Invincible Investment Corporation

June 2017 Fiscal Period Results
(January 1, 2017 to June 30, 2017)

TSE Code : 8963

August 22, 2017

Executive Summary

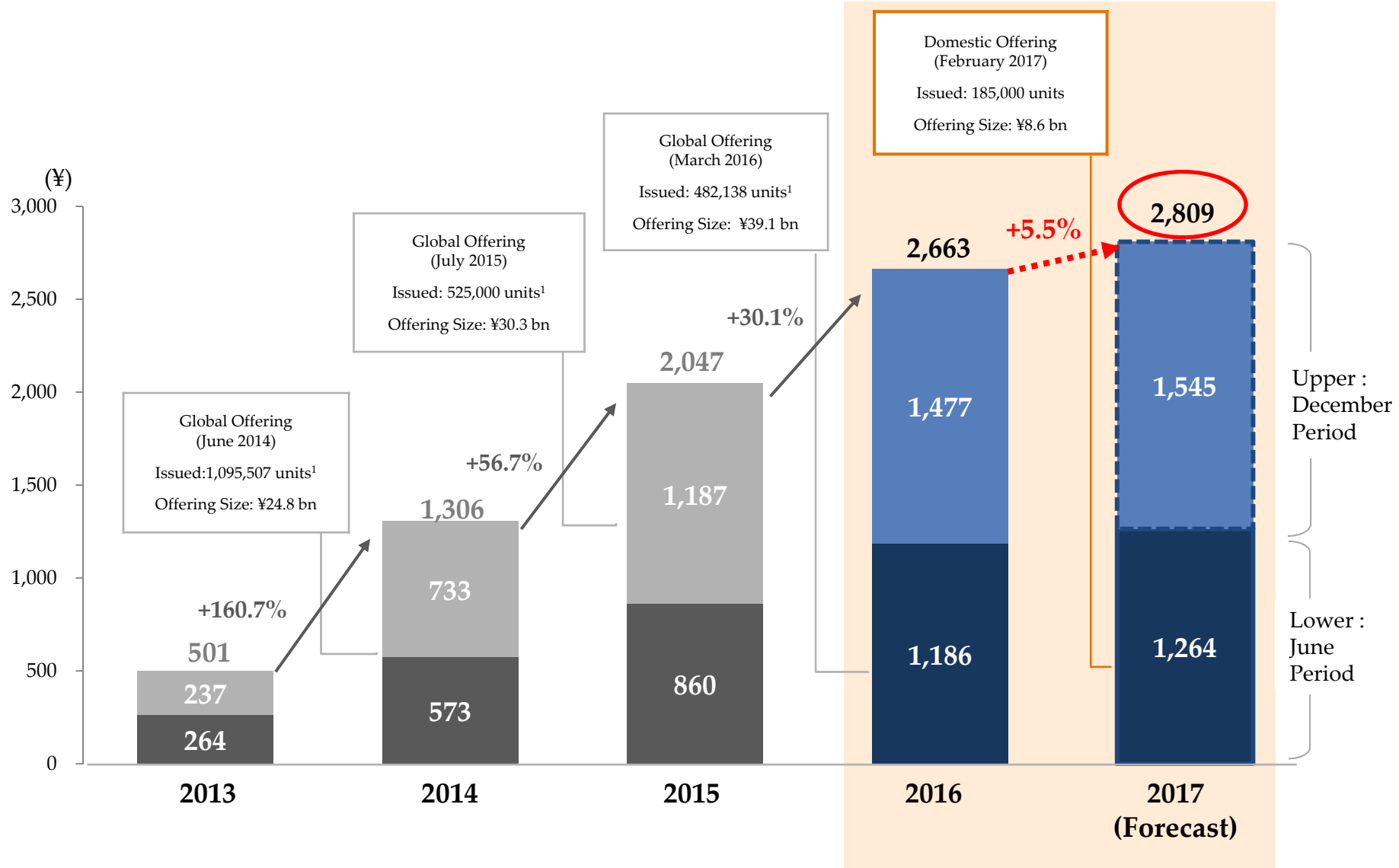
Invincible Investment Corporation

June 2017 Fiscal Period	■ 1H 2017 DPU achieved ¥1,264, Full-Year 2017 DPU forecasted ¥2,809 (+5.5% YoY) ■ The acquisition of the two Minami-Senju assets added two substantial Tokyo residential assets and further stability to the portfolio which enhanced borrowing capacity, which lead to acquisition of MyStays Premier Hamamatsucho without issuing additional equity ■ Since acquisition, Invincible has been able to achieve a rent increase of 12.2%, much higher than the appraisal rent gap of 7.7% (Average by the end of July 2017) ■ Scheduled to change ML/PM at four Royal Parks Residential Assets, focusing on property managers who have performed well, the estimated NOI impact of which is a JPY 39 million increase per year ■ Hotel portfolio: ADR+0.7% YoY, occupancy 89.0% with a slight decline YoY, GOP +1.6% YoY ■ Residential portfolio: Rent increase program achieved a rent increase for 61.4% of new lease contracts with an average rent increase of 3.4% compared to the previous rent across all new leases, and a rent increase for 51.5% of contract renewals for an average rent increase of 2.1% compared to the previous rent across all renewal leases (Average during January 2017 through July 2017) ■ The NOI for the residential portfolio increased by 2.4% ■ Three lenders were newly added, further reinforcing the lender formation
July 2017	■ Portfolio rebalance, acquiring new addition of Hotel MyStays Gotanda Station at an estimated 7.3% NOI cap rate and selling two non-core assets at a 3.8% NOI cap rate, is expected to improve the overall NOI yield of the portfolio ■ Acquisition of three additional floors of Hotel MyStays Gotanda Station which are being converted from office space to highly desirable hotel rooms is accretive ■ Post-Rebalance Portfolio will be 125 properties with an AUM of JPY 299,661 million and a strong concentration in the Greater Tokyo area (66.3%) ■ Pro-forma LTV post rebalance will be below 45%
2017 Full Year	■ Full-year 2017 DPU is expected to grow to ¥ 2,809 (2H 2017: ¥ 1,545), an increase of 5.5% YoY ■ Hotel portfolio YoY growth forecasts: ADR +0.7%, occupancy +0.5pt, RevPAR +1.3%, GOP +2.8% ■ Residential portfolio YoY growth forecasts: Rent increase program expected to maintain progress with an average rent increase of 2.1% and NOI increase of 2.0%

Relentless Focus on DPU Growth

Invincible Investment Corporation

2017 projected to have NOI growth of 1.7%, and DPU growth of 5.5% over 2016



(Note 1) The figures include third-party allotment which was announced in tandem with the public offering

2017 DPU Growth Initiated by March 2017 Public Offering

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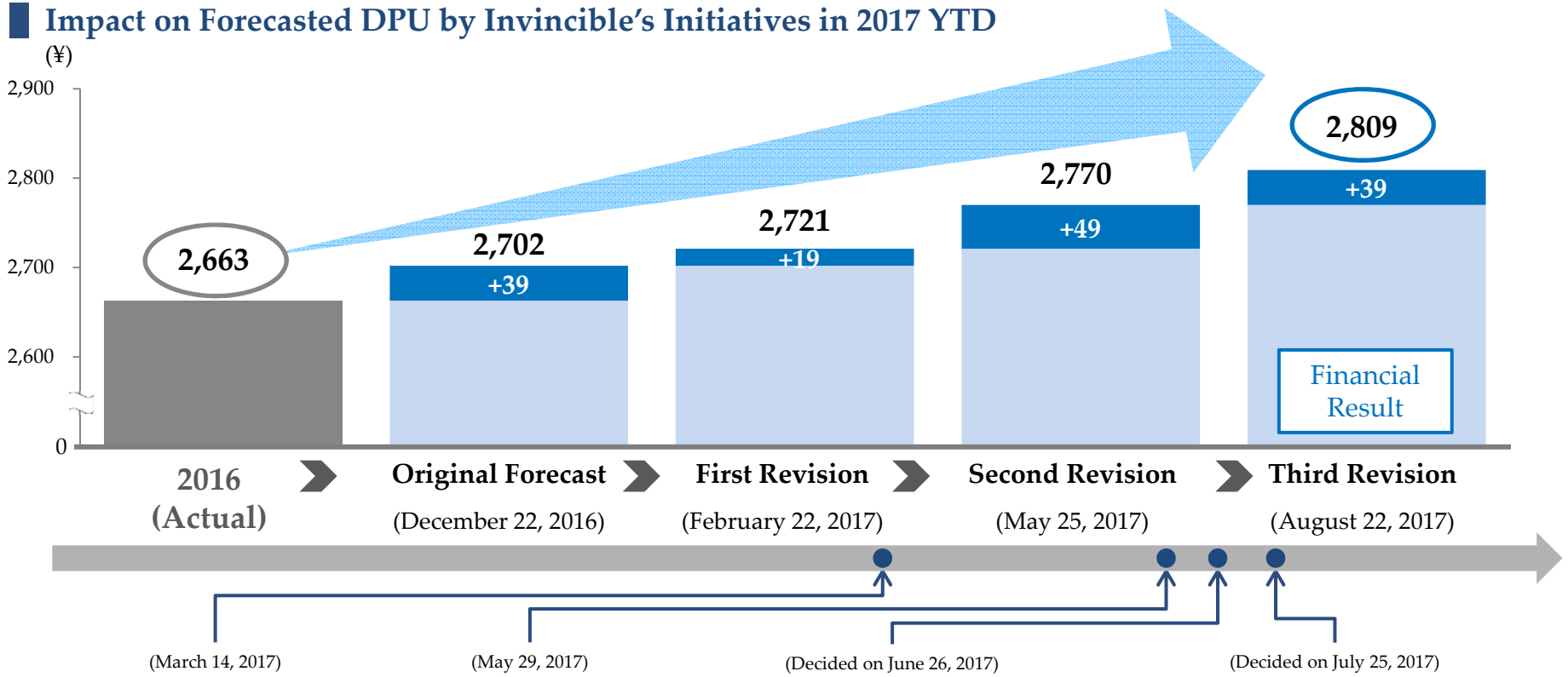
DPU is expected to increase by ¥146 or 5.5% over 2016 due to a series of proactive transactions, highlighting a continuation of management's efforts to focus on DPU growth

Impact on Forecasted DPU by Invincible's Initiatives in 2017 YTD



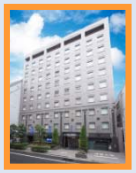
1 The Acquisition of two residential assets with public offering



Royal Parks Tower Minami-Senju

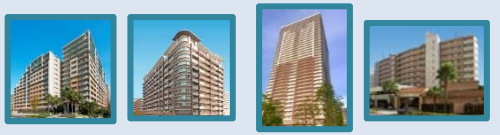
Royal Parks Seasir Minami-Senju

2 The Acquisition of one hotel



Hotel MyStays Premier Hamamatsucho

3 The change of ML/PM at four Royal Parks Residential Assets



(Shinden) (Momozaka) Tower Minami-Senju Seasir Minami-Senju

Four Royal Parks Residential Assets

4 The portfolio rebalance (Acquisition & Disposition)



Hotel MyStays Gotanda Station (Annex)



Kindai Kagaku Sha Building



Times Kanda-Sudacho 4th

1 New Residential Assets Acquired on March 14, 2017

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- The acquisition of the two Minami-Senju assets added two substantial Tokyo residential assets and further stability to the portfolio which enhanced borrowing capacity
- Invincible achieved a rent increase of 12.2%, much higher than the appraisal rent gap of 7.7% in Royal Parks Tower Minami-Senju

Royal Parks Tower Minami-Senju ("Tower")



Acquisition Price	¥ 21,879 mn
Appraisal Value	¥ 22,100 mn
NOI Yield[1]	5.1%
Address	Minami-Senju 4-chome, Arakawa-ku, Tokyo
No. of Rooms	557 (Apartments 555, Nursing home 1, Shop 1)[2]

Royal Parks Seasir Minami-Senju



Acquisition Price	¥ 2,683 mn
Appraisal Value	¥ 2,710 mn
NOI Yield[1]	5.4%
Address	Minami-Senju 3-chome, Arakawa-ku, Tokyo
No. of Rooms	113

Performance of Tower After Acquisition

(March 14, 2017 – July 31, 2017)

		New (A)	Renewal (B)	Total (A) + (B)
No. of Contracts		57	12	69
Change in Rent for All Contracts	Increase	**93.0%**	**100.0%**	**94.2%**
	Flat	3.5%	0.0%	2.9%
	Decrease	3.5%	0.0%	2.9%
Average Rent Increase		**+12.3%**	**+11.5%**	**+12.2%**

Initial Rent Gap[3] Comparing with Appraisal Rent : 7.7%

Growth of Estimated NOI of Tower in 2017

	As of Acquisition		As of August 22, 2017
Estimated NOI in 2017 (NOI Yield)	¥ 1,072 mn (4.9%)	›	¥ 1,116 mn (5.1%)

Simulated NOI[4] of Two Residential Assets

Simulated NOI[4] for Full Year (After Depreciation)	**¥ 571 million (¥ 148 per unit[5])**

(Note 1) Calculated by dividing Annual NOI in 2017 calculated by combining actual monthly NOI from January to June 2017 and anticipated monthly NOI from July to December 2017 estimated by INV
(Note 2)The nursing home and the shop are counted as 1 unit, respectively, for the counting of the number of units
(Note 3) The rent gap between in-place rent and appraisal rent calculated as of the acquisition of Royal Parks Tower Minami-Senju. Refer to the notes on page 9 in the December 2016 Fiscal Period Results Material for details
(Note 4) Calculated by applying adjustments to 2017 forecast NOI of two residential assets assuming these two assets were owned at the beginning of 2017
(Note 5) Based on the number of units as of August 22, 2017

2 New Hotel Asset Acquired on May 29, 2017

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Mystays Premier Hamamatsucho, fully renovated in November 2016, enhances INV portfolio with growth of performance by acquiring high demand by inbound guests

Hotel MyStays Premier Hamamatsucho



Growth of Hotel KPI by Renovation

	Pre-Renovation[2]		Post-Renovation[2]	
Occupancy	90.9%		**89.8%**	-1.2pt
ADR	¥ 16,278		**¥ 18,342**	+12.7%
RevPAR	¥ 14,798		**¥ 16,462**	+11.2%
Double Occupancy Ratio[3]	N/A		**2.67**	-
Overseas Sales Ratio[4]	N/A		**67.4%**	-

Simulated NOI[5] for Full Year (After Depreciation)	**¥ 332 million (¥ 86 per unit[6])**

(Note 2) Pre-Renovation: Average during April through June 2016 / Post-Renovation: Average during April through June 2017
(Note 3) Double Occupancy Ratio means average number of guest per occupied room, and is calculated by dividing the total number of guests by the total number of occupied rooms during the same period
(Note 4) Overseas Sales Ratio refers to the sales revenue booked through overseas Online Travel Agents as a percent of the total room revenue
(Note 5) Calculated by applying adjustments to 2017 forecast NOI of MSP Hamamatsucho assuming it was owned at the beginning of 2017
(Note 6) Based on the number of units as of August 22, 2017

Acquisition Price	¥ 8,000 mn
Appraisal Value	¥ 8,090 mn
NOI Yield[1]	4.6%
Address	Hamamatsucho 1-8-5, Minato-ku, Tokyo
No. of Rooms	Hotel : 120 rooms Serviced Apartment : 14 units

(Note 1) Calculated by dividing Annual NOI in 2017 calculated by combining actual monthly NOI from January to June 2017 and anticipated monthly NOI from July to December 2017 estimated by INV

120 rooms (Room size : 28.5m² / all non-smoking rooms)

Deluxe King (3 people) 75 rooms	**Deluxe Twin** (5 people) 18 rooms	**Superior Twin** (3 people) 24 rooms	**Superior Queen** (3 people) 3 rooms
			

3 Change of ML/PM at Four Royal Parks Residential Assets

Invincible Investment Corporation

Royal Parks Tower Minami-Senju is a flagship residential asset where the role of the property manager is highly sought after. Invincible was therefore able to leverage this assignment to reduce the property management fees at the property from 2.7% to 1.5%, as well as improve the economics at Royal Parks Seasir Minami-Senju and Royal Parks Momozaka by changing the lease agreement structure

Property		Royal Parks Shinden	Royal Parks Momozaka	Royal Parks Tower Minami-Senju	Royal Parks Seasir Minami-Senju
					
Date of change		July 1, 2017	August 1, 2017	December 1, 2017	December 1, 2017
Type of Master Lease	Before	Rent Guarantee	Rent Guarantee	Pass-through	Rent Guarantee
	After	**Rent Guarantee**	**Pass-through**	**Pass-through**	**Pass-through**
PM Fee (% of rental revenue)	Before	-	-	2.7%	-
	After	**-**	**1.5%**	**1.5%**	**1.5%**
NOI Increase Per Year (Simulated)[1]		**+¥ 1.7 mn**	**+¥ 6.0 mn**	**+¥ 18.4 mn**	**+¥ 12.9 mn**

Simulated Increased NOI for full year : +¥ 39 million (+¥ 10 per unit[2])

(Note 1) Calculated by applying adjustments to 2017 forecast NOI of four residential assets assuming their ML/PM would change as above at the beginning of 2017
(Note 2) Based on the number of units as of August 22, 2017

4 Portfolio Rebalance Transaction

Invincible Investment Corporation

Portfolio rebalance, acquiring new addition of Hotel MyStays Gotanda Station at an estimated 7.3%[1] NOI cap rate and selling two non-core assets at a 3.8%[2] NOI cap rate, is expected to improve the overall NOI yield of the portfolio

Acquisition

Additional Acquired Compartment	
Anticipated Acquisition date	October 31, 2017
Anticipated Acquisition Price[3]	¥1,880 million
Appraisal Value	¥2,600 million
NOI (2018 Forecast)[1]	¥137 million
NOI Yield[1]	**7.3%**



- ✓ Will Acquire Annex 1F-3F (additional to original March 2016 acquisition of main building)
- ✓ 49 rooms（15m²～43m²）

Hotel MyStays Gotanda Station

Disposition

Total of 2 Properties	
Disposition date	July 31, 2017
Sales Price	¥1,491 million
Book Value (As of July 31, 2017)[3]	¥1,301 million
Gain on Sales[3]	¥120 million
NOI (2016 Actual)	¥56 million
NOI Yield[2]	**3.8%**



Kindai Kagaku Sha Building



Times Kanda-Sudacho 4th

After Acquisition and Disposition

Estimated Increased NOI[4] (After Depreciation) for full year : **+¥ 82 million (+¥ 21 per unit[5])**

(Note 1) Calculated by dividing the 2018 forecasted NOI estimated by INV as of today by the anticipated acquisition price, which is rounded to one decimal place
(Note 2) Calculated by dividing actual NOI for 2016 by the sales price
(Note 3) Planned or Estimated as of August 22, 2017, which is subject to change
(Note 4) Net increased NOI calculated by subtracting the annualized NOI estimated to be decreased by the disposition from the annualized NOI estimated to be increased by the acquisition
(Note 5) Based on the number of units as of August 22, 2017

Track Record of External Growth

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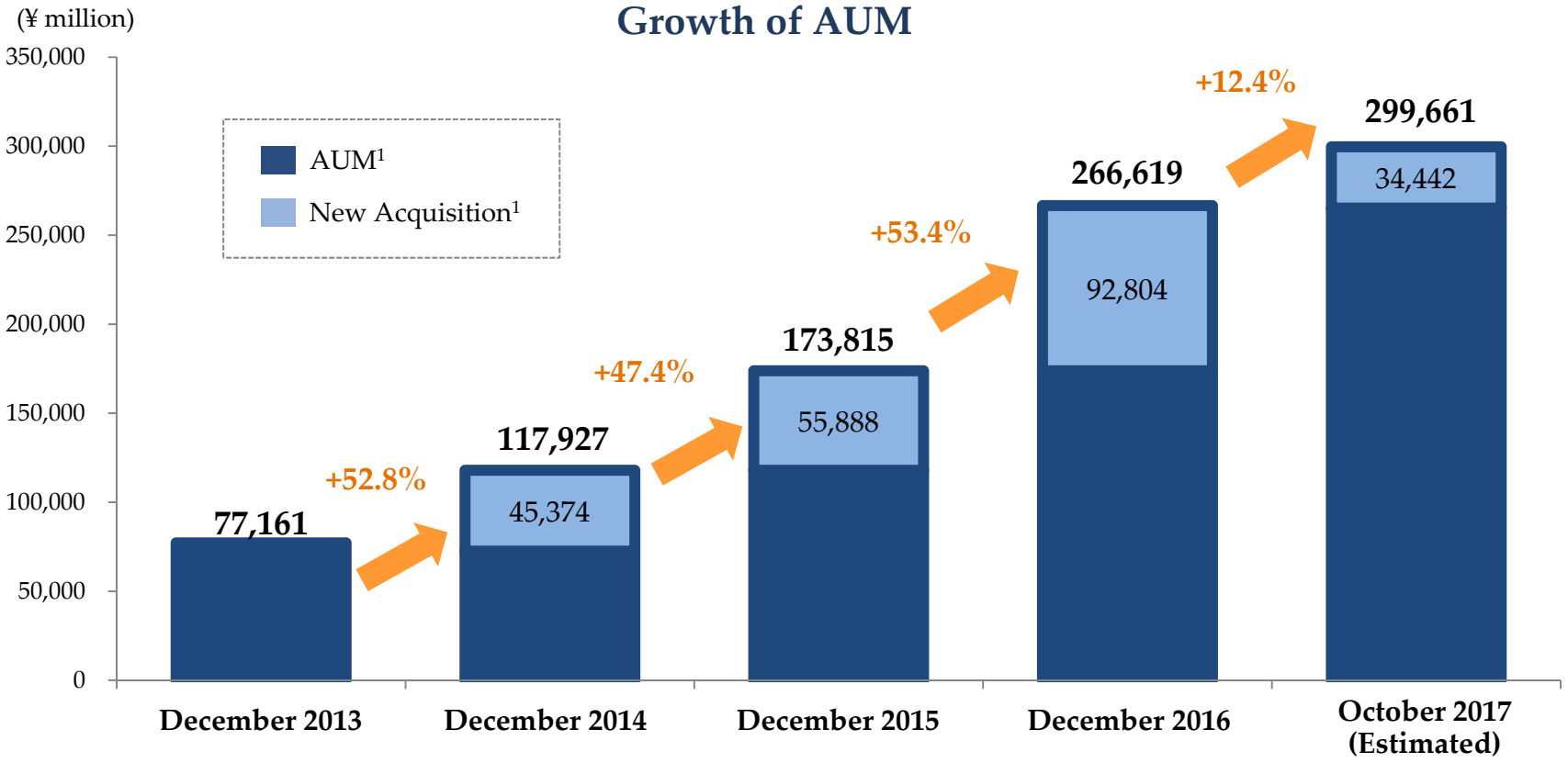
- Strong track record of acquiring core assets
- Robust pipeline provides opportunity for acquisitions of properties contributing to portfolio growth and stability

Growth of AUM



No. of properties	**71**	**91**	**111**	**124**	**125**
Hotels	**0**	**20**	**37**	**48**	**49**
Residential	**63**	**63**	**66**	**68**	**70**

(Note 1) "AUM" is total acquisition amount of the properties owned as of the end of the relevant year, or the sum of estimated AUM as of the end of October 2017 and anticipated acquisition amount for "October 2017", and "New Acquisition" shows total (anticipated) acquisition amount for the properties acquired in the relevant year or for the properties to be acquired

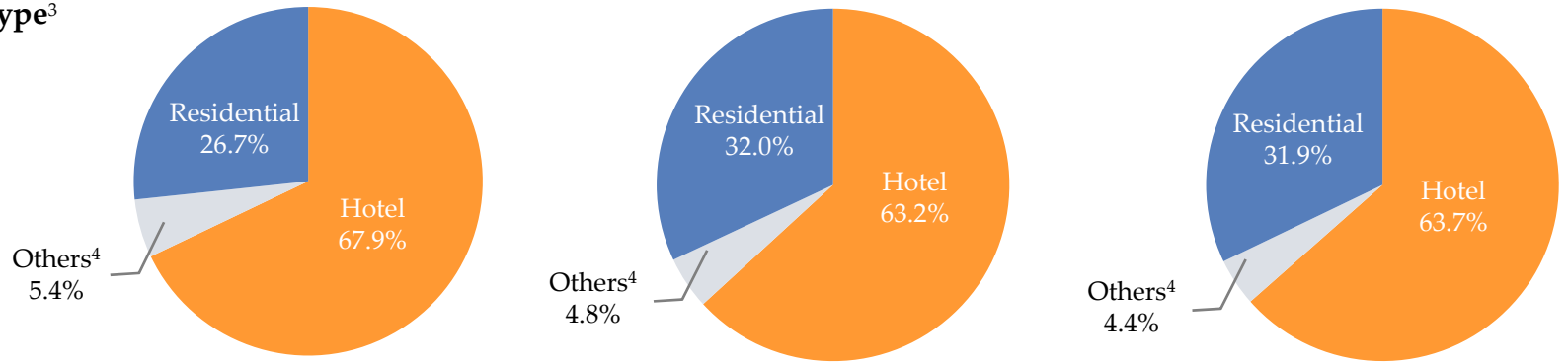
Portfolio Growth

Invincible Investment Corporation

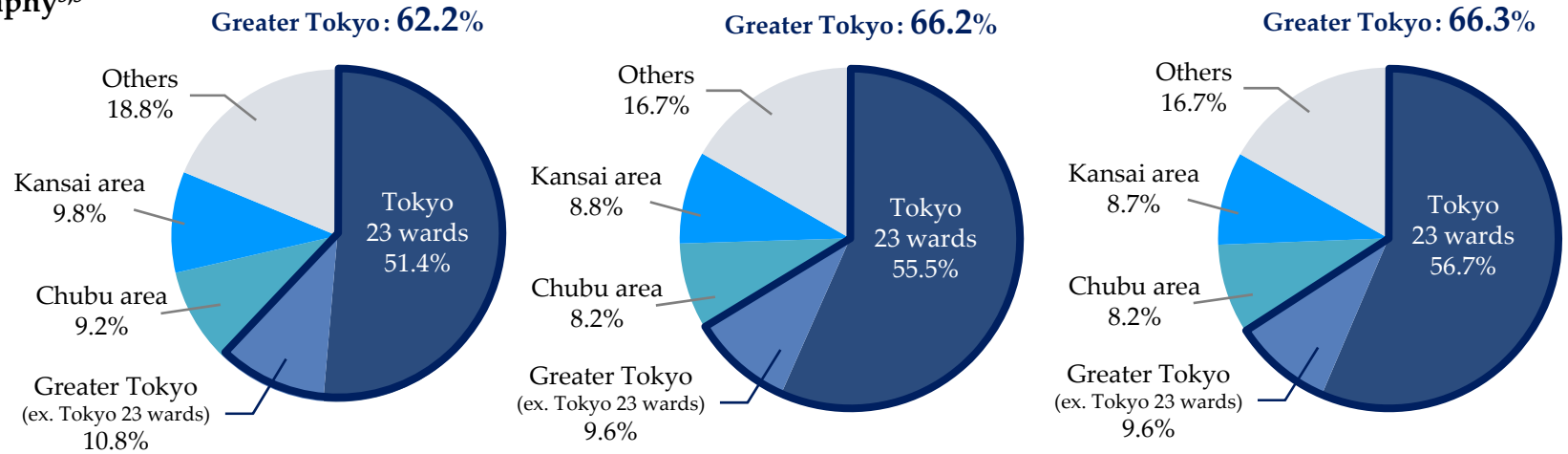
- The portfolio continues to build critical mass and diversify
- Post-rebalance[1] portfolio will have 125 properties, (Residential: 70, Hotels: 49) with 4,778[2] Apartment Units and 7,197 Hotel Rooms

As of December 2016	As of June 2017	Post-Rebalance[1]
124 properties	127 properties	125 properties

Portfolio Composition by Property Type[3]



Portfolio Composition by Geography[3,5]



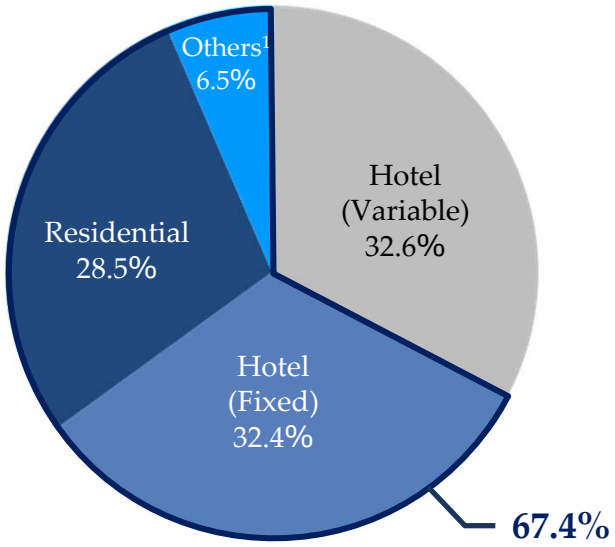
(Note 1) Assuming the completion of rebalance which was announced in the press release "Notice concerning Acquisition and Sale of Assets" dated July 25, 2017
(Note 2) The number includes shops, offices and nursing homes which are counted as one unit by each compartment
(Note 3) Based on acquisition price
(Note 4) "Others" includes Offices, Commercial facilities and Parking lots
(Note 5) Defined as follows: "Greater Tokyo" is Tokyo, Kanagawa, Chiba and Saitama. Hereafter the same shall apply. "Greater Tokyo (ex, Tokyo 23 wards)" is Tokyo (ex. Tokyo 23 Wards), Kanagawa, Chiba and Saitama. "Kansai" area is Osaka, Hyogo ,Kyoto, Shiga, Wakayama and Nara. "Chubu" area is Aichi, Gifu, Mie, Shizuoka, Nagano, Yamanashi, Niigata, Toyama, Ishikawa and Fukui.

