February 6, 2013

For Immediate Release

Real Estate Investment Trust Securities Issuer:
Comforia Residential REIT, Inc
1-16-3 Dogenzaka, Shibuya-ku, Tokyo
Hiroyuki Tohmata, Executive Director
(Code: 3282)

Asset Management Company:
TLC Comforia Investment Management INC.
Hiroyuki Tohmata, President & CEO
Inquires:
Nobuhide Kashiwagi, Director and
Finance & Accounting department
(TEL: +81-3-6415-6200)

Notice of Completion of Acquisition of Assets

(COMFIRIA NIHONBASHININGYOCHO EAST, other 4 assets)

Comforia Residential REIT, Inc ("Investment Corporation") announces that it has today completed the acquisition of the following five assets.

1. Summary of the Acquisition

	Type of Asset	Property Name	Acquisition Price (thousand yen) (Note 3)
1	Beneficial Interest in Real Estate Trust	COMFORIA NIHONBASHININGYOCHO EAST (Ningyocho East) (Note 1)	2,139,300
2	Beneficial Interest in Real Estate Trust	COMFORIA ATAGO	826,000
3	Beneficial Interest in Real Estate Trust	COMFORIA ASAKUSABASHI	2,680,000
4	Beneficial Interest in Real Estate Trust	COMFORIA RYOGOKU SOUTH	1,240,000
5	Beneficial Interest in Real Estate Trust	COMFORIA TOYOSU (Forecity Apartment Toyosu) (Note 2)	3,096,650
Total			9,981,950

(Note 1) Although the current property name is Ningyocho East, the Investment Corporation plans to change the name to COMFORIA NIHONBASHININGYOCHO EAST after about one month. Hereafter, it is described as COMFORIA NIHONBASHININGYOCHO EAST.

(Note 2) Although the current property name is Forecity Apartment Toyosu, the Investment Corporation plans to change the name to COMFORIA TOYOSU after about one month. Hereafter, it is described as COMFORIA TOYOSU.

(Note 3) "Acquisition Price" denotes the amount exclusive of the various expenses required in the acquisition of the concerned asset, etc. (broker commission, taxes and public dues, etc.) (specified in the agreement on purchase and sale of Beneficial Interest in Real Estate Trust).

(1) Date of Agreement: January 7, 2013
(2) Date of Acquisition: February 6, 2013
(3) Seller: Refer to "3. Summary of the Seller"
(4) Financing for acquisition: Proceeds from the issuing of new investment units resolved at the Board of Directors' meetings held on January 7, 2013 and January 28, 2013 and borrowed funds (Note).
(5) Method of payment: Full payment at the time of delivery

(Note) Refer to the "Notice Concerning Borrowing of Funds and Execution of Line of Credit Loan Master Agreement" released today, for the borrowed funds.

2. Summary of the Properties

(1) COMFORIA NIHONBASHININGYOCHO EAST

Property Name		COMFORIA NIHONBASHININGYOCHO EAST
Type of Asset		Beneficial Interest in Real Estate Trust
Trustee of Beneficial Trust		Mizuho Trust & Banking co., Ltd.
Expiration Date of Beneficial Trust Contract		February 5, 2028
Location (Residential address)		3-6-3 NihonbashiNingyocho, Chuo-ku, Tokyo
Land	Area (Note 1)	448.51m^2
	Type of Ownership	Ownership
Building	Completion Date (Note 1)	October, 2007
	Structure / Number of Floors (Note 1)	RC / 10F
	Gross Floor Area (Note 1)	2,912.38 m^2
	Type of Ownership	Ownership
	Use (Note 1)	Apartment building / Retail facilities / Parking lot
	Rentable Units (Note 6)	82 units
Property Management Company (Note 2)		TOKYU COMMUNITY CORP.
Master Leasing Company (Note 3)		TOKYU COMMUNITY CORP.
Collateral		None
Special affairs (Note 4)		None
Features of the Property		This property is a rental residence principally comprising single-type rooms as well as compact-type rooms located a 2-minute walk from Ningyocho Station on Tokyo Metro Hibiya Line and Toei Asakusa Line. As two subway lines are available, taking approximately 2 minutes to Nihonbashi Station and approximately 10 minutes to Ginza Station, it has very good access to major business and commercial zones. This area is convenient and has good traffic with many eating and drinking establishments in the surroundings including the Amazake Yokocho street, and is valued for the historic downtown atmosphere of Ningyocho and Suitengu Shrine. Given these characteristics, solid rental demand mainly from single-persons and DINKS families focusing on the convenience of the city-center location and residential environment, etc. is expected for this property.
Summary of the Appraisal Report (Note 5)		
	Appraisal Company	Japan Real Estate Institute
	Appraisal Date	November 30, 2012
	Appraisal Value	¥2,160,000 thousand
	Direct Capitalization Price	¥2,190,000 thousand
	Cap Rate	5.0%
	DCF Price	¥2,130,000 thousand
	Discount Rate	4.8%
	Terminal Cap Rate	5.2%
Summary of Rental Status (as of September 30, 2012) (Note 6)		
	Rentable Area	2,447.34 m^2
	Rented Area	2,174.72 m^2
	Occupancy Rate	88.9%
	Rentable Units	82 units
	Rented Units	76 units
	Total Number of Tenants	1
	Total Monthly Rent	¥9,976 thousand
	Security Deposit	¥19,663 thousand

