COMFORIA
RESIDENTIAL REIT

INVESTOR PRESENTATION
18th FISCAL PERIOD (ended Jul 2019)

September 2019

1 18th FP(Jul. 2019) Highlights

18th FP Portfolio Highlights 4

18th FP Financial Highlights 5

2 18th FP (Jul. 2019) Results

Financial Results for the 18th FP 7

Historical Occupancy Rate 8

Rent Trends 9

Rent Trends on Tenant Turnover & Renewal 10

Analysis of Rent Change on Tenant Turnover 11

Initiatives to Maintain and Improve Performance 12

Property Acquisitions (including scheduled ones) in 18th & 19th FP 13

Financial Strategy - ①: Financing Activities during 18th FP 14

Financial Strategy - ② : Financial Indicators (as of 18th FP end) 15

Steady Implementation of Strategy and Investment Unit Performance 16

3 Future Strategy

Future Growth Strategy 18

Next Growth Target 19

External Growth Results in Line with Growth Strategy 20

Leveraging Sponsor Support for Further Growth (Sponsor Pipeline) 21

Sustainability Initiatives 22

4 Performance Forecast

Performance Forecast 27

5 Appendix 29-

1. 18th FP(Jul. 2019) Highlights

18th FP Portfolio Highlights

» **Leveraged support from sponsor Tokyu Fudosan Holdings Group** to build up a portfolio comprising assets located primarily in the **Tokyo 23 wards and near stations**.

Asset Size (Acquisition price basis)

126 properties **225.9** bn yen

Investment Area (Rental residence)

Walking Distance from Nearest Station (Rental residence)

Primarily Tokyo 23 Wards × **Primarily properties near station**

Investment Target

Building Age

Unit Type (Rental residence)

Portfolio Map (as of end of 18th FP)

Central tokyo	44 properties	Sub-central tokyo	67 properties
Tokyo metropolitan area	6 properties	Other major cities	9 properties

(Note) Refer to "References (*1)" for classification of "Investment Area", "Investment Target" and "Unit Type", and calculation method of "Minutes to Nearest Station (on foot)", "Avg. Distance" and "Avg. Building age". (The same shall apply hereinafter.)

18th FP Financial Highlights

COMFORIA RESIDENTIAL REIT

	Historical high	vs. 17th FP actual
DPU	5,180 yen	±0 %

	Historical high	vs. 17th FP actual
NAV / unit	251,529 yen	+6.0 %

	Summary of Operation			Overview
18th FP	External Growth	Expansion of asset size	+19.8bn yen (Acquisition price basis)	■ Acquired properties through PO conducted for the 6th consecutive year (9 properties 18.6bn yen) ■ Implemented asset replacement continuously (Acquisition of 1 property 2.2bn yen, disposition of 1 property 1.0bn yen → Asset size expanded by 1.2bn yen)
18th FP	Internal Growth	Rent change on tenant turnover	Historical high +6.8%	■ Rent change on tenant turnover has increased for 7 consecutive fiscal period. ■ Maintained high occupancy rates with average occupancy rate at 96.9% on the background of corporate demand and population inflow, etc.
18th FP	Internal Growth	Rent increase (Properties continuously owned during the 18th FP)	+0.9%	
18th FP	Financial Strategy	Expansion of Internal reserve	+149mm yen	■ Total internal reserves increased to 563mm yen. Will be allocated to temporary expense for large-scale repair work to stabilize DPU.
18th FP	Sustaina-bility	Promote constant initiatives	Inclusion in MSCI Japan ESG Select Leaders Index, etc.	■ Established Sustainability Policy and identified Materiality (April 2019) ■ Inclusion in MSCI Japan ESG Select Leaders Index (May 2019)
19th FP	External Growth	Expansion of asset size	+2.3bn yen (Acquisition price basis)	■ Acquisition of 1 property located in central Tokyo by utilizing AM's original route Tokyo 23 wards ratio (Rental residence): 18th FP end 91.0% → Prospect of Sep. 2019 91.1%

(Note) Refer to "References (*2) for calculation method of "NAV / unit" and "Rent change on tenant turnover". (The same shall apply hereinafter.)

2. 18th FP (Jul. 2019) Results

Financial Results for the 18th FP

» Achieved DPU of ¥5,180, the same amount as the previous fiscal period's actual results, due to the impact of the acquisition of new properties and rent increase absorbing decrease in capital gain.

1. Comparison of 18th FP with 17th FP

(million yen)

	17th FP actual ①	18th FP actual ②	Differential ②－①	Major factors of fluctuation	18th FP forecast (disclosed on Mar.14, 2019) ③	Differential ③－②	Major factors of fluctuation
Operating revenue	8,128	8,652	+523	➢**Operating revenue** **+523** Properties acquired in 18th FP +467 Existing properties +110 Full operation of a property acquired in 17th FP +36 Decrease in capital gains ▲90	8,360	+292	➢**Operating revenue** **+292** Capital gain +168 Existing properties (rent income, etc.) +127 Property disposition ▲3
Operating profit	3,702	3,978	+276		3,747	+231	
Profit	3,172	3,448	+275		3,191	+257	
Net reserves for reduction entry(Note)	▲132	▲128	+3	➢**Operating expenses** **+247** Properties acquired in 18th FP +132 Impact of busy season +83 Property tax payable(for those acquired in 2018) +22 Asset management fee +14 Other operating expenses ▲4	39	▲167	➢**Operating expenses** **+60** Existing properties (repair expenses, etc.) +71 Property disposition +0 Other operating expenses ▲11
Distributions	3,040	3,319	+278		3,229	+89	
Profit per unit (yen)	5,405	5,383	▲22		4,981	+402	
Distribution per unit (yen)	5,180	5,180	—		5,040	+140	➢**Non-operating expenses** **▲23** Interest expenses, etc. ▲23
Total number of issued units	586,994	640,834	53,840	➢**Non-operating expenses** **+0** Interest expenses, etc. +0	640,834	—	

(Note) Positive figures show "using reserves" and negative figures show "securing reserves in "Net reserves for reduction entry."

2. Major Factors of Fluctuation in DPU (Comparison of actual results of 18th FP with actual results of 17th FP)

Historical Occupancy Rate

» Average occupancy rate recorded over **96%**, showing ongoing positive levels.

Historical Occupancy (16th – 18th FP, figures of total portfolio and by area)

Monthly occupancy rate	Jan. 18	Feb. 18	Mar. 18	Apr. 18	May. 18	Jun. 18	Jul. 18	Aug. 18	Sep. 18	Oct. 18	Nov. 18	Dec. 18	Jan. 19	Feb. 19	Mar. 19	Apr. 19	May. 19	Jun. 19	Jul. 19	# of Properties
Central Tokyo	**96.4%**	97.3%	95.9%	95.6%	95.6%	96.1%	**96.8%**	96.5%	96.9%	97.0%	96.6%	96.7%	**96.1%**	96.8%	97.0%	96.4%	95.9%	96.5%	**96.9%**	44
Sub-central Tokyo	**97.2%**	97.7%	97.5%	96.8%	95.8%	96.3%	**96.7%**	96.9%	96.8%	96.0%	96.2%	95.6%	**96.1%**	97.1%	97.0%	96.6%	96.3%	96.9%	**97.0%**	67
Tokyo metropolitan area	**95.6%**	96.3%	98.7%	99.7%	98.1%	97.2%	**95.6%**	94.5%	99.1%	98.9%	99.4%	99.5%	**98.8%**	99.4%	98.7%	98.5%	98.7%	99.0%	**98.8%**	6
Other major cities	**95.7%**	95.5%	96.0%	94.6%	95.1%	95.3%	**95.9%**	95.9%	96.7%	97.0%	96.4%	95.8%	**96.9%**	98.5%	97.5%	95.3%	96.1%	95.9%	**96.1%**	9
Total portfolio	**96.7%**	97.2%	96.6%	96.1%	95.7%	96.2%	**96.6%**	96.6%	97.0%	96.7%	96.6%	96.4%	**96.4%**	97.3%	97.2%	96.5%	96.3%	96.8%	**97.0%**	126

Rent Trends

1. Rent Trends in 18th FP

≫ Realized an increase in rents in the overall portfolio due to rent increase on tenant turnover, etc.

Properties continuously owned during period	end of 17th FP (Jan. 19)	Feb. 19	Mar. 19	Apr. 19	May. 19	Jun. 19	end of 18th FP (Jul. 19)
Rent (yen / tsubo)	12,762	12,768	12,800	12,829	12,837	12,866	12,876
Comparison with 17th FP	—	+0.0%	+0.3%	+0.5%	+0.6%	+0.8%	+0.9%

(Note) The rent gap is the rate of divergence regarding current contracted rent assuming existing tenants contracted at market rent, with the new contracted rent for the period ended Jul. 2019 as market rent.

2. Historical Data

≫ Rents in the overall portfolio has increased steadily.

Historical Rent Change

Rent Trends on Tenant Turnover & Renewal

COMFORIA RESIDENTIAL REIT

» Rent change on both tenant turnover and lease renewal were continuously on an increasing trend. Realized **seventh consecutive period of increase** in rent change on tenant turnover.

1-1. Rent Trends on Tenant Turnover in 18th FP

	# of Units	Ratio	Amount of change in monthly rent	Rent change
Increase	968 units	87.9%	+¥10,829 thou.	7.8%
No Change	52 units	4.7%	—	—
Decrease	81 units	7.4%	▲¥331 thou.	▲3.3%
Total	1,101 units	100.0%	+¥10,498 thou.	**+6.8%**

2-1. Rent Trends on Lease Renewal in 18th FP

	# of Units	Ratio	Amount of change in monthly rent	Rent change
Increase	332 units	21.8%	+¥1,783 thou.	+2.9%
No Change	1,193 units	78.2%	—	—
Decrease	0 units	0.0%	—	—
Total	1,525 units	100.0%	+¥1,783 thou.	**+0.8%**

1-2. Historical Data

① Historical Ratio of Rent Changed Units on Tenant Turnover

② Historical Rent Change on Tenant Turnover

2-2. Historical Data

① Historical Ratio of Rent Changed Units on Lease Renewal

(Note) Continual renewal contracts under the periodic tenancy agreement are excluded from tenant turnover and counted renewals.

② Historical Rent Change on Lease Renewal

Analysis of Rent Change on Tenant Turnover

1. Rent Change on Tenant Turnover by Type in 18th FP

① Area

Central Tokyo		
Center of Tokyo	Chiyoda Chuo, Minato	+7.7%
Sub-center of Tokyo	Shinjuku Shibuya	+8.1%
Sub-central Tokyo		
Johoku	Bunkyo, Toshima, Kita, Itabashi	+7.4%
Josai	Nakano, Suginami	+3.0%
Jonan	Shinagawa, Meguro, Ota, Setagaya	+6.7%
Joto	Taito, Sumida, Koto, Arakawa	+5.7%

Upward trend for rent continued primarily in Tokyo 23 wards.

② Walking Distance from Nearest Station

Upward trend for rent continued primarily in properties near stations.

③ Building Age

Increase in rent continued regardless of building age

Increase in rent is conspicuous in four- to eight-year-old properties with relatively low rent levels upon construction

Rent increased even in properties aged more than twelve years through efforts such as value enhancement work in private areas

2. Historical Data

Historical Rent Change on Tenant Turnover by Area

	12th FP (Jul. 16)	13th FP (Jan .17)	14th FP (Jul. 17)	15th FP (Jan. 18)	16th FP (Jul. 18)	17th FP (Jan. 19)	18th FP (Jul. 19)	
Central Tokyo	*+1.5%*	*+1.2%*	*+3.8%*	*+4.5%*	*+6.2%*	*+7.0%*	*+8.0%*	*44 properties*
Sub-central Tokyo	*+0.3%*	*+2.4%*	*+3.1%*	*+3.0%*	*+3.7%*	*+5.0%*	*+6.4%*	*67 properties*
Tokyo 23 Wards	**+1.0%**	**+1.7%**	**+3.5%**	**+3.9%**	**+5.1%**	**+6.1%**	**+7.2%**	111 properties
Tokyo Metropolitan Area	-2.0%	-1.2%	**+1.5%**	**+1.1%**	**+2.2%**	**+4.7%**	**+4.2%**	6 properties
Other Major Cities	**+1.1%**	-0.8%	**+2.0%**	**+1.2%**	**+0.9%**	-0.1%	**+2.4%**	9 properties
Total Portfolio	**+1.0%**	**+1.5%**	**+3.4%**	**+3.7%**	**+4.6%**	**+5.7%**	**+6.8%**	126 properties

Tokyo 23 Wards

Rent increase rate continues to be on an upward trend.

Tokyo Metropolitan Area & Other Major Cities

There are few target properties and the impact of individual properties can easily be reflected but the solid growth is ongoing.

Initiatives to Maintain and Improve Performance

COMFORIA RESIDENTIAL REIT

» In addition to asset replacement with portfolio quality in mind, implement measures to enhance earning capacity.

1. Asset Replacement during the 18th FP

132 COMFORIA TAMA-PLAZA (Acquisition on Mar. 20, 2019)

Location	Yokohama-shi, Kanagawa
Nearest station / Minutes on foot	7-minute walk from Tama-Plaza Station on the Tokyu Den-en-toshi Line
Acquisition price	¥2,220mm
Appraisal value	¥2,230mm (at time of acquisition)
Appraisal NOI yield	4.5%
Rentable units	73 units
Completion date	Mar. 2005

Replacement

79 COMFORIA KITAHORIE (Disposition on Jul. 5, 2019)

Location	Osaka-shi, Osaka
Sale price	¥1,200mm
Appraisal value	¥1,050mm
Capital gain	¥168mm
Rentable units	73 units
Completion date	Feb. 2007

Disposing at a price **14**% above the appraisal value

Secured **¥149**mm from capital gain as internal reserves

(Note1) Refer to "References (*3) for calculation method of "Appraisal NOI yield". (The same shall apply hereinafter.)

2. Work to Change Segmentation of Floors

» Implemented work such as dividing large rooms for lease in an aim to increase revenue and stability

Property name	COMFORIA AKABANEIWABUCHI (16.4 years old)
Work completion	Jun. 2019
Details of work	【8-9F】 Divided two rooms with approx. 200 m² into nine units 【1F】 Turned space not intended for lease into unit for lease
Construction cost	¥123mm
Monthly rent (Note2)	(Before) 2units ¥851,000 (After) 10units ¥1,604,000 (**+¥752,000**)

(Note2) Monthly rent includes rent assumed by asset management company.

3. Value Enhancement Work

» Implemented renovations alongside the work to restore rooms to the original state on tenant turnover.

Property name	COMFORIA SHIBAURA BOWHOUSE (13.4 years old)
Work completion	Feb. 2019
Details of work	Replace kitchen equipment Plumbing repairs Replace floor, wall, etc.
Construction cost	¥11mm (to be borne by lessor)
Monthly rent	(Before) 4units ¥1,208,000 (After) 4units ¥1,279,000 (**+¥71,000**)

Property Acquisitions (including scheduled ones) in 18th & 19th FP

Sponsor-developed Properties（at PO）

125 COMFORIA SHIBUYA WEST

Location	Meguro-ku, Tokyo
Acquisition price	¥5,397mm
Appraisal NOI yield	4.3%
Rentable Units	124 units
Completion Date	Oct. 2015

123 COMFORIA KINSHICHO DEUX

Location	Koto-ku, Tokyo
Acquisition price	¥2,213mm
Appraisal NOI yield	4.4%
Rentable Units	96 units
Completion Date	May, 2016

124 COMFORIA KAMEIDO SOUTH

Location	Koto-ku, Tokyo
Acquisition price	¥2,050mm
Appraisal NOI yield	4.4%
Rentable Units	57 units
Completion Date	Jan. 2018

131 CAMPUS VILLAGE SHIINAMACHI

Location	Toshima-ku, Tokyo
Acquisition price	¥2,740mm
Appraisal NOI yield	4.5%
Rentable Units	167 units
Completion Date	Jan. 2018

AM's Original Route

132 COMFORIA TAMA-PLAZA

Location	Yokohama-shi, Kanagawa
Acquisition price	¥2,220mm
Appraisal NOI yield	4.5%
Rentable Units	73 units
Completion Date	Mar. 2005

Warehousing Properties by Sponsors（at PO）

126 COMFORIA HIGASHINIHONBASHI

Location	Chuo-ku, Tokyo
Acquisition price	¥1,194mm
Appraisal NOI yield	4.5%
Rentable Units	45 units
Completion Date	Sep. 2006

127 COMFORIA ASAKUSAKOMAGATA

Location	Taito-ku, Tokyo
Acquisition price	¥1,254mm
Appraisal NOI yield	4.6%
Rentable Units	48 units
Completion Date	Aug. 2006

128 COMFORIA OMORIKASHIMA

Location	Shinagawa-ku, Tokyo
Acquisition price	¥864mm
Appraisal NOI yield	4.6%
Rentable Units	33 units
Completion Date	May. 2007

129 COMFORIA OMORIMACHI

Location	Ota-ku, Tokyo
Acquisition price	¥1,096mm
Appraisal NOI yield	4.6%
Rentable Units	45 units
Completion Date	Feb. 2007

130 COMFORIA KAMIIKEDAI

Location	Ota-ku, Tokyo
Acquisition price	¥1,842mm
Appraisal NOI yield	4.8%
Rentable Units	43 units
Completion Date	Feb. 2006

133 COMFORIA GINZA EAST NIBANKAN

Acquisition scheduled on Sep. 30, 2019

Location	Chuo-ku, Tokyo
Acquisition price	¥2,380mm
Appraisal NOI yield	4.3%
Rentable Units	61 units
Completion Date	Aug. 2003

Financial Strategy - ①: Financing Activities during 18th FP

1. Debt Finance Summary and Maturity Ladder

» Paying attention on extension of maturities, continuously keep focus on diversification of maturities and interest cost reduction.

