



Financial Results Briefing

29th Fiscal Period (six months ended April 30, 2020)
June 18, 2020

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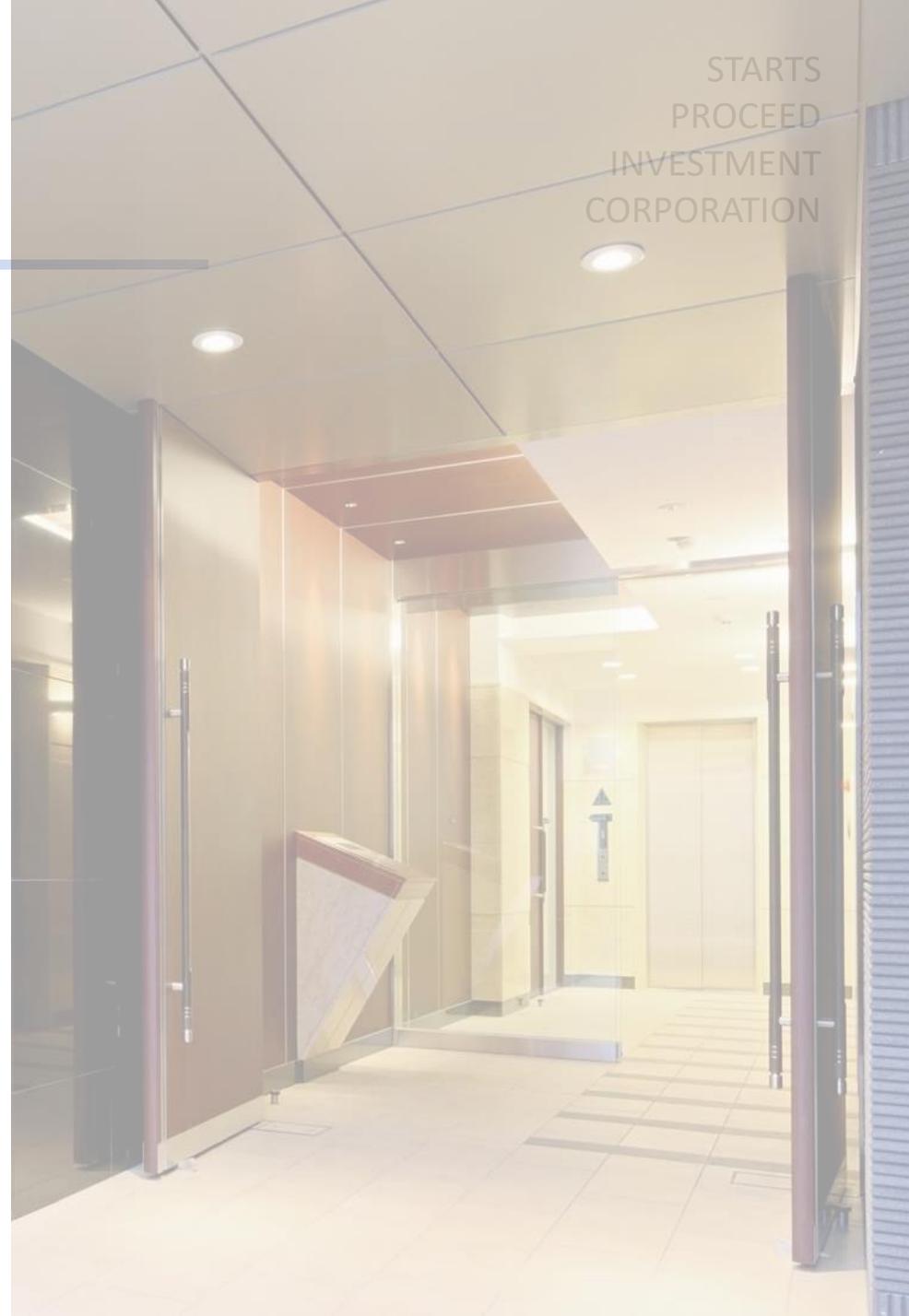
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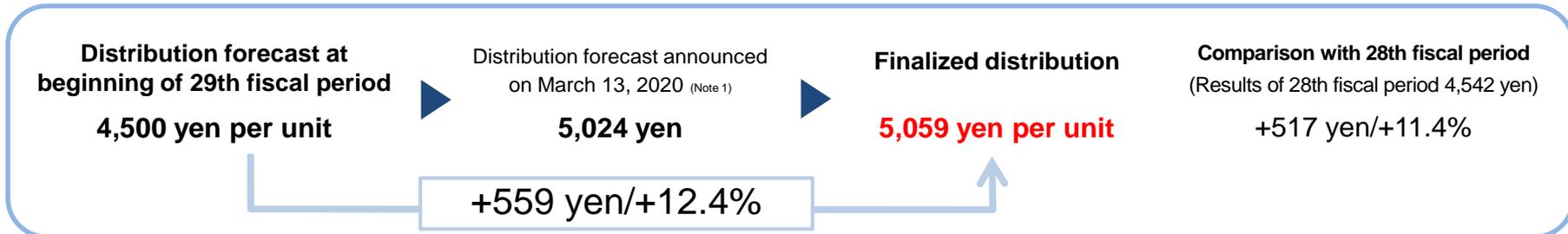
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29th Fiscal Period Financial Results Summary



29th Fiscal Period Financial Results Highlights

29th Fiscal Period Distribution Per Unit



(Note 1) Distribution per unit forecast has been revised in line with arising of capital gain of specified assets.

29th 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 (disposition price: 5,801 million yen) and acquiring four properties (acquisition price: 6,140 million yen) between March 2020 and May 2020 Disposed Proceed Kitahorie (March 27, 2020) with gain on sale of 549 million yen (of which, 400 million yen was internally reserved.) Acquired The Parkhabio Yokohamayamate (March 31, 2020) at an acquisition price of 3,047 million yen
Internal Growth	Continue stable asset management	<ul style="list-style-type: none"> Period average occupancy rate: 96.1% Maintained an occupancy rate of 95% or more for the twenty-seventh consecutive fiscal period from the 3rd fiscal period
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 first time Total asset LTV (after refinancing) (Note 2) End of 28th FP 50.8% → 50.6% (down 0.2 percentage points) Appraised LTV (after refinancing) (Note 3) End of 28th FP 46.7% → 46.4% (down 0.3 percentage points) Ratio of fixed-rate loans (after refinancing) End of 28th FP 28.4% → 37.8% (up 9.4 percentage points)

Revision of Distribution Forecast for the 30th Fiscal Period



(Note 2) After-refinancing total asset LTV = Balance of interest-bearing liabilities on the refinancing date (May 22, 2020) ÷ (Total assets at the end of the 29th fiscal period as recorded on the balance sheet + Amount of interest-bearing liabilities procured in the 30th fiscal period - Amount of interest-bearing liabilities repaid in the 30th fiscal period).

(Note 3) After-refinancing appraised LTV = Balance of interest-bearing liabilities on the refinancing date (May 22, 2020) ÷ (Total appraisal value at the end of the 29th fiscal period + Amount of interest-bearing liabilities procured in the 30th fiscal period - Amount of interest-bearing liabilities repaid in the 30th fiscal period).

(Note 4) All amounts are round down, and the figures with decimal places calculated for percentage or averaged are rounded off.

■ Status of Occupancy

		March	April	May	Total/average	Year-on-year change
Occupancy rate (%)	2019	97.1	96.3	96.1	96.5	-0.2 points
	2020	97.1	95.9	95.8 (Note 2)	96.3	
Move-in (case) (Note 1)	2019	138	88	65	291	-9
	2020	155	80	47	282	
Move-out (case) (Note 1)	2019	133	113	68	314	-2
	2020	122	115	75	312	

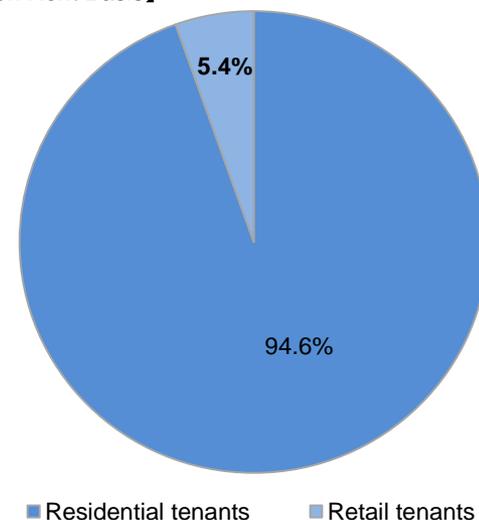
(Note 1) Numbers of move-in and move-out cases show the occurrence of such in 104 properties which were continuously under management from March 1, 2019 to May 29, 2020.

(Note 2) Occupancy rate at the end of May 2020 indicates the preliminary figure as of the present.

■ Rent Trend (April 2020 to May 2020)

- Requests for rent reduction/deferral of payment from residential tenants ➔ **2** (out of 5,193 units)
- Requests for rent reduction/deferral of payment from retail tenants ➔ **9** (out of 62 units)
- Number of cases accommodating requests for rent reduction/deferral of payment ➔ **0** (out of 11 requests)
- 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 minor 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.

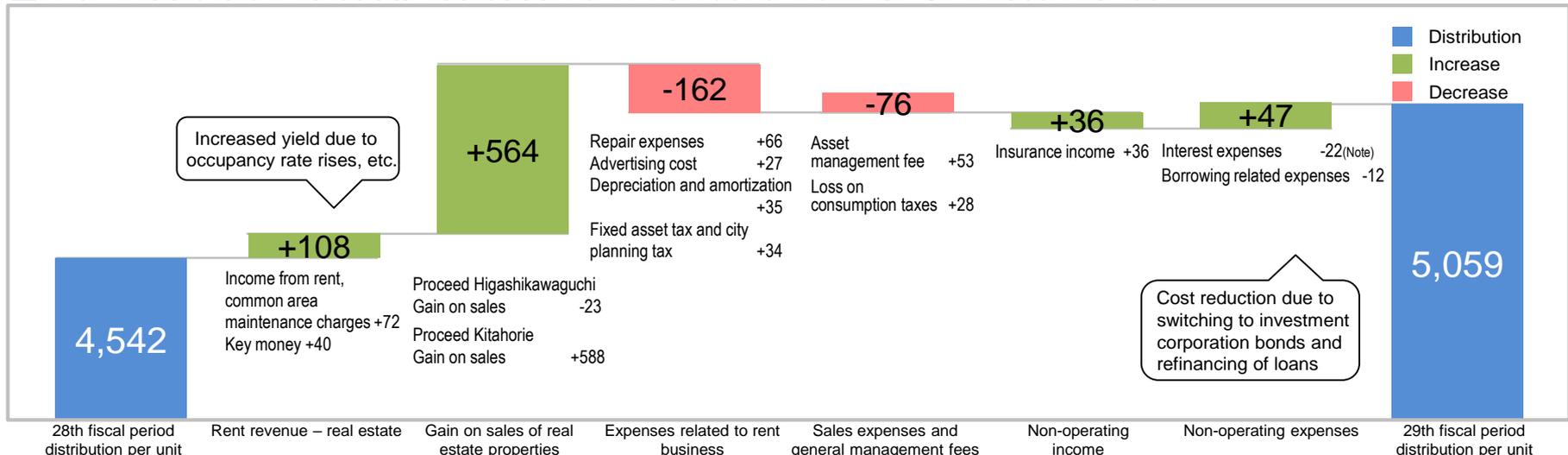
【Ratio on Rent Basis】



■ Comparing the Results of the 29th Fiscal Period with the Results of the 28th Fiscal Period and the Forecast of the 29th Fiscal Period

	28th FP Results	29th FP Results	Against the 28th Fiscal Period	Forecast at beginning of the 29th fiscal period	Against the Forecast
Operating revenue (million yen)	3,094	3,665	570	3,128	537
Operating expenses (million yen)	1,730	1,790	60	1,781	9
Operating income (million yen)	1,364	1,874	510	1,346	528
Ordinary income (million yen)	1,154	1,685	531	1,144	541
Net income (million yen)	1,152	1,683	531	1,142	541
Distribution per unit (yen)	4,542	5,059	517	4,500	559
Number of investment units issued and outstanding (Unit)	253,777	253,777	-	253,777	-
Period average occupancy rate (%)	96.0	96.1	0.1	96.3	-0.2

■ Main Factors of Increase/Decrease from Distribution for the 29th Fiscal Period (yen per unit)



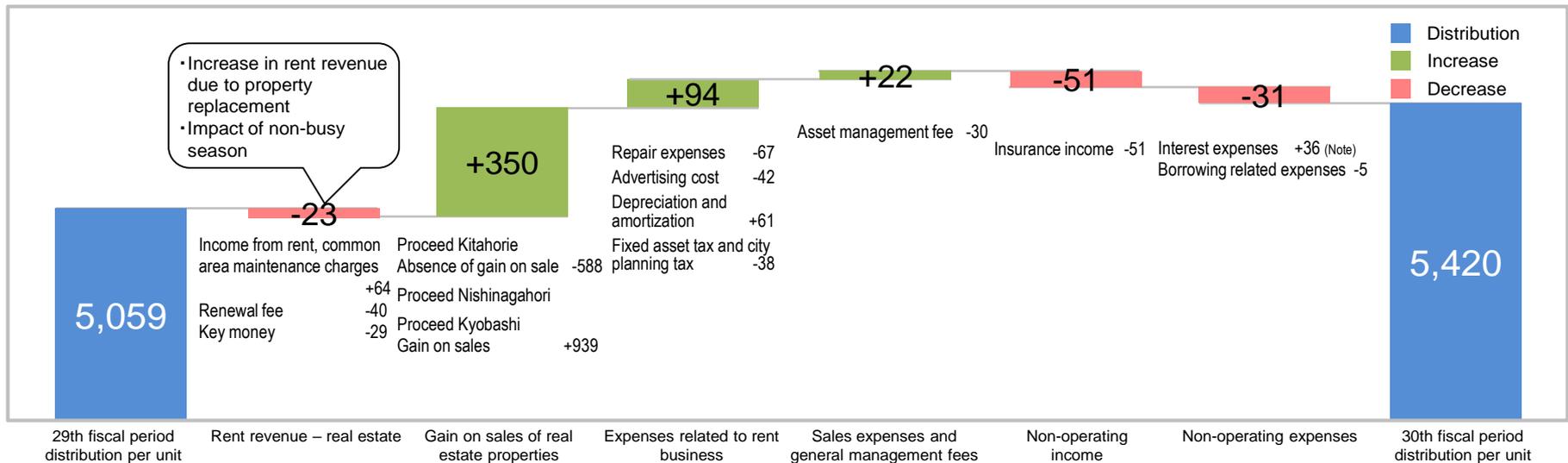
(Note) Interest expenses on investment corporation bonds are included.

Forecast for the 30th and 31st Fiscal Periods

	29th FP Results	30th FP Forecast	Against the 29th FP Results	31st FP Forecast	Against the 30th FP Forecast
Operating revenue (million yen)	3,665	3,348	-317	3,155	-193
Operating expenses (million yen)	1,790	1,761	-29	1,793	32
Operating income (million yen)	1,874	1,587	-287	1,361	-225
Ordinary income (million yen)	1,685	1,377	-308	1,151	-225
Net income (million yen)	1,683	1,375	-308	1,149	-225
Distribution per unit (yen)	5,059	5,420	361	4,530	-890
Number of investment units issued and outstanding (Unit)	253,777	253,777	-	253,777	-
Period average occupancy rate (%)	96.1	95.8	-0.3	96.3	0.5

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

(yen per unit)



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

■ 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. 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**



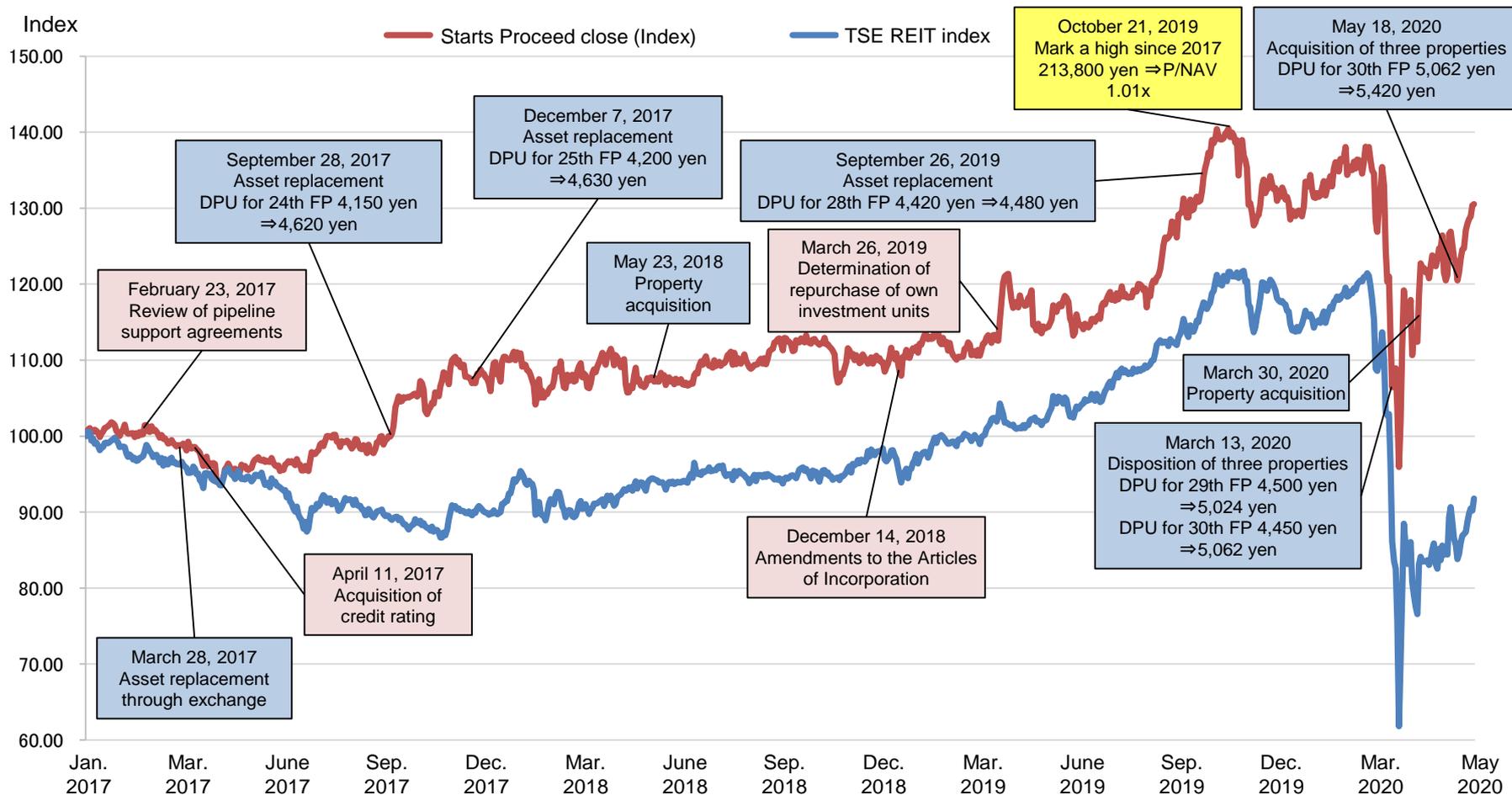
■ Future Initiatives of Starts Proceed

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.



(Note) Dates in the graph indicate the dates when the information was disclosed.

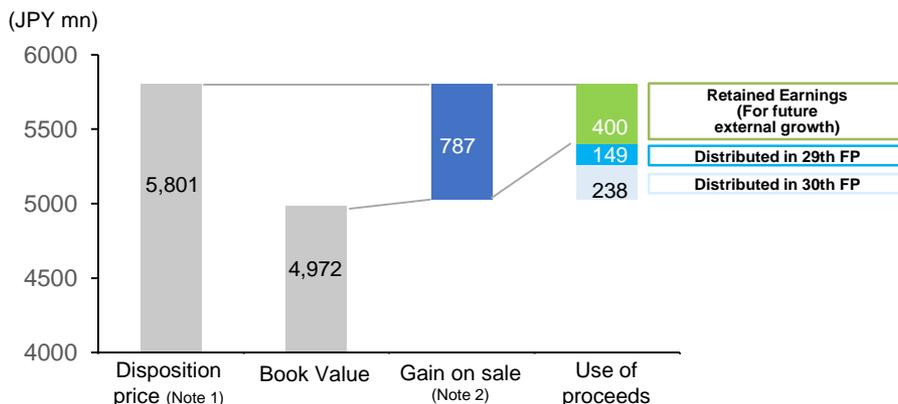
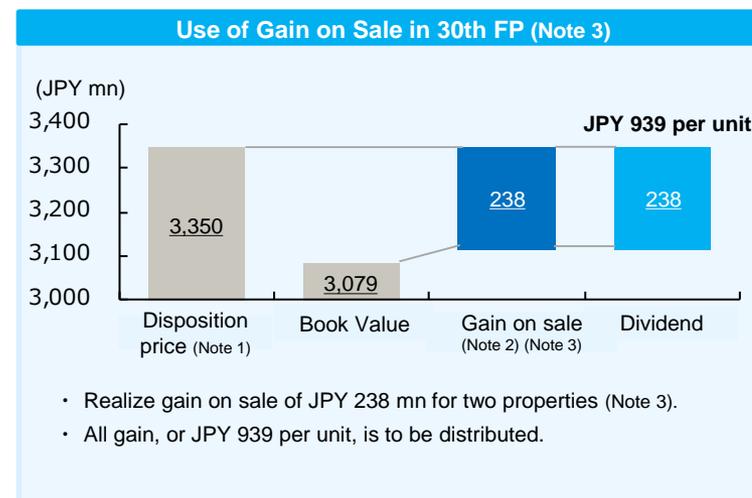
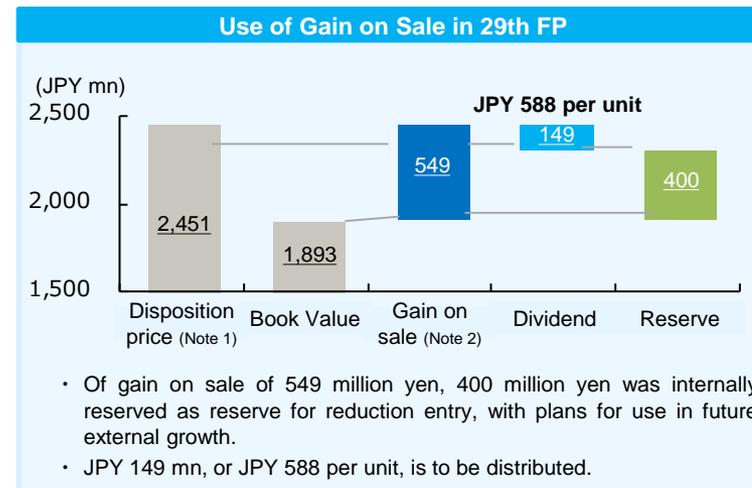
Disposed Proceed Kitahorie in March 2020 (29th fiscal period) and Proceed Nishinagahori and Proceed Kyobashi in May 2020 (30th fiscal period). A portion of the capital gain is to be reserved for reduction entry and the rest will be distributed to unitholders.