Summary of the Engineering Report (Note 7)		
	Reporting Company	HI International Consultant Co., LTD.
	Report Date	November, 2012
	Estimated Amount of Emergency Repair Expenses	—
	Estimated Amount of Short-Term Repaid Expenses	¥530 thousand
	Estimated Amount of Long-Term Repaid Expenses	¥44,380 thousand
	Replacement Value	¥630,400 thousand
Summary of the Earthquake Risk Analysis (Note 8)		
	PML Reporting Company	NKSJ Risk Management, Inc.
	Report Date	November, 2012
	PML	8.22%
Architect/Contractor/Building Permit Agency, etc. (Note 9)		
	Architect	Masao Shiina Architects, Inc
	Contractor	MAEDA CORPORATION
	Building Permit Agency	Chuo-ku
	Investment Agency or Structural Calculation Fitness Judge, etc.	HI International Consultant Co., LTD.

(2) COMFORIA ATAGO

Property Name		COMFORIA ATAGO
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		February 6, 2028
Location (Residential address)		3-23-7 Toranomon, Minato-ku, Tokyo
Land	Area (Note 1)	178.73 m^2
	Type of Ownership	Ownership
Building	Completion Date (Note 1)	April, 2004
	Structure / Number of Floors (Note 1)	SRC / 11F
	Gross Floor Area (Note 1)	1,147.20 m^2
	Type of Ownership	Ownership
	Use (Note 1)	Apartment building
	Rentable Units (Note 6)	38 Units
Property Management Company (Note 2)		Tokyu Relocation Co., Ltd.
Master Leasing Company (Note 3)		Tokyu Relocation Co., Ltd.
Collateral		None
Special affairs (Note 4)		None
Features of the Property		This property is a rental residence principally comprising single-type rooms located a 3-minute walk from Kamiyacho Station on Tokyo Metro Hibiya Line and a 6-minute walk from Onarimon Station on Toei Mita Line. As two stations and two subway lines are available, taking approximately 5 minutes to Otemachi Station and approximately 3 minutes to Roppongi Station, it has very good access to major business and commercial zones. The environs of Kamiyacho Station are bustling, with rows of large office buildings, retail stores and eating and drinking establishments. At the same time, Shiba Park is located in the southeastern area of the property, and there are many cultural facilities such as schools, shrines and temples in the surroundings. As such, this is an area where commercial nature and cultural nature are harmonized. Given these characteristics, solid

		rental demand mainly from single persons focusing on the convenience of the city-center location and residential environment, etc. is expected for this property.
Summary of the Appraisal Report (Note 5)		
	Appraisal Company	Morii Appraisal & Investment Consulting, Inc.
	Appraisal Date	November 30, 2012
	Appraisal Value	¥843,000 thousand
	Direct Capitalization Price	¥857,000 thousand
	Cap Rate	4.9%
	DCF Price	¥829,000 thousand
	Discount Rate	4.6%
	Terminal Cap Rate	5.2%
Summary of Rental Status (as of September 30, 2012) (Note 6)		
	Rentable Area	1,002.00 m^2
	Rented Area	951.81 m^2
	Occupancy Rate	95.0%
	Rentable Units	38 units
	Rented Units	36 units
	Total Number of Tenants	1
	Total Monthly Rent	¥4,678 thousand
	Security Deposit	¥9,234 thousand
Summary of the Engineering Report (Note 7)		
	Reporting Company	HI International Consultant Co., LTD.
	Report Date	November, 2012
	Estimated Amount of Emergency Repair Expenses	—
	Estimated Amount of Short-Term Repaid Expenses	¥740 thousand
	Estimated Amount of Long-Term Repaid Expenses	¥47,410 thousand
	Replacement Value	¥263,700 thousand
Summary of the Earthquake Risk Analysis (Note 8)		
	PML Reporting Company	NKSJ Risk Management, Inc.
	Report Date	November, 2012
	PML	7.88%
Architect/Contractor/Building Permit Agency, etc. (Note 9)		
	Architect	Shinyasekkei, Inc.
	Contractor	TOKYU CONSTRUCTION CO., LTD.
	Building Permit Agency	eHomes, Inc.
	Investment Agency or Structural Calculation Fitness Judge, etc.	HI International Consultant Co., LTD.