Financial indicators	Avg. maturity	Weighted avg. interest rate
17th FP end	4.3yrs	0.62%
18th FP end	**4.6**yrs	**0.60**%

Initiative① Extension of Maturities and Reduction of Interest Rate Costs through Refinancing

Before refinancing	
Loan amount	¥12,495mm
Borrowing term	3.0yrs
Weighted avg. interest rate	0.56%

After refinancing (4 division)	
Loan amount	¥12,495mm
Borrowing term	**5.1**yrs
Weighted avg. interest rate	**0.39**%

Initiative② Issued Investment Corporation Bonds including Super Long-term (15 years) (Jul. 18, 2019)

Name	Maturity	Amount	Interest Rate
6th unsecured bonds	5.0yrs	¥1.0bn	0.23%
7th unsecured bonds	15.0yrs	¥1.5bn	0.90%
Total / Avg.	**11.0**yrs	¥**2.5**bn	**0.63**%

2. Trends in Total LTV

» Secure future acquisition capacity through appropriate LTV control.

Acquisition capacity up to LTV 55%	
17th FP end	Approx. ¥15.7bn
18th FP end	Approx. ¥**26.7**bn

(Note) Refer to “References (*4)” for calculation method of “Avg. maturity”, “Weighted avg. interest rate” and ” Total LTV”, and definition of “Acquisition capacity”. (The same shall apply hereinafter.)

Financial Strategy - ② : Financial Indicators (as of 18th FP end)

1. Interest-bearing Debt Status

	16th FP end (Jul. 2018)	17th FP end (Jan. 2019)	18th FP end (Jul. 2019)
Interest-bearing debt balance	¥111,730mm	¥116,030mm	¥123,530mm
Avg. maturity	4.4yrs	4.3yrs	4.6yrs
Weighted avg. interest rate	0.64%	0.62%	0.60%
Total LTV	51.0%	51.8%	50.1%
Appraisal LTV	47.2%	47.4%	45.3%
Credit rating	AA-(stable)	AA-(stable)	AA-(stable)

(Note1) Refer to "References (*4)" for calculation method of "Interest-bearing debt status", "Appraisal LTV".

(Note2) Japan Credit Rating Agency, Ltd. ("JCR") assigned the credit rating.

2. Outstanding Debt Balance by Lender (as of 18th FP end)

3. Key Financial Indicators

① Avg. Maturity & Weighted Avg. Interest rate

② Ratio of Fixed Interest Debt to Total Debt

③ Ratio of Long-term Debt to Total Debt

Steady Implementation of Strategy and Investment Unit Performance

COMFORIA RESIDENTIAL REIT

≫ Recent investment unit price outperformed TSE REIT Index as a result of continuous implementation of various measures

Continuous external growth including asset replacement and provision of investment opportunities

① 4th Public Offering

② 5th Public Offering

③ 6th Public Offering

④ Asset Replacement

Internal growth centering on Tokyo 23 wards (Rent change on tenant turnover)

14th FP **3.4%** 15th FP **3.7%** 16th FP **4.6%** 17th FP **5.7%** 18th FP **6.8%**

Maximize unitholder value on a continuous basis

(Note) TSE REIT is re-indexed by using CRR's February 1, 2017 price of 252,600 yen as base price.

3. Future Strategy

Future Growth Strategy

External Growth

- Ongoing growth centering on properties developed by the sponsor.
- Promotion of qualitative improvement of the portfolio through asset replacement.
- Promotion of incorporation of operational rental residences through long-term fixed lease contracts with the sponsor group.

Financial strategy

- Appropriate LTV control leveraging Public offering.
- Utilization of reserve for reduction entry against the increase in expenses of large-scale repair work, etc.

Internal Growth

- Realization of rent increase at areas centering on the Tokyo 23 wards.
- Maintaining and improving the level of average occupancy rate.

Other strategy

- Promotion of ESG initiatives.
- Implementation of measures that contribute to enhancement of brand value.

Sponsor Group

東急不動産
TOKYU LAND CORPORATION
東急住宅リース
Tokyu Housing Lease Corporation
Etc.

Third Parties

Mainly acquire sponsor developed properties →

Enhance property competitiveness →

Replacement

Promote AUM expansion
Enhance portfolio quality

【AUM】	【Tokyo 23 Wards Ratio】
Prospect as of Sep. 2019	Prospect as of Sep. 2019
¥228.3bn	**91.1**% (Rental residence)

Realize increase of rent income and average occupancy rate

【Rent Change on Tenant Turnover】	【Public Offering】
18th FP (Jul. 2019)	18th FP (Jul. 2019)
+6.8%	**+96.9**%

Stable financial operation
Maximize unitholder's value

【LTV】	【Public Offering】
Prospect as of Sep. 2019	As of 18th FP end
50.1%	**¥208.5**bn

【Accumulated Internal Reserve】
As of 18th FP end
¥563mm
Utilize to stabilize DPU by allocating to temporary expense for large-scale repair work

← Investment

DPU Growth (on-going basis) →

Investors

Next Growth Target

» Established new target DPU (on-going basis) as latest target was achieved.

	6th FP (Jul. 2013)	7th FP (Jan. 2014)	8th FP (Jul. 2014)	9th FP (Jan. 2015)	10th FP (Jul. 2015)	11th FP (Jan. 2016)	12th FP (Jul. 2016)	13th FP (Jan. 2017)	14th FP (Jul. 2017)	15th FP (Jan. 2018)	16th FP (Jul. 2018)	17th FP (Jan. 2019)	18th FP (Jul. 2019)	19th FP (forecast) (Jan. 2020)	20th FP (forecast) (Jul. 2020)	Mid-term Target
Tokyo 23 wards ratio (Rental residence)	96.3%	93.3%	92.5%	92.9%	94.0%	93.6%	94.3%	92.8%	90.4%	90.4%	90.9%	90.9%	91.0%	91.1%	91.1%	**Build a portfolio by continuing to target the ratio of Tokyo 23 Wards assets (rental residences) at roughly 90%**
Avg. Walking Distance	5.2min	5.2min	4.9min	5.1min	5.2min	5.2min	4.9min	4.9min	4.8min	4.9min	4.8min	4.8min	4.9min	4.9min	4.9min	
NOI Yield	5.7%	5.7%	5.4%	5.3%	5.2%	5.3%	5.3%	5.3%	5.2%	5.3%	5.2%	5.2%	5.2%	5.3%	5.3%	
Credit rating		A+ (stable)			A+ (positive)				AA- (stable)							

(Note) NOI Yield is calculated by dividing annualized amount of actual NOI of properties owned as of the end of the fiscal period by the acquisition price.

External Growth Results in Line with Growth Strategy

COMFORIA RESIDENTIAL REIT

» In addition to AUM expansion by leveraging public offerings, expand internal reserves by promoting asset replacement while returning capital gain to unitholders.

External Growth in line with Current Growth Strategy

External growth in line with current growth strategy (from 16th FP(Jul. 2018))

	15th FP end ①	PO	Replacement: Acquisitions	Replacement: Dispositions	18th FP end ②	Differential ②－①
# of Properties	111	13	6	4	126	15
Asset Size (million yen) (Acquisition price basis)	188,536	26,477	13,560	2,629	225,944	37,408
Tokyo 23 Wards Ratio (Rental Residence)	90.4%	92.8%	74.0%	9.4%	91.0%	0.6pt
Avg. Walking Distance (Rental Residence)	4.9min	5.3min	4.6min	4.4min	4.9min	–

Capital Gains (million yen)	Internally Reserve (million yen)
802	563

PO Properties (Representative Property)

125 COMFORIA SHIBUYA WEST

Location	Meguro-ku, Tokyo
Acquisition price	¥5,397mm
Appraisal value	¥5,610mm
Rentable units	124 units
Completion date	Oct. 2015

Acquisitions without PO (Representative Property)

120 COMFORIA SHINJUKU

Location	Shinjuku- ku, Tokyo
Acquisition price	¥2,150mm
Appraisal value	¥2,300mm
Rentable units	65 units
Completion date	Mar. 2018

Replacement

Dispositions (Representative Property)

79 COMFORIA KITAHORIE

Location	Osaka-shi, Osaka
Sale price	¥1,200mm
Appraisal value	¥1,050mm
Rentable units	73 units
Completion date	Feb. 2007

Unitholder Return and Expansion of Internal Reserve

Leveraging Sponsor Support for Further Growth (Sponsor Pipeline)

COMFORIA RESIDENTIAL REIT

» Currently, there are **24** sponsor pipeline projects (approx.**2,400** units) mainly in Tokyo 23 Wards.

1-1. Tokyo 23 Wards Area

1-2. Osaka and Kyoto Area

Location	# of properties	# of units
Tokyo 23 Wards	20	1,978
Tokyo Metropolitan Area	-	-
Other Major Cities	4	433
Total	**24**	**2,411**
Completed	**8**	**917**

(Note1) There is no specific plan for acquisition of the above properties by CRR as of Sep. 18, 2019.

2. Operational Rental Residences Utilizing the Sponsor Group

Student Apartment

Nasic
NATIONAL STUDENTS INFORMATION CENTER

- Established: 1988
- Business: Student apartments, School support, and support for social contribution activities
- Operation: 1,013 facilities/ 45,000 units（as of Apr. 1, 2019）

CAMPUS VILLAGE

Senior Residence

東急イーライフデザイン

- Established: 2003
- Business: Management, Operation, Commissioned Management, Consulting, etc. for housing for elderly and fee-based nursing home
- Operation: 18 facilities/1,488 rooms (as of Mar. 31, 2019)

グランクレール

3. Sponsor Group's Cyclical Reinvestment Business

In "2017–2020 Medium-Term Management Plan" announced in May 2017, Tokyu Fudosan Holdings Group maintains "expansion of associated assets" as one of the Group's two fundamental policies, following the previous medium-term management plan. As shown in the figure below, Tokyu Fudosan Holdings Group has expanded associated assets by promoting the "cyclical reinvestment business" which seeks to expand the Group's rental business portfolio through the cycle of development, acquisition, ownership, operation, funds collection and reinvestment, to establish a continuous business cycle.

(Source) Compiled by the Asset Management Company from "Integrated Report 2017 " by Tokyu Fudosan Holdings Group
(Note2) The figure above shows the cases where properties are contributed to REITs, but properties may be sold other than the REITs.

Sustainability Initiatives ①

1. Establishment of Sustainability Policies (Apr. 2019)

Asset management company established anew the Sustainability Policies aiming to implement more proactively initiatives for the issues that we recognize, such as concerns for environment and society, and reinforcement of corporate governance, by stipulating as an internal set of rules of the Asset Management Company our approach in which we contribute to sustainable development of the society.

Sustainability Policies

1. **Environmental Considerations**
2. **Efforts for Employees**
3. **Collaboration with External Stakeholders**
4. **Legal Compliance and Risk Management**
5. **Information Disclosure**

To implement its sustainability policies, the Asset Management Company periodically convenes a Sustainability Promotion Council which comprises of members from throughout the company including the representative director and president of the Asset Management Company.

2. Identification of Materiality (Apr. 2019)

The Asset Management Company has identified materiality through the Sustainability Promotion Council by extracting significant medium- to long-term societal issues through the process shown below and based on tasks that CRR has been working on such as environmental issues.

STEP1 Awareness and organization of societal issues → **STEP2** Integration and consolidation of issues → **STEP3** Reflection of opinions from officers and employees → **STEP4** Identification of materiality

Materiality	Relevant SDGs
Reducing environmental impact	7, 11, 12, 13
Human capital development as a group of professionals	3, 4, 5, 8
Contribution to the region	3, 9, 11
Health and well-being of tenants	3, 11
Supplier engagement	11, 12
Management framework corresponding to multifaceted social demand towards sustainable society	12, 16

Improvement of CRR website
(Jul. 2019)

Revised website in July 2019 along with establishment of sustainability policies and identification of materiality.

Sustainability Initiatives ②

E Environment	Materiality	Reducing environmental impact
	Relevant SDG Targets	7.3 By 2030, double the global rate of improvement in energy efficiency 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

Status / Initiatives

Initiatives for improving energy efficiency

In conformity to the Act on the Rational Use of Energy（Energy Conservation Law）, we set an annual average cutting target of 1% in each energy sources for the entire portfolio and also for each property in the medium- to long-term.

■ **Switching to LED lights in common areas / Replacing air conditioners in private areas**

CRR is making progress in reduction of power consumption and environmental impact.

Switching to LED lights

Replacing air conditioners

■ **Green-lease provisions**

From the perspective of environmental friendliness, to reduce environmental load in collaboration with residents, we insert green-lease provisions in lease agreements, which are related to energy use and appropriate disposal of waste.

Implementation of monitoring at Sustainability Promotion Council

Initiatives in improving waste management

CRR reduces environmental impact at properties through separate disposal of waste in cooperation with the management company. It is also making every effort to improve resident satisfaction by taking measures to reduce odor at garbage collection points.

■ **Separate management of waste**

■ **Providing garbage disposal guides**

Acquisition of Environmental Certification

■ **GRESB Real Estate Assessment**

Received a “Green Star” rating, the highest rating.

GRESB ★★★☆☆ 2019

■ **DBJ Green Building Certification**

COMFORIA SHINJUKU EASTSIDE TOWER has acquired “5 Stars.”

DBJ Green Building 2018

Sustainability Initiatives ③

S Social		
	Materiality	①Contribution to the region ②Health and well-being of tenants ③Supplier engagement ④Human capital development as a group of professionals
	Relevant SDG Targets	11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

Status / Initiatives

Initiatives to improve tenant satisfaction

■ **Conduct Tenant satisfaction survey**

Survey		2016	2017	2018	2019
Building Cleaning (Common Areas)	Satisfied	56%	73%	68%	**72%**
	Neutral	30%	14%	18%	**14%**
	Unsatisfied	14%	13%	14%	**14%**
Building Management & Service	Satisfied	60%	68%	67%	**69%**
	Neutral	25%	26%	22%	**24%**
	Unsatisfied	15%	6%	11%	**7%**

■ **Hold tenant participation events**

Pool events

Concert event

Initiatives in local communities (COMFORIA SHINJUKU EASTSIDE TOWER)

■ **Disaster provision warehouse and manhole toilets**

Disaster provision warehouse

Manhole toilet

At Comforia Shinjuku Eastside Tower, we have established a disaster provision warehouse designated by the Shinjuku ward and manhole toilets for neighboring residents and workers in preparation for a disaster. We have also entered into an emergency mutual assistance agreement with three neighboring town councils to strengthen partnerships.

■ **Security of the local community**

There is a police box on the premises of Comforia Shinjuku Eastside Tower, contributing to the security of the local community.

■ **Open Space**

An open space is used as a walkway for neighboring residents and commuters.

Sustainability Initiatives ④

COMFORIA RESIDENTIAL REIT

G Governance	Materiality	Management framework corresponding to multifaceted social demand towards sustainable society
	Relevant SDG Targets	12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels

Status / Initiatives

Decision-making flow in acquisition of assets

CRR has appointed third-party real estate appraiser to its Investment Committee to secure objectivity in decision-making process for property acquisitions.

(Note1) Refer to "References (*5) for note of "Decision-making flow ".

Aligning interests between unitholders and the sponsor

In the public offering held in Feb. 2019, the sponsor acquired 5,384 units, which is 10% of the number of issuing units

In terms of capital relationship, CRR aims to make a strong relationship with the sponsor and to achieve mutual interests improvement by aligning the interests of the unitholders to that of the sponsor

Sponsor's investment ratio

8.9%

(as of July 31, 2019)

Other

Inclusion in MSCI Japan ESG Select Leaders Index (May. 2019)

MSCI Japan ESG Select Leaders Index (Note2)

- The Index is designed to target companies with high ESG performance selected from the MSCI Japan Investable Market Index (IMI) Top 700 Index.
- The Government Pension Investment Fund (GPIF) has also selected the Index as one of their ESG indices for their passive investment.
- CRR acquired "A" in MSCI ESG rating (**Only six J-REITs** acquired "A" or higher rating as of Jun.2019)

(Note2) The inclusion of CRR in any MSCI Index, and the use of MSCI logos, trademarks, service marks or index names by CRR in press releases concerning the inclusion, do not constitute a sponsorship, endorsement or promotion of CRR by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

4. Performance Forecast

Performance Forecast

COMFORIA RESIDENTIAL REIT

» Forecasted DPU of 5,150 yen for both 19th and the 20th Fiscal Periods, considering impact of consumption tax hike in Oct. 2019.

1. 18th & 19th FP Performance Forecasts

(million yen)

	18th FP actual ①	19th FP forecast ②	Differential ②－①	Major factors of fluctuation		20th FP forecast ③	Differential ③－②	Major factors of fluctuation	
Operating revenue	8,652	8,504	▲147	➢**Operating revenue**	**▲147**	8,653	+148	➢**Operating revenue**	**+148**
				Full operation of properties acquired in 18th FP	+72			Existing properties (Impact of busy season, etc.)	+130
Operating profit	3,978	3,809	▲169	Existing properties (Impact of no-busy season, etc.)	▲59	3,794	▲14	Full operation of a property acquired in 19th FP	+18
Profit	3,448	3,259	▲188	Other operating revenues (Absence of capital gains)	▲160	3,258	▲1	➢**Operating expenses**	**+162**
Net reserves for reduction entry (Note)	▲128	40	+169	➢**Operating expenses**	**+22**	41	+0	Existing properties (Impact of busy season, etc.)	+134
				Existing properties (Impact of no-busy season, etc.)	▲95			Full operation of a property acquired in 19th FP	+3
Distributions	3,319	3,300	▲19	Property tax payable (for those acquired in 2018)	+21	3,300	▲0	Property tax payable (for those acquired in 2019)	+17
Profit per unit (yen)	5,383	5,086	▲297	Asset management fee	+40	5,084	▲2	Impact of consumption tax hike	+13
				Impact of consumption tax hike	+25			Other operating expenses	▲6
Distribution per unit (yen)	5,180	5,150	▲30	Other operating expenses	+29	5,150	—	➢**Non-operating expenses**	**▲13**
				➢**Non-operating expenses**	**+17**			Interest expenses, etc.	▲6
Total number of issued units	640,834	640,834	—	Interest expenses, etc.	+14	640,834	—	Other non-operating expenses	▲6
				Other non-operating expenses	+3				

(Note) Positive figures show "using reserves" and negative figures show "securing reserves in "Net reserves for reduction entry."