Outline of Dispositions

- Realize unrealized gains on the sale of three properties at a price 16.7% higher than their book value
- Capital gain on sale to be distributed on 29th FP and 30th FP for the second consecutive period

Use of Proceeds

Asset to be sold in 29th FP		Asset to be sold in 30th FP	
Proceed Kitahorie		Proceed Nishinagahori	Proceed Kyobashi
			
Location	Osaka, Osaka-shi	Location	Osaka, Osaka-shi
Completion date	Nov. 29, 2007 (12.3 year)	Completion date	Feb. 15, 2008 (12.3 year)
Disposition Price (a)	JPY2,451million	Disposition Price (a)	JPY1,050million
Book Value (b)	JPY1,893million	Book Value (b)	JPY974million
Difference (a-b)	JPY557million	Difference (a-b)	JPY75million
Appraisal Value	JPY2,580million	Appraisal Value	JPY934million
Date to be sold	Mar. 27, 2020	Date to be sold	May 29, 2020



(Note 1) Disposition price does not include disposition expenses, property tax, city planning tax and consumption tax.
 (Note 2) Difference between total of book value and gain on sale, and disposition price is other revenue and expenses associated with the disposition.
 (Note 3) Gain on sale in the 30th fiscal period indicates a separate figure.

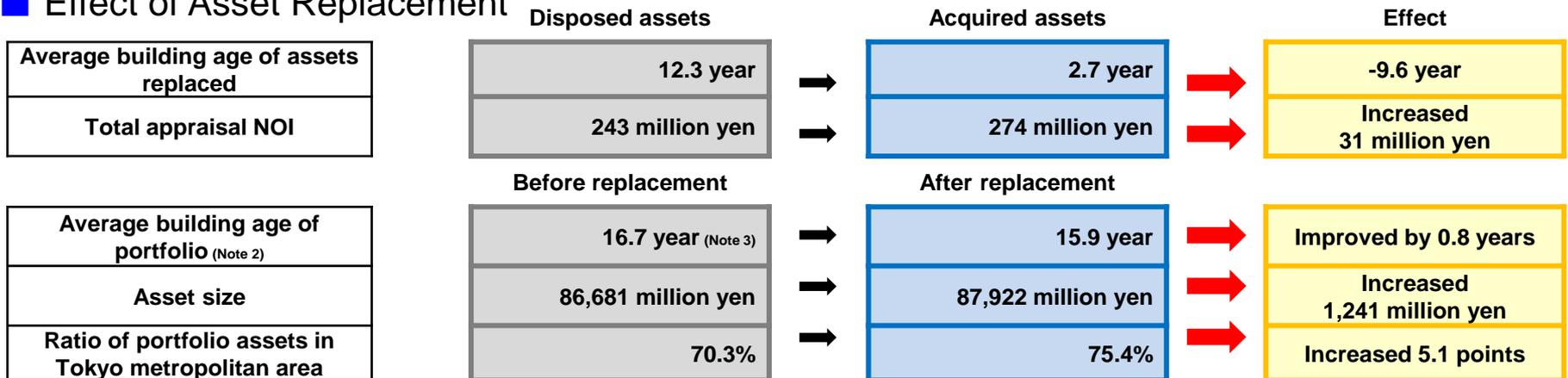
Disposed Assets

				Total
Location	Osaka-shi, Osaka	Osaka-shi, Osaka	Osaka-shi, Osaka	
Completion date (Building age as of disposition)	Nov. 29, 2007 (12.3 year)	Feb. 15, 2008 (12.3 year)	Jan. 16, 2008 (12.3 year)	12.3 year (average building age)
Disposition price (thousand yen)	2,451,000	1,050,000	2,300,000	5,801,000
Appraisal value (thousand yen) (Note 1)	2,580,000	934,000	2,040,000	5,554,000
Appraisal NOI yield (%) (based on acquisition price)	5.8	4.3	4.5	5.0
Appraisal NOI (thousand yen)	112,137	40,714	91,033	243,884

Acquired Assets

					Total
Location	Yokohama-shi, Kanagawa	Koto-ku, Tokyo	Urayasu-shi, Chiba	Mito-shi, Ibaraki	
Completion date (Building age as of disposition)	Jul. 2, 2015 (4.7 year)	Jan. 18, 2020 (0.4 year)	Mar. 10, 2020 (0.2 year)	Sep. 20, 2018 (1.7 year)	2.7 year (average building age)
Acquisition price (thousand yen)	3,047,000	1,240,000	1,029,000	824,000	6,140,000
Appraisal value (thousand yen) (Note 1)	3,160,000	1,310,000	1,180,000	869,000	6,519,000
Appraisal NOI yield (%) (based on acquisition price)	4.0	4.3	5.0	5.7	4.5
Appraisal NOI (thousand yen)	123,134	53,110	51,828	46,839	274,911

Effect of Asset Replacement



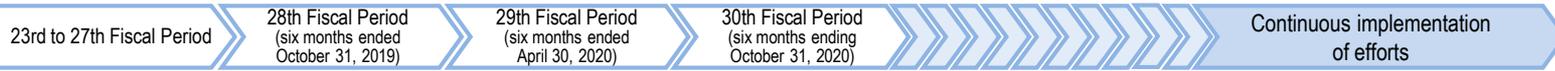
(Note 1) Appraisal value of acquired assets indicate appraisal value as of acquisition and appraisal value of disposed assets indicate appraisal value as of the end of the fiscal period before the disposition.

(Note 2) Average building age is calculated for that at May 29, 2020.

(Note 3) Average building age before the replacement indicates building age when the disposition of three properties and acquisition of four properties were not implemented.

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 1,129 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 ending October 31, 2020)			
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

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	238 million yen (Note 3)	1,129 million yen

	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 ending October 31, 2020)	
Disposed assets					Total through 23rd FP to 30th FP

Future property replacement policy

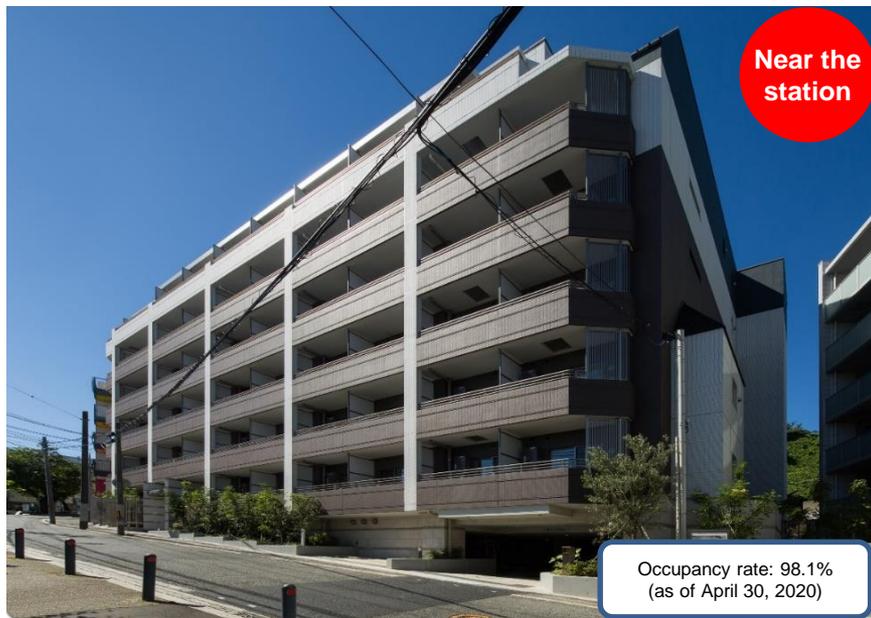
- Consider disposition in regard to old properties along the outer fringe of Tokyo.
- In addition to adding capital gain on sale to distribution as unitholder return, consider use as acquisition funds.
- Acquire more properties than those being disposed and achieve steady external growth in addition 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.
 (Note 3) Gain on sale in the 30th fiscal period indicates a forecast figure.

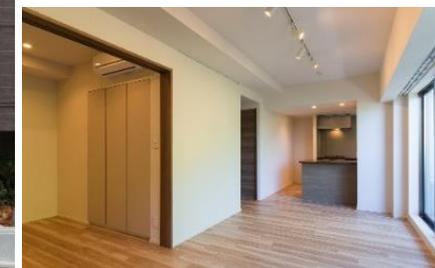
Acquisition of The Parkhabio Yokohama Yamate

- Acquired The Parkhabio Yokohama Yamate on March 31, 2020.
- The acquisition price was 3,047 million yen, appraisal value (as of March 1, 2020) was 3,160 million yen, and the property age upon acquisition was 4.7 years.
- The property offers excellent living convenience and is expected to be in high demand as it is a 2-minute walk from the closest station, and a shopping street and Yokohama Chinatown are also located in the neighborhood.



<Property Overview>

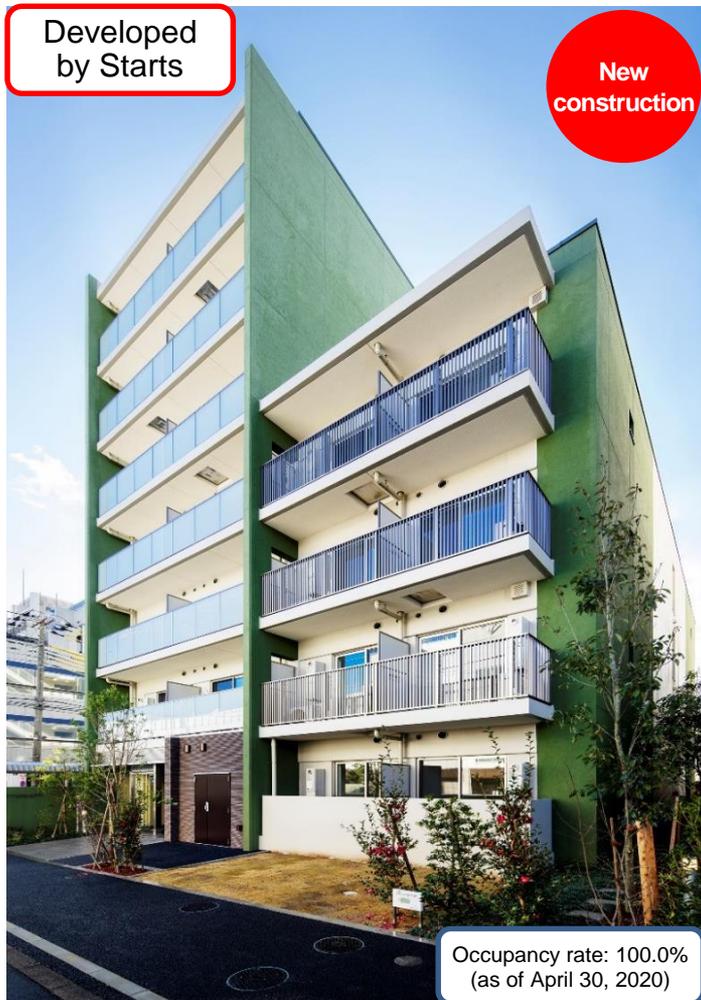
Structure	: RC/B1F,6F
Completion	: July 2, 2015
Number of leasing units (type)	: 1R 2 units; 1K 48 units; 1DK 13 units; 1SLDK 13 units; Total 76 units
Location	: 2-78-11 Ishikawa-cho, Naka-ku, Yokohama-shi, Kanagawa
Site area	: 944.24 m ²
Total floor area	: 3,606.42 m ²
Use	: Apartment
Zoning	: Neighborhood commercial district



- 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 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 April 30, 2020)



7-minute walk from station

Monzennakacho



<Property Overview>

Structure	: RC/7F
Completion	: January 18, 2020
Number of leasing units (type)	: 1K 36 units; 1LDK 12 units; Total 48 units
Location	: 1-7-8 Fukuzumi, Koto-ku, Tokyo
Site area	: 665.38 m ²
Total floor area	: 1,777.37 m ²
Use	: Apartment
Zoning	: Quasi-industrial district

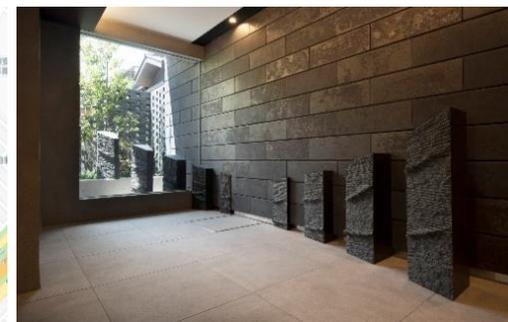
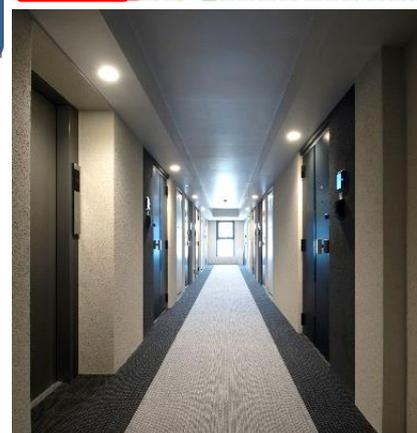
- Acquired Proceed Maihama on May 29, 2020.
- The land of the property was acquired by using the network of Starts Group, and the property was designed and constructed by Starts Group.
- The acquisition price was 1,029 million yen, appraisal value (as of March 31, 2020) was 1,180 million yen, and the 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: 98.2%
(as of April 30, 2020)



<Property Overview>

Structure	: RC/5F
Completion	: March 10, 2020
Number of leasing units (type)	: 1K 66 units; Total 66 units
Location	: 4-14-13 Fujimi, Urayasu-shi, Chiba
Site area	: 922.85m ²
Total floor area	: 2,151.57m ²
Use	: Apartment
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 April 30, 2020)

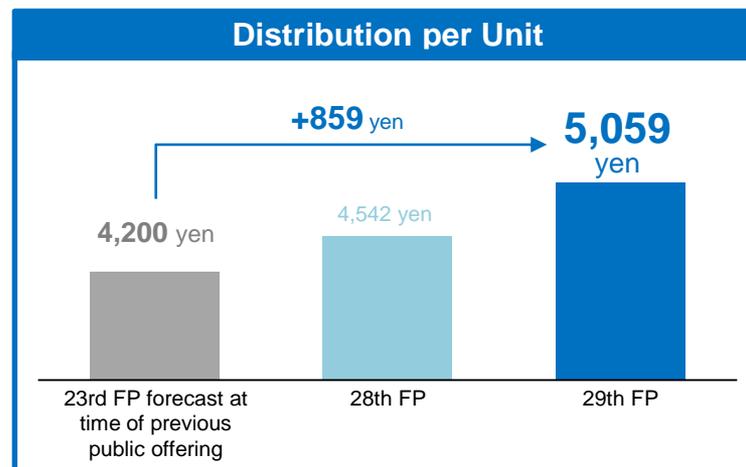
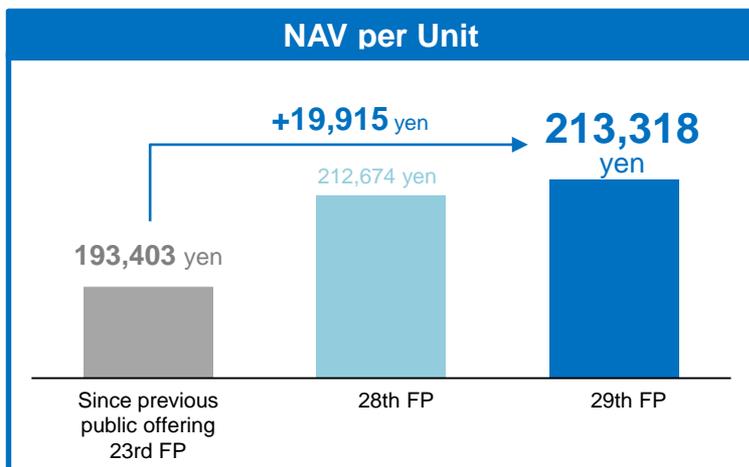
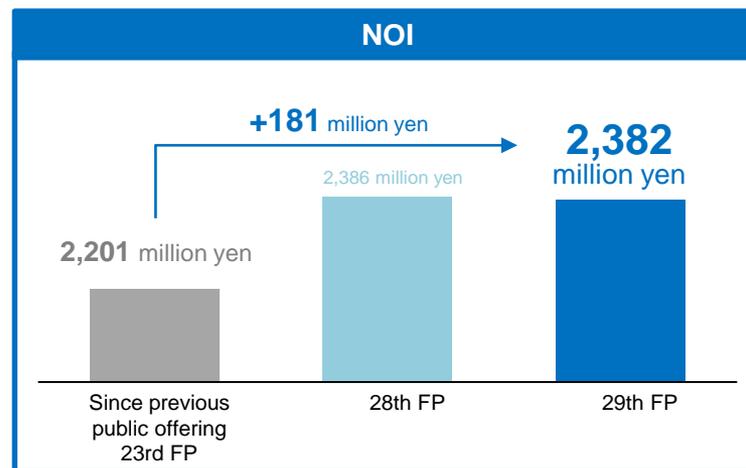
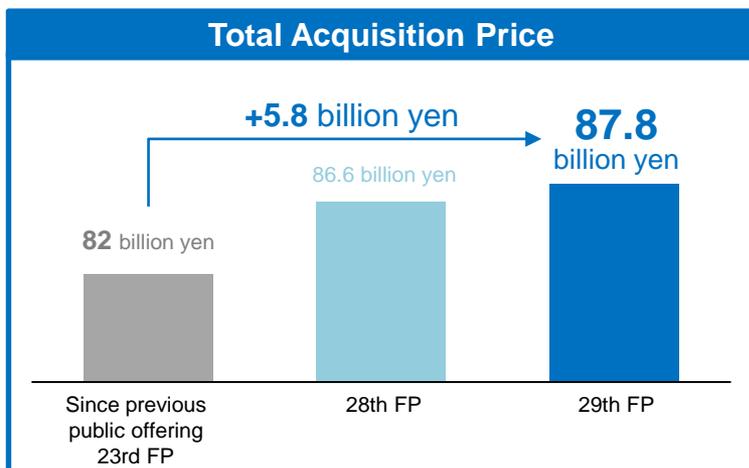


<Property Overview>

Structure	: RC/12F
Completion	: September 20, 2018
Number of leasing units (type)	: 1R 24 units; 1K 12 units; 1LDK 24 units; Total 60 units
Location	: 3-1-41 Minamimachi, Mito-shi, Ibaraki
Site area	: 744.01 m ²
Total floor area	: 2,359.02 m ²
Use	: Apartment
Zoning	: Commercial district

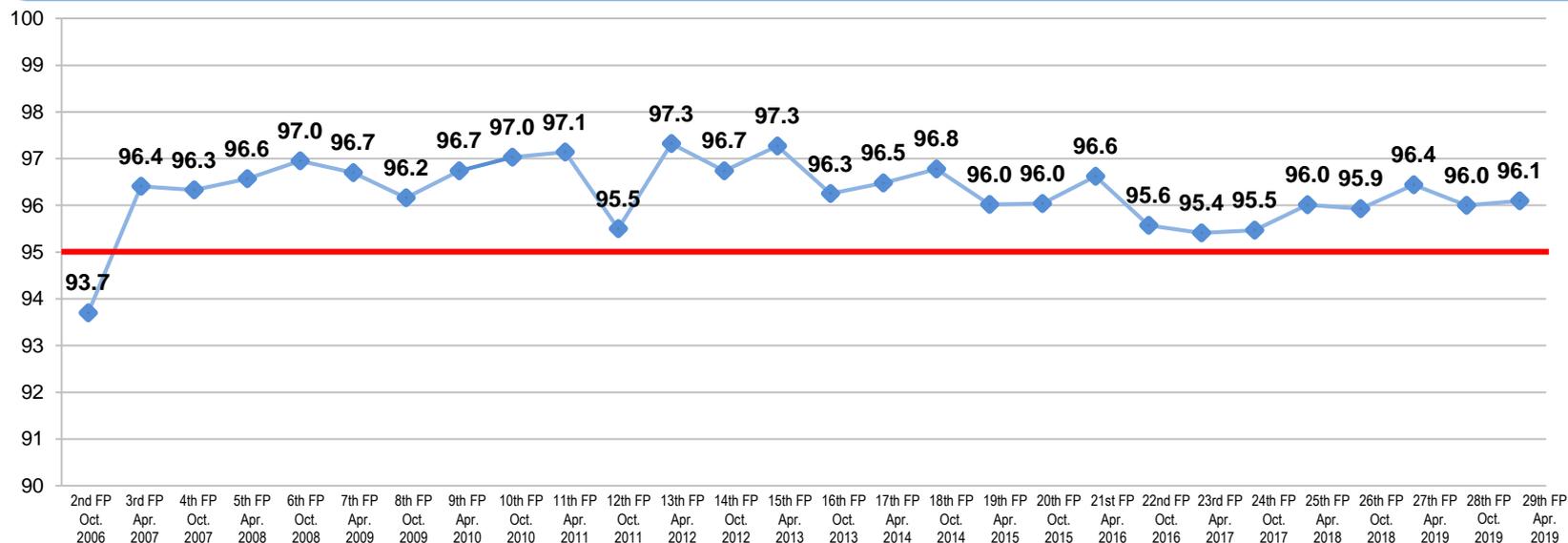


Starts Proceed achieved expansion of asset size while increasing unitholder value through property replacements. Starts Proceed will aim for further growth and improvement of unitholder value through its continuous efforts.



