

23rd Fiscal Period Results
(July 1, 2014 to December 31, 2014)
February 26, 2015
Invincible Investment Corporation



Invincible Investment
Corporation

TSE Code: 8963



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2H 2014 Highlights and 2015 Forecast

Executive Summary

■ Acquired 18 limited service hotels from the Sponsor using funds raised via Global Offering and new borrowings

- ✓ Acquisition price of hotels JPY 39.9 billion at an average NOI yield of 6.45% ⁽¹⁾
- ✓ Total assets under management (AUM) increased to JPY 117.9 billion ⁽²⁾ from JPY 77.9 billion ⁽³⁾ and hotel weighting in portfolio increased to 38.5% ⁽²⁾ from 7.0% ⁽³⁾
- ✓ Updated MOU with Sponsor for 22 additional limited service hotels
- ✓ The existing 20 hotels, including two hotels acquired from Sponsor in May 2014, showed significant growth spurred by strategic initiatives to attract inbound demand and intensive revenue management by the hotel operator

■ Successful Global Offering marked the new growth stage

- ✓ Accretive acquisition and hotel growth story supported by structural changes in the tourism industry welcomed by domestic and international investors, which led to high demand for the offering
- ✓ Market capitalization reached JPY 140.4 billion, exceeding the mid-term target of JPY 100 billion set in last February in less than one year
- ✓ Acquired three new hotel properties in February 2015, utilizing cash on hand and new loans without issuing new equity

■ Financed JPY 57.3 billion with a lower borrowing spread for the new acquisition and prepayment of existing loans

- ✓ The financing significantly lowered the REIT average interest rate to 1.07% ⁽²⁾ from 1.48% ⁽³⁾

■ Strengthened portfolio via acquisition of three limited service hotels in February 2015, combining stable income and variable growth potential

- ✓ Acquired one hotel from a third-party and two hotels from the Sponsor without issuing new equity
- ✓ Acquisition price of hotels JPY 13.261 billion, at an NOI yield of 5.2% ⁽⁴⁾
- ✓ Total AUM increased to JPY 131.1 billion ⁽⁵⁾ from JPY 117.9 billion ⁽²⁾ and hotel weighting in portfolio increased to 44.7% ⁽⁵⁾ from 38.5% ⁽²⁾
- ✓ MOU with Sponsor still has 20 hotels and 3,326 remaining; plan to utilize MOU and third-party sources to expand AUM

(Note 1) NOI yield is calculated based on the estimated figures at acquisition

(Note 2) As of December 2014

(Note 3) As of June 2014

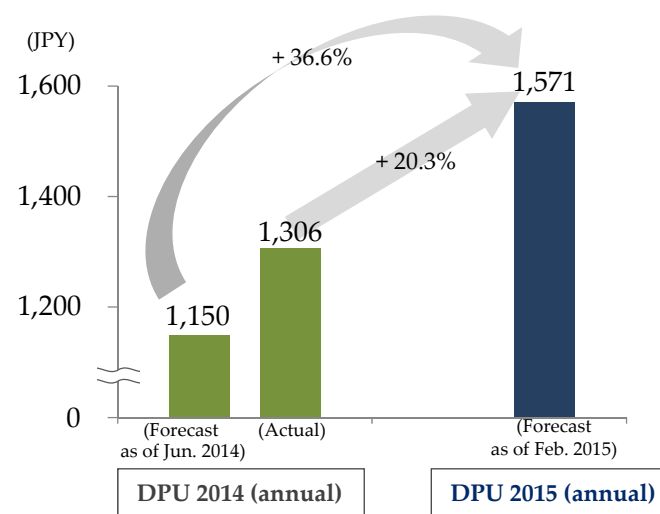
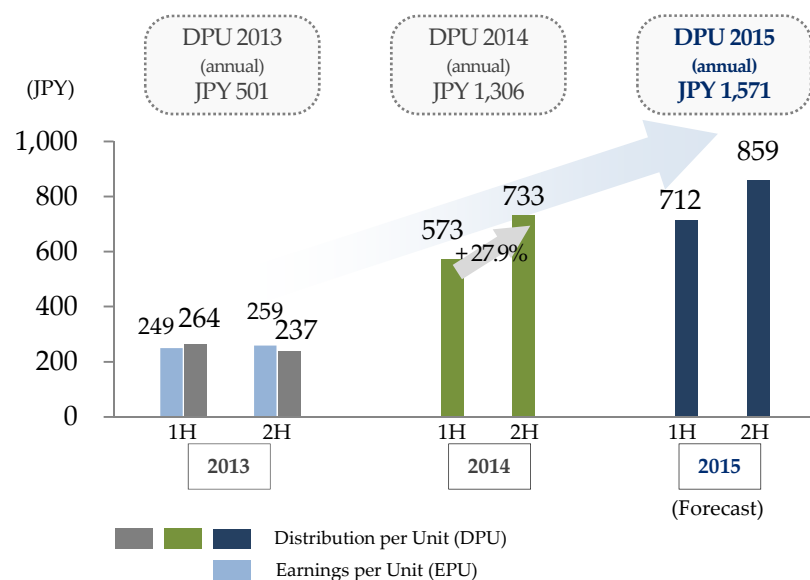
(Note 4) NOI yield is calculated based on the estimated figures in 2015

(Note 5) As of February 6, 2015

Executive Summary – Continued Focus on Earnings and Dividends

■ Robust performance from the existing 20 hotels and the recent acquisition of three hotels resulted in a substantial increase in DPU

- ✓ Due to a strong performance of the 20 hotels acquired in May and July 2014, distribution per Unit (DPU) for the Fiscal Period (FP) ended December 2014 increased by 27.9% to JPY 733 from JPY 573 in the previous period and a 22.2% increase from the forecast of JPY 600 announced in August 2014
- ✓ DPU in 2015 is estimated at JPY 1,571 which is 20.3% greater than the 2014 actual DPU of JPY 1,306 and 36.6% greater than the original calendar year 2014 forecast of JPY 1,150 made in June 2014



Executive Summary – *Future Growth Strategy*

■ Further growth opportunities

- ✓ Proactive measures to obtain a credit rating, refinance debt with unsecured loans and inclusion in closely followed global index will help to expand investor base and will further increase market visibility

External growth

- ✓ In addition to stated MOU, the Sponsor has an ample supply and continues to acquire both hotel and residential assets
- ✓ Utilize third-party sources to expand AUM as well as Sponsor pipeline

Internal growth

- ✓ Continuous initiatives to attract inbound visitors and focus on revenue management, leveraging favorable hotel macro environment
- ✓ Aim to increase NOI for residential assets by raising occupancy rates and continuing the rent increase initiatives

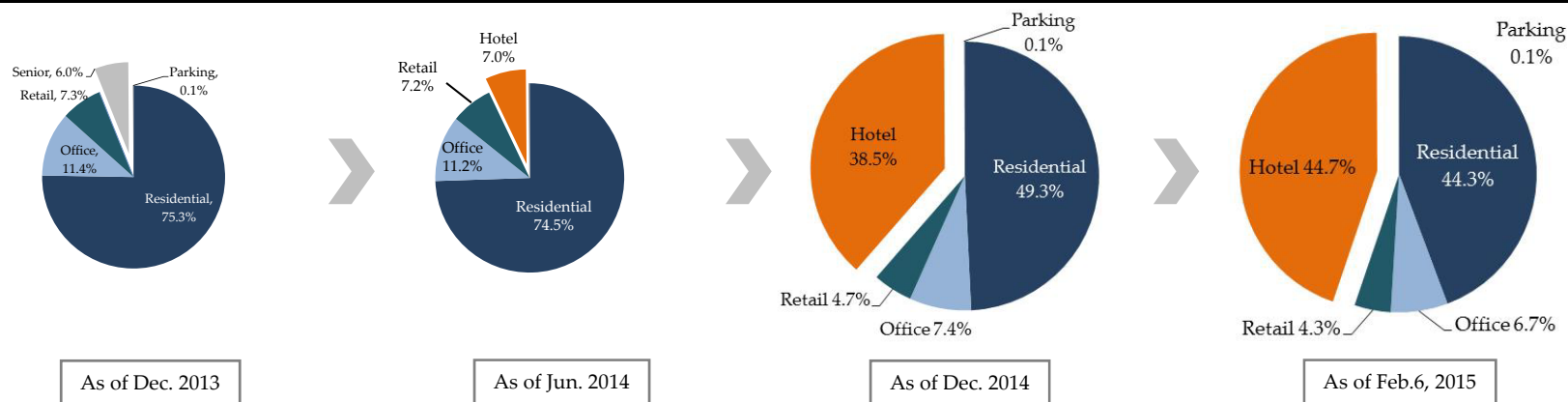
Financing Strategy

- ✓ Refinance debt with unsecured loans and reduction of financing costs
- ✓ Issuance of REIT Bonds to diversify financing sources

Significant Growth of AUM and Expansion of Hotel Properties

- The total AUM showed the substantial growth of 70.0% to JPY 131.1 billion, after acquiring the three new hotels for JPY 13.3 billion in February 2015, from JPY 77.1 billion as of June 2013. The current portfolio consists of 94 properties, expanding the composition of hotel properties to 44.7% from 7.0% as of June 2014
- The estimated portfolio NOI yield increased to 6.0% from 5.2% of actual result in 1H 2013

	As of December 31, 2013	As of June 30, 2014	As of December 31, 2014	After Acquisition of 3 properties (As of February 6, 2015)	Difference between February 6, 2015 and December 31, 2013
# of Properties (# of Hotel Properties)	78	73 (2 hotels)	91 (20 hotels)	94 (23 hotels)	—
Acquisition Price (mn JPY)	77,161	77,988	117,927	131,188	54,027 (+70.0%)
Appraisal Value (mn JPY)	75,429	77,268	126,558	140,018	64,589 (+85.6%)
NOI Yield	5.2%	5.3%	6.1% ⁽¹⁾	6.0% ⁽¹⁾	—
NOI Yield after Depreciation	—	3.7%	4.6% ⁽¹⁾	4.5% ⁽¹⁾	—



(For reference) Implied NOI Cap Rate

NOI Yield (before depreciation): 3.6% / NOI Yield (after depreciation): 2.7%⁽²⁾

(Note 1) NOI Yield is calculated based on the estimated figures in 2015

(Note 2) The calculation includes the estimated NOI in 2015 and the average unit price between January 5, 2015 and January 30, 2015

(Note 3) Acquisition price basis

Robust DPU Growth Fueled by Organic Growth of 20 Hotel Properties

- DPU for the FP ended December 2014 of JPY 733 was increased by 22.2% from the forecast of JPY 600 announced in August 2014
- The key driver of DPU growth was a significant increase in Gross Operating Profit (GOP) for the exiting 20 hotels
- Total revenues increased JPY 287 million or 6.6% from the forecast announced in August 2014, mainly due to the increase in the rent from hotel assets

	2H 2014 Forecast	2H 2014 Actual	(mn JPY)	
			Variance	%
Operating Revenues	4,323	4,610	287	6.6%
Rental Revenues (1)	4,323	4,610	287	6.6%
Operating Expenses	1,893	1,840	(53)	(2.8%)
Property related Expenses (2)	1,661	1,586	(75)	(4.5%)
Depreciation Expenses (3)	881	837	(44)	(5.0%)
Expenses other than Depreciation	779	749	(30)	(3.9%)
NOI (1)-(2)+(3)	3,544	3,861	317	8.9%
Other Operating Expenses	232	253	21	9.1%
Operating Income	2,429	2,769	340	14.0%
Non-operating Income	-	1	1	0.0%
Non-operating Expenses	827	812	(15)	(1.8%)
Ordinary Income	1,602	1,958	356	22.2%
Net Income	1,601	1,958	357	22.3%
DPU (JPY)	600	733	133	22.2%

(Note) DPU are calculated based on the number of units at the end of fiscal period and rounded down to the nearest unit.

Continuous DPU Growth is Expected in 2015

- DPU in 2015 is estimated at JPY 1,571, which is 20.3% greater than the JPY 1,306 achieved in 2014 and 35.3% greater than the normalized amount of JPY 1,164, excluding the one time gains / expenses and the impact of dilution from the new equity issuance
- The full year contribution of twenty hotels and the newly acquired three hotels in February 2015 are expected to increase NOI by JPY 1,410 million and JPY 682 million, respectively, and DPU by JPY 368 and 172, respectively

(mn JPY)

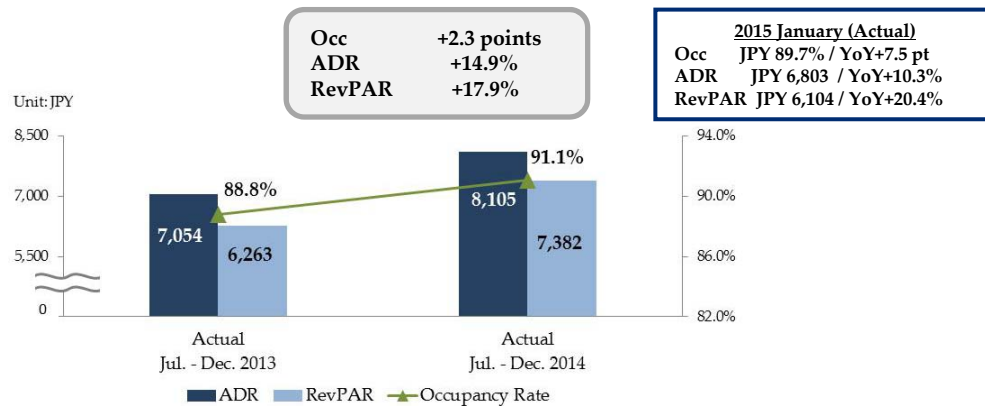
	Actual		Variance					Estimate
	2014	One-time gains/expenses	Dilution from the new equity issuance	Normalized number after One-time impact and before Dilution adjustment	20 hotels contribution	3 hotels acquired in Feb 2015	Non hotel assets and finance related variance	2015
	1H + 2H							1H + 2H
Operating Revenues	8,386	(1,003)	-	7,383	1,590	686	6	9,665
Rental Revenues (1)	7,383	-	-	7,383	1,590	686	6	9,665
Rent from Hotel Assets	2,126	-	-	2,126	1,590	686	-	4,403
Rent from Other Assets	5,256	-	-	5,256	-	-	6	5,262
Gain on Sales of Properties	1,003	(1,003)	-	-	-	-	-	-
Operating Expenses	3,381	-	-	3,381	606	225	200	4,413
Property related Expenses (2)	2,868	-	-	2,868	583	221	111	3,784
Depreciation Expenses (3)	1,365	-	-	1,365	403	217	45	2,031
Expenses other than Depreciation	1,503	-	-	1,503	180	3	65	1,752
NOI (1)-(2)+(3)	5,879	-	-	5,879	1,410	682	(59)	7,913
Other Operating Expenses	513	-	-	513	23	4	89	629
Operating Income	5,004	(1,003)	0	4,001	984	460	(194)	5,251
Non-operating Income	2	-	-	2	-	-	(2)	-
Non-operating Expenses	2,146	(1,253)	-	893	-	-	160	1,054
Financing related Expenses	1,136	(986)	-	150	-	-	112	263
Interest Expenses	741	-	-	741	-	-	48	790
Other Non-operating Expenses	267	(267)	-	-	-	-	-	-
Ordinary Income	2,861	249	-	3,110	984	460	(358)	4,197
Net Income	2,859	249	-	3,109	984	460	(358)	4,196
DPU (JPY)	1,306	93	(235)	1,164	368	172	(134)	1,571

(Note) EPU and DPU are calculated based on the number of units at the end of each fiscal period and rounded down to the nearest unit.

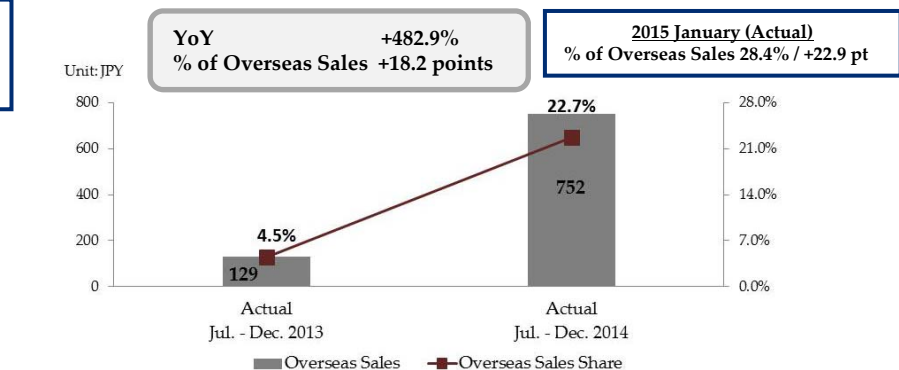
Performance of Existing 20 Hotel Properties

- The existing 20 hotels acquired in May and July 2014 exhibited robust performance with occupancy rate (Occ) up 2.3 points, ADR up 14.9% and RevPAR up 17.9% for 2H 2014 versus 2H 2013. The solid performance has been continuing in January 2015
- The share of overseas sales expanded to 22.7% in 2H 2014 from 4.5% in 2H 2013, resulting from continuing inbound visitors to Japan and the strategic initiatives to attract inbound demand by the hotel operator. Expanded to 28.4% in January 2015 from 5.5% in January 2014
- The number of international visitors to Japan in 2014 reached a record level of 13.41 million, up 29.4% from the previous year, and also increased 29.1% in January 2015

Occ / ADR / RevPAR Growth
Actual in 2H 2014 vs 2H 2013 (from July to December)



Overseas Sales Share ⁽¹⁾
Actual in 2H 2014 vs 2H 2013 (from July to December)

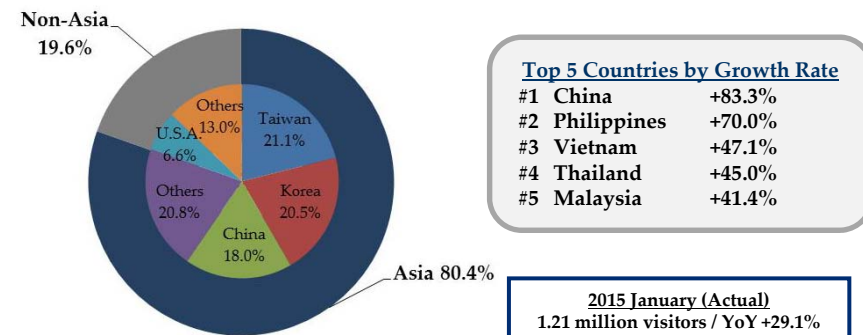


(Note 1) Overseas sales is sales amount through overseas web agents

GOP Growth
Actual in 2H 2014 vs 2H 2013 (from July to December)



International Visitors in Japan by Region
Actual in 2014 (from January to December) ⁽²⁾



Total: 13.41 million visitors (YoY +29.4%)

(Note 2) Jan - Oct are provisional figures, while Nov. and Dec. are the preliminary figures estimated by JNTO

Historical Key Operational Data for Hotel Properties

2H 2014 vs 2H 2013

	Location	No. of Rooms	Occupancy Rate (%)		ADR (JPY)		RevPAR (JPY)		GOP (mn JPY)		
			Jul. to Dec., 2014 Actual		Jul. to Dec., 2013 Actual		Jul. to Dec., 2014 Actual		Jul. to Dec., 2013 Actual		
				YoY (points)		YoY		YoY		YoY	
MyStays											
D1	Hotel MyStays Kanda	Tokyo	126	93.3%	0.9	8,141	19.6%	7,592	20.7%	104	26.4%
D2	Hotel MyStays Asakusa	Tokyo	160	93.1%	3.0	6,607	32.2%	6,152	36.6%	107	30.8%
D3	Hotel MyStays Kyoto-Shijo	Kyoto	224	97.2%	5.8	12,003	24.1%	11,662	31.9%	312	50.9%
D4	Hotel MyStays Shin-Urayasu Conference Center	Chiba Prefecture	175	89.6%	0.4	10,879	2.8%	9,747	3.2%	197	2.1%
D5	Hotel MyStays Maihama	Chiba Prefecture	90	90.0%	-4.7	17,155	-5.9%	15,443	-10.6%	157	-14.5%
D7	Hotel MyStays Nagoya-Sakae	Aichi Prefecture	270	95.9%	9.3	6,614	15.5%	6,345	27.9%	157	41.1%
D8	Hotel MyStays Sakaisuji-Honmachi	Osaka	190	85.6%	2.1	6,946	14.9%	5,947	17.8%	124	35.3%
D9	Hotel MyStays Yokohama	Kanagawa Prefecture	190	90.2%	3.1	7,320	15.9%	6,606	20.0%	108	11.4%
D10	Hotel MyStays Nippori	Tokyo	93	94.3%	4.1	7,450	19.5%	7,022	24.9%	70	30.3%
D11	Hotel MyStays Fukuoka-Tenjin-Minami	Fukuoka Prefecture	177	84.9%	3.8	5,992	15.0%	5,088	20.4%	89	39.0%
D13	Hotel MyStays Ueno Inaricho	Tokyo	72	93.5%	2.7	7,654	24.4%	7,154	28.1%	46	28.6%
D17	Hotel Mystays Otemae	Osaka	110	90.1%	-1.5	6,932	26.9%	6,248	24.9%	71	38.0%
Flexstay Inn											
D12	Flexstay Inn Iidabashi	Tokyo	59	96.3%	7.3	8,440	14.5%	8,125	23.9%	53	21.0%
D14	Flexstay Inn Shinagawa	Tokyo	55	96.5%	2.7	8,174	19.6%	7,888	23.1%	42	17.7%
D15	Flexstay Inn Tokiwadai	Tokyo	129	80.3%	-8.3	4,796	21.4%	3,852	10.0%	55	18.2%
D16	Flexstay Inn Sugamo	Tokyo	104	87.4%	-4.7	4,678	18.6%	4,086	12.6%	47	19.1%
D18	Flexstay Inn Kiyosumi Shirakawa	Tokyo	55	89.5%	2.5	6,067	14.6%	5,428	18.0%	34	26.5%
D19	Flexstay Inn Nakanobu P1	Tokyo	39	89.2%	-1.2	5,529	14.5%	4,933	13.0%	21	13.7%
D20	Flexstay Inn Nakanobu P2	Tokyo	22	91.6%	-3.6	5,260	24.0%	4,816	19.2%	11	25.0%
Vista											
D6	Hotel Vista Premio Dojima	Osaka	141	93.4%	3.7	10,475	11.3%	9,781	15.9%	173	18.5%
Subtotal by Brand											
MyStays			1,877	91.6%	3.3	8,435	14.0%	7,727	18.2%	1,547	23.2%
Flexstay Inn			463	88.2%	-2.1	5,954	19.6%	5,253	16.9%	266	19.8%
Vista			141	93.4%	3.7	10,475	11.3%	9,781	15.9%	173	18.5%
Total			2,481	91.1%	2.3	8,105	14.9%	7,382	17.9%	1,987	22.3%

Historical Performance (Reference)

Jan. to Jun., 2014 Actual					
Occupancy Rate (%)			ADR (JPY)		
	YoY(2013) (points)	YoY(2012) (points)		YoY(2013) (YoY)	YoY(2012) (YoY)
89.0%	7.3	5.8	6,807	8.9%	14.9%
RevPAR (JPY)			GOP (mn JPY)		
	YoY(2013) (YoY)	YoY(2012) (YoY)		YoY(2013) (YoY)	YoY(2012) (YoY)
6,061	18.7%	22.9%	1,539	19.8%	25.1%

Jan. to Dec., 2014 Actual					
Occupancy Rate (%)			ADR (JPY)		
	YoY(2013) (points)	YoY(2012) (points)		YoY(2013) (YoY)	YoY(2012) (YoY)
90.1%	4.8	6.9	7,469	11.9%	20.8%
RevPAR (JPY)			GOP (mn JPY)		
	YoY(2013) (YoY)	YoY(2012) (YoY)		YoY(2013) (YoY)	YoY(2012) (YoY)
6,727	18.2%	30.8%	3,527	21.2%	37.3%

Key Assumptions in 2015 (Reference)

Jan. to Jun., 2015 Budget							
Occupancy Rate (%)		ADR (JPY)		RevPAR (JPY)		GOP (mn JPY)	
	YoY(2014) (points)		YoY(2014) (YoY)		YoY(2014) (YoY)		YoY(2014) (YoY)
88.7%	-0.3	7,490	10.0%	6,645	9.6%	1,707	10.9%

Jul. to Dec., 2015 Budget							
Occupancy Rate (%)		ADR (JPY)		RevPAR (JPY)		GOP (mn JPY)	
	YoY(2014) (points)		YoY(2014) (YoY)		YoY(2014) (YoY)		YoY(2014) (YoY)
90.8%	-0.3	8,232	1.6%	7,473	1.2%	2,010	1.1%

Jan. to Dec., 2015 Budget							
Occupancy Rate (%)		ADR (JPY)		RevPAR (JPY)		GOP (mn JPY)	
	YoY(2014) (points)		YoY(2014) (YoY)		YoY(2014) (YoY)		YoY(2014) (YoY)
89.8%	-0.3	7,868	5.4%	7,063	5.0%	3,717	5.4%

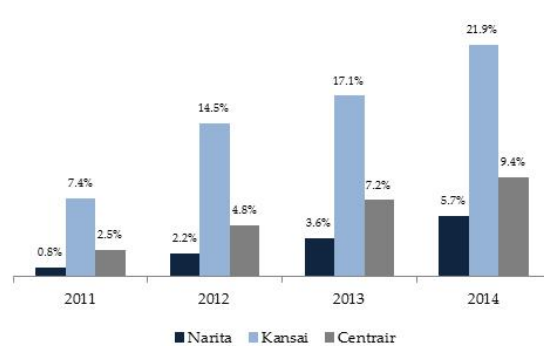
Solid Fundamentals for Hospitality Sector