2. Major Factors of Fluctuation in DPU
(Comparison of actual results of 18th FP with forecast for 19th FP and Comparison of forecasts for 19th FP with forecast for 20th FP)

5. Appendix

Portfolio Policy

Investment Target

- Primary target: Maintain over 80% investment ratio of “Rental Residence” generating stable earnings.
- Sub-target: “Operational Rental Residence” with services likely to attract demand (i.e. senior residences, serviced apartments and student apartments.)

Asset Type	Investment Target	Investment ratio (acquisition price base)	As of Jul.31,2019
Residential property	Rental residence	80%～100%	96.0%
	Operational rental residence	0%～20%	4.0%

(Note 1) Investment ratio is based on acquisition price. In terms of land with limited property rights, calculations are based on the type of residential property built on the parcel.

(Note 2) The definition of operational rental residence, which the Investment Corporation sets as its investment target, in the investment management guidelines was changed to the following on April 1, 2018.

“Operational rental residence, which the Investment Corporation sets as its investment target, refers to rental residences such as senior residences, serviced apartments and student apartments (dormitories) among residential properties, that require operations by specialized operators with operational skills different from such required for operating regular rental residences.

Investment Area

- Maintain over 80% investment ratio of assets in “Central Tokyo”, “Sub-central Tokyo” and “Tokyo Metropolitan areas”, where there is strong potential demand for rental residences.

Category	Investment Area		Investment ratio (acquisition price base)	As of Jul.31,2019
Central Tokyo	5 major wards	Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, and Shibuya-ku	80%～100%	93.8%
Sub-central Tokyo	Dense residential districts outside of the 5 major wards	Other Tokyo wards (excluding above)		
Tokyo Metropolitan area	Dense residential districts in all other Tokyo Metropolitan areas	All other areas within Tokyo Metropolitan boundaries expecting strong demand		
Other major cities	Dense residential districts in ordinance-designated cities		0%～20%	6.2%

(Note 3) Investment ratio is based on acquisition price. In terms of land with limited property rights, calculations are based on the area where the parcel exists.

Portfolio Map (as of September 30, 2019) (scheduled)

The Investment Corporation manages assets with superb accessibility located mainly in the Tokyo 23 wards.

Central Tokyo — 45 properties

1 COMFORIA NIHONBASHI NINGYOCHO	31 COMFORIA SHIBAURA BOWHOUSE	71 COMFORIA SASAZUKA	96 COMFORIA AZABU EAST
2 COMFORIA WASEDA	48 COMFORIA SHIROKANETAKANAWA	72 COMFORIA SHINJUKUGYOEN II	98 COMFORIA SHINJUKU EASTSIDE TOWER
3 COMFORIA SHIMOOCHIAI	49 COMFORIA NIHONBASHI NINGYOCHO EAST	73 COMFORIA ICHIGAYAYANAGICHO	103 COMFORIA ICHIGAYAYAKUOJI
4 COMFORIA HIGASHINAKANO	50 COMFORIA ATAGO	74 COMFORIA KAGURAZAKA	104 COMFORIA AKIHABARA EAST
14 COMFORIA GINZA EAST	56 COMFORIA KUDAN	80 COMFORIA NIBANCHO	105 COMFORIA MITA TROIS
15 COMFORIA AZABUDAI	57 COMFORIA NIHONBASHI NINGYOCHO NORTH	81 COMFORIA NISHISHINJUKU	113 COMFORIA SHIBAURA
16 COMFORIA SHIBAKOEN	58 COMFORIA SHINKAWA	83 COMFORIA KANDAJINBOCHO	120 COMFORIA SHINJUKU
17 COMFORIA NISHIAZABU	59 COMFORIA AKASAKA	84 COMFORIA NIHONBASHI	126 COMFORIA HIGASHINIHONBASHI
18 COMFORIA MINAMIAOYAMA	60 COMFORIA MITA EAST	85 COMFORIA TAMACHI	133 COMFORIA GINZA EAST NIBANKAN
20 COMFORIA NISHIWASEDA	61 COMFORIA SHIBAURA CANAL	86 COMFORIA AZABUJUBAN	
26 COMFORIA HARAJYUKU	69 COMFORIA KITASANDO	92 COMFORIA SHINJUKUGYOEN I	
30 COMFORIA MITA NORTH	70 COMFORIA YOYOGIUEHARA	93 COMFORIA KAGURAZAKA DEUX	

Sub-central Tokyo — 67 properties

5 COMFORIA BUNKYOKASUGA	37 COMFORIA HIMONYA	75 COMFORIA HIGASHIIKEBUKURO EAST	119 COMFORIA RYOGOKU TROIS
6 COMFORIA ASAKUSAMATSUGAYA	38 COMFORIA MISYUKU	76 COMFORIA HIGASHIIKEBUKURO	121 COLLEGE SQUARE HACHIMANYAMA
7 COMFORIA NISHIOI	39 COMFORIA GAKUGEIDAIGAKU	82 COMFORIA KOMABA	123 COMFORIA KINSHICHO DEUX
8 COMFORIA NAKANO	40 COMFORIA HIGASHINAKANO DEUX	87 COMFORIA KINSHICHO	124 COMFORIA KAMEIDO SOUTH
9 COMFORIA SHIMOKITAZAWA	41 COMFORIA HIGASHIIKEBUKURO WEST	88 COMFORIA MINAMISUNAMACHI	125 COMFORIA SHIBUYA WEST
10 COMFORIA NISHIKAMATA	43 COMFORIA RYOGOKU DEUX	89 COMFORIA HIGASHISHINAGAWA	127 COMFORIA ASAKUSAKOMAGATA
11 COMFORIA OYAMA	44 COMFORIA OMORI DEUX	90 COMFORIA MEGUROYAKUMO	128 COMFORIA OMORIKASHIMA
12 COMFORIA KIYOSUMISHIRAKAWA SOUTH	45 COMFORIA MACHIYA	91 COMFORIA YOGA	129 COMFORIA OMORIMACHI
13 COMFORIA KOMAZAWA	51 COMFORIA ASAKUSABASHI	94 COMFORIA ITABASHINAKAJUKU	130 COMFORIA KAMIIKEDAI
21 COMFORIA KOISHIKAWA	52 COMFORIA RYOGOKU SOUTH	97 COMFORIA SHINAGAWA EAST	131 CAMPUS VILLAGE SHINAMACHI
22 COMFORIA SENGOKU	53 COMFORIA TOYOSU	99 COMFORIA OJIMA	
23 COMFORIA DAIKANYAMAAOBADAI	55 COMFORIA SUMIDA-TACHIBANA	100 COMFORIA OMORI TROIS	
27 COMFORIA IKEBUKURO	62 COMFORIA UENOHIROKOJI	106 COMFORIA BUNKYOHAKUSAN	
29 COMFORIA RYOGOKUJISHIWARA	63 COMFORIA KASUGATOMISAKA	107 COMFORIA KAMATA	
32 COMFORIA ASAKUSABASHI DEUX	64 COMFORIA HONKOMAGOME	108 COLLEGE COURT HACHIMANYAMA	
33 COMFORIA OSHIAGE	65 COMFORIA MORISHITA	114 COMFORIA UENOIRIYA	
34 COMFORIA HONJOAZUMABASHI	66 COMFORIA KIBAKOEN	115 COMFORIA IKEJIRI	
35 COMFORIA KIYOSUMISHIRAKAWA TROIS	67 COMFORIA MEGURO CHOJAMARU	116 COMFORIA SETAGAYAKAMIUMA	
36 COMFORIA MONZENNAKACHO	68 COMFORIA NISHIMAGOME	118 COMFORIA AKABANEIWABUCHI	

Tokyo metropolitan area — 6 properties

46 COMFORIA ICHIKAWAMYODEN	112 COMFORIA GYOTOKU
47 COMFORIA YATSUKA	122 GRANCREER CENTER-MINAMI
77 COMFORIA SHINKOYASU	132 COMFORIA TAMA-PLAZA

Other major cities — 9 properties

54 COMFORIA SHIN-OSAKA	109 COMFORIA SHINSAIBASHI EAST
78 COMFORIA SHINSAKAE	110 COMFORIA KYOMACHIBORI
95 COMFORIA KITASANJO	111 COMFORIA AWAZA
101 COMFORIA SAPPORO SHOKUBUTSUEN	117 COMFORIA KITAHAMA
102 COMFORIA OGIMACHI	

Total 127 properties

Four Advantages COMFORIA offers

Location

COMFORIA knows how valuable time is.

Quality

COMFORIA knows what high quality feels like.

Safety

COMFORIA knows where peace of mind comes from.

Service

COMFORIA knows how residents feel.

Effective Utilization of Tokyu Fudosan Holdings Group①

Value chain of Tokyu Fudosan Holdings Group

Sponsor Support

Sponsor Support Agreement — 東急不動産 TOKYU LAND CORPORATION

Information on Sale of Property

Support Agreement — VIABLE 東急リバブル Tokyu Livable, Inc.

COMFORIA RESIDENTIAL REIT

東急不動産リート・マネジメント TLC REIT Management Inc.

Property Management of Rental Residence

Support Agreement PM Agreement — 東急住宅リース Tokyu Housing Lease Corporation

Support Agreement — 東急コミュニティー TOKYU COMMUNITY CORP.

Service for Residents

Support Agreement — 株式会社 イーウェル EWEL, Inc.

Support Agreement — TOKYU SPORTS OASIS TOKYU SPORTS OASIS Inc.

Property Management of Operational Rental Residence

Support Agreement (Student Apartment) — Nasic ナジック 学生情報センター NATIONAL STUDENTS INFORMATION CENTER

Support Agreement (Senior Residence) — 東急イーライフデザイン TOKYU E-LIFE DESIGN Inc.

Effective Utilization of Tokyu Fudosan Holdings Group②

COMFORIA RESIDENTIAL REIT

» Providing **added value** to residents and promoting **extension** of residential periods.

COMFORIA WELBOX

株式会社 イーウェル
Ewel

Internet service where various discounts are available (menu of approx. 30,000)

Fit On

TOKYU SPORTS OASIS

Service allowing free use of Tokyu Sports Oasis shops (only for designated properties)

Flag Property ＜COMFORIA SHINJUKU EASTSIDE TOWER＞

COMFORIA RESIDENTIAL REIT

DBJ Green Building Certification

COMFORIA SHINJUKU EASTSIDE TOWER acquired the DBJ Green Building Certification's highest certification rank (**5-star**) for residence as the first such case in Japan, recognized as a property with the best class environmental & social awareness.

DBJ Green Building 2018

Location	6-27-29 Shinjuku, Shinjuku-ku, Tokyo etc.
Type of Ownership	(Land) Term leasehold interest (Building) Ownership
Land Area	10,870.10㎡
Gross Floor Area	(Tower Building) 69,308.35㎡ (Annex Building) 2,305.29㎡ (Gate Building) 203.15㎡
Structure / Number of Floors	(Tower Building) RC・S／B1F－32F (Annex Building) RC／4F (Gate Building) RC／1F
Completion Date	January, 2012
Nearest Station	2-minute walk from Higashi-Shinjuku Station on Tokyo Metro Fukutoshin Line and other. 4-minute walk from Shinjuku-sanchome Station on Tokyo Metro Marunouchi Line and other.
Acquisition Price	13,264 million yen
Rentable Units	765 units (Breakdown) Compact type 413 units Family type 328 units Large type 20 units Retail type 4 units
Occupancy Rate	95.6% (as of Jul. 31, 2019)

Performance Trend

Flag Property ＜COMFORIA SHINJUKU EASTSIDE TOWER＞

COMFORIA RESIDENTIAL REIT

COMMON AREA

Infinity Edge Pool

Club Lounge

Main Entrance

Rooftop Terrace

Spa & Relaxation

Forest Lounge

Gym

Guest Room

Forest Gallery

Center Terrace

Golf Simulator & Karaoke

Board Room

SERVICE

Concierge Service

Morning Buffet

Valet Parking Service

Car Wash Service

Trends in Types of Households in Tokyo

≫ CRR invests in rental residences located primarily in the Tokyo area for “singles and small families”. Such residences are likely to receive stronger demand as the aggregate number of households increase.

Housing market and demographic trends	① Number of households are expected to increase in the Tokyo metropolitan area and Tokyo. ② Due to demographic changes associated with declining birth rate and late marriages, the number of singles and small families are expected to continue increasing.

Estimated Number of Households in Tokyo

(Source) National Institute of Population and Social Security Research’s "Household statistical projection for Japan (by prefecture) Apr. 2019“.

Number of Households in Tokyo by Type

(Source) National Institute of Population and Social Security Research’s "Household statistical projection for Japan (by prefecture) Apr. 2019“.

Selective Investments in Tokyo 23 Wards

COMFORIA RESIDENTIAL REIT

» Build a foundation for stable growth by making selective investments in blue-chip assets located in Tokyo 23 wards where a favorable supply-demand balance is expected to continue.

Tokyo 23 Ward Assets make profits stably and increasingly

Supply-demand trend in Tokyo 23 wards is believed to remain favorable, as stable demand for rental residences is expected backed by net-migration while rental housing starts remain low.

Supply-Demand Trend in Major Cities

Demand : Net-migration of group by ages 15 to under 39

Supply : Rental housing starts

(Source) Statistics Bureau, Ministry of Internal Affairs and Communications, "Report on Internal Migration in Japan"

(Source) Ministry of Land, Infrastructure, Transportation and Tourism, Policy Bureau, Construction Statistics Office "Housing Starts"

Rental Housing Starts in Tokyo 23 Wards

Continues to be at a low level compared with the peak year

(Source) Ministry of Land, Infrastructure, Transportation and Tourism, Policy Bureau, Construction Statistics Office "Housing Starts"

Macro Environment Surrounding Student Apartments and Senior Residences

Student Apartments

Stable Number of Students

The number of students in universities, graduate school and junior college remains unchanged with the rise of advancement rates to universities and junior college, increase in the number of foreign students and other factors. Stable demand for student dormitories and student apartments is expected.

＜Change in Number of Enrolled Students and Foreign Students at Universities, etc.＞

(Source) "School Basic Survey" (Ministry of Education, Culture, Sports, Science and Technology) for number of students; and "Annual Survey of International Students in Japan" (Japan Student Services Organization) for number of foreign students

Increase of Women's Advancement Rate

The advancement rate for women in particular is trending upwards and the number of female students is increasing. An increase in demand for student apartments and student dormitories with good security and design is expected.

＜Change in Number of Students Advancing and Advancement Rate to Universities and Junior Colleges by Gender＞

(Source) "Statistical Abstract of Education, Sci. and Culture" (Ministry of Education, Culture, Sports, Science and Technology) for Number of students; and "School Basic Survey" (Ministry of Education, Culture, Sports, Science and Technology) for advancement rate

Senior Residences

Increase in Elderly Population

The number of seniors aged 65 or older is increasing year by year and is expected to increase significantly in the future. Demand for senior residences is also expected to grow.

＜Change/Estimate of Population 65 Years or Older in Tokyo Metropolitan Area＞

(Source) "Demographics of Japan" (Ministry of Internal Affairs and Communications) for 2000 to 2015; and "Population Projections for Japan (estimated in January)" (National Institute of Population and Social Security Research) for 2020 and after

Increase in Elderly Single-Person Households

An increase in elderly single-person households is expected in the Tokyo metropolitan area. The demand for senior residences that provide not only nursing care services but also services such as community formations is expected to increase going forward.

＜Change/Estimate of Elderly Single-Person Households in Tokyo Metropolitan Area＞

(Source) "Population Projections for Japan (estimated in January)" (National Institute of Population and Social Security Research)

Trends in Sales Market and Financial Environment

COMFORIA RESIDENTIAL REIT

» J-REIT market remains strong backed by global downward trend in interest rate

Property Market Trends	Market cap rate hovers at a level above historical low.
The Long-term Interest Trends	Long-term interest rate **entered negative range** backed by global downward trend in interest rate
Equity Market Trends	TSE REIT Index recovered to **2,000pt for the first time in eleven years** as its stable profitability was highly evaluated

Comparable Yields

(Source) Based on "Japanese Real Estate Investor Survey" "Market Cap Rate" from the Japan Real Estate Institute and newly-issued 10-year JGB auction results. Market Cap Rate in Tokyo Ward 23 is applied to that in Southern Tokyo. 10-year JGB interest rates" are based on average yields from auction results during the respective period.

(Note) "Historical 10-year average" is based on averages figures from Sep. 2009 to Aug. 2019.

Recent Historical TSE REIT Index

(Source) Tokyo Stock Exchange, Inc.

(Note) TOPIX is re-indexed by using TSE REIT Index's January 4, 2018 price of 1,665.15pt as base price.

