



United Urban Investment Corporation

26th Fiscal Period

(six months ended November 2016)

RETAIL PROPERTIES

OFFICES

HOTELS

RESIDENTIAL

OTHERS

Jan 19, 2017



Table of Contents

◇Table of Contents and Disclaimer	1
◇Definition of Terms①②	2~3
◇26th FP Major Events and 27th FP Schedule	4
1. Executive Summary	5
2. Summary of Operations	9
3. Business Forecasts and Management Plan	23
4. 26th FP Asset Management Records and Data	29
5. Appendix	46

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For using this material, please refer to “Definitions of Terms” on pages 2 to 3.

Unless otherwise specifically indicated on this material, figures have been rounded down to the units stated, and the ratios, the number of years, the magnifications and or have been rounded to the nearest one decimal place.

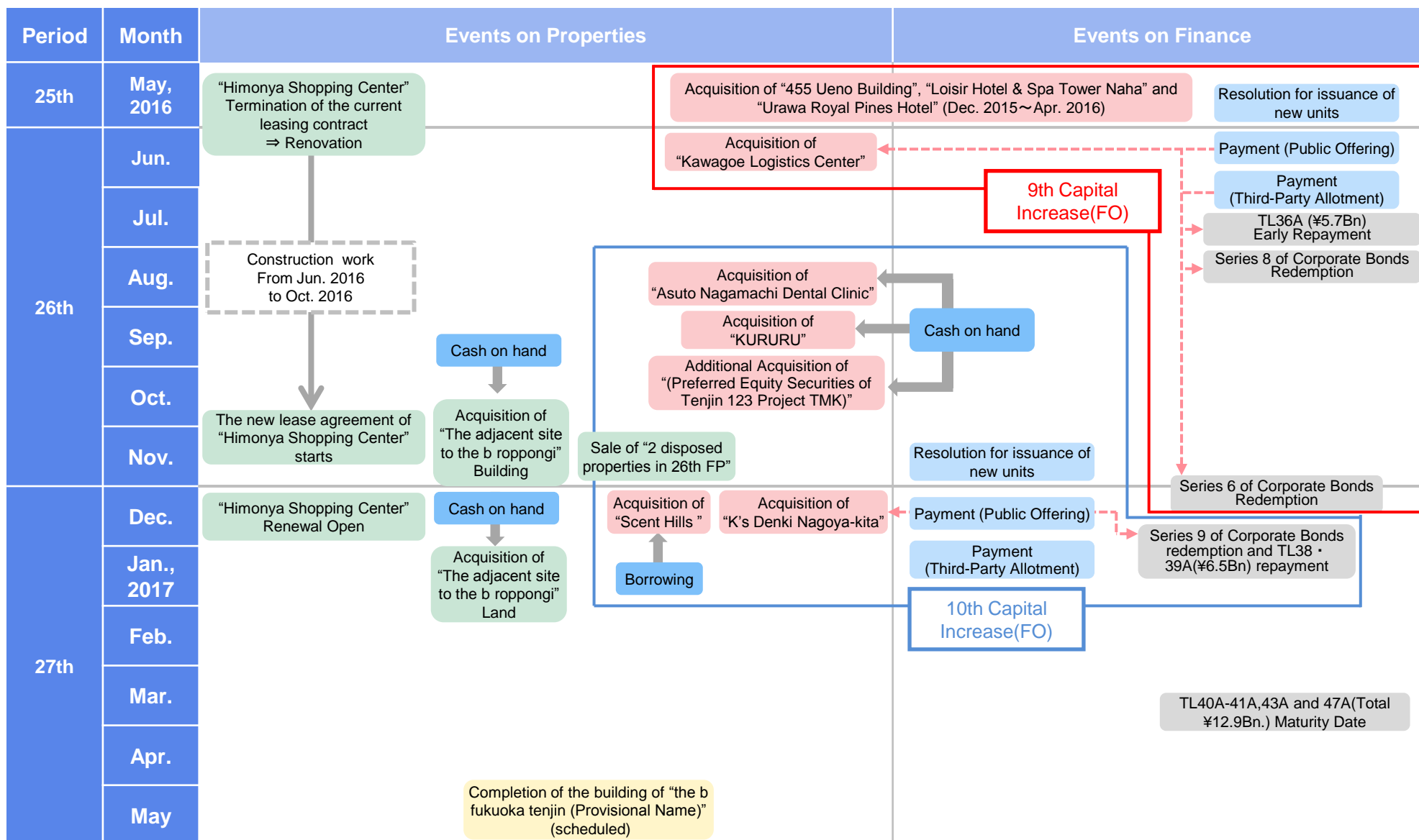
Definitions of Words 1/2

Terms	Definitions
UUR	“United Urban Investment Corporation” may be abbreviated to as “UUR”.
JRA	“Japan REIT Advisors Co., Ltd.” may be abbreviated to as “JRA”.
Fiscal period	Each fiscal period is closed on the end of May or of November , and then, each fiscal period and the number of operating days which appeared on this document are as below; <ul style="list-style-type: none"> • 23rd FP : from December 1, 2014 to May 31, 2015 (182 days) • 24th FP : from June 1, 2015 to November 30, 2015 (183 days) • 25th FP : from December 1, 2015 to May 31, 2016 (183 days) • 26th FP : from June 1, 2016 to November 30, 2016 (183 days) • 27th FP : from December 1, 2016 to May 31, 2017 (182 days) • 28th FP : from June 1, 2017 to November 30, 2017 (183 days)
Acquisition (Sale) Price	The price which is described in a purchase and sale agreement etc. is shown in the amount excluding miscellaneous expenses for the acquisition (sale), consumption tax, etc.
2 disposed properties in 26th FP	“Yokohama Aioicho Building” and “HOTEL ROUTE-INN Nagoya Imaike Ekimae”
9th Public Offering	It means the capital increase on 190,000 newly issued investment unites through the public offering and 11,646 ones through third-party allotment resolved at UUR’s board meeting on May 25 2016.
10th Public Offering	It means the capital increase on 90,000 new y issued investment units through the public offering and 12,065 ones through third-party allotment resolved at UUR’s board meeting on Nov. 29, 2016 .
EPU	It is calculated by “net income / the number of units outstanding at the end of the fiscal period”. So, it is different for the “net income per unit” on accounting which is calculated based on the average number of investment units for each fiscal period.
Occupancy Rate	It is calculated by “total leased floor space / total leasable floor space”
Cash Flow Occupancy Rate	It is calculated based on the floor area which is actual generating rent excluding the floor area under lease contract which is not temporarily generating rent due to free-rent period.
Negative Goodwill (Reserve for distribution/ Reserve for temporary difference)	It means “reserve for distribution”, a reserve account derived from the extraordinary profit on The Merger. In connection with 2015 Tax Reform Act, the remaining balance of “reserve for distribution” will be transferred to newly established item of “reserve for temporary difference” after the close of 26th FP. Therefore , this will mean “reserve for temporary difference” on or after 27th FP. Reverse or usage of “ reserve for distribution” or “temporary differences” in accounting purpose may be shown as “ Use of negative goodwill” “Adding negative goodwill ” to the profit for distribution or “Distribution of negative goodwill”
The Merger	The merger, which made December 1, 2010 the effective date of the merger and made UUR the surviving corporation after the merger.
NCI	“Nippon Commercial Investment Corporation” maybe referred to as “NCI”
The Division of Units	The 6-for-1 unit split of UUR units, effective December 1, 2010.
NCI properties	The properties which UUR succeeded from NCI by the Merger. The Acquisition Price of NCI properties is the acceptance price at the time of the Merger.
NOI	“Net Operating Income”, the figure equal to an amount subtracting rental expenses (excluding depreciation and amortization) from rental revenues.
Adjusted NOI	It is “NOI “ amount adjusting Taxes and other extraordinary costs which are not recognized as operating expenses in FPs on or following the relevant acquisition
Adjusted NOI Yield	It is calculated by “Adjusted NOI / Acquisition price (annualized basis)”

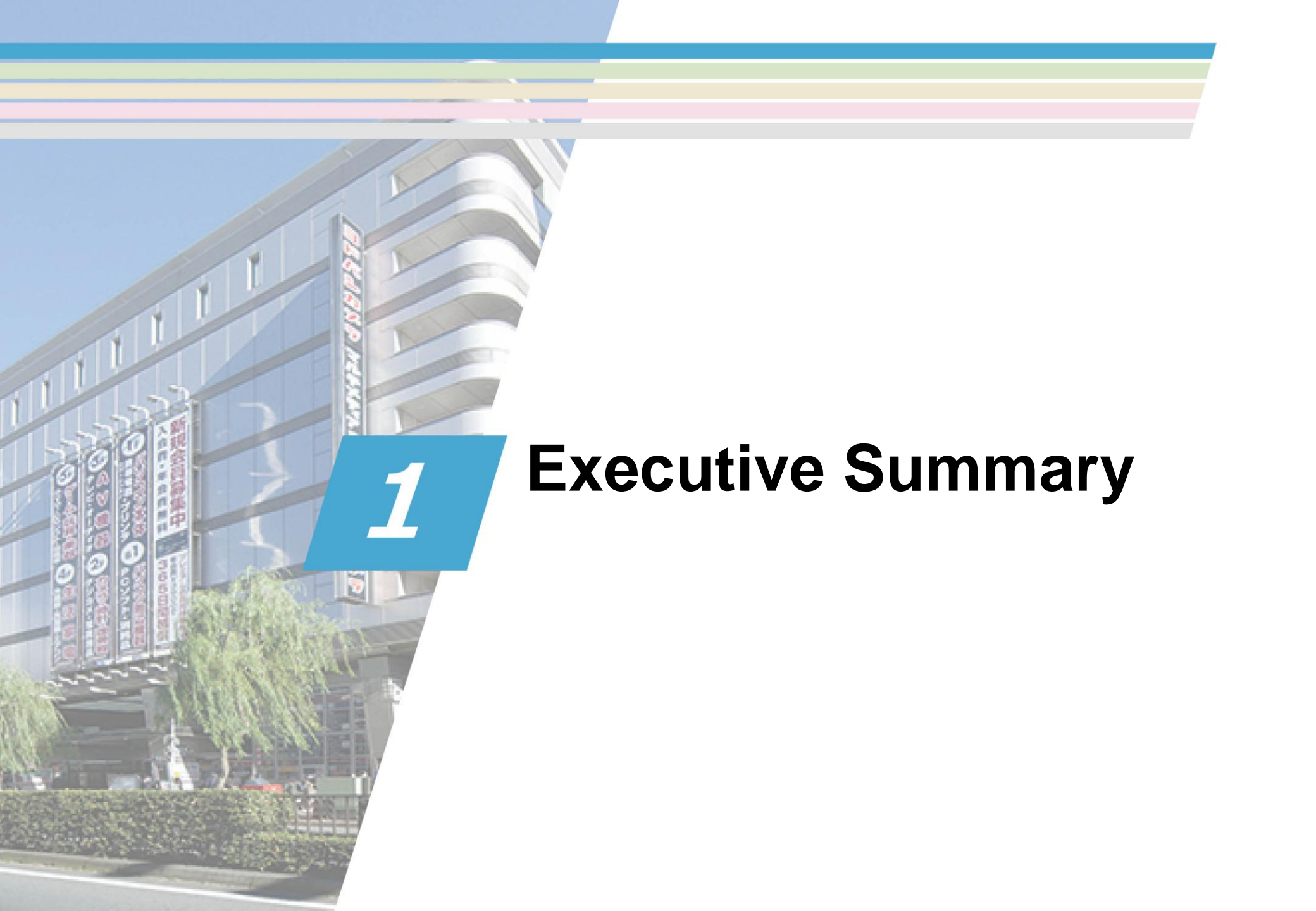
Definitions of Words 2/2

Terms	Definitions
Adjusted Profit after Depreciation	It is Adjusted NOI amount deducted depreciation costs during FP.
Adjusted NOI Yield after Depreciation	The annualized yield, which is dividing Adjusted Profit after Depreciation by Acquisition Price.(Estimation or adjustment are applied in some cases.).
Estimated NOI Yield / NOI Yield (after depreciation)	Estimated NOI Yield or NOI Yield (after depreciation) for a coming year from UUR' acquisition calculated on the lease conditions after UUR' acquisition
Unrealized Capital Gain	It is calculated by deducting the book value from the relevant appraisal value.
Appraisal Value	The amount of "Appraisal" or "Price Research" by the certified real estate appraisers
LTV	Interest-bearing liabilities (including corporate bonds) / Total Assets (Net Assets + Appraised value at the end of fiscal period – Book value at the end of fiscal period)
LTV (Total Assets)	Interest-bearing liabilities (including corporate bonds) / Total Assets
Reserve retained for Distribution	Retained earnings not derived from The Merger (separate from Negative Goodwill).
(Reserve retained for Distribution) Reserved in 23rd FP	Retained earning of ¥121 million brought forward from the 23rd FP. Shown as "Reserve retained for Distribution" in the 24th FP.
(Reserve retained for Distribution) Reserved in 25th FP	Retained earnings of ¥834 million brought forward from the 25th FP. Shown as "Reserve retained for Distribution" in the 26th FP.
(Reserve retained for Distribution) Reserved in 26th FP	Retained earnings of ¥459 million brought forward from the 26th FP.Reserved as "Reserve retained for Distribution" after the end of the 26th FP.
Retained Earnings	"Negative Goodwill" and "Reserve retained for Distribution"
Interest Bearing Debt Cost	It is calculated by "(Interest expenses + financing related expenses) / Outstanding balance of interest bearing debt at the end of fiscal period × 365 / operating days"
Weighted-average Interest Rate	Weighted average interest rate on all the interest bearing debt at the end of each fiscal period. Does not include financing related cost, etc.
Variable rent system with GOP	It is the rent comprising "the fixed amount " and " the variable amount linked to GOP" defined on the lease agreements. "GOP" is the abbreviation for "Gross Operating Profit". It is gross profit amount of the hotel operations deducted non-allocation costs (for example, labor costs and utility costs of corporate or sales section which are not be included tin operating costs of each section, etc).
Variable rent system	It is the rent including the variable amount linked to the sales of hotels or GOP etc, Variable rent system with GOP is included in Variable rent system.
RevPAR	"Revenue Per Available Room" is calculated by "Hotel sales from guest rooms per day / the number of marketable guest rooms".
The adjacent site to the b roppongi	It means the building with leasehold and the land of the adjacent site to "the b roppongi" which has been owned by UUR. UUR acquired the building with leasehold by ¥320 million on Nov .18, 2016, and the land by ¥140 million on Jan. 13, 2017. UUR acquired the adjacent site to the b roppongi because it enables the extension of the hotel building, so we recognize it as the concomitant to "the b roppongi". Therefore it is not reflected in the number of properties held by UUR nor included in UUR's portfolio unless the particular notes. The ground floor of the building with leasehold have been leased to 2 tenants at the end of 26th fiscal period , and the rent revenues from the tenants are included in Operating Revenues of the financial statements.

26th FP Major Events and 27th FP Schedule (Note)



(Note) About 27th fiscal period, it is shown that settled matters, decisions, occurrence matters or assumptions, dated January 18, 2017 at this point.



1

Executive Summary

Highlights of 26th FP

- ◆ In 26th FP, we could increase both Operating Revenues and Net Income compared to those in the previous FP and our forecasts announced in July 13, 2016 thanks to the properties acquired in 25th FP contributed fully in this FP, the newly acquired properties in this FP and the gains on the property sales of 1,363Mn yen while there were decrease of rent revenues and increased costs derived from the renovation of Himonya Shopping Center .
- ◆ DPU was 3,010 yen, increased by 10 yen compared to 25th FP, and the total amount of distribution became 8,888Mn yen .We retained 459 Mn yen as “ Reserve retained for distribution “ in order to strengthen our ability to cope with the market fluctuation .

Net Income, EPU and DPU etc.

	25th FP ('16/5) (Actual)	26th FP ('16/11) (Actual)	27th FP ('17/5) (Forecast)	28th FP ('16/11) (Forecast)
Net Income	9,089Mn yen	9,348Mn yen	9,548Mn yen	9,640Mn yen
Earnings per Unit	3,303yen	3,165yen	3,125yen	3,155yen
Negative goodwill appropriated per Unit	—	—	25yen	25yen
Distribution per Unit	3,000yen	3,010yen	3,150yen	3,180yen

(Note)The forecasts for the 27th & 28th FP were announced on January 18, 2017.

Operating Performance

- Portfolio NOI: 15,679Mn yen (25th FP: 15,420Mn yen)
- Adjusted Portfolio NOI Yield: 5.29% (25th FP: 5.50%)
- Adjusted Portfolio NOI Yield (after depreciation): 3.98% (25th FP: 4.18%)
- Total Occupancy (End of Period): 98.9% (25th FP: 98.8%)
- Total Occupancy (Average of Period): 97.3% (25th FP: 98.8%)
- Unrealized Capital Gain: 95.7Bn yen (25th FP: 80.3Bn yen)

Acquisition and Disposition

- Acquisition of 3 Properties and 1 asset(Preferred Equity Securities)

Type of use	Property (Asset) Name	Acquisition Date	Acquisition price
Retail	KURURU	Sep. 1, 2016	9,285Mn yen
Other	Kawagoe Logistics Center	Jun. 17, 2016	7,550Mn yen
Other	Asuto Nagamachi Dental Clinic	Aug. 29, 2016	1,200Mn yen
(Hotel)	Preferred Equity Securities of Tenjin 123 Project TMK(Additional Acquisition)	Oct. 3, 2016	18Mn yen
Total	3 Properties and 1 asset		18,053Mn yen

- Sale of 2 Properties: Total 4.4Bn yen
- Asset size at the end of the period: 119 properties, 590.4Bn yen (Asset size is based on acquisition price)

Please refer to 10 page later "Acquisition 1/2 (26th FP)" for the details of Acquisition.

Financing Activities

- Total Debt Repaid: 15.7Bn yen(*0.69% / **4.3 years) (Note 1~2)
(*Average interest / **duration)
- Outstanding Balance of Interest Bearing Debt as of the end of 26th FP: 277.4Bn yen (25th FP: 293.1Bn yen)
- LTV as of the end of 26th FP: 37.3% (25th FP: 41.3%)
- Ratio of Fixed-Interest Rate Debt as of the end of 26th FP: 90.4% (25th FP: 89.1%)
- Increase of Reserve retained for distribution: 459Mn yen (Retained forward from 26th FP)

(Note 1) Average interest rate is a weighted average interest rate of repayment/redemption, respectively.

(Note 2) The amount of install payment is not included in the "Total Debt Repaid".

Business results for the 26th FP ('16/11)

(in millions of yen, unless otherwise indicated)

Item	25th FP ('16/5) Actual (A)	26th FP ('16/11) Actual (B)	Change (B - A)	26th FP ('16/11) Forecast (C) (Note)	Change (B - C)
Operating Revenues	21,444	22,864	+1,420	21,183	+1,681
Revenues from real estate leasing operation	20,597	21,501	+904	21,183	+318
(of which, Rental revenues and common area charges)	(18,598)	(19,373)	(+775)	(19,129)	(+244)
Gain on Property Sale	847	1,363	+516	-	+1,363
Operating Expenses	10,853	11,807	+953	11,847	-40
Property-related expenses	8,873	9,706	+833	9,756	-49
(of which, Repair costs)	(634)	(1,048)	(+413)	(975)	(+72)
(of which, depreciation)	(3,697)	(3,884)	(+187)	(3,859)	(+25)
(of which, Taxes and public dues)	(1,613)	(1,650)	(+36)	(1,615)	(+35)
Sales Admin. Expenses	1,979	2,100	+120	2,091	+9
(Income from real estate leasing operation)	(11,723)	(11,794)	(+71)	(11,427)	(+368)
(NOI)	(15,420)	(15,679)	(+258)	(15,286)	(+393)
Operating Income	10,591	11,057	+466	9,336	+1,722
Non-operating Revenues	50	7	-43	5	+2
Non-operating Expenses	1,416	1,716	+299	1,550	+166
Ordinary Income	9,224	9,349	+124	7,791	+1,558
Extraordinary Loss (Reserve for loss on Shinsaibashi OPA / Kumamoto Earthquake)	135	-	-135	-	-
Net Income	9,089	9,348	+259	7,791	+1,558
EPU(yen/unit)	3,303	3,165	-138	2,638	+527
Total Cash Distributions	8,254	8,888	+634	8,859	+29
(of which, Use of Negative Goodwill)	(-)	(-)	(-)	(1,068)	(-1,068)
DPU(yen/unit)	3,000	3,010	+10	3,000	+10
Retained as Reserve retained for distribution	834	459	-374	-	+459
No. of Investment Units Outstanding (unit)	2,751,376	2,953,022	+201,646	2,953,022	-
CAPEX	2,970	5,762	+2,791	6,259	-497

(Note) FP '16/11 forecast is the one which was announced on July 13, 2016.

25th FP ('16/5) Actual ⇒ 26th FP ('16/11) Actual Changes

Operating Income +466
Income from real estate leasing operation +71
(Revenues +904, Expenses +833)
Acquired 25th FP +526 (Revenues +777, Expenses +252)
Sold 25th FP -115 (Revenues -199, Expenses -84)
Acquired 26th FP +261 (Revenues +403, Expenses +142)
Sold 26th FP -2 (Revenues -1, Expenses +1)
Others -600 (Revenues -77, Expenses +523)
Gain on Property Sale +516
Sales Admin. Expenses +120 (Asset management fee +86, etc)
Non-operating Revenues -43 (Decrease of insurance income, etc)
Non-operating Expenses +299 (Loss on disposition of assets +337, investment unit issuance expenses -31)
Extraordinary Loss -135 (Decrease of provision for loss on disaster)

26th FP ('16/11) Forecast ⇒ 26th FP ('16/11) Actual Changes

Operating Income +1,722
Income from real estate leasing operation +368
(Revenues +318, Expenses -49)
Acquired 25th FP +33 (Revenues +27, Expenses -6)
Acquired 26th FP +112 (Revenues +217, Expenses +105)
Sold 26th FP -1 (Revenues -2, Expenses -2)
Others +223 (Revenues +76, Expenses -146)
Gain on Property Sale +1,363
Sales Admin. Expenses +9
Non-operating Revenues +2
Non-operating Expenses +166 (Loss on disposition of assets +144, etc)

【Properties acquired in 25thFP ('16/5) (3 properties)】

455 Ueno Building ('15/12)
Loisir Hotel & Spa Tower Naha ('16/2)
Urawa Royal Pines Hotel ('16/4)

【Properties acquired in 26thFP ('16/11) (3 properties)】

Kawagoe Logistics Center ('16/6)
Asuto Nagamachi Dental Clinic ('16/8)
KURURU ('16/9)

【Properties sold in 25th FP ('16/5) (3 properties)】

UUR Tsukiji Building ('16/2)
Logistics Higashi-ohgishima ('16/2)
(sold 49% of portion)
Shinsaibashi OPA Kireikan ('16/3)

【Properties sold in 26th FP ('16/11) (2 properties)】

Yokohama Aioicho Building ('16/11)
HOTEL ROUTE-INN Nagoya Imaike Ekimae ('16/11)

10th Public Offering (Nov. to Dec. 2016)

Investment Highlights

1. Building a robust portfolio through the continuous property acquisition and reshuffle of the properties
2. Pursuit of internal growth through the proactive asset management
3. Stable track record of operation and continuous DPU growth for 25 fiscal periods since the listing
4. Enhancement of our ability to cope with various risks by the increased retained earnings and decreased LTV

Overview of 10th Public Offering

Structure	Domestic	
Number of Units Issued	102,065 units	90,000 units (Public Offering) 12,065 units (3rd-party Allotment)
Number of Units Outstanding after the Offering	3,055,087 units (approximately 3.3% increase)	
Issue price / Issue value	(Per unit) ¥169,736 / ¥164,540	
Total issue value	16,793 million	14,808 million (Public Offering) 1,985 million (3rd-party Allotment)
Resolution Date	November 29, 2016	
Pricing Date	December 7, 2016	
Payment Date	December 14, 2016 (Public Offering) January 12, 2017 (3rd-party Allotment)	
Related New Properties	4 properties	KURURU K's Denki Nagoya-kita Scent Hills Asuto Nagamachi Dental Clinic

Standing of our Portfolio after the acquisition and disposition

	After 9th PO (Note 1)	4 acquired properties	2 disposed properties	Total
Number of Property	119	4	2	121
Total Acquisition Price (Bn yen)	5,830	135	30	5,934
Total Appraisal Value (Bn yen)	6,519	149	41	6,627
NOI Yield (Note 1, 2)	5.5%	5.4%	7.0%	5.5%
NOI Yield (after depreciation) (Note 1, 2)	4.2%	4.5%	4.2%	4.2%

(Notes)

1. "After 9th PO" is as of July 12, 2016 after the payment of newly issued 11,646 units by 3rd-party allotment of the 9th Public Offering for SMBC Nikko securities. NOI Yield and NOI Yield (after depreciation) are weighted average of Adjusted NOI Yield and Adjusted NOI of 25th FP properties and various yield based on appraisal report of Kawagoe Logistics Center (its acquisition date in June 17, 2016).
2. NOI Yield and NOI Yield(after depreciation) of "2 disposed properties" are the actual results in 25th FP based on Adjusted NOI of the relevant FP. Those of "4 acquired properties" are shown by the weighted average yield based on the relevant appraisal reports on the acquisition. The figures shown in "Total" are calculated by those of "After 9th PO", "4 acquired properties" and "2 disposed properties" and those of 26th FP and 27th FP are not reflected.