(3) COMFORIA ASAKUSABASHI

Property Name		COMFORIA ASAKUSABASHI
Type of Asset		Beneficial Interest in Real Estate Trust
Trustee of Beneficial Trust		Sumitomo Mitsui Trust Bank, Limited
Expiration Date of Beneficial Trust Contract		February 5, 2028
Location (Residential address)		2-20-10 Yanagibashi, Taito-ku, Tokyo
Land	Area (Note 1, 10)	905.76 m^2
	Type of Ownership	Ownership
Building	Completion Date (Note 1)	November, 2011

	Structure / Number of Floors (Note 1)	RC/B1/14F
	Gross Floor Area (Note 1)	5,273.67 m^2
	Type of Ownership	Ownership
	Use (Note 1)	Apartment building / Retail facilities
	Rentable Units (Note 6)	141 Units
Property Management Company (Note 2)		Tokyu Relocation Service Co., Ltd.
Master Leasing Company (Note 3)		Tokyu Relocation Service Co., Ltd.
Collateral		None
Special affairs (Note 4)		None
Features of the Property		This property is a rental residence principally comprising single-type rooms as well as compact-type rooms located a 5-minute walk from Asakusabashi Station on JR Chuo Line Sobu Line (Local Line) and Toei Asakusa Line. As two railway lines available, taking approximately 5 minutes to Nihonbashi Station and approximately 3 minutes to Asakusa Station, it has good access to major business and commercial zones. The Sumida River is close to the east side of the property, and Asakusa and Uneno are in close proximity to the north side. As such, while leaving the downtown atmosphere, the area also enjoys a strong commercial nature as there are convenient facilities such as supermarkets, convenience stores and eating and drinking establishments. Given these characteristics, rental demand mainly from single-persons and DINKS families focusing on proximity to the city-center and the comfort of a residential environment, etc. is expected for this property.
Summary of the Appraisal Report (Note 5)		
	Appraisal Company	DAIWA REAL ESTATE APPRAISAL CO., LTD.
	Appraisal Date	November 30, 2012
	Appraisal Value	¥2,750,000 thousand
	Direct Capitalization Price	¥2,790,000 thousand
	Cap Rate	5.2%
	DCF Price	¥2,730,000 thousand
	Discount Rate	5.0%
	Terminal Cap Rate	5.4%
Summary of Rental Status (as of September 30, 2012) (Note 6)		
	Rentable Area	4,234.76 m^2
	Rented Area	3,681.28 m^2
	Occupancy Rate	86.9%
	Rentable Units	141 units
	Rented Units	128 units
	Total Number of Tenants	1
	Total Monthly Rent	¥14,482 thousand
	Security Deposit	¥26,114 thousand
Summary of the Engineering Report (Note 7)		
	Reporting Company	HI International Consultant Co., LTD.
	Report Date	November, 2012
	Estimated Amount of Emergency Repair Expenses	—
	Estimated Amount of Short-Term Repaid Expenses	¥30 thousand
	Estimated Amount of Long-Term Repaid Expenses	¥55,060 thousand
	Replacement Value	¥1,183,800 thousand

Summary of the Earthquake Risk Analysis (Note 8)		
	PML Reporting Company	NKSJ Risk Management, Inc.
	Report Date	November, 2012
	PML	4.34%
Architect/Contractor/Building Permit Agency, etc. (Note 9)		
	Architect	Design Network co., ltd.
	Contractor	DAIHO CORPORATION
	Building Permit Agency	Tokyotobousai/Kenchikumachidukuricenter Foundation
	Investment Agency or Structural Calculation Fitness Judge, etc.	Abenj House Evaluation Net Co., Ltd.

(4) COMFORIA RYOGOKU SOUTH

Property Name		COMFORIA RYOGOKU SOUTH
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		February 6, 2028
Location (Residential address)		2-14-8 Chitose, Sumida-ku, Tokyo
Land	Area (Note 1)	554.65 m^2
	Type of Ownership	Ownership
Building	Completion Date (Note 1)	November, 2011
	Structure / Number of Floors (Note 1)	RC/9F
	Gross Floor Area (Note 1)	2,404.23 m^2
	Type of Ownership	Ownership
	Use (Note 1)	Apartment building
	Rentable Units (Note 6)	61 units
Property Management Company (Note 2)		TOKYU COMMUNITY CORP.
Master Leasing Company (Note 3)		TOKYU COMMUNITY CORP.
Collateral		None
Special affairs (Note 4)		None
Features of the Property		This property is a rental residence principally comprising single-type and compact-type rooms located an 8-minute walk from Ryogoku Station on JR Chuo Line Sobu Kanko Line (Local Line) and a 7-minute walk from Morishita Station on Toei Oedo and Shinjuku Lines. As two stations and three railway lines are available, taking approximately 13 minutes to Shiodome Station and approximately 16 minutes to Shinjuku Sanchome Station, it has good access to major business and commercial zones. Access to the Tokyo area, the Shiodome area and the Shinjuku area, etc. is excellent, and there are many convenience stores and eating and drinking establishments, etc. in the Ryogoku Station environs. Given these characteristics, solid rental demand from single-persons and DINKS families focusing on proximity to the city-center and the comfort of a residential environment, etc. is expected for this property.
Summary of the Appraisal Report (Note 5)		
	Appraisal Company	DAIWA REAL ESTATE APPRAISAL CO., LTD.
	Appraisal Date	November 30, 2012
	Appraisal Value	¥1,290,000 thousand
	Direct Capitalization Price	¥1,300,000 thousand
	Cap Rate	5.2%
	DCF Price	¥1,280,000 thousand
	Discount Rate	5.0%