Income Statement & Balance Sheet for 17th – 18th Fiscal Period

Income Statement for 17th – 18th Fiscal Period

(thousand yen)

	17th Fiscal Period (period ending Jan 2019)	18th Fiscal Period (period ending Jul 2019)	Period-on-period change
Operating revenue	8,128,578	8,652,563	523,985
Lease business revenue	7,594,821	8,140,239	545,418
Other lease business revenue	274,666	344,123	69,456
Gain on sales of real estate properties	259,090	168,200	▲ 90,890
Operating expenses	4,425,821	4,673,567	247,746
Expenses related to rent business	3,687,607	3,928,753	241,146
Asset management fee	464,589	479,542	14,953
Other operating expenses	273,624	265,270	▲ 8,354
Operating profit	3,702,757	3,978,996	276,238
Non-operating income	925	759	▲ 166
Non-operating expenses	525,349	525,793	444
Interest expenses	342,563	338,753	▲ 3,809
Interest expenses on investment corporation bonds	24,290	24,704	414
Others	158,495	162,334	3,839
Ordinary profit	3,178,333	3,453,962	275,628
Profit before income taxes	3,178,333	3,453,962	275,628
Total income tax	5,624	5,626	1
Income taxes - current	5,656	5,965	308
Income taxes - deferred	▲ 32	▲ 339	▲ 306
Profit	3,172,709	3,448,336	275,626
Retained earnings brought forward	-	-	-
Unappropriated retained earnings	3,172,709	3,448,336	275,626
Use of internal reserves	▲ 132,080	▲ 128,816	3,264
Distributions	3,040,628	3,319,520	278,891

Rent NOI	5,405,283	5,843,875	438,591
Internal reserve（after distribution)	434,888	563,704	128,816

Issued units (units)	586,994	640,834	53,840
DPU (yen)	5,180	5,180	-

Balance Sheet for 17th–18th Fiscal Period

(thousand yen)

	17th Fiscal Period (period ending Jan 2019)	18th Fiscal Period (period ending Jul 2019)	Period-on-period change
《Assets》			
Current assets	15,378,413	18,038,436	2,660,022
Cash and deposits	7,981,322	9,806,155	1,824,833
Cash and deposits in trust	7,025,009	7,794,604	769,594
Other current assets	372,082	437,676	65,594
Non-current assets	208,370,041	228,347,215	19,977,174
Property, plant and equipment	204,797,414	224,739,233	19,941,818
Properties in trust etc.	204,797,414	224,739,233	19,941,818
Intangible assets (Leasehold rights in trust)	1,174,875	1,166,310	▲ 8,565
Other intangible assets	17,667	14,118	▲ 3,549
Investments and other assets	2,380,082	2,427,553	47,470
Deferred assets	81,388	112,657	31,268
Total assets	223,829,843	246,498,308	22,668,465
《Liabilities》			
Current liabilities	18,137,557	9,741,767	▲ 8,395,789
Short term loans payable	-	-	-
Current portion of long-term loans payable	16,045,000	7,350,000	▲ 8,695,000
Operating accounts payable	599,318	791,399	192,081
Accounts payable - other	45,882	56,748	10,866
Accrued expenses	159,605	176,993	17,388
Income taxes payable	5,646	5,954	307
Advance received	1,270,582	1,359,964	89,382
Others	11,521	706	▲ 10,815
Non-current liabilities	102,402,390	118,827,895	16,425,504
Long term loans payable	91,485,000	105,180,000	13,695,000
Investment corporation bonds	8,500,000	11,000,000	2,500,000
Tenant leasehold and security deposits in trust,etc.	2,316,180	2,546,420	230,239
Asset retirement obligations	96,972	97,576	604
Others	4,237	3,898	▲ 339
Total liabilities	120,539,947	128,569,663	8,029,715
《Net assets》			
Unitholders' equity	103,289,895	117,928,645	14,638,749
Unitholders' capital	99,814,378	114,045,421	14,231,042
Surplus	3,475,517	3,883,224	407,707
Reserve for reduction entry	302,807	434,888	132,080
Unappropriated retained earnings	3,172,709	3,448,336	275,626
Valuation and translation adjustments	–	–	–
Total net assets	103,289,895	117,928,645	14,638,749
Total liabilities and net assets	223,829,843	246,498,308	22,668,465

18th–20th Fiscal Period Performance Forecast

(million yen)

	18th Fiscal Period (period ending Jul 2019)			19th Fiscal Period (period ending Jan 2020)			20th Fiscal Period (period ending Jul 2020)	
	Actual results	Forecast (Mar 14.2019)	Differential	Forecast (Mar 14.2019)	Forecast (Sep 13.2019)	Differential	Forecast (Sep 13.2019)	Differential (19th FP Forecast (Sep 13.2019))
# of operating days	181 days			184 days			182 days	
Operating revenue	8,652	8,360	292	8,459	8,504	45	8,653	148
Lease business revenue	8,140	8,047	93	8,190	8,221	30	8,289	68
Other lease business revenue	344	313	31	268	283	15	364	80
Gain on sales of real estate properties	168	-	168	-	-	-	-	-
Leasing business expenses	3,928	3,857	71	3,825	3,852	26	4,007	155
Leasing business expenses	2,237	2,160	77	2,092	2,119	27	2,250	130
Taxes and public dues	402	400	1	422	422	0	439	17
Depreciation	1,288	1,295	▲ 7	1,311	1,309	▲ 1	1,317	7
Other operating expenses	744	755	▲ 11	837	843	5	850	7
Operating profit	3,978	3,747	231	3,795	3,809	13	3,794	▲ 14
Non-operating income/expense	▲ 525	▲ 549	24	▲ 572	▲ 543	29	▲ 530	13
Ordinary profit	3,453	3,197	256	3,222	3,265	43	3,264	▲ 1
Income tax, etc	5	6	0	6	6	0	6	-
Profit	3,447	3,191	256	3,215	3,259	43	3,258	▲ 1
Use of reserves for reduction entry and other, net	▲ 128	38	▲ 167	45	40	▲ 5	41	1
Distributions	3,319	3,229	89	3,261	3,300	38	3,300	-
DPU (yen)	5,180	5,040	140	5,090	5,150	60	5,150	-
Issued units at term end (units)	640,834	640,834	-	640,834	640,834	-	640,834	-
# of properties at term end (properties)	126	127	▲ 1	127	127	-	127	-
Total acquisition price	225,944	226,954	▲ 1,010	226,954	228,324	1,370	228,324	-

Property List (as of 18th FP end)

No.	Property name	Investment area	Location	Acquistion Date	Construction Completion Date	Gross floor area	Structure /Floors	Rentable units	Rentable area	Occupancy rate at the end of period	Acquisition price (thousand yen)	Book value (thousand yen)	Appraisal value at the end of period (thousand yen)
Portfolio properties at 18th FP end													
1	COMFORIA NIHONBASHI NINGYOCHO	Central Tokyo	Chuo-ku, Tokyo	Aug-10	Feb-08	3,021.53㎡	RC/10F	45	2,473.56㎡	97.5%	1,586,837	1,517,232	2,270,000
2	COMFORIA WASEDA	Central Tokyo	Shinjuku-ku, Tokyo	Aug-10	Apr-09	3,080.28㎡	RC/B1-5F	79	2,836.97㎡	96.9%	1,900,000	1,860,993	2,600,000
3	COMFORIA SHIMOOCHIAI	Central Tokyo	Shinjuku-ku, Tokyo	Aug-10	Mar-05	2,726.15㎡	RC/5F	44	2,430.20㎡	98.3%	1,181,000	1,092,648	1,650,000
4	COMFORIA HIGASHINAKANO	Central Tokyo	Shinjuku-ku, Tokyo	Aug-10	Mar-08	1,058.75㎡	RC/7F	37	827.09㎡	97.6%	552,707	544,277	724,000
5	COMFORIA BUNKYOKASUGA	Sub-central Tokyo	Bunkyo-ku, Tokyo	Aug-10	Nov-09	3,198.54㎡	SRC/B1-14F	80	2,234.19㎡	98.1%	1,470,000	1,369,644	2,030,000
6	COMFORIA ASAKUSAMATSUGAYA	Sub-central Tokyo	Taito-ku, Tokyo	Aug-10	Sep-09	2,264.84㎡	SRC/14F	62	2,044.98㎡	95.8%	910,000	828,163	1,260,000
7	COMFORIA NISHIOI	Sub-central Tokyo	Shinagawa-ku, Tokyo	Aug-10	Jan-07	1,542.53㎡	RC/4F	59	1,174.94㎡	94.9%	902,370	867,719	1,090,000
8	COMFORIA NAKANO	Sub-central Tokyo	Nakano-ku, Tokyo	Aug-10	Jun-07	1,935.39㎡	RC/B1-6F	35	1,640.96㎡	95.1%	881,863	897,259	1,070,000
9	COMFORIA SHIMOKITAZAWA	Sub-central Tokyo	Setagaya-ku, Tokyo	Aug-10	Feb-05	5,287.18㎡	RC/B1-11F	116	3,892.18㎡	98.7%	2,587,000	2,386,219	3,490,000
10	COMFORIA NISHIKAMATA	Sub-central Tokyo	Ota-ku, Tokyo	Aug-10	Feb-09	3,358.99㎡	RC/15F	103	2,634.08㎡	97.4%	1,550,000	1,438,418	2,180,000
11	COMFORIA OYAMA	Sub-central Tokyo	Itabashi-ku, Tokyo	Aug-10	Oct-00	4,793.28㎡	SRC・RC/B1-14F	97	3,607.39㎡	94.3%	1,987,000	1,923,043	2,460,000
12	COMFORIA KIYOSUMISHIRAKAWA SOUTH	Sub-central Tokyo	Koto-ku, Tokyo	Jan-11	Nov-06	1,317.22㎡	RC/10F	45	1,162.80㎡	97.8%	740,000	683,514	972,000
13	COMFORIA KOMAZAWA	Sub-central Tokyo	Setagaya-ku, Tokyo	Jan-11	Apr-07	1,695.46㎡	SRC/15F	39	1,546.24㎡	95.1%	1,290,000	1,216,745	1,740,000
14	COMFORIA GINZA EAST	Central Tokyo	Chuo-ku, Tokyo	Mar-11	Mar-05	5,773.48㎡	SRC/B1-14F	133	4,816.73㎡	98.2%	3,059,000	2,958,389	4,280,000
15	COMFORIA AZABUDAI	Central Tokyo	Minato-ku, Tokyo	Mar-11	Feb-05	1,028.94㎡	RC/B1-4F	24	848.65㎡	100.0%	574,000	551,862	830,000
16	COMFORIA SHIBAKOEN	Central Tokyo	Minato-ku, Tokyo	Mar-11	Dec-04	1,914.13㎡	SRC/13F	54	1,717.95㎡	100.0%	1,398,000	1,375,247	1,900,000
17	COMFORIA NISHIAZABU	Central Tokyo	Minato-ku, Tokyo	Mar-11	Sep-03	1,069.77㎡	RC/9F	22	937.26㎡	100.0%	755,000	724,755	1,030,000
18	COMFORIA MINAMIAOYAMA	Central Tokyo	Minato-ku, Tokyo	Mar-11	Oct-03	1,763.88㎡	RC・S/B1-9F	24	1,486.07㎡	96.8%	1,041,000	1,097,966	1,610,000
20	COMFORIA NISHIWASEDA	Central Tokyo	Shinjuku-ku, Tokyo	Mar-11	Feb-05	2,971.10㎡	SRC・RC/B1-13F	60	2,535.67㎡	97.2%	1,685,000	1,589,790	2,250,000
21	COMFORIA KOISHIKAWA	Sub-central Tokyo	Bunkyo-ku, Tokyo	Mar-11	Nov-04	1,015.71㎡	RC/B1-7F	37	830.35㎡	95.3%	552,000	552,371	689,000
22	COMFORIA SENGOKU	Sub-central Tokyo	Bunkyo-ku, Tokyo	Mar-11	May-89	3,514.75㎡	RC/5F	44	3,159.70㎡	98.3%	1,219,000	1,250,705	1,770,000
23	COMFORIA DAIKANYAMAAOBADAI	Sub-central Tokyo	Meguro-ku, Tokyo	Mar-11	Dec-05	1,533.95㎡	RC/B1-10F	26	1,163.10㎡	91.0%	926,000	913,274	1,400,000
26	COMFORIA HARAJYUKU	Central Tokyo	Shibuya-ku, Tokyo	Mar-11	Feb-05	6,314.63㎡	RC/B1-7F	99	4,528.51㎡	100.0%	3,629,000	3,554,895	5,150,000
27	COMFORIA IKEBUKURO	Sub-central Tokyo	Toshima-ku, Tokyo	Mar-11	Jan-05	1,171.21㎡	RC/11F	28	963.47㎡	100.0%	602,000	563,879	705,000
29	COMFORIA RYOGOKUISHIWARA	Sub-central Tokyo	Sumida-ku, Tokyo	Jun-11	Mar-07	1,151.47㎡	RC/11F	47	1,011.91㎡	100.0%	651,000	610,591	846,000
30	COMFORIA MITA NORTH	Central Tokyo	Minato-ku, Tokyo	Aug-11	Feb-03	1,257.94㎡	SRC・RC/11F	30	1,128.88㎡	100.0%	850,000	855,596	1,090,000
31	COMFORIA SHIBAURA BOWHOUSE	Central Tokyo	Minato-ku, Tokyo	Feb-12	Mar-06	4,862.18㎡	RC/15F	75	4,431.79㎡	95.8%	2,650,000	2,547,441	3,560,000
32	COMFORIA ASAKUSABASHI DEUX	Sub-central Tokyo	Taito-ku, Tokyo	Feb-12	Dec-07	1,596.33㎡	SRC/13F	46	1,392.56㎡	96.3%	874,000	839,306	1,070,000
33	COMFORIA OSHIAGE	Sub-central Tokyo	Sumida-ku, Tokyo	Feb-12	Oct-07	1,369.26㎡	RC/11F	47	1,058.10㎡	100.0%	714,000	688,162	872,000
34	COMFORIA HONJOAZUMABASHI	Sub-central Tokyo	Sumida-ku, Tokyo	Feb-12	Jan-08	1,434.29㎡	RC/9F	48	1,184.50㎡	98.2%	762,000	735,763	960,000
35	COMFORIA KIYOSUMISHIRAKAWA TROIS	Sub-central Tokyo	Koto-ku, Tokyo	Feb-12	Apr-08	1,553.45㎡	RC/9F	50	1,260.51㎡	100.0%	873,000	828,869	1,080,000
36	COMFORIA MONZENNAKACHO	Sub-central Tokyo	Koto-ku, Tokyo	Feb-12	Apr-08	4,916.04㎡	RC/13F	144	3,725.52㎡	98.6%	2,658,000	2,512,501	3,310,000
37	COMFORIA HIMONYA	Sub-central Tokyo	Meguro-ku, Tokyo	Feb-12	Mar-03	2,302.53㎡	RC/6F	28	2,158.72㎡	91.8%	1,189,000	1,171,295	1,600,000
38	COMFORIA MISYUKU	Sub-central Tokyo	Setagaya-ku, Tokyo	Feb-12	Feb-04	2,842.56㎡	RC/14F	59	2,598.50㎡	95.9%	1,874,000	1,789,145	2,480,000
39	COMFORIA GAKUGEIDAIGAKU	Sub-central Tokyo	Setagaya-ku, Tokyo	Feb-12	Apr-05	1,919.59㎡	RC/4F	38	1,602.88㎡	94.7%	1,138,000	1,110,679	1,600,000

Property List (as of 18th FP end)

