

Financial Results Briefing

30th Fiscal Period (six months ended October 31, 2020)
December 16, 2020

MEMO

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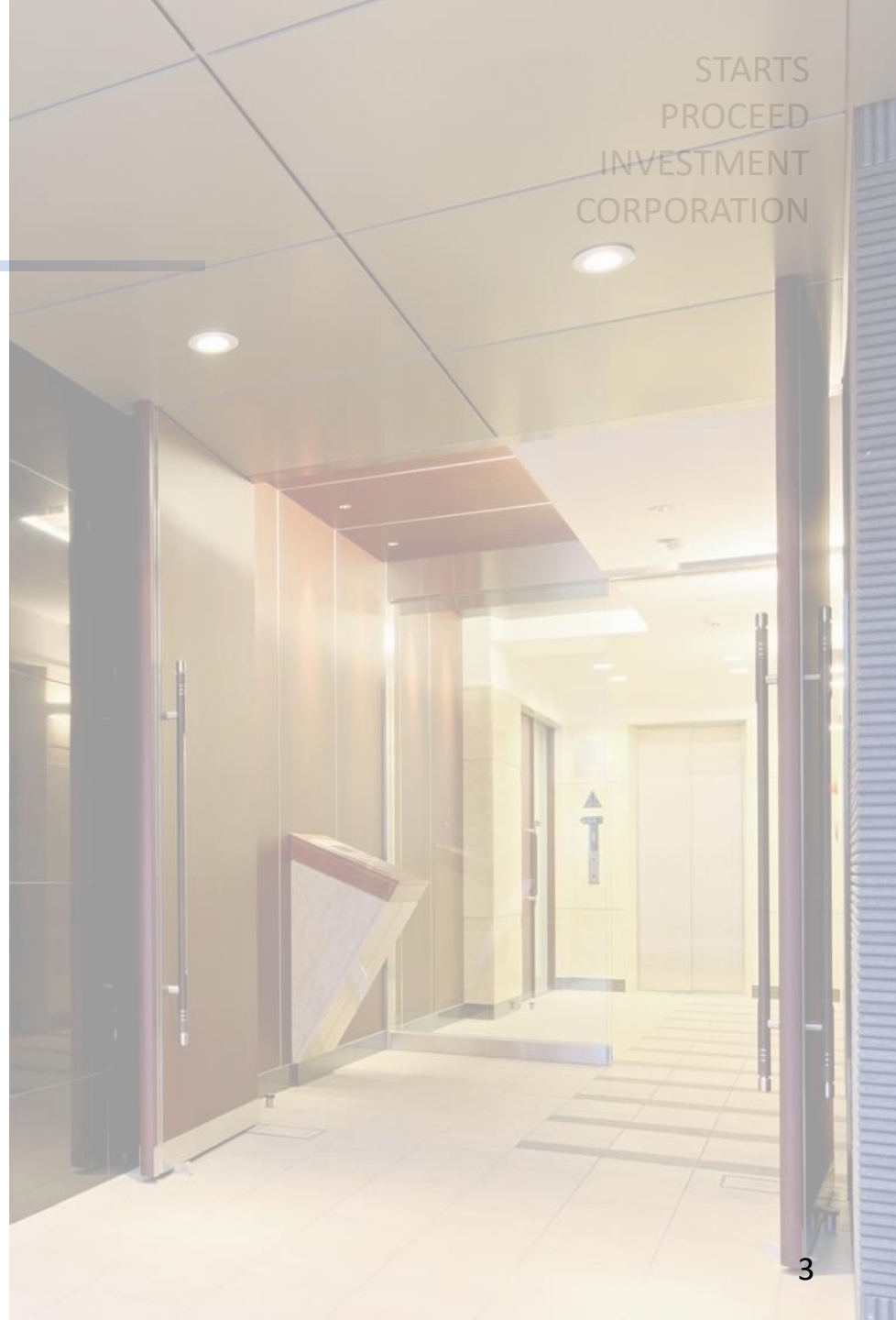
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**30th Fiscal Period
Financial Results Summary**



30th Fiscal Period Distribution Per Unit

Distribution forecast at beginning of 30th fiscal period
5,420 yen per unit

+68 yen/+1.3%

Finalized distribution

5,488 yen per unit

Comparison with 29th fiscal period
(Results of 29th fiscal period 5,059 yen)

+429 yen/+8.5%

30th Fiscal Period Management Summary

External Growth	Obtain unrealized gain through asset replacement Aim to improve portfolio quality	<ul style="list-style-type: none"> ■ Implemented asset replacement by disposing three properties including the following two properties (disposition price: 5,801 million yen) and acquiring four properties including the following three properties (acquisition price: 6,140 million yen) ■ Disposed Proceed Nishinagahori and Proceed Kyobashi (May 29, 2020) with gain on sale of 245 million yen ■ Acquired Proceed Monzennakacho, Proceed Maihama and Proceed Mito 3 (May 29, 2020) at an acquisition price of 3,093 million yen in total
Internal Growth	Continue stable asset management	<ul style="list-style-type: none"> ■ Period average occupancy rate: 95.7% ■ Maintained an occupancy rate of 95% or more for the twenty-eighth consecutive fiscal period from the 3rd fiscal period ■ The impact of COVID-19 is minimal, and the period average occupancy rate remained at -0.3 percentage points year on year ■ The rate of change in rent upon new replacements was +1.4%, up 0.6 percentage points year on year
Financial Status	Maintain sound finances	<ul style="list-style-type: none"> ■ Reduced procurement costs by issuing investment corporation bonds through public offering (primary offering) for the second time (31st fiscal period) ■ Total asset LTV (after refinancing) (Note 1) : End of 29th FP 50.6%→ 50.5% (down 0.1 percentage points) ■ Appraised LTV (after refinancing) (Note 2) : End of 29th FP 46.4%→ 46.2% (down 0.2 percentage points) ■ Ratio of fixed-rate loans (after refinancing) : End of 29th FP 37.8%→ 37.8% (±0 percentage points)

(Note 1) After-refinancing total asset LTV = Balance of interest-bearing liabilities on the refinancing date (November 24, 2020) ÷ (Total assets at the end of the 30th fiscal period as recorded on the balance sheet + Amount of interest-bearing liabilities procured in the 31st fiscal period - Amount of interest-bearing liabilities repaid in the 31st fiscal period).

(Note 2) After-refinancing appraised LTV = Balance of interest-bearing liabilities on the refinancing date (November 24, 2020) ÷ (Total appraisal value at the end of the 30th fiscal period + Amount of interest-bearing liabilities procured in the 31st fiscal period - Amount of interest-bearing liabilities repaid in the 31st fiscal period).

(Note 3) All amounts are rounded down, and the figures with decimal places calculated for percentage or averaged are rounded off.

■ Status of Occupancy

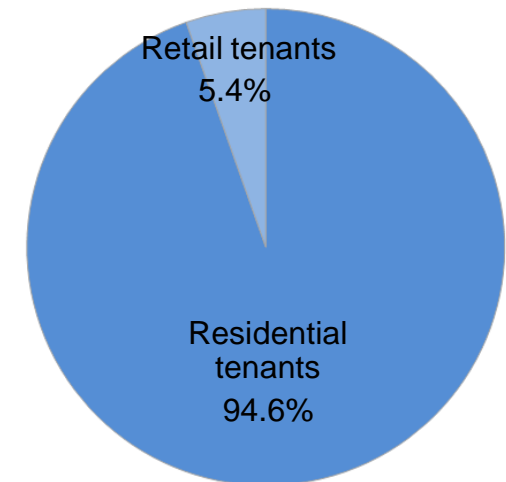
		May	June	July	August	September	October	Total/average	Year-on-year change
Occupancy rate (%)	2019	96.1	96.2	95.9	95.7	96.1	95.7	96.0	-0.3 points
	2020	95.8	95.8	95.9	95.6	95.6	95.2	95.7	
Move-in (cases)	2019	68	77	66	67	74	63	415	-32
	2020	52	67	80	55	65	64	383	
Move-out (cases)	2019	69	80	76	73	58	81	437	10
	2020	78	72	83	65	66	83	447	
Delinquency rate (%) (Note)	2019	0.58	0.67	0.67	0.79	0.68	0.78	0.70	Improved by 0.11 percentage points
	2020	0.86	0.51	0.67	0.46	0.49	0.52	0.59	

(Note) Calculated by dividing the amount that remain delinquent even after a month among the delinquent rents to be paid by end tenants which occurred in the target month by the total amount of rent received by Starts Proceed.

■ Rent Trend (As of November 30, 2020)

- Requests for rent reduction/deferral of payment from residential tenants
 ➔ **4 cases, 10 units** (out of 5,165 units)
 Result of response
 ➔ Rent reduction: **1 case 7 units** (total amount: 12,000 yen per month)
 Installment payment of renewal fee: **1 case 1 unit**
- Requests for rent reduction/deferral of payment from retail tenants
 ➔ **9** (out of 62 units)
 Result of response
 ➔ No change upon discussion with tenants
- Retail tenants in assets owned by Starts Proceed account for only 5.4% of the entire portfolio on a rent basis, and the impact on earnings is minimal even if we reduce rents in the future.
- A rent guarantee agreement is concluded with our major property management company Starts Amenity Corporation, and even if tenants fell behind on rent, the impact on rents to be received by Starts Proceed will be extremely limited.

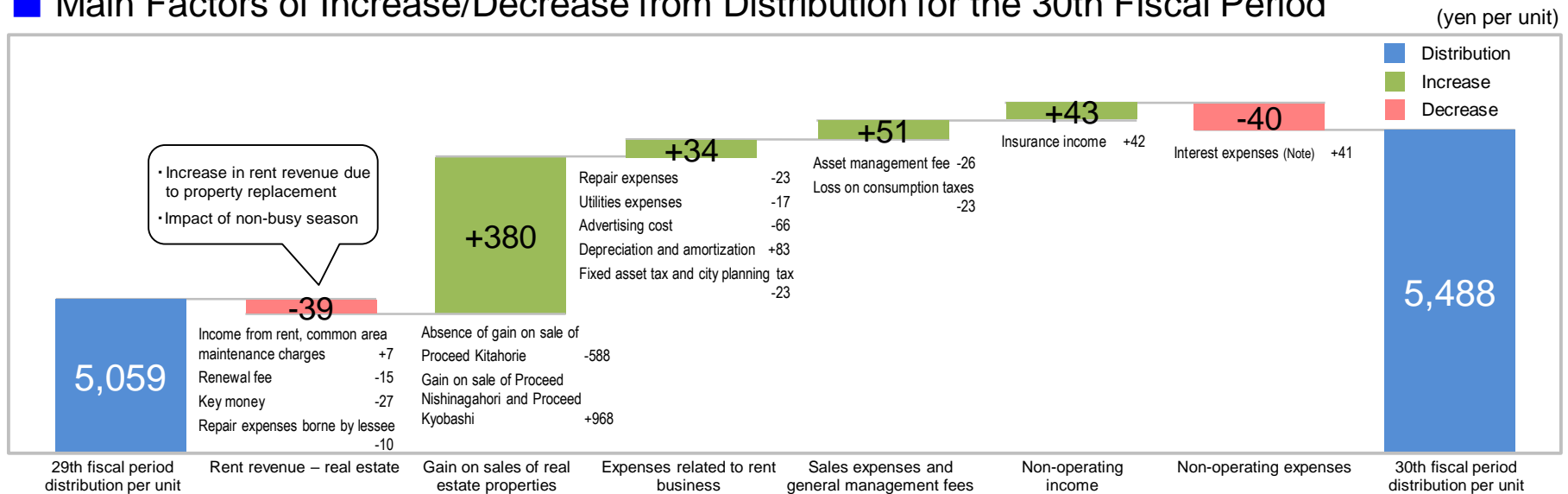
【Ratio on Rent Basis】



■ Comparing the Results of the 30th Fiscal Period with the Results of the 29th Fiscal Period and the Forecast of the 30th Fiscal Period

	29th FP Results	30th FP Results	Against the 29th Fiscal Period	Forecast at beginning of the 30th fiscal period	Against the Forecast
Operating revenue (million yen)	3,665	3,352	-313	3,348	3
Operating expenses (million yen)	1,790	1,769	-21	1,761	8
Operating income (million yen)	1,874	1,582	-292	1,587	-4
Ordinary income (million yen)	1,685	1,394	-291	1,377	17
Net income (million yen)	1,683	1,392	-291	1,375	17
Distribution per unit (yen)	5,059	5,488	429	5,420	68
Number of investment units issued and outstanding (Unit)	253,777	253,777	-	253,777	-
Period average occupancy rate (%)	96.1	95.7	-0.4	95.8	-0.1

■ Main Factors of Increase/Decrease from Distribution for the 30th Fiscal Period



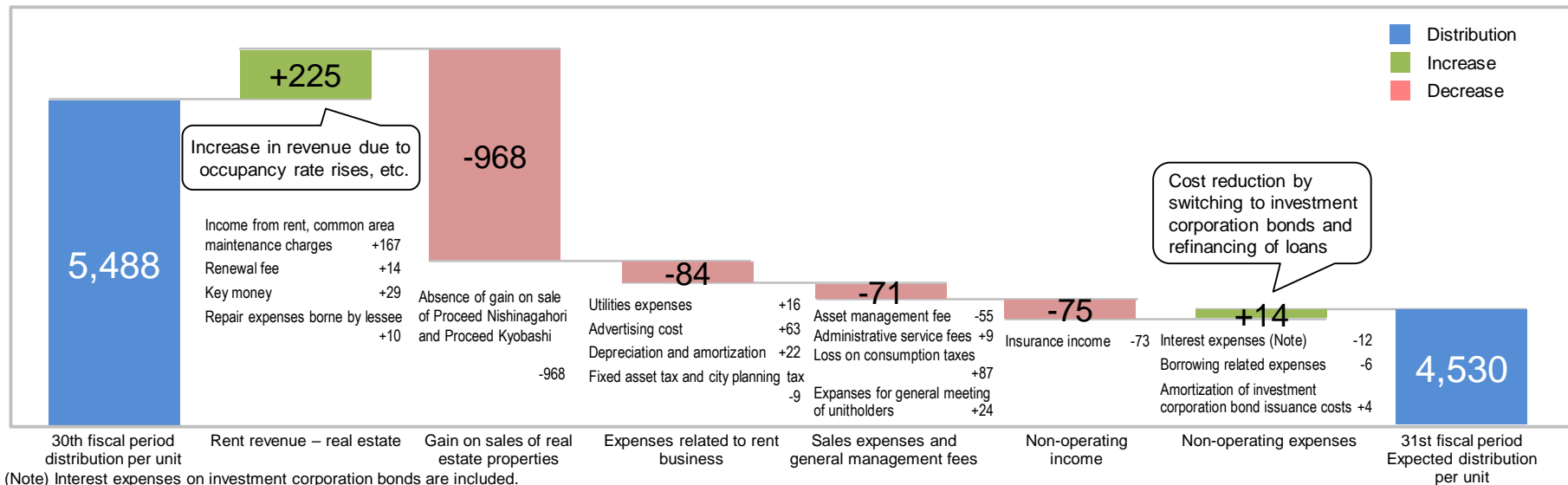
(Note) Interest expenses on investment corporation bonds are included.

Forecast for the 31st and 32nd Fiscal Periods

	30th FP Results	31st FP Forecast	Against the 30th FP Results	32nd FP Forecast	Against the 31st FP Forecast
Operating revenue (million yen)	3,352	3,163	-188	3,129	-34
Operating expenses (million yen)	1,769	1,808	39	1,783	-25
Operating income (million yen)	1,582	1,355	-227	1,345	-9
Ordinary income (million yen)	1,394	1,151	-242	1,144	-7
Net income (million yen)	1,392	1,149	-242	1,142	-7
Distribution per unit (yen)	5,488	4,530	-958	4,500	-30
Number of investment units issued and outstanding (Unit)	253,777	253,777	-	253,777	-
Period average occupancy rate (%)	95.7	95.9	0.2	95.8	-0.1

Main Factors of Increase/Decrease from Distribution for the 31st Fiscal Period

(yen per unit)



■ Issues Recognized by Starts Proceed

- Although NAV multiple increased from around **0.8x** at the end of the 27th fiscal period (April 2019) to **1.0x** at the end of the 28th fiscal period (October 2019) through various ongoing measures, it is currently around **0.9x** due to the impact of COVID-19, etc. as of October 31, 2020. It is necessary to continue improving evaluation on investment units as the amount is low when compared with competing REITs
- Need to build a highly stable and attractive portfolio as it has no advantage over competing REITs in **terms of scale**



■ Future Initiatives of Starts Proceed

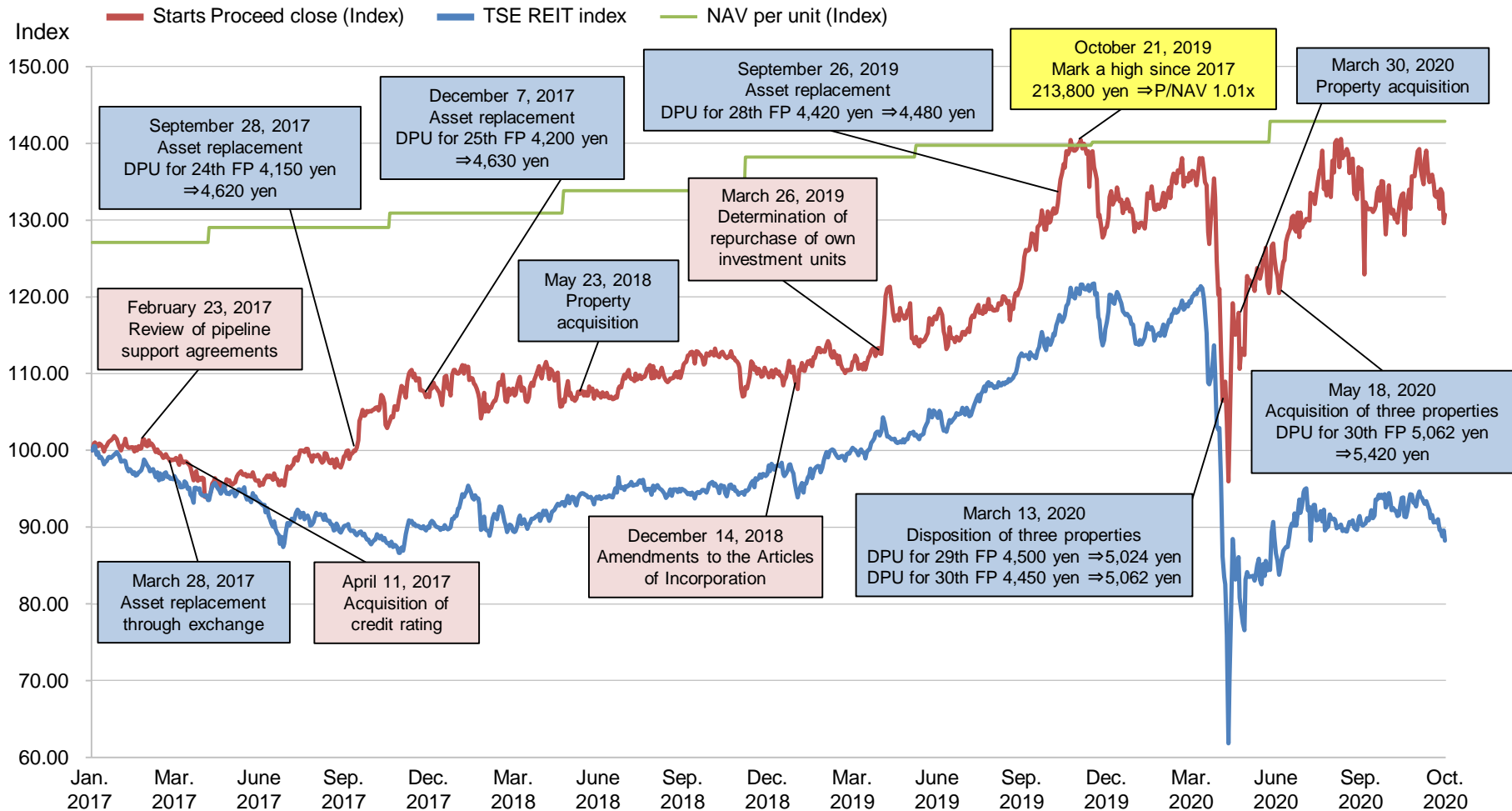
Given the current issues, Starts Proceed will implement measures with greater focus on the improvement of unitholder value

- ① Improve portfolio quality through agile property replacement
 - Return gain on sale to unitholders, benefiting from the high price of real estate
 - Consider property acquisition as well to improve medium- to long-term NOI
- ② Improve liquidity and stability through acquisition of pipeline properties
 - Build a highly stable and attractive portfolio through acquisition of highly competitive properties developed by the sponsor
- ③ Unitholder return through repurchase of own investment units utilizing surplus
 - Enforce measures for unitholder return by considering repurchase of own investment units, an aggressive approach to utilizing surplus

Change in Investment Unit Price Since Sixth Public Offering (Implemented in November 2016)









Before the COVID-19 economic shock, NAV multiple had been recovering up to almost 1.0x under efforts such as asset replacement and repurchase of own investment units on a continuous basis.

Even after the COVID-19 economic shock, the investment unit price is outperforming the TSE REIT index due to the defensive portfolio.



Asset Replacement Results Between the 23rd and 30th Fiscal Periods and Future Asset Replacement Policy

Starts Proceed is improving its portfolio quality through agile property replacements. It increased the asset size by 5,834 million yen and obtained 1,136 million yen of gain on sale and exchange of assets (of which, 499 million yen was internally reserved as reserve for reduction entry) from the 23rd fiscal period to the 30th fiscal period through property replacements conducted since the previous public offering. Starts Proceed will continuously consider property replacement and unitholder return.

	23rd to 27th Fiscal Period	28th Fiscal Period (six months ended October 31, 2019)	29th Fiscal Period (six months ended April 30, 2020)	30th Fiscal Period (six months ended October 31, 2020)	Continuous implementation of efforts		
Acquired assets					Total through 23rd FP to 30th FP		
	Acquisition price	6,602 million yen	770 million yen	3,047 million yen		3,093 million yen	13,521 million yen
	Appraisal value (Note 1)	6,731 million yen	824 million yen	3,160 million yen		3,359 million yen	14,074 million yen
	Average building age (Note 2)	12.0 years	1.1 years	4.7 years		0.7 years	7.2 years
Disposed assets					Total through 23rd FP to 30th FP		
	Disposition price	3,008 million yen	205 million yen	2,451 million yen		3,350 million yen	9,014 million yen
	Appraisal value (Note 1)	2,995 million yen	197 million yen	2,580 million yen		2,974 million yen	8,746 million yen
	Average building age (Note 2)	25.4 years	26.6 years	12.3 years		12.3 years	17.2 years
	Gain on sale/exchange of assets	334 million yen	5 million yen	549 million yen		245 million yen	1,136 million yen
	Future property replacement policy	<ul style="list-style-type: none"> Consider disposition in regard to old properties along the outer fringe of Tokyo. In addition to adding capital gain on sale to distribution as unitholder return, consider use as acquisition funds. Acquire more properties than those being disposed and achieve steady external growth in addition to improved portfolio quality. 					
Realize Maximization of Unitholder Value							

(Note 1) Appraisal value of acquired assets indicate appraisal value as of acquisition and appraisal value of disposed assets indicate appraisal value as of the end of the fiscal period before the disposition.

(Note 2) Building age is that of acquisition or disposition.

- Acquired Proceed Monzennakacho on May 29, 2020.
- The property was designed and constructed by Starts Group.
- The acquisition price was 1,240 million yen, appraisal value (as of March 1, 2020) was 1,310 million yen, and the property age upon acquisition was 0.4 years.
- Monzennakacho, where the property is located, is situated in central Tokyo. It takes 7 minutes by foot to reach Otemachi Station and approximately 30 minutes to reach Shinjuku Station. The property achieved full occupancy within two months of completion.