Revenue Impact from the Initiatives in 2017 YTD

Invincible Investment Corporation

Residential rents, Hotel fixed rents, and office/retail rents comprise approximately 70% of total revenue

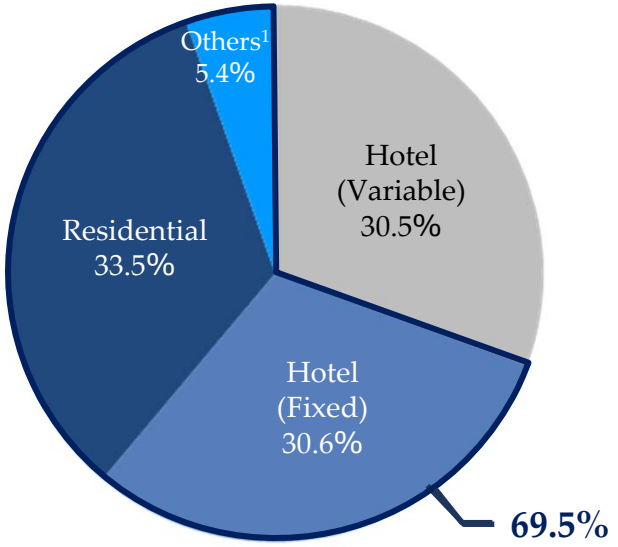
As of December 31, 2016



(¥ million)

Revenue[2]			
Hotel	(Variable)	5,912	32.6%
	(Fixed)	5,872	32.4%
Residential		5,165	28.5%
Others[1]		1,174	6.5%
Total		18,124	100.0%

As of October 31, 2017 (Post-Rebalance)



(¥ million)

Revenue[3]			
Hotel	(Variable)	6,158	30.5%
	(Fixed)	6,165	30.6%
Residential		6,746	33.5%
Others[1]		1,094	5.4%
Total		20,162	100.0%

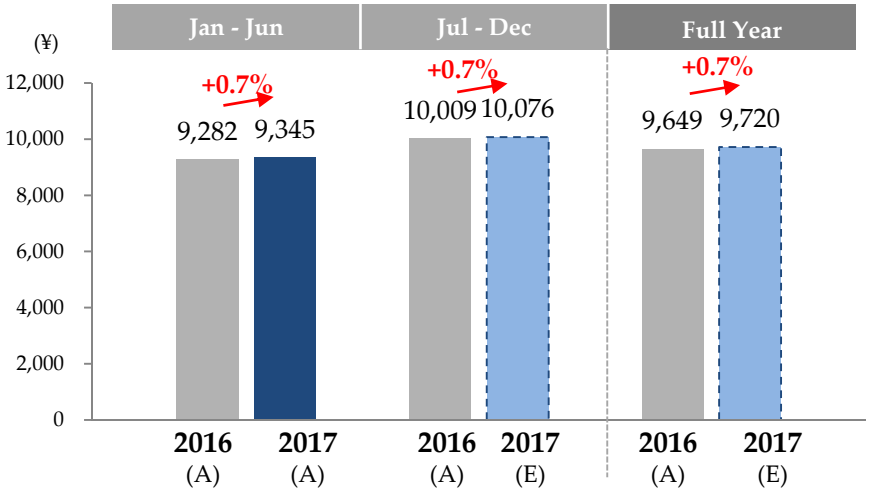
(Note 1) Include Offices, Commercial facilities and Parking lots
(Note 2) Annual revenue, assuming all of INV's assets as of December 31, 2016 were owned since the beginning of 2016, calculated based on actual 2016 full year results. Performance of the properties acquired in 2016 is based on actual results provided by sellers.
(Note 3) The annual revenue calculated in Note 2 above , added 2016 actual results for the two properties acquired in March 2017, 2017 revenue forecast (January-April: Actual / May-December: Forecast) for MyStays Premier Hamamatsucho and 2018 revenue forecast for additionally acquiring floors of MyStays Premier Gotanda Station estimated by INV, excluded 2016 actual for two disposed properties
(Note 4) The percentages are rounded to one decimal place

Performance Indicators of Hotel Properties

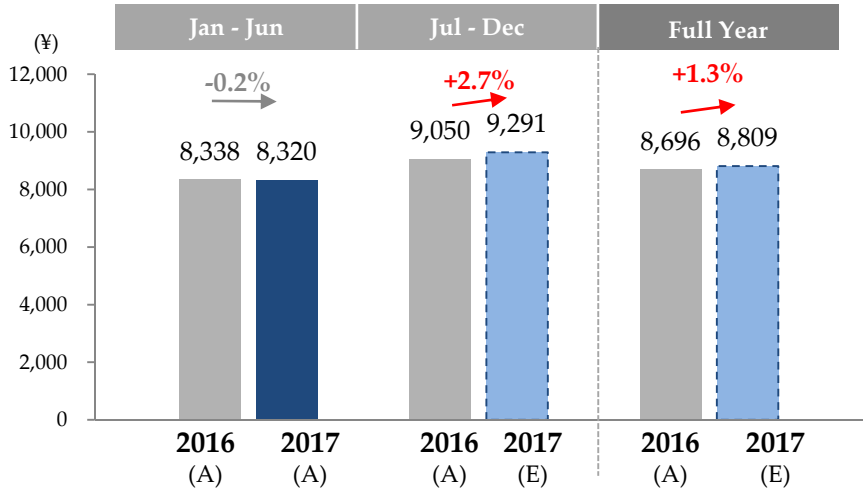
Invincible Investment Corporation

- For the full year of 2017, INV estimates year-on-year growth for all KPI
- Occupancy, ADR, RevPAR and GOP will increase by 0.5pt, 0.7%, 1.3% and 2.8% respectively

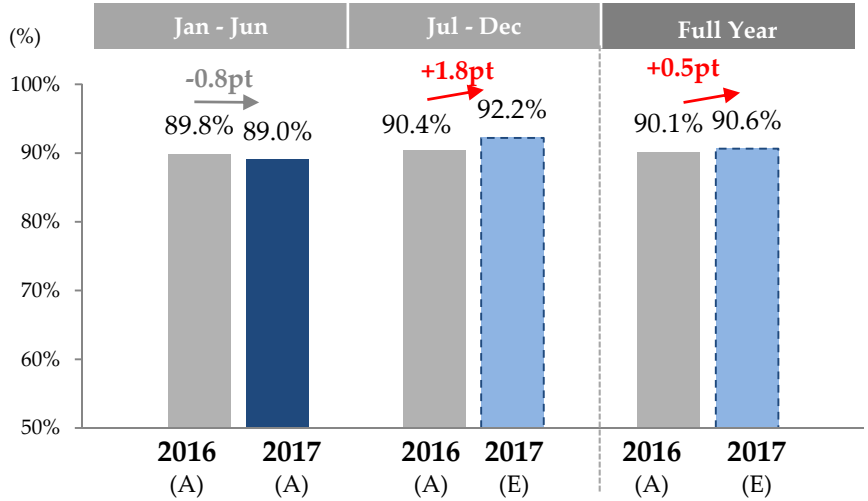
ADR[1]



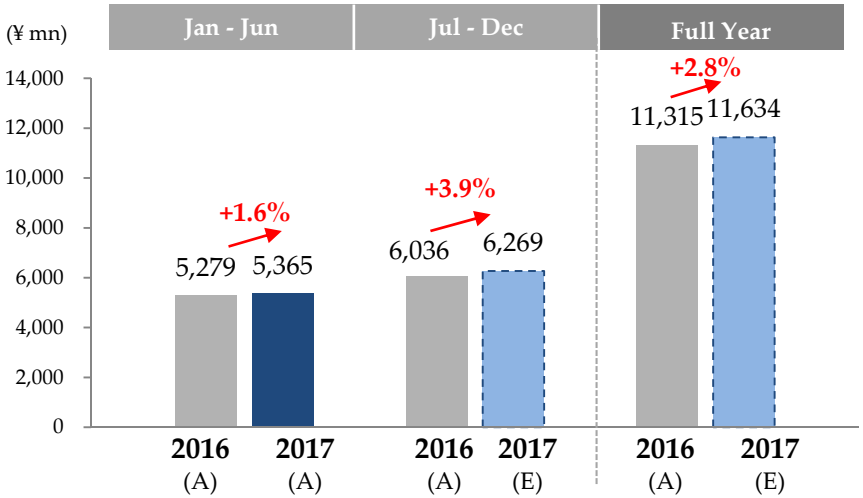
RevPAR[1]



Occupancy[1]



GOP[1,2]



(Note 1) Based on 40 hotel properties; of the 49 hotel properties in our portfolio as of the end of June 2017, 9 hotels with fixed-rent lease agreements are excluded. Performance of the properties acquired during January 2016 through June 2017 for the pre-acquisition period is based on actual results provided by sellers.
(Note 2) In calculating the GOP, the rent paid for APA Hotel Yokohama-Kannai, is regarded as GOP of the hotel since GOP is not disclosed by the operator

MyStays Hotel Management (MHM) Overview

Invincible Investment Corporation

MyStays has emerged as one of the most sophisticated domestic hotel management companies, and ranks among the largest in terms of the number of hotels managing in Tokyo

1 MHM Profile

- MyStays manages 77 hotels (12,072 rooms)[1] in Japan as of February 1, 2017
- MyStays was founded in 1999 and was acquired in 2012 by Fortress
- MyStays had 2,095 employees[1] as of December 31,2016

2 (MHM) Presence in Japan

- In Japan, the presence of international brands is small so that the hotel market is fragmented; 43%[2] are domestic chained brands and 5%[2] are international chained brands
- In the setting above, MyStays is among the largest operators in Tokyo

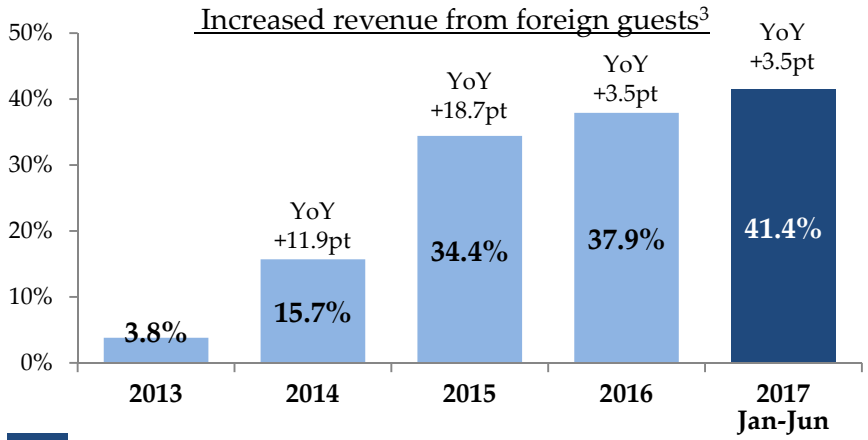
Top 10 hotel brands in Tokyo
(in terms of the number of hotels under management)

Rank	Hotel Chain	No. of Hotels
1	APA Hotels & Resorts	47
2	Toyoko Inn	37
3	MyStays Hotel Chain	30
4	Super Hotel	20
5	Tokyu Stay Hotel	17
6	LiveMax Hotels & Resorts	16
7	Hotel Villa Fontaine&Village	13
8	Sotetsu Fresa Inn	11
8	Sunroute Hotel Chain	11
10	Tokyo West Hotel Group	10
10	Tokyu Hotels	10
10	Hotel Mets	10
10	Hankyu-Hanshin Daiichi Hotel	10

(Source) Management company webpages as of February 1, 2017

3 Broader International Customer Base

- MHM strengthen customer base by inbound demand



4 SoftBank Synergies

- In anticipation of the announced acquisition of FIG LLC by SoftBank, MyStays plans to work with SoftBank to identify how MyStays may benefit from SoftBank's deep experience and ownership of companies involved in artificial intelligence, website design, and robotics

- ✓ Pepper was introduced in three MyStays hotels from July, 2017
- ✓ Pepper accommodates guests as a remote concierge



(Note 1) Includes hotels managed by MyStays Hotel Management subsidiary Naqua Hotels and Resorts
(Note 2) Based on the data in the material used for the conference held by Ministry of Education, Culture, Sports, Science and Technology on June 29, 2015, which shows the shares based on the number of rooms in 2013
(Note 3) Overseas Sales Ratio refers to the sales revenue booked through overseas Online Travel Agents as a percent of the total room revenue, and is calculated based on the 29 hotels out of the 35 hotels managed by MHM for INV's portfolio as of the end of December 2016, and does not include the six hotels, Hotel MyStays Nagoya-Sakae, Hotel MyStays Haneda, Hotel MyStays Utsunomiya, Hotel MyStays Gotanda Station, Hotel Epinard Nasu, Hotel MyStays Haneda, and Hotel MyStays Premier Kanazawa, which have no data for the period from 2013 through 2016

MyStays Hotel Operations and Initiatives

Invincible Investment Corporation

MyStays is taking the following actions based on extensive operational analysis and customer feedback through TrustYou[1] Analytics

Prioritized Initiatives for Revenue Growth

Converted 575 rooms to non-smoking to better adapt to updated customer preferences

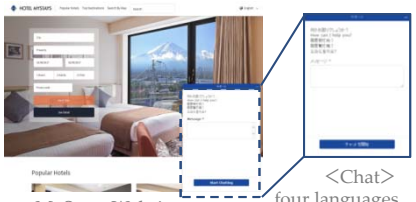
Increased overbooking ratios and continue to monitor them in order to maximize occupancy and offset increased cancelations

Reduced linen and cleaning costs by renegotiating the contracts

Other Initiatives

Guest friendly channels

- Improved website with easier booking navigation and star ratings from TrustYou
- Streamlined information architecture and rewrote all copyright in order to have better user experience and SEO[2]; updated pictures and content for each hotel and region
- MyStays website and guest relations offer 5 languages including Japanese, English, Chinese (Simplified), Chinese (Traditional), and Korean



MyStays Website

<Chat>
four languages
9am – 11pm

Marketing Enhancement

- In the past six months, MyStays has expanded its distribution channels to include new relationships with 12 travel agents, airlines and OTAs in China, Hong Kong, Taiwan and Korea
- Launched affiliate marketing program with CBTC Bank Co., Ltd. (largest credit card issuer in Taiwan) in 4Q 2016
- Recently started affiliated marketing programs with Hong Kong Airlines and ANA / Union Pay
- Promoting loyalty program[3] and 5% off Membership campaign to increase direct bookings, save commissions, and encourage repeat customers



the CBTC campaign

Increased services for Chinese speaking guests

- Hired additional Chinese speaking staff
- 24-hour support in Chinese via online chat and phone hotline
- Increased presence on C-Trip[4], 6 hotels with Silver Medal status and 30 'China Friendly' hotels
- Conveniently accepts Union Pay at all hotel locations
- Chinese signage throughout the hotels



Chinese breakfast
at MHM hotels



Union Pay

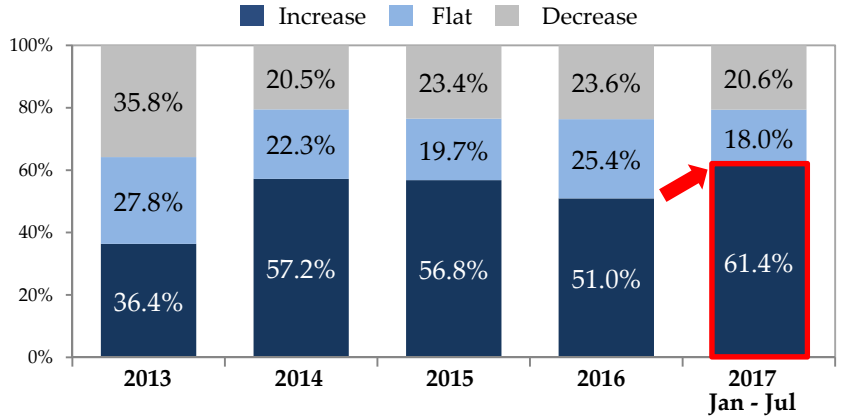
(Note 1) TrustYou analyzes hundreds of millions of travel reviews and is one of the world's largest guest feedback platforms
(Note 2) SEO (search engine optimization) is a methodology of strategies, techniques and tactics used to increase the amount of visitors to a website by obtaining a high-ranking placement in the search results page of a search engine
(Note 3) The loyalty program means the membership program of the hotel, and customers who become members can get points and benefits by reservation and staying at the hotels
(Note 4) C-trip is the largest online travel site in China and provides certification marks for Chinese traveler friendly hotels. Each requirements are as follows;
China Friendly: Electric kettle, Free Wi-Fi, CUP card, Tea bag, Chinese breakfast, Chinese notation of hotel facilities, 3.8 or more for reviews, Full day Front Chinese
Gold Medal status: Lowest price, C-trip has price advantage over other OTA, Provided more than 2 rooms per day to C-trip (or use unified management software), 4 points or more for reviews
Silver Medal status: Provided same rates and number of rooms by all OTAs, Benefits for C-trip, Provided more than 2 rooms per day to C-trip (or use unified management software), 4 points or more for reviews

Residential Rent Increase Initiative

Invincible Investment Corporation

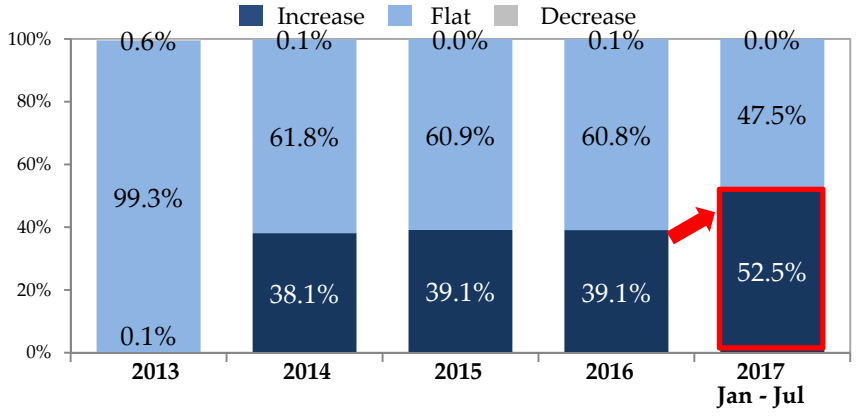
- In 2014, Invincible initiated a Rent Increase Program to increase rents on new and renewal contracts
- Invincible replaced the property managers at 16 properties in December 2016 and at four properties in June 2017, focusing on property managers who have performed well

Change in Rent for New Contracts[1]



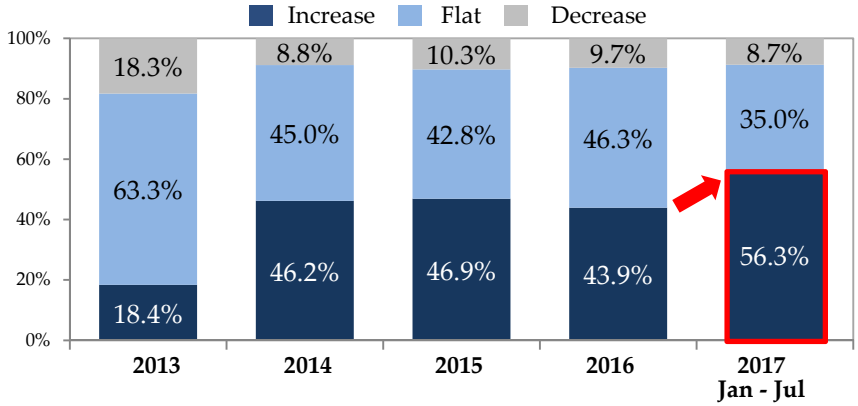
	2013	2014	2015	2016	2017 Jan - Jul
No. of New Contracts	827	649	943	783	616
Occupancy[2] (%)	**95.5**	**94.0**	**94.7**	**95.9**	**95.1**
Net Leasing Cost (No. of months)[3]	**1.15**	**1.01**	**1.23**	**1.15**	**0.95**

Change in Rent for Renewal Contracts[1]

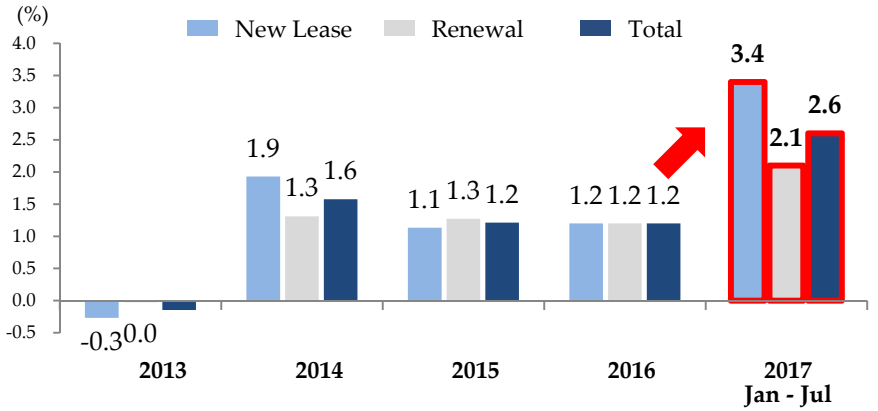


	2013	2014	2015	2016	2017 Jan - Jul
No. of Renewals	818	872	1,209	1,126	840
Renewal Rate[4] (%)	**81.2**	**84.7**	**85.4**	**83.7**	**81.5**

Change in Rent for All Contracts[1]



Average Rent Increase / Decrease[5]



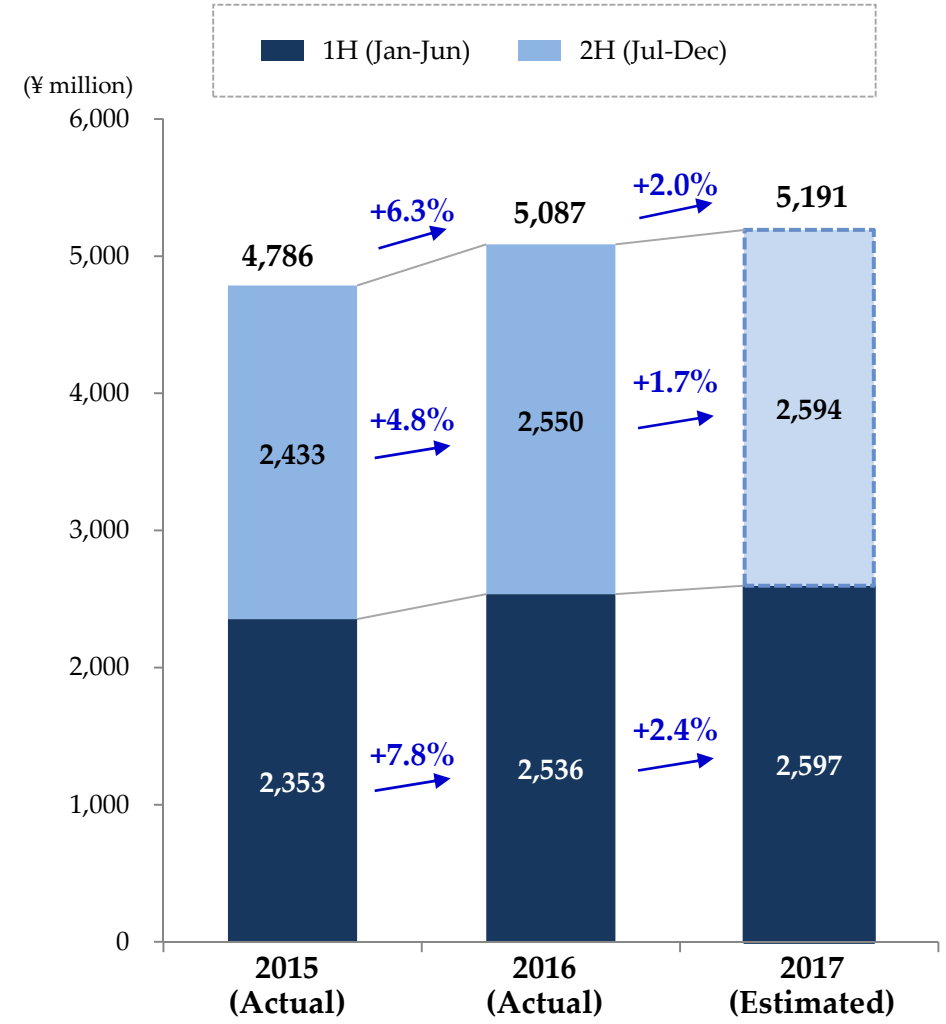
(Note 1) Based on the properties owned at the end of period. 63 properties for 2013, 63 properties for 2014, 66 properties for 2015, and 68 properties for 2016, 70 properties for 2017 Jan-July
(Note 2) Occupancy is calculated by dividing the sum of total residential leased area by the sum of total residential leasable area at the end of each month of each year
(Note 3) Net Leasing Cost (Multiple of Monthly Rent) = Advertising Expenses (Multiple of Monthly Rent) + Free Rent (Multiple of Monthly Rent) – Key Money (Multiple of Monthly Rent)
(Note 4) Renewal rate is calculated by "Number of Renewals during the Period" ÷ "Number of Cases Targeted for Renewal during the Period"
(Note 5) Weighted average of monthly rent increase or decrease (%) of new or renewal contracts, or the total of both, compared with previous contracts of properties owned at the end of period

Residential Rent Increase Initiative (1)

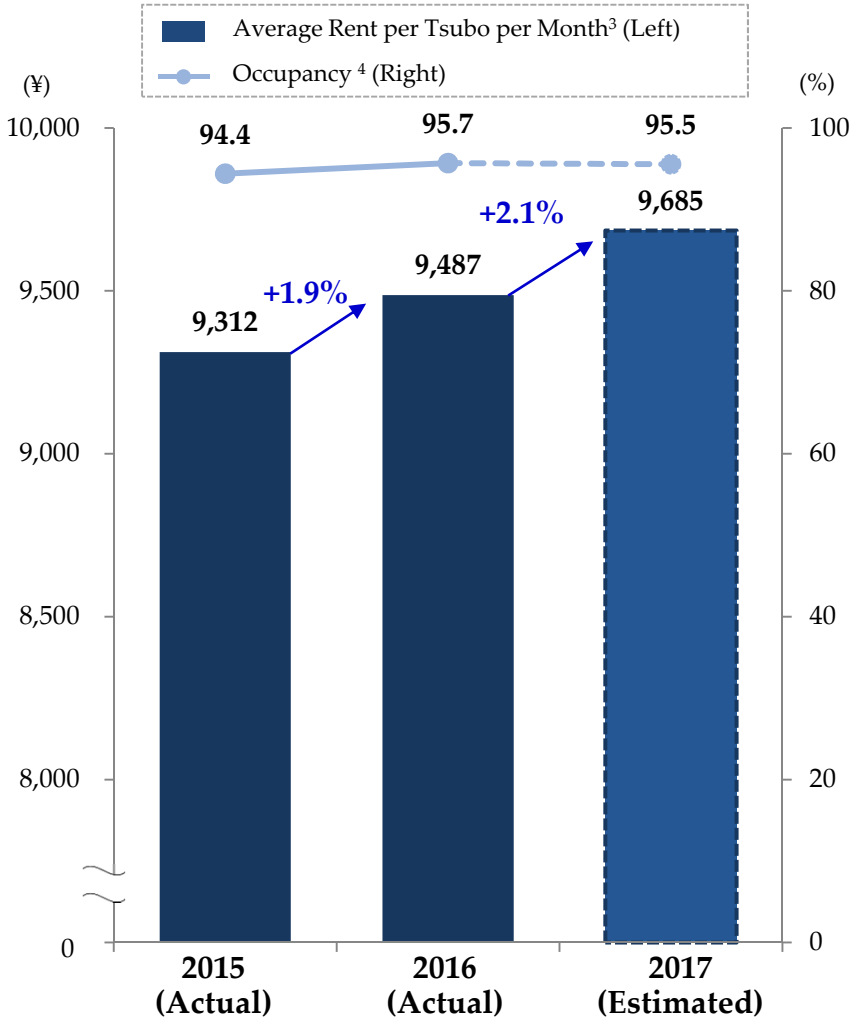
Invincible Investment Corporation

A rent increase program systematically applied over the past three years created the foundation for sustained NOI growth