No.	Property name	Investment area	Location	Acquistion Date	Construction Completion Date	Gross floor area	Structure /Floors	Rentable units	Rentable area	Occupancy rate at the end of period	Acquisition price (thousand yen)	Book value (thousand yen)	Appraisal value at the end of period (thousand yen)
Portfolio properties at 18th FP end													
40	COMFORIA HIGASHINAKANO DEUX	Sub-central Tokyo	Nakano-ku, Tokyo	Feb-12	Dec-09	1,419.08㎡	RC/B1-9F	40	1,230.92㎡	100.0%	833,000	797,942	1,130,000
41	COMFORIA HIGASHIIKEBUKURO WEST	Sub-central Tokyo	Toshima-ku, Tokyo	Feb-12	Jun-09	8,296.57㎡	RC/13F	155	6,436.14㎡	96.1%	3,911,000	3,710,510	5,450,000
43	COMFORIA RYOGOKU DEUX	Sub-central Tokyo	Sumida-ku, Tokyo	Sep-12	Aug-06	2,010.27㎡	RC/9F	66	1,590.97㎡	96.9%	1,014,730	1,004,259	1,360,000
44	COMFORIA OMORI DEUX	Sub-central Tokyo	Ota-ku, Tokyo	Sep-12	Feb-07	2,180.52㎡	RC/12F	64	1,619.13㎡	98.6%	1,188,000	1,170,787	1,450,000
45	COMFORIA MACHIYA	Sub-central Tokyo	Arakawa-ku, Tokyo	Sep-12	Apr-07	1,361.92㎡	RC/11F	30	1,279.83㎡	90.9%	594,000	587,874	920,000
46	COMFORIA ICHIKAWAMYODEN	Tokyo Metropolitan area	Ichikawa-shi, Chiba	Sep-12	Apr-07	1,533.11㎡	RC/5F	48	1,408.46㎡	95.5%	606,000	595,500	749,000
47	COMFORIA YATSUKA	Tokyo Metropolitan area	Soka-shi, Saitama	Sep-12	Mar-07	1,710.09㎡	SRC/13F	62	1,562.40㎡	96.8%	626,000	606,524	723,000
48	COMFORIA SHIROKANETAKANAWA	Central Tokyo	Minato-ku, Tokyo	Nov-12	Oct-07	1,932.57㎡	RC/13F	37	1,521.11㎡	89.6%	1,300,000	1,303,788	1,740,000
49	COMFORIA NIHONBASHI NINGYOCHO EAST	Central Tokyo	Chuo-ku, Tokyo	Feb-13	Oct-07	2,912.38㎡	RC/10F	82	2,447.11㎡	98.0%	2,139,300	2,060,383	2,660,000
50	COMFORIA ATAGO	Central Tokyo	Minato-ku, Tokyo	Feb-13	Apr-04	1,147.20㎡	SRC/11F	38	1,002.00㎡	87.5%	826,000	839,855	1,010,000
51	COMFORIA ASAKUSABASHI	Sub-central Tokyo	Taito-ku, Tokyo	Feb-13	Nov-11	5,273.67㎡	RC/B1-14F	141	4,234.76㎡	96.7%	2,680,000	2,553,806	3,540,000
52	COMFORIA RYOGOKU SOUTH	Sub-central Tokyo	Sumida-ku, Tokyo	Feb-13	Nov-11	2,404.23㎡	RC/9F	61	2,106.75㎡	97.5%	1,240,000	1,184,835	1,660,000
53	COMFORIA TOYOSU	Sub-central Tokyo	Koto-ku, Tokyo	Feb-13	Mar-09	4,513.10㎡	RC/9F	161	4,127.00㎡	96.0%	3,096,650	2,951,598	3,780,000
54	COMFORIA SHIN-OSAKA	Other major cities	Higashi Yodogawa-ku, Osaka-shi, Osaka	Sep-13	Oct-06	6,530.63㎡	RC/15F	133	5,999.67㎡	96.7%	2,400,000	2,278,602	2,890,000
55	COMFORIA SUMIDA-TACHIBANA	Sub-central Tokyo	Sumida-ku, Tokyo	Dec-13	Sep-07	1,888.25㎡	RC/8F	56	1,708.15㎡	100.0%	938,000	932,732	1,010,000
56	COMFORIA KUDAN	Central Tokyo	Chiyoda-ku, Tokyo	Feb-14	Feb-07	1,787.89㎡	RC/13F	36	1,589.22㎡	100.0%	1,280,500	1,311,887	1,600,000
57	COMFORIA NIHONBASHININGYOCHO NORTH	Central Tokyo	Chuo-ku, Tokyo	Feb-14	Jan-05	1,717.58㎡	RC/10F	36	1,447.92㎡	100.0%	1,108,000	1,071,808	1,380,000
58	COMFORIA SHINKAWA	Central Tokyo	Chuo-ku, Tokyo	Feb-14	Mar-08	2,866.08㎡	RC/12F	59	2,452.32㎡	100.0%	1,840,800	1,788,522	2,230,000
59	COMFORIA AKASAKA	Central Tokyo	Minato-ku, Tokyo	Feb-14	Apr-13	2,956.70㎡	RC/B1-11F	40	2,182.10㎡	92.5%	1,945,000	1,912,881	2,790,000
60	COMFORIA MITA EAST	Central Tokyo	Minato-ku, Tokyo	Feb-14	Jan-08	4,973.31㎡	RC/B1-13F	111	3,639.93㎡	98.6%	3,190,550	3,081,320	3,960,000
61	COMFORIA SHIBAURA CANAL	Central Tokyo	Minato-ku, Tokyo	Feb-14	Dec-04	2,703.41㎡	RC/10F	95	2,070.14㎡	97.9%	1,570,000	1,558,564	1,910,000
62	COMFORIA UENOHIROKOJI	Sub-central Tokyo	Taito-ku, Tokyo	Feb-14	Nov-07	1,935.60㎡	RC/B1-14F	37	1,462.39㎡	96.1%	1,050,000	1,076,015	1,310,000
63	COMFORIA KASUGATOMISAKA	Sub-central Tokyo	Bunkyo-ku, Tokyo	Feb-14	Feb-08	4,479.23㎡	RC/B1-12F	106	3,527.90㎡	98.2%	2,912,150	2,828,769	3,710,000
64	COMFORIA HONKOMAGOME	Sub-central Tokyo	Bunkyo-ku, Tokyo	Feb-14	Jan-05	2,623.37㎡	SRC/13F	36	2,222.28㎡	100.0%	1,344,000	1,298,659	1,720,000
65	COMFORIA MORISHITA	Sub-central Tokyo	Koto-ku, Tokyo	Feb-14	Sep-07	2,159.39㎡	RC/14F	75	1,977.02㎡	97.5%	1,530,000	1,465,255	1,780,000
66	COMFORIA KIBAKOEN	Sub-central Tokyo	Koto-ku, Tokyo	Feb-14	Sep-07	1,753.85㎡	RC/9F	60	1,281.00㎡	98.3%	956,000	918,450	1,150,000
67	COMFORIA MEGURO CHOJAMARU	Sub-central Tokyo	Shinagawa-ku, Tokyo	Feb-14	Mar-05	3,720.52㎡	RC/B2-3F	71	2,889.46㎡	100.0%	1,972,000	1,960,085	2,490,000
68	COMFORIA NISHIMAGOME	Sub-central Tokyo	Ota-ku, Tokyo	Feb-14	Aug-05	1,797.93㎡	RC/5F	52	1,553.35㎡	98.1%	990,000	967,425	1,080,000
69	COMFORIA KITASANDO	Central Tokyo	Shibuya-ku, Tokyo	Feb-14	Feb-05	7,667.04㎡	RC/B1-14F	144	4,966.06㎡	96.8%	4,268,000	4,200,805	5,020,000
70	COMFORIA YOYOGIUEHARA	Central Tokyo	Shibuya-ku, Tokyo	Feb-14	Feb-03	2,344.24㎡	RC/10F	51	2,001.41㎡	98.4%	1,560,000	1,596,430	1,860,000
71	COMFORIA SASAZUKA	Central Tokyo	Shibuya-ku, Tokyo	Feb-14	Nov-06	3,440.91㎡	RC/14F	89	2,579.00㎡	97.9%	1,789,000	1,753,181	2,320,000
72	COMFORIA SHINJUKUGYOEN Ⅱ	Central Tokyo	Shinjuku-ku, Tokyo	Feb-14	Nov-05	2,312.79㎡	RC/15F	65	2,060.47㎡	100.0%	1,806,000	1,760,581	2,170,000
73	COMFORIA ICHIGAYAYANAGICHO	Central Tokyo	Shinjuku-ku, Tokyo	Feb-14	Oct-07	2,416.85㎡	RC/13F	69	2,033.51㎡	97.1%	1,623,000	1,584,315	2,000,000
74	COMFORIA KAGURAZAKA	Central Tokyo	Shinjuku-ku, Tokyo	Feb-14	Sep-07	1,161.31㎡	RC/B1-5F	29	850.72㎡	100.0%	736,000	717,306	905,000
75	COMFORIA HIGASHIIKEBUKURO EAST	Sub-central Tokyo	Toshima-ku, Tokyo	Feb-14	Nov-09	3,156.84㎡	RC/11F	90	2,754.80㎡	95.7%	1,712,000	1,654,484	2,460,000

Property List (as of 18th FP end)

No.	Property name	Investment area	Location	Acquistion Date	Construction Completion Date	Gross floor area	Structure /Floors	Rentable units	Rentable area	Occupancy rate at the end of period	Acquisition price (thousand yen)	Book value (thousand yen)	Appraisal value at the end of period (thousand yen)
Portfolio properties at 18th FP end													
76	COMFORIA HIGASHIIKEBUKURO	Sub-central Tokyo	Toshima-ku, Tokyo	Feb-14	Oct-06	1,798.18㎡	SRC/15F	48	1,496.46㎡	96.3%	1,132,000	1,134,782	1,430,000
77	COMFORIA SHINKOYASU	Tokyo Metropolitan area	Kanagawa-ku, Yokohama-shi, Kanagawa	Feb-14	Jan-07	2,622.19㎡	RC/10F	36	2,320.47㎡	97.7%	1,077,000	1,037,001	1,250,000
78	COMFORIA SHINSAKAE	Other major cities	Naka-ku, Nagoya-shi, Aichi	Mar-14	May-09	4,098.97㎡	RC/13F	144	3,674.88㎡	91.0%	1,653,400	1,647,192	1,740,000
80	COMFORIA NIBANCHO	Central Tokyo	Chiyoda-ku, Tokyo	Jun-14	Feb-06	2,165.01㎡	SRC/15F	42	1,816.64㎡	100.0%	1,621,000	1,637,351	2,040,000
81	COMFORIA NISHISHINJUKU	Central Tokyo	Shinjuku-ku, Tokyo	Nov-14	Jul-06	1,947.14㎡	SRC/15F	56	1,767.64㎡	97.8%	1,625,000	1,694,578	1,850,000
82	COMFORIA KOMABA	Sub-central Tokyo	Setagaya-ku, Tokyo	Dec-14	Apr-09	7,450.62㎡	RC/B1-5F	136	5,342.38㎡	94.8%	5,000,000	5,156,972	5,690,000
83	COMFORIA KANDAJINBOCHO	Central Tokyo	Chiyoda-ku, Tokyo	Feb-15	Sep-05	1,823.86㎡	SRC/12F	43	1,686.07㎡	96.9%	1,434,000	1,482,459	1,740,000
84	COMFORIA NIHONBASHI	Central Tokyo	Chuo-ku, Tokyo	Feb-15	Oct-05	2,950.59㎡	RC/12F	63	2,805.71㎡	98.5%	1,956,000	1,950,986	2,320,000
85	COMFORIA TAMACHI	Central Tokyo	Minato-ku Tokyo	Feb-15	Nov-05	5,494.78㎡	RC/12F	77	4,249.07㎡	99.2%	3,272,000	3,370,413	3,860,000
86	COMFORIA AZABUJUBAN	Central Tokyo	Minato-ku, Tokyo	Feb-15	Dec-05	1,632.38㎡	RC/12F	55	1,399.64㎡	96.4%	1,471,000	1,467,423	1,660,000
87	COMFORIA KINSHICHO	Sub-central Tokyo	Sumida-ku, Tokyo	Feb-15	Feb-14	1,917.15㎡	RC/13F	46	1,428.32㎡	100.0%	1,042,000	1,042,268	1,280,000
88	COMFORIA MINAMISUNAMACHI	Sub-central Tokyo	Koto-ku, Tokyo	Feb-15	Dec-06	8,124.20㎡	RC/20F	211	6,141.98㎡	96.0%	4,681,000	4,700,027	5,040,000
89	COMFORIA HIGASHISHINAGAWA	Sub-central Tokyo	Shinagawa-ku, Tokyo	Feb-15	Mar-04	3,298.65㎡	RC/7F	86	2,807.46㎡	100.0%	1,510,000	1,533,906	1,770,000
90	COMFORIA MEGUROYAKUMO	Sub-central Tokyo	Meguro-ku, Tokyo	Feb-15	Apr-05	1,333.57㎡	RC/7F	36	1,177.99㎡	100.0%	813,000	847,605	926,000
91	COMFORIA YOGA	Sub-central Tokyo	Setagaya-ku, Tokyo	Feb-15	Jan-06	1,798.36㎡	RC/B1-5F	39	1,366.04㎡	92.5%	1,041,000	1,061,743	1,150,000
92	COMFORIA SHINJUKUGYOEN I	Central Tokyo	Shinjuku-ku, Tokyo	Feb-15	Sep-05	1,832.93㎡	RC/14F	52	1,644.78㎡	95.8%	1,406,000	1,407,067	1,560,000
93	COMFORIA KAGURAZAKA DEUX	Central Tokyo	Shinjuku-ku, Tokyo	Feb-15	Nov-13	1,637.00㎡	RC/13F	46	1,371.23㎡	94.9%	1,245,000	1,246,366	1,470,000
94	COMFORIA ITABASHINAKAJUKU	Sub-central Tokyo	Itabashi-ku, Tokyo	Feb-15	Mar-06	7,732.25㎡	SRC・RC/14F	104	6,966.04㎡	99.1%	3,794,280	3,929,086	4,430,000
95	COMFORIA KITASANJO	Other major cities	Chuo-ku, Sapporo-shi, Hokkaido	Oct-15	Sep-10	3,949.79㎡	RC/B1-11F	60	3,222.00㎡	100.0%	660,000	663,143	1,030,000
96	COMFORIA AZABU EAST	Central Tokyo	Minato-ku, Tokyo	Oct-15	Jul-11	3,505.12㎡	RC/B1-11F	69	2,634.46㎡	94.4%	1,900,000	1,914,458	3,190,000
97	COMFORIA SHINAGAWA EAST	Sub-central Tokyo	Shinagawa-ku, Tokyo	Feb-16	Feb-15	3,701.07㎡	RC/12F	97	2,588.19㎡	95.6%	1,430,000	1,488,080	1,600,000
98	COMFORIA SHINJUKU EASTSIDE TOWER	Central Tokyo	Shinjuku-ku, Tokyo	Feb-16	Jan-12	(Tower Building) 69,308.35㎡ (Annex Building) 2,305.29㎡ (Gate Building) 203.15㎡	(Tower Building) RC・S/B1-32F (Annex Building) RC/4F (Gate Building) RC/1F	765	48,267.60㎡	95.6%	13,264,000	13,215,266	16,200,000
99	COMFORIA OJIMA	Sub-central Tokyo	Koto-ku, Tokyo	Jun-16	Feb-15	2,828.47㎡	RC/13F	99	2,544.66㎡	97.0%	2,110,000	2,231,221	2,290,000
100	COMFORIA OMORI TROIS	Sub-central Tokyo	Ota-ku, Tokyo	Jun-16	Jan-12	1,232.52㎡	RC/6F	45	1,111.17㎡	98.0%	866,000	916,120	992,000
101	COMFORIA SAPPORO SHOKUBUTSUEN	Other major cities	Chuo-ku, Sapporo-shi, Hokkaido	Aug-16	Oct-06	4,062.44㎡	RC/B1-15F	42	3,329.32㎡	88.1%	1,250,000	1,303,226	1,330,000
102	COMFORIA OGIMACHI	Other major cities	Kita-ku, Osaka-shi, Osaka	Sep-16	Sep-14	2,374.77㎡	RC/12F	88	2,147.57㎡	100.0%	1,435,000	1,505,748	1,540,000
103	COMFORIA ICHIGAYAYAKUOJI	Central Tokyo	Shinjuku-ku, Tokyo	Dec-16	Nov-06	1,392.29㎡	RC/B1-5F	21	1,102.95㎡	89.5%	941,000	984,667	993,000
104	COMFORIA AKIHABARA EAST	Central Tokyo	Chiyoda-ku, Tokyo	Feb-17	Feb-16	5,192.38㎡	RC/B1-12F	131	4,582.07㎡	98.8%	4,425,000	4,483,878	4,950,000
105	COMFORIA MITA TROIS	Central Tokyo	Minato-ku, Tokyo	Feb-17	Feb-07	1,096.43㎡	RC/7F	32	874.21㎡	97.1%	890,000	933,468	937,000
106	COMFORIA BUNKYOHAKUSAN	Sub-central Tokyo	Bunkyo-ku, Tokyo	Feb-17	Aug-06	1,971.16㎡	RC/6F	56	1,568.09㎡	95.6%	1,330,000	1,442,099	1,440,000
107	COMFORIA KAMATA	Sub-central Tokyo	Ota-ku, Tokyo	Feb-17	Aug-15	7,900.68㎡	RC/B1-14F	203	6,027.98㎡	98.3%	5,721,000	5,808,092	6,490,000

Property List (as of 18th FP end)