Developed
by Starts

New
construction



Occupancy rate: 100.0%
(as of October 31, 2020)



7-minute walk
from station

Monzennakacho



<Property Overview>

Structure : RC/7F
 Completion : January 18, 2020
 Number of leasing : 1K 36 units; 1LDK 12 units;
 units (type) Total 48 units
 Location : 1-7-8 Fukuzumi, Koto-ku, Tokyo

Site area : 665.38 m²
 Total floor area : 1,777.37 m²
 Use : Apartment
 Zoning : Quasi-industrial district

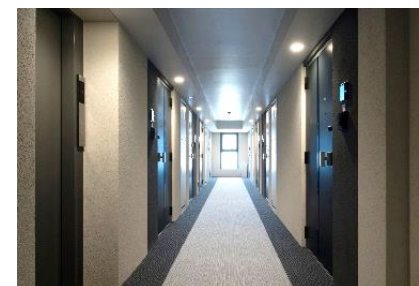
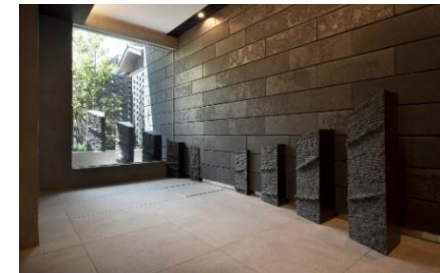
- Acquired Proceed Maihama on May 29, 2020.
- The land of the property was acquired by using the network of Starts Group, and the property was designed and constructed by Starts Group.
- The acquisition price was 1,029 million yen, appraisal value (as of March 31, 2020) was 1,180 million yen, and the property age upon acquisition was 0.2 years.
- The property adopts the latest IoT under which housing equipment, including a smart lock that enables opening and locking using smartphones, can be operated from outside. It intends to differentiate itself from other properties in the region, and a high occupancy rate is expected to be maintained.
- It is about a 20-minute walk from a large theme park.

Developed
by Starts

New
construction



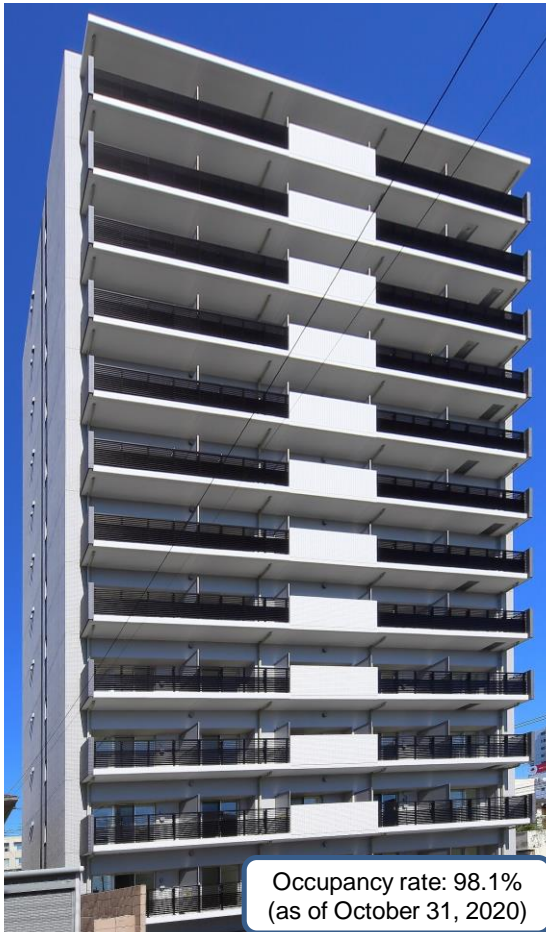
Occupancy rate: 98.5%
(as of October 31, 2020)



<Property Overview>

Structure	: RC/5F	Site area	: 922.85 m ²
Completion	: March 10, 2020	Total floor area	: 2,151.57 m ²
Number of leasing: units (type)	1K 66 units; Total 66 units	Use	: Apartment
Location	: 4-14-13 Fujimi, Urayasu-shi, Chiba	Zoning	: Category I medium- to high-rise exclusive residential district

- Acquired Proceed Mito 3 on May 29, 2020.
- The acquisition price was 824 million yen, appraisal value (as of March 31, 2020) was 869 million yen, and the property age upon acquisition was 1.7 years.
- The property has maintained a high average occupancy rate of 98.4% over the past year, and its occupancy rate is expected to remain high.
- Many branches of major companies are located in the surrounding area, and there are high rental needs of corporations.



Occupancy rate: 98.1%
(as of October 31, 2020)



< Property Overview >

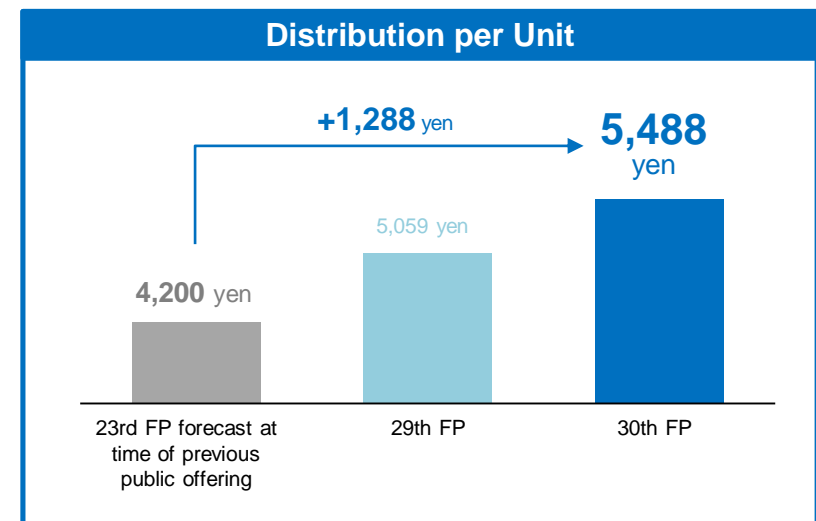
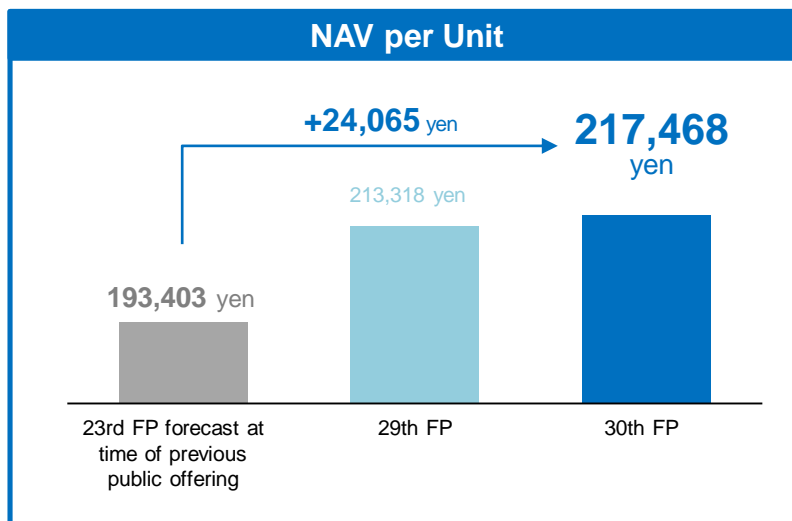
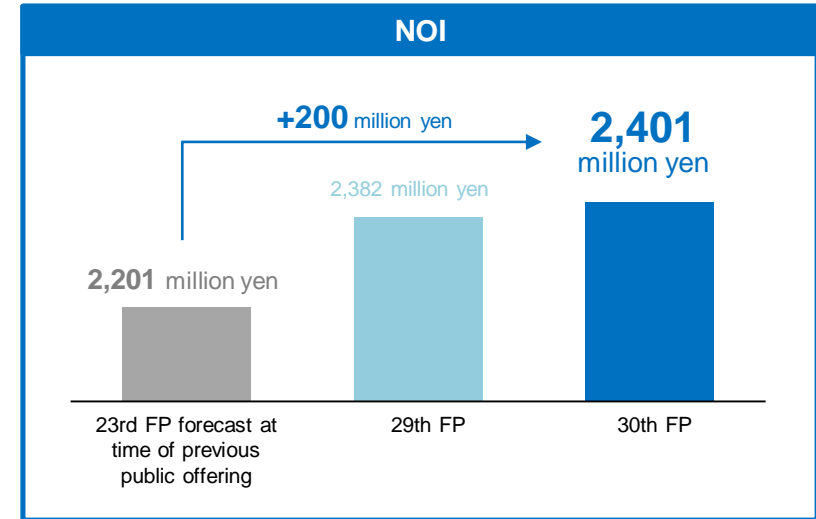
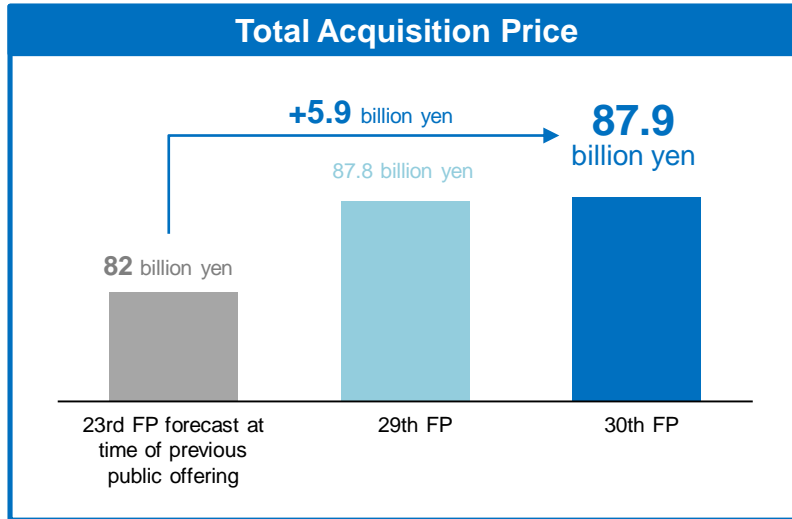
Structure : RC/12F
 Completion : September 20, 2018
 Number of leasing: 1R 24 units; 1K 12 units; 1LDK 24 units;
 units (type) Total 60 units
 Location : 3-1-41 Minamimachi, Mito-shi, Ibaraki

Site area : 744.01 m²
 Total floor area : 2,359.02 m²
 Use : Apartment
 Zoning : Commercial district



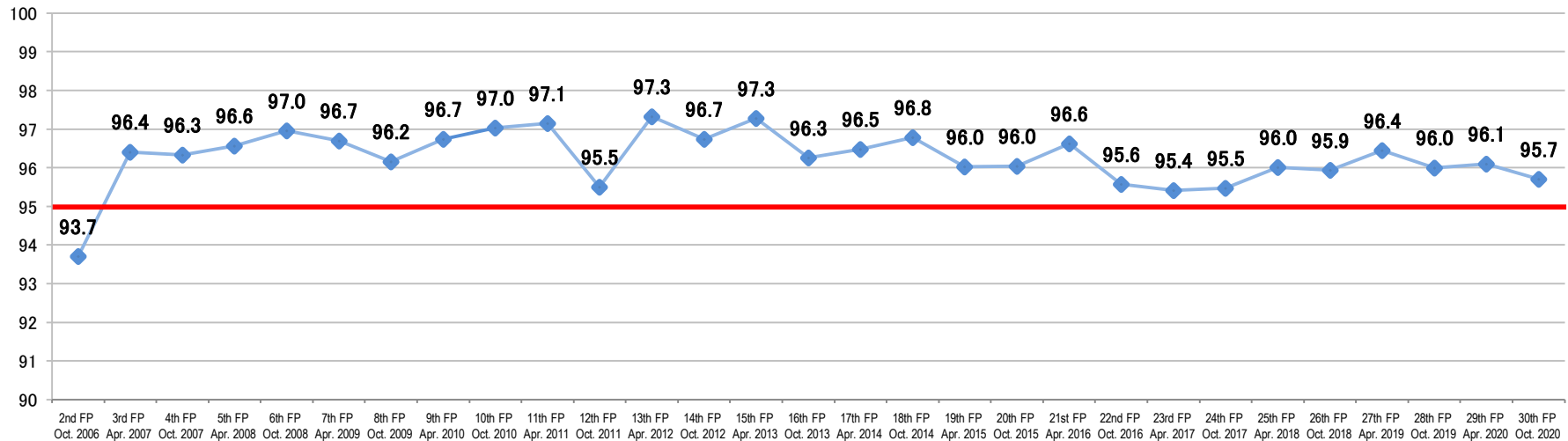
Effect of Property Replacement from 23rd Fiscal Period

Starts Proceed achieved expansion of asset size while increasing unitholder value through property replacements. Starts Proceed will aim for further growth and improvement of unitholder value through its continuous efforts.



Occupancy Rate Trends (from 2nd FP to 30th FP)

Properties owned by Starts Proceed have maintained a high occupancy rate at 95% or above since the 3rd fiscal period. Starts Proceed will carry out stable asset management continuing to target such level



Background of Maintaining High Occupancy Rates

① Collaborative structure of entire Starts Group

- Stable leasing activities by Pitat House with 646 stores around Japan (as of October 31, 2020)
- Advantage in a dominant area centering around the Tozai Line where the collective strength of Starts Group is exerted

② Establishing a portfolio targeting the needs of the market

- Investment targets are **properties for average-income households** where demand is thought to be most stable
- With property acquisitions targeting both the 23 wards of Tokyo and the area around Tokyo, a stable and highly profitable portfolio has been established

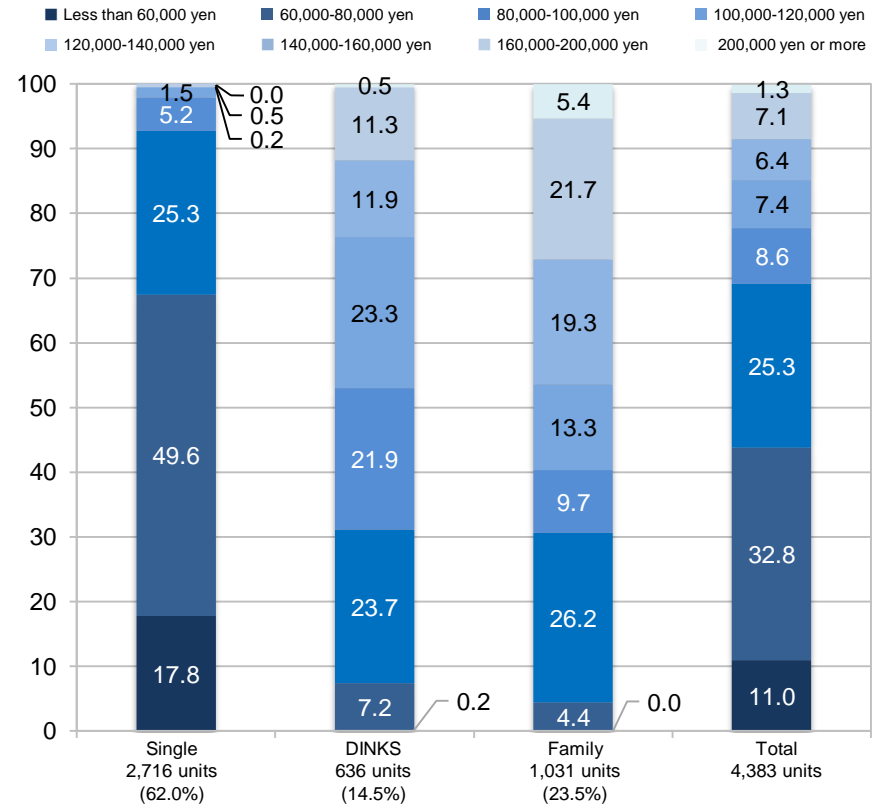
■ Characteristics of Rental Housing in which Starts Proceed Primarily Invests

Setting as the primary investment target single, family and other rental housing for average-income households that have the most stable demand, we aim to build a portfolio that can respond to the fluctuations of market rent, resident demand, etc. as much as possible and to carry out stable management over the medium to long term.

Average Rent by Residential Unit Type (Note)

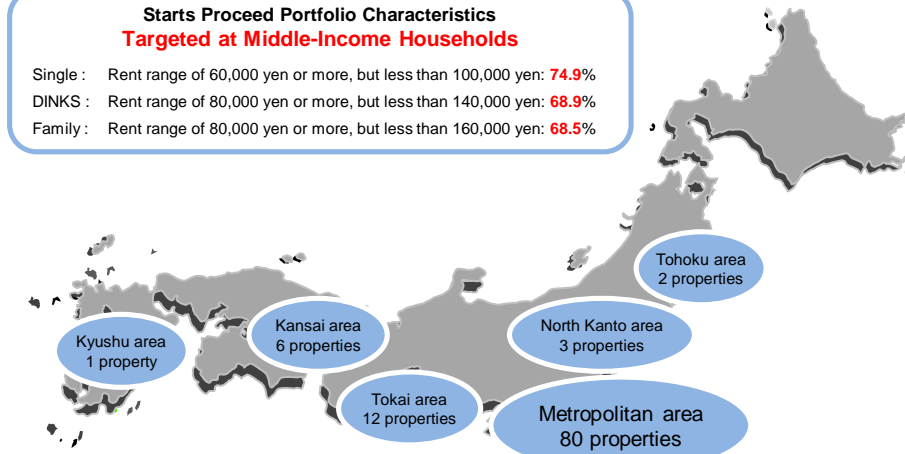
Residential unit type	Average rent (yen)		Unit price per tsubo (yen)	
	End of 29th FP	End of 30th FP	End of 29th FP	End of 30th FP
Single	74,738	74,819	9,916	9,927
DINKS	118,350	118,614	8,559	8,578
Family	134,035	134,427	6,663	6,682
Overall average	95,014	95,195	8,328	8,344

Rent Range by Residential Unit Type (Note)



Starts Proceed Portfolio Characteristics
Targeted at Middle-Income Households

- Single : Rent range of 60,000 yen or more, but less than 100,000 yen: **74.9%**
- DINKS : Rent range of 80,000 yen or more, but less than 140,000 yen: **68.9%**
- Family : Rent range of 80,000 yen or more, but less than 160,000 yen: **68.5%**



(Note)

- Average Rent and Rent Range by Residential Unit Type targets the 4,383 units in pass-through type properties, excluding residential facilities for the elderly, tenants, and offices, from the 104 properties continuously operated from the end of the 29th fiscal period to the end of the 30th fiscal period (excludes (G-28) Proceed Nishinagahori and (G-29) Proceed Kyobashi disposed on May 29, and (C-84) Proceed Maihama and (R-5) Proceed Mito 3 acquired on the same day).
- Average rent and rent range are calculated by dividing the sum of the rent and common area maintenance charges stated in the lease agreement by the number of units for occupied rooms and by dividing the sum of advertised rents and common area maintenance charges by the number of units for vacant rooms, each rounded down to the nearest whole number.
- Percentage of change in average rent and percentage of rent range by residential unit type are rounded to the first decimal place.

Rent Setting for Agreement (Note 1)

Difference in Rent between New Agreement and Previous Agreement

(thousand yen)

	25th FP		26th FP		27th FP		28th FP		29th FP		30th FP	
	Cases	Change	Cases	Change	Cases	Change	Cases	Change	Cases	Change	Cases	Change
Increase	214	696	191	718	278	841	218	565	315	960	232	671
No change	175	0	121	0	132	0	124	0	138	0	109	0
Decrease	116	-406	100	-440	107	-353	73	-261	68	-173	42	-159
Total	505	290	412	278	517	488	415	303	521	786	383	512
Rate of Change ^(Note 2)	0.6%		0.7%		1.1%		0.8%		1.7%		1.4%	

Renewal Rent Revision

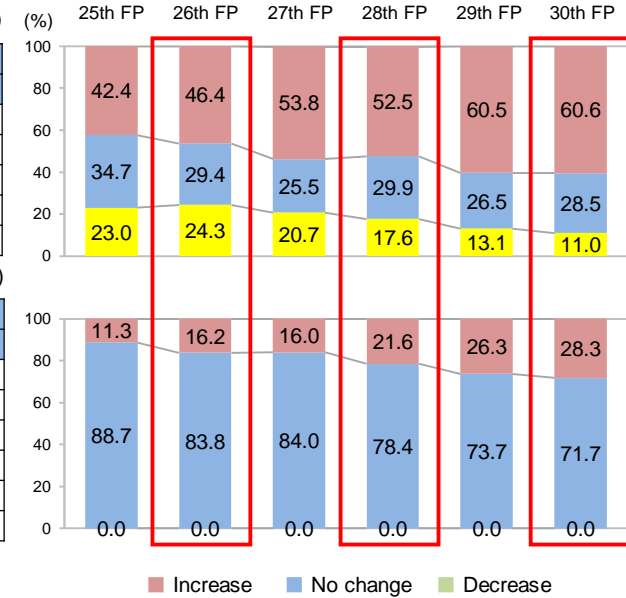
(thousand yen)

	25th FP		26th FP		27th FP		28th FP		29th FP		30th FP	
	Cases	Change	Cases	Change	Cases	Change	Cases	Change	Cases	Change	Cases	Change
Increase	96	165	75	116	126	197	120	183	152	277	132	219
No change	496	0	395	0	456	0	337	0	386	0	373	0
Decrease	0	0	0	0	0	0	0	0	0	0	0	0
Total	592	165	470	116	582	197	457	183	538	277	505	219
Rate of Change ^(Note 2)	0.2%		0.3%		0.4%		0.4%		0.5%		0.5%	
Renewal rate	92.9%		94.0%		90.4%		91.0%		92.4%		90.3%	

(Note 1) The conditions setting figures are for pass-through type properties only and fixed-rent type properties are not included.

(Note 2) Rate of change refers to the total amount of monthly rent and common area maintenance charges after tenant replacement against the total amount of monthly rent and common area maintenance charges before tenant replacement for units where tenant replacement occurs.

The figure is calculated by dividing the sum of monthly rent and common area maintenance charges after tenant replacement by that before tenant replacement.



Difference in Key Money and Rent for Agreements (Note 3)

Difference in Key Money Between New Agreement and Previous Agreement

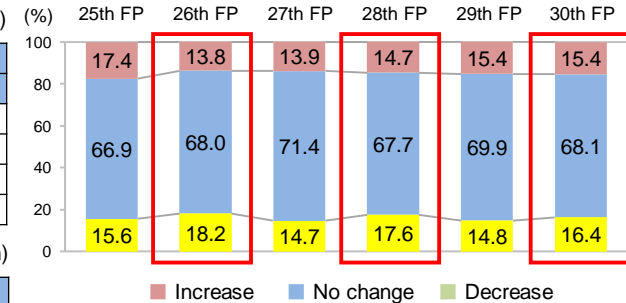
(thousand yen)

	25th FP		26th FP		27th FP		28th FP		29th FP		30th FP	
	Cases	Change	Cases	Change	Cases	Change	Cases	Change	Cases	Change	Cases	Change
Increase	88	9,635	57	6,470	72	7,762	61	6,277	80	7,924	59	6,205
No change	338	0	280	62	369	189	281	103	364	272	261	265
Decrease	79	-7,104	75	-6,284	76	-6,967	73	-6,092	77	-6,660	63	-5,830
Total	505	2,531	412	247	517	984	415	287	521	1,535	383	640

Total Amount and Ratio to Rent (at the end of fiscal periods)

(thousand yen)

	25th FP	26th FP	27th FP	28th FP	29th FP	30th FP
Total key money	234,352	235,488	234,787	238,145	237,517	257,485
Total rent	416,229	420,606	418,680	422,007	421,292	424,618
Ratio to rent	0.56 month	0.56 month	0.56 month	0.56 month	0.56 month	0.61 month

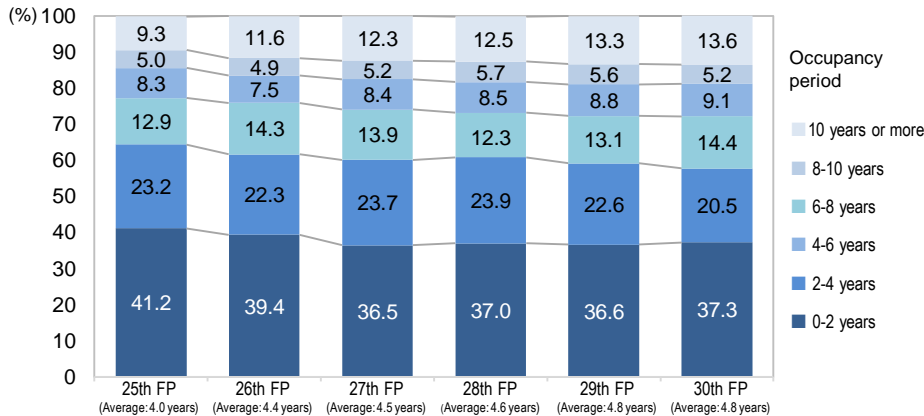


(Note 3) The ratio to rent is calculated from the sum of rents and advertised rents stated in the lease agreement and common area maintenance charges are not included. The figures are for pass-through type properties only and those for fixed-rent type properties are not included.