- The influx of inbound visitors to Japan has been fueled by government and tourism industry led initiatives to promote tourism such as airport capacity expansion, the growth of LCC's, and the relaxation of visa requirements
- The number of inbound visitors to Japan in 2014 reached a record level of 13.41 million, up 29.4% from the previous year. In January 2015, 1.21 million visitors arrived in Japan, +29.1% YoY
- Cumulative guest nights of inbound visitors through September in 2014 show significant double-digit increases in major regional prefectures such as Hokkaido, Kanagawa, Aichi and Fukuoka as well as Tokyo, Osaka and Kyoto
- New hotel supply remains low with less concern about about the supply-demand balance

Infrastructure Project in Japan

1. **Expansion of airport capacity** at Narita and Haneda Airport
 - The landing slots will be increased to 747,000 by the end of March 2015 and the advisory committee recommended that the landing slots of both airports increase by 90,000 by 2020
 - Construction of additional runway in Narita and Haneda Airport is under consideration
2. **A dedicated LCC terminal in Narita Airport and Kansai** International LCC terminals will be in opened April 2015 and 2H 2016, respectively
3. **Opening of Hokuriku and Hokkaido Shinkansen** in 2015 and 2016, respectively
4. **New railway line** between Haneda Airport and Tokyo CBD will be constructed around 2025, announced by JR East
5. **New railway route** connecting Narita and Haneda Airport via Tokyo Station is under consideration

LCC Market Share in Major Airports⁽¹⁾



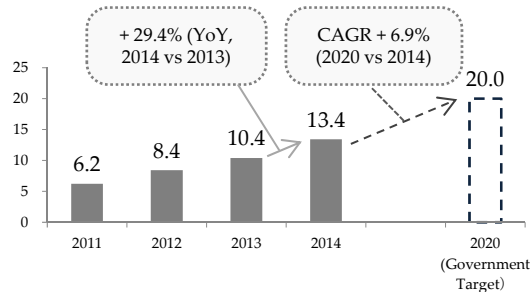
Source: Narita International Airport, Kansai International Airport and Central Japan International Airport
(Note 1) Based on the number of flights of summer schedule per week in each year

Relaxation of Visa Requirements⁽²⁾

Year	Country	Contents
2014	Indonesia	Exemption of visas (Based on prior registration)
	Indonesia, Philippines and Vietnam	Significant relaxation of visa requirements
	India	Issuance of multiple visa for short stay
	Myanmar	Issuance of multiple visa for short stay
2013	Cambodia, Laos	Issuance of multiple visa for short stay
	Indonesia, Philippines and Vietnam	Issuance of multiple visa for short stay
	Thailand, Malaysia	Exemption of visas
2012	China	Issuance of multiple visa for short stay (Tohoku and Okinawa region)

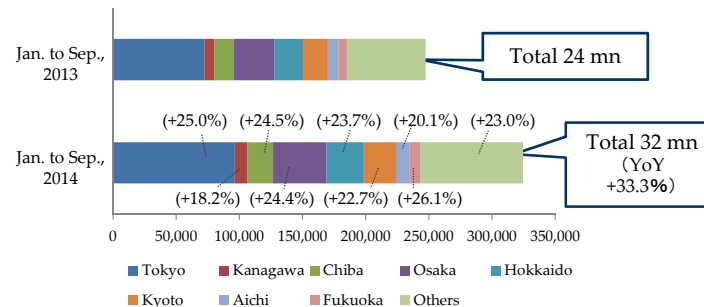
Source: Ministry of Foreign Affairs of Japan
(Note2): Country name in red character represents top 5 countries in terms of increase of inbound visitors to Japan

Inbound Visitors to Japan



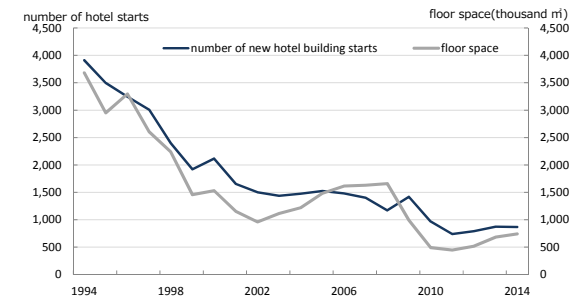
Source: Japan National Tourist Organization

Cumulative Guest Nights of Inbound Visitors (YoY)



Source: Japan Tourism Agency

Hotel New Construction Starts



Source: Ministry of Land, Infrastructure and Transport and Tourism (MLIT)

Expansion of Investor Base, Market Capitalization and Average Daily Volume

- Raised JPY 23.9 billion and the total units outstanding increased 1.09 million to 2.68 million. Accretive acquisition and hotel growth story supported by structural changes in the tourism industry were welcomed by domestic and international investors, which led to highly subscribed issuance
- The share of institutional investors increased to 50.0% from 28.5% of total units outstanding
- Market penetration is also enhanced remarkably, evidenced by the ranking of growth rate of market capitalization and average daily volume

Offering Overview

Offering Size (incl. Overallotment)	<ul style="list-style-type: none"> • JPY 23.9 billion
Number of Units (incl. Overallotment)	<ul style="list-style-type: none"> • Total: 1,165,658 <ul style="list-style-type: none"> ➢ Newly Issued Units: 1,095,507 of which, Domestic:582,829 Overseas: 512,678 ➢ Secondary Units: 70,151
Number of Units Outstanding	<ul style="list-style-type: none"> • 2,668,686 (As of December 2014)

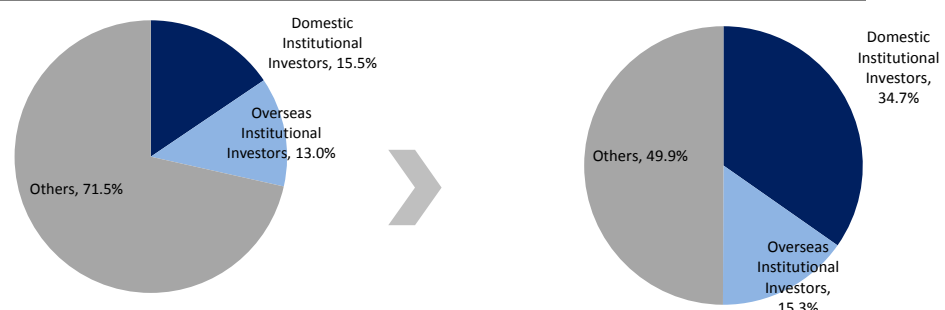
Market Cap Peer Comparison and Average Daily Volume

	As of Dec. 2013	As of Dec. 2014	As of Feb. 6th, 2014
Market Capitalization (mm JPY)	30,567	130,098	141,707
Ranking	40	31	29
Increased Amount (mm JPY)		99,532	111,140
Growth Rate		325.6%	363.6%
Ranking(based on growth rate)		1	1

	1H 2014	2H 2014	%
Average Daily Volume (Units)	3,931	16,228	312.8%

Source: SMBC Nikko

% of Institutional Investors ⁽¹⁾



% of Institutional Investors: 28.5%
Total Units Outstanding: 1,573,179

As of Jun. 2014

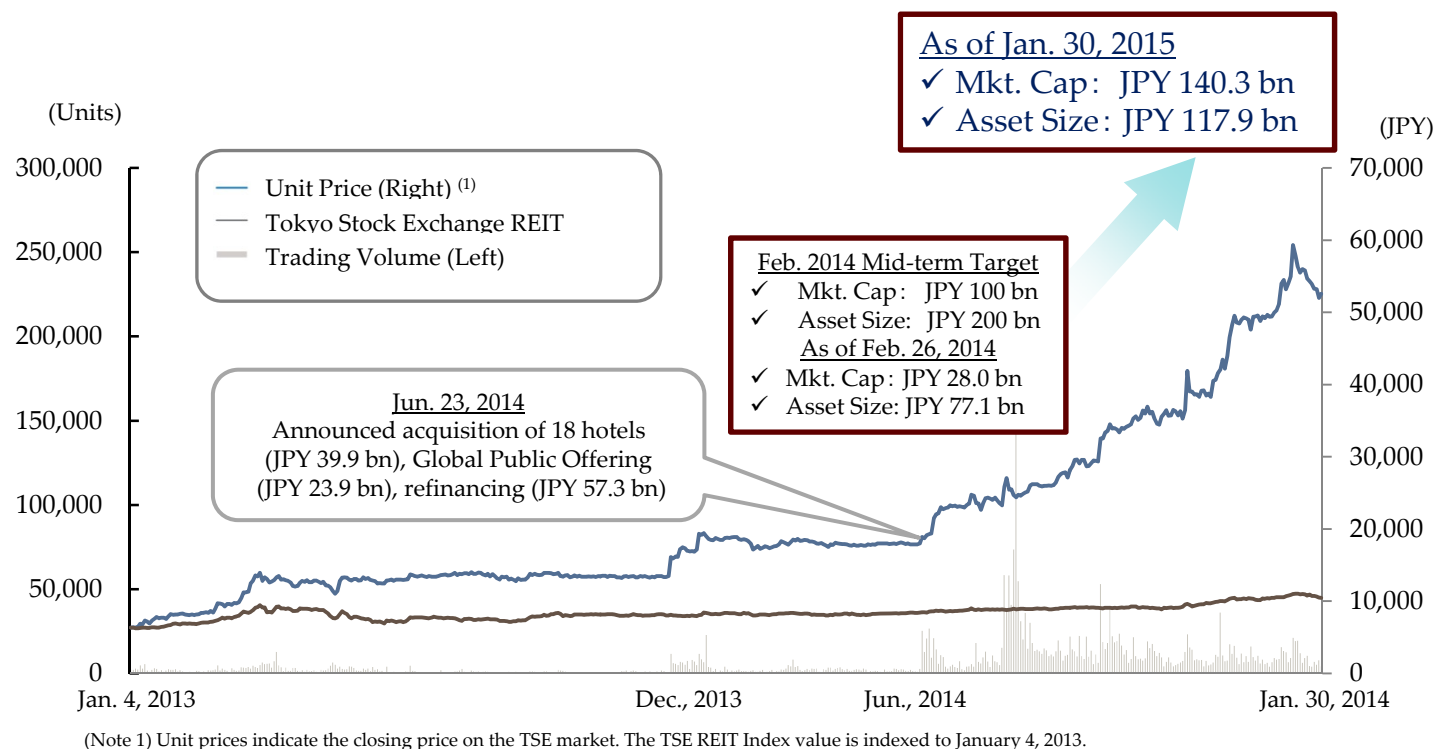
% of Institutional Investors: 50.0%
Total Units Outstanding: 2,668,686

As of Dec. 2014

Source: Compiled by INV based on the publicly released data
(Note 1) % of institutional investors is calculated by dividing the number of units held by domestic and overseas institutional investors by total units outstanding as of the end of each FP. The number of units held by Fortress Investment Group of 759,867 is not included in the number of units held by overseas investors, however is included in the number of units held by others and the total units outstanding (denominator)

Global Offering & Historical Unit Price- Steady Expansion of Market Capitalization and Asset Size

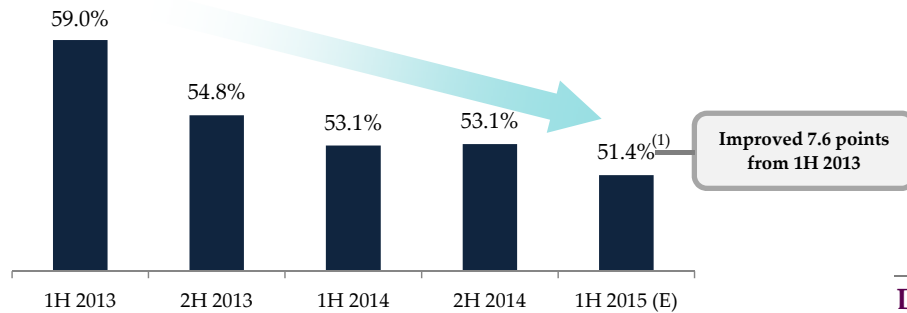
- Continued focus on unitholder value through accretive acquisitions, debt refinancing to lower interest costs, increasing rents and RevPAR as well as accretive equity offerings
- Market capitalization target of JPY 100 billion, announced in February 2014, was achieved in less than one year



Continuous Improvement of Financial Condition

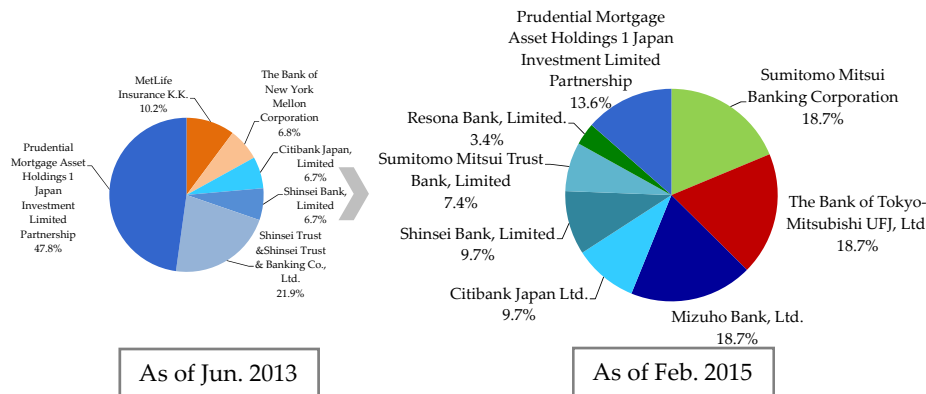
- The new acquisition with lower loan LTV and an uplift of appraisal values for the existing portfolio reduced the REIT LTV from 59.0% in June 2013 to 51.4%⁽¹⁾ in June 2015
- DSCR improved to 9.9x in the December 2014 period from 3.6x in the June 2014 period, due to the substantial increase in revenues from the 20 existing hotel properties, and is forecast to be 9.2x in the December 2015 period

LTV (Appraisal Basis)

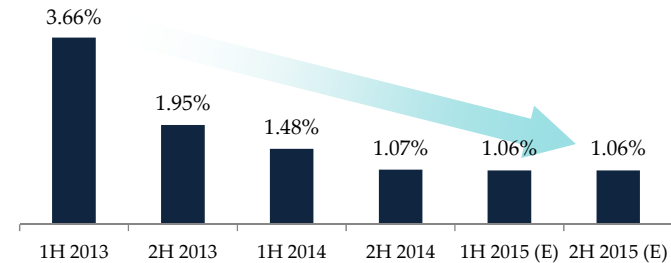


(mn JPY)	1H 2013	2H 2013	1H 2014	2H 2014	1H 2015 (E)	2H 2015 (E)
Interest-bearing Debt	43,851	41,310	41,000	67,260	72,301	71,962
Appraisal Value	74,347	75,429	77,268	126,558	140,018 ⁽⁴⁾	--

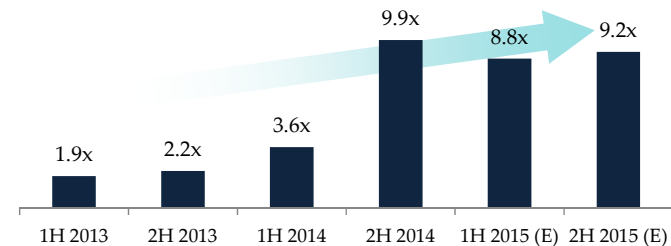
Breakdown of Lenders



Average Interest Rate⁽²⁾



DSCR⁽³⁾



(Note 1) Calculated based on the appraisal value as of the end of December 2014 for the ninety-one properties including the twenty hotels, and based on the appraisal value as of December 1, 2014 for the new three hotels. LTV calculation assumes repayment of JPY 321 million, corresponding to the consumption tax.

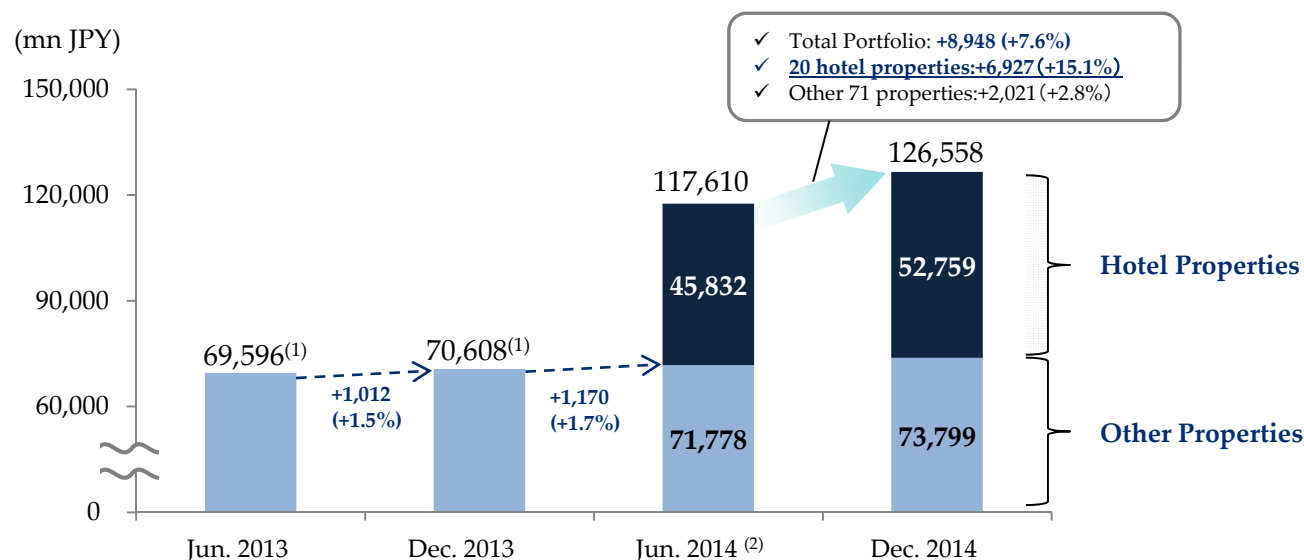
(Note 2) The average interest rate is calculated using the following formula; (The loan amount outstanding at each fiscal period * applicable interest rate at each fiscal period end) ÷ The loan amount outstanding at each fiscal period eighteen hotel properties acquired in July, 2014. LTV calculation assumes repayment of JPY 1.2 billion, corresponding to the consumption tax.

(Note 3) DSCR is calculated using the following formula; (Operating Income + Depreciation Expenses) ÷ (Contract Prepayment Amount + Interest Amount)

(Note 4) The appraisal value for ninety-one properties is as of the end of December, 2014 and the appraisal value for the three new properties is as of December 1, 2014

Growth of Portfolio Appraisal Values

- The total appraisal value in December 2014 increased 7.6% to JPY 126,558 million from JPY 117,610 million in June 2014, primarily due to the significant increase of 15.1% in appraisal values for the 20 hotel properties



Category		Number of Properties	Previous Appraisal Value	Current Appraisal Value	Increase/Decrease	Increase/Decrease due to Change in Cap Rate	Increase/Decrease due to Change in Cashflow
Total Portfolio		91	117,610	126,558	+8,948	+7.6%	+5,256
Type	Residential	63	58,865	60,775	+1,910	+3.2%	+1,854
	Office/Retail Facilities	7	12,808	12,917	+109	+0.9%	+330
	Hotels	20	45,832	52,759	+6,927	+15.1%	+3,070
	Others	1	105	107	+2	+1.9%	+2
Location	Greater Tokyo Area	60	80,128	84,920	+4,792	+6.0%	+3,845
	Chubu	8	6,966	7,147	+181	+2.6%	+166
	Kansai	16	20,722	24,328	+3,606	+17.4%	+875
	Hokkaido/Tohoku	6	8,214	8,423	+209	+2.5%	+220
	Kyushu	1	1,580	1,740	+209	+13.2%	+150

(Note 1) The appraisal values as of Jun. 2013 and as of Dec. 2013 are calculated excluding the appraisal values of 7 senior properties sold on May 22, 2014.

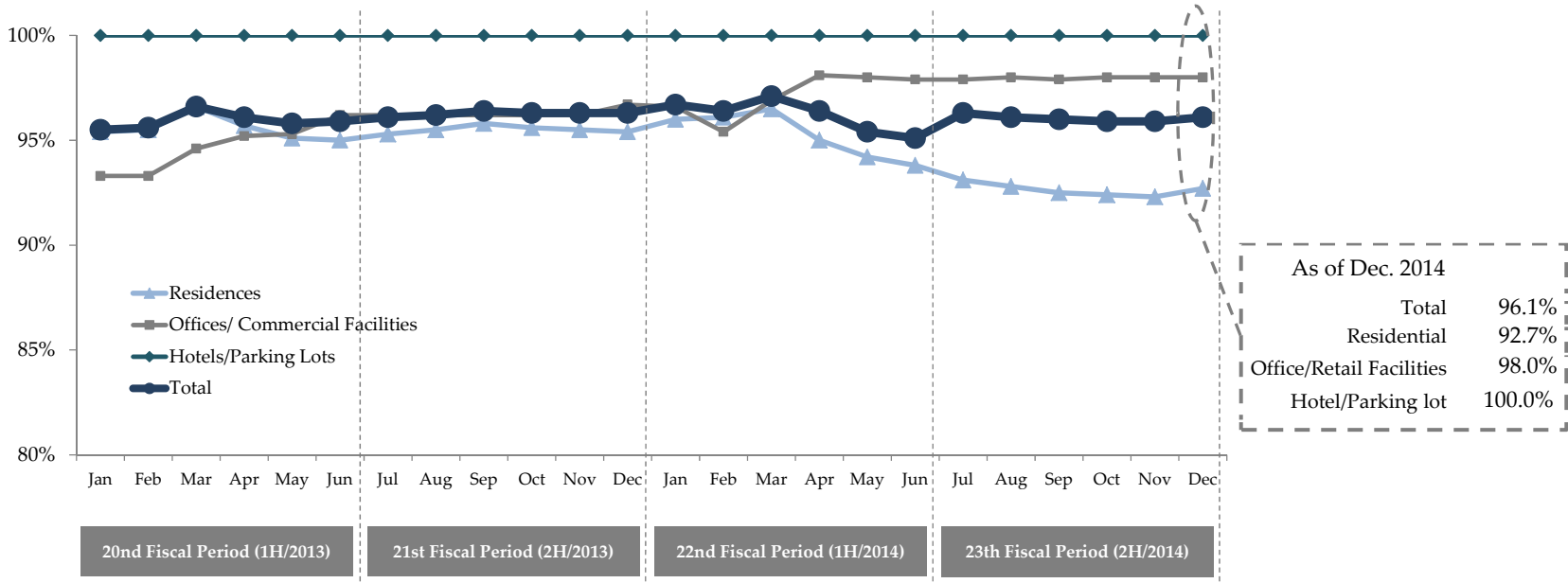
(Note 2) The appraisal value as of Jun. 2014 (JPY 117,610 million) is included the appraisal value of 18 hotel properties as of Apr. 2014 (JPY 40,342 million), acquired in July 17, 2014. The appraisal value as of Jun. 2014 of 73 properties is JPY 77,268 million

Portfolio Occupancy

Period average occupancy rate

20th Fiscal Period (1H/2013) Total 95.3% <u>Residential 95.6%</u> <u>Office/Retail Facilities 94.6%</u>	21st Fiscal Period (2H/2013) Total 95.7% <u>Residential 95.5%</u> <u>Office/Retail Facilities 96.3%</u>	22nd Fiscal Period (1H/2014) Total 95.8% <u>Residential 95.3%</u> <u>Office/Retail Facilities 97.1%</u>	23rd Fiscal Period (2H/2014) Total 96.1% <u>Residential 92.6%</u> <u>Office/Retail Facilities 98.0%</u>
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Monthly occupancy rate

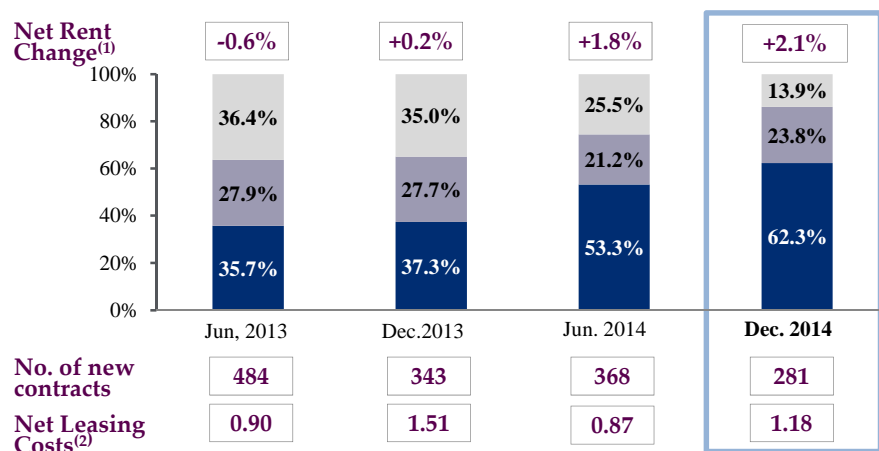


Measures to Increase Residential Rents

- Raised rents for new leases by 2.1% and for renewals by 1.8% in 2H 2014 and successfully achieved rent increase for 51.9% of all renewal contracts
- Reduced net leasing costs to 1.18 months or JPY 31.5 million in 2H 2014 from 1.51 months or JPY 46.5 million in 2H 2013
- Aim to increase NOI for residential assets by raising occupancy rates during the peak leasing season, and continuing the rent increase and net leasing cost reduction initiatives

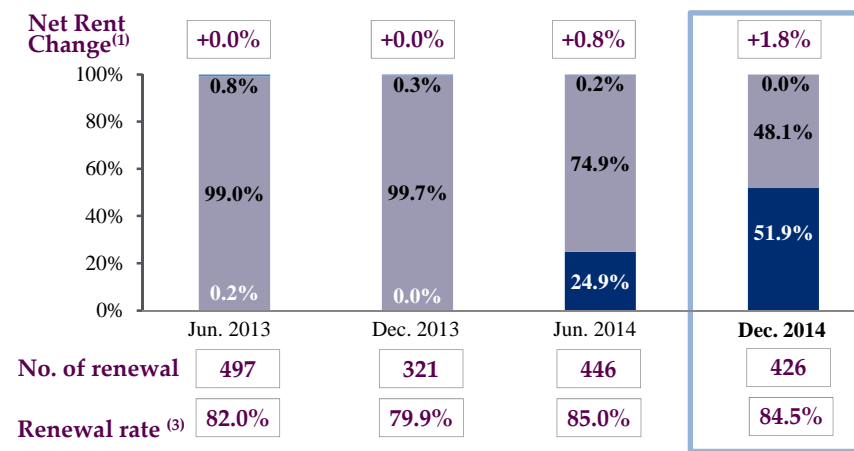
Residential (New Contracts)

