tokyo	3 - 2006	26	611	0.1%	744	651	14.2%	3.3%	100.0%
P-102	RESIDIA Shinjukugyoen	Shinjuku-ku, Tokyo	10 - 2006	38	687	0.2%	839	723	15.9%	5.2%	100.0%
P-103	RESIDIA Minami-Shinagawa	Shinagawa-ku, Tokyo	10 - 2013	50	1,177	0.3%	1,390	1,208	15.0%	8.7%	96.6%
P-104	Chester Court Ochanomizu	Chiyoda-ku, Tokyo	3 - 2007	118	3,117	0.7%	3,790	3,180	19.1%	2.4%	97.8%
P-105	RESIDIA Kanda-Iwamotocho II	Chiyoda-ku, Tokyo	4 - 2007	48	1,280	0.3%	1,580	1,308	20.7%	2.8%	98.3%
P-106	RESIDIA Shinagawa	Shinagawa-ku, Tokyo	6 - 2007	36	980	0.2%	1,190	1,003	18.6%	4.0%	93.1%
P-107	RESIDIA Yoyogi II	Shibuya-ku, Tokyo	1 - 2008	31	839	0.2%	955	900	6.1%	8.4%	93.0%
P-108	RESIDIA Nakanobu II	Shinagawa-ku, Tokyo	4 - 2014	44	917	0.2%	1,010	946	6.7%	3.9%	96.0%
P-109	RESIDIA Ochanomizu II	Chiyoda-ku, Tokyo	3 - 2015	28	821	0.2%	932	848	9.8%	4.1%	94.6%
P-110	RESIDIA Mishuku	Setagaya-ku, Tokyo	4 - 2015	42	1,159	0.3%	1,300	1,197	8.6%	4.1%	93.7%
C-1	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	2 - 2005	105	1,920	0.4%	2,530	1,581	60.0%	3.3%	100.0%
C-2	RESIDIA Kamata	Ota-ku, Tokyo	3 - 2005	166	2,640	0.6%	3,550	2,133	66.4%	4.7%	97.3%
C-3	RESIDIA Ikebukuro	Toshima-ku, Tokyo	3 - 2005	60	1,520	0.3%	1,790	1,400	27.8%	7.1%	95.2%
C-4	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	7 - 2005	65	1,680	0.4%	2,200	1,562	40.8%	4.6%	100.0%
C-5	RESIDIA Asakusabashi	Taito-ku, Tokyo	8 - 2005	47	1,060	0.2%	1,410	939	50.1%	2.9%	97.0%
C-6	Maison Eclairee Ekoda	Nerima-ku, Tokyo	3 - 1993	94	953	0.2%	1,100	914	20.3%	9.2%	90.5%
C-7	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	2 - 2006	127	3,160	0.7%	3,730	2,870	30.0%	2.1%	92.6%
C-8	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	1 - 2006	70	1,623	0.4%	1,920	1,544	24.3%	3.6%	97.8%
C-9	RESIDIA Ryogoku	Sumida-ku, Tokyo	2 - 2006	48	913	0.2%	1,200	852	40.8%	9.1%	100.0%

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Portfolio

(as of July 31, 2016)