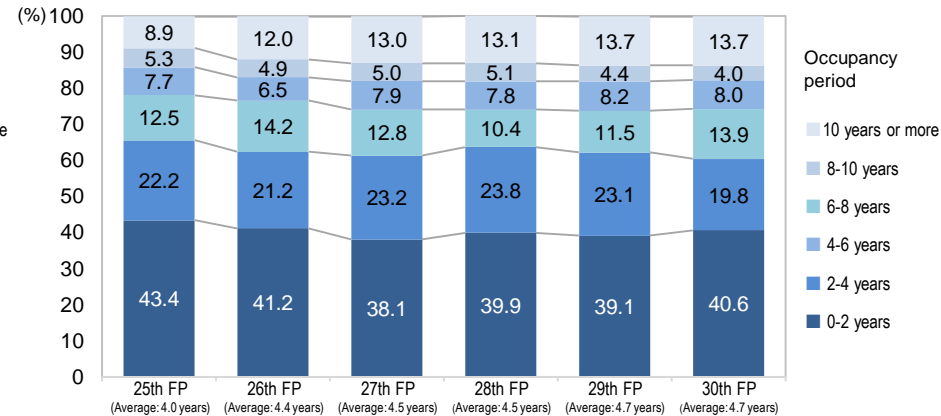
AUM Average Occupancy Period by Residential Unit Type (Results of 25th–30th Fiscal Period-End Residents)

The longer average occupancy period of all residential unit types has contributed to cost reduction, revenue increase from renewal fees, etc.

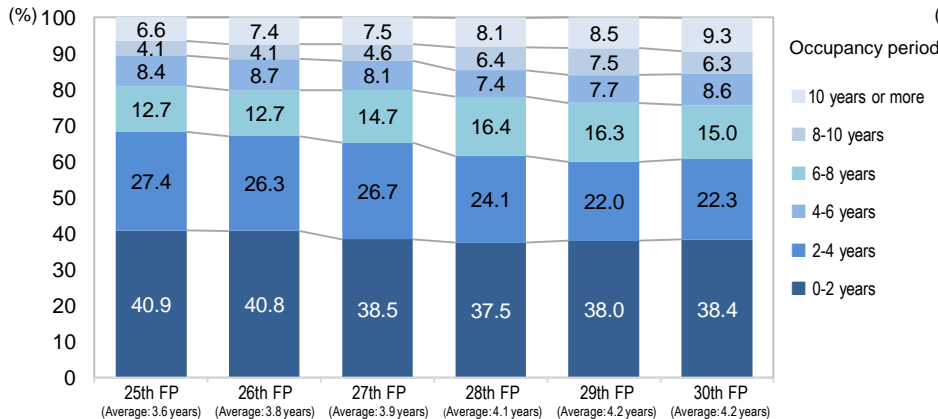
All (End of 25th FP: average 4.0 years → End of 30th FP: average 4.8 years)



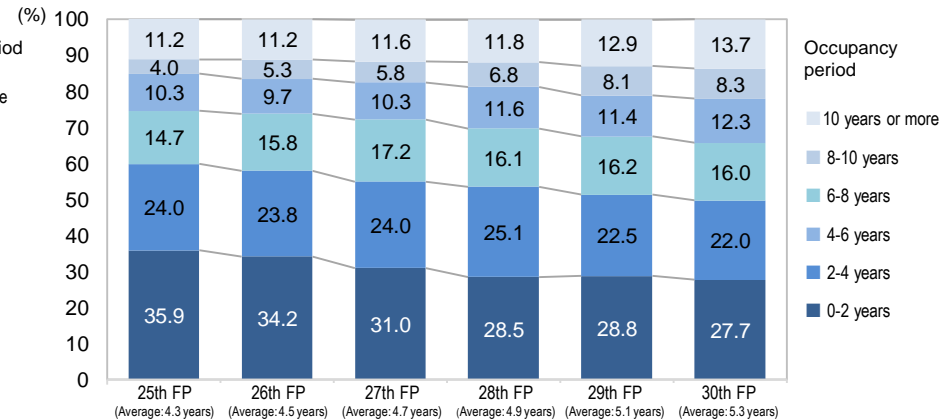
Single (End of 25th FP: average 4.0 years → End of 30th FP: average 4.7 years)



DINKS (End of 25th FP: average 3.6 years → End of 30th FP: average 4.2 years)



Family (End of 25th FP: average 4.3 years → End of 30th FP: average 5.3 years)



(Note)

- "Occupancy period" aggregates tenant households by period of occupancy at the end of the respective fiscal period.
- As the data has been prepared for rental housing alone, (G-23) Group Home Tanoshii le Taisho and (C-76) Life Support Residence Funaboriekimae are excluded from compilation.
- "All" includes retail and office and excludes vacant units
- The average occupancy period for all, single, DINKS and family is rounded to the first decimal place, respectively.

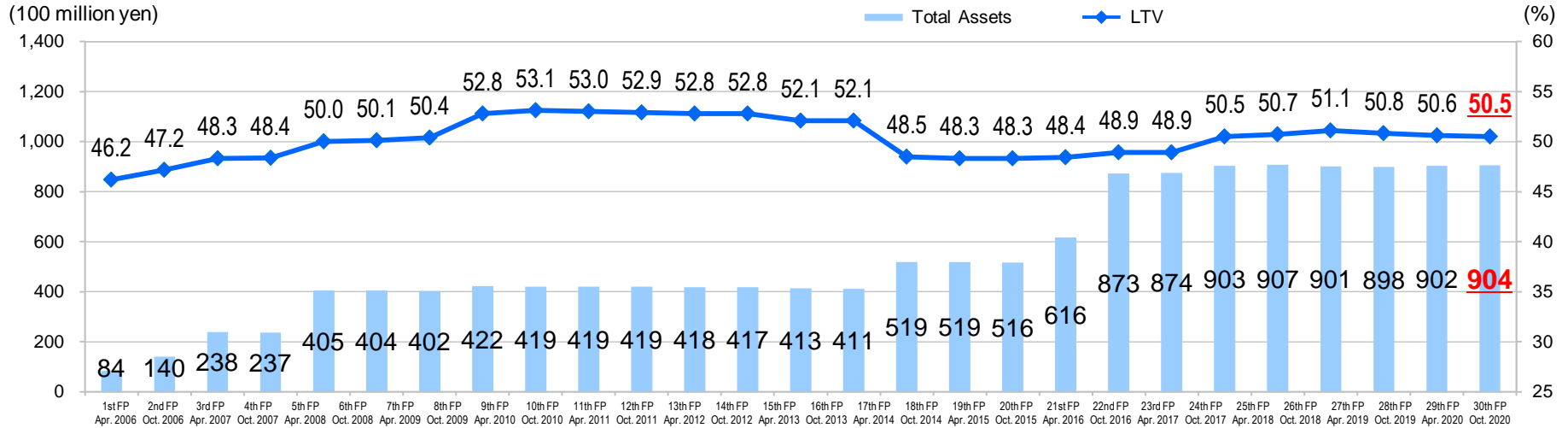
Acquisition Price and Appraisal Value of AUM

- Appraisal value for the 30th fiscal period was 98.76 billion yen, a period-on-period increase of 340 million yen.
- Unrealized gain was 12.60 billion yen, which is **14.2% of book value**.
- NOI yield (based on acquisition price) for the entire portfolio was **5.5%**.

	Acquisition price (million yen)	Carrying amount (million yen)	Appraisal value (million yen)		Occupancy rate (period-end) (%)		NOI results (million yen)		NOI yield (based on acquisition price) (%)		NOI yield (based on appraisal value) (%)		NOI yield after depreciation (based on acquisition price) (%)	
			At acquisition	30th FP	29th FP	30th FP	29th FP	30th FP	29th FP	30th FP	29th FP	30th FP	29th FP	30th FP
Tokyo metropolitan area major cities	66,256	64,838	71,968	74,431	96.9	96.1	1,751	1,819	5.5	5.5	4.9	4.9	4.1	4.1
Cabinet order designated cities	19,265	19,016	24,614	21,632	93.9	92.0	585	511	5.3	5.3	4.8	4.7	3.7	3.7
Regional area major cities	2,400	2,304	1,841	2,701	90.5	95.7	45	70	5.8	5.9	5.0	5.2	3.5	3.6
Total	87,922	86,159	98,423	98,764	95.9	95.2	2,382	2,401	5.4	5.5	4.8	4.9	4.0	4.0

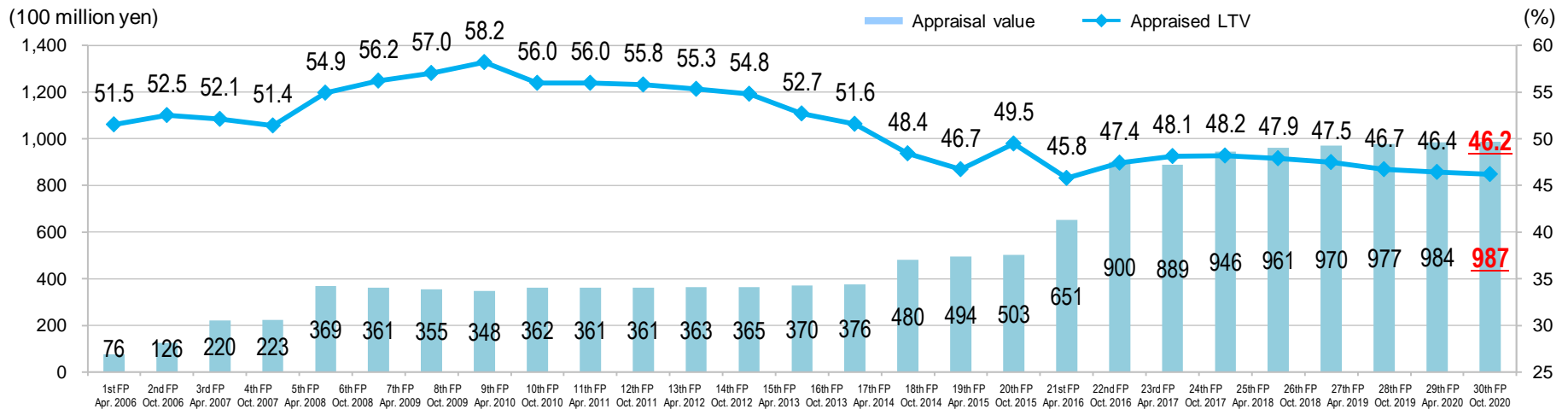
(Note) NOI yield is the figure arrived at when the annualized NOI results figure is divided by acquisition price and appraisal value, respectively.

Change in Total Assets and LTV Ratio (Note 1)



(Note 1) "LTV ratio" in this graph is calculated by dividing the balance of interest-bearing liabilities at the end of the fiscal period by total assets at the end of the fiscal period.

Change in Appraisal Value and LTV (Note 2)



(Note 2) "LTV ratio" in this graph is calculated by dividing the balance of interest-bearing liabilities at the end of the fiscal period (excluding subordinated investment corporation bonds issued and outstanding for the 8th - 18th FP) by appraisal value at the end of the fiscal period.

■ Issuance of Investment Corporation Bonds

Issuance conditions

Term	5 years
Amount of issuance	1 billion yen
Coupon	0.54%
Determination date of conditions	November 13, 2020
Payment date	November 19, 2020
Redemption date	November 19, 2025
Lead manager	Mizuho Securities/SMBC Nikko Securities/ Daiwa Securities

- Obtained new procurement method in addition to fund procurement through investment units and loans as a result of successful issuance of investment corporation bonds through the second public offering
- Successfully procured funds at low interest rates

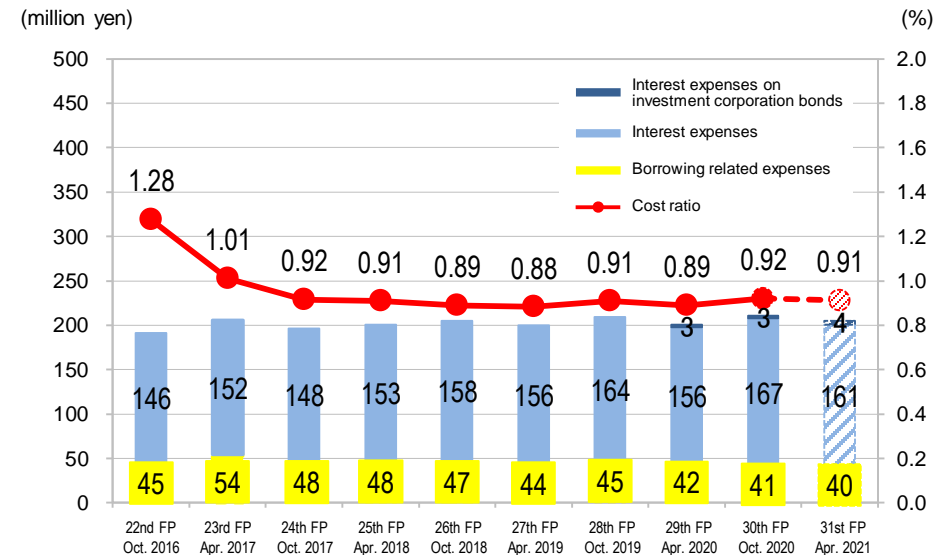
■ Balance of Interest-Bearing Liabilities at End of 30th Fiscal Period (October 31, 2020)

	Loans balance
Current portion of long-term loans payable	8,020 million yen
Long-term loans payable	36,626 million yen
Total loans	44,646 million yen
Investment corporation bonds	1,000 million yen
LTV ratio	50.5%

■ Status of Credit Rating

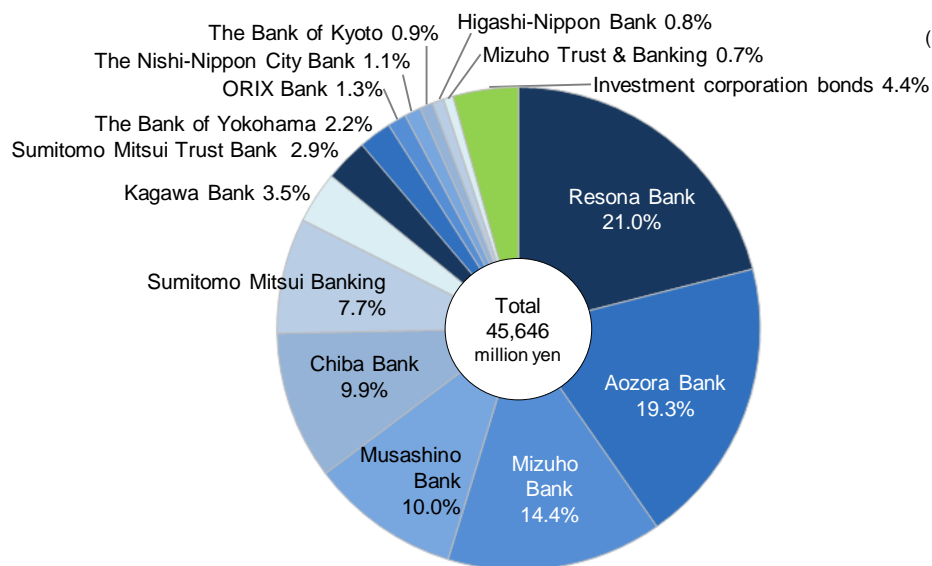
Japan Credit Rating Agency, Ltd. (JCR): A- (stable)

■ Change in Interest-Bearing Liability Costs

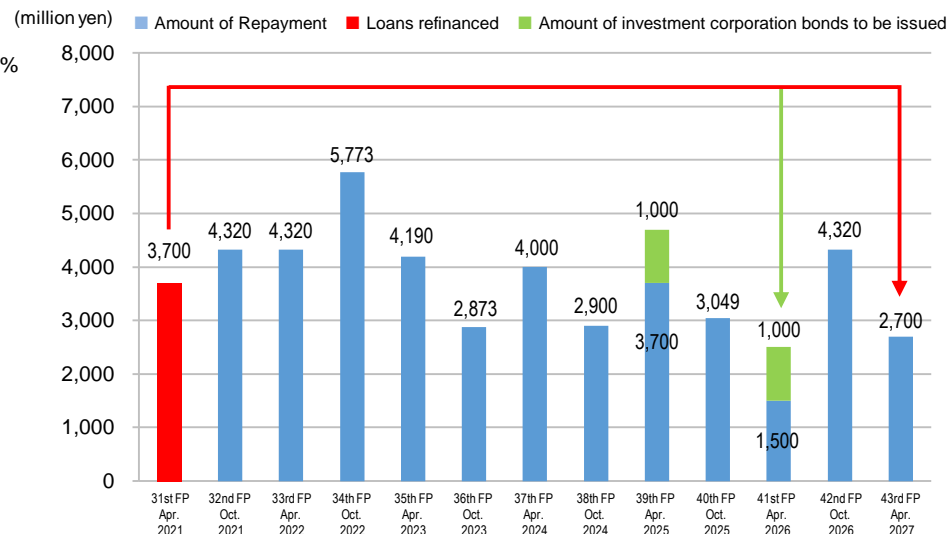


Status of Interest-Bearing Liabilities / After Refinancing (November 24, 2020)

Allocation of Total Loan Amount



Status of Diversification



Breakdown

Lenders	Loan balance (million yen)
Resona Bank	9,602
Aozora Bank	8,795
Mizuho Bank	6,580
Musashino Bank	4,576
Chiba Bank	4,536
Sumitomo Mitsui Banking	3,531
Kagawa Bank	1,585
Sumitomo Mitsui Trust Bank	1,313
The Bank of Yokohama	1,000
ORIX Bank	577
The Nishi-Nippon City Bank	500
The Bank of Kyoto	400
Higashi-Nippon Bank	350
Mizuho Trust & Banking	300
Investment corporation bonds	Loans balance (million yen)
Investment corporation bonds	2,000
Total	45,646

Overview of November 24, 2020 Term Loan 2Q

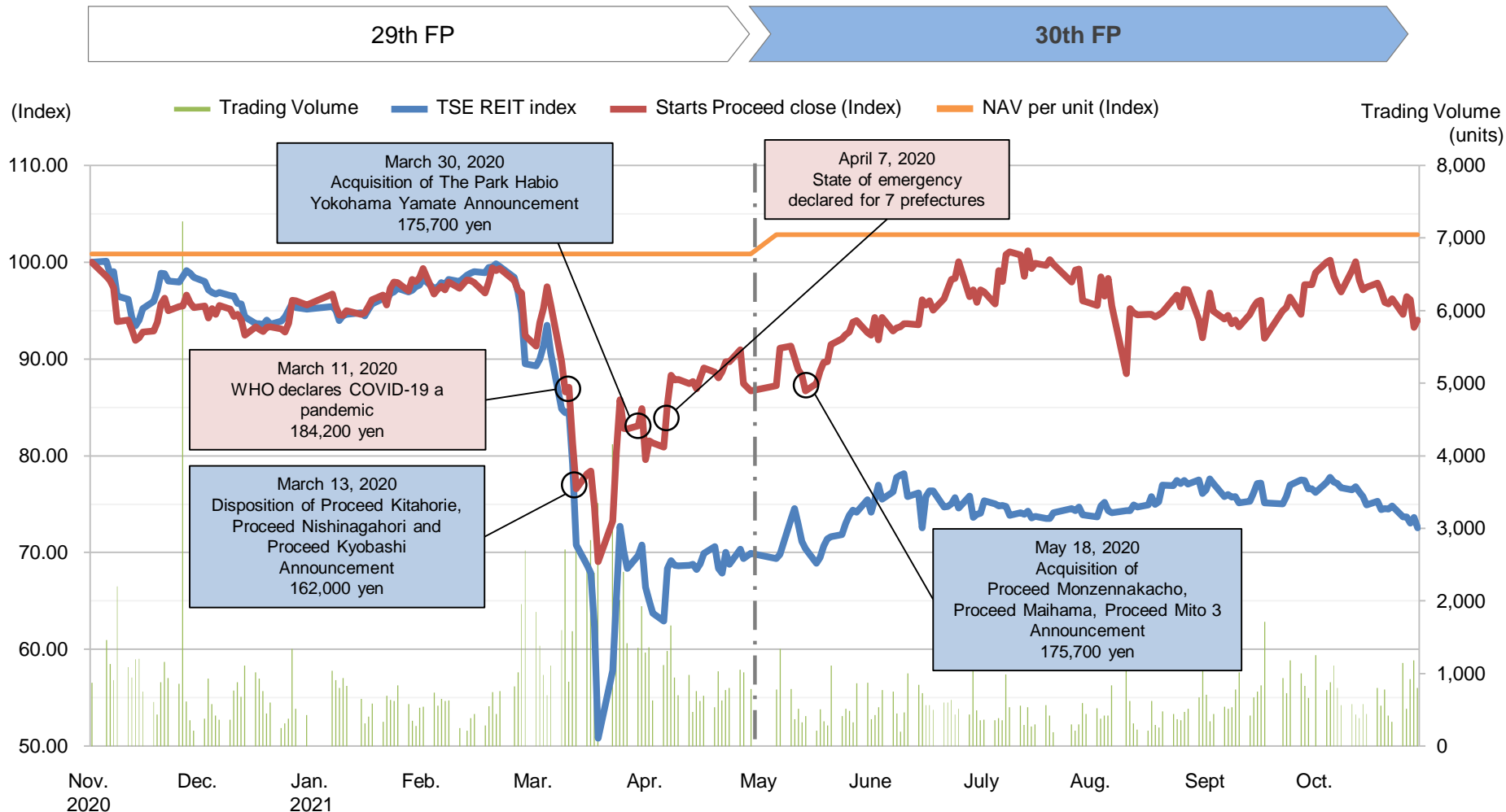
Amount	Period	Fixed interest rate
2,700 million yen	6 years	0.90%

Changes in Average Remaining Period, Ratio of Fixed-Rate Loans and Average Interest Rate

	End of 26th FP	End of 27th FP	End of 28th FP	End of 29th FP	End of 30th FP	Nov. 24, 2020 After refinancing
Changes in average remaining period (year)	2.8	2.8	2.7	2.6	2.6	3.0
Ratio of fixed-rate loans (%)	21.5	21.5	28.4	28.4	37.8	37.8
Average interest rate (%)	0.69	0.69	0.72	0.70	0.74	0.73

Change in Investment Unit Price

During the 30th fiscal period, the investment unit price marked a high of **214,000 yen** (July 15, 2020) and a low of **183,400 yen** (May 15, 2020) based on closing price.



(Note) With closing price of investment unit of Starts Proceed at the beginning of the 29th fiscal period (211,500 yen) and TSE REIT index on the same day (2,254.64) deemed as 100 and set as the base, change in price and index for up to October 31, 2020, are indicated.

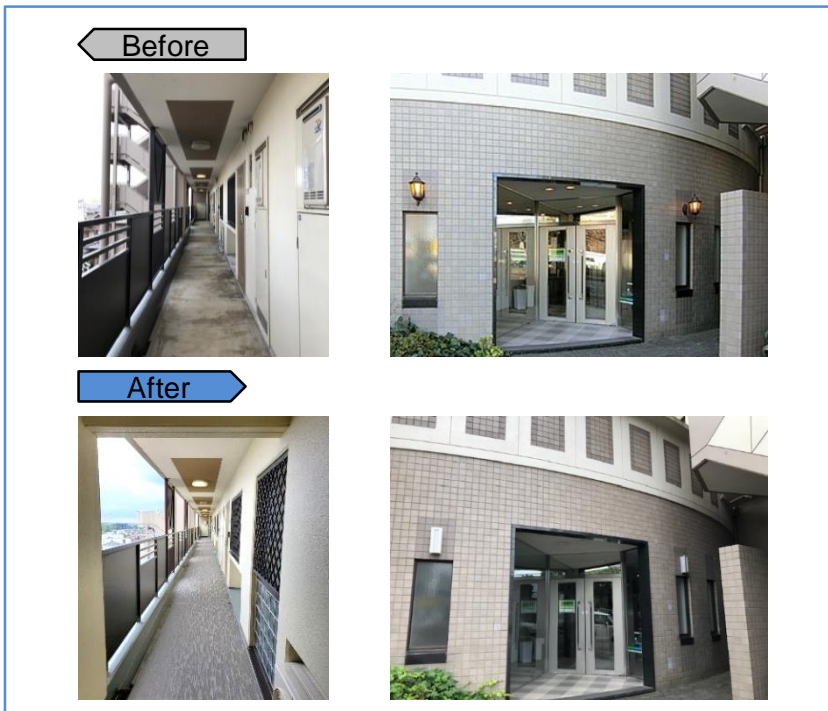
Starts Proceed and the Asset Management Company believe that efforts on ESG are important and intend to pay consideration the environment and society as well as promote corporate governance. In addition, we are also proactively seeking to acquire external certifications in the future.