Changes in LTV

	Before 10th capital Increase (26th FP)	After 10th Capital Increase (Note)
LTV	37.3%	34.9%
LTV (Total Asset)	42.8%	40.1%

(Note) These numbers are estimated as of Jan 12, 2017 after the payment of newly issued 12,065 units by 3rd-party allotment of the 10th Public Offering.



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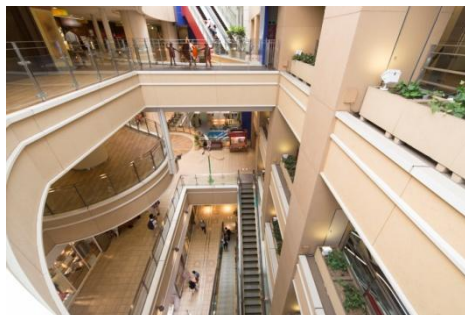
Summary of Operations

Acquisition 1/2 (26th FP)

A40 KURURU

Retail Property

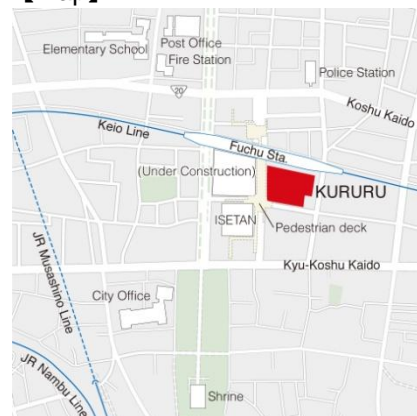
Location	Fuchu, Tokyo (Tokyo Metropolitan Area)
Structure & Scale	SRC・RC・S B3F/28F
Completed	February 2005
Acquisition price	9,285Mn yen
Estimated NOI Yield (after depreciation)	5.0%
Occupancy Rate	100.0% (to the date of this document)
Acquisition Date	Sep. 1, 2016



【Ownership of the building】



【Map】



(Note) The image is conceptually drawing owned part of United Urban, it might be different from actual building shape, situation or ownership percentage.

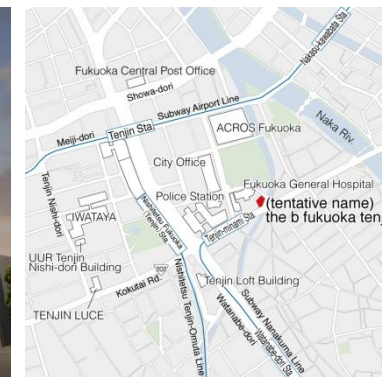
Additional Acquisition of Preferred shares related to the hotel development project in Fukuoka

Tenjin 123 Project TMK	
The Property etc. 1,515Mn yen	Preferred shares : 1,497Mn yen Other : 19Mn yen

- ◆ Acquisition of 1,130 units of preferred securities out of 22,600 units (5% of outstanding shares) at 74Mn yen, in April 2016.
- ◆ On the occasion of issuance of additional preferred equity securities for the purpose of financing construction work on setting up the steel pillars of the building (the b Fukuoka Tenjin (provisional Name)), UUR acquired the preferred equity securities additionally by 18 Mn yen on Oct. 2016. (367 units : 5% of total number of additional issued units, 7,340).
- ◆ Acquisition of the preferential negotiation right on purchase of the property in the future.

the b fukuoka tenjin (Provisional Name)

Location	Fukuoka, Fukuoka (Other Regions)
Site Area(Land/Building)	496.79㎡ /3,625.15㎡ (Anticipated)
Structure & Scale	S 10F
the date when the hotel operation commences	About July 2017(Anticipated)
Use	Hotel (125 rooms)・Retail (Anticipated)
Summary of the Preferential Negotiation Right	Available for purchase at ¥2,885 million or more (The exercisable period of the preferential negotiation right is less than two years from the date when the hotel operation commences)





Acquisition 2/2 (26th & 27th FP)

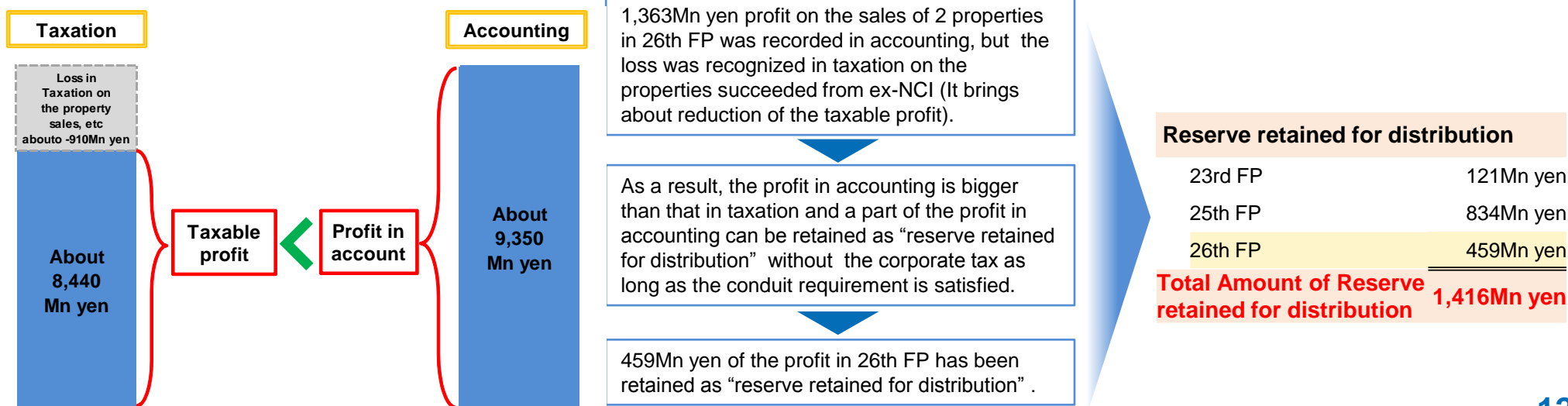
	Property acquired in 26th FP		Property acquired in 27th FP	
	E9 Kawagoe Logistics Center (Others)	E10 Asuto Nagamachi Dental Clinic (Others)	A41 K's Denki Nagoya-kita (Retail Property)	D28 Scent Hills (Residential)
Location	Kawagoe, Saitama (Tokyo Metropolitan Area)	Sendai, Miyagi (Other Regions (Others))	Nishikasugai-gun, Aichi (Other Regions (Nagoya))	Osaka, Osaka (Other Regions (Osaka))
Structure & Scale	RC/S 4F	S B1F/2F	S 2F	RC 13F(51 Rooms)
Completed	August 2007	October 2014	June 2000	July 2010
Acquisition price	7,550Mn yen	1,200Mn yen	1,750Mn yen	1,300Mn yen
Estimated NOI Yield	4.8%	5.7%	7.0%	5.3%
(after depreciation)	3.8%	4.7%	6.4%	4.2%
Occupancy Rate	100% (to the date of this document)	100% (to the date of this document)	100.0% (to the date of this document)	93.9% (Dec. 31, 2016)
Acquisition Date	June17, 2016	August 29, 2016	December 1, 2016	December 1, 2016



Disposition (26th FP) and Reserve retained for distribution

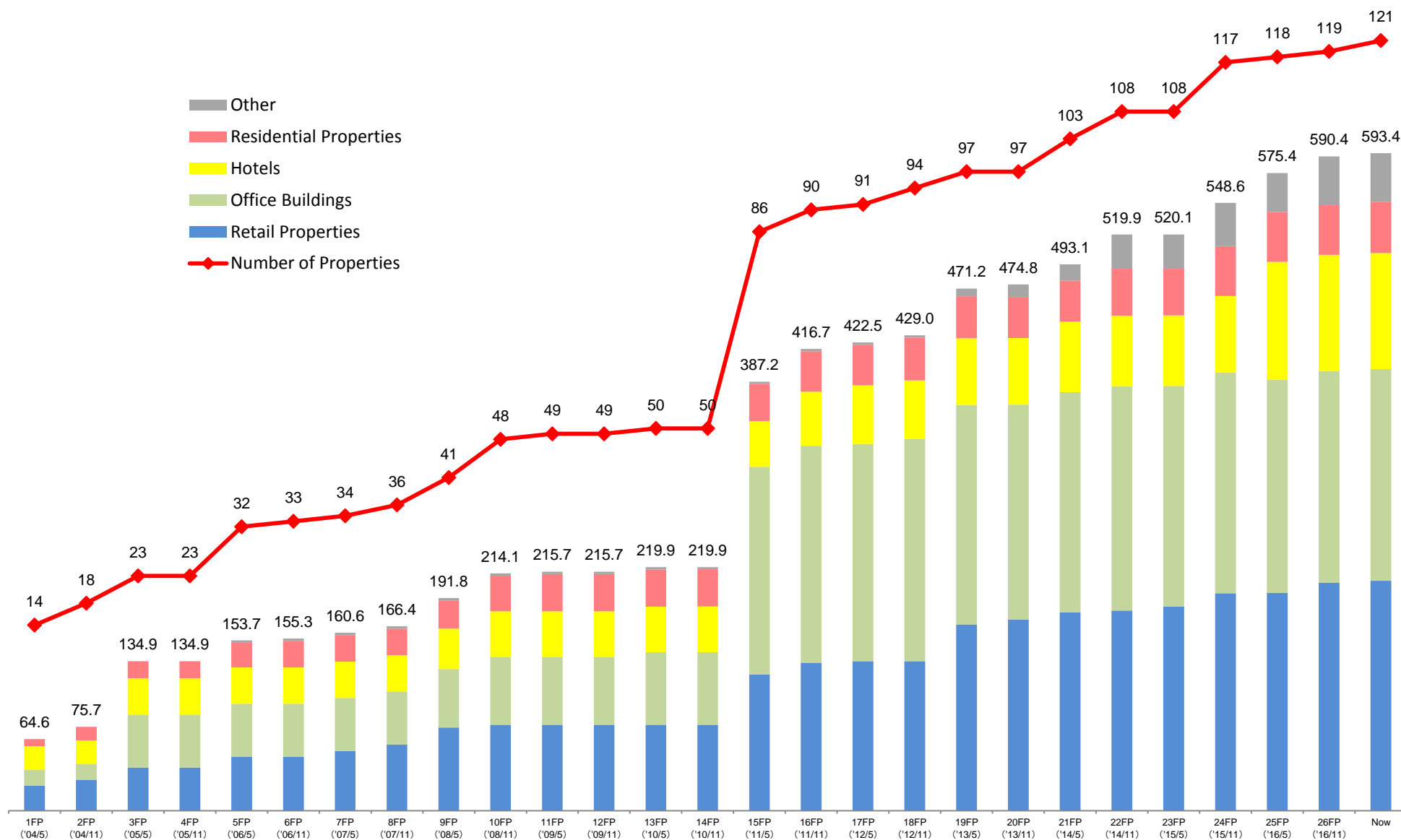
Property Name	Type of Use	Location	Date of Sale	Acquisition Price	Appraisal Value (Note)	Sale Price	Gain on sale of properties
 <div>Yokohama Aioicho Building</div> <div>NCI Property</div>	Office	Yokohama, Kanagawa	November 29, 2016	1,060	1,250	1,260	133
 <div>HOTEL ROUTE-INN Nagoya Imaike Ekimae</div>	Hotel	Nagoya, Aichi		2,000	2,930	3,160	1,229
Total				3,060	4,180	4,420	1,363

(Note) Appraisal Value as of May 31, 2016.

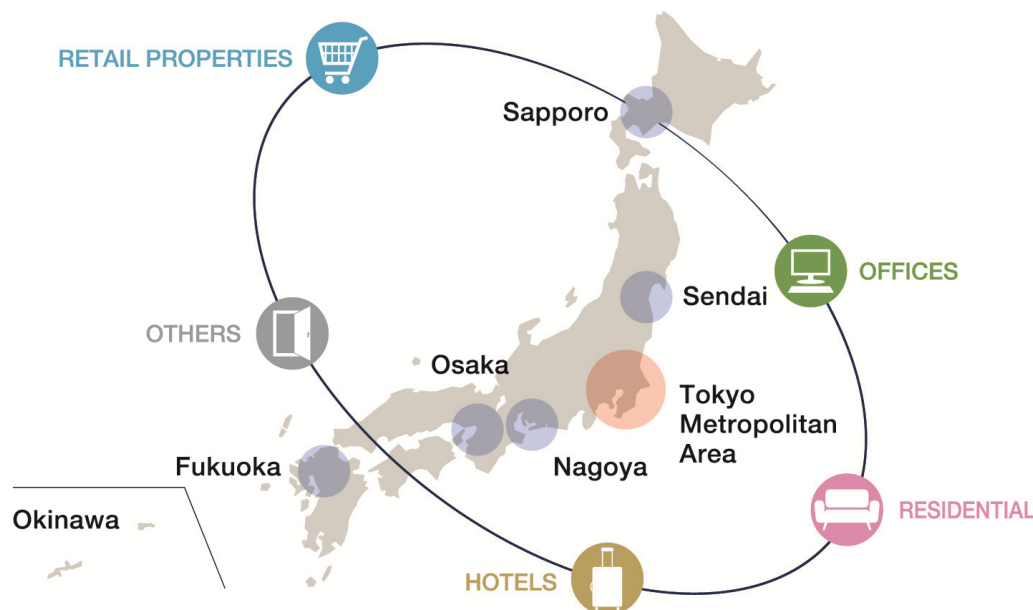


Track Record of UUR' External Growth

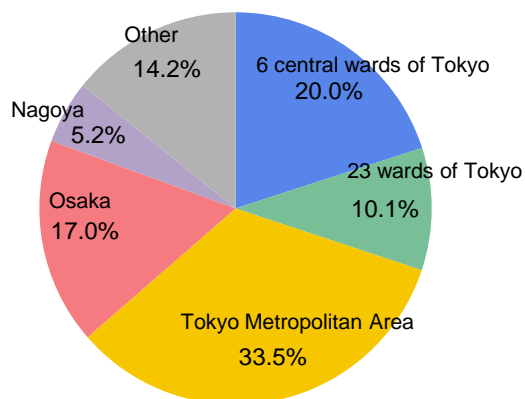
External Growth (Bn yen, Properties)



Portfolio Summary (to the date of this document)

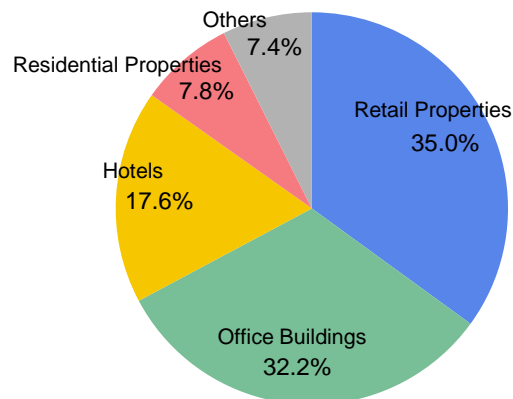


Location (Note)

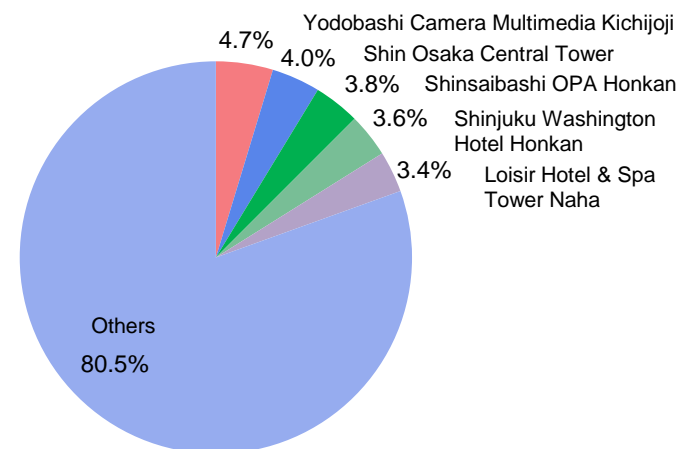


Tokyo Metro. Area 63.7%

Type (Note)



Property (Note)



Top 5 properties 19.5%

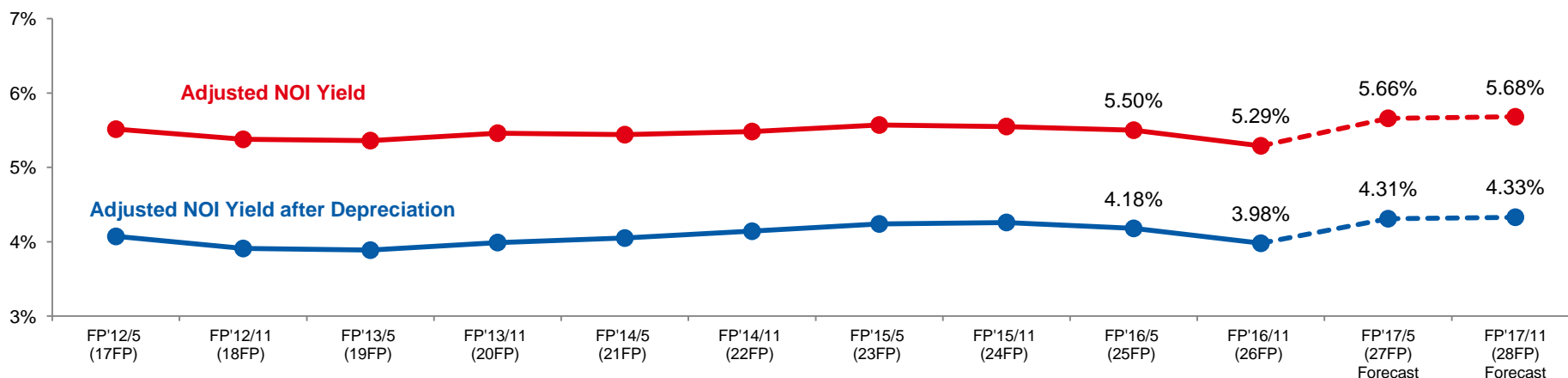
(Note) Ratios are rounded to the first decimal place. Therefore, the sum of the ratios does not always add up to the total value.

Portfolio Performance

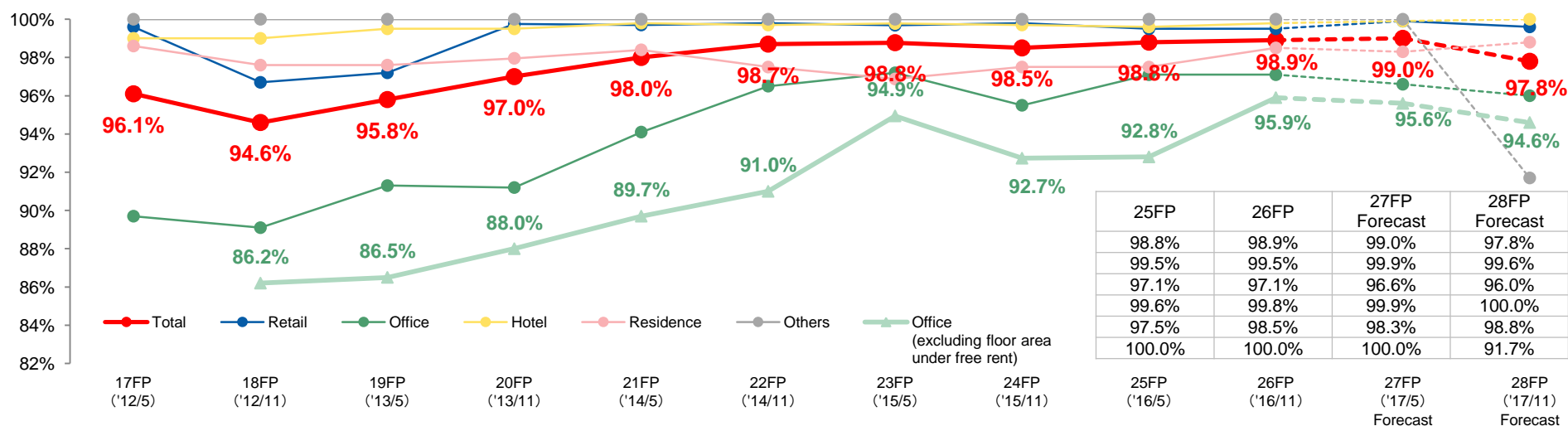
- ◆ In 26th FP, the large scale renovation work in Himonya Shopping Center (Himonya SC) will bring the temporary fall of the portfolio profitability, but after 27th FP, it will improve largely due to the rent increase in Himonya SC etc .
- ◆ Because of the major tenant leave from MT Ariake Center Building 1&2, the occupancy rate will fall at the end of 28th FP, but we are going to strive the leasing activities for early make-up.

Trend of Profit-ratio (Note)

(Note) Yield of the properties held at the end of the period has been weighted averaged by the acquisition price.