	Terminal Cap Rate	5.4%
Summary of Rental Status (as of September 30, 2012) (Note 6)		
Rentable Area		2,106.75 m^2
Rented Area		1,961.16 m^2
Occupancy Rate		93.1%
Rentable Units		61 units
Rented Units		58 units
Total Number of Tenants		1
Total Monthly Rent		¥7,309 thousand
Security Deposit		¥10,506 thousand
Summary of the Engineering Report (Note 7)		
Reporting Company		HI International Consultant Co., LTD.
Report Date		November, 2012
Estimated Amount of Emergency Repair Expenses		—
Estimated Amount of Short-Term Repaid Expenses		¥420 thousand
Estimated Amount of Long-Term Repaid Expenses		¥34,910 thousand
Replacement Value		¥514,100 thousand
Summary of the Earthquake Risk Analysis (Note 8)		
PML Reporting Company		NKSJ Risk Management, Inc.
Report Date		November, 2012
PML		5.58%
Architect/Contractor/Building Permit Agency, etc. (Note 9)		
Architect		Design Network co., ltd.
Contractor		Ishigro Co., Ltd.
Building Permit Agency		HOUSEPLUS ARCHITECTURAL INSPECTION, Inc.
Investment Agency or Structural Calculation Fitness Judge, etc.		CENTER OF INTERNATIONAL ARCHITECTURAL STANDARD.

(5) COMFORIA TOYOSU

Property Name		COMFORIA TOYOSU
Type of Asset		Beneficial Interest in Real Estate Trust
Trustee of Beneficial Trust		Mizuho Trust & Banking co., Ltd.
Expiration Date of Beneficial Trust Contract		February 5, 2028
Location (Residential address)		1-4-12, Edagawa, Koto-ku, Tokyo
Land	Area (Note 1)	1,431.53 m^2
	Type of Ownership	Ownership
Building	Completion Date (Note 1)	March, 2009
	Structure / Number of Floors (Note 1)	RC/9F
	Gross Floor Area (Note 1)	4,513.10 m^2
	Type of Ownership	Ownership
	Use(Note 1)	Apartment building / Retail facilities
	Rentable Units (Note 6)	161 units
Property Management Company (Note 2)		TOKYU COMMUNITY CORP.
Master Leasing Company (Note 3)		TOKYU COMMUNITY CORP.
Collateral		None

Special affairs (Note 4)		None
Features of the Property		This property is a rental residence principally comprising single-type rooms located a 9-minute walk from Toyosu Station on Tokyo Metro Yurakucho Line and New Transit Yurikamome. As two railway lines available, taking approximately 11 minutes to Nagatacho Station and approximately 7 minutes to Yurakucho Station, it has good access to major business and commercial zones. Toyosu, where the property is located, is a well-balanced area for working, living and leisure, as offices, housing and commercial and cultural facilities have been put in place by redevelopment projects in recent years. Given these characteristics, solid rental demand mainly from single-persons focusing on proximity to the city-center and the comfort of a residential environment, etc. is expected for this property.
Summary of the Appraisal Report (Note 5)		
	Appraisal Company	Japan Real Estate Institute
	Appraisal Date	November 30, 2012
	Appraisal Value	¥3,230,000 thousand
	Direct Capitalization Price	¥3,270,000 thousand
	Cap Rate	5.1%
	DCF Price	¥3,180,000 thousand
	Discount Rate	4.9%
	Terminal Cap Rate	5.3%
Summary of Rental Status (as of September 30, 2012) (Note 6)		
	Rentable Area	4,127.00 m^2
	Rented Area	3,623.29 m^2
	Occupancy Rate	87.8%
	Rentable Units	161 units
	Rented Units	142 units
	Total Number of Tenants	1
	Total Monthly Rent	¥14,586 thousand
	Security Deposit	¥5,745 thousand
Summary of the Engineering Report (Note 7)		
	Reporting Company	HI International Consultant Co., LTD.
	Report Date	November, 2012
	Estimated Amount of Emergency Repair Expenses	—
	Estimated Amount of Short-Term Repaid Expenses	¥990 thousand
	Estimated Amount of Long-Term Repaid Expenses	¥68,720 thousand
	Replacement Value	¥1,053,600 thousand
Summary of the Earthquake Risk Analysis (Note 8)		
	PML Reporting Company	NKSJ Risk Management, Inc.
	Report Date	November, 2012
	PML	8.69%
Architect/Contractor/Building Permit Agency, etc. (Note 9)		
	Architect	MATSUI CONSTRUCTION CO., LTD.
	Contractor	MATSUI CONSTRUCTION CO., LTD.
	Building Permit Agency	Toshijyukyohyoukacenter, Inc.
	Investment Agency or Structural Calculation Fitness Judge, etc.	Tokyotobousai/Kenchikumachidukuricenter Foundation

(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 September 30, 2012, 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) “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, DAIWA REAL ESTATE APPRAISAL CO., LTD. and Morii Appraisal & Investment Consulting, Inc., 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.