Occupancy Rate Trends (from 2nd FP to 29th 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 652 stores around Japan (as of April 30, 2020)
- A dominant area centering around the Tozai Line where the collective effort of Starts Group is realized

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

Rent Setting for Agreement (Note 1)

Difference in Rent between New Agreement and Previous Agreement

(thousand yen)

	24th FP		25th FP		26th FP		27th FP		28th FP		29th FP	
	Cases	Change										
Increase	178	469	214	696	191	718	278	841	218	565	315	960
No change	115	0	175	0	121	0	132	0	124	0	138	0
Decrease	115	-433	116	-406	100	-440	107	-353	73	-261	68	-173
Total	408	35	505	290	412	278	517	488	415	303	521	786
Rate of Change ^(Note 2)	0.1%		0.6%		0.7%		1.1%		0.8%		1.7%	

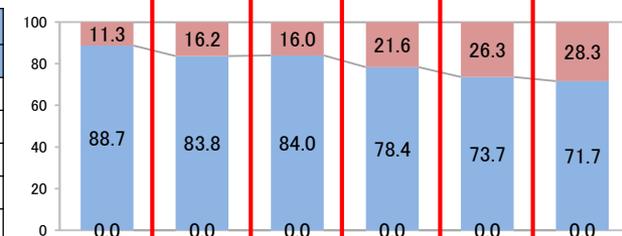
(%) 24th FP 25th FP 26th FP 27th FP 28th FP 29th FP



Renewal Rent Revision

(thousand yen)

	24th FP		25th FP		26th FP		27th FP		28th FP		29th FP	
	Cases	Change										
Increase	44	63	96	165	75	116	126	197	120	183	152	277
No change	345	0	496	0	395	0	456	0	337	0	386	0
Decrease	0	0	0	0	0	0	0	0	0	0	0	0
Total	389	63	592	165	470	116	582	197	457	183	538	277
Rate of Change ^(Note 2)	0.2%		0.2%		0.3%		0.4%		0.4%		0.5%	



(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.

■ Increase ■ No change ■ Decrease

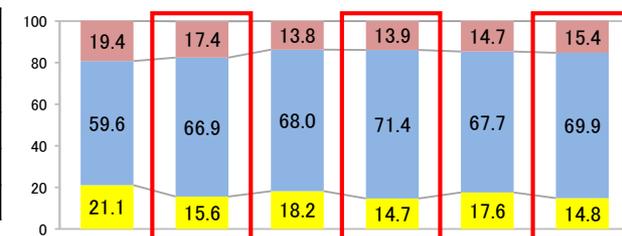
Difference in Key Money and Rent for Agreements (Note 3)

Difference in Key Money Between New Agreement and Previous Agreement

(thousand yen)

	24th FP		25th FP		26th FP		27th FP		28th FP		29th FP	
	Cases	Change										
Increase	79	8,563	88	9,635	57	6,470	72	7,762	61	6,277	80	7,924
No change	243	0	338	0	280	62	369	189	281	103	364	272
Decrease	86	-7,580	79	-7,104	75	-6,284	76	-6,967	73	-6,092	77	-6,660
Total	408	983	505	2,531	412	247	517	984	415	287	521	1,535

(%) 24th FP 25th FP 26th FP 27th FP 28th FP 29th FP



Total amount and difference in rent (at the end of fiscal periods)

(thousand yen)

	24th FP	25th FP	26th FP	27th FP	28th FP	29th FP
Total key money	216,834	234,352	235,488	234,787	238,145	237,517
Total rent	389,460	416,229	420,606	418,680	422,007	421,292
Ratio to rent	0.55 month	0.56 month				

■ Increase ■ No change ■ Decrease

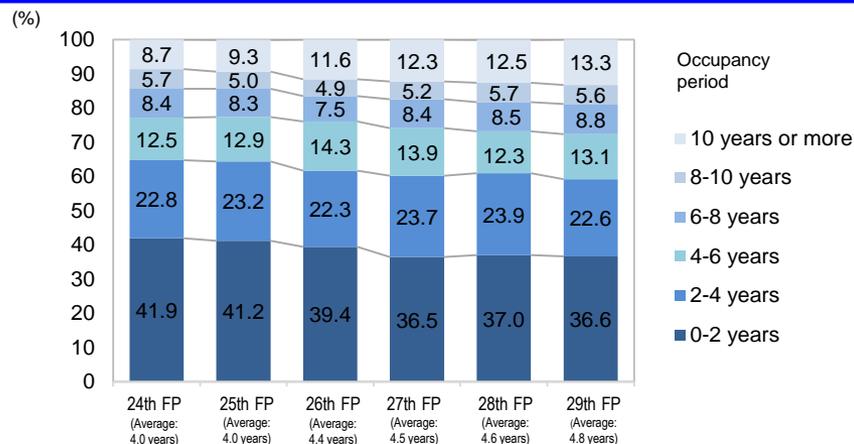
(Note 3) The ratio to rent is calculated from the sum of rents and advertised rents stated in the lease agreement and common area maintenance charges are not included.

The figures are for pass-through type properties only and those for fixed-rent type properties are not included.

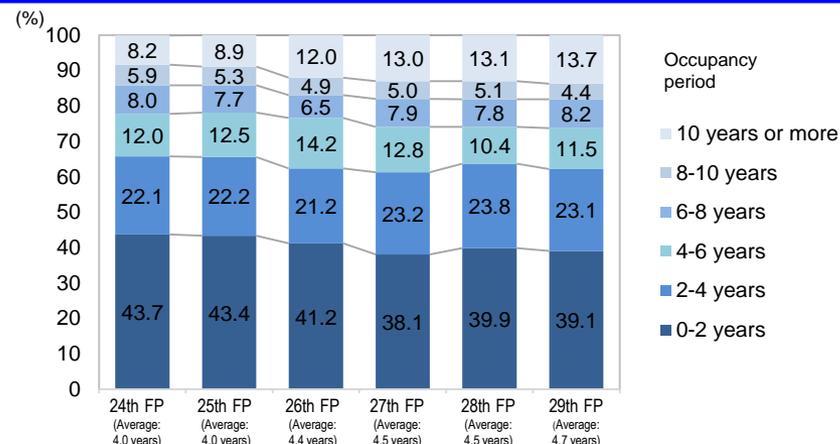
AUM Average Occupancy Period by Residential Unit Type (Results of 24th–29th Fiscal Period Residents)

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

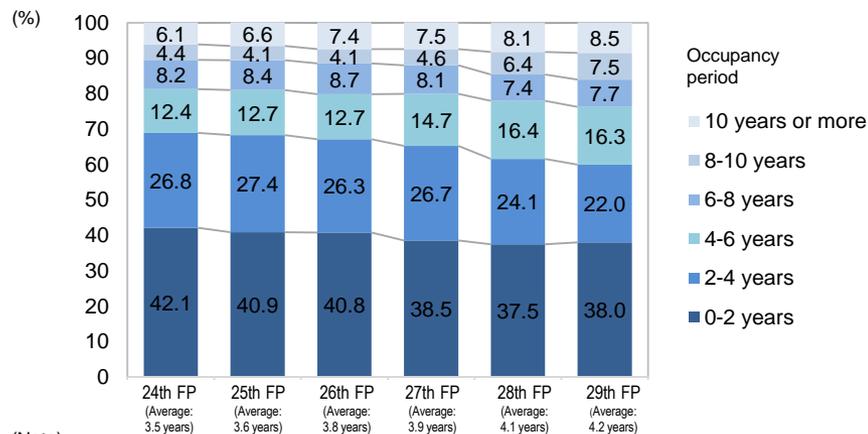
All (End of 24th FP: average 4.0 years → End of 29th FP: average 4.8 years)



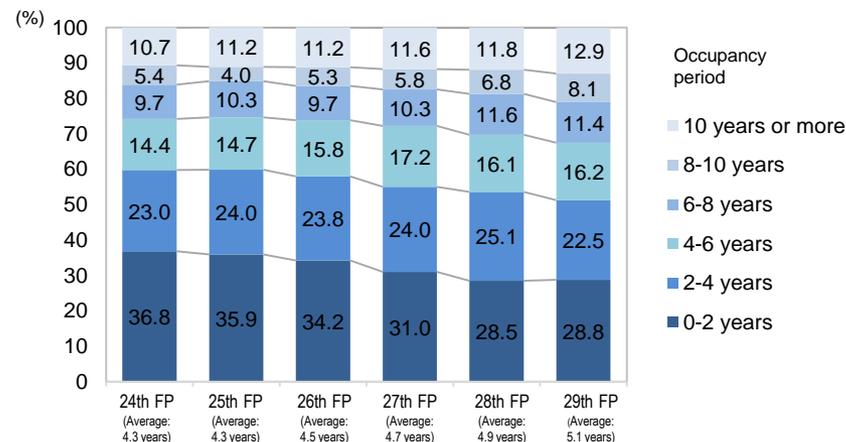
Single (End of 24th FP: average 4.0 years → End of 29th FP: average 4.7 years)



DINKS (End of 24th FP: average 3.5 years → End of 29th FP: average 4.2 years)



Family (End of 24th FP: average 4.3 years → End of 29th FP: average 5.1 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.

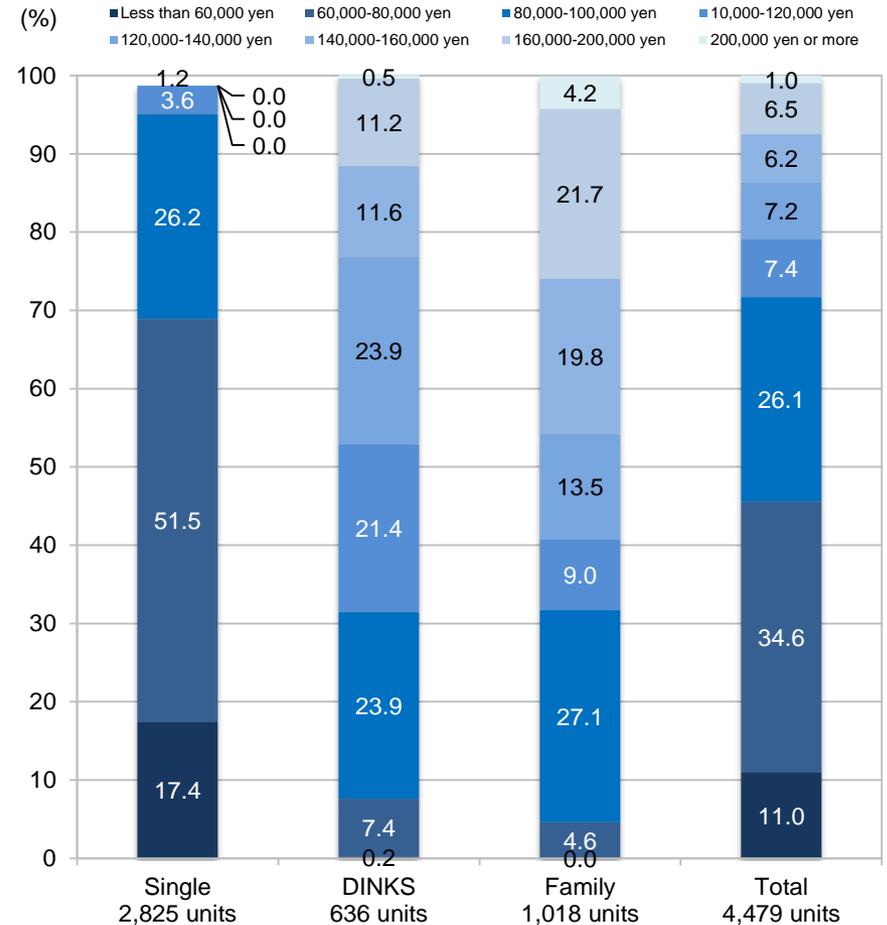
■ Characteristics of Rental Housing in which Starts Proceed Primarily Invests

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)

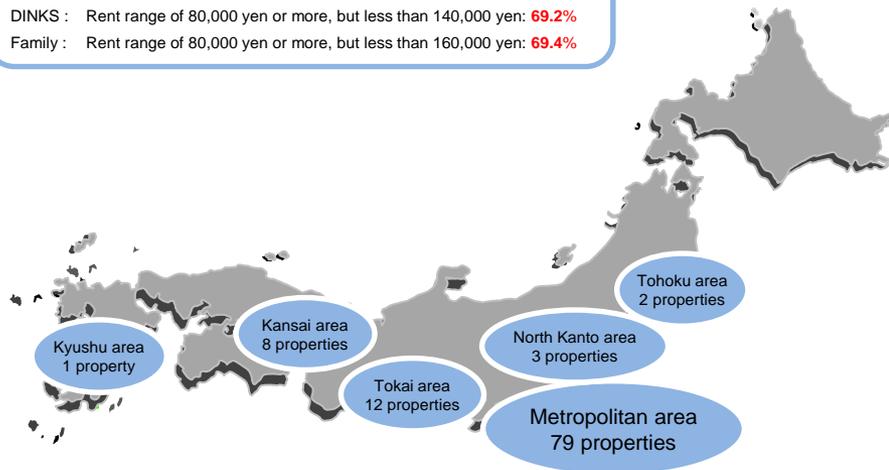
Residential unit type	Average rent (yen)	
	28th FP	29th FP
Single	73,553	73,751
DINKS	117,972	118,350
Family	132,598	132,953
Overall average	93,280	93,539

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: **77.7%**
- DINKS : Rent range of 80,000 yen or more, but less than 140,000 yen: **69.2%**
- Family : Rent range of 80,000 yen or more, but less than 160,000 yen: **69.4%**



(Note)

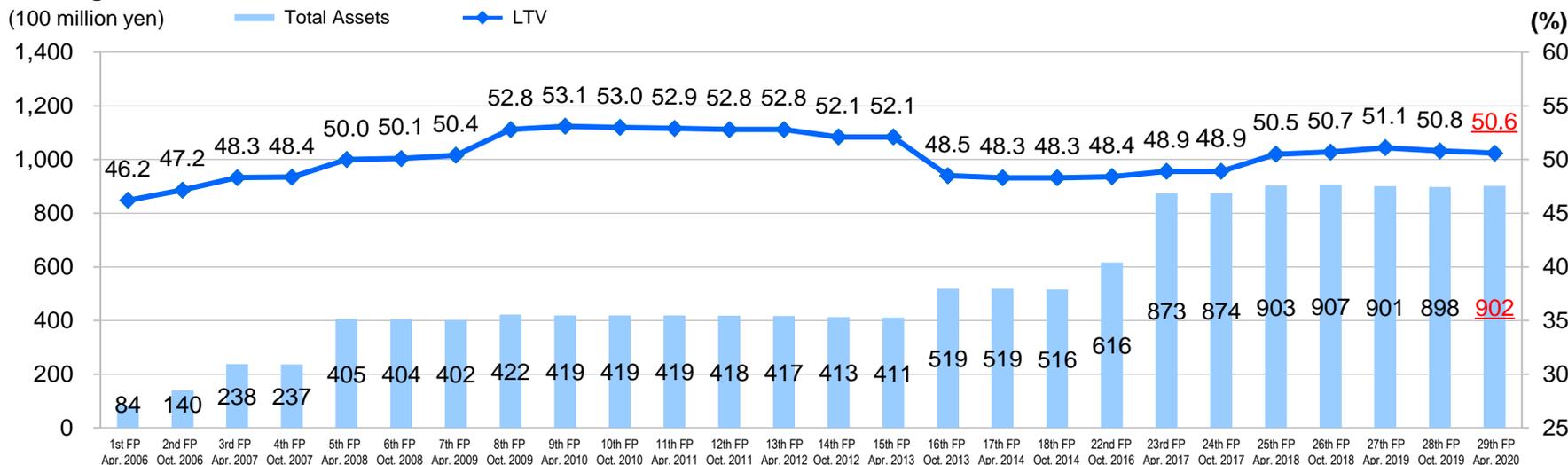
- Average Rent and Rent Range by Residential Unit Type targets the 4,479 units in pass-through type properties, excluding residential facilities for the elderly, tenants, and offices, from the 105 properties continuously operated from the end of the 28th fiscal period to the end of the 29th fiscal period (excludes (G-20) Proceed Kitahorie disposed on March 27, 2020, and (C-82) The Park Habio Yokohama Yamate acquired on March 31, 2020).
- 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.

- Appraisal value for the 29th fiscal period was 98.42 billion yen, a period-on-period increase of 640 million yen.
- Unrealized gain was 11.95 billion yen, which is **13.8% of book value**.
- NOI yield (based on acquisition price) for the entire portfolio was **5.4%**.

	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	29th FP	28th FP	29th FP	28th FP	29th FP	28th FP	29th FP	28th FP	29th FP	28th FP	29th FP
Tokyo metropolitan area major cities	63,987	62,811	68,774	71,968	97.2	96.9	1,731	1,751	5.7	5.5	5.0	4.9	4.2	4.1
Cabinet order designated cities	22,247	22,239	27,161	24,614	92.4	93.9	607	585	5.0	5.3	4.5	4.8	3.7	3.7
Regional area major cities	1,576	1,418	1,841	1,841	90.2	90.5	48	45	6.1	5.8	5.3	5.0	3.8	3.5
Total	87,811	86,469	97,776	98,423	95.7	95.9	2,386	2,382	5.5	5.4	4.9	4.8	4.1	4.0

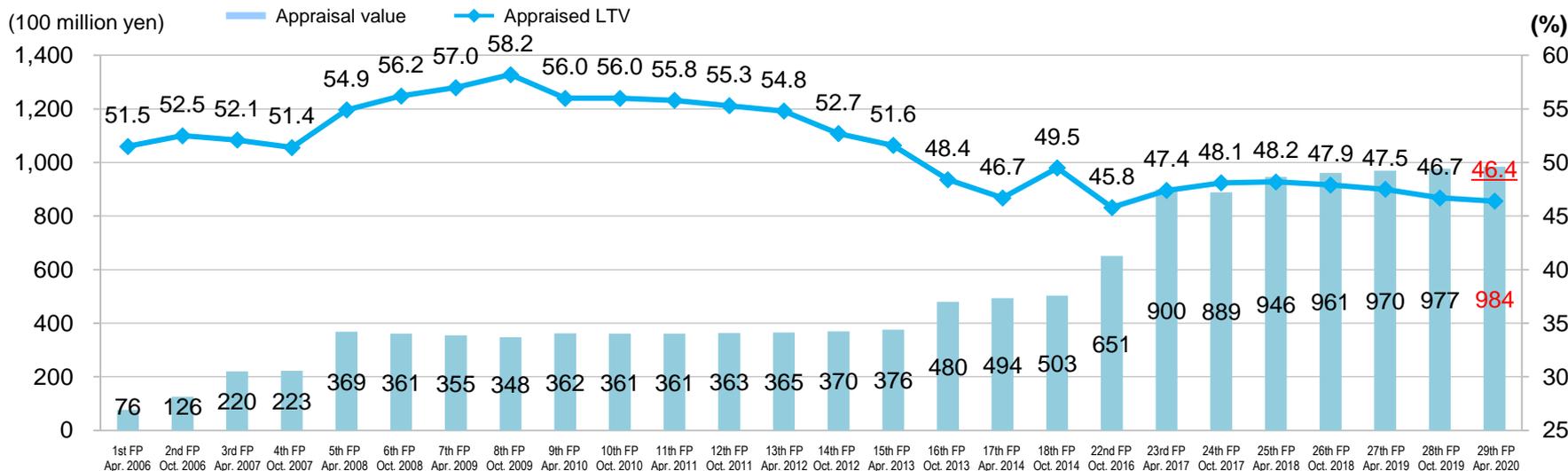
(Note) NOI yield is the figure arrived at when the annualized NOI results figure is divided by acquisition price and appraisal value, respectively.

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 (including subordinated investment corporation bonds issued and outstanding for 8th-18th FP) by total assets at the end of the fiscal period.