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
C-10	RESIDIA Higashi-Ginza	Chuo-ku, Tokyo	9 - 2006	169	5,251	1.2%	5,590	5,046	10.8%	4.3%	96.4%
C-12	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	1 - 2007	137	3,180	0.7%	3,770	2,973	26.8%	4.6%	99.4%
C-13	RESIDIA Omori-Higashi	Ota-ku, Tokyo	8 - 2007	81	1,980	0.4%	2,030	1,845	10.0%	3.8%	95.7%
C-15	RESIDIA Kinshicho	Sumida-ku, Tokyo	11 - 2007	157	4,200	0.9%	4,580	4,022	13.9%	7.2%	99.1%
C-16	RESIDIA Negishi	Taito-ku, Tokyo	12 - 2005	28	856	0.2%	919	818	12.3%	7.7%	96.4%
C-17	RESIDIA Shinkawa	Chuo-ku, Tokyo	2 - 2003	83	1,880	0.4%	2,330	1,816	28.3%	5.3%	96.2%
C-18	RESIDIA Kamiikebukuro	Toshima-ku, Tokyo	12 - 2001	44	558	0.1%	714	545	31.0%	6.4%	97.9%
C-19	RESIDIA Shin-nakano	Nakano-ku, Tokyo	6 - 2002	24	352	0.1%	509	355	43.3%	3.8%	83.4%
C-21	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	3 - 2004	63	1,010	0.2%	1,220	928	31.4%	5.3%	94.5%
C-22	RESIDIA Tsukiji	Chuo-ku, Tokyo	12 - 2005	54	1,460	0.3%	1,850	1,332	38.9%	3.4%	100.0%
C-23	RESIDIA Sasazuka	Suginami-ku, Tokyo	3 - 2000	96	1,800	0.4%	2,140	1,800	18.9%	6.9%	98.2%
C-24	RESIDIA Kyobashi	Chuo-ku, Tokyo	1 - 2005	52	1,220	0.3%	1,480	1,126	31.3%	3.4%	100.0%
C-25	RESIDIA Tamagawa	Ota-ku, Tokyo	9 - 2004	98	1,300	0.3%	1,620	1,182	37.0%	5.9%	98.0%
C-26	RESIDIA Korakuen	Bunkyo-ku, Tokyo	10 - 2004	31	603	0.1%	760	551	37.9%	3.5%	96.7%
C-27	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	9 - 2004	94	2,000	0.5%	2,460	1,844	33.3%	4.0%	97.3%
C-28	RESIDIA Oji	Kita-ku, Tokyo	2 - 2005	61	867	0.2%	1,040	797	30.5%	3.2%	100.0%
C-29	RESIDIA Mejiro II	Toshima-ku, Tokyo	7 - 2005	63	1,050	0.2%	1,230	980	25.5%	2.3%	97.1%
C-31	RESIDIA Tsukishima	Chuo-ku, Tokyo	2 - 2006	40	1,100	0.2%	1,270	1,022	24.2%	6.8%	94.9%
C-32	RESIDIA Kamata II	Ota-ku, Tokyo	9 - 2006	78	1,360	0.3%	1,610	1,278	25.9%	4.0%	97.7%
C-33	RESIDIA Tsukishima II	Chuo-ku, Tokyo	9 - 2006	105	2,440	0.6%	2,940	2,303	27.6%	3.8%	97.4%
C-34	RESIDIA Kinshicho II	Sumida-ku, Tokyo	1 - 2008	99	2,380	0.5%	2,640	2,245	17.6%	4.7%	95.5%
C-35	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	8 - 2003	104	3,380	0.8%	4,030	3,165	27.3%	4.7%	90.0%
C-36	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	2 - 2003	33	707	0.2%	872	637	36.9%	5.0%	94.3%
C-37	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	2 - 2003	39	1,050	0.2%	1,310	956	37.0%	6.9%	98.1%
C-38	RESIDIA Ikegami	Ota-ku, Tokyo	7 - 2003	19	378	0.1%	413	347	19.0%	8.5%	100.0%
C-39	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	3 - 2004	25	557	0.1%	762	504	50.9%	5.6%	91.6%
C-40	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	4 - 2005	45	1,440	0.3%	1,640	1,353	21.2%	4.1%	94.8%
C-41	RESIDIA Iriya	Taito-ku, Tokyo	12 - 2004	49	990	0.2%	1,140	885	28.8%	5.4%	98.3%
C-42	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	8 - 2006	45	1,310	0.3%	1,580	1,252	26.1%	4.5%	97.7%
C-43	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	3 - 2007	69	1,860	0.4%	2,110	1,762	19.7%	3.0%	100.0%
C-44	RESIDIA Chidoricho	Ota-ku, Tokyo	9 - 2006	60	1,290	0.3%	1,450	1,210	19.8%	5.0%	91.7%
C-45	RESIDIA Shinkawa II	Chuo-ku, Tokyo	2 - 2003	36	1,320	0.3%	1,540	1,202	28.0%	3.9%	96.4%
C-46	RESIDIA Mejiro	Toshima-ku, Tokyo	1 - 1999	162	6,280	1.4%	7,730	6,136	26.0%	2.6%	96.9%
C-47	RESIDIA Kasai	Edogawa-ku, Tokyo	1 - 2000	29	683	0.2%	818	666	22.7%	7.0%	93.1%
C-48	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	2 - 2007	132	5,500	1.2%	7,060	5,121	37.9%	2.4%	97.0%
C-49	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	2 - 2009	194	3,834	0.9%	5,430	3,644	49.0%	4.3%	95.7%
C-50	RESIDIA Shin Itabashi	Itabashi-ku, Tokyo	8 - 2009	67	888	0.2%	1,220	854	42.8%	8.6%	100.0%
C-51	RESIDIA Kiba	Koto-ku, Tokyo	3 - 2008	155	1,950	0.4%	2,930	1,905	53.8%	7.2%	98.7%
C-52	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	12 - 2008	52	1,129	0.3%	1,510	1,097	37.6%	4.4%	100.0%
C-53	RESIDIA Bunkyo-Honkomagome	Bunkyo-ku, Tokyo	3 - 2008	98	2,340	0.5%	2,950	2,296	28.5%	3.5%	96.8%
C-54	RESIDIA Tsukishima III	Chuo-ku, Tokyo	2 - 2008	119	2,570	0.6%	3,590	2,487	44.3%	4.0%	97.9%
C-55	RESIDIA Minamisenju	Arakawa-ku, Tokyo	3 - 2007	175	2,580	0.6%	3,530	2,458	43.6%	5.3%	98.9%
C-56	RESIDIA Ogikubo	Suginami-ku, Tokyo	3 - 2003	101	1,710	0.4%	2,220	1,767	25.6%	4.5%	98.1%
C-57	RESIDIA Monzennakacho	Koto-ku, Tokyo	2 - 2005	68	970	0.2%	1,280	974	31.4%	7.6%	94.1%
C-58	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	9 - 2005	80	2,090	0.5%	2,850	2,052	38.8%	4.2%	96.2%
C-59	RESIDIA Omori	Ota-ku, Tokyo	3 - 2006	75	1,150	0.3%	1,480	1,130	30.9%	1.8%	98.7%
C-60	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	2 - 2008	66	1,075	0.2%	1,340	1,046	28.0%	4.5%	98.7%
C-61	RESIDIA Kachidoki	Chuo-ku, Tokyo	2 - 2008	55	1,805	0.4%	2,420	1,765	37.1%	4.9%	92.8%