(Note 6) Explanation of “Summary of Rental Status”

i “Rentable Area” is the total rentable floor area of residences and retail stores, etc. 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 and retail stores, etc. [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 (including the number of stores, if any).

v “Rented Units” is the number of rented units (which includes the number of stores, if any) 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 September, 2012 (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 September 2012, 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 7) 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 8) 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 9) 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.

3. Summary of the Seller

(1) COMFORIA NIHONBASHININGYOCHO EAST / COMFORIA TOYOSU

Name		Godo Kaisha Ao Akua
Headquarters Address		Nihonbashi 1-chome Bldg. 1-4-1, Nihonbashi, Chuo-ku, Tokyo
Representative		Representative Partner Ippan Shadan Hojin Ragdoll Managing Director Takanori Mishina
Principal Business		1. Acquisition, possession and disposal of beneficial interests in real estate trust 2. Transaction, leasing, management, acquisition, possession, disposal and use of real estate 3. Acquisition, possession and disposal of preferred securities, etc. of TMK for services regarding the securitization of the specified assets 4. Any other auxiliary and/or related businesses to the items described above
Capital		¥800 thousand
Date Established		July 10, 2012
Relationship with the Investment Corporation and the Asset Management Company		
	Capital relationship	The Investment Corporation funds the company, and is an interested party under the rules and regulations on business transactions with interested parties of the Asset Management Company.
	Personal relationship	None
	Trade relationship	The Investment Corporation funds the company, and excises right of first refusal which it was granted for the acquisition. Tokyu Land Corporation, which is a unitholder of the Investment Coorporation and the parent company of the Asset Management Company, funds the company.
	Interested parties	None

(2) COMFORIA ATAGO / COMFORIA ASAKUSABASHI / COMFORIA RYOGOKU SOUTH

Name		Tokyu Land Corporation
Headquarters Address		1-21-2, Dogenzaka, Shibuya-ku, Tokyo
Representative		President & CEO Kiyoshi Kanazashi
Principal Business		1. Management, leasing, buying and selling, brokerage, consulting, apprising of real estate 2. Buying and selling, brokerage, and management of investments and equities in investment, etc. in specific purpose companies, special purpose companies and real estate investment trusts 3. Any and all businesses incidental and related to those in each preceding item
Capital		¥57,551,699,228
Date Established		December 17, 1953
Relationship with the Investment Corporation and the Asset Management Company		
	Capital relationship	The company owns 27.94% of units that the Investment Corporation has issued as of January 31, 2013. The company is also the parent company (ownership of 100%) of the Asset Management Company, and is thus an interested party under the Act on Investment Trusts and the Investment Corporations.
	Personal relationship	17 employees (excluding part-time director) of the Asset Management Company are presently seconded from the company.
	Trade relationship	None as of the fiscal period ended January 31, 2013.
	Interested parties	The company is classed as an interested party in relation to the Investment Corporation. As described above, the company is an interested party of the Asset Management Company under the Investment Trusts and the Investment Corporations.

4. Ownership History of Assets

(1) COMFORIA NIHONBASHININGYOCHO EAST

	Previous Owner	Former Owner	Owner Prior to Former Owner
Name	Godo Kaisha Ao Akua	Other than those that have special interest	—
Relationship with interested parties	Refer to "3. Summary of the Seller"	—	—
Background / reasons for acquisition	Investment purpose	—	—
Acquisition price	¥2,060 million	—	—
Acquisition date	August, 2012	—	—

(2) COMFORIA ATAGO

	Previous Owner	Former Owner	Owner Prior to Former Owner
Name	Tokyu Land Corporation	Comforia Properties Ace, Inc.	Tokyu Relocation Co., Ltd.
Relationship with interested parties	Refer to "3. Summary of the Seller"	The SPC which Tokyu Land Capital Management Inc. (which is an interested party in relation to the Asset Management Company) provides the asset management service.	The subsidiary of Tokyu Land Corporation (which is the parent company of the Asset Management Company)
Background / reasons for acquisition	Investment purpose	Investment purpose	Development purpose
Acquisition price	Omitted, as the asset was owned for more than 1 year	Omitted, as the asset was owned for more than 1 year	—
Acquisition date	March, 2011	April, 2004	—

(3) COMFORIA ASAKUSABASHI

	Previous Owner	Former Owner	Owner Prior to Former Owner
Name	Tokyu Land Corporation	—	—
Relationship with interested parties	Refer to "3. Summary of the Seller"	—	—
Background / reasons for acquisition	Development purpose	—	—
Acquisition price	—	—	—
Acquisition date	—	—	—

(4) COMFORIA RYOGOKU SOUTH

	Previous Owner	Former Owner	Owner Prior to Former Owner
Name	Tokyu Land Corporation	—	—
Relationship with interested parties	Refer to "3. Summary of the Seller"	—	—
Background / reasons for acquisition	Development purpose	—	—

Acquisition price	—	—	—
Acquisition date	—	—	—

(5) COMFORIA TOYOSU

	Previous Owner	Former Owner	Owner Prior to Former Owner
Name	Godo Kaisha Ao Akua	Other than those that have a special interest	—
Relationship with interested parties	Refer to "3. Summary of the Seller"	—	—
Background / reasons for acquisition	Investment purpose	—	—
Acquisition price	¥2,986 million	—	—
Acquisition date	August, 2012	—	—

5. Asset Management Company's interested parties in the acquired assets

(1) Godo Kaisha Ao Akua and Tokyu Land Corporation, which are sellers of the acquired assets (as described in "4. Ownership History of Asset," above) are interested parties in relation to the Investment Corporation. Therefore, the procedures required in accordance with the bylaws were completed with respect to agreements with these companies.