NOI[1,2]



Occupancy and Average Rent per Tsubo per Month[1]



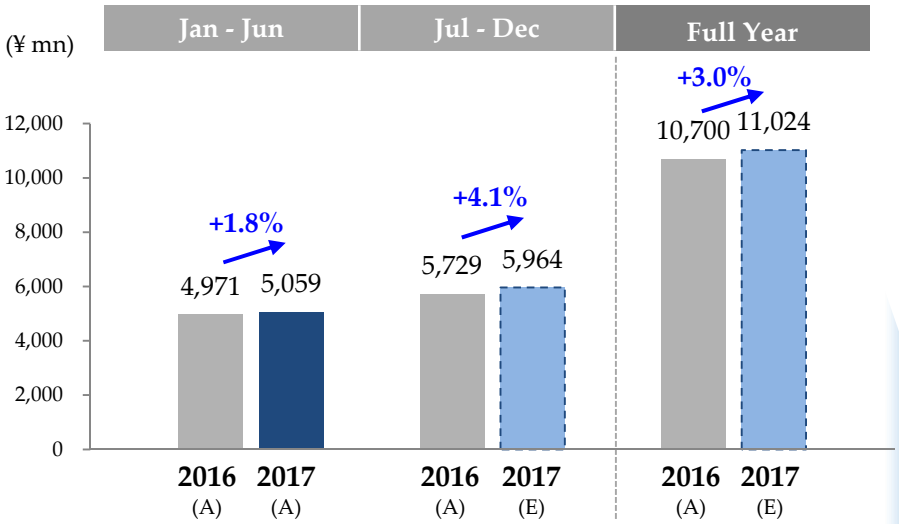
(Note 1) Based on the 70 residential properties owned as of the end of June 2017. Performance of the properties acquired during January 2016 through June 2017 for the pre-acquisition period is based on actual results provided by sellers, and performance of the properties acquired during 2015 for the pre-acquisition period is based on estimate of INV
(Note 2) Excludes one-off insurance-related revenues and expenses
(Note 3) Average Rent per Tsubo per Month is calculated by dividing the total residential rental revenue including common area charges for each month by the sum of total residential leasable area at the end of each month, indicating the average rent per Tsubo weighted by leased area
(Note 4) Occupancy is calculated by dividing the sum of total residential leased area by the sum of total residential leasable area at the end of each month of each year

Performance of Existing Properties

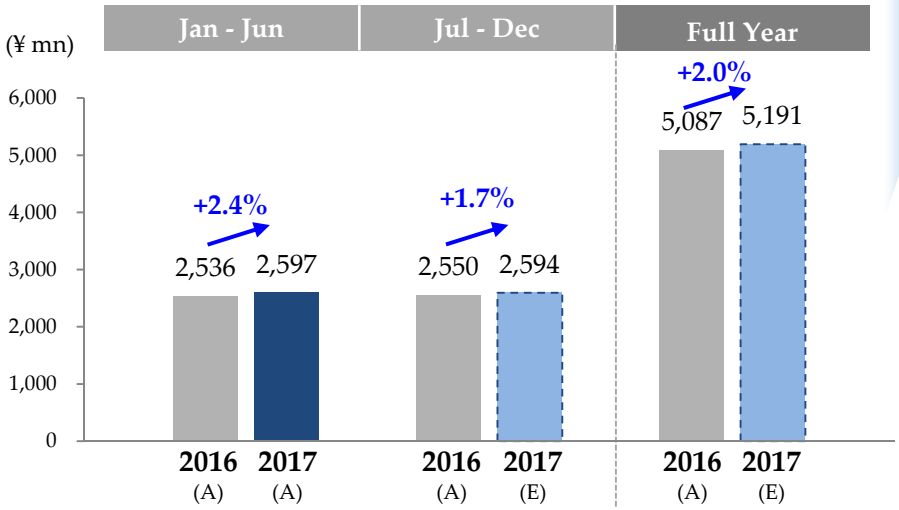
Invincible Investment Corporation

A nationwide hotel portfolio combined with a diversified residential portfolio mitigates earnings fluctuations at any single property

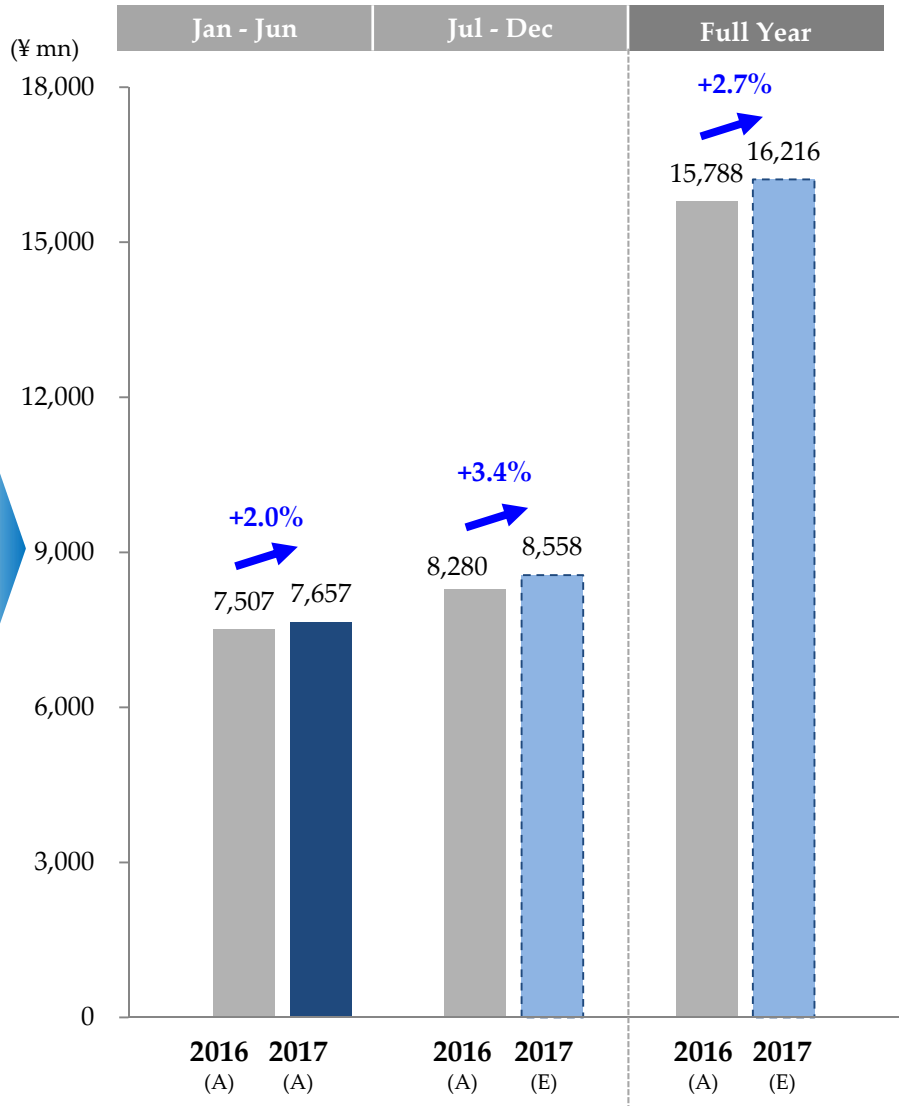
Hotel NOI[1]



Residential NOI[1]



Total NOI[1]



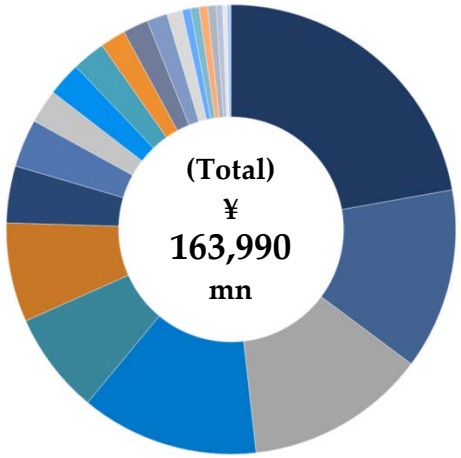
(Note 1) Hotel NOI: Based on 40 hotel properties; of the 49 hotel properties in our portfolio as of the end of June 2017, 9 hotels with fixed-rent lease agreements are excluded. Residential NOI: Based on the 70 residential properties owned as of the end of June 2017. Excludes one-off insurance-related revenues and expenses. Both: For the properties acquired between January 2016 and June 2017 for the pre-acquisition period is based on actual results provided by sellers

Financial Condition

Invincible Investment Corporation

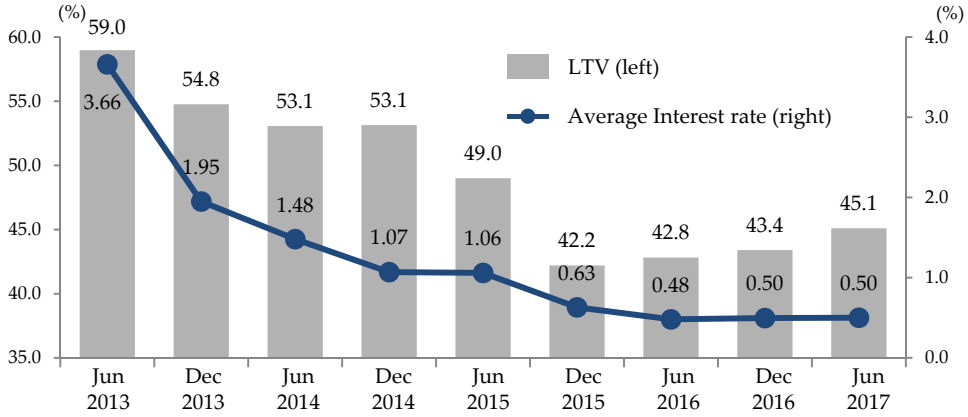
The bank formation has been further enhanced by the addition of three new lenders (number of lenders now stands at 22), and the continued support from Mizuho Bank in recent lending

Lender Formation

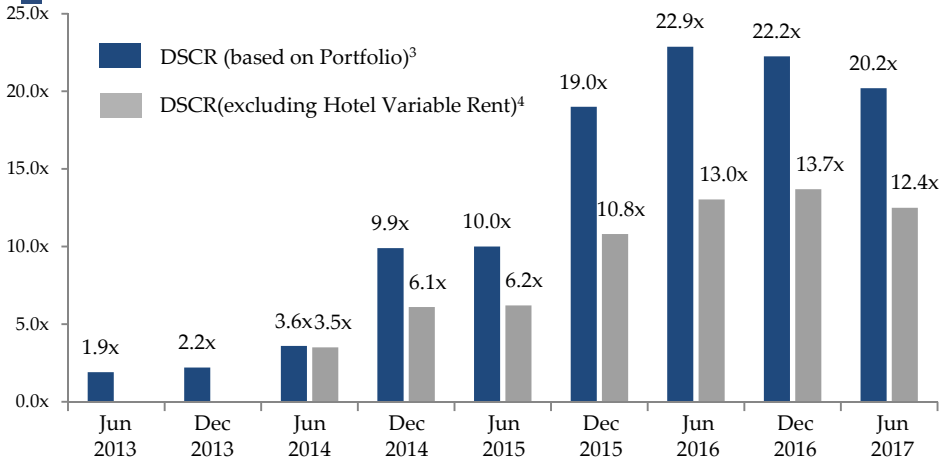


Mizuho Bank	22.2%
BTMU	13.0%
SMTB	13.0%
SMBC	12.8%
Citibank	7.3%
Shinsei Bank	7.1%
Resona Bank	4.1%
MUTB	3.4%
Tokyo Star Bank	2.4%
Japan Post Bank	2.4%
Aeon Bank	2.4%
DBJ	1.8%
Fukuoka Bank	1.8%
Shizuoka Bank	1.5%
Nomura TB	1.1%
Kagawa Bank	0.6%
Daishi Bank	0.6%
Hyakugo Bank	0.6%
Hiroshima Bank	0.6%
Towa Bank	0.5%
Dai-ichi Life Insurance	0.3%
Gunma Bank	0.3%

LTV(Appraisal Value Base)[1] and Weighted Average Interest Rate[2]



DSCR



Rating

Rating Agency	Rating Object	Rating	Outlook
JCR	Long-term Issuer Rating	A	Positive

(Note 1) LTV (Appraisal Value Base) is calculated by the following formula: (Interest-bearing debts at the end of the relevant fiscal period) / (Total appraisal value as of the end of the same period)
(Note 2) The average interest rate is calculated by the following formula: (Total loan amount outstanding at the end of each fiscal period or after new borrowings multiplied by applicable interest rate at the end of each fiscal period for each loans) / (The loan amount outstanding at the end of each fiscal period)
(Note 3) 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 4) DSCR (excluding hotel variable rent) is in the same manner as DSCR, except for excluding hotel variable rent from operating income

Sponsor Pipeline

Invincible Investment Corporation

Robust pipeline of 30 core assets provide opportunity for growth and stability, even after the acquisition

Properties Covered by the MOU[1,2]

Hotels

No.	Property name	Location	Type[3]	No. of Rooms	Status	Renovation / Construction Completion
1	Hotel MyStays Premier Akasaka	Minato-ku, Tokyo	Limited	327	In Operation	Jul 2016
2	Hotel MyStays Yokohama Kannai	Yokohama, Kanagawa	Limited	165	In Operation	Oct 2016
3	Rihga Royal Hotel Kyoto	Kyoto, Kyoto	Full	489	In Operation	Sep 2016
4	Narita Excel Hotel Tokyu	Narita, Chiba	Full	706	In Operation	-
5	Hotel MyStays Premier Sapporo Park	Sapporo, Hokkaido	Full	418	In Operation	Jul 2015
6	Hotel MyStays Sapporo Station	Sapporo, Hokkaido	Limited	242	In Operation	-
7	Hotel MyStays Oita	Oita, Oita	Limited	145	In Operation	-
8	Art Hotel Hirosaki City	Hirosaki, Aomori	Full	134	In Operation	-
9	Beppu Kamenoi Hotel	Beppu, Oita	Resort	322	In Operation	Oct 2015
10	Fusaki Resort Village	Ishigaki, Okinawa	Resort	195	In Operation	Jun 2015
11	Sheraton Grande Tokyo Bay Hotel	Urayasu, Chiba	Full	1,016	In Operation	Dec 2016
12	Hotel MyStays Shin Osaka Conference Center	Osaka, Osaka	Limited	397	In Operation	Jun 2016
13	Art Hotel Asahikawa	Asahikawa, Hokkaido	Full	265	In Operation	-
14	Hotel MyStays Kanazawa Castle	Kanazawa, Ishikawa	Limited	206	In Operation	Mar 2016
15	Hotel MyStays Matsuyama	Matsuyama, Ehime	Full	161	In Operation	-
16	Hotel MyStays Ueno East	Taito-ku, Tokyo	Limited	150	In Operation	Mar 2016
17	(tentative) Hotel MyStays Honmachi 3-chome	Osaka, Osaka	Limited	120	Under Construction	Nov 2017
18	Hotel Mystays Sapporo Nakajima Park	Sapporo, Hokkaido	Limited	86	In Operation	May 2016
19	Flexstay Inn Sakuragicho	Yokohama, Kanagawa	Limited	70	In Operation	Sep 2016
20	MyCUBE by MYSTAYS Asakusa Kuramae	Taito-ku, Tokyo	Limited	161	In Operation	Jun 2016
21	Hotel MyStays Premier Omori	Shinagawa-ku, Tokyo	Limited	232	In Operation	Nov 2016

Residential properties

No.	Property name	Location	No. of Apartment Units
22	Gran Charm Hiroo	Shibuya-ku, Tokyo	121
23	Plestay Win Kinshicho	Sumida-ku, Tokyo	92
24	Gran Charm Kichijoji	Musashino, Tokyo	28
25	Green Patio Noda	Noda, Chiba	240
26	Dainichi F-45	Urayasu, Chiba	54
27	Gran Charm Urayasu	Urayasu, Chiba	54
28	Gran Charm Urayasu 5	Urayasu, Chiba	54
29	Gran Charm Minami Gyotoku I	Ichikawa, Chiba	52
30	Gran Charm Minami Gyotoku II	Ichikawa, Chiba	48

No. of Hotel Rooms

6,007

No. of Apartment Units

743

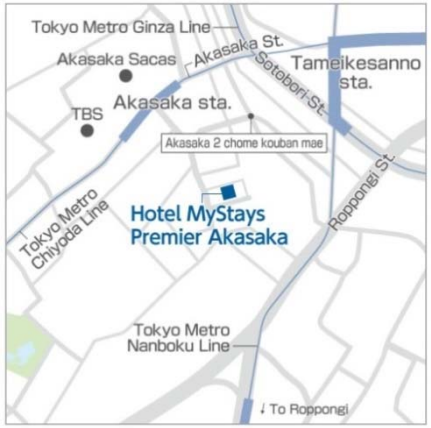
(Note 1) MOU providing preferential negotiation rights
(Note 2) We do not intend to acquire any of the properties listed above as of the date of this material and there is no assurance that we will acquire any of these properties in the future
(Note 3) "Limited" refers to "Limited Service Hotel", "Full" refers to "Full Service Hotel", and "Resort" refers to "Resort Hotel"

Major Sponsor Pipeline Properties

Invincible Investment Corporation

Hotel MyStays Premier Akasaka (327 rooms)





Sheraton Grande Tokyo Bay Hotel (1,016 rooms)





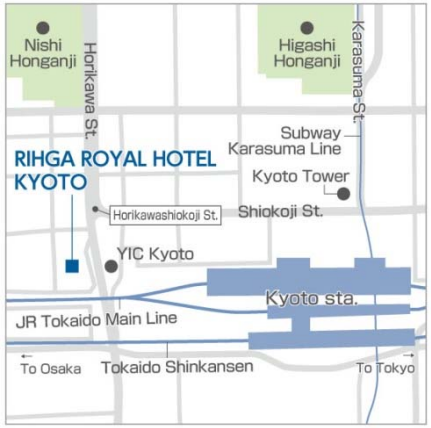
Hotel MyStays Premier Sapporo Park (418 rooms)





Rihga Royal Hotel Kyoto (489 rooms)





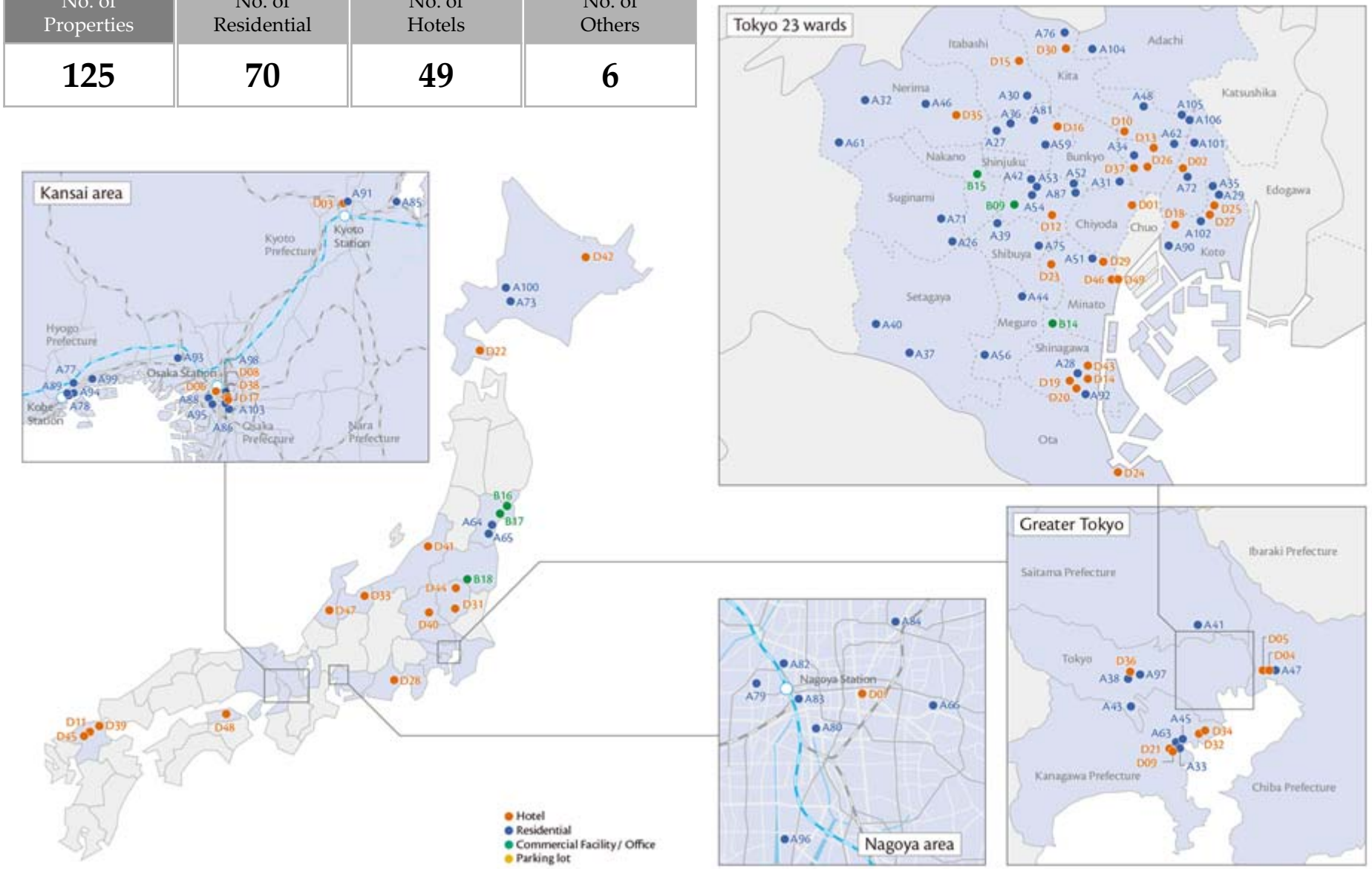
(Note 1) We do not intend to acquire any of the properties listed above as of the date of this material and there is no assurance that we will acquire any of these properties in the future

Appendix

Portfolio Map

Invincible
Investment Corporation

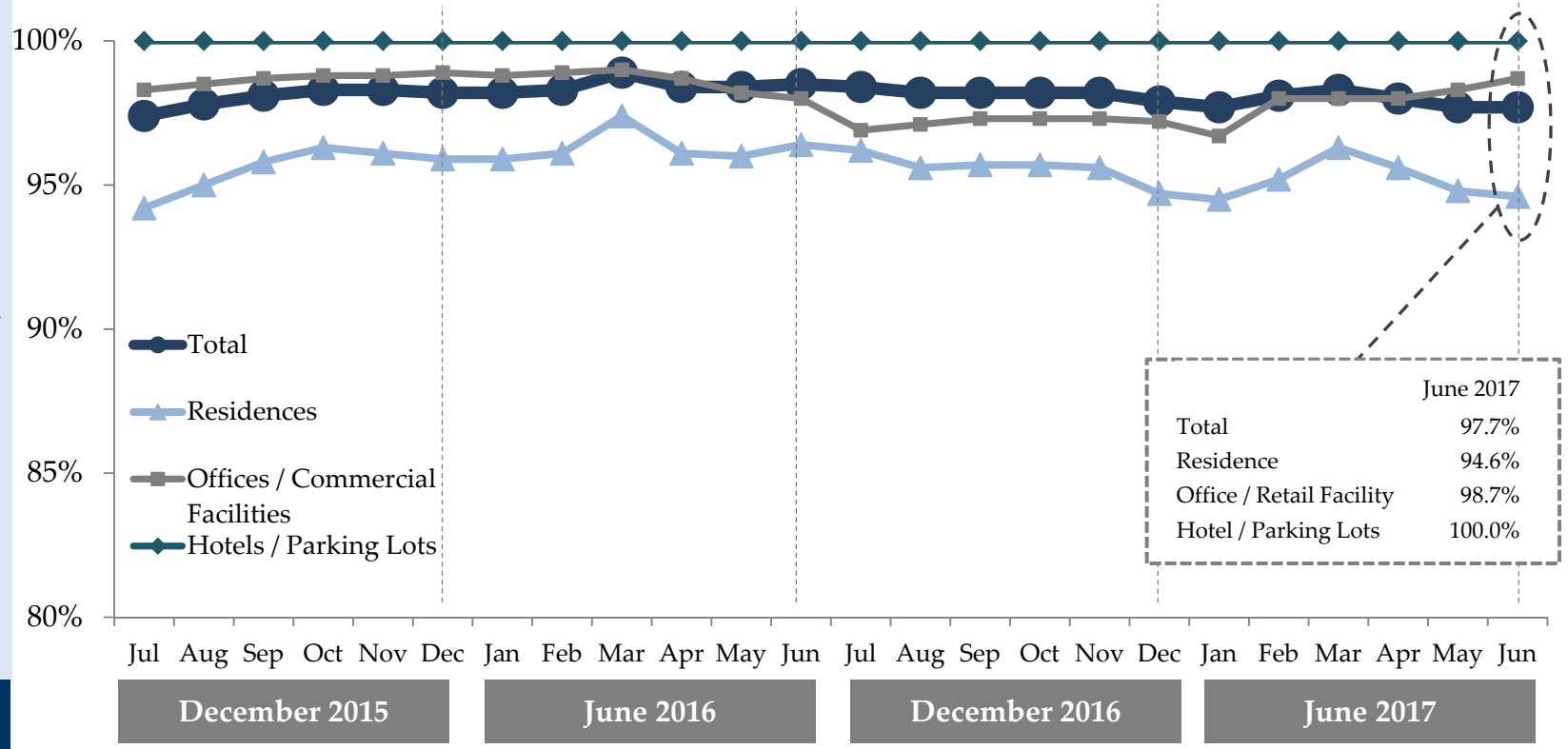
No. of Properties	No. of Residential	No. of Hotels	No. of Others
125	**70**	**49**	**6**



Portfolio Occupancy

Invincible Investment Corporation

Monthly Occupancy Rate



Average Occupancy Rate

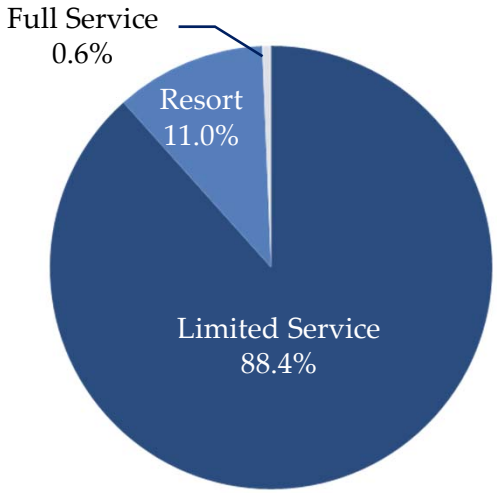
December 2015	June 2016	December 2016	June 2017
Total 98.0%	Total 98.5%	Total 98.2%	**Total 97.9%**
Residence 95.6%	Residence 96.3%	Residence 95.6%	**Residence 95.2%**
Office/Retail Facility 98.6%	Office/Retail Facility 98.6%	Office/Retail Facility 97.2%	**Office/Retail Facility 98.0%**
Hotel/Parking Lots 100.0%	Hotel/Parking Lots 100.0%	Hotel/Parking Lots 100.0%	**Hotel/Parking Lots 100.0%**

Hotel Portfolio Summary

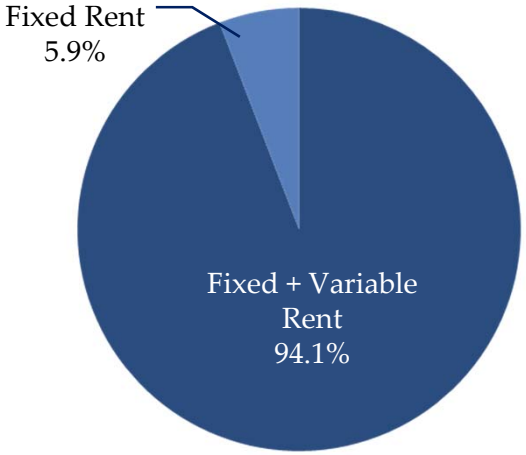
Invincible Investment Corporation

- Hotel portfolio comprises 49 properties, of which 88.4% are limited-service hotels, and 94.1% are variable-rent hotels[1]
- 59.4% of the portfolio is located in the Greater Tokyo area (including the Tokyo 23 wards) and 8.8% in Kansai area[1]
- Revenues from the hotels are approximately split between 50% variable rents and 50% fixed rents (total hotel revenue basis)

