

Translation

This is an English language translation of the original Japanese announcement on our Website released on February 25, 2015. However, no assurance or warranties are given with respect to the accuracy or completeness of this English language translation. The Japanese original shall prevail in the case of any discrepancies between this translation and the Japanese original.

**Summary of Financial Results (REIT) for the Fiscal Period Ended
December 31, 2014**

February 25, 2015

Name of Issuer:	Invincible Investment Corporation	Stock Exchange Listing: Tokyo Stock Exchange
Securities Code:	8963	URL http://www.invincible-inv.co.jp/
Representative:	Naoki Fukuda, Executive Director	
Name of Asset Manager:	Consonant Investment Management Co., Ltd.	
Representative:	Naoki Fukuda, President & CEO	
Contact:	Akiko Watanabe, Manager, Planning Department	TEL. +81-3-5411-2747
Scheduled Date of Filing of Securities Report:	March 27, 2015	Scheduled Date of Commencement for Distribution Payments: March 27, 2015
Supplementary Materials for Financial Results:	Yes	
Presentation Meeting:	Yes (for analysts and investors)	

(values are rounded down to the nearest million yen)

1. Financial Results for the Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)

(1) Operating Results

(Percentages indicate percentage change from the preceding period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended December 31, 2014	4,610	22.1	2,769	24.0	1,958	117.0	1,958	117.1
Fiscal period ended June 30, 2014	3,775	37.8	2,234	76.5	902	155.4	901	155.6

	Net Income per Unit	Net Income/ Unitholders' Equity	Ordinary Income/ Total Assets	Ordinary Income/ Operating Revenues
	yen	%	%	%
Fiscal period ended December 31, 2014	762	4.0	1.9	42.5
Fiscal period ended June 30, 2014	573	2.5	1.1	23.9

(Note) "Net Income per Unit" is calculated based on the average number of investment units during the period and is rounded to the nearest yen. Net income per unit calculated based on the number of investment units issued and outstanding at the end of the fiscal period ended December 31, 2014 and rounded down to yen. is JPY 733.

(2) Distributions

	Distribution per Unit (Excluding excess profit distribution per unit)	Distribution Amount (Excluding excess profit distribution per unit)	Excess Profit Distribution per Unit	Excess Profit Distribution Amount	Dividend Payout Ratio	Distribution/Net Assets
	yen	Millions of yen	yen	Millions of yen	%	%
Fiscal period ended December 31, 2014	733	1,956	0	0	99.9	3.2
Fiscal period ended June 30, 2014	573	901	0	0	100.0	2.5

(Note) Dividend payout ratio is calculated by dividing "Distribution Amount" by "Net Income".

(3) Financial Position

	Total Assets	Net Assets	Net Assets/Total Assets	Net Assets per Unit
	Millions of yen	Millions of yen	%	yen
Fiscal period ended December 31, 2014	130,477	61,392	47.1	23,005
Fiscal period ended June 30, 2014	79,261	36,373	45.9	23,121

(Note) "Net Assets per Unit" is calculated based on the number of investment units issued and outstanding at the end of each period, and is rounded to the nearest yen.

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investment Activities	Cash Flows from Financing Activities	Closing Balance of Cash and Cash Equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended December 31, 2014	1,209	(40,119)	48,551	13,165
Fiscal period ended June 30, 2014	6,622	(5,802)	(1,482)	3,524

2. Forecast for the Fiscal Period ending June 30, 2015 (from January 1, 2015 to June 30, 2015) and the Fiscal Period ending December 31, 2015 (from July 1, 2015 to December 31, 2015)

(Percentages in brackets represent change from preceding period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distribution per Unit (excluding excess profit distribution per unit)	Excess Profit Distribution per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen	yen
Fiscal Period ending June 30, 2015	4,631	0.4	2,439	(11.9)	1,903	(2.8)	1,902	(2.8)	712	0
Fiscal Period ending December 31, 2015	5,034	8.7	2,812	15.3	2,294	20.6	2,293	20.6	859	0

(Reference) Estimated net income per unit for the fiscal period ending June 30, 2015 is JPY 712 and Estimated net income per unit for the fiscal period ending December 31, 2015 is JPY 859.

3. Others

(1) Changes in Accounting Policies, Accounting Estimates or Restatements

- (a) Changes in Accounting Policies due to Revisions to Accounting Standards and Other Regulations None
- (b) Changes in Accounting Policies due to Other Reasons None
- (c) Changes in Accounting Estimates None
- (d) Restatements None

(2) Number of Investment Units Issued and Outstanding

- (a) Number of Units Issued and Outstanding as of the End of the Fiscal Period (Including Treasury Units)

	December 31, 2014	2,668,686	June 30, 2014	1,573,179
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- (b) Number of Treasury Units as of the End of Fiscal Period

	December 31, 2014	0	June 30, 2014	0
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The Implementation Status of Statutory Audit

At the time of this financial report, the audit procedures for the financial statements pursuant to the Financial Instruments and Exchange Act are yet to be completed.

Explanation on the Appropriate Use of the Forecast of Results and Other Matters of Special Consideration

(Explanation on the Appropriate Use of the Forecast of Results)

The forward-looking statements in this financial report are based on the information currently available to us and certain assumptions which we believe are reasonable. Actual operating performance may differ significantly due to factors we cannot predict as of this date, including gains or losses from the disposition of properties, repayment of borrowings, decreases in rents and changes in operating conditions. Further, there is no guarantee of the payment of the forecast distribution amount.

Please refer to “Assumptions for the Forecasts for the Fiscal Period ending June 30, 2015 (from January 1, 2015 to June 30, 2015) and the Fiscal Period ending December 31, 2015 (from July 1, 2015 to December 31, 2015)”, on page 14 for assumptions used in the forecasts and precautions regarding the use of such forecasts.

1. Related Companies of the Investment Corporation

Disclosure is omitted because there have been no material changes in the “Structure of the Investment Corporation” section of the latest securities report (filed on September 26, 2014).

2. Management Policy and Operating Conditions

(1) Management Policy

Disclosure of “Investment Policies” and the “Investment Targets” is omitted because there have been no material changes from the relevant sections of the latest securities report (filed on September 26, 2014)

Further, INV decided to partially amend its Articles of Incorporation at the general unitholders’ meeting held on November 28, 2014 and changed its “Distribution Policy”. In accordance with this, Consonant Investment Management Co., Ltd., the asset manager to which INV entrusts the management of its assets (the “Asset Manager”), decided to partially change the Distribution Policy in its Investment Guidelines.

(2) Operating Conditions

a Overview of the Reporting Period

(a) Main Trends in the Investment Corporation

INV was established in January 2002 in accordance with the Investment Trust and Investment Corporation Act (Act No. 198 of 1951, as amended; hereinafter referred to as the “Investment Trust Act”). In May 2004, INV was listed on the Osaka Securities Exchange (application for delisting was made in August 2007), and in August 2006 was listed on the Real Estate Investment and Trust Securities Section of the Tokyo Stock Exchange (Ticker Code: 8963).

In addition, a merger with LCP Investment Corporation (“LCP”) was implemented on February 1, 2010.

Ever since the commencement of sponsorship from Calliope Godo Kaisha (“Calliope”), an affiliate of Fortress Investment Group LLC (“FIG” and together with Calliope and other affiliates of FIG, the “Fortress Group”) in July 2011, INV has been focused on the improvement of its properties’ occupancy rates, the reduction of expenditures and strengthening its asset management capabilities. Furthermore, in September 2012, INV newly acquired 24 residential properties without issuing new equity thereby improving earnings and distributions per unit through external growth.

Moreover, in December 2013, INV refinanced existing bank borrowings with new borrowings arranged by Sumitomo Mitsui Banking Corporation (“SMBC”) and The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”) together with funds raised via third-party allotment mainly to the Fortress Group. This marked the first lending to INV from Japanese mega-banks since the new sponsorship and strengthened its lender formation, established a strong financial base for future growth and significantly reduced interest expenses.

In May 2014 (during the fiscal period ended June 30, 2014 (previous fiscal period)) and in July 2014 (during the fiscal period ended December 31, 2014 (reporting period)), INV implemented the following series of transactions (the “Transactions”) to reposition the portfolio in order to focus on an asset class with expanding market share in the hospitality market that complements the existing portfolio characterized by stable earnings.

<Outline of the Transactions>

Date	Overview	
May 2014	Acquisition and sale of properties	Acquisition of 2 limited service hotels and sale of 7 senior housing properties via new lending.
June 2014	Revision of the Investment Guidelines	Added hotel assets to 'core asset' type.
July 2014	Asset acquisition funded by Global Public Offering of new units	Acquisition of 18 limited service hotels by the funds procured through the global offering and new loan.

Due to the asset expansion and the strong performance of the relevant 20 hotels, net income per unit increased substantially leading to an annual DPU for the period ended December 2014 of JPY 1,306, which increased from JPY 1,150 previously forecast on June 23, 2014. The total market value as of January 30, 2015 reached JPY 140,372 million, helping INV achieve its mid-term market capitalization target of JPY 100 billion (announced in February 2014) in less than a year.

As demonstrated by the strong income growth from its existing 20 hotel portfolio and market trends, INV acquired additional hotel properties taking into consideration the revenue potential of the properties. On February 6, 2015, INV acquired one hotel from a third-party and two from the Sponsor's pipeline MOU. The asset acquisition was completed using cash-on-hand and new loans, without issuing new equity(Note). As a result of the February 2015 acquisition, INV expects the annual net income per unit and DPU for 2015 to increase to JPY 1,571 compared to the previous forecast of JPY 1,422 announced on October 31, 2014.

INV continues to pro-actively manage the portfolio by acquiring assets that produce stable income and provide upside potential, while reducing costs such as interest-bearing debt expenses. The series of deliberate steps were implemented since the Sponsorship of the Fortress Group in order to increase unitholders' value.

(Note) Please refer to "c Significant subsequent events" below regarding the acquisition of the 3 hotels on February 6, 2015.

(b) Operational Environment and Performance

During the reporting period, although consumer spending slowed due to the consumption tax increase in April 2014, the Japanese economy showed continuous improvement on the back of strong corporate performance centered on large manufacturers. In December 2014, the unemployment rate dropped to 3.4% and the jobs-to-applicants ratio increased to 1.15 (the highest ratio in over 22 years and 9 months). In and after the fiscal period ending June 30, 2015, the economic upswing is expected to continue due to (i) the postponement of an additional increase in the consumption tax, (ii) the recovery in consumer spending on the back of the improved employment and salary environment, (iii) the impact of government's financial policy and the Bank of Japan's large scale monetary easing policy and (iv) the increase in corporate profits in connection with the decline in the price of crude oil.

Regarding the real estate investment market, real estate transaction prices continued to rise in Tokyo and other large cities as a result of Japan's economic recovery and expectations of deflation. According to the *Japanese Real Estate Investor Survey* (October 2014) conducted by the Japan Real Estate Institute, investors expect capitalization rates for offices, residences, retail facilities and hotels to decline. Investment demand is still high such that investors who

responded that they will make new investments over the next year rose by 2 points to 94% from the previous survey (April 2014).

Regarding the property rental market, the Tokyo office building vacancy rates continue to decline while rates are bottoming out in parts of other major cities. Large corporations are consolidating their floor space as well as expanding leasing space in the same buildings. Rents increased mainly for newly constructed buildings and premium properties.

With respect to the residential sector, market rent trends for small-type city-center properties are improving and the Asset Manager increased the rent from the previous fiscal period after a careful unit-by-unit analysis of the residential assets. As a result, INV realized a rent increase for 62.3% (versus 53.3% in the previous period) of the new residential lease agreements or a total rent increase of 2.1% compared to the previous rent (versus a 1.8% increase in the previous period). As part of the rent increase program, INV achieved a rent increase for 51.9% of contract renewals (versus 24.9% in the previous period); and a 1.8% increase compared to the previous rent (versus a 0.8% increase in the previous period). Net leasing costs (advertising expenses + free rent – key money), were reduced to an average of 1.18 months per new lease agreement, or a reduction of 0.33 months year-on-year, and a 0.02 month reduction compared to the budget.

The hotel sector has consistently performed well in large part due to the Japanese government's proactive stance to promote tourism initiatives such as airport capacity expansion, the entry of LCC's into the Japanese market, and the relaxation of visa requirements for some Asian countries. The number of international visitors to Japan from China and Southeast Asian countries such as Indonesia, the Philippines and Vietnam has increased significantly, helping Japan log a record high 13.4 million visitors in 2014, providing firm demand for accommodations. In addition to the above-mentioned favorable external factors and intensive revenue management actions from the hotel operators, INV's 20 hotel properties recorded strong performance led by an increase in sales to overseas guests whose share of total sales increased by 18.2 points, a 2.3 point increase in the occupancy rate (Note 2), a 14.9% increase in ADR (Note 3), and a 17.9% increase in RevPAR (Note 4), compared with the same period in the previous year.

As a result, INV's average occupancy rate across the entire portfolio increased to 96.1%, and NOI increased by 91.3% over the previous fiscal period to JPY 3,861 million.

At the end of the reporting period, the number of properties held by INV totaled 91, including 63 residential properties, 20 hotels, 7 office buildings and retail facilities as well as one parking lot at a total acquisition price of JPY 117,917 million and total leasable area of 224,574.36 m².

As a result of the above trends in real estate investment and the rental market, as well as the strong performance of the hotel properties, the total appraisal value was JPY 126,558 million, an increase of JPY 8,948 million (+7.6%) (Note 5). In particular, the appraisal value of the 20 hotel properties recorded a substantial increase of JPY 6,927 million (+15.1%) (Note 5) helping to enhance the portfolio asset value.

(Note 1) The performance of the same period in the previous year (from July 2013 to December 2013) is based on data provided by the seller of the 20 hotels before INV acquired the 20 hotels. Likewise, the performance of the period from July 1, 2014 to July 16, 2014 of the 18 hotels INV acquired on July 17, 2014 is based on data provided by the seller of those hotels.

(Note2) "Occupancy rates" are calculated in accordance with the following formula:

Occupancy rates = total number of occupied rooms during a certain period / (the total number of rooms available during the same period x total operating days during the same period)

(Note 3) “ADR” means average daily rate, and is calculated by dividing total room sales (except for service fee) for a certain period by the aggregate number of days per room for which each room was occupied during the same period.

(Note 4) “RevPar” means revenue per available room per day, and is calculated by dividing total room sales for a certain period by total number of rooms available (number of rooms x number of days) during the same period, and is the same as the figure obtained by multiplying occupancy rates by ADR.

(Note 5) For the 18 out of the 20 hotels, which were acquired as of July 17, 2014, the comparison was made with the appraisal value as of April 30, 2014. For the other two properties, the comparison was made with the value as of the previous fiscal period.

(c) Overview of Fund Raising

INV raised JPY 23,961 million through a Global Public Offering and third-party allotment in order to procure funds for the acquisition of 18 hotels (Global public offering, 1,040,000 new units in July 2014, paid-in JPY 22,747 million; third-party allotment, 55,507 new units in August 2014, paid-in JPY 1,214 million). INV simultaneously obtained New Syndicate Loan (C) in the amount of JPY 57,300 million in order to refinance the existing borrowings New Syndicate Loan (A) and New Syndicate Loan (B) through a syndicate arranged by SMBC, BTMU, and Mizuho Bank on July 17, 2014, which lowered interest-bearing debt costs to 1.09% (as of July 31, 2014) from 1.48% (as of June 30, 2014).

As a result of the above measures, the outstanding balance of interest-bearing debt for INV was JPY 67,260 million, and the Loan-to-Value ratio was 51.5 % (Note) as of the end of December 2014.

(Note) The calculation for the Loan-to-Value ratio uses the calculation formula below:

$$\text{Loan-to-Value ratio} = \text{amount of interest-bearing debt} \div \text{total amount of assets at end of period} \times 100$$

(d) Overview of Results of Operations and Distributions

Operating revenues for the reporting period increased by JPY 835 million from the previous period (+22.1%) to JPY 4,610 million, and net income for the reporting period increased by JPY 1,057 million from the previous period (+117.3%) to JPY 1,958 million.

Distribution per unit for the period ending December 2014 was JPY 733, an increase of JPY 133 (+22.2%) above the original forecast of JPY 600 as announced in the Summary of Financial Results on August 27, 2014. INV will distribute the entire amount of net income (excluding fractions less than one JPY per unit), without a reversal of the surplus utilizing negative goodwill from the Merger in February 2010.

b Outlook for the Fiscal Period Ending June 30, 2015

(a) Future operational policy and issues to be addressed

(i) External growth strategy

New Property Acquisitions

INV believes the strengthening of the financial base through reduction of borrowing costs, a significant improvement in the debt service coverage ratio, and further strengthening of the lender formation enhances both debt and equity fund raising capacity, thus greatly improving the external growth capability.

Although the acquisition of properties in the housing and the hotel sectors, which comprise INV’s core assets, is

highly competitive, Fortress Group, INV’s sponsor, has established a strong track record of large-scale real estate investments in Japan providing a substantial pipeline of assets for INV. INV entered into a memorandum of understanding on June 23, 2014, giving INV preferential negotiating rights (Note 2) in respect to the acquisition of 22 limited service hotels (as described below) out of the pipeline assets held by the Fortress Group, in order to ensure further future growth.

By utilizing such pipeline support from the sponsor and the property sale information from the Asset Manager’s independent network, INV plans to continue acquiring properties that contribute to stable profit and cash flow growth leading to an increase in the distribution per unit.

As described in “c Significant subsequent events” below, on February 6, 2015, INV acquired 3 hotels, of which 2 hotels, “Hotel Nets Hakodate” and “Flexstay Inn Shirogane” were properties listed in the memorandum of understanding.

Property Name	Location	Number of Guest Rooms
Hotel Mystays Akasaka (Note 1)	2-17-54 Akasaka, Minato-ku, Tokyo	319
Hotel Mystays Kameido P1	6-32-1 Kameido, Koto-ku, Tokyo	265
Hotel Mystays Kanazawa	2-13-5 Hirooka, Kanazawa, Ishikawa	244
Hotel Mystays Kameido P2	6-7-8 Kameido, Koto-ku, Tokyo	175
Hotel Mystays Haneda	5-1-13 Haneda, Ota-ku, Tokyo	174
Hotel Mystays Yokohama Kannai (tentative name) (Note 1)	5-65 Onoecho, Naka-ku, Yokohama, Kanagawa	166
Hotel Mystays Utsunomiya	2-4-1 Higashishukugo, Utsunomiya, Tochigi	116
Hotel Mystays Ueno Iriyaguchi	5-5-13 Higashiueno, Taito-ku, Tokyo	97
Flexstay Inn Ekoda	8-6 Sakaecho, Nerima-ku, Tokyo	210
Flexstay Inn Higashi-Jujoh	8-6 Sakaecho, Nerima-ku, Tokyo	88
<u>Flexstay Inn Shirogane</u>	<u>5-10-15 Shirogane, Minato-ku, Tokyo</u>	<u>84</u>
Flexstay Inn Kawasakikaizuka	1-13-2 Kaizuka, Kawasaki-ku, Kawasaki, Kanagawa	64
Flexstay Inn Kawasakigowacho	15-9 Ogawacho, Kawasaki-ku, Kawasaki, Kanagawa	62
Flexstay Inn Shinsaibashi	1-9-30 Nishishinsaibashi, Chuo-ku, Osaka, Osaka	54
Toko Hotel	2-6-8 Nishigotanda, Shinagawa-ku, Tokyo	338
Best Western Hotel Fino Sapporo	4-15 Kita8jo-Nishi, Kita-ku, Sapporo, Hokkaido	242
<u>Hotel Nets Hakodate</u>	<u>26-17 Honcho, Hakodate, Hokkaido</u>	<u>202</u>
Takamatsu Tokyu Inn	9-9 Hyogomachi, Takamatsu, Kagawa	191
Hotel Vista Shimizu	1-23 Masagocho, Shimizu-ku, Shizuoka, Shizuoka	152
Comfort Hotel Toyama Ekimae	1-3-2 Takaramachi, Toyama, Toyama	150
Best Western Hotel Fino Oita	1-32 Niagemachi, Oita, Oita	145
Super Hotel Shinbashi Karasumoriguchi	5-16-4 Shinbashi, Minato-ku, Tokyo	74
Total		3,612
(2 hotels acquired out of the properties listed above.)		(286)
20 properties left after the acquisition of 2 properties		3,326

(Note 1) “Hotel Mystays Akasaka” is under reconstruction, and “Hotel Mystays Yokohama Kannai (tentative name) is under construction.

