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For Immediate Release

Real Estate Investment Trust Securities Issuer:
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Notice Concerning Acquisition and Sale of Investment Assets

Comforia Residential REIT, Inc (“Investment Corporation”) announces that TLC Comforia Investment Management INC., to which the Investment Corporation entrusts management of its assets (“Asset Management Company”) decided today for Investment Corporation to acquire the investment assets as shown below 1 (1). and sell the investment assets as shown below 1 (2). (hereafter referred to as the “Acquisition” and the “Sale” respectively and the “Transactions” collectively).

1. Summary of the Transactions

(1) Summary of the Acquisition

	Type of Asset	Property Name	Acquisition Price (thousand yen) (Note 1)
1	Beneficial Interest in Real Estate Trust	COMFORIA AZABU EAST(Note 2)	1,900,000
2	Beneficial Interest in Real Estate Trust	COMFORIA KITASANJO(Note 2)	660,000
Total			2,560,000

(Note 1) “Acquisition Price” denotes the amount exclusive of the various expenses required in the acquisition of the concerned asset, etc. (taxes and public dues, etc.) (specified in the Agreement on Purchase and Sale of Beneficial Interest in Real Estate Trust, etc.).

(Note 2) Although the current property names are “Mast Life Azabu East” and “Liesse Kitanajo”, the Investment Corporation plans to change the names to “COMFORIA AZABU EAST” and “COMFORIA KITASANJO” about two months after the acquisition. The current property names will be omitted hereinafter.

- ① Date of Agreement October 19, 2015
- ② Date of Acquisition October 19, 2015
- ③ Seller Refer to “5. Summary of the Seller and the Buyer”
- ④ Financing for acquisition Proceeds from sale of properties and borrowed funds (Note).
- ⑤ Method of payment Full payment at the time of delivery

(Note) For the proceeds from sale of properties, refer to “(2). Summary of the Sale”. For the borrowed funds, refer to the “Notice Concerning Borrowing of Funds” released today,

(2) Summary of the Sale

	Type of Asset	Property Name	Sale Price (thousand yen) (Note)
1	Beneficial Interest in Real Estate Trust	COMFORIA DAIKANYAMA	1,850,000
2	Beneficial Interest in Real Estate Trust	COMFORIA HARAJUKU NORD	595,000
Total			2,445,000

(Note) "Sale Price" denotes the amount exclusive of the various expenses required in the Sale of the concerned asset, etc. (taxes and public dues, etc.) (specified in the Agreement on Purchase and Sale of Beneficial Interest in Real Estate Trust, etc.).

- ① Book value 2,327,221 thousand yen (total book value) (as at July 31, 2015)
 (Detail) COMFORIA DAIKANYAMA 1,794,152 thousand yen
 COMFORIA HARAJYUKU NORD 533,069 thousand yen
- ② Difference between sale price and book value 117,778 thousand yen (total difference)
 (Detail) COMFORIA DAIKANYAMA 55,847 thousand yen
 COMFORIA HARAJYUKU NORD 61,930 thousand yen
- ③ Date of Agreement October 19, 2015
 ④ Date of Sale October 19, 2015
 ⑤ Buyer Refer to "5. Summary of the Seller and the Buyer"
 ⑥ Method of payment Full payment at the time of delivery
 ⑦ Use of proceeds from the sale of the properties
 Plans to utilize them to acquire the assets as described in "(1) Summary of the Acquisition"

2. Reason for the Transactions

The Asset Management Company decided to acquire and sell the investment assets based on the asset management policy and subject defined in articles of Investment Corporation for ensuring stable earnings and steady growth of the portfolio. The transactions will enhance portfolio quality, specifically lower the average building age of the portfolio, and improve average NOI yield and unrealized gain of the portfolio as described below table. Regarding the capital gains resulting from the sale of the property, it is planned to be internally reserved through reduction entry utilizing the "Special Provisions for Taxation in the Event of Advance Acquisition of Land, etc. in 2009 and 2010."

【 Portfolio change through the Transactions 】

	Before the Transaction (A)	The Transactions		After the Transactions (B)	Difference (B-A)
		The Acquisition	The Sale		
# of properties	94 properties	2 properties	▲2 properties	94 properties	—
Asset under Management (million yen) (C) (Note 1)	146,530	2,560	▲2,340	146,750	220
Appraisal Value (million yen) (D) (Note 2)	167,853	3,440	▲2,843	168,450	597
Unrealized Gain (million yen) (D) - (C)	21,323	880	▲503	21,699	376
NOI Yield (Note 2)	5.41%	6.41%	5.62%	5.43%	0.02%
Average Building Age (Note 3)	9.0 years	4.5 years	11.1 years	8.9 years	▲0.1years

(Note 1) "Asset under Management" denotes the total price based on the acquisition.

(Note 2) "Appraisal Value" and "NOI Yield" is adopted based on the appraisal date as described below.
 Property under management and the sold property as at July 31, 2015



Acquired property as at September 30, 2015
 (Note3) “Average Building Age” is derived from a weighted average of building age as at October 19, 2015 of each property and acquisition price.

3. Summary of the Acquisition

(1) Details of the Acquisition

① COMFORIA AZABU EAST

Property Name		COMFORIA AZABU EAST
Type of Asset		Beneficial Interest in Real Estate Trust
Trustee of Beneficial Trust		Mizuho Trust and Banking Corporation
Expiration Date of Beneficial Trust Contract		October 18, 2030
Location (Residential address) (Note 1)		2-29-1 Higashiazabu, Minato-ku, Tokyo
Land	Area (Note 1)	706.54 m ²
	Type of Ownership	Ownership
Building	Completion Date (Note 1)	July, 2011
	Structure / Number of Floors (Note 1)	RC / B1F-11F
	Gross Floor Area (Note 1)	3,505.12 m ²
	Type of Ownership	Ownership
	Use (Note 1)	Apartment building / Retail facility
Rentable Units (Note 5)		69 Units
Property Management Company (Note 2)		Tokyu Housing Lease Corporation (planned)
Master Leasing Company (Note 3)		Tokyu Housing Lease Corporation (planned)
Collateral		None
Special affairs (Note 4)		None
Features of the Property		This property is a rental residence principally comprising single and compact rooms located a 3-minute walk from Akabanebashi Station on the Toei Oedo Line and a 6-minute walk from Azabu Juban Station on the Nanboku Line and one other Tokyo Metro line. The property offers very good access to major business and commercial zones, with two stations and two lines available for use. It takes approximately 4 minutes to travel from the property to Shiodome Station and approximately 2 minutes to travel from the property to Roppongi Station. Located practically in the center of the Higashi Azabu Shopping District, connected to neighborhood commercial facilities, the property is close to high-class restaurants around Azabu Juban Station. In addition, an abundant park space spreads through the surrounding area, including Shiba Park and Tokyo Tower. Given these characteristics, solid rental demand for this property is expected, mainly among singles and double-income couples with no children who attach importance to factors such as a location in the midtown area and the convenience and comfort of the residential environment.
Summary of Rental Status (as of August 31, 2015) (Note 5)		
Rentable Area		2,634.46 m ²
Rented Area		2,634.46 m ²
Occupancy Rate		100%
Rentable Units		69 Units
Rented Units		69 Units
Total Number of Tenants		1
Total Monthly Rent		11,310 thousand yen
Deposits, guarantees		19,914 thousand yen
Summary of the Engineering Report (Note 6)		
Reporting Company		HI International Consultant Co., LTD.
Report Date		September, 2015

Estimated Amount of Emergency Repair Expenses	—
Estimated Amount of Short-Term Repaid Expenses	230 thousand yen
Estimated Amount of Long-Term Repaid Expenses	40,470 thousand yen
Replacement Value	800,100 thousand yen
Summary of the Earthquake Risk Analysis (Note 7)	
PML Reporting Company	Sompo Japan Nipponkoa Risk Management Inc.
Report Date	September, 2015
PML	6.78%
Architect/Contractor/Building Permit Agency, etc. (Note 8)	
Architect	IAO TAKEDA ARCHITECTS ASSOCIATES CO., LTD.
Contractor	Sekisui House, Ltd.
Building Permit Agency	K.K. Center of International Architectural Standard
Investment Agency or Structural Calculation Fitness Judge, etc.	HI International Consultant Co., LTD.