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C-62	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	2 - 2008	89	2,268	0.5%	2,960	2,293	29.1%	4.0%	98.3%
C-63	RESIDIA Kinshicho III	Koto-ku, Tokyo	2 - 2005	51	651	0.1%	818	655	24.7%	9.6%	100.0%
C-64	RESIDIA Kamata III	Ota-ku, Tokyo	3 - 2007	53	948	0.2%	1,210	937	29.0%	3.5%	100.0%
C-65	RESIDIA Tower Kami-Ikebukuro	Toshima-ku, Tokyo	3 - 2009	472	8,250	1.9%	11,400	8,049	41.6%	Twr 2.9% Prk 5.4% Anx 5.7%	98.0%
C-66	RESIDIA Takashimadaira	Itabashi-ku, Tokyo	2 - 2007	45	502	0.1%	618	526	17.5%	4.8%	100.0%
C-67	RESIDIA Shimurasakaue	Itabashi-ku, Tokyo	2 - 2007	44	580	0.1%	700	609	14.8%	3.4%	100.0%
C-68	RESIDIA Shimurasakaue II	Itabashi-ku, Tokyo	3 - 2007	94	1,093	0.2%	1,360	1,134	19.9%	5.6%	100.0%
C-69	RESIDIA Shimurasakaue III	Itabashi-ku, Tokyo	3 - 2007	36	411	0.1%	502	433	15.8%	5.4%	100.0%
C-70	RESIDIA Ikebukuro West	Itabshi-ku, Tokyo	10 - 2007	72	1,115	0.3%	1,350	1,120	20.5%	3.0%	94.3%
C-71	RESIDIA Ojima	Koto-ku, Tokyo	11 - 2007	87	1,282	0.3%	1,570	1,286	22.0%	6.1%	100.0%
C-72	RESIDIA Machiya	Arakawa-ku, Tokyo	8 - 2009	55	1,168	0.3%	1,300	1,192	9.0%	3.2%	100.0%
C-73	RESIDIA Ueno-Ikenohata	Taito-ku, Tokyo	2 - 2004	71	1,700	0.4%	1,940	1,784	8.7%	3.8%	98.8%
C-74	RESIDIA Nerima	Nerima-ku, Tokyo	3 - 2005	34	502	0.1%	632	517	22.2%	3.9%	100.0%
C-75	RESIDIA Higashi-Nihonbashi	Chuo-ku, Tokyo	4 - 2006	22	378	0.1%	468	400	16.7%	5.8%	100.0%
C-76	RESIDIA Nakano	Nakano-ku, Tokyo	11 - 2006	30	652	0.1%	779	694	12.2%	4.1%	100.0%
C-77	RESIDIA Ogikubo II	Suginami-ku, Tokyo	3 - 2007	36	460	0.1%	540	491	9.9%	5.1%	100.0%
C-78	RESIDIA Minamiyukigaya	Ota-ku, Tokyo	3 - 2008	58	1,299	0.3%	1,520	1,364	11.4%	4.4%	92.5%
C-79	RESIDIA Akihabara	Taito-ku, Tokyo	4 - 2007	40	977	0.2%	1,160	1,002	15.8%	5.1%	95.2%
C-80	RESIDIA Asakusa-Azumabashi	Sumida-ku, Tokyo	9 - 2007	60	876	0.2%	1,120	899	24.5%	3.5%	98.3%
C-81	RESIDIA Oomori III	Ota-ku, Tokyo	12 - 2012	65	1,395	0.3%	1,640	1,427	14.9%	3.1%	96.2%
C-82	RESIDIA Nihonbashi-Bakurocho II	Chuo-ku, Tokyo	4 - 2014	77	1,975	0.4%	2,410	2,024	19.0%	3.8%	94.2%
C-83	RESIDIA Nihonbashi-Bakurocho III	Chuo-ku, Tokyo	3 - 2008	55	1,833	0.4%	2,240	1,880	19.1%	3.7%	95.8%
C-84	RESIDIA Bunkyo-Hongo III	Bunkyo-ku, Tokyo	7 - 2014	48	1,655	0.4%	1,870	1,703	9.8%	4.7%	98.4%
C-85	RESIDIA Shin-Okachimachi II	Taito-ku, Tokyo	3 - 2015	100	4,650	1.1%	5,290	4,799	10.2%	1.9%	99.2%
C-86	RESIDIA Kameido	Koto-ku, Tokyo	10 - 2013	129	2,988	0.7%	3,280	3,095	6.0%	5.9%	96.3%