(Note 2) INV has preferential negotiating rights for one year after the execution date of the memorandum of understanding (June 23, 2014) with sponsor related entities. For the 20 properties other than 2 properties already acquired, there are no specific plans to acquire, and INV cannot guarantee that INV will acquire any

of these properties

Property Sales

While INV places priority on increasing unitholders' value through external growth, taking into account the increased level of activity in the real estate trading market, it also plans to consider the possibility of property sale taking into consideration the portfolio sector composition, geographic distribution and competitiveness of each property, as appropriate.

(ii) Strategy for internal growth

INV will continue to strengthen its collaborative ties with Property Management (PM) companies and brokers to further boost occupancy rates and earning capabilities of its properties.

With respect to INV's residential properties, INV will focus on increasing rent for new lease contracts as well as for lease renewals while reducing net leasing costs for new lease contracts in conjunction with the peak residential leasing season that occurs during the June 2015 period in order to maximize profits.

With respect to the hotel properties, INV intends to increase rent revenue through detailed analysis and understanding of each hotel based on market trends and close communication with the hotel operators, and by continuous strategic initiatives to further enhance revenue management. The implementation of appropriate maintenance and repair plans is of the utmost importance in maintaining and enhancing the competitiveness and market value of the properties as well as ensuring stable operations and high tenant satisfaction. Therefore, INV will continue to monitor current strategic plans with flexible implementation as it sees fit.

(iii) Financial strategy

Following the strengthening of the financial base via the refinancing implemented during the reporting period and the new borrowing implemented in February 2015, INV will promote a financial strategy which envisages to switch to unsecured borrowings in the future, to obtain a credit rating and to issue investment corporate bonds. Also, INV seeks to strengthen its earnings base by way of lengthening and diversification of borrowing terms, further reduction of borrowing costs, adjustment of appropriate fixed/variable interest rate ratio taking into consideration the interest rate trends, strengthening of its lender formation and improving fund raising capacity, in order to maximize unitholders' value and increase distributions per unit.

(iv) Compliance risk management

While the executive officer of INV concurrently serves as the representative director at the Asset Manager, two supervisory directors (an attorney and a certified public account) oversee the execution of the executive officer's duties via the Board of Directors of INV. In addition, the compliance officer of the Asset Manager attends each meeting of the Board of Directors in the capacity of an observer.

The Asset Manager has a compliance officer who is responsible for compliance with laws, regulations and other relevant matters as well as overall management of transactions with sponsor related parties. Moreover, it has in place a compliance committee which, chaired by such compliance officer, is in charge of deliberating on compliance with laws, regulations and other relevant matters as well as transactions with sponsor related parties. Compliance committee meetings are attended by an outside expert (an attorney) who, sitting in as a compliance committee member, conducts rigorous deliberations on the existence of conflicts of interest in transactions with sponsor related parties as well as strict examinations with respect to INV's compliance with laws and regulations.

INV intends to continually take steps to strengthen its compliance structure.

c Significant subsequent events

INV acquired 3 high-quality limited service hotels (total acquisition price JPY 13,261 million) with stable revenue and growth potential, using its surplus of cash-on-hand and a new loan (JPY 6,241 million) without issuing new investment units in the fiscal period ending June 30, 2015 (24th fiscal period).

As a result, the total number of properties held by INV after the acquisition increased to 94 properties (of which 63 residential properties, 23 hotels properties and 8 other properties) with a total acquisition price of JPY 131,188 million (of which, JPY 58,083 million for residential properties, JPY 58,634 million for hotel properties and JPY 14,470 million for other properties).

(a) Acquisition of Assets

INV acquired the 3 limited service hotels (trust Beneficial Interests in Domestic Real Estates) (total acquisition price of JPY 13,261 million) on February 6, 2015 as follows.

Use	Property Number	Property Name	Location	Acquisition Price (JPY million) (Note 1)	Appraisal Value at Acquisition (JPY million) (Note 2)	Seller	Category of Specified Assets
Hotel	D21	APA Hotel Yokohama Kannai	Yokohama, Kanagawa	8,350	8,500	AYK Tokutei Mokuteki Kaisha	Trust Beneficial Interest
	D22	Hotel Nets Hakodate	Hakodate City, Hokkaido	2,792	2,820	Zephyrus Tokutei Mokuteki Kaisha	Trust Beneficial Interest
	D23	Flexstay Inn Shirogane	Minato-ku, Tokyo	2,119	2,140	Nishi Tokutei Mokuteki Kaisha	Trust Beneficial Interest
Total				13,261	13,460		

(Note 1) Acquisition prices do not include adjustments for property taxes or city planning taxes, or national or local consumption taxes.

(Note 2) Appraisal value at Acquisition is the appraisal value as of December 1, 2014 based on the appraisal report from Japan Real Estate Institute.

(b) Financing

INV obtained new debt financing (hereinafter the “Financing”) in order to procure funds for the acquisition of 3 hotel properties (trust beneficiary interests in domestic real estate), which were acquired on February 6, 2015 as follows.

Lender	Borrowing Date	Borrowing Amount	Interest Rate (annual)	Principal Maturity Date	Borrowing Method
Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mizuho Bank, Ltd. Citibank Japan Ltd. Shinsei Bank, Limited Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited	February 6, 2015	JPY 6,241 million	0.93000% Variable interest rate (Note 1)	February 6, 2018	Secured (Note 2) / with no guarantee

(Note 1) Interest rate applicable for the period from February 6, 2015 to February 26, 2015.
One-month JPY TIBOR + spread (0.8%); however, two-month JPY TIBOR + spread (0.8%) for the first interest calculation period only

(Note 2) First priority pledges over the real estate trust beneficiary interests for 3 properties: APA Hotel Yokohama-Kannai, Hotel Nets Hakodate, Flexstay Inn Shirogane, and 65 properties: Nisshin Palacestage Daitabashi, Nisshin Palacestage Higashi-Nagasaki, Growth Maison Gotanda, Growth Maison Kameido, Emerald House, Harmonie Ochanomizu, Suncrest Shakujii Koen, Growth Maison Shin-Yokohama, Belle Face Ueno Okachimachi, Grand Rire Kameido, Growth Maison Ikebukuro, Growth Maison Yoga, Route Tachikawa, Shibuya Honmachi Mansion, City Heights Kinuta, Acseeds Tower Kawaguchi Namiki, Capital Heights Kagurazaka, College Square Machida, Belair Meguro, Wacore Tsunashima I, Foros Nakamurabashi, Growth Maison Kaijin, College Square Machiya, City House Tokyo Shinbashi, Winbell Kagurazaka, Nishiwaseda Crescent Mansion, Lexington Square Akebonobashi, Casa Eremitaggio, Towa City Coop Shinotsuka II, Bichsel Musashiseki, Lexel Mansion Ueno Matsugaya, Towa City Coop Sengencho, Royal Park Omachi, Lexington Square Haginomachi, Visconti Kakuozan, Lexington Square Daitabashi, Lexington Square Honjo Azumabashi, AMS TOWER Minami 6-Jo, Spacia Ebisu, Kindai Kagakusha Building, Lexington Plaza Nishigotanda, Cross Square NAKANO, Ohki Aoba Building, Lexington Plaza Hachiman, AEON TOWN Sukagawa, Hotel MyStays Kanda, Hotel MyStays Asakusa, Hotel MyStays Kyoto-Shijo, MyStays Shin Urayasu Conference Center, Hotel MyStays Maihama, Hotel Vista Premio Dojima, Hotel MyStays Nagoya-Sakae, Hotel MyStays Sakaisuji-Honmachi, Hotel MyStays Yokohama, Hotel MyStays Nippori, Hotel MyStays Fukuoka-Tenjin-Minami, Flexstay Inn Iidabashi, Hotel MyStays Ueno Inaricho, Flexstay Inn Shinagawa, Flexstay Inn Tokiwadai, Flexstay Inn Sugamo, Hotel MyStays Otemae, Flexstay Inn Kiyosumi Shirakawa, Flexstay Inn Nakanobu P1 and Flexstay Inn Nakanobu P2. First priority mortgages over 2 real estate properties: Shinjuku Island and Times Kanda-Sudacho 4th.

d Operational Outlook

The following forecast is made for the fiscal period ending June 30, 2015 and the fiscal period ending December 31, 2015.

The Fiscal Period ending June 30, 2015(from January 1, 2015 to June 30, 2015)

Operating Revenues	JPY 4,631 million
Operating Income	JPY 2,439 million
Ordinary Income	JPY 1,903 million
Net Income	JPY 1,902 million
Earnings per Unit	JPY 712
Reversal of Surplus per Unit	JPY 0
Distribution per Unit (Excluding excess profit distribution per unit)	JPY 712
Excess Profit Distribution per Unit	JPY 0

INV plans to distribute all of the net income except for a fractional portion in which Distribution Per Unit is less than JPY 1, using the proceeds from net income for the fiscal period ending June 30, 2015.

The fiscal period ending December 31, 2015 (from July 1, 2015 to December 31, 2015)

Operating Revenues	JPY 5,034 million
Operating Income	JPY 2,812 million
Ordinary Income	JPY 2,294 million
Net Income	JPY 2,293 million
Earnings per Unit	JPY 859
Reversal of Surplus per Unit	JPY 0
Distribution per Unit (Excluding excess profit distribution per unit)	JPY 859
Excess Profit Distribution per Unit	JPY 0

INV plans to distribute all of the net income except for a fractional portion in which Distribution per Unit is less than JPY 1, using the proceeds from net income for the fiscal period ending December 31, 2015.

INV presents full year figures for financial results and distribution for information purpose only because rental revenues of hotel properties tend to fluctuate by season.

(Reference) 2015 Annual (total of the fiscal periods ending June 30, 2015 and December 31, 2015)

Operating Revenues	JPY 9,665 million
Operating Income	JPY 5,251 million
Ordinary Income	JPY 4,197 million
Net Income	JPY 4,196 million
Earnings per Unit	JPY 1,571
Reversal of Surplus per Unit	JPY 0
Distribution per Unit (Excluding excess profit distribution per unit)	JPY 1,571

For the assumptions underlying the operational outlook for the fiscal periods ending June 30, 2015 and ending December 31, 2015, please see “Assumptions for the Forecasts for the Fiscal Periods ending June 30, 2015 (from January 1, 2015 to June 30, 2015) and for the Fiscal Period ending December 31, 2015 (from July 1, 2015 to December 31, 2015)”.

(Cautionary Note regarding Forward Looking Statements)

Forward looking statements such as the forecasts set forth herein are based on information currently available and certain assumptions that are deemed reasonable. Actual operating performance may vary significantly due to factors not foreseen at the time of this present notice, such as the occurrence of gains and losses associated with the sale of properties, repayment of borrowings and a decrease in rent received. Also, this forecast is not a guarantee of distribution amounts.

Assumptions for the Forecasts for the Fiscal Period ending June 30, 2015 (from January 1, 2015 to June 30, 2015) and the Fiscal Period ending December 31, 2015 (from July 1, 2015 to December 31, 2015)

Item	Assumptions	
Fiscal Period	Fiscal Period ending June 30, 2015: From January 1, 2015 to June 30, 2015 (181 days) Fiscal Period ending December 31, 2015: From July 1, 2015 to December 31, 2015 (184 days)	
Assets under Management	Number of properties held by INV as of the end of the fiscal period ending June 30, 2015: 94 properties Number of properties held by INV as of the end of the fiscal period ending December 31, 2015: 94 properties The assets under management are based on the 94 properties held by INV as of today. Also, INV assumes there will be no new acquisitions or disposals of existing properties thereafter through to the end of the fiscal period ending December 31, 2015.	
Units Outstanding	Number of units issued and outstanding as of the end of the fiscal period ending June 30, 2015: 2,668,686 units Number of units issued and outstanding as of the end of the fiscal period ending December 31, 2015: 2,668,686 units INV assumes there will be no additional issuance of investment units thereafter through to the end of the fiscal period ending December 31, 2015.	
Interest-bearing Liabilities	Balance of borrowing at the end of the fiscal period ending June 30, 2015: JPY 72,301 million Balance of borrowings as of the end of the fiscal period ending December 31, 2015: JPY 71,961 million INV assumes that: JPY 1,200 million of the existing borrowing, New Syndicate Loan (C), will be repaid as the borrowing corresponding to the return of consumption tax in the fiscal period ending June 2015; JPY 321 million of the new loan, New Syndicate Loan (D), will be repaid as the borrowing corresponds to the return of consumption tax in the fiscal period ending December 2015; and JPY 18 million of the Prudential LPS Loan B will be repaid in accordance with the contract.	
Operating Revenues	INV assumes the following rental revenues regarding the operating revenues for each of the applicable fiscal periods.	
	Fiscal Period ending June 30, 2015	Fiscal Period ending December 31, 2015
	Rental revenues	JPY 4,631 million
	(of these, hotel revenues)	JPY 5,034 million
	(of these, fixed rent master lease)	(JPY 2,410 million)
	(of these, variable rent lease)	(JPY 942 million)
		(JPY 1,067 million)
		(JPY 1,050 million)
		(JPY 1,342 million)
	* Rental revenues are calculated based on historical data thus obtained and taking into account tenant trends, property competitiveness, the market environment and other factors. In	

Item	Assumptions		
	addition, INV assumes there will be no delinquencies or non-payment of rent by tenants.		
Operating Expenses	INV assumes it will incur the property-related expenses regarding the operating expenses for each of the applicable fiscal periods.		
		Fiscal Period ending June 30, 2015	Fiscal Period ending December 31, 2015
	<ul style="list-style-type: none"> • Facility management fees (of these, repair costs) • Taxes and other public charges • Insurance expenses • Other expenses • Depreciation expenses Total of property related expenses	JPY 492 million (JPY 40 million) JPY 204 million JPY 7 million JPY 164 million JPY 1,005 million JPY 1,874 million	JPY 479 million (JPY 40 million) JPY 255 million JPY 7 million JPY 141 million JPY 1,025 million JPY 1,909 million
	For those other than these property-related expenses regarding the operating expenses, INV assumes it will incur the following amounts for each of the applicable fiscal periods.		
	<ul style="list-style-type: none"> • Amount other than property related expenses (of these, asset management fees) 	Fiscal Period ending June 30, 2015 JPY 317 million (JPY 180 million)	Fiscal Period ending December 31, 2015 JPY 312 million (JPY 180 million)
NOI	<ul style="list-style-type: none"> • NOI (of these, hotel NOI) 	Fiscal Period ending June 30, 2015 JPY 3,762 million (JPY 1,907 million)	Fiscal Period ending December 31, 2015 JPY 4,150 million (JPY 2,277 million)
Non-operating Expenses	INV assumes it will incur the following non-operating expenses for each of the applicable fiscal periods.		
		Fiscal Period ending June 30, 2015	Fiscal Period ending December 31, 2015
	<ul style="list-style-type: none"> • Interest expenses • Finance related costs • Other non-operating expenses Total of non-operating expenses	JPY 392 million JPY 144 million JPY - JPY 536 million	JPY 398 million JPY 118 million JPY - JPY 517 million
Distribution per Unit	The distribution per unit is calculated in accordance with the cash distribution policy set forth in INV's articles of incorporation.		
Excess Profit Distribution per Unit	INV currently does not expect to make distributions in excess of profits (excess profit distribution per unit).		
Others	INV assumes there will be no amendments to laws and ordinances, the taxation system, accounting standards and other regulations that will affect the foregoing forecasts. In addition, INV assumes there will be no unforeseen material changes in the market environment, including general economic trends and real estate market conditions.		

3. Financial Statements

(1) Balance Sheets

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2014 (as of June 30, 2014)	Fiscal Period ended December 31, 2014 (as of December 31, 2014)
Assets		
Current assets		
Cash and deposits	※1 759,058	※1 9,153,872
Cash and deposits in trust	※1 2,765,504	※1 4,011,521
Accrued revenue	2,574	82
Accounts receivables	71,193	644,552
Prepaid expenses	120,941	233,324
Consumption tax receivable	-	1,319,253
Advance payment	17,138	-
Others	0	0
Allowance for doubtful accounts	(1,391)	(1,968)
Total current assets	3,735,018	15,360,637
Non-current assets		
Property, plant and equipment		
Buildings	※1 85,914	※1 85,914
Accumulated depreciation	(7,783)	(8,324)
Buildings, net	78,131	77,589
Equipment	※1 38,862	※1 38,862
Accumulated depreciation	(17,352)	(18,548)
Equipment, net	21,510	20,314
Building improvements	※1 2,779	※1 2,779
Accumulated depreciation	(1,138)	(1,204)
Building improvements, net	1,640	1,574
Land	※1 711,834	※1 711,834
Buildings in trust	※1 31,162,188	※1 45,227,883
Accumulated depreciation	(2,623,404)	(3,136,903)
Buildings in trust, net	28,538,783	42,090,979
Equipment in trust	※1 7,151,824	※1 10,400,867
Accumulated depreciation	(1,891,879)	(2,186,062)
Equipment in trust, net	5,259,944	8,214,804
Building improvements in trust	※1 321,317	※1 321,799
Accumulated depreciation	(109,047)	(118,744)
Building improvements in trust, net	212,270	203,054
Tools, furniture and fixtures in trust	※1 177,438	※1 268,476
Accumulated depreciation	(85,898)	(103,974)
Tools, furniture and fixtures in trust, net	91,540	164,502
Land in trust	※1 40,447,565	※1 63,258,940
Total property, plant and equipment	75,363,220	114,743,593
Intangible assets		
Others	106	76
Total intangible assets	106	76
Total investment and other assets		
Guarantee deposits	10,000	10,000
Long-term prepaid expenses	119,338	328,159
Others	34,070	34,765

(Unit: thousands of yen)		
	Fiscal Period ended June 30, 2014 (as of June 30, 2014)	Fiscal Period ended December 31, 2014 (as of December 31, 2014)
Total investments and other assets	163,409	372,924
Total non-current assets	75,526,736	115,116,594
Total assets	79,261,754	130,477,232

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2014 (as of June 30, 2014)	Fiscal Period ended December 31, 2014 (as of December 31, 2014)
Liabilities		
Current liabilities		
Accounts payable	143,439	141,428
Short-term debts	※1 13,488,750	-
Current portion of long-term debts	※1 17,552,100	※1 1,200,000
Current portion of long-term debts in trust	-	※118,167
Accrued liabilities	32,733	22,872
Accrued expenses	121,934	127,170
Accrued income taxes	520	578
Accrued consumption taxes	143,637	-
Advances received	357,522	371,084
Deposits received	32,927	23,896
Total current liabilities	31,873,567	1,905,197
Non-current liabilities		
Long-term debts	-	※156,100,000
Long-term debts in trust	※1 9,960,000	※1 9,941,832
Tenant leasehold and security deposits in trust	1,025,726	1,109,146
Tenant leasehold and security deposits	28,663	28,663
Total non-current liabilities	11,014,390	67,179,642
Total liabilities	42,887,957	69,084,839
Net assets		
Unitholders' equity		
Unitholders' capital	29,134,389	53,096,413
Surplus		
Capital surplus	6,264,432	6,264,432
Unappropriated retained earnings/loss	974,975	2,031,546
Total surplus	7,239,407	8,295,978
Total unitholders' equity	36,373,796	61,392,392
Total net assets	※2 36,373,796	※2 61,392,392
Total liabilities and net assets	79,261,754	130,477,232

(2) Statement of Income

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)
Operating revenues		
Rental revenues	※ ¹ 2,772,419	※ ¹ 4,610,717
Gain on sales of properties	※ ² 1,003,352	-
Total operating revenues	3,775,772	4,610,717
Operating expenses		
Property related expenses	※ ¹ 1,281,791	※ ¹ 1,586,854
Asset management fees	125,000	125,000
Directors' remuneration	4,800	4,800
Asset custodian fees	3,906	3,976
Administrative service fees	18,224	26,672
Provision of allowance for doubtful accounts	-	1,527
Other operating expenses	107,404	91,966
Total operating expenses	1,541,127	1,840,796
Operating income	2,234,644	2,769,920
Non-operating revenues		
Interest revenues	404	537
Reversal of allowance for doubtful accounts	475	-
Miscellaneous income	898	483
Total non-operating revenues	1,777	1,021
Non-operating expenses		
Interest expenses	376,514	365,480
Finance related costs	842,043	294,738
Investment unit issuance expenses	115,438	152,101
Miscellaneous losses	5	14
Total non-operating expenses	1,334,001	812,334
Ordinary income	902,420	1,958,607
Net income before taxes	902,420	1,958,607
Corporate tax, etc.	605	605
Total corporate tax, etc.	605	605
Net income	901,815	1,958,002
Retained earnings at the beginning of the period	73,159	73,543
Unappropriated retained earnings/Loss at the end of the period	974,975	2,031,546