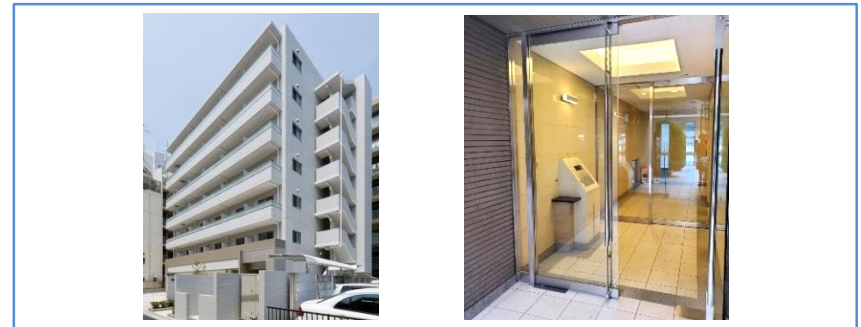
Environment

- Introduction of LED lighting (as of October 31, 2020)
 Number of buildings where LED lighting is already installed: 24 (2 buildings received LED lighting in the current fiscal period)
 Number of building scheduled to be installed with LED lighting in the next fiscal period: 4
- Extension of durable life through large-scale repair and value enhancement work

Proceed K2/New establishment of long sheet at corridor and introduction of LED lighting



Introduction of LED lighting



Exhibition of posters encouraging energy saving and 3R



Social



The Asset Management Company is also making efforts to develop PPP and PFI, etc. It revitalizes regions by effectively utilizing public land, etc., and is engaged in area management using the comprehensive strengths of Starts Group even after the development of facilities such as libraries, schools and childcare support facilities. In addition, it is also proactively making efforts for safety and security.

【Proceed Nishiarai】

- Large-scale rental housing developed by Starts Group
- Seismic isolation structure
- Adopts all-electric system
- Anti-disaster rental apartment (installed with well, bench with oven function, etc.)
- Nursery school operated by Starts Group



【Proceed Shinozaki Tower】

- Mixed-use facility developed by Starts Group as a development project implemented by Edogawa Ward Office
- Facilities for ward residents (library, lifelong learning facility, gallery, café)
- Private facilities (retail facility, housing)



【Proceed TX Nagareyama Central Park】

- City-owned land effective utilization project in Nagareyama City
- Developed a kindergarten, elementary school and rental housing in cooperation with Gyosei International School



【Proceed Ryogoku 2, Proceed Chidoricho】

- Established a joint fund with the Tokyo Metropolitan Government
- Efforts on the promotion of development of childcare support facilities
- Authorized nursery school, shared house



Social



- Seismic isolation structure (as of October 31, 2020)
Number of orders received by Starts CAM: 513
Number of buildings incorporated into the AUM of Starts Proceed: 9
- Introduction of well, bench with oven function, card key, auto lock system, IoT
- Implementation of disaster prevention events using earthquake simulation vehicles owned by Starts Group
- Installation of public art
Starts Group has installed public art at many places including PPP and PFI projects and contributes to the training of artists.
- Investment in healthcare/childcare facilities
- Free internet infrastructure (as of October 31, 2020)
Number of buildings installed with internet infrastructure: 52
(installed at 7 of them in the current fiscal period)
To be installed at 6 buildings in the next fiscal period
- Recommendation and provision of expenses for the acquisition of qualifications by employees
- Promotion of health checkup of employees, success of female employees, work-life balance, special holiday
- Recommendation of remote work and staggered commuting by employees



Nishiarai Kirakira Hoikuen



Life Support Residence Funaboriekimae



Well

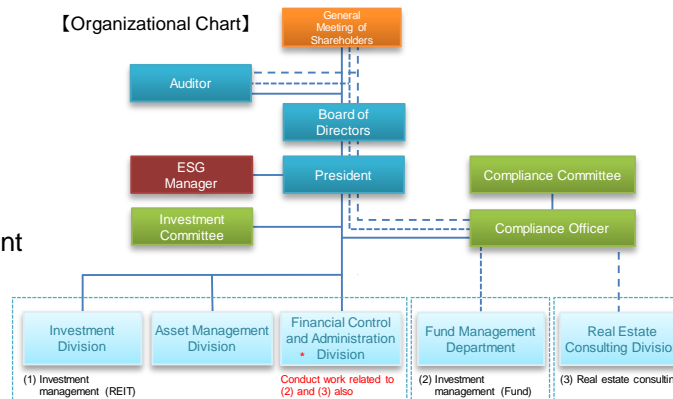


Bench with oven function

Governance



- Prevention of conflicts of interest, risk management, information disclosure, compliance with laws and regulations
- Decision-making flow on transactions
- Compliance Committee, investment Committee, implementation of periodic internal audit
- Establishment of ESG Manager



Public art



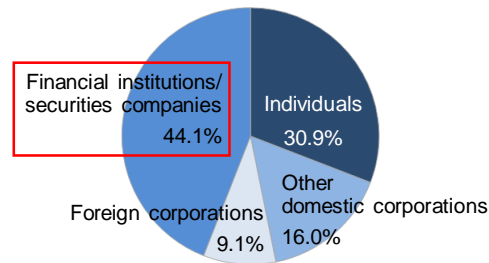
Disaster prevention event

Composition of Unitholders and Investment Units at End of 29th and 30th Fiscal Periods

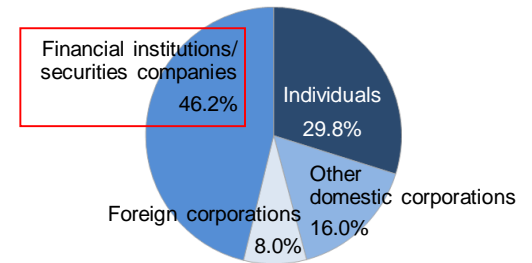
Number of investment units
253,777 units

Number of unitholders
12,955 unitholders

Composition of Investment Units at End of 29th Fiscal Period



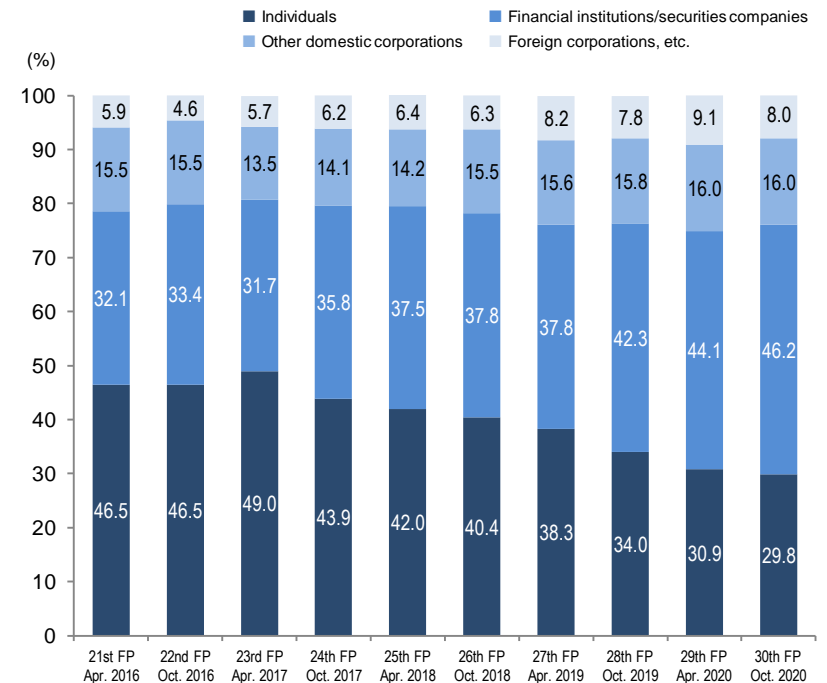
Composition of Investment Units at End of 30th Fiscal Period



Major Unitholders at End of 30th Fiscal Period (October 31, 2020)

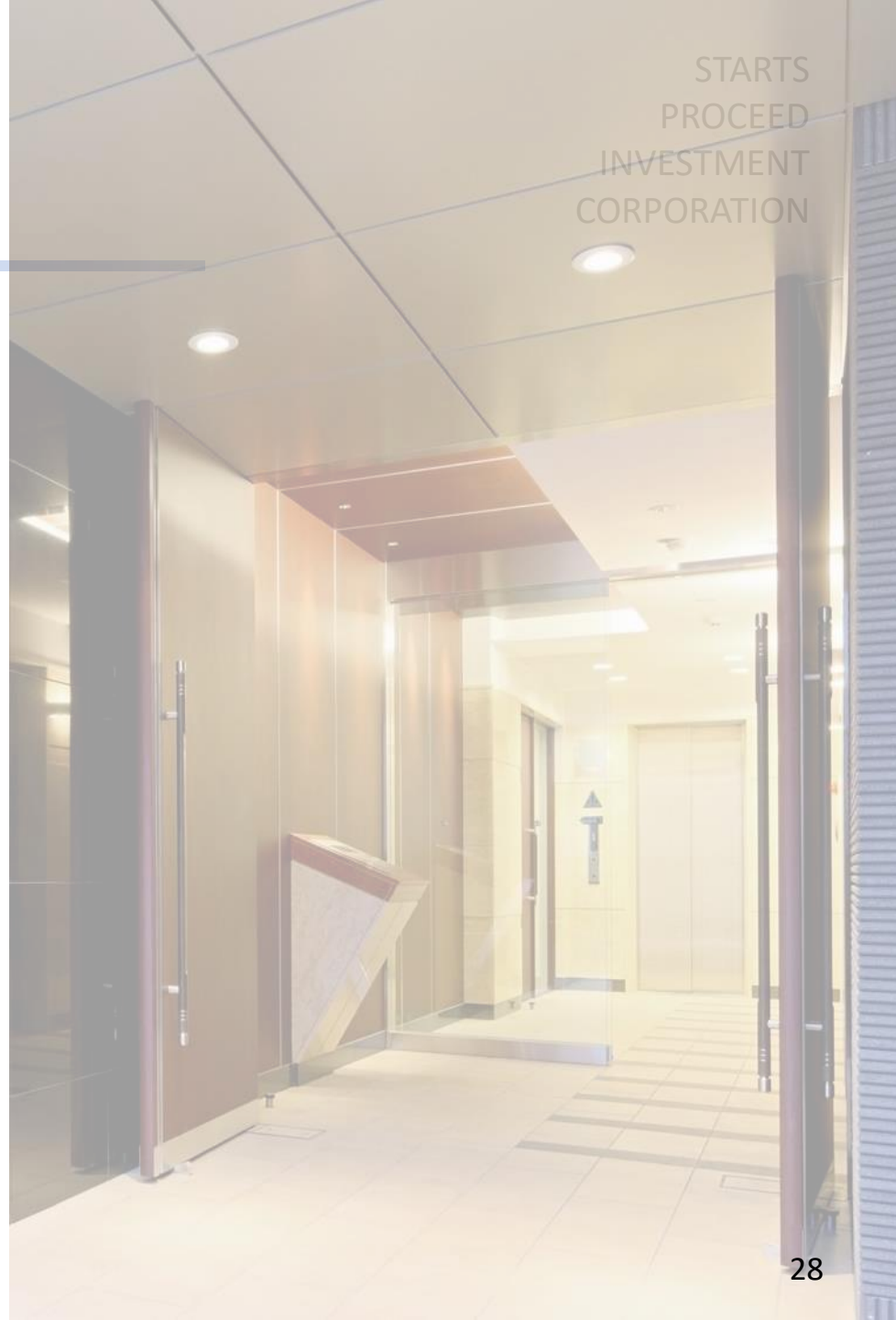
	Name	Number of investment units held (units)	Unitholding ratio (%) (Note)
1	Custody Bank of Japan, Ltd. (Trust Account)	44,641	17.59
2	Starts Corporation Inc.	34,153	13.45
3	The Master Trust Bank of Japan, Ltd. (Trust Account)	27,358	10.78
4	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	12,633	4.97
5	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	10,194	4.01
6	Nomura Securities Co., Ltd.	3,495	1.37
7	Kinki Sangyo Credit Union	3,313	1.30
8	JP MORGAN CHASE BANK 385771	2,079	0.81
9	Individual investor	2,000	0.78
10	Morgan Stanley MUFG Securities Co., Ltd.	1,898	0.74
11	SMBC Nikko Securities, Inc.	1,807	0.71
12	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	1,660	0.65
13	BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE	1,582	0.62
14	BNYM SA/NV FOR BNYM FOR BNY GCM CLIENT ACCOUNTS M LSCB RD	1,304	0.51
15	JP Morgan Securities Japan Co., Ltd.	1,298	0.51
16	SSBTC CLIENT OMNIBUS ACCOUNT	1,255	0.49
17	Custody Bank of Japan, Ltd. (Trust Account 9)	1,245	0.49
18	STATE STREET BANK AND TRUST COMPANY 505103	1,231	0.48
19	K.K. Toyosu	1,142	0.45
20	STATE STREET BANK AND TRUST COMPANY 505102	1,074	0.42
	Total	155,362	61.21

Change in Composition of Unitholders (21st to 30th Fiscal Periods)



(Note) Figures for unitholding ratio are rounded down to the first decimal place.

Future Management Policy



Main Initiatives in 30th Fiscal Period

Initiatives from 31st Fiscal Period (ending April 30, 2021)

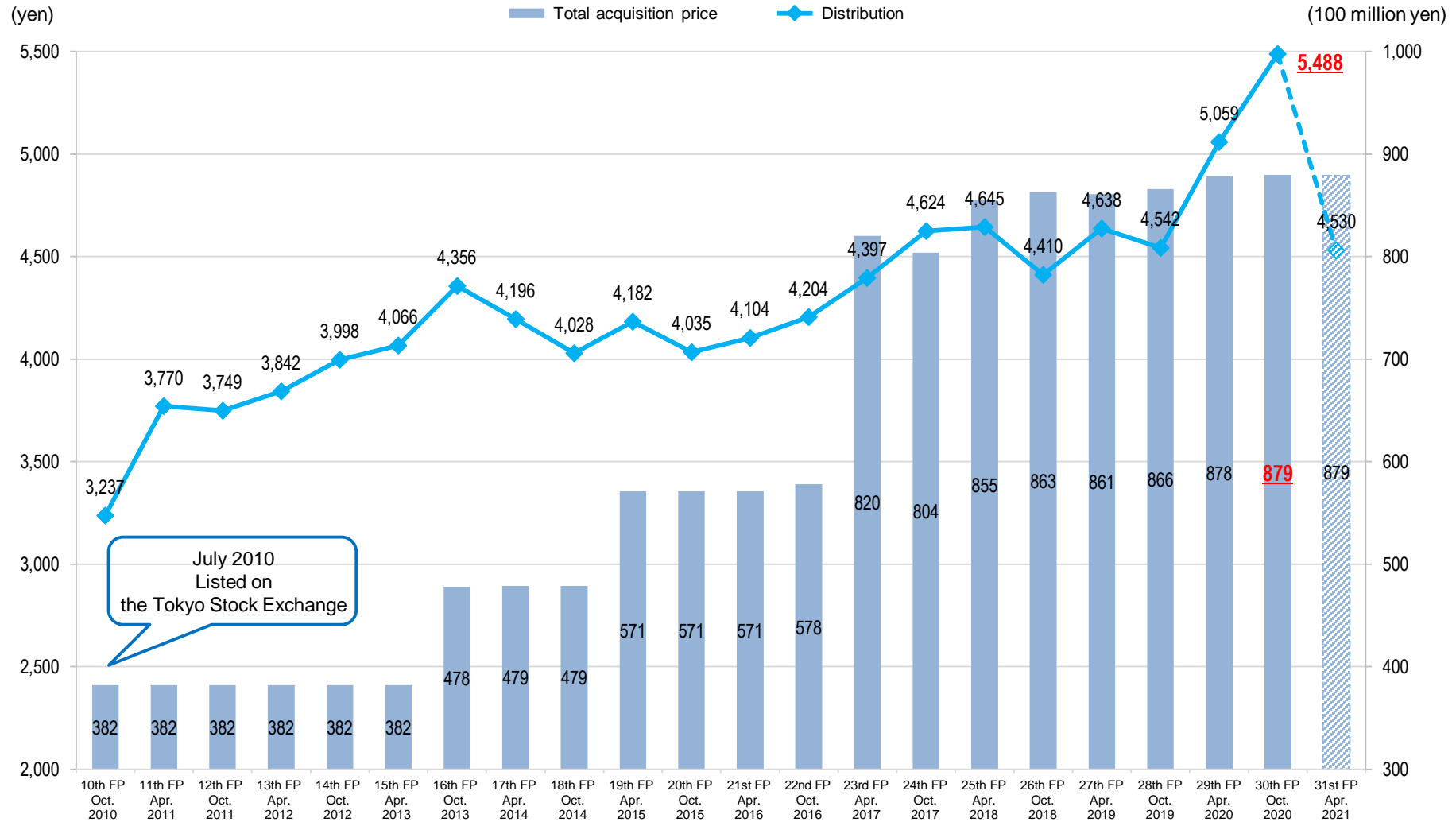
External Growth	<ul style="list-style-type: none"> ● Property disposition <ul style="list-style-type: none"> • Disposed Proceed Nishinagahori and Proceed Kyobashi (2020) ● Property acquisition <ul style="list-style-type: none"> • Acquired (C-82) Proceed Monzennakacho, Proceed Maihama, and Proceed Mito 3 ● Improvement in average building age ● Average building age improved by 0.8 years due to property replacements in March to May 2020 (Note 1) (Before replacement (Note 2): 16.7 years → after replacement: 15.9 years) ● Acquisition of warehousing properties <ul style="list-style-type: none"> • Construction of scheduled warehousing property started in Higashi-Yukigaya, Ota Ward Starts Development Corporation acquired Proceed Shinkawa (Chuo Ward, Tokyo) as a warehousing property 	<ul style="list-style-type: none"> ● Promotion of property replacement <ul style="list-style-type: none"> ⇒ Promoting the replacement of properties centering on small ones at time of IPO and initial PO with properties in the Tokyo metropolitan area ● Early achievement of 100-billion-yen asset size ● Further enhancement of relationship with each company in Starts Group and acquisition of prime properties ● Promotion of acquisition of development properties <ul style="list-style-type: none"> • Focusing especially on the development and acquisition of environmentally friendly properties and properties with IoT functions ⇒ To be implemented at the property developed in Higashi-Yukigaya 	Securing of stable distributions
	<ul style="list-style-type: none"> ● Maintaining of period-average occupancy rate of over 95.0%. <ul style="list-style-type: none"> ⇒ Period-end occupancy rate: 95.2% Period average occupancy rate: 95.7% ● Cost reduction <ul style="list-style-type: none"> • Revision of expenses for regular maintenance ● Recycling properties for service upon restoration to their original state. <ul style="list-style-type: none"> • Improvement of design and convenience and enhancement of competitiveness through renewal of indoor facilities ● Promotion of ESG <ul style="list-style-type: none"> • Introduction of LED lights in common areas • Installed at 2 buildings ● Support for telework and enhancement of competitiveness through free use of internet infrastructure <ul style="list-style-type: none"> • Installed at 7 buildings 	<ul style="list-style-type: none"> ● Maintaining and improving period-average occupancy rate of over 95.0%. <ul style="list-style-type: none"> • Enhancement of profitability of AUM through reinforced cooperation with Starts Group companies. • Promotion of online posting of units for lease, enhancement of recognition of properties by brokers/advertisement agencies. • Enhancement of appeal by introducing model homes, strengthening of sales capability. • Improvement of restoration quality and promotion of value enhancement work • Support for telework and enhancement of competitiveness through free use of internet infrastructure ● Continuation of cost reduction <ul style="list-style-type: none"> • Advertising, repair and building management costs, periodic maintenance costs, etc. ● Major repair and renewal of facilities under capital expenditures <ul style="list-style-type: none"> • Improvement of asset value, increase in rent revenue and promotion of ESG (adoption of LED lights in common areas) 	
	<ul style="list-style-type: none"> ● Conservative management of LTV ● Extension of average remaining period of loans, lowering of average interest rates. ● Promotion of fixing interest rates 	<ul style="list-style-type: none"> ● Establishment of stable financial base <ul style="list-style-type: none"> • Conservative LTV control • Extension of repayment period upon refinancing and fixing of interest rates • Promotion of diversification of fund procurement including investment corporation bonds 	

(Note 1) Average building age calculated is as of May 29, 2020.

(Note 2) Average building age before replacement is the figure calculated assuming that disposition of the three properties and acquisition of the four properties are not conducted.

Change in Distribution

Distribution recovered from the higher 3,000-yen range in the 11th fiscal period to 4,000 yen in the 15th fiscal period and has currently increased to 4,500 yen.

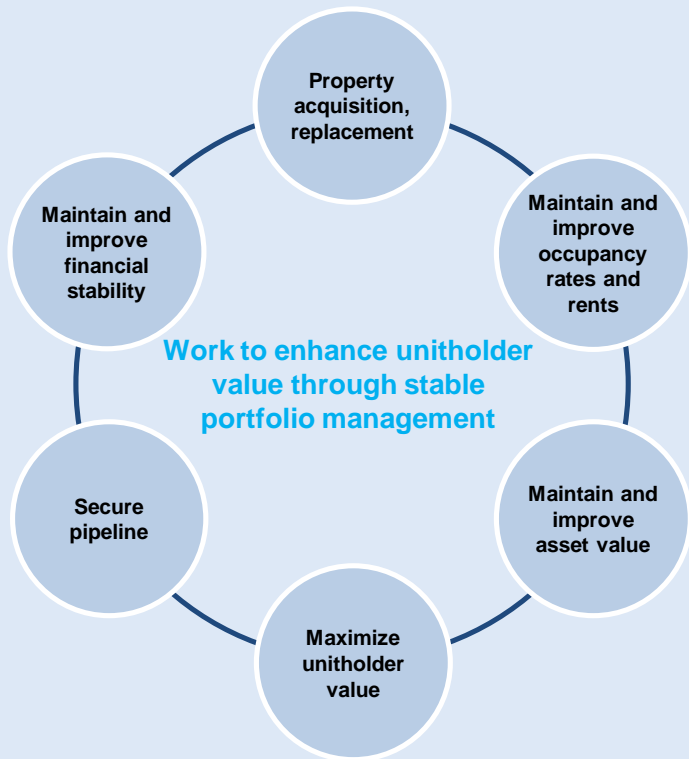


■ Cooperative Relations Within the Group in the Form of Sponsor Support



Starts Proceed Investment Corporation

Stable asset management



Further accelerate the real estate business through the backflow of funds



Sponsor support as a group with property acquisition, etc.