(2) The Investment Corporation delegates the master leasing and property management service to Tokyu Community Corp. and Tokyu Relocation Service Co., Ltd., which are interested parties in relation to the Asset Management Company. Therefore, the procedures required in accordance with the bylaws were completed with respect to agreements with these companies.

6. Summary of Brokerage

No brokers were involved in the transaction of the acquired assets above.

7. Forecast

Refer to the "Notice Concerning Forecast of Financial Results for the Periods Ending July 31, 2013 and January 31, 2014" released today for forecasts of the management performance for the period ending July 31, 2013 (February 1, 2013 - July 31, 2013) and the period ending January 31, 2014 (August 1, 2013 - January 31, 2014) after the acquisition of the assets.

*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://www.comforia-reit.co.jp/english/

Attachments

1. Summary of the Appraisal Reports of the Acquired Assets
2. Portfolio List
3. Property Images, etc. of Acquired Assets

Attachments 1. Summary of the Appraisal Reports of the Acquired Assets

(thousand yen)

Property Name	COMFORIA NIHONBASHI NINGYOCHO EAST	COMFORIA ATAGO	COMFORIA ASAKUSABASHI
Appraisal Company	Japan Real Estate Institute	Morii Appraisal & Investment Consulting, Inc.	DAIWA REAL ESTATE APPRAISAL CO.,LTD.
Appraisal Date	November 30, 2012	November 30, 2012	November 30, 2012
Appraisal Value	2,160,000	843,000	2,750,000
Price of the Direct Capitalization Method ((6)/(7))	2,190,000	857,000	2,790,000
(1) Operating Income	133,532	57,764	186,765
Potential Gross Income	139,741	60,710	198,989
Rental Income (including common area expense)	132,168	58,918	190,710
Utility Charge Income	0	0	0
Parking Lot Income	2,220	0	6,756
Key Money / Renewal Income	5,300	1,792	1,522
Other Income	53	0	0
Vacancy Loss	-6,209	-2,946	-12,223
Collection Loss	0	0	0
(2) Operating Expense	21,872	13,190	38,829
Maintenance and Management Fee	2,200	2,500	6,770
Utility Charge	1,400	800	2,306
Repair Cost	2,185	1,919	2,787
Property Management Fee	3,210	1,679	5,557
Tenant Advertisement Cost	6,788	2,946	8,164
Taxes and Public Dues	5,754	3,183	10,560
Insurance	335	163	853
Other Expenses	0	0	1,830
(3) Net Operating Income (NOI, (1)-(2))	111,660	44,574	147,935
(4) Interest on Security Deposit	304	178	633
(5) Capital Expenditure	2,589	2,766	3,414
(6) Net Cash Flow (NCF, (3)+(4)-(5))	109,375	41,986	145,155
(7) Cap Rate	5.0%	4.9%	5.2%
Price of the DCF Method	2,130,000	829,000	2,730,000
Discount Rate	4.8%	4.6%	5.0%
Terminal Cap Rate	5.2%	5.2%	5.4%
Cost Approach Value	1,780,000	702,000	1,990,000
Total Value of Land and Building	1,426,000	702,000	1,988,126
Land Value	870,000	495,000	810,268
Building Value	556,000	207,000	1,177,858
Adjustment for Change	125%	100%	100%

(Note) The numbers above are a summary of real estate appraisal reports prepared by Japan Real Estate Institute, DAIWA REAL ESTATE APPRAISAL CO., LTD. and Morii Appraisal & Investment Consulting, Inc.

Attachments 1. Summary of the Appraisal Reports of the Acquired Assets

(thousand yen)

Property Name	COMFORIA RYOGOKU SOUTH	COMFORIA TOYOSU
Appraisal Company	DAIWA REAL ESTATE APPRAISAL CO.,LTD.	Japan Real Estate Institute
Appraisal Date	November 30, 2012	November 30, 2012
Appraisal Value	1,290,000	3,230,000
Price of the Direct Capitalization Method ((6)/(7))	1,300,000	3,270,000
(1) Operating Income	88,417	204,138
Potential Gross Income	93,557	212,738
Rental Income (including common area expense)	91,285	199,973
Utility Charge Income	0	0
Parking Lot Income	1,548	4,696
Key Money / Renewal Income	724	7,969
Other Income	0	100
Vacancy Loss	-5,140	-8,600
Collection Loss	0	0
(2) Operating Expense	19,144	33,769
Maintenance and Management Fee	4,764	4,502
Utility Charge	1,147	1,600
Repair Cost	1,573	3,574
Property Management Fee	2,630	4,910
Tenant Advertisement Cost	4,043	7,740
Taxes and Public Dues	4,307	10,783
Insurance	370	468
Other Expenses	306	192
(3) Net Operating Income (NOI, (1)-(2))	69,273	170,369
(4) Interest on Security Deposit	208	170
(5) Capital Expenditure	2,036	4,009
(6) Net Cash Flow (NCF, (3)+(4)-(5))	67,445	166,530
(7) Cap Rate	5.2%	5.1%
Price of the DCF Method	1,280,000	3,180,000
Discount Rate	5.0%	4.9%
Terminal Cap Rate	5.4%	5.3%
Cost Approach Value	896,000	2,550,000
Total Value of Land and Building	896,046	1,820,000
Land Value	383,291	876,000
Building Value	512,755	944,000
Adjustment for Change	100%	140%