(3) Statement of Unitholders' Equity

Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)

(Unit: thousands of yen)

	Unitholders' Equity					Total Net Assets
	Unitholders' Capital	Surplus			Total Unitholders' Equity	
		Capital Surplus	Unappropriated Retained Earnings/Loss	Total Surplus		
Balance at the beginning of the period	29,134,389	6,264,432	446,003	6,710,435	35,844,824	35,844,824
Change during the period						
Distributions from surplus			(372,843)	(372,843)	(372,843)	(372,843)
Net income			901,815	901,815	901,815	901,815
Total change during the period	-	-	528,972	528,972	528,972	528,972
Balance at the end of the period	29,134,389	6,264,432	974,975	7,239,407	36,373,796	36,373,796

Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)

(Unit: thousands of yen)

	Unitholders' Equity					Total Net Assets
	Unitholders' Capital	Surplus			Total Unitholders' Equity	
		Capital Surplus	Unappropriated Retained Earnings/Loss	Total Surplus		
Balance at the beginning of the period	29,134,389	6,264,432	974,975	7,239,407	36,373,796	36,373,796
Change during the period						
Issuance of new investment units	23,962,024				23,962,024	23,962,024
Distributions from surplus			(901,431)	(901,431)	(901,431)	(901,431)
Net income			1,958,002	1,958,002	1,958,002	1,958,002
Total change during the period	23,962,024	-	1,056,571	1,056,571	25,018,595	25,018,595
Balance at the end of the period	53,096,413	6,264,432	2,031,546	8,295,978	61,392,392	61,392,392

(4) Statement of Cash Distribution

	Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)
I Unappropriated retained earnings	974,975,488 yen	2,031,546,537 yen
II Distribution amount (Distribution per unit)	901,431,567 yen (573 yen)	1,956,146,838 yen (733 yen)
III Retained earnings carried forward	73,543,921 yen	75,399,699 yen
Calculation method of distribution amount	In accordance with the distribution policy set forth in Article 17, Paragraph 1 of the Articles of Incorporation of INV, the distribution amount shall be the amount which does not exceed the amount of profits but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act. However, in the event that any tax losses arise, or if no profits have been recorded for tax purposes due to tax losses carried forward, the distribution amount may be as reasonably determined by INV. Pursuant to this policy, INV determined the distribution amount to be 901,431,567 yen out of the net income of 901,815,748 yen. INV did not distribute any amounts in excess of profit, as set forth in Article 17, Paragraph 4 of the Articles of Incorporation.	In accordance with the distribution policy set forth in Article 17, Paragraph 1 of the Articles of Incorporation of INV, the distribution amount shall be the amount which does not exceed the amount of profits but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act. However, in the event that any tax losses arise, or if no profits have been recorded for tax purposes due to tax losses carried forward, the distribution amount may be as reasonably determined by INV. Pursuant to this policy, INV determined the distribution amount to be 1,956,146,838 yen out of the net income of 1,958,002,616 yen. INV did not distribute any amounts in excess of profit, as set forth in Article 17, Paragraph 4 of the Articles of Incorporation.

(5) Statement of Cash Flows

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)
Cash flows from operating activities		
Net income before taxes	902,420	1,958,607
Depreciation expenses	527,945	837,289
Investment unit issuance expenses	115,438	152,101
Finance related costs	842,043	294,738
Amortization of tenant leasehold and security deposits in trust	(435)	(378)
Interest received	(404)	(537)
Interest paid	376,514	365,480
Increase (decrease) in allowance for doubtful accounts	(1,181)	577
Decrease (increase) in accounts receivable	(60,244)	(573,359)
Decrease (increase) in consumption tax receivable	7,419	(1,319,253)
Increase (decrease) in accrued consumption tax payable	143,637	(143,637)
Increase (decrease) in accounts payable	(87,869)	(673)
Increase (decrease) in accrued liabilities	(1,613)	(10,409)
Increase (decrease) in accrued expenses	18,110	2,933
Increase (decrease) in advances received	(28,364)	13,561
Increase (decrease) in deposits received	10,909	(9,776)
Decrease in property and equipment due to sale	4,367,451	-
Others	(6,762)	5,533
Subtotal	7,125,015	1,572,798
Proceeds of interest	404	537
Payment of interest	(502,533)	(363,177)
Payment of corporate taxes, etc.	(609)	(547)
Cash flows from operating activities	6,622,276	1,209,610
Cash flows from investing activities		
Payment for acquisition of tangible assets in trust	(5,618,018)	(40,203,087)
Repayment of tenant leasehold and security deposits	(154,916)	-
Repayment of tenant leasehold and security deposits in trust	(93,087)	(47,787)
Proceeds of tenant leasehold and security deposits in trust	81,527	131,585
Others	(17,833)	(694)
Cash flows from investing activities	(5,802,328)	(40,119,985)
Cash flows from financing activities		
Proceeds from short-term debt	13,500,000	-
Repayment of short-term debt	(11,250)	(13,488,750)
Proceeds from long-term debt	-	57,300,000
Repayment of long-term debt	(2,797,899)	(17,552,100)
Repayment of long-term debt in trust	(11,000,000)	-
Finance related costs	(732,126)	(618,099)
Payment of distributions	(342,802)	(900,512)
Proceeds from issuance of investment units	-	23,962,024
Payment of investment unit issuance expenses	(98,468)	(151,356)
Cash flows from financing activities	(1,482,546)	48,551,206
Increase (decrease) in cash and cash equivalents	(662,597)	9,640,831
Beginning balance of cash and cash equivalents	4,187,160	3,524,562

(Unit: thousands of yen)		
	Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)
Closing balance of cash and cash equivalents	※1 3,524,562	※1 13,165,393

(6) Notes Concerning Going Concerns Assumption

None

(7) Notes Concerning Significant Accounting Policies

1. Method of depreciation of non-current assets

(a) Property, plant and equipment

The straight-line method is used.

The useful lives of major property, plant and equipment are as follows.

Buildings	77 years
Equipment	8-24 years
Building improvements	7-18 years
Buildings in trust	2-66 years
Equipment in trust	2-32 years
Building improvements in trust	4-55 years
Tools, furniture and fixtures in trust	2-15 years

(b) Intangible assets

The straight-line method is used.

(c) Long-term prepaid expenses

The straight-line method is used.

2. Method of calculating allowances

Allowance for doubtful accounts

To reserve for losses on doubtful accounts, allowances are provided for normal receivables using a rate determined based on past bad debt experiences, and specific allowances are provided for accounts with a possibility of default based on the estimated amounts considered to be uncollectible by considering the collectability of accounts on an individual basis.

3. Revenue and expense recognition

Accounting treatment of property taxes and other taxes

With respect to property taxes, city planning taxes and depreciable asset taxes, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as property related expenses.

Of the amounts paid to the seller for acquisitions of real estate, the amount equivalent to property taxes is capitalized as part of the acquisition cost of the real estate or trust beneficiary interests in real estate instead of being charged as expense. The amount equivalent to property taxes that was included as part of the acquisition of real estate during this fiscal period is JPY 76,921 thousand.

4. Cash and cash equivalents as stated in Statement of Cash Flows

Cash and cash equivalents as stated in the Statement of Cash Flows consist of cash on hand and cash in trust, floating deposits, deposits in trust and short-term investments that are very liquid and realizable with a maturity of three months or less when purchased and that are subject to insignificant risks of changes in value.

5. Other significant matters which constitute the basis for preparation of financial statements

(i) Accounting treatment of trust beneficiary interests in real estate

As to trust beneficiary interests in real estate, all accounts of assets and liabilities within assets in trust, as well as all income generated and expenses incurred from assets in trust, are recorded in the relevant balance sheets and income statement accounts. Of such items, the following significant trust assets and liabilities are shown separately on the balance sheet.

- (a) Cash and deposits in trust
- (b) Buildings in trust
 - Equipment in trust
 - Building improvements in trust
 - Tools, furniture and fixtures in trust
 - Land in trust
- (c) Tenant leasehold and security deposits in trust
- (d) Current portion of long-term debts in trust
 - Long-term debts in trust

(ii) Accounting treatment of deferred charges

Investment unit issuance expenses
The full amount is recorded as expense at the time of expenditure.

(iii) Accounting treatment of consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

(8) Notes to the Financial Statements

(Notes to the Balance Sheets)

※1. Assets pledged as collateral and liabilities with collateral

Assets pledged as collateral are as follows.

	(Unit: thousands of yen)	
	Fiscal Period ended June 30, 2014 (as of June 30, 2014)	Fiscal Period ended December 31, 2014 (as of December 31, 2014)
Cash and deposits	153,187	4,262,187
Cash and deposits in trust	2,765,504	4,011,521
Buildings	78,131	77,589
Equipment	21,510	20,314
Building improvements	1,640	1,574
Land	711,834	711,834
Buildings in trust	28,538,783	42,090,979
Equipment in trust	5,259,944	8,214,804
Building improvements in trust	212,270	203,054
Tools, furniture and fixtures in trust	91,540	164,502
Land in trust	40,447,565	63,258,940
Total	78,281,912	123,017,302

Liabilities with collateral are as follows.

	(Unit: thousands of yen)	
	Fiscal Period ended June 30, 2014 (as of June 30, 2014)	Fiscal Period ended December 31, 2014 (as of December 31, 2014)

Short-term debts	13,488,750	-
Current portion of long-term debts	17,552,100	1,200,000
Current portion of long-term debts in trust	-	18,167
Long-term debts	-	56,100,000
Long-term debts in trust	9,960,000	9,941,832
Total	41,000,850	67,260,000

※2. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Unit: thousands of yen)

Fiscal Period ended June 30, 2014 (as of June 30, 2014)	Fiscal Period ended December 31, 2014 (as of December 31, 2014)
50,000	50,000

(Notes to Statement of Income)

※1. Rental revenues and property related expenses

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)
A. Real property rental revenues		
Rent/common area charges	2,555,746	4,408,874
Other revenues	216,673	201,843
Total	2,772,419	4,610,717
B. Real property related expenses		
Maintenance costs	446,688	460,196
Taxes and public dues	174,451	163,789
Insurance expenses	4,952	6,084
Other expenses	127,784	119,524
Depreciation expenses	527,914	837,259
Total	1,281,791	1,586,854
C. Operating income from rental revenues (A-B)	1,490,627	3,023,863

※2. Gain on sales of properties

Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)

(Unit: thousands of yen)

	Bon Sejour Chitose Funabashi	Bon Sejour Yotsugi	Bon Sejour Hino	Bon Sejour Musashi Shinjo
Proceeds from sales of properties	832,153	777,256	730,459	587,138
Cost of sales of properties	657,193	622,386	551,565	468,167
Other expenses on sales of properties	6,623	5,450	5,414	4,363
Gain on sales of properties	168,337	149,419	173,480	114,607

	Bon Sejour Komaki	Bon Sejour Hadano Shibusawa	Bon Sejour Itami
Proceeds from sales of properties	1,280,824	735,268	472,718
Cost of sales of properties	984,869	633,486	449,783
Other expenses on sales of properties	12,563	6,243	4,357
Gain on sales of properties	283,391	95,539	18,577

Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)

None

(Notes to Statement of Unitholders' Equity)

Number of investment units authorized and number of investment units issued and outstanding

	Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to June 30 December 31, 2014)
Number of investment units authorized	10,000,000 units	10,000,000 units
Number of investment units issued and outstanding	1,573,179 units	2,668,686 units

(Notes to Statement of Cash Flow)

※1. Relationship between cash and cash equivalents in statement of cash flows and amounts in accompanying balance sheet
(Unit: thousands of yen)

	Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)
Cash and deposits	759,058	9,153,872
Cash and deposits in trust	2,765,504	4,011,521
Cash and cash equivalents	3,524,562	13,165,393

(Notes Related to Lease Contracts)

Operating lease transactions (as lessee)

Remaining lease payments

	(Unit: thousands of yen)	
	Fiscal Period ended June 30, 2014 (as of June 30, 2014)	Fiscal Period ended December 31, 2014 (as of December 31, 2014)
Due within one year	112,249	112,249
Due after one year	2,280,288	2,224,164
Total	2,392,537	2,336,413

Operating lease transactions (as lessor)

Remaining lease payments

	(Unit: thousands of yen)	
	Fiscal Period ended June 30, 2014 (as of June 30, 2014)	Fiscal Period ended December 31, 2014 (as of December 31, 2014)
Due within one year	507,089	1,843,409
Due after one year	4,342,958	15,485,197
Total	4,850,048	17,328,607

(Notes Related to Financial Instruments)

1. Status of financial instruments

(1) Policy for financial instruments

INV principally conducts its operations through investments in real estate and other specified assets to seek to ensure stable income in the medium to long term.

The policy for raising funds is principally through issuing new investment units or entering into debt.

Derivative transactions are to be entered into for the purpose of hedging against the rate of future interest rate increases, etc. and not for speculation. There are currently no derivative transactions that have been entered into.

Surplus funds are managed carefully after carefully taking into account safety, liquidity, the interest rate environment and financing.

(2) Nature and extent of risks arising from financial instruments and risk management

The funds raised through borrowings are mainly used to acquire real estate properties or properties in trust (including related acquisition costs) and for the repayment of existing debt. Liquidity risks relating to debt are managed by the finance department of the Asset Manager by preparing and updating plans for funds, and monitoring the covenants set forth in loan agreements.

(3) Supplemental information regarding market value, etc. for financial instruments

The fair value of financial instruments is based on quoted market prices if available. When quoted market prices are not available, fair value is estimated using valuation techniques which contain various assumptions. If other valuation models or assumptions were used, the estimated value may differ.

2. Estimated fair value of financial instruments

Book value, fair value and the difference between values as of June 30, 2014 are as follows.

(Unit: thousands of yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	759,058	759,058	-
(2) Cash and deposits in trust	2,765,504	2,765,504	-
Total assets	3,524,562	3,524,562	-
(3) Short-term debts	13,488,750	13,488,750	-
(4) Current portion of long-term debts	17,552,100	17,552,100	-
(5) Long-term debts	-	-	-
(6) Current portion of long-term debts in trust	-	-	-
(7) Long-term debts in trust	9,960,000	10,122,527	162,527
Total liabilities	41,000,850	41,163,378	162,527

Book value, fair value and the difference between values as of December 31, 2014 are as follows.

(Unit: thousands of yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	9,153,872	9,153,872	-
(2) Cash and deposits in trust	4,011,521	4,011,521	-
Total assets	13,165,393	13,165,393	-
(3) Short-term debts	-	-	-
(4) Current portion of long-term debts	1,200,000	1,200,000	-
(5) Long-term debts	56,100,000	56,100,000	-
(6) Current portion of long-term debts in trust	18,167	18,251	84
(7) Long-term debts in trust	9,941,832	10,156,234	214,401
Total liabilities	67,260,000	67,474,486	214,486

(Note 1) Methods to calculate fair values of financial instruments

(1) Cash and deposits (2) Cash and deposits in trust (3) Short-term debts

Due to the short maturities, the book value of these instruments is deemed a reasonable approximation of the fair value, and therefore, the book value is used as the fair value.

(4) Current portion of long-term debts (5) Long-term debts (6) Current portion of long-term debts in trust
(7) Long-term debts in trust

The fair values of long-term debt with fixed interest rates are determined based on the present value of contractual cash flows discounted at current market interest rates which would be applicable to new debt with the same amount.

Long-term debt with floating interest rates reflecting changes in market rates within a short term period are stated at their book value as their book values approximate their fair values.

(Note 2) Financial instruments for which fair value is extremely difficult to value

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2014 (as of June 30, 2014)	Fiscal Period ended December 31, 2014 (as of December 31, 2014)
Tenant leasehold and security deposits	28,663	28,663
Tenant leasehold and security deposits in trust	1,025,726	1,109,146

Tenant leasehold and security deposits and tenant leasehold and security deposits in trust have no observable market

price, and it is impracticable to reasonably estimate their future cash flows because it because the repayment dates of those deposits and the timing of the lessee's exit from the property are not certain. Thus, their fair value is not disclosed.

(Note 3) Remaining schedule of monetary claims after the closing date of the fiscal period

As of June 30, 2014

(Unit: thousands of yen)

	Due within One Year	Due after One to Two Years	Due after Two to Three Years	Due after Three to Four Years	Due after Four to Five Years	Due after Five Years
Cash and deposits	759,058	-	-	-	-	-
Cash and deposits in trust	2,765,504	-	-	-	-	-
Total	3,524,562	-	-	-	-	-

As of December 31, 2014

(Unit: thousands of yen)

	Due within One Year	Due after One to Two Years	Due after Two to Three Years	Due after Three to Four Years	Due after Four to Five Years	Due after Five Years
Cash and deposits	9,153,872	-	-	-	-	-
Cash and deposits in trust	4,011,521	-	-	-	-	-
Total	13,165,393	-	-	-	-	-

(Note 4) Redemption schedule of long-term debts and other interest-bearing indebtedness after the closing date of the fiscal period

As of June 30, 2014

(Unit: thousands of yen)

	Due within One Year	Due after One to Two Years	Due after Two to Three Years	Due after Three to Four Years	Due after Four to Five Years	Due after Five Years
Current portion of long-term debts	17,552,100	-	-	-	-	-
Long-term debts	-	-	-	-	-	-
Current portion of long-term debts in trust	-	-	-	-	-	-
Long-term debts in trust	-	54,894	74,639	2,863,679	5,217,347	1,749,439
Total	17,552,100	54,894	74,639	2,863,679	5,217,347	1,749,439

As of December 31, 2014

(Unit: thousands of yen)

	Due within One Year	Due after One to Two Years	Due after Two to Three Years	Due after Three to Four Years	Due after Four to Five Years	Due after Five Years
Current portion of long-term debts	1,200,000	-	-	-	-	-
Long-term debts	-	-	56,100,000	-	-	-
Current portion of long-term debts in trust	18,167	-	-	-	-	-
Long-term debts in trust	-	73,807	104,256	2,894,530	5,143,274	1,725,963
Total	1,218,167	73,807	56,204,256	2,894,530	5,143,274	1,725,963

(Notes Related to Investment Securities)

None

(Notes Related to Derivative Transactions)

None

(Notes Related to Retirements Payments)

None

(Notes Related to Asset Retirement Obligations)

None

(Notes Related to Segment and Related Information)

I. Segment Information

Disclosure is omitted because the real estate investment business is the INV's sole business and it has no reportable segments.

II. Related Information

Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)

1. Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category accounted for over 90% of the operating revenue on the statement of income.

2. Information about each geographic area

(1) Net sales

Disclosure is omitted because net sales to external customers in Japan accounted for over 90% of the operating revenue on the statement of income.

(2) Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounted for over 90% of the amount of property, plant and equipment on the balance sheet.

3. Information about each major customer

Disclosure is omitted because net sales to any single external customer accounted for less than 10% of the operating revenue on the statement of income.

Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)

1. Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category accounted for over 90% of the operating revenue on the statement of income.

2. Information about each geographic area

(1) Net sales

Disclosure is omitted because net sales to external customers in Japan accounted for over 90% of the operating revenue on the statement of income.

(2) Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounted for over 90% of the amount of property, plant and equipment on the balance sheet.

3. Information about each major customer

(Unit: thousands of yen)

Name of Customer	Operating revenues	Related segment
MyStays Hotel Management Co., Ltd.	1,722,789	Real Estate Investment

(Notes Related to Rental Properties)

INV owns residential properties and hotels as core assets and owns other various properties including offices and retails principally in the Tokyo area and major regional cities in order to aim for the establishment of the portfolio which focuses on both improvement of stability and growth potential. The book value, amount changed during the period and balance at the end of the period are as follows.