■ Increase ■ As is ■ Decrease

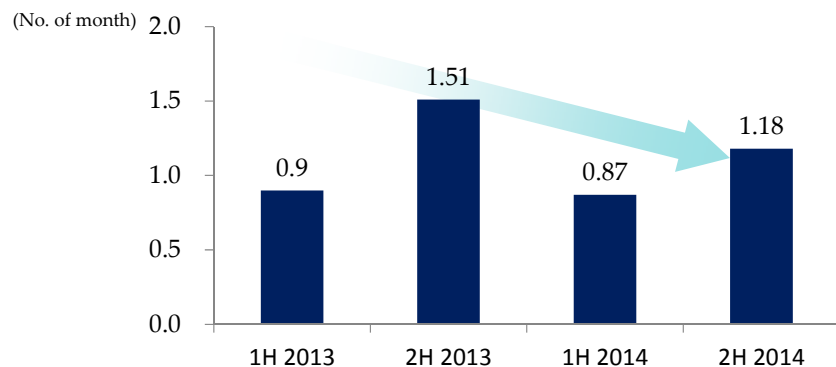


Residential (Contract Renewals)

■ Increase ■ As is ■ Decrease



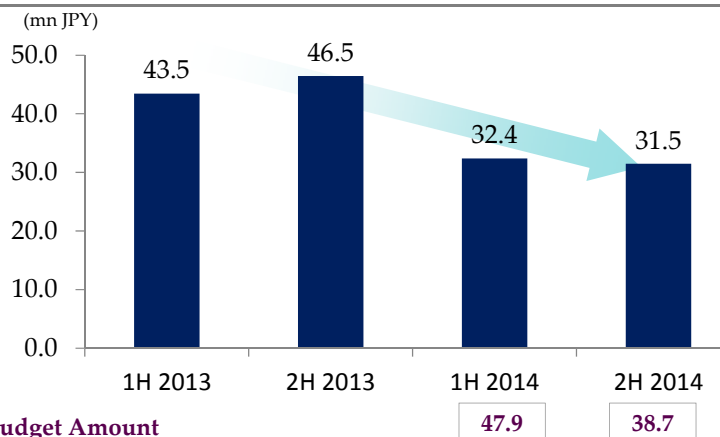
Reduction of Net Leasing Costs – No. of Month⁽²⁾ (1H 2013 – 2H 2014)



(Note 1) Calculated by subtracting the total amount of monthly rent under previous contracts from the total amount of monthly rent on new contracts and dividing by the total amount of monthly rent under previous contracts

(Note 2) Net Leasing Cost (No. of Months) = Advertising Expenses (No. of Months) + Free Rent (No. of Months) – Key Money (No. of Months)

Reduction of Net Leasing Costs – Actual Amount (1H 2013 – 2H 2014)



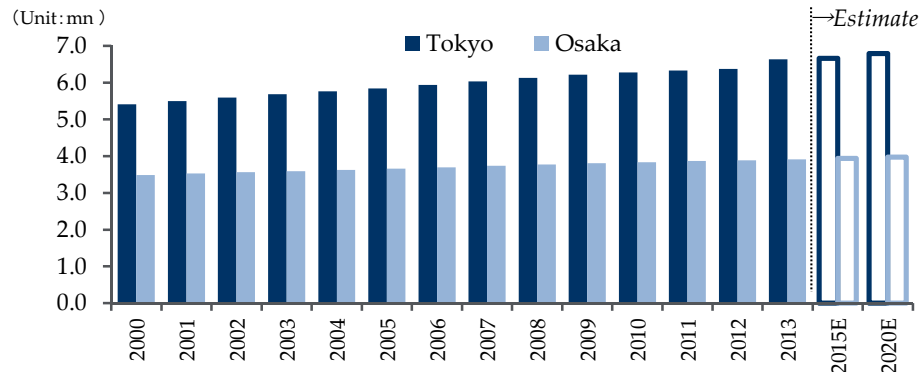
(Note 3) Renewal rate is calculated by "Number of Renewals during the Period" ÷ "Number of Cases Targeted for Renewal during the Period"

Steady Growth in Residential Demand in Key Metropolitan Areas

- Number of households continue to increase in Tokyo and Osaka
- 48.0% of new Tokyo residents in 2013 were between the ages 18 to 29
- Supply of rental apartment constrained
- Rising construction costs expected to result in reduced supply of new residential properties

Increased Demand

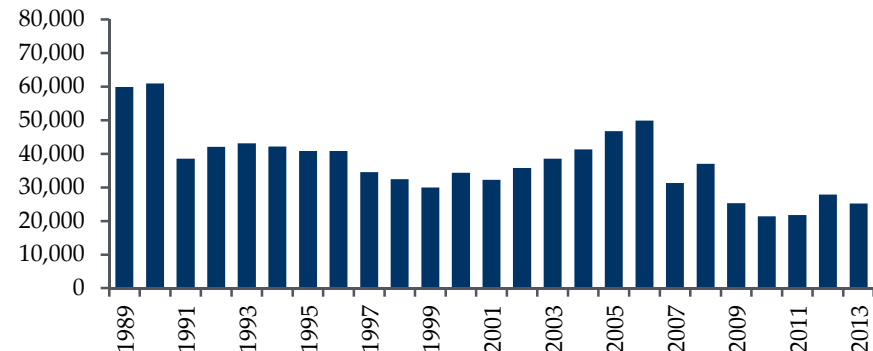
Number of Households in Tokyo and Osaka⁽¹⁾



Source: Tokyo Metropolitan Government, Osaka Prefectural Government National Institute of Population and Social Security Research (IPSSR)

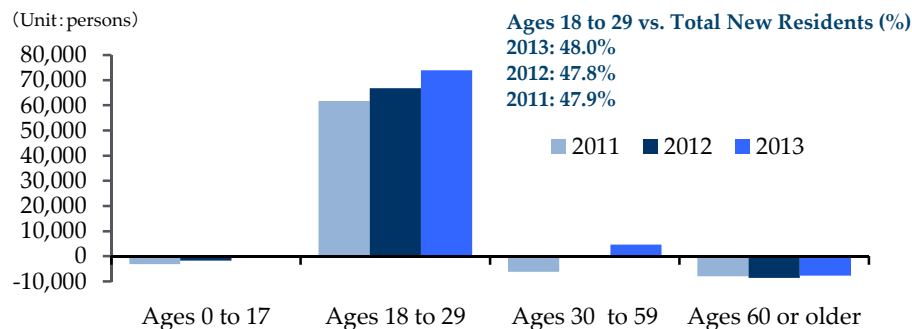
Decreased Supply

Trend of Rental Apartment Housing Starts in Tokyo



Source: MLIT

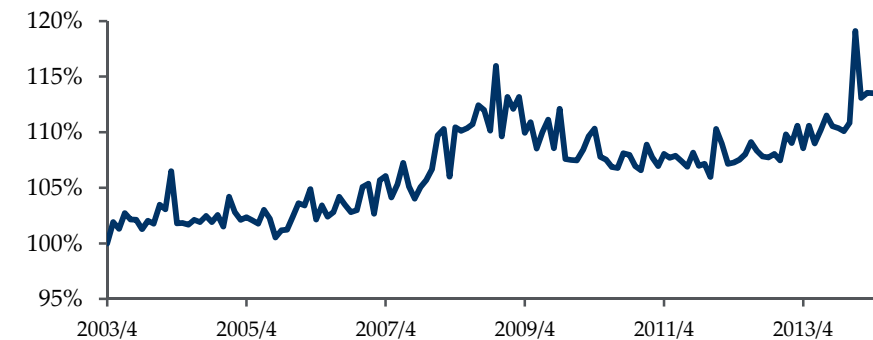
Tokyo Net Migration by Age Group



Ages 18 to 29 vs. Total New Residents (%)
 2013: 48.0%
 2012: 47.8%
 2011: 47.9%

Source: Tokyo Metropolitan Government

Residential Construction Costs⁽²⁾

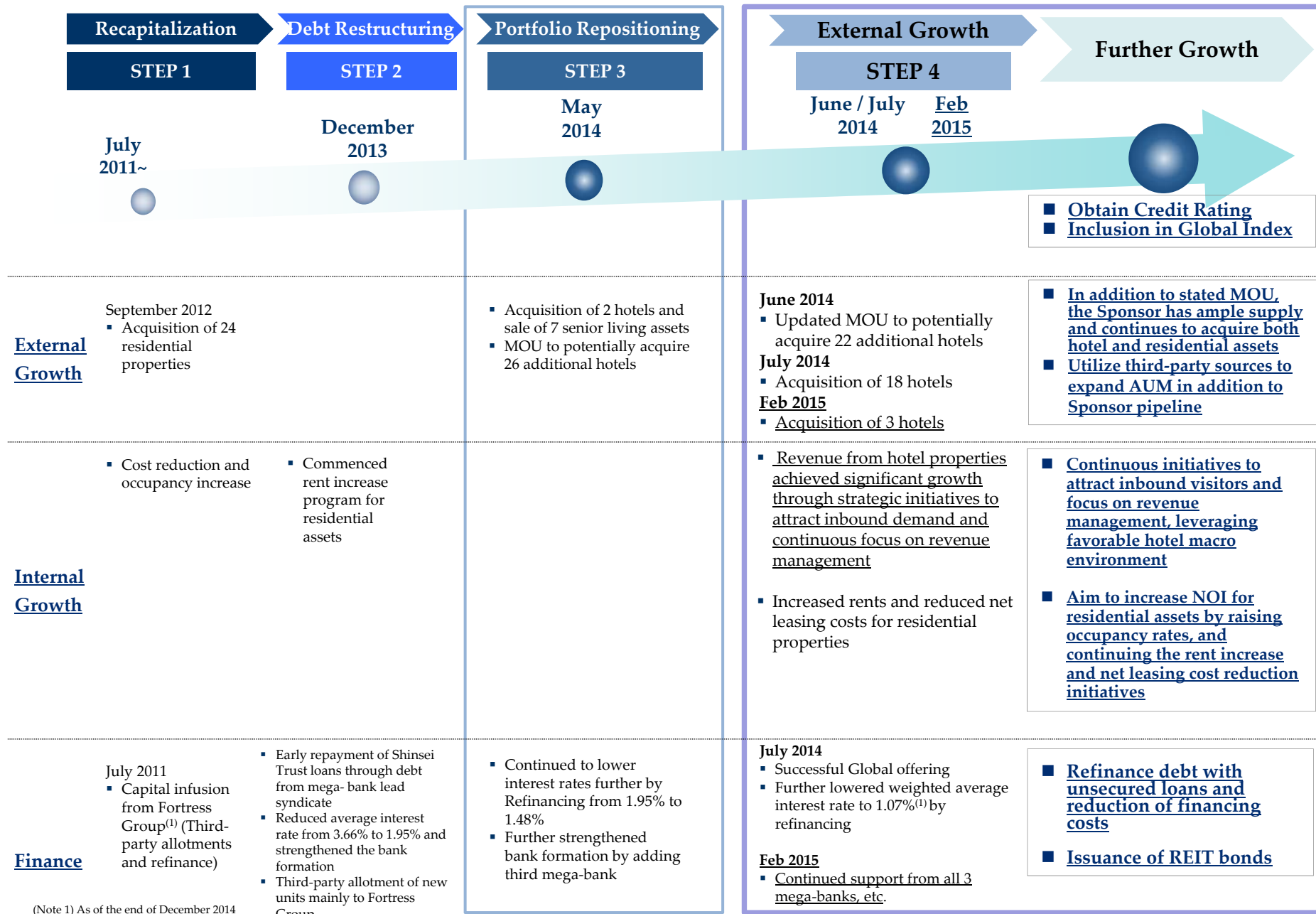


Source: MLIT

(Note 1) 2000 to 2013 are actual figures provided by Tokyo metropolitan government and Osaka prefectural government. 2015 to 2035 figures are estimated by IPSSR
 (Note 2) Projected construction cost per unit area as of April, 2003 is indexed as 100%. Projected construction cost per unit area = totalized monthly projected construction/totalized monthly floor area for type of dwellings used exclusively for living and used also for commerce or other purposes

Future Growth Strategy

Track Record of Value Creation



(Note 1) As of the end of December 2014

External Growth from Sponsor Support - Hotel

- MOU entered into on June 23, 2014 provides a potential pipeline of additional 22 hotel properties from Sponsor-related entities
- Acquired Hotel Nets Hakodate and Flexstay Inn Shirogane from the MOU pipeline, which still has 20 hotels with 3,326 rooms

Property Name	Location	Number of Guest Rooms
Hotel MyStays Akasaka ⁽¹⁾	Minato-ku, Tokyo	319
Hotel MyStays Kameido P1	Koto-ku, Tokyo	265
Hotel MyStays Kanazawa	Kanazawa city, Ishikawa Pref.	244
Hotel MyStays Kameido P2	Koto-ku, Tokyo	175
Hotel MyStays Haneda	Ota-ku, Tokyo	174
Hotel MyStays Yokohama Kannai ⁽¹⁾	Yokohama city, Kanagawa Pref.	166
Hotel MyStays Utsunomiya	Utsunomiya city, Tochigi Pref.	116
Hotel MyStays Ueno Iriyaguchi	Taito-ku, Tokyo	97
Flexstay Inn Ekoda	Nerima-ku, Tokyo	210
Flexstay Inn Higashi-Jujo	Kita-ku, Tokyo	88
<u>Flexstay Inn Shirogane</u>	<u>Minato-ku, Tokyo</u>	<u>84</u>
Flexstay Inn Kawasakikaizuka	Kawasaki city, Kanagawa Pref.	64
Flexstay Inn Kawasakiogawacho	Kawasaki city, Kanagawa Pref.	62
Flexstay Inn Shinsaibashi	Osaka city, Osaka Pref.	54
Toko Hotel	Shinagawa-ku, Tokyo	338
Best Western Hotel Fino Sapporo	Sapporo city, Hokkaido	242
<u>Hotel Nets Hakodate</u>	<u>Hakodate city, Hokkaido Pref.</u>	<u>202</u>
Takamatsu Tokyu Inn	Kagawa city, Kanagawa Pref.	191
Hotel Vista Shimizu	Shizuoka city, Shizuoka Pref.	152
Comfort Hotel Toyama Ekimae	Toyama city, Toyama Pref.	150
Best Western Hotel Fino Oita	Oita city, Oita Pref.	145
Super Hotel Shinbashi Karasumoriguchi	Minato-ku, Tokyo	74
Total		3,612
(of these, 2 properties to be acquired)		(286)
(of these, 20 properties, remaining in MOU)		3,326



Hotel MyStays Kameido P2



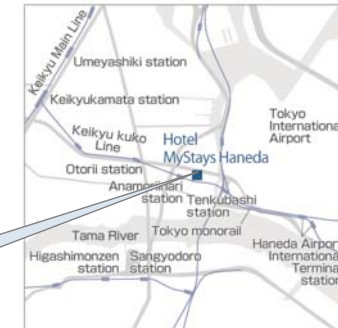
Hotel MyStays Kameido P1



Hotel MyStays Akasaka (Rendering)



Hotel MyStays Haneda



(Note 1) Hotel MyStays Yokohama Kannai is under construction. Hotel MyStays Akasaka is currently being redeveloped.

(Note 2) The above represents the properties covered by amended MOU. Invincible may elect to acquire only a selected number from the above or none at all.

(Note 3) Rendering is a conceptual drawing based on design drawing and there is a potential difference with actual building.

Overview of Fortress

Fortress Investment Group LLC (“FIG”; together with its affiliates, “Fortress”) is a global alternative investment manager with extensive experience in Japanese residential and hospitality assets

- Fortress is a highly diversified global alternative investment manager with approximately \$66.0bn in assets under management as of September 30, 2014
 - FIG is listed on NYSE with an approx. \$3.4bn equity market capitalization as of February 14, 2015
 - Extensive experience investing in real estate through private funds, REITs and other publicly listed real estate companies, including Brookdale Senior Living Inc. (U.S.), Eurocastle Investment Ltd. (Europe), Newcastle Investment Corp. (U.S.), and New Residential Investment Corp. (U.S.)

- Fortress manages two dedicated Japanese real estate funds: Fortress Japan Opportunity Funds I , II and III
 - Over JPY 300bn in committed equity
 - Wide spectrum of Japanese real estate investments, including residences, hotels, office buildings and retail facilities
 - Fortress’s Japan-based portfolio is valued at over JPY 300bn and includes 43 additional hotels including 2 hotels under construction and residential properties worth over JPY 100bn after the sale of the 22 hotels
 - Strong track record of post-acquisition capital expenditures and operational enhancements such as strategic renovations and rebranding
 - Ownership of MyStays Hotel Management Co., Ltd. by Fortress-managed funds provides competitive advantage in sourcing and managing hospitality assets

(As of February 2015)

MyStays Hotel Management's Track Record

Subject hotels are managed by an experienced operator⁽¹⁾ owned by Fortress-managed funds:
MyStays Hotel Management

Company Overview

- Company Name: MyStays Hotel Management Co., Ltd. (formerly Flexstay Hotel Management Co., Ltd.)
- Date of Establishment: July 8, 1999
- Acquired by Fortress in June 2012
- Representative: President and CEO Atsuki Asano
- Hotel operation and management under the following brands: Hotel MyStays, Flexstay Inn, Monthly ResiStays
- Employees: 646 (as of December 31, 2014, including part-time workers)
- Capital: JPY 100mn⁽²⁾
- Properties under management: 50 properties (6,524 rooms), of which 12 properties are owned by Fortress⁽³⁾

- Operational insight provides ability to better assess opportunities in hotel market



MYSTAYS HOTEL MANAGEMENT CO., LTD.
株式会社マイステイズ・ホテル・マネジメント

(Note 1) Hotel Vista Premio Dojima is managed by another operator. Several of hotels under MOU are not managed by Mystays Hotel Management

(Note 2) As of December 31, 2014

(Note 3) As of December 31, 2014

Invincible Investment Corporation

Asset Management Initiatives

Competitive Advantages

- Extensive know-how in selling rooms on a daily, weekly, and monthly basis, thereby achieving more stable occupancies and higher profit margins
- A corporate client base of over 2,200 corporations

Rebranding

- Reduced number of brands to reduce customer confusion and increase focus
- Website reconstructed to provide easier navigation and provide a more modern appearance
- Enhanced web marketing to stimulate untapped demand including Free Independent Travelers (FITs)

Renovations

- Since 2011, FHM renovated 21 hotels (2,982 rooms)
- Strategic renovations increased ADR for renovated hotels

Operational Improvements

- Various revenue management methods implemented, including hiring a revenue manager to analyze market trends, in order to maximize revenue
- Focus on employee training to improve efficiency and reduce turnover

Cost Control

- Promoting efficient and low cost operations via effective procurement strategies

Overview of Newly Acquired Three Hotel Properties

Overview of Properties Newly Acquired

- Acquisition of three hotel properties for JPY 13.261 billion at an average NOI yield of 5.2% ⁽²⁾, utilizing the excess cash-on-hand and new borrowings
- APA Hotel Yokohama-Kannai was acquired for JPY 8.35 billion from a third-party. Realize stable rent income - the rent coverage ratio is 1.7x and 91.1% of total rent is fixed rent for the last 12 months ending December 2014, with a fixed term lease with the operator APA Hotels through 2028

Overview of Properties to be Acquired

Type of Hotel	• Limited Service Hotel
# of Properties	• 3
Average Occupancy ^{(1) (3)}	• 88.8%
ADR ^{(1) (3)}	• JPY 6,821
RevPAR ^{(1) (3)}	• JPY 6,059

Hotel Acquisition Characteristics

Name of Property	Location	# of Guest Rooms	Year Built	NRA (m ²)	Purchase Price (mn JPY)	Appraisal Value (mn JPY)	NOI Yield		Occupancy Rate ⁽¹⁾⁽³⁾	ADR (JPY) ⁽¹⁾⁽³⁾	RevPAR (JPY) ^{(1) (3)}
							2014 ⁽¹⁾	2015 ⁽²⁾			
APA Hotel Yokohama-Kannai	Yokohama, Kanagawa	451	2005	6,568.51	8,350	8,500	5.3%	5.3%	94.5%	7,151	6,758
Hotel Nets Hakodate	Hakodate, Hokkaido	202	2008	7,961.26	2,792	2,820	5.0%	5.5%	77.1%	6,355	4,897
Flexstay Inn Shirogane	Minato-ku, Tokyo	84	1984	1,754.06	2,119	2,140	4.3%	4.6%	86.7%	5,883	5,099
Total		737	-	16,283.83	13,261	13,460	5.1%	5.2%	88.8%	6,821	6,059

(Note 1) Calculated based on the 2014 full year actual results.

(Note 2) NOI Yield in 2015 is calculated based on the budget from January to December 2015.

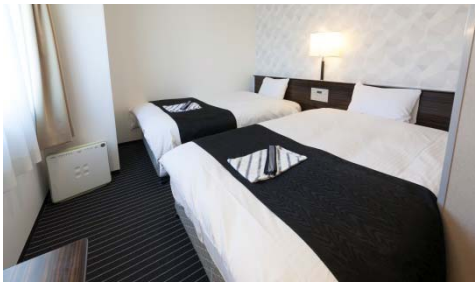
(Note 3) Room Occupancy Rate is calculated using the following formula:

Room Occupancy Rate = Total number of rooms occupied during the relevant period ÷ (Aggregate number of rooms available during the relevant period × Number of business days during the relevant period)

ADR, or Average Daily Rate, is the total room sales for a certain period (excluding service fees) divided by the total number of rooms sold for the same period

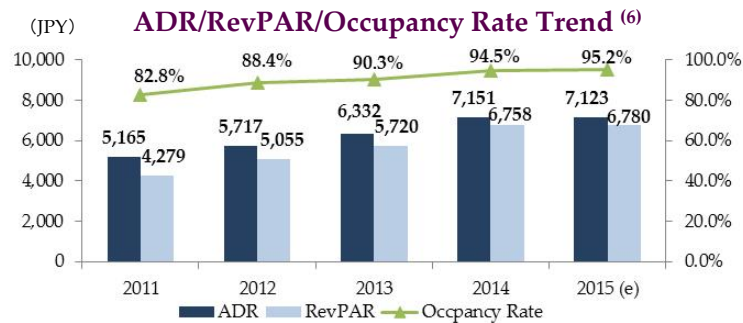
RevPAR, or Revenues Per Available Room, is calculated by dividing the total sales for a certain period by the aggregate number of rooms available for the same period (rooms × number of business days), and is the same figure as that of a product of room occupancy rate multiplied by ADR.

Properties Newly Acquired (1/3) - APA Hotel Yokohama-Kannai



Name of Property	APA Hotel Yokohama-Kannai
Location	3-37-2 Siuniyoshi, Naka-ku, Yokohama, Kanagawa
Access	3 minutes walk from Kannai Station
Date of Construction	April 2005
Number of Guest Rooms	451
Room Mix	Single:345 Double:104 Twin:2
Total Floor Area	6,568.51m ²
Land Area	831.88m ²
Daily / Weekly/ Monthly % ^{(1) (5)}	-
(2014 Actual)	
ADR (2014) ^{(2) (5)}	JPY 7,151
Occupancy Rate(2014) ^{(3) (5)}	94.5%
RevPAR (2014) ^{(4) (5)}	JPY 6,758
Gross Revenue (2014) ⁽⁵⁾	JPY 1,175mn
GOP / GOP % (2014) ⁽⁵⁾	JPY 770mn / 65.5%
NOI (2014) ⁽⁵⁾	JPY 440mn

- The property is a business hotel located 1 minute walk from Kannai Station of Yokohama City Subway Line and 3 minute walk from Kannai Station of the JR Line.
- There are administrative agencies including Yokohama city hall in front of Kannai Station. The property is located within easy walking distance of Minatomirai district , China Town, Yokohama Stadium and Yamashita Park.
- The property has 451 guest rooms centering on single-type rooms which are typically 9 m² . The property has a large bath with artificial hot spring, saunas and an open-air bath, receives a good evaluation by guests. Therefore, staying demands of both business and leisure travelers are expected.



(Note 1) Types of accommodations (Daily, Weekly and Monthly) are based on the gross revenue from January 2014 to December 2014 (full year). (Daily = 1 ~6 days, Weekly = 7~29 days and Monthly = 30 days or more)

(Note 2) ADR, or Average Daily Rate, is the value of the total room sales for a certain period (excluding service fees) divided by the total number of sold rooms for the same period

(Note 3) ADR, or Average Daily Rate, is the value of the total room sales for a certain period (excluding service fees) divided by the total number of sold rooms for the same period

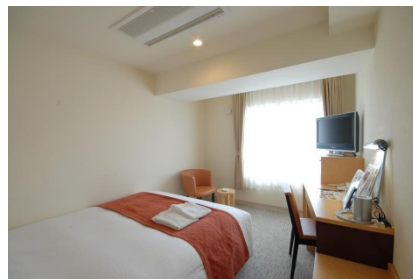
(Note 4) RevPAR, or Revenues Per Available Room, is calculated by dividing the total sales for a certain period by the aggregate number of rooms available for the same period (rooms x number of days), and is the same figure as that of a product of room occupancy rate multiplied with ADR.

(Note 5) Calculated based on the actual results from January 2014 to December 2014.

(Note 6) Calculated based on the actual results from 2011 to 2014 and forecast in 2015.