(Note) The numbers above are a summary of real estate appraisal reports that were prepared by Japan Real Estate Institute and DAIWA REAL ESTATE APPRAISAL CO., LTD.

Attachments 2. Portfolio List

Area (Note 1)	Property Name	Location (Residential address)	Type of Asset	Acquisition Price (million yen) (Note 2)	Share (Note 3)
Central Tokyo	COMFORIA NIHONBASHININGYOCHO	3-5-10 NihonbashiNingyocho, Chuo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,586	2.2%
	COMFORIA WASEDA	147 Bentencho, Shinjyuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,900	2.7%
	COMFORIA SHIMOOCHIAI	2-7-10 Nakaochiai, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,181	1.7%
	COMFORIA HIGASHINAKANO	4-34-2 Kitashinjuku, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	552	0.8%
	COMFORIA GINZA EAST	1-3-1 Irifune, Chuo-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,059	4.3%
	COMFORIA AZABUDAI	3-4-4 Azabudai, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	574	0.8%
	COMFORIA SHIBAKOEN	2-2-15 Shibakoen, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,398	2.0%
	COMFORIA NISHIAZABU	4-1-10 Nishiazabu, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	755	1.1%
	COMFORIA MINAMIAOYAMA	4-1-12 Minamiaoyama, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,041	1.5%
	COMFORIA MINAMIAOYAMA DEUX	4-2-1 Minamiaoyama, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	248	0.3%
	COMFORIA NISHIWASEDA	1-5-19 Takadanobaba, Shinjuku-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,685	2.4%
	COMFORIA DAIKANYAMA	1-21-14 Ebisunishi, Shibuya-ku, Tokyo (Terrace Building) 1-21-15 Ebisunishi, Shibuya-ku, Tokyo (Tower Building)	Beneficial Interest in Real Estate Trust	1,807	2.5%
	COMFORIA HARAJYUKU NORD	3-8-19 Sendagaya, Shibuya-ku, Tokyo	Beneficial Interest in Real Estate Trust	533	0.7%
	COMFORIA HARAJYUKU	3-61-3 Sendagaya, Shibuya-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,629	5.1%
	COMFORIA MITA NORTH	2-7-16 Mita, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	850	1.2%
	COMFORIA SHIBAURA BOWHOUSE	3-13-12 Kaigan, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,650	3.7%

	COMFORIA SHIROKANETAKANAWA	5-1-21 Mita, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,300	1.8%
	COMFORIA NIHONBASHININGYOCHO EAST	3-6-3 NihonbashiNingyocho, Chuo-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,139	3.0%
	COMFORIA ATAGO	3-23-7 Toranomon, Minato-ku, Tokyo	Beneficial Interest in Real Estate Trust	826	1.2%
Subtotal				27,714	38.9%
Sub-central Tokyo	COMFORIA BUNKYOKASUGA	1-15-12 Nishikata, Bunkyo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,470	2.1%
	COMFORIA ASAKUSAMATSUGAYA	1-11-5 Matsugaya, Taito-ku, Tokyo	Beneficial Interest in Real Estate Trust	910	1.3%
	COMFORIA NISHIOI	6-6-1 Nishioi, Shinagawa-ku, Tokyo	Beneficial Interest in Real Estate Trust	902	1.3%
	COMFORIA NAKANO	2-40-12 Kamitakada, Nakano-ku, Tokyo	Beneficial Interest in Real Estate Trust	881	1.2%
	COMFORIA SHIMOKITAZAWA	1-9-14 Hanegi, Setagaya-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,587	3.6%
	COMFORIA NISHIKAMATA	6-37-3 Nishikamata, Ota-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,550	2.2%
	COMFORIA OYAMA	4-4 Oyamacho, Itabashi-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,987	2.8%
	COMFORIA KIYOSUMISHIRAKAWA SOUTH	3-2-13 Miyoshi, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	740	1.0%
	COMFORIA KOMAZAWA	2-1-5 Komazawa, Setagaya-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,290	1.8%
	COMFORIA LIV KOISHIKAWA	2-17-27 Koishikawa, Bunkyo-ku, Tokyo	Beneficial Interest in Real Estate Trust	552	0.8%
	COMFORIA LIV SENGOKU	4-3-20 Sengoku, Bunkyo-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,219	1.7%
	COMFORIA DAIKANYAMAAOBADAI	2-1-7 Aobadai, Meguro-ku, Tokyo	Beneficial Interest in Real Estate Trust	926	1.3%
	COMFORIA IKEBUKURO	2-57-1 Ikebukuro, Toshima-ku, Tokyo	Beneficial Interest in Real Estate Trust	602	0.8%
	COMFORIA LIV RYOGOKUISHIWARA	1-36-1 Ishiwara, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	651	0.9%