② COMFORIA KITASANJO

Property Name	COMFORIA KITASANJO	
Type of Asset	Beneficial Interest in Real Estate Trust	
Trustee of Beneficial Trust	Mizuho Trust and Banking Corporation	
Expiration Date of Beneficial Trust Contract	October 18, 2030	
Location (Residential address) (Note 1)	2-2-51 Kitanajohigashi, Chuo-ku, Sapporo-shi Hokkaido	
Land	Area (Note 1)	856.84 m ²
	Type of Ownership	Ownership
Building	Completion Date (Note 1)	September 2010
	Structure / Number of Floors (Note 1)	(Main building) RC / B1F-11F (Accessory building) S / 1F
	Gross Floor Area (Note 1)	3,949.79 m ²
	Type of Ownership	Ownership
	Use (Note 1)	Apartment building / Parking
	Rentable Units (Note 5)	60 Units
Property Management Company (Note 2)	Tokyu Housing Lease Corporation (planned)	
Master Leasing Company (Note 3)	Tokyu Housing Lease Corporation (planned)	
Collateral	None	
Special affairs (Note 4)	None	
Features of the Property	This property is a rental residence with a focus on compact rooms but also including a number of family rooms located a 5-minute walk from Sapporo Station on the Toho Line and one other Sapporo Municipal Subway line and a 10-minute walk from Sapporo Station on the JR Hakodate Main Line. The property offers very good access to major business and commercial zones, with two stations and three lines available for use. It takes approximately 1 minutes to travel from the property to Odori Station and approximately 3 minutes to travel from the property to Susukino Station. Located in an area adjacent to JR Sapporo Station and the Odori district in the center of Sapporo, the property is within walking distance from major commercial facilities, such as the Sapporo Tokyu Department Store and the Sapporo Stellar Place. Given these characteristics, broad-based rental demand for this property is expected among singles, double-income couples with no children and families who attach importance to factors such as the convenience of the residential environment.	
Summary of Rental Status (as of August 31, 2015) (Note 5)		
Rentable Area	3,222.00 m ²	

Rented Area	3,114.00 m ²
Occupancy Rate	96.6%
Rentable Units	60 Units
Rented Units	58 Units
Total Number of Tenants	1
Total Monthly Rent	5,239 thousand yen
Deposits, guarantees	7,143 thousand yen
Summary of the Engineering Report (Note 6)	
Reporting Company	HI International Consultant Co., LTD.
Report Date	September, 2015
Estimated Amount of Emergency Repair Expenses	20 thousand yen
Estimated Amount of Short-Term Repaid Expenses	360 thousand yen
Estimated Amount of Long-Term Repaid Expenses	39,810 thousand yen
Replacement Value	981,200 thousand yen
Summary of the Earthquake Risk Analysis (Note 7)	
PML Reporting Company	Sompo Japan Nipponkoa Risk Management Inc.
Report Date	September, 2015
PML	0.28%
Architect/Contractor/Building Permit Agency, etc. (Note 8)	
Architect	N.A.D. Co., Ltd.
Contractor	Oosawa Construction Co., Ltd.
Building Permit Agency	UHEC (K.K. Toshi Kyojyuu Hyouka Center)
Investment Agency or Structural Calculation Fitness Judge, etc.	HI International Consultant Co., LTD.

(Note 1) "Location" is based on the residential address. However, for properties that have no residential address, the building address on the registry is indicated. In addition, "Area" of "Land," "Completion Date," "Structure / Number of Floors," "Gross Floor Area" and "Use" of "Building" are based on information in the real estate registry, and may not necessarily be identical with the actual figures. "Gross Floor Area" of "Building" denotes the area of the entire building (excepting annexes).

(Note 2) "Property Management Company" is the company that provides a property management service for each property.

(Note 3) "Master Leasing Company" is the lessee that concluded a master lease agreement with the titleholder of each property.

(Note 4) "Special affairs" are matters recognized as important as of August 31, 2015, regarding the right and use, etc. of the asset, as well as consideration of the degree of impact on the appraised value, profitability, and appropriation. They include the following matters:

- i Significant limitation or restriction by laws, ordinances, rules and regulations
- ii Significant burdens or limitations on rights, etc.
- iii Significant cases where there are architectural structures crossing the boundaries of the concerned property, etc. and cases where there are issues with boundary confirmation, etc., and related arrangements, etc.
- iv Significant agreements, arrangements, etc. made with co-owners / sectional owners.

(Note 5) Explanation of "Summary of Rental Status"

- i "Rentable Area" is the total rentable floor area of residences. of the asset (if the common area, etc. is leased, the concerned area is also included). The Rentable Area is not based on the real estate registry, but the floor area stated in the lease agreement or the floor area calculated from the building as-built drawing, etc., and may not necessarily be identical to the floor area written in the real estate registry.
- ii In the following cases, "Rented Area" means the floor area (based on the floor area in the lease agreement; however, limited to the floor area of residences. When all units are leased in bulk, the floor area of the entire leased units and excluding the leased area of parking lots) that is actually leased and a lease agreement is executed with the end-tenant. Cases where all or some units are leased in bulk, based on the lease agreement ("Master Lease Agreement"), and the Master Leasing Company in Master Lease Agreement subleases end-tenants, besides there is an agreement under which the rent of Master Lease Agreement is in accordance with the rent, etc. that end-tenants paid (hereafter this type of Master Lease Agreement is referred to as "Pass-through type Master Lease Agreement").
- iii "Occupancy Rate" is the rate of rented area to rentable area.
- iv "Rentable Units" is the number of rentable units.
- v "Rented Units" is the number of rented units that is actually leased and a lease agreement is executed with the end-tenant.
- vi "Total Number of Tenants" is the number of tenants with which the Investment Corporation or Trustee of Beneficial Trust has a direct rental contract relationship. Therefore, when the Investment Corporation or Trustee of Beneficial Trust leases comprehensively to the Master Leasing Company all units of the acquired property, and the Master Leasing Company subleases each unit to end-tenants, the Total Number of Tenants is 1; that is, the end-tenants of the sublease agreements are excluded. Further, even if the acquired property is leased by the Master Leasing Company, if there are end-tenants who do not accept the master leasing, the end-tenants and the Investment Corporation or Trustee of Beneficial Trust have a direct

rental contract relationship. In those cases, however, the end-tenants in question are not included in the Total Number of Tenants either.