Starts Group

Rollout layered business



Proceed Yamashita Koen The Tower



Occupancy rate: 93.2%
(as of October 31, 2020)

<Property Overview>

- Structure : RC/B2F, 18F
- Completion : January 2008
- Number of leasing units (type) : 1R 84 units; 1LDK 31 units; 2LDK 24 units; 3LDK 3 units; Retail 5 units; Total 147 units
- Location : Yamashita-cho, Naka-ku, Yokohama-shi, Kanagawa
- Site area : 1,676.56 m²
- Total floor area : 12,208.74 m²
- Use : Apartment, retail, parking, nursery
- Zoning : Commercial district



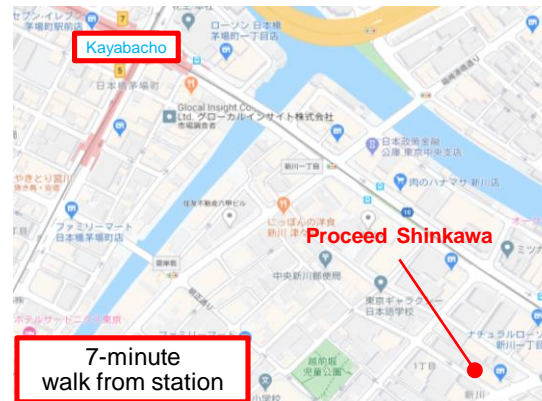
Proceed Shinkawa



Occupancy rate: 93.2%
(as of October 31, 2020)

<Property Overview>

Structure	: SRC/10F
Completion	: August 2009
Number of leasing units (type)	: 1K 9 units; 1LDK 9 units; Total 18 units
Location	: 1-chome Shinkawa, Chuo-ku, Tokyo
Site area	: 136.18 m ²
Total floor area	: 818.50 m ²
Use	: Apartment, garage
Zoning	: Commercial district

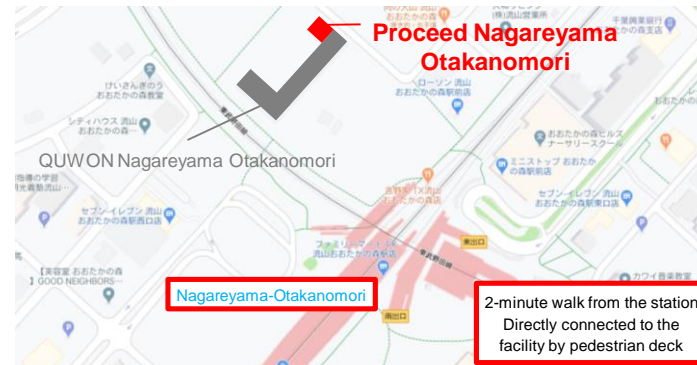


Proceed Nagareyama Otakanomori



<Property Overview> (including QUWON Nagareyama Otakanomori)

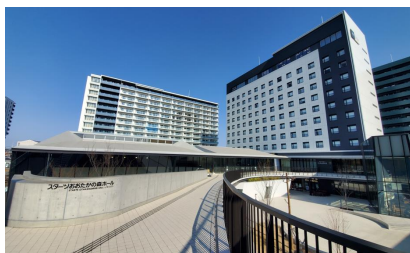
Structure	: RC/B1F, 14F
Completion	: March 2020
Number of units for sale	: 192 units
Number of leasing units (type)	: 1R 10 units; 1K 33 units; 1LDK 6 units; Total 49 units
Location	: 1-chome Otakanomorikita, Nagareyama-shi, Chiba
Site area	: 4,200.00 m ²
Total floor area	: 19,393.57 m ²
Use	: Apartment
Zoning	: Quasi-industrial district



Development Projects of Starts Group



Alpha Grande Chizakura Tower
Chiyoda City, Tokyo
Residence, retail, office, living support facility
Completed in July 2018



City-Owned Land Development Project in Front of Nagareyama-Otakanomori Station
Nagareyama City, Chiba Prefecture
Public facility, hotel, apartment
Opened in January 2019 (hotel building)
Opened in April 2019 (public facility building)
Completed and handed off in March 2020 (apartment building)



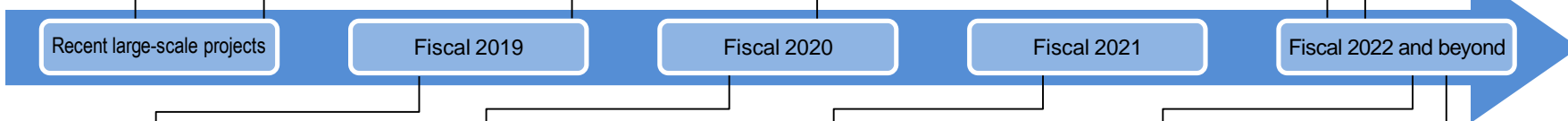
Project Utilizing "Bustle Zone" at No. 1 Market of Kyoto Central Wholesale Market
Kyoto City, Kyoto
Hotel, retail
Scheduled to open in July 2020



Hotei Station East Complex Public Facility Development Project
Konan City, Aichi
Public facilities (library, health center, etc.)
Private facilities (food supermarket, retail store, etc.)
Scheduled to open in April 2023



Sapporo Kita 8 Nishi 1 District Redevelopment Project
Sapporo City, Hokkaido
Hotel, retail
Scheduled completion in June 2023



Narashino-City Okubo District Public Facility Revitalization Project
Narashino City, Chiba Prefecture
Public facility (library, citizen hall, community center), park, parking lot, facilities by private sectors
Opened in November 2019



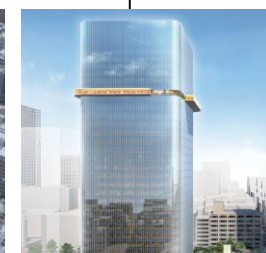
PFI Project for Development of Surrounding area of Yoshino-cho Ryokuchi in Hirosaki City
Hirosaki City, Aomori Prefecture
Public facility (art museum)
Facilities by private sectors (museum shop, café, cider mill)
Grand opening in July 2020



Utilization Project of Site of Fuchu Green Plaza
Fuchu City, Tokyo
Hotel, retail, office, co-working space
Scheduled to open around summer 2021



Yokohama Cultural Gymnasium Redevelopment Project
For profit private sector facility ① (hotel, etc.)
For profit private sector facility ② (hospital)
Yokohama City, Kanagawa Prefecture
Hotel, retail, parking lot
Scheduled to open in April 2024



Kannai Ekimae Minatocho District Category I Urban Redevelopment Project
Yokohama City, Kanagawa
Retail facility, office, housing, etc.
Scheduled to be completed in 2029

(Note) The images may differ from actual project.

Case Example of Development by Starts Group I [Yokohama City, Kanagawa]

■ Kannai Ekimae Minatocho District Category I Urban Redevelopment Project <Scheduled to be completed in 2029>



International industry-academia collaboration

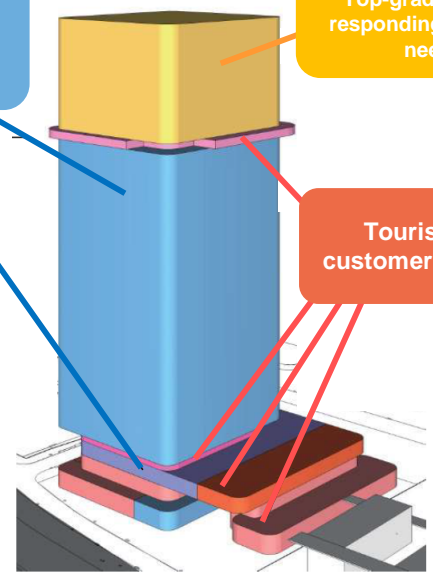
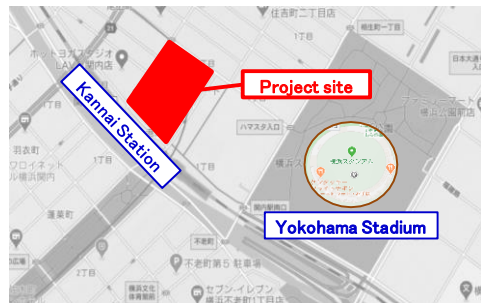
- Headquarters of global companies
- Research and development base of leading companies
- Global share campus
- Base for supporting the growth of venture companies in Kannai

Residential function
Top-grade leasing responding to global needs

Tourism and customer attraction

<Plan Overview>

- Size : B1F/31F
- Site area : 7,720 m²
- Total floor area : 88,551 m²
- Use : Retail facility, office, housing, etc.



Case Example of Development by Starts Group II [Konan City, Aichi]

■ Hotei Station East Complex Public Facility Development Project <Schedule to open in April 2023>



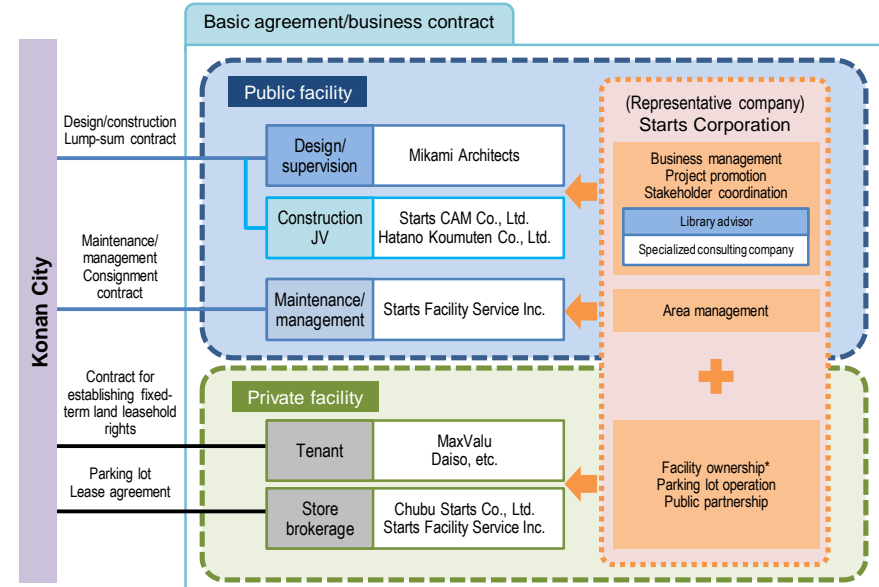
Under the elevated railway track



Aerial view



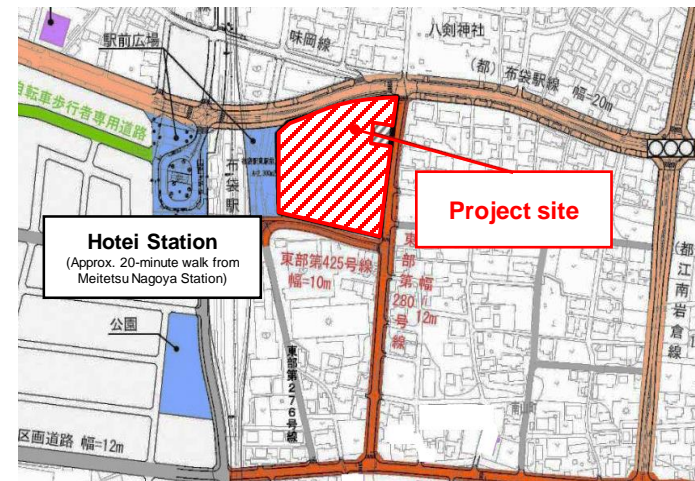
Urban planning road on the north side



* Scheduled to be acquired by Starts Proceed Investment Corporation, which is a real estate investment trust, upon completion

<Property Overview>

Size	: Public facility/4F Private facility/3F
Site area	: 8,661 m ²
Total floor area	: Public facility/7,049 m ² Private facility/7,597 m ²
Structure	: Steel-framed
Operation period	: 30 years (Fixed-term land lease)
Use	: Public facilities/library, health center, childcare support center, community space, etc. Private facilities/food supermarket, retail store, nursery school, local community facility (future center), etc.

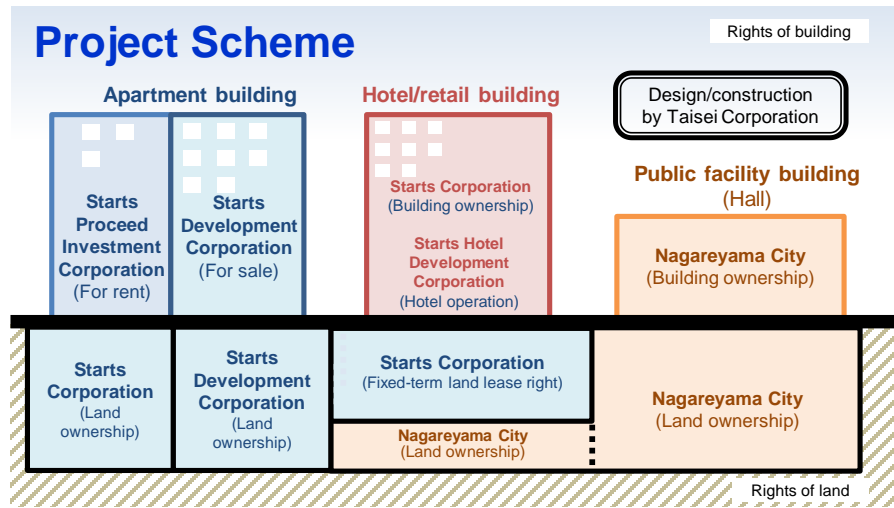


Case Example of Development by Starts Group III [Nagareyama City, Chiba]

City-Owned Land Development Project in Front of Nagareyama-Otakanomori Station



Lease portion of apartment building is to come under the AUM of Starts Proceed



Property Overview

	Apartment building	Hotel/retail building	Hall/resident service counter
Site area	4,200 m ²	2,000 m ²	3,945 m ²
Building area (m ²)	1,927 m ²	1,047 m ²	2,586 m ²
Building-to-land ratio (%)	45.90%	52.36%	65.56%
Total floor area	19,393 m ²	8,161 m ²	3,493 m ²
Floor-area ratio	399.97%	392.22%	87.34%
Structure	RC/Base with seismic isolation	Steel-framed	RC (Partial steel-frame structure)
Floors	14 floors above ground and 1 floor below	11 floors above ground, 1 PH floor	2 floors above ground
Maximum height (m)	44.9 m	45.1 m	13.3 m
Size/Features	<ul style="list-style-type: none"> •For sale: 192 Units •For rent: 49 Units •Childcare center 	<ul style="list-style-type: none"> •Guest rooms: 167 •Banquet rooms, large bath and fitness studio •Plan to house a café and restaurants. 	<ul style="list-style-type: none"> •Number of audience seats: 506 •Movable forward/backward seats •Can be used together with the foyer •Allocate resident service center and tourist information center that is convenient for users

Schedule

July 2016	Disclosure of guidelines for applicants
Nov. 2016	Determination of preferred negotiation rights holder
Jan. 2017	Start of construction
Mar. 2017	Conclusion of business contract
Oct. 2018	Hotel building, completed
Dec. 2018	Public facilities building, completed
Jan. 2019	Hotel building, handed off and opened
Feb. 2019	Public facilities building handed off to Nagareyama City
Mar. 2020	Apartment building Completed and handed off



Case Example of Development by Starts Group IV [Chiyoda City, Tokyo]

■ Kanda-Higashimatsushitacho Private Residential Building Development Project Alpha Grande Chizakura Tower



<Property Overview >

Structure	: RC/25F
Completion	: July 2018
Number of units for sale	185 units
Number of leasing units (type)	: 2LDK 45 units; 2SLDK 10 units; 3LDK 10 units; Retail 3 units; Total 68 units
Site area	: 3,428.28 m ²
Total floor area	: 26,971.61 m ²
Use	: Apartment, retail, office, living support facility
Zoning	: Commercial district, fire preventive district



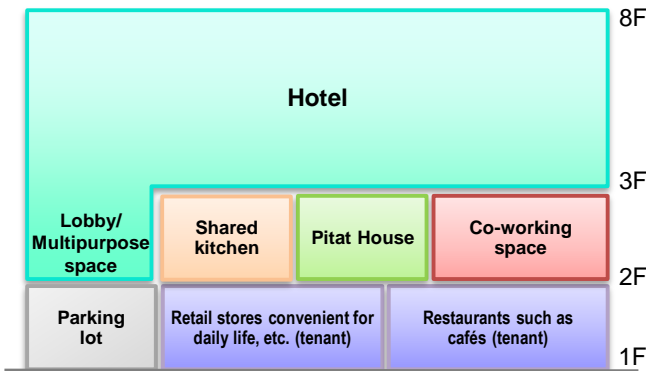
- Kanda-Higashimatsushitacho Private Residential Building Development Project (Alpha Grande Chizakura Tower) is a plan to set a fixed-term land leasehold to private land adjacent to the former lot of Chizakura Elementary School (kuyuchi), develop integrally with business parties and establish condominiums and rental housing primarily for average-income households with a square area to the east and west.
- Starts Corporation was selected as a business partner through a public proposal of Chiyoda City Office in 2010, and the property was completed in July 2018.

Case Example of Development by Starts Group V [Fuchu City, Tokyo]

Utilization Project of Site of Fuchu Green Plaza <Scheduled to open in 2021>



Connected to the station by pedestrian deck



<Plan Overview>

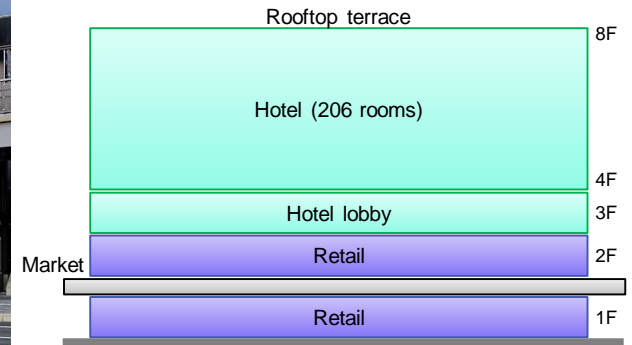
- Size : 8 floors above ground
- Site area : 1,092,27 m²
- Total floor area : 5,824.01 m²
- Structure : Steel-framed
- Operation period : 50 years (Fixed-term land lease)

Case Example of Development by Starts Group VI [Kyoto City, Kyoto]

■ Project Utilizing “Bustle Zone” at No. 1 Market of Kyoto Central Wholesale Market <Opened on July 23, 2020>



Connected to JR Umekoji-Kyoto-Nishi Station
by walkway



*Hotel is connected to the station by a pedestrian deck outside the ticket gate



<Plan Overview>

Size : 8 floors above ground,
1 floor below ground, 1 PH floor
Site area : 4,000 m²
Total floor area : 17,673.71 m²
Use : Hotel, retail facility
Operation period : 60 years (Fixed-term land lease)

Case Example of Development by Starts Group VII [Narashino City, Chiba]

Revitalization Project of Existing Public Facility in Front of Keisei Okubo Station <Opened on November 2, 2019>



Rendering

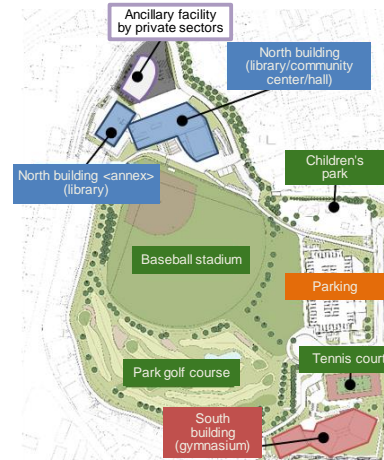


North building



South building

<Project Overview>

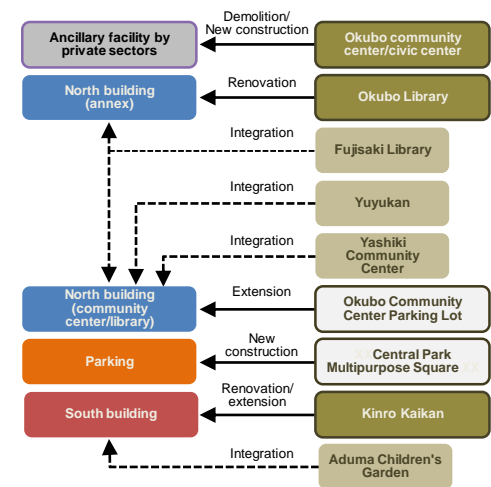


<Site Overview>

Land for PFI projects : 45,583 m²
 Land for ancillary projects by private sectors : 1,337 m²
 Urban park : 45,460 m² (area publicly announced)

<Overview of Facilities Proposed>

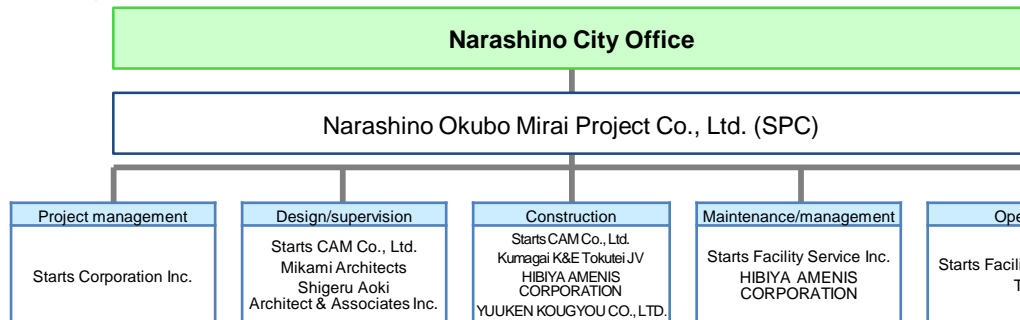
- North building (community center, library, hall)/Opened in November 2019
- North building <annex> (library)/Opened in July 2020
- South building (arena, kids' space, etc.)/Opened in November 2019
- Park (park golf course, baseball field, parking, open space)
- Facilities by private sectors (rental housing, café, Mini supermarket) Scheduled to be completed in September 2021



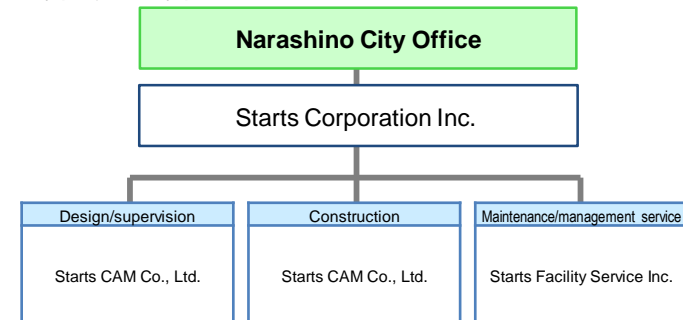
Rendering

<Project Execution Structure>

<PFI project>

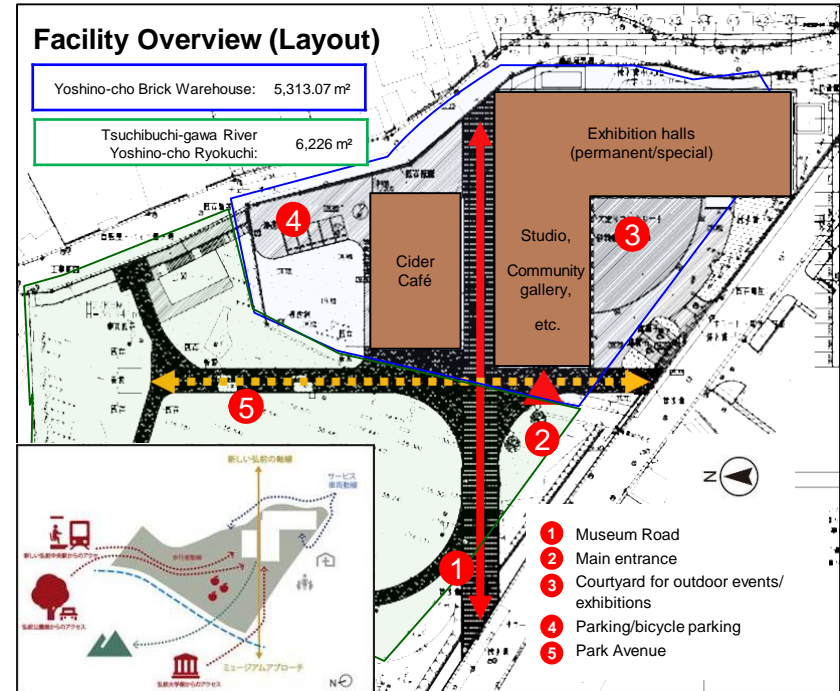


<Ancillary projects by private sectors>

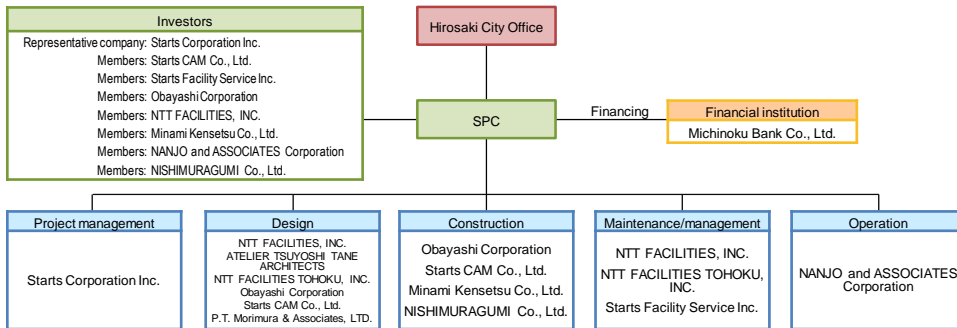


Case Example of Development by Starts Group VIII [Hirosaki City, Aomori]

■ PFI Project for Development of Surrounding Area of Yoshino-cho Ryokuchi in Hirosaki City **<Grand opening on July 11, 2020>**



<Project Structure> (PFI project)



