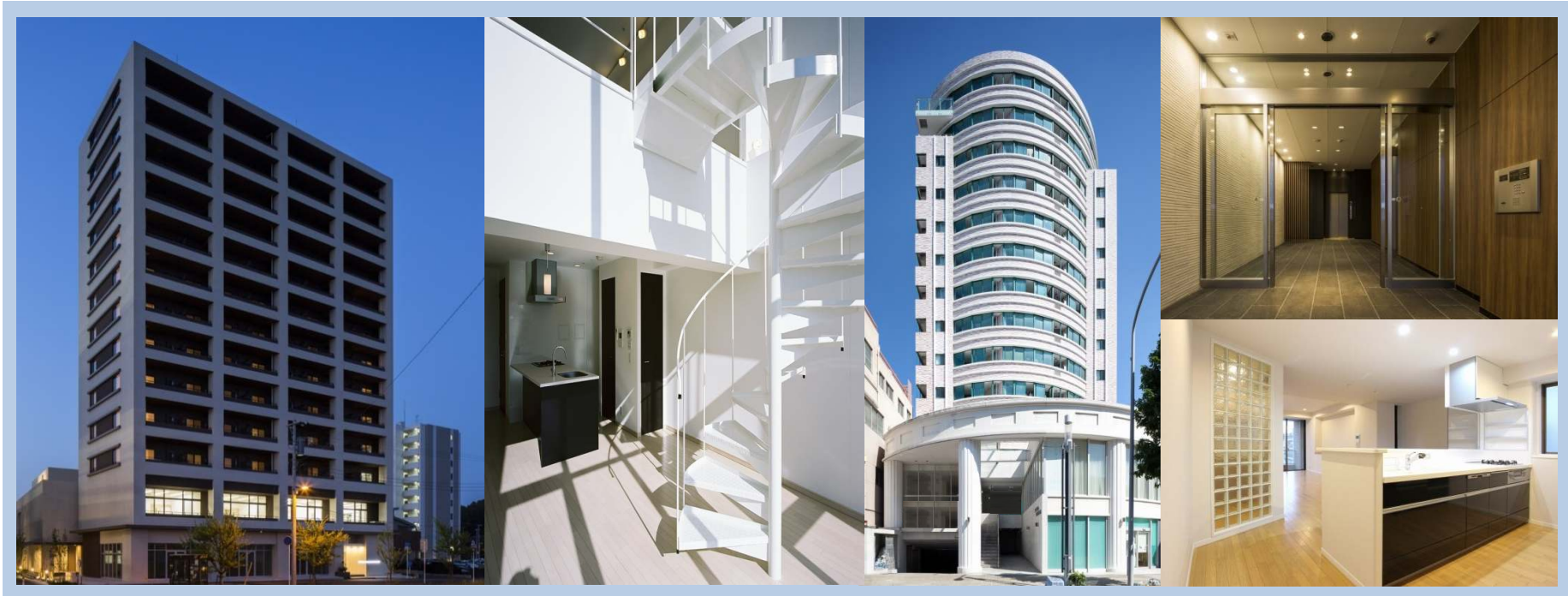




# Starts Proceed Investment Corporation



## Financial Results Briefing

20th Fiscal Period (six months ended October 31, 2015)

December 16, 2015



**(Asset Management Company)**  
**Starts Asset Management Co., Ltd.**

## 20th Fiscal Period Financial Results Summary

20th Fiscal Period Financial Results Highlights	3
20th Fiscal Period Financial Results: Comparison with Previous Period Results and with Beginning of Period Forecast	4
Management Forecast for 21st and 22nd Fiscal Periods	5
Status of Occupancy Conditions of AUM	6
Status of Leasing Conditions of AUM	7
AUM Average Occupancy Period by Residential Unit Type	8
Building a Portfolio that Responds to Various Fluctuation Risks	9
Changes in AUM Indicators	10
Initiatives to Maintain/Enhance Competitiveness	11
Financial Status	12
Changes in Investment Unit Price	13
Status of Unitholders (As of October 31, 2015)	14

## Future Management Policy

Management Policy from 21st Fiscal Period	16
Properties Developed by the Sponsor	17
Candidate Properties for Acquisition	18
Overview of November 24, 2015 Refinancing	19

## Reference Materials

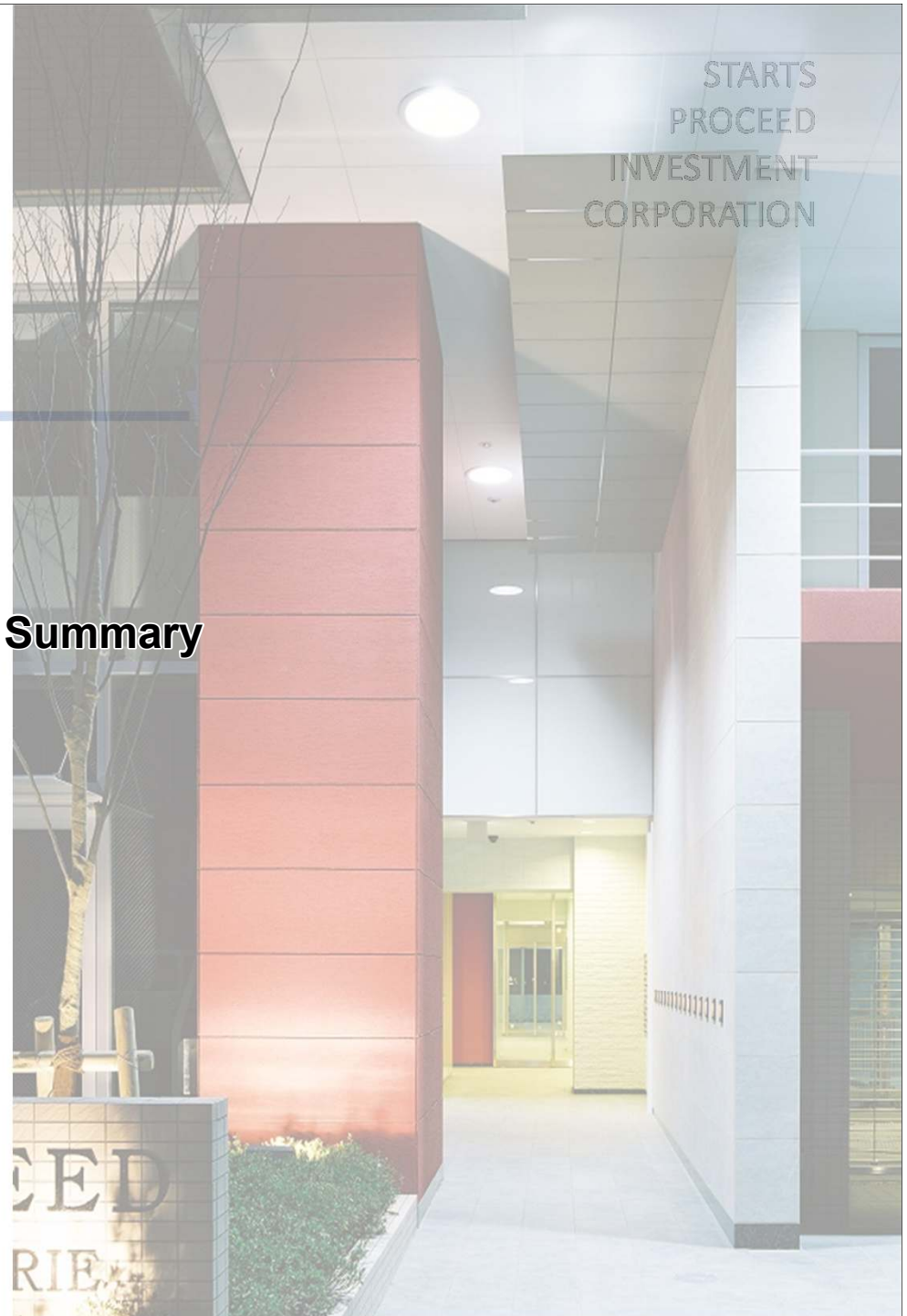
Balance Sheet	22
Statements of Income / Cash Distributions	23
Key Performance Indicators and Statements of Cash Flows	24
Status of Interest-Bearing Liabilities (As of October 31, 2015)	25
Portfolio Map (As of October 31, 2015)	28
Breakdown of Revenue of Portfolio by Geographic Area (20th Fiscal Period Results)	29
Breakdown of Revenue of Major Properties (20th Fiscal Period Results)	30
Portfolio List (As of October 31, 2015)	31

## Management Company Overview

Starts Asset Management Co., Ltd.	35
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## 20th Fiscal Period Financial Results Summary



# 20th Fiscal Period Financial Results Highlights



## Achieved Results Exceeding Forecast at Beginning of Period in 20th Period

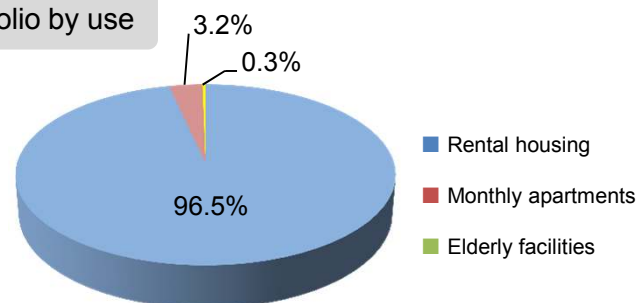
	Forecast at beginning of 20th fiscal period	Results of 20th fiscal period	Comparison with 19th fiscal period
Distribution per unit	<b>4,020 yen</b>	<b>4,035 yen</b>	(Results of 19th fiscal period 4,182 yen) -147 yen (-3.5%)
		+15yen (+0.4%)	

## Overview of Portfolio Assets at End of 20th Fiscal Period (October 31, 2015)

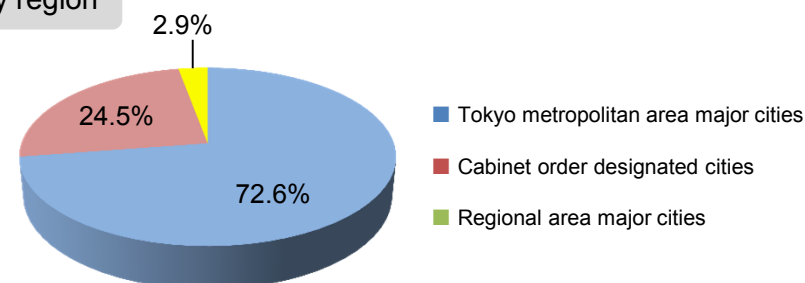
Total acquisition price	<u>57,110 million yen</u>	Total number of leasable units	<u>3,969 units</u>
Number of properties	<u>96 properties</u>	Total number of leasable parking spaces	<u>992 vehicles</u>
Gross leasable area	<u>146,415.29m<sup>2</sup></u>	Occupancy rate (at end of 20th fiscal period)	<u>96.3%</u>
Average building age	<u>14.2 years</u>	NOI yield (Annualized and based on acquisition price)	<u>5.9%</u>
		Yield after depreciation	<u>4.2%</u>

## Portfolio Data (96 Assets)

Portfolio by use



Portfolio by region



(Note) Unless otherwise specified, amounts are rounded down and figures with decimal places calculated for percentage or average are rounded off. The same shall apply hereinafter.

# 20th Fiscal Period Financial Results: Comparison with Previous Period Results and with Beginning of Period Forecast



(Unit: million yen)

	19th FP Results Previous period results	20th FP Forecast Beginning of period forecast	20th FP Results	Difference from 19th FP Results	Reason for Difference	Difference From 20th FP Forecast	Reason for Difference
Operating revenue	2,239	2,232	2,220	-19	Seasonal fluctuations, etc.	-12	Decrease in rent revenue, etc.
Operating expenses	1,291	1,314	1,306	14	Increase in real estate taxes: +12 Increase in loss on consumption taxes difference: +41 Decrease in repair expenses: -30, etc.	-7	Decrease in other expenses, etc.
[Of which, expenses related to rent business]	1,036	1,006	1,011	-24	-	5	-
Operating income	947	918	914	-33	-	-4	-
Non-operating income	4	1	6	2	-	5	-
Non-operating expenses	223	219	217	-5	Decrease in borrowing related expenses, etc.	-1	-
Ordinary income	728	700	703	-25	-	2	-
Net income	726	698	701	-25	-	2	-
Distribution per unit (yen)	4,182	4,020	4,035	-147	-	15	-

**Distribution**  
**20th FP: 4,035 yen**

### **Difference from 19th Fiscal Period Results**

In the 20th fiscal period, distribution decreased due to lack of effects from special factors (decrease in loss on consumption taxes difference, recording of fixed asset tax for acquisition book value) arose in the 19th fiscal period from property acquisition, in addition to a decrease in operating revenue brought by seasonal fluctuations.

### **Difference from 20th Fiscal Period Forecast**

Although property leasing income (loss) was slightly below the forecast, distribution surpassed the forecast due to reduction of various expenses and borrowing related expenses, etc.

(Note) The forecast figures for the 20th fiscal period are calculated based on certain assumptions as at June 12, 2015.

# Management Forecast for 21st and 22nd Fiscal Periods



(Unit: million yen)

	20th FP Results	21st FP Forecast	Difference from 20th FP Results	Reason for Difference	22nd FP Forecast	Difference From 21st FP Forecast	Reason for Difference
Operating revenue	2,220	2,240	19	Seasonal fluctuations, etc.	2,228	-12	Seasonal fluctuations, etc.
Operating expenses	1,306	1,326	20	Seasonal fluctuations, etc.	1,317	-8	Seasonal fluctuations, etc.
[Of which, expenses related to rent business]	1,011	1,028	16	–	1,013	-14	–
Operating income	914	913	0	–	910	-3	–
Non-operating income	6	1	-5	–	1	0	–
Non-operating expenses	217	212	-5	Borrowing related expenses	209	-3	–
Ordinary income	703	702	0	–	702	0	–
Net income	701	700	0	–	700	0	–
Distribution per unit (yen)	4,035	4,030	-5	–	4,030	–	–
Acquisition price	57,110	57,110	–	–	57,110	–	–
Number of properties (properties)	96	96	–	–	96	–	–
Total number of units (units)	3,969	3,969	–	–	3,969	–	–

## Forecast distribution

**21st FP: 4,030 yen**

**22nd FP: 4,030 yen**

## 20th and 21st Fiscal Period Forecast

Although operating revenue, operating expenses, etc. will slightly increase or decrease due to seasonal fluctuations, etc., there is no major fluctuation factors in comparison with the 20th fiscal period, and distribution of 4,030 yen is forecast for both fiscal periods.