(Unit: thousands of yen)

			Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)
Residential	Book value	Balance at the beginning of the period	56,192,804	55,874,464
		Change during the period	(318,340)	(304,706)
		Balance at the end of the period	55,874,464	55,569,758
	Fair value at the end of the period		58,865,000	60,775,000
Office	Book value	Balance at the beginning of the period	8,585,639	8,579,951
		Change during the period	(5,687)	(28,342)
		Balance at the end of the period	8,579,951	8,551,609
	Fair value at the end of the period		7,288,000	7,227,000
Retail	Book value	Balance at the beginning of the period	5,318,657	5,275,638
		Change during the period	(43,018)	(50,243)
		Balance at the end of the period	5,275,638	5,225,394
	Fair value at the end of the period		5,520,000	5,690,000
Parking	Book value	Balance at the beginning of the period	100,838	100,825
		Change during the period	(13)	(1)
		Balance at the end of the period	100,825	100,823
	Fair value at the end of the period		105,000	107,000
Senior	Book value	Balance at the beginning of the period	4,385,522	-
		Change during the period	(4,385,522)	-
		Balance at the end of the period	-	-
	Fair value at the end of the period		-	-
Hotel	Book value	Balance at the beginning of the period	-	5,532,341
		Change during the period	5,532,341	39,763,665
		Balance at the end of the period	5,532,341	45,296,007
	Fair value at the end of the period		5,490,000	52,759,000
Total	Book value	Balance at the beginning of the period	74,583,461	75,363,220
		Change during the period	779,759	39,380,372
		Balance at the end of the period	75,363,220	114,743,593
	Fair value at the end of the period		77,268,000	126,558,000

(Note 1) Book value is the figure calculated by decreasing the amount of depreciation from acquisition price (including acquisition-related costs).

- (Note 2) The major factor of the increase for the fiscal period ended June 30, 2014 was acquisition of new hotels and capital expenditures related to construction work, and the major factor of the decrease was sale of senior housing properties and depreciation. The major factor of the increase for the fiscal period ended December 31, 2014 was acquisition of new hotels and capital expenditures related to construction work, and the major factor of the decrease was depreciation.
- (Note 3) The fair value as of the end of the reporting period is determined based on the appraisal value provided by Asset Research and Development Inc., Japan Real Estate Institute, Morii Appraisal & Investment Consulting Inc. and Tanizawa Sogo Appraisal Co., Ltd.

For information related to profits and losses from rental properties, please refer to “Notes to Statement of Income.”

(Notes Related to Tax Accounting)

1. Significant components of deferred tax assets and liabilities

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2014	Fiscal Period ended December 31, 2014
<hr/>		
(Deferred tax assets - current assets)		
Enterprise tax payable	517	-
Accounts receivable (merger)	197	197
Allowance for doubtful accounts	475	672
Subtotal	1,190	870
Valuation allowance	1,190	870
Total	-	-
(Net deferred tax assets - current)	-	-
<hr/>		
(Deferred tax assets - non-current assets)		
Buildings and other (merger)	812,820	801,025
Land (merger)	2,251,597	2,251,597
Long-term accrued expenses	7,746,144	7,749,271
Subtotal	10,810,561	10,801,895
Valuation allowance	10,810,561	10,801,895
Total	-	-
(Net deferred tax assets - non-current)	-	-

2. Significant difference between statutory tax rate and the effective tax rate

(Unit: %)

	Fiscal Period ended June 30, 2014	Fiscal Period ended December 31, 2014
Statutory tax rate	36.59	34.16
Deductible cash distributions	-	(33.54)
Provision of reserve for reduction entry	(34.98)	(0.46)
Others	(1.54)	(0.13)
Effective tax rate	0.07	0.03

3. Revision of the amounts of deferred tax assets and liabilities due to changes in rate of any Corporation Tax, etc.

As a result of the promulgation of the “Local Corporation Tax Act” (Act No. 11 of 2014) and the “Act on Partial Revision of the Local Tax Act, etc.” (Act No. 4 of 2014) on March 31, 2014, a “Local Corporation Tax” will be created and a portion of the Local Corporation Special Tax will be restored in the Corporation Enterprise Tax for fiscal periods starting after October 1, 2014, and therewith the statutory tax rate used to calculate deferred tax assets and liabilities will be changed to 34.16% for temporary differences, etc. which are expected to be eliminated in the fiscal period starting after January 1, 2015. This change in tax rate has no effect on the amounts of deferred tax assets and liabilities, and deferred income taxes.

(Notes Related to Equity-Method Income)

None

(Notes Related to Transactions with Related Parties)

1. Transactions with Parent Company and Major Unitholders

Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)

Classification	Name	Address	Stated Capital (Millions of yen)	Business or Occupation	Ratio of Voting Rights Owned (%)	Relationship		Type of Transaction	Transaction Amount (Thousands of yen) (Note 1)	Account	Balance at the End of the Period (Thousands of yen) (Note 1)
						Common Board Member	Business Relationship				
Interested party of the Asset Manager	Zephyrus Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 5)	2,851,000	-	-
	Nishi Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 5)	2,584,000	-	-

(Note 1) Consumption taxes are not included in transaction amounts, but are included in the balance at the end of the period.

(Note 2) The terms and conditions have been determined based on the Asset Manager's internal rules and manual regarding transactions with the sponsor company.

(Note 3) Zephyrus Tokutei Mokuteki Kaisha and Nishi Tokutei Mokuteki Kaisha have no capital relationship with the Asset Manager to be disclosed. The funds have received an anonymous partnership investment through funds that are managed by FIG, an affiliate of Calliope. Accordingly, INV treats Zephyrus Tokutei Mokuteki Kaisha and Nishi Tokutei Mokuteki Kaisha as the equivalent of interested party.

(Note 4) Calliope holds 609,942 units (holding ratio: 38.77%) of the issued investment units of INV.

(Note 5) The purchase of trust beneficiary interests pertains to following properties. The transaction amount is the purchase price stated in the trust beneficiary purchase agreement, in which other expenses on acquisition, property taxes, city planning taxes and consumption taxes are not included.

Property Number	Name of Property	Purchase Price (Thousands of yen)
D1	Hotel MyStays Kanda	2,851,000
D2	Hotel MyStays Asakusa	2,584,000
Total		5,435,000

Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)

Classification	Name	Address	Stated Capital (Millions of yen)	Business or Occupation	Ratio of Voting Rights Owned (%)	Relationship		Type of Transaction	Transaction Amount (Thousands of yen) (Note 1)	Account	Balance at the End of the Period (Thousands of yen) (Note 1)
						Common Board Member	Business Relationship				
Interested party of the Asset Manager	Zephyrus Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 5)	14,878,412	-	-
	Nishi Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 5)	4,473,000	-	-
	Shijodori Holding Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	279	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 5)	7,594,980	-	-
	Danube Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 5)	3,845,400	-	-
	Nagahoribashi Holding Tokutei	Minato-ku, Tokyo	82	Investment manage-	-	-	Seller of trust	Purchase of trust	2,514,820	-	-

Mokuteki Kaisha (Note 3)			ment business			benefi- ciary interests in real estate	beneficiary interests in real estate (Note 2) (Note 5)			
Aki Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment manage- ment business	-	-	Seller of trust benefi- ciary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 5)	6,631,968	-	-
MyStays Hotel Management Co., Ltd. (Note 3)	Minato-ku, Tokyo	100	Hotel business	-	-	Lessee and operator of hotels	Rental revenues	1,722,789	Accounts receivables	540,064

(Note 1) Consumption taxes are not included in transaction amounts, but are included in the balance at the end of the period.

(Note 2) The terms and conditions have been determined based on the Asset Manager's internal rules and manual regarding transactions with the sponsor company.

(Note 3) Zephyrus Tokutei Mokuteki Kaisha, Nishi Tokutei Mokuteki Kaisha, Shijodori Holding Tokutei Mokuteki Kaisha, Danube Tokutei Mokuteki Kaisha, Nagahoribashi Holding Tokutei Mokuteki Kaisha, Aki Tokutei Mokuteki Kaisha and MyStays Hotel Management Co., Ltd. have no capital relationship with the Asset Manager to be disclosed. The Tokutei Mokuteki Kaisha or the lessee and operator have received an anonymous partnership investment or investment through funds that are managed by FIG, an affiliate of Calliope. Accordingly, INV treats Zephyrus Tokutei Mokuteki Kaisha, Nishi Tokutei Mokuteki Kaisha, Shijodori Holding Tokutei Mokuteki Kaisha, Danube Tokutei Mokuteki Kaisha, Nagahoribashi Holding Tokutei Mokuteki Kaisha, Aki Tokutei Mokuteki Kaisha and MyStays Hotel Management Co., Ltd. as the equivalent of interested party.

(Note 4) Calliope holds 609,942 units (holding ratio: 22.85%) of the issued investment units of INV.

(Note 5) The purchase of trust beneficiary interests pertains to following properties. The transaction amount is the purchase price stated in the trust beneficiary purchase agreement, in which other expenses on acquisition, property taxes, city planning taxes and consumption taxes are not included.

Property Number	Name of Property	Counterparty	Purchase Price (Thousands of yen)
D3	Hotel MyStays Kyoto-Shijo	Shijodori Holding Tokutei Mokuteki Kaisha	6,024,460
D4	MyStays Shin-Urayasu Conference Center	Zephyrus Tokutei Mokuteki Kaisha	4,930,200
D5	Hotel MyStays Maihama	Zephyrus Tokutei Mokuteki Kaisha	4,870,312
D6	Hotel Vista Premio Dojima	Danube Tokutei Mokuteki Kaisha	3,845,400
D7	Hotel MyStays Nagoya-Sakae	Zephyrus Tokutei Mokuteki Kaisha	2,958,000
D8	Hotel MyStays Sakaisuji-Honmachi	Nagahoribashi Holding Tokutei Mokuteki Kaisha	2,514,820
D9	Hotel MyStays Yokohama	Zephyrus Tokutei Mokuteki Kaisha	2,119,900
D10	Hotel MyStays Nippori	Nishi Tokutei Mokuteki Kaisha	1,898,540
D11	Hotel MyStays Fukuoka-Tenjin-Minami	Shijodori Holding Tokutei Mokuteki Kaisha	1,570,520
D12	Flexstay Inn Iidabashi	Aki Tokutei Mokuteki Kaisha	1,381,660
D13	Hotel MyStays Ueno Inaricho	Nishi Tokutei Mokuteki Kaisha	1,331,960
D14	Flexstay Inn Shinagawa	Nishi Tokutei Mokuteki Kaisha	1,242,500
D15	Flexstay Inn Tokiwadai	Aki Tokutei Mokuteki Kaisha	1,242,500
D16	Flexstay Inn Sugamo	Aki Tokutei Mokuteki Kaisha	1,192,800
D17	Hotel MyStays Otemae	Aki Tokutei Mokuteki Kaisha	1,192,800
D18	Flexstay Inn Kiyosumi-Shirakawa	Aki Tokutei Mokuteki Kaisha	749,476
D19	Flexstay Inn Nakanobu P1	Aki Tokutei Mokuteki Kaisha	589,442
D20	Flexstay Inn Nakanobu P2	Aki Tokutei Mokuteki Kaisha	283,290
Total			39,938,580

2. Transactions with Affiliates

None for both the fiscal period ended June 30, 2014 and the fiscal period ended December 31, 2014

3. Transactions with Companies under Common Control

None for both the fiscal period ended June 30, 2014 and the fiscal period ended December 31, 2014

4. Transactions with Directors and Major Unitholders

Fiscal period ended June 30 (from January 1, 2014 to June 30, 2014)

Classification	Name	Business or occupation	Ratio of voting rights	Details of transaction	Transaction amount (thousands of yen) (Note 3)	Account	Balance at the End of the Period (thousands of yen) (Note 3)
Directors and close relatives	Naoki Fukuda	Executive Director of the Investment Corporation and President & CEO of Consonant Investment Management Co., Ltd.	-	Payment of asset management fees to Consonant Investment Management Co., Ltd. (Note 1)	126,083	Trade and other payables	68,670
Same as above	Same as above	Same as above	-	Payment of general administration fees for organizational management to Consonant Investment Management Co., Ltd. (Note 2)	600	Trade and other payables	324

(Note 1) Naoki Fukuda served as a representative of the third party (the Asset Manager), and the fee is as set forth in the Articles of Incorporation of the Investment Corporation.

(Note 2) Naoki Fukuda served as a representative of the third party (the Asset Manager), and the fee is as set forth in the agreement, "General Administrative Agreement relating to Organizational Management, between the Investment Corporation and the Asset Manager.

(Note 3) Consumption taxes are not included in transaction amounts, but are included in the balance of the end of the period.

Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)

Classification	Name	Business or occupation	Ratio of voting rights	Details of transaction	Transaction amount (thousands of yen) (Note 3)	Account	Balance at the End of the Period (thousands of yen) (Note 3)
Directors and close relatives	Naoki Fukuda	Executive Director of the Investment Corporation and President & CEO of Consonant Investment Management Co., Ltd.	-	Payment of asset management fees to Consonant Investment Management Co., Ltd. (Note 1)	128,993	Trade and other payables	67,500
Same as above	Same as above	Same as above	-	Payment of general administration fees for organizational management to Consonant Investment Management Co., Ltd. (Note 2)	1,100	Trade and other payables	864

(Note 1) Naoki Fukuda served as a representative of the third party (the Asset Manager), and the fee is as set forth in the Articles of Incorporation of the Investment Corporation.

(Note 2) Naoki Fukuda served as a representative of the third party (the Asset Manager), and the fee is as set forth in the agreement, "General Administrative Agreement relating to Organizational Management, between the Investment Corporation and the Asset Manager.

(Note 3) Consumption taxes are not included in transaction amounts, but are included in the balance of the end of the period.

(Notes Related to Per Unit Information)

	Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)
Net assets per unit	23,121 yen	23,005 yen
Net income per unit	573 yen	762 yen

Net income per unit is calculated by dividing net income for the period by the daily weighted average number of investment units issued and outstanding. Diluted net income per unit is not stated as there are no diluted units.

(Note) The basis for calculating net income per unit is as follows.

	Fiscal Period ended June 30, 2014 (from January 1, 2014 to June 30, 2014)	Fiscal Period ended December 31, 2014 (from July 1, 2014 to December 31, 2014)
Net income for the fiscal period (thousands of yen)	901,815	1,958,002
Amounts not attributable to common unit holders (thousands of yen)	-	-
Net income attributable to common unit holders (thousands of yen)	901,815	1,958,002
Average number of investment units during the period (units)	1,573,179	2,570,932

(Significant Subsequent Events)

1. Borrowing of Funds

INV completed new debt financing in order to procure funds for the acquisition of the trust beneficiary interests for the 3 hotel properties, which INV acquired on February 6, 2015 (see “2. Acquisition of Assets” below), and related costs.

New Syndicate Loan (D)

Lender	:Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Citibank Japan Ltd., Shinsei Bank, Limited, Sumitomo Mitsui Trust Bank, Limited and Resona Bank, Limited
Borrowing amount	: JPY6,241 million
Interest rate, etc.	: Base Rate (One-month JPY TIBOR) + 0.80%
Interest payment date	: On (1) the last Japanese business day of each month before the principal maturity date, beginning with February 27, 2015, and (2) the principal maturity date
Principal repayment method	: Lump-sum repayment
Borrowing method	: In accordance with the “Individual Loan Agreement” dated February 4, 2015. Secured (Note 1) / with no guarantee
Borrowing date	: February 6, 2015
Maturity Date	: February 6, 2018

(Note 1) First priority pledges over three real estate properties, Apa Hotel Yokohama-Kannai, Hotel Nets Hakodate and Flexstay Inn Shirogane; and the real estate trust beneficiary interests for 65 properties, Nisshin Palacestage Daitabashi, Nisshin Palacestage Higashi-Nagasaki, Growth Maison Gotanda, Growth Maison Kameido, Emerald House, Harmonie Ochanomizu, Suncrest Shakujii Koen, Growth Maison Shin-Yokohama, Belle Face Ueno Okachimachi, Grand Rire Kameido, Growth Maison Ikebukuro, Growth Maison Yoga, Route Tachikawa, Shibuya Honmachi Mansion, City Heights Kinuta, Acseeds Tower Kawaguchi Namiki, Capital Heights Kagurazaka, College Square Machida, Belair Meguro, Wacore Tsunashima I, Foros Nakamurabashi, Growth Maison Kaijin, College Square Machiya, City House Tokyo Shinbashi, Winbell Kagurazaka, Nishiwaseda Crescent Mansion, Lexington Square Akebonobashi, Casa Eremitaggio, Towa City Coop Shinotsuka II, Bichsel Musashiseki, Lexel Mansion Ueno Matsugaya, Towa City Coop Sengencho, Royal Park Omachi, Lexington Square Haginomachi, Visconti Kakuozan, Lexington Square Daitabashi, Lexington Square Honjo Azumabashi, AMS TOWER Minami 6-Jo, Spacia Ebisu, Kindai Kagakusha Building, Lexington Plaza Nishigotanda, Cross Square NAKANO, Ohki Aoba Building, Lexington

Plaza Hachiman, AEON TOWN Sukagawa, Hotel MyStays Kanda, Hotel MyStays Asakusa, Hotel MyStays Kyoto-Shijo, MyStays Shin-Urayasu Conference Center, Hotel MyStays Maihama, Hotel Vista Premio Dojima, Hotel MyStays Nagoya-Sakae, Hotel MyStays Sakaisuji-Honmachi, Hotel MyStays Yokohama, Hotel MyStays Nippori, Hotel MyStays Fukuoka-Tenjin-Minami, Flexstay Inn Iidabashi, Hotel MyStays Ueno Inaricho, Flexstay Inn Shinagawa, Flexstay Inn Tokiwadai, Flexstay Inn Sugamo, Hotel MyStays Otemae, Flexstay Inn Kiyosumi Shirakawa, Flexstay Inn Nakanobu P1 and Flexstay Inn Nakanobu P2. First priority mortgages over two real estate properties, Shinjuku Island and Times Kanda-Sudacho 4th.

2. Acquisition of Assets

INV decided to acquire the following 3 properties (total acquisition price of JPY 13,261 million) on February 4, 2015, and completed the acquisition of all of the 3 properties on February 6, 2015.

Property number: D21 Name of property: Apa Hotel Yokohama-Kannai

Acquisition Date	February 6, 2015
Acquisition Price (Note)	JPY8,350 million
Location	3-37-2, Sumiyoshi-cho, Naka-ku, Yokohama-shi, Kanagawa
Construction Date	April 2005
Category of Assets	Trust Beneficiary Interest
Seller	AYK Tokutei Mokuteki Kaisha
Total Floor Area	6,568.51m ²
Total Leasable Area	6,568.51m ²

Property number: D22 Name of property: Hotel Nets Hakodate

Acquisition Date	February 6, 2015
Acquisition Price (Note)	JPY2,792 million
Location	26-17, Motomachi, Hakodate-shi, Hokkaido
Construction Date	February 2008
Category of Assets	Trust Beneficiary Interest
Seller	Zephyrus Tokutei Mokuteki Kaisha
Total Floor Area	7,961.26m ²
Total Leasable Area	7,961.26m ²

Property number: D23 Name of property: Flexstay Inn Shirogane

Acquisition Date	February 6, 2015
Acquisition Price (Note)	JPY2,119 million
Location	5-10-15, Shirokane, Minato-ku, Tokyo
Construction Date	December 1984
Category of Assets	Trust Beneficiary Interest
Seller	Nishi Tokutei Mokuteki Kaisha
Total Floor Area	1,754.06m ²
Total Leasable Area	1,754.06m ²

(Note) Acquisition price is based on the purchase price indicated in the relevant purchase agreement and does not include acquisition costs, property taxes, city planning taxes and consumption taxes, etc.

(9) Changes in Number of Investment Units Issued and Outstanding

Changes in the number of investment units issued and outstanding and unitholders' equity from the date of establishment to the end of the reporting period are as follows.