C-87	RESIDIA Koenji	Suginamiku, Tokyo	3 - 2015	58	1,380	0.3%	1,520	1,433	6.0%	3.9%	90.2%
S-2	Chester House Kawaguchi	Kawaguchi, Saitama	3 - 1991	39	770	0.2%	745	706	5.5%	5.5%	97.4%
S-4	RESIDIA Higashi-Matsudo	Matsudo, Chiba	4 - 2007	44	1,100	0.2%	1,190	1,029	15.6%	4.6%	95.4%
S-5	RESIDIA Shin-Yokohama	Yokohama, Kanagawa	1 - 2007	131	1,920	0.4%	1,990	1,778	11.9%	5.6%	100.0%
S-7	RESIDIA Chofu	Chofu, Tokyo	3 - 2007	41	1,143	0.3%	1,180	1,076	9.6%	5.0%	97.8%
S-11	TOKYO Student-House Wako	Wako, Saitama	4 - 1990	127	675	0.2%	755	677	11.5%	10.2%	100.0%
S-12	RESIDIA Kokubunji	Kokubunji, Tokyo	2 - 2003	33	518	0.1%	608	505	20.2%	2.9%	96.8%
S-14	RESIDIA Yokohama-Kannai	Yokohama, Kanagawa	8 - 2004	102	1,700	0.4%	1,880	1,530	22.8%	8.4%	94.1%
S-15	RESIDIA Okurayama	Yokohama, Kanagawa	3 - 1998	64	755	0.2%	914	715	27.8%	5.3%	100.0%
S-16	RESIDIA Musashikosugi	Kawasaki, Kanagawa	2 - 2007	68	1,580	0.4%	1,950	1,493	30.6%	7.2%	97.0%
S-17	RESIDIA Funabashi I and II	Funabashi, Chiba	3 - 2007	172	2,730	0.6%	3,090	2,547	21.3%	I 3.6% II 3.4%	100.0%
S-19	RESIDIA Kichijoji	Musashino, Tokyo	3 - 1995	48	1,380	0.3%	1,640	1,430	14.6%	9.1%	95.9%
S-20	Pacific Royal Court Minato Mirai Ocean Tower	Yokohama, Kanagawa	11 - 2007	416	14,000	3.2%	16,100	11,850	35.9%	4.5%	100.0%
S-22	Life & Senior House Kohoku II	Yokohama, Kanagawa	10 - 2003	78	1,670	0.4%	2,190	1,568	39.6%	6.4%	100.0%
S-23	College Court Tanashi	Nishi-Tokyo, Tokyo	2 - 2010	91	810	0.2%	1,130	770	46.7%	7.7%	100.0%
S-24	RESIDIA Urayasu	Urayasu, Chiba	9 - 2009	146	2,115	0.5%	2,870	2,085	37.6%	6.7%	97.7%
S-25	RESIDIA Minami-Gyotoku	Ichikawa, Chiba	2 - 2005	85	823	0.2%	1,030	823	25.1%	6.6%	95.3%
S-26	RESIDIA Urayasu II	Urayasu, Chiba	2 - 2005	74	802	0.2%	997	804	24.0%	7.5%	97.3%
S-27	RESIDIA Gyotoku	Ichikawa, Chiba	2 - 2005	75	761	0.2%	938	760	23.4%	6.1%	97.3%
S-28	RESIDIA Kawasaki	Kawasaki, Kanagawa	3 - 2007	104	1,670	0.4%	2,120	1,630	30.0%	4.7%	99.1%
S-29	Cocofump Hiyoshi	Yokohama, Kanagawa	1 - 2010	85	1,050	0.2%	1,210	1,012	19.5%	7.5%	100.0%
S-30	RESIDIA Sagamihara	Sagamihara, Kanagawa	5 - 2004	111	1,050	0.2%	1,250	1,073	16.5%	6.8%	100.0%
S-31	RESIDIA Yokohama-Bashamichi	Yokohama, Kanagawa	9 - 2005	28	735	0.2%	1,140	786	44.9%	11.5%	100.0%
S-32	RESIDIA Hon-Atugi	Atugi, Kanagawa	1 - 2008	49	606	0.1%	696	647	7.5%	11.0%	100.0%
S-33	RESIDIA Funabashi III	Funabashi, Chiba	2006/10	43	620	0.1%	691	670	3.1%	5.0%	100.0%