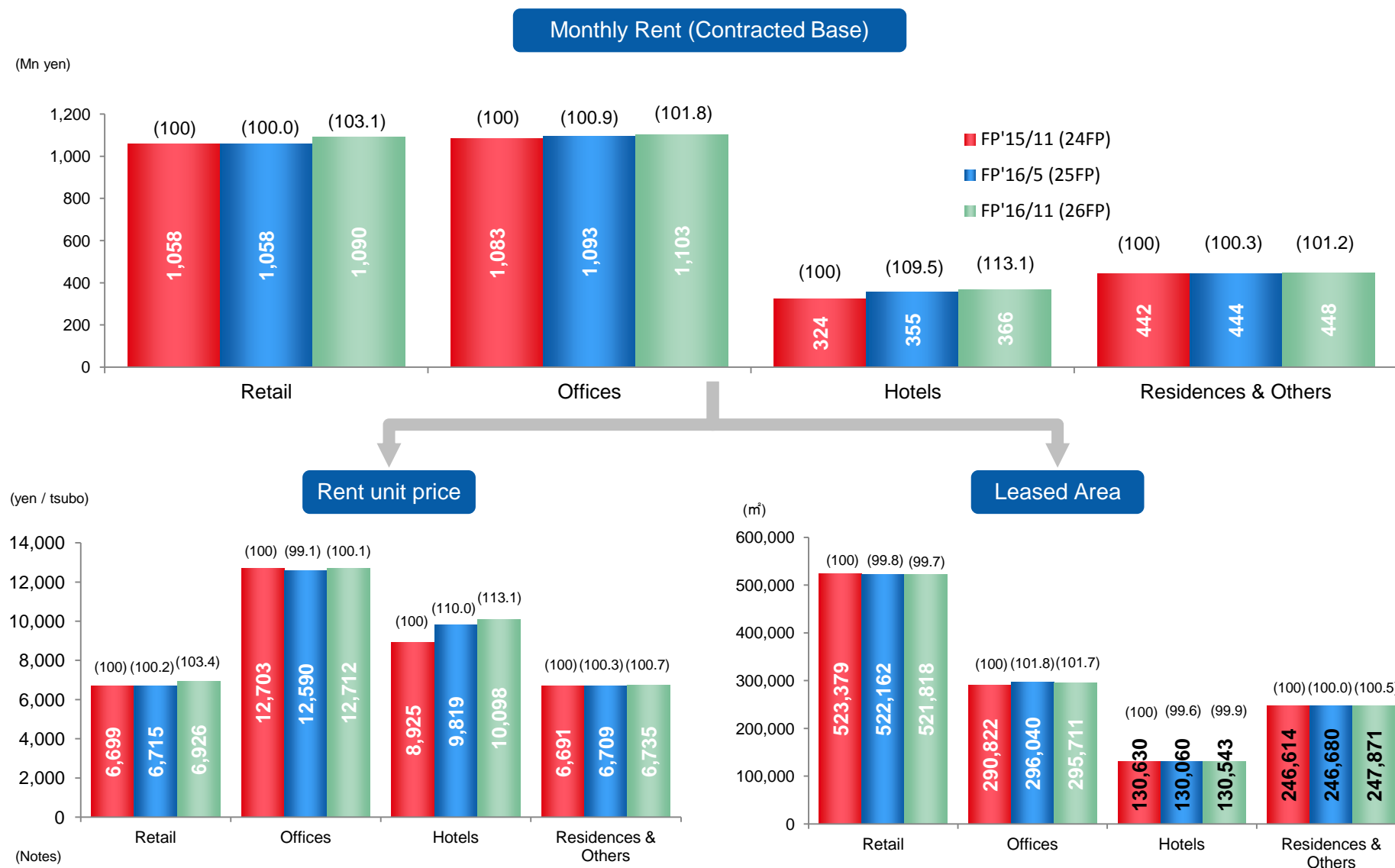


Trend of Portfolio Occupancy Rate (end of fiscal period)



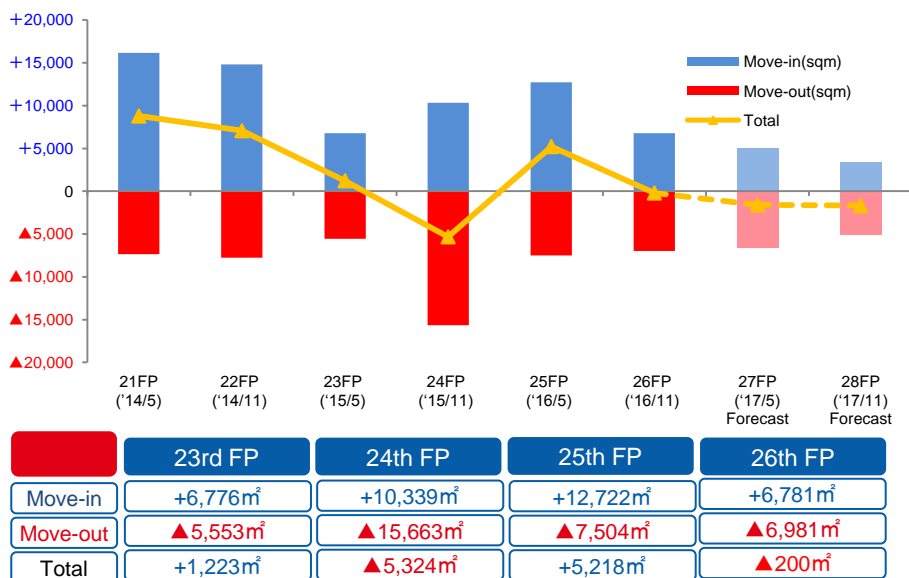
Trend of Rent in Existing Properties

Trend of Monthly Rent (based on lease contracts) in Existing Properties (Note1)

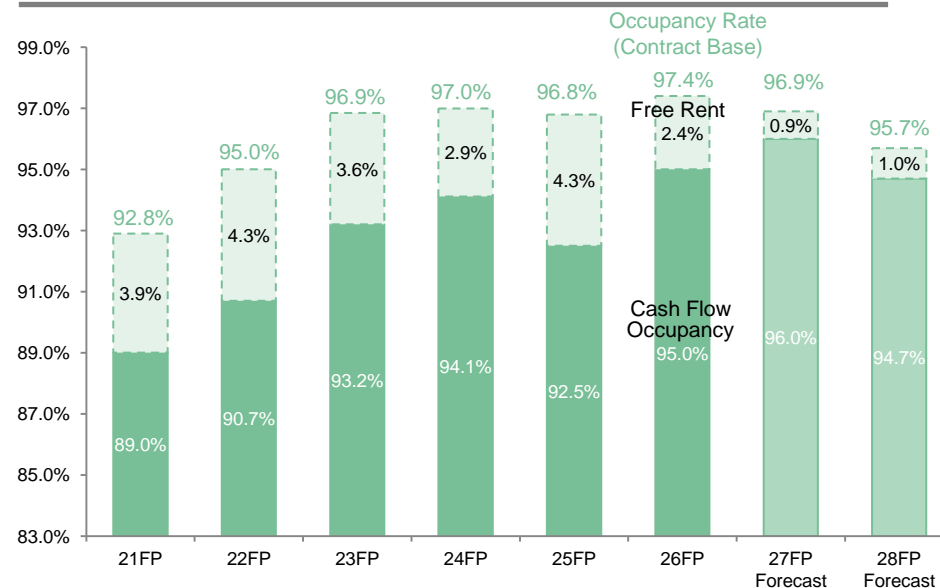


Recent Development of Leasing Activities 1/2

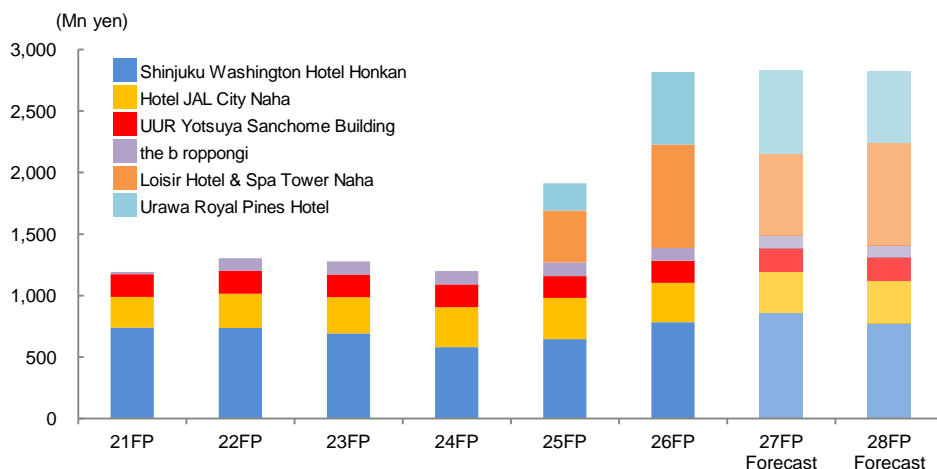
Office : Move-in VS Move-out



Office : Cash Flow Occupancy Rate (Note)

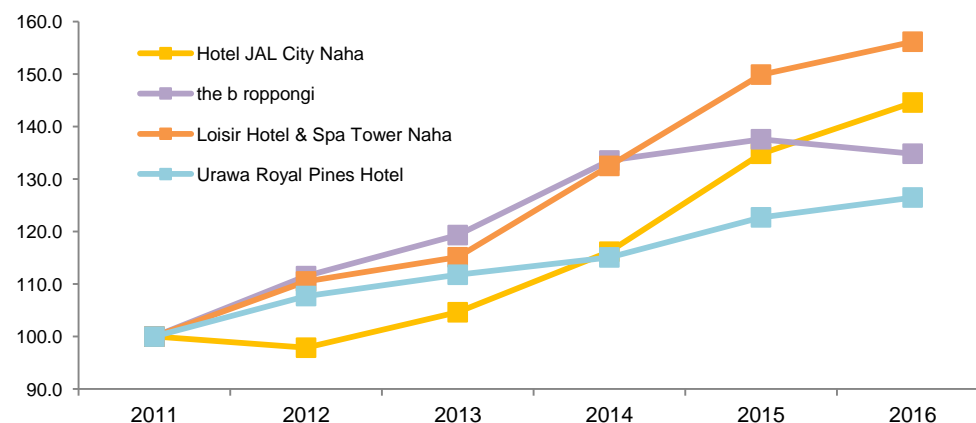


Track record of the rental revenues including common area charges from hotels adopting variable rent system (Note)



(Note) Whole of the rental revenues including common area charges, so in some properties, the figures consist of the revenues not only from hotel operators but also from other tenants.

RevPAR Transition(the hotels on variable rent system with GOP)(Note)



(Note) In connection with RevPAR of the four hotel properties which adopt "variable rent system with GOP", 2011 yearly result is defined as 100, and show the index numbers of the of yearly results from 2012 to 2016 (but, 2016 is till Nov.). But because Urawa Royal Pines Hotel has operated on a fiscal year beginning on April 1, it is based on actual result for the period from April 1 to March 31 of the successive year.

Recent Development of Leasing Activities 2/2

Current situation by asset type

Type of Use	Overview	TOPICS	
Retail	Occupancy rate has been kept high (99.5% :the end of 25th & 26th FP) Vigorous leasing activity especially for the properties that lease termination notices have been received or there are large volume of vacancy	Himonya Shopping Center	Completion of the large scale renovation work and, renewal opening as "Aeon Style Himonya" on Dec. 16, 2016, under new lease agreement effective from Nov. 2016. (Full rent revenues can be received since the renewal opening)
		Ashiya Kawanishi Shopping Mart	Receipt of the lease termination notice from the tenant (The tenant, KOHYO Co., Ltd. will leave on July 2017.) Considering the optimal way from various alternatives such as leasing for the succeeding tenant, changing the type of the property or the property disposition..
		AEON MALL Uki	Completion of the repair work on 2016 Kumamoto earthquake, and the re-opening of the whole facility on July 2016. Large increase of sales compared to that in the previous year(Especially , the cinema complex)
		455 Ueno Building	Occupancy rate at the end of 26th FP was 79.6%. Vigorous leasing activity has been undergone for the early recovery of occupancy .
Office	Occupancy rate at the end of 26th FP became high (97.1%) thanks to the progress of leasing activities. The rent gap became smaller with the market rent rise. Increase of the rent have been done cotinuously.	Kawasaki Toshiba Building	Renovation work of air-conditioning facilities on the whole building has been on progress over three years (Work-period is divided into three.) . The last phase will be completed in 27th FP.
		Pacific Marks Shin-Urayasu	Several tenants left on October 2016 (Total decrease of rental area : 1,625.55㎡) .Occupancy rate became 66.4% at the end of 26th FP. Strive leasing activity for early recovery.
		Shiba 520 Building	The major tenant leave on March 2016 (The decrease of rental area :1,624.40㎡) brought the occupancy rate to 50.0%. Due to the large scale renewal work of common area and striving leasing activity, the occupancy rate recovered to 83.3% at the end of 26th FP. Leasing activity has been still undergone for the resting unoccupied floor.
Hotel	Each hotel has been in good business conditions thanks to the inbound demand	Shinjuku Washington Hotel Honkan	Completion of renovation work related to guest rooms (guest rooms, corridor, lobby, unit baths and elevators), and the new lease contract started from April 1, 2016. The business of the hotel has been very good, and we expect the additional rent revenues based on the annual sales (The annual sales is calculated as the actual results from April to next March and the payment is to be made in May).
		Hotel JAL City Naha	At the result of the negotiation with the tenant under the good business condition, we could conclude the new lease contract effective from November 2016 with increased fixed rent (Our total rent revenues including variable rent can be expected to. increase compared to that on the previous contract.).
		UUR Yotsuya Sanhome Building	Change to the direct contract with the hotel operator from October 1, 2016 (from NIKOH SANGYO Co., Ltd. to Forbes Co., Ltd.). At the same time, considering the good business condition, the existed leasing contract was revised and the variable rent system with the sales was introduced Improvement the profitability can be expected.
		Loisir Hotel & Spa Tower Naha	The business of the hotel has kept very good. New guest rooms (20 rooms) made after our acquisition have contributed to increase of our variable rent revenues.
Resi- dential	Occupancy rate has been kept high. (End of 25th FP : 97.5% ⇒ End of 26th FP : 98.5%) .	UUR Court Sapporo Minami-Sanjo Premier Tower	Occupancy rate improved thanks to the new contract of retail area in 3rd floor. (End of 25th FP : 84.9% ⇒ End of 26th FP : 92.0%)
		GRAND-ROUGE Nakanoshima-minami	Occupancy rate improved because of the leasing campaign. (End of 25th FP : 86.5% ⇒ End of 26th FP : 93.6%)
Others	Occupancy rate has kept 100%. With logistic properties, we realized the rent increase as the former FP.	MT Ariake Center Building I&II	Receipt of the lease termination notice(Effective on the end of July 2017) from the major tenant (HAMAKYOREX CO., LTD) due to their consignor's business integration. Vigorous leasing activity is undergone.
		Shin-Narashino Logistics Center	Tough negotiation the tenant (under the normal lease contract) brought the rent increase effective from Nov. 2016.

Himonya Shopping Center

Re-opening as “Aeon Style Himonya” on Dec. 16, 2016 following completion of the large scale renovation work. Contribution to our profit increase can be expected through the long and fixed term building lease agreement with its tenant, Aeon Retail Co., Ltd.

Budget : About 3.89Bn yen

Fiscal Period	2015		2016		2017
	24th	25th	26th	27th	
Renovation Schedule			Jun. 2016 – Oct. 2016		
Tenant	Daiei				AEON RETAIL
Influence to UUR			No rent revenues		Open Dec. 16 Accept rent revenues
NOI	417Mn yen (Actual)	416Mn yen (Actual)	▲597Mn yen (Actual)		536Mn yen (Forecast)



Shinjuku Washington Hotel Honkan

Looking into Tokyo Olympic 2020 and after, the large renovation work of the hotel was planned in collaboration with the hotel operator, Fujita Kanko (Phase1 of the work was finished).

Increase of profit be expected due to the increase of fixed rent and additional rent revenues based on the annual sales.

Total Investment (Note 1) :
About 5.3Bn yen (2.54Bn yen)

Fiscal Period	2014	2015		2016		2017
	22nd	23rd	24th	25th	26th	27th
Schedule			Phase1 (April 2015 - March 2016)		Phase2 (April 2016 - January 2017)	
Content of Renovation			<ul style="list-style-type: none"> Guest Room (Note2) Corridor (Note2) • Lobby (Note2) Unit Bath • Fan coil unit (A/C) Elevator (for guest room) 		<ul style="list-style-type: none"> Elevator (for backyard and parking) 	
Length of Rent Reduction			2 months	6 months	4 months	
NOI (note 3)	594Mn yen (Actual)	551Mn yen (Actual)	356Mn yen (Actual)	421Mn yen (Actual)	638Mn yen (Actual)	719Mn yen (Forecast)

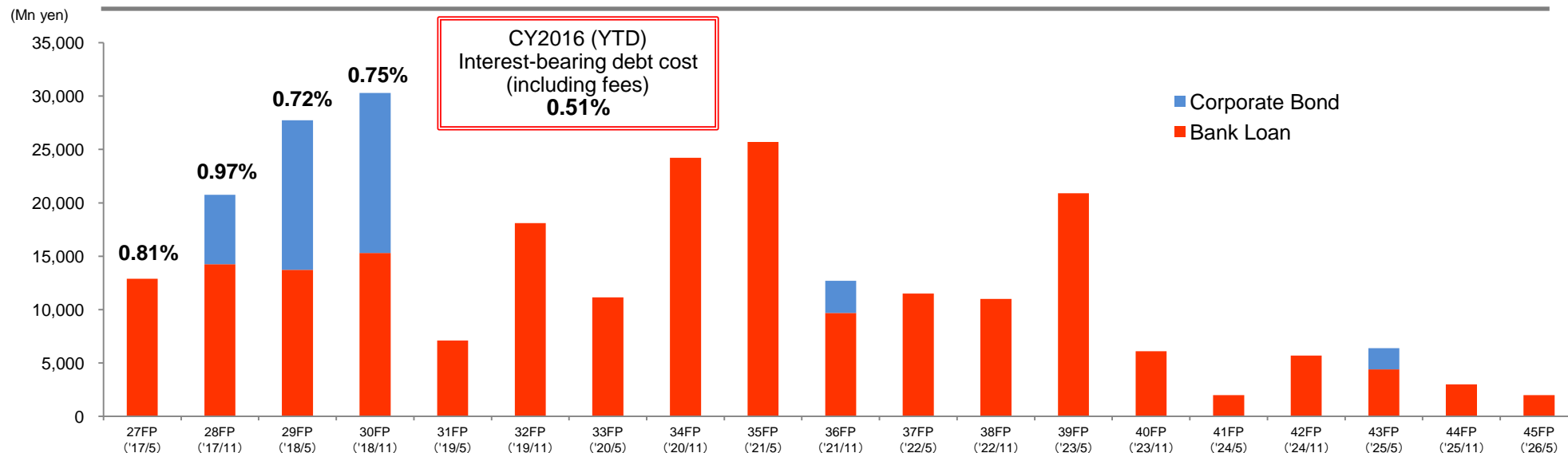


(Notes)

- The amount of total investment is based on Fujita Kanko's the press release. The amount in parentheses is shown the total amount of the repair expenses and incidental expenses that United Urban will bear among the total investment amount.
- These are to be implemented by Fujita Kanko.
- This property has been leased to multiple tenants, including the hotel operator. Therefore, the change in NOI is subject to the factors other than rent reduction and the repair expenses.
- Upper image is a drawn image based on the blueprint and it might be different from the property after renovation.

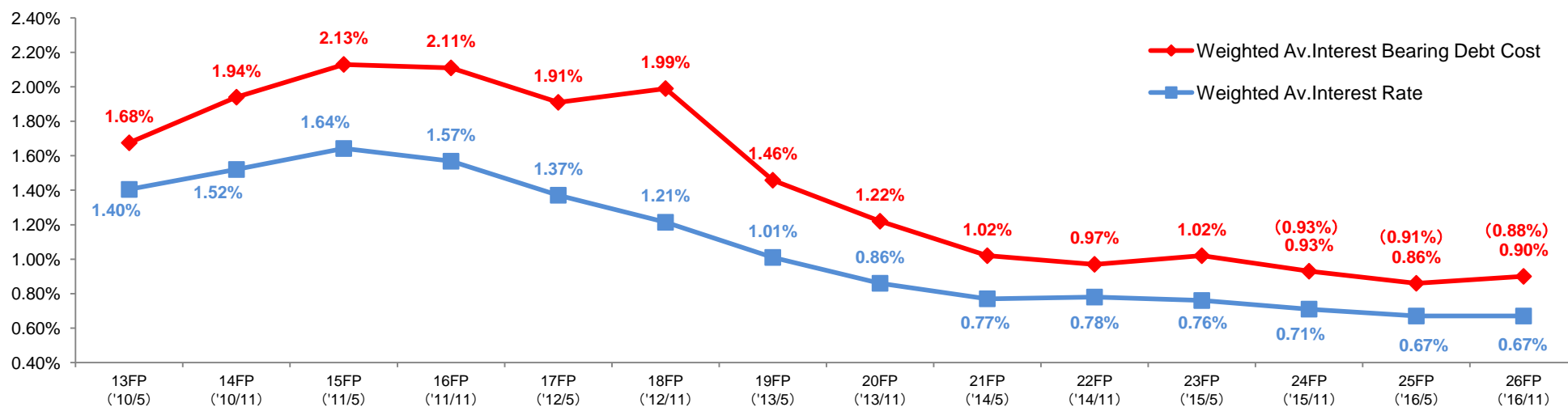
Financial Standings 1/3

Repayment & Redemption Schedule (as of January 18, 2017) (Note)



(Note) The figures in above graph is weighted average interest bearing debt cost (interest rates which include borrowing-related expenses and corporate bond issuance expenses etc) of all the interest bearing debt maturing on each fiscal period from 27th FP to 30th FP.

Trend of Interest Bearing Debt Cost and Weighted-average Interest Rate (Note)

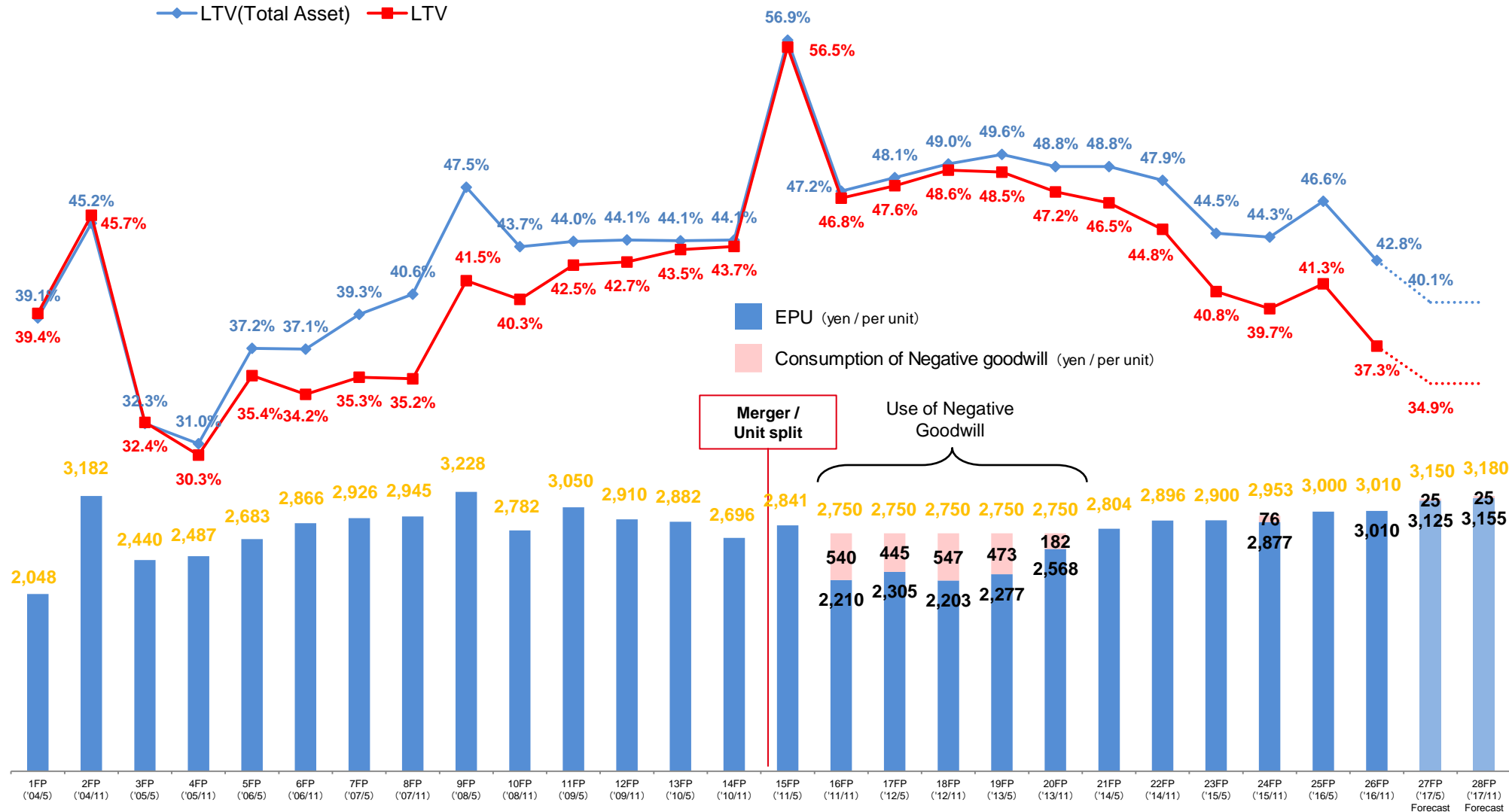


(Note) The figures with parentheses in the above graph is that of weighted av. interest bearing debt cost based on the average amount of interest bearing debt during each FP (24th to 26th).

Financial Standings 2/3

Track Record of LTV at the End of Fiscal Period and DPU^(Note)

— LTV(Total Asset) — LTV



(Note) The orange figures on the upper graph show DPU. The figures before 14FP ('10/11) are divided by six and rounded to the relevant digit.