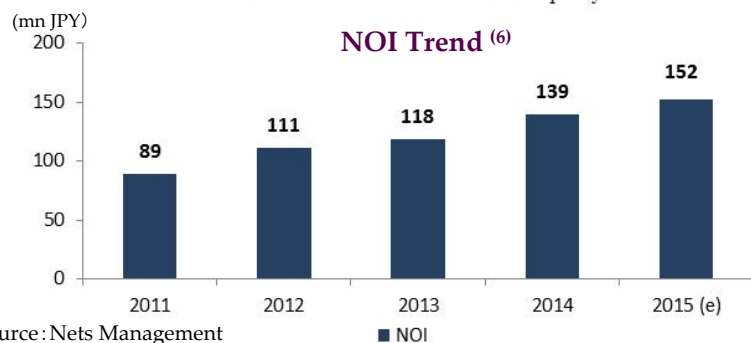
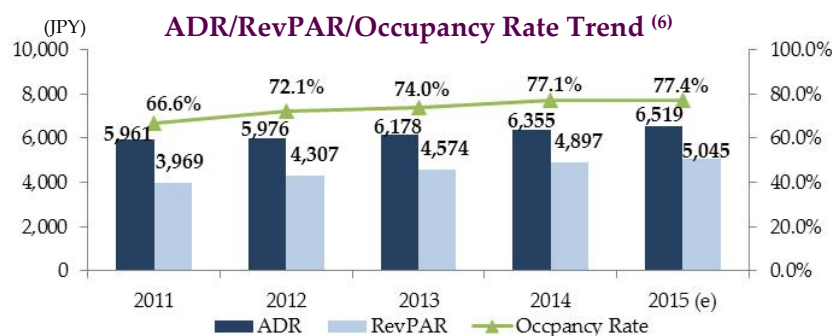
In addition, NOI from January 2011 to December 2014 is based on the actual results provided by seller, and has been adjusted trust fees and insurance premiums assuming that this property is held by INV.

Properties Newly Acquired (2/3) - Hotel Nets Hakodate



Name of Property	Hotel Nets Hakodate
Location	26-17 Honcho, Hakodate, Hokkaido
Access	1 minute walk from Goryokaku Koen Station
Date of Construction	February 2008
Number of Guest Rooms	202
Room Mix	Single:54 Double:88 Twin:60
Total Floor Area	7,961.26m ²
Land Area	1,843.03m ²
Daily / Weekly/ Monthly % ⁽¹⁾⁽⁵⁾ (2014 Actual)	-
ADR (2014) ⁽²⁾⁽⁵⁾	JPY 6,355
Occupancy Rate(2014) ⁽³⁾⁽⁵⁾	77.1%
RevPAR (2014) ⁽⁴⁾⁽⁵⁾	JPY 4,897
Gross Revenue (2014) ⁽⁵⁾	JPY 406mn
GOP / GOP % (2014) ⁽⁵⁾	JPY 162mn / 39.9%
NOI (2014) ⁽⁵⁾	JPY 139mn

- The property is a business hotel located 1 minute walk from Goryokakukouen-mae Station of City Line. In addition, the property is located in the Goryokaku area, which is the central area of Hakodate as the base of the southern part of Hokkaido's "Dounan" area, and approximately 10 minutes from Hakodate Station of the JR Line by car and approximately 15 minutes from Hakodate Airport by car. Furthermore, Shin-Hakodate Station on the Hokkaido Shinkansen Line is scheduled to open in March 2016. Therefore, the property is in a most suitable location for both leisure and business.
- Guest rooms and amenities as well as soft aspects including correspondence of staffs, always receive a very high evaluation.
- The restaurants of the property provide meals in which many local products including fresh fish and vegetables produced in Hokkaido and receives a good evaluation.
- After the projected opening of the Hokkaido Shinkansen in March 2016, the travel time between Tokyo and Shin-Hakodate will be reduced by 1 hour and 34 minutes taking a total of 4 hours and 10 minutes. This will enhance the accessibility from the Tokyo Metropolitan Area and the Tohoku Area to Hakodate which is expected to provide an increase in travel demand.



Source: Nets Management



(Note 1) Types of accommodations (Daily, Weekly and Monthly) are based on the gross revenue from January 2014 to December 2014 (full year). (Daily = 1 ~6 days, Weekly = 7~29 days and Monthly = 30 days or more)

(Note 2) ADR, or Average Daily Rate, is the value of the total room sales for a certain period (excluding service fees) divided by the total number of sold rooms for the same period

(Note 3) ADR, or Average Daily Rate, is the value of the total room sales for a certain period (excluding service fees) divided by the total number of sold rooms for the same period

(Note 4) RevPAR, or Revenues Per Available Room, is calculated by dividing the total sales for a certain period by the aggregate number of rooms available for the same period (rooms x number of days), and is the same figure as that of a product of room occupancy rate multiplied with ADR.

(Note 5) Calculated based on the actual results from January 2014 to December 2014.

(Note 6) Calculated based on the actual results from 2011 to 2014 and forecast in 2015.

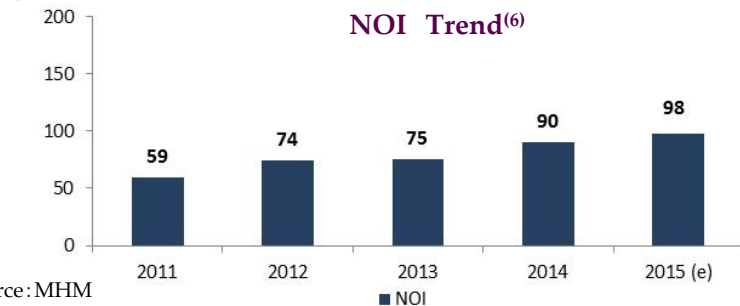
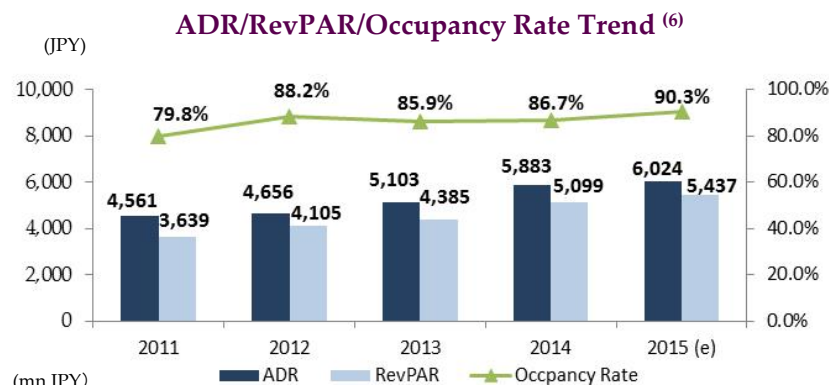
In addition, NOI from January 2011 to December 2014 is based on the actual results provided by seller, and has been adjusted trust fees and insurance premiums assuming that this property is held by INV.

Properties Newly Acquired (3/3) - Flexstay Inn Shirogane



Name of Property	Flexstay Inn Shirogane
Location	5-10-15 Shirogane, Minato-ku, Tokyo
Access	12 minutes from Hiroo Station
Date of Construction	December 1984
Number of Guest Rooms	84
Room Mix	Single:80 Twin:4
Total Floor Area	1,754.06m ²
Land Area	528.73m ²
Daily / Weekly/ Monthly % ^{(1) (5)} (2014 Actual)	48.7% / 23.4% / 28.0%
ADR (2014) ^{(2) (5)}	JPY 5,883
Occupancy Rate(2014) ^{(3) (5)}	86.7%
RevPAR (2014) ^{(4) (5)}	JPY 5,099
Gross Revenue (2014) ⁽⁵⁾	JPY 163mn
GOP / GOP % (2014) ⁽⁵⁾	JPY 95mn / 58.2%
NOI (2014) ⁽⁵⁾	JPY 90mn

- The property is a business hotel and is a 12 minute walk from Hiroo Station of Tokyo Metro Hibiya Line. The property enables the guests to access to Tamachi Station, Ebisu Station and Shibuya Station by using Metropolitan Bus and is located quite close to the popular spots including Shibuya, Azabu and Roppongi. Therefore, there are staying demands for not only business but also leisure.
- With regard to the formation and specification of guest rooms, which provide small-sized kitchen, refrigerator, microwave and others, the property is correspond to wide range of guests from short term stay to middle- to long- term stay. In addition, There are supermarkets, financial institutions, general hospitals including Hiroo Hospital and Kitasato University Kitasato Institute Hospital around the property, and living environments are in good order. Therefore, the property received a good evaluation from long-stay guests who stay for “Weekly” and “Monthly” and such guests constitute more than 50%. In addition, the percentage of corporate contract is high (33.0%); therefore, stable demands are expected though a year.



(Note 1) Types of accommodations (Daily, Weekly and Monthly) are based on the gross revenue from January 2014 to December 2014 (full year). (Daily = 1 -6 days, Weekly = 7-29 days and Monthly = 30 days or more)

(Note 2) ADR, or Average Daily Rate, is the value of the total room sales for a certain period (excluding service fees) divided by the total number of sold rooms for the same period

(Note 3) ADR, or Average Daily Rate, is the value of the total room sales for a certain period (excluding service fees) divided by the total number of sold rooms for the same period

(Note 4) RevPAR, or Revenues Per Available Room, is calculated by dividing the total sales for a certain period by the aggregate number of rooms available for the same period (rooms x number of days), and is the same figure as that of a product of room occupancy rate multiplied with ADR.

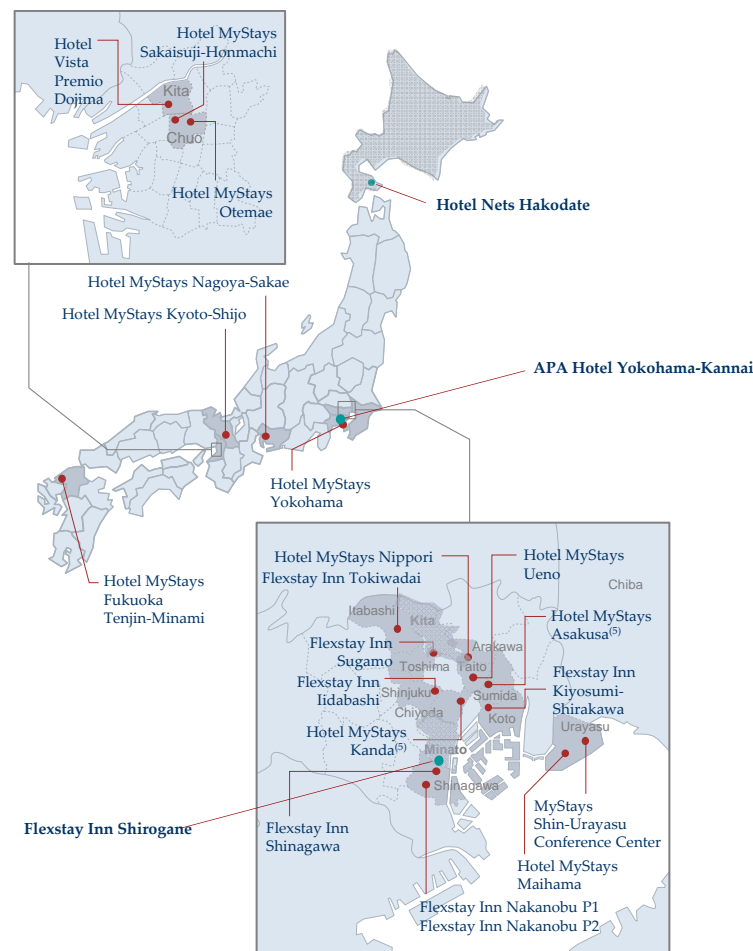
(Note 5) Calculated based on the actual results from January 2014 to December 2014.

(Note 6) Calculated based on the actual results from 2011 to 2014 and forecast in 2015.

In addition, NOI from January 2011 to December 2014 is based on the actual results provided by seller, and has been adjusted trust fees and insurance premiums assuming that this property is held by INV.

Overview of 23 Hotel Properties

Acquisition Date	Property Name	Location	No. Rooms	Acquisition Cost (mn JPY)	Appraisal Value ⁽¹⁾ (mn JPY)
May 2014	Hotel MyStays Kanda	Tokyo	126	2,851	3,280
	Hotel MyStays Asakusa	Tokyo	160	2,584	3,290
Jul. 2014	Hotel MyStays Kyoto-Shijo	Kyoto Prefecture	224	6,024	8,010
	MyStays Shin-Urayasu Conference Center	Chiba Prefecture	175	4,930	5,260
	Hotel MyStays Maihama	Chiba Prefecture	90	4,870	5,080
	Hotel Vista Premio Dojima	Osaka Prefecture	141	3,845	4,300
	Hotel MyStays Nagoya-Sakae	Aichi Prefecture	270	2,958	3,040
	Hotel MyStays Sakaisuji-Honmachi	Osaka Prefecture	190	2,514	3,250
	Hotel MyStays Yokohama	Kanagawa Prefecture	190	2,119	2,590
	Hotel MyStays Nippori	Tokyo	93	1,898	2,140
	Hotel MyStays Fukuoka-Tenjin-Minami	Fukuoka Prefecture	177	1,570	1,740
	Flexstay Inn Iidabashi	Tokyo	59	1,381	1,560
	Hotel MyStays Ueno Inaricho	Tokyo	72	1,331	1,540
	Flexstay Inn Shinagawa	Tokyo	55	1,242	1,510
	Flexstay Inn Tokiwadai	Tokyo	129	1,242	1,420
	Flexstay Inn Sugamo	Tokyo	104	1,192	1,370
	Hotel MyStays Otemae	Osaka Prefecture	110	1,192	1,600
	Flexstay Inn Kiyosumi Shirakawa	Tokyo	55	749	821
	Flexstay Inn Nakanobu P1	Tokyo	39	589	647
Flexstay Inn Nakanobu P2	Tokyo	22	283	311	
Feb. 2015	APA Hotel Yokohama-Kannnai	Kanagawa Prefecture	451	8,350	8,500
	Hotel Nets Hakodate	Hokkaido Prefecture	202	2,792	2,820
	Flexstay Inn Shirogane	Tokyo	84	2,119	2,140
Total	MyStays (12 properties)		1,877	34,846	40,820
	Flexstay Inn (8 properties)		547	8,800	9,779
	Vista and others (3 properties)		794	14,987	15,620

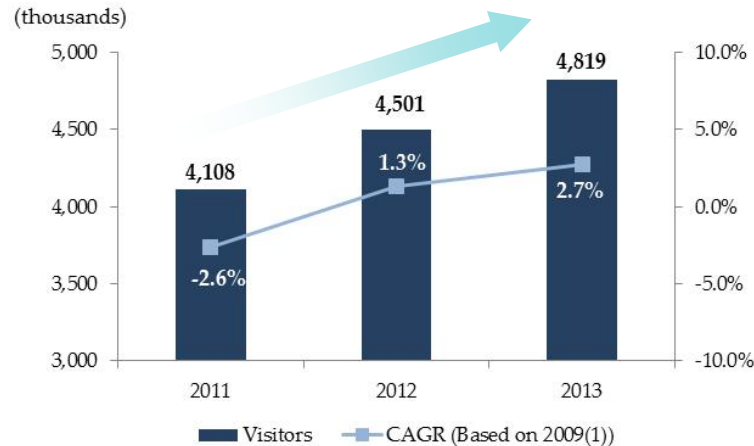


(Note 1) Calculated based on the appraisal value as of the end of December 2014 for the twenty hotels, and based on the appraisal value as of December 1, 2014 for the new three hotels.

Major Development of Hakodate Infrastructure Boosting Demand for Tourism

Visitors to Hakodate

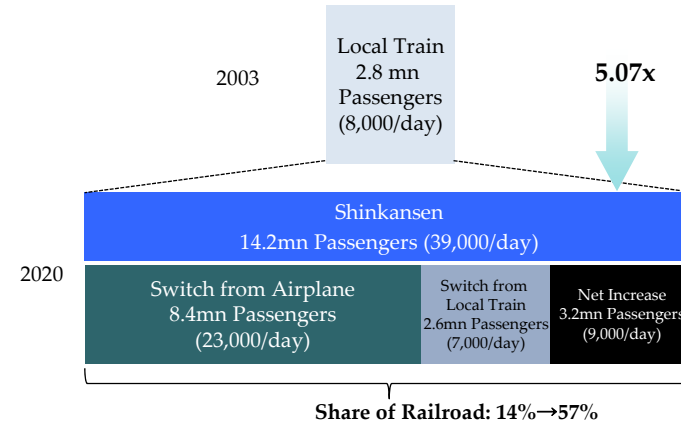
- Number of visitors to Hakodate has been increasing since 2011 and is expected to grow going forward



Source: Hakodate Kanko-bu Kankoshinko-ka Visitor Report in Hakodate
(Note 1) Visitors to Hakodate in 2009 were 4,322 thousand

Opening of Hokkaido Shinkansen (Planned Opening in 2016)

- Train passengers utilizing the Hokkaido-Honshu route are expected to increase by 5 times after the opening of Hokkaido Shinkansen



Source: Hokkaido Shinkansen Kotsu Kikaku-kyoku Shinkansen Suishinshitsu Home Page

Development of Infrastructure Over the Last 10 Years

- Continuous air and train infrastructure improvements from 2005 to 2012 helped to increase access to Hakodate

AIRDO Tokyo-Hakodate	(2005)	<ul style="list-style-type: none"> 2 round trips per day between Tokyo and Hakodate
Hakodate-Seoul Scheduled Flights	(2006)	<ul style="list-style-type: none"> Korean Air: 3 round trips per week between Hakodate and Seoul
Tohoku Shinkansen Shin-Aomori	(2010)	<ul style="list-style-type: none"> It takes 3 hours 20 minutes between Tokyo and Shin-Aomori Express "Super Shiratori" and "Shiratori" run between Hakodate and Shin-Aomori, all connecting to the Shinkansen Minimum of 5 hours 44 minutes, shortened by 14 minutes
Hakodate-Taipei Flights	(2012)	<ul style="list-style-type: none"> EVA Air: 4 round trips per week, increased to 7 round trips per week from March 2015, between Hakodate and Taipei, started from 2 round trips Trans Asia : 3 round trips per week between Hakodate and Taipei, started from 2 round trips
Hokkaido Shinkansen (Scheduled to Open in 2016)		<ul style="list-style-type: none"> Minimum of 4 hours 10 minutes between Tokyo and Shin-Hakodate, shortened by 1 hour and 34 minutes

Source: March 2013 Hakodate Kanko Kihon Keikaku Sakutei Chosa in March 2013

APPENDIX

Income Statement

Items	22nd Fiscal Period 2014/1/1- 2014/6/30-		23rd Fiscal Period 2014/7/1- 2014/12/31		Changes	
	Ths JPY	%	Ths JPY	%	Ths JPY	%
Operating revenues	3,775,772	100.0	4,610,717	100.0	834,945	22.1
Rental revenues (1)	2,772,419		4,610,717		1,838,298	
Gain on sales of properties	1,003,352		-		-1,003,352	
Operating expenses	1,541,127	40.8	1,840,796	39.9	299,669	19.4
Property related expenses (2)	1,281,791		1,586,854		305,063	
Depreciation expenses (3)	527,914		837,259		309,345	
NOI (1)-(2)+(3)	2,018,542		3,861,122		1,842,580	91.3
Asset management fees	125,000		125,000		-	
Directors' remuneration	4,800		4,800		-	
Asset custodian fees	3,906		3,976		70	
Administrative service fees	18,224		26,672		8,448	
Provision of allowance for doubtful accounts	-		1,527		1,527	
Other operating expenses	107,404		91,966		-15,438	
Operating income	2,234,644	59.2	2,769,920	60.1	535,276	24.0
Non-operating revenues	1,777	0.0	1,021	0.0	-756	-42.5
Interest revenues	404		537		133	
Reversal of allowance for doubtful accounts	475		-		-475	
Miscellaneous income	898		483		-415	
Non-operating expenses	1,334,001	35.3	812,334	17.6	-521,667	-39.1
Interest expenses	376,514		365,480		-11,034	
Finance related costs	842,043		294,738		-547,305	
Investment unit issuance expenses	115,438		152,101		36,663	
Miscellaneous losses	5		14		9	
Ordinary income	902,420	23.9	1,958,607	42.5	1,056,187	117.0
Income before income taxes	902,420	23.9	1,958,607	42.5	1,056,187	117.0
Corporate tax, etc.	605		605		-	
Net income	901,815	23.9	1,958,002	42.5	1,056,187	117.1
Retained earnings at the beginning of the period	73,159		73,543		384	
Unappropriated retained earnings / loss at the end of the period	974,975		2,031,546		1,056,571	108.4

Balance Sheet - Assets

Items	22nd Fiscal Period		23rd Fiscal Period		Changes	
	(As of Jun. 30, 2014)		(As of Dec. 31, 2014)			
	Ths JPY	%	Ths JPY	%	Ths JPY	%
<i>Assets</i>						
Current assets						
Cash and bank deposits	759,058		9,153,872		8,394,814	
Cash and bank deposits in trust	2,765,504		4,011,521		1,246,017	
Accounts receivables	2,574		82		-2,492	
Rental receivables	71,193		644,552		573,359	
Prepaid expenses	120,941		233,324		112,383	
Consumption tax receivable	-		1,319,253		1,319,253	
Advances paid	17,138		-		-17,138	
Allowance for doubtful accounts	-1,391		-1,968		-577	
Total current assets	3,735,018	4.7	15,360,637	11.8	11,625,619	311.3
Non-current assets						
Property and equipment						
Buildings	78,131		77,589		-542	
Buildings and accompanying facilities	21,510		20,314		-1,196	
Structures	1,640		1,574		-66	
Land	711,834		711,834		-	
Buildings in trust	28,538,783		42,090,979		13,552,196	
Buildings and accompanying facilities in trust	5,259,944		8,214,804		2,954,860	
Structures in trust	212,270		203,054		-9,216	
Tools, furniture and fixtures in trust	91,540		164,502		72,962	
Land in trust	40,447,565		63,258,940		22,811,375	
Total property and equipment	75,363,220	95.1	114,743,593	87.9	39,380,373	52.3
Intangible assets						
Others	106		76		-30	
Total intangible assets	106	0.0	76	0.0	-30	-28.3
Investment and other assets						
Guarantee deposits	10,000		10,000		-	
Long-term prepaid expenses	119,338		328,159		208,821	
Others	34,070		34,765		695	
Total investment and other assets	163,409	0.2	372,924	0.3	209,515	128.2
Total non-current assets	75,526,736	95.3	115,116,594	88.2	39,589,858	52.4
Total assets	79,261,754	100.0	130,477,232	100.0	51,215,478	64.6

Balance Sheet – Liabilities/Net Assets

Items	22nd Fiscal Period		23rd Fiscal Period		Changes	
	(As of Jun. 30, 2014)		(As of Dec. 31, 2014)			
	Ths JPY	%	Ths JPY	%	Ths JPY	%
<i>Liabilities</i>						
<i>Current liabilities</i>						
Accounts payable	143,439		141,428		-2,011	
Short-term loans payable	13,488,750		-		-13,488,750	
Current portion of long-term loans payable	17,552,100		1,200,000		-16,352,100	
Current portion of long-term loans payable in trust	-		18,167		18,167	
Accounts payable-other	32,733		22,872		-9,861	
Accrued expenses	121,934		127,170		5,236	
Income taxes payable	520		578		58	
Consumption taxes payable	143,637		-		-143,637	
Advances received	357,522		371,084		13,562	
Deposits received	32,927		23,896		-9,031	
Total current liabilities	31,873,567	40.2	1,905,197	1.5	-29,968,370	-94.0
<i>Non-current liabilities</i>						
Long-term loans payable	-		56,100,000		56,100,000	
Long-term loans payable in trust	9,960,000		9,941,832		-18,168	
Tenant leasehold and security deposits in trust	1,025,726		1,109,146		83,420	
Tenant leasehold and security deposits	28,663		28,663		-	
Total non-current liabilities	11,014,390	13.9	67,179,642	51.5	56,165,252	509.9
Total liabilities	42,887,957	54.1	69,084,839	52.9	26,196,882	61.1
<i>Net assets</i>						
<i>Unitholders' equity</i>						
Unitholders' capital	29,134,389	36.8	53,096,413	40.7	23,962,024	82.2
<i>Surplus</i>						
Capital surplus	6,264,432		6,264,432		-	
Retained earnings	974,975		2,031,546		1,056,571	
Total surplus	7,239,407	9.1	8,295,978	6.4	1,056,571	14.6
Total unitholders' equity	36,373,796	45.9	61,392,392	47.1	25,018,596	68.8
Total net assets	36,373,796	45.9	61,392,392	47.1	25,018,596	68.8
Total liabilities and net assets	79,261,754	100.0	130,477,232	100.0	51,215,478	64.6

Net assets per unit as of the end of 23rd Fiscal Period
JPY 23,005 (Issued investment units: 2,668,686 units)

Cash Flow Statement / Financial Statements pertaining to Distribution of Monies

Invincible Investment
Corporation

Items	22nd Fiscal Period	23rd Fiscal Period
	2014/1/1- 2014/6/30	2014/7/1- 2014/12/31
	Ths JPY	Ths JPY
<i>Cash flows from operating activities</i>		
Income before income taxes	902,420	1,958,607
Depreciation and amortization	527,945	837,289
Investment unit issuance costs	115,438	152,101
Loan-related costs	842,043	294,738
Amortization of tenant leasehold and security deposits in trust	(435)	(378)
Interest income	(404)	(537)
Interest expenses	376,514	365,480
Increase (decrease) in allowance for doubtful accounts	(1,181)	577
Decrease (increase) in rental receivables	(60,244)	(573,359)
Decrease (increase) in consumption taxes receivable	7,419	(1,319,253)
Increase (decrease) in accrued consumption taxes	143,637	(143,637)
Increase (decrease) in accounts payable	(87,869)	(673)
Increase (decrease) in accounts payable-other	(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
Interest income received	404	537
Interest expenses paid	(502,533)	(363,177)
Income taxes paid	(609)	(547)
<i>Cash flows from operating activities</i>	6,622,276	1,209,610
<i>Cash flows from investment activities</i>		
Purchases of property and equipment in trust	(5,618,018)	(40,203,087)
Repayments of tenant leasehold and security deposits	(154,916)	-
Repayments of tenant leasehold and security deposits in trust	(93,087)	(47,787)
Proceeds from tenant leasehold and security deposits in trust	81,527	131,585
Others	(17,833)	(694)
<i>Cash flows from investment activities</i>	(5,802,328)	(40,119,985)
<i>Cash flows from financing activities</i>		
Proceeds from short-term loans payable	13,500,000	-
Repayments of short-term loans payable	(11,250)	(13,488,750)
Proceeds from long-term loans payable	-	57,300,000
Repayments of long-term loans payable	(2,797,899)	(17,552,100)
Repayments of long-term loans payable in trust	(11,000,000)	-
Payments for loan-related costs	(732,126)	(618,099)
Distribution payments	(342,802)	(900,512)
Proceeds from issuance of investment units	-	23,962,024
Investment unit issuance expenses	(98,468)	(151,356)
<i>Cash flows from financing activities</i>	(1,482,546)	48,551,206
<i>Net increase (decrease) in cash and cash equivalents</i>	(662,597)	9,640,831
<i>Cash and cash equivalents at beginning of period</i>	4,187,160	3,524,562
<i>Cash and cash equivalents at end of period</i>	3,524,562	13,165,393