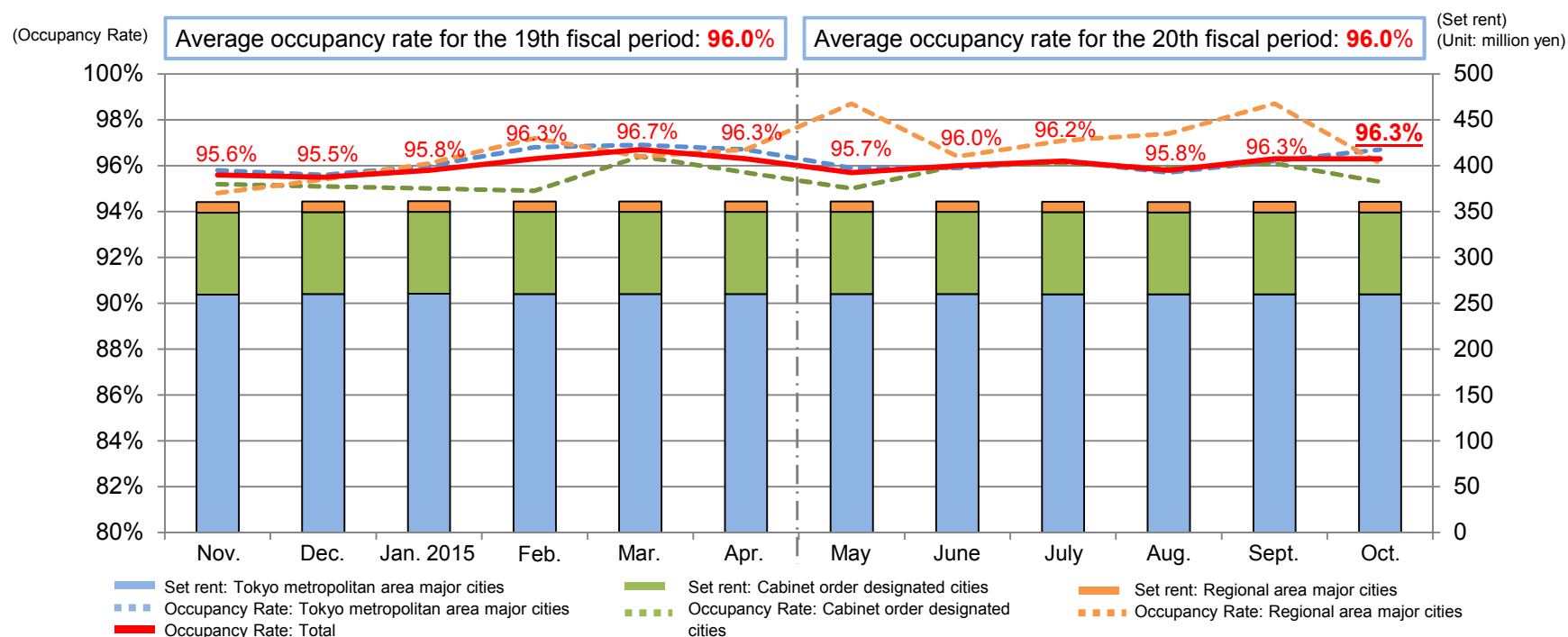
(Note) The forecast figures for the 21st and 22nd fiscal periods above are calculated based on certain assumptions as at December 15, 2015. Accordingly, actual operating revenue, operating expenses and (of which) expenses related to rent business, operating income, non-operating income, non-operating expenses, ordinary income, net income and distribution per unit, etc. may vary due to future additional acquisition or sale of real estate, etc., changes in the real estate market, etc., changes in the management environment or other circumstances surrounding Starts Proceed and other factors.



# Status of Occupancy Conditions of AUM



## Changes in Period-Round Occupancy Rates and Set Rent (Note 1)



(Note 1) Set rent is the sum total of rent and common area maintenance charges.

## Comparison between Set Key Money Total Amount and Set Rent (Note 2)

(at end of period)

	17th FP	18th FP	19th FP	20th FP
Number of properties	89 properties	89 properties	96 properties	96 properties
Set key money total amount (thousand yen)	187,264	184,992	192,622	190,298
Ratio to set rent (month)	0.81	0.81	0.69	0.68

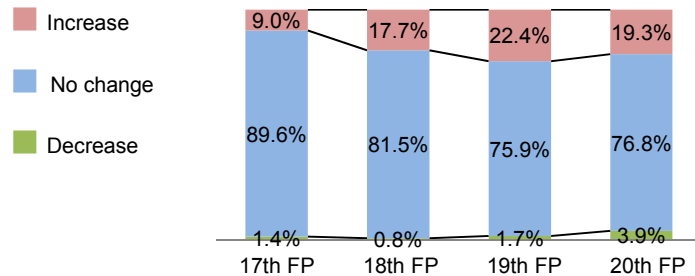
During the 20th fiscal period, occupancy rate maintained at a stable level of **95%** or more.  
 The average occupancy rate was **96.0%**.

(Note 2) In the calculation of the ratio to set rent, calculations are based on rent and common area maintenance charges are not included. The figures are for pass-through type properties only and fixed-rent type properties are not included.

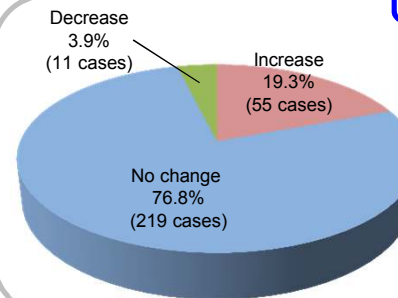
# Status of Leasing Conditions of AUM

## Renewal / Newly-Advertised Conditions Setting (Note1)

### Renewal Rent Revision



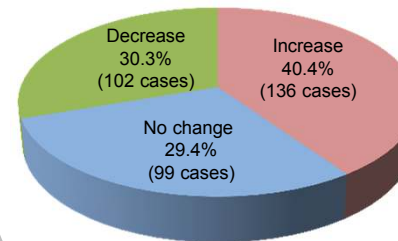
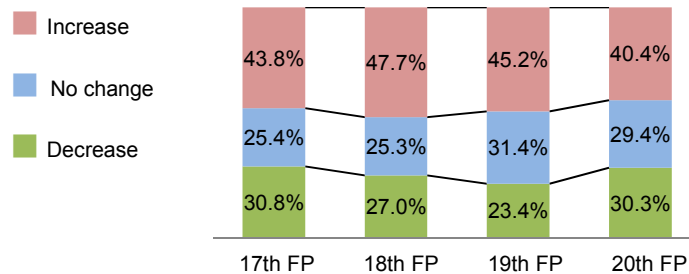
20th FP



(Unit: thousand yen)

	Cases	Change
Increase	55 cases	86
No change	219 cases	-
Decrease	11 cases	-62
<b>Total</b>	<b>285 cases</b>	<b>24</b>

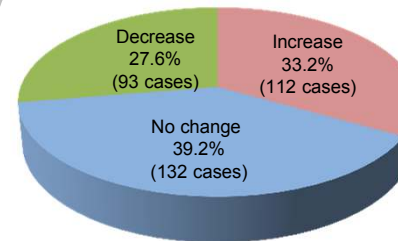
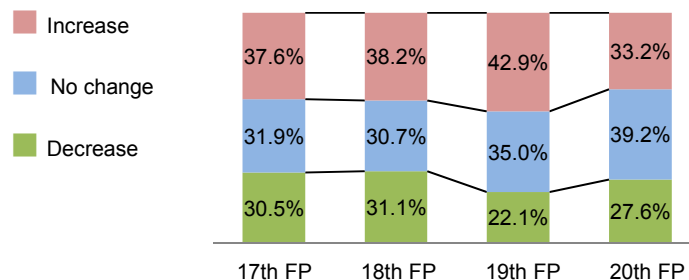
### Newly-Advertised Rent Setting



(Unit: thousand yen)

	Cases	Change
Increase	136 cases	423
No change	99 cases	-
Decrease	102 cases	-591
<b>Total</b>	<b>337 cases</b>	<b>-168</b>

### Newly-Advertised Key Money Setting (Note 2)



(Unit: thousand yen)

	Cases	Change
Increase	112 cases	7,243
No change	132 cases	-
Decrease	93 cases	-6,896
<b>Total</b>	<b>337 cases</b>	<b>347</b>

Despite a slight negative growth in the newly-advertised rent setting, renewal setting realized upward revision for the 5th consecutive period and the key-money setting for the 2nd consecutive period.

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

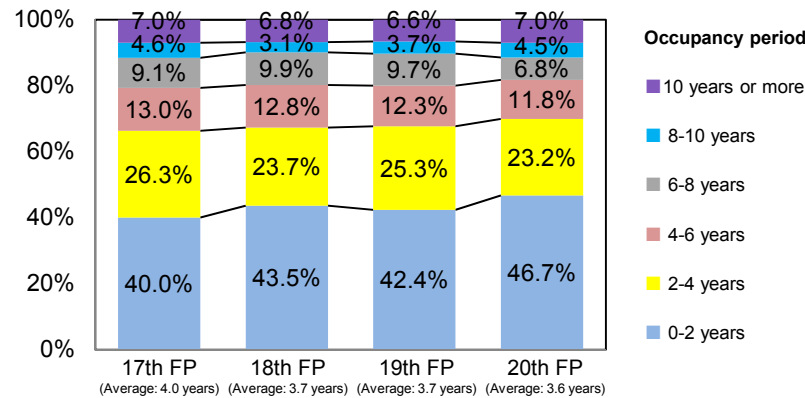
(Note 2) "Newly-advertised key money setting" is the amount of difference between the total amount of key money received from the previous end-tenants and the total amount of the newly-advertised key money setting after the agreement cancellation.



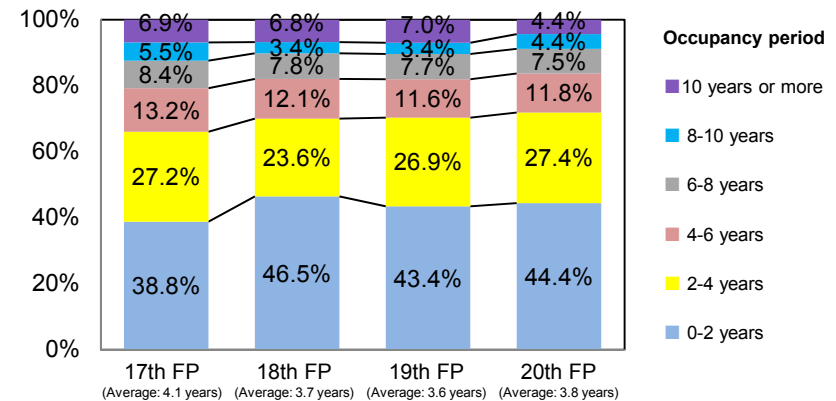
# AUM Average Occupancy Period by Residential Unit Type (Results of 17th–20th Fiscal Period Residents)



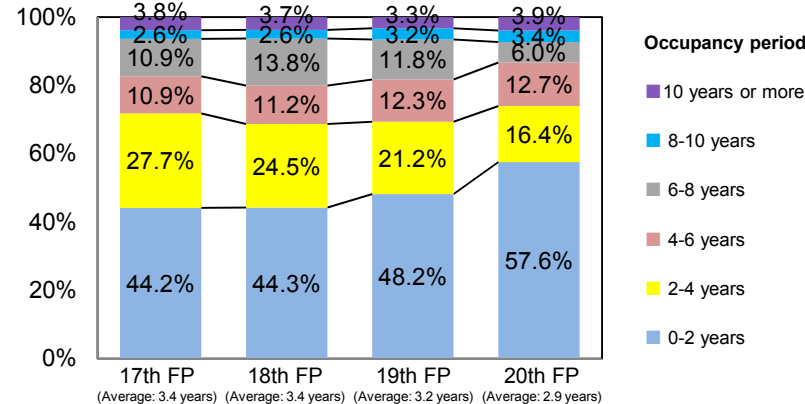
All (End of 20th FP: average 3.6 years)



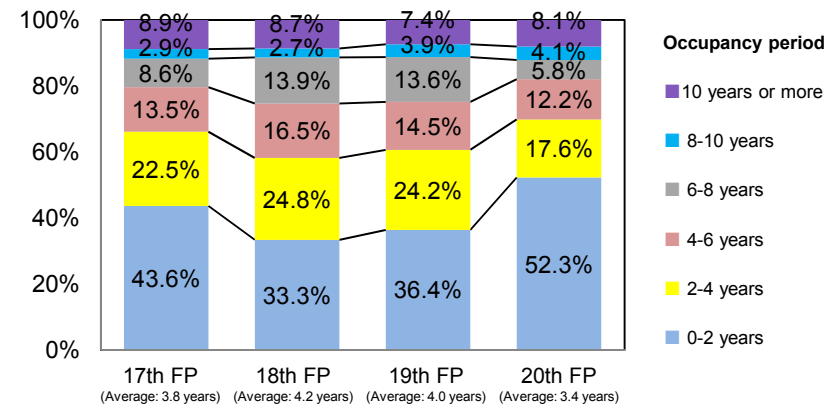
Single type (End of 20th FP : average 3.8 years)



DINKS type (End of 20th FP : average 2.9 years)



Family type (End of 20th FP : average 3.4 years)



As a result of leasing of vacant rooms at family type units, the number of residents with occupancy period less than 2 years increased in line with the increased new move-ins. Thus the average occupancy period has shorten accordingly.

(Note 1) "Occupancy period" compiles tenant households by their period of occupancy as at the end of the respective fiscal period.  
 (Note 2) As the data has been prepared for rental housing alone, (G-23) Group Home Tanoshii Ie Taisho is excluded from compilation.  
 (Note 3) "All" includes retail and office (49 units).  
 (Note 4) All, single, DINKS and family types' respective average occupancy period is rounded down to one decimal place.

## ■ Characteristics of Rental Housing in which Starts Proceed Primarily Invests

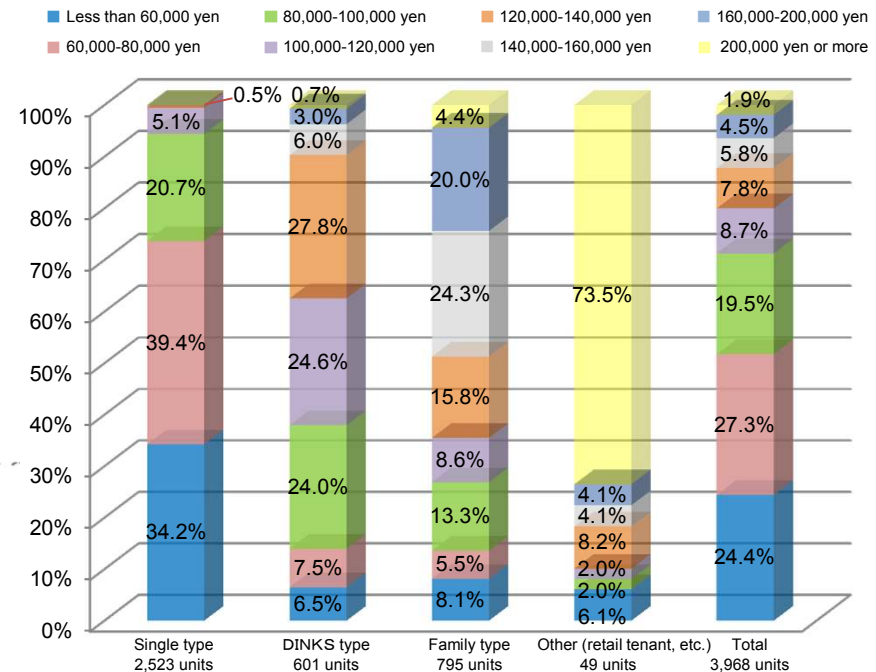
Investment is diversified across the single type to family type in an aim to build a portfolio that can respond to the rent market, resident demand and other fluctuations as much as possible. In addition, **rental housing for average-income households, the demand for which is the most stable, is set as the primary investment target**, in the view that such will enable stable management over the medium to long term.