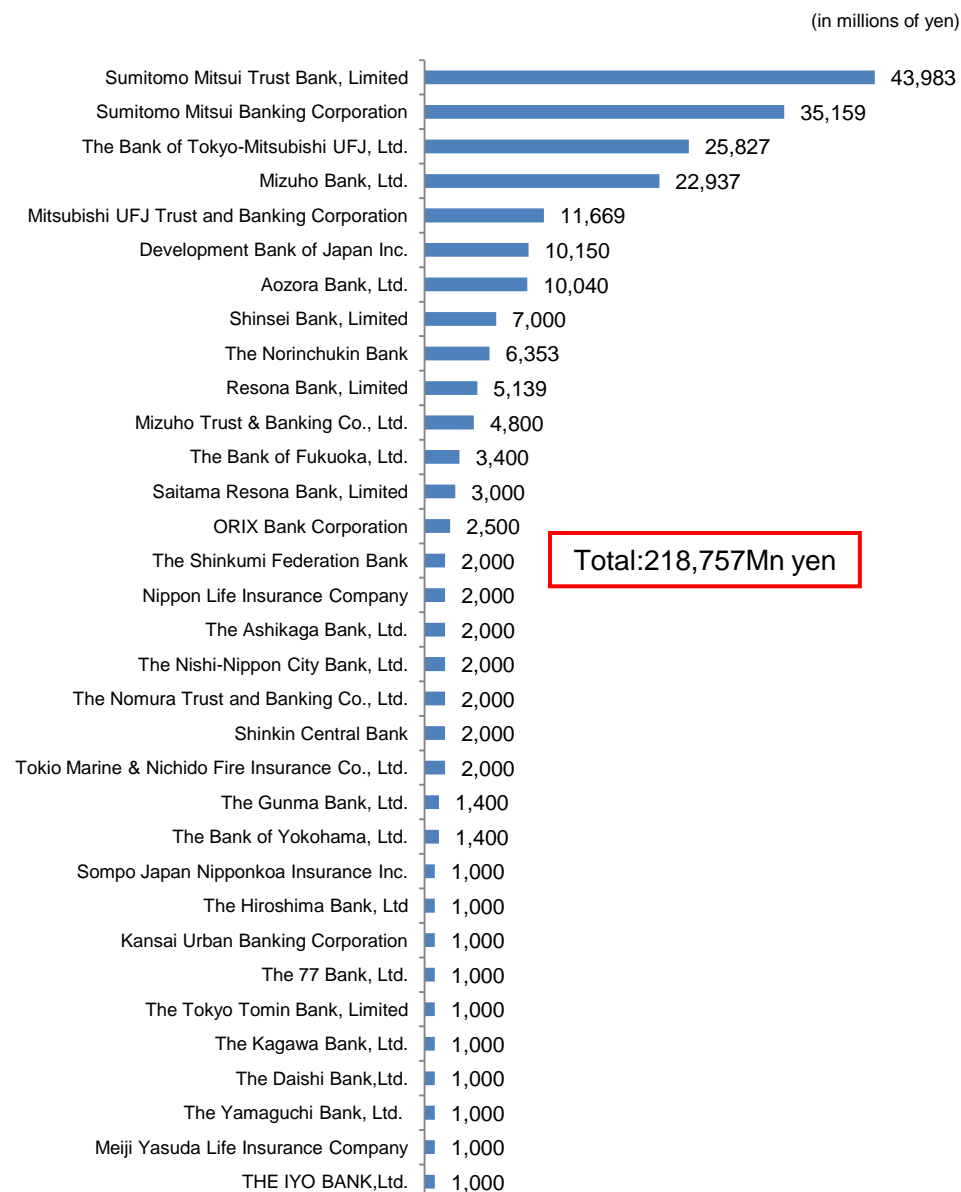
Financial Indices

	As of Jan.18, 2017	End of 26th FP (Nov. 30, 2016)	End of 25th FP (May 31, 2016)
Total Interest Bearing Debt	259.2Bn yen	277.4Bn yen	293.1Bn yen
Bank Loans	218.7Bn yen	223.9Bn yen	229.6Bn yen
Corporate Bonds	40.5Bn yen	53.5Bn yen	63.5Bn yen
Collateral/ Guarantee	Nil		
Weighted average duration of interest bearing debt	3.4yrs	3.3yrs	3.6yrs
Weighted average interest rate of interest bearing debt	0.67%	0.67%	0.67%
Long term ratio of interest bearing debt (Agreement base)	100%		
Ratio of fixed interest rate debt	91.8%	90.5%	89.1%
Amount of Commitment line	36.0Bn yen		

Credit Rating

Rating Agency	Rating
Japan Credit Rating Agency (JCR)	Long term issuer rating : AA (Outlook : stable)
Moody's Japan K.K.	Issuer rating : A3 (Outlook : positive)

Lenders and Borrowing Amount (as of January 18, 2017)



An aerial photograph of a coastal city. In the foreground, there's a large, modern hotel with a curved facade and many balconies, labeled 'LOISIR'. Below the hotel, there's an industrial area with several large blue storage tanks and some buildings. The city extends into the background with dense residential and commercial buildings. The sky is blue with some clouds. The image is partially covered by a white diagonal shape on the right side, which contains the title and a large number '3'.

3

Business Forecasts and Management Plan

Business Forecast

(in millions of yen, unless otherwise indicated)

Item	26th FP (¹⁶ /11) Forecast (A)	27th FP (¹⁷ /5) Forecast (B) (Note)	Change (B—A)	28th FP (¹⁷ /11) Forecast (C) (Note)	Change (B—C)
Operating Revenues	22,864	22,327	-537	22,325	-2
Revenues from real estate leasing operation	21,501	22,327	+825	22,325	-2
(of which, Rental revenues and common area charges)	(19,373)	(20,298)	(+925)	(20,132)	(-166)
Gain on Property Sale	1,363	-	-1,363	-	-
Operating Expenses	11,807	11,548	-259	11,588	+40
Property-related expenses	9,706	9,458	-248	9,461	+2
(of which, Repair costs)	(1,048)	(751)	(-297)	(499)	(-251)
(of which, depreciation)	(3,884)	(3,980)	(+95)	(3,994)	(+14)
(of which, Taxes and public dues)	(1,650)	(1,604)	(-46)	(1,743)	(+139)
Sales Admin. Expenses	2,100	2,090	-10	2,127	+37
(Income from real estate leasing operation)	(11,794)	(12,869)	(+1,073)	(12,864)	(-4)
(NOI)	(15,679)	(16,849)	(+1,168)	(16,858)	(+9)
Operating Income	11,057	10,779	-279	10,737	-42
Non-operating Revenues	7	5	-2	5	-
Non-operating Expenses	1,716	1,235	-481	1,101	-133
Ordinary Income	9,349	9,549	+199	9,640	+91
Net Income	9,348	9,548	+199	9,640	+91
EPU(yen/unit)	3,165	3,125	-40	3,155	+30
Total Cash Distributions	8,888	9,624	+734	9,715	+91
(of which, Use of Negative Goodwill)	(-)	(75)	(+75)	(75)	(-)
DPU(yen/unit)	3,010	3,150	+140	3,180	+30
Retained as Reserve retained for distribution	459	-	-459	-	-
No. of Investment Units Outstanding (unit)	2,953,022	3,055,087	+102,065	3,055,087	-
CAPEX	5,762	2,159	-3,603	2,523	+363

(Note) The forecasts are the ones which were announced on January 18, 2017.

26th FP (¹⁶/11) Actual ⇒ 27th FP (¹⁷/5) Forecast Changes

Operating Income -279
Income from real estate leasing operation +1,073
(Revenues +825, Expenses -248)
Acquired 26th FP +166 (Revenues +292, Expenses +126)
Sold 26th FP -61 (Revenues -142, Expenses -81)
Acquired 27th FP +91 (Revenues +111, Expenses +20)
Others +878 (Revenues +564, Expenses -314)
Gain on Property Sale -1,363
Sales Admin. Expenses -10
Non-operating Revenues -2
Non-operating Expenses -481
(Loss on disposition of assets -279, Interest expenses -108,
investment unit issuance expenses -81)

27th FP (¹⁷/5) Forecast ⇒ 28th FP (¹⁷/11) Forecast Changes

Operating Income -42
Income from real estate leasing operation -4
(Revenues -2, Expenses +2)
Acquired 26th FP -110 (Revenues -51, Expenses +60)
Acquired 27th FP -8 (Revenues 0, Expenses +8)
Others +114 (Revenues +49, Expenses -65)
Sales Admin. Expenses +37
(The general meeting of unitholders expenses +12, other +25)
Non-operating Expenses -133
(Interest expenses -60, Loss on disposition of assets -50)

【Properties acquired in 26th FP (¹⁶/11) (3 properties)】

Kawagoe Logistics Center (¹⁶/6)
Asuto Nagamachi Dental Clinic (¹⁶/8)
KURURU (¹⁶/9)

【Properties acquired in 27th FP (¹⁷/5) (2 properties)】

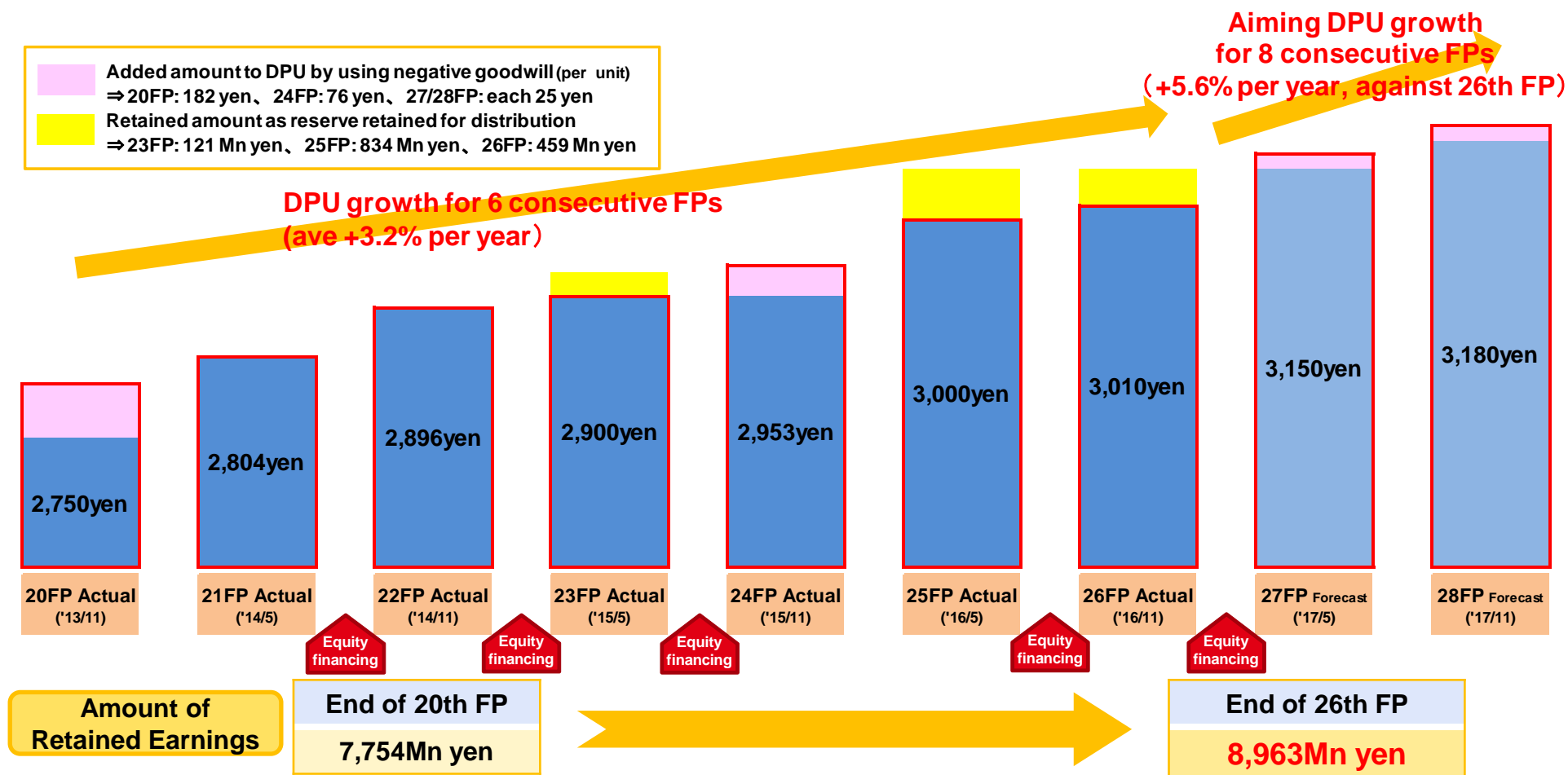
K's Denki Nagoya-kita (¹⁶/12)
Scent Hills(¹⁶/12)

【Properties sold in 26th FP (¹⁶/11) (2 properties)】

Yokohama Aioicho Building (¹⁶/11)
HOTEL ROUTE-INN Nagoya Imaike Ekimae (¹⁶/11)

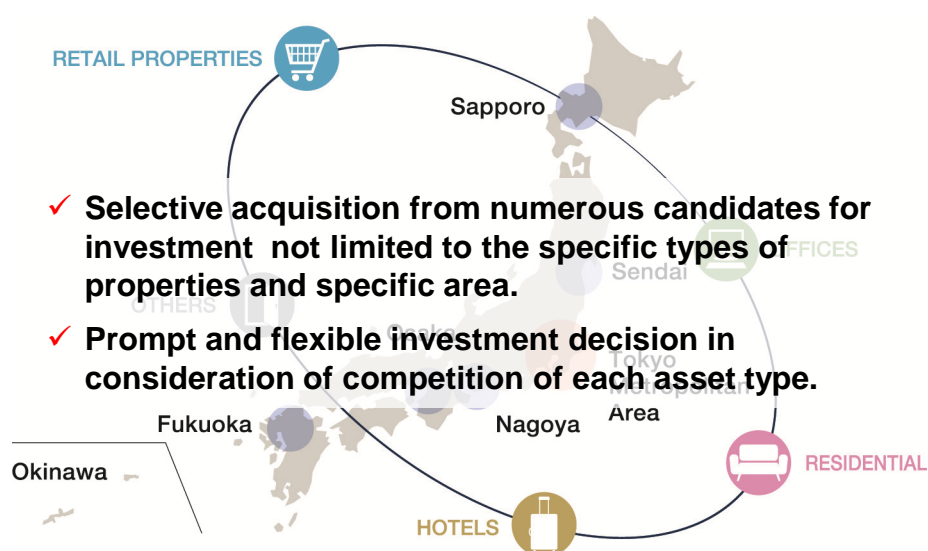
Track record and forecast of DPU

Following 5 public offerings since 21st FP, we realized DPU growth for 6 consecutive FPs while decreasing LTV (LTV (Total Assets): 20th FP48.8%⇒26th FP42.8%) and enhanced our ability to cope with various risks by increase of our retained earnings.
Our forecast shows DPU growth in coming 2 FPs and this will bring about DPU growth for 8 consecutive FPs .



(Note) The figures on this page are shown through simplification to focus future DPU, use of Negative Goodwill and Net Income. Please refer to our press release dated January 18, 2017 for accuracy of the actual results and forecast. In addition, the figures within a parenthesis indicates the figure per Unit and the unit is yen.

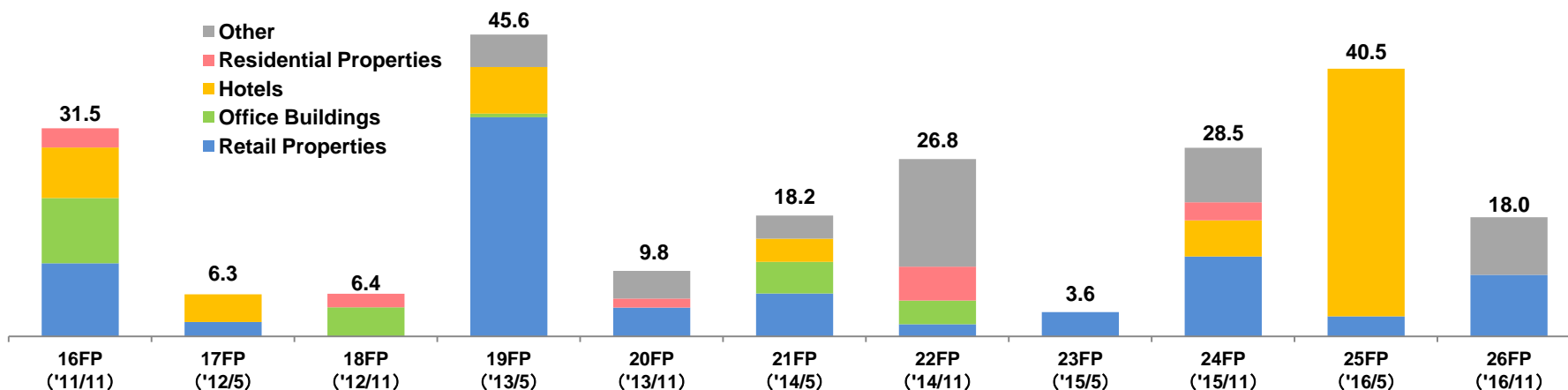
- Continuous Acquisition of the properties keeping a targeted rate of return on investment (around 4% in NOI yield after depreciation)
- Close and continuous consideration of the property-reshuffle in order to strengthen the profitability and improve the quality of our asset



- ✓ Selective acquisition from numerous candidates for investment not limited to the specific types of properties and specific area.
- ✓ Prompt and flexible investment decision in consideration of competition of each asset type.



■ Track record of External Growth after the Merger (Bn yen)



Our policy on each asset type

Retail Properties

- ◆ Increase rent revenues by the changes of tenants in urban retail properties.
- ◆ Strengthen the competitiveness of suburban properties through capital expenditure.

Offices Buildings

- ◆ Maintain high occupancy rate by monitoring the tenants' and bring about expansion of leasing area within the same by them building etc .
- ◆ Promote activities for increase of the rent by reflecting the current trend of rent increase in the market .
- ◆ Enhancement and maintenance of property competitiveness in the long term perspective.

Hotels

- ◆ Promote negotiation with the tenants for increase of the rent taking into consideration of the current good business condition of hotels.
- ◆ Increase the our rental revenues in cooperation with hotel-operators.
- ◆ Strengthen the property competitiveness by strategic capital expenditure.

Residential Properties

- ◆ Keep high occupancy rate in cooperation with PM companies.
- ◆ Proceed the fine tuned leasing activities based on each property's situation.

Other

- ◆ Keep high occupancy rate in cooperation with PM companies.
- ◆ Promote the negotiation for increase of the rent taking into consideration of the current trend of rent increase in the market .

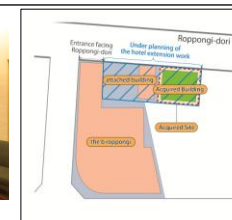
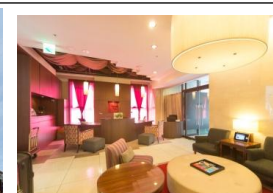
Strategic investment with focusing future

■ Acquisition of the adjacent site to the b roppongi considering it enables the extension of the hotel

We have acquired the building with leasehold on the adjacent site to the b roppongi on November 2016 and the land on January 2017, in order to enable the extension the building of b roppongi in the future.

We are going to investigate the extension work closely especially on its costs, expected profitability from the new leasing contract with the tenant and its risks. Also we are thinking about the renovation of the existing building on the occasion of the extension work. In case the extension and the renovation of the b roppongi is realized , we can expect the rent increase from the hotel, because the number of the guest rooms will increase and the property competitiveness will be enhanced by accessibility from the main road.

Asset to be Acquired	Real estate (land and building with leasehold)
Property Name	The adjacent site to the b roppongi
Acquisition Price	460Mn yen(of which, land 140Mn yen, building with leasehold 320Mn yen)
Acquisition Date	Land : Jan. 13, 2017 Building with leasehold : Nov. 18, 2016
Schedule	From April 2017 To May 2017: The demolition work of the Building to be dismantled (Anticipated)



■ 「Loisir Hotel & Spa Tower Naha」 construction work plan increasing the number of guest rooms (2nd Phase)

In consideration of the recent good performance of the hotel, we are studying for the new construction work to increase the number of guest rooms and renovate the banquets and the meeting rooms.

Schedule		From the middle of June 2017 to the end of November 2017	
No. of Rooms		622 rooms	640 rooms
Overview of the Construction	Area	Before	After
	3rd floor of the Annex	Banquet "Thi-da"	Additional 18 guest rooms
	1st floor of the Main Building	Banquet "Fant-e-sy" Bridal salon Hotel office	Banquet "Fant-e-sy" Extension and renewal
	3rd floor of the Main Building	Meeting room Meeting room	Bridal salon Hotel office

Finance Strategy Building robust financial standing that can cope with the changes in the financial market.

Reduction in Interest-bearing liabilities Cost

■ Standing of Interest-Bearing Debt

	CY2015	CY2016 (YTD)
Loans and bonds (Note 1)	27,900Mn yen	31,900Mn yen
Interest Rate (excluding financing related expenses) (Note1, 2)	0.71%	0.41%
Interest-bearing debt cost (including fees) (Note 1, 3)	0.86%	0.51%
Averaged Duration (Note 1)	7.4 years	7.2 years

Around 30bp
down

(Notes)

1. Interest bearing debt amount is total figure, and interest rate and term length are calculated by weighted average.
2. Borrowing expenses and corporate bond issuance expenses are excluded from these figures.
3. The fees concerning about borrowings or corporate bonds are included in these figures.

Retained Earnings (Negative Goodwill and Reserve retained for Distribution)

▶ Taking the stability of DPU level into consideration, we are going to utilize our retained earnings (negative goodwill and reserve retained for distribution) strategically in the long perspective to accelerate the external growth by flexible equity finances, improve the quality of portfolio and strengthen profitability through the reshuffle of the properties.

■ Utilize policy of retained earnings

1. Promotion of external growth with the flexible equity-raise

We use our retained earnings to mitigate the influence in such case as the dilution of DPU arises from the issuance of new units and stabilize DPU level. Flexibility of equity-finance corresponding to the economic and financial markets and promotion of external growth can be expected through these initiatives.

2. Portfolio management from long-term perspective

We use our retained earnings to maintain DPU level in such cases as losses on the property-dispositions, sudden decreases in revenues (major tenant's leave etc). This will enable us to build the optimum portfolio and asset management in the long perspective.

3. Coping with discrepancy between taxation and accounting

We can mitigate the risk of large amount of corporate tax due to discrepancy between taxation and accounting such as impairment loss by using our retained earnings.

■ Estimated amount of Retained Earnings

Negative Goodwill

Balance at Nov. 30, 2016 7,546Mn yen

Reserve retained for distribution

Reserved in 23rd FP 121Mn yen
Reserved in 25th FP 834Mn yen
Reserved in 26th FP 459Mn yen

Amount of Reserve retained or distribution 1,416Mn yen

Total Amount of Retained Earnings 8,963Mn yen

■ Distribution policy of negative goodwill

Distribution of the same amount for 50 years (100 FP)

Reserve for temporary difference	7,546Mn yen
Distribution policy	Distribute at least 1% of the balance in each FP, to the extent its balance remains.
Estimation	75.4Mn yen / FP
Schedule	<ul style="list-style-type: none"> • All negative goodwill will be transferred to "Reserve for temporary difference" at the end of November 30, 2016. • Distribution of the same amount in each FP is going to start in 27th FP and will last till the balance of "Reserve for temporary difference" remains.