Items		22nd Fiscal Period	23rd Fiscal Period
		2014/1/1- 2014/06/30	2014/7/1- 2014/12/31
Unappropriated retained earnings	(Ths JPY)	974,975	2,031,546
Distributions	(Ths JPY)	901,431	1,956,146
Distribution per Unit	(JPY)	573	733
Retained earnings carried forward	(Ths JPY)	73,543	75,399

Forecast for 2015 (as of Feb. 25, 2015)

Item	24th Fiscal Period		25th Fiscal Period		Annual	
	2015/1/1~ 2015/6/30		2015/7/1~ 2015/12/31		(2015)	
	mn JPY	%	mn JPY	%	mn JPY	%
Operating revenues	4,631	100.0%	5,034	100.0%	9,665	100.0%
Rental revenues (1)	4,631	100.0%	5,034	100.0%	9,665	100.0%
Operating expenses	2,191	47.3%	2,222	44.1%	4,413	45.7%
Property related expenses (2)	1,874	40.5%	1,909	37.9%	3,784	39.1%
Facilities management fees	492	10.6%	479	9.5%	972	10.1%
of which, repair costs	40	0.9%	40	0.8%	80	0.8%
Taxes and other public charges	204	4.4%	255	5.1%	459	4.8%
Insurance expenses	7	0.2%	7	0.1%	14	0.1%
Other expenses	164	3.6%	141	2.8%	305	3.2%
Depreciation expenses (3)	1,005	21.7%	1,025	20.4%	2,031	21.0%
NOI(1)-(2)+(3)	3,762	81.2%	4,150	82.4%	7,913	81.9%
Rental income (1)-(2)	2,756	59.5%	3,124	62.1%	5,881	60.9%
Asset management fees	180	3.9%	180	3.6%	360	3.7%
Other operating expenses	137	3.0%	132	2.6%	269	2.8%
Operating income	2,439	52.7%	2,812	55.9%	5,251	54.3%
Non-operating revenues	-	-	-	-	-	-
Non-operating expenses	536	11.6%	517	10.3%	1,054	10.9%
Ordinary income	1,903	41.1%	2,294	45.6%	4,197	43.4%
Net income	1,902	41.1%	2,293	45.6%	4,196	43.4%

Forecasted Distribution for the year 2015
JPY 1,571 per unit
(1H JPY 712 / 2H JPY 859)
 (Issued investment units: 2,668,686 units)

23rd Fiscal Period Results - comparison with 22nd Fiscal Period

(unit: mn JPY) ⁽¹⁾	22nd Fiscal Period Results (1H/2014)	23rd Fiscal Period Results (2H/2014)	Changes		Reasons for changes (unit: mn JPY)
Operating revenues	3,775	4,610	+834	+22.1%	<ul style="list-style-type: none"> • Rent, common area fees, etc. +1,852 (of these, Hotels +2,011, Residential -168, Offices +10) • Renewal fee revenue -5 • Key money income -4 • Revenue on cost of utilities +3 • Gain on sales of 7 senior housing properties -1,003
Rental revenues	2,772	4,610	+1,837	+66.3%	
Gain on sales of properties	1,003	—	-1,003	—%	
Operating expenses	1,541	1,840	+299	+19.4%	<ul style="list-style-type: none"> • Maintenance costs +10 (Restoration costs -7, Utilities +6, Repair costs -10) • Professional fees +2 • Cost of shared commissioned survey +1 • Advertising expenses and other fees +16 • Land lease fees +23 • Property tax etc. -10 • Other taxes and dues +47 (Due to changes in taxable sales ratio)
Repair costs	40	29	-10	-26.7%	
Operating Income	2,234	2,769	+535	+24.0%	
Non-operating revenues	1	1	+0	-42.6%	
Non-operating expenses	1,334	812	-521	-39.1%	
Interest Expenses	376	365	-11	-2.9%	✓ Reduction of interest burden associated with refinancing as of July 17, 2014
Finance-related costs	842	294	-547	-65.0%	✓ Additional one-off expenses related to refinancing as of July 17, 2014
Other non-operating expenses	115	152	+36	+587.7%	✓ Recognition of one-off expenses associated with offering as of July 17, 2014 (Expenses related to issue of new investment units)
Net Income	901	1,958	+1,056	+117.1%	
Net Income per Unit	573	733	+160	+27.9%	
Reversal of Surplus per Unit	—	—	—	—%	
Distribution per Unit	573	733	+160	+27.9%	
NOI	2,018	3,861	+1,842	+91.3%	
NOI yield	5.3%	6.8%	+1.4%	—	

(Note1) Amounts listed are rounded down to the million JPY, however, the figures for “Net Income per Unit”, “Reversal of Surplus per Unit” and “Distribution per Unit” are in a unit of one yen. Furthermore, percentages are rounded to one decimal place.

(Note 2) “Net Income per Unit” figures calculated using the number of units outstanding at the end of each period.

23rd Fiscal Period Results – comparison with initial forecast

(unit: mn JPY) ⁽¹⁾	23rd Fiscal Period Initial Forecast (2H/2014) As of Aug. 27, 2014	23rd Fiscal Period Results (2H/2014)	Changes		Reasons for changes (unit: mn JPY)
Operating revenues	4,323	4,610	+287	+6.6%	<ul style="list-style-type: none"> • Rent, common area fees, etc. +237 (of these, Hotel +329, Residential -51, Office +7, Shop -7) • Restoration fee revenue +3 • Renewal fee revenue -3 • Insurance fee revenue +2 • Key money income +1
Rental revenues	4,323	4,610	+287	+66.3%	
Operating expenses	1,893	1,840	-53	-2.8%	<ul style="list-style-type: none"> • Maintenance costs -15 (Repair costs -10, Restoration costs -6, Utilities +2) • Advertising expenses and other fees -12 (Increase in the consumption tax regarding hotels due to changes in taxable sales ratio) • Professional fees +4 • Cost of shared commissioned survey -2
Repair costs	40	29	-10	-25.7%	
Operating Income	2,429	2,769	+340	+14.0%	
Non-operating revenues	—	1	+1	—%	
Non-operating expenses	827	812	+15	▲1.8%	
Interest Expenses	370	365	-4	▲1.2%	✓ Effect of lowering of base interest rate
Finance-related costs	300	294	-5	▲1.9%	✓ Reduction of one-off expenses related to refinancing as of May 23, 2014
Other non-operating expenses	157	152	-4	▲3.1%	✓ Reduction of one-off expenses associated with offering as of Jul. 17, 2014 (Expenses related to issue of new investment units)
Net Income	1,601	1,958	+356	+22.2%	
Net Income per Unit	600	733	+160	+22.2%	
Reversal of Surplus per Unit	—	—	—	—%	
Distribution per Unit	600	733	160	+2.2%	
NOI	3,544	3,861	+316	+8.9%	
NOI yield	5.6%	6.8%	+1.1%	—%	

Financial Metrics

Items	19th Fiscal Period	20th Fiscal Period	21st Fiscal Period	22nd Fiscal Period	23rd Fiscal Period
	2012/7/1- 2012/12/31	2013/1/1- 2013/6/30	2013/7/1- 2013/12/31	2014/1/1- 2014/6/30	2014/7/1- 2014/12/31
Amount of Total Assets (mn JPY)	80,200	80,249	79,176	79,261	130,477
Amount of Net Assets (mn JPY)	32,670	32,848	35,844	36,373	61,392
Capital-to-Asset Ratio	40.7%	40.9%	45.3%	45.9%	47.1%
Total Amount of Investment (mn JPY)	26,134	26,134	29,134	29,134	53,096
End-of-period total number of units issued	1,348,292	1,348,292	1,573,179	1,573,179	2,668,686
Amount of Net Assets per Unit (JPY)	24,231	24,363	22,785	23,121	23,005
Return on Asset (ROA) (annualized)	0.3%	0.8%	0.9%	2.3%	3.0%
Return on Equity (ROE) (annualized)	0.7%	2.1%	2.1%	5.0%	6.4%
Amount of interest-bearing debts (mn JPY)	43,982	43,851	41,310	41,000	67,260
Weighted average interest rate	4.0%	3.7%	3.2%	1.8%	1.1%
Loan to Value (LTV 1)	57.6%	57.5%	53.9%	53.7%	53.1%
End-of-period Loan-to-Value based on Total Assets (LTV 2)	54.8%	54.6%	52.2%	51.7%	51.5%
Net Operating Income (NOI) (mn JPY)	1,800	2,008	2,006	2,018	3,861
NOI yield (annualized)	5.2%	5.2%	5.2%	5.3%	6.8%
Depreciation Expense (mn JPY)	480	543	527	527	837
Funds From Operations (FFO) (mn JPY)	594	878	880	426	2,795
NAV(mn JPY)	30,539	31,791	36,245	37,286	71,175
NAV per Unit (JPY)	22,650	23,579	23,039	23,701	26,671
NAV ratio	0.3	0.6	0.6	1.0	1.9

(Note 1) Financial indicators calculation method in the above table are as follows.

- ROA(annualized)= Ordinary Income / Weighted Average Total Assets during the period x 100/days during the period x 365
- ROE(annualized)= Net Income / Weighted Average Net Assets during the period x 100/days during the period x 365
- LTV(1)= End-of-period Interest-Bearing Debt / (End-of-period Interest-Bearing Debt + Unitholders' Capital + Unitholders' Capital Surplus)x100
- LTV(2)= End-of-period Interest-Bearing Debt / End-of-period Total Assets x 100
- NOI= Rental Revenues - Property-Related Expenses + Depreciation Expenses
- NOI yield (annualized)=((Rental Revenues - Property-Related Expenses + Depreciation Expenses)/ days during the period x 365)/ Acquisition Price
- FFO= Net Income + Depreciation Expenses + Other Amortization – Gain on Sales of Properties + Loss from Sales of Properties
- NAV= End-of-period Amount of Net Assets – Undistributed Profit + End-of-period Appraisal Value - Tangible property
- NAV ratio = period-end unit price/ Amount of Net Assets per Unit

(Note 2) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

In addition "Amount of Net Assets per Unit (JPY)" and "NAV per Unit (JPY)" are rounded to nearest yen.

Overview of Borrowings

(as of the end of Dec. 2014 / Feb. 6, 2015)

Loan	Debtor Bank	Borrowing date	Borrowing amount		Interest rate (annual rate) etc.		Maturity date
			As of the end of Jun. 2014	As of Jul. 31, 2014	As of the end of Jun. 2014	As of Jul. 31, 2014	
New Syndicate Loan (C)	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	Jul. 17, 2014	JPY 57,300 mn	JPY 57,300 mn	0.93000% ⁽¹⁾ Variable interest rate (1month JPY TIBOR +0.8%)	0.93000% ⁽¹⁾ Variable interest rate (1month JPY TIBOR +0.8%)	Jul. 14, 2017
New Syndicate Loan (D)	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	Feb. 6, 2015	—	JPY 6,241 mn	—	0.93000% ⁽²⁾ Variable interest rate (1month JPY TIBOR +0.8%)	Jul. 14, 2017
Subtotal of long-term debt			JPY 57,300 mn	JPY 63,541 mn			
Prudential LPS Loan B	Prudential Mortgage Asset Holdings 1 Japan Investment Limited Partnership	Sep. 28, 2012	JPY 2,700 mn JPY 2,860 mn JPY 1,830 mn JPY 2,570 mn		1.9% Fixed interest rate		Mar. 31, 2018 Mar. 31, 2019 Mar. 31, 2020 Mar. 31, 2019
Subtotal of long-term debt in trust			JPY 9,960 mn				
Total			JPY 67,260 mn	JPY 73,501 mn			

(Note 1) The interest rate is applicable for the period from Jan. 30, 2014 through Feb. 26, 2015.

(Note 2) The interest rate is applicable for the period from Feb. 6, 2015 through Feb. 26, 2015.

(Note 3) The outstanding of borrowing is rounded down to the indicated unit.

LTV based on Appraisal Value by Loans

Loan		Borrowing Amount as of the end of Dec. 2014 (mn JPY)	Appraisal Value as of Dec. 2014 (mn JPY)	LTV based on Appraisal Value	No. of Properties
New Syndicate Loan (C)		57,300	111,099	51.6%	67
Subtotal		57,300	111,099	51.6%	67
New Syndicate Loan (D)		6,241	13,460	46.4%	3
Subtotal		6,241	13,460	46.4%	3
Prudential LPS Loan B	First lending	2,700	4,202	64.3%	5
	Second lending	2,860	4,429	64.6%	6
	Third lending	1,830	2,891	63.3%	5
	Fourth lending	2,570	3,937	65.3%	8
Subtotal		9,960	15,459	64.4%	24
Total		67,260	140,018	51.4%⁽¹⁾	94

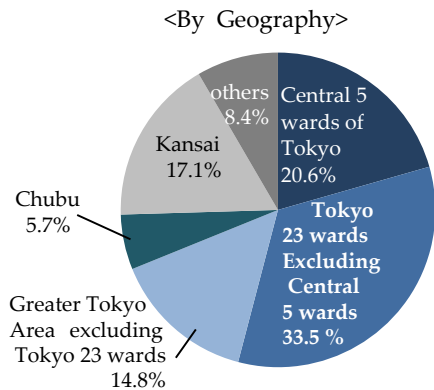
(Note 1) Calculated based on the appraisal value as of the end of December 2014 for the ninety-one properties including the twenty hotels, and based on the appraisal value as of December 1, 2014 for the new three hotels. LTV calculation assumes repayment of JPY 1.521 billion, corresponding to the consumption tax.

(Note 2) Borrowing amounts are rounded down to the indicated unit.

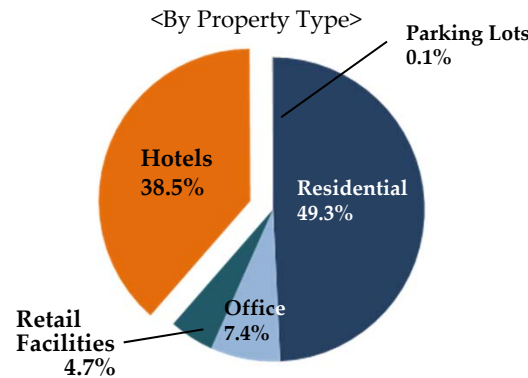
Portfolio Characteristics

(as of the end of Dec. 2014)

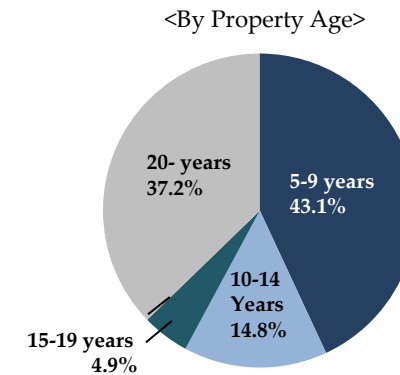
✓ No. of Properties : 91 (Residential : 63 , Hotels: 20)	(Based on Acquisition Price) ✓ Asset Size : JPY 117.9 billion (Residential : JPY 58.0 billion , Hotels: JPY 45.3 billion)	✓ Total Rentable Units : 5,997 unit (Residential : 3,413 units , Hotels: 2,481 units)	✓ Total Leasable Area : 154,773.28 m² (Residential : 109,584.45 m ² Hotels: 75,714.18m ²)
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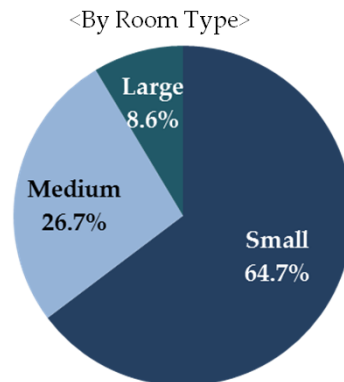
Greater Tokyo Area : 68.9 % (Tokyo 23 wards:54.1 %)



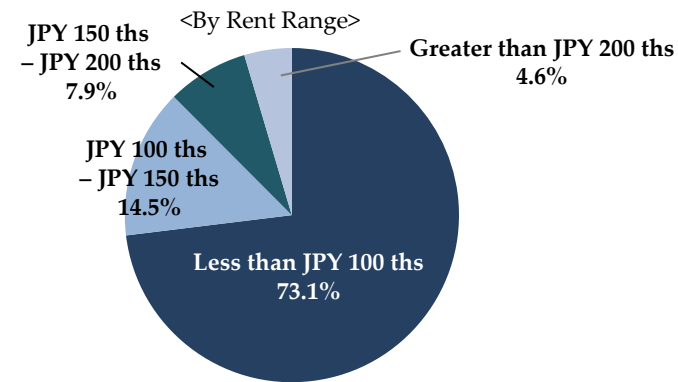
Residential : 49.3%, Hotels : 38.5%



Weighted average age : 15.2 years



Small : 64.7%



Less than JPY 100 ths : 73.1%

(Note 1) Central 5 wards, Greater Tokyo Area excluding Tokyo 23 wards, Kansai Area, Chubu Area and other are defined as follows:
 Central 5 wards: Chiyoda-ku, Chuo-ku, Minato-ku, Shibuya-ku and Shinjuku-ku
 Greater Tokyo Area excluding Tokyo 23 wards: Tokyo excluding Tokyo 23 wards, Kanagawa, Chiba and Saitama
 Kansai Area: Osaka, Hyogo, Kyoto, Nara, Shiga and Wakayama
 Chubu Area: Aichi, Gifu, Mie, Shizuoka, Nagano, Yamanashi, Niigata, Toyama, Ishikawa and Fukui
 Others: Miyagi, Fukushima and Hokkaido

(Note 2) Invincible defines as "Small" a rentable unit with an area of less than 30m², "Medium" as a rentable unit with an area of 30m² to 60m² and "Large" as a rentable unit with an area of 60m² or more.

(Note 3) <By Age >, <By Geography>, <By property Type> are calculated based on the acquisition price.

(Note 4) Percentages are rounded to one decimal place.

Overview of Unitholders

Major Unitholders (TOP 10)

22nd Fiscal Period (As of Jun. 30, 2014)			
	Name	Number of units held	(%)
1	Calliope Godo Kaisha	609,942	38.77
2	Rayo Godo Kaisha	149,925	9.53
3	The Master Trust Bank of Japan ,Ltd. (trust account)	113,573	7.21
4	Japan Trustee Services Bank, Ltd. (trust account)	110,979	7.05
5	Trust & Custody Services Bank, Ltd. (securities investment trust account)	82,132	5.22
6	JP MORGAN CHASE BANK 380180	72,004	4.57
7	INFINITE VALUE INVESTMENT LTD	70,151	4.45
8	The Nomura Trust and Banking Co., Ltd. (investment trust account)	41,310	2.62
9	New Mission Funding Co., Ltd.	20,340	1.29
10	NORTHERN TRUST CO. (AVFC) RE 15PCT TREATY ACCOUNT	16,037	1.01
Total		1,286,393	81.77

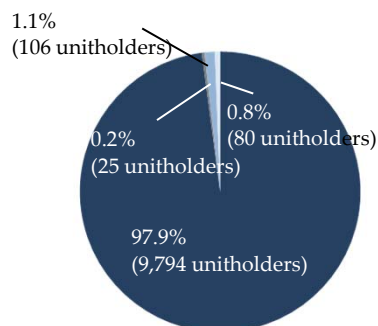
23rd Fiscal Period (As of Dec. 31, 2014)			
	Name	Number of units held	(%)
1	Calliope Godo Kaisha	609,942	22.85
2	The Master Trust Bank of Japan ,Ltd. (trust account)	371,058	13.90
3	Japan Trustee Services Bank, Ltd. (trust account)	363,836	13.63
4	Trust & Custody Services Bank, Ltd. (securities investment trust account)	199,554	7.47
5	Rayo Godo Kaisha	149,925	5.61
6	The Nomura Trust and Banking Co., Ltd. (investment trust account)	74,985	2.80
7	MSIP CLIENT SECURITIES	65,337	2.44
8	INFINITE VALUE INVESTMENT LTD	61,402	2.30
9	The Nomura Trust and Banking Co., Ltd. (investment trust account)	57,293	2.14
10	CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW	27,034	1.01
Total		1,980,366	74.20

(Note 1) Percentages are rounded down to two decimal places. Issued investment units 1,573,179

Issued investment units 2,668,686

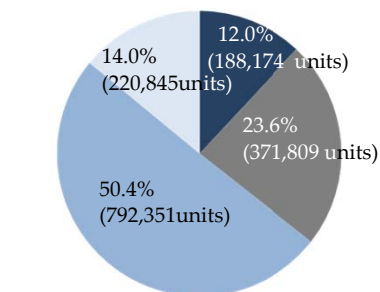
22nd Fiscal Period

■ Individuals ■ Financial institution (incl. securities companies) ■ Other domestic companies ■ Foreign companies, etc.



Breakdown of number of unitholders by their status

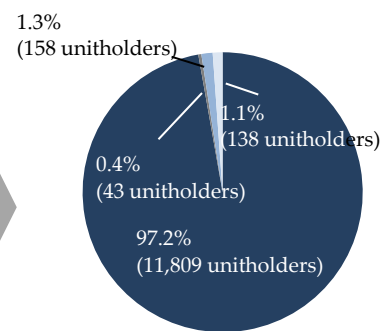
(Number of total unitholders : 10,005)



Breakdown of number of units held by the status of unitholders

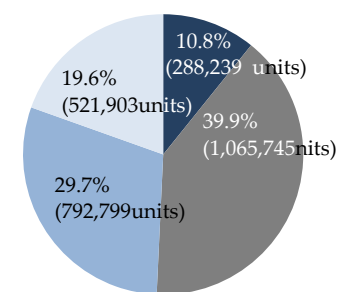
(Issued investment units : 1,573,179)

23rd Fiscal Period



Breakdown of number of unitholders by their status

(Number of total unitholders : 12,148)



Breakdown of number of units held by the status of unitholders

(Issued investment units : 2,668,686)

(Note 2) Percentages are rounded to one decimal place.