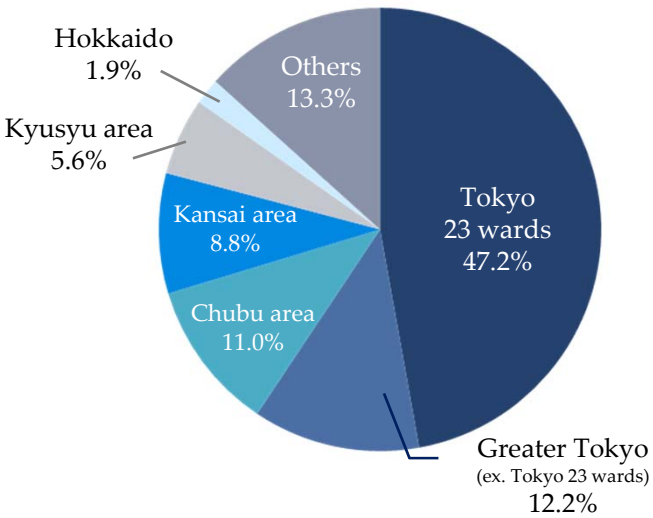
Hotel Type[1]



Rent Structure[1]

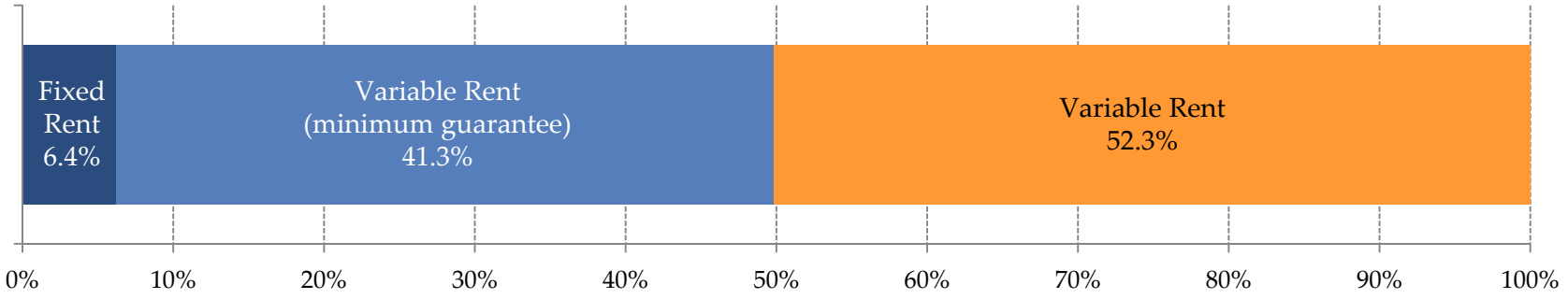


Location[1]



(Note 1) Based on acquisition price

Composition by Rental Revenue (in June 2017 Fiscal Period)

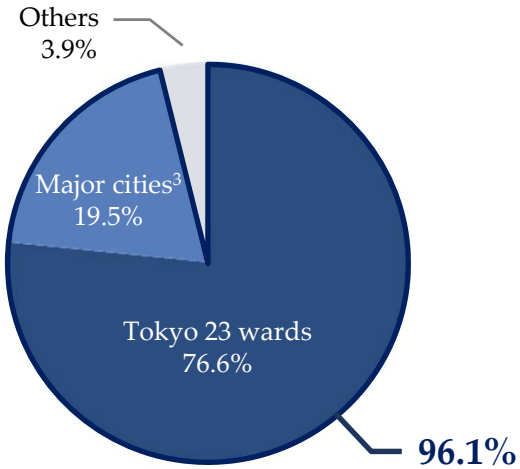


Residential Portfolio Summary (As of March 14, 2017)

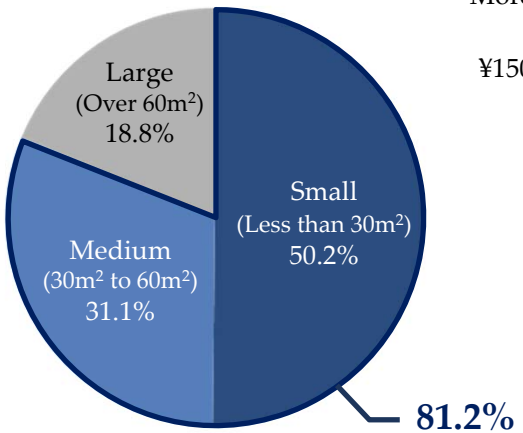
Invincible Investment Corporation

- Residential Portfolio consists of 70 properties and 4,778[1] units
  - 96.1%[2] of the residential portfolio is concentrated in Tokyo 23 wards and other major cities[3]
  - 81.2%[5] of the residential units are smaller than 60m², suitable for singles or small households
  - 80.7%[5] of the residential units are affordable with the rent of ¥ less than 150k per month. Average rent per tsubo per month is ¥ 9,595[7]

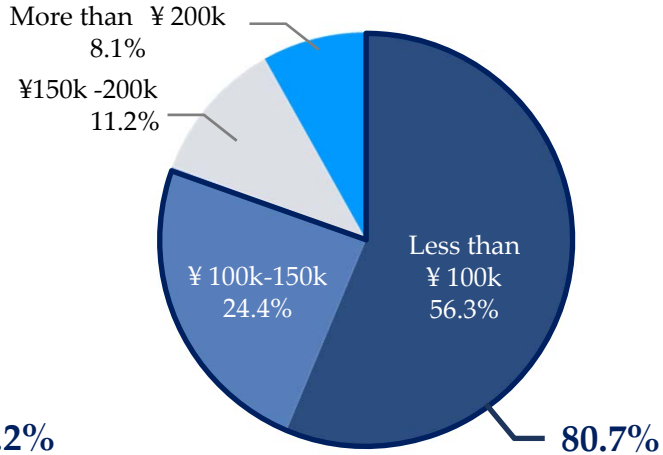
Location[2]



Room Type[4,5]



Rent Range (Monthly)[5,6]




City House Tokyo Shinbashi


Spacia Ebisu


Royal Parks Shinden


Winbell Kagurazaka


Prime Life Mikage

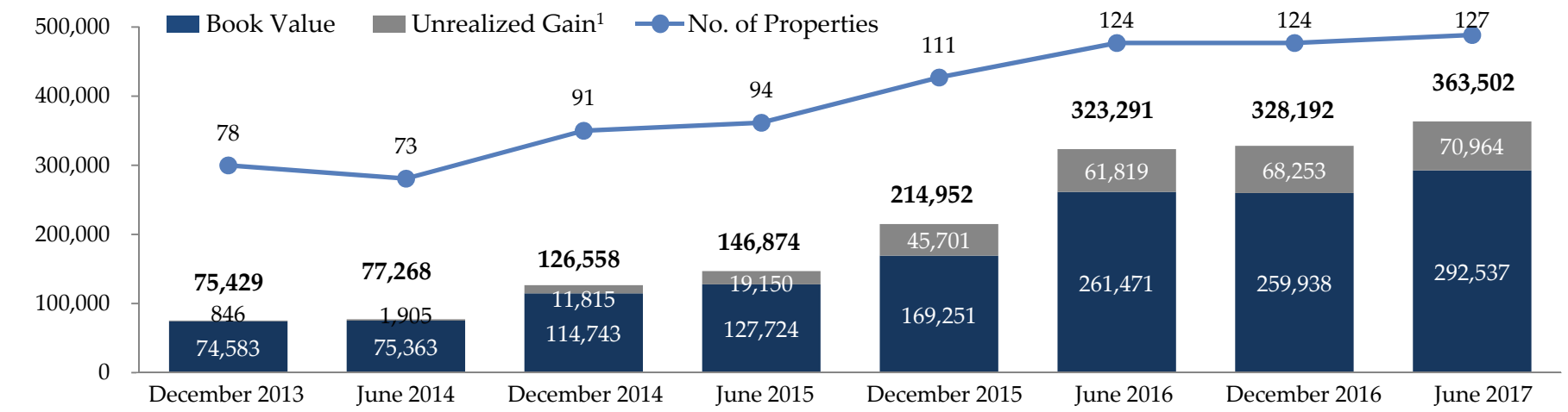
(Note 1) The number includes shops, offices and nursing homes in the assets, which are counted as one unit by each compartment
(Note 2) Based on acquisition price
(Note 3) Major cities refers to "Government ordinance cities" in Japan with a population of 500 thousand or more.
(Note 4) Based on the number of units excluding unit of shops, offices and nursing homes as of December 31, 2016
(Note 5) INV defines "Small" as a rentable unit with an area of less than 30m², "Medium" as a rentable unit with an area of 30m² to 60m² and "Large" as a rentable unit with an area of 60m² or more
(Note 6) The amount of rent is based on monthly rent plus common-area charge for each unit as of December 31, 2016
(Note 7) Weighted average rents calculated by dividing the monthly rents plus common area charge per tsubo by lease area as of the end of June 2017, based on all residential properties owned by INV

Summary of Appraisal Value

Invincible Investment Corporation

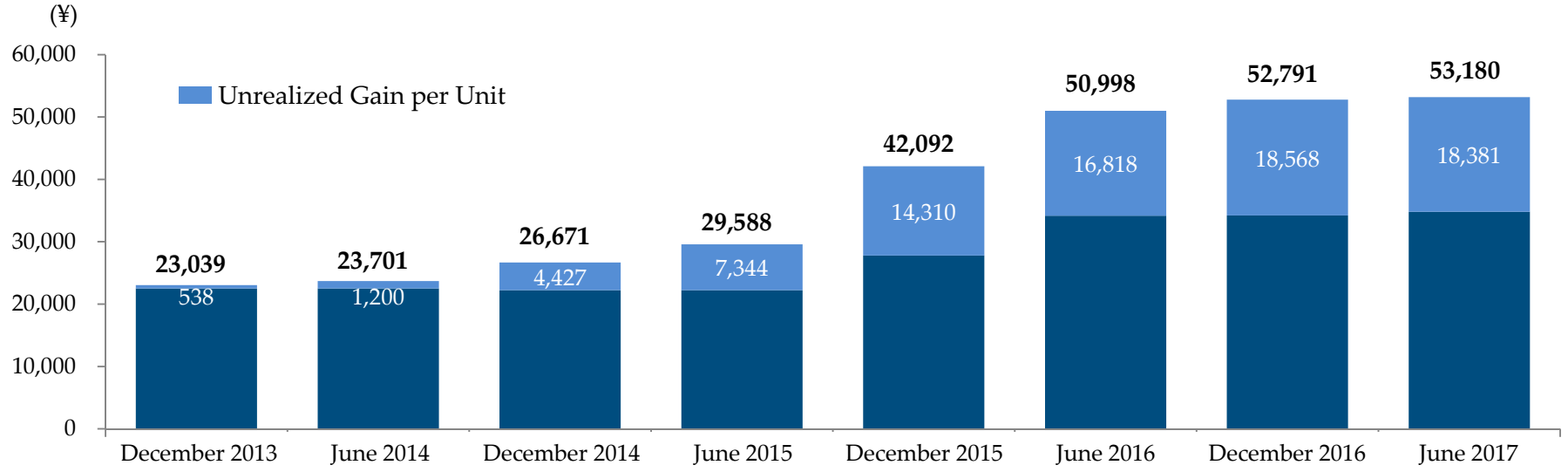
Trend of Appraisal Value

(¥ million)



Trend of NAV per Unit[3]

(¥)



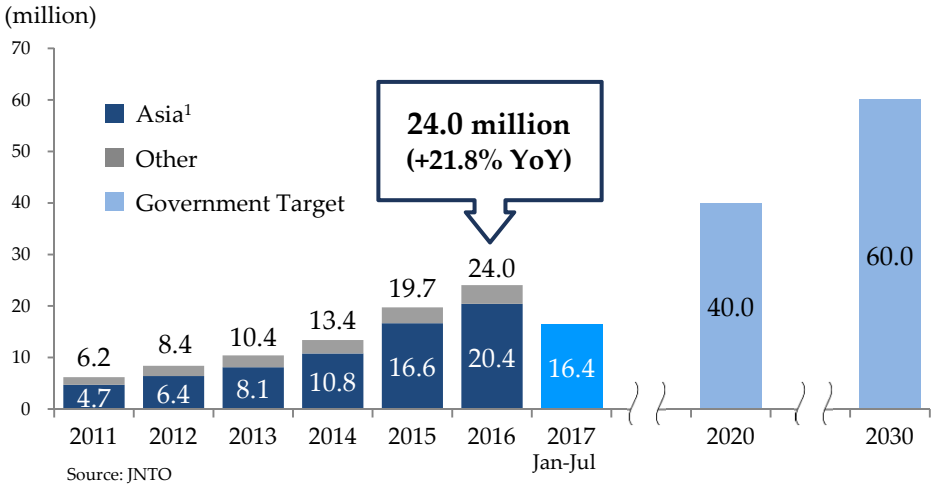
(Note 1) Unrealized Gain = End-of-period Appraisal Value – End-of-period Book Value
(Note 2) NAV per unit is calculated by the following formula: (End-of-period Amount of Net Assets - Undistributed Profit + End-of-period Appraisal Value - Tangible property (including leasehold rights in trust)) ÷ Investment Units outstanding as of the end of each fiscal period; and NAV per unit for the end of December 2016 is calculated based on unaudited financial data.

Inbound Market (1)

Invincible Investment Corporation

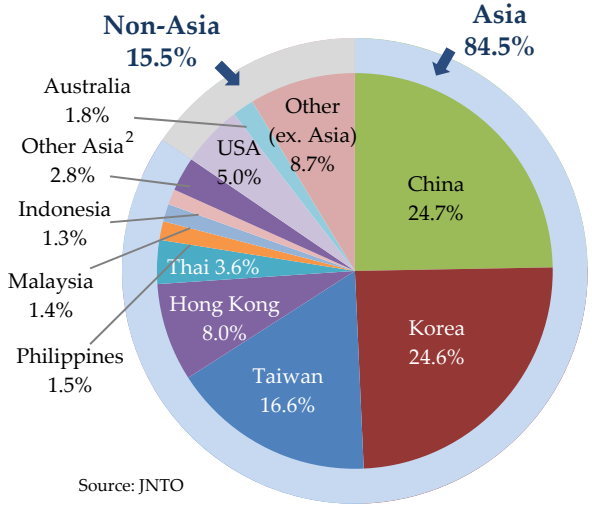
- Inbound visitors reached a monthly record high in July 2017 as well as an annual record high of 24.0 million (+21.8% YoY) in 2016
- Japan's large array of attractive cities, tourist activities, food, culture, etc. encourage repeat Asian visitors

No. of Inbound Visitors to Japan



Source: JNTO

Inbound Visitors Composition by Country (January-July 2017)

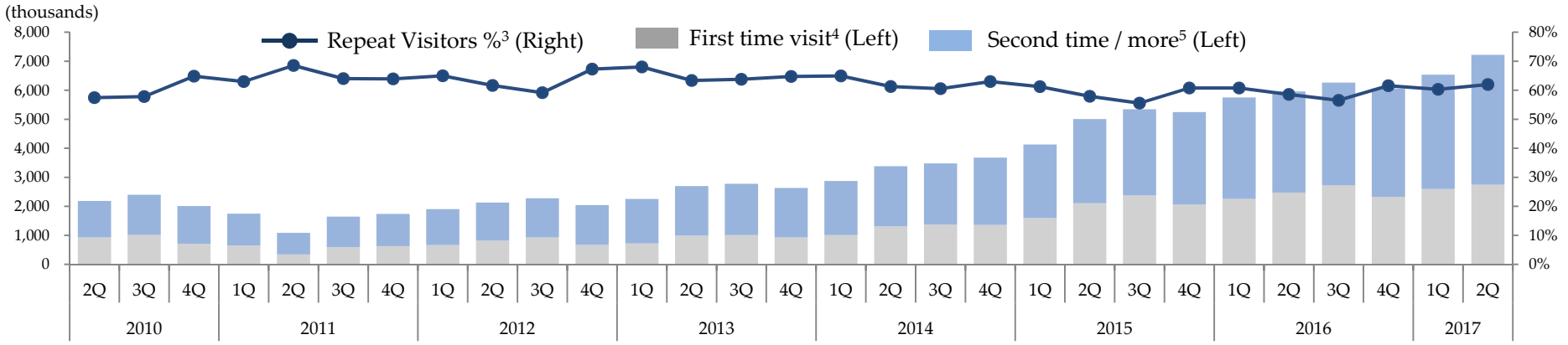


Source: JNTO

Top 5 Countries by Inbound Growth Rate

#1	South Korea	+ 42.8%
#2	Russian	+ 39.6%
#3	Indonesia	+ 35.0%
#4	Vietnam	+ 28.6%
#5	Hong Kong	+ 25.2%

No. of Visitors to Japan and the Percent as Repeat Visitors



Source: JNTO, MLIT

(Note 1) Asia includes China, South Korea, Taiwan, Hong Kong, Thailand, Singapore, Malaysia, Indonesia, Philippines, Vietnam, and India
(Note 2) Other Asia includes Indonesia, Vietnam and India
(Note 3) "Repeat Visitor %" indicates percentage of inbound who answered their visit to Japan was for the second time or more in the survey "Consumption Trend Survey for Foreigners Visiting Japan" conducted by Japan Travel Agency
(Note 4) "First time visit" indicates the number of foreign visitors to Japan which is calculated by multiplying the total number of inbound announced by JNTO in the relevant period by (1- Repeat Visitor % in the relevant period)
(Note 5) "Second time or more" indicates the number of foreign visitors to Japan which is calculated by multiplying the total number of inbound announced by JNTO in the relevant period by Repeat Visitor % in the relevant period

Inbound Market (2)

Invincible Investment Corporation

- Japanese government initiatives focusing on increasing the number of inbound visitors has paid off, growth in inbound tourism has increased by 20% or more in each of the last five years
- While inbound from Asia continues to grow highly, inbound from Europe, the United States and Australia is also steadily growing
- Double-digit increase of total inbound visitors continues in 2017. Southeast Asian countries sustain strong growth momentum

Inbound Visitors to Japan by Country

(thousand of persons)

	2012	YoY	2013	YoY	2014	YoY	2015	YoY	2016	YoY	2017 Jan-Jul	YoY
China	1,425	+36.6%	1,314	-7.8%	2,409	+83.3%	4,994	+107.3%	6,373	+27.6%	4,063	+6.7%
South Korea	2,043	+23.2%	2,456	+20.2%	2,755	+12.2%	4,002	+45.3%	5,090	+27.2%	4,040	+42.8%
Taiwan	1,466	+47.5%	2,211	+50.8%	2,830	+28.0%	3,677	+29.9%	4,167	+13.3%	2,735	+7.1%
Hong Kong	482	+32.0%	746	+54.9%	926	+24.1%	1,524	+64.6%	1,839	+20.7%	1,318	+25.2%
Thailand	261	+79.8%	454	+74.0%	658	+45.0%	797	+21.2%	901	+13.1%	588	+7.4%
Malaysia	130	+59.7%	177	+35.6%	250	+41.4%	305	+22.4%	394	+29.1%	236	+13.1%
Indonesia	101	+63.9%	137	+34.8%	159	+16.0%	205	+29.2%	271	+32.1%	208	+35.0%
Philippines	85	+34.8%	108	+27.4%	184	+70.0%	268	+45.7%	348	+29.6%	249	+23.5%
Vietnam	55	+34.4%	84	+53.1%	124	+47.1%	185	+49.2%	234	+26.1%	182	+28.6%
USA	717	+26.7%	799	+11.5%	892	+11.6%	1,033	+15.9%	1,243	+20.3%	826	+13.3%
UK	174	+24.2%	192	+10.2%	220	+14.7%	258	+17.5%	293	+13.2%	180	+5.9%
France	130	+36.6%	155	+18.8%	179	+15.3%	214	+20.0%	253	+18.3%	159	+6.6%
Canada	135	+33.6%	153	+12.9%	183	+19.7%	231	+26.5%	273	+18.0%	179	+18.9%
Australia	206	+27.0%	245	+18.5%	303	+23.8%	376	+24.3%	445	+18.4%	293	+11.6%
Other	947	+35.2%	1,134	+19.6%	1,343	+18.5%	1,666	+24.0%	1,914	+14.9%	1,184	+12.5%
Total	**8,358**	**+34.4%**	**10,364**	**+24.0%**	**13,413**	**+29.4%**	**19,737**	**+47.1%**	**24,039**	**+21.8%**	16,439	+17.3%

Source: JNTO

Hotel Market - Japanese Government Proactively Promoting Tourism

Invincible Investment Corporation

The Japanese Government is promoting Japan as a tourism oriented country

The Government's Target

<Domestic Tourism>	Actual (CY2015)	Target (CY2020)
Domestic travel consumption[1]	¥20.4 trillion	**¥21 trillion**
Annual average number of nights of domestic tourists	2.27 nights	**2.5 nights**
Total number of lodgers[2] who travel to the countryside[3] and their travel consumption	294 million ¥10.6 trillion	**310 million** **¥12 trillion**

<Inbound Tourism>	Actual (CY2016)	Target (CY2020)
Inbound travel consumption[1]	¥3.7 trillion	**¥8 trillion**
Number of repeaters of inbound tourists	14.76 million	**24 million**
Total number of lodgers[2] of inbound tourists who travels countryside[3]	28.45 million	**70 million**

Functional Enhancement of Major Airports

Tokyo International Airport (Haneda Airport)	■ Increase international flight capacity by building or extending runways as both airports will reach their annual capacity limit of 750,000 landing slots by early 2020 according to the government's forecast ■ The number of landing slots at Haneda Airport is expected to increase by up to 39,000 from the current 447,000 annually by 2020, mainly by establishing new approach routes over central Tokyo ■ Improving its access
Narita International Airport	■ Expanding its capacity of landing ■ Narita International Airport plans to build a new runway
Fukuoka Airport	■ Fukuoka Airport plans to build an additional runway
Kansai International Airport	■ New Terminal 2, an airline terminal dedicated for international LCCs, opened in January 2017 ■ New Terminal 3 is under construction
New Chitose Airport	■ Implement measures to expand aprons for international flights, build new taxiways, and improve customs, immigration and quarantine system
Osaka International Airport	■ Expanding airline networks, extending pier building

Source: MLIT, Cabinet Office, Narita International Airport Corporation,
(Note1): "consumption" includes not only expenses during the travel but also before and after the travel. Expenses during the travel includes expenses for transportation, lodging, meals, souvenirs, facility use and others. Expenses before and after the travel includes purchasing travel goods for the travel and other expenses (i.e. printing photos).
(Note2):"lodgers" means number of people that stayed
(Note3):"countryside" means areas other than three metropolitan areas (Saitama, Chiba, Tokyo, Kanagawa, Aichi, Kyoto, Osaka and Hyogo)

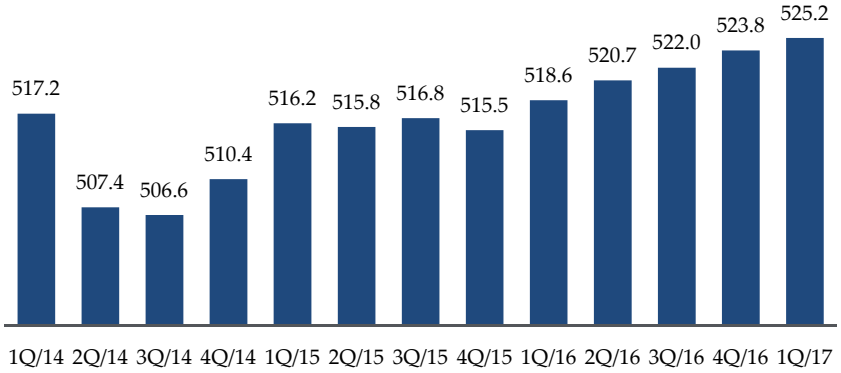
Favorable Macro Environment in Japan

Invincible Investment Corporation

GDP in Japan is expected to grow continuously for the long term and consumer spending forecast will be favorable in the future mainly thanks to improvement of domestic employment and wages of income environment

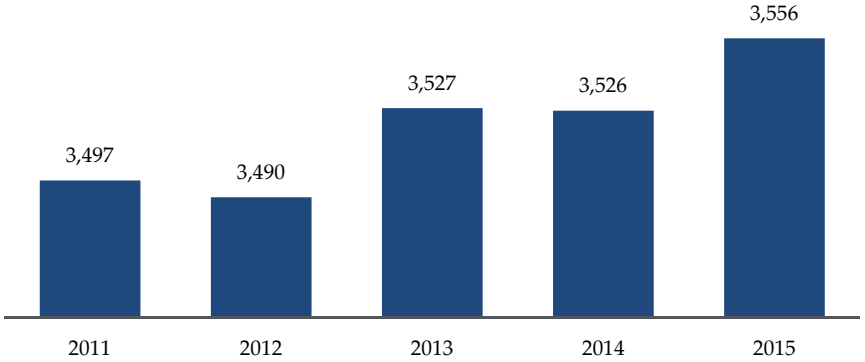
GDP in Japan

(¥ trillion, Real, Seasonally Adjusted Series)



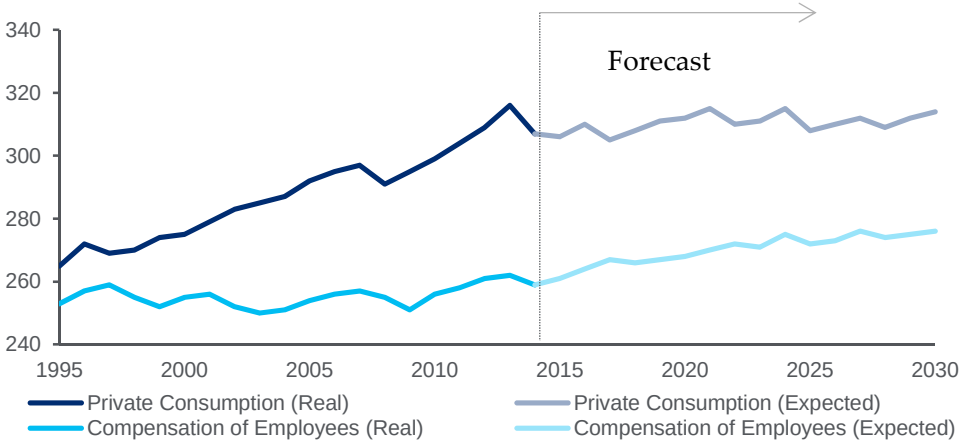
Average Base Salary in the Private Sector

(¥ thousand)

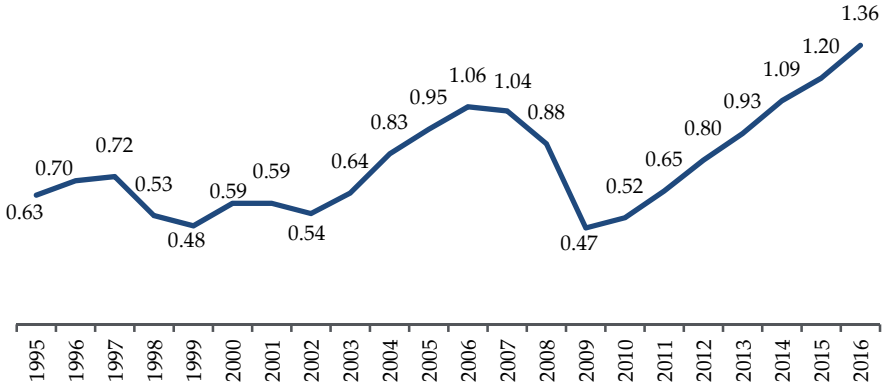


Consumer Spending Forecast in Japan (Real Basis)

(¥ trillion)