No.	Property name	Investment area	Location	Acquistion Date	Construction Completion Date	Gross floor area	Structure /Floors	Rentable units	Rentable area	Occupancy rate at the end of period	Acquisition price (thousand yen)	Book value (thousand yen)	Appraisal value at the end of period (thousand yen)
Portfolio properties at 18th FP end													
108	COLLEGE COURT HACHIMANYAMA	Sub-central Tokyo	Suginami-ku, Tokyo	Feb-17	Mar-15	1,923.34㎡	RC/B1-7F	73	1,923.34㎡	100.0%	1,245,000	1,268,475	1,260,000
109	COMFORIA SHINSAIBASHI EAST	Other major cities	Chuo-ku, Osaka-shi, Osaka	Feb-17	Jan-16	3,407.91㎡	RC/15F	112	3,095.68㎡	99.2%	1,980,000	2,025,489	2,030,000
110	COMFORIA KYOMACHIBORI	Other major cities	Nishi-ku, Osaka-shi, Osaka	Feb-17	Jul-15	2,625.18㎡	RC/15F	84	2,382.80㎡	97.6%	1,567,000	1,596,427	1,690,000
111	COMFORIA AWAZA	Other major cities	Nishi-ku, Osaka-shi, Osaka	Feb-17	Jan-16	2,844.34㎡	RC/15F	84	2,583.84㎡	97.7%	1,289,000	1,318,125	1,410,000
112	COMFORIA GYOTOKU	Tokyo Metropolitan area	Ichikawa-shi, Chiba	Jun-17	Mar-07	1,347.25㎡	RC/12F	56	1,258.38㎡	98.3%	978,000	1,038,144	1,040,000
113	COMFORIA SHIBAURA	Central Tokyo	Minato-ku, Tokyo	Aug-17	Nov-08	1,213.34㎡	RC/12F	39	1,092.07㎡	95.4%	1,065,680	1,131,848	1,150,000
114	COMFORIA UENOIRIYA	Sub-central Tokyo	Taito-ku, Tokyo	Feb-18	Jan-16	3,527.42㎡	RC/B1-14F	88	2,790.92㎡	98.5%	2,173,000	2,226,836	2,340,000
115	COMFORIA IKEJIRI	Sub-central Tokyo	Setagaya-ku, Tokyo	Feb-18	Mar-08	1,700.50㎡	RC/9F	36	1,365.43㎡	97.8%	1,313,000	1,394,778	1,430,000
116	COMFORIA SETAGAYAKAMIUMA	Sub-central Tokyo	Setagaya-ku, Tokyo	Feb-18	Feb-17	2,644.99㎡	RC/10F	68	2,348.17㎡	98.9%	2,622,000	2,677,785	2,820,000
117	COMFORIA KITAHAMA	Other major cities	Chuo-ku, Osaka-shi, Osaka	Feb-18	Feb-16	3,178.86㎡	RC/15F	84	2,551.22㎡	97.7%	1,719,000	1,762,771	1,820,000
118	COMFORIA AKABANEIWABUCHI	Sub-central Tokyo	Kita-ku, Tokyo	Mar-18	Mar-03	5,528.18㎡	RC/9F	92	4,203.26㎡	92.7%	2,500,000	2,776,742	2,630,000
119	COMFORIA RYOGOKU TROIS	Sub-central Tokyo	Sumida-ku, Tokyo	Mar-18	Jul-13	2,459.62㎡	RC/7F	57	1,847.94㎡	93.8%	1,660,000	1,767,925	1,700,000
120	COMFORIA SHINJUKU	Central Tokyo	Shinjuku-ku, Tokyo	Mar-18	Mar-18	2,064.19㎡	RC/11F	65	1,793.88㎡	97.2%	2,150,000	2,278,618	2,340,000
121	COLLEGE SQUARE HACHIMANYAMA	Sub-central Tokyo	Suginami-ku, Tokyo	May-18	Mar-15	1,260.52㎡	RC/B1-3F	46	1,260.52㎡	100.0%	880,000	907,420	909,000
122	GRANCREER CENTER-MINAM	Tokyo Metropolitan area	Kanagawa-ku, Yokohama-shi, Kanagawa	Sep-18	Aug-09	18,235.67㎡	RC/B1-9F	134	18,235.67㎡	100.0%	4,150,000	4,274,916	4,220,000
123	COMFORIA KINSHICHO DEUX	Sub-central Tokyo	Koto-ku, Tokyo	Feb-19	May-16	2,920.18㎡	RC/10F	96	2,489.92㎡	99.0%	2,213,000	2,279,614	2,300,000
124	COMFORIA KAMEIDO SOUTH	Sub-central Tokyo	Koto-ku, Tokyo	Feb-19	Jan-18	2,334.52㎡	RC/13F	57	1,831.90㎡	100.0%	2,050,000	2,114,436	2,130,000
125	COMFORIA SHIBUYA WEST	Sub-central Tokyo	Meguro-ku, Tokyo	Feb-19	Oct-15	5,130.22㎡	RC/B1-14F	124	4,278.52㎡	95.0%	5,397,000	5,504,821	5,900,000
126	COMFORIA HIGASHINIHONBASHI	Central Tokyo	Chuo-ku, Tokyo	Mar-19	Sep-06	1,847.71㎡	RC/10F	45	1,549.09㎡	100.0%	1,194,000	1,265,402	1,250,000
127	COMFORIA ASAKUSAKOMAGATA	Sub-central Tokyo	Taito-ku, Tokyo	Mar-19	Aug-06	1,871.70㎡	RC/14F	48	1,650.13㎡	93.2%	1,254,000	1,327,714	1,320,000
128	COMFORIA OOMORIKASHIMA	Sub-central Tokyo	Shinagawa-ku, Tokyo	Mar-19	May-07	1,483.57㎡	RC/B1-3F	33	1,179.16㎡	94.2%	864,000	915,502	883,000
129	COMFORIA OOMORIMACHI	Sub-central Tokyo	Ota-ku, Tokyo	Mar-19	Feb-07	1,812.11㎡	RC/B1-7F	45	1,564.80㎡	97.7%	1,096,000	1,162,584	1,140,000
130	COMFORIA KAMIIKEDAI	Sub-central Tokyo	Ota-ku, Tokyo	Mar-19	Feb-06	3,307.05㎡	RC/7F	43	2,923.66㎡	95.1%	1,842,000	1,945,965	1,970,000
131	CAMPUS VILLAGE SHIINAMACHI	Sub-central Tokyo	Toshima-ku, Tokyo	Apr-19	Jan-18	3,086.07㎡	RC/6F	167	3,086.07㎡	100.0%	2,740,000	2,813,024	2,810,000
132	COMFORIA TAMA-PLAZA	Tokyo Metropolitan Area	Aoba-ku, Yokohama-shi, Kanagawa	Mar-19	Mar-05	3,653.56㎡	RC/B1-5F	73	3,065.46㎡	94.8%	2,220,000	2,359,522	2,270,000
	TOTAL					443,735.50㎡		9,406	358,677.21㎡	97.0%	225,944,817	225,905,543	272,485,000

Appraisal Value

No.	Property name	Acquisition price (million yen)	17th FP end						18th FP end								Appraisal company
			Appraisal value						Appraisal value						Book value		
				Direct Capitalization Price		Price calculated by DCF method			①	Direct Capitalization Price		Price calculated by DCF method			②	①−②	
			(million yen)	(million yen)	Cap Rate	(million yen)	Discount Rate	Terminal Cap Rate	(million yen)	(million yen)	Cap Rate	(million yen)	Discount Rate	Terminal Cap Rate	(million yen)	(million yen)	
Portfolio properties at 18th FP end																	
1	COMFORIA NIHONBASHI NINGYOCHO	1,586	2,210	2,240	4.0%	2,170	3.8%	4.2%	2,270	2,300	3.9%	2,230	3.7%	4.1%	1,517	752	Japan Real Estate Institute
2	COMFORIA WASEDA	1,900	2,520	2,560	4.0%	2,480	3.8%	4.2%	2,600	2,640	3.9%	2,550	3.7%	4.1%	1,860	739	Japan Real Estate Institute
3	COMFORIA SHIMOOCHIAI	1,181	1,610	1,630	4.2%	1,580	4.0%	4.4%	1,650	1,670	4.1%	1,620	3.9%	4.3%	1,092	557	Japan Real Estate Institute
4	COMFORIA HIGASHINAKANO	552	697	707	4.1%	686	3.9%	4.3%	724	735	4.0%	712	3.8%	4.2%	544	179	Japan Real Estate Institute
5	COMFORIA BUNKYOKASUGA	1,470	2,000	2,020	4.1%	1,990	3.9%	4.3%	2,030	2,050	4.0%	2,020	3.8%	4.2%	1,369	660	DAIWA REAL ESTATE APPRAISAL CO.,LTD
6	COMFORIA ASAKUSAMATSUGAYA	910	1,230	1,250	4.6%	1,220	4.4%	4.8%	1,260	1,280	4.5%	1,250	4.3%	4.7%	828	431	DAIWA REAL ESTATE APPRAISAL CO.,LTD
7	COMFORIA NISHIOI	902	1,070	1,080	4.3%	1,050	4.1%	4.5%	1,090	1,110	4.2%	1,070	4.0%	4.4%	867	222	Japan Real Estate Institute
8	COMFORIA NAKANO	881	1,040	1,050	4.1%	1,020	3.9%	4.3%	1,070	1,080	4.0%	1,050	3.8%	4.2%	897	172	Japan Real Estate Institute
9	COMFORIA SHIMOKITAZAWA	2,587	3,430	3,480	4.0%	3,370	3.8%	4.2%	3,490	3,550	3.9%	3,430	3.7%	4.1%	2,386	1,103	Japan Real Estate Institute
10	COMFORIA NISHIKAMATA	1,550	2,140	2,170	4.4%	2,130	4.2%	4.6%	2,180	2,210	4.3%	2,170	4.1%	4.5%	1,438	741	DAIWA REAL ESTATE APPRAISAL CO.,LTD
11	COMFORIA OYAMA	1,987	2,400	2,430	4.5%	2,370	4.3%	4.7%	2,460	2,490	4.4%	2,430	4.2%	4.6%	1,923	536	Japan Real Estate Institute
12	COMFORIA KIYOSUMISHIRAKAWA SOUTH	740	941	956	4.1%	926	3.9%	4.3%	972	989	4.0%	955	3.8%	4.2%	683	288	Japan Real Estate Institute
13	COMFORIA KOMAZAWA	1,290	1,700	1,730	4.0%	1,670	3.8%	4.2%	1,740	1,770	3.9%	1,710	3.7%	4.1%	1,216	523	Japan Real Estate Institute
14	COMFORIA GINZA EAST	3,059	4,120	4,180	4.0%	4,050	3.8%	4.2%	4,280	4,350	3.9%	4,200	3.7%	4.1%	2,958	1,321	Japan Real Estate Institute
15	COMFORIA AZABUDAI	574	788	800	3.9%	775	3.7%	4.1%	830	844	3.7%	816	3.5%	3.9%	551	278	Japan Real Estate Institute
16	COMFORIA SHIBAKOEN	1,398	1,820	1,850	3.9%	1,790	3.7%	4.1%	1,900	1,930	3.8%	1,860	3.6%	4.0%	1,375	524	JLL Morii Valuation & Advisory K.K.
17	COMFORIA NISHIAZABU	755	968	982	4.0%	954	3.8%	4.2%	1,030	1,040	3.8%	1,010	3.6%	4.0%	724	305	Japan Real Estate Institute
18	COMFORIA MINAMIAOYAMA	1,041	1,570	1,600	3.8%	1,550	3.9%	4.0%	1,610	1,640	3.7%	1,590	3.8%	3.9%	1,097	512	The Tanizawa Sogo Appraisal Co.,Ltd.
20	COMFORIA NISHIWASEDA	1,685	2,180	2,220	3.9%	2,140	3.7%	4.1%	2,250	2,290	3.8%	2,210	3.6%	4.0%	1,589	660	JLL Morii Valuation & Advisory K.K.
21	COMFORIA KOISHIKAWA	552	675	685	4.1%	671	3.9%	4.3%	689	699	4.0%	685	3.8%	4.2%	552	136	DAIWA REAL ESTATE APPRAISAL CO.,LTD
22	COMFORIA SENGOKU	1,219	1,730	1,750	4.4%	1,700	4.2%	4.6%	1,770	1,790	4.3%	1,740	4.1%	4.5%	1,250	519	Japan Real Estate Institute
23	COMFORIA DAIKANYAMAAOBADAI	926	1,390	1,410	3.9%	1,360	3.7%	4.1%	1,400	1,420	3.9%	1,380	3.7%	4.1%	913	486	Japan Valuers Co.,Ltd.
26	COMFORIA HARAJYUKU	3,629	4,840	4,920	3.9%	4,750	3.7%	4.1%	5,150	5,240	3.7%	5,050	3.5%	3.9%	3,554	1,595	Japan Real Estate Institute
27	COMFORIA IKEBUKURO	602	690	698	4.2%	686	4.0%	4.4%	705	715	4.1%	700	3.9%	4.3%	563	141	DAIWA REAL ESTATE APPRAISAL CO.,LTD
29	COMFORIA RYOGOKUISHIWARA	651	829	825	4.1%	832	4.2%	4.3%	846	843	4.0%	849	4.1%	4.2%	610	235	JLL Morii Valuation & Advisory K.K.
30	COMFORIA MITA NORTH	850	1,070	1,080	3.9%	1,050	3.7%	4.1%	1,090	1,100	3.9%	1,070	3.7%	4.1%	855	234	Japan Valuers Co.,Ltd.
31	COMFORIA SHIBAURA BOWHOUSE	2,650	3,420	3,470	4.1%	3,360	3.9%	4.3%	3,560	3,610	4.0%	3,500	3.8%	4.2%	2,547	1,012	Japan Real Estate Institute
32	COMFORIA ASAKUSABASHI DEUX	874	1,040	1,050	4.1%	1,020	3.9%	4.3%	1,070	1,080	4.0%	1,050	3.8%	4.2%	839	230	Japan Real Estate Institute
33	COMFORIA OSHIAGE	714	862	875	4.2%	849	4.0%	4.4%	872	885	4.1%	858	3.9%	4.3%	688	183	Japan Real Estate Institute
34	COMFORIA HONJOAZUMABASHI	762	918	932	4.2%	904	4.0%	4.4%	960	975	4.1%	945	3.9%	4.3%	735	224	Japan Real Estate Institute
35	COMFORIA KIYOSUMISHIRAKAWA TROIS	873	1,030	1,050	4.1%	1,010	3.9%	4.3%	1,080	1,090	4.0%	1,060	3.8%	4.2%	828	251	Japan Real Estate Institute
36	COMFORIA MONZENNAKACHO	2,658	3,100	3,140	4.1%	3,050	3.9%	4.3%	3,310	3,360	4.0%	3,250	3.8%	4.2%	2,512	797	Japan Real Estate Institute

Appraisal Value

No.	Property name	Acquisition price (million yen)	17th FP end						18th FP end								Appraisal company
			Appraisal value						Appraisal value						Book value		
				Direct Capitalization Price		Price calculated by DCF method			①	Direct Capitalization Price		Price calculated by DCF method			②	①−②	
			(million yen)	(million yen)	Cap Rate	(million yen)	Discount Rate	Terminal Cap Rate	(million yen)	(million yen)	Cap Rate	(million yen)	Discount Rate	Terminal Cap Rate	(million yen)	(million yen)	
Portfolio properties at 18th FP end																	
37	COMFORIA HIMONYA	1,189	1,590	1,620	4.1%	1,560	3.9%	4.3%	1,600	1,620	4.1%	1,570	3.9%	4.3%	1,171	428	Japan Valuers Co.,Ltd.
38	COMFORIA MISYUKU	1,874	2,480	2,520	3.9%	2,440	3.7%	4.1%	2,480	2,520	3.9%	2,440	3.7%	4.1%	1,789	690	Japan Valuers Co.,Ltd.
39	COMFORIA GAKUGEIDAIGAKU	1,138	1,550	1,580	3.9%	1,520	3.7%	4.1%	1,600	1,630	3.8%	1,570	3.6%	4.0%	1,110	489	Japan Real Estate Institute
40	COMFORIA HIGASHINAKANO DEUX	833	1,110	1,130	4.1%	1,090	3.9%	4.3%	1,130	1,150	4.0%	1,110	3.8%	4.2%	797	332	Japan Real Estate Institute
41	COMFORIA HIGASHIIKEBUKURO WEST	3,911	5,330	5,380	4.4%	5,310	4.2%	4.6%	5,450	5,510	4.3%	5,430	4.1%	4.5%	3,710	1,739	DAIWA REAL ESTATE APPRAISAL CO.,LTD
43	COMFORIA RYOGOKU DEUX	1,014	1,310	1,330	4.1%	1,290	3.9%	4.3%	1,360	1,380	4.0%	1,330	3.8%	4.2%	1,004	355	Japan Real Estate Institute
44	COMFORIA OMORI DEUX	1,188	1,420	1,440	4.1%	1,390	3.9%	4.3%	1,450	1,470	4.0%	1,420	3.8%	4.2%	1,170	279	Japan Real Estate Institute
45	COMFORIA MACHIYA	594	889	902	4.3%	876	4.1%	4.5%	920	934	4.2%	906	4.0%	4.4%	587	332	Japan Real Estate Institute
46	COMFORIA ICHIKAWAMYODEN	606	742	752	4.6%	732	4.4%	4.8%	749	759	4.5%	738	4.3%	4.7%	595	153	Japan Real Estate Institute
47	COMFORIA YATSUKA	626	708	715	5.1%	701	4.9%	5.3%	723	730	5.0%	715	4.8%	5.2%	606	116	Japan Real Estate Institute
48	COMFORIA SHIROKANETAKANAWA	1,300	1,670	1,690	3.8%	1,640	3.6%	4.0%	1,740	1,770	3.7%	1,710	3.5%	3.9%	1,303	436	JLL Morii Valuation & Advisory K.K.
49	COMFORIA NIHONBASHI NINGYOCHO EAST	2,139	2,600	2,640	4.0%	2,550	3.8%	4.2%	2,660	2,700	3.9%	2,610	3.7%	4.1%	2,060	599	Japan Real Estate Institute
50	COMFORIA ATAGO	826	984	1,000	3.9%	968	3.7%	4.1%	1,010	1,030	3.8%	991	3.6%	4.0%	839	170	JLL Morii Valuation & Advisory K.K.
51	COMFORIA ASAKUSABASHI	2,680	3,460	3,510	4.2%	3,440	4.0%	4.4%	3,540	3,590	4.1%	3,520	3.9%	4.3%	2,553	986	DAIWA REAL ESTATE APPRAISAL CO.,LTD
52	COMFORIA RYOGOKU SOUTH	1,240	1,620	1,640	4.2%	1,610	4.0%	4.4%	1,660	1,690	4.1%	1,650	3.9%	4.3%	1,184	475	DAIWA REAL ESTATE APPRAISAL CO.,LTD
53	COMFORIA TOYOSU	3,096	3,670	3,730	4.1%	3,610	3.9%	4.3%	3,780	3,840	4.0%	3,710	3.8%	4.2%	2,951	828	Japan Real Estate Institute
54	COMFORIA SHIN-OSAKA	2,400	2,830	2,870	4.4%	2,780	4.2%	4.6%	2,890	2,940	4.3%	2,840	4.1%	4.5%	2,278	611	JLL Morii Valuation & Advisory K.K.
55	COMFORIA SUMIDA-TACHIBANA	938	1,000	1,010	4.5%	997	4.3%	4.7%	1,010	1,020	4.4%	1,010	4.2%	4.6%	932	77	DAIWA REAL ESTATE APPRAISAL CO.,LTD
56	COMFORIA KUDAN	1,280	1,560	1,590	3.8%	1,530	3.6%	4.0%	1,600	1,630	3.7%	1,570	3.5%	3.9%	1,311	288	JLL Morii Valuation & Advisory K.K.
57	COMFORIA NIHONBASHININGYOCHO NORTH	1,108	1,340	1,360	4.0%	1,320	3.8%	4.2%	1,380	1,400	3.9%	1,350	3.7%	4.1%	1,071	308	Japan Real Estate Institute
58	COMFORIA SHINKAWA	1,840	2,170	2,210	3.9%	2,130	3.7%	4.1%	2,230	2,270	3.8%	2,190	3.6%	4.0%	1,788	441	JLL Morii Valuation & Advisory K.K.
59	COMFORIA AKASAKA	1,945	2,650	2,700	3.8%	2,600	3.6%	4.0%	2,790	2,840	3.6%	2,740	3.4%	3.8%	1,912	877	Japan Real Estate Institute
60	COMFORIA MITA EAST	3,190	3,820	3,890	3.9%	3,750	3.7%	4.1%	3,960	4,030	3.8%	3,880	3.6%	4.0%	3,081	878	JLL Morii Valuation & Advisory K.K.
61	COMFORIA SHIBAURA CANAL	1,570	1,870	1,890	4.3%	1,840	4.1%	4.5%	1,910	1,940	4.2%	1,880	4.0%	4.4%	1,558	351	Japan Real Estate Institute
62	COMFORIA UENOHIROKOJI	1,050	1,270	1,290	3.9%	1,250	3.7%	4.1%	1,310	1,330	3.8%	1,280	3.6%	4.0%	1,076	233	JLL Morii Valuation & Advisory K.K.
63	COMFORIA KASUGATOMISAKA	2,912	3,590	3,650	3.9%	3,520	3.7%	4.1%	3,710	3,770	3.8%	3,640	3.6%	4.0%	2,828	881	JLL Morii Valuation & Advisory K.K.
64	COMFORIA HONKOMAGOME	1,344	1,660	1,690	4.0%	1,630	3.8%	4.2%	1,720	1,740	3.9%	1,690	3.7%	4.1%	1,298	421	Japan Real Estate Institute
65	COMFORIA MORISHITA	1,530	1,750	1,780	4.0%	1,710	3.8%	4.2%	1,780	1,810	3.9%	1,750	3.7%	4.1%	1,465	314	JLL Morii Valuation & Advisory K.K.
66	COMFORIA KIBAKOEN	956	1,120	1,140	4.0%	1,100	3.8%	4.2%	1,150	1,170	3.9%	1,130	3.7%	4.1%	918	231	JLL Morii Valuation & Advisory K.K.
67	COMFORIA MEGURO CHOJAMARU	1,972	2,430	2,470	4.1%	2,410	3.9%	4.3%	2,490	2,530	4.0%	2,470	3.8%	4.2%	1,960	529	DAIWA REAL ESTATE APPRAISAL CO.,LTD
68	COMFORIA NISHIMAGOME	990	1,070	1,090	4.2%	1,050	4.0%	4.4%	1,080	1,100	4.1%	1,060	3.9%	4.3%	967	112	Japan Real Estate Institute
69	COMFORIA KITASANDO	4,268	4,890	4,970	4.1%	4,800	3.9%	4.3%	5,020	5,100	4.0%	4,930	3.8%	4.2%	4,200	819	Japan Real Estate Institute