Property Number		A26	A27	A28	A29	A30	A31	A32	A33
Property Name		Nisshin Palacestage Daitabashi	Nisshin Palacestage Higashi-Nagasaki	Growth Maison Gotanda	Growth Maison Kameido	Emerald House	Harmonie Ochanomizu	Suncrest Shakuji Koen	Growth Maison Shin-Yokohama
Acquisition Date		July 28, 2005	July 28, 2005	January 30, 2006	March 30, 2006	August 1, 2006	August 3, 2006	August 3, 2006	August 3, 2006
Completion Date		December, 1992	March, 1989	July, 2005	October, 2005	February, 1995	March, 1997	March, 1990	March, 2006
Address		1-31-2 Izumi, Suginami Ward, Tokyo	5-4-1 Nagasaki, Toshima Ward, Tokyo	2-26-6 Nishi-Gotanda, Shinagawa Ward, Tokyo	6-58-16 Kameido, Koto Ward, Tokyo	3-27-18 Itabashi, Itabashi Ward, Tokyo	2-5-5 Yushima, Bunkyo Ward, Tokyo	3-15-35 Takanodai, Nerima Ward, Tokyo	3-16-2 Shin-Yokohama, Kohoku-ku, Yokohama City, Kanagawa Prefecture
Transport Access		About 10 minutes walk from Daitabashi Station on Keio Line	About 6 minutes walk from Higashi-Nagasaki Station on Seibu Line	About 5 minutes walk from Gotanda Station on JR Line	About 2 minutes walk from Kameido Station on JR Line	About 8 minutes walk from Shin-Itabashi Station on Toei Line	About 8 minutes walk from Ochanomizu Station on JR Line	About 7 minutes walk from Nerima-Takanodai Station on Seibu Line	About 7 minutes walk from Shin-Yokohama Station on JR Line
Price information	Acquisition Price (JPY mn)	1,251	1,229	888	1,070	1,505	1,428	1,088	1,059
	Investment ratio	1.1%	1.0%	0.8%	0.9%	1.3%	1.2%	0.9%	0.9%
	Book Value (mn JPY)	1,139	1,112	842	1,007	1,409	1,373	1,064	989
	Appraisal Value as of Jun. 2014 (mn JPY)	1,150	1,250	949	1,080	1,240	1,310	1,030	1,140
Leasing information	Total Rentable Units	98	60	48	66	96	65	29	68
	Total Leasable Area (㎡)	1,771.13	2,681.94	1,051.50	1,367.96	2,152.31	1,748.24	3,029.16	1,858.44
	Leased area (㎡)	1,594.14	2,583.97	1,051.50	1,179.56	2,108.79	1,635.36	2,937.72	1,776.08
	Occupancy Rate	Dec. 31, 2014 Jun. 30, 2014	90.0% 94.1%	96.3% 97.7%	100.0% 100.0%	86.2% 89.3%	98.0% 100.0%	93.5% 91.2%	97.0% 97.0%
Information on Profits and losses	Days of operation	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days
	(1) Rental revenues (ths JPY)	38,666	45,828	27,376	30,410	41,741	35,263	36,344	33,317
	Rent, common area fees (ths JPY)	35,428	41,254	26,772	29,017	38,920	32,955	33,446	30,512
	Other income (ths JPY)	3,238	4,574	604	1,392	2,821	2,308	2,898	2,804
	(2) Property related expenses (ths JPY)	19,147	23,622	8,339	14,168	19,107	17,817	15,167	15,478
	Facility management fees (ths JPY)	7,308	6,738	2,121	5,065	5,899	5,269	3,821	3,658
	(Repair costs (ths JPY))	439	577	46	307	934	1,142	287	377
	(Utility expenses (ths JPY))	1,664	2,278	296	596	1,129	731	1,419	598
	Tax and other public charges (ths JPY)	1,596	2,678	1,325	1,686	2,565	1,851	3,138	2,403
	Insurance expenses (ths JPY)	65	90	31	42	93	64	93	65
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	2,273	1,825	510	1,459	762	3,516	817	3,260
	(3) Depreciation expenses (ths JPY)	7,903	12,289	4,350	5,914	9,786	7,115	7,295	6,090
	(4) NOI = (1) - (2) + (3)	27,422	34,495	23,387	22,156	32,420	24,561	28,472	23,929
	NOI yield based on Acquisition price	4.3%	5.6%	5.2%	4.1%	4.3%	3.4%	5.2%	4.5%
NOI yield based on Appraisal value	4.7%	5.5%	4.9%	4.1%	5.2%	3.7%	5.5%	4.2%	
(5) Rental income = (1)-(2) (ths JPY)	19,519	22,206	19,036	16,241	22,633	17,446	21,177	17,838	
(6) Capital expenditure (ths JPY)	9,031	5,686	-	300	287	216	1,799	503	
(7) NCF = (4) - (6) (ths JPY)	18,391	28,809	23,387	21,855	32,133	24,345	26,672	23,425	
Reference Information	Expense ratio = ((2) - (3)) / (1)	29.1%	24.7%	14.6%	27.1%	22.3%	30.3%	21.7%	28.2%
	Property Tax 2014 (ths JPY)	2,828	5,141	2,532	3,184	4,934	3,474	6,086	4,460
	Mortgagee*	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C

Property Number		A34	A35	A36	A37	A38	A39	A40	A41
Property Name		Belle Face Ueno Okachimachi	Grand Rire Kameido	Growth Maison Ikebukuro	Growth Maison Yoga	Route Tachikawa	Shibuya Honmachi Mansion	City Heights Kinuta	Acceeds Tower Kawaguchi Namiki
Acquisition Date		August 1, 2006	August 3, 2006	August 3, 2006	August 3, 2006	August 3, 2006	August 3, 2006	August 3, 2006	August 3, 2006
Completion Date		February, 2006	March, 2006	January, 2006	March, 2006	March, 1997	December, 1986	March, 1983	February, 2006
Address		1-27-5 Higashi-Ueno, Taito Ward, Tokyo	3-39-12 Kameido, Koto Ward, Tokyo	3-31-14 Nishi-Ikebukuro, Toshima Ward, Tokyo	1-15-15 Okamoto, Setagaya Ward, Tokyo	3-7-6 Nishikicho, Tachikawa City, Tokyo	2-35-2 Honmachi, Shibuya Ward, Tokyo	4-13-15 Kinuta, Setagaya Ward, Tokyo	2-5-13 Namiki, Kawaguchi City, Saitama Prefecture
Transport Access		About 3 minutes walk from Shin-Okachimachi Station on Toei Line	About 14 minutes walk from Kameido Station on JR Line	About 5 minutes walk from Ikebukuro Station on JR Line	About 14 minutes walk from Yoga Station on Tokyu Line	About 11 minutes walk from Tachikawa Station on JR Line	About 8 minutes walk from Hatsudai Station on Keio Line	About 9 minutes walk from Soshigayaokura Station on Odakyu Line	About 7 minutes walk from Nishi-Kawaguchi Station on JR Line
Price information	Acquisition Price (JPY mn)	1,023	906	825	795	676	651	646	620
	Investment ratio	0.9%	0.8%	0.7%	0.7%	0.6%	0.6%	0.5%	0.5%
	Book Value (mn JPY)	977	849	772	761	650	655	646	566
	Appraisal Value as of Jun. 2014 (mn JPY)	972	937	859	691	606	604	467	699
Leasing information	Total Rentable Units	64	72	42	39	24	25	19	57
	Total Leasable Area (㎡)	1,351.11	1,562.26	952.89	1,015.34	1,368.57	1,167.50	1,235.93	1,210.74
	Leased area (㎡)	1,328.77	1,562.26	862.17	963.82	1,322.13	1,065.70	1,235.93	1,041.14
	Occupancy Rate								
	Dec. 31, 2014	98.3%	100.0%	90.5%	94.9%	96.6%	91.3%	100.0%	86.0%
	Jun. 30, 2014	98.3%	100.0%	90.4%	97.3%	96.6%	100.0%	100.0%	93.0%
Information on Profits and losses	Days of operation	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days
	(1) Rental revenues (ths JPY)	30,191	26,619	24,272	21,746	20,942	19,947	17,664	23,651
	Rent, common area fees (ths JPY)	29,924	26,619	22,712	20,252	19,380	19,027	17,027	21,706
	Other income (ths JPY)	267	-	1,559	1,493	1,561	920	637	1,945
	(2) Property related expenses (ths JPY)	12,621	8,240	10,801	9,497	8,300	7,921	4,570	11,167
	Facility management fees (ths JPY)	4,901	499	2,804	2,820	2,394	4,017	1,371	2,991
	(Repair costs (ths JPY))	-	439	161	57	406	364	177	496
	(Utility expenses (ths JPY))	521	-	617	411	434	219	81	411
	Tax and other public charges (ths JPY)	1,667	1,708	1,057	1,362	1,067	919	976	1,126
	Insurance expenses (ths JPY)	41	44	38	39	38	33	33	36
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	655	500	1,647	1,327	743	789	643	1,973
	(3) Depreciation expenses (ths JPY)	5,355	5,487	5,253	3,948	4,056	2,161	1,545	5,038
	(4) NOI = (1) - (2) + (3)	22,925	23,867	18,724	16,196	16,698	14,187	14,639	17,522
	NOI yield based on Acquisition price	4.4%	5.2%	4.5%	4.0%	4.9%	4.3%	4.5%	5.6%
NOI yield based on Appraisal value	4.7%	5.1%	4.3%	4.6%	5.5%	4.7%	6.2%	5.0%	
(5) Rental income = (1)-(2) (ths JPY)	17,569	18,379	13,471	12,248	12,642	12,025	13,093	12,484	
(6) Capital expenditure (ths JPY)	-	-	427	594	506	1,565	1,458	-	
(7) NCF = (4) - (6) (ths JPY)	22,925	23,867	18,296	15,602	16,192	12,622	13,181	17,522	
Reference Information	Expense ratio = ((2) - (3)) / (1)	24.1%	10.3%	22.9%	25.5%	20.3%	28.9%	17.1%	25.9%
	Property Tax 2014 (ths JPY)	3,191	3,413	1,940	2,596	1,991	1,780	1,845	2,090
	Mortgagee*	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C

Property Number		A42	A43	A44	A45	A46	A47	A48	A51
Property Name		Capital Heights Kagurazaka	College Square Machida	Belair Meguro	Wacore Tsunashima I	Foros Nakamurabashi	Growth Maison Kaijin	College Square Machiya	City House Tokyo Shinbashi
Acquisition Date		August 3, 2006	August 1, 2006	August 1, 2006	August 3, 2006	August 3, 2006	August 1, 2006	August 3, 2006	February 1, 2010
Completion Date		May, 1987	March, 1984	October, 2005	February, 1991	September, 2001	October, 1993	March, 2006	August, 2004
Address		71-1 Enokicho, Shinjuku Ward, Tokyo	3-4-4 Nakamachi, Machida City, Tokyo	1-2-15 Meguro, Meguro Ward, Tokyo	2-7-47 Tarumachi, Kohoku-ku, Yokohama City, Kanagawa Prefecture	1-6-6 Koyama, Nerima Ward, Tokyo	5-29-51 Kaijin, Funabashi City, Chiba Prefecture	7-3-1 Arakawa, Arakawa Ward, Tokyo	6-19-1 Shinbashi, Minato Ward, Tokyo
Transport Access		About 5 minutes walk from Kagurazaka Station on Tokyo Metro Line	About 10 minutes walk from Machida Station on Odakyu Line	About 7 minutes walk from Meguro Station on JR Line	About 9 minutes walk from Tsunashima Station on Tokyu Line	About 7 minutes walk from Nakamurabashi Station on Seibu Line	About 10 minutes walk from Kaijin Station on Keisei Line	About 4 minutes walk from Machiya Station on Keisei Line	About 3 minute walk from Onarimon Station on Toei Line
Price information	Acquisition Price (JPY mn)	604	589	589	572	566	557	510	2,520
	Investment ratio	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	2.1%
	Book Value (mn JPY)	616	569	570	543	528	527	474	2,392
	Appraisal Value as of Jun. 2014 (mn JPY)	553	511	582	508	565	458	509	2,860
Leasing information	Total Rentable Units	26	62	25	50	37	34	43	86
	Total Leasable Area (㎡)	1,126.65	1,047.75	557.05	907.46	815.77	2,040.27	871.35	3,364.00
	Leased area (㎡)	1,032.23	1,047.75	490.69	816.18	724.13	1,815.94	871.35	3,216.68
	Occupancy Rate								
	Dec. 31, 2014	91.6%	100.0%	88.1%	89.9%	88.8%	89.0%	100.0%	95.6%
	Jun. 30, 2014	90.5%	100.0%	100.0%	94.1%	100.0%	90.0%	100.0%	94.5%
Information on Profits and losses	Days of operation	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days
	(1) Rental revenues (ths JPY)	18,249	18,268	16,195	18,002	17,954	21,294	14,706	88,383
	Rent, common area fees (ths JPY)	17,791	18,268	15,330	16,812	16,405	19,384	14,706	82,967
	Other income (ths JPY)	458	-	865	1,190	1,549	1,909	-	5,415
	(2) Property related expenses (ths JPY)	8,297	5,051	5,859	9,977	9,047	15,620	5,016	39,320
	Facility management fees (ths JPY)	3,658	430	1,854	3,625	3,001	5,929	-	15,027
	(Repair costs (ths JPY))	662	430	55	313	357	242	-	618
	(Utility expenses (ths JPY))	430	-	195	699	354	1,179	-	22
	Tax and other public charges (ths JPY)	1,079	1,508	859	894	985	2,076	939	4,902
	Insurance expenses (ths JPY)	36	28	21	29	33	79	27	106
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	1,317	500	811	1,534	659	1,294	500	6,191
	(3) Depreciation expenses (ths JPY)	2,205	2,584	2,313	3,893	4,367	6,240	3,549	13,092
	(4) NOI = (1) - (2) + (3)	12,157	15,801	12,649	11,918	13,274	11,914	13,239	62,156
	NOI yield based on Acquisition price	4.0%	5.3%	4.3%	4.1%	4.6%	4.2%	5.1%	4.9%
NOI yield based on Appraisal value	4.4%	6.1%	4.3%	4.7%	4.7%	5.2%	5.2%	4.3%	
(5) Rental income = (1)-(2) (ths JPY)	9,951	13,216	10,336	8,025	8,907	5,673	9,689	49,063	
(6) Capital expenditure (ths JPY)	1,948	1,797	-	108	1,701	1,865	-	583	
(7) NCF = (4) - (6) (ths JPY)	10,209	14,004	12,649	11,810	11,573	10,048	13,239	61,572	
Reference Information	Expense ratio = ((2) - (3)) / (1)	33.4%	13.5%	21.9%	33.8%	26.1%	44.1%	10.0%	29.7%
	Property Tax 2014 (ths JPY)	2,103	1,959	1,649	1,677	1,779	3,804	1,758	9,728
	Mortgagee*	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C

Property Number		A52	A53	A54	A56	A59	A61	A62	A63
Property Name		Winbell Kagurazaka	Nishiwaseda Crescent Mansion	Lexington Square Akebonobashi	Casa Eremitaggio	Towa City Coop Shinotsuka II	Bichsel Musashiseki	Level Mansion Ueno Matsugaya	Towa City Coop Sengencho
Acquisition Date		February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010
Completion Date		February, 2004	July, 1987	December, 2004	December, 2003	May, 1993	February, 1992	January, 2005	October, 1992
Address		6-15 Shin-Ogawacho, Shinjuku Ward, Tokyo	3-18-9 Nishi-Waseda, Shinjuku Ward, Tokyo	3-8 Yochoomachi, Shinjuku Ward, Tokyo	1-14-15 Nakane, Meguro Ward, Tokyo	5-49-7 Higashi-Ikebukuro, Toshima Ward, Tokyo	1-22-7 Sekimachi-Kita, Nerima Ward, Tokyo	3-10-2 Matsugaya, Taito Ward, Tokyo	4-338-2 Sengencho, Nishi-ku, Yokohama City, Kanagawa Prefecture
Transport Access		About 8 minute walk from Iidabashi Station on JR Line	About 8 minute walk from Takadanobaba Station on Tokyo Metro Line	About 10 minute walk from Akebonobashi Station on Toei Line	About 8 minute walk from Toritsudaigaku Station on Tokyu Line	About 2 minutes walk from Shinotsuka Station on Tokyo Metro Line	About 3 minute walk from Musashi-Seki Station on Seibu Line	About 8 minute walk from Iriya Station on Tokyo Metro Line	About 9 minutes walk from Tennomachi Station on Sotetsu Line
Price information	Acquisition Price (JPY mn)	3,260	1,880	1,450	1,070	866	577	970	1,110
	Investment ratio	2.8%	1.6%	1.2%	0.9%	0.7%	0.5%	0.8%	0.9%
	Book Value (mn JPY)	3,113	1,876	1,368	990	826	556	893	1,039
	Appraisal Value as of Jun. 2014 (mn JPY)	3,630	2,280	1,630	1,020	985	659	1,090	1,300
Leasing information	Total Rentable Units	118	69	88	17	58	70	29	154
	Total Leasable Area (㎡)	4,032.70	4,310.77	1,987.88	1,197.19	1,627.13	1,220.24	1,969.45	3,426.36
	Leased area (㎡)	4,032.70	3,901.52	1,765.25	1,091.45	1,485.46	1,047.41	1,907.04	2,748.43
	Occupancy Rate								
	Dec. 31, 2014	100.0%	90.5%	88.8%	91.2%	91.3%	85.8%	96.8%	80.2%
	Jun. 30, 2014	98.6%	92.5%	93.3%	97.0%	92.8%	94.3%	96.3%	89.1%
Information on Profits and losses	Days of operation	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days
	(1) Rental revenues (ths JPY)	103,227	68,082	45,511	30,380	33,307	22,012	33,167	54,726
	Rent, common area fees (ths JPY)	96,432	63,561	43,417	27,881	32,128	21,334	30,205	49,375
	Other income (ths JPY)	6,794	4,520	2,094	2,499	1,179	678	2,961	5,350
	(2) Property related expenses (ths JPY)	36,229	23,561	18,552	16,387	11,282	8,447	15,000	30,351
	Facility management fees (ths JPY)	8,793	10,804	5,053	4,143	3,670	3,579	3,476	17,433
	(Repair costs (ths JPY))	376	1,410	17	978	47	150	260	521
	(Utility expenses (ths JPY))	1,952	747	583	914	0	604	725	9
	Tax and other public charges (ths JPY)	6,277	3,540	2,183	1,689	1,379	1,171	1,892	3,002
	Insurance expenses (ths JPY)	138	99	55	43	49	44	54	99
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	5,216	2,523	2,633	1,467	1,500	1,106	1,303	2,359
	(3) Depreciation expenses (ths JPY)	15,803	6,594	8,625	9,043	4,684	2,544	8,272	7,456
	(4) NOI = (1) - (2) + (3)	82,801	51,115	35,584	23,037	26,709	16,109	26,439	31,831
	NOI yield based on Acquisition price	5.0%	5.4%	4.9%	4.3%	6.1%	5.5%	5.4%	5.7%
NOI yield based on Appraisal value	4.5%	4.4%	4.3%	4.5%	5.4%	4.8%	4.8%	4.9%	
(5) Rental income = (1)-(2) (ths JPY)	66,998	44,520	26,959	13,993	22,025	13,565	18,167	24,374	
(6) Capital expenditure (ths JPY)	901	34,293	118	2,828	637	810	2,674	671	
(7) NCF = (4) - (6) (ths JPY)	81,899	16,821	35,465	20,209	26,071	15,299	23,765	31,159	
Reference Information	Expense ratio = ((2) - (3)) / (1)	19.8%	24.9%	21.8%	24.2%	19.8%	26.8%	20.3%	41.8%
	Property Tax 2014 (ths JPY)	12,208	6,958	4,339	2,965	2,714	2,311	3,603	5,915
	Mortgagee*	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C

Property Number		A64	A65	A66	A71	A72	A73	A75	A76
Property Name		Royal Park Omachi	Lexington Square Haginomachi	Visconti Kakuozan	Lexington Square Daitabashi	Lexington Square Honjo-Azumabashi	AMS TOWER Minami 6-Jo	Spacia Ebisu	Neo Prominence
Acquisition Date		February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	September 28, 2012
Completion Date		February, 1993	August, 2005	September, 2003	November, 2006	October, 2006	February, 2007	February, 2003	April, 1994
Address		2-11-10 Omachi, Aoba-ku, Sendai City, Miyagi Prefecture	1-15-16 Haginomachi, Miyagino-ku, Sendai City, Miyagi Prefecture	2-44 Otanacho, Chikusa-ku, Nagoya City, Aichi Prefecture	1-33-8 Izumi, Suginami Ward, Tokyo	4-20-6 Higashikomagata, Sumida Ward, Tokyo	2-5-15 Minami 6-Jo Nishi, Chuo-ku, Sapporo City, Hokkaido	3-6-22 Higashi, Shibuya Ward, Tokyo	3-21-5 Shimo, Kita Ward, Tokyo
Transport Access		About 12 minute walk from Hirose-Dori Station on Sendai Subway Nanboku Line	About 9 minute walk from Miyaginohara Station on JR Sengoku Line	About 7 minute walk from Kakuozan Station on Nagoya Subway Higashiyama Line	About 10 minute walk from Daitabashi Station on Keio Line	About 2 minute walk from Honjo-azumabashi Station on Toei Line	Hosui Susukino Station on Sapporo Subway Toho Line	About 8 minute walk from Ebisu Station on JR Line	About 1 minute walk from Shimo Station on Tokyo Metro Line
Price information	Acquisition Price (JPY mn)	415	330	255	977	511	1,180	7,010	1,660
	Investment ratio	0.4%	0.3%	0.2%	0.8%	0.4%	1.0%	5.9%	1.4%
	Book Value (mn JPY)	396	303	238	898	464	1,043	6,657	1,649
	Appraisal Value as of Jun. 2014 (mn JPY)	503	441	252	1,070	566	1,130	7,230	1,800
Leasing information	Total Rentable Units	51	39	8	43	33	120	109	52
	Total Leasable Area (㎡)	1,929.59	1,528.58	705.75	1,430.64	784.74	4,460.56	7,794.91	3,574.70
	Leased area (㎡)	1,699.72	1,528.58	632.96	1,218.10	761.50	3,731.37	7,298.51	3,358.15
	Occupancy Rate	Dec. 31, 2014 Jun. 30, 2014	88.1% 90.6%	100.0% 97.4%	89.7% 100.0%	85.1% 90.9%	97.0% 96.9%	83.7% 91.8%	93.6% 90.0%
Information on Profits and losses	Days of operation	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days
	(1) Rental revenues (ths JPY)	24,188	18,428	11,318	27,913	17,226	45,814	187,027	61,481
	Rent, common area fees (ths JPY)	21,515	16,545	10,225	26,630	16,260	42,782	169,834	52,443
	Other income (ths JPY)	2,673	1,883	1,092	1,282	965	3,032	17,193	9,038
	(2) Property related expenses (ths JPY)	12,666	8,008	6,831	14,944	9,278	31,246	68,924	27,947
	Facility management fees (ths JPY)	5,996	2,320	3,037	3,157	2,031	6,538	14,270	11,826
	(Repair costs (ths JPY))	917	360	72	262	-	700	1,592	360
	(Utility expenses (ths JPY))	1,847	497	126	556	384	687	2,521	4,896
	Tax and other public charges (ths JPY)	1,591	1,148	904	1,546	810	6,443	8,701	3,519
	Insurance expenses (ths JPY)	57	36	21	40	29	112	225	114
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	918	952	1,112	2,196	1,507	4,029	8,805	2,489
	(3) Depreciation expenses (ths JPY)	4,102	3,550	1,756	8,002	4,900	14,123	36,921	9,997
	(4) NOI = (1) - (2) + (3)	15,624	13,970	6,243	20,972	12,847	28,691	155,024	43,531
	NOI yield based on Acquisition price	7.5%	8.4%	4.9%	4.3%	5.0%	4.8%	4.4%	5.2%
NOI yield based on Appraisal value	6.2%	6.3%	4.9%	3.9%	4.5%	5.0%	4.3%	4.8%	
(5) Rental income = (1)-(2) (ths JPY)	11,521	10,420	4,486	12,969	7,947	14,567	118,103	33,534	
(6) Capital expenditure (ths JPY)	6,747	-	348	-	1,598	-	1,169	3,229	
(7) NCF = (4) - (6) (ths JPY)	8,876	13,970	5,894	20,972	11,249	28,691	153,855	40,301	
Reference Information	Expense ratio = ((2) - (3)) / (1)	35.4%	24.2%	44.8%	24.9%	25.4%	37.4%	17.1%	29.2%
	Property Tax 2014 (ths JPY)	3,063	2,233	1,739	3,062	1,600	8,497	17,192	7,000
	Mortgagee*	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	First Lending B

Property Number		A77	A78	A79	A80	A81	A82	A83	A84
Property Name		Invoice Shin-Kobe Residence	Cosmo Court Motomachi	Revest Honjin	Revest Matsubara	Sun Terrace Minami Ikebukuro	Alba Noritake Shinmachi	Revest Meieki Minami	Revest Heian
Acquisition Date		September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012
Completion Date		January, 2007	March, 2007	March, 2007	March, 2007	February, 1998	November, 2006	February, 2007	November, 2006
Address		3-3-8 Ikutacho Chuo Ward, Kobe City, Hyogo Prefecture	3-12-20 Motomachi Dori Chuo Ward, Kobe City, Hyogo Prefecture	2-13 Torii Dori Nakamura Ward, Nagoya City, Aichi Prefecture	3-13-12 Matsubara Naka Ward, Nagoya City, Aichi Prefecture	2-22-6 Minami Ikebukuro, Toshima Ward, Tokyo	3-6-8 Noritake Shinmachi, Nishi Ward, Nagoya City, Aichi Prefecture	2-13-33 Meiekinami, Nakamura Ward, Nagoya City, Aichi Prefecture	2-13-17 Heian, Kita Ward, Nagoya City, Aichi Prefecture
Transport Access		About 6 minute walk from Shin-Kobe Station on Kobe Municipal Subway Seishin-Yamate Line	About 1 minute walk from Motomachi Station on JR Tokaido Main Line	About 2 minute walk from Honjin Station on Nagoya Municipal Subway Higashiyama Line	About 12 minute walk from Higashi Betsuin Station on Nagoya Municipal Subway Meijo Line	About 5 minute walk from Ikebukuro Station on JR Line	About 7 minute walk from Kamejima Station on Nagoya Municipal Subway Higashiyama Line	About 9 minute walk from Nagoya Station on JR Tokaido Main Line	About 3 minute walk from Heian-dori Station on Nagoya Municipal Subway Meijo Line
Price information	Acquisition Price (JPY mn)	1,260	973	674	657	625	608	597	595
	Investment ratio	1.1%	0.8%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%
	Book Value (mn JPY)	1,239	956	662	646	615	598	587	585
	Appraisal Value as of Jun. 2014 (mn JPY)	1,340	1,040	732	743	695	666	674	641
Leasing information	Total Rentable Units	81	82	80	70	38	64	61	40
	Total Leasable Area (㎡)	2,773.71	2,310.49	1,933.80	1,955.40	898.70	1,731.68	1,634.60	1,554.03
	Leased area (㎡)	2,607.22	2,000.39	1,789.26	1,832.43	827.75	1,635.28	1,560.02	1,554.03
	Occupancy Rate								
	Dec. 31, 2014	94.0%	86.6%	92.5%	93.7%	92.1%	94.4%	95.4%	100.0%
	Jun. 30, 2014	94.4%	90.4%	95.0%	91.2%	89.5%	91.7%	93.6%	98.4%
Information on Profits and losses	Days of operation	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days
	(1) Rental revenues (ths JPY)	48,843	33,405	29,805	27,735	20,277	25,539	25,521	24,560
	Rent, common area fees (ths JPY)	46,202	32,526	27,837	26,005	18,017	22,984	24,143	22,877
	Other income (ths JPY)	2,640	879	1,968	1,730	2,260	2,555	1,378	1,682
	(2) Property related expenses (ths JPY)	21,342	17,827	14,362	13,256	11,210	14,949	13,537	12,393
	Facility management fees (ths JPY)	4,232	3,822	3,514	3,101	3,242	4,506	3,554	3,697
	(Repair costs (ths JPY))	115	175	33	51	226	240	70	1,446
	(Utility expenses (ths JPY))	594	603	386	380	446	386	587	345
	Tax and other public charges (ths JPY)	2,743	2,306	1,787	1,858	905	1,730	1,652	1,403
	Insurance expenses (ths JPY)	67	65	57	52	28	52	55	38
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	2,847	1,660	1,603	1,268	2,176	1,778	1,395	894
	(3) Depreciation expenses (ths JPY)	11,451	9,972	7,398	6,975	4,857	6,880	6,879	6,359
	(4) NOI = (1) - (2) + (3)	38,952	25,550	22,841	21,453	13,925	17,471	18,862	18,526
	NOI yield based on Acquisition price	6.1%	5.2%	6.7%	6.5%	4.4%	5.7%	6.3%	6.2%
NOI yield based on Appraisal value	5.8%	4.9%	6.2%	5.7%	4.0%	5.2%	5.6%	5.7%	
(5) Rental income = (1)-(2) (ths JPY)	27,500	15,577	15,442	14,478	9,067	10,590	11,983	12,167	
(6) Capital expenditure (ths JPY)	-	-	270	-	-	798	-	-	
(7) NCF = (4) - (6) (ths JPY)	38,952	25,550	22,571	21,453	13,925	16,672	18,862	18,526	
Reference Information	Expense ratio = ((2) - (3)) / (1)	20.3%	23.5%	23.4%	22.6%	31.3%	31.6%	26.1%	24.6%
	Property Tax 2014 (ths JPY)	5,115	4,595	3,557	3,699	1,773	3,448	3,289	2,797
	Mortgagee*	Second Lending B	Second Lending B	Third Lending B	Third Lending B	Second Lending B	Fourth Lending B	First Lending B	Fourth Lending B