Jobs-to-Applicants Ratio including Part-time Workers in Japan



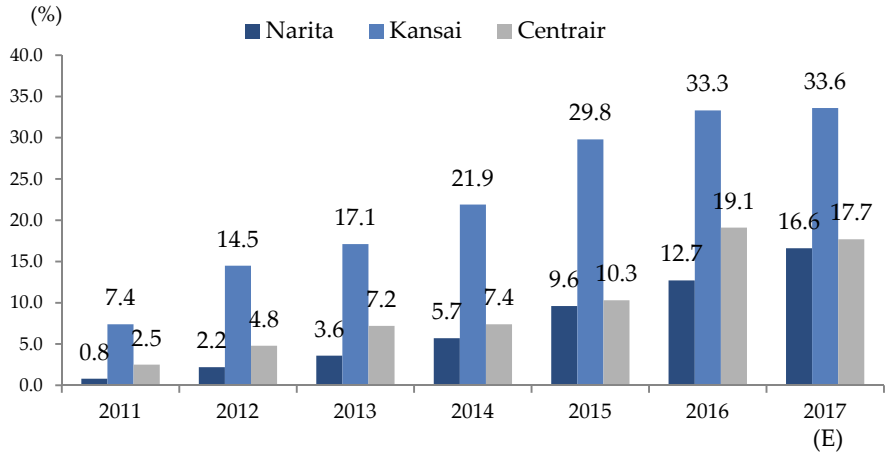
Source: OECD, Report by Mitsubishi UFJ Research and Consulting , Ministry of Health, Labour and Welfare, National Tax Agency (Statistical Survey of Actual Status for Salary in the Private Sector)

Upside Potential of Hotel Market

Invincible Investment Corporation

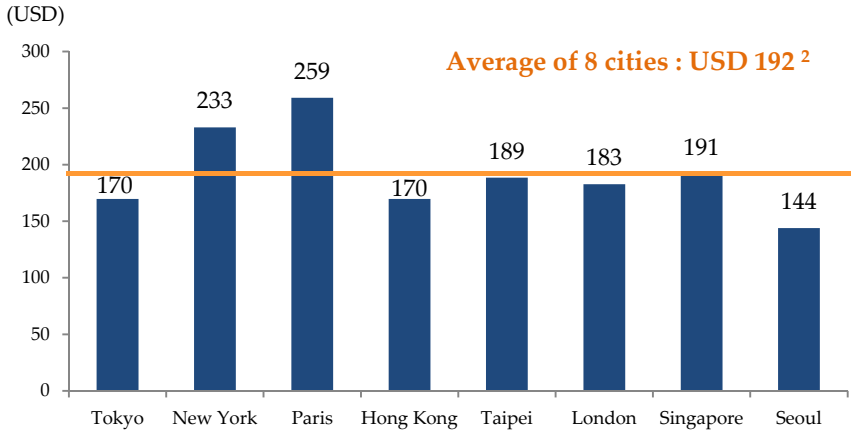
- Continued growth of Low Cost Carriers (LCC) facilitates movement to and throughout Japan, benefitting INV's diverse hotel portfolio
- ADR of hotels in Tokyo is below the average ADR of 8 major cities in the world
- Japan still has a low number of foreign tourists compared to its population, indicating room for more growth

% of LCC in Japan Major Airports



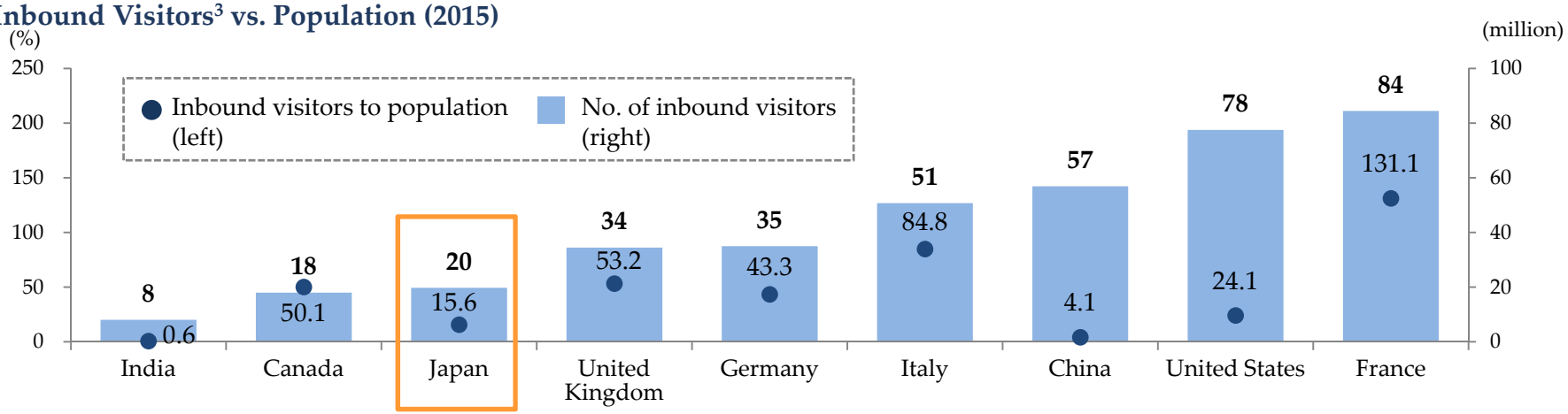
Source: Narita International Airport, Kansai International Airport and Chubu Centrair International Airport

Global Comparison of ADR[1]



Source: STR Global Limited (Asia Pacific Hotel Industry Performance for the Month of June 2017)

Inbound Visitors[3] vs. Population (2015)



Source : JNTO and World Population Prospects, the 2015 Revision

(Note 1) Year to date average as of June 2016
(Note 2) It represents the simple average of the eight cities.
(Note 3) Chosen the countries which are ranked both in the top 10 in terms of GDP and in the top 40 in terms of number of inbound visitors in the world in 2015. "Inbound visitors" are visitors from abroad for each country

Appendix - Financial and Operational Data

Key Operational Data for Hotel Properties (40 Variable Rent Hotels)

	Property	Location	# of rooms	Acquisition Month	Occupancy		ADR (¥)		RevPAR (¥)		GOP (¥ mn)		Daily Ratio		Overseas Sales Ratio	
					Jan.-Jun..2017 Actual	Y-o-Y (pt)	Jan.-Jun..2017 Actual	Y-o-Y	Jan.-Jun..2017 Actual	Y-o-Y	Jan.-Jun..2017 Actual	Y-o-Y	Jan.-Jun..2017 Actual	Y-o-Y	Jan.-Jun..2017 Actual	Y-o-Y
MyStays Hotel Management (MHM)																
	Hotel MyStays															
D1	Hotel MyStays Kanda	Chiyoda-ku, Tokyo	126	May 2014	94.1%	10.8	9,190	4.6%	8,647	18.3%	105	18.6%	97.6%	-2.4	41.4%	2.6
D2	Hotel MyStays Asakusa	Sumida-ku, Tokyo	160	May 2014	94.5%	1.2	7,539	-6.8%	7,124	-5.6%	116	-9.0%	92.7%	-7.3	65.8%	8.0
D3	Hotel MyStays Kyoto-Shijo	Kyoto, Kyoto	224	Jul 2014	85.8%	-6.7	14,646	-1.9%	12,559	-9.0%	321	-10.1%	100.0%	0.0	68.5%	3.4
D4	MyStays Shin-Urayasu Conf. Ctr.	Urayasu, Chiba	175	Jul 2014	91.1%	-3.9	9,888	2.7%	9,010	-1.5%	175	-1.8%	100.0%	0.0	17.8%	5.2
D5	Hotel MyStays Maihama	Urayasu, Chiba	90	Jul 2014	90.5%	-4.7	15,894	-1.6%	14,385	-6.5%	134	-9.3%	100.0%	0.0	31.6%	5.3
D7	Hotel MyStays Nagoya-Sakae	Nagoya, Aichi	270	Jul 2014	94.7%	-2.7	7,309	2.3%	6,919	-0.4%	188	4.6%	100.0%	0.8	33.6%	1.1
D8	Hotel MyStays Sakaisuji-Honmachi	Osaka, Osaka	190	Jul 2014	89.4%	-2.3	9,345	-8.3%	8,358	-10.7%	161	-16.8%	100.0%	0.1	49.2%	-0.7
D9	Hotel MyStays Yokohama	Yokohama, Kanagawa	190	Jul 2014	84.2%	-5.2	7,709	3.2%	6,492	-2.8%	108	-2.9%	100.0%	0.0	21.4%	9.8
D10	Hotel MyStays Nippori	Arakawa-ku, Tokyo	93	Jul 2014	88.6%	-5.0	7,386	-9.2%	6,542	-14.1%	59	-17.3%	93.3%	-6.7	51.1%	-0.3
D11	Hotel MyStays Fukuoka-Tenjin-Minami	Fukuoka, Fukuoka	177	Jul 2014	95.5%	2.2	8,283	11.5%	7,910	14.1%	133	20.7%	100.0%	0.0	41.7%	16.6
D13	Hotel MyStays Ueno-Inaricho	Taito-ku, Tokyo	72	Jul 2014	92.1%	-0.2	8,036	-5.6%	7,398	-5.8%	55	2.2%	87.0%	-11.0	68.9%	-3.7
D17	Hotel MyStays Otemae	Osaka, Osaka	110	Jul 2014	92.8%	-2.0	11,391	-3.3%	10,573	-5.3%	124	-9.7%	100.0%	0.5	61.7%	-2.8
D24	Hotel MyStays Haneda	Ota-ku, Tokyo	174	Jul 2015	96.0%	1.6	11,205	-0.3%	10,759	1.3%	182	2.7%	100.0%	0.0	39.7%	9.3
D25	Hotel MyStays Kameido P1	Koto-ku, Tokyo	265	Jul 2015	85.8%	0.6	6,243	-2.7%	5,359	-2.0%	174	-0.9%	49.7%	-9.1	16.2%	3.1
D26	Hotel MyStays Ueno-Iriyaguchi	Taito-ku, Tokyo	97	Jul 2015	94.1%	0.0	10,293	-4.6%	9,690	-4.6%	95	-10.3%	100.0%	0.0	67.1%	17.8
D27	Hotel MyStays Kameido P2	Koto-ku, Tokyo	175	Jul 2015	89.3%	0.2	6,367	-1.4%	5,687	-1.2%	118	-4.4%	67.2%	-2.8	25.6%	7.5
D31	Hotel MyStays Utsunomiya	Utsunomiya, Tochigi	116	Jul 2015	97.2%	4.3	7,148	6.0%	6,947	10.9%	89	11.4%	100.0%	0.0	15.2%	6.6
D38	Hotel MyStays Shinsaibashi	Osaka, Osaka	54	Jan 2016	96.5%	5.0	13,845	-8.6%	13,357	-3.6%	82	2.1%	100.0%	0.0	73.1%	14.0
D43	Hotel MyStays Gotanda Station	Shinagawa-ku, Tokyo	333	Mar 2016	95.3%	-0.2	10,603	1.5%	10,109	1.2%	407	-0.8%	100.0%	0.0	22.2%	5.7
D45	Hotel MyStays Fukuoka Tenjin	Fukuoka, Fukuoka	217	Mar 2016	96.6%	1.9	8,403	11.4%	8,114	13.6%	192	21.0%	100.0%	0.0	46.9%	7.9
D46	Hotel MyStays Hamamatsucho	Minato-ku, Tokyo	105	Mar 2016	94.3%	-0.4	11,138	-5.7%	10,508	-6.2%	114	-7.2%	100.0%	0.0	52.8%	1.6
D47	Hotel MyStays Premier Kanazawa	Kanazawa, Ishikawa	244	Jun 2016	89.0%	-5.9	10,896	9.7%	9,697	2.9%	285	9.4%	100.0%	0.0	30.1%	5.7
D49	Hotel MyStays Premier Hamamatsucho	Minato-ku, Tokyo	120	May 2017	87.9%	-4.1	17,240	9.6%	15,155	4.7%	203	11.6%	100.0%	-	63.3%	38.9
	FlexStay Inn															
D12	FlexStay Inn Iidabashi	Shinjuku-ku, Tokyo	59	Jul 2014	91.1%	0.0	9,559	-2.0%	8,709	-2.0%	50	-4.0%	99.0%	-0.7	32.1%	1.0
D14	FlexStay Inn Shinagawa	Shinagawa-ku, Tokyo	55	Jul 2014	94.2%	0.6	9,330	-1.5%	8,791	-0.9%	47	-1.4%	100.0%	0.2	36.3%	2.3
D15	FlexStay Inn Tokiwadai	Itabashi-ku, Tokyo	129	Jul 2014	78.1%	-3.3	5,295	0.5%	4,136	-3.5%	59	-8.7%	46.1%	11.5	18.6%	-2.9
D16	FlexStay Inn Sugamo	Toshima-ku, Tokyo	104	Jul 2014	76.5%	0.5	6,228	-0.8%	4,765	-0.2%	56	1.8%	45.4%	-5.7	10.3%	3.7
D18	FlexStay Inn Kiyosumi-Shirakawa	Koto-ku, Tokyo	55	Jul 2014	90.1%	2.0	7,449	-2.5%	6,713	-0.3%	40	1.5%	81.5%	-16.9	38.8%	3.1
D19	FlexStay Inn Nakanobu P1	Shinagawa-ku, Tokyo	39	Jul 2014	87.7%	1.5	6,011	-8.6%	5,272	-7.0%	20	-9.2%	65.7%	-12.6	11.8%	-1.3
D20	FlexStay Inn Nakanobu P2	Shinagawa-ku, Tokyo	22	Jul 2014	87.7%	-1.1	5,684	-6.3%	4,983	-7.5%	11	-8.1%	68.5%	-20.0	17.0%	1.5
D23	FlexStay Inn Shirogane	Minato-ku, Tokyo	84	Feb 2015	87.7%	3.9	7,076	-2.9%	6,206	1.6%	59	2.8%	42.9%	-17.8	14.3%	2.4
D30	FlexStay Inn Higashi-Jujo	Kita-ku, Tokyo	88	Jul 2015	87.9%	3.8	5,763	-2.7%	5,065	1.7%	40	0.9%	100.0%	0.0	53.2%	5.6
D32	FlexStay Inn Kawasaki-Kaizuka	Kawasaki, Kanagawa	64	Jul 2015	86.6%	6.0	5,406	-3.7%	4,680	3.6%	32	0.3%	32.5%	4.0	7.7%	5.5
D34	FlexStay Inn Kawasaki-Ogawacho	Kawasaki, Kanagawa	62	Jul 2015	81.4%	-0.6	4,983	-2.2%	4,059	-2.9%	25	-11.2%	39.0%	14.4	9.4%	-0.2
D35	FlexStay Inn Ekoda	Nerima-ku, Tokyo	210	Aug 2015	85.6%	-0.3	5,307	1.0%	4,544	0.7%	115	2.2%	37.9%	-7.7	8.4%	3.9
	Others															
D44	Hotel Epinard Nasu	Nasu, Tochigi	310	Mar 2016	76.5%	-3.3	20,262	6.6%	15,504	2.2%	549	22.4%	-	-	0.5%	0.1
Non-MHM Operators																
D6	Hotel Vista Premio Dojima	Osaka, Osaka	141	Jul 2014	91.1%	2.3	12,099	-2.5%	11,016	0.1%	202	-1.5%	-	-	23.4%	-4.8
D21	Apahotel Yokohama-Kannai	Yokohama, Kanagawa	451	Feb 2015	92.2%	-0.9	7,037	0.2%	6,490	-0.8%	230	-0.4%	-	-	-	-
D22	Hotel Nets Hakodate	Hakodate, Hokkaido	202	Feb 2015	74.2%	-5.5	7,988	11.4%	5,925	3.8%	112	2.6%	-	-	3.5%	1.1
D28	Hotel Vista Shimizu	Shizuoka, Shizuoka	152	Jul 2015	81.7%	3.5	6,691	3.0%	5,466	7.5%	75	12.1%	-	-	11.3%	1.7
Subtotal (by brand)																
MHM																
	Mysytays (23 properties)[1]	-	3,777	-	91.7%	-1.0	9,665	0.4%	8,864	-0.7%	3632	-0.4%	96.0%	-1.0	41.8%	6.8
	FlexStay Inn (12 properties)	-	971	-	85.0%	0.8	6,278	-1.6%	5,338	-0.7%	560	-1.5%	61.8%	-3.9	21.5%	2.3
	Others	-	310	-	76.5%	-3.3	20,262	6.6%	15,504	2.2%	549	22.4%	-	-	0.5%	0.1
Non-MHM Operators		-	946	-	86.5%	-0.7	7,953	2.0%	6,879	1.3%	622	1.1%	-	-	14.0%	-1.6
Total (38 properties)[2]		-	5,758	-	88.9%	-1.0	9,185	0.3%	8,170	-0.8%	5055	1.0%	91.0%	-1.5	31.8%	3.5
Total (40 properties)[3]		-	6,004	-	89.0%	-0.8	9,345	0.7%	8,320	-0.2%	5365	1.6%	91.2%	-1.5	33.3%	4.9

(Note 1) "Daily Ratio" indicates the average value of 22 hotels except for Hotel MyStays Premier Hamamatsucho which has no data for 2016.

(Note 2) The data indicates the average value of 38 hotels except for Hotel MyStays Kanda and Hotel MyStays Premier Hamamatsucho. "Daily Ratio" indicates the average value of 33 hotels except for hotels that do not tabulate such data. "Overseas Sales Ratio" indicates the average value of 37 hotels except for "APA Hotel Yokohama-Kannai" whose consent to disclose such data has not been obtained.

(Note 3) "Daily Ratio" indicates the average value of 34 hotels except for Hotel MyStays Premier Hamamatsucho which has no data for 2016 and hotels that do not tabulate such data. "Overseas Sales Ratio" indicates the average value of 39 hotels except for "APA Hotel Yokohama-Kannai" whose consent to disclose such data has not been obtained.

Financial Metrics

Items	June 2015	December 2015	June 2016	December 2016	June 2017
	Jan 1, 2015- Jun 30, 2015	Jul 1, 2015- Dec 31, 2015	Jan 1, 2016- Jun 30, 2016	Jul 1, 2016- Dec 31, 2016	Jan 1, 2017- Jun 30, 2017
Amount of Total Assets (JPY million)	136,299	185,918	284,106	277,361	306,421
Amount of Net Assets (JPY million)	61,731	91,758	130,005	131,455	139,062
Capital-to-Asset Ratio	45.3%	49.4%	45.8%	47.4%	45.4%
Total Amount of Investment (JPY million)	53,096	82,465	120,367	120,367	128,984
End-of-period total number of units issued	2,668,686	3,193,686	3,675,824	3,675,824	3,860,824
Amount of Net Assets per Unit (JPY)	23,132	28,731	35,368	35,762	36,019
Return on Asset (ROA) (annualized)	3.4%	3.2%	3.6%	3.9%	3.2%
Return on Equity (ROE) (annualized)	7.5%	6.4%	7.5%	8.3%	7.0%
Amount of interest-bearing debts (JPY million)	72,301	91,699	141,917	142,419	163,990
Weighted average interest rate	1.0%	0.6%	0.5%	0.5%	0.5%
Loan to Value (LTV 1)	54.9%	50.8%	53.0%	53.1%	55.0%
End-of-period Loan-to-Value based on Total Assets (LTV 2)	53.0%	49.3%	50.0%	51.3%	53.5%
Net Operating Income (NOI) (JPY million)	4,127	5,961	7,136	8,414	8,023
NOI yield (annualized)	6.5%	7.0%	6.6%	6.3%	5.7%
Depreciation Expenses (JPY million)	986	1,275	1,676	2,065	2,281
Funds From Operations (FFO) (JPY million)	3,282	4,228	6,040	7,496	6,983
NAV(JPY million)	78,960	134,430	187,461	194,049	205,318
NAV per Unit (JPY)	29,588	42,093	50,998	52,791	53,180
NAV ratio	2.2	1.7	1.3	1.0	0.9

(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 (¥)" and "NAV per Unit (¥)" are rounded to nearest yen.

June 2017 Results — Comparison with December 2016

(JPY million, otherwise stated)

	Dec 2016 Period Jul 1, 2016- Dec 31, 2016	Jun 2017 Period Jan 1, 2017- Jun 30, 2017	Change		Reasons for changes
Operating revenues	9,511	**9,260**	**(250)**	(2.6%)	・Rent, common area fees, etc. (310) (Residence +449, Retail +3, Hotel (764)) ・Utilization income from parking lot +19 ・Renewal income +19 ・Key money income +12 ・Others +10
Rental revenues	9,511	**9,260**	**(250)**	(2.6%)	
Operating expenses	3,577	**3,916**	**339**	+9.5%	・Depreciation expenses +216 ・Maintenance costs +61 (Building management fees +18 , Land lease fees +16 , PM Fee +11 , Restoration costs +9 , Utility expenses +6 , Repair costs (2)) ・Advertisement cost, etc +38 ・Property tax ,etc +34 ・General commissioned survey (6) ・Professional fees (19) ・Others +15
Repair costs	24	**22**	**(2)**	(8.5%)	
Operating Income	5,934	**5,344**	**(589)**	(9.9%)	
Non-operating revenues	43	**1**	**(41)**	(97.0%)	・Refund of consumption tax (35), Interest on tax refund (6)
Non-operating expenses	545	**643**	**97**	+17.8%	
Interest Expenses	359	**377**	**17**	+5.0%	・Lended new loan on 28th Period.
Finance-related costs	186	**223**	**36**	+19.9%	・Lended new loan and paid related cost on 28th Period.
Other non-operating expenses	—	**42**	**42**	—	・Investment unit issuance costs of public offering on 28th Period.
Net Income		**4,702**	**(728)**	(13.4%)	
Net Income per Unit (JPY)	1,477	**1,217**	**(260)**	(17.6%)	
Reversal of Surplus per Unit (JPY)	—	**—**	**—**	**—**	
Excess dividend per Unit (JPY)	—	**21**	**21**	**—**	
Distribution per Unit (JPY)	1,477	**1,264**	**(213)**	(14.4%)	
NOI	8,414	**8,023**	**(390)**	(4.6%)	
NOI yield	6.3%	**5.7%**	**(0.6%)**	—	

Income Statement

Items	Dec 2016 Period Jul 1, 2016- Dec 31, 2016		Jun 2017 Period Jan 1, 2017- Jun 30, 2017		Changes	
	JPY thousand	%	JPY thousand	%	JPY thousand	%
Operating revenues	9,511,466	100.0	9,260,917	100.0	(250,549)	-2.6
Rental revenues (1)	9,511,466		9,260,917		(250,549)	
Operating expenses	3,577,255	37.6	3,916,456	42.3	339,201	9.5
Property related expenses (2)	3,162,067		3,518,684		356,617	
Depreciation expenses (3)	2,065,066		2,281,374		216,308	
NOI (1)-(2)+(3)	**8,414,465**	**88.5**	**8,023,607**	**86.6**	**(390,858)**	(4.6)
Asset management fees	250,000		250,000		0	
Directors' compensation	4,800		4,800		0	
Asset custody fees	14,026		13,594		(431)	
Administrative service fees	27,890		29,983		2,092	
Provision of allowance for doubtful accounts	1,123		33		(1,090)	
Other	117,347		99,360		(17,987)	
Operating income	5,934,211	62.4	5,344,461	57.7	(589,750)	-9.9
Non-operating income	43,186	0.5	1,297	0.0	(41,888)	-97.0
Interest income	129		70		(58)	
Interest on tax refund	6,722		150		(6,572)	
Refund on consumption tax	35,949		-		(35,949)	
Other	385		1,077		691	
Non-operating expenses	545,789	5.7	643,080	6.9	97,291	17.8
Interest expenses	359,540		377,451		17,910	
Loan-related costs	186,249		223,228		36,979	
Investment unit issuance expenses	-		42,401		42,401	
Ordinary income	5,431,608	57.1	4,702,678	50.8	(728,930)	(13.4)
Income before income taxes	5,431,608	57.1	4,702,678	50.8	(728,930)	(13.4)
Income taxes	605		605		-	
Net income	5,431,003	57.1	4,702,073	50.8	(728,930)	(13.4)
Retained earnings brought forward	228,827		6,414		(222,413)	
Unappropriated retained earnings / losses at the end of the period	5,659,831		4,708,487		(951,344)	

Balance Sheet - Assets

Items	Dec 2016 Period (As of Dec 31, 2016)		Jun 2017 Period (As of Jun 30, 2017)		Changes	
	JPY thousand	%	JPY thousand	%	JPY thousand	%
Assets						
Current assets						
Cash and bank deposits	8,714,907		3,532,405		(5,182,502)	
Cash and bank deposits in trust	5,499,826		6,065,755		565,929	
Accounts receivables	19		8,204		8,184	
Rental receivables	1,398,433		1,420,192		21,759	
Prepaid expenses	387,328		445,116		57,787	
Consumption tax receivable	-		20,823		20,823	
Others	32		0		(31)	
Allowance for doubtful accounts	(1,334)		(33)		1,301	
Total current assets	15,999,214	5.8	11,492,465	3.8	(4,506,748)	(28.2)
Non-current assets						
Property and equipment						
Buildings	75,424		74,883		(541)	
Buildings and accompanying facilities	16,712		15,937		(774)	
Structures	1,311		1,245		(65)	
Tools, furniture and fixtures	-		2,327		2,327	
Land	711,834		711,834		-	
Buildings in trust	95,228,689		110,037,378		14,808,689	
Buildings and accompanying facilities in trust	19,067,773		21,899,421		2,831,648	
Structures in trust	181,579		176,417		(5,162)	
Tools, furniture and fixtures in trust	429,823		625,143		195,319	
Land in trust	135,384,518		142,046,411		6,661,892	
Total property and equipment	251,097,667	90.5	275,591,001	89.9	24,493,334	9.8
Intangible assets						
Leasehold rights in trust	8,840,627		16,946,974		8,106,347	
Total intangible assets	8,840,627	3.2	16,946,974	5.5	8,106,347	91.7
Investment and other assets						
Guarantee deposits	613,914		1,651,565		1,037,651	
Long-term prepaid expenses	616,340		601,737		(14,603)	
Derivatives assets	151,259		92,243		(59,016)	
Others	42,851		45,062		2,211	
Total investment and other assets	1,424,366	0.5	2,390,608	0.8	966,242	67.8
Total non-current assets	261,362,660	94.2	294,928,585	96.2	33,565,924	12.8
Total assets	277,361,874	100.0	306,421,050	100.0	29,059,176	10.5

Balance Sheet – Liabilities/Net Assets

Items	Dec 2016 Period (As of Dec 31, 2016)		Jun 2017 Period (As of Jun 30, 2017)		Changes	
	JPY thousand	%	JPY thousand	%	JPY thousand	%
Liabilities						
Current liabilities						
Accounts payable	182,601		170,911		(11,690)	
Short-term loans payable	-		-		-	
Accounts payable-other	51,825		175,062		123,236	
Accrued expenses	166,066		164,764		(1,301)	
Income taxes payable	605		605		-	
Consumption taxes payable	460,521		-		(460,521)	
Advances received	522,072		540,675		18,602	
Deposits received	13,583		15,932		2,349	
Total current liabilities	1,397,276	0.5	1,067,951	0.3	(329,324)	(23.6)
Non-current liabilities						
Long-term loans payable	142,419,000		163,990,000		21,571,000	
Tenant leasehold and security deposits in trust	2,030,396		2,240,373		209,977	
Tenant leasehold and security deposits	28,663		28,663		-	
Derivatives liabilities	-		-		-	
Asset retirement obligations	31,260		31,468		208	
Total non-current liabilities	144,509,319	52.1	166,290,505	54.3	21,781,185	15.1
Total liabilities	145,906,596	52.6	167,358,457	54.6	21,451,860	14.7
Net assets						
Unitholders' equity						
Unitholders' capital	120,367,271	43.4	128,984,946	42.1	8,617,675	7.2
Surplus						
Capital surplus	6,264,432		6,264,432		-	
Deduction of captial surplus						
Allowance for temporary differences adjustment	-224,225		-		224,225	
Other deduction of capital surplus	(763,290)		(987,516)		-224,225	
Total deduction of captial surplus	(987,516)		(987,516)		-	
Capital surplus (net)	5,276,915		5,276,915		0	
Voluntary retained earnings	-		-		-	
Retained earnings	5,659,831		4,708,487		(951,344)	
Total surplus	10,936,747	3.9	9,985,403	3.3	(951,344)	-8.7
Total unitholders' equity	131,304,019	47.3	138,970,350	45.4	7,666,331	5.8
Valuation and translation adjustments						
Deferred gains or losses on hedges	151,259		92,243		△ 59,016	
Total valuation and translation adjustments	151,259	0.1	92,243	0.0	△59,016	(39.0)
Total net assets	131,455,278	47.4	139,062,593	45.4	7,607,315	5.8
Total liabilities and net assets	277,361,874	100.0	306,421,050	100.0	29,059,176	10.5