Appraisal Value

No.	Property name	Acquisition price (million yen)	17th FP end						18th FP end								Appraisal company
			Appraisal value						Appraisal value						Book value		
				Direct Capitalization Price		Price calculated by DCF method			①	Direct Capitalization Price		Price calculated by DCF method			②	①－②	
			(million yen)	(million yen)	Cap Rate	(million yen)	Discount Rate	Terminal Cap Rate	(million yen)	(million yen)	Cap Rate	(million yen)	Discount Rate	Terminal Cap Rate	(million yen)	(million yen)	
Portfolio properties at 18th FP end																	
70	COMFORIA YOYOGIUEHARA	1,560	1,850	1,880	4.0%	1,820	3.8%	4.2%	1,860	1,890	3.9%	1,830	3.7%	4.1%	1,596	263	Japan Real Estate Institute
71	COMFORIA SASAZUKA	1,789	2,250	2,280	4.1%	2,230	3.9%	4.3%	2,320	2,350	4.0%	2,300	3.8%	4.2%	1,753	566	DAIWA REAL ESTATE APPRAISAL CO.,LTD
72	COMFORIA SHINJUKUGYOEN Ⅱ	1,806	2,140	2,180	3.9%	2,100	3.7%	4.1%	2,170	2,210	3.9%	2,130	3.7%	4.1%	1,760	409	Japan Valuers Co.,Ltd.
73	COMFORIA ICHIGAYAYANAGICHO	1,623	1,950	1,980	3.9%	1,910	3.7%	4.1%	2,000	2,040	3.8%	1,960	3.6%	4.0%	1,584	415	JLL Morii Valuation & Advisory K.K.
74	COMFORIA KAGURAZAKA	736	876	892	3.8%	859	3.6%	4.0%	905	922	3.7%	888	3.5%	3.9%	717	187	JLL Morii Valuation & Advisory K.K.
75	COMFORIA HIGASHIIKEBUKURO EAST	1,712	2,420	2,450	4.1%	2,380	3.9%	4.3%	2,460	2,490	4.1%	2,420	3.9%	4.3%	1,654	805	Japan Real Estate Institute
76	COMFORIA HIGASHIIKEBUKURO	1,132	1,380	1,400	4.0%	1,360	3.8%	4.2%	1,430	1,450	3.9%	1,400	3.7%	4.1%	1,134	295	Japan Real Estate Institute
77	COMFORIA SHINKOYASU	1,077	1,220	1,240	4.4%	1,200	4.2%	4.6%	1,250	1,270	4.3%	1,230	4.1%	4.5%	1,037	212	Japan Real Estate Institute
78	COMFORIA SHINSAKAE	1,653	1,710	1,730	4.8%	1,700	4.6%	5.0%	1,740	1,760	4.7%	1,730	4.5%	4.9%	1,647	92	DAIWA REAL ESTATE APPRAISAL CO.,LTD
80	COMFORIA NIBANCHO	1,621	1,960	1,990	3.8%	1,920	3.6%	4.0%	2,040	2,080	3.6%	2,000	3.4%	3.8%	1,637	402	Japan Real Estate Institute
81	COMFORIA NISHISHINJUKU	1,625	1,800	1,830	4.0%	1,770	3.8%	4.2%	1,850	1,880	3.9%	1,820	3.7%	4.1%	1,694	155	DAIWA REAL ESTATE APPRAISAL CO.,LTD
82	COMFORIA KOMABA	5,000	5,510	5,600	3.9%	5,410	3.7%	4.1%	5,690	5,790	3.8%	5,590	3.6%	4.0%	5,156	533	Japan Real Estate Institute
83	COMFORIA KANDAJINBOCHO	1,434	1,680	1,710	3.8%	1,650	3.6%	4.0%	1,740	1,770	3.7%	1,710	3.5%	3.9%	1,482	257	JLL Morii Valuation & Advisory K.K.
84	COMFORIA NIHONBASHI	1,956	2,240	2,270	4.1%	2,220	3.9%	4.3%	2,320	2,350	4.0%	2,300	3.8%	4.2%	1,950	369	DAIWA REAL ESTATE APPRAISAL CO.,LTD
85	COMFORIA TAMACHI	3,272	3,760	3,820	4.0%	3,690	3.8%	4.2%	3,860	3,920	3.9%	3,790	3.7%	4.1%	3,370	489	Japan Real Estate Institute
86	COMFORIA AZABUJUBAN	1,471	1,630	1,650	3.9%	1,620	3.7%	4.1%	1,660	1,690	3.8%	1,650	3.6%	4.0%	1,467	192	DAIWA REAL ESTATE APPRAISAL CO.,LTD
87	COMFORIA KINSHICHO	1,042	1,250	1,260	4.1%	1,230	3.9%	4.3%	1,280	1,290	4.0%	1,260	3.8%	4.2%	1,042	237	Japan Real Estate Institute
88	COMFORIA MINAMISUNAMACHI	4,681	4,990	5,060	4.2%	4,960	4.0%	4.4%	5,040	5,100	4.1%	5,010	3.9%	4.3%	4,700	339	DAIWA REAL ESTATE APPRAISAL CO.,LTD
89	COMFORIA HIGASHISHINAGAWA	1,510	1,720	1,740	4.4%	1,700	4.2%	4.6%	1,770	1,790	4.3%	1,740	4.1%	4.5%	1,533	236	Japan Real Estate Institute
90	COMFORIA MEGUROYAKUMO	813	903	916	3.9%	889	3.7%	4.1%	926	941	3.8%	911	3.6%	4.0%	847	78	Japan Real Estate Institute
91	COMFORIA YOGA	1,041	1,120	1,140	4.1%	1,110	3.9%	4.3%	1,150	1,170	4.0%	1,140	3.8%	4.2%	1,061	88	DAIWA REAL ESTATE APPRAISAL CO.,LTD
92	COMFORIA SHINJUKUGYOEN Ⅰ	1,406	1,530	1,550	4.0%	1,520	3.8%	4.2%	1,560	1,590	3.9%	1,550	3.7%	4.1%	1,407	152	DAIWA REAL ESTATE APPRAISAL CO.,LTD
93	COMFORIA KAGURAZAKA DEUX	1,245	1,440	1,450	3.9%	1,420	3.7%	4.1%	1,470	1,490	3.8%	1,450	3.6%	4.0%	1,246	223	Japan Real Estate Institute
94	COMFORIA ITABASHINAKAJUKU	3,794	4,310	4,370	4.2%	4,240	4.0%	4.4%	4,430	4,490	4.1%	4,360	3.9%	4.3%	3,929	500	JLL Morii Valuation & Advisory K.K.
95	COMFORIA KITASANJO	660	1,000	1,010	4.8%	997	4.9%	5.0%	1,030	1,040	4.7%	1,030	4.8%	4.9%	663	366	The Tanizawa Sogo Appraisal Co.,Ltd.
96	COMFORIA AZABU EAST	1,900	2,960	3,010	3.8%	2,910	3.6%	4.0%	3,190	3,250	3.6%	3,130	3.4%	3.8%	1,914	1,275	Japan Real Estate Institute
97	COMFORIA SHINAGAWA EAST	1,430	1,590	1,610	4.9%	1,570	3.7%	5.8%	1,600	1,610	4.9%	1,590	3.6%	5.8%	1,488	111	Japan Real Estate Institute
98	COMFORIA SHINJUKU EASTSIDE TOWER	13,264	15,900	16,200	4.5%	15,500	3.5%	5.5%	16,200	16,600	4.4%	15,800	3.4%	5.5%	13,215	2,984	Japan Real Estate Institute
99	COMFORIA OJIMA	2,110	2,250	2,290	4.1%	2,230	4.2%	4.3%	2,290	2,330	4.0%	2,270	4.1%	4.2%	2,231	58	The Tanizawa Sogo Appraisal Co.,Ltd.
100	COMFORIA OMORI TROIS	866	940	945	4.2%	935	3.9%	4.3%	992	1,010	4.0%	974	3.8%	4.2%	916	75	Japan Real Estate Institute
101	COMFORIA SAPPORO SHOKUBUTSUEN	1,250	1,310	1,320	4.8%	1,290	4.6%	5.0%	1,330	1,340	4.7%	1,310	4.5%	4.9%	1,303	26	Japan Real Estate Institute
102	COMFORIA OGIMACHI	1,435	1,540	1,560	4.4%	1,510	4.2%	4.6%	1,540	1,560	4.4%	1,510	4.2%	4.6%	1,505	34	Japan Valuers Co.,Ltd.

Appraisal Value

No.	Property name	Acquisition price (million yen)	17th FP end						18th FP end								Appraisal company
			Appraisal value						Appraisal value						Book value		
				Direct Capitalization Price		Price calculated by DCF method			①	Direct Capitalization Price		Price calculated by DCF method			②	①−②	
			(million yen)	(million yen)	Cap Rate	(million yen)	Discount Rate	Terminal Cap Rate	(million yen)	(million yen)	Cap Rate	(million yen)	Discount Rate	Terminal Cap Rate	(million yen)	(million yen)	
Portfolio properties at 18th FP end																	
103	COMFORIA ICHIGAYAYAKUOJI	941	976	990	4.0%	970	3.8%	4.2%	993	1,010	3.9%	986	3.7%	4.1%	984	8	DAIWA REAL ESTATE APPRAISAL CO.,LTD
104	COMFORIA AKIHABARA EAST	4,425	4,850	4,920	4.0%	4,770	3.8%	4.2%	4,950	5,030	3.9%	4,870	3.7%	4.1%	4,483	466	Japan Real Estate Institute
105	COMFORIA MITA TROIS	890	923	942	3.9%	903	3.7%	4.1%	937	957	3.8%	917	3.6%	4.0%	933	3	JLL Morii Valuation & Advisory K.K.
106	COMFORIA BUNKYOHAKUSAN	1,330	1,410	1,440	4.0%	1,400	4.1%	4.2%	1,440	1,470	3.9%	1,430	4.0%	4.1%	1,442	▲ 2	The Tanizawa Sogo Appraisal Co.,Ltd.
107	COMFORIA KAMATA	5,721	6,250	6,350	4.0%	6,150	3.8%	4.2%	6,490	6,600	3.9%	6,380	3.7%	4.1%	5,808	681	Japan Real Estate Institute
108	COLLEGE COURT HACHIMANYAMA	1,245	1,260	1,280	4.3%	1,250	4.0%	4.5%	1,260	1,280	4.2%	1,250	4.0%	4.4%	1,268	▲ 8	DAIWA REAL ESTATE APPRAISAL CO.,LTD
109	COMFORIA SHINSAIBASHI EAST	1,980	2,010	2,040	4.3%	1,980	4.1%	4.5%	2,030	2,060	4.2%	2,000	4.0%	4.4%	2,025	4	Japan Real Estate Institute
110	COMFORIA KYOMACHIBORI	1,567	1,630	1,650	4.3%	1,600	4.1%	4.5%	1,690	1,710	4.2%	1,660	4.0%	4.4%	1,596	93	Japan Real Estate Institute
111	COMFORIA AWAZA	1,289	1,360	1,380	4.4%	1,340	4.2%	4.6%	1,410	1,430	4.3%	1,390	4.1%	4.5%	1,318	91	Japan Real Estate Institute
112	COMFORIA GYOTOKU	978	1,020	1,020	4.5%	1,010	4.2%	4.6%	1,040	1,040	4.4%	1,030	4.1%	4.5%	1,038	1	Japan Real Estate Institute
113	COMFORIA SHIBAURA	1,065	1,150	1,170	3.9%	1,120	3.7%	4.1%	1,150	1,170	3.9%	1,120	3.7%	4.1%	1,131	18	Japan Valuers Co.,Ltd.
114	COMFORIA UENOIRIYA	2,173	2,270	2,330	4.2%	2,250	4.0%	4.4%	2,340	2,380	4.1%	2,320	3.9%	4.3%	2,226	113	DAIWA REAL ESTATE APPRAISAL CO.,LTD
115	COMFORIA IKEJIRI	1,313	1,400	1,430	4.0%	1,370	3.8%	4.2%	1,430	1,450	3.8%	1,400	3.6%	4.0%	1,394	35	Japan Real Estate Institute
116	COMFORIA SETAGAYAKAMIUMA	2,622	2,740	2,770	4.1%	2,720	4.2%	4.3%	2,820	2,860	4.0%	2,800	4.1%	4.2%	2,677	142	The Tanizawa Sogo Appraisal Co.,Ltd.
117	COMFORIA KITAHAMA	1,719	1,780	1,810	4.3%	1,750	4.1%	4.5%	1,820	1,850	4.2%	1,790	4.0%	4.4%	1,762	57	JLL Morii Valuation & Advisory K.K.
118	COMFORIA AKABANEIWABUCHI	2,500	2,520	2,580	4.3%	2,450	4.1%	4.5%	2,630	2,690	4.3%	2,570	4.1%	4.5%	2,776	▲ 146	Japan Real Estate Institute
119	COMFORIA RYOGOKU TROIS	1,660	1,680	1,700	4.2%	1,650	3.9%	4.3%	1,700	1,740	4.1%	1,660	3.9%	4.3%	1,767	▲ 67	Japan Real Estate Institute
120	COMFORIA SHINJUKU	2,150	2,310	2,370	3.8%	2,290	3.6%	4.0%	2,340	2,400	3.7%	2,320	3.5%	3.9%	2,278	61	DAIWA REAL ESTATE APPRAISAL CO.,LTD
121	COLLEGE SQUARE HACHIMANYAMA	880	890	907	4.1%	883	4.2%	4.3%	909	926	4.0%	901	4.1%	4.2%	907	1	The Tanizawa Sogo Appraisal Co.,Ltd.
122	GRANCREER CENTER-MINAM	4,150	4,200	4,230	4.6%	4,160	4.4%	4.8%	4,220	4,250	4.6%	4,180	4.4%	4.8%	4,274	▲ 54	Japan Real Estate Institute
123	COMFORIA KINSHICHO DEUX	2,213	–	–	–	–	–	–	2,300	2,340	4.1%	2,280	4.2%	4.3%	2,279	20	The Tanizawa Sogo Appraisal Co.,Ltd.
124	COMFORIA KAMEIDO SOUTH	2,050	–	–	–	–	–	–	2,130	2,150	4.1%	2,100	3.9%	4.3%	2,114	15	JLL Morii Valuation & Advisory K.K.
125	COMFORIA SHIBUYA WEST	5,397	–	–	–	–	–	–	5,900	5,940	3.8%	5,860	3.5%	3.9%	5,504	395	Japan Real Estate Institute
126	COMFORIA HIGASHINIHONBASHI	1,194	–	–	–	–	–	–	1,250	1,270	4.0%	1,230	3.8%	4.2%	1,265	▲ 15	Japan Real Estate Institute
127	COMFORIA ASAKUSAKOMAGATA	1,254	–	–	–	–	–	–	1,320	1,340	4.1%	1,290	3.9%	4.3%	1,327	▲ 7	Japan Real Estate Institute
128	COMFORIA OOMORIKASHIMA	864	–	–	–	–	–	–	883	896	4.1%	869	3.9%	4.3%	915	▲ 32	Japan Real Estate Institute
129	COMFORIA OOMORIMACHI	1,096	–	–	–	–	–	–	1,140	1,160	4.1%	1,120	3.9%	4.3%	1,162	▲ 22	Japan Real Estate Institute
130	COMFORIA KAMIIKEDAI	1,842	–	–	–	–	–	–	1,970	2,000	4.2%	1,930	4.0%	4.4%	1,945	24	Japan Real Estate Institute
131	CAMPUS VILLAGE SHIINAMACHI	2,740	–	–	–	–	–	–	2,810	2,820	4.3%	2,800	4.0%	4.4%	2,813	▲ 3	Japan Real Estate Institute
132	COMFORIA TAMA-PLAZA	2,220	–	–	–	–	–	–	2,270	2,320	4.0%	2,250	3.8%	4.2%	2,359	▲ 89	DAIWA REAL ESTATE APPRAISAL CO.,LTD
	TOTAL	225,944	243,939	247,641		240,173			272,485	276,720		268,336			225,905	46,579	