**Average Rent Range by Residential Unit Type (Note 1-5)**

Residential unit type	Average rent (yen)		Change (yen)	Change (%)
	19th FP	20th FP		
Single type	68,530	68,555	25	0.0
DINKS type	107,879	107,949	70	0.1
Family type	131,807	131,310	-497	-0.4
Other (retail tenant, etc.)	415,869	414,427	-1,442	-0.4
Overall average	91,457	91,366	-91	-0.1



**Starts Proceed Portfolio's Rent Range by Residential Unit Type**



**Starts Proceed Portfolio Characteristics = Targeted at Middle-Income Households**

Single type: Rent range of 60,000 yen or more, but less than 100,000 yen: **60.1%**  
 DINKS type: Rent range of 80,000 yen or more, but less than 120,000 yen: **48.6%**  
 Family type: Rent range of 80,000 yen or more, but less than 160,000 yen: **62.0%**

(Note 1) The figures used in the calculation of average rent range are that of the rent stated in the rent roll in order to appropriately reflect the market value and competitiveness of the portfolio.  
 (Note 2) The percentage of change in average rent is rounded to one decimal place.  
 (Note 3) "Average rent" is the figure arrived at when the aggregate total of set rent of the respective residential unit type is divided by the total number of units of the respective residential unit type. "Set rent" as used herein is the sum total of rent and common area maintenance charges stated in the lease contract in the case of occupied units and the sum total of advertised rent and common area maintenance charges in the case of vacant units as at the final day of the 20th fiscal period (October 31, 2015).  
 (Note 4) "Other" refers to the retail and office portions of a mixed-use apartment building.  
 (Note 5) As the data has been prepared for rental housing alone, (G-23) Group Home Tanoshii le Taisho is excluded from compilation.

## Changes in AUM Indicators



	Acquisition price (million yen)	Carrying amount (million yen)	Appraisal value (million yen)		Occupancy rate (period-end) (%)		NOI results (million yen)		NOI yield (annualized; based on acquisition price) (%) (Note)		NOI yield (annualized; based on appraisal value) (%) (Note)		NOI yield after depreciation (based on acquisition price) (%)	
			19th FP	20th FP	19th FP	20th FP	19th FP	20th FP	19th FP	20th FP	19th FP	20th FP	19th FP	20th FP
	At acquisition	20th FP	19th FP	20th FP	19th FP	20th FP	19th FP	20th FP	19th FP	20th FP	19th FP	20th FP	19th FP	20th FP
Tokyo metropolitan area major cities	41,487	41,654	44,211	44,732	96.6	96.7	1,203	1,217	5.8	5.9	5.4	5.4	4.2	4.2
Cabinet order designated cities	13,969	14,331	15,271	15,505	95.7	95.3	412	408	5.9	5.8	5.4	5.3	4.2	4.1
Regional area major cities	1,654	1,685	1,822	1,839	95.7	96.1	59	57	7.2	6.9	6.6	6.2	4.9	4.6
<b>Total</b>	<b>57,110</b>	<b>57,672</b>	<b>61,305</b>	<b>62,077</b>	<b>96.3</b>	<b>96.3</b>	<b>1,676</b>	<b>1,683</b>	<b>5.9</b>	<b>5.9</b>	<b>5.5</b>	<b>5.4</b>	<b>4.2</b>	<b>4.2</b>

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

Appraisal value for the 20th fiscal period increased by **770 million** yen period-on-period.

NOI yield (annualized and based on acquisition price) for the entire portfolio was **5.9%**.

## ■ (C-4) Proceed Sangenjaya: Renovation of Room 301

In November 2015 after the account settlement, a complete renovation, including the entrance, bathroom, toilet and kitchen, was implemented and the rent was revised.

Before



After

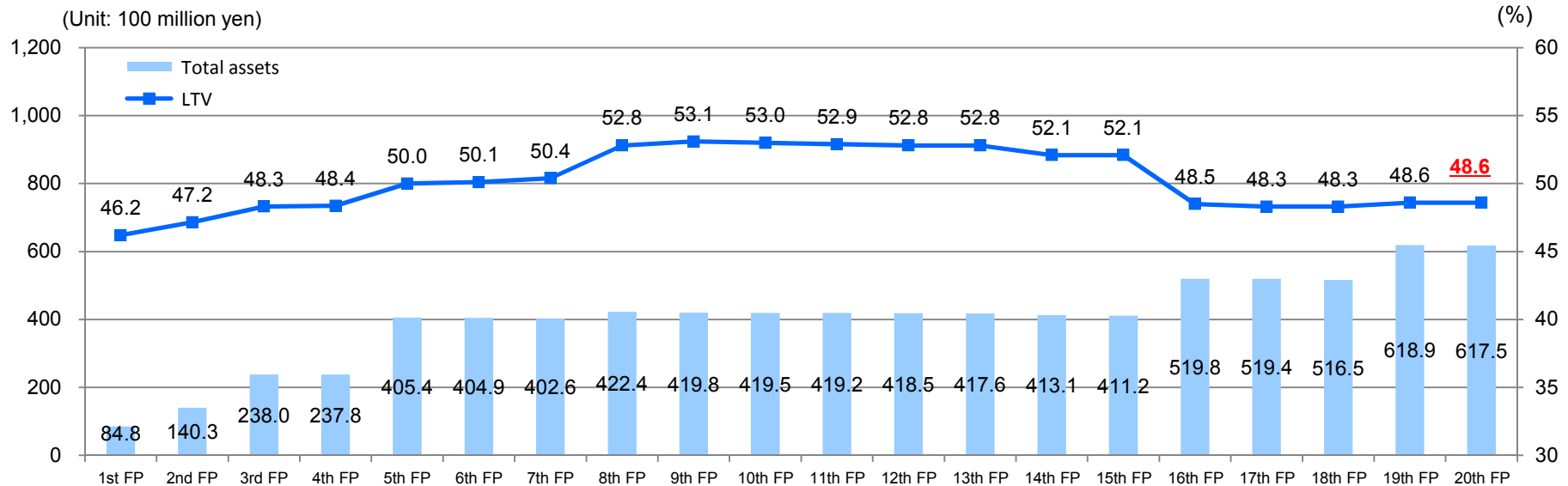


Area: 102.83m <sup>2</sup>	Rent: 340,000 yen
Rent per tsubo: 10,930 yen	



Area: 102.83m <sup>2</sup>	Rent: 400,000 yen
Rent per tsubo: 12,861 yen	

## Changes in Total Assets and LTV Ratio



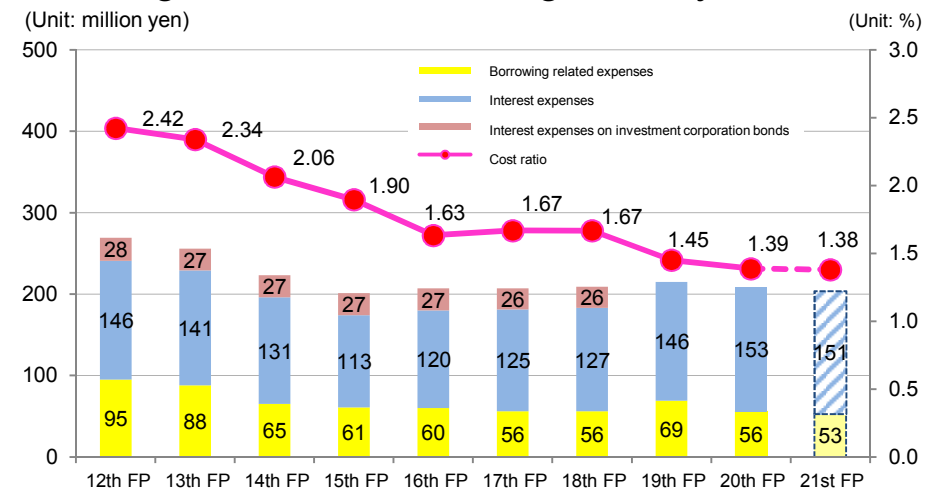
(Note) "LTV ratio" in this graph is calculated by dividing the balance of interest-bearing liabilities at the end of the period (including subordinated investment corporation bonds issued and outstanding for 8th-18th FP) by total assets at the end of the period.

## Balance of Interest-Bearing Liabilities at End of 20th Fiscal Period (October 31, 2015)

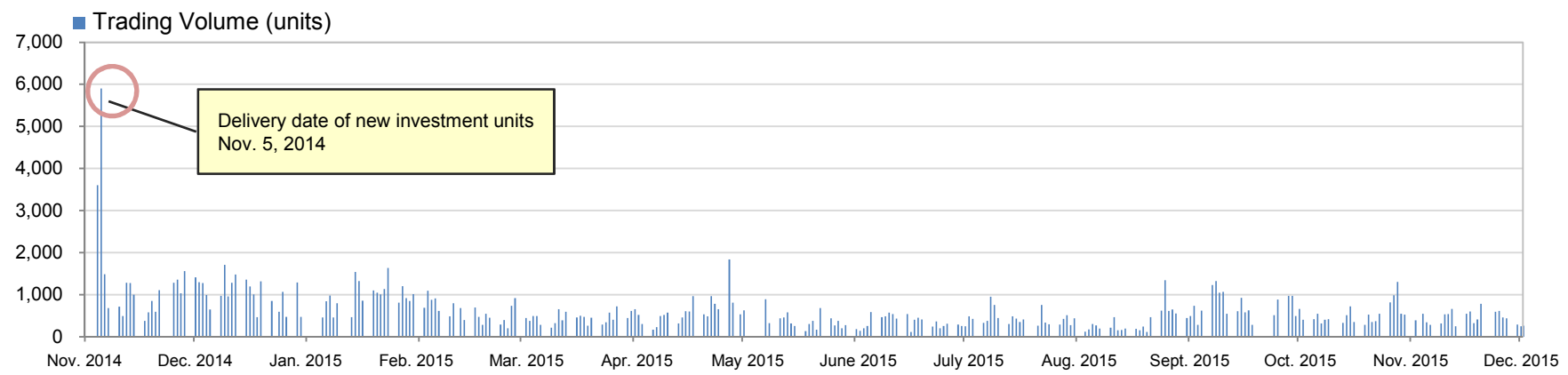
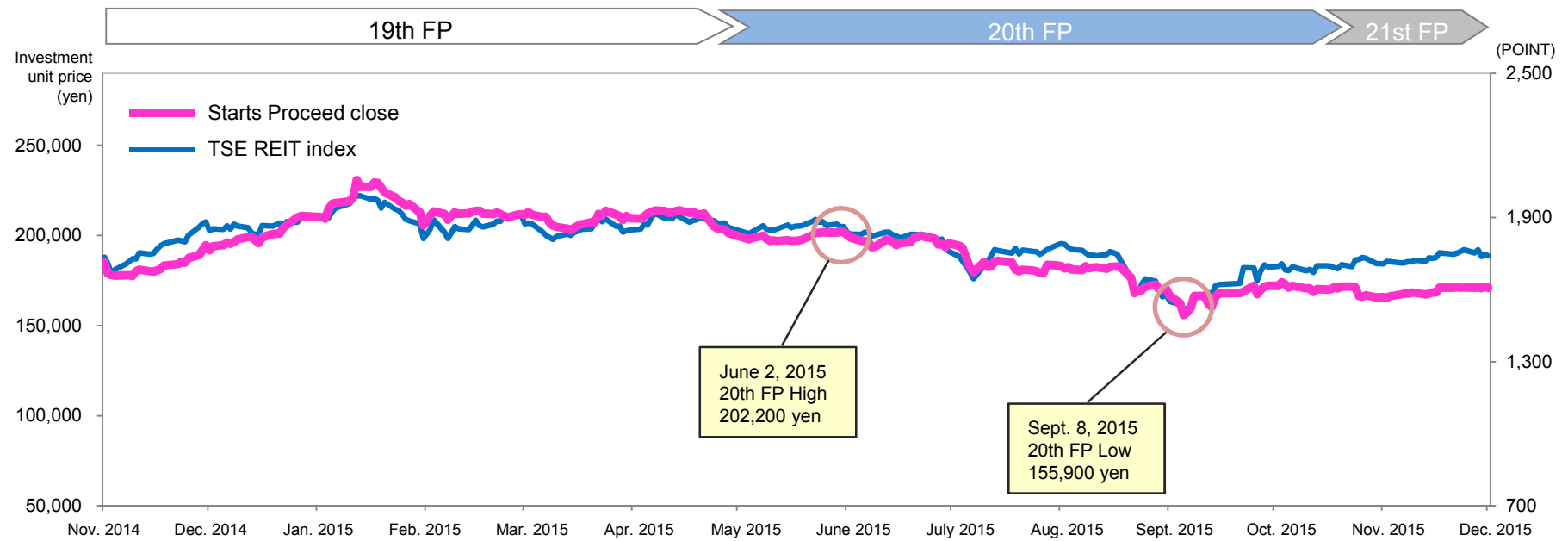
(Unit: million yen)

	Loans balance
Short-term loans payable	-
Current portion of long-term loans payable	9,615
Long-term loans payable	20,383
<b>Total loans</b>	<b>29,998</b>
<b>LTV ratio (%)</b>	<b>48.6</b>

## Change in Interest-Bearing Liability Costs



# Changes in Investment Unit Price



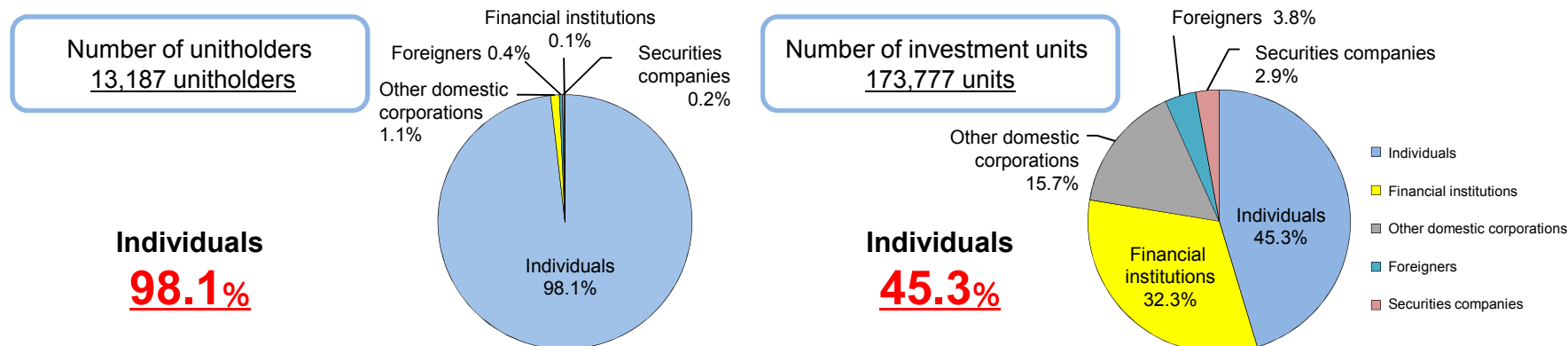
During the 20th fiscal period, the investment unit price marked a high of **202,200 yen** (June 2, 2015) and a low of **155,900 yen** (September 8, 2015), based on closing price.