Cash Flow Statement and Dividend Distribution

Items	Dec 2016 Period Jul 1, 2016- Dec 31, 2016	Jun 2017 Period Jan 1, 2017- Jun 30, 2017
	JPY thousand	JPY thousand
Cash flows from operating activities		
Income before income taxes	5,431,608	4,702,678
Depreciation and amortization	2,065,066	2,281,374
Investment unit issuance costs	-	42,401
Loan-related costs	186,249	223,228
Interest income	(129)	(70)
Interest expenses	359,540	377,451
Increase (decrease) in allowance for doubtful accounts	(1,430)	(1,301)
Decrease (increase) in rental receivables	(22,587)	(21,759)
Decrease (increase) in consumption taxes receivable	2,672,787	(20,823)
Increase (decrease) in accounts payable	(66,883)	81,748
Increase (decrease) in consumption taxes payable	460,521	(460,521)
Increase (decrease) in accounts payable-other	(881,047)	25,473
Increase (decrease) in accrued expenses	(5,946)	444
Increase (decrease) in advances received	14,936	18,602
Increase (decrease) in deposits received	(23,418)	(21,461)
Others	(12,451)	(17,577)
Subtotal	10,176,817	7,209,888
Interest income received	129	70
Interest expenses paid	(358,219)	(379,198)
Income taxes paid	(605)	(605)
Cash flows from operating activities	9,818,122	6,830,155
Cash flows from investment activities		
Purchases of property and equipment	-	(2,395)
Purchases of property and equipment in trust	(8,449,701)	(26,684,589)
Purchases of leasehold rights in trust	-	(8,187,950)
Repayments of tenant leasehold and security deposits in trust	(53,815)	(79,334)
Proceeds from tenant leasehold and security deposits in trust	48,371	290,004
Payments of tenant leasehold and security deposits	-	(1,037,651)
Others	(2,211)	(2,211)
Cash flows from investment activities	(8,457,356)	(35,704,126)
Cash flows from financing activities		
Repayments of short-term loans payable	(3,498,000)	-
Proceeds from long-term loans payable	4,000,000	21,571,000
Payments for loan-related costs	(53,775)	(257,922)
Payments of distributions of earnings	(4,118,229)	(5,406,728)
Payment of distributions in excess of retained earnings from allowance for temporary differences adjustment	(224,225)	-
Proceeds from issuance of investment units	-	8,351,048
Others	(15,879)	-
Cash flows from financing activities	(3,910,109)	24,257,397
Net increase (decrease) in cash and cash equivalents	(2,549,344)	(4,616,573)
Cash and cash equivalents at beginning of period	16,764,078	14,214,734
Cash and cash equivalents at end of period	14,214,734	9,598,161

Items		Dec 2016 Period Jul 1, 2016- Dec 31, 2016	Jun 2017 Period Jan 1, 2017- Jun 30, 2017
Unappropriated retained earnings	(JPY thousand)	5,659,831	4,708,487
Incorporation into unitholders' captital	(JPY thousand)	224,225	-
Of which, reversal of allowance for temporary differences adjustment	(JPY thousand)	224,225	-
Distributions in excess of retained earnings	(JPY thousand)	-	81,077
Of which, allowance for temporary differences adjustment	(JPY thousand)	-	46,329
Of which, deduction from unitholders capital surplus	(JPY thousand)	-	34,747
Distributions	(JPY thousand)	5,429,192	4,880,081
Of which, distributions of earnings	(JPY thousand)	5,429,192	4,799,004
Of which, allowance for adjustment of temporary differences	(JPY thousand)	-	46,329
Of which, deduction from unitholders capital surplus	(JPY thousand)	-	34,747
Distribution per unit	(JPY)	1,477	1,264
Of which, distributions of earnings per unit	(JPY)	1,477	1,243
Of which, allowance for adjustment of temporary differences per unit	(JPY)	-	12
Of which, deduction from unitholders capital surplus per unit	(JPY)	-	9
Retained earnings / losses carried forward	(JPY thousand)	6,414	(90,516)

Property Income (1/4)

Invincible
Investment Corporation

(in ¥ thousand)

Property Number	A26	A27	A28	A29	A30	A31	A32	A33	A34	A35	A36	A37	A38	A39	A40	A41	A42
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	Acseeds Tower Kawaguchi-Namiki	Capital Heights Kagurazaka
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	39,187	46,598	27,339	33,024	49,146	41,938	39,074	35,752	33,733	26,619	26,872	22,080	21,618	20,042	17,146	25,110	19,885
Rent, common area fees / GOP[1]	36,026	42,295	26,772	30,813	39,164	38,784	33,488	33,366	29,100	26,619	25,238	20,990	19,256	19,373	16,362	22,995	17,917
Other revenue	3,160	4,303	567	2,211	9,982	3,153	5,585	2,385	4,632	-	1,633	1,089	2,362	669	783	2,115	1,967
② Property related expenses	19,177	22,943	8,237	13,967	24,805	15,747	17,901	15,442	14,985	8,199	10,035	9,855	8,463	6,329	5,672	13,011	7,126
Facility management fees (a)	6,492	5,190	1,974	3,793	8,072	3,897	3,774	3,895	5,040	431	2,500	2,581	1,942	1,738	1,739	2,807	1,932
(of which, repair cost)	142	447	19	163	174	321	140	69	245	283	45	34	144	134	84	197	243
(of which, utility expenses)	1,765	2,116	230	498	825	516	725	421	457	-	404	276	233	159	56	326	242
Tax and other public charges (b)	1,621	2,679	1,324	1,681	2,552	1,891	3,124	2,408	1,658	1,722	1,046	1,368	1,069	930	981	1,122	1,087
Insurance expenses (c)	44	68	27	38	71	40	65	49	35	39	26	26	28	23	21	29	25
Depreciation expenses (⑦)	8,960	13,286	4,397	5,952	9,277	7,624	8,824	6,194	5,355	5,506	5,321	4,167	4,354	1,969	1,944	5,038	2,630
Other expenses (d)	2,057	1,718	514	2,501	4,829	2,293	2,112	2,894	2,895	500	1,139	1,710	1,067	1,667	985	4,014	1,450
③ Rental income (①−②)	20,010	23,654	19,102	19,057	24,341	26,191	21,172	20,309	18,747	18,419	16,836	12,225	13,155	13,713	11,473	12,098	12,758
④ NOI (①−②+⑦)	28,970	36,941	23,500	25,009	33,619	33,815	29,996	26,504	24,102	23,926	22,158	16,392	17,510	15,683	13,418	17,137	15,389
⑤ Capital expenditure	4,438	5,853	2,139	533	1,310	3,789	4,328	108	-	-	-	726	4,980	2,155	4,093	-	7,077
⑥ NCF (④−⑤)	24,532	31,087	21,360	24,475	32,309	30,026	25,668	26,396	24,102	23,926	22,158	15,665	12,530	13,527	9,325	17,137	8,312

Property Number	A43	A44	A45	A46	A47	A48	A51	A52	A53	A54	A56	A59	A61	A62	A63	A64	A65
Property Name	College Square Machida	Belair Meguro	Wacore Tsunashima I	Foros Nakamura-bashi	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 Musashiseki	Lexel Mansion Ueno Matsugaya	Towa City Coop Sengencho	Royal Park Omachi	Lexington Square Haginomachi
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	17,484	16,065	17,917	18,425	22,699	14,706	90,996	105,442	74,338	52,492	32,586	33,865	23,233	35,106	55,627	26,332	17,161
Rent, common area fees / GOP[1]	17,484	15,089	16,786	16,475	21,037	14,706	85,949	97,016	69,898	48,104	29,840	32,721	21,552	31,078	51,100	23,052	15,553
Other revenue	-	975	1,130	1,950	1,661	-	5,047	8,426	4,440	4,388	2,745	1,143	1,681	4,027	4,526	3,279	1,607
② Property related expenses	3,100	5,996	8,657	10,150	12,933	5,002	35,792	37,888	23,354	18,900	14,713	14,224	13,679	16,982	28,874	12,681	8,640
Facility management fees (a)	164	1,535	2,097	2,534	3,189	-	13,116	8,355	6,812	4,947	2,813	4,865	5,558	4,381	14,985	4,653	2,019
(of which, repair cost)	164	53	125	166	97	-	408	296	592	227	255	104	657	401	134	12	81
(of which, utility expenses)	-	113	381	180	537	-	1	1,276	484	348	609	-	357	474	52	1,711	636
Tax and other public charges (b)	512	876	884	987	2,102	932	4,950	6,365	3,625	2,216	1,652	1,400	1,181	1,866	3,001	1,591	1,142
Insurance expenses (c)	25	17	23	22	54	18	84	150	104	42	32	38	33	41	75	43	27
Depreciation expenses (⑦)	1,898	2,348	3,988	4,974	6,531	3,551	13,283	16,681	8,655	8,757	9,221	5,403	3,141	8,553	7,544	4,792	3,550
Other expenses (d)	500	1,218	1,663	1,631	1,054	500	4,356	6,334	4,156	2,936	993	2,516	3,764	2,138	3,267	1,600	1,900
③ Rental income (①−②)	14,383	10,069	9,260	8,274	9,766	9,703	55,204	67,554	50,984	33,591	17,872	19,641	9,553	18,123	26,752	13,650	8,520
④ NOI (①−②+⑦)	16,282	12,417	13,248	13,249	16,298	13,254	68,487	84,236	59,639	42,349	27,094	25,044	12,695	26,677	34,297	18,442	12,071
⑤ Capital expenditure	-	970	108	2,487	3,457	-	642	5,172	8,060	259	502	3,425	2,646	3,623	4,537	-	-
⑥ NCF (④−⑤)	16,282	11,446	13,140	10,761	12,840	13,254	67,845	79,064	51,579	42,090	26,591	21,619	10,049	23,054	29,759	18,442	12,071

(Note 1) Rent and common area fees are entered for residence, office building and retail commercial facility. Rent is entered for parking lot. GOP is entered for hotel.

Property Income (2/4)

(in ¥ thousand)

Property Number	A66	A71	A72	A73	A75	A76	A77	A78	A79	A80	A81	A82	A83	A84	A85	A86	A87
Property Name	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	Alba Noritake Shinmachi	Revest Meieki Minami	Revest Heian	Vendir Hamaotsu Ekimae	Salvo Sala	Excellente Kagurazaka
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	10,730	31,574	17,807	44,905	214,592	62,852	45,538	35,227	32,201	29,230	22,564	25,262	26,289	23,712	33,178	25,113	18,775
Rent, common area fees / GOP[1]	10,019	30,220	16,253	43,316	188,067	54,485	41,534	33,377	29,935	26,695	20,496	23,400	24,155	22,516	30,447	23,652	17,594
Other revenue	711	1,353	1,554	1,589	26,524	8,367	4,004	1,850	2,266	2,534	2,068	1,862	2,134	1,196	2,730	1,460	1,180
② Property related expenses	7,240	14,586	10,367	24,587	67,490	24,322	22,189	18,613	13,721	14,876	10,505	12,965	13,880	13,224	16,609	11,311	9,082
Facility management fees (a)	3,439	2,881	2,986	6,045	10,378	9,150	3,962	3,998	3,046	3,646	2,924	2,863	3,576	3,282	5,040	3,008	2,333
(of which, repair cost)	139	462	59	637	866	281	35	150	45	121	182	81	229	404	135	178	17
(of which, utility expenses)	156	385	261	1,209	1,494	3,119	411	421	302	257	304	239	390	232	2,300	872	202
Tax and other public charges (b)	921	1,545	814	2,141	8,818	3,551	2,707	2,305	1,802	1,869	919	1,736	1,664	1,402	1,961	1,552	769
Insurance expenses (c)	16	30	21	87	171	110	64	65	47	43	26	44	44	32	60	37	23
Depreciation expenses (⑦)	1,733	8,039	5,037	14,123	37,964	9,993	11,490	9,984	7,464	7,071	5,212	6,945	6,974	6,419	7,013	5,444	4,196
Other expenses (d)	1,128	2,090	1,508	2,189	10,158	1,517	3,965	2,260	1,360	2,245	1,420	1,375	1,620	2,087	2,533	1,268	1,760
③ Rental income (①−②)	3,490	16,988	7,440	20,318	147,101	38,530	23,349	16,613	18,480	14,354	12,059	12,297	12,409	10,488	16,569	13,801	9,692
④ NOI (①−②+⑦)	5,223	25,027	12,477	34,441	185,065	48,523	34,839	26,597	25,944	21,426	17,272	19,243	19,383	16,908	23,582	19,246	13,888
⑤ Capital expenditure	1,170	-	-	-	4,334	2,206	-	-	857	588	-	-	324	-	-	-	259
⑥ NCF (④−⑤)	4,053	25,027	12,477	34,441	180,731	46,317	34,839	26,597	25,087	20,837	17,272	19,243	19,059	16,908	23,582	19,246	13,629

Property Number	A88	A89	A90	A91	A92	A93	A94	A95	A96	A97	A98	A99	A100	A101	A102	A103	A104
Property Name	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	West Avenue	Little River Honmachi-bashi	Prime Life Mikage	City Court Kitaichijo	Lieto Court Mukojima	Lieto Court Nishi-Ojima	Royal Parks Momozaka	Royal Parks Shinden
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	20,548	20,080	17,350	18,292	15,291	17,206	14,025	15,549	17,688	12,175	13,459	12,663	65,411	54,123	48,437	140,320	214,749
Rent, common area fees / GOP[1]	19,605	19,702	16,321	17,081	13,793	16,002	13,228	14,405	14,668	11,624	13,180	11,192	59,566	51,270	47,484	129,478	200,266
Other revenue	943	378	1,028	1,211	1,497	1,204	797	1,144	3,020	551	278	1,471	5,845	2,853	952	10,842	14,482
② Property related expenses	11,501	12,106	6,633	10,364	7,760	8,227	7,334	9,505	8,761	7,078	7,301	6,986	36,400	27,839	20,649	89,618	112,779
Facility management fees (a)	3,404	2,360	1,482	3,410	2,664	2,499	1,511	2,136	2,416	2,154	2,229	1,787	8,770	6,888	4,312	40,146	34,556
(of which, repair cost)	207	-	97	217	28	8	-	187	146	367	77	57	441	406	76	814	1,780
(of which, utility expenses)	732	324	149	519	133	240	167	246	206	185	271	110	2,039	472	422	-	-
Tax and other public charges (b)	1,186	1,587	748	920	672	982	848	1,006	874	564	951	762	2,572	2,507	2,172	3,899	7,087
Insurance expenses (c)	31	39	22	28	18	28	20	24	33	18	22	18	129	70	55	196	386
Depreciation expenses (⑦)	5,076	5,824	3,205	3,799	2,675	3,240	3,426	3,446	4,114	3,086	2,874	2,967	22,587	15,356	12,272	44,963	70,022
Other expenses (d)	1,802	2,295	1,173	2,205	1,729	1,477	1,528	2,891	1,323	1,255	1,223	1,449	2,340	3,017	1,836	412	726
③ Rental income (①−②)	9,047	7,973	10,717	7,927	7,531	8,979	6,690	6,044	8,927	5,096	6,158	5,677	29,011	26,284	27,788	50,702	101,970
④ NOI (①−②+⑦)	14,124	13,797	13,923	11,726	10,206	12,219	10,117	9,491	13,041	8,183	9,032	8,644	51,598	41,640	40,060	95,666	171,992
⑤ Capital expenditure	120	-	-	-	-	-	-	-	4,325	514	-	936	-	2,111	-	979	113
⑥ NCF (④−⑤)	14,003	13,797	13,923	11,726	10,206	12,219	10,117	9,491	8,716	7,669	9,032	7,708	51,598	39,529	40,060	94,686	171,878

(Note 1) Rent and common area fees are entered for residence, office building and retail commercial facility. Rent is entered for parking lot. GOP is entered for hotel.

Property Income (3/4)

(in ¥ thousand)

Property Number	A105	A106		B08	B09	B14	B15	B16	B17	B18		C01		D01	D02	D03	D04
Property Name	Royal Parks Tower Minami-Senju	Royal Parks Seasir Minami-Senju	subtotal	Kindai Kagaku Sha Building	Shinjuku Island	Lexington Plaza Nishigotanda	Cross Square NAKANO	Ohki Aoba Building	Lexington Plaza Hachiman	AEON TOWN Sukagawa	subtotal	Times Kanda-Sudacho 4th	subtotal	Hotel MyStays Kanda	Hotel MyStays Asakusa	Hotel MyStays Kyoto-Shijo	MyStays Shin-Urayasu Conference Center
number of operating days	109	109	-	181	181	181	181	181	181	181	-	181	-	181	181	181	181
① Rental revenues	426,286	55,958	3,078,836	36,913	Not disclosed[2]	144,100	43,431	34,844	161,712	141,715	580,870	2,700	2,700	105,509	116,739	321,887	175,921
Rent, common area fees / GOP[1]	398,766	52,009	2,841,836	31,987		128,236	37,020	27,245	131,525	141,715	515,885	2,700	2,700	105,509	116,739	321,887	175,921
Other revenue	27,519	3,949	236,999	4,925		15,863	6,410	7,598	30,187	-	64,985	-	-	-	-	-	-
② Property related expenses	260,401	33,056	1,483,358	25,399		65,213	16,130	21,698	76,627	93,769	309,345	260	260	28,826	20,535	60,507	50,598
Facility management fees (a)	66,461	9,371	410,968	6,402		24,289	6,118	9,265	43,024	56,124	150,211	-	-	-	-	-	-
(of which, repair cost)	902	482	16,992	361		525	345	327	346	-	1,905	-	-	-	-	-	-
(of which, utility expenses)	11,384	-	46,594	2,757		14,662	2,298	4,416	31,508	-	55,643	-	-	-	-	-	-
Tax and other public charges (b)	-	-	129,391	4,508		12,267	3,864	4,056	11,264	7,385	46,456	259	259	4,708	3,871	10,399	8,161
Insurance expenses (c)	620	99	4,292	52		141	60	74	151	203	759	-	-	62	80	232	139
Depreciation expenses (⑦)	180,240	23,341	781,318	10,818		26,557	4,849	7,197	21,432	29,438	101,675	1	1	23,546	16,066	49,357	41,790
Other expenses (d)	13,079	244	157,387	3,616		1,957	1,238	1,104	754	616	10,242	-	-	509	517	518	507
③ Rental income (①−②)	165,884	22,901	1,595,478	11,514		78,886	27,300	13,145	85,085	47,946	271,525	2,439	2,439	76,683	96,204	261,379	125,323
④ NOI (①−②+⑦)	346,124	46,243	2,376,796	22,332		105,444	32,150	20,343	106,518	77,385	373,200	2,440	2,440	100,229	112,270	310,736	167,113
⑤ Capital expenditure	-	-	96,268	1,280		4,543	23,553	5,180	2,914	-	37,471	-	-	985	22,483	30,100	21,736
⑥ NCF (④−⑤)	346,124	46,243	2,280,527	21,052		100,901	8,596	15,162	103,603	77,385	335,729	2,440	2,440	99,244	89,786	280,636	145,376

Property Number	D05	D06	D07	D08	D09	D10	D11	D12	D13	D14	D15	D16	D17	D18	D19	D20
Property Name	Hotel MyStays Maihama	Hotel Vista Premio Dojima[3]	Hotel MyStays Nagoya-Sakae	Hotel MyStays Sakaisuji-Honmachi	Hotel MyStays Yokohama	Hotel MyStays Nippori	Hotel MyStays Fukuoka-Tenjin-Minami	Flexstay Inn Iidabashi	Hotel MyStays Ueno Inaricho	Flexstay Inn Shinagawa	Flexstay Inn Tokiwadai	Flexstay Inn Sugamo	Hotel MyStays Otemae	Flexstay Inn Kiyosumi Shirakawa	Flexstay Inn Nakanobu P1	Flexstay Inn Nakanobu P2
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	134,694	202,987	188,852	161,661	108,321	59,954	133,097	50,702	55,096	47,795	59,297	56,654	124,567	40,634	20,795	11,168
Rent, common area fees / GOP[1]	134,694	202,987	188,852	161,661	108,321	59,954	133,097	50,702	55,096	47,795	59,297	56,654	124,567	40,634	20,795	11,168
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
② Property related expenses	39,563	57,591	69,107	27,280	29,367	17,441	19,763	14,428	13,048	8,248	11,153	14,428	13,147	11,620	5,029	2,800
Facility management fees (a)	-	8,208	17,163	-	-	-	-	-	-	-	-	-	-	-	-	-
(of which, repair cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax and other public charges (b)	3,194	11,667	4,592	6,399	4,477	1,760	5,078	4,501	1,472	1,661	3,415	2,869	3,608	3,390	953	527
Insurance expenses (c)	73	192	167	94	137	47	73	62	33	27	57	46	83	53	17	10
Depreciation expenses (⑦)	35,784	37,011	46,673	20,277	24,236	15,127	14,105	9,355	11,037	6,054	7,175	11,006	8,950	7,672	3,555	1,756
Other expenses (d)	510	511	510	508	515	506	506	508	505	504	504	505	504	503	503	505
③ Rental income (①−②)	95,131	145,396	119,744	134,381	78,954	42,512	113,333	36,274	42,048	39,547	48,144	42,226	111,420	29,014	15,765	8,368
④ NOI (①−②+⑦)	130,916	182,408	166,418	154,658	103,190	57,639	127,439	45,630	53,085	45,601	55,320	53,233	120,370	36,686	19,321	10,125
⑤ Capital expenditure	11,437	7,769	10,638	23,884	16,715	10,713	18,251	4,838	9,844	702	1,328	4,850	2,670	3,076	-	806
⑥ NCF (④−⑤)	119,478	174,638	155,779	130,774	86,475	46,926	109,187	40,791	43,240	44,899	53,992	48,382	117,700	33,610	19,321	9,319

(Note 1) Rent and common area fees are entered for residence, office building and retail commercial 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.
(Note 3) Due to the change of its operator, the property name was changed to Hotel MyStays Dojima on August 1, 2017.

Property Income (4/4)

(in ¥ thousand)

Property Number	D21	D22	D23	D24	D25	D26	D27	D28	D29	D30	D31	D32	D33	D34	D35	D36
Property Name	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	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
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	230,016	112,960	59,740	182,340	174,873	95,315	118,142	76,066	39,426	40,458	89,478	32,054	35,928	25,877	115,682	31,787
Rent, common area fees / GOP[1]	230,016	112,960	59,740	182,340	174,873	95,315	118,142	76,062	39,426	40,458	89,478	32,054	35,928	25,877	115,682	31,787
Other revenue	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-
② Property related expenses	88,581	37,427	9,891	67,941	40,436	24,734	30,235	29,108	8,965	8,044	32,200	11,846	13,159	7,175	37,290	13,142
Facility management fees (a)	-	-	-	-	-	2,455	-	635	706	-	-	889	55	-	-	1,391
(of which, repair cost)	-	-	-	-	-	-	-	155	702	-	-	-	55	-	-	1,091
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax and other public charges (b)	11,825	5,167	1,911	8,127	6,382	1,236	3,834	6,165	3,103	1,943	13,727	820	3,780	964	4,679	2,820
Insurance expenses (c)	213	130	39	160	130	65	81	69	29	37	239	29	60	20	83	39
Depreciation expenses (⑦)	76,039	31,617	7,433	59,245	33,519	20,569	25,912	21,829	4,717	5,655	17,818	9,700	8,853	5,785	32,123	8,482
Other expenses (d)	503	511	507	408	404	408	405	409	407	408	415	406	410	405	404	408
③ Rental income (①−②)	141,434	75,532	49,849	114,399	134,436	70,581	87,907	46,958	30,461	32,413	57,277	20,208	22,768	18,701	78,391	18,644
④ NOI (①−②+⑦)	217,473	107,150	57,283	173,644	167,955	91,150	113,820	68,787	35,179	38,068	75,096	29,908	31,621	24,486	110,515	27,127
⑤ Capital expenditure	269	7,283	3,563	2,701	9,634	10,017	5,765	1,848	-	6,346	14,561	257	1,735	703	1,610	-
⑥ NCF(④−⑤)	217,203	99,866	53,720	170,942	158,321	81,132	108,055	66,939	35,179	31,722	60,534	29,651	29,886	23,782	108,905	27,127

Property Number	D37	D38	D39	D40	D41	D42	D43	D44	D45	D46	D47	D48	D49	subtotal	Total
Property Name	Super Hotel JR Ueno-iriyaguchi	Hotel MyStays Shinsaibashi	Comfort Hotel Kurosaki	Comfort Hotel Maebashi	Comfort Hotel Tsubamesanjo	Comfort Hotel Kitami	Hotel MyStays Gotanda Station	Hotel Epinard Nasu	Hotel MyStays Fukuoka Tenjin	Hotel MyStays Hamamatsu cho	Hotel MyStays Kanazawa	Takamatsu Tokyu REI Hotel	Hotel MyStays Premier Hamamatsu-cho		
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	33	-	-
① Rental revenues	27,275	82,484	37,894	43,811	34,949	30,300	408,173	549,169	192,325	114,650	285,925	104,257	50,800	5,598,510	9,260,917
Rent, common area fees / GOP[1]	27,275	82,484	37,894	43,811	32,861	30,300	407,194	549,169	192,325	114,650	285,925	76,200	50,778	5,567,360	8,927,781
Other revenue	-	-	-	-	2,088	-	978	-	-	-	-	28,057	21	31,149	333,135
② Property related expenses	9,994	20,941	16,900	26,499	15,386	14,614	47,012	347,516	46,122	31,488	118,952	51,552	4,070	1,725,720	3,518,684
Facility management fees (a)	1,070	-	900	5,969	534	900	1,987	9,396	-	-	-	32,782	-	85,045	646,226
(of which, repair cost)	770	-	-	-	108	-	-	61	-	-	-	179	-	3,124	22,022
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	18,839	-	18,839	121,077
Tax and other public charges (b)	2,141	1,436	1,711	1,677	3,837	1,640	7,823	14,881	3,518	3,305	6,617	2,895	-	214,690	390,797
Insurance expenses (c)	27	43	54	76	66	53	281	838	106	57	250	148	13	5,142	10,195
Depreciation expenses (⑦)	6,346	19,052	13,575	18,261	10,534	11,508	36,512	321,968	42,092	27,720	111,677	15,304	3,981	1,398,380	2,281,374
Other expenses (d)	408	409	659	514	413	511	407	431	405	404	406	422	75	22,461	190,090
③ Rental income (①−②)	17,281	61,543	20,993	17,312	19,563	15,685	361,161	201,653	146,202	83,161	166,973	52,705	46,730	3,872,789	5,742,232
④ NOI (①−②+⑦)	23,627	80,595	34,569	35,573	30,097	27,194	397,673	523,622	188,294	110,882	278,651	68,009	50,711	5,271,169	8,023,607
⑤ Capital expenditure	-	5,959	663	980	-	243	11,013	446,468	9,465	8,540	5,738	6,271	-	764,473	898,213
⑥ NCF(④−⑤)	23,627	74,636	33,906	34,593	30,097	26,951	386,659	77,153	178,829	102,342	272,913	61,737	50,711	4,506,696	7,125,394

(Note 1) Rent and common area fees are entered for residence, office building and retail commercial facility. Rent is entered for parking lot. GOP is entered for hotel.