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Portfolio

(as of July 31, 2016)

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
R-2	RESIDIA Imadegawa	Kyoto, Kyoto	2 - 1999	154	1,671	0.4%	1,660	1,491	11.3%	10.9%	100.0%
R-4	RESIDIA Higashi-Sakura	Nagoya, Aichi	2 - 2006	91	1,290	0.3%	1,430	1,043	37.0%	3.4%	90.3%
R-5	RESIDIA Kameyama	Kameyama, Mie	2 - 2007	182	1,610	0.4%	1,150	1,534	-25.0%	4.2%	100.0%
R-6	RESIDIA Ryokuchi Koen	Toyonaka, Osaka	5 - 2007	44	979	0.2%	925	893	3.6%	5.7%	92.3%
R-8	RESIDIA Kobe Port Island	Kobe, Hyogo	9 - 2007	404	3,740	0.8%	4,150	3,449	20.3%	South•Center 6.8% North 6.7%	100.0%
R-10	RESIDIA Hakata	Fukuoka, Fukuoka	3 - 2002	155	1,220	0.3%	1,440	1,235	16.6%	3.4%	99.4%
R-11	RESIDIA Tenjinbashi	Osaka, Osaka	2 - 2000	78	871	0.2%	1,140	851	33.8%	8.3%	88.9%
R-12	RESIDIA Sannomiya-Higashi	Kobe, Hyogo	11 - 2005	161	2,220	0.5%	2,770	1,966	40.8%	3.2%	98.5%
R-13	KC21 Building	Sendai, Miyagi	3 - 1997	79	900	0.2%	916	877	4.4%	2.4%	99.0%
R-14	RESIDIA Utubokoen	Osaka, Osaka	1 - 2006	94	1,170	0.3%	1,460	1,053	38.5%	6.6%	96.9%
R-15	RESIDIA Kyoto-ekimae	Kyoto, Kyoto	2 - 2006	116	1,970	0.4%	2,450	1,789	36.9%	9.9%	95.5%
R-16	RESIDIA Takaoka	Nagoya, Aichi	8 - 2007	198	2,330	0.5%	3,040	2,155	41.0%	3.5%	96.1%
R-17	RESIDIA Hibino	Nagoya, Aichi	4 - 1992	124	1,340	0.3%	1,420	1,151	23.4%	3.9%	98.5%
R-19	RESIDIA Tenjin-Minami	Fukuoka, Fukuoka	1 - 2004	56	936	0.2%	1,180	838	40.7%	4.9%	96.4%
R-20	RESIDIA Hakataeki-Minami	Fukuoka, Fukuoka	1 - 2003	39	324	0.1%	394	322	22.1%	2.7%	93.9%
R-21	RESIDIA Hisaya-Odori II	Nagoya, Aichi	2 - 2005	38	685	0.2%	796	610	30.5%	5.0%	100.0%
R-24	RESIDIA Minami-Ichijo	Sapporo, Hokkaido	12 - 2006	179	1,640	0.4%	1,920	1,473	30.3%	0.9%	98.9%
R-25	RESIDIA Odori-Nishi	Sapporo, Hokkaido	12 - 2006	103	1,320	0.3%	1,370	1,208	13.3%	1.1%	92.2%
R-26	RESIDIA Kita-Sanjo	Sapporo, Hokkaido	1 - 2007	100	1,130	0.3%	1,380	1,007	36.9%	1.4%	96.9%
R-27	RESIDIA Shirakabe-Higashi	Nagoya, Aichi	5 - 2005	33	831	0.2%	906	760	19.2%	4.1%	97.0%
R-29	RESIDIA Uzumasa	Kyoto, Kyoto	1 - 2000	48	701	0.2%	757	650	16.4%	13.5%	96.1%
R-30	RESIDIA Izumi	Nagoya, Aichi	11 - 2005	122	3,700	0.8%	4,240	3,347	26.7%	3.1%	90.7%
R-31	RESIDIA Maruyama Kita-Gojo	Sapporo, Hokkaido	2 - 2007	56	1,050	0.2%	1,200	956	25.4%	1.2%	92.4%
R-32	RESIDIA Tokugawa	Nagoya, Aichi	12 - 2006	27	751	0.2%	850	721	17.7%	3.9%	100.0%
R-34	RESIDIA Odori-Koen	Sapporo, Hokkaido	8 - 2007	109	2,010	0.5%	2,460	1,844	33.4%	0.9%	96.7%
R-35	RESIDIA Tanimachi	Osaka, Osaka	8 - 2008	108	1,100	0.2%	1,610	1,102	46.0%	7.5%	98.1%
R-36	RESIDIA Hisaya-Odori	Nagoya, Aichi	2 - 2007	57	652	0.1%	933	637	46.4%	4.8%	95.2%
R-37	RESIDIA Sendai-Miyamachi	Sendai, Miyagi	1 - 2008	67	529	0.1%	737	509	44.5%	2.5%	100.0%
R-38	RESIDIA Hirosedori	Sendai, Miyagi	2 - 2010	63	494	0.1%	668	478	39.7%	2.8%	100.0%
R-39	RESIDIA Edobori	Osaka, Osaka	2 - 2007	127	1,400	0.3%	1,850	1,404	31.7%	8.7%	94.6%
R-40	RESIDIA Kyomachibori	Osaka, Osaka	3 - 2007	84	1,000	0.2%	1,350	1,008	33.9%	7.8%	98.7%
R-41	RESIDIA Esaka	Suita, Osaka	7 - 2007	68	989	0.2%	1,250	971	28.7%	4.8%	92.7%