<Ancillary Projects>

Museum shop & café, cider factory



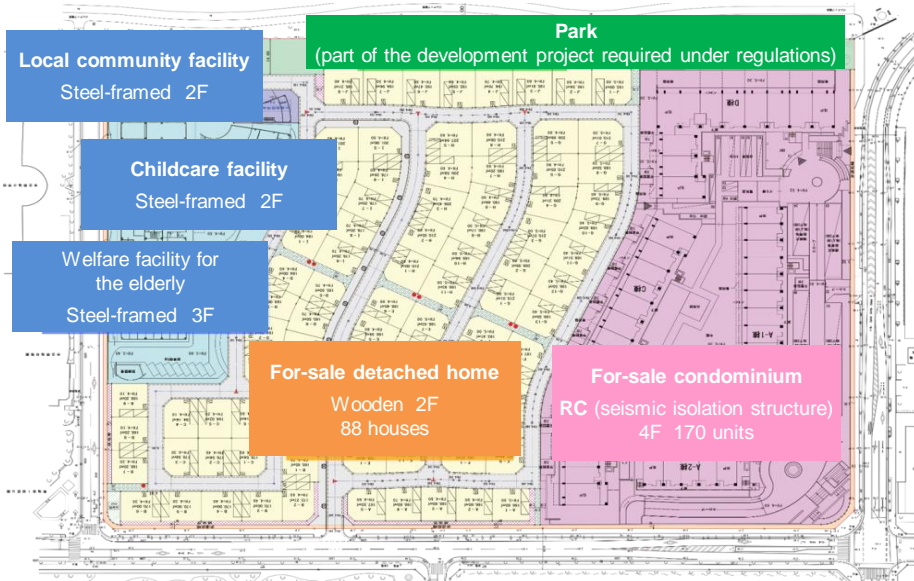
■ Project Under Way in Shin-Urayasu: Timeless Town Shin-Urayasu (Urayasu City, Chiba)



<Project Overview>

Site area: Approx. 51,900 m²

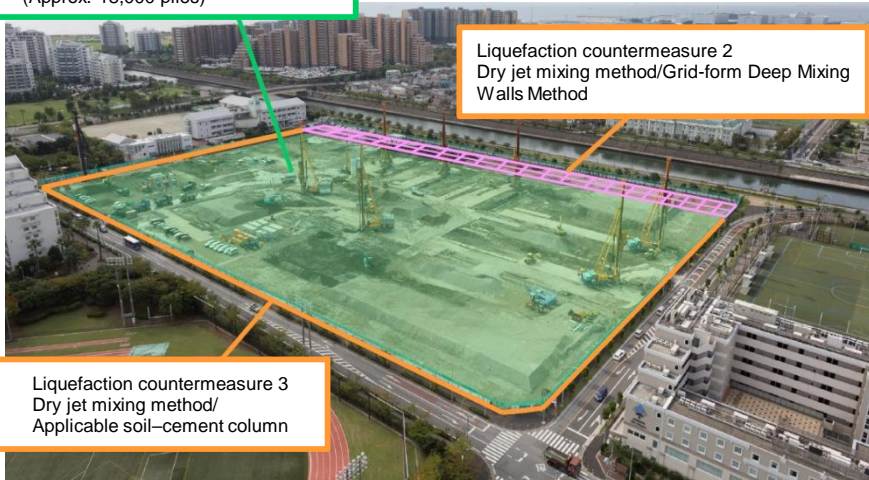
- For-sale condominium: RC/Seismic isolation structure 4F, 170 units
- For-sale detached home: Wooden structure 2F, 88 houses
- Facilities: Welfare facility for the elderly, childcare facility, local community facility



Liquefaction countermeasure 1
Static sand compaction pile method
(Approx. 18,000 piles)

Advanced liquefaction countermeasure engineering work

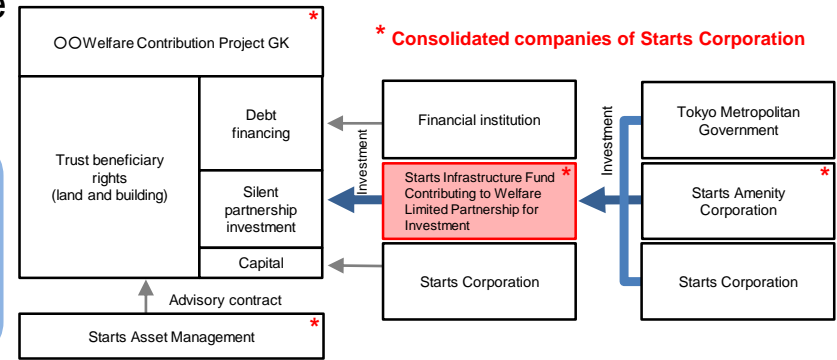
Liquefaction countermeasure 2
Dry jet mixing method/Grid-form Deep Mixing Walls Method



Initiatives by Public-Private Partnership Infrastructure Fund for Facilities Contributing to Welfare

Starts Group is making efforts in development and promotion of buildings contributing to welfare including childcare support facilities in Tokyo in cooperation with the Tokyo Metropolitan Government.

[Business structure]



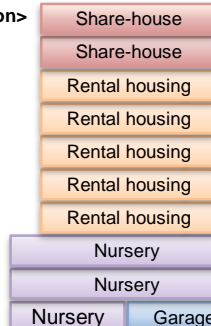
Proceed Ryogoku 2



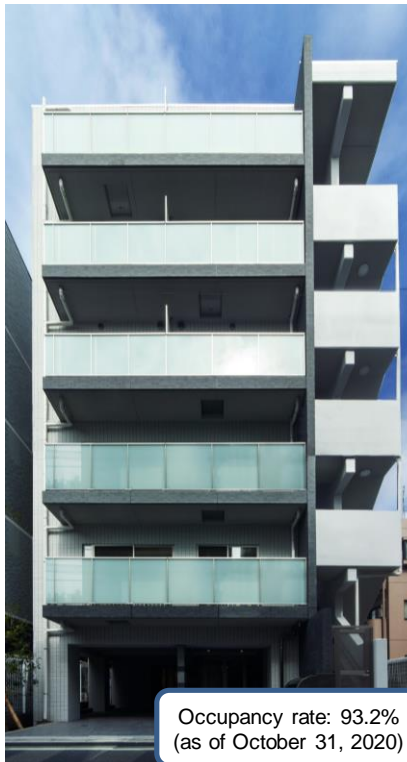
<Project overview>

Location : 1-chome Midori, Sumida-ku, Tokyo
 Site area : 444.17 m²
 Structure : RC (seismic isolation)/10F
 Use : Authorized nursery school
 Apartment (24 units)
 Shared house (2 floors for 8 people)
 Completion : January 2019

<Property configuration>



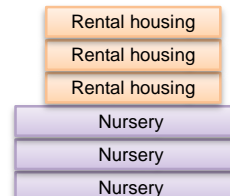
Proceed Chidoricho



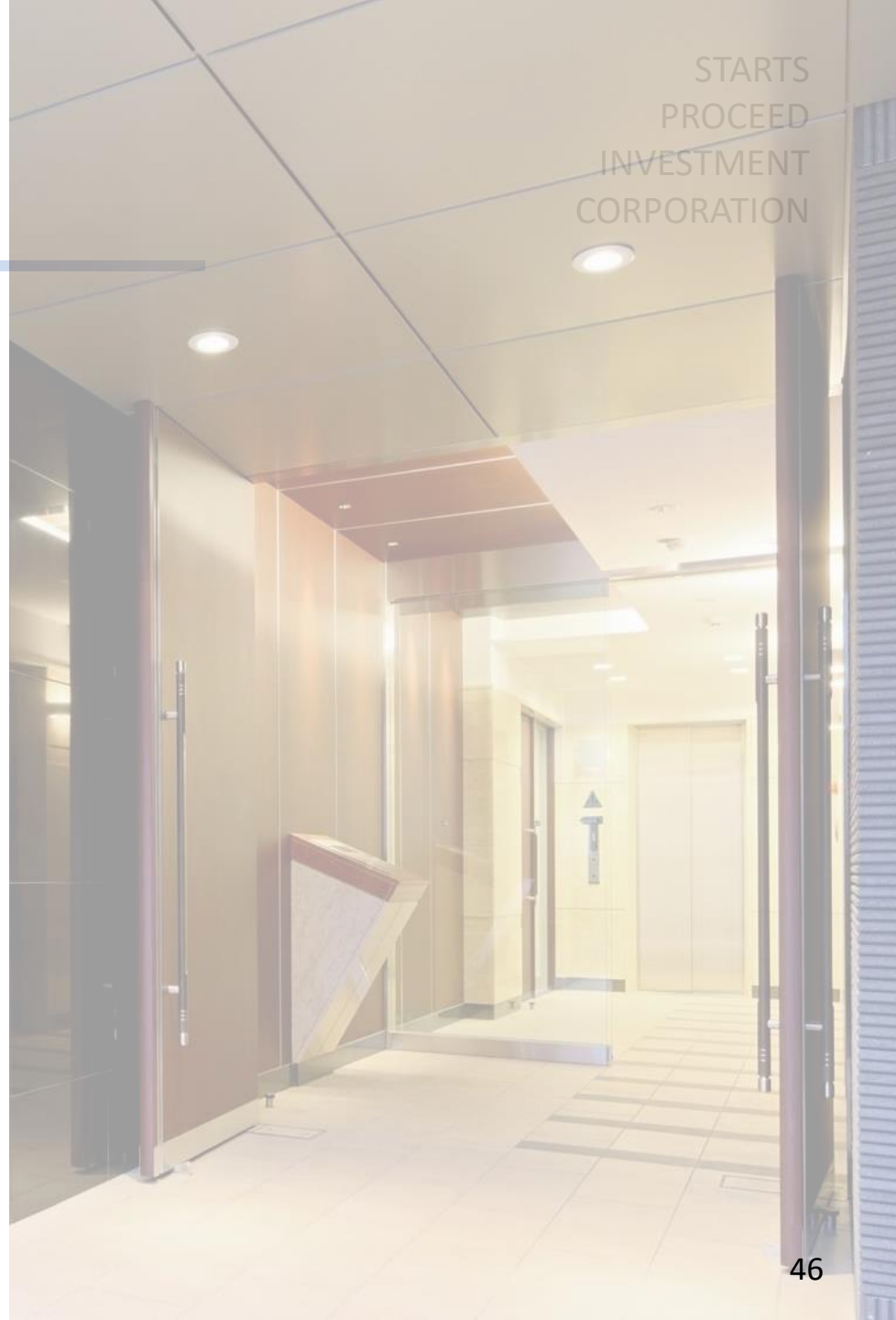
<Project overview>

Location : 1-chome Chidori, Ota-ku, Tokyo
 Site area : 364.82 m²
 Structure : RC/6F
 Use : Authorized nursery school
 Apartment (11 units)
 Completion : January 2019

<Property configuration>



Reference Materials



Balance Sheet

(thousand yen)

	29th Fiscal Period As of Apr. 30, 2020	30th Fiscal Period As of Oct. 31, 2020	Change
Assets			
Current assets			
Cash and deposits	1,079,720	1,407,615	327,895
Cash and deposits in trust	1,905,599	2,026,692	121,092
Operating accounts receivable	32,501	26,748	-5,753
Prepaid expenses	86,311	79,446	-6,865
Other	2,295	1,711	-583
Total current assets	3,106,428	3,542,214	435,785
Noncurrent assets			
Property, plant and equipment			
Buildings in trust	44,899,168	46,291,826	1,392,658
Accumulated depreciation	-9,128,351	-9,669,274	-540,923
Buildings in trust, net	35,770,816	36,622,551	851,735
Structures in trust	1,250,939	1,270,835	19,896
Accumulated depreciation	-722,413	-758,837	-36,424
Structures in trust, net	528,525	511,998	-16,527
Machinery and equipment in trust	5,376	5,376	-
Accumulated depreciation	-4,369	-4,674	-304
Machinery and equipment in trust, net	1,007	702	-304
Tools, furniture and fixtures in trust	401,987	453,306	51,319
Accumulated depreciation	-232,407	-253,560	-21,152
Tools, furniture and fixtures in trust, net	169,579	199,745	30,166
Land in trust	49,999,491	48,824,300	-1,175,191
Construction in progress in trust	1,903	-	-1,903
Total property, plant and equipment	86,471,323	86,159,298	-312,025
Intangible assets			
Software	990	396	-594
Total intangible assets	990	396	-594
Investments and other assets			
Lease and guarantee deposits	10,000	10,000	-
Lease and guarantee deposits in trust	535,874	535,874	-
Long-term prepaid expenses	145,848	139,258	-6,589
Deferred tax assets	80	80	0
Other	14,932	15,568	636
Total investments and other assets	706,735	700,781	-5,953
Total noncurrent assets	87,179,049	86,860,475	-318,573
Deferred assets			
Investment corporation bonds issuance expenses	10,143	9,016	-1,127
Total deferred assets	10,143	9,016	-1,127
Total assets	90,295,621	90,411,706	116,085

(thousand yen)

	29th Fiscal Period As of Apr. 30, 2020	30th Fiscal Period As of Oct. 31, 2020	Change
Liabilities			
Current liabilities			
Current portion of long-term loans payable	8,020,000	8,020,000	-
Operating accounts payable	83,142	136,206	53,063
Accounts payable –other	226,220	213,058	-13,162
Accrued expenses	2,974	3,966	991
Income taxes payable	1,956	1,951	-4
Accrued consumption taxes	37,056	12,056	-24,999
Advances received	2,484	2,033	-450
Other	9,555	338	-9,217
Total current liabilities	8,383,390	8,389,612	6,221
Noncurrent liabilities			
Investment corporation bonds	1,000,000	1,000,000	-
Long-term loans payable	36,626,000	36,626,000	-
Tenant leasehold and security deposits in trust	685,827	685,727	-99
Asset retirement obligation	132,935	134,031	1,096
Total noncurrent liabilities	38,444,763	38,445,759	996
Total liabilities	46,828,153	46,835,372	7,218
Net assets			
Unitholders' equity			
Unitholders' capital	42,230,457	42,230,457	-
Deduction from unitholders' capital	-545,913	-545,913	-
Unitholders' capital (net)	41,684,544	41,684,544	-
Surplus			
Voluntary retained earnings			
Reserve for reduction entry	99,000	99,000	-
Reserve for reduction entry under special provisions for property replacement	0	400,000	400,000
Total voluntary retained earnings	99,000	499,000	400,000
Unappropriated retained earnings (undisposed loss)	1,683,923	1,392,789	-291,133
Total surplus	1,782,923	1,891,789	108,866
Total unitholders' equity	43,467,467	43,576,333	108,866
Total net assets	43,467,467	43,576,333	108,866
Total liabilities and net assets	90,295,621	90,411,706	116,085

Statements of Income

(thousand yen)

	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	30th Fiscal Period (From: May 1, 2020 To: Oct. 31, 2020)	Change
Operating revenue			
Rent revenue – real estate	3,116,596	3,106,613	-9,982
Gain on sales of real estate properties	549,257	245,591	-303,665
Total operating revenue	3,665,853	3,352,205	-313,648
Operating expenses			
Expenses related to rent business	1,362,896	1,354,282	-8,613
Asset management fee	276,731	270,199	-6,531
Asset custody fee	8,455	8,473	18
Administrative service fees	26,605	26,112	-493
Directors' compensations	1,200	1,200	-
Other operating expenses	115,108	109,230	-5,878
Total operating expenses	1,790,997	1,769,498	-21,499
Operating income	1,874,856	1,582,707	-292,149
Non-operating income			
Interest income	17	15	-1
Insurance income	12,815	23,412	10,596
Reversal of distribution payable	806	1,247	441
Total non-operating income	13,639	24,675	11,036
Non-operating expenses			
Interest expenses	156,820	167,004	10,183
Interest expenses on investment corporation bonds	2,111	2,375	263
Amortization of investment corporation bond issuance costs	1,127	1,127	-
Borrowing related expenses	42,156	41,547	-609
Other	450	649	199
Total non-operating expenses	202,666	212,703	10,037
Ordinary income	1,685,829	1,394,679	-291,150
Income before income taxes	1,685,829	1,394,679	-291,150
Income taxes – current	1,959	1,954	-5
Income taxes – deferred	-1	0	1
Total income taxes	1,958	1,954	-3
Net income	1,683,871	1,392,724	-291,146
Retained earnings brought forward	52	65	13
Unappropriated retained earnings (undisposed loss)	1,683,923	1,392,789	-291,133

(1) “Real estate rent revenue”

(thousand yen)

	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	30th Fiscal Period (From: May 1, 2020 To: Oct. 31, 2020)	Change
Rent	2,702,981	2,704,099	1,118
Common area maintenance charges	184,708	185,485	777
Parking revenue	86,881	86,160	-721
Incidental revenue	1,757	1,781	24
Other lease business revenue	140,266	129,087	-11,179
Total	3,116,596	3,106,613	-9,983

(2) “Expenses related to rent business”

(thousand yen)

	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	30th Fiscal Period (From: May 1, 2020 To: Oct. 31, 2020)	Change
Management expenses	197,926	201,080	3,154
Repair expenses	100,990	95,193	-5,797
Real estate taxes	187,937	182,177	-5,760
Trust fees	34,210	34,476	266
Utilities expenses	54,704	50,328	-4,376
Nonlife insurance expenses	8,004	7,967	-37
Depreciation and amortization	629,095	649,533	20,438
Other lease business expenses	150,026	133,524	-16,502
Total	1,362,896	1,354,282	-8,614

Cash Distributions

	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	30th Fiscal Period (From: May 1, 2020 To: Oct. 31, 2020)	Change
I. Unappropriated retained earnings	1,683,923,202 yen	1,392,789,809 yen	-291,133,393 yen
II. Amount of distributions	1,283,857,843 yen	1,392,728,176 yen	108,870,333 yen
(Amount of distribution per investment unit)	(5,059 yen)	(5,488 yen)	(429 yen)
III. Voluntary retained earnings			
Provision of reserve for reduction entry	400,000,000 yen	-	-400,000,000 yen
IV. Retained earnings carried forward	65,359 yen	61,633 yen	-3,726 yen

Statements of Cash Flows

	(thousand yen)	
	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	30th Fiscal Period (From: May 1, 2020 To: Oct. 31, 2020)
Net cash provided by (used in) operating activities		
Income before income taxes	1,685,829	1,394,679
Depreciation and amortization	629,689	650,127
Amortization of investment corporation bond issuance costs	1,127	1,127
Interest income	-17	-15
Interest expenses	158,932	169,380
Decrease (increase) in operating accounts receivable	-6,136	5,753
Decrease (increase) in prepaid expenses	5,971	6,865
Increase (decrease) in accrued consumption taxes	32,390	-24,999
Increase (decrease) in operating accounts payable	-40,902	36,998
Increase (decrease) in accounts payable – other	22,698	-13,003
Decrease (increase) in long-term prepaid expenses	24,478	6,589
Decrease from sales of property, plant and equipment in trust	1,893,390	3,079,494
Other, net	9,604	-9,235
Subtotal	4,417,055	5,303,760
Interest income received	17	15
Interest expenses paid	-156,864	-168,387
Income taxes paid	-1,934	-1,959
Net cash provided by (used in) operating activities	4,258,273	5,133,429
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment in trust	-3,465,999	-3,400,936
Proceeds from tenant leasehold and security deposits in trust	54,063	50,800
Repayments of tenant leasehold and security deposits in trust	-61,341	-50,900
Decrease (increase) in other investments	-636	-636
Net cash provided by (used in) investing activities	-3,473,913	-3,401,672
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	1,500,000	4,320,000
Repayment of long-term loans payable	-2,500,000	-4,320,000
Proceeds from issuance of investment corporation bonds	1,000,000	-
Payment of investment corporation bond issuance costs	-11,270	-
Dividends paid	-1,151,306	-1,282,768
Net cash provided by (used in) financing activities	-1,162,576	-1,282,768
Net increase (decrease) in cash and cash equivalents	-378,215	448,988
Cash and cash equivalents at beginning of period	3,363,535	2,985,319
Cash and cash equivalents at end of period	2,985,319	3,434,307

Key Performance Indicators

	Unit	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	30th Fiscal Period (From: May 1, 2020 To: Oct. 31, 2020)
Total assets (a)	million yen	90,295	90,411
Net assets (b)	million yen	43,467	43,576
Unitholders' capital (net) (Note 1)	million yen	41,684	41,684
Total number of investment units issued and outstanding (c)	units	253,777	253,777
Net assets per unit (b) ÷ (c)	yen	171,282	171,711
Net income per unit (Note 2)	yen	6,635	5,487
Total distributions (d)	million yen	1,283	1,392
Distribution per unit (d) ÷ (c)	yen	5,059	5,488
[Of which, distribution of earnings per unit]	yen	(5,059)	(5,488)
[Of which, distribution in excess of earnings per unit]	yen	(-)	(-)
Return on assets (Note 3)	%	1.9(3.8)	1.5(3.1)
Return on equity (Note 3)	%	3.9(7.8)	3.2(6.3)
Equity ratio (b) ÷ (a)	%	48.1	48.2
Distribution payout ratio (Note 3)	%	76.2	100.0

[Other Reference Information]

Number of investment properties (Note 4)	properties	106	107
Total number of leasable units (Note 4)	units	5,225	5,227
Gross leasable area	m ²	193,117.03	193,846.29
Period-end occupancy rate (Note 4)	%	95.9	95.2
Depreciation and amortization	million yen	629	649
Capital expenditures	million yen	137	81
Property leasing NOI (Net Operating Income) (Note 3)	million yen	2,382	2,401
FFO (Funds from Operations) per unit (Note 3)	yen	6,898	6,965
FFO multiple (Note 3)	times	15.2	14.4
Debt service coverage ratio (Note 3)	times	15.6	13.1
Earnings before interest, depreciation and amortization	million yen	2,471	2,211
Interest expenses	million yen	158	169
Total interest-bearing liabilities	million yen	45,646	45,646
LTV (Loan-To-Value) ratio (Note 3)	%	50.6	50.5
Number of days of management	days	182	184

(Note 1) Unitholders' capital (net) indicates the amount for unitholders' capital after subtracting the amount of deduction from unitholders' capital.

(Note 2) Net income per unit is calculated by dividing net income by the daily weighted average number of investment units issued and outstanding.

(Note 3) The indicators presented are calculated as follows.

In addition, for return on assets and return on equity, figures converted based on the number of days of management are shown in brackets.

Return on assets	$\frac{\text{Ordinary income} \div \text{Average total assets}}{\text{Average total assets} = (\text{Total assets at beginning of period} + \text{Total assets at end of period}) \div 2}$
Return on equity	$\frac{\text{Net income} \div \text{Average net assets}}{\text{Average net assets} = (\text{Net assets at beginning of period} + \text{Net assets at end of period}) \div 2}$
Distribution payout ratio	$\text{Distribution per unit} \div \text{Net income per unit}$
Property leasing NOI	$\text{Property leasing income (loss)} [\text{Real estate rent revenue} - \text{Expenses related to rent business}] + \text{Depreciation and amortization}$
FFO per unit	$\frac{(\text{Net income} + \text{Depreciation and amortization} + \text{Other depreciation and amortization} - \text{Gain (loss) on sales of real estate properties}) \div \text{Total number of investment units issued and outstanding}}$
FFO multiple	$\text{Investment unit price at end of period} \div \text{Annualized FFO per unit}$
Debt service coverage ratio	$\text{Earnings before interest, depreciation and amortization} \div \text{Interest expenses}$
LTV ratio	$\text{Total interest-bearing liabilities} \div \text{Total assets}$

(Note 4) The number of investment properties are indicated in units that are generally accepted to be one. In addition, the total number of leasable units is the number of units that are leasable for residential, office, retail and other uses, and the period-end occupancy rate is the leased area expressed as a percentage of gross leasable area as at the date of settlement of accounts.