Appraisal Value (1/3)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of December 2016			As of the end of June 2017			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	1,123,149	1,150,000	4.8%	1,118,627	1,180,000	4.7%	30,000	0.1pt	Assets R&D
A27	Nisshin Palacestage Higashi-Nagasaki	1,229,070	1,092,028	1,270,000	4.9%	1,084,595	1,290,000	4.8%	20,000	0.1pt	Assets R&D
A28	Growth Maison Gotanda	888,200	827,746	994,000	4.5%	825,488	1,020,000	4.4%	26,000	0.1pt	Assets R&D
A29	Growth Maison Kameido	1,070,850	984,258	1,110,000	4.6%	978,839	1,130,000	4.5%	20,000	0.1pt	Assets R&D
A30	Emerald House	1,505,161	1,374,338	1,380,000	4.8%	1,366,370	1,410,000	4.7%	30,000	0.1pt	Assets R&D
A31	Harmonie Ochanomizu	1,428,024	1,355,795	1,330,000	4.5%	1,351,960	1,400,000	4.4%	70,000	0.1pt	Assets R&D
A32	Suncrest Shakujii-Koen	1,088,979	1,090,972	1,070,000	4.7%	1,086,475	1,090,000	4.6%	20,000	0.1pt	Assets R&D
A33	Growth Maison Shin-Yokohama	1,059,457	966,636	1,180,000	4.7%	960,550	1,180,000	4.6%	0	0.1pt	Assets R&D
A34	Belle Face Ueno-Okachimachi	1,023,074	956,347	1,040,000	4.5%	950,992	1,050,000	4.4%	10,000	0.1pt	Assets R&D
A35	Grand Rire Kameido	906,121	829,879	979,000	4.7%	824,372	999,000	4.6%	20,000	0.1pt	Assets R&D
A36	Growth Maison Ikebukuro	825,411	752,292	882,000	4.5%	746,971	910,000	4.4%	28,000	0.1pt	Assets R&D
A37	Growth Maison Yoga	795,986	750,411	703,000	4.6%	746,970	722,000	4.5%	19,000	0.1pt	Assets R&D
A38	Route Tachikawa	676,951	641,490	641,000	4.8%	642,115	657,000	4.7%	16,000	0.1pt	Assets R&D
A39	Shibuya-Honmachi Mansion	651,474	655,342	624,000	4.7%	655,528	633,000	4.6%	9,000	0.1pt	Assets R&D
A40	City Heights Kinuta	646,337	650,413	492,000	4.7%	652,562	498,000	4.6%	6,000	0.1pt	Assets R&D
A41	Acseeds Tower Kawaguchi-Namiki	620,893	546,397	716,000	5.4%	541,359	725,000	5.3%	9,000	0.1pt	Assets R&D
A42	Capital Heights Kagurazaka	604,858	621,794	567,000	4.6%	626,241	587,000	4.5%	20,000	0.1pt	Assets R&D
A43	College Square Machida	589,553	562,226	534,000	5.2%	560,327	534,000	5.2%	0	-	Assets R&D
A44	Belair Meguro	589,004	561,353	601,000	4.3%	559,975	607,000	4.2%	6,000	0.1pt	Assets R&D
A45	Wacore Tsunashima Ⅰ	572,914	531,422	515,000	4.9%	527,542	515,000	4.9%	0	0.0pt	Assets R&D
A46	Foros Nakamurabashi	566,980	524,430	566,000	4.6%	521,943	569,000	4.5%	3,000	0.1pt	Assets R&D
A47	Growth Maison Kaijin	557,256	523,198	449,000	5.3%	520,123	465,000	5.2%	16,000	0.1pt	Assets R&D
A48	College Square Machiya	510,721	460,087	536,000	4.7%	456,536	547,000	4.6%	11,000	0.1pt	Assets R&D
A51	City House Tokyo Shinbashi	2,520,000	2,342,383	3,160,000	4.4%	2,329,742	3,250,000	4.3%	90,000	0.1pt	JREI
A52	Winbell Kagurazaka	3,260,000	3,063,678	3,850,000	4.2%	3,052,169	3,940,000	4.1%	90,000	0.1pt	Morii
A53	Nishiwaseda Cresent Mansion	1,880,000	1,883,737	2,400,000	4.5%	1,883,141	2,480,000	4.4%	80,000	0.1pt	Morii
A54	Lexington Square Akebonobashi	1,450,000	1,338,103	1,780,000	4.4%	1,329,604	1,820,000	4.3%	40,000	0.1pt	Tanizawa
A56	Casa Eremitaggio	1,070,000	961,817	1,090,000	4.3%	953,098	1,110,000	4.2%	20,000	0.1pt	JREI
A59	Towa City Coop Shin-otsuka Ⅱ	866,000	824,845	1,070,000	4.8%	822,867	1,070,000	4.8%	0	-	JREI
A61	Bichsel Musashiseki	577,000	556,081	705,000	4.7%	555,585	713,000	4.6%	8,000	0.1pt	Morii
A62	Lexel Mansion Ueno Matsugaya	970,000	864,043	1,180,000	4.5%	859,112	1,200,000	4.4%	20,000	0.1pt	Tanizawa
A63	Towa City Coop Sengencho	1,110,000	1,022,370	1,350,000	5.4%	1,019,363	1,350,000	5.4%	0	-	JREI
A64	Royal Park Omachi	415,000	398,024	556,000	5.6%	393,231	559,000	5.6%	3,000	-	JREI
A65	Lexington Square Haginomachi	330,000	289,257	446,000	5.8%	285,706	450,000	5.7%	4,000	0.1pt	JREI
A66	Visconti Kakuozan	255,000	232,558	266,000	5.3%	231,994	271,000	5.2%	5,000	0.1pt	Tanizawa
A71	Lexington Square Daitabashi	977,000	867,162	1,150,000	4.4%	859,123	1,170,000	4.3%	20,000	0.1pt	Tanizawa
A72	Lexington Square Honjo-Azumabashi	511,000	446,500	594,000	4.5%	441,462	605,000	4.4%	11,000	0.1pt	Tanizawa
A73	AMS TOWER Minami 6-Jo	1,180,000	987,249	1,230,000	5.4%	973,126	1,250,000	5.3%	20,000	0.1pt	Tanizawa
A75	Spacia Ebisu	7,010,000	6,550,661	7,900,000	4.3%	6,517,030	8,010,000	4.2%	110,000	0.1pt	JREI
A76	Neo Prominence	1,660,000	1,622,721	1,920,000	4.8%	1,614,934	1,980,000	4.7%	60,000	0.1pt	JREI
A77	Invoice Shin-Kobe Residence	1,260,000	1,194,482	1,420,000	5.0%	1,182,992	1,420,000	4.9%	0	0.1pt	JREI
A78	Cosmo Court Motomachi	973,000	918,014	1,080,000	4.8%	908,030	1,080,000	4.8%	0	-	JREI
A79	Revest Honjin	674,000	635,003	790,000	5.6%	628,396	809,000	5.5%	19,000	0.1pt	JREI
A80	Revest Matsubara	657,000	622,734	787,000	5.2%	616,250	793,000	5.1%	6,000	0.1pt	JREI

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Appraisal Value (2/3)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of December 2016			As of the end of June 2017			Change[1]		Appraiser[2]
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
A81	Sun Terrace Minami Ikebukuro	625,000	600,563	724,000	4.5%	595,350	755,000	4.4%	31,000	0.1pt	JREI
A82	Alba Noritake Shinmachi	608,000	573,524	721,000	5.1%	566,578	733,000	5.0%	12,000	0.1pt	JREI
A83	Revest Meieki Minami	597,000	564,122	728,000	4.9%	557,472	746,000	4.8%	18,000	0.1pt	JREI
A84	Revest Heian	595,000	561,876	678,000	5.1%	555,456	693,000	5.0%	15,000	0.1pt	JREI
A85	Vendir Hamaotsu Ekimae	581,000	542,507	713,000	5.8%	535,493	726,000	5.8%	13,000	-	JREI
A86	Salvo Sala	544,000	515,671	625,000	5.2%	510,226	642,000	5.1%	17,000	0.1pt	JREI
A87	Excellente Kagurazaka	543,000	521,142	615,000	4.3%	517,205	635,000	4.2%	20,000	0.1pt	JREI
A88	Luna Court Edobori	525,000	496,987	570,000	5.0%	492,031	570,000	4.9%	0	0.1pt	JREI
A89	Winntage Kobe Motomachi	512,000	481,476	606,000	4.9%	475,652	606,000	4.9%	0	-	JREI
A90	Queen's Court Fukuzumi	456,000	439,266	584,000	4.4%	436,061	603,000	4.3%	19,000	0.1pt	JREI
A91	Corp Higashinotoin	446,000	425,780	513,000	4.8%	421,981	514,000	4.8%	1,000	-	JREI
A92	Belair Oimachi	412,000	398,220	491,000	4.4%	395,545	505,000	4.3%	14,000	0.1pt	JREI
A93	Siete Minami-Tsukaguchi	374,000	357,324	433,000	5.2%	354,084	446,000	5.1%	13,000	0.1pt	JREI
A94	Prime Life Sannomiya Isogami Koen	373,000	354,403	434,000	4.9%	350,977	434,000	4.8%	0	0.1pt	JREI
A95	HERMITAGE NANBA WEST	355,000	339,555	421,000	5.1%	336,108	433,000	5.0%	12,000	0.1pt	JREI
A96	Century Park Shinkawa 1-bankan	335,000	323,903	424,000	5.5%	324,113	428,000	5.4%	4,000	0.1pt	JREI
A97	West Avenue	331,000	316,493	322,000	5.3%	313,921	323,000	5.2%	1,000	0.1pt	JREI
A98	Little River Honmachibashi	310,000	298,274	391,000	4.8%	295,400	395,000	4.8%	4,000	-	JREI
A99	Prime Life Mikage	297,000	281,188	337,000	5.2%	279,156	337,000	5.1%	0	0.1pt	JREI
A100	City Court Kitaichijo	1,782,000	1,835,726	1,920,000	5.1%	1,813,138	1,930,000	5.1%	10,000	-	JREI
A101	Lieto Court Mukojima	1,683,000	1,731,491	1,720,000	4.6%	1,718,246	1,730,000	4.6%	10,000	-	JREI
A102	Lieto Court Nishi-Ojima	1,634,000	1,673,383	1,710,000	4.4%	1,661,111	1,720,000	4.4%	10,000	-	JREI
A103	Royal Parks Momozaka	2,910,000	2,995,786	3,000,000	4.8%	2,951,802	3,050,000	4.7%	50,000	0.1pt	Morii
A104	Royal Parks Shinden	5,024,000	5,203,722	5,110,000	5.0%	5,133,814	5,440,000	4.9%	330,000	0.1pt	Morii
A105	Royal Parks Tower Minami-Senju	21,879,000	-	-	-	22,933,482	22,600,000	5.0%	-	-	JREI
A106	Royal Parks Seasir Minami-Senju	2,683,000	-	-	-	2,825,341	2,710,000	4.8%	-	-	JREI
	Subtotal of Residential	95,678,104	67,835,839	77,843,000	-	93,113,195	104,752,000	-	1,599,000	-	-
B08	Kindai Kagaku Sha Building	1,301,357	1,207,303	1,040,000	4.7%	1,197,764	1,060,000	4.7%	20,000	-0.1pt	Assets R&D
B09	Shinjuku Island	715,000	704,463	541,000	4.6%	703,082	545,000	4.5%	4,000	0.1pt	Morii
B14	Lexington Plaza Nishigotanda	4,880,000	4,684,555	4,100,000	4.6%	4,662,541	4,250,000	4.5%	150,000	0.1pt	JREI
B15	Cross Square NAKANO	1,060,000	1,111,009	1,050,000	4.8%	1,129,713	1,090,000	4.7%	40,000	0.1pt	JREI
B16	Ohki Aoba Building	816,000	733,649	675,000	5.7%	731,632	691,000	5.6%	16,000	0.1pt	Tanizawa
B17	Lexington Plaza Hachiman	3,280,000	3,105,231	3,550,000	5.8%	3,086,713	3,610,000	5.7%	60,000	0.1pt	Morii
B18	AEON TOWN Sukagawa	2,320,000	1,943,995	2,340,000	6.4%	1,914,556	2,370,000	6.3%	30,000	0.1pt	Morii
	Subtotal of Offices and Commercial Facilities	14,372,357	13,490,208	13,296,000	-	13,426,004	13,616,000	-	320,000	-	-
C01	Times Kanda-Sudacho 4th	97,978	100,819	113,000	4.2%	100,818	113,000	4.2%	0	-	Assets R&D
	Subtotal of Parking Lots	97,978	100,819	113,000	-	100,818	113,000	-	0	-	-
D01	Hotel MyStays Kanda	2,851,000	3,066,388	5,260,000	4.8%	3,043,827	5,260,000	4.8%	0	-	JREI
D02	Hotel MyStays Asakusa	2,584,000	2,561,988	5,530,000	5.5%	2,568,405	5,340,000	5.7%	-190,000	-0.2pt	JREI
D03	Hotel MyStays Kyoto-Shijo	6,024,460	5,818,349	15,600,000	4.9%	5,799,092	15,600,000	4.9%	0	-	JREI
D04	MyStays Shin- Urayasu Conference Center	4,930,200	4,760,583	7,140,000	4.9%	4,740,530	7,140,000	4.9%	0	-	JREI
D05	Hotel MyStays Maihama	4,870,312	4,722,156	6,690,000	4.9%	4,697,808	6,690,000	4.9%	0	-	JREI
D06	Hotel Vista Premio Dojima[3]	3,845,400	3,706,723	7,370,000	5.1%	3,677,480	7,370,000	4.9%	0	0.2pt	JREI
D07	Hotel MyStays Nagoya-Sakae	2,958,000	2,792,906	5,850,000	5.8%	2,756,871	5,850,000	5.8%	0	-	JREI

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(Note 3) Due to the change of its operator, the property name was changed to Hotel MyStays Dojima on August 1, 2017.

Appraisal Value (3/3)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of December 2016			As of the end of June 2017			Change[1]		Appraiser[2]
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
D08	Hotel MyStays Sakaisuji-Honmachi	2,514,820	2,441,635	8,580,000	5.7%	2,445,242	8,430,000	5.8%	-150,000	-0.1pt	JREI
D09	Hotel MyStays Yokohama	2,119,900	2,039,381	3,500,000	5.5%	2,031,860	3,500,000	5.5%	0	-	JREI
D10	Hotel MyStays Nippori	1,898,540	1,838,966	3,630,000	5.6%	1,834,553	3,450,000	5.9%	-180,000	-0.3pt	JREI
D11	Hotel MyStays Fukuoka-Tenjin-Minami	1,570,520	1,526,561	4,390,000	5.6%	1,530,707	4,720,000	5.2%	330,000	0.4pt	JREI
D12	Flexstay Inn Iidabashi	1,381,660	1,366,986	2,180,000	4.9%	1,362,469	2,130,000	5.0%	-50,000	-0.1pt	JREI
D13	Hotel MyStays Ueno Inaricho	1,331,960	1,280,422	2,580,000	5.2%	1,279,229	2,480,000	5.4%	-100,000	-0.2pt	JREI
D14	Flexstay Inn Shinagawa	1,242,500	1,221,719	2,130,000	5.0%	1,216,367	2,130,000	5.0%	0	-	JREI
D15	Flexstay Inn Tokiwadai	1,242,500	1,230,085	2,300,000	5.1%	1,224,238	2,260,000	5.2%	-40,000	-0.1pt	JREI
D16	Flexstay Inn Sugamo	1,192,800	1,157,169	2,170,000	5.3%	1,151,012	2,170,000	5.3%	0	-	JREI
D17	Hotel MyStays Otemae	1,192,800	1,169,586	4,720,000	4.9%	1,163,306	4,710,000	4.9%	-10,000	-	JREI
D18	Flexstay Inn Kiyosumi Shirakawa	749,476	737,787	1,320,000	5.2%	733,191	1,320,000	5.2%	0	-	JREI
D19	Flexstay Inn Nakanobu P1	589,442	578,983	837,000	5.3%	575,428	837,000	5.3%	0	-	JREI
D20	Flexstay Inn Nakanobu P2	283,290	284,073	403,000	5.3%	283,122	403,000	5.3%	0	-	JREI
D21	APA Hotel Yokohama-Kannai	8,350,000	8,117,509	9,660,000	4.4%	8,041,740	9,650,000	4.4%	-10,000	-	JREI
D22	Hotel Nets Hakodate	2,792,000	2,707,207	3,580,000	5.3%	2,682,873	3,720,000	5.1%	140,000	0.2pt	JREI
D23	Flexstay Inn Shirogane	2,119,000	2,108,305	2,310,000	5.1%	2,104,434	2,310,000	5.1%	0	-	JREI
D24	Hotel MyStays Haneda	7,801,000	7,641,654	8,490,000	4.8%	7,585,110	8,490,000	4.8%	0	-	JREI
D25	Hotel MyStays Kameido P1	5,594,000	5,514,651	7,150,000	5.4%	5,490,766	7,140,000	5.4%	-10,000	-	JREI
D26	Hotel MyStays Ueno Iriyaguchi	3,821,000	3,770,811	4,520,000	5.5%	3,760,260	4,370,000	5.7%	-150,000	-0.2pt	JREI
D27	Hotel MyStays Kameido P2	3,742,000	3,681,082	4,840,000	5.5%	3,660,934	4,840,000	5.5%	0	-	JREI
D28	Hotel Vista Shimizu	2,198,000	2,144,921	2,400,000	5.9%	2,124,941	2,450,000	5.8%	50,000	0.1pt	JREI
D29	Super Hotel Shinbashi/ Karasumoriguchi	1,624,000	1,618,382	1,800,000	3.9%	1,613,664	1,790,000	3.9%	-10,000	-	JREI
D30	Flexstay Inn Higashi-Jujo	1,277,000	1,271,296	1,430,000	5.6%	1,271,988	1,430,000	5.6%	0	-	JREI
D31	Hotel MyStays Utsunomiya	1,237,000	1,238,992	1,280,000	6.5%	1,235,735	1,380,000	6.1%	100,000	0.4pt	JREI
D32	Flexstay Inn Kawasaki-Kaizuka	980,000	962,491	1,180,000	5.0%	953,048	1,180,000	5.0%	0	-	JREI
D33	Comfort Hotel Toyama	979,000	963,182	1,090,000	5.3%	956,063	1,090,000	5.3%	0	-	JREI
D34	Flexstay Inn Kawasaki-Ogawacho	906,000	896,827	1,060,000	5.2%	891,746	1,060,000	5.2%	0	-	JREI
D35	Flexstay Inn Ekoda	5,069,000	5,001,574	5,040,000	5.6%	4,971,061	5,030,000	5.6%	-10,000	-	JREI
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	1,170,000	1,156,770	1,230,000	4.3%	1,148,288	1,230,000	4.3%	0	-	Daiwa
D37	Super Hotel JR Ueno-iriyaguchi	1,130,000	1,121,681	1,220,000	3.8%	1,115,334	1,220,000	3.8%	0	-	Daiwa
D38	Hotel MyStays Shinsaibashi	3,160,000	3,137,752	3,410,000	5.5%	3,124,659	3,410,000	5.5%	0	-	JREI
D39	Comfort Hotel Kurosaki	1,148,000	1,134,695	1,200,000	5.3%	1,121,782	1,210,000	5.3%	10,000	-	Daiwa
D40	Comfort Hotel Maebashi	1,128,000	1,136,215	1,160,000	4.9%	1,119,141	1,170,000	4.9%	10,000	-	Daiwa
D41	Comfort Hotel Tsubamesanjo	1,010,000	1,006,493	1,060,000	5.3%	995,959	1,060,000	5.3%	0	-	Daiwa
D42	Comfort Hotel Kitami	851,000	843,744	890,000	5.5%	832,478	901,000	5.5%	11,000	-	Daiwa
D43	Hotel MyStays Gotanda Station	24,674,000	24,652,073	24,800,000	4.9%	24,626,575	24,800,000	4.9%	0	-	Morii
D44	Hotel Epinard Nasu	20,981,000	20,620,063	21,600,000	6.2%	20,744,564	22,000,000	6.1%	400,000	0.1pt	Morii
D45	Hotel MyStays Fukuoka Tenjin	8,059,000	8,022,028	8,280,000	4.9%	7,989,402	8,280,000	4.9%	0	-	Morii
D46	Hotel MyStays Hamamatsucho	7,959,000	7,935,597	8,010,000	4.7%	7,916,416	7,760,000	4.6%	-250,000	0.1pt	Morii
D47	Hotel MyStays Premier Kanazawa	13,761,000	13,667,545	13,900,000	5.4%	13,561,605	14,000,000	5.4%	100,000	-	Morii
D48	Takamatsu Tokyu REI Hotel	2,139,000	2,135,416	2,170,000	5.2%	2,126,384	2,170,000	5.2%	0	-	Daiwa
D49	Hotel MyStays Premier Hamamatsucho	8,000,000	-	-	-	8,016,247	8,090,000	4.4%	-	-	JREI
	Subtotal of Hotels	189,032,580	178,511,427	236,940,000	-	185,897,957	245,021,000	-	-9,000	-	
	Total	299,181,019	259,938,924	328,192,000	-	292,537,976	363,502,000	-	1,910,000	-	

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Portfolio Properties (as of August 22, 2017) (1/3)

Property Number[1]	Property Name	Address	Acquisition Date	Completion Date	Acquisition Price[2] (JPY mn)	Investment Ratio[3] (%)	Rentable Unit[4,5]	Leasable Area[5] (m^2)	Leased Area[5] (m^2)	Occupancy Rate[5] (%)
A26	Nisshin Palacestage Daitabashi	Suginami-ku, Tokyo	Jul 28, 2005	Dec 1992	1,251	0.4	98	1,771.13	1,591.08	89.8
A27	Nisshin Palacestage Higashi-Nagasaki	Toshima-ku, Tokyo	Jul 28, 2005	Mar 1989	1,229	0.4	60	2,681.94	2,510.11	93.6
A28	Growth Maison Gotanda	Shinagawa-ku, Tokyo	Jan 30, 2006	Jul 2005	888	0.3	48	1,051.50	1,051.50	100.0
A29	Growth Maison Kameido	Koto-ku, Tokyo	Mar 30, 2006	Oct 2005	1,070	0.4	66	1,367.96	1,264.60	92.4
A30	Emerald House	Itabashi-ku, Tokyo	Aug 1, 2006	Feb 1995	1,505	0.5	96	2,152.31	2,129.27	98.9
A31	Harmonie Ochanomizu	Bunkyo-ku, Tokyo	Aug 3, 2006	Mar 1997	1,428	0.5	65	1,748.24	1,704.00	97.5
A32	Suncrest Shakujii-Koen	Nerima-ku, Tokyo	Aug 3, 2006	Mar 1990	1,088	0.4	29	3,029.16	2,869.22	94.7
A33	Growth Maison Shin-Yokohama	Yokohama, Kanagawa	Aug 3, 2006	Mar 2006	1,059	0.4	68	1,858.44	1,803.86	97.1
A34	Belle Face Ueno-Okachimachi	Taito-ku, Tokyo	Aug 1, 2006	Feb 2006	1,023	0.3	64	1,351.11	1,224.37	90.6
A35	Grand Rire Kameido	Koto-ku, Tokyo	Aug 3, 2006	Mar 2006	906	0.3	72	1,562.26	1,562.26	100.0
A36	Growth Maison Ikebukuro	Toshima-ku, Tokyo	Aug 3, 2006	Jan 2006	825	0.3	42	952.89	906.97	95.2
A37	Growth Maison Yoga	Setagaya-ku, Tokyo	Aug 3, 2006	Mar 2006	795	0.3	39	1,015.34	937.89	92.4
A38	Route Tachikawa	Tachikawa, Tokyo	Aug 3, 2006	Mar 1997	676	0.2	24	1,368.57	1,229.25	89.8
A39	Shibuya-Honmachi Mansion	Shibuya-ku, Tokyo	Aug 3, 2006	Dec 1986	651	0.2	25	1,167.50	1,167.50	100.0
A40	City Heights Kinuta	Setagaya-ku, Tokyo	Aug 3, 2006	Mar 1983	646	0.2	19	1,235.93	1,102.73	89.2
A41	Acseeds Tower Kawaguchi-Namiki	Kawaguchi, Saitama	Aug 3, 2006	Feb 2006	620	0.2	57	1,210.74	1,189.60	98.3
A42	Capital Heights Kagurazaka	Shinjuku-ku, Tokyo	Aug 3, 2006	May 1987	604	0.2	26	1,126.65	939.75	83.4
A43	College Square Machida	Machida, Tokyo	Aug 1, 2006	Mar 1984	589	0.2	62	1,047.75	1,047.75	100.0
A44	Belair Meguro	Meguro-ku, Tokyo	Aug 1, 2006	Oct 2005	589	0.2	25	557.05	512.23	92.0
A45	Wacore Tsunashima Ⅰ	Yokohama, Kanagawa	Aug 3, 2006	Feb 1991	572	0.2	50	907.46	835.66	92.1
A46	Foros Nakamurabashi	Nerima-ku, Tokyo	Aug 3, 2006	Sep 2001	566	0.2	37	815.77	795.61	97.5
A47	Growth Maison Kaijin	Funabashi, Chiba	Aug 1, 2006	Oct 1993	557	0.2	34	2,040.27	2,040.27	100.0
A48	College Square Machiya	Arakawa-ku, Tokyo	Aug 3, 2006	Mar 2006	510	0.2	43	871.35	871.35	100.0
A51	City House Tokyo Shinbashi	Minato-ku, Tokyo	Feb 1, 2010	Aug 2004	2,520	0.8	86	3,364.00	3,121.34	92.8
A52	Winbell Kagurazaka	Shinjuku-ku, Tokyo	Feb 1, 2010	Feb 2004	3,260	1.1	118	4,032.70	3,969.76	98.4
A53	Nishiwaseda Cresent Mansion	Shinjuku-ku, Tokyo	Feb 1, 2010	Jul 1987	1,880	0.6	69	4,310.77	4,310.77	100.0
A54	Lexington Square Akebonobashi	Shinjuku-ku, Tokyo	Feb 1, 2010	Dec 2004	1,450	0.5	88	1,987.88	1,919.42	96.6
A56	Casa Eremitaggio	Meguro-ku, Tokyo	Feb 1, 2010	Dec 2003	1,070	0.4	17	1,197.19	1,124.81	94.0
A59	Towa City Coop Shin-otsuka Ⅱ	Toshima-ku, Tokyo	Feb 1, 2010	May 1993	866	0.3	58	1,627.13	1,486.84	91.4
A61	Bichsel Musashiseki	Nerima-ku, Tokyo	Feb 1, 2010	Feb 1992	577	0.2	70	1,220.24	1,167.46	95.7
A62	Lexel Mansion Ueno Matsugaya	Taito-ku, Tokyo	Feb 1, 2010	Jan 2005	970	0.3	29	1,969.45	1,826.63	92.7
A63	Towa City Coop Sengencho	Yokohama, Kanagawa	Feb 1, 2010	Oct 1992	1,110	0.4	154	3,426.36	2,870.46	83.8
A64	Royal Park Omachi	Sendai, Miyagi	Feb 1, 2010	Feb 1993	415	0.1	51	1,929.59	1,897.47	98.3
A65	Lexington Square Haginomachi	Sendai, Miyagi	Feb 1, 2010	Aug 2005	330	0.1	39	1,528.58	1,368.38	89.5
A66	Visconti Kakuozan	Nagoya, Aichi	Feb 1, 2010	Sep 2003	255	0.1	8	705.75	625.58	88.6
A71	Lexington Square Daitabashi	Suginami-ku, Tokyo	Feb 1, 2010	Nov 2006	977	0.3	43	1,430.64	1,318.66	92.2
A72	Lexington Square Honjo-Azumabashi	Sumida-ku, Tokyo	Feb 1, 2010	Oct 2006	511	0.2	33	784.74	737.94	94.0
A73	AMS TOWER Minami 6-Jo	Sapporo, Hokkaido	Feb 1, 2010	Feb 2007	1,180	0.4	120	4,460.56	3,554.21	79.7
A75	Spacia Ebisu	Shibuya-ku, Tokyo	Feb 1, 2010	Feb 2003	7,010	2.4	109	7,794.91	7,420.04	95.2
A76	Neo Prominence	Kita-ku, Tokyo	Sep 28, 2012	Apr 1994	1,660	0.6	52	3,574.70	3,259.29	91.2
A77	Invoice Shin-Kobe Residence	Kobe, Hyogo	Sep 28, 2012	Jan 2007	1,260	0.4	81	2,773.71	2,543.46	91.7
A78	Cosmo Court Motomachi	Kobe, Hyogo	Sep 28, 2012	Mar 2007	973	0.3	82	2,310.49	2,202.49	95.3
A79	Revest Honjin	Nagoya, Aichi	Sep 28, 2012	Mar 2007	674	0.2	80	1,933.80	1,789.26	92.5

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(Note 2) "Acquisition price" indicates the purchase price stated in real estate sales contract or trust beneficiary rights transfer agreement etc. In addition, the price does not include consumption tax, etc., and it discards less than 1 million yen
(Note 3) "Investment ratio" is the ratio to the total acquisition price of INV, rounded down to the second decimal place
(Note 4) "Rentable units" includes shops, offices and nursing homes which are counted as one unit by each compartment
(Note 5) "Rentable Unit","Leasable Area","Leased Area"and "Occupancy Rate" are data as of June 30, 2017

Portfolio Properties (as of August 22, 2017) (2/3)