- vii When the Master Leasing type is a Pass-Through type Master Lease Agreement, "Total Monthly Rent" means the total monthly rent, as of the last day of October 31, 2014 (including the common area expense, but not fees for incidental facilities such as parking lot or trunk room) stated in the lease agreement executed by the Master Leasing Company, or the owner of each real estate or Beneficial Interest in Real Estate Trust with end-tenants. Amounts are rounded down to the nearest thousand yen. Consumption tax and other taxes are excluded.
- viii "Security Deposit" is the total amount of security deposit, as of the last day of August 31, 2015, based on lease agreements executed with the end-tenants, rounded down to the nearest thousand yen. However, if a Security Deposit does not need to be repaid based on special policy conditions such as the redemption of the deposit in a lease agreement, the amount of the Security Deposit is excluded.

(Note 6) In "Summary of the Engineering Report," a summary of a report on the acquired asset prepared by the reporting company, a third party with no special interest in the Investment Corporation, is stated based on the statement of the report. However, the content of the report is simply the opinion of the reporting company above, and the Investment Corporation does not guarantee the adequacy and accuracy of the content.

- i "Estimated Amount of Emergency Repair Expenses" is the amount of repair and renewal costs expected to emergently arise, and is stated in the engineering report. Amounts are rounded down to the nearest thousand yen.
- ii "Estimated Amount of Short-term Repair expenses" is the amount of repair and renewal costs that are assumed to be required within one year, and is stated in the engineering report. Amounts under a thousand yen are rounded down.
- iii "Estimated Amount of Long-term Repair expenses" is the amount of repair and renewal costs that are assumed to be required for 12 years, and is stated in the engineering report. Amounts are rounded down to the nearest thousand yen.
- iv "Replacement Value" is the estimated amount of construction work procured if the acquired asset with the same design and the same specifications were to be newly constructed at the time of inspection, and is stated in the engineering report. Amounts are rounded down to the nearest thousand yen.

(Note 7) In "Summary of the Earthquake Risk Analysis," the summary of a report on the acquired asset prepared by the PML reporting company, a third party with no special interest in the Investment Corporation, is stated based on the statement of the report. However, the content of the report is simply the opinion of the PML reporting company above, and the Investment Corporation does not guarantee the adequacy or accuracy of the content.

"PML" is the probable maximum loss from an earthquake. There is a PML for individual buildings and for the entire portfolio of buildings. In this document, PML is the expected loss (which is equivalent to the 90% non-exceedance probability) as a percentage of the replacement price, and denotes the costs incurred during the anticipated usable period (generally, the duration of a building is 50 years) from a expected large-scale earthquake (which corresponds to a return period of 475 years; the possibility of the earthquake occurring during the next 50 years exceeds 10%).

(Note 8) In "Architect/Contractor/Building Permit Agency, etc.," the architect, the contractor, the building permit agency and the investment agency or structural calculation fitness judge, etc. of the acquired asset are stated. As a general rule, the Investment Corporation has asked a specialized third-party organization to make an inspection and received a report stating that there is no wrongful act such as the intentional falsification and forgery of documents related to structural design (structural drawings and structural calculation sheets, etc.). However, the content of the report is simply an opinion of the third-party organization, and the Investment Corporation does not guarantee the adequacy and accuracy of the content. For properties that have received from the specified structural calculation fitness judgment agency the judgment that the structural calculation is appropriately conducted according to the methods, etc. set down by the Minister of Land, Infrastructure, Transport and Tourism in accordance with the Building Standards Act revised in June 2007 (Act No. 201 of 1950. Including subsequent revisions), the specified structural calculation fitness judgment agency constitutes a specialized third-party organization.

(2) Summary of the Appraisal Report

① COMFORIA AZABU EAST

(thousand yen)

Property Name	COMFORIA AZABU EAST	
Appraisal Company	Japan Real Estate Institute	
Appraisal Date	September 30, 2015	
Appraisal Value	2,550,000	
	Content	Appraisal summary
Price of the Direct Capitalization Method ((6)/(7))	2,590,000	
(1) Operating Income	140,309	
Potential Gross Income	146,329	Calculated with consideration of the average income according to ongoing rental agreements as well as the assumed income level of new rents. Other income is calculated with consideration of the performance of ongoing asset management.
Rental Income (including common area expense)	137,176	
Utility Charge Income	0	
Parking Lot Income	2,946	
Key Money / Renewal Income	6,207	
Other Income	0	
Vacancy Loss	▲ 6,020	Calculated with consideration of occupancy rates in the past and those of similar properties in the same supply and demand area.

Collection Loss	0	Collection loss has not been calculated.
(2) Operating Expense	27,049	
Maintenance and Management Fee	4,741	Calculated with consideration of the characteristics of the property, referring to fees for similar properties as well as actual fees in previous years.
Utility Charge	1,800	
Repair Cost	2,037	Expenses for restoring rooms to their original conditions are calculated with consideration of the level of expenses that are usually incurred, while repair costs are calculated with consideration of the actual costs in previous years, the cost level in similar properties, and average repair costs presented in engineering reports.
Property Management Fee	3,359	Calculated with consideration of commissions for managing similar properties and the characteristics of the property, referring to the tariff of commissions of the project management company.
Tenant Advertisement Cost	6,393	Calculated with consideration of such factors as average the replacement rate of inhabitants per year and occupancy rates, while referring to the conditions of ongoing agreements and rental agreements of similar properties.
Taxes and Public Dues	7,919	Appraised based on the standard amount of taxation for the fiscal year 2015.
Insurance	420	Calculated with consideration of insurance premium rates of ongoing insurance contracts as well as those for similar properties.
Other Expenses	380	Calculated with consideration of the management of current assets
(3) Net Operating Income (NOI, (1)-(2))	113,260	
(4) Interest on Security Deposit	392	Assumed in consideration of rental conditions for ongoing and new contracts, as well as occupancy rates and yields on deposits.
(5) Capital Expenditure	2,430	Appraised in consideration of capital expenditure in similar properties, building ages, and the average renovation expenses per year in engineering reports.
(6) Net Cash Flow (NCF, (3)+(4)-(5))	111,222	
(7) Cap Rate	4.3%	Appraised based on basic yields for the respective areas, adjusted with spreads calculated from the geographical and social conditions of the property's location, conditions of the building, and other factors, while considering future uncertainties, yields on trades pertaining to similar properties, etc.
Price of the DCF Method	2,510,000	
Discount Rate	4.1%	Appraised in full consideration of the characteristics of the property and other factors, referring to yields on investments in similar properties.
Terminal Cap Rate	4.5%	Appraised in full consideration of future trends in yields on investments, possible risks from investment in the property, general forecasts on future economic growth, trends in property prices and rents, and other factors, while referring to yields on trade pertaining to similar properties.
Cost Approach Value	2,500,000	
Total Value of Land and Building	2,383,000	
Land Value	1,710,000	Appraised based on actual trade prices, calculated using a market comparison approach method
Building Value	673,000	Appraised based on a cost approach method, where new prices for repurchasing properties are multiplied by a discount rate that has been decided from current situations and regional characteristics.
Adjustment for Change	105%	Appraised in consideration of marketability etc.