Change in Appraisal Value and LTV Ratio (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	0.47%
Determination date of conditions	November 12, 2019
Payment date	November 18, 2019
Redemption date	November 18, 2024
Lead manager	Mizuho Securities/SMBC Nikko 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 first public offering
- Successfully procured funds at low interest rates

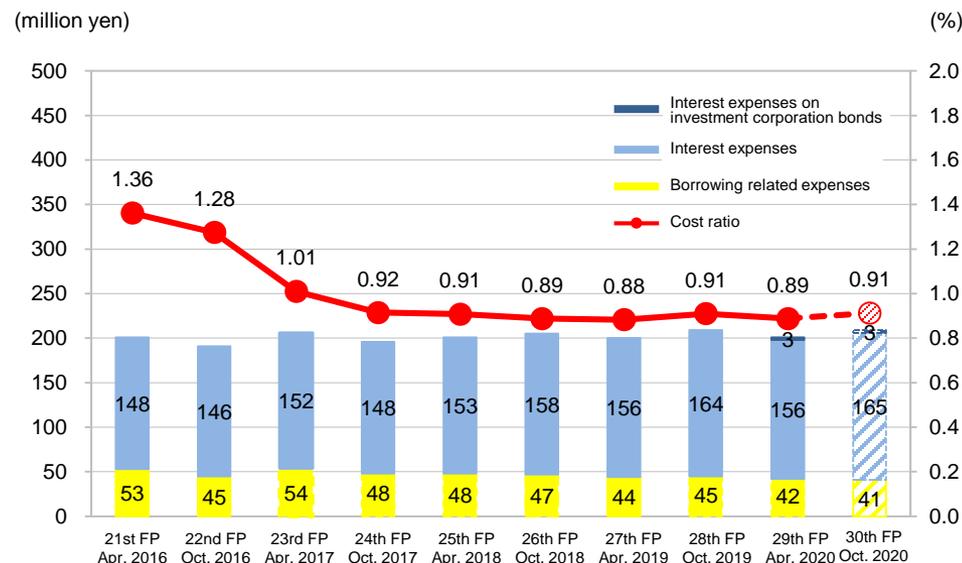
■ Balance of Interest-Bearing Liabilities at End of 29th Fiscal Period (April 30, 2020)

	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	50.6%

■ Status of Credit Rating

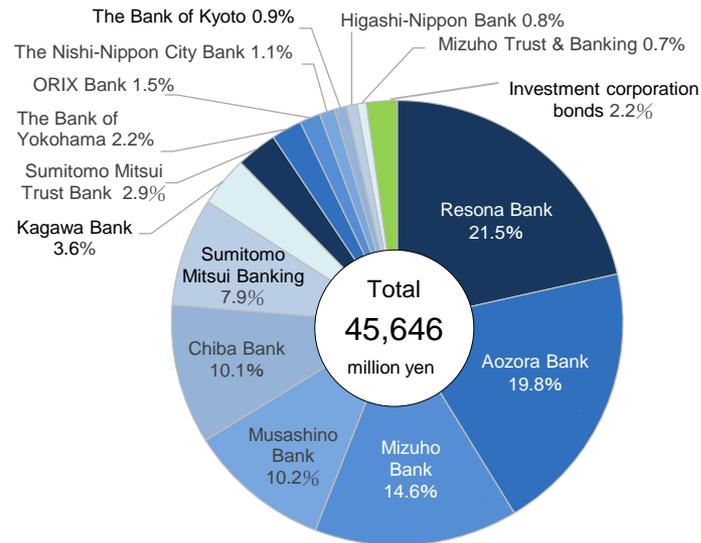
Japan Credit Rating Agency, Ltd. (JCR): A- (stable)

■ Change in Interest-Bearing Liability Costs



Status of Interest-Bearing Liabilities / After Refinancing (May 22, 2020)

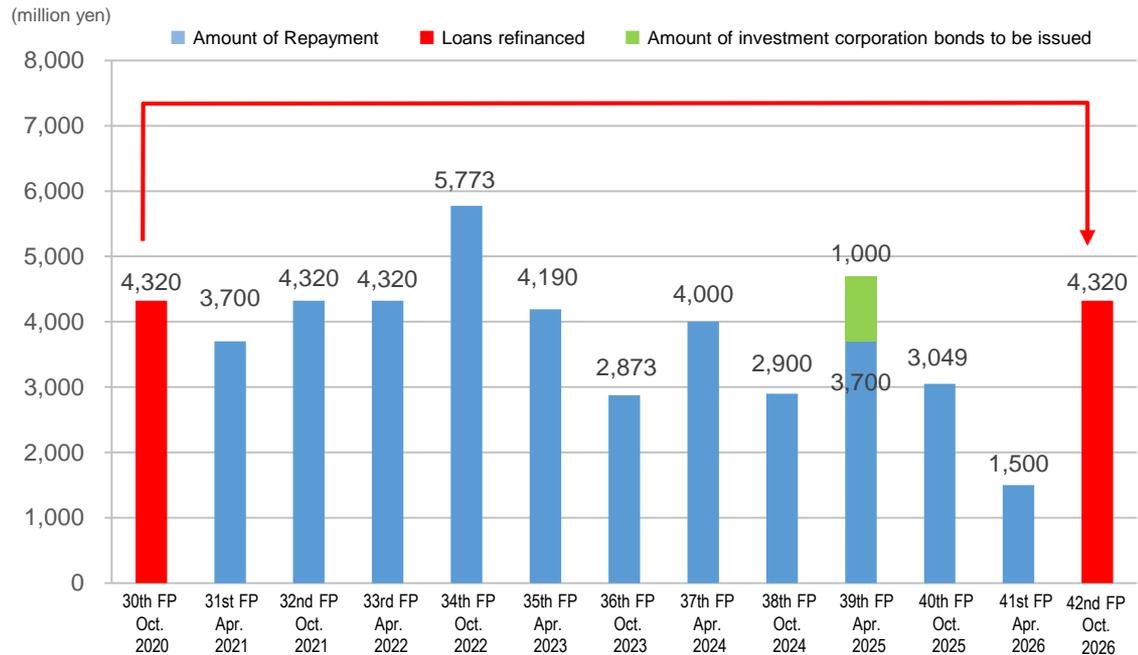
Allocation



Breakdown

Lenders	Loan balance (million yen)
Resona Bank	9,799
Aozora Bank	9,059
Mizuho Bank	6,663
Musashino Bank	4,672
Chiba Bank	4,632
Sumitomo Mitsui Banking	3,591
Kagawa Bank	1,666
Sumitomo Mitsui Trust Bank	1,337
The Bank of Yokohama	1,000
ORIX Bank	676
The Nishi-Nippon City Bank	500
The Bank of Kyoto	400
Higashi-Nippon Bank	350
Mizuho Trust & Banking	300
Investment corporation bonds	1,000
Investment corporation bonds	1,000
Total	45,646

Status of Diversification



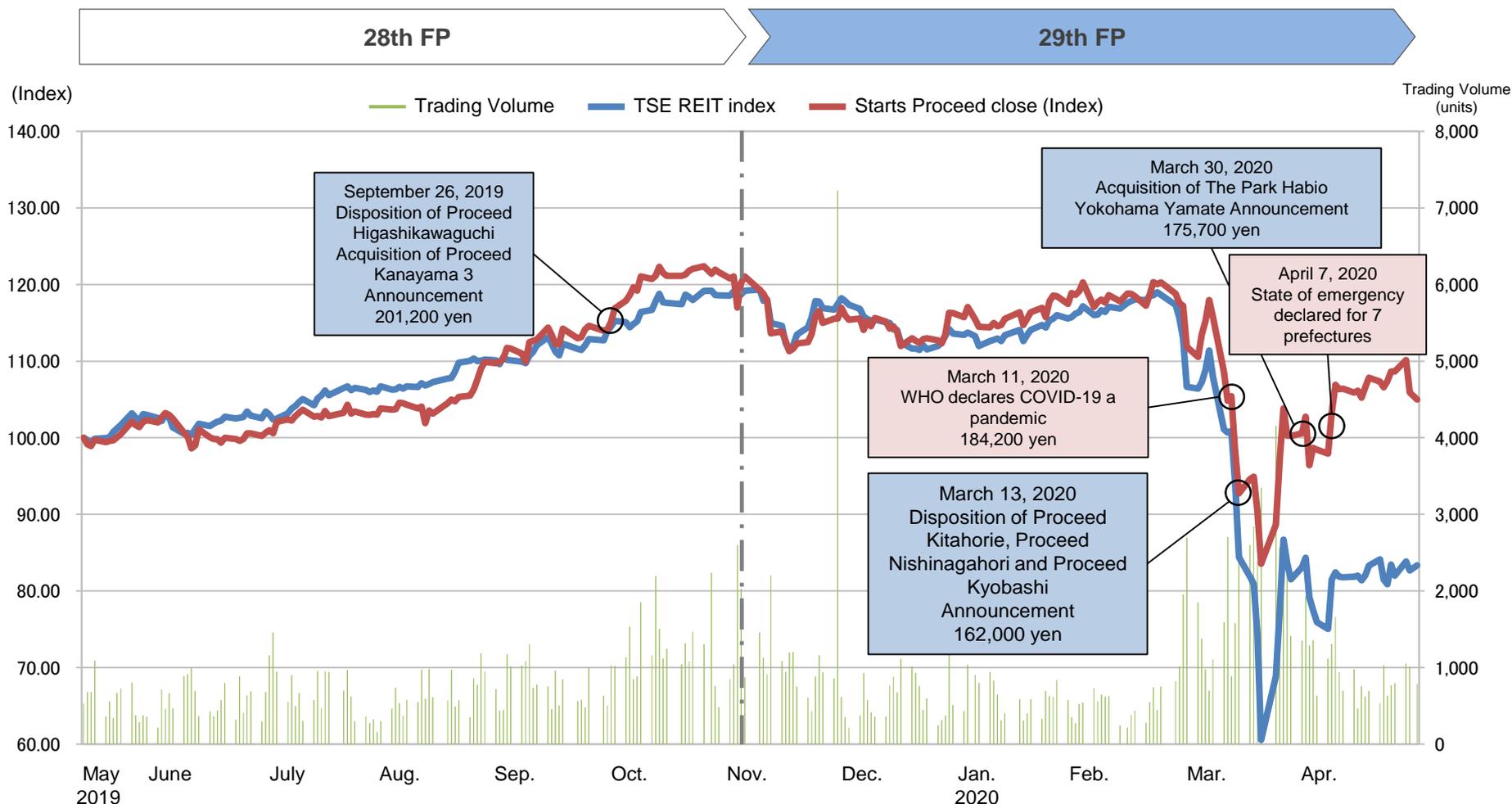
Overview of May 22, 2020 Term Loan 2P

Amount	Period	Fixed interest rate
4,320 million yen	6 years	0.92%

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

	End of 25th FP	End of 26th FP	End of 27th FP	End of 28th FP	End of 29th FP	May 22, 2020 After refinancing
Changes in average remaining period (year)	3.0	2.8	2.8	2.7	2.6	3.1
Ratio of fixed-rate loans (%)	27.2	21.5	21.5	28.4	28.4	37.8
Average interest rate (%)	0.69	0.69	0.69	0.72	0.70	0.76

During the 29th fiscal period, the investment unit price marked a high of **211,500 yen** (November 11, 2019) and a low of **146,000 yen** (March 19, 2020) based on closing price.



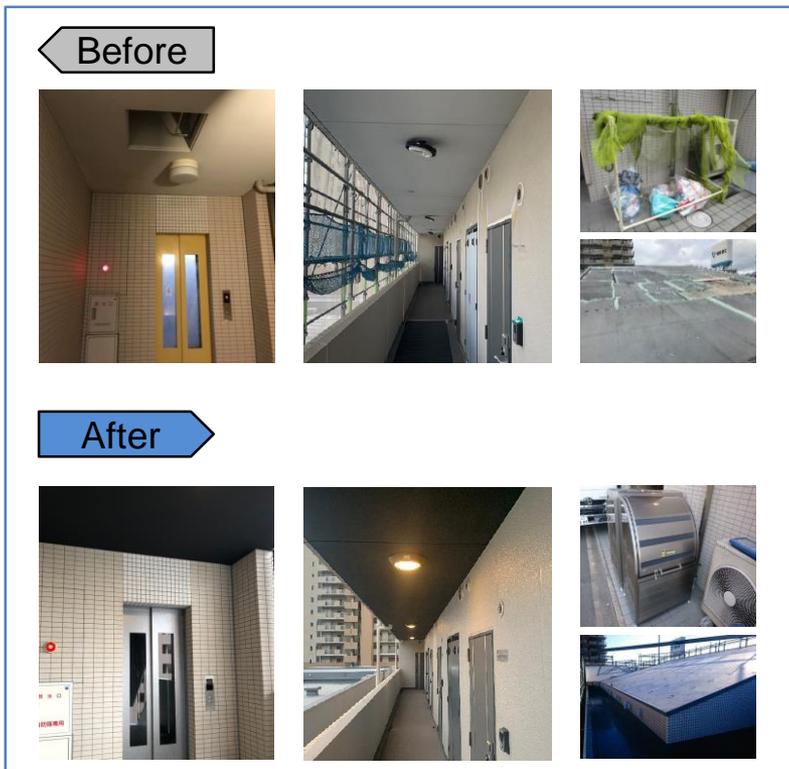
(Note) With closing price of investment unit of Starts Proceed at the beginning of the 28th fiscal period (174,700 yen) and TSE REIT index on the same day (1,891.51) deemed as 100 and set as the base, change in price and index for up to April 30, 2020, are indicated.

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
Number of buildings where LED lighting is already installed: 22
(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 Taikodori/Exterior Makeover (completed in December 2019)
- Proceed Fukuoka Takamiya/Exterior Wall Renovation Work (completed in December 2019)





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
- 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
Number of orders received by Starts CAM: 504 (as of the end of March 2020)
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
Number of buildings installed with internet infrastructure: 45 (installed at 8 of them in the current 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



Nishiarai Kirakira Hoikuen



Life Support Residence Funaboriekimae



Well



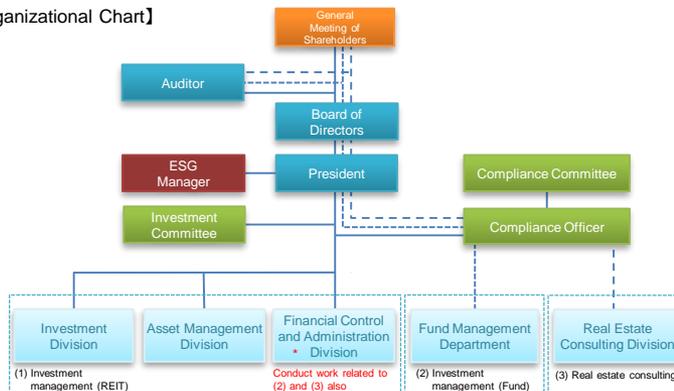
Bench with oven function

Governance



- Prevention of conflict 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

[Organizational Chart]



Public art



Disaster prevention event

Status of Unitholders (As of April 30, 2020)

Composition of Unitholders and Investment Units at End of 28th and 29th Fiscal Periods

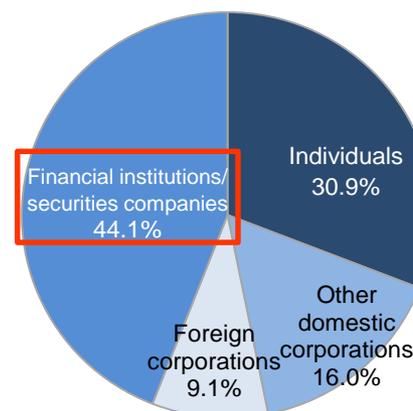
Composition of Investment Units at End of 28th Fiscal Period

Number of investment units
253,777 units

Number of unitholders
13,420 unitholders



Composition of Investment Units at End of 29th Fiscal Period

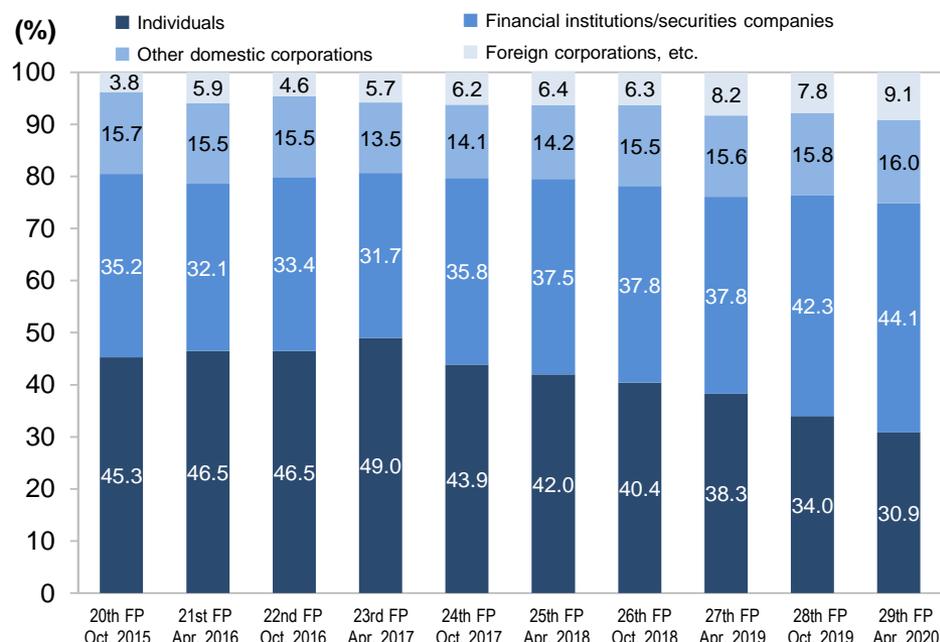


Major Unitholders at End of 29th Fiscal Period (April 30, 2020)

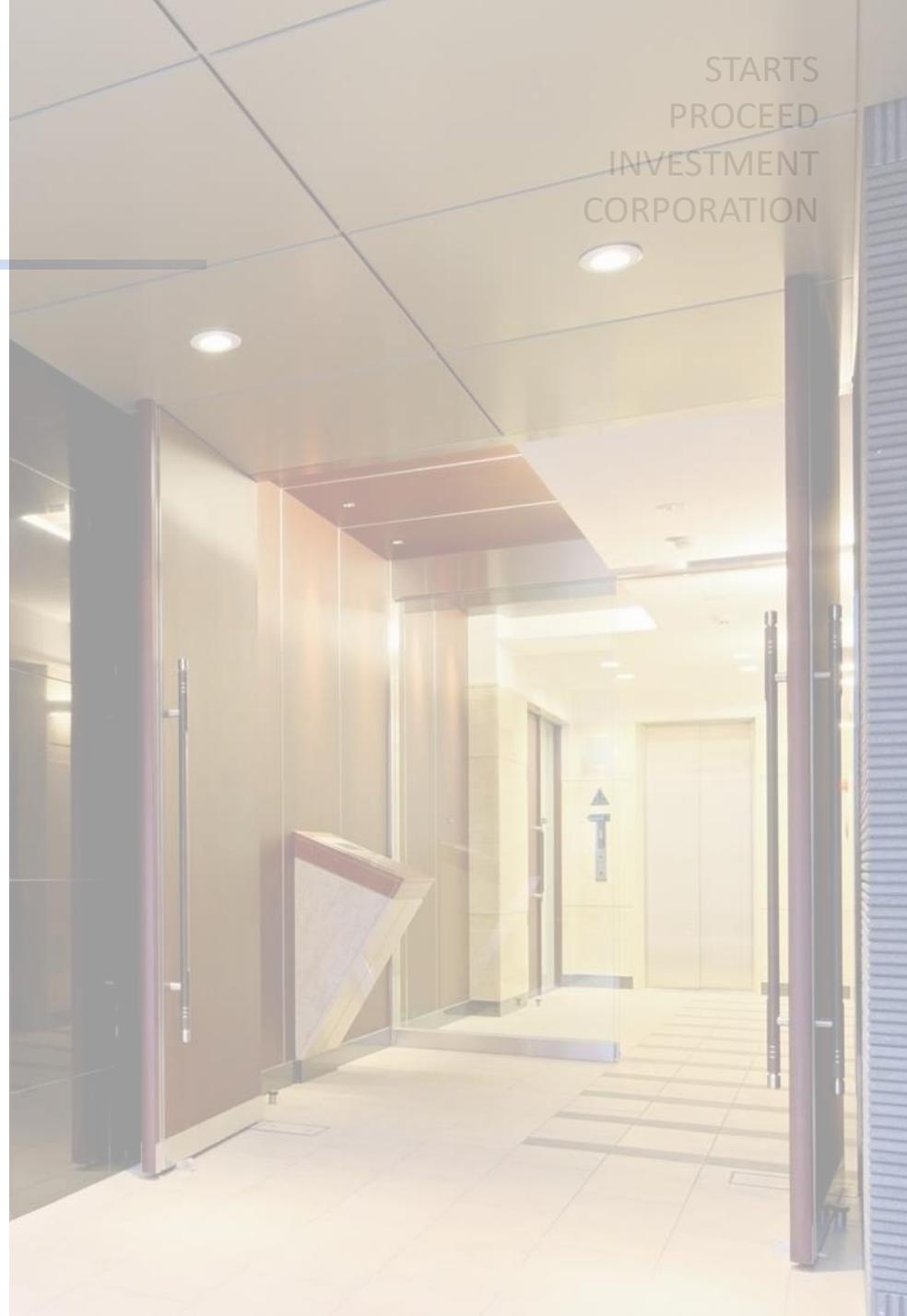
	Name	Number of investment units held (units)	Unitholding ratio (%) (Note)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	46,274	18.23
2	Starts Corporation Inc.	34,153	13.45
3	The Master Trust Bank of Japan, Ltd. (Trust Account)	25,547	10.06
4	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	11,098	4.37
5	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	10,405	4.10
6	DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	4,263	1.67
7	Kinki Sangyo Credit Union	3,313	1.30
8	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	2,666	1.05
9	Japan Trustee Services Bank, Ltd. (Trust Account 9)	2,158	0.85
10	JP MORGAN CHASE BANK 385771	2,006	0.79
11	Individual investor	2,000	0.78
12	SMBC Nikko Securities, Inc.	1,724	0.67
13	BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE	1,499	0.59
14	SSBTC CLIENT OMNIBUS ACCOUNT	1,291	0.50
15	Aozora Bank, Ltd.	1,240	0.48
16	STATE STREET BANK AND TRUST COMPANY 505103	1,192	0.46
17	K.K. Toyosu	1,042	0.41
18	Yoshida Shoji Co., Ltd	1,000	0.39
19	Yonezawa Shinkin Bank	1,000	0.39
20	Osaka Shoko Shinkin Bank	1,000	0.39
	Total	154,871	61.02