Property Number[1]	Property Name	Address	Acquisition Date	Completion Date	Acquisition Price[2] (JPY mn)	Investment Ratio[3] (%)	Rentable Unit[4,5]	Leasable Area[5] (m^2)	Leased Area[5] (m^2)	Occupancy Rate[5] (%)
A80	Revest Matsubara	Nagoya, Aichi	Sep 28, 2012	Mar 2007	657	0.2	70	1,955.40	1,820.44	93.1
A81	Sun Terrace Minami Ikebukuro	Toshima-ku, Tokyo	Sep 28, 2012	Feb 1998	625	0.2	38	898.70	780.45	86.8
A82	Alba Noritake Shinmachi	Nagoya, Aichi	Sep 28, 2012	Nov 2006	608	0.2	64	1,731.68	1,515.22	87.5
A83	Revest Meieki Minami	Nagoya, Aichi	Sep 28, 2012	Feb 2007	597	0.2	61	1,634.60	1,560.02	95.4
A84	Revest Heian	Nagoya, Aichi	Sep 28, 2012	Nov 2006	595	0.2	40	1,554.03	1,554.03	100.0
A85	Vendir Hamaotsu Ekimae	Otsu, Shiga	Sep 28, 2012	Feb 2007	581	0.2	81	2,670.66	2,630.50	98.5
A86	Salvo Sala	Osaka, Osaka	Sep 28, 2012	Jan 2007	544	0.2	54	1,428.12	1,369.08	95.9
A87	Excellente Kagurazaka	Shinjuku-ku,Tokyo	Sep 28, 2012	Jan 2007	543	0.2	33	701.92	660.77	94.1
A88	Luna Court Edobori	Osaka, Osaka	Sep 28, 2012	Feb 2004	525	0.2	50	1,185.50	1,114.79	94.0
A89	Winntage Kobe Motomachi	Kobe, Hyogo	Sep 28, 2012	May 2007	512	0.2	57	1,433.35	1,231.36	85.9
A90	Queen's Court Fukuzumi	Koto-ku, Tokyo	Sep 28, 2012	Sep 2006	456	0.2	25	765.18	734.06	95.9
A91	Corp Higashinotoin	Kyoto, Kyoto	Sep 28, 2012	Feb 2004	446	0.1	42	1,029.05	1,004.50	97.6
A92	Belair Oimachi	Shinagawa-ku, Tokyo	Sep 28, 2012	Apr 2006	412	0.1	26	530.60	510.10	96.1
A93	Siete Minami-Tsukaguchi	Amagasaki, Hyogo	Sep 28, 2012	Jan 2007	374	0.1	40	1,020.86	969.44	95.0
A94	Prime Life Sannomiya Isogami Koen	Kobe Hyogo	Sep 28, 2012	Nov 2006	373	0.1	32	789.12	764.46	96.9
A95	HERMITAGE NANBA WEST	Osaka, Osaka	Sep 28, 2012	Dec 2006	355	0.1	21	992.76	992.76	100.0
A96	Century Park Shinkawa 1-bankan	Nagoya, Aichi	Sep 28, 2012	Sep 2001	335	0.1	44	1,477.62	1,310.99	88.7
A97	West Avenue	Kunitachi, Tokyo	Sep 28, 2012	Oct 1991	331	0.1	40	794.80	675.56	85.0
A98	Little River Honmachibashi	Okasa, Osaka	Sep 28, 2012	Jun 2007	310	0.1	31	974.81	855.01	87.7
A99	Prime Life Mikage	Kobe, Hyogo	Sep 28, 2012	Jan 2007	297	0.1	28	761.18	735.68	96.6
A100	City Court Kitaichijo	Sapporo, Hokkaido	Jul 16, 2015	Nov 2007	1,782	0.6	127	5,230.18	4,906.52	93.8
A101	Lieto Court Mukojima	Sumida-ku, Tokyo	Jul 16, 2015	Feb 2008	1,683	0.6	82	2,940.20	2,852.75	97.0
A102	Lieto Court Nishi-Ojima	Koto-ku, Tokyo	Jul 16, 2015	Feb 2008	1,634	0.5	91	2,048.28	2,027.64	99.0
A103	Royal Parks Momozaka	Okasa, Osaka	Jan 22, 2016	Jun 2007	2,910	1.0	147	8,776.26	8,776.26	100.0
A104	Royal Parks Shinden	Adachi-ku, Tokyo	Mar 31, 2016	Jun 2007	5,024	1.7	248	15,797.29	15,797.29	100.0
A105	Royal Parks Tower Minami-Senju	Arakawa-ku, Tokyo	Mar 14, 2017	May 2008	21,879	7.3	557	39,113.46	36,257.39	92.7
A106	Royal Parks Seasir Minami-Senju	Arakawa-ku, Tokyo	Mar 14, 2017	Aug 2006	2,683	0.9	113	6,496.86	6,496.86	100.0
	Subtotal of Residential				95,678	32.1	4,778	189,986.98	179,705.03	94.6
B09	Shinjuku Island	Shinjuku-ku, Tokyo	Mar 26, 2007	Jan 1995	715	0.2	1	526.43	526.43	100.0
B14	Lexington Plaza Nishigotanda	Shinagawa-ku, Tokyo	Feb 1, 2010	Jun 1993	4,880	1.6	11	6,033.58	6,033.58	100.0
B15	Cross Square NAKANO	Nakano-ku, Tokyo	Feb 1, 2010	Jan 1993	1,060	0.4	45	2,145.00	1,872.14	87.3
B16	Ohki Aoba Building	Sendai, Miyagi	Feb 1, 2010	Jul 1997	816	0.3	13	2,178.37	1,931.59	88.7
B17	Lexington Plaza Hachiman	Sendai, Miyagi	Feb 1, 2010	Dec 2005	3,280	1.1	18	8,419.15	8,419.15	100.0
B18	AEON TOWN Sukagawa	Sukagawa, Fukushima	Feb 1, 2010	Oct 2005	2,320	0.8	1	18,440.58	18,440.58	100.0
	Subtotal of Offices and Commercial Facilities				13,071	4.4	89	37,743.11	37,223.47	98.6
D01	Hotel MyStays Kanda	Chiyoda-ku, Tokyo	May 23, 2014	Dec 2005	2,851	1.0	126	2,585.72	2,585.72	100.0
D02	Hotel MyStays Asakusa	Sumida-ku, Tokyo	May 23, 2014	Jan 1990	2,584	0.9	161	3,327.38	3,327.38	100.0
D03	Hotel MyStays Kyoto-Shijo	Kyoto, Kyoto	Jul 17, 2014	Jan 2008	6,024	2.0	225	7,241.51	7,241.51	100.0
D04	MyStays Shin- Urayasu Conference Center	Urayasu, Chiba	Jul 17, 2014	Mar 2009	4,930	1.7	175	6,232.30	6,232.30	100.0
D05	Hotel MyStays Maihama	Urayasu, Chiba	Jul 17, 2014	Jun 2005	4,870	1.6	90	2,456.36	2,456.36	100.0
D06	Hotel Vista Premio Dojima[6]	Osaka, Osaka	Jul 17, 2014	Aug 1990	3,845	1.3	153	9,445.32	9,445.32	100.0
D07	Hotel MyStays Nagoya-Sakae	Nagoya, Aichi	Jul 17, 2014	Nov 1979	2,958	1.0	279	9,064.71	9,064.71	100.0
D08	Hotel MyStays Sakaisuji-Honmachi	Osaka, Osaka	Jul 17, 2014	Jul 2008	2,514	0.8	191	4,188.83	4,188.83	100.0

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(Note 2) "Acquisition price" indicates the purchase price stated in real estate sales contract or trust beneficiary rights transfer agreement etc. In addition, the price does not include consumption tax, etc., and it discards less than 1 million yen
(Note 3) "Investment ratio" is the ratio to the total acquisition price of INV, rounded down to the second decimal place
(Note 4) "Rentable units" includes shops, offices and nursing homes which are counted as one unit by each compartment
(Note 5) "Rentable Unit","Leasable Area","Leased Area"and "Occupancy Rate" are data as of June 30, 2017
(Note 6) Due to the change of its operator, the property name was changed to Hotel MyStays Dojima on August 1, 2017

Portfolio Properties (as of August 22, 2017) (3/3)

Property Number[1]	Property Name	Address	Acquisition Date	Completion Date	Acquisition Price[2] (JPY mn)	Investment Ratio[3] (%)	Rentable Unit[4,5]	Leasable Area[5] (m^2)	Leased Area[5] (m^2)	Occupancy Rate[5] (%)
D09	Hotel MyStays Yokohama	Yokohama, Kanagawa	Jul 17, 2014	Oct 1974	2,119	0.7	190	7,379.43	7,379.43	100.0
D10	Hotel MyStays Nippori	Arakawa-ku, Tokyo	Jul 17, 2014	Apr 1987	1,898	0.6	93	1,719.29	1,719.29	100.0
D11	Hotel MyStays Fukuoka-Tenjin-Minami	Fukuoka, Fukuoka	Jul 17, 2014	Feb 2008	1,570	0.5	177	3,412.71	3,412.71	100.0
D12	Flexstay Inn Iidabashi	Shinjuku-ku, Tokyo	Jul 17, 2014	Dec 1990	1,381	0.5	62	2,953.38	2,953.38	100.0
D13	Hotel MyStays Ueno Inaricho	Taito-ku, Tokyo	Jul 17, 2014	Dec 1986	1,331	0.4	72	1,150.76	1,150.76	100.0
D14	Flexstay Inn Shinagawa	Shinagawa-ku, Tokyo	Jul 17, 2014	Oct 1986	1,242	0.4	55	1,134.52	1,134.52	100.0
D15	Flexstay Inn Tokiwadai	Itabashi-ku, Tokyo	Jul 17, 2014	Dec 1989	1,242	0.4	130	2,539.75	2,539.75	100.0
D16	Flexstay Inn Sugamo	Toshima-ku, Tokyo	Jul 17, 2014	Jan 1992	1,192	0.4	105	2,089.86	2,089.86	100.0
D17	Hotel MyStays Otemae	Osaka, Osaka	Jul 17, 2014	Dec 1986	1,192	0.4	111	4,956.66	4,956.66	100.0
D18	Flexstay Inn Kiyosumi Shirakawa	Koto-ku, Tokyo	Jul 17, 2014	May 1992	749	0.3	56	2,673.64	2,673.64	100.0
D19	Flexstay Inn Nakanobu P1	Shinagawa-ku, Tokyo	Jul 17, 2014	Sep 1986	589	0.2	39	770.56	770.56	100.0
D20	Flexstay Inn Nakanobu P2	Shinagawa-ku, Tokyo	Jul 17, 2014	Mar 1989	283	0.1	22	391.49	391.49	100.0
D21	APA Hotel Yokohama-Kannai	Yokohama, Kanagawa	Feb 6, 2015	Apr 2005	8,350	2.8	452	6,568.51	6,568.51	100.0
D22	Hotel Nets Hakodate	Hakodate, Hokkaido	Feb 6, 2015	Feb 2008	2,792	0.9	205	7,961.26	7,961.26	100.0
D23	Flexstay Inn Shirogane	Minato-ku, Tokyo	Feb 6, 2015	Dec 1984	2,119	0.7	84	1,754.06	1,754.06	100.0
D24	Hotel MyStays Haneda	Ota-ku, Tokyo	Jul 16, 2015	Apr 2001	7,801	2.6	174	5,400.16	5,400.16	100.0
D25	Hotel MyStays Kameido P1	Koto-ku, Tokyo	Jul 16, 2015	Mar 1991	5,594	1.9	266	4,349.67	4,349.67	100.0
D26	Hotel MyStays Ueno Iriyaguchi	Taito-ku, Tokyo	Jul 16, 2015	Nov 1985	3,821	1.3	97	2,247.92	2,247.92	100.0
D27	Hotel MyStays Kameido P2	Koto-ku, Tokyo	Jul 16, 2015	Mar 1991	3,742	1.3	177	2,793.99	2,793.99	100.0
D28	Hotel Vista Shimizu	Shimizu, Shizuoka	Jul 16, 2015	Jan 2007	2,198	0.7	152	3,559.81	3,559.81	100.0
D29	Super Hotel Shinbashi/ Karasumoriguchi	Minato-ku, Tokyo	Jul 16, 2015	Feb 2008	1,624	0.5	74	1,403.89	1,403.89	100.0
D30	Flexstay Inn Higashi-Jujo	Kita-ku, Tokyo	Jul 16, 2015	Jun 1986	1,277	0.4	89	1,714.53	1,714.53	100.0
D31	Hotel MyStays Utsunomiya	Utsunomiya, Tochigi	Jul 16, 2015	Jan 1990	1,237	0.4	126	11,733.23	11,733.23	100.0
D32	Flexstay Inn Kawasaki-Kaizuka	Kawasaki, Kanagawa	Jul 16, 2015	Apr 1990	980	0.3	64	1,190.57	1,190.57	100.0
D33	Comfort Hotel Toyama	Toyama, Toyama	Jul 16, 2015	Mar 2007	979	0.3	150	3,305.64	3,305.64	100.0
D34	Flexstay Inn Kawasaki-Ogawacho	Kawasaki, Kanagawa	Jul 16, 2015	Apr 1989	906	0.3	62	725.60	725.60	100.0
D35	Flexstay Inn Ekoda	Nerima-ku, Tokyo	Aug 28, 2015	Jan 1989	5,069	1.7	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	0.4	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	0.4	69	1,279.16	1,279.16	100.0
D38	Hotel MyStays Shinsaibashi	Osaka, Osaka	Jan 22, 2016	Sep 1984	3,160	1.1	57	1,942.01	1,942.01	100.0
D39	Comfort Hotel Kurosaki	Kitakyusyu, Fukuoka	Jan 22, 2016	Feb 2009	1,148	0.4	151	3,207.60	3,207.60	100.0
D40	Comfort Hotel Maebashi	Maebashi, Gunma	Jan 22, 2016	Mar 2009	1,128	0.4	154	3,660.96	3,660.96	100.0
D41	Comfort Hotel Tsubamesanjo	Sanjyo, Niigata	Jan 22, 2016	Jun 2007	1,010	0.3	133	3,099.90	3,099.90	100.0
D42	Comfort Hotel Kitami	Kitami, Hokkaido	Jan 22, 2016	Mar 2008	851	0.3	127	3,009.50	3,009.50	100.0
D43	Hotel MyStays Gotanda Station	Shinagawa-ku, Tokyo	Mar 31, 2016	Mar 1974, Aug 1984	24,674	8.3	335	8,752.42	8,752.42	100.0
D44	Hotel Epinard Nasu	Nasu-gun, Tochigi	Mar 31, 2016	Feb 1992, Jun 1995	20,981	7.0	310	37,702.33	37,702.33	100.0
D45	Hotel MyStays Fukuoka Tenjin	Fukuoka, Fukuoka	Mar 31, 2016	Aug 2008	8,059	2.7	217	5,083.06	5,083.06	100.0
D46	Hotel MyStays Hamamatsucho	Minato-ku, Tokyo	Mar 31, 2016	Oct 2008	7,959	2.7	105	1,951.90	1,951.90	100.0
D47	Hotel MyStays Premier Kanazawa	Kanazawa, Ishikawa	Jun 15, 2016	Oct 2014	13,761	4.6	261	13,250.03	13,250.03	100.0
D48	Takamatsu Tokyu REI Hotel	Takamatsu, Kagawa	Jun 15, 2016	Apr 1982	2,139	0.7	193	7,148.17	7,148.17	100.0
D49	Hotel MyStays Premier Hamamatsucho	Minato-ku, Tokyo	May 29, 2017	Jun 1994	8,000	2.7	134	6,151.93	6,151.93	100.0
	Subtotal of Hotels				189,032	63.5	7,236	232,427.89	232,427.89	100.0
	Total				297,781	100.0	12,103	460,157.98	449,356.39	97.7

(Note 1) "Property number" refers to the asset owned by INV, classifying the residential asset as A, the office / commercial facility as B, the parking lot as C, the hotel as D according to the use of each property. The numbers with A, B, C, and D indicate the order of acquisition dates and properties with the same acquisition date are arranged in the order of acquisition price
(Note 2) "Acquisition price" indicates the purchase price stated in real estate sales contract or trust beneficiary rights transfer agreement etc. In addition, the price does not include consumption tax, etc., and it discards less than 1 million yen
(Note 3) "Investment ratio" is the ratio to the total acquisition price of INV, rounded down to the second decimal place
(Note 4) "Rentable units" includes shops, offices and nursing homes which are counted as one unit by each compartment
(Note 5) "Rentable Unit","Leasable Area","Leased Area"and "Occupancy Rate" are data as of June 30, 2017

Borrowing (as of August 22, 2017) (1/2)

Name	Lender	Borrowing Amount (¥ million)	Interest Rate (annual rate)	Fixed / Floating	Borrowing Date	Maturity Date
New Syndicate Loan (E)	Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mizuho Bank, Ltd. Shinsei Bank, Limited Citibank, N.A. Tokyo Branch Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited. Mitsubishi UFJ Trust and Banking Corporation	28,979	0.37500% [1]	Fixed interest rate (swap)	July 16, 2015	July 16, 2018
		28,979	0.48000% [1]	Fixed interest rate (swap)	July 16, 2015	July 16, 2019
		28,979	0.59000% [1]	Fixed interest rate (swap)	July 16, 2015	July 16, 2020
Term Loan (A)	Mizuho Bank, Ltd.	3,682	0.48000% [1]	Fixed interest rate (swap)	August 28, 2015	August 28, 2019
Term Loan (B)	Sumitomo Mitsui Trust Bank, Limited Mitsubishi UFJ Trust and Banking Corporation	4,250	0.34300% [1]	Fixed interest rate (swap)	January 22, 2016	January 22, 2019
		4,250	0.60000% [1]	Fixed interest rate (swap)	January 22, 2016	January 22, 2021
New Syndicate Loan (F)	Sumitomo Mitsui Trust Bank, Limited Japan Post Bank Co., Ltd. Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd. The Bank of Fukuoka, Ltd. Mitsubishi UFJ Trust and Banking Corporation The Shizuoka Bank, Ltd. Shinsei Bank, Limited Resona Bank, Limited Development Bank of Japan, Inc. The Kagawa Bank, Ltd. The Daishi Bank, Ltd. The Hyakugo Bank, Ltd. The Hiroshima Bank, Ltd. The Nomura Trust and Banking Co., Ltd.	11,434	0.43000% [2]	Floating interest rate (¥ 1 month TIBOR+0.40%)	March 31, 2016	March 30, 2019
		10,433	0.53000% [2]	Floating interest rate (¥ 1 month TIBOR+0.50%)	March 31, 2016	March 30, 2020
		10,433	0.63000% [2]	Floating interest rate (¥ 1 month TIBOR+0.60%)	March 31, 2016	March 30, 2021
Term Loan (C)	Citibank, N.A. Tokyo Branch	1,000	0.43000% [2]	Floating interest rate (¥ 1 month TIBOR+0.40%)	June 15, 2016	June 15, 2019
		1,000	0.53000% [2]	Floating interest rate (¥ 1 month TIBOR+0.50%)	June 15, 2016	June 15, 2020
		1,000	0.63000% [2]	Floating interest rate (¥ 1 month TIBOR+0.60%)	June 15, 2016	June 15, 2021

(Note 1) The interest rates are after reflecting interest rate swap
(Note 2) The interest rates are applicable for the period from July 31, 2017 to August 30, 2017
(Note 3) The average interest rate (annual) is the weighted average, and is rounded to five decimal places
(Note 4) Borrowing amount is rounded down to indicated unit

Borrowing (as of August 22, 2017) (2/2)

Name	Lender	Borrowing Amount (¥ million)	Interest Rate (annual rate)	Fixed / Floating	Borrowing Date	Maturity Date
Term Loan (D)	Development Bank of Japan Inc.	1,000	0.43000% [2]	Floating interest rate (¥ 1 month TIBOR+0.40%)	June 30, 2016	June 30, 2019
	AEON Bank, Ltd.	3,000	0.63000% [2]	Floating interest rate (¥ 1 month TIBOR+0.60%)	June 30, 2016	June 30, 2021
Term Loan (E)	The Tokyo Star Bank, Limited	700	0.43000% [2]	Floating interest rate (¥ 1 month TIBOR+0.40%)	July 20, 2016	July 20, 2019
		1,600	0.53000% [2]	Floating interest rate (¥ 1 month TIBOR+0.50%)	July 20, 2016	July 20, 2020
		1,700	0.63000% [2]	Floating interest rate (¥ 1 month TIBOR+0.60%)	July 20, 2016	July 20, 2021
New Syndicate Loan (G)	Mizuho Bank, Ltd. Development Bank of Japan, Inc. Resona Bank, Limited The Bank of Fukuoka, Ltd. The Nomura Trust and Banking Co., Ltd. AEON Bank, Ltd. The Towa Bank, Ltd. The Shizuoka Bank, Ltd. The Dai-ichi Life Insurance Company, Limited The Gunma Bank, Ltd.	3,250	0.43000% [2]	Floating interest rate (¥ 1 month TIBOR+0.40%)	March 14, 2017	March 14, 2020
		3,250	0.53000% [2]	Floating interest rate (¥ 1 month TIBOR+0.50%)	March 14, 2017	March 14, 2021
		4,750	0.63000% [2]	Floating interest rate (¥ 1 month TIBOR+0.60%)	March 14, 2017	March 14, 2022
Term Loan (F)	Sumitomo Mitsui Banking Corporation	3,000	0.48000% [2]	Floating interest rate (¥ 1 month TIBOR+0.45%)	March 14, 2017	September 14, 2020
Term Loan (G)	Mizuho Bank, Ltd.	7,321	0.58000% [2]	Floating interest rate (¥ 1 month TIBOR+0.55%)	May 29, 2017	November 29, 2021
Subtotal of Short Term Debt		-				
Subtotal of Long Term Debt		163,990				
Total Debt		163,990	0.50367% [3]			

(Note 1) The interest rates are after reflecting interest rate swap
(Note 2) The interest rates are applicable for the period from July 31, 2017 to August 30, 2017
(Note 3) The average interest rate (annual) is the weighted average, and is rounded to five decimal places
(Note 4) Borrowing amount is rounded down to indicated unit

Overview of Unitholders

Major Unitholders (TOP 10)

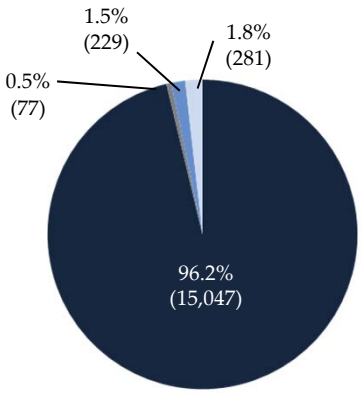
	As of December 31, 2016 Name	Number of units held	(%)
1	Calliope Godo Kaisha	609,942	16.59
2	Japan Trustee Services Bank, Ltd. (trust account)	472,402	12.85
3	Trust & Custody Services Bank, Ltd. (securities investment trust account)	395,034	10.74
4	The Master Trust Bank of Japan, Ltd. (trust account)	349,820	9.51
5	Rayo Godo Kaisha	149,925	4.07
6	The Nomura Trust and Banking Co., Ltd. (investment trust account)	141,012	3.83
7	THE BANK OF NEW YORK 133970	87,087	2.36
8	THE BANK OF NEW YORK MELLON SA/NV 10	75,674	2.05
9	NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT	52,849	1.43
10	JP MORGAN CHASE BANK 385628	47,626	1.29
	Total	2,381,371	64.78

	As of June 30, 2017 Name	Number of units held	(%)
1	Calliope Godo Kaisha	609,942	15.79
2	The Master Trust Bank of Japan, Ltd. (trust account)	393,161	10.18
3	Japan Trustee Services Bank, Ltd. (trust account)	381,808	9.88
4	Trust & Custody Services Bank, Ltd. (securities investment trust account)	347,515	9.00
5	Rayo Godo Kaisha	149,925	3.88
6	The Nomura Trust and Banking Co., Ltd. (investment trust account)	131,026	3.39
7	THE BANK OF NEW YORK 133970	76,487	1.98
8	THE BANK OF NEW YORK MELLON SA/NV 10	62,156	1.60
9	STATE STREET BANK AND TRUST COMPANY 505012	50,939	1.31
10	JP MORGAN CHASE BANK 385628	47,626	1.23
	Total	2,250,585	58.29

*Percentages are rounded down to the second decimal place.

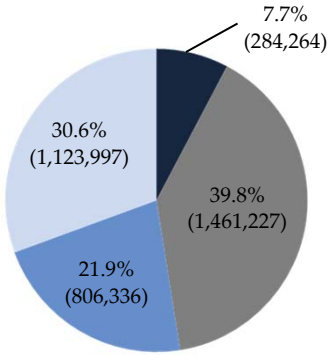
Unitholders Composition

<Number of Unitholders>



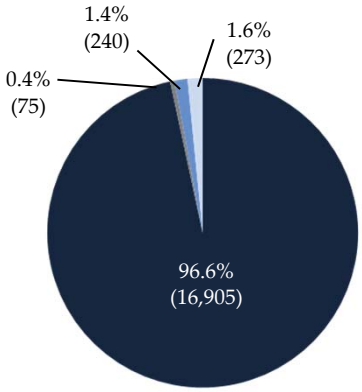
(Total : 15,634)

<Number of Units held by Unitholders>



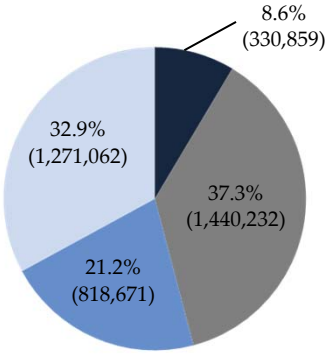
(Total : 3,675,824 units)

<Number of Unitholders>



(Total : 17,493)

<Number of Units held by Unitholders>

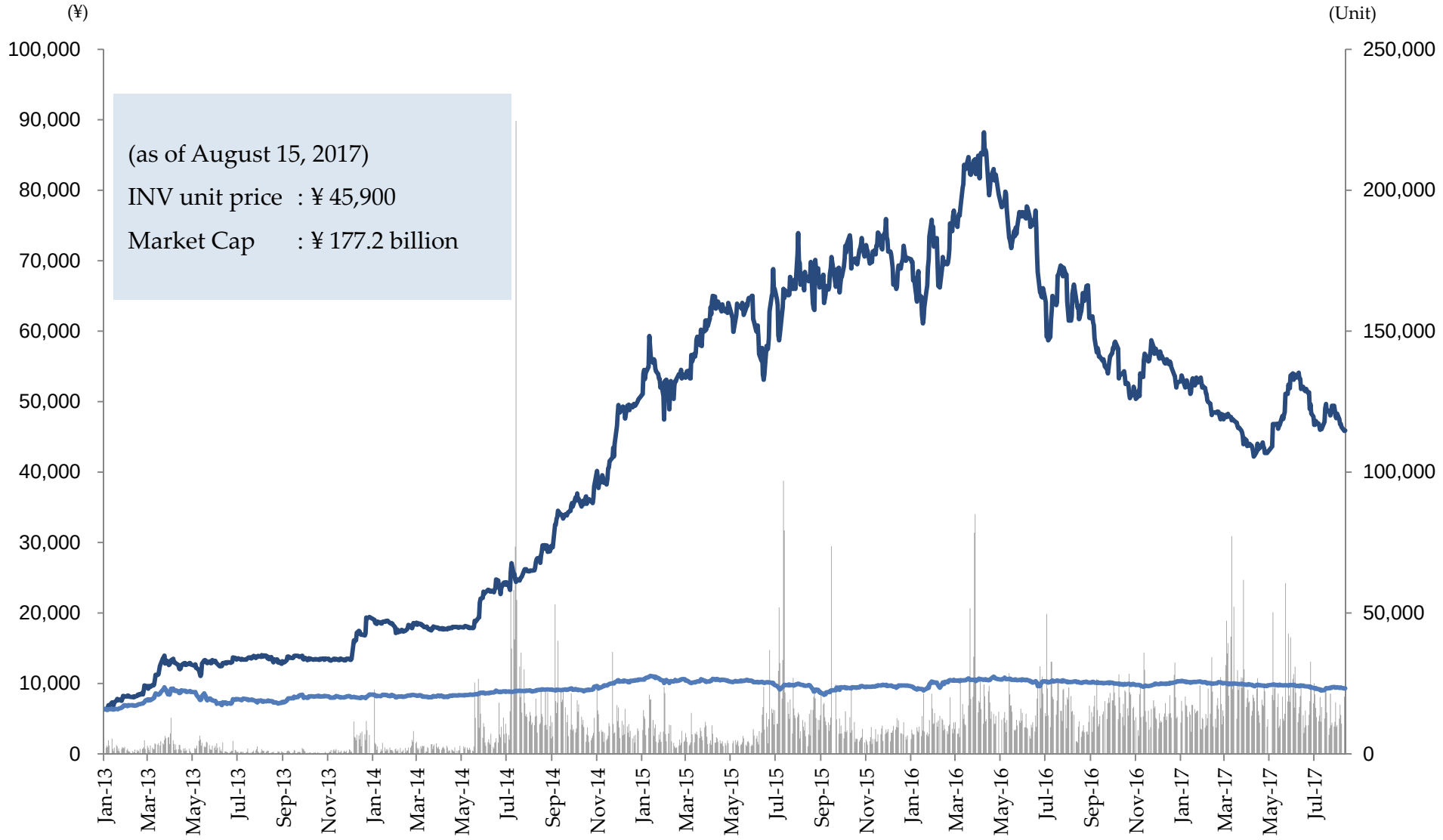


(Total : 3,860,824 units)

Individuals | Financial Institutions (incl. Securities Companies) | Other Domestic Corporations | Foreign Companies, etc.

*Percentages are rounded to one decimal place.

Unit Price Information



Source: TSE and Bloomberg

(Note 1) It shows the change in the price from January 4, 2013 until August 15, 2017

(Note 2) 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

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Invincible
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