Status of Interest-Bearing Liabilities I (As of October 31, 2020)

■ Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 30th FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
Aozora Bank, Ltd. Resona Bank, Ltd. The Chiba Bank, Ltd. The Musashino Bank, Ltd. Mizuho Bank, Ltd. The Kagawa Bank, Ltd. Sumitomo Mitsui Banking Corporation ORIX Bank Corporation Sumitomo Mitsui Trust Bank, Limited	Nov. 24, 2015	1,054,000 787,000 382,000 382,000 331,000 325,000 241,000 99,000 99,000	0.99000 (Note 2)	Nov. 24, 2020	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2A
Sub total		3,700,000						
Resona Bank, Ltd. Aozora Bank, Ltd. Sumitomo Mitsui Banking Corporation The Chiba Bank, Ltd. The Musashino Bank, Ltd. Mizuho Bank, Ltd. ORIX Bank Corporation Sumitomo Mitsui Trust Bank, Limited Mizuho Trust & Banking Co., Ltd. The Kagawa Bank, Ltd.	May 24, 2016	763,500 520,000 408,500 387,500 387,500 158,500 130,000 56,500 50,000 11,500	0.84893	May 24, 2022	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2B
Sub total		2,873,500						
Resona Bank, Ltd. Aozora Bank, Ltd. Sumitomo Mitsui Banking Corporation The Chiba Bank, Ltd. The Musashino Bank, Ltd. Mizuho Bank, Ltd. ORIX Bank Corporation Sumitomo Mitsui Trust Bank, Limited Mizuho Trust & Banking Co., Ltd. The Kagawa Bank, Ltd.	May 24, 2016	763,500 520,000 408,500 387,500 387,500 158,500 130,000 56,500 50,000 11,500	0.90893	May 24, 2023	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2C
Sub total		2,873,500						
Resona Bank, Ltd. Aozora Bank, Ltd. Mizuho Bank, Ltd. The Musashino Bank, Ltd. The Chiba Bank, Ltd. The Kagawa Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	Dec. 9, 2016	1,095,500 1,060,500 917,000 480,000 470,000 152,000 145,000	0.34893	May 24, 2021	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2G
Sub total		4,320,000						

Status of Interest-Bearing Liabilities II (As of October 31, 2020)

■ Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 30th FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
Resona Bank, Ltd. Aozora Bank, Ltd. Mizuho Bank, Ltd. The Musashino Bank, Ltd. The Chiba Bank, Ltd. The Kagawa Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	Dec. 9, 2016	1,105,000 1,061,000 917,000 480,000 460,000 152,000 145,000	0.37893	Nov. 24, 2021	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2H
Sub total		4,320,000						
Mizuho Bank, Ltd. The Chiba Bank, Ltd. The Nishi-Nippon City Bank, Ltd. Sumitomo Mitsui Banking Corporation The Musashino Bank, Ltd. Resona Bank, Ltd. Higashi-Nippon Bank, Ltd. Aozora Bank, Ltd. ORIX Bank Corporation Mizuho Trust & Banking Co., Ltd.	May 24, 2017	1,090,000 500,000 500,000 500,000 500,000 385,000 250,000 215,000 150,000 100,000	0.72893	Nov. 24, 2022	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2I
Sub total		4,190,000						
The Bank of Yokohama, Ltd. Resona Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Musashino Bank, Ltd. The Chiba Bank, Ltd. Aozora Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited ORIX Bank Corporation The Kagawa Bank, Ltd.	Nov. 24, 2017	1,000,000 519,000 479,000 479,000 415,000 415,000 321,000 171,000 167,000 34,000	0.75893	Nov. 24, 2023	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2J
Sub total		4,000,000						
Resona Bank, Ltd. Aozora Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited The Kagawa Bank, Ltd. Higashi-Nippon Bank Mizuho Trust & Banking Co., Ltd.	Dec. 15, 2017	650,000 600,000 600,000 600,000 150,000 100,000 100,000 100,000	0.65893	May 24, 2022	Lump-sum repayment on repayment date	Funds for acquisition of AUM	Unsecured Unguaranteed	Term Loan 2K
Sub total		2,900,000						
Resona Bank, Ltd. Aozora Bank, Ltd. The Bank of Kyoto, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Chiba Bank, Ltd. The Musashino Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited The Kagawa Bank, Ltd.	May 25, 2018	727,000 450,000 400,000 299,000 299,000 259,000 259,000 107,000 100,000	0.75893	May 24, 2024	Lump-sum repayment on repayment date	Part of funds for refinancing and acquisition of AUM	Unsecured Unguaranteed	Term Loan 2L
Sub total		2,900,000						

Status of Interest-Bearing Liabilities III (As of October 31, 2020)

Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 30th FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
Aozora Bank, Ltd.	Nov. 22, 2018	1,089,000	0.93000 (Note 2)	Nov. 22, 2024	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2M
Resona Bank, Ltd.		825,000						
The Chiba Bank, Ltd.		382,000						
The Musashino Bank, Ltd.		382,000						
Mizuho Bank, Ltd.		357,000						
The Kagawa Bank, Ltd.		325,000						
Sumitomo Mitsui Banking Corporation		241,000						
Sumitomo Mitsui Trust Bank, Limited		99,000						
Sub total		3,700,000						
Aozora Bank, Ltd.	May 24, 2019	831,000	0.86000 (Note 2)	May 23, 2025	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2N
Resona Bank, Ltd.		635,000						
The Chiba Bank, Ltd.		356,000						
The Musashino Bank, Ltd.		356,000						
The Kagawa Bank, Ltd.		303,000						
Mizuho Bank, Ltd.		250,000						
Sumitomo Mitsui Banking Corporation		225,000						
Sumitomo Mitsui Trust Bank, Limited		93,000						
Sub total		3,049,000						
Resona Bank, Ltd.	Nov. 25, 2019	449,000	0.87000 (Note 2)	Nov. 25, 2025	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2O
Aozora Bank, Ltd.		278,000						
Mizuho Bank, Ltd.		189,000						
Sumitomo Mitsui Banking Corporation		189,000						
The Chiba Bank, Ltd.		163,000						
The Musashino Bank, Ltd.		163,000						
Sumitomo Mitsui Trust Bank, Limited		69,000						
Sub total		1,500,000						
Resona Bank, Ltd.	May 22, 2020	1,095,000	0.92000 (Note 2)	May 22, 2026	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2P
Aozora Bank, Ltd.		1,060,000						
Mizuho Bank, Ltd.		917,000						
The Musashino Bank, Ltd.		480,000						
The Chiba Bank, Ltd.		470,000						
The Kagawa Bank, Ltd.		152,000						
Sumitomo Mitsui Trust Bank, Limited		146,000						
Sub total		4,320,000						
Total		44,646,000						

Total interest-bearing liabilities (Note 3)

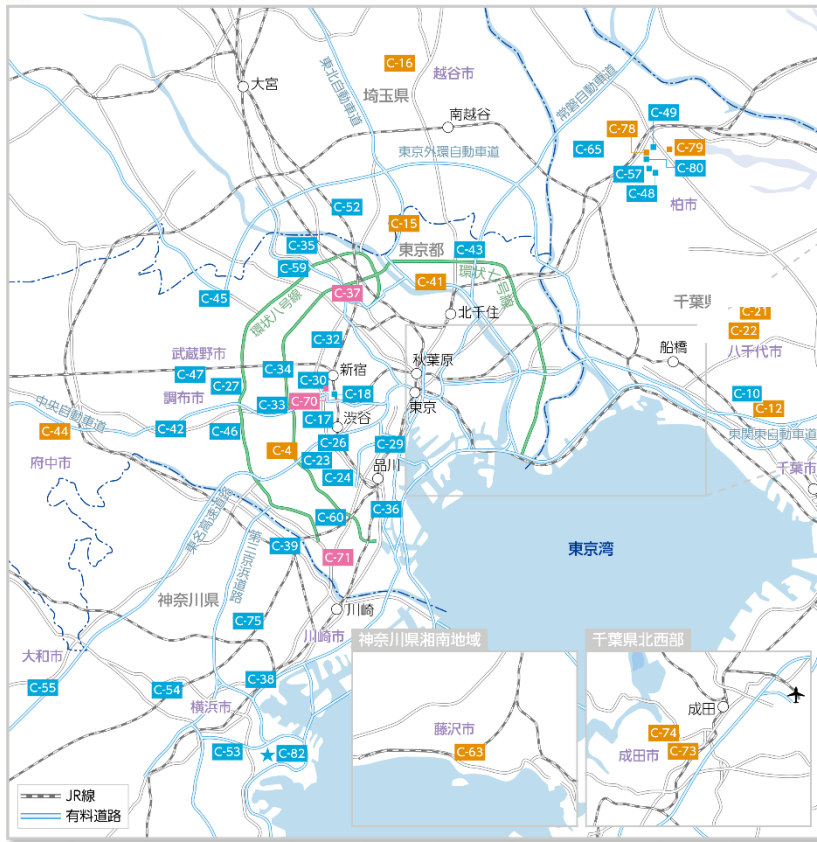
45,646,000 thousand yen

(Note 1) Average interest rate is the weighted average for the period, rounded to the fifth decimal place.

(Note 2) As an interest rate swap agreement has been concluded for the purpose of hedging the risk of interest rate fluctuations, the fixed interest rate is shown.

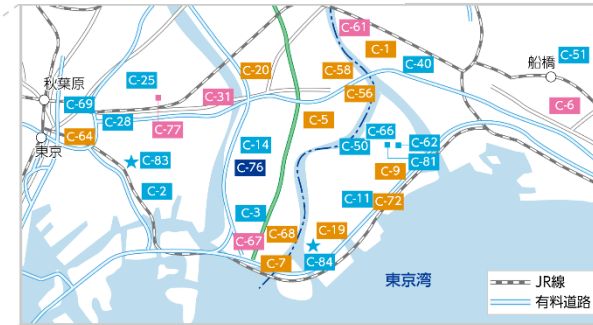
(Note 3) Total interest-bearing liabilities includes investment corporation bonds (1,000,000 thousand yen).

Cities Surrounding Tokyo



- | | | | |
|-------------------------------------|------------------------------|--------------------------------|---|
| C-4 Proceed Sangerjaya | C-29 Proceed Mita | C-44 Proceed Nakagawara | C-63 Proceed Fujisawa Kugenuma |
| C-10 Proceed Makuhanhongo | C-30 Proceed Nakanoshimbashi | C-45 Proceed Oizumigakuen | C-65 Proceed TX Nagareyama Central Park |
| C-12 Proceed Makuhanhongo 2 | C-32 Proceed Takadanobaba | C-46 Proceed Chitosekarasuyama | C-70 Proceed Nishi Shinjuku |
| C-15 Proceed Takenozuka | C-33 Proceed Shinkoenji | C-47 Proceed Mitaka | C-71 Proceed Unoki |
| C-16 Proceed Sengendai 2 | C-34 Proceed Koenjiminami | C-48 Proceed Kashiwa Est | C-73 Proceed CO-Z East Building |
| C-17 Proceed Shoto | C-35 Proceed Hasune | C-49 Proceed Kashiwa Nord | C-74 Proceed CO-Z West Building |
| C-18 Proceed Sangubashi | C-36 Proceed Oimachi | C-52 Proceed Nishikawaguchi | C-75 Proceed Shin Yokohama |
| C-21 Proceed Yachiyo Midorigaoka I | C-37 Proceed Jujo | C-53 Proceed Gumyoji | C-78 Proceed K2 |
| C-22 Proceed Yachiyo Midorigaoka II | C-38 Proceed Hakuraku | C-54 Proceed Tsurugamine | C-79 Proceed K3 Annex |
| C-23 Proceed Toritsudaigaku | C-39 Proceed Shinmaruko | C-55 Proceed Sagamiotsuka | C-80 Proceed K5 |
| C-24 Proceed Toritsudaigaku 2 | C-41 Proceed Nishiirai | C-57 Proceed Kashiwa Trois | C-82 The Parkhabio Yokohamayamate |
| C-26 Proceed Meguro Aobadai | C-42 Proceed Chofu | C-59 Proceed Tobu Nerima | |
| C-27 Proceed Suginami Miyamae | C-43 Proceed TX Rokucho | C-60 Proceed Yukigaya | |

Enlarged map of Tokyo and the surrounding area



- | | | | |
|--------------------------------|-----------------------------|-------------------------------------|--|
| C-1 Proceed Ichikawa | C-14 Proceed Funabori | C-51 Proceed Funabashi Honcho | C-68 Proceed Kasai 2 |
| C-2 Proceed Toyocho | C-19 Proceed Urayasu | C-56 Proceed Shinozaki 2 | C-69 Proceed Nihonbashi Honcho |
| C-3 Proceed Kasai | C-20 Proceed Shinkoiwa | C-58 Proceed Shinozaki Tower | C-72 Proceed Minamigyotoku 2 |
| C-5 Proceed Mizue | C-25 Proceed Honjozumabashi | C-61 Proceed Ichikawa Minami | C-76 Life Support Residence Funaboriekimae |
| C-6 Proceed Funabashi Miyamoto | C-28 Proceed Ryogoku | C-62 Proceed Ichikawa Myoden | C-77 Proceed Kinshicho |
| C-7 Proceed Minamikasai | C-31 Proceed Kameido | C-64 Proceed Nihonbashi-horidomecho | C-81 Proceed Ichikawa Myoden II |
| C-9 Proceed Gyotoku | C-40 Proceed Motoyawata | C-66 Proceed Gyotoku 2 | C-83 Proceed Monzenakacho |
| C-11 Proceed Minamigyotoku | C-50 Proceed Gyotokuekimae | C-67 Proceed Nishikasai | C-84 Proceed Maihama |

Cabinet Order Designated Cities / Regional Area Major Cities

- G-21 Proceed Nishitenma
- G-22 Proceed Kobemotomachi
- G-23 Group Home Tanoshii Ie Taisho
- G-26 Proceed Bentencho
- G-27 Proceed Nagaikoendori
- G-30 Proceed Hyogoekimaeori

G-15 Proceed Fukuoka Takamiya

- G-33 Proceed Sendai Kozurushinden
- G-34 Proceed Sendai Kamisugi

- R-2 Proceed Mito
- R-3 Proceed Mito 2
- R-4 Proceed Tsukuba Gakuentoshi
- R-5 Proceed Mito 3

- | | |
|--------------------------|---------------------------|
| G-8 Proceed Taikodori | G-19 Proceed Toyoda |
| G-11 Proceed Honamimachi | G-24 Proceed Kanayama 2 |
| G-13 Proceed Shinsakae | G-25 Proceed Aratamabashi |
| G-14 Proceed Chiyoda | G-31 Proceed Mizuho |
| G-17 Proceed Kanayama | G-32 Proceed Osu |
| G-18 Proceed Fukiage | G-35 Proceed Kanayama 3 |

◆Tokyo metropolitan area major cities: **82** properties
 ◆Cabinet order designated cities: **21** properties
 ◆Regional area major cities: **4** properties
Total: 107 properties

Acquired assets Single DINKS Family Facility for the elderly

■ Portfolio Policy and the Status as of the End of the 30th FP

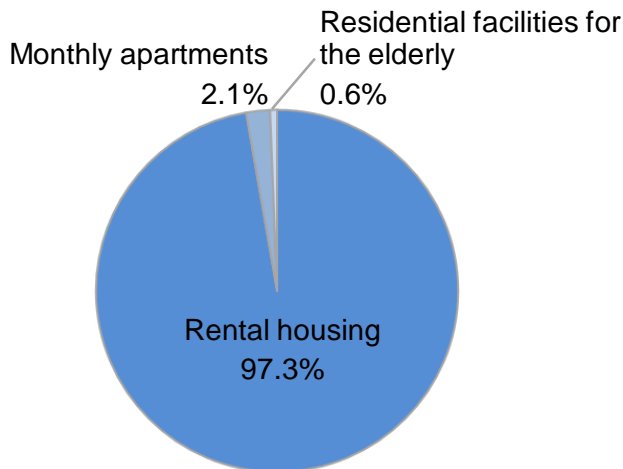
Portfolio policy by use (Note)

Investment target	Characteristics	Price ratio
Rental housing	Regular rental housing for singles, DINKS, families, etc.	70% or more
Monthly apartments	Rental housing with furniture that accepts short-term contracts such as a monthly contract.	25% or less
Serviced apartments	Rental housing with furniture that provides services such as linen changes.	
Hotels	Primarily hotels specialized in lodging, etc.	10% or less
Residential facilities for the elderly	Rental housing in the form of paid nursing homes, etc., and elderly nursing facilities such as insurance-covered nursing care facilities, etc.	
Others	Property developments, etc., through PFI, PPP, and urban redevelopment work, etc. which are not targeted for any of such uses as rental housing, etc. and have been constructed and designed, etc. through the real estate consulting business concurrently conducted by the Asset Management Company.	25% or less

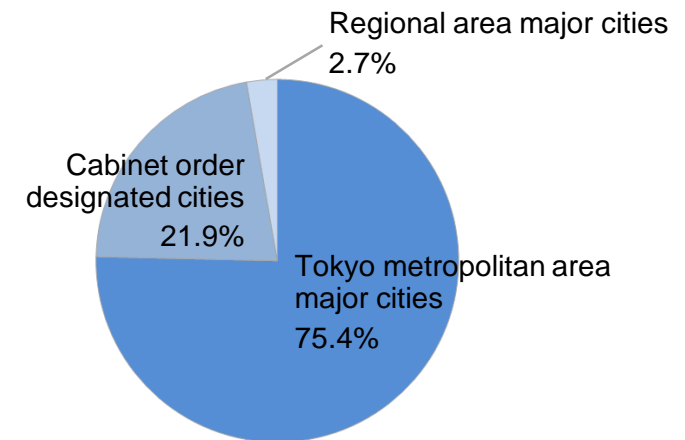
Portfolio policy by area (Note)

Area category	Price ratio
Tokyo metropolitan area major cities	70% or more
Cabinet order designated cities (excluding cities included in the above.)	20% or less
Regional area major cities (prefectural capitals, etc.) (excluding cities included in the above.)	10% or less

As of the end of 30th fiscal period



As of the end of 30th fiscal period



(Note) Price ratio is calculated by dividing subtotal of acquisition prices in each category by total acquisition price of entire portfolio. Moreover, actual price ratios may not meet the target ratios due to economic climate, real estate market conditions and other factors.

Portfolio List I (As of October 31, 2020)

Property No. (Note 1)	Property name	Location	Acquisition price (thousand yen)	Investment share (%) (Note 2)	Carrying amount (thousand yen)	Real estate appraisal value (thousand yen)	Gross leasable area (m ²)	Leased area (m ²)	Total number of leasable units (units) (Note 3)	Total number of leasable parking spaces (vehicles)	Period-end occupancy rate (%) (Note 4)	Leasing revenue and expenditure (thousand yen) (30th FP results)	PML (%)	Construction completion (Note 5)	Building age (year)
C-1	Proceed Ichikawa	Chiba	1,076,000	1.2	1,001,262	1,370,000	3,322.17	3,259.12	50	42	98.1	32,801	5.9	April 1, 1997	23.6
C-2	Proceed Toyochō	Tokyo	646,700	0.7	571,323	875,000	1,085.56	1,085.56	45	5	100.0	21,095	8.6	January 31, 2003	17.8
C-3	Proceed Kasai	Tokyo	688,700	0.8	595,102	811,000	1,243.80	1,178.76	57	0	94.8	19,570	5.1	March 1, 2003	17.7
C-4	Proceed Sengenjaya	Tokyo	555,900	0.6	616,119	601,000	1,019.27	916.44	9	8	89.9	14,802	9.3	June 29, 1990	30.4
C-5	Proceed Mizue	Tokyo	602,600	0.7	618,875	761,000	2,076.68	2,002.97	28	22	96.5	20,320	7.0	June 20, 1991	29.4
C-6	Proceed FunabashiMiyamoto	Chiba	419,900	0.5	445,632	573,000	1,685.73	1,597.23	33	1	94.8	17,051	4.7	June 24, 1991	29.4
C-7	Proceed Minamikasai	Tokyo	303,500	0.3	324,452	306,000	1,045.28	985.52	16	7	94.3	8,078	10.4	March 12, 1993	27.7
C-9	Proceed Gyotoku	Chiba	315,600	0.4	337,027	341,000	1,218.56	1,218.56	20	7	100.0	10,962	6.7	March 15, 1988	32.7
C-10	Proceed Makuhanhongo	Chiba	279,300	0.3	272,762	320,000	963.00	963.00	34	3	100.0	9,341	8.7	February 22, 1989	31.7
C-11	Proceed Minamigyotoku	Chiba	287,300	0.3	294,144	330,000	838.95	786.85	26	6	93.8	8,530	6.8	February 6, 1990	30.8
C-12	Proceed Makuhanhongo 2	Chiba	223,400	0.3	224,001	247,000	1,104.84	1,104.84	22	10	100.0	7,396	4.8	September 24, 1989	31.1
C-14	Proceed Funabori	Tokyo	226,100	0.3	235,942	247,000	479.52	459.54	24	1	95.8	7,035	7.3	October 11, 1991	29.1
C-15	Proceed Takenozuka	Tokyo	169,400	0.2	172,203	249,000	860.55	860.55	15	7	100.0	6,738	3.4	March 10, 1994	26.7
C-16	Proceed Sengendai 2	Saitama	86,700	0.1	92,220	109,000	695.81	641.02	12	3	92.1	3,798	3.3	April 3, 1991	29.6
C-17	Proceed Shoto	Tokyo	937,400	1.1	876,190	967,000	890.22	890.22	40	6	100.0	23,298	5.3	November 18, 2005	15.0
C-18	Proceed Sangubashi	Tokyo	497,600	0.6	480,007	486,000	527.88	527.88	26	0	100.0	11,346	7.0	July 22, 2005	15.3
C-19	Proceed Urayasu	Chiba	431,400	0.5	460,710	456,000	1,786.58	1,786.58	21	8	100.0	14,937	7.8	June 4, 1992	28.4
C-20	Proceed Shinkoiva	Tokyo	465,200	0.5	496,241	553,000	1,629.07	1,557.68	27	9	95.6	15,166	7.1	March 15, 1991	29.7
C-21	Proceed Yachiyo Midorigaoka I	Chiba	383,600	0.4	392,619	386,000	1,805.76	1,805.76	27	32	100.0	11,603	6.9	February 12, 1997	23.7
C-22	Proceed Yachiyo Midorigaoka II	Chiba	339,000	0.4	349,503	348,000	1,605.12	1,605.12	24	31	100.0	10,569	6.9	February 12, 1997	23.7
C-23	Proceed Toritsu-daigaku	Tokyo	790,400	0.9	763,532	798,000	808.65	744.81	37	2	92.1	18,289	8.3	March 13, 2006	14.6
C-24	Proceed Toritsu-daigaku 2	Tokyo	772,200	0.9	707,245	821,000	831.74	831.74	36	2	100.0	20,032	7.8	September 7, 2006	14.2
C-25	Proceed Honjozumabashi	Tokyo	339,800	0.4	294,341	455,000	570.53	570.53	19	0	100.0	10,367	6.7	July 7, 2006	14.3
C-26	Proceed Meguro Aobadai	Tokyo	466,700	0.5	449,047	466,000	485.15	485.15	24	1	100.0	11,191	11.6	March 27, 2003	17.6
C-27	Proceed Suginami Miyamae	Tokyo	454,900	0.5	427,043	484,000	680.50	680.50	29	1	100.0	12,684	7.1	January 26, 2004	16.8
C-28	Proceed Ryogoku	Tokyo	443,900	0.5	426,340	574,000	702.54	702.54	27	5	100.0	13,605	6.9	March 15, 2003	17.6
C-29	Proceed Mita	Tokyo	1,537,200	1.7	1,411,241	1,660,000	1,500.57	1,500.57	72	0	100.0	36,208	8.7	February 6, 2006	14.7
C-30	Proceed Nakanoshimbashi	Tokyo	638,800	0.7	670,280	700,000	849.08	849.08	50	0	100.0	18,575	10.4	September 24, 1992	28.1
C-31	Proceed Kameido	Tokyo	339,000	0.4	343,366	346,000	853.98	853.98	23	0	100.0	9,742	7.6	March 23, 1994	26.6
C-32	Proceed Takadanobaba	Tokyo	223,700	0.3	250,603	271,000	278.36	278.36	17	0	100.0	7,017	13.8	October 24, 1991	29.0
C-33	Proceed Shinkoenji	Tokyo	742,100	0.8	778,289	894,000	1,040.24	1,040.24	57	0	100.0	22,813	10.0	August 31, 1990	30.2
C-34	Proceed Koenjiminami	Tokyo	277,400	0.3	307,550	251,000	337.05	337.05	20	0	100.0	7,643	11.7	October 2, 1989	31.1
C-35	Proceed Hasune	Tokyo	284,000	0.3	313,198	267,000	587.13	587.13	29	0	100.0	8,455	6.8	July 17, 1991	29.3
C-36	Proceed Oimachi	Tokyo	944,000	1.1	977,566	950,000	961.88	961.88	59	0	100.0	22,670	13.0	April 13, 1992	28.6
C-37	Proceed Jujo	Tokyo	533,000	0.6	555,779	558,000	1,206.90	1,206.90	30	0	100.0	15,028	7.2	June 15, 1989	31.4
C-38	Proceed Hakuraku	Kanagawa	241,000	0.3	258,096	185,000	445.16	445.16	27	0	100.0	7,879	16.4	July 19, 1991	29.3
C-39	Proceed Shinmaruko	Kanagawa	635,000	0.7	663,454	605,000	759.00	759.00	46	0	100.0	16,285	11.7	September 12, 1988	32.2
C-40	Proceed Motoyawata	Chiba	307,000	0.3	266,231	336,000	602.39	602.39	25	1	100.0	8,556	4.4	January 9, 2004	16.8
C-41*	Proceed Nishiarai (Note 6)	Tokyo	5,172,000	5.9	3,110,369	6,860,000	20,137.85	20,011.05	294	146	99.4	203,911	ARTIER: 3.9 OZAREA: 5.0 Hall: 3.5 Nursery: 3.5	July 20, 2007	13.3