Property Number	A85	A86	A87	A88	A89	A90	A91	A92	
Property Name	Vendir Hamaotsu Ekimae	Salvo Sala	Excellente Kagurazaka	Luna Court Edobori	Winntage Kobe Motomachi	Queen's Court Fukuzumi	Corp Higashinotoin	Belair Oimachi	
Acquisition Date	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	
Completion Date	February, 2007	January, 2007	January, 2007	February, 2004	May, 2007	September, 2006	February, 2004	April, 2006	
Address	1-2-15 Hama Otsu, Otsu City, Shiga Prefecture	2-6-21 Shimanouchi Chuo Ward, Osaka City, Osaka Prefecture	128-1 Yamabukicho Shinjuku Ward, Tokyo	3-4-11 Edobori, Nishi Ward, Osaka City, Osaka Prefecture	7-2-2 Motomachi Dori, Chuo Ward, Kobe City, Hyogo Prefecture	1-3-10 Fukuzumi, Koto Ward, Tokyo	380-1 Kawaranomachi, Higashinotoin Dori Nijo Kudara, Chukyo Ward Kyoto City, Kyoto Prefecture	5-14-17 Higashi Oi, Shinagawa Ward, Tokyo	
Transport Access	About 1 minute walk from Hamaotsu Station on Keihan Keishin Line and Ishiyama Sakamoto Line	About 6 minute walk from Nagahoribashi Station on Osaka Municipal Subway Sakaisuji Line	About 6 minutes walk from Edogawabashi Station on Tokyo Metro Line	About 4 minute walk from Awaza Station on Osaka Municipal Subway Chuo Line	About 2 minute walk from Nishi-Motomachi Station on Kobe Kosoku Line	About 7 minute walk from Monzen-Nakacho Station on Tokyo Metro Line	About 5 minute walk from Karasuma Oike Station on Kyoto Municipal Subway Karasuma Line	About 3 minute walk from Oimachi Station on JR Line	
Price information	Acquisition Price (JPY mn)	581	544	543	525	512	456	446	412
	Investment ratio	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.3%
	Book Value (mn JPY)	569	537	537	516	502	451	440	408
	Appraisal Value as of Jun. 2014 (mn JPY)	674	603	593	565	560	528	491	476
Leasing information	Total Rentable Units	81	54	33	50	57	25	42	26
	Total Leasable Area (㎡)	2,670.66	1,428.12	701.92	1,185.50	1,433.35	765.18	1,029.05	530.60
	Leased area (㎡)	2,332.27	1,335.94	619.69	1,044.08	1,358.78	707.77	956.08	492.80
	Occupancy Rate	Dec. 31, 2014 Jun. 30, 2014	87.3% 94.2%	93.5% 91.5%	88.3% 97.1%	88.1% 88.1%	94.8% 91.1%	92.5% 100.0%	92.9% 90.3%
Information on Profits and losses	Days of operation	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days
	(1) Rental revenues (ths JPY)	29,675	23,253	16,934	19,122	22,200	16,248	16,872	13,875
	Rent, common area fees (ths JPY)	27,732	22,345	16,325	18,182	21,845	15,786	16,210	13,230
	Other income (ths JPY)	1,943	908	609	940	354	461	662	645
	(2) Property related expenses (ths JPY)	14,857	11,523	8,230	10,243	11,597	6,643	7,717	6,785
	Facility management fees (ths JPY)	4,962	3,147	2,181	2,912	2,529	1,852	2,164	2,044
	(Repair costs (ths JPY))	-	-	13	348	273	353	164	-
	(Utility expenses (ths JPY))	2,028	912	295	917	507	202	666	198
	Tax and other public charges (ths JPY)	1,950	1,572	778	1,175	1,587	761	905	661
	Insurance expenses (ths JPY)	62	43	26	33	41	23	29	20
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	924	1,315	1,049	1,057	1,633	811	827	1,383
	(3) Depreciation expenses (ths JPY)	6,958	5,444	4,194	5,064	5,805	3,195	3,790	2,675
	(4) NOI = (1) - (2) + (3)	21,776	17,174	12,899	13,943	16,408	12,799	12,944	9,764
NOI yield based on Acquisition price	7.4%	6.3%	4.7%	5.3%	6.4%	5.6%	5.8%	4.7%	
NOI yield based on Appraisal value	6.4%	5.6%	4.3%	4.9%	5.8%	4.8%	5.2%	4.1%	
(5) Rental income = (1)-(2) (ths JPY)	14,818	11,730	8,704	8,879	10,603	9,604	9,154	7,089	
(6) Capital expenditure (ths JPY)	-	-	-	-	-	-	345	-	
(7) NCF = (4) - (6) (ths JPY)	21,776	17,174	12,899	13,943	16,408	12,799	12,599	9,764	
Reference Information	Expense ratio = ((2) - (3)) / (1)	26.6%	26.1%	23.8%	27.1%	26.1%	21.2%	23.3%	29.6%
	Property Tax 2014 (ths JPY)	3,901	2,969	1,476	2,336	3,164	1,453	1,804	1,321
	Mortgagee*	Fourth Lending B	First Lending B	Second Lending B	First Lending B	First Lending B	Third Lending B	Third Lending B	Fourth Lending B

Property Number		A93	A94	A95	A96	A97	A98	A99	Subtotal of Residential
Property Name		Siete Minami-Tsukaguchi	Prime Life Sannomiya Isogami Koen	HERMITAGE NANBA WEST	Century Park Shinkawa 1-bankan	West Avenue	Little River Honmachibashi	Prime Life Mikage	
Acquisition Date		September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	September 28, 2012	—
Completion Date		January, 2007	November, 2006	December, 2006	September, 2001	October, 1991	June, 2007	January, 2007	—
Address		3-18 Minami Tsukaguchimachi, Amagasaki City, Hyogo Prefecture	4-3-23 Isogamidori, Chuo Ward, Kobe City Hyogo Prefecture	4-10-3 Sakuragawa Naniwa Ward, Osaka City, Osaka Prefecture	4-1-2 Shinkawamachi Minato Ward, Nagoya City, Aichi Prefecture	1-5-17 Nishi, Kunitachi City, Tokyo	1-34 Honmachibashi Chuo Ward, Okasa City, Osaka Prefecture	2-25-11 Mikage Tsukamachi Higashi Nada Ward, Kobe City, Hyogo Prefecture	—
Transport Access		About 7 minute walk from Tsukaguchi Station on JR Fukuchiyama Line	About 8 minute walk from Sannomiya Station on JR Tokaido Main Line	About 4 minute walk from Sakuragawa Station on Osaka Municipal Subway Sennichimae Line	About 9 minute walk from Tokai-dori Station on Nagoya Municipal Subway Meiko Line	About 14 minute walk from Nishi-Kunitachi Station on JR Line	About 8 minute walk from Sakaisuji-Hommachi Station on Osaka Municipal Subway Chuo Line	About 5 minute walk from Ishiyagawa Station on Hanshin Main Line	—
Price information	Acquisition Price (JPY mn)	374	373	355	335	331	310	297	58,083
	Investment ratio	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	49.3%
	Book Value (mn JPY)	370	368	352	333	325	309	293	55,569
	Appraisal Value as of Jun. 2014 (mn JPY)	414	397	397	399	344	364	323	60,775
Leasing information	Total Rentable Units	40	32	21	44	40	31	28	3,413
	Total Leasable Area (㎡)	1,020.86	789.12	992.76	1,477.62	794.80	974.81	761.18	109,584.45
	Leased area (㎡)	995.36	764.46	992.76	1,410.49	675.58	914.15	710.18	101,588.91
	Occupancy Rate	Dec. 31, 2014 Jun. 30, 2014	97.5% 92.5%	96.9% 100.0%	100.0% 92.0%	95.5% 100.0%	85.0% 85.0%	93.8% 93.9%	93.3% 93.4%
Information on Profits and losses	Days of operation	184 days	184 days	184 days	184 days	184 days	184 days	184 days	—
	(1) Rental revenues (ths JPY)	16,217	14,360	15,512	18,070	11,510	12,758	11,980	1,965,139
	Rent, common area fees (ths JPY)	15,368	13,929	14,533	15,122	11,234	12,677	11,908	1,834,226
	Other income (ths JPY)	849	431	979	2,947	275	80	72	130,912
	(2) Property related expenses (ths JPY)	8,356	6,539	7,585	7,798	6,082	7,070	6,200	889,932
	Facility management fees (ths JPY)	2,768	1,588	2,027	2,397	1,751	2,256	1,568	267,171
	(Repair costs (ths JPY))	60	43	550	259	79	471	172	22,069
	(Utility expenses (ths JPY))	381	241	286	267	230	350	158	42,728
	Tax and other public charges (ths JPY)	983	846	1,018	885	561	942	761	115,960
	Insurance expenses (ths JPY)	28	22	26	38	21	23	19	3,315
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	1,335	655	1,115	644	813	1,087	891	104,807
	(3) Depreciation expenses (ths JPY)	3,240	3,426	3,398	3,833	2,935	2,760	2,960	398,676
	(4) NOI = (1) - (2) + (3)	11,101	11,247	11,325	14,105	8,363	8,448	8,740	1,473,883
NOI yield based on Acquisition price	5.9%	6.0%	6.3%	8.4%	5.0%	5.4%	5.8%	5.0%	
NOI yield based on Appraisal value	5.3%	5.6%	5.7%	7.0%	4.8%	4.6%	5.4%	4.8%	
(5) Rental income = (1)-(2) (ths JPY)	7,861	7,821	7,927	10,271	5,427	5,687	5,779	1,075,207	
(6) Capital expenditure (ths JPY)	-	-	1,224	3,086	-	1,836	-	93,970	
(7) NCF = (4) - (6) (ths JPY)	11,101	11,247	10,100	11,019	8,363	6,612	8,740	1,379,913	
Reference Information	Expense ratio = ((2) - (3)) / (1)	31.5%	21.7%	27.0%	21.9%	27.3%	33.8%	27.0%	25.0%
	Property Tax 2014 (ths JPY)	1,956	1,684	1,927	1,746	1,123	1,878	1,516	219,897
	Mortgagee*	Fourth Lending B	Third Lending B	Second Lending B	Fourth Lending B	Fourth Lending B	Second Lending B	Fourth Lending B	—

Property Number		B8	B9	B14	B15	B16	B17	B18	Subtotal of Offices and Commercial Facilities
Property Name		Kindai Kagaku Sha Building	Shinjuku Island	Lexington Plaza Nishigotanda	Cross Square NAKANO	Ohki Aoba Building	Lexington Plaza Hachiman	AEON TOWN Sukagawa	
Acquisition Date		August 1, 2006	March 26, 2007	February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	February 1, 2010	—
Completion Date		June, 1991	January, 1995	June, 1993	January, 1993	July, 1997	December, 2005	October, 2005	—
Address		2-7-15, Ichigaya Tamachi, Shinjuku Ward, Tokyo	6-5-1 Nishi-Shinjuku, Shinjuku Ward, Tokyo	5-2-4 Nishigotanda, Shinagawa Ward, Tokyo	5-24-18 Nakano, Nakano Ward, Tokyo	9-7 Futsukacho, Aoba-ku, Sendai City, Miyagi Prefecture	3-1-50 Hachiman, Aoba-ku, Sendai City, Miyagi Prefecture	105 Furukawa, Sukagawa City, Fukushima Prefecture	—
Transport Access		About 3 minute walk from Ichigaya Station on Tokyo Metro Line	About 3 minute walk from Nishi-Shinjuku Station on Tokyo Metro Line	About 4 minute walk from Fudomae Station on Tokyu Line	About 9 minute walk from Nakano Station on JR Line	About 5 minute walk from Kita-Yobancho Station on Sendai Subway Nanboku Line	—	—	—
Price information	Acquisition Price (JPY mn)	1,301	715	4,880	1,060	816	3,280	2,320	14,372
	Investment ratio	1.1%	0.6%	4.1%	0.9%	0.7%	2.8%	2.0%	12.2%
	Book Value (mn JPY)	1,239	710	4,776	1,067	757	3,163	2,061	13,777
	Appraisal Value as of Jun. 2014 (mn JPY)	1,040	574	4,010	944	659	3,440	2,250	12,917
Leasing information	Total Rentable Units	13	1	11	45	13	18	1	102
	Total Leasable Area (㎡)	1,451.54	526.43	6,033.58	2,145.00	2,178.41	8,419.15	18,440.58	39,194.69
	Leased area (㎡)	1,451.54	526.43	6,033.58	1,378.46	2,178.41	8,419.15	18,440.58	38,428.15
	Occupancy Rate	Dec. 31, 2014 Jun. 30, 2014	100.0% 95.0%	100.0% 100.0%	100.0% 100.0%	64.3% 64.3%	100.0% 100.0%	100.0% 100.0%	100.0% 100.0%
Information on Profits and losses	Days of operation	184 days	184 days	184 days	184 days	184 days	184 days	184 days	—
	(1) Rental revenues (ths JPY)	35,405	(Note)	138,450	32,309	40,397	167,597	142,505	573,863
	Rent, common area fees (ths JPY)	31,481	(Note)	121,650	26,592	32,159	131,345	142,505	502,932
	Other income (ths JPY)	3,923	(Note)	16,800	5,717	8,237	36,252	-	70,931
	(2) Property related expenses (ths JPY)	24,536	(Note)	70,112	15,737	24,168	85,111	94,252	323,908
	Facility management fees (ths JPY)	8,851	(Note)	29,615	7,005	11,433	51,838	56,124	169,836
	(Repair costs (ths JPY))	1,910	(Note)	707	415	1,579	3,028	-	7,640
	(Utility expenses (ths JPY))	3,745	(Note)	19,298	2,765	5,165	37,861	-	68,836
	Tax and other public charges (ths JPY)	4,403	(Note)	12,732	3,851	4,016	11,554	7,876	47,576
	Insurance expenses (ths JPY)	69	(Note)	184	79	97	155	192	859
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	1,002	(Note)	1,175	991	840	756	621	5,387
	(3) Depreciation expenses (ths JPY)	10,208	(Note)	26,403	3,810	7,780	20,805	29,438	100,249
	(4) NOI = (1) - (2) + (3)	21,077	(Note)	94,742	20,382	24,009	103,292	77,690	350,204
	NOI yield based on Acquisition price	3.2%	2.5%	3.9%	3.8%	5.8%	6.2%	6.6%	4.8%
NOI yield based on Appraisal value	4.0%	3.1%	4.7%	4.3%	7.2%	6.0%	6.8%	5.4%	
(5) Rental income = (1)-(2) (ths JPY)	10,869	(Note)	68,338	16,572	16,228	82,486	48,252	249,955	
(6) Capital expenditure (ths JPY)	15,573	-	1,130	1,355	3,605	-	-	21,663	
(7) NCF = (4) - (6) (ths JPY)	5,504	(Note)	93,612	19,027	20,404	103,292	77,690	328,541	
Reference Information	Expense ratio = ((2) - (3)) / (1)	40.5%	47.6%	31.6%	36.9%	40.6%	38.4%	45.5%	39.0%
	Property Tax 2014 (ths JPY)	8,478	6,228	23,672	7,664	7,737	22,399	13,848	90,028
	Mortgagee*	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	—

Property Number		CI	Subtotal of Seniors and Parking lots
Property Name		Stop Parking Kanda-Sudacho	
Acquisition Date		January 22, 2007	—
Completion Date		-	—
Address		1-22-7, 1-22-15 Kanda sudacho, Chiyoda Ward, Tokyo	—
Transport Access		About 4 minutes walk from Kanda Station on JR Line	—
Price information	Acquisition Price (JPY mn)	97	97
	Investment ratio	0.1%	0.1%
	Book Value (mn JPY)	100	100
	Appraisal Value as of Jun. 2014 (mn JPY)	107	107
Leasing information	Total Rentable Units	1	1
	Total Leasable Area (㎡)	81.04	81.04
	Leased area (㎡)	81.04	81.04
	Occupancy Rate	Dec. 31, 2014 Jun. 30, 2014	100.0% 100.0%
Information on Profits and losses	Days of operation	184 days	—
	(1) Rental revenues (ths JPY)	2,453	2,453
	Rent, common area fees (ths JPY)	2,453	2,453
	Other income (ths JPY)	-	-
	(2) Property related expenses (ths JPY)	253	253
	Facility management fees (ths JPY)	-	-
	(Repair costs (ths JPY))	-	-
	(Utility expenses (ths JPY))	-	-
	Tax and other public charges (ths JPY)	252	252
	Insurance expenses (ths JPY)	-	-
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	-	-
	(3) Depreciation expenses (ths JPY)	1	1
	(4) NOI = (1) - (2) + (3)	2,201	2,201
NOI yield based on Acquisition price	4.5%	4.5%	
NOI yield based on Appraisal value	4.1%	4.1%	
(5) Rental income = (1)-(2) (ths JPY)	2,200	2,200	
(6) Capital expenditure (ths JPY)	-	-	
(7) NCF = (4) - (6) (ths JPY)	2,201	2,201	
Reference Information	Expense ratio = ((2) - (3)) / (1)	10.3%	10.3%
	Property Tax 2014 (ths JPY)	505	505
	Mortgagee*	New Syndicate C	—

Property Number	D1	D2	D3	D4	D5	D6	D7	D8
Property Name	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-Hon-
Acquisition Date	May 23, 2014	May 23, 2014	July 17, 2014	July 17, 2014	July 17, 2014	July 17, 2014	July 17, 2014	July 17, 2014
Completion Date	December, 2005	January, 1990	January, 2008	March, 2009	June, 2005	August, 1990	November, 1979	July, 2008
Address	1-2-2 Iwamoto-cho, Chiyoda Ward, Tokyo	1-21-11 Honjo, Sumida Ward, Tokyo	52.Kasaboko-cho, Higashiuru, Aburanokoji, Shijo- dori, Shimogyo, Kyoto-shi, Kyoto	2-1-4, Akemi, Urayasu-shi, Chiba	3-5-1, Tekko-dori, Urayasu-shi, Chiba	2-4-1 Sonezakishinchi, Kita-ku, Osaka	2-23-22, Higashisakura, Naka-ku, Nagoya, Aichi	1- 4- 8, Awaji-machi, Chuoku, Osaka-shi, Osaka
Transport Access	About 6 minute walk from Kanada Station on JR Yamanote Line and Tokyo Metro Line	About 4 minute walk from Kuramae Station on Toei Oedo Line	6 mins walk from Kyoto Municipal Subway Karasuma Line, Shijo Station	15 mins walk from JR Keiyo/Musashino Lines, Shin-Urayasu Station	12 mins walk from JR Keiyo/Musashino Lines, Maihama Station	5 min from JR Tozai Line, Kitashinchi Station	7 mins from walk Subway Meijou/Higashiyama Lines, Sakae Station	7 mins walk from Subway Sakaisuji/Chuo Lines, Sakaisuji-Honmachi Station
Price Information	Acquisition Price (JPY mn)	2,851	2,584	6,024	4,930	4,870	3,845	2,958
	Investment ratio	2.4%	2.2%	5.1%	4.2%	4.1%	3.3%	2.5%
	Book Value (mn JPY)	2,891	2,608	5,997	4,905	4,846	3,834	2,929
Leasing Information	Appraisal Value as of Jun. 2014 (mn JPY)	3,280	3,290	8,010	5,260	5,080	4,300	3,040
	Total Rentable Units	126	160	224	175	90	141	270
	Total Leasable Area (㎡)	2,585.72	3,327.38	7,241.51	6,232.30	2,456.36	9,445.32	9,064.71
	Leased area (㎡)	2,585.72	3,327.38	7,241.51	6,232.30	2,456.36	9,445.32	9,064.71
	Occupancy Rate Dec. 31, 2014	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Occupancy Rate Jun. 30, 2014	100.0%	100.0%	-	-	-	-	-
	Days of operation	184 days	184 days	168 days	168 days	168 days	168 days	168 days
	(1) Rental revenues (ths JPY)	104,832	108,407	310,661	217,607	166,812	160,910	185,561
	GOP (ths JPY)	104,832	108,407	310,661	217,607	166,812	160,910	185,561
	Other income (ths JPY)	-	-	-	-	-	-	-
Information on Profits and Losses	(2) Property related expenses (ths JPY)	16,162	17,288	42,276	37,358	32,068	40,797	55,244
	Facility management fees (land rent) (ths JPY) -(a)	-	-	-	-	-	7,501	15,686
	(Repair costs (ths JPY))	-	-	-	-	-	-	-
	(Utility expenses (ths JPY))	-	-	-	-	-	-	-
	Tax and other public charges (ths JPY)-(b)	-	-	-	-	-	-	-
	Insurance expenses (ths JPY)-(c)	71	35	196	176	86	243	210
	Other expenses (Trust fees) (ths JPY) -(d)	504	511	462	461	462	465	464
	(3) Depreciation expenses (ths JPY)	15,585	16,741	41,617	36,720	31,519	32,587	38,883
	(4) NOI = (1) - (2) + (3)	104,255	107,860	310,002	216,969	166,263	152,700	169,200
	NOI yield based on Acquisition price	7.3%	8.3%	11.2%	9.6%	7.4%	8.6%	12.4%
	NOI yield based on Appraisal value	6.3%	6.5%	8.4%	9.0%	7.1%	7.7%	12.1%
	(5) Rental income = (1)-(2) (ths JPY)	88,669	91,119	268,384	180,249	134,744	120,113	130,317
	(6) Capital expenditure (ths JPY)	-	-	-	-	-	760	530
	(7) NCF = (4) - (6) (ths JPY)	104,255	107,860	310,002	216,969	166,263	151,940	168,670
	Expense ratio = ((2) - (3)) / (1)	0.5%	0.5%	0.2%	0.3%	0.3%	5.1%	8.8%
Reference Information (2014 A)	Property Tax 2014 (ths JPY)	-	-	-	-	-	-	-
	Mortgagee*	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C
	(8) Total Revenues (ths JPY)	332,261	342,030	850,210	629,252	488,446	615,562	618,989
	Room Income (ths JPY)	327,188	323,034	817,314	547,818	469,147	465,451	574,472
	Other Income (ths JPY)	5,072	18,996	32,896	81,433	19,298	150,111	44,516
	(9) Operating Costs (not including (a)-(d) above) (ths JPY)	142,613	142,315	350,273	289,328	208,826	291,750	337,637
	GOP (8) - (9) (ths JPY)	189,648	199,715	499,937	339,923	279,620	323,811	281,351
	ADR (JPY)	7,619	5,970	10,424	10,079	15,759	10,012	6,168
	RevPAR (JPY)	7,114	5,531	9,997	8,576	14,282	9,044	5,829
	Room Occupancy Rates	93.4%	92.7%	95.9%	85.1%	90.6%	90.3%	94.5%
	GOP Ratio	57.1%	58.4%	58.8%	54.0%	57.2%	52.6%	45.5%
	D Daily	85.2%	68.7%	99.1%	98.4%	99.9%	-	96.8%
	M Weekly	4.9%	12.6%	0.9%	1.6%	0.1%	-	2.3%
	W Monthly	9.9%	18.7%	0.1%	0.0%	0.0%	-	0.9%
	Renovation Timing	-	Nov.-Dec., 2012	-	-	-	-	Apr.-Jun., 2013