Date	Type of Issue	Number of Investment Units Issued and Outstanding (units)		Unitholders' Equity (yen)		Reference
		Increase	Total	Increase	Total	
January 18, 2002	Private placement for incorporation	400	400	200,000,000	200,000,000	(Note 1)
December 26, 2003	Private placement	2,700	3,100	1,012,500,000	1,212,500,000	(Note 2)
January 9, 2004	Private Placement	1,350	4,450	506,250,000	1,718,750,000	(Note 2)
January 21, 2003	Private placement	1,333	5,783	499,875,000	2,218,625,000	(Note 2)
January 27, 2004	Private placement	267	6,050	100,125,000	2,318,750,000	(Note 2)

January 28, 2004	Private placement	800	6,850	300,000,000	2,618,750,000	(Note 2)
January 31, 2004	Private placement	266	7,116	99,750,000	2,718,500,000	(Note 2)
February 5, 2004	Private placement	800	7,916	300,000,000	3,018,500,000	(Note 2)
February 7, 2004	Private placement	1,333	9,249	499,875,000	3,518,375,000	(Note 2)
May 17, 2004	Public offering	9,000	18,249	3,377,250,000	6,895,625,000	(Note 3)
February 7, 2005	Public offering	10,650	28,899	3,937,667,100	10,833,292,100	(Note 4)
July 31, 2006	Public offering	25,000	53,899	8,301,125,000	19,134,417,100	(Note 5)
February 1, 2010	Unit split	215,596	269,495	-	19,134,417,100	(Note 6)
February 1, 2010	Merger	367,200	636,695	-	19,134,417,100	(Note 7)
July 29, 2011	Third-party allotment	711,597	1,348,292	6,999,979,689	26,134,396,789	(Note 8)
December 20, 2013	Third-party allotment	224,887	1,573,179	2,999,992,580	29,134,389,369	(Note 9)
July 16, 2014	Public offering	1,040,000	2,613,179	22,747,920,000	51,882,309,369	(Note 10)
August 13, 2014	Third-party allotment	55,507	2,668,686	1,214,104,611	53,096,413,980	(Note 11)

(Note 1) INV was incorporated through a private placement at a price of 500,000 yen per unit.

(Note 2) New investment units were issued in a private placement at a price of 375,000 yen per unit to raise funds for the acquisition of new properties.

(Note 3) New investment units were issued in a public offering at a price of 395,000 per unit (375,250) yen after deducting the underwriters' discount) to raise funds for the acquisition of new properties.

(Note 4) New investment units were issued in a public offering at a price of 385,140 yen per unit (369,734 yen after deducting the underwriters' discount) to raise funds for the acquisition of new properties.

(Note 5) New investment units were issued in a public offering at a price of 348,740 yen per unit (332,045 yen after deducting the underwriters' discount) to raise funds for the acquisition of new properties.

(Note 6) An investment unit split of 5 units per 1 unit was conducted.

(Note 7) A merger by absorption pursuant to Article 147 of the Act on Investment Trusts and Investment Corporations was conducted with LCP, with INV as the surviving entity. As a result of the merger by absorption, 4 investment units of INV (after the investment unit split) were allotted for each LCP investment unit. The number of LCP investment units issued as of the time of the merger by absorption was 91,800 units.

(Note 8) New investment units were issued in a third party allotment at a price of 9,837 yen per unit to make repayment of existing debt, etc.

(Note 9) New investment units were issued in a third party allotment at a price of 13,340 yen per unit to make repayment of existing debt, etc.

(Note 10) New investment units were issued in a public offering at a price of 22,688 yen per unit (21,873 yen after deducting the underwriters' discount) to raise funds for the acquisition of new properties.

(Note 11) New investment units were issued in a third party allotment at a price of 21,873 yen per unit for the purpose of cash reserve to appropriate to repayment in future borrowings.

4. Change in Directors

Changes in directors are disclosed in a timely manner upon the determination of such changes.

5. Reference Information

(1) Composition of INV's Assets

Type of asset	Purpose	Geographic area (Note 1)	Previous Period (as of June 30, 2014)		Current Period (as of December 31, 2014)	
			Amount held (millions of yen) (Note 2)	Ratio of total assets (%)	Amount held (millions of yen) (Note 2)	Ratio of total assets (%)
Real estate	Residential	Greater Tokyo area	—	—	—	—
		Major regional cities	—	—	—	—
		Subtotal	—	—	—	—
	Office/Retail	Greater Tokyo area	712	0.9	710	0.5
		Major regional cities	—	—	—	—
		Subtotal	712	0.9	710	0.5
	Hourly parking, etc	Greater Tokyo area	100	0.1	100	0.1
		Major regional cities	—	—	—	—
		Subtotal	100	0.1	100	0.1
	Hotel	Greater Tokyo area	—	—	—	—
		Major regional cities	—	—	—	—
		Subtotal	—	—	—	—
	Total real estate			813	1.0	811
Real estate in trust	Residential	Greater Tokyo area	43,909	55.4	43,715	33.5
		Major regional cities	11,965	15.1	11,853	9.1
		Subtotal	55,874	70.5	55,569	42.6
	Office/Retail	Greater Tokyo area	7,106	9.0	7,083	5.4
		Major regional cities	6,037	7.6	5,982	4.6
		Subtotal	13,143	16.6	13,066	10.0
	Hourly parking, etc	Greater Tokyo area	—	—	—	—
		Major regional cities	—	—	—	—
		Subtotal	—	—	—	—
	Hotel	Greater Tokyo area	5,532	7.0	27,266	20.9
		Major regional cities	—	—	18,029	13.8
		Subtotal	5,532	7.0	45,296	34.7
	Total real estate in trust			74,550	94.1	113,932
Deposits and other assets			3,898	4.9	15,733	12.1
Total assets (Note 3)			79,261 (75,363)	100.0 (95.1)	130,477 (114,743)	100.0 (87.9)

(Note 1) Greater Tokyo area refers to Tokyo, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture.

(Note 2) “Amount held” is from the balance sheet as of the end of the reporting period and is calculated by deducting accumulated depreciation from the acquisition price (including acquisition related costs).

(Note 3) The figure indicated in“()” in “Total assets” shows the amount related to actual owned real estate.

	Previous Period (as of June 30, 2014)		Current Period (as of December 31, 2014)	
	Amount (millions of yen)	Ratio to total assets (%)	Amount (millions of yen)	Ratio to total assets (%)
Total Liabilities	42,887	54.1	69,084	52.9
Total Net Assets	36,373	45.9	61,392	47.1
Total Liabilities and Net Assets	79,261	100.0	130,477	100.0

(2) Real Estate Properties

The following summarizes the real estate and real estate held in trust that INV held as of December 31, 2014.

a Price and investment ratio

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2013 (millions of yen) (Note 5)	
A26	Nisshin Palacestage Daitabashi	1-31-2 Izumi, Sugunami Ward, Tokyo	Trust beneficiary interests	1,251	1,139	1.1	1,150	(Note 6)
A27	Nisshin Palacestage Higashi-Nagasaki	5-4-1 Nagasaki, Toshima Ward, Tokyo	Trust beneficiary interests	1,229	1,112	1.0	1,250	(Note 6)
A28	Growth Maison Gotanda	2-26-6 Nishi-Gotanda, Shinagawa Ward, Tokyo	Trust beneficiary interests	888	842	0.8	949	(Note 6)
A29	Growth Maison Kameido	6-58-16 Kameido, Koto Ward, Tokyo	Trust beneficiary interests	1,070	1,007	0.9	1,080	(Note 6)
A30	Emerald House	3-27-18 Itabashi, Itabashi Ward, Tokyo	Trust beneficiary interests	1,505	1,409	1.3	1,240	(Note 6)
A31	Harmonie Ochanomizu	2-5-5 Yushima, Bunkyo Ward, Tokyo	Trust beneficiary interests	1,428	1,373	1.2	1,310	(Note 6)
A32	Suncrest Shakujii-Koen	3-15-35 Takanodai, Nerima Ward, Tokyo	Trust beneficiary interests	1,088	1,064	0.9	1,030	(Note 6)
A33	Growth Maison Shin-Yokohama	3-16-2 Shin-Yokohama, Kohoku-ku, Yokohama City, Kanagawa Prefecture	Trust beneficiary interests	1,059	989	0.9	1,140	(Note 6)
A34	Belle Face Ueno-Okachimachi	1-27-5 Higashi-Ueno, Taito Ward, Tokyo	Trust beneficiary interests	1,023	977	0.9	972	(Note 6)
A35	Grand Rire Kameido	3-39-12 Kameido, Koto Ward, Tokyo	Trust beneficiary interests	906	849	0.8	937	(Note 6)
A36	Growth Maison Ikebukuro	3-31-14 Nishi-Ikebukuro, Toshima Ward, Tokyo	Trust beneficiary interests	825	772	0.7	859	(Note 6)
A37	Growth Maison Yoga	1-15-15 Okamoto, Setagaya Ward, Tokyo	Trust beneficiary interests	795	761	0.7	691	(Note 6)

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2013 (millions of yen) (Note 5)	
A38	Route Tachikawa	3-7-6 Nishikicho, Tachikawa City, Tokyo	Trust beneficiary interests	676	650	0.6	606	(Note 6)
A39	Shibuya-Honmachi Mansion	2-35-2 Honmachi, Shibuya Ward, Tokyo	Trust beneficiary interests	651	655	0.6	604	(Note 6)
A40	City Heights Kinuta	4-13-15 Kinuta, Setagaya Ward, Tokyo	Trust beneficiary interests	646	646	0.5	467	(Note 6)
A41	Acseeds Tower Kawaguchi-Namiki	2-5-13 Namiki, Kawaguchi City, Saitama Prefecture	Trust beneficiary interests	620	566	0.5	699	(Note 6)
A42	Capital Heights Kagurazaka	71-1 Enokicho, Shinjuku Ward, Tokyo	Trust beneficiary interests	604	616	0.5	553	(Note 6)
A43	College Square Machida	3-4-4 Nakamachi, Machida City, Tokyo	Trust beneficiary interests	589	569	0.5	511	(Note 6)
A44	Belair Meguro	1-2-15 Meguro, Meguro Ward, Tokyo	Trust beneficiary interests	589	570	0.5	582	(Note 6)
A45	Wacore Tsunashima I	2-7-47 Tarumachi, Kohoku-ku, Yokohama City, Kanagawa Prefecture	Trust beneficiary interests	572	543	0.5	508	(Note 6)
A46	Foros Nakamurabashi	1-6-6 Koyama, Nerima Ward, Tokyo	Trust beneficiary interests	566	528	0.5	565	(Note 6)
A47	Growth Maison Kaijin	5-29-51 Kaijin, Funabashi City, Chiba Prefecture	Trust beneficiary interests	557	527	0.5	458	(Note 6)
A48	College Square Machiya	7-3-1 Arakawa, Arakawa Ward, Tokyo	Trust beneficiary interests	510	474	0.4	509	(Note 6)
A51	City House Tokyo Shinbashi	6-19-1 Shinbashi, Minato Ward, Tokyo	Trust beneficiary interests	2,520	2,392	2.1	2,860	(Note 7)
A52	Winbell Kagurazaka	6-15 Shin-Ogawacho, Shinjuku Ward, Tokyo	Trust beneficiary interests	3,260	3,113	2.8	3,630	(Note 8)
A53	Nishiwaseda Crescent Mansion	3-18-9 Nishi-Waseda, Shinjuku Ward, Tokyo	Trust beneficiary interests	1,880	1,876	1.6	2,280	(Note 8)

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2013 (millions of yen) (Note 5)	
A54	Lexington Square Akebonobashi	3-8 Yochomachi, Shinjuku Ward, Tokyo	Trust beneficiary interests	1,450	1,368	1.2	1,630	(Note 9)
A56	Casa Eremitaggio	1-14-15 Nakane, Meguro Ward, Tokyo	Trust beneficiary interests	1,070	990	0.9	1,020	(Note 7)
A59	Towa City Coop Shinotsuka II	5-49-7 Higashi-Ikebukuro, Toshima Ward, Tokyo	Trust beneficiary interests	866	826	0.7	985	(Note 7)
A61	Bichsel Musashiseki	1-22-7 Sekimachi-Kita, Nerima Ward, Tokyo	Trust beneficiary interests	577	556	0.5	659	(Note 8)
A62	Lexel Mansion Ueno Matsugaya	3-10-2 Matsugaya, Taito Ward, Tokyo	Trust beneficiary interests	970	893	0.8	1,090	(Note 9)
A63	Towa City Coop Sengencho	4-338-2 Sengencho, Nishi-ku, Yokohama City, Kanagawa Prefecture	Trust beneficiary interests	1,110	1,039	0.9	1,300	(Note 7)
A64	Royal Park Omachi	2-11-10 Omachi, Aoba-ku, Sendai City, Miyagi Prefecture	Trust beneficiary interests	415	396	0.4	503	(Note 7)
A65	Lexington Square Haginomachi	1-15-16 Haginomachi, Miyagino-ku, Sendai City, Miyagi Prefecture	Trust beneficiary interests	330	303	0.3	441	(Note 7)
A66	Visconti Kakuozan	2-44 Otanacho, Chikusa-ku, Nagoya City, Aichi Prefecture	Trust beneficiary interests	255	238	0.2	252	(Note 9)
A71	Lexington Square Daitabashi	1-33-8 Izumi, Suginami Ward, Tokyo	Trust beneficiary interests	977	898	0.8	1,070	(Note 9)
A72	Lexington Square Honjo Azumabashi	4-20-6 Higashikomagata, Sumida Ward, Tokyo	Trust beneficiary interests	511	464	0.4	566	(Note 9)

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2013 (millions of yen) (Note 5)	
A73	AMS TOWER Minami 6-Jo	2-5-15 Minami 6-Jo Nishi, Chuo-ku, Sapporo City, Hokkaido	Trust beneficiary interests	1,180	1,043	1.0	1,130	(Note 9)
A75	Spacia Ebisu	3-6-22 Higashi, Shibuya Ward, Tokyo	Trust beneficiary interests	7,010	6,657	5.9	7,230	(Note 7)
A76	Neo Prominence	3-21-5 Shimo, Kita Ward, Tokyo	Trust beneficiary interests	1,660	1,649	1.4	1,800	(Note 7)
A77	Invoice Shin-Kobe Residence	3-3-8 Ikutacho Chuo Ward, Kobe City, Hyogo Prefecture	Trust beneficiary interests	1,260	1,239	1.1	1,340	(Note 7)
A78	Cosmo Court Motomachi	3-12-20 Motomachi Dori Chuo Ward, Kobe City, Hyogo Prefecture	Trust beneficiary interests	973	956	0.8	1,040	(Note 7)
A79	Revest Honjin	2-13 Torii Dori Nakamura Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	674	662	0.6	732	(Note 7)
A80	Revest Matsubara	3-13-12 Matsubara Naka Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	657	646	0.6	743	(Note 7)
A81	Sun Terrace Minami Ikebukuro	2-22-6 Minami Ikebukuro, Toshima Ward, Tokyo	Trust beneficiary interests	625	615	0.5	695	(Note 7)
A82	Alba Noritake Shinmachi	3-6-8 Noritake Shinmachi, Nishi Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	608	598	0.5	666	(Note 7)
A83	Revest Meieki Minami	2-13-33 Meiekiminami, Nakamura Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	597	587	0.5	674	(Note 7)
A84	Revest Heian	2-13-17 Heian, Kita Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	595	585	0.5	641	(Note 7)
A85	Vendir Hamaotsu Ekimae	1-2-15 Hama Otsu, Otsu City, Shiga Prefecture	Trust beneficiary interests	581	569	0.5	674	(Note 7)
A86	Salvo Sala	2-6-21 Shimanouchi Chuo Ward, Osaka City, Osaka Prefecture	Trust beneficiary interests	544	537	0.5	603	(Note 7)
A87	Excellente Kagurazaka	128-1 Yamabukicho Shinjuku Ward, Tokyo, and other one parcel	Trust beneficiary interests	543	537	0.5	593	(Note 7)

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2013 (millions of yen) (Note 5)	
A88	Luna Court Edobori	3-4-11 Edobori, Nishi Ward, Osaka City, Osaka Prefecture	Trust beneficiary interests	525	516	0.4	565	(Note 7)
A89	Winntage Kobe Motomachi	7-2-2 Motomachi Dori, Chuo Ward, Kobe City, Hyogo Prefecture	Trust beneficiary interests	512	502	0.4	560	(Note 7)
A90	Queen's Court Fukuzumi	1-3-10 Fukuzumi, Koto Ward, Tokyo	Trust beneficiary interests	456	451	0.4	528	(Note 7)
A91	Corp Higashinotoin	380-1 Kawaranomachi, Higashinotoin Dori Nijo Kudara, Chukyo Ward, Kyoto City, Kyoto Prefecture, and other two parcels	Trust beneficiary interests	446	440	0.4	491	(Note 7)
A92	Belair Oimachi	5-14-17 Higashi Oi, Shinagawa Ward, Tokyo	Trust beneficiary interests	412	408	0.3	476	(Note 7)
A93	Siete Minami-Tsukaguchi	3-18 Minami Tsukaguchimachi, Amagasaki City, Hyogo Prefecture	Trust beneficiary interests	374	370	0.3	414	(Note 7)
A94	Prime Life Sannomiya Isogami Koen	4-3-23 Isogamidori, Chuo Ward, Kobe City Hyogo Prefecture	Trust beneficiary interests	373	368	0.3	397	(Note 7)
A95	HERMITAGE NANBA WEST	4-10-3 Sakuragawa Naniwa Ward, Osaka City, Osaka Prefecture	Trust beneficiary interests	355	352	0.3	397	(Note 7)
A96	Century Park Shinkawa 1-bankan	4-1-2 Shinkawamachi Minato Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	335	333	0.3	399	(Note 7)
A97	West Avenue	1-5-17 Nishi, Kunitachi City, Tokyo	Trust beneficiary interests	331	325	0.3	344	(Note 7)
A98	Little River Honmachibashi	1-34 Honmachibashi Chuo Ward, Osaka City, Osaka Prefecture	Trust beneficiary interests	310	309	0.3	364	(Note 7)
A99	Prime Life Mikage	2-25-11 Mikage Tsukamachi Higashi Nada Ward, Kobe City, Hyogo Prefecture	Trust beneficiary interests	297	293	0.3	323	(Note 7)
Subtotal (63 properties)				58,083	55,569	49.3	60,775	-
B8	Kindai Kagakusha Building	2-7-15, Ichigaya Tamachi, Shinjuku Ward, Tokyo	Trust beneficiary interests	1,301	1,239	1.1	1,040	(Note 6)
B9	Shinjuku Island	6-5-1 Nishi-Shinjuku, Shinjuku Ward, Tokyo	Real estate	715	710	0.6	574	(Note 8)

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2013 (millions of yen) (Note 5)	
B14	Lexington Plaza Nishigotanda	5-2-4 Nishigotanda, Shinagawa Ward, Tokyo	Trust beneficiary interests	4,880	4,776	4.1	4,010	(Note 7)
B15	Cross Square NAKANO	5-24-18 Nakano, Nakano Ward, Tokyo	Trust beneficiary interests	1,060	1,067	0.9	944	(Note 7)
B16	Ohki Aoba Building	9-7 Futsukacho, Aoba-ku, Sendai City, Miyagi Prefecture	Trust beneficiary interests	816	757	0.7	659	(Note 9)
B17	Lexington Plaza Hachiman	3-1-50 Hachiman, Aoba-ku, Sendai City, Miyagi Prefecture	Trust beneficiary interests	3,280	3,163	2.8	3,440	(Note 8)
B18	AEON TOWN Sukagawa	105 Furukawa, Sukagawa City, Fukushima Prefecture	Trust beneficiary interests	2,320	2,061	2.0	2,250	(Note 8)
Subtotal (7 properties)				14,372	13,777	12.2	12,917	-
C1	Times Kanda-Sudacho 4th	1-22-7, 1-22-15 Kanda sudacho, Chiyoda Ward, Tokyo	Real estate	97	100	0.1	107	(Note 6)
Subtotal (1 properties)				97	100	0.1	107	-
D1	Hotel MyStays Kanda	1-2-2 Iwamotocho, Chiyoda Ward, Tokyo	Trust beneficiary interests	2,851	2,891	2.4	3,280	(Note 7)
D2	Hotel MyStays Asakusa	1-21-11 Honjyo, Sumida Ward, Tokyo	Trust beneficiary interests	2,584	2,608	2.2	3,290	(Note 7)
D3	Hotel MyStays Kyoto-shijo	52, Kasaboko-cho, Higashiiru, Aburanokoji, Shijyo-dori, Shimogyo, Kyoto-shi, Kyoto Prefecture	Trust beneficiary interests	6,024	5,997	5.1	8,010	(Note 7)
D4	MyStays Shin-Urayasu Conference Center	2-1-4, Akemi, Urayasu-shi, Chiba Prefecture	Trust beneficiary interests	4,930	4,905	4.2	5,260	(Note 7)
D5	Hotel MyStays Maihama	3-5-1, Tekko-dori, Urayasu-shi, Chiba Prefecture	Trust beneficiary interests	4,870	4,846	4.1	5,080	(Note 7)
D6	Hotel Vista Premio Dojima	2-4-1, Sonezakishinchi, Kita-ku, Osaka Prefecture	Trust beneficiary interests	3,845	3,834	3.3	4,300	(Note 7)
D7	Hotel MyStays Nagoya-Sakae	2-23-22, Higashisakura, Naka-ku, Nagoya, Aichi Prefecture	Trust beneficiary interests	2,958	2,929	2.5	3,040	(Note 7)
D8	Hotel MyStays Sakaisuji-Honmachi	1-4-8, Awaji-machi, Chuo-ku, Osaka-shi, Osaka Prefecture	Trust beneficiary interests	2,514	2,508	2.1	3,250	(Note 7)