Other matters taken into consideration by appraisal institutions when issuing appraisals	Revenue value is adopted based on the determination that it is more convincing to use revenue value as it precisely recreates a value building process in terms of profitability, while the cost approach is used only for reference.
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② COMFORIA KITASANJO

(thousand yen)

Property Name	COMFORIA KITASANJO	
Appraisal Company	The Tanizawa Sōgō Appraisal Co., Ltd.	
Appraisal Date	September 30, 2015	
Appraisal Value	890,000	
	Content	Appraisal summary
Price of the Direct Capitalization Method ((6)/(7))	898,000	
(1) Operating Income	70,062	
Potential Gross Income	77,905	Calculated with consideration of the average income according to ongoing rental agreements as well as the assumed income level of new rents. Other income is calculated with consideration of the performance of ongoing asset management.
Rental Income (including common area expense)	66,624	
Utility Charge Income	0	
Parking Lot Income	11,280	
Key Money / Renewal Income	0	
Other Income	1	
Vacancy Loss	▲ 7,843	
Collection Loss	0	Collection loss has not been calculated.
(2) Operating Expense	19,260	
Maintenance and Management Fee	2,590	Calculated with consideration of the characteristics of the property, referring to fees for similar properties as well as actual fees in previous years.
Utility Charge	2,474	
Repair Cost	2,932	Expenses for restoring rooms to their original conditions are calculated with consideration of the level of expenses that are usually incurred, while repair costs are calculated with consideration of the actual costs in previous years, the cost level in similar properties, and average repair costs presented in engineering reports.
Property Management Fee	1,751	Calculated with consideration of commissions for managing similar properties and the characteristics of the property, referring to the tariff of commissions of the project management company.
Tenant Advertisement Cost	2,796	Calculated with consideration of such factors as average the replacement rate of inhabitants per year and occupancy rates, while referring to the conditions of ongoing agreements and rental agreements of similar properties.
Taxes and Public Dues	6,350	Appraised based on the standard amount of taxation for the fiscal year 2015.
Insurance	294	Calculated with consideration of insurance premium rates of ongoing insurance contracts as well as those for similar properties.
Other Expenses	70	Calculated with consideration of the management of current assets
(3) Net Operating Income (NOI, (1)-(2))	50,801	
(4) Interest on Security Deposit	147	Assumed in consideration of rental conditions for ongoing and new contracts, as well as occupancy rates and yields on deposits.
(5) Capital Expenditure	2,457	Appraised in consideration of capital expenditure in similar properties, building ages, and the average renovation expenses per year in engineering reports.
(6) Net Cash Flow (NCF, (3)+(4)-(5))	48,492	
(7) Cap Rate	5.4%	Appraised based on basic yields for the respective areas, adjusted with spreads calculated from the geographical and social conditions of the property's location, conditions of the building, and other factors, while considering future uncertainties, yields on trades pertaining to similar properties, etc.

Price of the DCF Method	887,000	
Discount Rate	5.5%	Appraised in full consideration of the characteristics of the property and other factors, referring to yields on investments in similar properties.
Terminal Cap Rate	5.6%	Appraised in full consideration of future trends in yields on investments, possible risks from investment in the property, general forecasts on future economic growth, trends in property prices and rents, and other factors, while referring to yields on trade pertaining to similar properties.
Cost Approach Value	964,000	
Total Value of Land and Building	1,205,000	
Land Value	231,000	Appraised based on actual trade prices, calculated using a market comparison approach method
Building Value	778,000	Appraised based on a cost approach method, where new prices for repurchasing properties are multiplied by a discount rate that has been decided from current situations and regional characteristics.
Incidental Cost	196,000	Appraised by multiplying the cost appraised in consideration of development profit and design and supervision fee, and so on, by a discount rate that is equal to the building discount rate.
Adjustment for Change	80%	Appraised in consideration of marketability

Other matters taken into consideration by appraisal institutions when issuing appraisals	Revenue value is adopted based on the determination that it is more convincing to use revenue value as it precisely recreates a value building process in terms of profitability, while the cost approach is used only for reference.
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(Note) Summary of the Appraisal Report is the appraisal value described in the respective real estate appraisal reports that were prepared by Japan Real Estate Institute, and The Tanizawa Sōgō Appraisal Co., Ltd. based on an important notice concerning real estate appraisal in the context of the Act on Investment Trusts and Investment Corporations, Act on Real Estate Appraisal (Act No. 152 of 1963. Including subsequent revisions) and real estate appraisal standards. The appraisal value is the judgment and opinion of the appraiser at a fixed point in time, with no guarantees as to the validity or accuracy of the report, nor to the possibility of transactions at the appraised value.

4. Summary of the Sale

(1) Details of the Sale

① COMFORIA DAIKANYAMA

Property Name	COMFORIA DAIKANYAMA	
Type of Asset	Beneficial Interest in Real Estate Trust	
Trustee of Beneficial Trust	Mitsubishi UFJ Trust and Banking Corporation	
Expiration Date of Beneficial Trust Contract (Planned)	March 22, 2026	
Location (Residential address) (Note 1)	(Terrace) 1-21-14 Ebisunishi, Shibuya-ku, Tokyo (Tower) 1-21-15 Ebisunishi Shibuya-ku Tokyo	
Land	Area (Note 1)	555.37 m ²
	Type of Ownership	Ownership
Building	Completion Date (Note 1)	(Terrace) January, 2005 (Tower) January, 2005
	Structure / Number of Floors (Note 1)	(Terrace) RC / B1F-5F (Tower) S · SRC / B1-14F
	Gross Floor Area (Note 1)	(Terrace) 634.79 m ² (Tower) 1,632.82 m ²
	Type of Ownership	Ownership
	Use (Note 1)	(Terrace) Apartment building (Tower) Apartment building / Retail facilities / Bicycle parking / Storage
	Rentable Units (Note 5)	41 Units
Property Management Company (Note 2)	Tokyu Housing Lease Corporation	
Master Leasing Company (Note 3)	Tokyu Housing Lease Corporation	
Collateral	None	
Special affairs (Note 4)	None	
Summary of Rental Status (as of August 31, 2015) (Note 5)		

Rentable Area	1,997.95 m ²
Rented Area	1,890.48 m ²
Occupancy Rate	95.6%
Rentable Units	41 Units
Rented Units	39 Units
Total Number of Tenants	1
Total Monthly Rent	9,807 thousand yen
Deposits, guarantees	25,714 thousand yen

② COMFORIA HARAJUKU NORD

Property Name	COMFORIA HARAJUKU NORD	
Type of Asset	Beneficial Interest in Real Estate Trust	
Trustee of Beneficial Trust	Mitsubishi UFJ Trust and Banking Corporation	
Expiration Date of Beneficial Trust Contract (Planned)	March 22, 2026	
Location (Residential address) (Note 1)	3-8-19 Sendagaya, Shibuya-ku, Tokyo	
Land	Area (Note 1)	396.69 m ²
	Type of Ownership	Ownership
Building	Completion Date (Note 1)	July, 2003
	Structure / Number of Floors (Note 1)	RC/B1-6F
	Gross Floor Area (Note 1)	1,227.15 m ²
	Type of Ownership	Ownership
	Use (Note 1)	Apartment building
	Rentable Units (Note 5)	8 Units
Property Management Company (Note 2)	Tokyu Housing Lease Corporation	
Master Leasing Company (Note 3)	Tokyu Housing Lease Corporation	
Collateral	None	
Special affairs (Note 4)	None	
Summary of Rental Status (as of August 31, 2015) (Note 5)		
	Rentable Area	828.70 m ²
	Rented Area	828.70 m ²
	Occupancy Rate	100%
	Rentable Units	8 Units
	Rented Units	8 Units
	Total Number of Tenants	1
	Total Monthly Rent	3,558 thousand yen
	Deposits, guarantees	7,694 thousand yen

(Note 1) "Location" is based on the residential address. However, for properties that have no residential address, the building address on the registry is indicated. In addition, "Area" of "Land," "Completion Date," "Structure / Number of Floors," "Gross Floor Area" and "Use" of "Building" are based on information in the real estate registry, and may not necessarily be identical with the actual figures. "Gross Floor Area" of "Building" denotes the area of the entire building (excepting annexes).