R-42	RESIDIA Nishijin	Fukuoka, Fukuoka	1 - 2008	173	2,380	0.5%	3,080	2,288	34.6%	2.6%	97.1%
R-43	RESIDIA Tsurumai	Nagoya, Aichi	2 - 2008	122	1,206	0.3%	1,650	1,165	41.5%	3.6%	96.1%
R-44	RESIDIA Kobe-Isogami	Kobe, Hyogo	3 - 2008	196	2,740	0.6%	3,730	2,636	41.5%	3.6%	92.2%
R-45	RESIDIA Kita-Nijyo-East	Sapporo, Hokkaido	3 - 2006	56	894	0.2%	1,070	874	22.4%	1.1%	100.0%
R-46	RESIDIA Shinsaibashi West	Osaka, Osaka	2 - 2007	97	1,921	0.4%	2,410	1,897	27.0%	9.1%	92.7%
R-47	RESIDIA Marunouchi	Nagoya, Aichi	1 - 2007	86	972	0.2%	1,200	959	25.1%	2.8%	94.2%
R-48	RESIDIA Sapporo-Ekimae	Sapporo, Hokkaido	2 - 2007	168	1,483	0.3%	2,110	1,451	45.4%	0.7%	96.2%
R-49	RESIDIA Gosyo-Higashi	Kyoto, Kyoto	9 - 2007	57	1,227	0.3%	1,550	1,212	27.8%	8.9%	90.1%
R-50	RESIDIA Rakuhoku	Kyoto, Kyoto	3 - 2008	75	874	0.2%	1,010	865	16.7%	12.4%	95.0%
R-51	RESIDIA Miyakojima I & II	Osaka, Osaka	9 - 2006	178	3,232	0.7%	4,750	3,270	45.3%	7.1%	96.2%
R-52	RESIDIA TOWER Sendai	Sendai, Miyagi	1 - 2008	67	1,705	0.4%	2,040	1,753	16.4%	2.3%	95.7%
R-53	RESIDIA Higashizakura II	Nagoya, Aichi	2 - 2006	127	2,862	0.6%	3,700	2,859	29.4%	3.1%	91.2%
R-54	RESIDIA Tsutsujigaoka	Sendai, Miyagi	11 - 2006	404	3,740	0.8%	4,150	3,449	20.3%	EAST 2.6% WEST 2.7%	97.8%
R-55	RESIDIA Kobe-Motomachi	Kobe, Hyogo	6 - 2007	85	1,052	0.2%	1,350	1,050	28.5%	5.8%	92.9%
R-56	RESIDIA Sendai-Honcho	Sendai, Miyagi	6 - 2007	105	1,117	0.3%	1,620	1,112	45.6%	2.3%	98.3%
R-57	RESIDIA Sendai-Haranomachi	Sendai, Miyagi	9 - 2007	72	593	0.1%	874	587	48.7%	2.1%	98.8%
R-58	RESIDIA Minami-Ichijo East	Sapporo, Hokkaido	1 - 2008	85	1,062	0.2%	1,360	1,063	27.9%	1.1%	100.0%
R-59	RESIDIA Shin-Osaka	Osaka, Osaka	2 - 2014	208	2,644	0.6%	3,500	2,785	25.7%	6.2%	100.0%
R-60	RESIDIA Okayama-ekimae	Okayama, Okayama	3 - 2004	108	772	0.2%	992	855	16.0%	1.7%	100.0%
R-61	RESIDIA Kyoto-Okazaki	Kyoto, Kyoto	3 - 2005	23	227	0.1%	306	237	29.0%	14.1%	100.0%
R-62	RESIDIA Sendai-Ichibancho	Sendai, Miyagi	3 - 2006	103	1,083	0.2%	1,400	1,107	26.4%	2.4%	100.0%
R-63	RESIDIA Kita-Nijyo East II	Sapporo, Hokkaido	2 - 2007	51	538	0.1%	739	555	33.1%	1.2%	94.0%
R-64	RESIDIA Takamiya	Fukuoka, Fukuoka	2 - 2007	51	488	0.1%	581	502	15.7%	6.1%	89.1%
R-65	RESIDIA Soen	Sapporo, Hokkaido	2 - 2007	60	384	0.1%	541	398	35.7%	1.4%	98.3%
R-66	RESIDIA Tenjin	Fukuoka, Fukuoka	5 - 2007	88	1,122	0.3%	1,310	1,146	14.2%	3.4%	93.2%
R-67	RESIDIA Yakuin-Odori	Fukuoka, Fukuoka	6 - 2007	91	1,123	0.3%	1,320	1,145	15.2%	4.5%	96.7%
R-68	RESIDIA Hakata II	Fukuoka, Fukuoka	9 - 2007	124	1,358	0.3%	1,570	1,385	13.3%	1.8%	99.3%
R-69	RESIDIA Kego	Fukuoka, Fukuoka	1 - 2008	86	834	0.2%	1,110	858	29.2%	2.3%	98.7%
R-70	RESIDIA Shirakabe	Nagoya, Aichi	3 - 2008	70	907	0.2%	1,100	958	14.7%	4.4%	93.6%
R-71	RESIDIA Sakae	Nagoya, Aichi	12 - 2007	77	868	0.2%	960	947	1.3%	4.2%	89.6%
R-72	RESIDIA Senri-Fujishirodai	Shuita, Osaka	2 - 2017	90	1,430	0.3%	1,590	1,552	2.4%	5.2%	100.0%
C-73	RESIDIA Senri-Banpakukoen	Shuita, Osaka	10 - 2005	68	2,124	0.5%	2,320	2,273	2.0%	5.2%	100.0%
Total 260 properties				20,842	442,716	100.0%	531,174	424,712	25.1%	2.4%	96.9%