# Status of Unitholders (As of October 31, 2015)



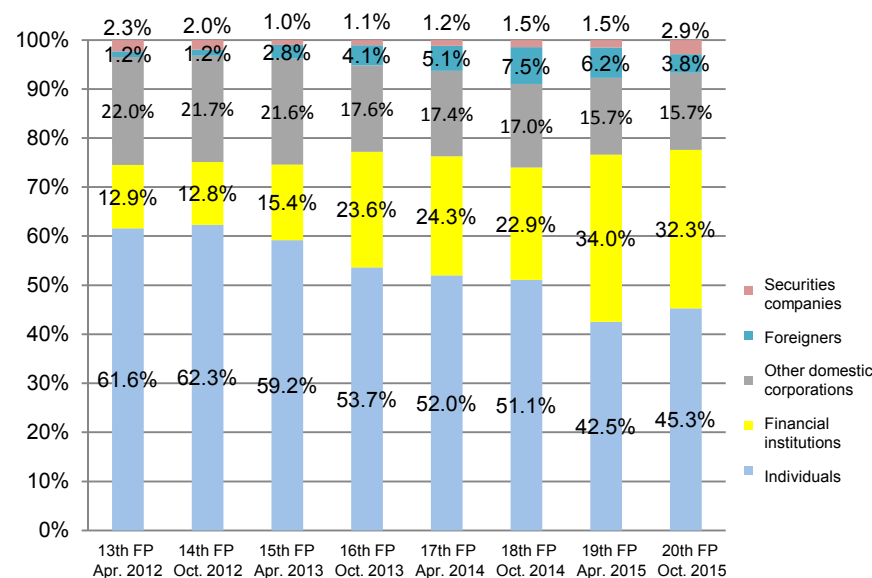
## Composition of Unitholders and Investment Units at End of 20th Fiscal Period



## Major Unitholders at End of 20th Fiscal Period (October 31, 2015)

	Name	Number of investment units held (units)	Unitholding ratio (%)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	31,448	18.09
2	Starts Corporation Inc.	22,591	12.99
3	The Master Trust Bank of Japan, Ltd. (Trust Account)	9,826	5.65
4	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	6,017	3.46
5	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	5,225	3.00
6	Japan Trustee Services Bank, Ltd. (Trust Account 9)	1,853	1.06
7	Matsui Securities Co., Ltd.	1,437	0.82
8	NOMURA BANK (LUXEMBOURG) S. A.	1,065	0.61
9	Yoshida Shoji Co., Ltd.	1,000	0.57
10	CBNY DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	933	0.53
11	Individual investor	800	0.46
12	Nomura Securities Co., Ltd.	762	0.43
13	SBI SECURITIES Co., Ltd.	690	0.39
14	Nomura Securities Co., Ltd. (Proprietary Account)	668	0.38
15	Individual investor	600	0.34
16	Individual investor	571	0.32
17	BARCLAYS CAPITAL SECURITIES LIMITED	570	0.32
18	CBNY-GOVERNMENT OF NORWAY	421	0.24
19	Individual investor	410	0.23
20	Mizuho Trust & Banking Co., Ltd. Securities Custodian Trust	400	0.23
	<b>Total</b>	<b>87,287</b>	<b>50.22</b>

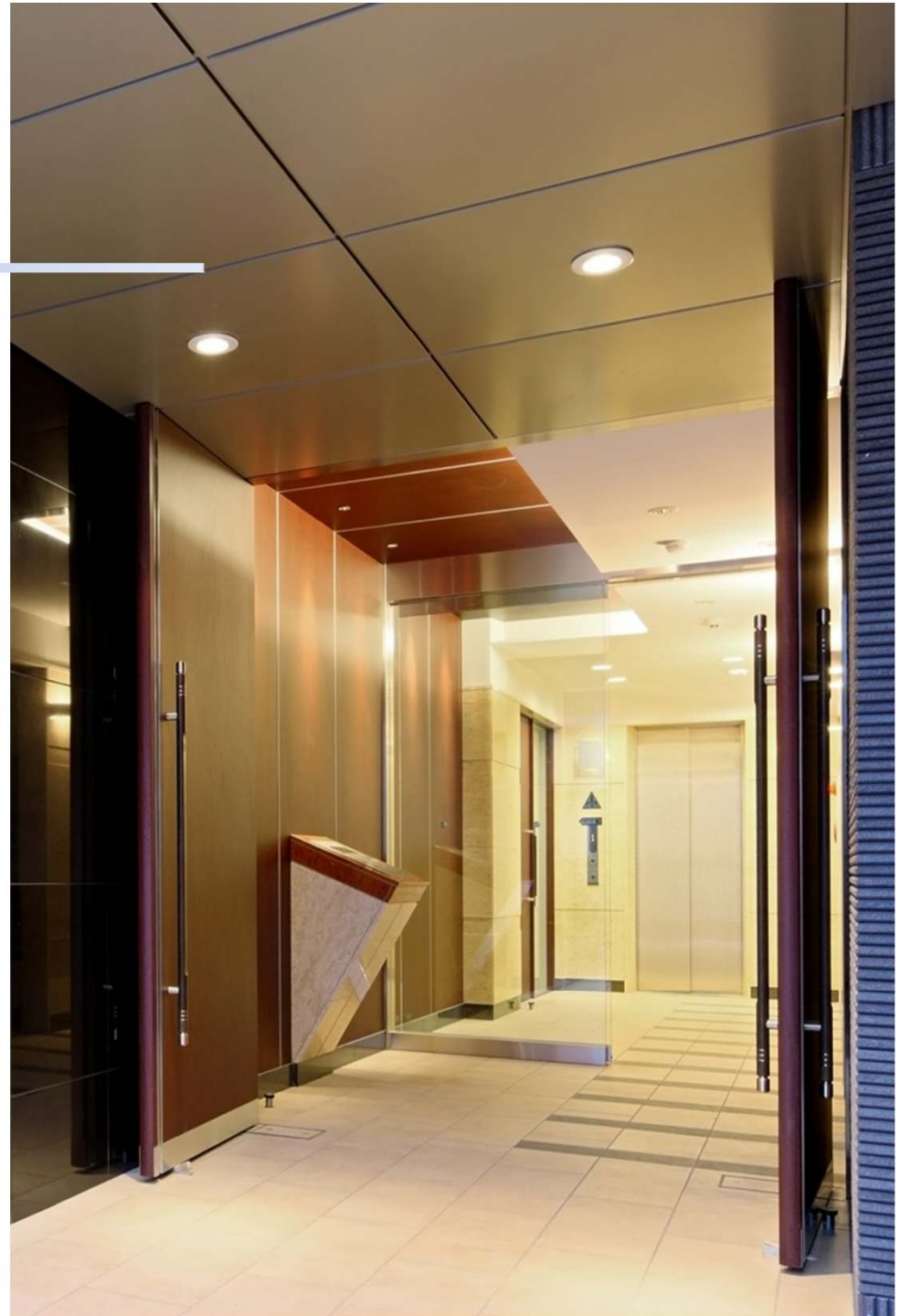
## Changes in Composition of Unitholders (13th to 20th Fiscal Periods)



(Note) Figures for unitholding ratio are rounded down to two decimal places.

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## **Future Management Policy**



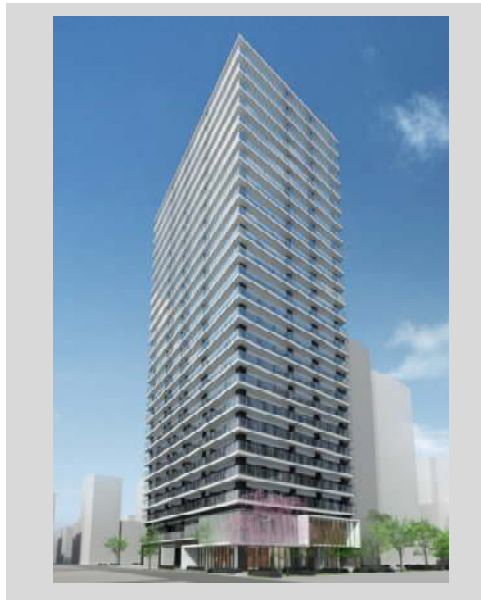
# Management Policy from 21st Fiscal Period



	Main Initiatives in 20th Fiscal Period	New Initiatives from 21st Fiscal Period (six months ending Apr. 30, 2016)
<b>External Growth</b>	<ul style="list-style-type: none"> <li>○ Efforts for realizing asset size of 100 billion yen (62 billion yen as of the end of the 20th fiscal period)</li> <li>○ Strengthening of collaborative relationship with the Starts Group                             <ul style="list-style-type: none"> <li>⇒ From land acquisition to development</li> <li>⇒ Purchasing from existing clients (avoidance of bids)</li> <li>⇒ Development of prime properties through public proposals, etc.                                     <ul style="list-style-type: none"> <li>→ To acquisition of such</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Steady property acquisitions with a target asset size of 100 billion yen</li> <li>○ Accumulation of warehousing properties                             <ul style="list-style-type: none"> <li>⇒ Development properties (newly constructed)                                     <ul style="list-style-type: none"> <li>Kudanshita, Hongo, Unoki (warehousing properties)</li> </ul> </li> <li>⇒ Acquisition from existing clients of Starts Group (pre-owned)                                     <ul style="list-style-type: none"> <li>Kozu-no-mori, Kasai, Nagoya (warehousing properties)</li> </ul> </li> </ul> </li> </ul>
<b>Internal Growth</b>	<ul style="list-style-type: none"> <li>○ Reduction of regular maintenance costs                             <ul style="list-style-type: none"> <li>• Cost reduction of 2,000,000 yen per period (4,000,000 yen per year) completed</li> <li>• Reduction of maintenance costs for equipment such as of elevators</li> </ul> </li> <li>○ Securement of high occupancy rate                             <ul style="list-style-type: none"> <li>• Optimization of campaigns, effectiveness of continuation of installing showrooms</li> </ul> </li> <li>○ Enhancement of asset value and market competitiveness through major repair                             <ul style="list-style-type: none"> <li>(C-33) Proceed Shinkoenji: Replacement of interior equipment (all of 34 units)</li> <li>(C-15) Proceed Fukuoka Takamiya: Renovation of common hallway</li> <li>(C-4) Proceed Sangenjaya: Renovation of room 301 (completed in November 2015)</li> <li>(G-63) Proceed Fujisawa Kugenuma: Exterior makeovers (completed in November 2015)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Reduction of regular maintenance and repair costs                             <ul style="list-style-type: none"> <li>• Continuation of negotiation for cost reductions through maximum effective utilization of economies of scale</li> <li>• Cost reduction by further reviewing estimates and promotion of reasonable expenditures</li> </ul> </li> <li>○ Raising of leasing conditions (rent and key money)                             <ul style="list-style-type: none"> <li>• Continuation of maintaining the rent level by design-oriented renovation</li> <li>• Improvement of designs (accent wallpaper, doors/windows, flooring material) and upgrading of facilities and equipment</li> </ul> </li> <li>○ Enhancement of occupancy rate                             <ul style="list-style-type: none"> <li>• Launch of effective property-specific campaigns based on past successful cases</li> <li>• Prompt response in replacing tenants during demand season for rental housing</li> </ul> </li> </ul>
<b>Financial Strategy</b>	<ul style="list-style-type: none"> <li>○ Efforts for acquisition of credit rating</li> <li>○ Refinancing (November 24, 2015)                             <ul style="list-style-type: none"> <li>(Extending repayment period by changing the borrowing period for 3.7 billion yen to 5 years)</li> <li>Average remaining period:                                     <ul style="list-style-type: none"> <li>1.67 years (20th FP) ⇒ 2.23 years (after refinancing)</li> </ul> </li> </ul> </li> <li>○ Conversion of interest rates into fixed rates                             <ul style="list-style-type: none"> <li>Achieving stabilization and strengthening of financial base through interest rate swap agreements</li> <li>Ratio of fixed-rate loans:                                     <ul style="list-style-type: none"> <li>29.0 % (20th FP) ⇒ 41.4 % (after refinancing)</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Efforts for acquisition of credit rating</li> <li>○ Conservative management of LTV</li> <li>○ Further strengthening of financial base                             <ul style="list-style-type: none"> <li>(strive for greater extension and laddering of repayment periods and ratio of fixed-rate loans)</li> </ul> </li> </ul>

Securing of stable distributions

## ■ Kanda-Higashimatsushitacho Plan Private Residential Building Development Project



### Alpha Grande Chizakura Tower

Location	22 Kanda Higashimatsushita-cho, Chiyoda Ward, Tokyo, and other
Site area	3,407.31 m <sup>2</sup>
Zoning	Commercial district, fire preventive district
Structure	RC (partially steel-framed) / 25F (base seismic isolation)
Total floor area	27,032.56 m <sup>2</sup>
Height	83.1m
Use	Apartment, retail, office, living support facility
URL	<a href="http://www.chizakura.jp/index.html">http://www.chizakura.jp/index.html</a>

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 a condominium and rental housing primarily for middle-income households, with a square area to the east and west.

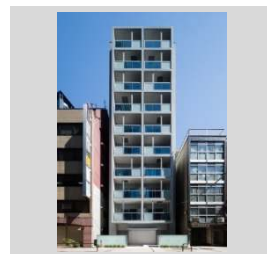
Starts Corporation was selected as a business partner with the public proposal of Chiyoda Ward in 2010, and construction is underway and slated for completion in May 2018.

## ■ Completed Property



**Proceed Minamigyotoku 2**  
(Ichikawa City, Chiba)

Structure: RC/6F  
(seismic isolation)  
Completion: May 2014  
Number of units: 2LDK: 4 units  
3LDK: 28 units  
4LDK: 4 units



**Proceed Kudanshita**  
(Chiyoda Ward, Tokyo)

Structure: RC/10F  
Completion: Mar. 2015  
Number of units: 1LDK: 16 units  
1R: 2 units



**Proceed Unoki**  
(Ota Ward, Tokyo)

Structure: RC/5F  
Completion: Sept. 2015  
Number of units: 1LDK: 29 units



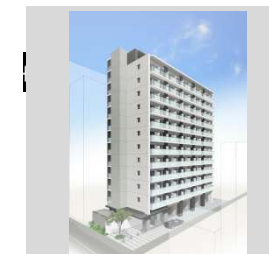
**Hongo Project**  
(Bunkyo Ward, Tokyo)

Structure: RC/9F  
(seismic isolation)  
Completion: Jan. 2016  
Number of units: 1LDK: 15 units  
2LDK: 1 unit  
1K: 7 units



**Osu Project**  
(Nagoya City, Aichi)

Structure: RC/12F  
Completion: Mar. 2016  
Number of units: 1K: 66 units



**Sendai Kamisugi Project**  
(Sendai City, Miyagi)

Structure: RC/13F  
Completion: Mar. 2017  
Number of units: 2LDK: 8 units  
1K: 100 units

## ■ Other Development Projects (Scheduled)



# Candidate Properties for Acquisition (Properties Owned by the Starts Group)

## Property Acquired from Outside Parties



Proceed Hyoto-ekimae-dori	
Location	Kobe City, Hyogo
Structure	RC/13F
Completion	Feb. 2008
Number of units	1K: 116 units Tenant: 1 unit

## Properties Acquired from Existing Clients of Starts Proceed



Proceed Kasai 2	
Location	Edogawa Ward, Tokyo
Structure	RC/13F
Completion	Sept. 2003
Number of units	1LDK: 4 units 2LDK: 22 units 3LDK: 3 units



Proceed Mizuho	
Location	Nagoya City, Aichi
Structure	RC/11F
Completion	Feb. 2007
Number of units	1K: 40 units



Proceed CO-Z East Building	
Location	Narita City, Chiba
Structure	RC/8F
Completion	Mar. 1997
Number of units	1LDK: 14 units    3DK: 39 units 2LDK: 27 units    Tenant: 9 units 3LDK: 22 units



Proceed CO-Z West Building	
Location	Narita City, Chiba
Structure	RC/8F
Completion	Jan. 1998
Number of units	1R: 8 units 2LDK: 63 unit

# Overview of November 24, 2015 Refinancing ①



## November 24, 2015 Refinancing Loans

(Unit: million yen)