(Note 2) "Property Management Company" is the company that provides a property management service for each property.

(Note 3) "Master Leasing Company" is the lessee that concluded a master lease agreement with the titleholder of each property.

(Note 4) "Special affairs" are matters recognized as important as of August 31, 2015, regarding the right and use, etc. of the asset, as well as consideration of the degree of impact on the appraised value, profitability, and appropriation. They include the following matters:

- i Significant limitation or restriction by laws, ordinances, rules and regulations
- ii Significant burdens or limitations on rights, etc.
- iii Significant cases where there are architectural structures crossing the boundaries of the concerned property, etc. and cases where there are issues with boundary confirmation, etc., and related arrangements, etc.
- iv Significant agreements, arrangements, etc. made with co-owners / sectional owners.

(Note 5) Explanation of "Summary of Rental Status"

- i “Rentable Area” is the total rentable floor area of residences. of the asset (if the common area, etc. is leased, the concerned area is also included). The Rentable Area is not based on the real estate registry, but the floor area stated in the lease agreement or the floor area calculated from the building as-built drawing, etc., and may not necessarily be identical to the floor area written in the real estate registry.
- ii In the following cases, “Rented Area” means the floor area (based on the floor area in the lease agreement; however, limited to the floor area of residences. When all units are leased in bulk, the floor area of the entire leased units and excluding the leased area of parking lots) that is actually leased and a lease agreement is executed with the end-tenant. Cases where all or some units are leased in bulk, based on the lease agreement (“Master Lease Agreement”), and the Master Leasing Company in Master Lease Agreement subleases end-tenants, besides there is an agreement under which the rent of Master Lease Agreement is in accordance with the rent, etc. that end-tenants paid (hereafter this type of Master Lease Agreement is referred to as “Pass-through type Master Lease Agreement”).
- iii “Occupancy Rate” is the rate of rented area to rentable area.
- iv “Rentable Units” is the number of rentable units.
- v “Rented Units” is the number of rented units that is actually leased and a lease agreement is executed with the end-tenant.
- vi “Total Number of Tenants” is the number of tenants with which the Investment Corporation or Trustee of Beneficial Trust has a direct rental contract relationship. Therefore, when the Investment Corporation or Trustee of Beneficial Trust leases comprehensively to the Master Leasing Company all units of the acquired property, and the Master Leasing Company subleases each unit to end-tenants, the Total Number of Tenants is 1; that is, the end-tenants of the sublease agreements are excluded. Further, even if the acquired property is leased by the Master Leasing Company, if there are end-tenants who do not accept the master leasing, the end-tenants and the Investment Corporation or Trustee of Beneficial Trust have a direct rental contract relationship. In those cases, however, the end-tenants in question are not included in the Total Number of Tenants either.
- vii When the Master Leasing type is a Pass-Through type Master Lease Agreement, “Total Monthly Rent” means the total monthly rent, as of the last day of October 31, 2014 (including the common area expense, but not fees for incidental facilities such as parking lot or trunk room) stated in the lease agreement executed by the Master Leasing Company, or the owner of each real estate or Beneficial Interest in Real Estate Trust with end-tenants. Amounts are rounded down to the nearest thousand yen. Consumption tax and other taxes are excluded.
- viii “Security Deposit” is the total amount of security deposit, as of the last day of August 31, 2015, based on lease agreements executed with the end-tenants, rounded down to the nearest thousand yen. However, if a Security Deposit does not need to be repaid based on special policy conditions such as the redemption of the deposit in a lease agreement, the amount of the Security Deposit is excluded.

(2) Summary of the Appraisal Report

① COMFORIA DAIKANYAMA

(thousand yen)

Property Name	COMFORIA DAIKANYAMA	
Appraisal Company	Japan Real Estate Institute	
Appraisal Date	July 31, 2015	
Appraisal Value	2,140,000	
	Content	Appraisal summary
Price of the Direct Capitalization Method ((6)/(7))	2,170,000	
(1) Operating Income	120,030	
Potential Gross Income	126,335	
Rental Income (including common area expense)	122,296	Calculated with consideration of the average income according to ongoing rental agreements as well as the assumed income level of new rents. Other income is calculated with consideration of the performance of ongoing asset management.
Utility Charge Income	0	
Parking Lot Income	210	
Key Money / Renewal Income	3,799	
Other Income	30	
Vacancy Loss	▲ 6,305	
Collection Loss	0	Collection loss has not been calculated.
(2) Operating Expense	22,011	
Maintenance and Management Fee	3,380	Calculated with consideration of the characteristics of the property, referring to fees for similar properties as well as actual fees in previous years.
Utility Charge	1,400	
Repair Cost	2,264	Expenses for restoring rooms to their original conditions are calculated with consideration of the level of expenses that are usually incurred, while repair costs are calculated with consideration of the actual costs in previous years, the cost level in similar properties, and average repair costs presented in engineering reports.
Property Management Fee	3,492	Calculated with consideration of commissions for managing similar properties and the characteristics of the property, referring to the tariff of commissions of the project management company.

Tenant Advertisement Cost	6,127	Calculated with consideration of such factors as average the replacement rate of inhabitants per year and occupancy rates, while referring to the conditions of ongoing agreements and rental agreements of similar properties.
Taxes and Public Dues	5,147	Appraised based on the standard amount of taxation for the fiscal year 2015.
Insurance	110	Calculated with consideration of insurance premium rates of ongoing insurance contracts as well as those for similar properties.
Other Expenses	91	Calculated with consideration of the management of current assets
(3) Net Operating Income (NOI, (1)-(2))	98,019	
(4) Interest on Security Deposit	495	Assumed in consideration of rental conditions for ongoing and new contracts, as well as occupancy rates and yields on deposits.
(5) Capital Expenditure	2,995	Appraised in consideration of capital expenditure in similar properties, building ages, and the average renovation expenses per year in engineering reports.
(6) Net Cash Flow (NCF, (3)+(4)-(5))	95,519	
(7) Cap Rate	4.4%	Appraised based on basic yields for the respective areas, adjusted with spreads calculated from the geographical and social conditions of the property's location, conditions of the building, and other factors, while considering future uncertainties, yields on trades pertaining to similar properties, etc.
Price of the DCF Method	2,110,000	
Discount Rate	4.2%	Appraised in full consideration of the characteristics of the property and other factors, referring to yields on investments in similar properties.
Terminal Cap Rate	4.6%	Appraised in full consideration of future trends in yields on investments, possible risks from investment in the property, general forecasts on future economic growth, trends in property prices and rents, and other factors, while referring to yields on trade pertaining to similar properties.
Cost Approach Value	1,600,000	
Total Value of Land and Building	1,389,000	
Land Value	1,020,000	Appraised based on actual trade prices, calculated using a market comparison approach method
Building Value	369,000	Appraised based on a cost approach method, where new prices for repurchasing properties are multiplied by a discount rate that has been decided from current situations and regional characteristics.
Adjustment for Change	115%	Appraised in consideration of marketability etc.