Portfolio List II (As of October 31, 2020)

Property No. (Note 1)	Property name	Location	Acquisition price (thousand yen)	Investment share (%) (Note 2)	Carrying amount (thousand yen)	Real estate appraisal value (thousand yen)	Gross leasable area (m ²)	Leased area (m ²)	Total number of leasable units (units) (Note 3)	Total number of leasable parking spaces (vehicles)	Period-end occupancy rate (%) (Note 4)	Leasing revenue and expenditure (thousand yen) (30th FP results)	PML (%)	Construction completion (Note 5)	Building age (year)
C-42	Proceed Chofu	Tokyo	460,500	0.5	398,898	573,000	764.48	764.48	26	0	100.0	13,164	6.4	February 17, 2007	13.7
C-43	Proceed TX Rokucho	Tokyo	156,800	0.2	176,589	178,000	518.31	518.31	20	2	100.0	4,856	6.6	June 21, 1991	29.4
C-44	Proceed Nakagawara	Tokyo	1,141,000	1.3	1,214,905	1,340,000	3,061.94	2,919.78	54	35	95.4	33,588	Ichibankan: 10.7 Nibankan: 11.8	April 1, 1989	31.6
C-45	Proceed Oizumigakuen	Tokyo	268,300	0.3	288,785	282,000	483.43	483.43	29	0	100.0	7,492	10.6	November 26, 1991	29.0
C-46	Proceed Chitosekarasuyama	Tokyo	289,600	0.3	327,317	334,000	449.96	417.82	28	0	92.9	7,419	11.7	December 8, 1988	31.9
C-47	Proceed Mitaka	Tokyo	477,200	0.5	524,667	581,000	739.48	739.48	47	0	100.0	13,738	9.3	December 16, 1988	31.9
C-48	Proceed Kashiwa Est	Chiba	732,000	0.8	668,965	720,000	1,279.93	1,251.25	44	5	97.8	18,307	4.5	February 13, 2007	13.7
C-49	Proceed Kashiwa Nord	Chiba	689,000	0.8	617,794	623,000	1,391.55	1,331.17	47	0	95.7	15,105	5.7	February 13, 2007	13.7
C-50	Proceed Gyotokueimae	Chiba	331,000	0.4	271,669	372,000	659.68	575.28	24	3	87.2	9,332	5.2	September 4, 2007	13.2
C-51	Proceed Funabashi Honcho	Chiba	531,700	0.6	491,233	598,000	996.44	971.46	40	0	97.5	14,862	5.7	July 19, 2006	14.3
C-52	Proceed Nishikawaguchi	Saitama	881,000	1.0	953,827	839,000	1,630.24	1,504.76	104	1	92.3	22,241	5.5	February 10, 1989	31.7
C-53	Proceed Gumyoji	Kanagawa	552,000	0.6	562,034	589,000	1,246.48	1,104.87	77	0	88.6	11,348	19.0	May 12, 1988	32.5
C-54	Proceed Tsurugamine	Kanagawa	356,000	0.4	362,290	378,000	855.00	752.40	50	4	88.0	8,997	7.2	March 12, 1991	29.7
C-55	Proceed Sagamiotsuka	Kanagawa	234,000	0.3	230,096	217,000	741.24	685.23	29	7	92.4	4,401	12.9	April 5, 1991	29.6
C-56*	Proceed Shinozaki 2	Tokyo	913,300	1.0	791,668	1,140,000	2,134.07	2,134.07	35	13	100.0	26,434	4.2	September 18, 2008	12.1
C-57	Proceed Kashiwa Trois	Chiba	537,100	0.6	468,922	669,000	1,149.95	1,065.95	38	6	92.7	15,705	5.4	May 8, 2009	11.5
C-58	Proceed Shinozaki Tower (Note 8)	Tokyo	1,564,000	1.8	1,358,774	2,250,000	5,117.49	5,057.08	88	30	98.8	60,323	High-rise bldg.: 2.6 Low-rise Bldg.: 4.4	March 17, 2008	12.6
C-59	Proceed Tobu Nerima	Tokyo	422,000	0.5	406,576	573,000	779.84	759.12	35	2	97.3	14,346	7.7	August 31, 2007	13.2
C-60	Proceed Yukigaya	Tokyo	323,000	0.4	360,495	393,000	600.62	566.34	35	0	94.3	10,529	14.0	October 7, 1991	29.1
C-61	Proceed Ichikawa Minami	Chiba	687,000	0.8	698,051	947,000	1,635.59	1,635.59	66	17	100.0	25,891	2.0	February 10, 1997	23.7
C-62	Proceed Ichikawa Myoden	Chiba	498,000	0.6	524,409	626,000	945.00	882.00	45	1	93.3	15,987	6.8	March 15, 2003	17.6
C-63	Proceed Fujisawa Kugenuma	Kanagawa	729,000	0.8	759,304	900,000	2,005.76	2,005.76	25	20	100.0	22,320	14.7	March 30, 2001	19.6
C-64	Proceed Nihonbashi-horidomecho	Tokyo	1,485,800	1.7	1,512,024	1,730,000	1,904.45	1,874.75	37	2	98.4	36,765	7.5	April 7, 2006	14.6
C-65*	Proceed TX Nagareyama Central Park (Note 9)	Chiba	979,700	1.1	911,171	1,170,000	2,976.85	2,976.85	73	0	100.0	33,600	2.9	April 11, 2014	6.6
C-66	Proceed Gyotoku 2	Chiba	830,000	0.9	830,510	903,000	1,626.54	1,569.04	59	20	96.5	20,294	6.5	October 7, 2006	14.1
C-67	Proceed Nishikasai (Note 10)	Tokyo	875,600	1.0	956,890	1,000,000	2,993.52	2,942.08	63	39	98.3	27,666	Ichibankan: 11.0 Nibankan: 8.1	Ichibankan: October 17, 1993 Nibankan: July 23, 1985	Ichibankan: 26.6 Nibankan: 34.8
C-68*	Proceed Kasai 2	Tokyo	750,000	0.9	840,082	917,000	2,140.59	1,968.89	29	6	92.0	21,540	7.1	September 12, 2003	17.1
C-69	Proceed Nihonbashi Honcho	Tokyo	2,449,000	2.8	2,595,063	2,550,000	2,553.89	2,361.81	84	7	92.5	49,535	8.3	February 25, 2003	17.7
C-70	Proceed Nishi Shinjuku	Tokyo	2,549,000	2.9	2,640,649	2,670,000	2,461.88	2,240.78	66	5	91.0	49,010	4.5	February 25, 2003	17.7
C-71	Proceed Unoki	Tokyo	917,000	1.0	928,539	974,000	1,260.58	1,213.97	29	4	96.3	21,590	13.9	September 5, 2015	5.2
C-72*	Proceed Minamigyotoku 2	Chiba	1,080,000	1.2	1,089,443	1,140,000	2,832.74	2,756.89	36	18	97.3	28,284	6.4	May 15, 2014	6.5
C-73	Proceed CO-2 East Building	Chiba	1,830,000	2.1	1,927,492	2,000,000	6,873.33	5,940.78	112	121	86.4	54,581	6.0	March 10, 1997	23.7
C-74	Proceed CO-2 West Building	Chiba	971,000	1.1	1,039,297	1,050,000	3,716.05	2,994.91	71	87	80.6	30,522	6.0	January 9, 1998	22.8
C-75	Proceed Shin Yokohama	Kanagawa	4,330,000	4.9	4,433,096	4,430,000	5,457.56	4,953.72	226	68	90.8	92,694	6.9	April 19, 2007	13.5
C-76	Life Support Residence Funabonekimae	Tokyo	380,000	0.4	256,903	421,000	1,408.71	1,408.71	2	0	100.0	9,752	6.6	January 14, 2013	7.8
C-77	Proceed Kinshicho	Tokyo	2,140,000	2.4	2,242,554	2,170,000	2,302.92	2,099.95	64	11	91.2	40,091	6.1	July 1, 2005	15.3
C-78	Proceed K2	Chiba	1,170,000	1.3	1,248,693	1,290,000	4,099.04	4,099.04	59	20	100.0	35,412	3.9	February 10, 1995	25.7
C-79	Proceed K3 Annex	Chiba	283,000	0.3	306,885	313,000	1,590.30	1,390.77	24	25	87.5	8,291	5.5	March 2, 1997	23.7
C-80	Proceed K5	Chiba	269,000	0.3	289,124	276,000	788.95	729.08	17	0	92.4	5,816	6.3	February 13, 1998	22.7
C-81	Proceed Ichikawa Myoden II	Chiba	800,000	0.9	839,796	828,000	1,218.00	1,218.00	58	1	100.0	23,490	6.7	March 15, 2003	17.6
C-82	The Parkbio Yokohamayamale	Kanagawa	3,047,000	3.5	3,250,307	3,160,000	2,654.69	2,535.82	76	23	95.5	56,690	15.0	July 2, 2015	5.3
C-83	Proceed Monzenkacho	Tokyo	1,240,000	1.4	1,304,583	1,310,000	1,515.81	1,515.81	48	3	100.0	26,920	9.7	January 18, 2020	0.8
C-84	Proceed Mahama	Chiba	1,029,000	1.2	1,106,152	1,190,000	1,735.31	1,709.75	66	9	98.5	25,602	7.4	March 10, 2020	0.6
Properties in Tokyo			37,854,300	43.1	35,898,204	43,597,000	75,881.95	74,093.29	1,929	381	97.6	1,060,436			18.1
Properties in the Tokyo metropolitan area excluding Tokyo			28,401,700	32.3	28,940,231	30,834,000	66,939.29	63,215.00	1,833	600	94.4	759,480			17.6
Tokyo metropolitan area major cities subtotal			66,256,000	75.4	64,838,476	74,431,000	142,821.24	137,308.29	3,762	981	96.1	1,819,916			17.9

Portfolio List III (As of October 31, 2020)

Property No. (Note 1)	Property name	Location	Acquisition price (thousand yen)	Investment share (%) (Note 2)	Carrying amount (thousand yen)	Real estate appraisal value (thousand yen)	Gross leasable area (m ²)	Leased area (m ²)	Total number of leasable units (units) (Note 3)	Total number of leasable parking spaces (vehicles)	Period-end occupancy rate (%) (Note 4)	Leasing revenue and expenditure (thousand yen) (30th FP results)	PML (%)	Construction completion (Note 5)	Building age (year)
G-8	Proceed Taikodori	Aichi	403,400	0.5	332,715	480,000	1,101.56	1,101.56	44	6	100.0	12,855	11.3	March 15, 2006	14.6
G-11	Proceed Honamimachi	Aichi	275,000	0.3	222,927	243,000	620.22	394.31	10	8	63.6	5,734	10.5	March 27, 2006	14.6
G-13*	Proceed Shinsakae	Aichi	792,500	0.9	629,855	961,000	1,958.44	1,738.30	77	11	88.8	23,542	7.1	February 28, 2007	13.7
G-14	Proceed Chiyoda	Aichi	309,300	0.4	246,459	384,000	922.40	708.88	30	4	76.9	7,883	7.3	March 20, 2007	13.6
G-15	Proceed Fukuoka Takamiya	Fukuoka	453,600	0.5	423,466	502,000	1,312.29	1,262.71	46	10	96.2	12,512	3.2	March 12, 2007	13.6
G-17*	Proceed Kanayama	Aichi	1,022,000	1.2	934,382	1,370,000	2,733.58	2,614.40	94	18	95.6	31,461	6.0	February 18, 2008	12.7
G-18*	Proceed Fukiage	Aichi	499,000	0.6	455,704	650,000	1,204.65	1,126.69	48	15	93.5	14,321	6.2	March 13, 2008	12.6
G-19*	Proceed Toyota	Aichi	219,000	0.2	201,828	299,000	752.04	752.04	27	8	100.0	9,277	6.7	February 29, 2008	12.7
G-21	Proceed Nishitenma	Osaka	880,000	1.0	866,367	1,180,000	1,775.89	1,716.83	56	3	96.7	27,957	13.9	November 30, 2007	12.9
G-22	Proceed Kobemobomachi	Hyogo	780,000	0.9	774,464	1,020,000	1,590.64	1,391.00	61	6	87.4	22,240	8.6	December 21, 2007	12.9
G-23	Group Home Tanoshii le Taisho	Osaka	158,000	0.2	156,253	185,000	482.72	482.72	1	0	100.0	5,156	14.8	February 28, 2007	13.7
G-24	Proceed Kanayama 2	Aichi	2,040,400	2.3	2,019,911	2,290,000	4,218.01	3,793.12	72	31	89.9	49,133	6.2	August 22, 2007	13.2
G-25	Proceed Aratamabashi	Aichi	2,129,600	2.4	2,133,873	2,220,000	5,335.93	4,813.42	72	45	90.2	49,513	6.2	August 19, 2005	15.2
G-26	Proceed Bentencho	Osaka	2,170,000	2.5	2,238,646	2,300,000	4,134.70	3,974.89	126	21	96.1	55,072	8.1	January 11, 2008	12.8
G-27	Proceed Nagaikendori	Osaka	1,070,000	1.2	1,103,381	1,070,000	2,170.80	1,876.97	81	24	86.5	20,440	14.4	May 28, 2007	13.4
G-28	Proceed Nishinagahori (Note 11)	Osaka										315			
G-29	Proceed Kyobashi (Note 11)	Osaka										-247			
G-30	Proceed Hyogoekimae-dori	Hyogo	1,670,000	1.9	1,719,456	1,750,000	3,086.99	2,811.11	117	18	91.1	39,496	9.2	February 8, 2008	12.7
G-31	Proceed Mizuho	Aichi	535,000	0.6	558,474	550,000	1,126.40	1,051.38	40	5	93.3	13,778	6.2	February 28, 2007	13.7
G-32	Proceed Osu	Aichi	831,000	0.9	837,879	886,000	1,851.30	1,683.00	66	10	90.9	23,566	7.6	March 7, 2016	4.7
G-33	Proceed Sendai Kozurushinden	Miyagi	698,000	0.8	730,860	776,000	1,913.28	1,757.52	63	32	91.9	18,887	8.4	March 20, 2006	14.6
G-34	Proceed Sendai Kamisugi	Miyagi	1,560,000	1.8	1,594,190	1,690,000	3,409.93	3,234.36	108	16	94.9	47,091	4.8	February 21, 2017	3.7
G-35	Proceed Kanayama 3	Aichi	770,000	0.9	835,570	826,000	1,799.52	1,718.46	60	15	95.5	21,631	6.4	August 9, 2018	2.2
Cabinet order designated cities subtotal			19,265,800	21.9	19,016,670	21,632,000	43,501.29	40,003.67	1,299	306	92.0	511,613			11.9
R-2	Proceed Mito	Ibaraki	383,700	0.4	299,432	486,000	1,223.83	1,101.28	36	7	90.0	13,358	4.0	January 7, 2007	13.8
R-3	Proceed Mito 2	Ibaraki	416,900	0.5	338,762	521,000	1,381.34	1,304.09	36	25	94.4	14,765	3.6	March 11, 2008	12.6
R-4	Proceed Tsukuba Gakuenboshi	Ibaraki	775,600	0.9	761,981	825,000	2,659.71	2,579.10	34	35	97.0	18,173	3.8	March 3, 2008	12.7
R-5	Proceed Mito 3	Ibaraki	824,000	0.9	903,974	869,000	2,258.88	2,216.09	60	15	98.1	23,942	2.5	September 20, 2018	2.1
Regional area major cities subtotal			2,400,200	2.7	2,304,151	2,701,000	7,523.76	7,200.56	166	82	95.7	70,238			9.2
Portfolio total			87,922,000	100.0	86,159,298	98,764,000	193,846.29	184,512.52	5,227	1,369	95.2	2,401,767	3.1		16.2

(Note 1) "Property No." is the properties grouped into 3 classifications "C" (= Tokyo metropolitan area major cities), "G" (= Cabinet order designated cities) and "R" (= Regional area major cities) and numbered per classification.

(Note 2) "Investment share" is the proportion of acquisition price of each acquired property to total acquisition prices of the portfolio and is rounded to the first decimal place.

(Note 3) "Total number of leasable units" is the number of units that are leasable for residential, office, retail and other uses.

(Note 4) "Period-end occupancy rate" is the proportion of leased area to the gross leasable area of the respective property, rounded to the first decimal place. For properties with fixed rent, 100% is indicated.

(Note 5) "Construction completion" is the date stated in the real estate registry transcript.

(Note 6) The right to the land of (C-41) Proceed Nishiari is a 50-year fixed-term land leasehold right. In addition, as (C-41) Proceed Nishiari consists of 4 independent buildings, PML for each of the 4 buildings is shown.

(Note 7) As (C-44) Proceed Nakagawara comprises 2 independent buildings, PML for each of the 2 buildings is shown.

(Note 8) The right to the land of (C-58) Proceed Shinozaki Tower is a 70-year fixed-term land leasehold right and fixed-term land sublease right. In addition, as (C-58) Proceed Shinozaki Tower consists of 2 structurally independent buildings, PML for each of the 2 buildings is shown.

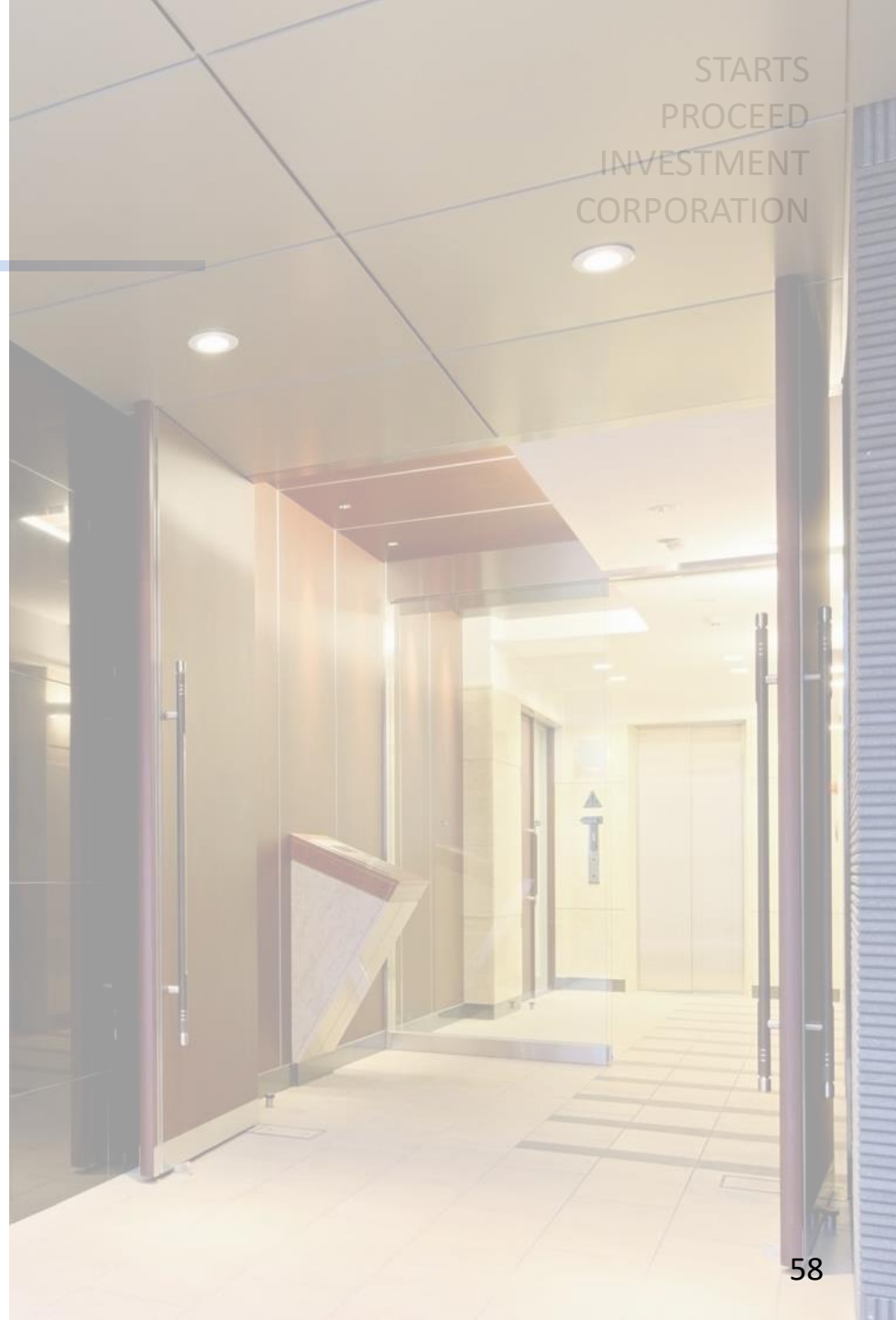
(Note 9) The right to the land of (C-65) Proceed TX Nagareyama Central Park is a 52-year fixed-term land sublease right.

(Note 10) As (C-67) Proceed Nishikasai comprises 2 independent buildings, PML and construction completion for each of the 2 buildings is shown.

(Note 11) As (G-28) Proceed Nishinagahori and (G-29) Proceed Kyobashi were disposed during the 30th fiscal period, only the leasing revenue and expenditure is shown.

(Note 12) Of the assets Starts Proceed has acquired, the properties with the asterisk (*) mark attached at their property numbers are seismic isolated.

Management Company Overview

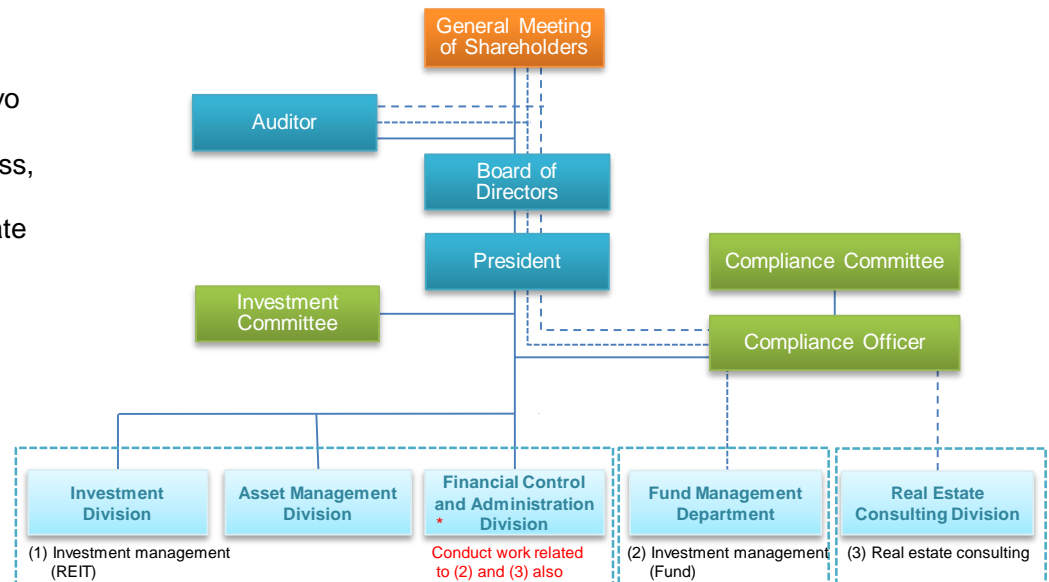


- **Established** Oct. 31, 2001
- **History**
 - Dec. 22, 2001 Obtained building lots and buildings transaction business license (Tokyo Governor (4) No.80325)
 - Nov. 11, 2004 Obtained discretionary transaction agent and other approval under the Building Lots and Buildings Transaction Business Act (Minister of Land, Infrastructure, Transport and Tourism Approval No. 25)
 - Dec. 20, 2004 Obtained investment corporation asset management business approval (Prime Minister No. 36)
 - Sept. 30, 2007 Registered as financial instruments business operator under Financial Instruments and Exchange Act (Director-General of the Kanto Local Finance Bureau (Kinsho) No. 343)
 - Oct. 1, 2010 Commenced real estate consulting business operations
Changed trade name from Starts Asset Management Investment Trust Co., Ltd. to Starts Asset Management Co., Ltd.
 - Feb. 1, 2016 Notification of change in content and method of business concerning commencement of discretionary investment management business
 - Feb. 7, 2018 Registered Change in Type of Financial Instruments Business
(Addition of investment advisory and agency business)

■ Outline

- President Kazuya Hiraide
- Head office location 3-1-8 Nihonbashi, Chuo-ku, Tokyo
- Line of business Investment management business, investment advisory and agency business and real estate consulting business
- Capital stock 150,000,000 yen
- Shareholder Starts Corporation Inc. (100%)

■ Organizational Chart



MEMO

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