Term Loan		L	O	Total
Term		2.5 years	2.5 years	2.5 years
Total amount		1,318	2,393	3,711
Breakdown	Aozora Bank	267	789	1,056
	Resona Bank	267	522	789
	Chiba Bank	50	333	383
	Musashino Bank	50	333	383
	Mizuho Bank	242	90	332
	Kagawa Bank		326	326
	Sumitomo Mitsui Banking	242		242
	ORIX Bank	100		100
	Sumitomo Mitsui Trust Bank	100		100
	Floating interest rate		1.05%	1.05%
Repayment method		Lump-sum repayment on repayment date		



(Unit: million yen)

Term Loan		2A	Change
Term		5 years	
Total amount		3,700	-11
Breakdown	Aozora Bank	1,054	-2
	Resona Bank	787	-2
	Chiba Bank	382	-1
	Musashino Bank	382	-1
	Mizuho Bank	331	-1
	Kagawa Bank	325	-1
	Sumitomo Mitsui Banking	241	-1
	ORIX Bank	99	-1
	Sumitomo Mitsui Trust Bank	99	-1
	Fixed interest rate (Note)		0.99%
Repayment method		Lump-sum repayment on repayment date	

	19th FP	20th FP	After November 24 refinancing
Average remaining period	1.75years	1.67 years	2.23 years
Average interest rate	0.989%	1.016%	1.008%
Ratio of fixed-rate loans	16.6%	29.0%	41.4%

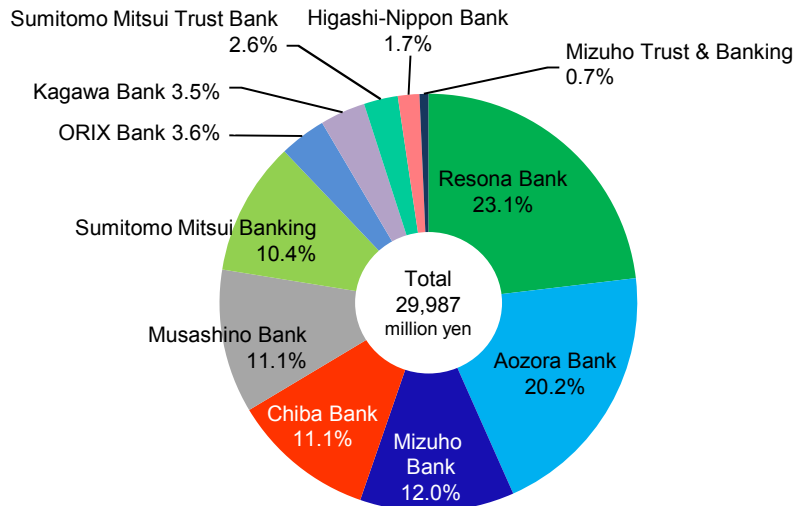
(Note) As interest-rate swap agreements are concluded for term loans 2A for hedging against the risk of rising interest rates, the interest rates indicated are those after the fixing of interest rates.



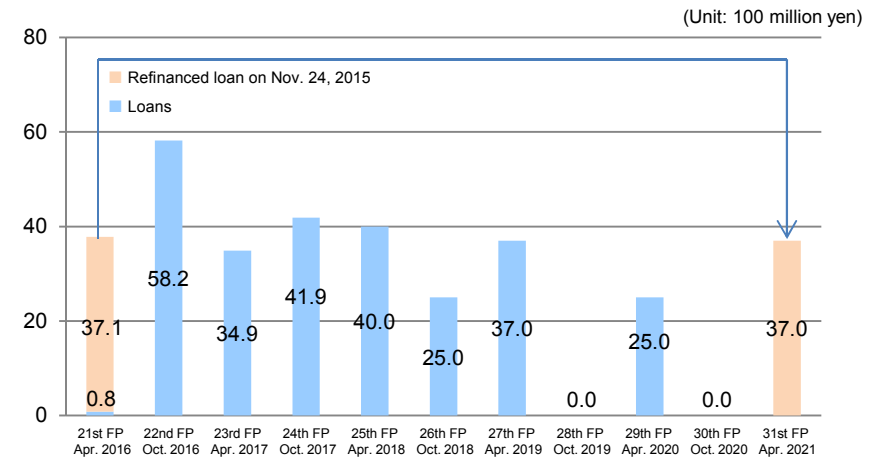
# Overview of November 24, 2015 Refinancing ②



## Change in Allocation of Total Loan Amount after Refinancing



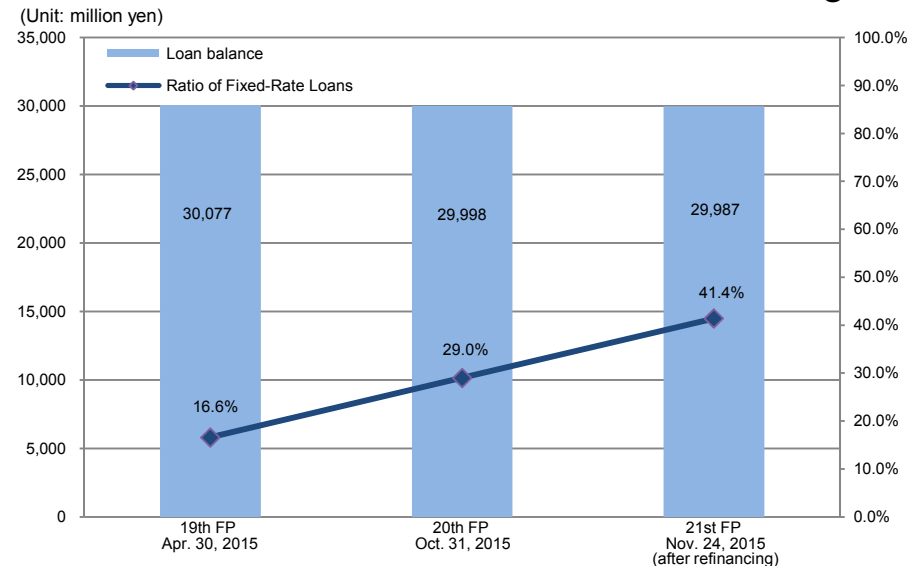
## Status of Laddering of Interest-Bearing Liabilities after Refinancing



## Breakdown of Lenders after Refinancing

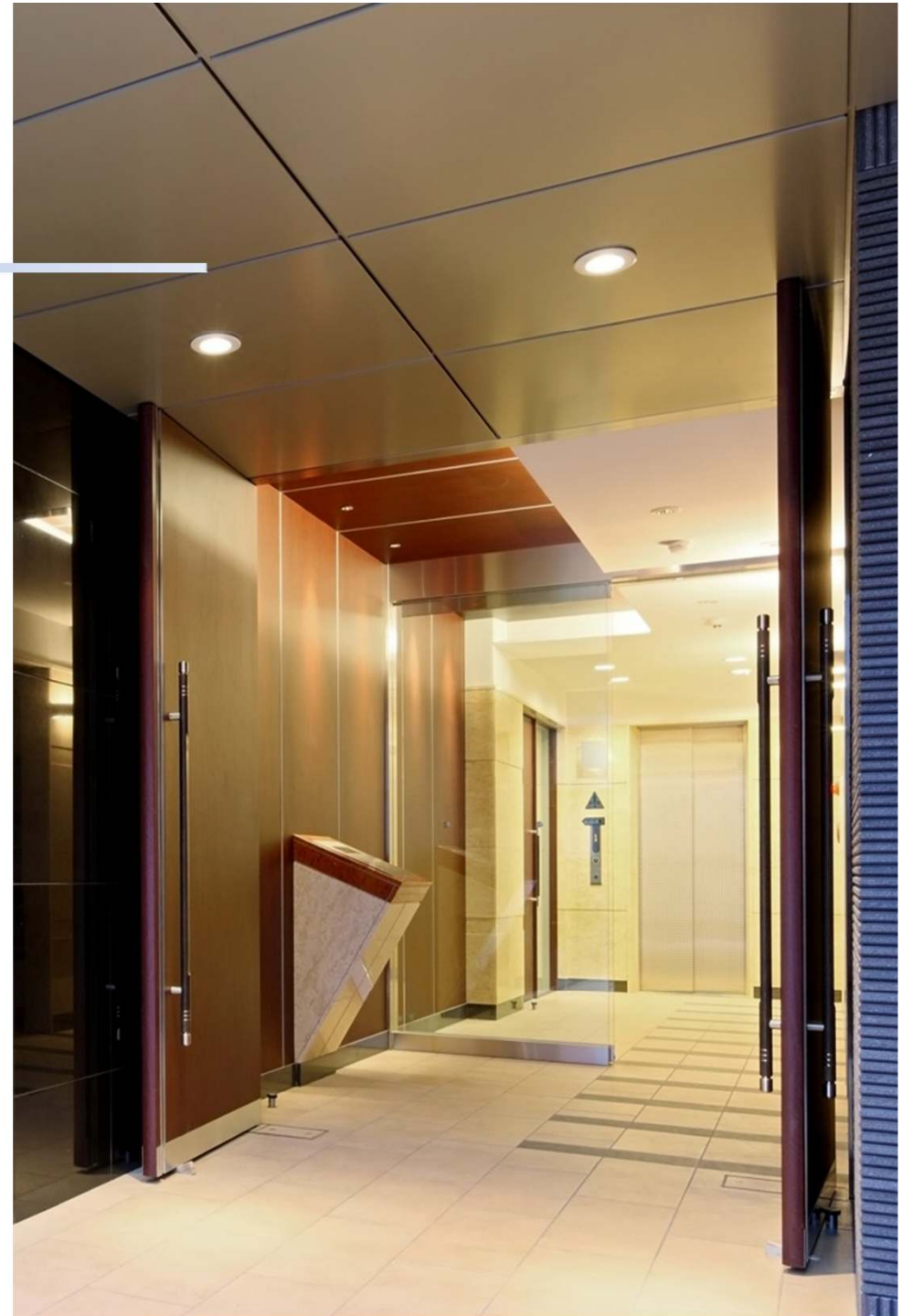
Breakdown of lenders	Loan balance (million yen)
Resona Bank	6,934
Aozora Bank	6,061
Mizuho Bank	3,586
Chiba Bank	3,335
Musashino Bank	3,335
Sumitomo Mitsui Banking	3,105
ORIX Bank	1,078
Kagawa Bank	1,058
Sumitomo Mitsui Trust Bank	791
Higashi-Nippon Bank	500
Mizuho Trust & Banking	200
<b>Total</b>	<b>29,987</b>

## Ratio of Fixed-Rate Loans after Refinancing



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## Reference Materials



# Balance Sheet



(Unit: thousand yen)

	19th Fiscal Period As of Apr. 30, 2015	20th Fiscal Period As of Oct. 31, 2015	Change
<b>Assets</b>			
<b>Current assets</b>			
Cash and deposits	1,461,626	1,773,761	312,134
Cash and deposits in trust	1,476,425	1,521,969	45,544
Operating accounts receivable	26,759	22,044	-4,714
Prepaid expenses	109,197	95,384	-13,812
Deferred tax assets	85	80	-5
Consumption tax receivable	37,165	-	-37,165
Other	1,594	1,601	7
<b>Total current assets</b>	<b>3,112,854</b>	<b>3,414,843</b>	<b>301,988</b>
<b>Noncurrent assets</b>			
<b>Property, plant and equipment</b>			
Buildings in trust	32,805,819	32,836,018	30,198
Accumulated depreciation	-4,553,878	-4,982,292	-428,414
Buildings in trust, net	28,251,941	27,853,725	-398,215
Structures in trust	1,044,827	1,044,827	-
Accumulated depreciation	-381,182	-412,788	-31,606
Structures in trust, net	663,645	632,039	-31,606
Machinery and equipment in trust	5,376	5,376	-
Accumulated depreciation	-1,320	-1,625	-304
Machinery and equipment in trust, net	4,055	3,750	-304
Tools, furniture and fixtures in trust	241,578	253,268	11,689
Accumulated depreciation	-97,266	-111,641	-14,375
Tools, furniture and fixtures in trust, net	144,312	141,626	-2,685
Land in trust	29,040,889	29,040,889	-
<b>Total property, plant and equipment</b>	<b>58,104,844</b>	<b>57,672,032</b>	<b>-432,812</b>
<b>Investments and other assets</b>			
Lease and guarantee deposits	10,000	10,000	-
Lease and guarantee deposits in trust	518,514	530,919	12,405
Long-term prepaid expenses	115,180	100,531	-14,649
Other	8,782	9,418	636
<b>Total investments and other assets</b>	<b>652,476</b>	<b>650,869</b>	<b>-1,607</b>
<b>Total noncurrent assets</b>	<b>58,757,321</b>	<b>58,322,901</b>	<b>-434,419</b>
<b>Deferred assets</b>			
Investment unit issuance costs	23,384	16,468	-6,916
<b>Total deferred assets</b>	<b>23,384</b>	<b>16,468</b>	<b>-6,916</b>
<b>Total assets</b>	<b>61,893,560</b>	<b>61,754,213</b>	<b>-139,347</b>

	19th Fiscal Period As of Apr. 30, 2015	20th Fiscal Period As of Oct. 31, 2015	Change
<b>Liabilities</b>			
<b>Current liabilities</b>			
Short-term loans payable	3,700,000	-	-3,700,000
Current portion of long-term loans payable	3,868,553	9,615,553	5,747,000
Operating accounts payable	133,050	91,565	-41,484
Accounts payable -other	141,212	144,300	3,088
Accrued expenses	814	1,669	854
Income taxes payable	2,050	1,898	-152
Accrued consumption taxes	-	12,970	12,970
Advances received	966	998	31
Other	275	536	260
<b>Total current liabilities</b>	<b>7,846,923</b>	<b>9,869,491</b>	<b>2,022,568</b>
<b>Noncurrent liabilities</b>			
Long-term loans payable	22,508,951	20,383,174	-2,125,776
Tenant leasehold and security deposits in trust	592,375	580,778	-11,597
Asset retirement obligation	122,453	123,463	1,009
<b>Total noncurrent liabilities</b>	<b>23,223,779</b>	<b>21,087,416</b>	<b>-2,136,363</b>
<b>Total liabilities</b>	<b>31,070,703</b>	<b>30,956,907</b>	<b>-113,795</b>
<b>Net assets</b>			
<b>Unitholders' equity</b>			
Unitholders' capital	30,096,023	30,096,023	-
<b>Surplus</b>			
Unappropriated retained earnings (undisposed loss)	726,833	701,281	-25,551
<b>Total surplus</b>	<b>726,833</b>	<b>701,281</b>	<b>-25,551</b>
<b>Total unitholders' equity</b>	<b>30,822,856</b>	<b>30,797,305</b>	<b>-25,551</b>
<b>Total net assets</b>	<b>30,822,856</b>	<b>30,797,305</b>	<b>-25,551</b>
<b>Total liabilities and net assets</b>	<b>61,893,560</b>	<b>61,754,213</b>	<b>-139,347</b>

# Statements of Income / Cash Distributions



## Statements of Income

(Unit: thousand yen)