Other matters taken into consideration by appraisal institutions when issuing appraisals	Revenue value is adopted based on the determination that it is more convincing to use revenue value as it precisely recreates a value building process in terms of profitability, while the cost approach is used only for reference.
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② COMFORIA HARAJUKU NORD

(thousand yen)

Property Name	COMFORIA HARAJUKU NORD	
Appraisal Company	The Tanizawa Sōgō Appraisal Co., Ltd.	
Appraisal Date	July 31, 2015	
Appraisal Value	703,000	
	Content	Appraisal summary
Price of the Direct Capitalization Method ((6)/(7))	717,000	
(1) Operating Income	44,393	
Potential Gross Income	47,795	Calculated with consideration of the average income according to ongoing rental agreements as well as the assumed income level of new rents. Other income is calculated with consideration of the performance of ongoing asset management.
Rental Income (including common area expense)	42,114	

	Utility Charge Income	0	
	Parking Lot Income	4,320	
	Key Money / Renewal Income	1,361	
	Other Income	0	
	Vacancy Loss	▲ 3,401	Calculated with consideration of occupancy rates in the past and those of similar properties in the same supply and demand area.
	Collection Loss	0	Collection loss has not been calculated.
(2)	Operating Expense	10,883	
	Maintenance and Management Fee	2,257	Calculated with consideration of the characteristics of the property, referring to fees for similar properties as well as actual fees in previous years.
	Utility Charge	696	
	Repair Cost	1,328	Expenses for restoring rooms to their original conditions are calculated with consideration of the level of expenses that are usually incurred, while repair costs are calculated with consideration of the actual costs in previous years, the cost level in similar properties, and average repair costs presented in engineering reports.
	Property Management Fee	1,290	Calculated with consideration of commissions for managing similar properties and the characteristics of the property, referring to the tariff of commissions of the project management company.
	Tenant Advertisement Cost	2,193	Calculated with consideration of such factors as average the replacement rate of inhabitants per year and occupancy rates, while referring to the conditions of ongoing agreements and rental agreements of similar properties.
	Taxes and Public Dues	2,697	Appraised based on the standard amount of taxation for the fiscal year 2015.
	Insurance	64	Calculated with consideration of insurance premium rates of ongoing insurance contracts as well as those for similar properties.
	Other Expenses	355	Calculated with consideration of the management of current assets
(3)	Net Operating Income (NOI, (1)-(2))	33,510	
	(4) Interest on Security Deposit	138	Assumed in consideration of rental conditions for ongoing and new contracts, as well as occupancy rates and yields on deposits.
	(5) Capital Expenditure	1,404	Appraised in consideration of capital expenditure in similar properties, building ages, and the average renovation expenses per year in engineering reports.
(6)	Net Cash Flow (NCF, (3)+(4)-(5))	32,244	
(7)	Cap Rate	4.5%	Appraised based on basic yields for the respective areas, adjusted with spreads calculated from the geographical and social conditions of the property's location, conditions of the building, and other factors, while considering future uncertainties, yields on trades pertaining to similar properties, etc.
	Price of the DCF Method	697,000	
	Discount Rate	4.7%	Appraised in full consideration of the characteristics of the property and other factors, referring to yields on investments in similar properties.
	Terminal Cap Rate	4.7%	Appraised in full consideration of future trends in yields on investments, possible risks from investment in the property, general forecasts on future economic growth, trends in property prices and rents, and other factors, while referring to yields on trade pertaining to similar properties.
	Cost Approach Value	621,000	
	Total Value of Land and Building	690,000	
	Land Value	509,000	Appraised based on actual trade prices, calculated using a market comparison approach method
	Building Value	123,000	Appraised based on a cost approach method, where new prices for repurchasing properties are multiplied by a discount rate that has been decided from current situations and regional characteristics.
	Incidental Cost	58,000	Appraised by multiplying the cost appraised in consideration of development profit and design and supervision fee, and so on, by a discount rate that is equal to the building discount rate.
	Adjustment for Change	90%	Appraised in consideration of marketability etc.

Other matters taken into consideration by appraisal institutions when issuing appraisals	Revenue value is adopted based on the determination that it is more convincing to use revenue value as it precisely recreates a value building process in terms of profitability, while the cost approach is used only for reference.
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(Note)Summary of the Appraisal Report is the appraisal value described in the respective real estate appraisal reports that were prepared by Japan Real Estate Institute and The Tanizawa Sōgō Appraisal Co., Ltd., based on an important notice concerning real estate appraisal in the context of the Act on Investment Trusts and Investment Corporations, Act on Real Estate Appraisal (Act No. 152 of 1963. Including subsequent revisions) and real estate appraisal standards. The appraisal value is the judgment and opinion of the appraiser at a fixed point in time, with no guarantees as to the validity or accuracy of the report, nor to the possibility of transactions at the appraised value.

5. Summary of the Seller and the Buyer

(1) Summary of the Seller

The seller is the special purpose company in Japan, but the details aren't disclosed by the intention of the companies. The sellers are not an interested party of the Asset Management Company or the Investment Corporation.

(2) Summary of the Buyer

The buyer is the special purpose company in Japan, but the details aren't disclosed by the intention of the companies. The buyer is not an interested party of the Asset Management Company or the Investment Corporation.

6. Ownership History of Asset

Description is omitted because the acquisition of the trust beneficial interest is not an acquisition from any persons having a special interest in the Investment Corporation or the Asset Manager.

7. Asset Management Company's Interested Parties in the Asset to be Acquired

The Investment Corporation delegates the master leasing and property management service to Tokyu Housing Lease Corporation, which is an interested party in relation to the Asset Management Company. Therefore, the procedures required in accordance with the bylaws were completed with respect to agreements with the company.

8. Summary of Brokerage

No brokers were involved in the transaction of the asset to be acquired above.

9. Forecast

Capital gains are forecast to arise from the sale of assets through the transactions. However, the transaction will have only minor effects on earnings forecasts for the period ending January 31, 2016 (August 1, 2015 – January 31, 2016) because they will be reserved internally through reduction entry utilizing the "Special Provisions for Taxation in the Event of Advance Acquisition of Land, etc. in 2009 and 2010." The earnings forecasts remain unchanged for that reason.

*The original Japanese version of this press release has been distributed to the press club of TSE (Kabuto Club), the Ministry of Land, Infrastructure, Transport and Tourism, and to the press club of the construction trade newspaper of the Ministry of Land, Infrastructure, Transport and Tourism.