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2013 (millions of yen) (Note 5)	
D9	Hotel MyStays Yokohama	4-81, Sueyoshi-cho, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficiary interests	2,119	2,108	1.8	2,590	(Note 7)
D10	Hotel MyStays Nippori	5-43-7, Higashi-Nippori, Arakawa-ku, Tokyo	Trust beneficiary interests	1,898	1,891	1.6	2,140	(Note 7)
D11	Hotel MyStays Fukuoka-Tenjin-Minami	3-14-20, Haruyoshi, Chuo-ku, Fukuoka-shi, Fukuoka Prefecture	Trust beneficiary interests	1,570	1,567	1.3	1,740	(Note 7)
D12	Flexstay Inn Iidabashi	3-26, Shin-Ogawa-cho, Shinjuku-ku, Tokyo	Trust beneficiary interests	1,381	1,382	1.2	1,560	(Note 7)
D13	Hotel MyStays Ueno Inaricho	1-5-7, Matsugaya, Taito-ku, Tokyo	Trust beneficiary interests	1,331	1,326	1.1	1,540	(Note 7)
D14	Flexstay Inn Shinagawa	1-22-19, Kitashinagawa, Shinagawa-ku, Tokyo	Trust beneficiary interests	1,242	1,242	1.1	1,510	(Note 7)
D15	Flexstay Inn Tokiwadai	1-52-5, Tokiwadai, Itabashi-ku, Tokyo	Trust beneficiary interests	1,242	1,244	1.1	1,420	(Note 7)
D16	Flexstay Inn Sugamo	3-6-16, Sugamo, Toshima-ku, Tokyo	Trust beneficiary interests	1,192	1,189	1.0	1,370	(Note 7)
D17	Hotel MyStays Otemae	1-3-2, Tokui-cho, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interests	1,192	1,192	1.0	1,600	(Note 7)
D18	Flexstay Inn Kiyosumi Shirakawa	1-12-16, Tokiwa, Koto-ku, Tokyo	Trust beneficiary interests	749	750	0.6	821	(Note 7)
D19	Flexstay Inn Nakanobu P1	4-27-12, Futaba, Shinagawa-ku, Tokyo	Trust beneficiary interests	589	591	0.5	647	(Note 7)
D20	Flexstay Inn Nakanobu P2	4-27-8, Futaba, Shinagawa-ku, Tokyo	Trust beneficiary interests	283	286	0.2	311	(Note 7)
Subtotal (20 properties)				45,373	45,296	38.5	52,759	-
Total (91 properties)				117,927	114,743	100.0	126,558	-

- (Note 1) “Property number” indicates the categorization of properties acquired by INV according to use, with “A” for residential, “B” for office and retail, “C” for parking lots and “D” for hotel, and a number assigned for each property. The number following “A”, “B”, “C” and “D” is assigned based on how early the acquisition was made, except that for acquisitions made at the same time the number is assigned based on how large the acquisition price was.
- (Note 2) “Location” is in principle based on the indicated address (*kyuhyoji*), except that if the *kyuhyoji* system has not been implemented for such property, the location is based on the land number (*banchi*).
- (Note 3) “Acquisition price” is the purchase price indicated in the real estate or trust beneficiary purchase agreement. Such price excludes consumption taxes and has been rounded down to the nearest hundred million yen.
- (Note 4) “Investment ratio” is the ratio of the acquisition price to the aggregate acquisition price of INV’s portfolio, and has been rounded to one decimal place.
- (Note 5) “Appraisal value as of December 31, 2013” is the value appraised or researched by the real estate appraiser as of the end of the fiscal period in accordance with the Articles of Incorporation of INV and the regulations of the Investment Trust Association, Japan. The real estate appraisers are as follows.

Real estate appraiser
(Note 6) Asset Research and Development Inc.
(Note 7) Japan Real Estate Institute
(Note 8) Morii Appraisal & Investment Consulting Inc
(Note 9) Tanizawa Sogo Appraisal Co., Ltd.

b Capital expenditures for assets under management

(a) Schedule for capital expenditures

The schedule for the principal capital expenditures for property maintenance construction etc. as of the end of the fiscal period for the real estate assets is as follows.

Name of Property	Location	Purpose	Scheduled Time of Implementation	Estimated Cost (Thousands of yen)		
				Total	Payment for the Fiscal Period	Advance Payments
A26 Nisshin Palacestage Daitabashi	Suginami Ward, Tokyo	Intercom renovation work	From June 2015 to June 2015	5,303	—	—
A32 Suncrest Shakujii- Koen	Nerima Ward, Tokyo	Renewal work on backup power generators	From June 2015 to June 2015	8,824	—	—
B15 Cross Square NAKANO	Nakano Ward, Tokyo	Renovation work on the 8th – 10th floors	From February 2015 to June 2015	8,100	—	—
B16 Ohki Aoba Building	Sendai City, Miyagi Prefecture	Maintenance work on exterior walls	From May 2015 to June 2015	40,000	—	—
B16 Ohki Aoba Building	Sendai City, Miyagi Prefecture	Work corresponding to a tenant on the 6th floor	From April 2015 to April 2015	5,000	—	—
D06 Hotel Vista Premio Dojima	Osaka-shi, Osaka	Renewal work on storage battery equipment	From April 2015 to April 2015	9,140	—	—
D17 Hotel MyStays Otemae	Osaka-shi, Osaka	Installation of a wireless local area network for guest rooms	From April 2015 to April 2015	7,200	—	—

(b) Capital expenditures for the fiscal period ended December 31, 2014

The principal construction constituting capital expenditures for the real estate assets for the fiscal period ended December 31, 2014 is as follows. Capital expenditures for the fiscal period was 116,923 thousand yen, and together with 29,710 thousand yen of repair cost included in this fiscal period's expenses, construction work totaling 146,633 thousand yen was implemented.

Name of Property		Location	Purpose	Time of Implementation	Payment (Thousands of yen)
A26	Nisshin Palacestage Daitabashi	Suginami Ward, Tokyo	Renewal work on prepaid hot water units	From December 2014 to December 2014	6,258
A53	Nishiwaseda Crescent Mansion	Shinjuku Ward, Tokyo	Maintenance work on miscellaneous drainage pipe	From September 2014 to December 2014	28,080
A64	Royal Park Omachi	Sendai City, Miyagi Prefecture	Renewal work on air conditioning system	From December 2014 to December 2014	4,500
B8	Kindai Kagakusha Building	Shinjuku Ward, Tokyo	Renewal work on air conditioning system	From September 2014 to October 2014	15,573
B16	Ohki Aoba Building	Sendai City, Miyagi Prefecture	Maintenance work on electrical installations	From December 2014 to December 2014	3,605
Other construction					58,907
Total					116,923

(c) Reserved funds for long-term maintenance plan (repair reserves)

INV has reserved funds, as below, from the cash flow of the relevant fiscal period towards large-scale maintenance repairs in the medium to long term future in accordance with the long-term maintenance plan for each property.

Fiscal period	19th Fiscal Period	20th Fiscal Period	21st Fiscal Period	22nd Fiscal Period	23rd Fiscal Period
	From July 1, 2012 to December 31, 2012	From January 1, 2013 to June 30, 2013	From July 1, 2013 to December 31, 2013	From January 1, 2014 to June 30, 2014	From July 1, 2014 to December 31, 2014
Reserved funds at beginning of period	487,561 thousand yen	541,609 thousand yen	571,543 thousand yen	524,730 thousand yen	579,682 thousand yen
Amount reserved (Note)	151,076 thousand yen	165,233 thousand yen	165,271 thousand yen	199,177 thousand yen	268,495 thousand yen
Amount reversed (Note)	97,028 thousand yen	135,298 thousand yen	212,084 thousand yen	144,225 thousand yen	109,812 thousand yen
Amount carried over for next fiscal period	541,609 thousand yen	571,543 thousand yen	524,730 thousand yen	579,682 thousand yen	738,365 thousand yen

(Note) The amount reserved for the relevant fiscal period includes the reserves for acquired properties, and the amount reversed includes the reserves for disposed properties.

c Condition of income, etc. (From July 1, 2014 to December 31, 2014)

(Unit: Thousands of yen)

Property No.	Property Name	Total of rental revenue (i)	Total of rental-		Total of rental-related expenses (ii)	Facility management fee	Tax and other public charges	Insurance expenses	Other expenses	Depreciation expenses (iii)	Profit and Loss (i)-(ii)	NOI (i)-(ii)+ (iii)
			Rent, common area fees	Other income								
A26	Nisshin Palacestage Daitabashi	38,666	35,428	3,238	19,147	7,308	1,596	65	2,273	7,903	19,519	27,422
A27	Nisshin Palacestage Higashi-Nagasaki	45,828	41,254	4,574	23,622	6,738	2,678	90	1,825	12,289	22,206	34,495
A28	Growth Maison Gotanda	27,376	26,772	604	8,339	2,121	1,325	31	510	4,350	19,036	23,387
A29	Growth Maison Kameido	30,410	29,017	1,392	14,168	5,065	1,686	42	1,459	5,914	16,241	22,156
A30	Emerald House	41,741	38,920	2,821	19,107	5,899	2,565	93	762	9,786	22,633	32,420
A31	Harmonie Ochanomizu	35,263	32,955	2,308	17,817	5,269	1,851	64	3,516	7,115	17,446	24,561
A32	Suncrest Shakujii-Koen	36,344	33,446	2,898	15,167	3,821	3,138	93	817	7,295	21,177	28,472
A33	Growth Maison Shin-Yokohama	33,317	30,512	2,804	15,478	3,658	2,403	65	3,260	6,090	17,838	23,929
A34	Belle Face Ueno-Okachimachi	30,191	29,924	267	12,621	4,901	1,667	41	655	5,355	17,569	22,925
A35	Grand Rire Kameido	26,619	26,619	-	8,240	499	1,708	44	500	5,487	18,379	23,867
A36	Growth Maison Ikebukuro	24,272	22,712	1,559	10,801	2,804	1,057	38	1,647	5,253	13,471	18,724
A37	Growth Maison Yoga	21,746	20,252	1,493	9,497	2,820	1,362	39	1,327	3,948	12,248	16,196
A38	Route Tachikawa	20,942	19,380	1,561	8,300	2,394	1,067	38	743	4,056	12,642	16,698
A39	Shibuya-Honmachi Mansion	19,947	19,027	920	7,921	4,017	919	33	789	2,161	12,025	14,187
A40	City Heights Kinuta	17,664	17,027	637	4,570	1,371	976	33	643	1,545	13,093	14,639
A41	Acseeds Tower Kawaguchi-Namiki	23,651	21,706	1,945	11,167	2,991	1,126	36	1,973	5,038	12,484	17,522
A42	Capital Heights Kagurazaka	18,249	17,791	458	8,297	3,658	1,079	36	1,317	2,205	9,951	12,157
A43	College Square Machida	18,268	18,268	-	5,051	430	1,508	28	500	2,584	13,216	15,801
A44	Belair Meguro	16,195	15,330	865	5,859	1,854	859	21	811	2,313	10,336	12,649
A45	Wacore Tsunashima I	18,002	16,812	1,190	9,977	3,625	894	29	1,534	3,893	8,025	11,918
A46	Foros Nakamurahashi	17,954	16,405	1,549	9,047	3,001	985	33	659	4,367	8,907	13,274
A47	Growth Maison Kaijin	21,294	19,384	1,909	15,620	5,929	2,076	79	1,294	6,240	5,673	11,914
A48	College Square Machiya	14,706	14,706	-	5,016	-	939	27	500	3,549	9,689	13,239
A51	City House Tokyo Shinbashi	88,383	82,967	5,415	39,320	15,027	4,902	106	6,191	13,092	49,063	62,156
A52	Winbell Kagurazaka	103,227	96,432	6,794	36,229	8,793	6,277	138	5,216	15,803	66,998	82,801
A53	Nishiwaseda Crescent Mansion	68,082	63,561	4,520	23,561	10,804	3,540	99	2,523	6,594	44,520	51,115
A54	Lexington Square Akebonobashi	45,511	43,417	2,094	18,552	5,053	2,183	55	2,633	8,625	26,959	35,584
A56	Casa Eremitaggio	30,380	27,881	2,499	16,387	4,143	1,689	43	1,467	9,043	13,993	23,037
A59	Towa City Coop Shinotsuka II	33,307	32,128	1,179	11,282	3,670	1,379	49	1,500	4,684	22,025	26,709
A61	Bichsel Musashiseki	22,012	21,334	678	8,447	3,579	1,171	44	1,106	2,544	13,565	16,109
A62	Lexel Mansion Ueno Matsugaya	33,167	30,205	2,961	15,000	3,476	1,892	54	1,303	8,272	18,167	26,439
A63	Towa City Coop Sengencho	54,726	49,375	5,350	30,351	17,433	3,002	99	2,359	7,456	24,374	31,831
A64	Royal Park Omachi	24,188	21,515	2,673	12,666	5,996	1,591	57	918	4,102	11,521	15,624
A65	Lexington Square Haginomachi	18,428	16,545	1,883	8,008	2,320	1,148	36	952	3,550	10,420	13,970
A66	Visconti Kakuozan	11,318	10,225	1,092	6,831	3,037	904	21	1,112	1,756	4,486	6,243
A71	Lexington Square Daitabashi	27,913	26,630	1,282	14,944	3,157	1,546	40	2,196	8,002	12,969	20,972
A72	Lexington Square Azumabashi Honjo	17,226	16,260	965	9,278	2,031	810	29	1,507	4,900	7,947	12,847
A73	AMS TOWER Minami 6-Jo	45,814	42,782	3,032	31,246	6,538	6,443	112	4,029	14,123	14,567	28,691
A75	Spacia Ebisu	187,027	169,834	17,193	68,924	14,270	8,701	225	8,805	36,921	118,103	155,024
A76	Neo Prominence	61,481	52,443	9,038	27,947	11,826	3,519	114	2,489	9,997	33,534	43,531
A77	Invoice Shin-Kobe Residence	48,843	46,202	2,640	21,342	4,232	2,743	67	2,847	11,451	27,500	38,952
A78	Cosmo Court Motomachi	33,405	32,526	879	17,827	3,822	2,306	65	1,660	9,972	15,577	25,550
A79	Revest Honjin	29,805	27,837	1,968	14,362	3,514	1,787	57	1,603	7,398	15,442	22,841
A80	Revest Matsubara	27,735	26,005	1,730	13,256	3,101	1,858	52	1,268	6,975	14,478	21,453
A81	Sun Terrace Minami Ikebukuro	20,277	18,017	2,260	11,210	3,242	905	28	2,176	4,857	9,067	13,925
A82	Alba Noritake Shinmachi	25,539	22,984	2,555	14,949	4,506	1,730	52	1,778	6,880	10,590	17,471

Property No.	Property Name	Total of rental revenue			Total of rental-related expenses (ii)	Facility management fee	Tax and other public charges	Insurance expenses	Other expenses	Depreciation expenses (iii)	Profit and Loss ((i)-(ii))	NOI ((i)-(ii)+ (iii))
		(i)	Rent, common area fees	Other income								
A83	Revest Meieki Minami	25,521	24,143	1,378	13,537	3,554	1,652	55	1,395	6,879	11,983	18,862
A84	Revest Heian	24,560	22,877	1,682	12,393	3,697	1,403	38	894	6,359	12,167	18,526
A85	Vendir Hamaotsu Ekimae	29,675	27,732	1,943	14,857	4,962	1,950	62	924	6,958	14,818	21,776
A86	Salvo Sala	23,253	22,345	908	11,523	3,147	1,572	43	1,315	5,444	11,730	17,174
A87	Excellente Kagurazaka	16,934	16,325	609	8,230	2,181	778	26	1,049	4,194	8,704	12,899
A88	Luna Court Edobori	19,122	18,182	940	10,243	2,912	1,175	33	1,057	5,064	8,879	13,943
A89	Winntage Kobe Motomachi	22,200	21,845	354	11,597	2,529	1,587	41	1,633	5,805	10,603	16,408
A90	Queen's Court Fukuzumi	16,248	15,786	461	6,643	1,852	761	23	811	3,195	9,604	12,799
A91	Corp Higashinotoin	16,872	16,210	662	7,717	2,164	905	29	827	3,790	9,154	12,944
A92	Belair Oimachi	13,875	13,230	645	6,785	2,044	661	20	1,383	2,675	7,089	9,764
A93	Siete Minami-Tsukaguchi	16,217	15,368	849	8,356	2,768	983	28	1,335	3,240	7,861	11,101
A94	Prime Life Sannomiya Isogami Koen	14,360	13,929	431	6,539	1,588	846	22	655	3,426	7,821	11,247

Property No.	Property Name	Rental revenue			Leasing-related expenses (ii)	Facility management fee	Tax and other public charges	Insurance expenses	Other expenses	Depreciation expenses (iii)	Profit and Loss (i)-(ii)	NOI ((i)-(ii)+(iii))
		(i)	Rent, common area fees	Other income								
A95	HERMITAGE NANBA WEST	15,512	14,533	979	7,585	2,027	1,018	26	1,115	3,398	7,927	11,325
A96	Century Park Shinkawa 1-bankan	18,070	15,122	2,947	7,798	2,397	885	38	644	3,833	10,271	14,105
A97	West Avenue	11,510	11,234	275	6,082	1,751	561	21	813	2,935	5,427	8,363
A98	Little River Honmachibashi	12,758	12,677	80	7,070	2,256	942	23	1,087	2,760	5,687	8,448
A99	Prime Life Mikage	11,980	11,908	72	6,200	1,568	761	19	891	2,960	5,779	8,740
B8	Kindai Kagakusha Building	35,405	31,481	3,923	24,536	8,851	4,403	69	1,002	10,208	10,869	21,077
B9	Shinjuku Island	(Note1)	(Note1)	(Note1)	(Note1)	(Note1)	(Note1)	(Note1)	(Note1)	(Note1)	(Note1)	(Note1)
B14	Lexington Plaza Nishigotanda	138,450	121,650	16,800	70,112	29,615	12,732	184	1,175	26,403	68,338	94,742
B15	Cross Square NAKANO	32,309	26,592	5,717	15,737	7,005	3,851	79	991	3,810	16,572	20,382
B16	Ohki Aoba Building	40,397	32,159	8,237	24,168	11,433	4,016	97	840	7,780	16,228	24,009
B17	Lexington Plaza Hachiman	167,597	131,345	36,252	85,111	51,838	11,554	155	756	20,805	82,486	103,292
B18	AEON TOWN Sukagawa	142,505	142,505	-	94,252	56,124	7,876	192	621	29,438	48,252	77,690
C1	Times Kanda-Sudacho 4th	2,453	2,453	-	253	-	252	-	-	1	2,200	2,201
D1	Hotel MyStays Kanda	104,832	104,832	-	16,162	-	-	71	504	15,585	88,669	104,255
D2	Hotel MyStays Asakusa	108,407	108,407	-	17,288	-	-	35	511	16,741	91,119	107,860
D3	Hotel MyStays Kyoto-Shijo (Note2)	310,661	310,661	-	42,276	-	-	196	462	41,617	268,384	310,002
D4	MyStays Shin-Urayasu Conference Center (Note2)	217,607	217,607	-	37,358	-	-	176	461	36,720	180,249	216,969
D5	Hotel MyStays Maihama (Note2)	166,812	166,812	-	32,068	-	-	86	462	31,519	134,744	166,263
D6	Hotel Vista Premio Dojima (Note2)	160,910	160,910	-	40,797	7,501	-	243	465	32,587	120,113	152,700
D7	Hotel MyStays Nagoya-Sakae (Note2)	185,561	185,561	-	55,244	15,686	-	210	464	38,883	130,317	169,200
D8	Hotel MyStays Sakaisuji-Honmachi (Note2)	123,501	123,501	-	17,815	-	-	94	461	17,259	105,685	122,945
D9	Hotel MyStays Yokohama (Note2)	124,297	124,297	-	21,569	-	-	172	462	20,934	102,728	123,662
D10	Hotel MyStays Nippori (Note2)	72,782	72,782	-	14,178	-	-	52	461	13,665	58,603	72,268
D11	Hotel MyStays Fukuoka-Tenjin-Minami (Note2)	90,326	90,326	-	12,843	-	-	84	461	12,298	77,482	89,780
D12	Flexstay Inn Iidabashi (Note2)	55,564	55,564	-	8,314	-	-	80	461	7,772	47,249	55,022
D13	Hotel MyStays Ueno Inaricho (Note2)	50,423	50,423	-	11,838	-	-	38	461	11,338	38,585	49,923
D14	Flexstay Inn Shinagawa (Note2)	44,932	44,932	-	6,348	-	-	31	461	5,855	38,584	44,439
D15	Flexstay Inn Tokiwadai (Note2)	57,136	57,136	-	6,295	-	-	72	461	5,761	50,841	56,603
D16	Flexstay Inn Sugamo (Note2)	50,354	50,354	-	10,601	-	-	58	461	10,081	39,752	49,834
D17	Hotel MyStays Otemae (Note2)	74,450	74,450	-	8,735	-	-	98	461	8,175	65,715	73,890
D18	Flexstay Inn Kiyosumi Shirakawa (Note2)	36,629	36,629	-	7,036	-	-	69	461	6,505	29,593	36,098
D19	Flexstay Inn Nakanobu P1 (Note2)	21,911	21,911	-	4,062	-	-	22	461	3,578	17,848	21,427
D20	Flexstay Inn Nakanobu P2 (Note2)	12,157	12,157	-	1,924	-	-	13	461	1,450	10,232	11,683
	Total	4,610,717	4,408,874	201,843	1,586,854	460,196	163,789	6,084	119,524	837,259	3,023,863	3,861,122

(Note 1) Not disclosed because the consent of the tenant was not obtained.