	19th Fiscal Period (From: Nov. 1, 2014 To: Apr. 30, 2015)	20th Fiscal Period (From: May 1, 2015 To: Oct. 31, 2015)	Change
Operating revenue			
Rent revenue – real estate ①	2,239,837	2,220,571	-19,266
Total operating revenue	2,239,837	2,220,571	-19,266
Operating expenses			
Expenses related to rent business ②	1,036,104	1,011,956	-24,148
Asset management fee	168,742	173,120	4,378
Asset custody fee	7,770	7,771	-
Administrative service fees	23,412	22,347	-1,065
Directors' compensations	2,400	1,800	-600
Other operating expenses	53,566	89,367	35,800
Total operating expenses	1,291,997	1,306,362	14,364
Operating income	947,840	914,209	-33,630
Non-operating income			
Interest income	266	288	21
Insurance income	3,046	5,170	2,124
Reversal of distribution payable	1,195	1,045	-150
Other	-	74	74
Total non-operating income	4,508	6,578	2,070
Non-operating expenses			
Interest expenses	146,612	153,422	6,810
Amortization of investment unit issuance costs	6,916	6,916	-
Borrowing related expenses	69,510	56,763	-12,747
Other	530	540	10
Total non-operating expenses	223,569	217,642	-5,926
Ordinary income	728,778	703,145	-25,633
Income before income taxes	728,778	703,145	-25,633
Income taxes – current	2,104	1,956	-148
Income taxes – deferred	-34	5	40
Total income taxes	2,069	1,961	-108
Net income	726,708	701,183	-25,525
Retained earnings brought forward	124	98	-26
Unappropriated retained earnings (undisposed loss)	726,833	701,281	-25,551

### ① “Real estate rent revenue”

(Unit: thousand yen)

	19th Fiscal Period (From: Nov. 1, 2014 To: Apr. 30, 2015)	20th Fiscal Period (From: May 1, 2015 To: Oct. 31, 2015)	Change
Rent	1,953,256	1,949,795	-3,461
Common area maintenance charges	113,666	113,855	189
Parking revenue	63,222	61,509	-1,713
Incidental revenue	1,839	2,185	346
Other lease business revenue	107,852	93,226	-14,626
Total	2,239,837	2,220,571	-19,266

### ② “Expenses related to rent business”

(Unit: thousand yen)

	19th Fiscal Period (From: Nov. 1, 2014 To: Apr. 30, 2015)	20th Fiscal Period (From: May 1, 2015 To: Oct. 31, 2015)	Change
Management expenses	137,351	136,705	-646
Repair expenses	101,205	70,216	-30,989
Real estate taxes	117,612	129,949	12,337
Trust fees	34,853	34,885	32
Utilities expenses	49,273	44,504	-4,769
Nonlife insurance expenses	7,453	7,446	-7
Depreciation and amortization	472,363	474,700	2,337
Other lease business expenses	115,989	113,548	-2,441
Total	1,036,104	1,011,956	-24,148

## Cash Distributions

	19th Fiscal Period (From: Nov. 1, 2014 To: Apr. 30, 2015)	20th Fiscal Period (From: May 1, 2015 To: Oct. 31, 2015)	Change
I Unappropriated retained earnings	726,833,470 yen	701,281,775 yen	-25,551,695 yen
II Amount of distributions	726,735,414 yen	701,190,195 yen	-25,545,219 yen
[Amount of distribution per investment unit]	(4,182 yen)	(4,035 yen)	-147 yen
III Retained earnings carried forward	98,056 yen	91,580 yen	-6,476 yen

# Key Performance Indicators and Statements of Cash Flows



## Key Performance Indicators

	Unit	19th Fiscal Period (From: Nov. 1, 2014 To: Apr. 30, 2015)	20th Fiscal Period (From: May 1, 2015 To: Oct. 31, 2015)
Total assets (a)	million yen	61,893	61,754
Net assets (b)	million yen	30,822	30,797
Total unitholders' capital	million yen	30,096	30,096
Total number of investment units issued and outstanding (c)	units	173,777	173,777
Net assets per unit (b) ÷ (c)	yen	177,370	177,223
Net income per unit (Note 2)	yen	4,193	4,034
Total distributions (d)	million yen	726	701
Distribution per unit (d) ÷ (c)	yen	4,182	4,035
[Of which, distribution of earnings per unit]	yen	(4,182)	(4,035)
[Of which, distribution in excess of earnings per unit]	yen	(-)	(-)
Return on assets (Note 3)	%	1.3 (2.6)	1.1 (2.3)
Return on equity (Note 3)	%	2.6 (5.2)	2.3 (4.5)
Equity ratio (b) ÷ (a)	%	49.8	49.9
Distribution payout ratio (Note 3)	%	100.0	100.0

### [Other Reference Information]

		19th Fiscal Period	20th Fiscal Period
Number of investment properties (Note 4)	properties	96	96
Total number of leasable units (Note 4)	units	3,969	3,969
Gross leasable area	m <sup>2</sup>	146,415.29	146,415.29
Period-end occupancy rate (Note 4)	%	96.3	96.3
Depreciation and amortization	million yen	472	474
Capital expenditures	million yen	221	41
Property leasing NOI (Net Operating Income) (Note 3)	million yen	1,676	1,683
FFO (Funds from Operations) per unit (Note 3)	yen	6,939	6,806
FFO multiple (Note 3)	times	14.5	12.4
Debt service coverage ratio (Note 3)	times	9.2	8.7
Earnings before interest, depreciation and amortization	million yen	1,345	1,329
Interest expenses	million yen	146	153
Total interest-bearing liabilities	million yen	30,077	29,998
LTV (Loan-To-Value) ratio (Note 3)	%	48.6	48.6
Number of days of management (Note 3)	days	181	184

(Note 1) Net income per unit is calculated by dividing net income by the daily weighted average number of investment units issued and outstanding.

(Note 2) The indicators presented are calculated as follows. In addition, for return on assets and return on equity, figures annualized based on the number of days of management are also shown in brackets.

Return on assets	Ordinary income ÷ Average total assets Average total assets = (Total assets at beginning of period + Total assets at end of period) ÷ 2
Return on equity	Net income ÷ Average net assets Average net assets = (Net assets at beginning of period + Net assets at end of period) ÷ 2
Distribution payout ratio	Distribution per unit ÷ Net income per unit Distribution payout ratio for the 19th fiscal period is calculated using the following formula due to change in the number of investment units during the period from having conducted a capital increase through public offering during the period. Distribution payout ratio = Total distributions ÷ Net income
Property leasing NOI	Property leasing income (loss) [Real estate rent revenue - Expenses related to rent business] + Depreciation and amortization
FFO per unit	(Net income + Depreciation and amortization + Other depreciation and amortization - Gain (loss) on sales of real estate properties) ÷ Total number of investment units issued and outstanding
FFO multiplier	Investment unit price at end of period ÷ Annualized FFO per unit
Debt service coverage ratio	Earnings before interest, depreciation and amortization ÷ Interest expenses (including interest expenses on investment corporation bonds)
LTV ratio	Total interest-bearing liabilities ÷ Total assets

## Statements of Cash Flows

(Unit: thousand yen)

	19th Fiscal Period (From: Nov. 1, 2014 To: Apr. 30, 2015)	20th Fiscal Period (From: May 1, 2015 To: Oct. 31, 2015)
Net cash provided by (used in) operating activities		
Income before income taxes	728,778	703,145
Depreciation and amortization	472,363	474,700
Amortization of investment unit issuance costs	6,916	6,916
Interest income	-266	-288
Interest expenses	146,612	153,422
Decrease (increase) in operating accounts receivable	-10,714	4,714
Decrease (increase) in prepaid expenses	-12,981	13,812
Decrease (increase) in consumption taxes receivable	-37,165	37,165
Increase (decrease) in accrued consumption taxes	-7,081	12,970
Increase (decrease) in operating accounts payable	-1,053	13,042
Increase (decrease) in accounts payable - other	20,434	2,640
Decrease (increase) in long-term prepaid expenses	-30,038	14,649
Other, net	548	250
Subtotal	1,276,353	1,437,141
Interest income received	266	288
Interest expenses paid	-146,604	-152,568
Income taxes paid	-1,557	-2,109
Net cash provided by (used in) operating activities	1,128,457	1,282,752
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment in trust	-10,045,286	-96,415
Proceeds from tenant leasehold and security deposits in trust	135,117	37,105
Repayments of tenant leasehold and security deposits in trust	-54,173	-48,702
Decrease (increase) in other investments	-636	-13,041
Net cash provided by (used in) investing activities	-9,964,979	-121,054
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	5,200,000	-
Decrease in short-term loans payable	-7,200,000	-3,700,000
Proceeds from long-term loans payable	11,647,000	3,700,000
Repayment of long-term loans payable	-4,526,328	-78,776
Proceeds from issuance of investment units	4,777,574	-
Payment of investment unit issuance costs	-19,104	-
Dividends paid	-581,836	-725,242
Net cash provided by (used in) financing activities	9,297,305	-804,019
Net increase (decrease) in cash and cash equivalents	460,783	357,678
Cash and cash equivalents at beginning of period	2,477,268	2,938,052
Cash and cash equivalents at end of period	2,938,052	3,295,731

(Note 3) 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 ① (As of October 31, 2015)



## ■ Long-Term Loans Payable

Account		Drawdown date	Balance at end of 20th FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
	Lender								
Long-term loans payable	Mizuho Bank, Ltd.	May 24, 2012	1,215,277	1.48000	May 24, 2017	(Note 3)	Refinancing	Unsecured Unguaranteed	Term Loan I
	Aozora Bank, Ltd.	May 1, 2013	267,000	1.05000	Nov. 24, 2015	Lump-sum repayment on repayment date	Acquisition of AUM	Unsecured Unguaranteed	Term Loan L
	Resona Bank, Ltd.		267,000						
	Mizuho Bank, Ltd.		242,000						
	Sumitomo Mitsui Banking Corporation		242,000						
	ORIX Bank Corporation		100,000						
	Sumitomo Mitsui Trust Bank, Limited		100,000						
	The Chiba Bank, Ltd.		50,000						
	The Musashino Bank, Ltd.		50,000						
	Aozora Bank, Ltd.	May 1, 2013	253,650	1.18000	Nov. 24, 2016	(Note 4)	Acquisition of AUM	Unsecured Unguaranteed	Term Loan M
	Resona Bank, Ltd.		253,649						
	Mizuho Bank, Ltd.		229,900						
	Sumitomo Mitsui Banking Corporation		229,900						
	ORIX Bank Corporation		95,000						
	Sumitomo Mitsui Trust Bank, Limited		95,000						
	The Chiba Bank, Ltd.		47,500						
	The Musashino Bank, Ltd.		47,500						
	Aozora Bank, Ltd.	May 24, 2013	789,000	1.05000	Nov. 24, 2015	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan O
	Resona Bank, Ltd.		522,000						
	The Chiba Bank, Ltd.		333,000						
The Musashino Bank, Ltd.	333,000								
The Kagawa Bank, Ltd.	326,000								
Mizuho Bank, Ltd.	90,000								
Aozora Bank, Ltd.	May 24, 2013	749,550	1.18000	Nov. 24, 2016	(Note 5)	Refinancing	Unsecured Unguaranteed	Term Loan P	
Resona Bank, Ltd.		495,899							
The Chiba Bank, Ltd.		316,350							
The Musashino Bank, Ltd.		316,350							
The Kagawa Bank, Ltd.		309,700							
Mizuho Bank, Ltd.		85,500							



# Status of Interest-Bearing Liabilities ② (As of October 31, 2015)



## ■ Long-Term Loans Payable

Account		Drawdown date	Balance at end of 20th FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
	Lender								
Long-term loans payable	Resona Bank, Ltd.	Nov. 25, 2013	650,000	0.98000	May 24, 2016	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan Q
	The Chiba Bank, Ltd.		500,000						
	The Musashino Bank, Ltd.		500,000						
	Sumitomo Mitsui Banking Corporation		500,000						
	Aozora Bank, Ltd.		450,000						
	Higashi-Nippon Bank, Ltd.		250,000						
	ORIX Bank Corporation		150,000						
	Mizuho Trust & Banking Co., Ltd.		100,000						
	Resona Bank, Ltd.	Nov. 25, 2013	650,000	1.13000	May 24, 2017	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan R
	The Chiba Bank, Ltd.		500,000						
	The Musashino Bank, Ltd.		500,000						
	Sumitomo Mitsui Banking Corporation		500,000						
	Aozora Bank, Ltd.		450,000						
	Higashi-Nippon Bank, Ltd.		250,000						
	ORIX Bank Corporation		150,000						
	Mizuho Trust & Banking Co., Ltd.		100,000						
	Resona Bank, Ltd.	Nov. 25, 2014	752,000	0.63000	May 24, 2016	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan V
	Aozora Bank, Ltd.		465,000						
	Mizuho Bank, Ltd.		317,000						
	Sumitomo Mitsui Banking Corporation		317,000						
	The Chiba Bank, Ltd.		275,000						
	The Musashino Bank, Ltd.		275,000						
	Sumitomo Mitsui Trust Bank, Limited		113,000						
	ORIX Bank Corporation		110,000						
	The Kagawa Bank, Ltd.	23,000							
	Resona Bank, Ltd.	Nov. 25, 2014	1,137,000	0.88000	May 24, 2017	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan W
	Aozora Bank, Ltd.		703,000						
	Mizuho Bank, Ltd.		479,000						
Sumitomo Mitsui Banking Corporation	479,000								
The Chiba Bank, Ltd.	415,000								
The Musashino Bank, Ltd.	415,000								
Sumitomo Mitsui Trust Bank, Limited	171,000								
ORIX Bank Corporation	167,000								
The Kagawa Bank, Ltd.	34,000								

# Status of Interest-Bearing Liabilities ③ (As of October 31, 2015)



## ■ Long-Term Loans Payable

Account		Drawdown date	Balance at end of 20th FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name	
	Lender									
Long-term loans payable	Resona Bank, Ltd.	Nov. 25, 2014	711,000	1.02200 (Note 2)	May 25, 2018	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan X	
	Aozora Bank, Ltd.		441,000							
	Mizuho Bank, Ltd.		299,000							
	Sumitomo Mitsui Banking Corporation		299,000							
	The Chiba Bank, Ltd.		259,000							
	The Musashino Bank, Ltd.		259,000							
	Sumitomo Mitsui Trust Bank, Limited		107,000							
	ORIX Bank Corporation		104,000							
	The Kagawa Bank, Ltd.		21,000							
	Resona Bank, Ltd.		711,000							
	Aozora Bank, Ltd.	441,000								
	Mizuho Bank, Ltd.	299,000								
	Sumitomo Mitsui Banking Corporation	299,000								
	The Chiba Bank, Ltd.	259,000								
	The Musashino Bank, Ltd.	259,000								
	Sumitomo Mitsui Trust Bank, Limited	107,000								
	ORIX Bank Corporation	104,000								
	The Kagawa Bank, Ltd.	21,000								
	Aozora Bank, Ltd.	1,054,000	May 22, 2015	787,000	0.90700 (Note 2)	Nov. 22, 2018	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan Z
	Resona Bank, Ltd.	382,000								
	The Chiba Bank, Ltd.	382,000								
	The Musashino Bank, Ltd.	331,000								
	Mizuho Bank, Ltd.	325,000								
	The Kagawa Bank, Ltd.	241,000								
	Sumitomo Mitsui Banking Corporation	99,000								
	ORIX Bank Corporation	99,000								
	Sumitomo Mitsui Trust Bank, Limited	99,000								
Subtotal		29,998,727								

Total interest-bearing liabilities

29,998,727 thousand yen

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

(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) Repayment shall be in installments, with the first repayment on the last day of August 2012 and followed by repayment on the last day of November 2012 in the amount of 20,833 thousand yen each, and subsequent repayments on the last day of every month thereafter from December 1, 2012 in the amount of 6,944 thousand yen each, until the final repayment due on May 24, 2017 in the total amount of 1,090,277 thousand yen.

(Note 4) Repayment shall be in installments, with the first repayment on the last day of May 2013 and subsequent repayments on the last day of every month thereafter through to the last day of October 2016 in the amount of 2,196 thousand yen each, until the final repayment due on November 24, 2016 in the total amount of 1,225,739 thousand yen.