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

Change in Composition of Unitholders (20th to 29th Fiscal Periods)



Future Management Policy



Main Initiatives in 29th Fiscal Period

Initiatives from 30th Fiscal Period (ending October 31, 2020)

External Growth	<ul style="list-style-type: none"> ●Property disposition <ul style="list-style-type: none"> • Proceed Kitahorie • Determined the disposition of Proceed Nishinagahori and Proceed Kyobashi (May 2020) ●Property acquisition <ul style="list-style-type: none"> Acquired (C-82) The Park Habio Yokohama Yamate ●Improvement in average building age <ul style="list-style-type: none"> • 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) 	<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 <ul style="list-style-type: none"> ⇒ Acquired Proceed Monzennakacho, Proceed Maihama and Proceed Mito 3 in May 2020. ⇒ Currently making preparations to start construction of a warehousing property in Higashi-Yukigaya, Ota-ku ●Promotion of acquisition of environmentally friendly properties and properties with IoT functions
Internal Growth	<ul style="list-style-type: none"> ●Maintaining of period-average occupancy rate of over 95%. <ul style="list-style-type: none"> ⇒Period-end occupancy rate: 95.9% Period average occupancy rate: 96.1% ●Cost reduction <ul style="list-style-type: none"> Revision of expenses for regular maintenance Reduction of approximately 1,500 thousand yen per year ●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 completed at 2 buildings and installation is currently underway at 4 buildings ●Support for telework and enhancement of competitiveness through free use of internet infrastructure <ul style="list-style-type: none"> Installed at 8 buildings in the 29th fiscal period 	<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)
Financial Strategy	<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

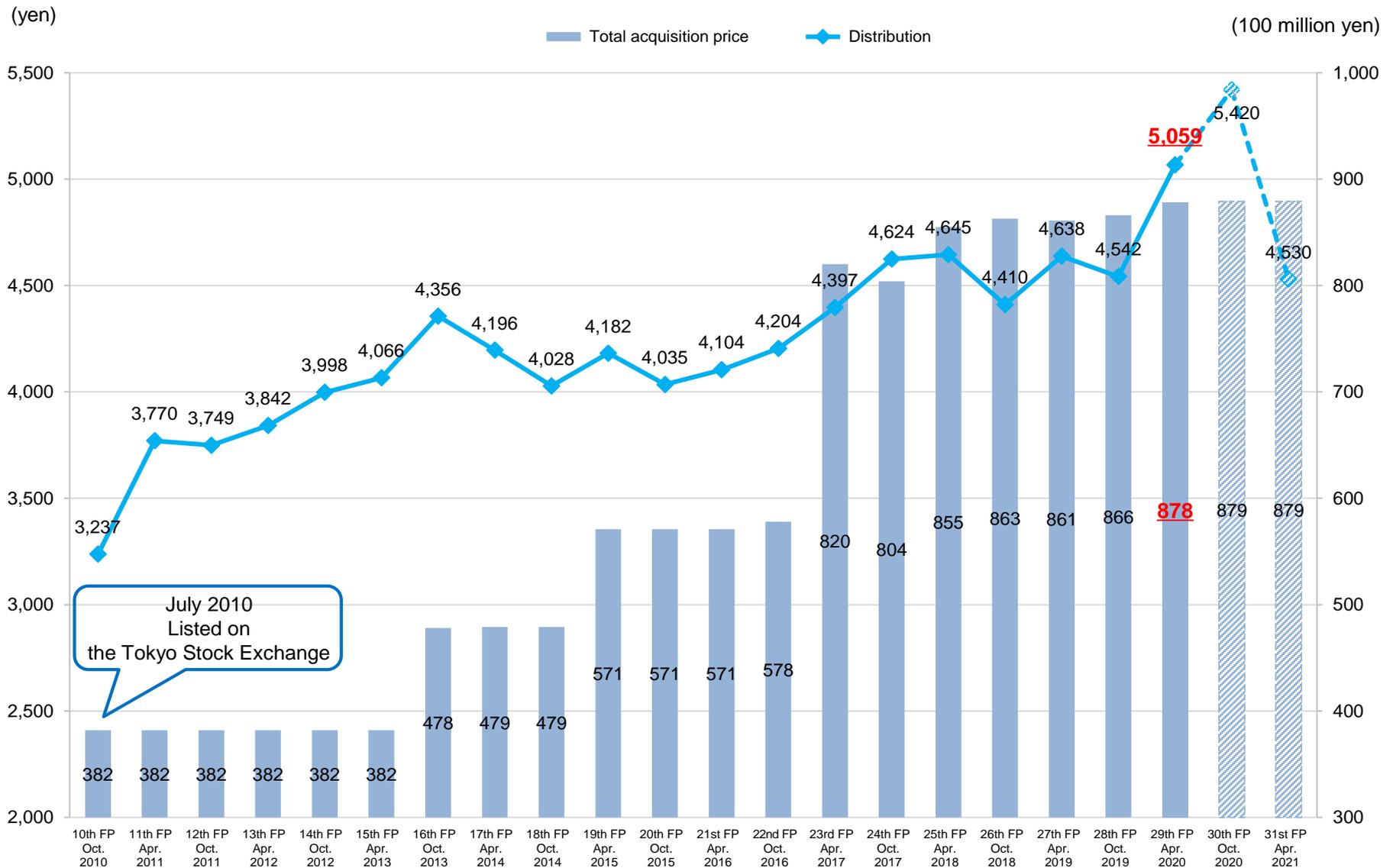
Securing of stable distributions

(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.

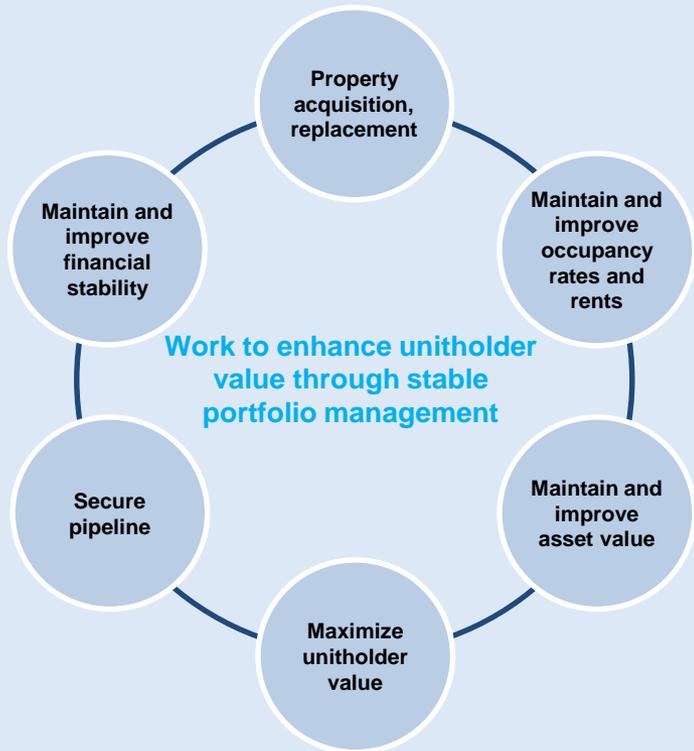


■ Cooperative Relations Within the Group in the Form of Sponsor Support



Starts Proceed Investment Corporation

Stable asset management



Further accelerate the real estate business through the backflow of funds

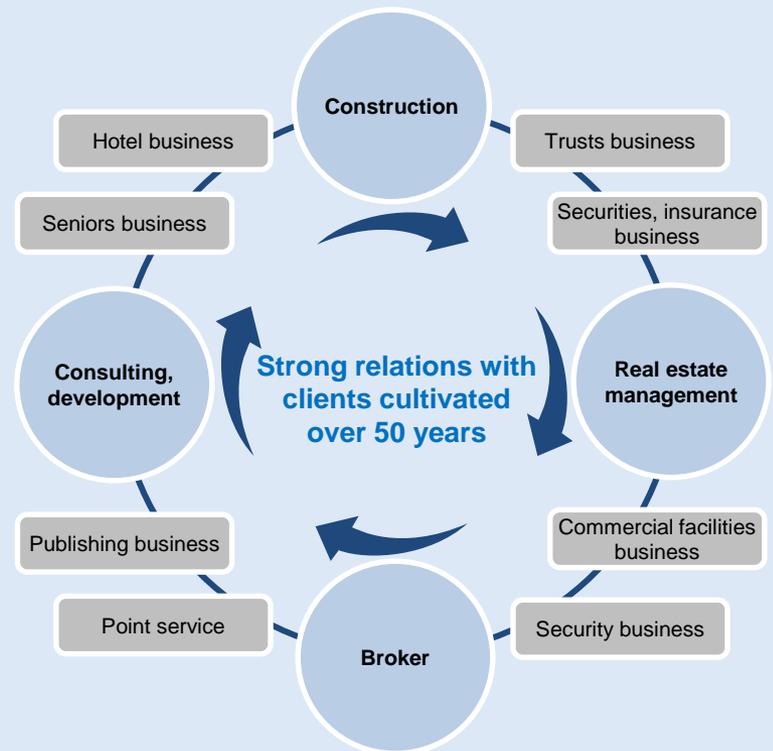


Sponsor support as a group with property acquisition, etc.



Starts Group

Rollout layered business



Proceed Yamashita Koen The Tower



<Property Overview>

- Structure : RC/B2F, 18F
- Completion : January 2008
- Number of leasing units (type) : 1R 84 units; 1LDK 29 units; 2LDK 26 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

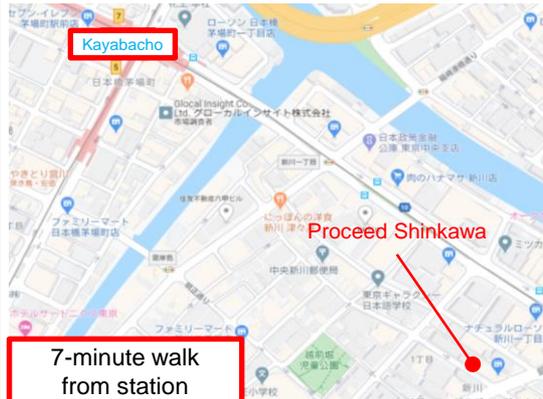


Proceed Shinkawa



<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





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



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



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

Recent large-scale projects

Fiscal 2019

Fiscal 2020

Fiscal 2021

Fiscal 2022 and beyond



Hotel Emion Tokyo Bay, new building
Urayasu City, Chiba Prefecture
Hotel
Completed September 2018



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)
Pre-opening in June 2020



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

(Note) The images may differ from reality.

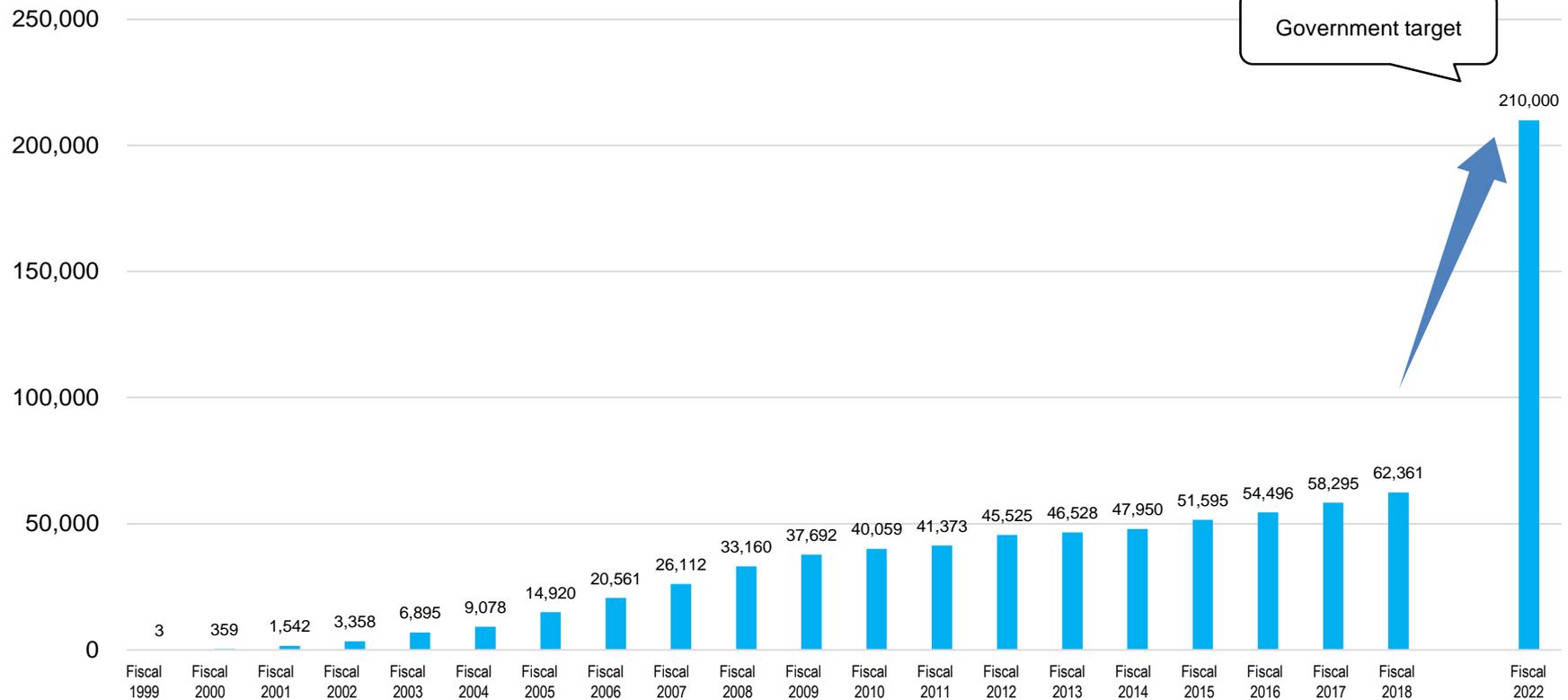
The scale of PFI projects is expected to increase from 6.2 trillion yen in 2018 to 21 trillion yen in 2022.



It is possible to acquire at competitive prices large-scale properties that are expected to flourish and have good locations near train stations, etc.

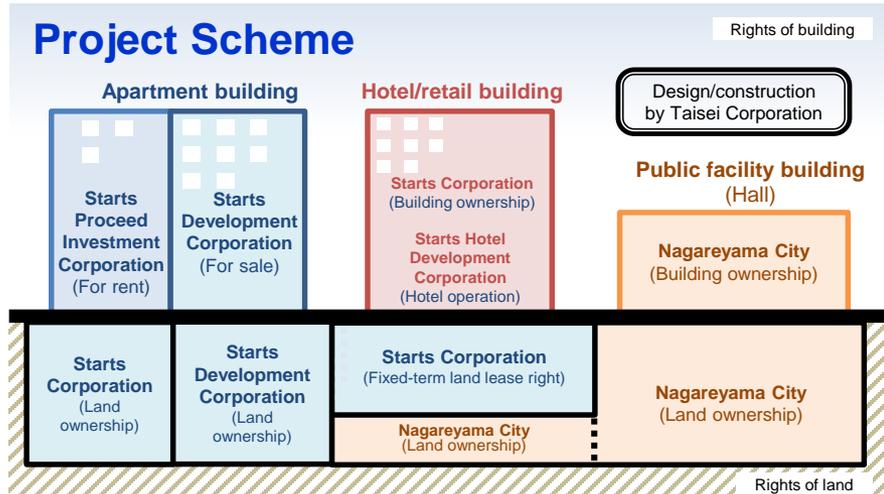
PFI Projects Contract Amounts (total)

(100 million yen)



Source: "Current state of PFI," Public Private Partnership / Private Finance Initiative Promotion Office, Cabinet Office

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

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



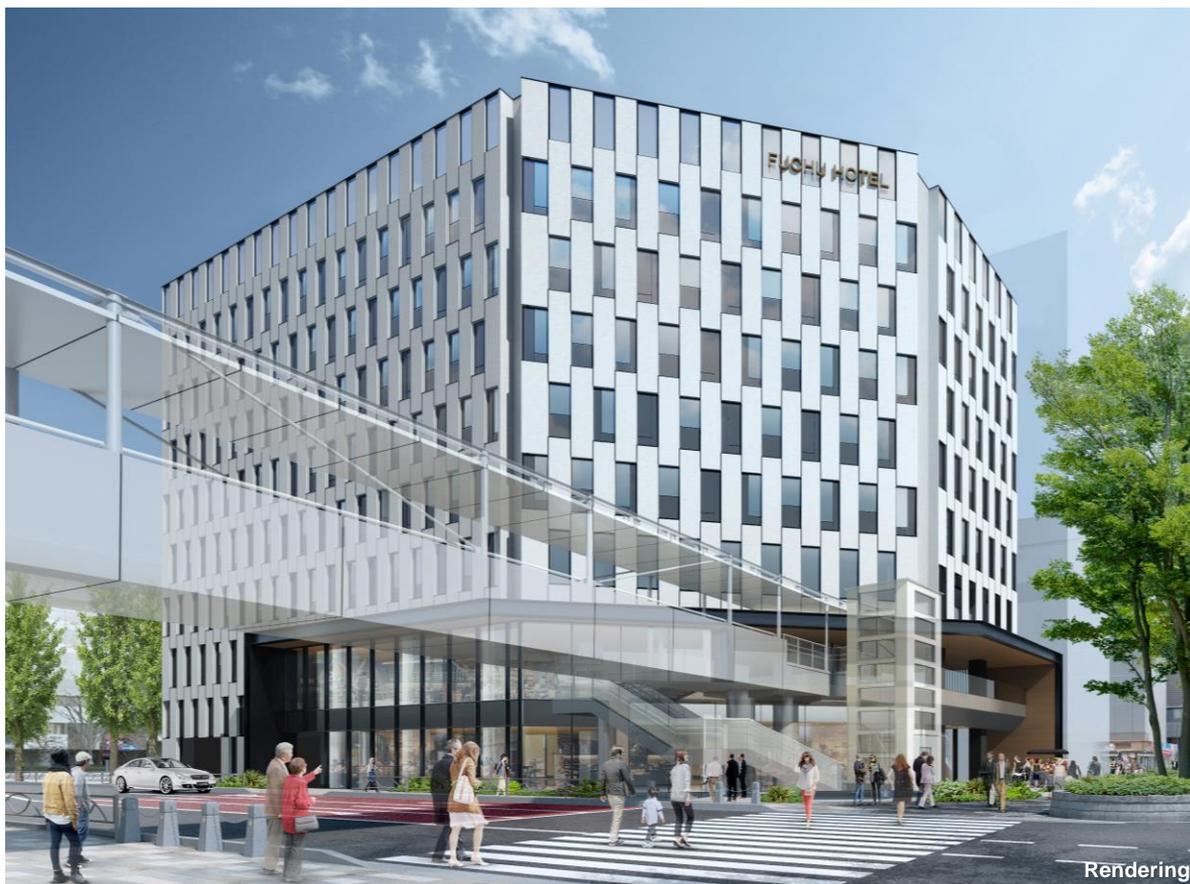
<Property Overview >

Structure	: RC/25F
Completion	: July 2018
Number of units for sale	: 185 units (Handed off)
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

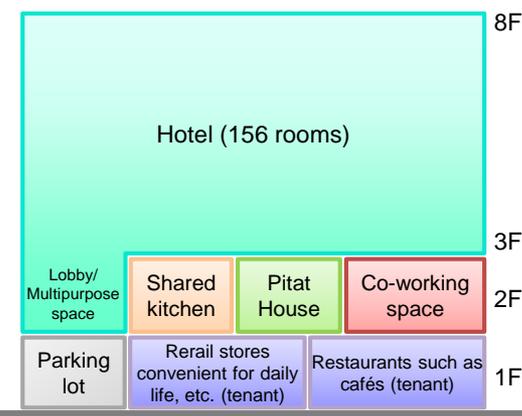


- Kanda-Higashimatsushitacho Private Residential Building Development Project (Alpha Grande Chizakura Tower) is a plan to set a fixed-term land leasehold to private land adjacent to the former lot of Chizakura Elementary School (*kuyuchi*), develop integrally with business parties and establish condominiums 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 Ward in 2010, and the property was completed in July 2018.