Historical Occupancy and Rents

Invested area	Items	16th FP						17th FP						18th FP					
		Feb. 2018	Mar. 2018	Apr. 2018	May. 2018	Jun. 2018	July. 2018	Aug. 2018	Sep. 2018	Oct. 2018	Nov. 2018	Dec. 2018	Jan. 2019	Feb. 2019	Mar. 2019	Apr. 2019	May. 2019	Jun. 2019	July. 2019
Total portfolio	# of properties	115	117	117	118	117	117	117	118	118	117	117	117	120	126	127	127	127	126
	Rentable units	8,444	8,590	8,590	8,636	8,612	8,612	8,612	8,746	8,746	8,740	8,740	8,740	9,017	9,304	9,472	9,472	9,479	9,406
	Rent: Yen/Tsubo	13,162	13,117	13,136	13,137	13,179	13,205	13,212	12,699	12,715	12,726	12,753	12,748	12,833	12,792	12,812	12,819	12,845	12,869
	Occupancy rate	97.2%	96.6%	96.1%	95.7%	96.2%	96.6%	96.6%	97.0%	96.7%	96.6%	96.4%	96.4%	97.3%	97.2%	96.5%	96.3%	96.8%	97.0%

Invested area	Items	16th FP						17th FP						18th FP					
		Feb. 2018	Mar. 2018	Apr. 2018	May. 2018	Jun. 2018	July. 2018	Aug. 2018	Sep. 2018	Oct. 2018	Nov. 2018	Dec. 2018	Jan. 2019	Feb. 2019	Mar. 2019	Apr. 2019	May. 2019	Jun. 2019	July. 2019
Central Tokyo	# of properties	43	44	44	44	44	44	44	44	44	43	43	43	43	44	44	44	44	44
	Rentable units	3,204	3,269	3,269	3,269	3,269	3,269	3,269	3,269	3,269	3,263	3,263	3,263	3,263	3,308	3,308	3,308	3,308	3,308
	Rent: Yen/Tsubo	14,791	14,822	14,849	14,873	14,904	14,927	14,944	14,972	14,985	15,008	15,040	15,048	15,072	15,084	15,122	15,142	15,167	15,174
	Occupancy rate	97.3%	95.9%	95.6%	95.6%	96.1%	96.8%	96.5%	96.9%	97.0%	96.6%	96.7%	96.1%	96.8%	97.0%	96.4%	95.9%	96.5%	96.9%
Sub-Central Tokyo	# of properties	56	58	58	59	59	59	59	59	59	59	59	59	62	66	67	67	67	67
	Rentable units	4,050	4,191	4,191	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,514	4,683	4,851	4,851	4,858	4,858
	Rent: Yen/Tsubo	12,672	12,545	12,544	12,523	12,528	12,554	12,558	12,585	12,610	12,624	12,646	12,649	12,838	12,759	12,760	12,773	12,793	12,799
	Occupancy rate	97.7%	97.5%	96.8%	95.8%	96.3%	96.7%	96.9%	96.8%	96.0%	96.2%	95.6%	96.1%	97.1%	97.0%	96.6%	96.3%	96.9%	97.0%
Tokyo Metropolitan area	# of properties	6	5	5	5	4	4	4	5	5	5	5	5	5	6	6	6	6	6
	Rentable units	286	226	226	226	202	202	202	336	336	336	336	336	336	409	409	409	409	409
	Rent: Yen/Tsubo	9,645	9,197	9,202	9,215	9,491	9,507	9,495	5,139	5,140	5,161	5,169	5,148	5,165	5,610	5,610	5,618	5,641	5,631
	Occupancy rate	96.3%	98.7%	99.7%	98.1%	97.2%	95.6%	94.5%	99.1%	98.9%	99.4%	99.5%	98.8%	99.4%	98.7%	98.5%	98.7%	99.0%	98.8%
Other Major Cities	# of properties	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	9
	Rentable units	904	904	904	904	904	904	904	904	904	904	904	904	904	904	904	904	904	831
	Rent: Yen/Tsubo	8,935	8,954	8,987	8,982	8,989	9,004	9,000	9,006	8,988	9,005	9,019	8,994	8,965	8,992	9,007	9,021	9,037	8,979
	Occupancy rate	95.5%	96.0%	94.6%	95.1%	95.3%	95.9%	95.9%	96.7%	97.0%	96.4%	95.8%	96.9%	98.5%	97.5%	95.3%	96.1%	95.9%	96.1%

Portfolio Summary (All Property)

Investment area

17th FP Tokyo 23 wards:**89.1**%

18th FP Tokyo 23 wards:**89.6**%

(Note1) Graph data based on acquisition price.
(Note2) Refer to "References (*1) for calculation method of "Investment area".

Investment Target

17th FP Rental Residences:**97.0**%

18th FP Rental Residences:**96.0**%

(Note3) Graph data based on acquisition price.

Average building age

17th FP Avg. age:**10.4** years

18th FP Avg. age:**10.5** years

(Note4) Graph data based on build year of each asset under management (acquisition price basis) at the end of each fiscal period.
(Note5) Refer to "References (*1) for calculation method of "Average building age".

Acquisition price per property

17th FP Price per property:¥**1.76**bn

18th FP Price per property:¥**1.79**bn

(Note6) Graph data based on acquisition price.

Portfolio Summary (Rental Residences)

Walking distance from nearest station

17th FP Avg. distance:**4.8**min

18th FP Avg. distance:**4.9**min

Under 5 mins
5 to 10 mins
Over 10 mins

(Note1) Graph data based on acquisition price.
(Note2) Refer to "References (*1) for calculation method of "Minutes to nearest train station (on foot)" and "Avg. distance".

Monthly rent per Unit

17th FP Avg. rent:**¥145,861**

18th FP Avg. rent:**¥147,019**

Less than ¥100,000
Over ¥100,000 less than ¥150,000
Over ¥150,000 less than ¥200,000
Over ¥200,000 less than ¥250,000
Over ¥250,000

(Note3) Graph data represents ratio of monthly rent range (excluding retail and office space) at each unit under management in the portfolio.

Unit type

17th FP Single・Compact:**89.5**%

18th FP Single・Compact:**89.5**%

Single(S)
Compact(C)
Family(F)
Large(L)
Stores

(Note4) Refer to "References (*1) for calculation method of "Unit type".

Lessee type

17th FP Corporate:**36.6**%

18th FP Corporate:**37.3**%

Corporate
Individual

Unitholders (as of 18th FP end)

Unitholder by issues held

Unitholder by ratio

Major unitholders (Top 10)

	Unitholders	Units held (Units)	Holding ratio (%)
1	Japan Trustee Services Bank, Ltd. (trust account)	139,383	21.75
2	The Master Trust Bank of Japan, Ltd. (trust account)	97,646	15.23
3	Tokyu Land Corporation	57,048	8.90
4	The Nomura Trust & Banking Co., Ltd. (trust account)	25,218	3.93
5	Trust & Custody Services Bank, Ltd. (securities trust investment account)	18,774	2.92
6	Mitsubishi UFJ Trust and Banking Corporation (Standing proxy: The Master Trust Bank of Japan, Ltd.)	12,084	1.88
7	Trust & Custody Services Bank, Ltd. (taxable trust money account)	10,720	1.67
8	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	9,934	1.55
9	Rakuten General Insurance Co., Ltd.	9,822	1.53
10	STATE STREET BANK WEST CLIENT ー TREATY 505234 (Standing proxy: Mizuho Bank, Ltd.)	9,488	1.48
	Total	390,117	60.87

(Note1) Holding ratio shown above are rounded down to the third decimal places.

(Note2) All data based on the unitholder registry as at Jul.31, 2019.

Historical Unit Price and Trading Volume

Average daily volume	6th FP	7th FP	8th FP	9th FP	10th FP	11th FP	12th FP	13th FP	14th FP	15th FP	16th FP	17th FP	18th FP
	¥608mm	**¥144**mm	**¥244**mm	**¥234**mm	**¥323**mm	**¥228**mm	**¥417**mm	**¥341**mm	**¥401**mm	**¥268**mm	**¥456**mm	**¥525**mm	**¥730**mm

(Note1) Figures shown above of Public Offering is the price of the day in which Public Offering was launched .

(Note2) TSE REIT Index and TSE REIT Residential Index are re-indexed by using CRR's February 6, 2013 price of 155,500 yen as base price.

(Note3) Figures for "Unit Price" have been adjusted to reflect the 4-for-1 unit split effective as of IPO.

Expansion of Investor Base

Retail investor Seminars

- Hosted 4 seminars in Tokyo metropolitan area and 8 seminars in other major cities during the 18th period and approx. 1,300 retail investors attended.

Seminars targeting retail investors (18th FP)		
Date	Event	Location
27-Mar	“Retail Investor Joint IR Seminar”	Tokyo
25-Apr	“Retail Investor Joint IR Seminar”	Fukuoka
11-May	“Retail Investor Joint IR Seminar”	Osaka
13-May	“Individual Shareholder Seminar"	Tokyo
23-May	“Retail Investor Joint IR Seminar”	Nagoya
31-May	“Retail Investor Joint IR Seminar with ADR”	Fukuoka
6-Jun	“Retail Investor IR Seminar”	Machida
21-Jun	“J-REIT Caravan 2019”	Hyogo/Sanda
25-Jun	“J-REIT Caravan 2019”	Tottori
5-Jul	“Retail Investor Joint IR Seminar”	Osaka
9-Jul	“J-REIT Caravan 2019”	Fukuoka
28-Jul	“Retail Investor Joint IR Seminar”	Tokyo

Efforts for targeting foreign investors

- Conducted IR for investors in USA in addition to Hong Kong, Singapore and Europe in the 18th period.

IR events targeting foreign investors (17th FP －18th FP)		
Area	17th FP	18th FP
Asia	14 investors	17 investors
Hong Kong	7 investors	8 investors
Singapore	7 investors	9 investors
Europe	12 investors	8 investors
USA	－	8 investors
Total	26 investors	**33** investors

Foreign Investors Ratio (13th – 18th FP)

Company Profile of CRR

Company Profile

- Name ：Comforia Residential REIT, Inc (CRR)
- Address ：1-1-1 Minami-Aoyama, Minato-ku, Tokyo
- Officers ：Takehiro Izawa, Executive Director
  (Chief Division Officer of Comforia Management Division of TLC REIT Management Inc.)
  Yoshihiro Kataoka, Supervising Director
  (lawyer)
  Koji Yamamoto, Supervising Director
  (CPA / tax accountant)
- History ：

June 2010	Registration of incorporation Registration by the prime minister (registration number: Director of Kanto Finance Bureau No. 71)
August 2010	Commenced business
February 2013	Listed on the Real Estate Investment Trust Securities Market of Tokyo Stock Exchange

- Asset management company： TLC REIT Management Inc

Structure

① Asset Management Agreement
② Asset Custody Agreement / Administrative Service Agreement / Transfer Agency Agreement
③ Accounting Service Agreement
④ Fiscal, Issuing and Payment Agency Agreement
⑤ Sponsor Support Agreement
⑥ Support Agreement

(Note) Changed its name from "Heiseikaikeisha Tax Corporation" on September 1, 2019.

Company Profile of Asset Management Company

Company Profile

- Name: TLC REIT Management Inc.
- Established: October 2009
- Capital: 200 million yen
- Address: 1-1-1 Minami-Aoyama, Minato-ku, Tokyo
  (from Oct. 7, 2019) 1-21-1 Dogenzaka, Shibuya-ku, Tokyo
- Shareholder: Tokyu Land Corporation 100%
- # of directors and employees:
  99 (full time: as of Jul. 31, 2019)
- Business description:
  Investment management
- Registrations/Licenses
  ・Financial Instruments Business Firm, granted by the Director of the Kanto Regional Finance Bureau (Financial Instruments) Registration No. 2370
  ・Discretionary Transaction Agent granted by the Minister of Land, Infrastructure, Transport and Tourism, Registration No. 65
  ・Building Lots and Building Transactions Business License, granted by the Governor of Tokyo (2) No. 91139
- # of qualified employees (as of Jul. 31, 2019)

Qualification	# of employees
Real Estate Broker	80
ARES Certified Master	54
Certified Building Administrator	23
Property Manager	9
Chartered Member of the Securities Analysts Association of Japan	1
Real Estate Consulting Master	5
Real Estate Appraiser	7
First-Class Architect	5

Overview of Organization

References

(*1)

- Specific investment areas defined as “Investment Area” by the Investment Corporation are as follows:

Category	Investment Area	
Central Tokyo	5 major wards	Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, and Shibuya-ku
Sub-central Tokyo	Dense residential districts outside of the 5 major wards	Other Tokyo wards (excluding above)
Tokyo Metropolitan area	Dense residential districts in all other Tokyo Metropolitan areas	All other areas within Tokyo Metropolitan boundaries expecting strong demand
Other major cities	Dense residential districts in ordinance-designated cities	

- Specific Residential property defined as “Investment Target” by the Investment Corporation are as follows:

Asset Type	Investment Target
Residential property	Rental residence
	Operational rental residence

- Time required to arrive at the property on foot in “Minutes to Nearest Train Station(on foot),” is calculated on the assumption that it takes one minute to walk 80 meters.
- “Avg. Distance” is derived from a weighted average based on the acquisition price.
- “Unit Type” is derived by calculating the percentage of units in rental residences out of assets under management on the basis of units categorized below

Single	:Under 30㎡	Compact	:30㎡～60㎡
Family	:60㎡～100㎡	Large	:100㎡

- “Avg. Building Age” is derived from a weighted average of building age of each property and acquisition price.

References

(*2) “Rent change on tenant turnover” and “NAV/unit” are calculated as follows:

- “NAV/unit“ = {total net assets - surplus + reserve for reduction entry + market value of real estate, etc. (real estate appraisal value) – book value of real estate, etc. } / investment units issued
- “Rent change on tenant turnover” is calculated by dividing the total rent growth on tenant turnover by the total previous rent.

(*3) “Appraisal NOI yield” is calculated as follows:

- “Appraisal NOI yield = NOI in appraisal report at time of acquisition / acquisition price.

(*4) “Interest-bearing debt balance”, “Average maturity”, ”Weighted average interest rate”, “Total LTV” , “Appraisal LTV”, are calculated as follows:

- “Interest-bearing debt balance” is the total volume of borrowings and REIT bonds.
- “Average maturity” is derived from the weighted average of maturity on each loan and REIT bond from the drawdown date to the repayment date prescribed in the respective loan agreement and REIT bond agreement.
- “Weighted average interest rate” is derived from the weighted average of interest rates on each loan and REIT bonds as at the end of each fiscal period in accordance with borrowing amount. If interest rates are fixed under an interest rate swap agreement, then the fixed interest rate was used for the calculation.
- “Total LTV” is calculated by dividing the interest-bearing debt balance by the total assets on the balance sheet.
- “Appraisal LTV ” is calculated by dividing the interest-bearing debt by the total appraisal of real estate assets as at each point.
- “Acquisition capacity” is a maximum of asset that CRR can acquire at total LTV of 55%.

(*5) The notes concerning the decision-making flow for the acquisition of assets is as follows:

- (Note①) If the candidate acquisition asset is a healthcare facility, advisory from external experts shall be sought.
- (Note②) If the candidate acquisition asset is a healthcare facility, discussions shall be held upon receiving a report on the content of reports, etc. created by external experts and, if necessary, the Investment Committee shall be attended by the external experts as observers and their opinions shall be heard.
- (Note③) The Head of the Compliance Department may order the suspension of discussions.
- (Note④) The order with the resolution of the Investment Committee may vary.

All contents presented in this document is provided solely for informational purposes with regard to CRR and is not intended to serve as an inducement or solicitation to trade in any product offered by CRR.

Information provided in this document contains forward-looking statements such as business forecasts, which should not be construed as CRR's commitment to or guarantee of future performance.

COMFORIA Residential Investment Corporation and TLC REIT Management Inc. do not guarantee or warrant the accuracy and safety of the information provided in this document, and shall not be liable for updating the information provided.

Please be advised that forward-looking statements provided herein may be subject to change or deletion without prior notice.

Duplication or reproduction of any item presented as information herein without the prior consent of CRR or its authorized representative is strictly prohibited.

Disclaimer for U.K. and Dutch Investors: The material containing the information required under Article 23(1) and (2) of the AIFMD is available at https://www.comforia-reit.co.jp/en/ir/library.html