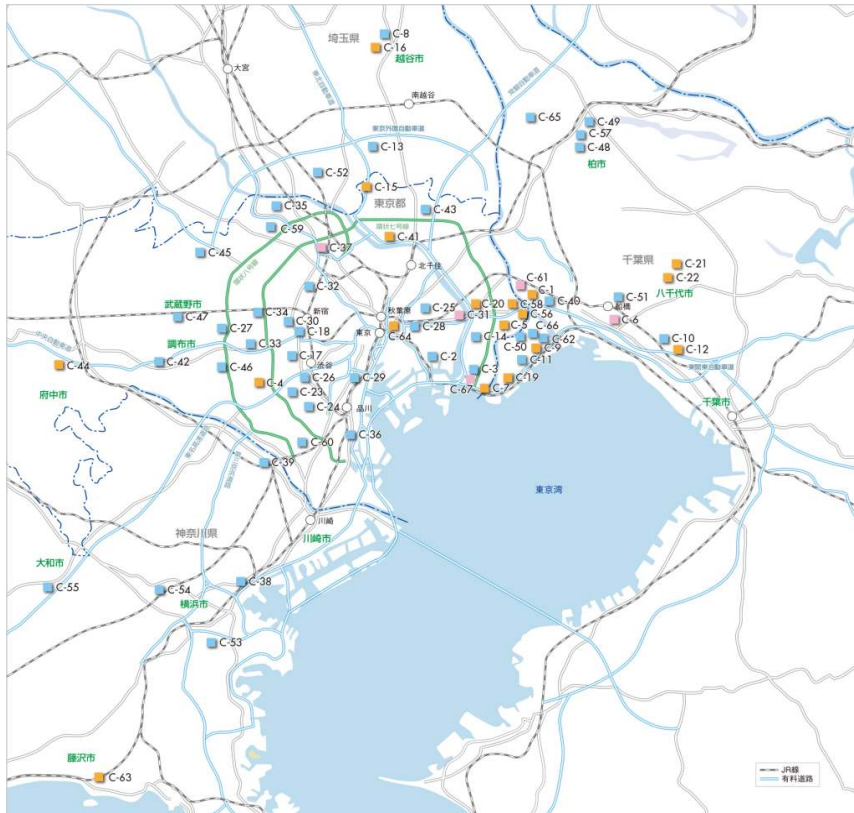
(Note 5) Repayment shall be in installments, with the first repayment on the last day of May 2013 and subsequent repayments on the last day of every month thereafter through to the last day of October 2016 in the amount of 3,988 thousand yen each, until the final repayment due on November 24, 2016 in the total amount of 2,225,489 thousand yen.

(Note 6) Current portion of long-term loans payable (9,615,553 thousand yen) on the balance sheet are included in the long-term loans payable.

# Portfolio Map (As of October 31, 2015)



■ Tokyo metropolitan area major cities:  
67 properties



■ Cabinet order designated cities / Regional area major cities: 29 properties



**Acquired property**

Single type    DINKS type    Family type    Senior housing

C-1	Proceed Ichikawa	C-16	Proceed Higashikawaguchi	C-31	Proceed Honjozumabashi	C-46	Proceed Kashiwa Nord	C-61	Proceed Ichikawa Minami
C-2	Proceed Toyocho	C-17	Proceed Funabari	C-32	Proceed Meguro Aobadai	C-47	Proceed Gyotokuekimaie	C-62	Proceed Ichikawa Myoten
C-3	Proceed Kasai	C-18	Proceed Takanozuka	C-33	Proceed Suginami Miyamae	C-48	Proceed Funabashi Honcho	C-63	Proceed Fujisawa Kugenuma
C-4	Proceed Sangenjaya	C-19	Proceed Sengendai 2	C-34	Proceed Ryogoku	C-49	Proceed Nishikawaguchi	C-64	Proceed Nihonbashi-horidomecho
C-5	Proceed Mizue	C-20	Proceed Shoto	C-35	Proceed Mita	C-50	Proceed Gummyoji	C-65	Proceed TX Nagaryama Central Park
C-6	Proceed Funabashi Miyamoto	C-21	Proceed Sangubashi	C-36	Proceed Nakanojimabashi	C-51	Proceed Chofu	C-66	Proceed Gyotoku 2
C-7	Proceed Minamikasai	C-22	Proceed Urayasu	C-37	Proceed Kameido	C-52	Proceed TX Rokucho	C-67	Proceed Nishikasai
C-8	Proceed Sengendai	C-23	Proceed Shinkoiwa	C-38	Proceed Takadanobaba	C-53	Proceed Nagakawa		
C-9	Proceed Gyotoku	C-24	Proceed Yachiyo Midorigaoka I	C-39	Proceed Shinkoenji	C-54	Proceed Ozumigakuen		
C-10	Proceed Makuharinhongo	C-25	Proceed Yachiyo Midorigaoka II	C-40	Proceed Koenjiminami	C-55	Proceed Chitosekarasuyama		
C-11	Proceed Minamigyotoku	C-26	Proceed Toritsudaigaku	C-41	Proceed Hasune	C-56	Proceed Shinzaki Tower		
C-12	Proceed Makuharinhongo2	C-27	Proceed Toritsudaigaku 2	C-42	Proceed Oimachi	C-57	Proceed Mitaka		
						C-58	Proceed Kashiwa Est		
						C-59	Proceed Tobu Nerima		
						C-60	Proceed Yukigaya		

Acquired property    Single type    DINKS type    Family type

- ◆ Tokyo metropolitan area major cities: 67 properties
- ◆ Cabinet order designated cities: 25 properties
- ◆ Regional area major cities: 4 properties

Total 96 properties

# Breakdown of Revenue of Portfolio by Geographic Area (20th Fiscal Period Results)



(Unit: thousand yen)

	Tokyo metropolitan area major cities	Cabinet order designated cities	Regional area major cities	Entire portfolio
Acquisition price	41,487,700	13,969,000	1,654,100	57,110,800
Total number of leasable units	2,768	1,078	123	3,969
(A) Property leasing operating revenue	1,603,570	544,300	72,701	2,220,571
Rent revenue	1,533,619	522,942	68,598	2,125,159
Other revenue	69,951	21,357	4,102	95,411
(B) Property leasing operating expenses	385,813	136,219	15,223	537,256
Rent expenses	42,966	1,091	-	44,057
Property management expenses	42,605	13,295	2,346	58,247
Real estate taxes	89,597	36,071	4,279	129,949
Utilities expenses	33,619	9,538	1,347	44,504
Repair expenses	44,716	24,526	974	70,216
Regular maintenance expenses	52,135	23,068	3,253	78,458
Insurance expenses	5,313	1,926	206	7,446
Brokerage fees and advertising expenses	20,616	15,751	527	36,894
Trust fees	24,025	9,360	1,500	34,885
Other property leasing operating expenses	30,217	1,589	788	32,596
(C) Property leasing = (A) - (B)	1,217,757	408,080	57,477	1,683,315
(D) Depreciation and amortization	336,438	119,118	19,142	474,700
(E) Property leasing income (loss) = (C) - (D)	881,318	288,961	38,335	1,208,615
(F) Capital expenditures	32,243	8,716	129	41,089
(G) NCF = (C) - (F)	1,185,513	399,364	57,348	1,642,225
Annualized NOI yield (based on acquisition price) (Note)	5.9	5.8	6.9	5.9
Occupancy rate (%)	96.7	95.3	96.1	96.3

(Note) "Annualized NOI yield (based on acquisition price)" is calculated by annualizing each property's NOI results, rounded to one decimal place.

# Breakdown of Revenue of Major Properties (20th Fiscal Period Results)



(Unit: thousand yen)

	Tokyo metropolitan area major cities						Cabinet order designated cities		Regional area major cities
Property number	C-41	C-58	C-64	C-65	C-66	C-67	G-24	G-25	R-4
Property name	Proceed Nishiarai	Proceed Shinozaki Tower	Proceed Nihonbashi-horidomecho	Proceed TX Nagareyama Central Park	Proceed Gyotoku 2	Proceed Nishikasai	Proceed Kanayama 2	Proceed Aratamabashi	Proceed Tsukuba Gakuentoshi
Property photo									
Acquisition price	5,172,000	1,564,000	1,485,800	979,700	830,000	875,600	2,040,400	2,129,600	775,600
Location	1-chome, Nishiaraisakaecho, Adachi Ward	7-chome, Shinozaki-cho, Edogawa Ward	2-chome, Nihonbashi-horidomecho, Chuo Ward	177, Maehirai, Nagareyama City	1-chome, Fukuei, Ichikawa City	2-chome, Seishincho, Edogawa Ward	2-chome, Kanayama, Naka Ward, Nagoya City	8-chome, Mizuhotori, Mizuho Ward, Nagoya City	3-chome, Ninomiya, Tsukuba City
Structure	ARTIER Bldg.: RC/14F OZAREA Bldg.: RC/10F Hall Bldg.: S/2F Nursery Bldg.: S/2F	S*RC*SRC/ 18F*B2F	RC/10F	RC/13F	RC/5F	Ichibankan: RC/5F Nibankan: RC/3F	RC14F*B1F	RC/10F	RC/9F
Construction completion	July 20, 2007	March 17, 2008	April 7, 2006	April 11, 2014	October 7, 2006	Ichibankan: October 17, 1993 Nibankan: July 23, 1985	August 22, 2007	August 19, 2005	March 3, 2008
Number of leasable units	294 units	88 units	37 units	73 units	59 units	63 units	72 units	72 units	34 units
(A) Property leasing operating revenue	296,072	85,059	40,960	40,517	27,961	37,105	65,994	69,426	30,082
(B) Property leasing operating expenses	103,456	27,560	8,397	8,395	5,908	10,775	17,869	21,789	6,663
(C) Property leasing NOI = (A) - (B)	192,615	57,499	32,563	32,122	22,052	26,329	48,124	47,636	23,418
(D) Depreciation and amortization	93,563	25,153	4,383	18,526	5,083	2,952	17,450	15,431	8,149
(E) Property leasing income (loss) = (C) - (D)	99,051	32,346	28,179	13,596	16,969	23,377	30,673	32,205	15,269
(F) Capital expenditures	-	-	114	-	378	2,241	-	1,817	129
(G) NCF = (C) - (F)	192,615	57,499	32,449	32,122	21,674	24,088	48,124	45,819	23,289
Annualized NOI yield	7.4%	7.4%	4.4%	6.6%	5.3%	6.0%	4.7%	4.5%	6.0%
PML value	ARTIER Bldg.: 3.9% OZAREA Bldg.: 5.0% Hall Bldg.: 3.5% Nursery Bldg.: 3.5%	High-rise bldg.: 2.6% Low-rise bldg.: 4.4%	7.5%	2.9%	6.5%	Ichibankan: 11.0% Nibankan: 8.1%	6.2%	6.2%	3.8%

# Portfolio List ① (As of October 31, 2015)



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 <sup>2</sup> )	Leased area (m <sup>2</sup> )	Total number of leasable units (Note 3) (units)	Total number of leasable parking spaces (vehicles)	Occupancy rate (%) (Note 4)	PML (%) (Note 5)	Construction completion (Note 6)
C-1	Proceed Ichikawa	Chiba	1,076,000	1.9	1,036,640	1,250,000	3,322.17	3,197.07	50	42	96.2	5.9	April 1, 1997
C-2	Proceed Toyochō	Tokyo	646,700	1.1	588,145	785,000	1,085.56	1,085.56	45	5	100.0	8.6	January 31, 2003
C-3	Proceed Kasai	Tokyo	688,700	1.2	620,034	729,000	1,243.80	1,243.80	57	0	100.0	5.1	March 1, 2003
C-4	Proceed Sangenjaya	Tokyo	555,900	1.0	634,234	513,000	1,019.27	916.44	9	8	89.9	9.3	June 29, 1990
C-5	Proceed Mizue	Tokyo	602,600	1.1	631,832	723,000	2,076.68	1,778.64	28	22	85.6	7.0	June 20, 1991
C-6	Proceed Funabashi Miyamoto	Chiba	419,900	0.7	473,645	493,000	1,685.73	1,643.93	33	1	97.5	4.7	June 24, 1991
C-7	Proceed Minamikasai	Tokyo	303,500	0.5	335,289	279,000	1,045.28	974.38	16	7	93.2	10.4	March 12, 1993
C-8	Proceed Sengendai	Saitama	259,200	0.5	273,976	298,000	1,344.74	1,313.56	43	10	97.7	5.7	May 31, 1991
C-9	Proceed Gyotoku	Chiba	315,600	0.6	352,312	317,000	1,218.56	1,218.56	20	7	100.0	6.7	March 15, 1988
C-10	Proceed Makuharihongo	Chiba	279,300	0.5	287,439	297,000	963.00	849.00	34	3	88.2	8.7	February 22, 1989
C-11	Proceed Minamigyotoku	Chiba	287,300	0.5	308,877	311,000	838.95	838.95	26	6	100.0	6.8	February 6, 1990
C-12	Proceed Makuharihongo 2	Chiba	223,400	0.4	225,026	244,000	1,104.84	1,104.84	22	10	100.0	4.8	September 24, 1989
C-13	Proceed Higashikawaguchi	Saitama	206,500	0.4	200,403	194,000	648.11	648.11	30	14	100.0	3.6	March 15, 1993
C-14	Proceed Funabori	Tokyo	226,100	0.4	240,858	234,000	479.52	459.54	24	1	95.8	7.3	October 11, 1991
C-15	Proceed Takenozuka	Tokyo	169,400	0.3	174,609	217,000	860.55	803.18	15	10	93.3	3.4	March 10, 1994
C-16	Proceed Sengendai 2	Saitama	86,700	0.2	95,695	104,000	695.81	695.81	12	4	100.0	3.3	April 3, 1991
C-17	Proceed Shoto	Tokyo	937,400	1.6	905,453	877,000	890.22	829.30	40	6	93.2	5.3	November 18, 2005
C-18	Proceed Sangubashi	Tokyo	497,600	0.9	492,171	460,000	527.88	487.08	26	0	92.3	7.0	July 22, 2005
C-19	Proceed Urayasu	Chiba	431,400	0.8	486,096	456,000	1,786.58	1,628.47	21	8	91.2	7.8	June 4, 1992
C-20	Proceed Shinkoiwa	Tokyo	465,200	0.8	496,717	540,000	1,629.07	1,629.07	27	9	100.0	7.1	March 15, 1991
C-21	Proceed Yachiyo Midorigaoka I	Chiba	383,600	0.7	411,617	386,000	1,805.76	1,738.88	27	32	96.3	6.9	February 12, 1997
C-22	Proceed Yachiyo Midorigaoka II	Chiba	339,000	0.6	365,263	348,000	1,605.12	1,538.24	24	31	95.8	6.9	February 12, 1997
C-23	Proceed Toritsudaigaku	Tokyo	790,400	1.4	765,344	722,000	808.65	808.65	37	2	100.0	8.3	March 13, 2006
C-24	Proceed Toritsudaigaku 2	Tokyo	772,200	1.4	743,929	740,000	831.74	831.74	36	2	100.0	7.8	September 7, 2006
C-25	Proceed Honjoazumabashi	Tokyo	339,800	0.6	319,437	409,000	570.53	570.53	19	0	100.0	6.7	July 7, 2006
C-26	Proceed Meguro Aobadai	Tokyo	466,700	0.8	467,942	428,000	485.15	485.15	24	1	100.0	11.6	March 27, 2003
C-27	Proceed Suginami Miyamae	Tokyo	454,900	0.8	452,545	455,000	680.50	680.50	29	1	100.0	7.1	January 26, 2004
C-28	Proceed Ryogoku	Tokyo	443,900	0.8	436,851	507,000	702.54	702.54	27	5	100.0	6.9	March 15, 2003
C-29	Proceed Mita	Tokyo	1,537,200	2.7	1,471,504	1,564,000	1,500.57	1,500.57	72	0	100.0	8.7	February 6, 2006
C-30	Proceed Nakanoshimbashi	Tokyo	638,800	1.1	693,840	660,000	849.08	849.08	50	0	100.0	10.4	September 24, 1992
C-31	Proceed Kameido	Tokyo	339,000	0.6	362,799	332,000	853.98	853.98	23	0	100.0	7.6	March 23, 1994
C-32	Proceed Takadanobaba	Tokyo	223,700	0.4	263,267	250,000	278.36	278.36	17	0	100.0	13.8	October 24, 1991
C-33	Proceed Shinkoenji	Tokyo	742,100	1.3	806,616	814,000	1,040.24	1,040.24	57	0	100.0	10.0	August 31, 1990
C-34	Proceed Koenjiminami	Tokyo	277,400	0.5	316,119	233,000	337.05	337.05	20	0	100.0	11.7	October 2, 1989
C-35	Proceed Hasune	Tokyo	284,000	0.5	334,526	250,000	587.13	587.13	29	0	100.0	6.8	July 17, 1991
C-36	Proceed Oimachi	Tokyo	944,000	1.7	1,011,589	895,000	961.88	961.88	59	0	100.0	13.0	April 13, 1992
C-37	Proceed Jujo	Tokyo	533,000	0.9	579,665	540,000	1,206.90	1,206.90	30	0	100.0	7.2	June 15, 1989
C-38	Proceed Hakuraku	Tokyo	241,000	0.4	272,213	188,000	445.16	445.16	27	0	100.0	16.4	July 19, 1991