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



Connected to the station by pedestrian deck



<Plan Overview>

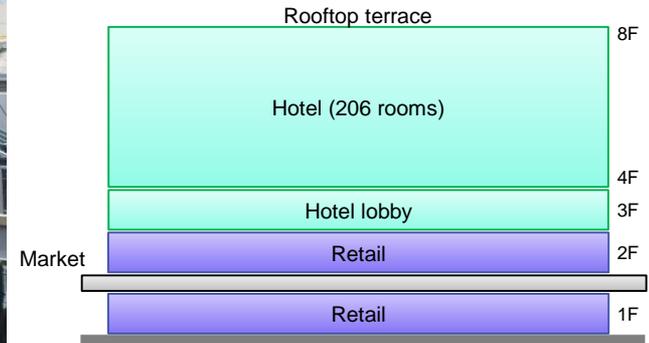
- Size : 8 floors above ground
- Site area : 1,092,27 m²
- Total floor area : 5,824.01 m²
- Structure : Steel-framed
- Operation period : 50 years (fixed-term land lease)



■ Project Utilizing “Bustle Zone” at No. 1 Market of Kyoto Central Wholesale Market <scheduled to open 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 : Operation period: 60 years (fixed-term land lease)



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



Rendering



North building



South building

<Project Overview>

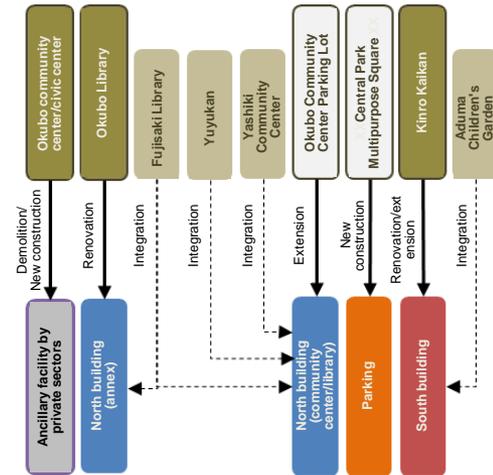


<Site Overview>

Land for PFI projects	45,583 m ²
Land for ancillary projects by private sectors	1,337 m ²
Urban park	45,460 m ² (area publicly announced)

<Overview of Facilities Proposed>

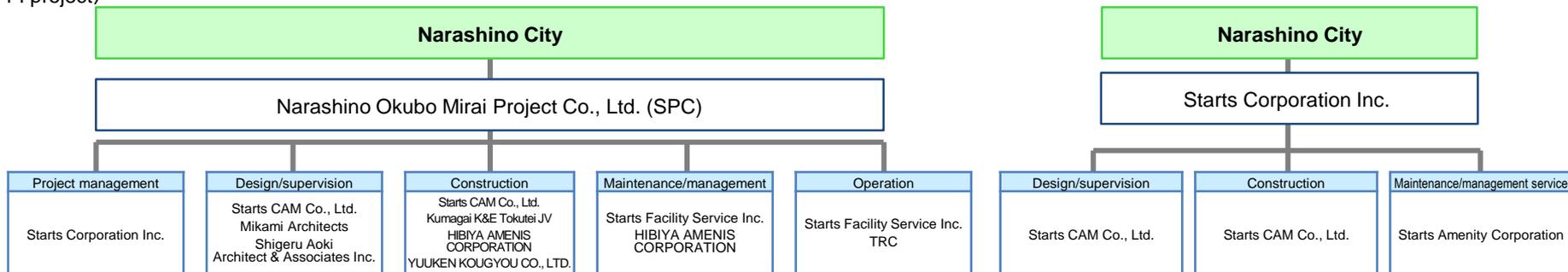
- North building (community center, library, hall)/Opened in November 2019
- North building <annex> (library)/Scheduled to open in July 2020
- South building (arena, kids' space, etc.)/Opened in November 2019
- Park (park golf course, baseball field, parking, open space)
- Facilities by private sectors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



Rendering

<Project Execution Structure>

(PFI project)

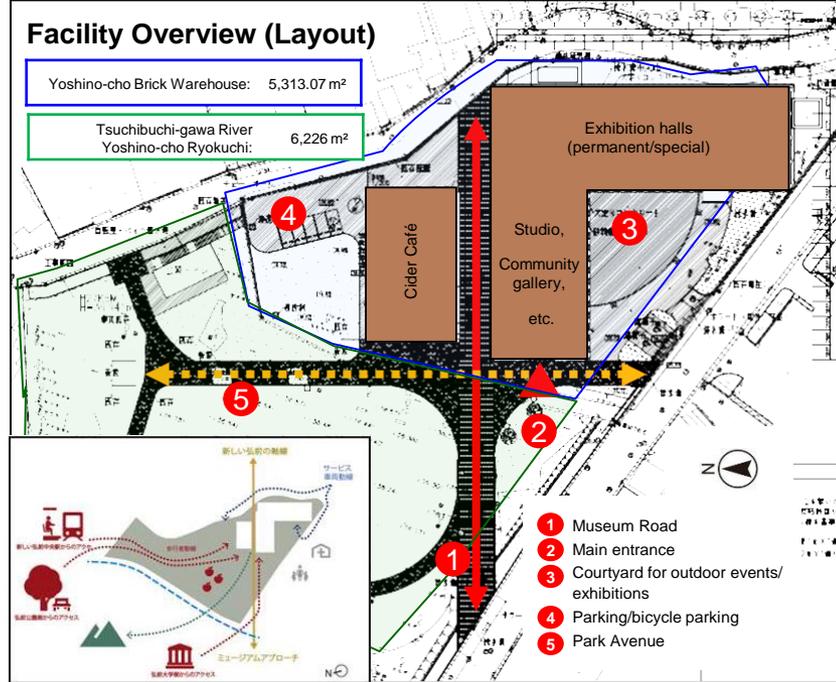


<Ancillary projects by private sectors>

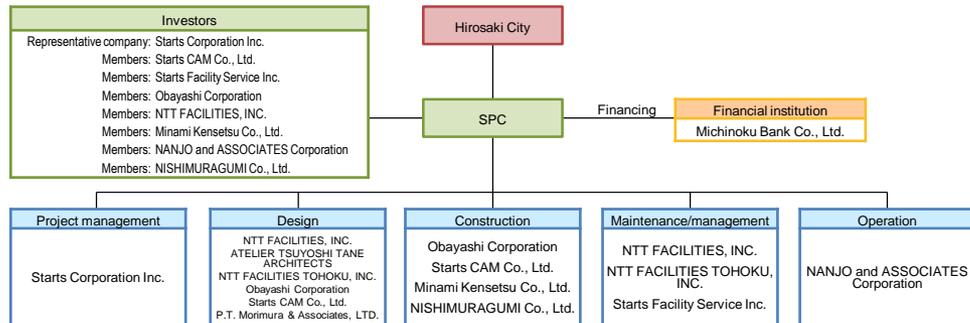
Case Example of Consulting by Management Company VI [Hirosaki-shi, Aomori]

■ PFI Project for Development of Surrounding Area of Yoshino-cho Ryokuchi in Hirosaki City

<Pre-opening on June 1, 2020>



<Project Structure> (PFI project)



<Ancillary Projects>

Museum shop & café, cider factory



Case Example of Ongoing Projects by Starts Group

Project Under Way in Shinurayasu: Timeless Town Shinurayasu (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, 90 houses
- Facilities:
Welfare facility for the elderly, childcare facility,
local community facility



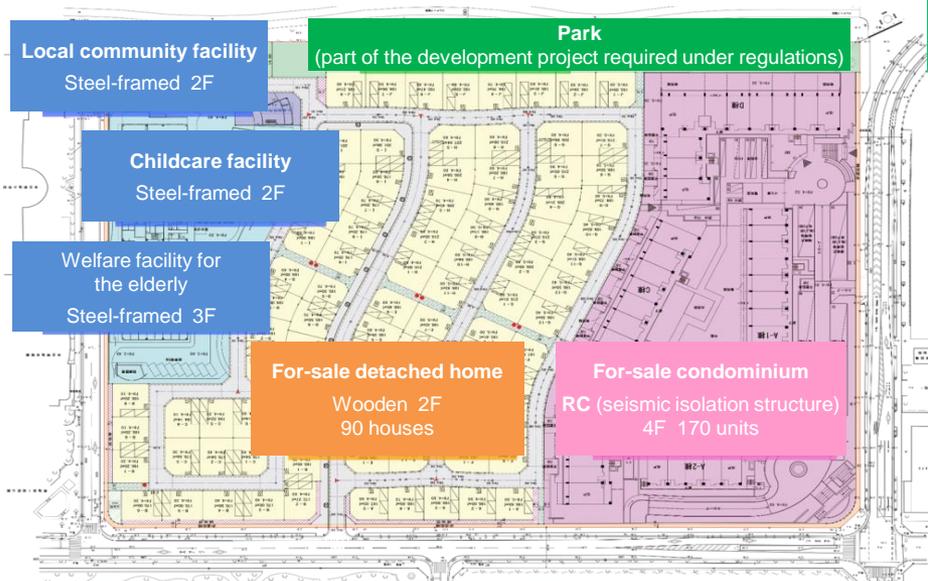
Rendering



Rendering

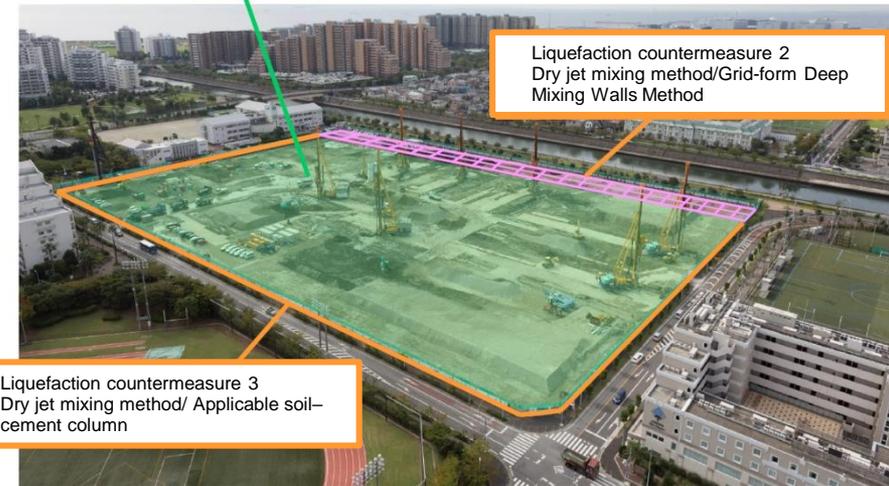


Rendering



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

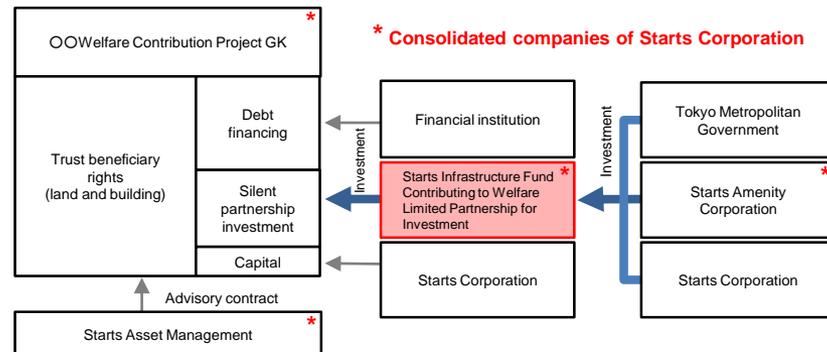
Advanced liquefaction countermeasure engineering work



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]



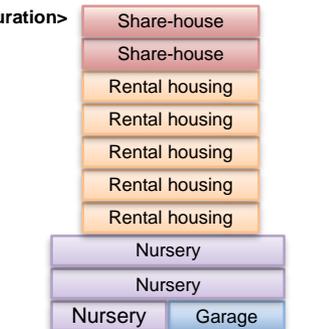
Proceed Ryogoku 2



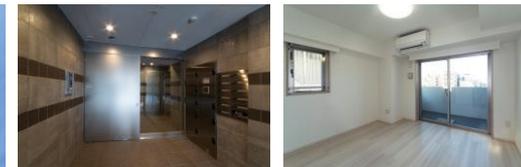
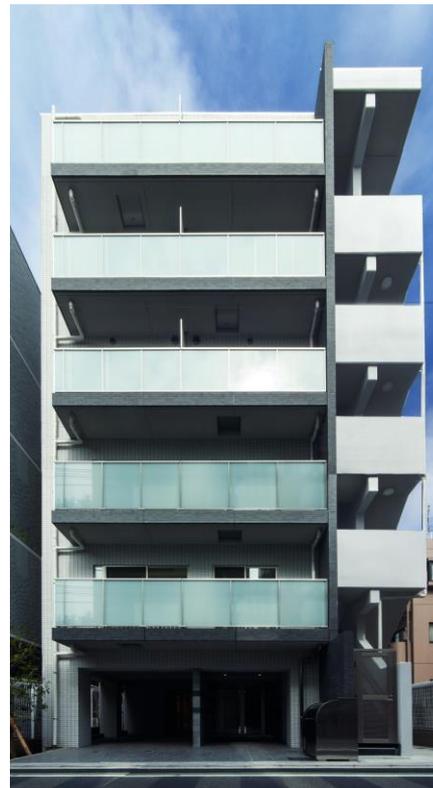
<Project overview>

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>



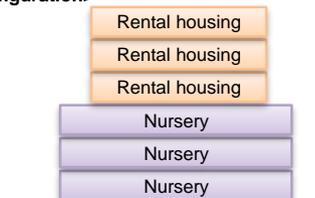
Proceed Chidoricho



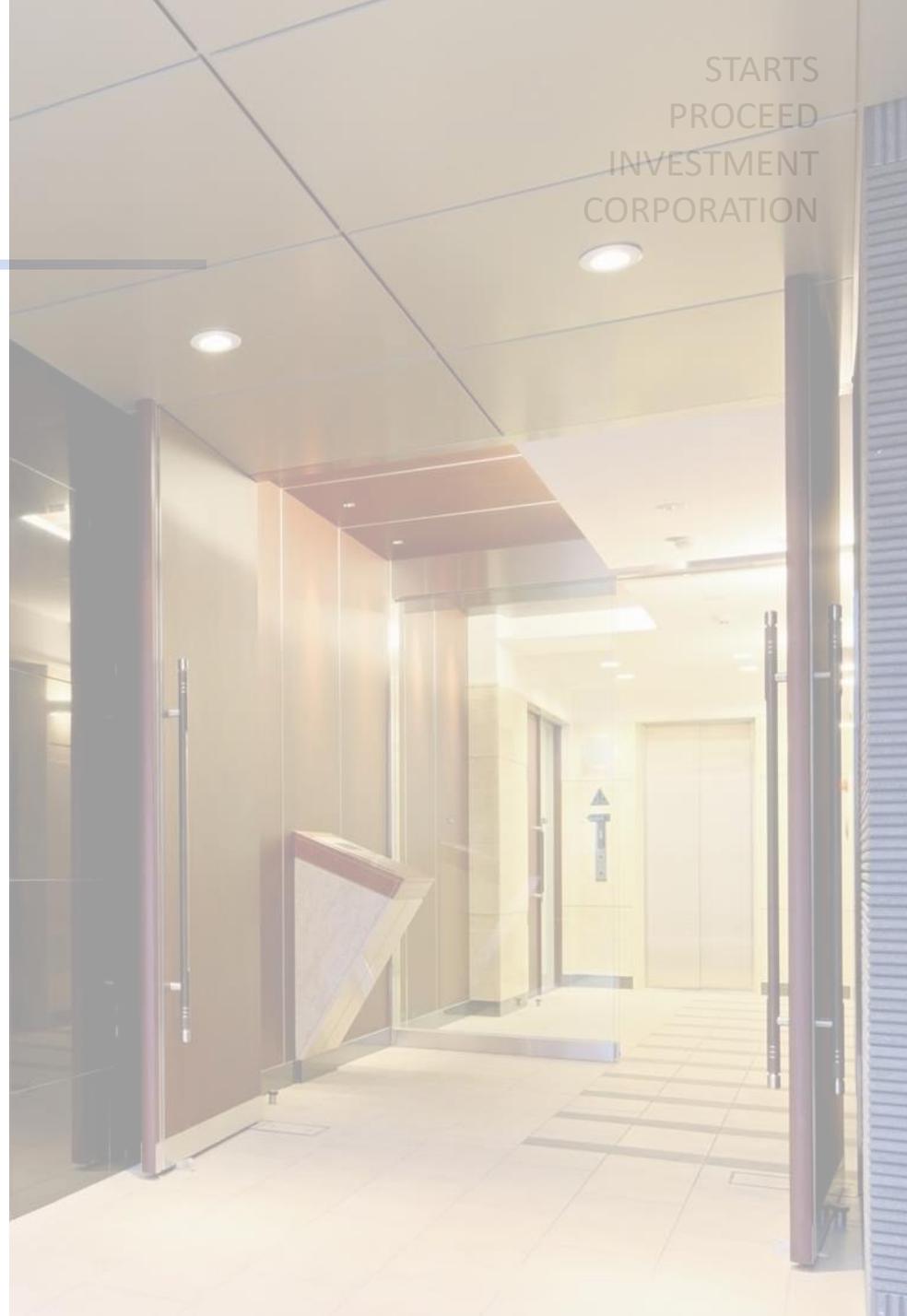
<Project overview>

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



(thousand yen)

	28th Fiscal Period As of Oct. 31, 2019	29th Fiscal Period As of Apr. 30, 2020	Change
Assets			
Current assets			
Cash and deposits	1,350,833	1,079,720	-271,113
Cash and deposits in trust	2,012,701	1,905,599	-107,102
Operating accounts receivable	26,364	32,501	6,136
Prepaid expenses	92,283	86,311	-5,971
Other	2,462	2,295	-167
Total current assets	3,484,645	3,106,428	-378,217
Noncurrent assets			
Property, plant and equipment			
Buildings in trust	44,623,256	44,899,168	275,911
Accumulated depreciation	-8,722,662	-9,128,351	-405,689
Buildings in trust, net	35,900,594	35,770,816	-129,777
Structures in trust	1,233,580	1,250,939	17,359
Accumulated depreciation	-688,351	-722,413	-34,061
Structures in trust, net	545,228	528,525	-16,702
Machinery and equipment in trust	5,376	5,376	-
Accumulated depreciation	-4,064	-4,369	-304
Machinery and equipment in trust, net	1,312	1,007	-304
Tools, furniture and fixtures in trust	378,412	401,987	23,574
Accumulated depreciation	-215,918	-232,407	-16,489
Tools, furniture and fixtures in trust, net	162,494	169,579	7,085
Land in trust	48,978,128	49,999,491	1,021,362
Construction in progress in trust	-	1,903	1,903
Total property, plant and equipment	85,587,757	86,471,323	883,566
Intangible assets			
Software	1,584	990	-594
Total intangible assets	1,584	990	-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	170,326	145,848	-24,478
Deferred tax assets	79	80	1
Other	14,295	14,932	636
Total investments and other assets	730,576	706,735	-23,841
Total noncurrent assets	86,319,918	87,179,049	859,131
Deferred assets			
Investment corporation bonds issuance expenses	-	10,143	10,143
Total deferred assets	-	10,143	10,143
Total assets	89,804,563	90,295,621	491,057

(thousand yen)

	28th Fiscal Period As of Oct. 31, 2019	29th Fiscal Period As of Apr. 30, 2020	Change
Liabilities			
Current liabilities			
Current portion of long-term loans payable	6,820,000	8,020,000	1,200,000
Operating accounts payable	183,992	83,142	-100,849
Accounts payable –other	202,979	226,220	23,241
Accrued expenses	906	2,974	2,068
Income taxes payable	1,932	1,956	24
Accrued consumption taxes	4,665	37,056	32,390
Advances received	2,112	2,484	371
Other	770	9,555	8,784
Total current liabilities	7,217,358	8,383,390	1,166,031
Noncurrent liabilities			
Investment corporation bonds	-	1,000,000	1,000,000
Long-term loans payable	38,826,000	36,626,000	-2,200,000
Tenant leasehold and security deposits in trust	693,105	685,827	-7,277
Asset retirement obligation	131,848	132,935	1,087
Total noncurrent liabilities	39,650,953	38,444,763	-1,206,190
Total liabilities	46,868,312	46,828,153	-40,158
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	-
Total voluntary retained earnings	99,000	99,000	-
Unappropriated retained earnings (undisposed loss)	1,152,707	1,683,923	531,215
Total surplus	1,251,707	1,782,923	531,215
Total unitholders' equity	42,936,251	43,467,467	531,215
Total net assets	42,936,251	43,467,467	531,215
Total liabilities and net assets	89,804,563	90,295,621	491,057

Statements of Income

(thousand yen)

	28th Fiscal Period (From: May 1, 2019 To: Oct. 31, 2019)	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	Change
Operating revenue			
Rent revenue – real estate	3,089,056	3,116,596	27,539
Gain on sales of real estate properties	5,882	549,257	543,374
Total operating revenue	3,094,939	3,665,853	570,914
Operating expenses			
Expenses related to rent business	1,321,692	1,362,896	41,203
Asset management fee	263,286	276,731	13,445
Asset custody fee	8,468	8,455	-13
Administrative service fees	27,117	26,605	-511
Directors' compensations	1,200	1,200	-
Other operating expenses	108,559	115,108	6,549
Total operating expenses	1,730,322	1,790,997	60,674
Operating income	1,364,616	1,874,856	510,239
Non-operating income			
Interest income	18	17	-0
Insurance income	3,783	12,815	9,031
Reversal of distribution payable	649	806	157
Other	16	-	-16
Total non-operating income	4,467	13,639	9,172
Non-operating expenses			
Interest expenses	164,602	156,820	-7,781
Interest expenses on investment corporation bonds	-	2,111	2,111
Amortization of investment corporation bond issuance costs	-	1,127	1,127
Amortization of investment unit issuance expenses	4,243	-	-4,243
Borrowing related expenses	45,135	42,156	-2,978
Other	540	450	-90
Total non-operating expenses	214,521	202,666	-11,854
Ordinary income	1,154,562	1,685,829	531,266
Income before income taxes	1,154,562	1,685,829	531,266
Income taxes – current	1,934	1,959	24
Income taxes – deferred	1	-1	-2
Total income taxes	1,936	1,958	22
Net income	1,152,626	1,683,871	531,244
Retained earnings brought forward	80	52	-28
Unappropriated retained earnings (undisposed loss)	1,152,707	1,683,923	531,215