	COMFORIA ASAKUSABASHI DEUX	5-24-10 Asakusabashi, Taito-ku, Tokyo	Beneficial Interest in Real Estate Trust	874	1.2%
	COMFORIA OSHIAGE	4-7-2 Narihira, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	714	1.0%
	COMFORIA HONJOAZUMABASHI	2-11-12 Honjo, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	762	1.1%
	COMFORIA KIYOSUMISHIRAKAWA TROIS	3-5-14 Shirakawa, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	873	1.2%
	COMFORIA MONZENNAKACHO	16-8 Fuyuki, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,658	3.7%
	COMFORIA HIMONYA	2-3-3 Himonya, Meguro-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,189	1.7%
	COMFORIA MISYUKU	3-23-2 Ikejiri, Setagaya-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,874	2.6%
	COMFORIA GAKUGEIDAIGAKU	6-46-6 Shimouma, Setagaya-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,138	1.6%
	COMFORIA HIGASHINAKANO DEUX	4-2-19 Higashinakano, Nakano-ku, Tokyo	Beneficial Interest in Real Estate Trust	833	1.2%
	COMFORIA HIGASHIIKEBUKURO WEST	3-22-21 Higashiikebukuro, Toshima-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,911	5.5%
	COMFORIA RYOGOKU DEUX	1-2-10 Chitose, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,014	1.4%
	COMFORIA OMORI DEUX	3-4-2 Omorikita, Ota-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,188	1.7%
	COMFORIA MACHIYA	5-51-7 Arakawa, Arakawa-ku, Tokyo	Beneficial Interest in Real Estate Trust	594	0.8%
	COMFORIA ASAKUSABASHI	2-20-10 Yanagibashi, Taito-ku, Tokyo	Beneficial Interest in Real Estate Trust	2,680	3.8%
	COMFORIA RYOGOKU SOUTH	2-14-8 Chitose, Sumida-ku, Tokyo	Beneficial Interest in Real Estate Trust	1,240	1.7%
	COMFORIA TOYOSU	1-4-12 Edagawa, Koto-ku, Tokyo	Beneficial Interest in Real Estate Trust	3,096	4.3%
Subtotal				40,907	57.4%

Tokyo Metropolitan Area	COMFORIA LIV KOMAE	3-9-5 Iwadokita, Komae-shi, Tokyo	Beneficial Interest in Real Estate Trust	399	0.6%
	COMFORIA YOKOHAMAKANNAI	2-8-15 Okinacho, Naka-ku, Yokohama-shi, Kanagawa	Beneficial Interest in Real Estate Trust	972	1.4%
	COMFORIA LIV ICHIKAWAMYODEN	1-9-10 Shioyaki, Ichikawa-shi, Chiba	Beneficial Interest in Real Estate Trust	606	0.9%
	COMFORIA LIV YATSUKA	3-38-3 Sezaki, Soka-shi, Saitama	Beneficial Interest in Real Estate Trust	626	0.9%
Subtotal				2,603	3.7%
Total				71,225	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 areas where demand for rental residences is strong in the Tokyo metropolitan area (including Tokyo, Kanagawa, Saitama and Chiba) except for Central Tokyo and Sub-central Tokyo.

(Note 2) “Acquisition Price” is the amount exclusive of the expenses required in the acquisition of the concerned asset, fixed property taxes, city planning taxes, consumption taxes and local consumption taxes.

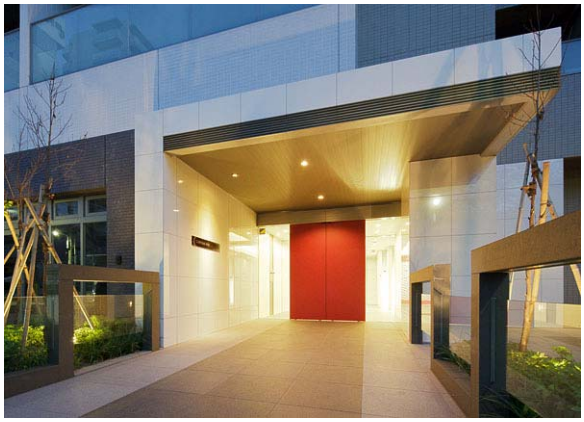
(Note 3) “Share” is the ratio of the acquisition price of each property to the total acquisition price, and it is rounded to the 2nd decimal place.

Attachments 3. Property Images, etc. of the Acquired Assets

(1) COMFORIA NIHONBASHININGYOCHO EAST

(2) COMFORIA ATAGO

(3) COMFORIA ASAKUSABASHI



(4) COMFORIA RYOGOKU SOUTH

(5) COMFORIA TOYOSU