*Website of the Investment Corporation: <http://comforia-reit.co.jp/english/>



Attachments

1. Portfolio List
2. Property Images, etc. of the Asset to be Acquired

Attachments 1. Portfolio List

Area (Note 1)	Property Name	Location (Residential address)	Type of Asset	Acquisition (planned) Price(million yen) (Note 2)	Share (Note 3)
Central Tokyo	COMFORIA NIHONBASHININGYOCHO	3-5-10 Nihonbashi Ningyocho, Chuo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,586	1.1%
	COMFORIA WASEDA	147 Bentencho, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,900	1.3%
	COMFORIA SHIMOOCHIAI	2-7-10 Nakaochiai, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,181	0.8%
	COMFORIA HIGASHINAKANO	4-34-2 Kitashinjuku, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	552	0.4%
	COMFORIA GINZA EAST	1-3-1 Irifune, Chuo-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,059	2.1%
	COMFORIA AZABUDAI	3-4-4 Azabudai, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	574	0.4%
	COMFORIA SHIBAKOEN	2-2-15 Shibakoen, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,398	1.0%
	COMFORIA NISHIAZABU	4-1-10 Nishiazabu, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	755	0.5%
	COMFORIA MINAMIAOYAMA	4-1-12 Minamiaoyama, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,041	0.7%
	COMFORIA MINAMIAOYAMA DEUX	4-2-1 Minamiaoyama, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	248	0.2%
	COMFORIA NISHIWASEDA	1-5-19 Takadanobaba, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,685	1.1%
	COMFORIA HARAJYUKU	3-61-3 Sendagaya, Shibuya-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,629	2.5%
	COMFORIA MITA NORTH	2-7-16 Mita, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	850	0.6%
	COMFORIA SHIBAURA BOWHOUSE	3-13-12 Kaigan, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,650	1.8%
	COMFORIA SHIROKANETAKANAWA	5-1-21 Mita, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,300	0.9%

Central Tokyo	COMFORIA NIHONBASHININGYOCHO EAST	3-6-3 NihonbashiNingyocho, Chuo-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,139	1.5%
	COMFORIA ATAGO	3-23-7 Toranomom, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	826	0.6%
	COMFORIA KUDAN	2-6-12 Kudanminami, Chiyoda-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,280	0.9%
	COMFORIA NIHONBASHININGYOCHO NORTH	1-1-6 NihonbashiHoridomecho, Chuo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,108	0.8%
	COMFORIA SHINKAWA	2-15-5 Shinkawa, Chuo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,840	1.3%
	COMFORIA AKASAKA	2-17-63 Akasaka, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,945	1.3%
	COMFORIA MITA EAST	4-18-1 Shiba, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,190	2.2%
	COMFORIA SHIBAURA CANAL	3-1-9 Kaigan, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,570	1.1%
	COMFORIA KITASANDO	4-5-10 Sendagaya, Shibuya-ku, Tokyo	Beneficial Interest in Real Estate Trust	4,268	2.9%
	COMFORIA YOYOGIUEHARA	2-31-5 Uehara, Shibuya-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,560	1.1%
	COMFORIA SASAZUKA	1-59-10 Sasazuka, Shibuya-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,789	1.2%
	COMFORIA SHINJUKUGYOEN II	1-13-3 Shinjuku, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,806	1.2%
	COMFORIA ICHIGAYAYANAGICHO	18-2 Ichigayayanagicho, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,623	1.1%
	COMFORIA KAGURAZAKA	26-1 Iwatocho, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	736	0.5%
	COMFORIA NIBANCHO	4-8 Nibancho, Chiyoda-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,621	1.1%
COMFORIA NISHISHINJUKU	1-20-12 Kitashinjuku, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,625	1.1%	
COMFORIA KANDAJINBOCHO	1-42-2 Kandjinbocho Chiyoda-ku Tokyo,	Beneficial Interest in Real Estate Trust	1,434	1.0%	

Central Tokyo	COMFORIA NIHONBASHI	1-2-2 Nihonbashibakurocho , Chuo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,956	1.3%
	COMFORIA TAMACHI	4-5-13 Shibaura, Minato-ku Tokyo	Beneficial Interest in Real Estate Trust	3,272	2.2%
	COMFORIA AZABUJUBAN	1-2-15 Mita, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,471	1.0%
	COMFORIA SHINJUKUGYOEN I	1-10-4 Shinjuku, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,406	1.0%
	COMFORIA KAGURAZAKA DEUX	7-3 Iwatocho, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,245	0.8%
	COMFORIA AZABU EAST	2-29-1 Higashiazabu, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,900	1.3%
Subtotal				64,021	43.6%
Sub-central Tokyo	COMFORIA BUNKYOKASUGA	1-15-12 Nishikata, Bunkyo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,470	1.0%
	COMFORIA ASAKUSAMATSUGAYA	1-11-5 Matsugaya, Taito-ku, Tokyo	Beneficial Interest in Real Estate Trust	910	0.6%
	COMFORIA NISHIOI	6-6-1 Nishioi, Shinagawa-ku, Tokyo	Beneficial Interest in Real Estate Trust	902	0.6%
	COMFORIA NAKANO	2-40-12 Kamitakada, Nakano-ku, Tokyo	Beneficial Interest in Real Estate Trust	881	0.6%
	COMFORIA SHIMOKITAZAWA	1-9-14 Hanegi, Setagaya-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,587	1.8%
	COMFORIA NISHIKAMATA	6-37-3 Nishikamata, Ota-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,550	1.1%
	COMFORIA OYAMA	4-4 Oyamacho, Itabashi-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,987	1.4%
	COMFORIA KIYOSUMISHIRAKAWA SOUTH	3-2-13 Miyoshi, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	740	0.5%
	COMFORIA KOMAZAWA	2-1-5 Komazawa, Setagaya-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,290	0.9%
	COMFORIA KOISHIKAWA	2-17-27 Koishikawa, Bunkyo-ku, Tokyo	Beneficial Interest in Real Estate Trust	552	0.4%
	COMFORIA SENGOKU	4-3-20 Sengoku, Bunkyo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,219	0.8%

Sub-central Tokyo	COMFORIA DAIKANYAMAAOBADAI	2-1-7 Aobadai, Meguro-ku, Tokyo	Beneficial Interest in Real Estate Trust	926	0.6%
	COMFORIA IKEBUKURO	2-57-1 Ikebukuro, Toshima-ku, Tokyo	Beneficial Interest in Real Estate Trust	602	0.4%
	COMFORIA L RYOGOKUISHIWARA	1-36-1 Ishiwarara, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	651	0.4%
	COMFORIA ASAKUSABASHI DEUX	5-24-10 Asakusabashi, Taito-ku, Tokyo	Beneficial Interest in Real Estate Trust	874	0.6%
	COMFORIA OSHIAGE	4-7-2 Narihira, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	714	0.5%
	COMFORIA HONJOAZUMABASHI	2-11-12 Honjo, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	762	0.5%
	COMFORIA KIYOSUMISHIRAKAWA TROIS	3-5-14 Shirakawa, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	873	0.6%
	COMFORIA MONZENNAKACHO	16-8 Fuyuki, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,658	1.8%
	COMFORIA HIMONYA	2-3-3 Himonya, Meguro-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,189	0.8%
	COMFORIA MISYUKU	3-23-2 Ikejiri, Setagaya-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,874	1.3%
	COMFORIA GAKUGEIDAIGAKU	6-46-6 Shimouma, Setagaya-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,138	0.8%
	COMFORIA HIGASHINAKANO DEUX	4-2-19 Higashinakano, Nakano-ku, Tokyo	Beneficial Interest in Real Estate Trust	833	0.6%
	COMFORIA HIGASHIIBUKURO WEST	3-22-21 Higashiikebukuro, Toshima-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,911	2.7%
	COMFORIA RYOGOKU DEUX	1-2-10 Chitose, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,014	0.7%
	COMFORIA OMORI DEUX	3-4-2 Omorikita, Ota-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,188	0.8%
	COMFORIA MACHIYA	5-51-7 Arakawa, Arakawa-ku, Tokyo	Beneficial Interest in Real Estate Trust	594	0.4%
COMFORIA ASAKUSABASHI	2-20-10 Yanagibashi, Taito-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,680	1.8%	