(1) “Real estate rent revenue”

(thousand yen)

	28th Fiscal Period (From: May 1, 2019 To: Oct. 31, 2019)	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	Change
Rent	2,686,527	2,702,981	16,454
Common area maintenance charges	182,780	184,708	1,928
Parking revenue	84,552	86,881	2,329
Incidental revenue	1,868	1,757	-111
Other lease business revenue	133,328	140,266	6,938
Total	3,089,056	3,116,596	27,540

(2) “Expenses related to rent business”

(thousand yen)

	28th Fiscal Period (From: May 1, 2019 To: Oct. 31, 2019)	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	Change
Management expenses	195,441	197,926	2,485
Repair expenses	84,148	100,990	16,842
Real estate taxes	179,388	187,937	8,549
Trust fees	34,624	34,210	-414
Utilities expenses	54,907	54,704	-203
Nonlife insurance expenses	7,723	8,004	281
Depreciation and amortization	619,506	629,095	9,589
Other lease business expenses	145,950	150,026	4,076
Total	1,321,692	1,362,896	41,204

Cash Distributions

	28th Fiscal Period (From: May 1, 2019 To: Oct. 31, 2019)	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)	Change
I. Unappropriated retained earnings	1,152,707,292 yen	1,683,923,202 yen	531,215,910 yen
II. Amount of distributions	1,152,655,134 yen	1,283,857,843 yen	131,202,709 yen
(Amount of distribution per investment unit)	(4,542 yen)	(5,059 yen)	(517 yen)
III. Voluntary retained earnings			
Provision of reserve for reduction entry	-	400,000,000 yen	400,000,000 yen
IV. Retained earnings carried forward	52,158 yen	65,359 yen	13,201 yen

Statements of Cash Flows

(thousand yen)

	28th Fiscal Period (From: May 1, 2019 To: Oct. 31, 2019)	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)
Net cash provided by (used in) operating activities		
Income before income taxes	1,154,562	1,685,829
Depreciation and amortization	620,100	629,689
Amortization of investment corporation bond issuance costs	-	1,127
Amortization of investment unit issuance expenses	4,243	-
Interest income	-18	-17
Interest expenses	164,602	158,932
Decrease (increase) in operating accounts receivable	7,370	-6,136
Decrease (increase) in prepaid expenses	-1,386	5,971
Increase (decrease) in accrued consumption taxes	-8,767	32,390
Increase (decrease) in operating accounts payable	28,095	-40,902
Increase (decrease) in accounts payable – other	743	22,698
Decrease (increase) in long-term prepaid expenses	17,297	24,478
Decrease from sales of property, plant and equipment in trust	190,933	1,893,390
Other, net	2,436	9,604
Subtotal	2,180,213	4,417,055
Interest income received	18	17
Interest expenses paid	-168,022	-156,864
Income taxes paid	-1,951	-1,934
Net cash provided by (used in) operating activities	2,010,257	4,258,273
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment in trust	-943,033	3,465,999
Proceeds from tenant leasehold and security deposits in trust	43,217	54,063
Repayments of tenant leasehold and security deposits in trust	-47,968	-61,341
Decrease (increase) in other investments	-636	-636
Net cash provided by (used in) investing activities	-948,420	3,473,913
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	3,049,000	1,500,000
Repayment of long-term loans payable	-3,449,000	-2,500,000
Proceeds from issuance of investment corporation bonds	-	1,000,000
Payment of investment corporation bond issuance costs	-	-11,270
Dividends paid	-1,175,697	-1,151,306
Net cash provided by (used in) financing activities	-1,575,697	-1,162,576
Net increase (decrease) in cash and cash equivalents	-513,860	-378,215
Cash and cash equivalents at beginning of period	3,877,396	3,363,535
Cash and cash equivalents at end of period	3,363,535	2,985,319

Key Performance Indicators

	Unit	28th Fiscal Period (From: May 1, 2019 To: Oct. 31, 2019)	29th Fiscal Period (From: Nov. 1, 2019 To: Apr. 30, 2020)
Total assets (a)	million yen	89,804	90,295
Net assets (b)	million yen	42,936	43,467
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	169,188	171,282
Net income per unit (Note 2)	yen	4,541	6,635
Total distributions (d)	million yen	1,152	1,283
Distribution per unit (d) ÷ (c)	yen	4,542	5,059
[Of which, distribution of earnings per unit]	yen	(4,542)	(5,059)
[Of which, distribution in excess of earnings per unit]	yen	(-)	(-)
Return on assets (Note 3)	%	1.3 (2.5)	1.9 (3.8)
Return on equity (Note 3)	%	2.7 (5.3)	3.9 (7.8)
Equity ratio (b) ÷ (a)	%	47.8	48.1
Distribution payout ratio (Note 3)	%	100.0	76.2

[Other Reference Information]

Number of investment properties (Note 4)	properties	106	106
Total number of leasable units (Note 4)	units	5,255	5,225
Gross leasable area	m ²	194,608.52	193,117.03
Period-end occupancy rate (Note 4)	%	95.7	95.9
Depreciation and amortization	million yen	619	629
Capital expenditures	million yen	117	137
Property leasing NOI (Net Operating Income) (Note 3)	million yen	2,386	2,382
FFO (Funds from Operations) per unit (Note 3)	yen	6,978	6,898
FFO multiple (Note 3)	times	15.2	15.2
Debt service coverage ratio (Note 3)	times	11.8	15.6
Earnings before interest, depreciation and amortization	million yen	1,936	2,471
Interest expenses	million yen	164	158
Total interest-bearing liabilities	million yen	45,646	45,646
LTV (Loan-To-Value) ratio (Note 3)	%	50.8	50.6
Number of days of management	days	184	182

(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	$\text{Ordinary income} \div \text{Average total assets}$ $\text{Average total assets} = (\text{Total assets at beginning of period} + \text{Total assets at end of period}) \div 2$
Return on equity	$\text{Net income} \div \text{Average net assets}$ $\text{Average net assets} = (\text{Net assets at beginning of period} + \text{Net assets at end of period}) \div 2$
Distribution payout ratio	$\text{Distribution per unit} \div \text{Net income per unit}$
Property leasing NOI	$\text{Property leasing income (loss) [Real estate rent revenue} - \text{Expenses related to rent business]} + \text{Depreciation and amortization}$
FFO per unit	$(\text{Net income} + \text{Depreciation and amortization} + \text{Other depreciation and amortization} - \text{Gain (loss) on sales of real estate properties}) \div \text{Total number of investment units issued and outstanding}$
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 April 30, 2020)

■ Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 29th 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	0.86189	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	0.92189	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	December 9, 2016	1,095,000 1,060,000 917,000 480,000 470,000 152,000 146,000	0.33190	May 22, 2020	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2F
Sub total		4,320,000						

Status of Interest-Bearing Liabilities II (As of April 30, 2020)

■ Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 29th 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	1,095,500 1,060,500 917,000 480,000 470,000 152,000 145,000	0.36190	May 24, 2021	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2G
Sub total		4,320,000						
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	0.39190	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	0.74190	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	0.77190	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	0.67189	May 24, 2022	Lump-sum repayment on repayment date	Funds for acquisition of AUM	Unsecured Unguaranteed	Term Loan 2K
Sub total		2,900,000						

Status of Interest-Bearing Liabilities III (As of April 30, 2020)

■ Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 29th FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
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	0.77189	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						
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 Sumitomo Mitsui Trust Bank, Limited	Nov. 22, 2018	1,089,000 825,000 382,000 382,000 357,000 325,000 241,000 99,000	0.93000 (Note 2)	Nov. 22, 2024	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2M
Sub total		3,700,000						
Aozora Bank, Ltd. Resona Bank, Ltd. The Chiba Bank, Ltd. The Musashino Bank, Ltd. The Kagawa Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	May 24, 2019	831,000 635,000 356,000 356,000 303,000 250,000 225,000 93,000	0.86000 (Note 2)	May 23, 2025	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2N
Sub total		3,049,000						
Resona Bank, Ltd. Aozora Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Chiba Bank, Ltd. The Musashino Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	Nov. 25, 2019	449,000 278,000 189,000 189,000 163,000 163,000 69,000	0.870000 (Note 2)	Nov. 25, 2025	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2O
Sub total		1,500,000						
Total		44,646,000						

Total interest-bearing liabilities (Note 3)

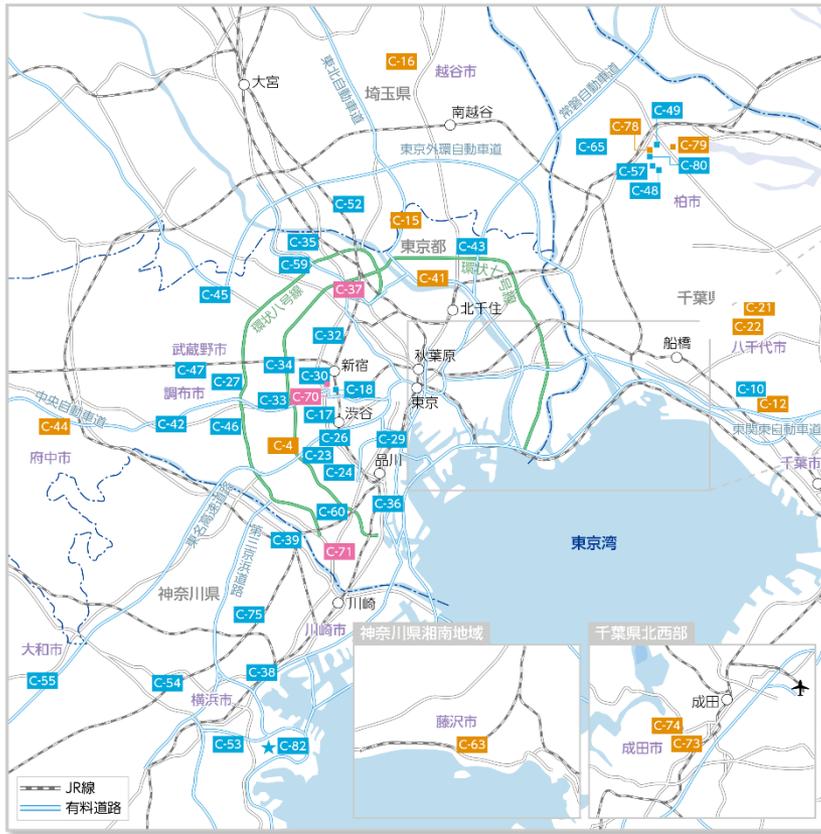
45,646,000 thousand yen

(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 Sangenjaya | C-29 Proceed Mita | C-44 Proceed Nakagawara | C-63 Proceed Fujisawa Kugenuma |
| C-10 Proceed Makuharihongo | C-30 Proceed Nakanoshimbashi | C-45 Proceed Oizumigakuen | C-65 Proceed TX Nagareyama Central Park |
| C-12 Proceed Makuharihongo 2 | C-32 Proceed Takadanobaba | C-46 Proceed Chitosekarasuyama | C-70 Proceed Nishi Shinjuku |
| C-15 Proceed Takenozuka | C-33 Proceed Shinkoeni | 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 Toyoko | 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 Funaboriekimate |
| C-6 Proceed Funabashi Miyamoto | C-28 Proceed Ryogoku | C-62 Proceed Ichikawa Myoden | C-77 Proceed Kinsicho |
| 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 Gyotoku 2 | C-66 Proceed Gyotoku 2 | C-83 Proceed Monzennakacho |
| C-11 Proceed Minamigyotoku | C-50 Proceed Gyotokuekimate | C-67 Proceed Nishikasai | C-84 Proceed Maehama |

Cabinet Order Designated Cities / Regional Area Major Cities

- | | |
|------------------------------------|-----------------------------------|
| G-21 Proceed Nishitenma | G-33 Proceed Sendai Kozurushinden |
| G-22 Proceed Kobemotomachi | G-34 Proceed Sendai Kamisugi |
| G-23 Group Home Tanoshii Ie Taisho | |
| G-26 Proceed Bentencho | |
| G-27 Proceed Nagaikoendori | |
| G-30 Proceed Hyogoekimateadori | |

G-15 Proceed Fukuoka Takamiya

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

- | | |
|--------------------------|---------------------------|
| G-8 Proceed Taikodori | S-19 Proceed Toyoda |
| G-11 Proceed Honamimachi | S-24 Proceed Kanayama 2 |
| G-13 Proceed Shinsakae | S-25 Proceed Aratamabashi |
| G-14 Proceed Chiyoda | S-31 Proceed Mizuho |
| G-17 Proceed Kanayama | S-32 Proceed Osu |
| G-18 Proceed Fukiage | S-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 29th FP

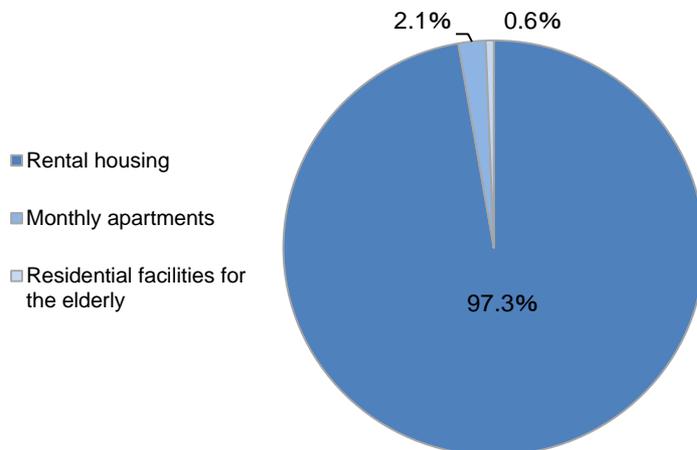
Portfolio policy by use (Note)

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

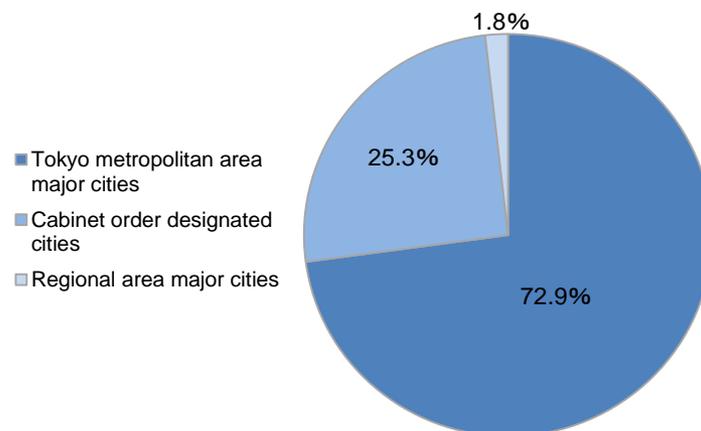
Portfolio policy by area (Note)

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 29th fiscal period



As of the end of 29th 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 April 30, 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) (29th FP results)	PML (%)	Construction completion (Note 5)	Building age (year)
C-1	Proceed Ichikawa	Chiba	1,076,000	1.2	1,003,867	1,370,000	3,322.17	3,165.30	50	42	95.3	33,986	5.9	April 1, 1997	23.1
C-2	Proceed Toyochō	Tokyo	646,700	0.7	575,463	875,000	1,085.56	1,085.56	45	5	100.0	21,055	8.6	January 31, 2003	17.3
C-3	Proceed Kasai	Tokyo	688,700	0.8	600,211	811,000	1,243.80	1,243.80	57	0	100.0	20,114	5.1	March 1, 2003	17.2
C-4	Proceed Sangenjaya	Tokyo	555,900	0.6	618,412	600,000	1,019.27	1,019.27	9	8	100.0	15,656	9.3	June 29, 1990	29.9
C-5	Proceed Mizue	Tokyo	602,600	0.7	623,103	761,000	2,076.68	2,076.68	28	22	100.0	20,922	7.0	June 20, 1991	28.9
C-6	Proceed Funabashi Miyamoto	Chiba	419,900	0.5	447,710	571,000	1,685.73	1,569.70	33	1	93.1	15,953	4.7	June 24, 1991	28.9
C-7	Proceed Minamikasai	Tokyo	303,500	0.3	326,191	305,000	1,045.28	985.52	16	7	94.3	9,509	10.4	March 12, 1993	27.2
C-9	Proceed Gyotoku	Chiba	315,600	0.4	339,200	340,000	1,218.56	1,218.56	20	7	100.0	9,418	6.7	March 15, 1988	32.1
C-10	Proceed Makuharihongo	Chiba	279,300	0.3	273,975	319,000	963.00	905.70	34	3	94.0	6,912	8.7	February 22, 1989	31.2
C-11	Proceed Minamiyotoku	Chiba	287,300	0.3	295,159	330,000	838.95	812.90	26	6	96.9	8,925	6.8	February 6, 1990	30.2
C-12	Proceed Makuharihongo 2	Chiba	223,400	0.3	226,844	247,000	1,104.84	1,004.40	22	10	90.9	6,707	4.8	September 24, 1989	30.6
C-14	Proceed Funabori	Tokyo	226,100	0.3	237,004	247,000	479.52	479.52	24	1	100.0	6,777	7.3	October 11, 1991	28.6
C-15	Proceed Takenozuka	Tokyo	169,400	0.2	173,612	249,000	860.55	860.55	15	7	100.0	5,438	3.4	March 10, 1994	26.2
C-16	Proceed Sengendai 2	Saitama	86,700	0.1	93,118	109,000	695.81	695.81	12	3	100.0	3,229	3.3	April 3, 1991	29.1
C-17	Proceed Shoto	Tokyo	937,400	1.1	879,092	966,000	890.22	849.62	40	6	95.4	22,509	5.3	November 18, 2005	14.5
C-18	Proceed Sangubashi	Tokyo	497,600	0.6	481,334	485,000	527.88	527.88	26	0	100.0	11,835	7.0	July 22, 2005	14.8
C-19	Proceed Urayasu	Chiba	431,400	0.5	464,219	456,000	1,786.58	1,713.06	21	8	95.9	13,743	7.8	June 4, 1992	27.9
C-20	Proceed Shinkoiva	Tokyo	465,200	0.5	499,630	553,000	1,629.07	1,551.27	27	9	95.2	12,736	7.1	March 15, 1991	29.1
C-21	Proceed Yachiyo Midorigaoka I	Chiba	383,600	0.4	395,156	386,000	1,805.76	1,738.88	27	32	96.3	12,371	6.9	February 12, 1997	23.2
C-22	Proceed Yachiyo Midorigaoka II	Chiba	339,000	0.4	351,456	348,000	1,605.12	1,471.36	24	31	91.7	10,429	6.9	February 12, 1997	23.2
C-23	Proceed Toritsudaigaku	Tokyo	790,400	0.9	766,163	798,000	808.65	808.65	37	2	100.0	18,376	8.3	March 13, 2006	14.1
C-24	Proceed Toritsudaigaku 2	Tokyo	772,200	0.9	710,683	822,000	831.74	831.74	36	2	100.0	20,081	7.8	September 7, 2006	13.7
C-25	Proceed Honjozumabashi	Tokyo	339,800	0.4	296,791	455,000	570.53	570.53	19	0	100.0	10,366	6.7	July 7, 2006	13.8
C-26	Proceed Meguro Aobadai	Tokyo	466,700	0.5	451,087	466,000	485.15	485.15	24	1	100.0	11,053	11.6	March 27, 2003	17.1
C-27	Proceed Suginami Miyamae	Tokyo	454,900	0.5	429,737	484,000	680.50	680.50	29	1	100.0	12,702	7.1	January 26, 2004	16.3
C-28	Proceed Ryogoku	Tokyo	443,900	0.5	429,162	574,000	702.54	702.54	27	5	100.0	13,599	6.9	March 15, 2003	17.1
C-29	Proceed Mita	Tokyo	1,537,200	1.8	1,416,242	1,660,000	1,500.57	1,500.57	72	0	100.0	36,289	8.7	February 6, 2006	14.2
C-30	Proceed Nakanoshimbashi	Tokyo	638,800	0.7	673,394	700,000	849.08	849.08	50	0	100.0	18,526	10.4	September 24, 1992	27.6
C-31	Proceed Kameido	Tokyo	339,000	0.4	344,872	346,000	853.98	853.98	23	0	100.0	9,650	7.6	March 23, 1994	26.1
C-32	Proceed Takadanobaba	Tokyo	223,700	0.3	251,832	269,000	278.36	278.36	17	0	100.0	6,990	13.8	October 24, 1991	28.5
C-33	Proceed Shinkoenji	Tokyo	742,100	0.8	781,725	894,000	1,040.24	1,040.24	57	0	100.0	22,687	10.0	August 31, 1990	29.7
C-34	Proceed Koenjiminami	Tokyo	277,400	0.3	308,446	251,000	337.05	337.05	20	0	100.0	7,639	11.7	October 2, 1989	30.6
C-35	Proceed Hasune	Tokyo	284,000	0.3	315,368	267,000	587.13	587.13	29	0	100.0	8,499	6.8	July 17, 1991	28.8
C-36	Proceed Oimachi	Tokyo	944,000	1.1	981,240	950,000	961.88	961.88	59	0	100.0	23,276	13.0	April 13, 1992	28.1
C-37	Proceed Jujo	Tokyo	533,000	0.6	558,249	558,000	1,206.90	1,206.90	30	0	100.0	15,086	7.2	June 15, 1989	30.9
C-38	Proceed Hakuraku	Kanagawa	241,000	0.3	259,351	185,000	445.16	445.16	27	0	100.0	8,056	16.4	July 19, 1991	28.8
C-39	Proceed Shinmaruko	Kanagawa	635,000	0.7	664,820	605,000	759.00	759.00	46	0	100.0	16,178	11.7	September 12, 1988	31.7
C-40	Proceed Motoyawata	Chiba	307,000	0.3	269,617	336,000	602.39	602.39	25	1	100.0	8,638	4.4	January 9, 2004	16.3
C-41*	Proceed Nishiarai (Note 6)	Tokyo	5,172,000	5.9	3,201,450	6,900,000	20,137.85	19,456.97	294	146	96.6	203,061	ARTIER: 3.9 OZAREA: 5.0 Hall: 3.5 Nursery: 3.5	July 20, 2007	12.8