(Note 2) These eighteen properties were acquired as of July 17, 2014, the operation period of which is from July 17, 2014 to December 31, 2014.

(3) Tenant Summary

a Summary of lease conditions by property

(As of December 31, 2014)

Property No	Property Name	Leasable Area (m ²) (Note 1)	Leased Area (m ²) (Note 2)	Leasable Units (units) (Note 3)	Leased Units (units) (Note 4)	Number of tenants	Tenants (Note 5)	Rental		Type of Lease (Note 7)
								Revenue (Thousands of yen) (Note 6)	Ratio of Rental Revenue (%)	
A26	Nisshin Palacestage Daitabashi	1,771.13	1,594.14	98	88	1	Best Property Corporation	38,666	0.8	Pass through master lease
A27	Nisshin Palacestage Higashi-Nagasaki	2,681.94	2,583.97	60	58	1	Best Property Corporation	45,828	1.0	Pass through master lease
A28	Growth Maison Gotanda	1,051.50	1,051.50	48	48	1	Pacific Development & Management Co., Ltd	27,376	0.6	Pass through master lease
A29	Growth Maison Kameido	1,367.96	1,179.56	66	57	1	Mitsui Home Estate Co., Ltd.	30,410	0.7	Pass through master lease
A30	Emerald House	2,152.31	2,108.79	96	94	1	Tokyo Gakusei Life Co., Ltd.	41,741	0.9	Pass through master lease
A31	Harmonie Ochanomizu	1,748.24	1,635.36	65	61	1	Pacific Development & Management Co., Ltd.	35,263	0.8	Pass through master lease
A32	Suncrest Shakujii-Koen	3,029.16	2,937.72	29	28	1	Mitsui Home Estate Co., Ltd.	36,344	0.8	Pass through master lease
A33	Growth Maison Shin-Yokohama	1,858.44	1,776.08	68	65	1	Pacific Development & Management Co., Ltd	33,317	0.7	Pass through master lease
A34	Belle Face Ueno-Okachimachi	1,351.11	1,328.77	64	63	1	Mainichicomnet Co., Ltd.	30,191	0.7	Pass through master lease
A35	Grand Rire Kameido	1,562.26	1,562.26	72	72	1	J.S.B. Co., Ltd.	26,619	0.6	Fixed rent master lease
A36	Growth Maison Ikebukuro	952.89	862.17	42	38	1	Pacific Development & Management Co., Ltd	24,272	0.5	Pass through master lease
A37	Growth Maison Yoga	1,015.34	963.82	39	37	1	Mitsui Home Estate Co., Ltd.	21,746	0.5	Pass through master lease
A38	Route Tachikawa	1,368.57	1,322.13	24	23	1	Pacific Development & Management Co., Ltd	20,942	0.5	Pass through master lease
A39	Shibuya-Honmachi Mansion	1,167.50	1,065.70	25	22	1	Pacific Development & Management Co., Ltd	19,947	0.4	Pass through master lease
A40	City Heights Kinuta	1,235.93	1,235.93	19	19	1	Mitsui Home Estate Co., Ltd.	17,664	0.4	Pass through master lease
A41	Acseeds Tower Kawaguchi-Namiki	1,210.74	1,041.14	57	49	1	Access Group, Inc.	23,651	0.5	Pass through master lease
A42	Capital Heights Kagurazaka	1,126.65	1,032.23	26	23	1	Mitsui Home Estate Co., Ltd.	18,249	0.4	Pass through master lease
A43	College Square Machida	1,047.75	1,047.75	62	62	1	Mainichicomnet Co., Ltd.	18,268	0.4	Fixed rent master lease
A44	Belair Meguro	557.05	490.69	25	22	1	Pacific Development & Management Co., Ltd	16,195	0.4	Pass through master lease
A45	Wacore Tsunashima I	907.46	816.18	50	45	1	Pacific Development & Management Co., Ltd	18,002	0.4	Pass through master lease
A46	Foros Nakamurabashi	815.77	724.13	37	33	1	Mitsui Home Estate Co., Ltd.	17,954	0.4	Pass through master lease
A47	Growth Maison Kaijin	2,040.27	1,815.94	34	30	1	Mitsui Home Estate Co., Ltd.	21,294	0.5	Pass through master lease
A48	College Square Machiya	871.35	871.35	43	43	1	Mainichicomnet Co., Ltd.	14,706	0.3	Fixed rent master lease
A51	City House Tokyo Shinbashi	3,364.00	3,216.68	86	82	1	Mitsui Home Estate Co., Ltd.	88,383	1.9	Pass through master lease

Property No	Property Name	Leasable Area (m ²) (Note 1)	Leased Area (m ²) (Note 2)	Leasable Units (units) (Note 3)	Leased Units (units) (Note 4)	Number of tenants	Tenants (Note 5)	Rental	Ratio of Rental Revenue (%)	Type of Lease (Note 7)
								Revenue (Thousands of yen) (Note 6)		
A52	Winbell Kagurazaka	4,032.70	4,032.70	118	118	1	Mitsui Home Estate Co., Ltd.	103,227	2.2	Pass through master lease
A53	Nishiwaseda Crescent Mansion	4,310.77	3,901.52	69	63	1	Pacific Development & Management Co., Ltd	68,082	1.5	Pass through master lease
A54	Lexington Square Akebonobashi	1,987.88	1,765.25	88	78	1	Mitsui Home Estate Co., Ltd.	45,511	1.0	Pass through master lease
A56	Casa Eremitaggio	1,197.19	1,091.45	17	14	1	Pacific Development & Management Co., Ltd	30,380	0.7	Pass through master lease
A59	Towa City Coop Shinotsuka II	1,627.13	1,485.46	58	53	1	Mitsui Home Estate Co., Ltd.	33,307	0.7	Pass through master lease
A61	Bichsel Musashiseki	1,220.24	1,047.41	70	60	1	Mitsui Home Estate Co., Ltd.	22,012	0.5	Pass through master lease
A62	Lexel Mansion Ueno Matsugaya	1,969.45	1,907.04	29	28	1	Pacific Development & Management Co., Ltd	33,167	0.7	Pass through master lease
A63	Towa City Coop Sengencho	3,426.36	2,748.43	154	123	1	Pacific Development & Management Co., Ltd	54,726	1.2	Pass through master lease
A64	Royal Park Omachi	1,929.59	1,699.72	51	47	1	One-Eyed Capital Advisers	24,188	0.5	Pass through master lease
A65	Lexington Square Haginomachi	1,528.58	1,528.58	39	39	1	One-Eyed Capital Advisers	18,428	0.4	Pass through master lease
A66	Visconti Kakuozan	705.75	632.96	8	7	1	Mitsui Home Estate Co., Ltd.	11,318	0.2	Pass through master lease

Property No	Property Name	Leasable Area (m ²) (Note 1)	Leased Area (m ²) (Note 2)	Leasable Units (units) (Note 3)	Leased Units (units) (Note 4)	Number of tenants	Tenants (Note 5)	Rental Revenue (Thousands of yen) (Note 6)	Ratio of Rental Revenue (%)	Type of Lease (Note 7)
A71	Lexington Square Daitabashi	1,430.64	1,218.10	43	37	1	Nisshin Jyutaku Support K.K.	27,913	0.6	Pass through master lease
A72	Lexington Square Honjo Azumabashi	784.74	761.50	33	32	1	Nisshin Jyutaku Support K.K.	17,226	0.4	Pass through master lease
A73	AMS TOWER Minami 6-Jo	4,460.56	3,731.37	120	99	1	Big Service Co., Ltd.	45,814	1.0	Pass through master lease
A75	Spacia Ebisu	7,794.91	7,298.51	109	103	1	Pacific Development & Management Co., Ltd	187,027	4.1	Pass through master lease
A76	Neo Prominence	3,574.70	3,358.15	52	48	1	Goodworks Co., Ltd.	61,481	1.3	Pass through master lease
A77	Invoice Shin-Kobe Residence	2,773.71	2,607.22	81	76	1	Sohgoh Real Estate	48,843	1.1	Pass through master lease
A78	Cosmo Court Motomachi	2,310.49	2,000.39	82	71	1	Global Community Co., Ltd	33,405	0.7	Pass through master lease
A79	Revest Honjin	1,933.80	1,789.26	80	74	1	Mininet, Inc	29,805	0.6	Pass through master lease
A80	Revest Matsubara	1,955.40	1,832.43	70	66	1	Mininet, Inc	27,735	0.6	Pass through master lease
A81	Sun Terrace Minami Ikebukuro	898.70	827.75	38	35	1	Goodworks Co., Ltd.	20,277	0.4	Pass through master lease
A82	Alba Noritake Shinmachi	1,731.68	1,635.28	64	60	1	Mininet, Inc	25,539	0.6	Pass through master lease
A83	Revest Meieki Minami	1,634.60	1,560.02	61	58	1	Mininet, Inc	25,521	0.6	Pass through master lease
A84	Revest Heian	1,554.03	1,554.03	40	40	1	Mininet, Inc	24,560	0.5	Pass through master lease
A85	Vendir Hamaotsu Ekimae	2,670.66	2,332.27	81	70	1	Mininet, Inc	29,675	0.6	Pass through master lease
A86	Salvo Sala	1,428.12	1,335.94	54	50	1	Daygran, Inc.	23,253	0.5	Pass through master lease
A87	Excellente Kagurazaka	701.92	619.69	33	29	1	Goodworks Co., Ltd.	16,934	0.4	Pass through master lease
A88	Luna Court Edobori	1,185.50	1,044.08	50	44	1	Nihon Housing Co., Ltd.	19,122	0.4	Pass through master lease
A89	Winntage Kobe Motomachi	1,433.35	1,358.78	57	54	1	Global Community Co., Ltd.	22,200	0.5	Pass through master lease
A90	Queen's Court Fukuzumi	765.18	707.77	25	23	1	Goodworks Co., Ltd.	16,248	0.4	Pass through master lease
A91	Corp Higashinotoin	1,029.05	956.08	42	39	1	Global Community Co., Ltd.	16,872	0.4	Pass through master lease
A92	Belair Oimachi	530.60	492.80	26	24	1	Goodworks Co., Ltd.	13,875	0.3	Pass through master lease
A93	Siete Minami-Tsukaguchi	1,020.86	995.36	40	39	1	Goodworks Co., Ltd.	16,217	0.4	Pass through master lease
A94	Prime Life Sannomiya Isogami Koen	789.12	764.46	32	31	1	Global Community Co., Ltd.	14,360	0.3	Pass through master lease
A95	HERMITAGE NANBA WEST	992.76	992.76	21	21	1	Daygran, Inc.	15,512	0.3	Pass through master lease
A96	Century Park Shinkawa 1-bankan	1,477.62	1,410.49	44	42	1	Goodworks Co., Ltd.	18,070	0.4	Pass through master lease
A97	West Avenue	794.80	675.58	40	34	1	Joint Property Co., Ltd.	11,510	0.2	Pass through master lease
A98	Little River Honmachibashi	974.81	914.15	31	29	1	Goodworks Co., Ltd.	12,758	0.3	Pass through master lease
A99	Prime Life Mikage	761.18	710.18	28	26	1	Global Community Co., Ltd.	11,980	0.3	Pass through master lease
B8	Kindai Kagakusha Building	1,451.54	1,451.54	13	13	1	Sohgoh Real Estate	35,405	0.8	Pass through master lease
B9	Shinjuku Island	526.43	526.43	1	1	1	(Note 8)	(Note 8)	(Note 8)	Direct variable rent lease (Note 9)
B14	Lexington Plaza Nishigotanda	6,033.58	6,033.58	11	11	8	Community One Co., Ltd.	138,450	3.0	Variable rent lease (Note 10)
B15	Cross Square NAKANO	2,145.00	1,378.46	45	23	1	Shin-ei Real Estate Business Co., Ltd.	32,309	0.7	Pass through master lease
B16	Ohki Aoba Building	2,178.41	2,178.41	13	13	1	Tozai Asset Management Co., Ltd.	40,397	0.9	Fixed rent master lease

Property No	Property Name	Leasable Area (m ²) (Note 1)	Leased Area (m ²) (Note 2)	Leasable Units (units) (Note 3)	Leased Units (units) (Note 4)	Number of tenants	Tenants (Note 5)	Rental	Ratio of Rental Revenue (%)	Type of Lease (Note 7)
								Revenue (Thousands of yen) (Note 6)		
B17	Lexington Plaza Hachiman	8,419.15	8,419.15	18	18	1	Tokyo Biso Kogyo Corporation	167,597	3.6	Pass through master lease
B18	AEON TOWN Sukagawa	18,440.58	18,440.58	1	1	1	Aeon Town Co., Ltd.	142,505	3.1	Fixed rent master lease
C1	Times Kanda-Sudacho 4-th	81.04	81.04	1	1	1	Times24. Co., Ltd.	2,453	0.1	Direct fixed rent lease (Note 11)

Property No	Property Name	Leasable Area (m ²) (Note 1)	Leased Area (m ²) (Note 2)	Leasable Units (units) (Note 3)	Leased Units (units) (Note 4)	Number of Tenants	Tenants (Note 5)	Rental Revenue (Thousands of yen) (Note 6)	Ratio of Rental Revenue (%)	Type of Lease (Note 7)
D1	Hotel MyStays Kanda	2,585.72	2,585.72	126	126	1	MyStays Hotel Management Co., Ltd.	104,832	2.3	Fixed rent plus variable rent type operation (Note 12)
D2	Hotel MyStays Asakusa	3,327.38	3,327.38	160	160	1	MyStays Hotel Management Co., Ltd.	108,407	2.4	Fixed rent plus variable rent type operation (Note 12)
D3	Hotel MyStays Kyoto-Shijo	7,241.51	7,241.51	224	224	1	MyStays Hotel Management Co., Ltd.	310,661	6.7	Fixed rent plus variable rent type operation (Note 12)
D4	MyStays Shin-Urayasu Conference Center	6,232.30	6,232.30	175	175	1	MyStays Hotel Management Co., Ltd.	217,607	4.7	Fixed rent plus variable rent type operation (Note 12)
D5	Hotel MyStays Maihama	2,456.36	2,456.36	90	90	1	MyStays Hotel Management Co., Ltd.	166,812	3.6	Fixed rent plus variable rent type operation (Note 12)
D6	Hotel Vista Premio Dojima	9,445.32	9,445.32	141	141	1	MGH Master Lease Kabusiki Kaisha	160,910	3.5	Fixed rent, variable rent plus pass through master lease (Note 13)
D7	Hotel MyStays Nagoya-Sakae	9,064.71	9,064.71	270	270	1	Yugen Kaisha Nagoya Hotel Management	185,561	4.0	Fixed rent plus variable rent type operation (Note 12)
D8	Hotel MyStays Sakaisuji-Honmachi	4,188.83	4,188.83	190	190	1	MyStays Hotel Management Co., Ltd.	123,501	2.7	Fixed rent plus variable rent type operation (Note 12)
D9	Hotel MyStays Yokohama	7,379.43	7,379.43	190	190	1	MyStays Hotel Management Co., Ltd.	124,297	2.7	Fixed rent plus variable rent type operation (Note 12)
D10	Hotel MyStays Nippori	1,719.29	1,719.29	93	93	1	MyStays Hotel Management Co., Ltd.	72,782	1.6	Fixed rent plus variable rent type operation (Note 12)
D11	Hotel MyStays Fukuoka-Tenjin-Minami	3,412.71	3,412.71	177	177	1	MyStays Hotel Management Co., Ltd.	90,326	2.0	Fixed rent plus variable rent type operation (Note 12)
D12	Flexstay Inn Iidabashi	2,953.38	2,953.38	59	59	1	MyStays Hotel Management Co., Ltd.	55,564	1.2	Fixed rent plus variable rent type operation (Note 12)
D13	Hotel MyStays Ueno Inaricho	1,150.76	1,150.76	72	72	1	MyStays Hotel Management Co., Ltd.	50,423	1.1	Fixed rent plus variable rent type operation (Note 12)
D14	Flexstay Inn Shinagawa	1,134.52	1,134.52	55	55	1	MyStays Hotel Management Co., Ltd.	44,932	1.0	Fixed rent plus variable rent type operation (Note 12)
D15	Flexstay Inn Tokiwadai	2,539.75	2,539.75	129	129	1	MyStays Hotel Management Co., Ltd.	57,136	1.2	Fixed rent plus variable rent type operation (Note 12)
D16	Flexstay Inn Sugamo	2,089.86	2,089.86	104	104	1	MyStays Hotel Management Co., Ltd.	50,354	1.1	Fixed rent plus variable rent type operation (Note 12)
D17	Hotel MyStays Ottemae	4,956.66	4,956.66	110	110	1	MyStays Hotel Management Co., Ltd.	74,450	1.6	Fixed rent plus variable rent type operation (Note 12)
D18	Flexstay Inn Kiyosumi Shirakawa	2,673.64	2,673.64	55	55	1	MyStays Hotel Management Co., Ltd.	36,629	0.8	Fixed rent plus variable rent type operation (Note 12)

Property No	Property Name	Leasable Area (m ²) (Note 1)	Leased Area (m ²) (Note 2)	Leasable Units (units) (Note 3)	Leased Units (units) (Note 4)	Number of Tenants	Tenants (Note 5)	Rental	Ratio of Rental Revenue (%)	Type of Lease (Note 7)
								Revenue (Thousands of yen) (Note 6)		
D19	Flexstay Inn Nakanobu P1	770.56	770.56	39	39	1	MyStays Hotel Management Co., Ltd.	21,911	0.5	Fixed rent plus variable rent type operation (Note 12)
D20	Flexstay Inn Nakanobu P2	391.49	391.49	22	22	1	MyStays Hotel Management Co., Ltd.	12,157	0.3	Fixed rent plus variable rent type operation (Note 12)
Total		224,574.36	215,812.28	5,997	5,708	98	—	4,610,717	100.0	—

(Note 1) “Leasable Area” is based on the portion of each property or property in trust owned by INV and leasable as residential, office, retail etc.