4

26th FP asset management records and data

(millions of yen, unless otherwise indicated)		FP 2016/11 (26 th FP :183days)	FP 2016/5 (25 th FP :183days)	FP 2015/11 (24 th FP :183days)	FP 2015/5 (23 rd FP: 182days)	FP 2014/11 (22 nd FP: 183days)
Total Assets		648,105	629,262	598,007	573,318	561,415
Number of Properties	(properties)	119	118	117	108	108
Interest-bearing liabilities		277,407	293,157	264,707	255,357	269,157
Net Asset		333,592	298,009	297,340	282,906	258,335
Net Asset per unit	(yen)	112,966	108,313	108,069	106,987	102,830
Return on Assets (ROA) (annualized)	(%)	2.9%	3.0%	2.8%	2.8%	2.7%
Return on Equity (ROE) (annualized)	(%)	5.9%	6.1%	5.4%	5.8%	5.9%
Equity ratio	(%)	51.5%	47.4%	49.7%	49.3%	46.0%
Debt service coverage ratio	(X)	11.6	11.1	10.3	9.8	9.3
NOI		15,679	15,420	14,847	14,540	13,894
FFO		11,870	11,939	11,398	11,354	10,685
		FP 2014/5 (21 st FP: 182days)	FP 2013/11 (20 th FP: 183days)	FP 2013/5 (19 th FP: 182days)	FP 2012/11 (18 th FP: 183days)	FP 2012/5 (17 th FP: 183days)
Total Assets		527,807	527,025	516,739	462,503	457,026
Number of Properties	(properties)	103	97	97	94	91
Interest-bearing liabilities		257,707	257,333	256,356	226,606	219,916
Net Asset		237,208	237,079	228,142	204,533	205,682
Net Asset per unit	(yen)	99,659	99,605	98,958	97,240	97,786
Return on Assets (ROA) (annualized)	(%)	2.5%	2.3%	2.2%	2.0%	2.1%
Return on Equity (ROE) (annualized)	(%)	5.6%	5.2%	4.9%	4.5%	4.7%
Equity ratio	(%)	44.9%	45.0%	44.2%	44.2%	45.0%
Debt service coverage ratio	(X)	8.7	7.5	6.0	4.6	4.9
NOI		13,149	12,796	11,860	11,729	11,714
FFO		10,033	9,419	8,466	7,767	8,002

(Notes)

1. The amount of Gain on Negative Goodwill are not taken into account in calculating FFO and Debt service coverage ratio.
2. FFO = Net Income + Depreciation and Amortization + Gain/Loss on Sales of Real Estate

Balance Sheets

		End of 26th Fiscal Period (November 30, 2016)		End of 25th Fiscal Period (May 31, 2016)		Change	
		(JPY Mn)	percentage	(JPY Mn)	percentage	(JPY Mn)	ratio
ASSETS	Current Assets	65,542	10.1%	64,127	10.2%	+1,415	+2.2%
	Cash and bank deposits	64,681	10.0%	62,385	9.9%	+2,295	+3.5%
	Rent receivables	477	0.1%	435	0.1%	+42	+8.9%
	Consumption taxes refundable	-	-	458	0.1%	-458	-
	Other current Assets	383	0.1%	847	0.1%	-464	-121.2%
	Fixed Assets	582,562	89.9%	565,135	89.8%	+17,427	+3.0%
	Property and equipment	571,058	88.1%	553,385	87.9%	+17,673	+3.1%
	Land	370,682	57.2%	358,715	57.0%	+11,966	+3.2%
	Buildings and structures	249,813	38.5%	241,481	38.4%	+8,331	+3.3%
	Machinery and equipment	2,328	0.4%	2,226	0.4%	+101	+4.4%
	Tools, furniture and fixtures	691	0.1%	580	0.1%	+111	+16.1%
	Construction in progress	439	0.1%	168	0.0%	+271	+61.7%
	Subtotal	623,956	96.3%	603,173	95.9%	+20,782	+3.3%
	Less accumulated depreciation	-52,897	-8.2%	-49,788	-7.9%	-3,109	+5.9%
	Intangible assets	9,553	1.5%	9,550	1.5%	+3	+0.0%
	Software	40	0.0%	30	0.0%	+10	+24.8%
	Leasehold	9,320	1.4%	9,320	1.5%	+0	+0.0%
	Other intangible assets	192	0.0%	199	0.0%	-6	-3.5%
	Investments and other assets	1,950	0.3%	2,199	0.3%	-249	-12.8%
	Investment securities	93	0.0%	75	0.0%	+18	+19.7%
	Security deposits paid	90	0.0%	90	0.0%	+0	+0.0%
	Long-term prepaid expenses	1,766	0.3%	2,033	0.3%	-267	-15.2%
	TOTAL ASSETS	648,105	100.0%	629,262	100.0%	+18,843	+2.9%
LIABILITIES	Current Liabilities	59,480	9.2%	54,922	8.7%	+4,558	+7.7%
	Trade accounts payable	2,129	0.3%	2,861	0.5%	-731	-34.4%
	Current portion of corporate bonds	19,500	3.0%	23,000	3.7%	-3,500	-17.9%
	Long-term debt due for repayment within one year	33,700	5.2%	25,100	4.0%	+8,600	+25.5%
	Accrued expenses	410	0.1%	534	0.1%	-124	-30.3%
	Dividends payable	16	0.0%	17	0.0%	-1	-11.5%
	Rent received in advance	3,309	0.5%	3,068	0.5%	+241	+7.3%
	Provision for loss on disaster	-	-	135	0.0%	-135	-
	Other current Liabilities	415	0.1%	204	0.0%	+210	+50.7%
	Long-term Liabilities	255,032	39.4%	276,330	43.9%	-21,297	-8.4%
	Corporate bonds	34,000	5.2%	40,500	6.4%	-6,500	-19.1%
	Long-term debt	190,207	29.3%	204,557	32.5%	-14,350	-7.5%
	Leasehold and security deposits received	30,610	4.7%	30,817	4.9%	-206	-0.7%
	Derivatives liabilities	214	0.0%	456	0.1%	-241	-112.8%
	TOTAL LIABILITIES	314,512	48.5%	331,252	52.6%	-16,739	-5.3%
NET ASSETS	Unitholders' Equity	333,811	51.5%	298,465	47.4%	+35,346	+10.6%
	Unitholders' capital	292,411	45.1%	258,160	41.0%	+34,251	+11.7%
	Capital surplus	23,548	3.6%	23,548	3.7%	+0	+0.0%
	Reserve for distribution	7,546	1.2%	7,546	1.2%	+0	+0.0%
	Reserve retained for distribution	956	0.1%	121	0.0%	+834	+87.3%
	Unappropriated retained earnings	9,348	1.4%	9,089	1.4%	+259	+2.8%
	Deferred gains or losses on hedges	-219	-0.0%	-456	-0.1%	+236	-107.7%
	TOTAL NET ASSETS	333,592	51.5%	298,009	47.4%	+35,582	+10.7%

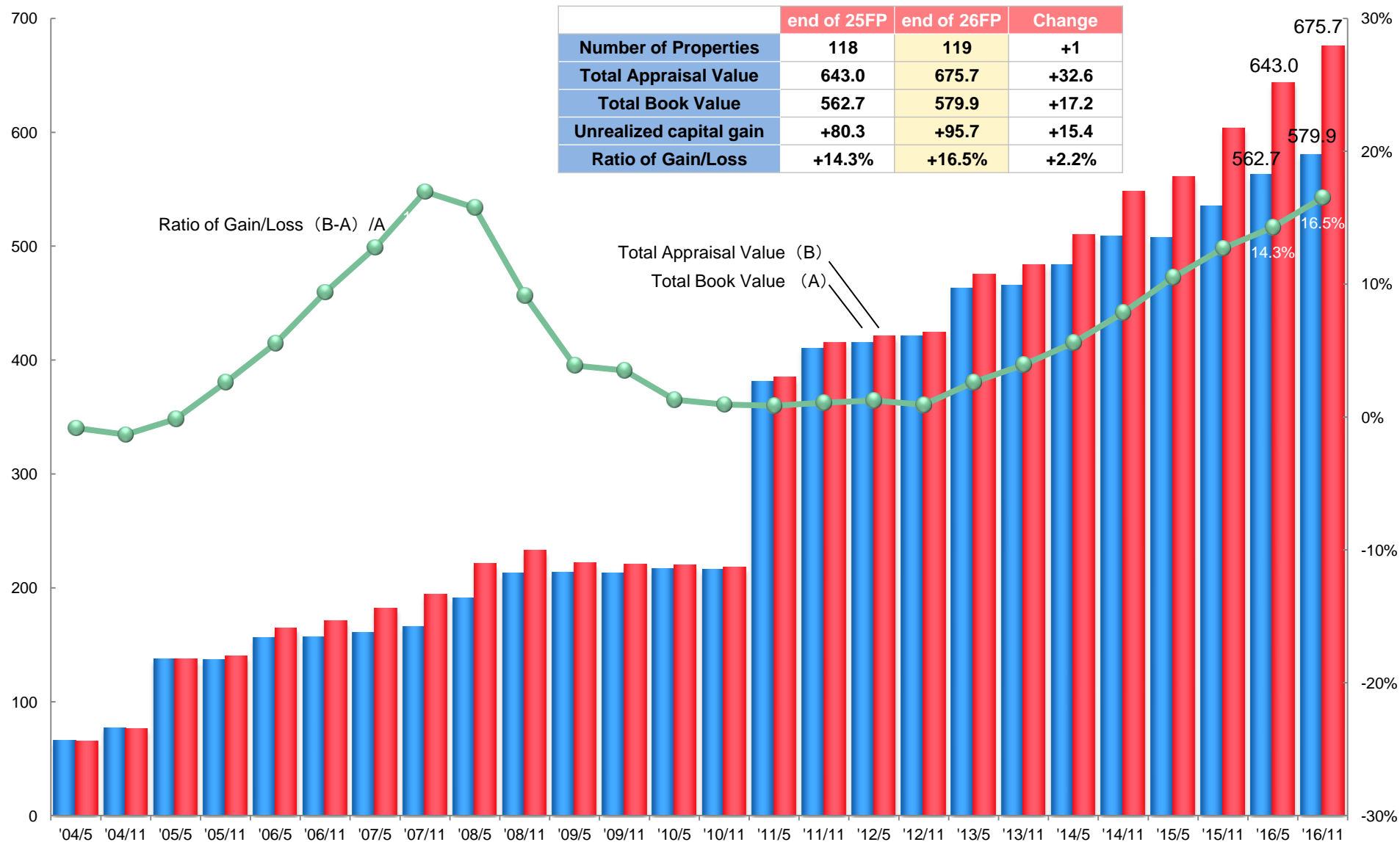
Statements of Income

	26th Fiscal Period (June 1,2016-November 30,2016)		25th Fiscal Period (December 1,2015-May 31,2016)		Change	
	(JPY Mn)	percentage	(JPY Mn)	percentage	(JPY Mn)	ratio
OPERATING REVENUES	22,864	100.0%	21,444	100.0%	+1,420	+6.2%
Rental revenues	20,046	87.7%	19,227	89.7%	+818	+4.1%
Other rental revenues	1,455	6.4%	1,369	6.4%	+86	+5.9%
Gain on sales of real estate properties	1,363	6.0%	847	3.9%	+516	+37.9%
OPERATING EXPENSES	11,807	51.6%	10,853	50.6%	+953	+8.1%
Property-related expenses	9,706	42.5%	8,873	41.4%	+833	+8.6%
Property and other taxes	1,650	7.2%	1,613	7.5%	+36	+2.2%
Property management fees	1,514	6.6%	1,325	6.2%	+188	+12.5%
Utilities	1,187	5.2%	1,139	5.3%	+47	+4.0%
Casualty insurance	27	0.1%	25	0.1%	+1	+6.3%
Repairs and maintenances	1,048	4.6%	634	3.0%	+413	+39.4%
Depreciation and amortization	3,884	17.0%	3,697	17.2%	+187	+4.8%
Other rental expenses	394	1.7%	436	2.0%	-42	-10.8%
Selling, General & Admin. Expenses	2,100	9.2%	1,979	9.2%	+120	+5.7%
Asset management fees	1,752	7.7%	1,666	7.8%	+85	+4.9%
Asset custodian fees	18	0.1%	17	0.1%	+0	+3.4%
Administrative service fees	67	0.3%	68	0.3%	+0	-0.2%
Directors' compensation	10	0.0%	10	0.0%	+0	+0.0%
Other operating expenses	251	1.1%	217	1.0%	+33	+13.4%
OPERATING INCOME	11,057	48.4%	10,591	49.4%	+466	+4.2%
NON-OPERATING REVENUES	7	0.0%	50	0.2%	-43	-593.7%
Interest income	-	0.0%	2	0.0%	-2	-612.0%
Reversal of cash distributions payable	3	0.0%	2	0.0%	+0	+20.3%
Insurance income	1	0.0%	19	0.1%	-18	-1795.1%
Other non-operating revenues	2	0.0%	25	0.1%	-23	-827.6%
NON-OPERATING EXPENSES	1,716	7.5%	1,416	6.6%	+299	+17.4%
Interest expense	1,051	4.6%	1,044	4.9%	+7	+0.7%
Interest expense on corporate bonds	192	0.8%	218	1.0%	-26	-13.8%
Investment unit issuance expenses	103	0.5%	135	0.6%	-31	-30.3%
Other non-operating expenses	368	1.6%	18	0.1%	+349	+94.9%
ORDINARY INCOME	9,349	40.9%	9,224	43.0%	+124	+1.3%
EXTRAORDINARY LOSS	-	-	135	0.6%	-135	-
Provision for loss on disaster	-	-	135	0.6%	-135	-
INCOME BEFORE INCOME TAXES	9,349	40.9%	9,089	42.4%	+259	+2.8%
NET INCOME	9,348	40.9%	9,089	42.4%	+259	+2.8%
Distribution per Unit (yen)	3,010	-	3,000	-	+0	+0.3%
Total Amount of Distribution	8,888	38.9%	8,254	38.5%	+634	+7.1%
Unappropriated Retained Earnings	9,348	40.9%	9,089	42.4%	+259	+2.8%
Reserve for Distribution (record) / Retained Earnings carried forward	459	2.0%	834	3.9%	-374	-81.5%
Reserve for Distribution (reversal)	-	-	-	-	+0	-

Trend of Unrealized Capital Gain

Trend of book value and appraisal value at the end of fiscal periods

(in billions of yen)



Appraisal Value 1/3

(in millions of yen)

Type	Property Number	Property Name	Acquisition Period	Acquisition Date	Acquisition Price	25th fiscal period (2016/5/31)				26th fiscal period (2016/11/30)				Comparison between 26th and 25th FP				Appraiser	
						① Book Value	② Appraisal Value	Cap Rate	②－① Gain or Loss	③ Book Value	④ Appraisal Value	Cap Rate	④－③ Gain or Loss	Appraisal Value		Cap Rate (change)	Gain or Loss (change)		
														④－② (change)	④/②-1 (change)				
Retail Property	A1	Himonya Shopping Center	1	03/12/25	15,300	14,537	15,800	7.3%	+1,262	17,981	22,700	5.1%	+4,718	+6,900	+43.7%	-2.2%	+3,455	Japan Real Estate Institute	
	A2	Joy Park Izumigaoka	1	03/12/22	6,770	5,236	4,540	6.0%	-696	5,192	4,560	5.9%	-632	+20	+0.4%	-0.1%	+64	Japan Real Estate Institute	
	A3	Ashiya Kawanishi Shopping Mart	1	03/12/22	769	741	1,170	4.4%	+428	740	1,180	4.3%	+439	+10	+0.9%	-0.1%	+11	Japan Real Estate Institute	
	A4	Re-LAND Shopping Center	2	04/09/17	5,200	4,194	5,690	5.8%	+1,495	4,184	5,680	5.7%	+1,495	-10	-0.2%	-0.1%	±0	Japan Real Estate Institute	
	A5	AEON MALL Uki	3	04/12/03	11,100	9,329	8,500	7.8%	-829	9,685	8,500	7.7%	-1,185	±0	±0%	-0.1%	-355	Japan Real Estate Institute	
	A6	TENJIN LUCE	5	06/04/14	6,500	6,397	6,100	4.7%	-297	6,364	6,370	4.5%	+5	+270	+4.4%	-0.2%	+302	Nippon Tochi-Tatemono Co.,Ltd.	
	A7	Yamada Denki Tecc Land Sakai Honten	5	06/04/28	3,210	2,845	3,480	5.8%	+634	2,820	3,490	5.7%	+669	+10	+0.3%	-0.1%	+35	Japan Real Estate Institute	
	A8	Miyamae Shopping Center	7	07/02/19	5,312	5,177	5,090	5.1%	-87	5,142	5,010	5.0%	-132	-80	-1.6%	-0.1%	-45	Japan Real Estate Institute	
	A9	KONAMI SPORTS CLUB Korigaoka	8	07/06/29	2,040	1,667	1,870	5.6%	+202	1,641	1,890	5.5%	+248	+20	+1.1%	-0.1%	+46	Japan Real Estate Institute	
	A10	ACTIOLE Minami-ikebukuro	8	07/09/27	3,760	3,689	3,270	4.6%	-419	3,676	3,290	4.6%	-386	+20	+0.6%	±0%	+33	Japan Real Estate Institute	
	A11	Tip's Machida Building	9	07/12/27	4,100	4,236	4,550	5.0%	+313	4,223	4,740	4.9%	+516	+190	+4.2%	-0.1%	+203	Japan Real Estate Institute	
	A12	Daiei Takarazuka Nakayama	9	08/01/30	4,284	3,312	3,990	5.9%	+677	3,283	4,060	5.8%	+776	+70	+1.8%	-0.1%	+99	Japan Real Estate Institute	
	A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	9	08/02/18	11,904	12,450	11,200	5.5%	-1,250	12,450	11,300	5.5%	-1,150	+100	+0.9%	±0%	+100	Japan Real Estate Institute	
	A14	ACTIOLE Kannai	10	08/06/30	2,410	2,318	2,070	4.8%	-248	2,305	2,070	4.7%	-235	±0	±0%	-0.1%	+12	Japan Real Estate Institute	
	A15	Shinsaibashi OPA Honkan	15	10/12/01	22,800	22,131	25,700	4.4%	+3,568	22,076	26,100	4.3%	+4,023	+400	+1.6%	-0.1%	+455	Japan Real Estate Institute	
	A19	Albore Jingumae	15	10/12/01	1,580	1,565	2,030	3.8%	+464	1,562	2,060	3.7%	+497	+30	+1.5%	-0.1%	+32	Japan Real Estate Institute	
	A20	Albore Sendai	15	10/12/01	2,590	2,395	3,170	4.8%	+774	2,381	3,260	4.6%	+878	+90	+2.8%	-0.2%	+104	Japan Real Estate Institute	
	A21	Mallage Kashiwa	15	10/12/01	7,040	6,894	8,760	6.0%	+1,865	6,821	8,760	5.9%	+1,938	±0	±0%	-0.1%	+72	Japan Real Estate Institute	
	A23	Ito-Yokado Owariasahi	15	10/12/01	4,840	4,274	4,970	6.6%	+695	4,234	4,970	6.5%	+735	±0	±0%	-0.1%	+40	Japan Real Estate Institute	
	A24	Yokohama Kariba Shopping Center	15	10/12/01	2,500	2,282	1,980	5.3%	-302	2,260	2,000	5.2%	-260	+20	+1.0%	-0.1%	+42	Japan Real Estate Institute	
	A25	Luz Jiyugaoka	16	11/06/15	5,090	5,021	5,980	4.1%	+958	4,995	6,050	4.0%	+1,054	+70	+1.2%	-0.1%	+96	Japan Real Estate Institute	
	A26	ACTIOLE Ichikawa	16	11/06/15	3,350	3,146	3,940	4.8%	+793	3,111	3,940	4.7%	+828	±0	±0%	-0.1%	+35	Japan Real Estate Institute	
	A27	Vivahome Yokohama Aoba (Site)	16	11/10/31	2,600	2,740	3,110	5.4%	+369	2,740	3,140	5.4%	+399	+30	+1.0%	±0%	+30	Japan Real Estate Institute	
	A28	Yamada Denki Tecc Land Aoba (Site)	17	12/05/18	2,150	2,270	2,450	5.4%	+179	2,270	2,470	5.4%	+199	+20	+0.8%	±0%	+20	Japan Real Estate Institute	
	A29	Yodobashi Camera Multimedia Kichijoji	19	13/03/18	28,000	28,140	35,400	4.1%	+7,259	27,993	35,900	4.0%	+7,906	+500	+1.4%	-0.1%	+646	Japan Real Estate Institute	
	A30	Yamada Denki Tecc Land New Matsudo Honten	19	13/03/18	5,150	5,046	6,430	5.9%	+1,383	5,006	6,470	5.8%	+1,463	+40	+0.6%	-0.1%	+80	Japan Real Estate Institute	
	A31	Tenjin Loft Building	20	13/11/29	4,350	4,499	5,570	5.7%	+1,070	4,499	5,640	5.6%	+1,140	+70	+1.3%	-0.1%	+69	Japan Real Estate Institute	
	A32	Narumi Shopping Center (Site)	21	14/04/08	6,460	6,850	6,920	4.9%	+69	6,850	6,950	4.9%	+99	+30	+0.4%	±0%	+30	Tanizawa Sōgō Appraisal Co., Ltd.	
	A33	Plussing Wave Enoshima	22	14/08/29	1,800	1,872	2,130	5.4%	+257	1,866	2,140	5.3%	+273	+10	+0.5%	-0.1%	+15	Japan Real Estate Institute	
	A34	LIFE Nishikujo (Site)	23	15/03/02	1,760	1,842	1,960	4.5%	+117	1,842	1,990	4.4%	+147	+30	+1.5%	-0.1%	+30	Tanizawa Sōgō Appraisal Co., Ltd.	
	A35	LIFE Tamatsukuri (Site)	23	15/03/02	1,880	1,967	2,060	4.5%	+92	1,967	2,090	4.4%	+122	+30	+1.5%	-0.1%	+30	Tanizawa Sōgō Appraisal Co., Ltd.	
	A36	Granbell Ginza Building	24	15/06/30	2,621	2,721	2,900	3.6%	+178	2,718	2,900	3.6%	+181	±0	±0%	±0%	+3	Japan Real Estate Institute	
	A37	UUR Tenjin Nishi-dori Building	24	15/07/15	5,500	5,714	5,760	5.8%	+45	5,707	5,800	5.7%	+92	+40	+0.7%	-0.1%	+46	Japan Real Estate Institute	
	A38	Luz Shonan Tsujido	24	15/09/30	3,938	4,072	4,310	5.3%	+237	4,046	4,350	5.3%	+303	+40	+0.9%	±0%	+66	Tanizawa Sōgō Appraisal Co., Ltd.	
	A39	455 Ueno Building	25	15/12/04	3,000	3,123	3,430	3.6%	+306	3,122	3,290	3.5%	+167	-140	-4.1%	-0.1%	-139	Tanizawa Sōgō Appraisal Co., Ltd.	
	A40	KURURU	26	16/09/01	9,285	-	-	-	-	9,653	10,500	4.4%	+846	-	-	-	-	+846	Tanizawa Sōgō Appraisal Co., Ltd.
	Office	B1	T&G Hamamatsucho Building	1	03/12/26	2,257	2,095	3,090	4.2%	+994	2,084	3,110	4.1%	+1,025	+20	+0.6%	-0.1%	+30	Tanizawa Sōgō Appraisal Co., Ltd.
		B2	SK Nagoya Building	1	03/12/26	5,400	5,550	4,730	5.3%	-820	5,524	4,830	5.2%	-694	+100	+2.1%	-0.1%	+126	Tanizawa Sōgō Appraisal Co., Ltd.
		B3	Fukuoka Eartheon Building	1	03/12/26	2,080	1,653	2,520	5.8%	+866	1,648	2,580	5.7%	+931	+60	+2.4%	-0.1%	+65	Japan Real Estate Institute
		B4	Marumasu Kojimachi Building	1	04/03/29	2,350	2,431	2,420	3.8%	-11	2,438	2,440	3.7%	+1	+20	+0.8%	-0.1%	+13	Japan Real Estate Institute
B5		Rokubancho K Building	1	04/03/30	2,150	2,301	3,610	4.2%	+1,308	2,289	3,670	4.1%	+1,380	+60	+1.7%	-0.1%	+71	Japan Real Estate Institute	
B6		Shin-Osaka Central Tower	3	04/12/02	24,000	24,232	27,400	5.2%	+3,167	24,101	27,800	5.1%	+3,698	+400	+1.5%	-0.1%	+531	Nippon Tochi-Tatemono Co.,Ltd.	