Portfolio List II (As of April 30, 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) (29th FP results)	PML (%)	Construction completion (Note 5)	Building age (year)
C-42	Proceed Chofu	Tokyo	460,500	0.5	402,444	573,000	764.48	738.15	26	0	96.6	12,909	6.4	February 17, 2007	13.2
C-43	Proceed TX Rokucho	Tokyo	156,800	0.2	177,120	178,000	518.31	492.34	20	2	95.0	4,870	6.6	June 21, 1991	28.9
C-44	Proceed Nakagawara	Tokyo	1,141,000	1.3	1,219,662	1,330,000	3,061.94	2,931.89	54	35	95.8	33,959	Ichibankan: 10.7 Nibankan: 11.8	April 1, 1989	31.1
C-45	Proceed Oizumigakuen	Tokyo	268,300	0.3	289,755	282,000	483.43	483.43	29	0	100.0	7,806	10.6	November 26, 1991	28.4
C-46	Proceed Chitosekarasuyama	Tokyo	289,600	0.3	328,406	333,000	449.96	433.89	28	0	96.4	8,192	11.7	December 8, 1988	31.4
C-47	Proceed Mitaka	Tokyo	477,200	0.5	527,240	581,000	739.48	739.48	47	0	100.0	14,249	9.3	December 16, 1988	31.4
C-48	Proceed Kashiwa Est	Chiba	732,000	0.8	673,654	719,000	1,279.93	1,239.93	44	5	96.9	17,495	4.5	February 13, 2007	13.2
C-49	Proceed Kashiwa Nord	Chiba	689,000	0.8	622,464	622,000	1,391.55	1,327.19	47	0	95.4	14,471	5.7	February 13, 2007	13.2
C-50	Proceed Gyotokuekimae	Chiba	331,000	0.4	274,522	372,000	659.68	659.68	24	3	100.0	9,387	5.2	September 4, 2007	12.7
C-51	Proceed Funabashi Honcho	Chiba	531,700	0.6	494,206	598,000	996.44	996.44	40	0	100.0	15,317	5.7	July 19, 2006	13.8
C-52	Proceed Nishikawaguchi	Saitama	881,000	1.0	958,262	839,000	1,630.24	1,551.74	104	1	95.2	21,067	5.5	February 10, 1989	31.2
C-53	Proceed Gurnyoji	Kanagawa	552,000	0.6	566,396	598,000	1,246.48	1,056.16	77	0	84.7	13,754	19.0	May 12, 1988	32.0
C-54	Proceed Tsurugamine	Kanagawa	356,000	0.4	363,923	378,000	855.00	769.50	50	4	90.0	7,498	7.2	March 12, 1991	29.2
C-55	Proceed Sagamiotsuka	Kanagawa	234,000	0.3	231,652	223,000	741.24	664.35	29	7	89.6	5,997	12.9	April 5, 1991	29.1
C-56*	Proceed Shinozaki 2	Tokyo	913,300	1.0	800,531	1,140,000	2,134.07	2,134.07	35	13	100.0	26,932	4.2	September 18, 2008	11.6
C-57	Proceed Kashiwa Trois	Chiba	537,100	0.6	473,226	669,000	1,149.95	1,121.95	38	6	97.6	15,106	5.4	May 8, 2009	11.0
C-58	Proceed Shinozaki Tower (Note 8)	Tokyo	1,564,000	1.8	1,383,461	2,240,000	5,117.49	4,978.75	88	30	97.3	60,325	High-rise bldg.: 2.6 Low-rise Bldg.: 4.4	March 17, 2008	12.1
C-59	Proceed Tobu Nerima	Tokyo	422,000	0.5	409,283	573,000	779.84	759.29	35	2	97.4	14,145	7.7	August 31, 2007	12.7
C-60	Proceed Yukigaya	Tokyo	323,000	0.4	362,476	393,000	600.62	583.45	35	0	97.1	9,940	14.0	October 7, 1991	28.6
C-61	Proceed Ichikawa Minami	Chiba	687,000	0.8	700,929	947,000	1,635.59	1,587.62	66	17	97.1	23,682	2.0	February 10, 1997	23.2
C-62	Proceed Ichikawa Myoden	Chiba	498,000	0.6	527,598	634,000	945.00	924.00	45	1	97.8	15,044	6.8	March 15, 2003	17.1
C-63	Proceed Fujisawa Kugenuma	Kanagawa	729,000	0.8	765,619	900,000	2,005.76	1,820.00	25	20	90.7	24,912	14.7	March 30, 2001	19.1
C-64	Proceed Nihonbashi-horidomecho	Tokyo	1,485,800	1.7	1,512,623	1,730,000	1,904.45	1,904.45	37	2	100.0	36,614	7.5	April 7, 2006	14.1
C-65*	Proceed TX Nagayama Central Park (Note 9)	Chiba	979,700	1.1	929,608	1,180,000	2,976.85	2,886.91	73	0	97.0	31,262	2.9	April 11, 2014	6.1
C-66	Proceed Gyotoku 2	Chiba	830,000	0.9	831,482	902,000	1,626.54	1,571.60	59	20	96.6	21,133	6.5	October 7, 2006	13.6
C-67	Proceed Nishikasai (Note 10)	Tokyo	875,600	1.0	957,686	998,000	2,993.52	2,906.44	63	39	97.1	29,174	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	845,276	916,000	2,140.59	2,022.36	29	6	94.5	24,382	7.1	September 12, 2003	16.6
C-69	Proceed Nihonbashi Honcho	Tokyo	2,449,000	2.8	2,598,306	2,560,000	2,553.89	2,489.04	84	7	97.5	51,204	8.3	February 25, 2003	17.2
C-70	Proceed Nishi Shinjuku	Tokyo	2,549,000	2.9	2,646,159	2,670,000	2,461.88	2,392.67	66	5	97.2	51,989	4.5	February 25, 2003	17.2
C-71	Proceed Unoki	Tokyo	917,000	1.0	934,580	974,000	1,260.58	1,260.58	29	4	100.0	24,163	13.9	September 5, 2015	4.7
C-72*	Proceed Minamigyotoku 2	Chiba	1,080,000	1.2	1,099,668	1,140,000	2,832.74	2,680.05	36	18	94.6	30,943	6.4	May 15, 2014	6.0
C-73	Proceed CO-Z East Building	Chiba	1,830,000	2.1	1,939,211	2,000,000	6,873.33	6,601.97	112	121	96.1	60,843	6.0	March 10, 1997	23.2
C-74	Proceed CO-Z West Building	Chiba	971,000	1.1	1,045,464	1,050,000	3,716.05	3,466.73	71	87	93.3	35,614	6.0	January 9, 1998	22.3
C-75	Proceed Shin Yokohama	Kanagawa	4,330,000	4.9	4,451,781	4,430,000	5,457.56	5,310.27	226	68	97.3	102,569	6.9	April 19, 2007	13.0
C-76	Life Support Residence Funaboriekimae	Tokyo	380,000	0.4	259,911	421,000	1,408.71	1,408.71	2	0	100.0	9,736	6.6	January 14, 2013	7.3
C-77	Proceed Kinshicho	Tokyo	2,140,000	2.4	2,247,790	2,170,000	2,302.92	2,180.60	64	11	94.7	44,508	6.1	July 1, 2005	14.8
C-78	Proceed K2	Chiba	1,170,000	1.3	1,241,348	1,280,000	4,099.04	4,027.86	59	20	98.3	35,094	3.9	February 10, 1995	25.2
C-79	Proceed K3 Annex	Chiba	283,000	0.3	306,766	313,000	1,590.30	1,590.30	24	25	100.0	6,200	5.5	March 2, 1997	23.2
C-80	Proceed K5	Chiba	269,000	0.3	289,990	276,000	788.95	729.08	17	0	92.4	6,223	6.3	February 13, 1998	22.2
C-81	Proceed Ichikawa Myoden II	Chiba	800,000	0.9	841,083	828,000	1,218.00	1,218.00	58	1	100.0	23,803	6.7	March 15, 2003	17.1
C-82	The Parkhabo Yokohamayamate	Kanagawa	3,047,000	3.5	3,265,277	3,160,000	2,654.69	2,603.25	76	23	98.1	9,740	15.0	July 2, 2015	4.8
Properties in Tokyo			36,614,300	41.7	34,833,202	42,308,000	74,366.14	72,670.53	1,881	378	97.7	1,049,528			18.2
Properties in the Tokyo metropolitan area excluding Tokyo			27,372,700	31.2	27,978,621	29,660,000	65,203.98	62,506.80	1,767	591	95.9	710,345			18.9
Tokyo metropolitan area major cities subtotal			63,987,000	72.9	62,811,863	71,968,000	139,570.12	135,177.33	3,648	969	96.9	1,751,227			18.2

Portfolio List III (As of April 30, 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) (29th FP results)	PML (%)	Construction completion (Note 5)	Building age (year)
G-8	Proceed Taikodori	Aichi	403,400	0.5	337,897	480,000	1,101.56	1,077.28	44	6	97.8	9,697	11.3	March 15, 2006	14.1
G-11	Proceed Honamimachi	Aichi	275,000	0.3	225,500	243,000	620.22	620.22	10	8	100.0	4,679	10.5	March 27, 2006	14.1
G-13*	Proceed Shinsakae	Aichi	792,500	0.9	638,485	961,000	1,958.44	1,882.09	77	11	96.1	24,511	7.1	February 28, 2007	13.2
G-14	Proceed Chiyoda	Aichi	309,300	0.4	250,144	384,000	922.40	832.70	30	4	90.3	9,983	7.3	March 20, 2007	13.1
G-15	Proceed Fukuoka Takamiya	Fukuoka	453,600	0.5	428,159	511,000	1,312.29	1,312.29	46	10	100.0	9,771	3.2	March 12, 2007	13.1
G-17*	Proceed Kanayama	Aichi	1,022,000	1.2	944,286	1,370,000	2,733.58	2,521.50	94	18	92.2	33,546	6.0	February 18, 2008	12.2
G-18*	Proceed Fukiage	Aichi	499,000	0.6	461,289	650,000	1,204.65	1,102.38	48	15	91.5	14,583	6.2	March 13, 2008	12.1
G-19*	Proceed Toyota	Aichi	219,000	0.2	204,053	293,000	752.04	654.52	27	8	87.0	8,193	6.7	February 29, 2008	12.2
G-20	Proceed Kitahorie (Note 11)	Osaka										29,743			
G-21	Proceed Nishitenma	Osaka	880,000	1.0	871,557	1,180,000	1,775.89	1,775.89	56	3	100.0	25,342	13.9	November 30, 2007	12.4
G-22	Proceed Kobemotomachi	Hyogo	780,000	0.9	779,710	995,000	1,590.64	1,416.75	61	6	89.1	20,609	8.6	December 21, 2007	12.4
G-23	Group Home Tanoshii Ie Taisho	Osaka	158,000	0.2	157,877	185,000	482.72	482.72	1	0	100.0	5,154	14.8	February 28, 2007	13.2
G-24	Proceed Kanayama 2	Aichi	2,040,400	2.3	2,037,414	2,290,000	4,218.01	4,053.82	72	31	96.1	48,686	6.2	August 22, 2007	12.7
G-25	Proceed Aratamabashi	Aichi	2,129,600	2.4	2,148,474	2,240,000	5,335.93	4,983.72	72	45	93.4	50,824	6.2	August 19, 2005	14.7
G-26	Proceed Bentencho	Osaka	2,170,000	2.5	2,244,653	2,300,000	4,134.70	4,109.61	126	21	99.4	54,462	8.1	January 11, 2008	12.3
G-27	Proceed Nagaikondori	Osaka	1,070,000	1.2	1,107,110	1,080,000	2,170.80	1,851.10	81	24	85.3	21,321	14.4	May 28, 2007	12.9
G-28	Proceed Nishinagahori	Osaka	942,000	1.1	974,616	934,000	1,506.18	1,477.37	52	5	98.1	19,009	8.1	February 15, 2008	12.2
G-29	Proceed Kyobashi	Osaka	2,040,000	2.3	2,106,094	2,040,000	3,274.56	2,862.48	120	30	87.4	40,862	13.0	January 16, 2008	12.3
G-30	Proceed Hyogoekimaedori	Hyogo	1,670,000	1.9	1,724,815	1,750,000	3,086.99	2,710.79	117	18	87.8	35,467	9.2	February 8, 2008	12.2
G-31	Proceed Mizuho	Aichi	535,000	0.6	562,166	550,000	1,126.40	1,126.40	40	5	100.0	12,352	6.2	February 28, 2007	13.2
G-32	Proceed Osu	Aichi	831,000	0.9	843,544	886,000	1,851.30	1,767.15	66	10	95.5	23,238	7.6	March 7, 2016	4.2
G-33	Proceed Sendai Kozurushinden	Miyagi	698,000	0.8	735,309	776,000	1,913.28	1,809.44	63	32	94.6	18,747	8.4	March 20, 2006	14.1
G-34	Proceed Sendai Kamisugi	Miyagi	1,560,000	1.8	1,611,017	1,690,000	3,409.93	3,232.87	108	16	94.8	44,544	4.8	February 21, 2017	3.2
G-35	Proceed Kanayama 3	Aichi	770,000	0.9	845,293	826,000	1,799.52	1,661.69	60	15	92.3	20,471	6.4	August 9, 2018	1.7
Cabinet order designated cities subtotal			22,247,800	25.3	22,239,473	24,614,000	48,282.03	45,324.78	1,471	341	93.9	585,794			11.5
R-2	Proceed Mito	Ibaraki	383,700	0.4	304,153	486,000	1,223.83	1,096.63	36	7	89.6	13,097	4.0	January 7, 2007	13.3
R-3	Proceed Mito 2	Ibaraki	416,900	0.5	344,105	530,000	1,381.34	1,336.34	36	25	96.7	13,644	3.6	March 11, 2008	12.1
R-4	Proceed Tsukuba Gakuentoshi	Ibaraki	775,600	0.9	769,825	825,000	2,659.71	2,333.91	34	35	87.8	18,980	3.8	March 3, 2008	12.2
Regional area major cities subtotal			1,576,200	1.8	1,418,084	1,841,000	5,264.88	4,766.88	106	67	90.5	45,721			12.4
Portfolio total			87,811,000	100.0	86,469,420	98,423,000	193,117.03	185,268.99	5,225	1,377	95.9	2,382,742	3.1		16.3

(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 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 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.

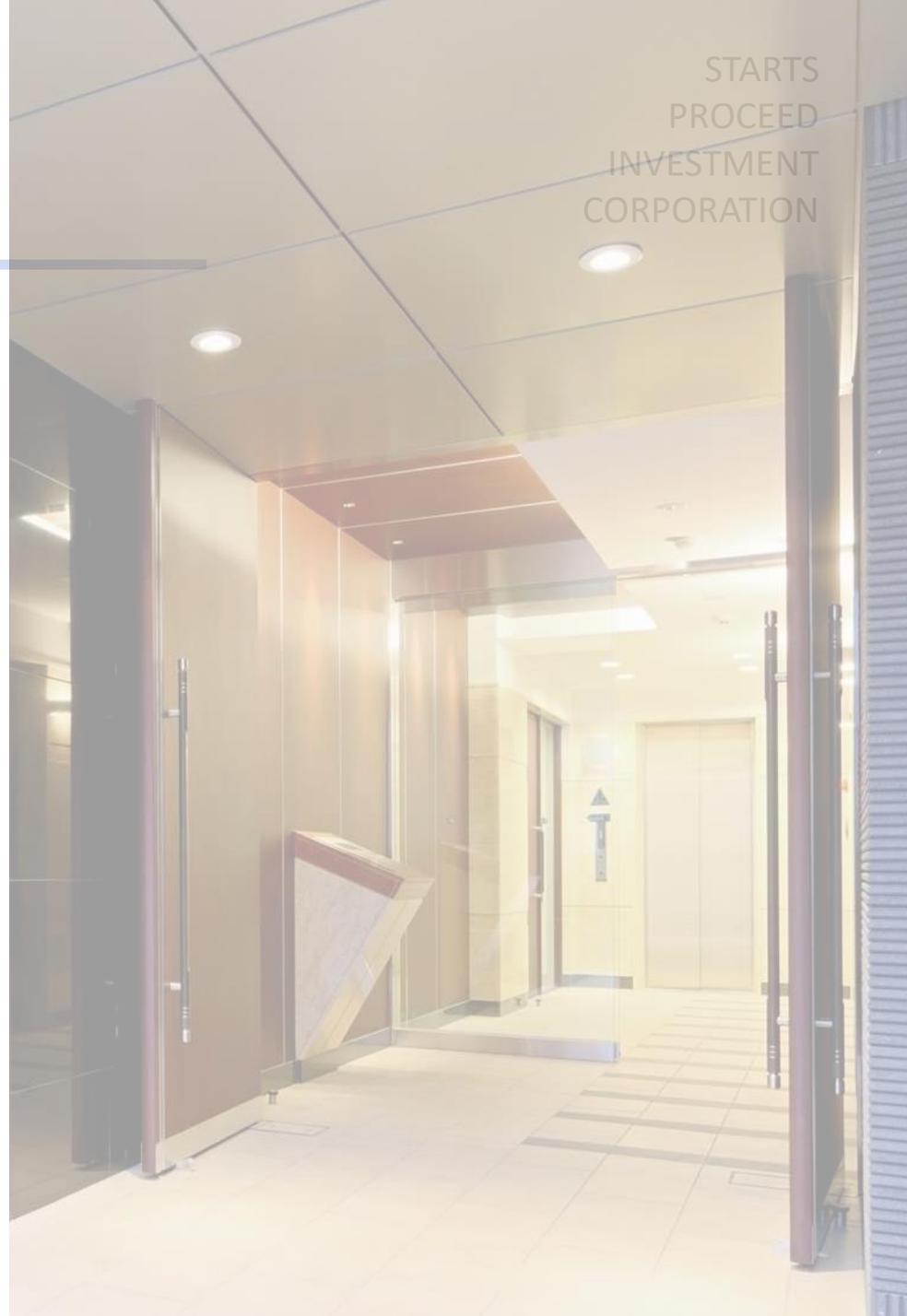
(Note 10) As (C-67) Proceed Nishikasai comprises 2 independent buildings, PML and construction completion for each of the 2 buildings is shown.

(Note 11) As (G-20) Proceed Kitahorie was disposed during the 29th 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.

STARTS
PROCEED
INVESTMENT
CORPORATION

Management Company Overview

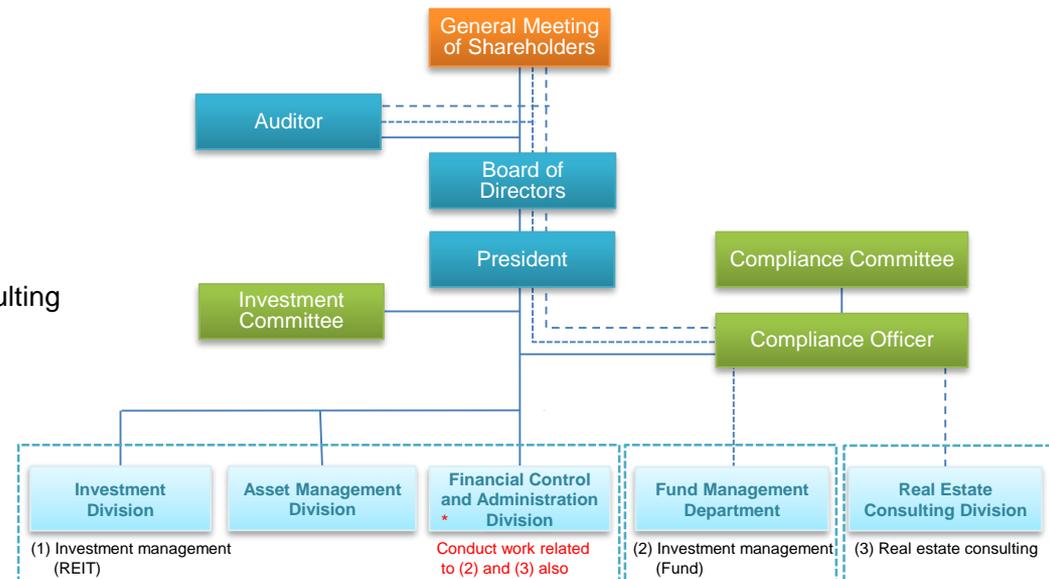


- Established Oct. 31, 2001
- History
 - Dec. 22, 2001 Obtained building lots and buildings transaction business license (Tokyo Governor (4) No.80325)
 - Nov. 11, 2004 Obtained discretionary transaction agent and other approval under the Building Lots and Buildings Transaction Business Act (Minister 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



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