Sub-central Tokyo	COMFORIA RYOGOKU SOUTH	2-14-8 Chitose, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,240	0.8%
	COMFORIA TOYOSU	1-4-12 Edagawa, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,096	2.1%
	COMFORIA SUMIDA-TACHIBANA	5-18-5 Tachibana, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	938	0.6%
	COMFORIA UENOHIROKOJI	3-17-4 Ueno, Taito-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,050	0.7%
	COMFORIA KASUGATOMISAKA	1-11-18 Kasuga, Bunkyo-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,912	2.0%
	COMFORIA HONKOMAGOME	2-29-24 Honkomagome, Bunkyo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,344	0.9%
	COMFORIA MORISHITA	3-6-8 Shinohashi, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,530	1.0%
	COMFORIA KIBAKOEN	2-17-7 Kiba, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	956	0.7%
	COMFORIA MEGURO CHOJAMARU	2-6-25 Kamiosaki, Shinagawa-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,972	1.3%
	COMFORIA NISHIMAGOME	2-35-8 Nishimagome, Ota-ku, Tokyo	Beneficial Interest in Real Estate Trust	990	0.7%
	COMFORIA HIGASHIIEBUKURO EAST	2-8-1 Higashiiebukuro, Toshima-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,712	1.2%
	COMFORIA HIGASHIIEBUKURO	4-3-5 Higashiiebukuro, Toshima-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,132	0.8%
	COMFORIA KOMABA	4-8-25 Ikejiri, Setagaya-ku, Tokyo	Beneficial Interest in Real Estate Trust	5,000	3.4%
	COMFORIA KINSHICHO	3-8-6 Taihei, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,042	0.7%
	COMFORIA MINAMISUNAMACHI	4-4-20 Miamisuna, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	4,681	3.2%
	COMFORIA HIGASHISHINAGAWA	3-22-11, Higashishinagawa, Shinagawa-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,510	1.0%
	COMFORIA MEGUROYAKUMO	1-12-10 Yakumo, Meguro-ku, Tokyo	Beneficial Interest in Real Estate Trust	813	0.6%
	COMFORIA YOGA	3-24-3 Yoga, Setagayaku-ku, Tokyo	Beneficial	1,041	0.7%

Sub-central Tokyo			Interest in Real Estate Trust		
	COMFORIA ITABASHINAKAJUKU	62-2 Nakajuku, Itabashi-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,794	2.6%
Subtotal				73,325	50.0%
Tokyo Metropolitan Area	COMFORIA KOMAE	3-9-5 Iwadokita, Komae-shi, Tokyo	Beneficial Interest in Real Estate Trust	399	0.3%
	COMFORIA YOKOHAMAKANNAI	2-8-15 Okinacho, Naka-ku, Yokohama-shi, Kanagawa	Beneficial Interest in Real Estate Trust	972	0.7%
	COMFORIA ICHIKAWAMYODEN	1-9-10 Shioyaki, Ichikawa-shi, Chiba	Beneficial Interest in Real Estate Trust	606	0.4%
	COMFORIA YATSUKA	3-38-3 Sezaki, Soka-shi, Saitama	Beneficial Interest in Real Estate Trust	626	0.4%
	COMFORIA SHINKOYASU	2-216-2 Koyasudori, Kanagawa-ku, Yokohama-shi, Kanagawa	Beneficial Interest in Real Estate Trust	1,077	0.7%
Subtotal				3,680	2.5%
Other Major Cities	COMFORIA SHIN-OSAKA	1-21-24 Higashinakajima, Higashiyodogawa-ku, Osaka-shi, Osaka	Beneficial Interest in Real Estate Trust	2,400	1.6%
	COMFORIA SHINSAKAE	2-28-18 Shinsakae, Naka-ku, Nagoya-shi, Aichi	Beneficial Interest in Real Estate Trust	1,653	1.1%
	COMFORIA KITAHORIE	3-12-2 Kitahorie, Nishi-ku, Osaka-shi, Osaka	Real Estate	1,010	0.7%
	COMFORIA KITASANJO	2-2-51 Kitasanjohigashi, Chuo-ku, Sapporo-shi Hokkaido	Beneficial Interest in Real Estate Trust	660	0.4%
Subtotal				5,723	3.9%
Total				146,750	100.0%

(Note 1) Explanation of "Area"

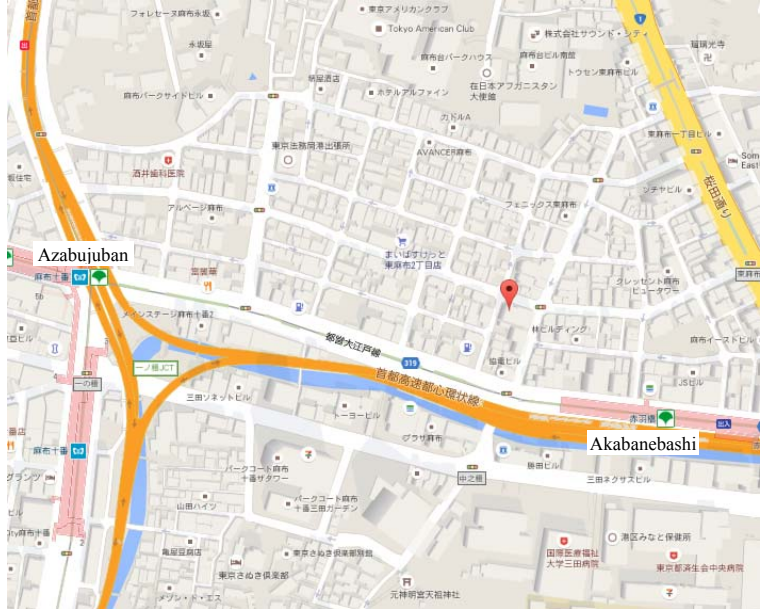
- i "Central Tokyo" denotes the five major wards of Tokyo (Chiyoda, Chuo, Minato, Shinjuku and Shibuya).
- ii "Sub-central Tokyo" denotes the other 18 wards of Tokyo.
- iii "Tokyo Metropolitan Area" denotes residential areas in Central Tokyo and Sub-central Tokyo (areas outside of Central Tokyo and Sub-central Tokyo (including Tokyo, Kanagawa, Saitama and Chiba) where demand for rental residences is strong.
- iv "Other Major Cities" denotes ordinance-designated cities, etc except for Central Tokyo, Sub-central Tokyo and Tokyo Metropolitan Area.

(Note 2) "Acquisition (planned) price" is the purchase price (not including tax and rounded down to the nearest million yen) of the trust beneficial interest in real estate or the real estate listed in the respective sales and purchase agreement.

(Note 3) "Share" refers to the ratio of the acquisition price or the planned acquisition price of each property to the total acquisition (planned) price rounded to the nearest hundredths.

Attachments 2. Property Images, etc. of the Asset to be Acquired

(1) COMFORIA AZABU EAST



(2) COMFORIA KITASANJO