Property Number	D9	D10	D11	D12	D13	D14	D15	D16		
Property Name	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		
Acquisition Date	July 17, 2014	July 17, 2014	July 17, 2014	July 17, 2014	July 17, 2014	July 17, 2014	July 17, 2014	July 17, 2014		
Completion Date	October, 1974	April, 1987	February, 2008	December, 1990	December, 1986	October, 1986	December, 1989	January, 1992		
Address	4-81, Sueyoshi-cho, Naka-ku, Yokohama-shi, Kanagawa	5-43-7, Higashi-Nippori, Arakawa-ku, Tokyo	3-14-20, Haruyoshi, Chuo-ku, Fukuoka-shi, Fukuoka	3-26, Shin-Ogawa-cho, Shinjuku-ku, Tokyo	1-5-7, Matsugaya, Taito-ku, Tokyo	1-22-19, Kitashinagawa, Shinagawa-ku, Tokyo	1-52-5, Tokiwadai, Itabashi-ku, Tokyo	3-6-16, Sugamo, Toshima-ku, Tokyo		
Transport Access	1 min walk from Keihin Kyuko, Koganecho Station	5 mins walk from JR Yamanote/Keihin Tohoku/Tokiwa/Keisei Electric Railway Lines, Nippori Station	5 mins walk from Subway Nanakuma Line, Tenjin-Minami Station	8 mins walk from JR Chuo-Sobu Line, Iidabashi Station	4 mins walk from Tokyo Metro Ginza Line, Inaricho Station	1 min walk from Keihin Kyuko Line, Kitashinagawa Station	5 mins walk from Tobu Tojo Line, Tokiwadai Station	5 mins walk from JR Yamanote Line/Toei Mita Line, Sugamo Station		
Price Information	Acquisition Price (JPY mn)	2,119	1,898	1,570	1,381	1,331	1,242	1,192		
	Investment ratio	1.8%	1.6%	1.3%	1.2%	1.1%	1.1%	1.0%		
	Book Value (mn JPY)	2,108	1,891	1,567	1,382	1,326	1,244	1,189		
Leasing Information	Appraisal Value as of Jun. 2014 (mn JPY)	2,590	2,140	1,740	1,560	1,540	1,510	1,370		
	Total Rentable Units	190	93	177	59	72	55	129		
	Total Leasable Area (㎡)	7,379.43	1,719.29	3,412.71	2,953.38	1,150.76	1,134.52	2,539.75	2,089.86	
Occupancy Rate	Dec. 31, 2014	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
	Jun. 30, 2014	-	-	-	-	-	-	-		
Information on Profits and losses	Days of operation	168 days	168 days	168 days	168 days	168 days	168 days	168 days		
	(1) Rental revenues (ths JPY)	124,297	72,782	90,326	55,564	50,423	44,932	50,354		
	GOP (ths JPY)	124,297	72,782	90,326	55,564	50,423	44,932	50,354		
	Other income (ths JPY)	-	-	-	-	-	-	-		
	(2) Property related expenses (ths JPY)	21,569	14,178	12,843	8,314	11,838	6,348	6,295	10,601	
	Facility management fees (land rent) (ths JPY) -(a)	-	-	-	-	-	-	-	-	
	(Repair costs (ths JPY))	-	-	-	-	-	-	-	-	
	(Utility expenses (ths JPY))	-	-	-	-	-	-	-	-	
	Tax and other public charges (ths JPY) -(b)	-	-	-	-	-	-	-	-	
	Insurance expenses (ths JPY) -(c)	172	52	84	80	38	31	72	58	
	Other expenses (Trust fees) (ths JPY) -(d)	462	461	461	461	461	461	461	461	
	(3) Depreciation expenses (ths JPY)	20,934	13,665	12,298	7,772	11,338	5,855	5,761	10,081	
	(4) NOI = (1) - (2) + (3)	123,662	72,268	89,780	55,022	49,923	44,439	56,603	49,834	
	NOI yield based on Acquisition price	12.7%	8.3%	12.4%	8.7%	8.1%	7.8%	9.9%	9.1%	
NOI yield based on Appraisal value	10.4%	7.3%	11.2%	7.7%	7.0%	6.4%	8.7%	7.9%		
(5) Rental income = (1)-(2) (ths JPY)	102,728	58,603	77,482	47,249	38,585	38,584	50,841	39,752		
(6) Capital expenditure (ths JPY)	-	-	-	-	-	-	-	-		
(7) NCF = (4) - (6) (ths JPY)	123,662	72,268	89,780	55,022	49,923	44,439	56,603	49,834		
Expense ratio = ((2) - (3)) / (1)	0.5%	0.7%	0.6%	1.0%	1.0%	1.1%	0.9%	1.0%		
Property Tax 2014 (ths JPY)	-	-	-	-	-	-	-	-		
Mortgage*	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C		
Reference Information (2014 A)	(8) Total Revenues (ths JPY)	441,265	227,786	302,629	176,488	175,719	154,730	194,229	167,223	
	Room Income (ths JPY)	419,638	224,165	295,746	161,178	172,985	152,966	179,390	153,741	
	Other Income (ths JPY)	21,626	3,621	6,883	15,310	2,733	1,764	14,839	13,482	
	(9) Operating Costs (not including (a)-(d) above) (ths JPY)	248,548	95,979	151,652	78,796	86,755	70,420	86,057	71,782	
	GOP (8) - (9) (ths JPY)	192,716	131,807	150,977	97,691	88,964	84,310	108,172	95,441	
	ADR (JPY)	6,802	7,009	5,627	8,016	7,098	7,907	4,476	4,542	
	RevPAR (JPY)	6,051	6,604	4,578	7,484	6,582	7,620	3,810	4,050	
	Room Occupancy Rates	89.0%	94.2%	81.3%	93.4%	92.7%	96.4%	85.1%	89.2%	
	GOP Ratio	43.7%	57.9%	49.9%	55.4%	50.6%	54.5%	55.7%	57.1%	
	D M W	Daily	91.8%	86.8%	79.9%	84.0%	88.3%	87.1%	35.2%	34.9%
		Weekly	3.9%	5.9%	12.7%	5.2%	4.1%	6.2%	33.3%	23.0%
		Monthly	4.3%	7.3%	7.4%	10.8%	7.6%	6.7%	31.5%	42.1%
	Renovation Timing	Jun.-Nov., 2006	Feb.-Mar., 2011	-	-	Nov.-Dec., 2012	Nov.-Dec., 2011	Mar. 2013	Mar. 2013	

Property Number	D17	D18	D19	D20	Subtotal of Hotels	
Property Name	Hotel MyStays Otemae	Flexstay Inn Kiyosumi Shirakawa	Flexstay Inn Nakanobu P1	Flexstay Inn Nakanobu P2		
Acquisition Date	July 17, 2014	July 17, 2014	July 17, 2014	July 17, 2014	-	
Completion Date	December, 1986	May, 1992	September, 1986	March, 1989	-	
Address	1-3-2, Tokui-cho, Chuo-ku, Osaka-shi, Osaka	1-12-16, Tokiwa, Koto-ku, Tokyo	4-27-12, Futaba, Shinagawa-ku, Tokyo	4-27-8, Futaba, Shinagawa-ku, Tokyo	-	
Transport Access	4 mins walk from Osaka Municipal Subway Tanimachi/Chuo Lines, Tanimachi 4-chome Station	5 mins walk from Toei Oedo Line/Tokyo Metro Hanzomon Line, Kiyosumi-Shirakawa Station	5 mins walk from Tokyu Oimachi Line/Toei Asakusa Line, Nakanobu Station	5 mins walk from Tokyu Oimachi Line/Toei Asakusa Line, Nakanobu Station	-	
Price information	Acquisition Price (JPY mn)	1,192	749	589	283	45,373
	Investment ratio	1.0%	0.6%	0.5%	0.2%	38.5%
Leasing information	Book Value (mn JPY)	1,192	750	591	286	45,296
	Appraisal Value as of Jun. 2014 (mn JPY)	1,600	821	647	311	52,759
Information on Profits and losses	Total Rentable Units	110	55	39	22	2,481
	Total Leasable Area (m ²)	4,956.66	2,673.64	770.56	391.49	75,714.18
Reference Information (2014 A)	Leased area (m ²)	4,956.66	2,673.64	770.56	391.49	75,714.18
	Occupancy Rate	Dec. 31, 2014 Jun. 30, 2014	100.0% -	100.0% -	100.0% -	100.0% 100.0%
Reference Information (2014 A)	Days of operation	168 days	168 days	168 days	168 days	-
	(1) Rental revenues (ths JPY)	74,450	36,629	21,911	12,157	2,069,261
	GOP (ths JPY)	74,450	36,629	21,911	12,157	2,069,261
	Other income (ths JPY)	-	-	-	-	-
	(2) Property related expenses (ths JPY)	8,735	7,036	4,062	1,924	372,760
	Facility management fees (land rent) (ths JPY) -(a)	-	-	-	-	23,188
	(Repair costs (ths JPY))	-	-	-	-	-
	(Utility expenses (ths JPY))	-	-	-	-	-
	Tax and other public charges (ths JPY)-(b)	-	-	-	-	-
	Insurance expenses (ths JPY)-(c)	98	69	22	13	1,909
	Other expenses (Trust fees) (ths JPY) -(d)	461	461	461	461	9,329
	(3) Depreciation expenses (ths JPY)	8,175	6,505	3,578	1,450	338,332
	(4) NOI = (1) - (2) + (3)	73,890	36,098	21,427	11,683	2,034,833
	NOI yield based on Acquisition price	13.5%	10.5%	7.9%	9.0%	9.7%
	NOI yield based on Appraisal value	10.0%	9.6%	7.2%	8.2%	8.3%
(5) Rental income = (1)-(2) (ths JPY)	65,715	29,593	17,848	10,232	1,696,500	
(6) Capital expenditure (ths JPY)	-	-	-	-	1,290	
(7) NCF = (4) - (6) (ths JPY)	73,890	36,098	21,427	11,683	2,033,543	
Expense ratio = ((2) - (3)) / (1)	0.8%	1.4%	2.2%	3.9%	1.7%	
Property Tax 2014 (ths JPY)	-	-	-	-	-	
Mortgage*	New Syndicate C	New Syndicate C	New Syndicate C	New Syndicate C	-	
(8) Total Revenues (ths JPY)	237,485	119,451	69,049	38,813	6,571,673	
Room Income (ths JPY)	224,556	102,537	65,834	36,534	6,091,609	
Other Income (ths JPY)	12,929	16,914	3,214	2,278	480,064	
(9) Operating Costs (not including (a)-(d) above) (ths JPY)	114,473	56,188	28,602	17,233	3,044,228	
GOP (8) - (9) (ths JPY)	123,012	63,262	40,446	21,580	3,527,445	
ADR (JPY)	6,288	5,697	5,232	5,027	7,469	
RevPAR (JPY)	5,593	5,108	4,625	4,550	6,727	
Room Occupancy Rates	88.9%	89.7%	88.4%	90.5%	90.1%	
GOP Ratio	51.8%	53.0%	58.6%	55.6%	53.7%	
D	Daily	66.6%	52.0%	38.1%	53.1%	85.4%
	Weekly	10.2%	11.3%	23.0%	20.1%	6.3%
	Monthly	23.2%	36.7%	38.8%	26.7%	8.4%
Renovation Timing	Dec. 2012-Jan. 2013	-	-	-	-	

Property Number	Total	
Property Name		
Acquisition Date	-	
Completion Date	-	
Address	-	
Transport Access	-	
Price information	Acquisition Price (JPY mn)	117,927
	Investment ratio	100.0%
Leasing information	Book Value (mn JPY)	114,743
	Appraisal Value as of Jun. 2014 (mn JPY)	126,558
Information on Profits and losses	Total Rentable Units / Rooms	5,997
	Total Leasable Area (m ²)	224,574.36
Reference Information	Leased area (m ²)	215,812.28
	Occupancy Rate	Jun. 30, 2014 Dec. 31, 2013
Reference Information (2014 A)	Days of operation	-
	(1) Rental revenues (ths JPY)	4,610,717
	Rent, common area fees / GOP (ths JPY)	4,408,874
	Other income (ths JPY)	201,843
	(2) Property related expenses (ths JPY)	1,586,854
	Facility management fees (ths JPY)	460,196
	(Repair costs (ths JPY))	29,710
	(Utility expenses (ths JPY))	111,565
	Tax and other public charges (ths JPY)	163,789
	Insurance expenses (ths JPY)	6,084
	Other expenses (commissions paid, Trust fees, etc.) (ths JPY)	119,524
	(3) Depreciation expenses (ths JPY)	837,259
	(4) NOI = (1) - (2) + (3)	3,861,122
	NOI yield based on Acquisition price	6.8%
	NOI yield based on Appraisal value	6.3%
(5) Rental income = (1)-(2) (ths JPY)	3,023,863	
(6) Capital expenditure (ths JPY)	116,923	
(7) NCF = (4) - (6) (ths JPY)	3,744,199	
Expense ratio = ((2) - (3)) / (1)	16.3%	
Property Tax 2014 (ths JPY)	310,432	
Mortgage*	-	

No.	Property Name	Book Value as of Dec. 2014	Appraisal Value						Cap Rate		
			As of Acquisition	As of Dec. 2013	As of Jun. 2014	As of Dec. 2014	Compared to Jun. 2014 (Note)		As of Jun. 2014	As of Dec. 2014	Changes
			(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(%)	(%)	(%)
A26	Nisshin Palacestage Daitabashi	1,139,331	1,300,000	1,130,000	1,140,000	1,150,000	10,000	0.9	5.10	5.00	-0.10
A27	Nisshin Palaistage Higashi-Nagasaki	1,112,154	1,300,000	1,240,000	1,240,000	1,250,000	10,000	1	5.10	5.10	-
A28	Growth Maison Gotanda	842,333	991,000	922,000	931,000	949,000	18,000	1.9	4.80	4.70	-0.10
A29	Growth Maison Kameido	1,007,137	1,110,000	1,040,000	1,060,000	1,080,000	20,000	1.9	4.90	4.80	-0.10
A30	Emerald House	1,409,961	1,570,000	1,180,000	1,190,000	1,240,000	50,000	4.2	5.10	5.00	-0.10
A31	Harmonie Ochanomizu	1,373,797	1,710,000	1,230,000	1,250,000	1,310,000	60,000	4.8	4.80	4.70	-0.10
A32	Suncrest Shakujii Koen	1,064,483	1,220,000	998,000	1,010,000	1,030,000	20,000	2.0	5.00	4.90	-0.10
A33	Growth Maison Shin Yokohama	989,003	1,110,000	1,060,000	1,080,000	1,140,000	60,000	5.6	5.00	4.90	-0.10
A34	Belle Face Ueno Okachimachi	977,769	1,100,000	928,000	924,000	972,000	48,000	5.2	4.80	4.70	-0.10
A35	Grand Rire Kameido	849,755	930,000	909,000	918,000	937,000	19,000	2.1	5.00	4.90	-0.10
A36	Growth Maison Ikebukuro	772,481	856,000	827,000	838,000	859,000	21,000	2.5	4.80	4.70	-0.10
A37	Growth Maison Yoga	761,045	831,000	674,000	682,000	691,000	9,000	1.3	4.90	4.80	-0.10
A38	Route Tachikawa	650,247	749,000	591,000	595,000	606,000	11,000	1.8	5.10	5.00	-0.10
A39	Shibuya Honmachi Mansion	655,291	678,000	588,000	591,000	604,000	13,000	2.2	5.00	4.90	-0.10
A40	City Heights Kinuta	646,430	707,000	454,000	457,000	467,000	10,000	2.2	5.00	4.90	-0.10
A41	Acseeds Tower Kawaguchi Namiki	566,552	698,000	676,000	684,000	699,000	15,000	2.2	5.70	5.60	-0.10
A42	Capital Heights Kagurazaka	616,612	647,000	534,000	540,000	553,000	13,000	2.4	4.90	4.80	-0.10
A43	College Square Machida	569,589	597,000	525,000	529,000	511,000	-18,000	-3.4	5.50	5.40	-0.10
A44	Belair Meguro	570,268	608,000	545,000	551,000	582,000	31,000	5.6	4.60	4.50	-0.10
A45	Wacore Tsunashima I	543,606	665,000	496,000	499,000	508,000	9,000	1.8	5.20	5.10	-0.10
A46	Foros Nakamurabashi	528,174	634,000	532,000	550,000	565,000	15,000	2.7	4.90	4.80	-0.10
A47	Growth Maison Kaijin	527,037	603,000	455,000	454,000	458,000	4,000	0.9	5.60	5.50	-0.10
A48	College Square Machiya	474,025	521,000	494,000	500,000	509,000	9,000	1.8	5.00	4.90	-0.10
A51	City House Tokyo Shinbashi	2,392,833	2,520,000	2,650,000	2,720,000	2,860,000	140,000	5.1	4.90	4.70	-0.20
A52	Winbell Kagurazaka	3,113,202	3,260,000	3,420,000	3,490,000	3,630,000	140,000	4.0	4.60	4.40	-0.20
A53	Nishiwaseda Crescent Mansion	1,876,882	1,880,000	2,140,000	2,180,000	2,280,000	100,000	4.6	4.90	4.70	-0.20
A54	Lexington Square Akebonobashi	1,368,893	1,450,000	1,570,000	1,600,000	1,630,000	30,000	1.9	4.80	4.70	-0.10
A56	Casa Eremitaggio	990,334	1,070,000	980,000	996,000	1,020,000	24,000	2.4	4.80	4.60	-0.20
A59	Towa City Coop Shin-otsuka II	826,995	866,000	930,000	949,000	985,000	36,000	3.8	5.30	5.10	-0.20

No.	Property Name	Book Value as of Dec. 2014	Appraisal Value						Cap Rate		
			As of Acquisition	As of Dec. 2013	As of Jun. 2014	As of Dec. 2014	Compared to Jun. 2014 (Note)		As of Jun. 2014	As of Dec. 2014	Changes
			(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(%)	(%)	(%)
A61	Bichsel Musashiseki	556,879	577,000	631,000	634,000	659,000	25,000	3.9	5.10	4.90	-0.20
A62	Lexel Mansion Ueno Matsugaya	893,772	970,000	1,050,000	1,070,000	1,090,000	20,000	1.9	4.90	4.80	-0.10
A63	Towa City Coop Sengencho	1,039,248	1,110,000	1,230,000	1,250,000	1,300,000	50,000	4.0	5.90	5.70	-0.20
A64	Royal Park Omachi	396,406	415,000	484,000	508,000	503,000	-5,000	-1.0	6.30	6.30	-
A65	Lexington Square Haginomachi	303,459	330,000	405,000	422,000	441,000	19,000	4.5	6.30	6.10	-0.20
A66	Visconti Kakuozan	238,611	255,000	232,000	244,000	252,000	8,000	3.3	5.80	5.70	-0.10
A71	Lexington Square Daitabashi	898,741	977,000	1,020,000	1,040,000	1,070,000	30,000	2.9	4.80	4.70	-0.10
A72	Lexington Square Honjo-Azumabashi	464,862	511,000	536,000	549,000	566,000	17,000	3.1	4.90	4.80	-0.10
A73	AMS TOWER Minami 6-Jo	1,043,742	1,180,000	1,080,000	1,120,000	1,130,000	10,000	0.9	5.90	5.80	-0.10
A75	Spacia Ebisu	6,657,254	7,010,000	6,860,000	6,930,000	7,230,000	300,000	4.3	4.70	4.50	-0.20
A76	Neo Prominence	1,649,623	1,660,000	1,710,000	1,720,000	1,800,000	80,000	4.7	5.30	5.10	-0.20
A77	Invoice Shin-Kobe Residence	1,239,519	1,260,000	1,300,000	1,300,000	1,340,000	40,000	3	5.60	5.40	-0.20
A78	Cosmo Court Motomachi	956,656	980,000	1,020,000	1,040,000	1,040,000	0	0.0	5.50	5.30	-0.20
A79	Revest Honjin	662,853	679,000	705,000	718,000	732,000	14,000	1.9	6.10	5.90	-0.20
A80	Revest Matsubara	646,265	662,000	705,000	720,000	743,000	23,000	3.2	5.70	5.50	-0.20
A81	Sun Terrace Minami Ikebukuro	615,657	625,000	644,000	667,000	695,000	28,000	4.2	4.90	4.70	-0.20
A82	Alba Noritake Shinmachi	598,515	608,000	637,000	644,000	666,000	22,000	3.4	5.60	5.40	-0.20
A83	Revest Meieki Minami	587,165	597,000	626,000	649,000	674,000	25,000	3.9	5.40	5.20	-0.20
A84	Revest Heian	585,306	599,000	610,000	619,000	641,000	22,000	3.6	5.70	5.50	-0.20
A85	Vendir Hamaotsu Ekimae	569,662	638,000	650,000	669,000	674,000	5,000	0.7	6.40	6.20	-0.20
A86	Salvo Sala	537,449	548,000	567,000	577,000	603,000	26,000	4.5	5.70	5.50	-0.20
A87	Excelente Kagurazaka	537,920	543,000	558,000	569,000	593,000	24,000	4.2	4.70	4.50	-0.20
A88	Luna Court Edobori	516,938	525,000	547,000	549,000	565,000	16,000	2.9	5.60	5.40	-0.20
A89	Winntage Kobe Motomachi	502,829	516,000	545,000	553,000	560,000	7,000	1.3	5.60	5.40	-0.20
A90	Queen's Court Fukuzumi	451,208	456,000	477,000	497,000	528,000	31,000	6.2	4.80	4.60	-0.20
A91	Corp Higashinotoin	440,977	446,000	468,000	474,000	491,000	17,000	3.6	5.50	5.30	-0.20
A92	Belair Oimachi	408,920	412,000	428,000	455,000	476,000	21,000	4.6	4.80	4.60	-0.20
A93	Siete Minami-Tsukaguchi	370,285	377,000	394,000	402,000	414,000	12,000	3.0	5.80	5.60	-0.20
A94	Prime Life Sannomiya Isogami Koen	368,108	373,000	383,000	389,000	397,000	8,000	2.1	5.50	5.30	-0.20

No.	Property Name	Book Value as of Dec. 2014	Appraisal Value						Cap Rate		
			As of Acquisition	As of Dec. 2013	As of Jun. 2014	As of Dec. 2014	Compared to Jun. 2014 (Note)		As of Jun. 2014	As of Dec. 2014	Changes
			(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(%)	(%)	(%)
A95	HERMITAGE NANBA WEST	352,996	358,000	382,000	382,000	397,000	15,000	4	5.60	5.40	-0.20
A96	Century Park Shinkawa 1-bankan	333,709	337,000	349,000	372,000	399,000	27,000	7.3	6.10	5.90	-0.20
A97	West Avenue	325,559	333,000	334,000	338,000	344,000	6,000	1.8	5.70	5.50	-0.20
A98	Little River Honmachibashi	309,384	312,000	329,000	335,000	364,000	29,000	8.7	5.40	5.20	-0.20
A99	Prime Life Mikage	293,028	299,000	307,000	312,000	323,000	11,000	3.5	5.80	5.60	-0.20
Subtotal of Residences		55,569,758	59,659,000	57,921,000	58,865,000	60,775,000	1,910,000	3.2	-	-	-
B8	Kindai Kagaku Sha Building	1,239,464	1,340,000	1,020,000	1,010,000	1,040,000	30,000	3.0	4.90	4.80	-0.10
B9	Shinjuku Island	710,488	871,000	542,000	556,000	574,000	18,000	3.2	5.10	4.90	-0.20
B14	Lexington Plaza Nishigotanda	4,776,668	4,880,000	4,050,000	4,140,000	4,010,000	-130,000	-3.1	5.00	4.90	-0.10
B15	Cross Square NAKANO	1,067,588	1,060,000	930,000	938,000	944,000	6,000	0.6	5.20	5.00	-0.20
B16	Ohki Aoba Building	757,398	816,000	633,000	644,000	659,000	15,000	2.3	6.20	6.10	-0.10
B17	Lexington Plaza Hachiman	3,163,644	3,280,000	3,270,000	3,330,000	3,440,000	110,000	3.3	6.30	6.10	-0.20
B18	AEON TOWN Sukagawa	2,061,749	2,320,000	2,150,000	2,190,000	2,250,000	60,000	2.7	6.90	6.70	-0.20
Subtotal of Offices		13,777,003	14,567,000	12,595,000	12,808,000	12,917,000	109,000	0.9	-	-	-
C1	Stop Parking Kanda-Sudacho	100,823	100,000	92,800	105,000	107,000	2,000	1.9	4.50	4.40	-0.10
Subtotal of Parking lots		100,823	100,000	92,800	105,000	107,000	2,000	1.9	-	-	-
D1	Hotel MyStays Kanda	2,891,699	2,880,000	-	2,880,000	3,280,000	400,000	13.9	5.70	5.00	-0.70
D2	Hotel MyStays Asakusa	2,608,315	2,610,000	-	2,610,000	3,290,000	680,000	26.1	6.10	5.80	-0.30
D3	Hotel MyStays Kyoto-Shijo	5,997,749	6,110,000	-	-	8,010,000	1,900,000	31.1	-	5.60	-
D4	MyStays Shin-Urayasu Conference Center	4,905,454	4,980,000	-	-	5,260,000	280,000	5.6	-	5.60	-
D5	Hotel MyStays Maihama	4,846,445	4,920,000	-	-	5,080,000	160,000	3.3	-	5.50	-
D6	Hotel Vista Premio Dojima	3,834,200	3,900,000	-	-	4,300,000	400,000	10.3	-	5.70	-
D7	Hotel MyStays Nagoya-Sakae	2,929,414	3,000,000	-	-	3,040,000	40,000	1.3	-	6.50	-
D8	Hotel MyStays Sakaisuji-Honmachi	2,508,110	2,530,000	-	-	3,250,000	720,000	28.5	-	5.60	-
D9	Hotel MyStays Yokohama	2,108,824	2,150,000	-	-	2,590,000	440,000	20.5	-	6.00	-
D10	Hotel MyStays Nippori	1,891,083	1,910,000	-	-	2,140,000	230,000	12.0	-	5.10	-
D11	Hotel MyStays Fukuoka-Tenjin-Minami	1,567,488	1,580,000	-	-	1,740,000	160,000	10.1	-	6.00	-
D12	Flexstay Inn Iidabashi	1,382,495	1,390,000	-	-	1,560,000	170,000	12.2	-	5.20	-
D13	Hotel MyStays Ueno Inaricho	1,326,523	1,340,000	-	-	1,540,000	200,000	14.9	-	4.90	-
D14	Flexstay Inn Shinagawa	1,242,676	1,250,000	-	-	1,510,000	260,000	20.8	-	5.20	-

No.	Property Name	Book Value as of Dec. 2014	Appraisal Value						Cap Rate		
			As of Acquisition	As of Dec. 2013	As of Jun. 2014	As of Dec. 2014	Compared to Jun. 2014 (Note)		As of Jun. 2014	As of Dec. 2014	Changes
			(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(%)	(%)	(%)
D15	Flexstay Inn Tokiwadai	1,244,469	1,250,000	-	-	1,420,000	170,000	13.6	-	5.60	-
D16	Flexstay Inn Sugamo	1,189,949	1,200,000	-	-	1,370,000	170,000	14.2	-	5.30	-
D17	Hotel MyStays Otemae	1,192,681	1,200,000	-	-	1,600,000	400,000	33.3	-	6.30	-
D18	Flexstay Inn Kiyosumi Shirakawa	750,738	754,000	-	-	821,000	67,000	8.9	-	5.80	-
D19	Flexstay Inn Nakanobu P1	591,062	593,000	-	-	647,000	54,000	9.1	-	5.50	-
D20	Flexstay Inn Nakanobu P2	286,623	285,000	-	-	311,000	26,000	9.1	-	5.50	-
Subtotal of Hotels		45,296,007	45,832,000	-	5,490,000	52,759,000	6,927,000	15.1	-	-	-
Total		114,743,593	120,158,000	70,608,800	77,268,000	126,558,000	8,948,000	7.6	-	-	-

(Note) Regarding 18 hotel properties (D3-D20) acquired on July 17, 2014, the differences between the appraisal values at the acquisition (April 30, 2014) and December 2014.

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