Appraisal Value 2/3



United Urban
Investment Corporation

(in millions of yen)

Type	Property Number	Property Name	Acquisition Period	Acquisition Date	Acquisition Price	25th fiscal period (2016/5/31)				26th fiscal period (2016/11/30)				Comparison between 26th and 25th FP				Appraiser
						① Book Value	② Appraisal Value	Cap Rate	②－① Gain or Loss	③ Book Value	④ Appraisal Value	Cap Rate	④－③ Gain or Loss	Appraisal Value		Cap Rate (change)	Gain or Loss (change)	
														④－② (change)	④/②-1 (change)			
Office	B7	Kawasaki Toshiba Building	3	04/12/20	19,200	19,685	31,400	4.8%	+11,714	19,617	31,700	4.7%	+12,082	+300	+1.0%	-0.1%	+368	Tanizawa Sōgō Appraisal Co., Ltd.
	B8	UUR Toyocho Building	10	08/06/30	8,500	8,591	8,800	4.7%	+208	8,556	8,800	4.6%	+243	±0	±0%	-0.1%	+35	Japan Real Estate Institute
	B9	FOUR SEASONS BLDG	13	09/12/25	4,200	4,256	5,290	4.5%	+1,033	4,231	5,330	4.4%	+1,098	+40	+0.8%	-0.1%	+65	Japan Real Estate Institute
	B10	Hitachi High-Tech Building	15	10/12/01	14,800	14,546	15,700	4.0%	+1,153	14,522	15,700	3.9%	+1,177	±0	±0%	-0.1%	+24	Japan Real Estate Institute
	B11	Pacific Marks Shinjuku Parkside	15	10/12/01	12,100	12,133	10,300	4.1%	-1,833	12,082	11,200	4.0%	-882	+900	+8.7%	-0.1%	+950	Japan Real Estate Institute
	B13	Pacific Marks Tsukishima	15	10/12/01	6,080	5,921	6,360	4.8%	+438	5,894	6,430	4.7%	+535	+70	+1.1%	-0.1%	+97	Japan Real Estate Institute
	B14	Pacific Marks Yokohama East	15	10/12/01	7,050	6,904	7,230	4.8%	+325	6,882	7,260	4.7%	+377	+30	+0.4%	-0.1%	+52	Tanizawa Sōgō Appraisal Co., Ltd.
	B15	Pacific Marks Shin-Urayasu	15	10/12/01	3,920	3,762	3,700	5.5%	-62	3,756	3,540	5.4%	-216	-160	-4.3%	-0.1%	-153	Japan Real Estate Institute
	B17	Akasaka Hikawa Building	15	10/12/01	3,290	3,247	3,940	4.5%	+692	3,237	3,950	4.4%	+712	+10	+0.3%	-0.1%	+20	Japan Real Estate Institute
	B18	Pacific Marks Shibuya Koen-dori	15	10/12/01	2,570	2,466	3,020	5.0%	+553	2,464	3,040	4.9%	+575	+20	+0.7%	-0.1%	+22	Japan Real Estate Institute
	B20	Pacific Marks Akasaka-mitsuke	15	10/12/01	2,210	2,169	2,180	4.1%	+10	2,163	2,210	4.0%	+46	+30	+1.4%	-0.1%	+35	Japan Real Estate Institute
	B21	Yokohama Aioicho Building	15	10/12/01	1,060	1,080	1,250	5.1%	+169	-	-	-	-	-	-	-	-169	Tanizawa Sōgō Appraisal Co., Ltd.
	B22	Pacific Marks Shin-Yokohama	15	10/12/01	1,710	1,577	1,620	5.0%	+42	1,578	1,620	4.9%	+41	±0	±0%	-0.1%	±0	Tanizawa Sōgō Appraisal Co., Ltd.
	B25	Pacific Marks Kawasaki	15	10/12/01	9,890	9,290	11,000	4.5%	+1,709	9,251	11,100	4.4%	+1,848	+100	+0.9%	-0.1%	+139	Tanizawa Sōgō Appraisal Co., Ltd.
	B26	Hamamatsucho 262 Building	15	10/12/01	6,840	6,658	7,010	4.2%	+351	6,633	7,010	4.1%	+376	±0	±0%	-0.1%	+25	Japan Real Estate Institute
	B27	Lila Hijirizaka	15	10/12/01	2,750	2,655	2,970	4.6%	+314	2,646	3,060	4.5%	+413	+90	+3.0%	-0.1%	+99	Japan Real Estate Institute
	B29	Otsuka HT Building	15	10/12/01	1,160	1,111	1,220	5.3%	+108	1,104	1,220	5.2%	+115	±0	±0%	-0.1%	+7	Japan Real Estate Institute
	B30	Pacific Marks Shinjuku South-gate	15	10/12/01	2,460	2,513	3,140	4.2%	+626	2,507	3,200	4.1%	+692	+60	+1.9%	-0.1%	+66	Japan Real Estate Institute
	B31	Pacific Marks Nishi-Umeda	15	10/12/01	6,860	6,385	7,110	4.8%	+724	6,420	7,020	4.6%	+599	-90	-1.3%	-0.2%	-124	Tanizawa Sōgō Appraisal Co., Ltd.
	B32	Pacific Marks Higobashi	15	10/12/01	4,570	4,375	4,610	4.9%	+234	4,431	4,620	4.7%	+188	+10	+0.2%	-0.2%	-46	Tanizawa Sōgō Appraisal Co., Ltd.
	B33	Nagoya Nishiki City Building	15	10/12/01	2,670	2,462	2,450	5.4%	-12	2,436	2,450	5.3%	+13	±0	±0%	-0.1%	+25	Tanizawa Sōgō Appraisal Co., Ltd.
	B34	Pacific Marks Esaka	15	10/12/01	9,590	9,651	9,370	5.3%	-281	9,627	9,410	5.2%	-217	+40	+0.4%	-0.1%	+63	Tanizawa Sōgō Appraisal Co., Ltd.
	B35	Pacific Marks Sapporo Kita-Ichijo	15	10/12/01	1,790	1,827	2,010	5.6%	+182	1,807	2,020	5.5%	+212	+10	+0.5%	-0.1%	+29	Tanizawa Sōgō Appraisal Co., Ltd.
	B36	Shin-Sapporo Center Building	15	10/12/01	987	893	1,100	6.0%	+206	885	1,100	5.9%	+214	±0	±0%	-0.1%	+7	Tanizawa Sōgō Appraisal Co., Ltd.
	B37	ARENA TOWER	16	11/06/16	9,500	8,732	11,900	5.0%	+3,167	8,637	12,300	4.9%	+3,662	+400	+3.4%	-0.1%	+494	Tanizawa Sōgō Appraisal Co., Ltd.
	B38	Yushima First Building	18	12/08/29	2,100	2,091	2,770	4.6%	+678	2,083	2,800	4.5%	+716	+30	+1.1%	-0.1%	+37	Japan Real Estate Institute
	B39	Dogenzaka Square	18	12/11/22	2,300	2,329	2,770	4.2%	+440	2,317	2,810	4.1%	+492	+40	+1.4%	-0.1%	+52	Japan Real Estate Institute
	B40	GRAND-SQUARE Shin-Sakae	21	14/02/28	1,480	1,451	1,920	5.6%	+468	1,433	1,940	5.5%	+506	+20	+1.0%	-0.1%	+37	Japan Real Estate Institute
	B41	GRAND-SQUARE Meieki-minami	21	14/02/28	1,220	1,210	1,960	5.1%	+749	1,194	2,020	5.0%	+825	+60	+3.1%	-0.1%	+75	Japan Real Estate Institute
	B42	Shiba 520 Building	21	14/03/28	2,100	2,190	2,520	4.3%	+329	2,179	2,760	4.2%	+580	+240	+9.5%	-0.1%	+250	Japan Real Estate Institute
	B43	Hirose-dori SE Building	22	14/06/13	3,600	3,544	4,720	5.4%	+1,175	3,487	4,810	5.3%	+1,322	+90	+1.9%	-0.1%	+147	Japan Real Estate Institute
Hotel	C1	Shinjuku Washington Hotel Honkan	1	03/12/22	21,140	22,609	25,800	4.8%	+3,190	22,597	25,900	4.7%	+3,302	+100	+0.4%	-0.1%	+111	Japan Real Estate Institute
	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	3	05/02/18	1,884	1,659	2,390	4.2%	+730	1,645	2,490	4.0%	+844	+100	+4.2%	-0.2%	+113	Nippon Tochi-Tatemono Co.,Ltd.
	C3	MZ BLD.	9	08/04/10	3,800	3,275	3,880	5.2%	+604	3,260	3,900	5.1%	+639	+20	+0.5%	-0.1%	+35	Japan Real Estate Institute
	C4	HOTEL ROUTE-INN Yokohama Bashamichi	10	08/06/30	4,720	4,245	4,800	5.1%	+554	4,199	4,950	4.9%	+750	+150	+3.1%	-0.2%	+196	Nippon Tochi-Tatemono Co.,Ltd.
	C5	Hotel JAL City Naha	16	11/10/25	7,650	7,264	10,300	5.1%	+3,035	7,208	11,400	4.9%	+4,191	+1,100	+10.7%	-0.2%	+1,155	Nippon Tochi-Tatemono Co.,Ltd.
	C6	UUR Yotsuya Sanchoe Building	17	11/12/26	4,200	4,231	5,840	4.4%	+1,608	4,219	6,370	4.3%	+2,150	+530	+9.1%	-0.1%	+541	Japan Real Estate Institute
	C7	Yotsuya 213 Building	19	13/03/18	5,020	5,059	6,160	4.4%	+1,100	5,027	6,190	4.3%	+1,162	+30	+0.5%	-0.1%	+61	Japan Real Estate Institute
	C8	HOTEL ROUTE-INN Nagoya Imaike Ekimae	19	13/03/25	2,000	1,889	2,930	5.0%	+1,040	-	-	-	-	-	-	-	-1,040	Japan Real Estate Institute
	C9	the b Roppongi	21	14/05/01	3,500	3,629	4,050	4.1%	+420	3,629	4,170	4.0%	+540	+120	+3.0%	-0.1%	+120	Japan Real Estate Institute
	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	24	15/08/31	2,655	2,746	3,070	4.1%	+323	2,730	3,140	4.0%	+409	+70	+2.3%	-0.1%	+85	DAIWA REAL ESTATE APPRAISAL CO.,LTD.
	C11	Toyoko Inn Hiroshima Heiwa-odori	24	15/08/31	2,113	2,181	2,350	5.2%	+168	2,164	2,400	5.1%	+235	+50	+2.1%	-0.1%	+66	DAIWA REAL ESTATE APPRAISAL CO.,LTD.

Appraisal Value 3/3

(in millions of yen)

Type	Property Number	Property Name	Acquisition Period	Acquisition Date	Acquisition Price	25th fiscal period (2016/5/31)				26th fiscal period (2016/11/30)				Comparison between 26th and 25th FP				Appraiser
						① Book Value	② Appraisal Value	Cap Rate	②-① Gain or Loss	③ Book Value	④ Appraisal Value	Cap Rate	④-③ Gain or Loss	④-② (change)	④/②-1 (change)	Cap Rate (change)	Gain or Loss (change)	
Hotel	C12	Toyoko Inn Naha Kokusai-dori Miebash-eki	24	15/08/31	745	772	797	6.2%	+24	765	809	6.1%	+43	+12	+1.5%	-0.1%	+18	DAIWA REAL ESTATE APPRAISAL CO.,LTD.
	C13	Roisir Hotel & Spa Tower Naha	25	16/02/05	20,000	20,487	21,700	5.6%	+1,212	20,556	22,200	5.5%	+1,643	+500	+2.3%	-0.1%	+430	Japan Real Estate Institute
	C14	Urawa Royal Pines Hotel	25	16/04/01	17,500	17,776	18,000	5.5%	+223	17,691	18,300	5.4%	+608	+300	+1.7%	-0.1%	+385	Japan Real Estate Institute
Residential Property	D1	T&G Higashi-ikebukuro Mansion	1	03/12/26	2,021	1,528	2,220	4.6%	+691	1,502	2,250	4.5%	+747	+30	+1.4%	-0.1%	+55	Tanizawa Sōgō Appraisal Co., Ltd.
	D4	Komazawa Court	1	03/12/26	1,680	1,528	2,280	4.6%	+751	1,520	2,320	4.5%	+799	+40	+1.8%	-0.1%	+48	Japan Real Estate Institute
	D6	Sky Court Shiba-Daimon	2	04/10/15	1,175	1,049	1,290	4.5%	+240	1,038	1,310	4.4%	+271	+20	+1.6%	-0.1%	+31	Tanizawa Sōgō Appraisal Co., Ltd.
	D7	Maison Ukima	2	04/10/26	3,530	3,216	4,420	4.9%	+1,203	3,190	4,500	4.8%	+1,309	+80	+1.8%	-0.1%	+105	Japan Real Estate Institute
	D8	Narashino Residence	2	04/10/26	1,140	1,009	1,230	7.2%	+220	1,005	1,240	7.1%	+234	+10	+0.8%	-0.1%	+14	Japan Real Estate Institute
	D9	Aprile Shin-Ohgi Ichibankan	3	05/04/13	3,031	2,580	3,540	5.3%	+959	2,554	3,600	5.2%	+1,045	+60	+1.7%	-0.1%	+85	Japan Real Estate Institute
	D10	UUR Court Sapporo Kita-Sanjo	5	06/03/16	1,278	1,047	1,470	5.2%	+422	1,031	1,490	5.1%	+458	+20	+1.4%	-0.1%	+35	Tanizawa Sōgō Appraisal Co., Ltd.
	D11	UUR Court Chiba Soga	5	06/02/08	620	582	661	6.7%	+78	579	669	6.6%	+89	+8	+1.2%	-0.1%	+11	Japan Real Estate Institute
	D12	Higashi-kurume Dormitory Shinkan	5	06/02/08	480	461	537	5.7%	+75	459	545	5.6%	+85	+8	+1.5%	-0.1%	+9	Japan Real Estate Institute
	D13	Nanzan Court Ichigokan	5	06/03/30	1,070	931	996	5.6%	+64	926	872	6.4%	-54	-124	-12.4%	+0.8%	-118	Japan Real Estate Institute
	D14	Nanzan Court Nigokan	5	06/03/30	450	383	471	5.1%	+87	380	407	5.9%	+26	-64	-13.6%	+0.8%	-61	Japan Real Estate Institute
	D15	CLIO Bunkyo Koishikawa	5	06/04/28	3,170	2,807	3,260	4.6%	+452	2,778	3,290	4.5%	+511	+30	+0.9%	-0.1%	+58	Japan Real Estate Institute
	D16	GRAND-ROUGE Sakae	6	06/11/30	1,570	1,291	1,430	5.0%	+138	1,273	1,320	4.9%	+46	-110	-7.7%	-0.1%	-91	Japan Real Estate Institute
	D17	GRAND-ROUGE Sakae II	9	07/12/26	1,300	1,091	1,330	4.9%	+238	1,074	1,350	4.8%	+275	+20	+1.5%	-0.1%	+36	Japan Real Estate Institute
	D18	MA Sendai Building	10	08/09/24	3,440	2,906	4,200	5.9%	+1,293	2,859	4,270	5.8%	+1,410	+70	+1.7%	-0.1%	+117	Japan Real Estate Institute
	D19	UUR Court Nagoya Meieki	10	08/09/30	1,473	1,276	1,500	4.9%	+223	1,258	1,540	4.8%	+281	+40	+2.7%	-0.1%	+58	Nippon Tochi-Tatemono Co.,Ltd.
	D20	UUR Court Sapporo Shinoro Ichibankan	10	08/11/11	870	767	880	5.7%	+112	755	895	5.6%	+139	+15	+1.7%	-0.1%	+26	Nippon Tochi-Tatemono Co.,Ltd.
	D21	Park Site IZUMI	10	08/11/21	900	830	744	4.9%	-86	822	757	4.8%	-65	+13	+1.7%	-0.1%	+21	Japan Real Estate Institute
	D22	UUR Court Osaka Juso-honmachi	11	09/02/26	1,570	1,388	1,680	5.0%	+291	1,369	1,700	4.9%	+330	+20	+1.2%	-0.1%	+38	Japan Real Estate Institute
	D23	UUR Court Kinshicho	16	11/06/15	2,900	2,962	3,550	4.7%	+587	2,940	3,610	4.6%	+669	+60	+1.7%	-0.1%	+82	Japan Real Estate Institute
	D24	UUR Court Sapporo Minami-Sanjo P.T.	18	12/06/28	2,050	1,927	2,730	5.3%	+802	1,930	2,920	5.3%	+989	+190	+7.0%	±0%	+186	Japan Real Estate Institute
	D25	GRAND-ROUGE Nakanoshima-minami	20	13/06/25	1,380	1,388	1,650	4.9%	+261	1,370	1,650	4.8%	+279	±0	±0%	-0.1%	+17	Japan Real Estate Institute
	D26	Glenpark Umeda-kita	22	14/08/29	5,150	5,273	5,760	4.8%	+486	5,239	5,870	4.7%	+630	+110	+1.9%	-0.1%	+144	Tanizawa Sōgō Appraisal Co., Ltd.
	D27	UUR Court Shiki	24	15/09/18	2,730	2,923	3,010	5.4%	+86	2,908	3,040	5.3%	+131	+30	+1.0%	-0.1%	+45	Japan Real Estate Institute
Others	E1	Lilycolor Tohoku Branch	5	06/05/29	2,050	1,555	2,130	5.8%	+574	1,530	2,150	5.6%	+619	+20	+0.9%	-0.2%	+44	Nippon Tochi-Tatemono Co.,Ltd.
	E2	KDDI Fuchu Building	19	13/05/16	4,920	4,926	5,490	5.5%	+563	4,893	5,480	5.4%	+586	-10	-0.2%	-0.1%	+23	Japan Real Estate Institute
	E3	Tsubogawa Square Building	20	13/11/01	4,150	4,129	5,320	6.1%	+1,190	4,080	5,600	5.9%	+1,519	+280	+5.3%	-0.2%	+329	Japan Real Estate Institute
	E4	THE PLACE of TOKYO	21	14/05/01	3,500	3,535	4,120	5.2%	+584	3,508	4,190	5.1%	+681	+70	+1.7%	-0.1%	+96	Japan Real Estate Institute
	E5	Logistics Higashi-Ohgishima	22	14/10/02	4,233	4,252	4,778	4.9%	+526	4,222	4,860	4.8%	+637	+81	+1.7%	-0.1%	+111	Japan Real Estate Institute
	E6	MT Ariake Center Building I&II	22	14/11/25	8,000	8,044	8,460	4.7%	+415	8,035	8,480	4.7%	+444	+20	+0.2%	±0%	+28	Japan Real Estate Institute
	E7	Quartz Tower	24	15/11/13	5,700	5,922	5,920	3.7%	-2	5,905	5,980	3.6%	+74	+60	+1.0%	-0.1%	+76	Tanizawa Sōgō Appraisal Co., Ltd.
	E8	Shin-Narashino Logistics Center	24	15/08/07	2,555	2,662	2,570	4.9%	-92	2,664	2,630	4.8%	-34	+60	+2.3%	-0.1%	+58	Japan Real Estate Institute
	E9	Kawagoe Logistics Center	26	16/06/17	7,550	-	-	-	-	7,844	8,990	4.7%	+1,145	-	-	-	+1,145	Tanizawa Sōgō Appraisal Co., Ltd.
	E10	Asuto Nagamachi Dental Clinic	26	16/08/29	1,200	-	-	-	-	1,255	1,310	5.2%	+54	-	-	-	+54	Japan Real Estate Institute
		Total			593,499	562,705	643,084	5.0%	+80,378	579,993	675,774	4.8%	+95,780	+16,069	+2.5%	-0.2%	+15,401	

(Notes)

- Each of B26 and C1 was acquired in separate acquisitions. Initial acquisition date is shown as the acquisition date and aggregated acquisition price is shown as the acquisition price.
- The discount rate applied for the DCF method are shown as the "Cap Rate" for A27, A28, A34, and A35.
- The properties acquired or sold during this fiscal period are excluded.
- 49% quasi co-ownership interest of trust beneficial interest in E5 was sold at February 26, 2016 on the way of 25th FP.

Property Income and Occupancy (1/5)

(in thousand yen)	Total	A1 Himonya Shopping Center	A2 Joy Park Izumigaoka	A3 Ashiya Kawanishi Shopping Mart	A4 Re-LAND Shopping Center	A5 AEON MALL Uki	A6 TENJIN LUCE	A7 Yamada Denki Tecc Land Sakai Honten	A8 Miyamae Shopping Center	A9 KONAMI SPORTS CLUB Korigaoka	A10 ACTIOLE Minami- ikebukuro	A11 Tip's Machida Building	A12 Daiei Takarazuka Nakayama
Operating Revenues	21,501,917	(Note)	266,612	30,000	248,464	364,046	220,800	(Note)	188,505	(Note)	84,808	194,899	151,999
Rental Revenues	20,046,270		228,371	30,000	202,937	364,046	196,634		157,196		84,808	145,191	151,999
Other Rental Revenues	1,455,647		38,241	-	45,526	-	24,166		31,308		-	49,708	-
Operating Expenses	9,638,765		189,783	4,847	158,742	185,760	95,993		97,857		30,689	89,057	63,063
Property and other taxes	1,582,668		15,237	3,286	11,084	39,306	17,407		11,964		3,204	13,126	19,625
Other expenses	4,171,386		109,449	325	101,792	40,220	45,637		51,493		13,556	58,603	13,786
Property Mgmt Fees	1,514,788		48,664	300	39,242	1,200	16,007		19,593		5,238	17,226	1,500
Utilities	1,187,420		42,387	-	35,669	-	22,121		30,825		-	30,757	-
Casualty Insurance	27,067		356	25	261	743	143		205		56	158	378
Repairs & Maintenance	1,048,051		8,239	-	25,823	35,317	7,139		64		5,241	8,028	6,107
Other Rental Expenses	394,058		9,801	-	796	2,959	225		803		3,021	2,433	5,800
Depreciation	3,884,710		65,096	1,235	45,865	106,233	32,948		34,399		13,928	17,327	29,650
Profit from Rental Activities	11,863,152	-705,869	76,829	25,152	89,721	178,286	124,807	71,947	90,647	22,713	54,119	105,842	88,936
Net Operating Income (NOI)	15,747,862	-597,962	141,925	26,388	135,586	284,520	157,755	96,967	125,047	48,889	68,047	123,169	118,587
CAPEX	5,756,046	3,960,619	20,738	-	38,453	461,991	-	-	-	-	799	4,207	-
Occupancy (as of Nov. 30, 2016)	98.9%	100.0%	99.8%	100.0%	97.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	92.2%	100.0%
Adjusted NOI Yield	5.29%	-7.80%	4.18%	6.84%	5.20%	5.11%	4.84%	6.03%	4.70%	4.78%	3.61%	5.99%	5.52%

(in thousand yen)	A13 maricom-ISOGO / SYSTEM PLAZA YOKOHAMA	A14 ACTIOLE Kannai	A15 Shinsaibashi OPA Honkan	A19 Albore Jingumae	A20 Albore Sendai	A21 Mallage Kashiwa	A23 Ito-Yokado Owariasahi	A24 Yokohama Kariba Shopping Center	A25 Luz Jiyugaoka	A26 Actiole Ichikawa	A27 Vivahome Yokohama Aoba (site)	A28 Yamada Denki Tecc. Land Aoba (site)	A29 Yodobashi Camera Multimedia Kichijoji
Operating Revenues	299,288	58,197	684,325	49,534	109,465	684,346	224,080	(Note)	162,004	153,367	(Note)	(Note)	(Note)
Rental Revenues	299,288	57,737	683,334	45,600	98,072	531,008	223,079		145,143	117,944			
Other Rental Revenues	-	460	991	3,934	11,393	153,338	1,001		16,860	35,423			
Operating Expenses	35,397	28,032	143,560	13,147	37,657	563,561	81,195		74,114	84,944			
Property and other taxes	35,014	3,440	73,410	2,909	6,735	53,161	24,808		7,123	6,260			
Other expenses	383	10,586	10,651	6,689	16,649	423,868	15,591		36,557	43,192			
Property Mgmt Fees	288	5,773	3,313	2,593	6,299	127,504	1,800		10,185	10,668			
Utilities	-	-	-	3,709	9,372	115,294	-		10,852	25,195			
Casualty Insurance	95	59	660	32	91	825	502		122	105			
Repairs & Maintenance	-	2,494	3,570	324	871	36,042	749		3,610	2,082			
Other Rental Expenses	-	2,259	3,107	29	14	144,200	12,539		11,786	5,140			
Depreciation	-	14,004	59,498	3,548	14,272	86,531	40,795		30,433	35,491			
Profit from Rental Activities	263,890	30,164	540,764	36,386	71,808	120,785	142,885	31,552	87,890	68,423	52,105	47,122	571,157
Net Operating Income (NOI)	263,890	44,169	600,263	39,934	86,081	207,317	183,680	53,935	118,323	103,915	52,105	47,122	728,369
CAPEX	-	1,119	3,955	1,275	-	14,316	676	-	4,413	-	-	-	10,447
Occupancy (as of Nov. 30, 2016)	100.0%	100.0%	100.0%	100.0%	100.0%	97.0%	100.0%	100.0%	92.5%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	4.42%	3.66%	5.25%	5.04%	6.63%	5.87%	7.57%	4.30%	4.64%	6.19%	4.00%	4.37%	5.19%

(Note) Operating revenues of this property cannot not disclosed as consent from the relevant tenant has not been obtained. This is also adapted on "Property Income and Occupancy (P.38 and 41)".