(Note 2) “Leased Area” is the portion of leasable area for which there is actually a lease agreement and is based on the area indicated in the lease agreements.

(Note 3) “Leasable Units” is the number of units possible to lease for each property or property in trust.

(Note 4) “Leased Units” is the number of units actually leased to tenants and end-tenants based on lease agreements.

(Note 5) “Tenant” is the master lessee where there is a master lease agreement between INV or the trustee and a master lease company, and the principal lessee where there are direct lease agreements with end-tenants.

(Note 6) “Rental Revenue” is the aggregate rent revenue for each property for the fiscal period, rounded down to the nearest thousand yen.

(Note 7) Pursuant to pass through master lease agreements between the master lease company and the trustee, the master lease company pays the amount paid by end-tenants pursuant to subleases. Pursuant to fixed rent master lease agreements, the master lease company pays fixed rent.

(Note 8) Not disclosed because the consent of the tenant was not obtained.

(Note 9) A direct lease agreement has been entered into between INV and the tenant (without using a master lease company), and rent is received from the end tenant pursuant thereto.

(Note 10) A direct lease agreement has been entered into between the trustee and the tenant (without using a master lease company), and rent is received from the end tenant pursuant thereto.

(Note 11) A direct lease agreement has been entered into between INV and the tenant (without using a master lease company).The lease is fixed rent regardless of use or occupancy conditions.

(Note 12) A direct lease agreement has been entered into between INV and the tenant. The lease is a fixed rent plus variable rent type operation where, in addition to the fixed rent, a variable rent is established that allows the total rent to be varied based on the GOP (Gross Operating Profit) attained under the hotel operations of the tenant.

(Note 13) The lease is fixed rent, variable rent plus pass-through master lease type operation where the pass-through rent the tenant receives from the sub-tenant is added to the fixed rent and the variable rent based on the GOP attained under the operations of the tenant.

b Occupancy trend

(Unit: %)

Property No.	Property Name	18 th Fiscal Period	19 th Fiscal Period	20 th Fiscal Period	21 st Fiscal Period	22 nd Fiscal Period	23 rd Fiscal Period					
		As of the end of Jun. 2012	As of the end of Dec. 2012	As of the end of Jun. 2013	As of the end of Dec. 2013	As of the end of Jun. 2014	As of the end of Jul. 2014	As of the end of Aug. 2014	As of the end of Sept. 2014	As of the end of Oct. 2014	As of the end of Nov. 2014	As of the end of Dec. 2014
A26	Nisshin Palacestage Daitabashi	95.8	96.9	98.0	95.0	94.1	90.1	92.0	91.0	91.9	91.0	90.0
A27	Nisshin Palacestage Higashi-Nagasaki	97.8	90.3	98.4	97.4	97.7	95.8	97.2	96.3	93.3	95.1	96.3
A28	Growth Maison Gotanda	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A29	Growth Maison Kameido	95.4	94.0	94.0	89.3	89.3	90.8	90.8	84.7	86.2	87.7	86.2
A30	Emerald House	100.0	99.0	100.0	98.9	100.0	100.0	100.0	100.0	100.0	99.0	98.0
A31	Harmonie Ochanomizu	96.1	100.0	88.2	97.5	91.2	87.1	87.1	81.8	83.1	87.0	93.5
A32	Suncrest Shakujii-Koen	97.1	94.7	95.6	95.3	97.0	97.0	97.0	97.0	97.0	97.0	97.0
A33	Growth Maison Shin-Yokohama	94.1	98.5	97.1	94.1	86.9	86.9	89.7	91.2	94.0	95.6	95.6
A34	Belle Face Ueno-Okachimachi	100.0	98.4	100.0	100.0	98.3	98.3	100.0	100.0	100.0	98.3	98.3
A35	Grand Rire Kameido	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A36	Growth Maison Ikebukuro	90.5	90.6	88.2	97.6	90.4	88.0	90.4	90.4	95.3	95.3	90.5
A37	Growth Maison Yoga	92.4	92.2	97.3	100.0	97.3	89.7	92.4	92.4	92.4	92.4	94.9
A38	Route Tachikawa	67.9	100.0	76.7	83.5	96.6	100.0	96.6	96.6	96.6	96.6	96.6
A39	Shibuya-Honmachi Mansion	96.5	100.0	80.8	96.4	100.0	100.0	98.1	95.9	94.0	89.3	91.3
A40	City Heights Kinuta	94.6	89.2	94.6	94.6	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A41	Aceeds Tower Kawaguchi-Namiki	94.8	100.0	93.0	96.5	93.0	91.2	92.9	91.2	85.9	82.4	86.0
A42	Capital Heights Kagurazaka	84.4	92.5	97.2	91.0	90.5	94.4	97.2	94.4	94.4	94.4	91.6
A43	College Square Machida	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A44	Belair Meguro	87.9	92.1	96.0	92.1	100.0	100.0	100.0	100.0	92.0	87.9	88.1
A45	Wacore Tsunashima I	84.2	96.1	90.0	82.1	94.1	94.1	96.0	94.1	92.1	89.9	89.9
A46	Foros Nakamurabashi	92.6	100.0	92.0	94.5	100.0	97.5	97.5	95.1	95.1	92.6	88.8
A47	Growth Maison Kaijin	96.7	97.1	94.4	100.0	90.0	90.0	92.6	92.8	91.9	91.9	89.0
A48	College Square Machiya	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A51	City House Tokyo Shinbashi	93.0	90.8	100.0	100.0	94.5	93.1	94.8	92.3	93.4	94.9	95.6
A52	Winbell Kagurazaka	93.3	96.4	96.9	96.5	98.6	98.6	98.6	97.1	93.7	97.3	100.0
A53	Nishiwaseda Crescent Mansion	88.8	100.0	98.5	94.8	92.5	90.9	90.9	89.4	90.9	90.5	90.5
A54	Lexington Square Akebonobashi	93.4	93.1	94.4	89.7	93.3	90.9	88.7	88.7	88.7	87.6	88.8
A56	Casa Eremitaggio	90.0	92.9	90.0	90.0	97.0	97.0	97.0	94.1	94.1	94.1	91.2
A59	Towa City Shinotsuka II Coop	92.6	97.3	94.9	89.9	92.8	92.8	92.8	92.8	92.8	92.8	91.3
A61	Bichsel Musashiseki	97.1	97.1	95.7	92.9	94.3	91.4	91.4	88.6	88.6	88.7	85.8
A62	Lexel Mansion Ueno Matsugaya	96.3	93.2	86.8	100.0	96.3	96.3	96.4	93.2	93.2	90.1	96.8
A63	Towa City Coop Sengencho	89.8	94.3	94.9	90.5	89.1	87.2	83.4	83.4	80.8	80.2	80.2
A64	Royal Park Omachi	93.2	96.4	100.0	95.0	90.6	90.6	90.6	92.3	93.9	93.9	88.1
A65	Lexington Square Hagnomachi	100.0	100.0	100.0	97.4	97.4	100.0	94.8	100.0	100.0	100.0	100.0
A66	Visconti Kakuozan	100.0	88.6	100.0	100.0	100.0	100.0	100.0	89.7	100.0	100.0	89.7
A71	Lexington Square Daitabashi	97.9	95.1	95.1	93.7	90.9	90.9	85.1	80.9	80.9	80.9	85.1
A72	Lexington Square Honjo Azumabashi	90.9	100.0	93.9	100.0	96.9	87.8	84.8	87.8	94.1	97.0	97.0
A73	AMS TOWER Minami 6-Jo	88.6	90.0	88.2	97.1	91.8	87.9	87.9	85.4	82.5	86.9	83.7
A75	Spacia Ebisu	97.1	92.2	90.2	89.2	90.0	92.7	90.1	89.9	91.5	89.4	93.6
A76	Neo Prominence	—	94.8	96.6	96.6	88.9	88.9	90.5	97.3	97.3	93.9	93.9
A77	Invoice Shin-Kobe Residence	—	99.1	98.6	95.4	94.4	96.8	96.8	97.7	96.8	97.3	94.0
A78	Cosmo Court Motomachi	—	97.5	92.7	98.7	90.4	89.1	87.8	87.8	85.3	84.1	86.6
A79	Revest Honjin	—	93.8	98.8	93.7	95.0	92.5	90.0	92.5	92.5	93.7	92.5
A80	Revest Matsubara	—	91.9	95.7	98.8	91.2	89.4	89.4	89.4	92.4	93.7	93.7
A81	Sun Terrace Minami Ikebukuro	—	100.0	97.4	97.4	89.5	86.8	81.6	81.6	89.5	86.8	92.1
A82	Alba Noritake Shimomachi	—	98.6	93.8	96.5	91.7	89.6	89.6	90.9	90.9	91.6	94.4
A83	Revest Meieki Minami	—	97.0	100.0	98.5	93.6	98.5	96.6	98.5	97.0	93.9	95.4
A84	Revest Heian	—	95.2	100.0	98.4	98.4	98.4	98.4	96.8	96.8	98.4	100.0

Property No.	Property Name	18 th Fiscal Period	19 th Fiscal Period	20 th Fiscal Period	21 st Fiscal Period	22 nd Fiscal Period	23 rd Fiscal Period					
		As of the end of Jun.2012	As of the end of Dec. 2012	As of the end of Jun. 2013	As of the end of Dec. 2013	As of the end of Jun. 2014	As of the end of Jul. 2014	As of the end of Aug. 2014	As of the end of Sept. 2014	As of the end of Oct. 2014	As of the end of Nov. 2014	As of the end of Dec. 2014
A85	Vendir Ekimae Hamaotsu	—	93.3	95.4	100.0	94.2	91.8	89.6	89.3	86.0	86.0	87.3
A86	Salvo Sala	—	89.9	98.0	96.7	91.5	91.0	93.7	95.2	93.5	93.5	93.5
A87	Excellente Kagurazaka	—	100.0	97.1	91.2	97.1	97.1	94.1	88.3	88.3	85.4	88.3
A88	Luna Court Edobori	—	96.0	98.0	98.0	88.1	88.1	86.1	84.1	86.1	90.1	88.1
A89	Wintage Motomachi Kobe	—	98.2	94.9	86.0	91.1	89.3	91.2	93.1	94.8	92.9	94.8
A90	Queen's Court Fukuzumi	—	100.0	100.0	100.0	100.0	100.0	100.0	96.6	100.0	95.9	92.5
A91	Corp Higashinotoin	—	100.0	97.7	95.1	90.3	90.3	90.3	92.8	95.2	95.2	92.9
A92	Belair Oimachi	—	92.6	100.0	96.4	96.1	92.3	84.8	88.7	89.0	85.1	92.9
A93	Siete Tsukaguchi Minami-	—	94.9	100.0	97.5	92.5	87.6	95.0	95.0	97.5	97.5	97.5

Ptoprty No.	Property Name	18 th Fiscal Period	19 th Fiscal Period	20 th Fiscal Period	21 st Fiscal Period	22 nd Fiscal Period	22 nd Fiscal Period					
		As of	As of	As of	As of	As of	As of	As of	As of	As of	As of	As of
		the end of Jun. 2012	the end of Dec. 2012	the end of Jun. 2013	the end of Dec. 2013	the end of Jun. 2014	the end of Jul. 2014	the end of Aug. 2014	the end of Sept. 2014	the end of Oct. 2014	the end of Nov. 2014	the end of Dec. 2014
A94	Prime Life Sannomiya Isogami Koen	—	100.0	100.0	93.8	100.0	96.9	96.9	96.9	96.9	96.9	96.9
A95	HERMITAGE NANBA WEST	—	91.2	86.9	96.0	92.0	87.7	92.0	96.0	96.0	96.0	100.0
A96	Century Park Shinkawa 1-bankan	—	100.0	90.9	97.7	100.0	100.0	97.7	100.0	95.4	97.7	95.5
A97	West Avenue	—	90.0	82.5	90.0	85.0	85.0	80.0	82.5	82.5	85.0	85.0
A98	Little River Honmachibashi	—	96.9	93.8	96.9	93.9	93.9	93.9	93.8	93.8	93.8	93.8
A99	Prime Life Mikage	—	85.5	100.0	96.6	93.4	96.7	96.7	100.0	96.6	93.3	93.3
B8	Kindai Kagakusha Building	85.5	100.0	100.0	100.0	95.0	95.0	95.0	95.0	100.0	100.0	100.0
B9	Shinjuku Island	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B14	Lexington Plaza Nishigotanda	92.0	100.0	90.1	90.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B15	Cross Square NAKANO	54.0	54.2	57.6	67.6	64.3	64.3	65.9	64.3	64.3	64.3	64.3
B16	Ohki Aoba Building	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B17	Lexington Plaza Hachiman	94.6	94.6	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B18	AEON TOWN Sukagawa	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C1	Times Kanda-Sudacho 4th	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C21	Bon Sejour Chitose Funabashi	100.0	100.0	100.0	100.0	—	—	—	—	—	—	—
C22	Bon Sejour Yotsugi	100.0	100.0	100.0	100.0	—	—	—	—	—	—	—
C23	Bon Sejour Hino	100.0	100.0	100.0	100.0	—	—	—	—	—	—	—
C24	Bon Sejour Musashi Shinjo	100.0	100.0	100.0	100.0	—	—	—	—	—	—	—
C25	Bon Sejour Komaki	100.0	100.0	100.0	100.0	—	—	—	—	—	—	—
C26	Bon Sejour Hadano Shibusawa	100.0	100.0	100.0	100.0	—	—	—	—	—	—	—
C27	Bon Sejour Itami	100.0	100.0	100.0	100.0	—	—	—	—	—	—	—
D1	Hotel MyStays Kanda	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0	100.0
D2	Hotel MyStays Asakusa	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0	100.0
D3	Hotel MyStays Kyoto-Shijo	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D4	MyStays Shin-Urayasu Conference Center	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D5	Hotel MyStays Maihama	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D6	Hotel Vista Premio Dojima	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D7	Hotel MyStays Nagoya-Sakae	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D8	Hotel MyStays Sakaisuji-Honmachi	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D9	Hotel MyStays Yokohama	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D10	Hotel MyStays Nippori	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D11	Hotel MyStays Fukuoka-Tenjin-Minami	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D12	Flexstay Inn Iidabashi	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D13	Hotel MyStays Ueno Inaricho	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D14	Flexstay Inn Shinagawa	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D15	Flexstay Inn Tokiwadai	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D16	Flexstay Inn Sugamo	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D17	Hotel MyStays Otemae	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D18	Flexstay Inn Kiyosumi Shirakawa	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D19	Flexstay Inn Nakanobu P1	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
D20	Flexstay Inn Nakanobu P2	—	—	—	—	—	100.0	100.0	100.0	100.0	100.0	100.0
	Total	95.1	96.2	95.9	96.3	95.1	96.3	96.1	96.0	95.9	95.9	96.1

(Note) "Occupancy Rate" is computed by dividing the leased area by leasable area, and rounded to one decimal place.

[Distribution Policy]

INV conforms to the policies set out below with regards to cash distributions to unitholders or registered pledgees of investment units listed or recorded in the registry of unitholders at the end of each fiscal period.

a Distribution of Profits

Distributable amounts generated from management of INV's assets (hereinafter "distributable amounts") refers to the amount of profits calculated in conformity with the provisions of the Act Concerning Investment Trusts and Investment Corporations (hereinafter the "Act") or generally accepted accounting principles in Japan (net assets in the balance sheet as of the closing date of each fiscal period less unitholders' capital, retained earnings, and evaluation, currency translation, etc.) (Article 17, Item 1 of the Articles of Incorporation of INV).

INV determines the amount of distribution, which must be an amount that exceeds 90% of the amount of INV's distributable income as stipulated in Article 67, Item 15 (the Special Provisions of Taxation for Investment Corporations) of the Act on Special Measures Concerning Taxation in principle (hereinafter "distributable income") (or the relevant amount after modification if there is any modification to the calculation of the said amount due to revisions to the law, etc.) (However, the amount may not exceed the distributable amounts.). If, however, a deficiency account for tax purposes arises or income for tax purposes does not arise due to the carried-over deduction of a deficiency account, INV shall determine the amount of distribution on a rational basis. In addition, INV can accumulate reserves and allowances from the distributable income amount that are deemed to be necessary for maintaining its investment assets and improving or increasing the value of assets such as long-term reserve for maintenance, payment reserve, reserve for distribution, and other similar reserves, etc. (Article 17, Item 2 of the Articles of Incorporation of INV).

Any retained earnings not allocated for dividends will be managed based on INV's investment asset targets and policies (Article 17, Item 3 of the Articles of Incorporation of INV).

b Cash Distribution Exceeding Profits

In cases when the distributable amounts is less than 90% of distributable income, or when INV considers it appropriate taking into consideration the economic circumstances and the trends in the real estate market, the leasing market, the real estate investment and trust securities market, etc. or the impacts which acquisition of assets or the raising of funds will have on distribution amounts per one unit by INV, INV may, in accordance with the provisions under the Act, determine an additional amount to be distributed to the unitholders in cash as a refund of the investment over and above the distributable amount, with the upper limit of the additional amount being prescribed in rules of the Investment Trusts Association, Japan, based on the approved cash distribution statement in accordance with the Act. In this case, if such cash distributions do not satisfy the requirements for Special Provisions of Taxation for Investment Corporations, INV may distribute monies in an amount determined by INV for the purpose of satisfying those conditions (Article 17, Item 4 of the Articles of Incorporation of INV).

(a) Basic Policy

In addition to distribution of profits, INV may make distribution in excess of profits (hereinafter the "Excess Profit Distribution") to be determined each fiscal period, in accordance with the following basic policy.

(i) INV will consider making the Excess Profit Distribution in the event of a. or b. below, and, will, in principle, not make the Excess Profit Distribution in other circumstances.

a. To satisfy the requirements under the Special Taxation Measures Act applicable to INV, in case the distributable amount is less than 90% of distributable income.

b. To stabilize distributions in cases where the investment unit is to be diluted or significant expenses are to be recorded in connection with, among other things, the acquisition of assets or the raising of capital, and the distribution amount per one unit is expected to decrease temporarily, based on the distribution amount per one unit that assumes that the effects of such acquisition of assets or raising of funds contributed for the full period.

(ii) The Excess Profit Distribution amount will be no more than 60%(Note) of the depreciation expenses recognized on the last day of the fiscal period immediately preceding the fiscal period in which such distribution will be made.

(Note)Per the applicable standards set by the Investment Trusts Association of Japan, closed-end investment corporation may make the Excess Profit Distribution in the amount up to 60% of the depreciations expenses recognized

on the last day of the relevant fiscal period.

(iii) With respect to implementation of the Excess Profit Distribution and determination of the Excess Profit Distribution amount, INV is to carefully consider the following: (i) securing funds necessary to maintain the value, etc. of INV's investment assets; (ii) the LTV level (Note) is to not exceed 60% following the Excess Profit Distribution; and (iii) securing liquidity following the Excess Profit Distribution.

(Note) LTV level (%) = $a / b \times 100\%$

a = total outstanding balance of interest-bearing debt at fiscal end

b = total assets at fiscal end - expected distribution amount

(b) Approval Process for Excess Profit Distribution

In the event INV decides to make the Excess Profit Distribution, the Asset Manager is to present its executive officers with drafts of financial statements, asset management report and financial documents relating to cash distributions as well as any accompanying statement, in each case for the fiscal period immediately preceding the fiscal period in which such distribution is to be made. In presenting such drafts, the General Manager of the Finance Department of the Asset Manager, in accordance with "(1) Basic Policy" above, is to prepare a proposal taking into account matters affecting cash flow such as medium to long term capital requirements, etc. (e.g., long-term repair plans) and other necessary matters, and will seek the approval of the President and CEO of the Asset Manager.

c Methods of Distribution

Distributions shall be paid in cash and based on the number of investment units held to unitholders who are listed or recorded in the registry of unitholders on the closing date of each fiscal period, or to registered pledgees of investment units (Article 17, Item 5 of the Articles of Incorporation of INV).

d Statutory Limitation for Dividends

INV will be exempted from its obligation to pay distributions to unitholders or registered pledgees of investment units after a lapse of three years from the commencement date of payment. No interest will accrue with respect to unpaid distributions (Article 17, Item 6 of the Articles of Incorporation of INV).

In addition to 1. through 4. above, INV shall comply with the rules of The Investment Trusts Association, Japan, etc. in cash distributions.