	Area	No. of Properties	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)
P	Tokyo Central 7 Wards	89	5,437	172,011	38.9%	200,281	164,795	21.5%
C	Central Tokyo ex 7 wards	83	6,572	144,142	32.6%	177,534	139,057	27.7%
S	Tokyo Metropolitan	24	2,254	40,985	9.3%	48,304	37,974	27.2%
R	Major Regional Cities	64	6,579	85,578	19.3%	105,055	82,886	26.7%
	Total	**260**	**20,842**	**442,716**	**100.0%**	**531,174**	**424,712**	**25.1%**



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Asset Management Company Profile

Company Profile

as of July 31, 2017

Name:	AD Investment Management Co., Ltd.
Address:	17F Jimbocho Mitsui Bldg., 1-105 Kanda-Jimbocho, Chiyoda-ku, Tokyo
Company Representative:	Kenji Kousaka, Representative Director and President
Amount of Capital:	300 million yen
Type of Business:	Asset Management
History:	March 1, 2010 Merges with Pacific Residential Corporation May 17, 2005 Company name is changed to AD Investment Management Co., Ltd. February 2, 2005 Established as Japan Residential Management Co., Ltd.
Registrations and Licenses:	Real estate agent's license (The Governor of Tokyo (3) No.84325) Approval for a discretionary transaction agent (Minister of Land, Infrastructure, Transport and Tourism Approval, No.37) Registered for a financial instruments business (Kanto Local Finance Bureau registration No.309) Registered as First-Class-Architect Office (The Governor of Tokyo No. 58856)