Property Income and Occupancy (2/5)

(in thousand yen)	A30	A31	A32	A33	A34	A35	A36	A37	A38	A39	A40	Retail Total	B1
	Yamada Denki Tecc Land New Matsudo Honten	Tenjin Loft Building	Narumi Shopping Center (Site)	Plussing Wave Enoshima	LIFE Nishikujo (Site)	LIFE Tamatsukuri (Site)	Granbell Ginza Building	UUR Tenjin Nishi-dori Building	Luz Shonan Tsujido	455 Ueno Building	KURURU		T&G Hamamatsucho Building
Operating Revenues		292,273		78,836			70,566		302,601	75,030	197,304	6,971,822	95,364
Rental Revenues		269,427		66,506			66,405		225,395	62,599	167,353	6,400,542	85,233
Other Rental Revenues		22,846		12,329			4,161		77,206	12,431	29,950	571,279	10,130
Operating Expenses		140,464		28,883			26,173		201,821	22,427	103,347	3,636,998	34,857
Property and other taxes		24,375		4,152			1,181		24,538	613	0	563,350	9,030
Other expenses		89,164		17,234			19,982		147,517	19,740	83,907	1,966,156	12,886
Property Mgmt Fees	(Note)	42,405	(Note)	4,935	(Note)	(Note)	5,021	(Note)	68,780	4,104	54,782	609,928	5,768
Utilities		32,694		11,480			2,795		58,724	5,014	16,792	453,690	6,115
Casualty Insurance		253		58			57		370	49	462	8,419	85
Repairs & Maintenance		10,943		510			222		1,854	3,400	11,032	636,761	916
Other Rental Expenses		2,866		250			11,886		17,787	7,171	837	257,356	-
Depreciation		26,924		7,495			5,009		29,765	2,072	19,439	1,107,491	12,940
Profit from Rental Activities	149,364	151,809	152,514	49,952	43,982	49,109	44,392	158,284	100,779	52,603	93,956	3,334,824	60,506
Net Operating Income (NOI)	189,513	178,733	152,514	57,448	43,982	49,109	49,401	164,961	130,544	54,676	113,396	4,442,315	73,446
CAPEX	-	26,940	-	1,722	-	-	1,539	-	3,626	1,698	-	4,558,541	624
Occupancy (as of Nov. 30, 2016)	100.0%	100.0%	100.0%	96.8%	100.0%	100.0%	94.2%	100.0%	98.1%	79.6%	100.0%	99.5%	100.0%
Adjusted NOI Yield	7.34%	8.20%	4.71%	6.37%	4.98%	5.21%	3.76%	5.98%	6.61%	3.64%	4.23%	4.28%	6.49%

(in thousand yen)	B2	B3	B4	B5	B6	B7	B8	B9	B10	B11	B13	B14	B15
	SK Nagoya Building	Fukuoka Eartheon Building	Marumasa Kojimachi Building	Rokubancho K Building	Shin-Osaka Central Tower	Kawasaki Toshiba Building	UUR Toyoko Building	FOUR SEASONS BLDG	Hitachi High-Tech Building	Pacific Marks Shinjuku Parkside	Pacific Marks Tsukushima	Pacific Marks Yokohama East	Pacific Marks Shin-Urayasu
Operating Revenues	193,375	101,012	88,588	108,515	1,111,507	836,594	277,898	177,958	406,399	324,249	267,328	224,715	190,047
Rental Revenues	176,024	91,576	83,825	108,515	981,151	836,594	254,826	161,782	401,414	299,129	227,373	202,294	130,898
Other Rental Revenues	17,350	9,435	4,763	-	130,356	-	23,072	16,175	4,985	25,120	39,954	22,421	59,149
Operating Expenses	86,768	62,957	46,761	42,992	517,372	255,559	91,971	70,476	117,855	165,916	110,657	145,059	102,658
Property and other taxes	14,494	7,251	13,187	10,995	85,587	50,864	13,516	10,155	40,615	38,134	19,525	20,683	18,738
Other expenses	41,938	37,641	21,387	19,932	235,898	16,189	43,347	35,032	45,223	65,262	57,113	63,311	57,004
Property Mgmt Fees	22,821	11,899	8,344	14,106	102,446	6,000	19,305	17,896	24,245	29,159	21,374	23,459	28,508
Utilities	15,655	10,622	6,719	-	120,741	-	22,022	15,728	14,232	25,501	24,932	20,271	23,222
Casualty Insurance	283	122	354	101	1,223	964	238	146	312	387	325	350	293
Repairs & Maintenance	2,002	11,232	4,603	5,724	7,496	9,223	1,624	855	6,221	6,073	9,439	14,502	3,628
Other Rental Expenses	1,175	3,764	1,365	-	3,990	0	156	405	211	4,141	1,041	4,727	1,351
Depreciation	30,335	18,064	12,186	12,064	195,885	188,505	35,108	25,288	32,017	62,519	34,018	61,065	26,915
Profit from Rental Activities	106,606	38,054	41,826	65,522	594,135	581,035	185,927	107,482	288,543	158,332	156,670	79,656	87,388
Net Operating Income (NOI)	136,942	56,118	54,013	77,587	790,021	769,541	221,035	132,770	320,560	220,852	190,688	140,721	114,303
CAPEX	4,102	12,839	19,142	775	57,758	121,889	-	-	7,981	12,281	6,841	39,667	20,492
Occupancy (as of Nov. 30, 2016)	98.5%	93.3%	100.0%	100.0%	98.2%	100.0%	100.0%	100.0%	100.0%	99.1%	98.9%	89.9%	66.4%
Adjusted NOI Yield	5.06%	5.38%	4.58%	7.20%	6.57%	7.99%	5.19%	6.31%	4.32%	3.64%	6.26%	3.98%	5.82%

Property Income and Occupancy (3/5)

(in thousand yen)	B17	B18	B20	B21	B22	B25	B26	B27	B29	B30	B31	B32	B33
	Akasaka Hikawa Building	Pacific Marks Shibuya Koen-dori	Pacific Marks Akasaka-mitsuke	Yokohama Aioicho Building	Pacific Marks Shin-Yokohama	Pacific Marks Kawasaki	Hamamatsucho 262 Building	Lila Hijirizaka	Otsuka HT Building	Pacific Marks Shinjuku South-gate	Pacific Marks Nishi-Umeda	Pacific Marks Higobashi	Nagoya Nishiki City Building
Operating Revenues	118,113	84,372	66,598	57,645	65,672	320,506	229,266	118,819	58,305	96,549	278,452	172,764	104,733
Rental Revenues	114,114	84,372	59,017	49,583	57,217	291,636	191,940	106,131	50,129	87,848	234,711	148,777	96,511
Other Rental Revenues	3,999	-	7,581	8,061	8,454	28,869	37,326	12,687	8,176	8,701	43,740	23,986	8,221
Operating Expenses	32,974	15,256	20,805	35,520	35,483	139,953	98,749	46,932	26,622	23,209	140,128	84,844	72,460
Property and other taxes	9,936	3,727	6,142	4,981	5,424	21,490	14,682	12,120	2,157	5,561	24,969	15,867	11,868
Other expenses	12,112	3,636	7,734	20,041	15,554	56,776	50,589	25,399	16,734	10,952	76,858	43,503	26,719
Property Mgmt Fees	7,787	2,292	3,705	7,623	6,245	19,217	24,614	13,621	5,654	4,165	29,422	10,479	11,826
Utilities	3,684	-	3,623	10,023	6,465	27,000	17,157	7,227	5,988	5,880	37,480	14,918	11,801
Casualty Insurance	85	44	44	131	93	268	159	116	57	52	359	185	175
Repairs & Maintenance	488	1,299	210	1,552	2,671	7,601	7,476	3,571	492	407	3,416	17,461	1,557
Other Rental Expenses	68	-	151	710	78	2,688	1,181	861	4,541	447	6,178	459	1,358
Depreciation	10,924	7,893	6,928	10,497	14,504	61,685	33,478	9,413	7,730	6,695	38,300	25,473	33,873
Profit from Rental Activities	85,139	69,115	45,793	22,124	30,188	180,553	130,516	71,886	31,683	73,340	138,323	87,920	32,272
Net Operating Income (NOI)	96,063	77,008	52,721	32,621	44,693	242,238	163,995	81,299	39,413	80,035	176,624	113,393	66,145
CAPEX	295	5,233	1,139	535	14,133	21,741	8,342	-	200	-	73,959	81,835	8,066
Occupancy (as of Nov. 30, 2016)	100.0%	100.0%	100.0%	-	100.0%	93.0%	97.1%	100.0%	100.0%	100.0%	97.0%	100.0%	100.0%
Adjusted NOI Yield	5.82%	5.98%	4.76%	6.21%	5.21%	4.89%	4.78%	5.90%	6.78%	6.49%	5.14%	4.95%	4.94%

(in thousand yen)	B34	B35	B36	B37	B38	B39	B40	B41	B42	B43	Office Total	C1	C2
	Pacific Marks Esaka	Pacific Marks Sapporo Kita-Ichijo	Shin-Sapporo Center Building	ARENA TOWER	Yushima First Building	Dogenzaka Square	GRAND-SQUARE Shin-Sakae	GRAND-SQUARE Meieki-minami	Shiba 520 Building	Hirose-dori SE Building		Shinjuku Washington Hotel Honkan	Toyoko Inn Shinagawa-eki Takanawa-guchi
Operating Revenues	379,997	95,603	61,270	446,195	113,190	98,420	94,104	81,783	67,305	209,331	7,822,557	787,232	57,000
Rental Revenues	344,191	86,278	55,919	389,086	99,655	89,401	86,053	73,353	62,174	183,196	7,081,942	787,232	57,000
Other Rental Revenues	35,806	9,325	5,350	57,108	13,534	9,018	8,051	8,430	5,130	26,134	740,614	-	-
Operating Expenses	260,155	51,343	30,326	235,840	48,405	42,138	48,992	41,155	49,146	121,256	3,553,569	251,561	20,345
Property and other taxes	38,291	8,905	4,958	32,724	11,024	5,785	7,665	7,798	7,832	12,963	629,662	86,900	5,991
Other expenses	140,381	22,804	16,597	94,265	24,139	23,735	18,223	16,094	28,251	51,275	1,554,552	61,949	620
Property Mgmt Fees	59,972	8,730	6,836	46,758	7,103	8,476	9,291	8,202	9,765	21,123	668,253	26,252	540
Utilities	48,170	10,277	6,454	41,914	11,484	5,466	7,003	7,394	5,352	25,910	626,442	3,672	-
Casualty Insurance	610	119	68	500	131	77	116	111	99	230	9,033	1,103	80
Repairs & Maintenance	28,226	2,918	3,087	4,077	4,956	9,327	1,611	146	2,182	3,347	191,634	30,779	-
Other Rental Expenses	3,400	757	151	1,014	462	387	201	239	10,851	664	59,188	142	-
Depreciation	81,482	19,633	8,770	108,850	13,241	12,616	23,103	17,262	13,063	57,017	1,369,354	102,711	13,733
Profit from Rental Activities	119,842	44,260	30,943	210,354	64,785	56,282	45,112	40,627	18,158	88,074	4,268,988	535,671	36,654
Net Operating Income (NOI)	201,324	63,893	39,714	319,205	78,026	68,898	68,215	57,890	31,221	145,092	5,638,342	638,382	50,388
CAPEX	59,476	-	1,188	14,194	5,769	-	5,140	1,278	1,672	-	608,600	115,448	-
Occupancy (as of Nov. 30, 2016)	91.5%	100.0%	92.5%	100.0%	100.0%	100.0%	100.0%	100.0%	83.3%	100.0%	97.0%	99.98%	100.0%
Adjusted NOI Yield	4.19%	7.12%	8.03%	6.70%	7.41%	5.97%	9.19%	9.46%	2.97%	8.04%	5.71%	6.02%	5.34%

Property Income and Occupancy (4/5)

(in thousand yen)	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	Hotel Total
	MZ BLD.	HOTEL ROUTE-INN Yokohama Bashamichi	Hotel JAL City Naha	UUR Yotsuya Sanchoe Building	Yotsuya 213 Building	HOTEL ROUTE-INN Nagoya Imaike Ekimae	the b roppongi	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Toyoko Inn Hiroshima Heiwa-odori	Toyoko Inn Naha Kokusai-dori Miebashiki	Loisir Hotel & Spa Tower Naha	Urawa Royal Pines Hotel	
Operating Revenues	131,486	154,447	320,959	180,857	177,577	(Note)	106,708	(Note)	(Note)	(Note)	842,311	590,457	3,592,062
Rental Revenues	131,486	141,049	320,959	179,434	164,443		104,985				842,311	590,457	3,562,383
Other Rental Revenues	-	13,397	-	1,423	13,134		1,722				-	-	29,678
Operating Expenses	84,108	73,572	102,255	47,139	70,327		43,265				273,151	176,779	1,245,451
Property and other taxes	9,753	9,615	15,435	19,773	17,274		13,697				42	-	202,749
Other expenses	25,026	17,477	12,749	9,674	21,437		13,459				84,602	67,465	321,465
Property Mgmt Fees	7,309	6,078	1,118	4,878	6,101		1,088				1,800	36,716	98,455
Utilities	1,706	11,214	-	-	9,967		1,609				-	-	28,169
Casualty Insurance	169	183	308	199	203		109				1,667	901	5,356
Repairs & Maintenance	3,323	-	7,666	3,049	3,598		9,517				72,478	24,598	155,009
Other Rental Expenses	12,517	-	3,656	1,547	1,567		1,134				8,657	5,250	34,474
Depreciation	49,328	46,480	74,070	17,692	31,615		16,109				188,506	109,313	721,235
Profit from Rental Activities	47,377	80,874	218,703	133,717	107,250	39,298	63,442	44,524	41,086	15,170	569,159	413,678	2,346,610
Net Operating Income (NOI)	96,705	127,355	292,773	151,409	138,866	72,435	79,552	60,078	57,582	21,658	757,666	522,991	3,067,846
CAPEX	34,866	-	11,004	5,980	848	-	15,721	-	-	-	294,587	29,276	507,732
Occupancy (as of Nov. 30, 2016)	94.6%	100.0%	100.0%	100.0%	100.0%	-	97.2%	100.0%	100.0%	100.0%	100.0%	100.0%	99.8%
Adjusted NOI Yield	5.08%	5.38%	7.63%	7.19%	5.52%	7.30%	4.53%	4.51%	5.44%	5.80%	7.21%	5.49%	6.13%

(in thousand yen)	D1	D4	D6	D7	D8	D9	D10	D11	D12	D13	D14	D15	D16
	T&G Higashi-ikebukuro Mansion	Komazawa Court	Sky Court Shiba-Daimon	Maison Ukima	Narashino Residence	Aprile Shin-Ohgi Ichibankan	UUR Court Sapporo Kita-Sanjo	UUR Court Chiba Soga	Higashi-kurume Dormitory Shinkan	Nanzan Court Ichigokan	Nanzan Court Nigokan	CLIO Bunkyo Koishikawa	GRAND-ROUGE Sakae
Operating Revenues	67,045	60,560	32,400	124,080	51,960	(Note)	52,613	(Note)	16,848	37,131	16,359	96,203	44,508
Rental Revenues	64,110	60,560	32,400	124,080	51,960		52,535		16,848	37,131	16,359	92,476	44,078
Other Rental Revenues	2,934	-	-	-	-		77		-	-	-	3,726	430
Operating Expenses	40,278	12,844	13,193	35,467	13,700		29,025		3,130	9,048	4,197	53,667	29,131
Property and other taxes	2,680	3,893	1,724	8,697	4,062		4,786		1,308	2,497	1,332	5,092	3,138
Other expenses	11,701	681	364	1,457	748		6,018		193	578	270	19,739	7,906
Property Mgmt Fees	6,587	604	324	1,236	513		2,050		168	396	174	8,221	4,956
Utilities	850	-	-	-	-		1,702		-	-	-	44	865
Casualty Insurance	80	76	40	220	112		71		25	59	31	117	82
Repairs & Maintenance	3,653	-	-	-	122		2,158		-	58	-	9,211	855
Other Rental Expenses	529	-	-	-	-		35		-	65	65	2,145	1,146
Depreciation	25,897	8,269	11,104	25,312	8,889		18,220		1,627	5,972	2,594	28,835	18,087
Profit from Rental Activities	26,766	47,715	19,206	88,612	38,259	78,450	23,587	15,219	13,717	28,082	12,161	42,535	15,376
Net Operating Income (NOI)	52,663	55,985	30,310	113,924	47,149	104,330	41,808	20,234	15,345	34,054	14,756	71,371	33,464
CAPEX	-	-	-	-	-	4,551	806	2,292	1,813	-	804	-	-
Occupancy (as of Nov. 30, 2016)	93.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	95.2%	89.3%
Adjusted NOI Yield	5.20%	6.65%	5.15%	6.44%	8.25%	6.87%	6.52%	6.51%	6.38%	6.35%	6.54%	4.49%	4.25%

Property Income and Occupancy (5/5)

(in thousand yen)	D17	D18	D19	D20	D21	D22	D23	D24	D25	D26	D27	Residential Total	E1 Lilycolor Tohoku Branch
	GRAND- ROUGE Sakae II	MA Sendai Building	UUR Court Nagoya Meieki	UUR Court Sapporo Shinoro Ichibankan	Park Site IZUMI	UUR Court Osaka Juso-honmachi	UUR Court Kinshicho	UUR Court Sapporo Minami- Sanjo Premier Tower	GLAND-ROUGE Nakanoshima- minami	Glenpark Umeda-kita	UUR Court Shiki		
Operating Revenues	38,513	167,816	45,546	33,078	29,224	52,366	118,774	120,129	55,114	191,102	93,432	1,682,651	(Note)
Rental Revenues	38,513	161,741	45,546	33,078	28,787	52,366	115,281	105,221	52,354	184,665	93,432	1,641,373	
Other Rental Revenues	-	6,075	-	-	436	-	3,492	14,907	2,759	6,436	-	41,277	
Operating Expenses	19,520	89,010	26,040	18,110	16,832	27,370	49,508	71,220	34,144	78,654	23,782	742,058	
Property and other taxes	2,627	10,043	3,010	3,953	1,596	3,945	5,958	7,706	3,480	10,580	6,966	109,171	
Other expenses	453	30,432	4,730	2,903	6,800	4,569	19,297	32,054	11,758	27,865	1,256	194,975	
Property Mgmt Fees	-	9,445	2,794	1,956	2,303	3,876	11,013	9,625	4,385	13,708	1,080	86,243	
Utilities	-	2,725	911	-	744	-	1,915	4,863	639	1,605	-	16,868	
Casualty Insurance	65	197	66	63	47	88	165	163	68	267	176	2,537	
Repairs & Maintenance	294	4,348	868	884	1,468	604	3,624	14,422	4,178	9,054	-	57,930	
Other Rental Expenses	93	13,715	90	-	2,236	-	2,578	2,980	2,485	3,228	-	31,394	
Depreciation	16,439	48,534	18,299	11,253	8,436	18,855	24,252	31,459	18,905	40,208	15,559	437,911	
Profit from Rental Activities	18,992	78,806	19,505	14,967	12,392	24,996	69,265	48,908	20,970	112,447	69,649	940,592	36,914
Net Operating Income (NOI)	35,431	127,340	37,804	26,221	20,828	43,851	93,517	80,368	39,875	152,656	85,208	1,378,504	61,682
CAPEX	-	727	-	-	-	-	2,230	34,482	1,191	6,152	-	55,052	339
Occupancy (as of Nov. 30, 2016)	100.0%	99.6%	100.0%	100.0%	100.0%	100.0%	95.8%	92.0%	93.6%	99.0%	100.0%	98.5%	100.0%
Adjusted NOI Yield	5.44%	7.38%	5.12%	6.01%	4.62%	5.57%	6.43%	7.82%	5.76%	5.91%	6.23%	6.11%	6.00%

(in thousand yen)	E2	E3	E4	E5	E6	E7	E8	E9	E10	Others Total
	KDDI Fuchu Building	Tsubogawa Square Building	THE PLACE of TOKYO	Logistics Higashi- Ohgishima	MT Ariake Center Building I&II	Quartz Tower	Shin-Narashino Logistics Center	Kawagoe Logistics Center	Asuto Nagamachi Dental Clinic	
Operating Revenues	(Note)	299,035	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	1,432,824
Rental Revenues		245,809								1,360,027
Other Rental Revenues		53,226								72,796
Operating Expenses		154,786								460,688
Property and other taxes		18,858								77,733
Other expenses		85,694								134,236
Property Mgmt Fees		30,409								51,907
Utilities		47,668								62,249
Casualty Insurance		368								1,720
Repairs & Maintenance		2,963								6,714
Other Rental Expenses		4,284								11,644
Depreciation		50,233								248,717
Profit from Rental Activities	117,210	144,248	83,069	85,366	188,694	96,987	52,944	150,103	16,596	972,136
Net Operating Income (NOI)	150,554	194,481	109,466	114,872	207,500	113,254	65,437	183,905	19,699	1,220,853
CAPEX	-	930	-	-	10,537	-	14,311	-	-	26,118
Occupancy (as of Nov. 30, 2016)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted NOI Yield	6.10%	9.35%	6.24%	5.41%	5.17%	3.96%	5.11%	4.81%	5.76%	5.61%

Properties (1/3)(as of January 18, 2017)

Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition Period	Acquisition Date
					(JPY MM)	Ratio						
Retail Property	A1	Himonya Shopping Center	23 Wards of Tokyo	Meguro-ku, Tokyo	15,300	2.6%	5,249.86	27,032.50	26,655.66	15	1	2003/12/25
	A2	Joy Park Izumigaoka	Other Regions (Osaka)	Sakai, Osaka	6,770	1.1%	10,368.45	29,250.71	13,611.24	10	1	2003/12/22
	A3	Daimaru Peacock Ashiya Kaw anishi	Other Regions (Osaka)	Ashiya, Hyogo	769	0.1%	3,455.30	1,488.28	1,558.80	6	1	2003/12/22
	A4	Re-LAND Shopping Center	Tokyo Metropolitan Area	Funabashi, Chiba	5,200	0.9%	5,198.20	12,944.65	12,968.84	13	2	2004/9/17
	A5	AEON MALL Uki	Other Regions (Others)	Uki, Kumamoto	11,100	1.9%	173,498.31	63,058.78	72,073.39	7.8	3	2004/12/3
	A6	TENJIN LUCE	Other Regions (Others)	Fukuoka, Fukuoka	6,500	1.1%	1,138.66	5,393.09	4,194.68	2	5	2006/4/14
	A7	Yamada Denki Tecc Land Sakai Honten	Other Regions (Osaka)	Sakai, Osaka	3,210	0.5%	10,702.86	8,637.63	8,637.63	8	5	2006/4/28
	A8	Miyamae Shopping Center	Tokyo Metropolitan Area	Kawasaki, Kanagawa	5,312	0.9%	6,937.54	17,338.54	10,487.92	17	7	2007/2/19
	A9	KONAMI SPORTS CLUB Korigaoka	Other Regions (Osaka)	Hirakata, Osaka	2,040	0.3%	4,120.00	6,381.40	8,627.58	11	8	2007/6/29
	A10	ACTIOLE Minami-ikebukuro	23 Wards of Tokyo	Toshima-ku, Tokyo	3,760	0.6%	320.39	2,265.15	2,081.50	14	8	2007/9/27
	A11	Tip's Machida Building	Tokyo Metropolitan Area	Machida, Tokyo	4,100	0.7%	1,596.82	8,075.04	6,715.75	18	9	2007/12/27
	A12	Daiei Takarazuka Nakayama	Other Regions (Osaka)	Takarazuka, Hyogo	4,284	0.7%	16,330.14	16,729.60	16,729.60	9	9	2008/1/30
	A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) (retail portion)	Tokyo Metropolitan Area	Yokohama, Kanagawa	6,883	1.2%	53,363.57	—	30,453.73	—	9	2008/2/18
	A14	ACTIOLE Kannai	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,410	0.4%	375.17	2,238.82	1,938.56	19	10	2008/6/30
	A15	Shinsaibashi OPA Honkan	Other Regions (Osaka)	Osaka, Osaka	22,800	3.8%	2,430.23	25,865.61	27,025.42	12	15	2010/12/1
	A19	Albore Jingumae	6 Central Wards of Tokyo	Shibuya-ku, Tokyo	1,580	0.3%	308.02	816.60	931.14	14.6	15	2010/12/1
	A20	Albore Sendai	Other Regions (Others)	Sendai, Miyagi	2,590	0.4%	736.01	4,082.94	3,147.29	8	15	2010/12/1
	A21	Mallage Kashiwa	Tokyo Metropolitan Area	Kashiwa, Chiba	7,040	1.2%	82,314.45	54,689.28	41,766.67	9	15	2010/12/1
	A23	Ito-Yokado Owariasahi	Other Regions (Nagoya)	Owariasahi, Aichi	4,840	0.8%	34,612.39	56,371.77	54,606.34	11	15	2010/12/1
	A24	Yokohama Kariba Shopping Center	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,500	0.4%	7,093.66	10,628.44	11,345.09	12	15	2010/12/1
	A25	Luz Jiyugaoka	23 Wards of Tokyo	Meguro-ku, Tokyo	5,090	0.9%	828.70	2,771.59	2,283.47	12	16	2011/6/15
	A26	ACTIOLE Ichikawa	Tokyo Metropolitan Area	Ichikawa, Chiba	3,350	0.6%	749.42	4,452.39	3,927.49	10	16	2011/6/15
	A27	VIVAHOME Yokohama Aoba (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,600	0.4%	9,193.00	—	9,193.00	—	16	2011/10/31
	A28	Yamada Denki Tecc Land Aoba (Site)	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,150	0.4%	7,594.00	—	7,650.63	—	17	2012/5/18
	A29	Yodobashi Camera Multimedia Kichijoji	Tokyo Metropolitan Area	Musashino, Tokyo	28,000	4.7%	3,582.39	37,932.95	37,932.95	14	19	2013/3/18
	A30	Yamada Denki Tecc Land New Matsudo Honten	Tokyo Metropolitan Area	Matsudo, Chiba	5,150	0.9%	7,311.98	17,461.22	17,561.23	11	19	2013/3/18
	A31	Tenjin Loft Building	Other Regions (Others)	Fukuoka, Fukuoka	4,350	0.7%	1,947.80	10,594.19	7,730.09	1	20	2013/11/29
	A32	Narumi Shopping Center (Site)	Other Regions (Nagoya)	Nagoya, Aichi	6,460	1.1%	60,747.02	—	60,419.26	—	21	2014/4/8
	A33	Plussing Wave Enoshima	Tokyo Metropolitan Area	Fujisawa, Kanagawa	1,800	0.3%	2,449.00	3,471.69	3,155.64	14	22	2014/8/29
	A34	LIFE Nishikujo (Site)	Other Regions (Osaka)	Osaka, Osaka	1,760	0.3%	3,252.76	—	3,252.76	—	23	2015/3/2
	A35	LIFE Tamatsukuri (Site)	Other Regions (Osaka)	Osaka, Osaka	1,880	0.3%	2,391.44	—	2,391.44	—	23	2015/3/2
	A36	Granbell Ginza Building	6 Central Wards of Tokyo	Chuo-ku, Tokyo	2,621	0.4%	231.00	1,646.50	1,352.35	10	24	2015/6/30
	A37	UUR Tenjin Nishi-dori Building	Other Regions (Others)	Fukuoka, Fukuoka	5,500	0.9%	466.76	1,486.52	1,564.70	2	24	2015/7/15
	A38	Luz Shonan Tsujido	Tokyo Metropolitan Area	Fujisawa, Kanagawa	3,938	0.7%	3,658.25	17,889.43	10,454.22	14	24	2015/9/30
	A39	455 Ueno Building	23 Wards of Tokyo	Taito-ku, Tokyo	3,000	0.5%	159.59	1,234.99	1,167.63	12	25	2015/12/4
	A40	KURURU	Tokyo Metropolitan Area	Fuchu, Tokyo	9,285	1.6%	7,266.41	59,361.08	13,292.30	6	26	2016/9/1
	A41	K's Denki Nagoya-kita	Other Regions (Nagoya)	Nishikasugai-gun, Aichi	1,750	0.3%	7,461.97	4,733.74	4,733.74	8	27	2016/12/1
Office	B1	T&G Hamamatsucho Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	2,257	0.4%	453.81	3,296.58	2,420.85	12	1	2003/12/26
	B2	SK Nagoya Building	Other Regions (Nagoya)	Nagoya, Aichi	5,400	0.9%	1,361.96	11,795.38	8,708.52	11	1	2003/12/26
	B3	Fukuoka Eartheon Building	Other Regions (Others)	Fukuoka, Fukuoka	2,080	0.3%	1,358.91	6,079.35	4,934.40	1	1	2003/12/26
	B4	Marumasu Kojimachi Building	6 Central Wards of Tokyo	Chiyoda-ku, Tokyo	2,350	0.4%	703.24	5,218.55	2,578.84	11	1	2004/3/29
	B5	Rokubancho K Building	6 Central Wards of Tokyo	Chiyoda-ku, Tokyo	2,150	0.4%	689.70	4,031.14	4,031.14	14	1	2004/3/30
	B6	Shin-Osaka Central Tower (office portion)	Other Regions (Osaka)	Osaka, Osaka	14,279	2.4%	7,265.79	58,882.64	27,828.96	7	3	2004/12/2