# Portfolio List ② (As of October 31, 2015)



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 <sup>2</sup> )	Leased area (m <sup>2</sup> )	Total number of leasable units (Note 3) (units)	Total number of leasable parking spaces (vehicles)	Occupancy rate (%) (Note 4)	PML (%) (Note 5)	Construction completion (Note 6)
C-39	Proceed Shinmaruko	Tokyo	635,000	1.1	683,805	597,000	759.00	759.00	46	0	100.0	11.7	September 12, 1988
C-40	Proceed Motoyawata	Chiba	307,000	0.5	281,010	322,000	602.39	581.33	25	3	96.5	4.4	January 9, 2004
C-41*	Proceed Nishiarai (Note 6)	Tokyo	5,172,000	9.1	4,034,846	6,540,000	20,137.85	19,641.06	294	146	97.5	ARTIER 3.9 OZAREA 5.0 Hall 3.5 Nursery 3.5	July 20, 2007
C-42	Proceed Chofu	Tokyo	460,500	0.8	434,632	523,000	764.48	764.48	26	0	100.0	6.4	February 17, 2007
C-43	Proceed TX Rokucho	Tokyo	156,800	0.3	183,575	167,000	518.31	468.23	20	2	90.3	6.6	June 21, 1991
C-44	Proceed Nakagawara (Note 7)	Tokyo	1,141,000	2.0	1,240,790	1,230,000	3,061.94	3,061.94	54	35	100.0	Ichibankan 10.7 Nibankan 11.8	April 1, 1989
C-45	Proceed Oizumigakuen	Tokyo	268,300	0.5	293,105	263,000	483.43	450.09	29	0	93.1	10.6	November 26, 1991
C-46	Proceed Chitosekarasuyama	Tokyo	289,600	0.5	335,819	297,000	449.96	433.89	28	0	96.4	11.7	December 8, 1988
C-47	Proceed Mitaka	Tokyo	477,200	0.8	544,090	537,000	739.48	739.48	47	0	100.0	9.3	December 16, 1988
C-48	Proceed Kashiwa Est	Chiba	732,000	1.3	715,068	660,000	1,279.93	1,196.77	44	5	93.5	4.5	February 13, 2007
C-49	Proceed Kashiwa Nord	Chiba	689,000	1.2	667,425	579,000	1,391.55	1,270.30	47	0	91.3	5.7	February 13, 2007
C-50	Proceed Gyotokuekimae	Chiba	331,000	0.6	304,968	355,000	659.68	633.31	24	3	96.0	5.2	September 4, 2007
C-51	Proceed Funabashi Honcho	Chiba	531,700	0.9	524,995	568,000	996.44	921.73	40	0	92.5	5.7	July 19, 2006
C-52	Proceed Nishikawaguchi	Saitama	881,000	1.5	954,601	756,000	1,630.24	1,458.18	104	2	89.4	5.5	February 10, 1989
C-53	Proceed Gumyoji	Kanagawa	552,000	1.0	605,671	593,000	1,246.48	1,167.66	77	0	93.7	19.0	May 12, 1988
C-54	Proceed Tsurugamine	Kanagawa	356,000	0.6	380,272	358,000	855.00	786.60	50	4	92.0	7.2	March 12, 1991
C-55	Proceed Sagamiotsuka	Kanagawa	234,000	0.4	242,134	201,000	741.24	741.24	29	7	100.0	12.9	April 5, 1991
C-56*	Proceed Shinnozaki 2	Tokyo	913,300	1.6	878,499	1,070,000	2,134.07	2,033.10	35	13	95.3	4.2	September 18, 2008
C-57	Proceed Kashiwa Trois	Chiba	537,100	0.9	523,554	613,000	1,149.95	1,149.95	38	6	100.0	5.4	May 8, 2009
C-58	Proceed Shinnozaki Tower (Note 8)	Tokyo	1,564,000	2.7	1,608,084	1,980,000	5,117.49	4,840.99	88	30	94.6	High-rise bldg. 2.6 Low-rise Bldg. 4.4	March 26, 2008
C-59	Proceed Tobu Nerima	Tokyo	422,000	0.7	433,322	503,000	779.84	759.12	35	2	97.3	7.7	August 31, 2007
C-60	Proceed Yukigaya	Tokyo	323,000	0.6	347,351	366,000	600.62	583.45	35	1	97.1	14.0	October 7, 1991
C-61	Proceed Ichikawa Minami	Chiba	687,000	1.2	725,418	841,000	1,635.59	1,529.43	66	34	93.5	2.0	February 10, 1997
C-62	Proceed Ichikawa Myoten	Chiba	498,000	0.9	529,012	559,000	945.00	882.00	45	1	93.3	6.8	March 15, 2003
C-63	Proceed Fujisawa Kugenuma	Kanagawa	729,000	1.3	769,047	839,000	2,005.76	1,942.88	25	20	96.9	14.7	March 30, 2001
C-64	Proceed Nihonbashi-horidomecho	Tokyo	1,485,800	2.6	1,548,834	1,550,000	1,904.45	1,874.75	37	2	98.4	7.5	April 7, 2006
C-65*	Proceed Nagareyama TX Central Park (Note 9)	Chiba	979,700	1.7	1,096,391	1,050,000	2,976.85	2,976.85	73	0	100.0	2.9	April 11, 2014
C-66	Proceed Gyotoku 2	Chiba	830,000	1.5	876,183	845,000	1,626.54	1,573.20	59	20	96.7	6.5	October 7, 2006
C-67	Proceed Nishikasai (Note 10)	Tokyo	875,600	1.5	957,524	928,000	2,993.52	2,939.15	63	39	98.2	(A) : 11.0 (B) : 8.1	Ichibankan: October 17, 1993 Nibankan: July 23, 1985
Tokyo metropolitan area major cities subtotal			41,487,700	72.6	41,654,574	44,732,000	100,203.74	96,922.03	2,768	622	96.7		

# Portfolio List ③ (As of October 31, 2015)



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 <sup>2</sup> )	Leased area (m <sup>2</sup> )	Total number of leasable units (Note 3) (units)	Total number of leasable parking spaces (vehicles)	Occupancy rate (%) (Note 4)	PML (%)	Construction completion (Note 5)
G-1	Proceed Hondori	Hokkaido	386,000	0.7	363,436	502,000	2,624.93	2,624.93	67	37	100.0	5.0	March 14, 1989
G-2	Proceed Kanjodori Higashi	Hokkaido	233,700	0.4	240,505	292,000	1,183.47	1,183.47	34	5	100.0	5.5	October 23, 1990
G-3	Proceed Kotoni	Hokkaido	204,900	0.4	217,384	264,000	1,453.27	1,453.27	28	16	100.0	4.0	October 21, 1991
G-4	Proceed Motomachi	Hokkaido	148,700	0.3	139,763	226,000	1,120.81	1,120.81	35	9	100.0	5.1	February 20, 1991
G-5	Proceed Motomachi 2	Hokkaido	85,500	0.1	85,047	128,000	907.29	907.29	19	6	100.0	6.5	December 11, 1990
G-6	Proceed Hakozakigu II	Fukuoka	85,000	0.1	82,523	91,100	415.30	415.30	19	0	100.0	8.0	July 30, 1991
G-7	Proceed Hakozakigu I	Fukuoka	81,300	0.1	79,236	82,700	411.50	411.50	19	0	100.0	8.0	May 1, 1991
G-8	Proceed Taikodori	Aichi	403,400	0.7	342,287	446,000	1,101.56	1,055.46	44	6	95.8	11.3	March 15, 2006
G-9	Proceed Ohashi	Fukuoka	208,500	0.4	220,480	242,000	1,140.00	1,140.00	16	16	100.0	8.0	February 13, 1998
G-10	Proceed Nakagawa	Fukuoka	150,400	0.3	155,666	242,000	1,414.96	1,414.96	38	21	100.0	8.1	July 24, 1990
G-11	Proceed Honamimachi	Aichi	275,000	0.5	246,846	223,000	620.22	586.74	10	8	94.6	10.5	March 27, 2006
G-12	Proceed Higashiohata	Niigata	53,100	0.1	59,646	40,800	296.61	296.61	9	4	100.0	13.7	November 27, 1991
G-13*	Proceed Shinsakae	Aichi	792,500	1.4	717,751	887,000	1,958.44	1,909.54	77	11	97.5	7.1	February 28, 2007
G-14*	Proceed Chiyoda	Aichi	309,300	0.5	282,758	351,000	922.40	890.17	30	4	96.5	7.3	March 20, 2007
G-15	Proceed Fukuoka Takamiya	Fukuoka	453,600	0.8	435,903	459,000	1,312.29	1,198.39	46	10	91.3	3.2	March 12, 2007
G-16	Proceed Ohorikoen	Fukuoka	452,800	0.8	497,753	363,000	1,128.92	1,128.92	50	8	100.0	10.6	March 21, 1997
G-17*	Proceed Kanayama	Aichi	1,022,000	1.8	1,037,081	1,210,000	2,733.58	2,733.58	94	18	100.0	6.0	February 18, 2008
G-18*	Proceed Fukiage	Aichi	499,000	0.9	512,829	592,000	1,204.65	1,127.44	48	15	93.6	6.2	March 13, 2008
G-19*	Proceed Toyoda	Aichi	219,000	0.4	227,458	258,000	752.04	704.30	27	8	93.7	6.7	March 14, 2008
G-20	Proceed Kitahorie	Osaka	1,917,300	3.4	1,998,479	2,230,000	4,146.18	3,874.38	106	8	93.4	11.0	November 29, 2007
G-21	Proceed Nishitenma	Osaka	880,000	1.5	920,247	1,040,000	1,775.89	1,657.18	56	3	93.3	13.9	November 30, 2007
G-22	Proceed Kobemotomachi	Hyogo	780,000	1.4	826,496	896,000	1,590.64	1,466.37	61	6	92.2	8.6	December 21, 2007
G-23	Group Home Tanoshii le Taisho	Osaka	158,000	0.3	171,025	170,000	482.72	482.72	1	0	100.0	14.8	February 28, 2007
G-24	Proceed Kanayama 2	Aichi	2,040,400	3.6	2,193,880	2,100,000	4,218.01	3,741.74	72	31	88.7	6.2	August 22, 2007
G-25	Proceed Aratamabashi	Aichi	2,129,600	3.7	2,277,183	2,170,000	5,335.93	4,815.59	72	45	90.2	6.2	August 19, 2005
Cabinet order designated cities subtotal			13,969,000	24.5	14,331,675	15,505,600	40,251.61	38,340.66	1,078	295	95.3		
R-1	Proceed Matsuyama	Ehime	77,900	0.1	105,670	95,500	695.06	695.06	17	8	100.0	7.2	August 31, 1991
R-2	Proceed Mito	Ibaraki	383,700	0.7	347,146	448,000	1,223.83	1,223.83	36	7	100.0	4.0	January 7, 2007
R-3	Proceed Mito 2	Ibaraki	416,900	0.7	391,732	495,000	1,381.34	1,381.34	36	25	100.0	3.6	March 11, 2008
R-4	Proceed Tsukuba Gakuentoshi	Ibaraki	775,600	1.4	841,232	801,000	2,659.71	2,429.87	34	35	91.4	3.8	March 3, 2008
Regional area major cities subtotal			1,654,100	2.9	1,685,782	1,839,500	5,959.94	5,730.10	123	75	96.1		
Portfolio total			57,110,800	100.0	57,672,032	62,077,100	146,415.29	140,992.79	3,969	992	96.3	3.2	

(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 rounded to one 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) "Occupancy rate" is the leased area expressed as a percentage of gross leasable area of the respective property, rounded to one decimal place.

(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 Nishiarai is a 50-year fixed-term land leasehold right. In addition, as (C-41) Proceed Nishiarai comprises 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 comprises 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) Earthquake insurance is taken out for all properties.

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

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# Management Company Overview

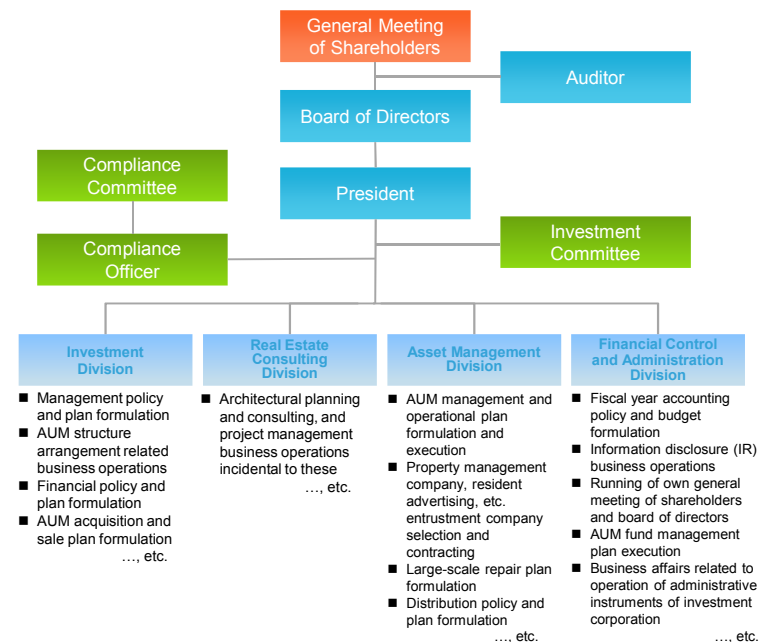


- **Established** Oct. 31, 2001
- **History**
  - Dec. 22, 2001 Obtained building lots and buildings transaction business license (Tokyo Governor (3) No.80325)
  - Nov. 11, 2004 Obtained discretionary transaction agent and other approval under the Building Lots and Buildings Transaction Business Act (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.

## ■ Outline

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

## ■ Organizational Chart



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