AD Investment Management Co., Ltd. http://www.adim.co.jp/
Advance Residence Investment Corporation http://www.adr-reit.com/en/

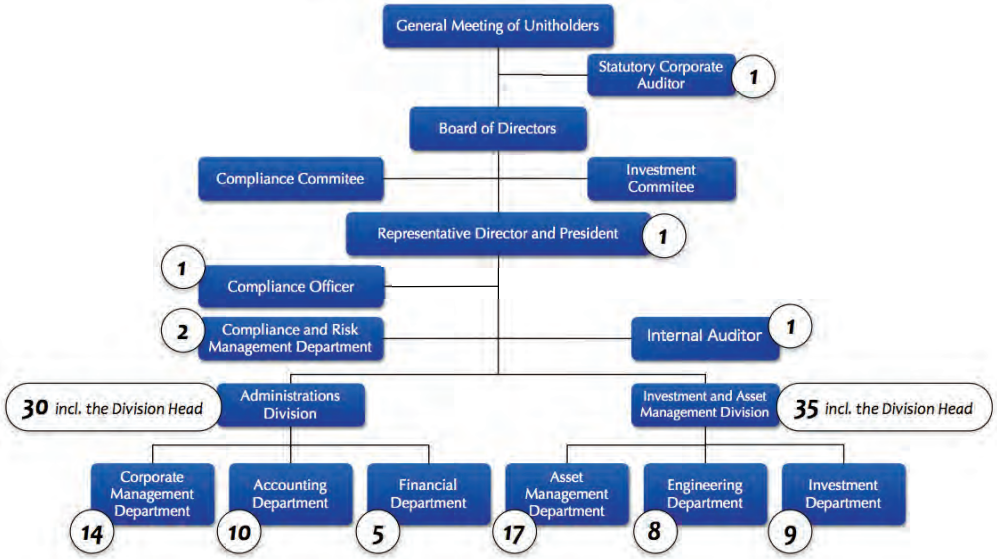
Major Initiatives by the Asset Management Co.

- ✓ Registered as first-class architect office
- ✓ Constantly hired new graduates (10 new hires in four years)
- ✓ Received a BCM (BCP) rating from DBJ
- ✓ Began providing engineering service to third-parties
- ✓ Held architectural design competition for students



Organizational Chart

as of July 31, 2017



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ADR's Website

3269 Search



www.adr-reit.com

Uploaded Materials

- ✓ *Press releases*
- ✓ *Disclosure materials (ex. Semi-annual Reports, Earnings Presentations)*
- ✓ *Portfolio guidelines*
- ✓ *Details on property holdings*
- ✓ *Occupancies (updated monthly)*
- ✓ *Earning performance for each holdings*
- ✓ *Financing details, etc.*

Some of the information are available as Excel spreadsheets.

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Japanese Real Estate Leasing Contract Practices

- Standard lease terms in Japan are mostly two years.
- Tenants are able to leave the leased space before contract expiration without paying for the remaining contract period.
- Japan's Lease Land and House Law makes raising rents of existing contracts almost impossible.

Initial Fees and Payments

Rent	Paid monthly in advance. Initial maximum payment will be one-month's and 30 days' rent.	one-month's rent
Key Money	Non-refundable payment which is sometimes called "thank you" money.	generally one-month's rent
Deposit	Refundable payment which will be used to cover delinquency and restoration cost.	generally one- to two-month's rent
Administration Fee	Fee to be paid to the property manager.	generally one-month's rent
Advertisement Fee	Fee to be paid to the real estate agent.	generally one-month's rent
Agent Fee	Non-refundable fee to be paid to the real estate agent.	Industry standard one-month's rent

Advance Residence Investment Corporation

Property Manager

For Rent

Real Estate Agent

Tenants

Fees and Payments at Renewal

Renewal Fee	Non-refundable fee to be paid when tenants renew the lease contracts.	generally one-month's rent

Payments at Termination

Deposit	Deposits are refunded minus restoration.	generally one- to two-month's rent

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Note

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Inquiries

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Forward-looking statements provide current expectations of future events based on number of assumptions and include statements that do not directly relate to any historical or current facts. Forward-looking statements are not guarantees of future performance and the Company's actual results may differ significantly from the results discussed in the forward-looking statements.

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