Properties (2/3)(as of January 18, 2017)

Type	No.	Property Name	Area	Location	Acquisition Price (JPY MM)		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition Period	Acquisition Date
						Ratio						
Office	B7	Kawasaki Toshiba Building	Tokyo Metropolitan Area	Kawasaki, Kanagawa	19,200	3.2%	8,615.20	51,254.06	36,118.31	7	3	2004/12/20
	(A13)	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) (office portion)	Tokyo Metropolitan Area	Yokohama, Kanagawa	5,021	0.8%	—	—	22,214.65	—	9	2008/2/18
	B8	UUR Toyoko Building	23 Wards of Tokyo	Koto-ku, Tokyo	8,500	1.4%	3,262.50	10,768.11	7,540.30	13	10	2008/6/30
	B9	FOUR SEASONS BLDG	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	4,200	0.7%	690.93	6,318.81	5,000.54	11	13	2009/12/25
	B10	Hitachi High-Tech Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	14,800	2.5%	3,464.39	22,952.71	15,781.64	15	15	2010/12/1
	B11	Pacific Marks Shinjuku Parkside	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	12,100	2.0%	3,201.80	19,802.22	10,947.34	15	15	2010/12/1
	B13	Pacific Marks Tsukishima	6 Central Wards of Tokyo	Chuo-ku, Tokyo	6,080	1.0%	3,302.07	14,507.92	9,336.27	14	15	2010/12/1
	B14	Pacific Marks Yokohama East	Tokyo Metropolitan Area	Yokohama, Kanagawa	7,050	1.2%	2,525.41	15,387.49	10,732.11	15	15	2010/12/1
	B15	Pacific Marks Shin-Urayasu	Tokyo Metropolitan Area	Urayasu, Chiba	3,920	0.7%	2,877.11	15,017.17	8,743.05	11	15	2010/12/1
	B17	Akasaka Hikawa Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	3,290	0.6%	1,328.93	4,795.06	3,438.23	14	15	2010/12/1
	B18	Pacific Marks Shibuya Koen-dori	6 Central Wards of Tokyo	Shibuya-ku, Tokyo	2,570	0.4%	428.62	1,972.43	1,972.43	12	15	2010/12/1
	B20	Pacific Marks Akasaka-mitsuke	6 Central Wards of Tokyo	Minato-ku, Tokyo	2,210	0.4%	390.86	1,895.87	1,675.13	13	15	2010/12/1
	B22	Pacific Marks Shin-Yokohama	Tokyo Metropolitan Area	Yokohama, Kanagawa	1,710	0.3%	475.00	4,141.89	3,110.72	16	15	2010/12/1
	B25	Pacific Marks Kawasaki	Tokyo Metropolitan Area	Kawasaki, Kanagawa	9,890	1.7%	1,183.52	10,694.91	7,382.14	17	15	2010/12/1
	B26	Hamamatsucho 262 Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	6,840	1.2%	1,401.61	8,331.90	6,162.85	14	15	2010/12/1
	B27	Lila Hijirizaka	6 Central Wards of Tokyo	Minato-ku, Tokyo	2,750	0.5%	1,474.05	6,598.52	4,255.02	12	15	2010/12/1
	B29	Otsuka HT Building	23 Wards of Tokyo	Toshima-ku, Tokyo	1,160	0.2%	455.94	2,317.67	1,774.56	13	15	2010/12/1
	B30	Pacific Marks Shinjuku South-gate	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	2,460	0.4%	257.87	2,038.70	1,723.03	12	15	2010/12/1
	B31	Pacific Marks Nishi-Umeda	Other Regions (Osaka)	Osaka, Osaka	6,860	1.2%	2,053.30	16,142.54	11,039.51	10	15	2010/12/1
	B32	Pacific Marks Higobashi	Other Regions (Osaka)	Osaka, Osaka	4,570	0.8%	1,284.23	9,596.62	7,623.57	12	15	2010/12/1
	B33	Nagoya Nishiki City Building	Other Regions (Nagoya)	Nagoya, Aichi	2,670	0.4%	1,342.54	8,219.53	5,609.97	16	15	2010/12/1
	B34	Pacific Marks Esaka	Other Regions (Osaka)	Suita, Osaka	9,590	1.6%	3,929.31	33,316.53	20,005.03	9	15	2010/12/1
	B35	Pacific Marks Sapporo Kita-Ichijo	Other Regions (Others)	Sapporo, Hokkaido	1,790	0.3%	987.04	6,048.97	4,727.65	1	15	2010/12/1
	B36	Shin-Sapporo Center Building	Other Regions (Others)	Sapporo, Hokkaido	987	0.2%	1,940.08	3,725.13	2,797.03	2	15	2010/12/1
	B37	ARENA TOWER	Tokyo Metropolitan Area	Yokohama, Kanagawa	9,500	1.6%	2,733.00	24,412.67	17,967.46	10	16	2011/6/16
	B38	Yushima First Building	23 Wards of Tokyo	Bunkyo-ku, Tokyo	2,100	0.4%	1,120.85	6,165.88	4,558.77	13	18	2012/8/29
	B39	Dogenzaka Square	6 Central Wards of Tokyo	Shibuya-ku, Tokyo	2,300	0.4%	488.93	3,227.62	2,233.57	16	18	2012/11/27
	B40	GRAND-SQUARE Shin-Sakae	Other Regions (Nagoya)	Nagoya, Aichi	1,480	0.2%	1,294.88	5,333.51	4,578.93	10	21	2014/2/28
	B41	GRAND-SQUARE Meieki-minami	Other Regions (Nagoya)	Nagoya, Aichi	1,220	0.2%	1,012.06	5,017.30	4,003.05	10	21	2014/2/28
	B42	Shiba 520 Building	6 Central Wards of Tokyo	Minato-ku, Tokyo	2,100	0.4%	727.86	3,781.22	2,831.94	13	21	2014/3/28
	B43	Hirose-dori SE Building	Other Regions (Others)	Sendai, Miyagi	3,600	0.6%	2,146.31	10,396.94	8,235.87	8	22	2014/6/13
Hotel	C1	Shinjuku Washington Hotel Honkan	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	21,140	3.6%	6,215.31	59,985.37	53,363.11	9	1	2003/12/22
	(B6)	Shin-Osaka Central Tower (hotel portion)	Other Regions (Osaka)	Osaka, Osaka	9,721	1.6%	—	—	18,149.63	—	3	2004/12/2
	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	6 Central Wards of Tokyo	Minato-ku, Tokyo	1,884	0.3%	482.10	2,928.94	3,088.85	17	3	2005/2/18
	C3	MZ BLD.	Tokyo Metropolitan Area	Hachioji, Tokyo	3,800	0.6%	1,304.44	7,708.88	6,670.21	13	9	2008/4/10
	C4	HOTEL ROUTE-INN Yokohama Bashamichi	Tokyo Metropolitan Area	Yokohama, Kanagawa	4,720	0.8%	970.83	6,610.51	7,139.44	19	10	2008/6/30
	C5	Hotel JAL City Naha	Other Regions (Others)	Naha, Okinawa	7,650	1.3%	3,573.31	13,655.23	13,701.80	5	16	2011/10/25
	C6	UUR Yotsuya Sanhome Building	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	4,200	0.7%	1,053.16	7,682.82	7,854.86	14	17	2011/12/26
	C7	Yotsuya 213 Building	6 Central Wards of Tokyo	Shinjuku-ku, Tokyo	5,020	0.8%	1,264.94	7,884.53	7,550.16	13	19	2013/3/18
	C9	the b roppongi	6 Central Wards of Tokyo	Minato-ku, Tokyo	3,500	0.6%	482.37	3,138.82	2,710.90	12	21	2014/5/1
	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Tokyo Metropolitan Area	Kawasaki, Kanagawa	2,655	0.4%	639.19	4,785.93	4,874.28	15	24	2015/8/31
	C11	Toyoko Inn Hiroshima Heiw a-odori	Other Regions (Others)	Hiroshima, Hiroshima	2,113	0.4%	660.40	4,345.24	4,357.75	7	24	2015/8/31
	C12	Toyoko Inn Naha Kokusai-dori Miehashi-eki	Other Regions (Others)	Naha, Okinawa	745	0.1%	384.93	1,566.12	1,529.47	2	24	2015/8/31

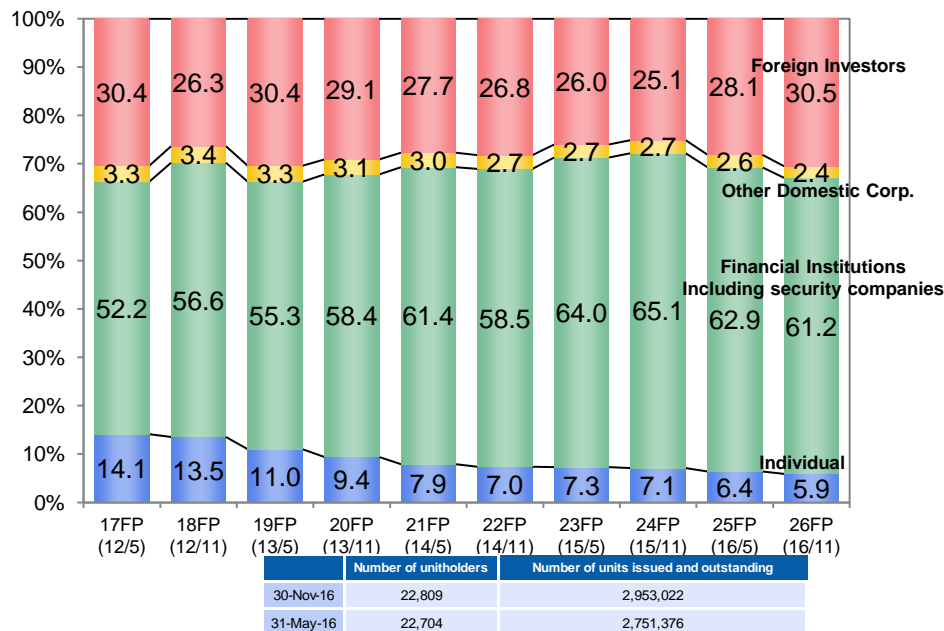
Properties (3/3)(as of January 18, 2017)

Type	No.	Property Name	Area	Location	Acquisition Price (JPY MM)		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition Period	Acquisition Date
						Ratio						
Hotel	C13	Loisir Hotel & Spa Tower Naha	Other Regions (Others)	Naha, Okinawa	20,000	3.4%	11,850.24	45,731.16	45,731.16	①7 ②6	25	2016/2/5
	C14	Urawa Royal Pines Hotel	Tokyo Metropolitan Area	Saitama, Saitama	17,500	2.9%	7,418.83	51,071.32	31,129.86	10	25	2016/4/1
Residential	D1	T&G Higashi-Ikebukuro Mansion	23 Wards of Tokyo	Toshima-ku, Tokyo	2,021	0.3%	398.82	3,300.18	2,603.22	12	1	2003/12/26
	D4	Komazawa Court	23 Wards of Tokyo	Setagaya-ku, Tokyo	1,680	0.3%	2,943.33	3,580.44	3,741.17	11	1	2003/12/26
	D6	Sky Court Shiba-Daimon	6 Central Wards of Tokyo	Minato-ku, Tokyo	1,175	0.2%	233.66	1,486.38	1,486.38	17	2	2004/10/15
	D7	Maison Ukima	23 Wards of Tokyo	Kita-ku, Tokyo	3,530	0.6%	6,456.64	12,691.43	12,691.43	14.6	2	2004/10/26
	D8	Narashino Residence	Tokyo Metropolitan Area	Funabashi, Chiba	1,140	0.2%	3,948.67	6,840.86	6,840.86	10	2	2004/10/26
	D9	Aprile Shin-Ohgi Ichibankan	Other Regions (Osaka)	Kobe, Hyogo	3,031	0.5%	3,329.45	12,700.44	12,700.44	8	3	2005/4/13
	D10	UUR Court Sapporo Kita-Sanjo	Other Regions (Others)	Sapporo, Hokkaido	1,278	0.2%	1,249.45	6,588.72	4,790.50	2	5	2006/3/16
	D11	UUR Court Chiba Soga	Tokyo Metropolitan Area	Chiba, Chiba	620	0.1%	1,990.13	2,931.14	2,931.14	14	5	2006/2/8
	D12	Higashi-kurume Dormitory Shinkan	Tokyo Metropolitan Area	Higashikurume, Tokyo	480	0.1%	2,635.52	1,397.61	1,397.61	10	5	2006/2/8
	D13	Nanzan Court Ichigokan	Other Regions (Nagoya)	Nagoya, Aichi	1,070	0.2%	2,423.12	3,551.60	3,576.74	12	5	2006/3/30
	D14	Nanzan Court Nigokan	Other Regions (Nagoya)	Nagoya, Aichi	450	0.1%	1,137.18	1,762.40	1,890.51	14	5	2006/3/30
	D15	CLIO Bunkyo Koishikawa	23 Wards of Tokyo	Bunkyo-ku, Tokyo	3,170	0.5%	814.54	5,871.77	4,097.51	14.5	5	2006/4/28
	D16	GRAND-ROUGE Sakae	Other Regions (Nagoya)	Nagoya, Aichi	1,570	0.3%	1,009.16	3,912.49	3,697.38	13	6	2006/11/30
	D17	GRAND-ROUGE Sakae II	Other Regions (Nagoya)	Nagoya, Aichi	1,300	0.2%	674.34	3,172.34	2,579.89	13	9	2007/12/26
	D18	MA Sendai Building	Other Regions (Others)	Sendai, Miyagi	3,440	0.6%	3,656.44	12,642.98	11,525.36	11	10	2008/9/24
	D19	UUR Court Nagoya Meieki	Other Regions (Nagoya)	Nagoya, Aichi	1,473	0.2%	639.17	3,207.39	2,958.45	16	10	2008/9/30
	D20	UUR Court Sapporo Shinoro Ichibankan	Other Regions (Others)	Sapporo, Hokkaido	870	0.1%	3,340.48	6,255.74	6,271.74	3	10	2008/11/11
	D21	Park Site IZUMI	Other Regions (Nagoya)	Nagoya, Aichi	900	0.2%	336.55	2,196.97	2,067.95	12	10	2008/11/21
	D22	UUR Court Osaka Juso-honmachi	Other Regions (Osaka)	Osaka, Osaka	1,570	0.3%	1,266.32	4,166.73	3,650.00	16	11	2009/2/26
	D23	UUR Court Kinshicho	23 Wards of Tokyo	Koto-ku, Tokyo	2,900	0.5%	924.27	6,890.13	5,460.39	14.8	16	2011/6/15
	D24	UUR Court Sapporo Minami-Sanjo Premier Tower	Other Regions (Others)	Sapporo, Hokkaido	2,050	0.3%	1,077.92	10,224.31	7,763.23	1	18	2012/6/28
	D25	GRAND-ROUGE Nakanoshima-minami	Other Regions (Osaka)	Osaka, Osaka	1,380	0.2%	405.74	3,741.79	3,090.36	15	20	2013/6/25
	D26	Glenpark Umeda-kita	Other Regions (Osaka)	Osaka, Osaka	5,150	0.9%	2,156.35	14,340.44	12,730.60	15.5	22	2014/8/29
	D27	UUR Court Shiki	Tokyo Metropolitan Area	Shiki, Saitama	2,730	0.5%	6,132.03	9,885.83	9,885.83	11	24	2015/9/18
	D28	Scent Hills	Other Regions (Osaka)	Osaka, Osaka	1,300	0.2%	817.52	3,607.14	2,792.81	13	27	2016/12/1
Others	E1	Lilycolor Tohoku Branch	Other Regions (Others)	Sendai, Miyagi	2,050	0.3%	5,457.02	8,693.79	9,271.16	11	5	2006/5/29
	E2	KDDI Fuchu Building	Tokyo Metropolitan Area	Fuchu, Tokyo	4,920	0.8%	5,479.15	14,165.71	14,490.92	11	19	2013/5/16
	E3	Tsubogawa Square Building	Other Regions (Others)	Naha, Okinawa	4,150	0.7%	5,294.63	14,742.80	10,570.98	8	20	2013/11/1
	E4	THE PLACE of TOKYO	6 Central Wards of Tokyo	Minato-ku, Tokyo	3,500	0.6%	645.87	3,105.31	3,212.21	13	21	2014/5/1
	E5	Logistics Higashi-Ogishima	Tokyo Metropolitan Area	Kawasaki, Kanagawa	4,233	0.7%	28,351.30	41,949.12	42,113.83	12	22	2014/10/2
	E6	MT Ariake Center Building I&II	23 Wards of Tokyo	Koto-ku, Tokyo	8,000	1.3%	8,307.00	22,917.94	23,934.32	①12 ②13	22	2014/11/25
	E7	Quartz Tower	6 Central Wards of Tokyo	Sibuya-ku, Tokyo	5,700	1.0%	354.27	2,720.38	2,940.22	7	24	2015/11/13
	E8	Shin-Narashino Logistics Center	Tokyo Metropolitan Area	Narashino, Chiba	2,555	0.4%	6,968.26	13,268.65	12,909.90	10	24	2015/8/7
	E9	Kawagoe Logistics Center	Tokyo Metropolitan Area	Kawagoe, Saitama	7,550	1.3%	32,665.82	47,284.22	40,060.76	9	26	2016/6/17
	E10	Asuto Nagamachi Dental Clinic	Other Regions (Others)	Sendai, Miyagi	1,200	0.2%	2,009.14	1,554.09	1,554.09	8	26	2016/8/29
	E11	Shin-Narashino Logistics Center II	Tokyo Metropolitan Area	Narashino, Chiba	2,590	0.4%	7,870.01	12,578.45	12,598.46	9	27	2017/1/31
Total					596,079	100.0%	797,370.45	1,486,831.24	1,362,972.94	7.81		

- In principle, "Site Area", "Floor Area", "Rentable Area" and "PML" show those at the point of November 30, 2016 ("A41 K's Denki Nagoya-kita" and "D28 Scent Hills" only bears the data as of the acquisition date, Dec. 1, 2016).
- "C13 Loisir Hotel & Spa Tower Naha" comprises Main Building and Annex, and "E6 MT Ariake Center Building I&II" comprises Building 1 and Building 2. PML of each former building is shown as ①, and that of each latter building is shown as ②.
- "PML" shown on the line of "Total" indicates PML of UUR's whole portfolio and does not include PML of the property acquired in 27th FP ("A41 K's Denki Nagoya-kita" and "D28 Scent Hills").

Overview of Unitholders and Unit Price

Trend of Composition of Unitholders



Major Unitholders (as of Nov.30, 2016)

Rank	Unitholder	Number of Units Held	Percentage of Unit Held
1	Japan Trustee Services Bank, Ltd. (trust account)	664,773	22.5%
2	The Master Trust Bank of Japan ,Ltd. (trust account)	331,226	11.2%
3	Trust & Custody Services Bank, Ltd. (securities investment trust account)	198,962	6.7%
4	The Nomura Trust and Banking Co., Ltd. (investment trust account)	113,756	3.9%
5	NOMURA BANK (LUXEMBOURG) S.A.	113,394	3.8%
6	STATE STREET BANK WEST CLIENT-TREATY 505234	76,609	2.6%
7	STATE STREET BANK-WEST PENSION FUND CLIENTS-EXEMPT 505233	50,794	1.7%
8	STATE STREET BANK AND TRUST COMPANY 505223	40,788	1.4%
9	CBNY DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	31,347	1.1%
10	SIX SIS FOR SWISS NATIONAL BANK	30,912	1.0%
11	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	30,734	1.0%
12	The Chugoku Bank, Ltd.	28,728	1.0%
13	STATE STREET BANK AND TRUST COMPANY 505225	24,093	0.8%
14	STATE STREET BANK AND TRUST COMPANY 505012	23,699	0.8%
15	THE BANK OF NEW YORK MELLON 140044	20,803	0.7%
Total		1,780,618	60.3%

Unit price and trading volume (Note1~3)



(Note1) Source: QUICK (Note2) UUR's unit price and trading volume from Dec. 22, 2003 to January 16, 2017.

(Note3) In connection with the unit split, before November 25, 2010 (the last trade day in the unit price before the unit split in Tokyo Stock Exchange), unit price are shown divided by 6, and trading volume are shown multiplied by 6.



5

Appendix

Our efforts in Environmental Issues

Environmental Policies

United Urban Investment Corporation, aware of its corporate social responsibility, will do its utmost to contribute to sustainable prosperity of our society under the considerations on the environment and efforts for reduction of environmental burdens.

1. Energy saving and measures for global warming

United Urban Investment Corporation will proactively promote efficient use of resources and energy and contribute toward realization of a low-carbon society through introducing such technologies and systems as being friendly to the environment.

2. Reduction of environmental burdens

United Urban Investment Corporation will make efforts for reduction of environmental burdens and realization of a recycling society through such measures as saving water, reducing (curb of the waste), re-using and recycling together with reduction of carbon emission.

3. Compliance with Environment-Related Laws and Regulations

In compliance with the environment-related laws and regulations, United Urban Investment Corporation will strive to preserve the environment standing.

4. Promotion of Environmental Communication

United Urban Investment Corporation will work to proactively disclose its initiatives on the environment and other environment-related information and collaborate with our varied stakeholders through communication with the society.

5. Environmental education and enlightenment

Through education and enlightenment on the environment, United Urban Investment Corporation will work to improve the environmental awareness

CASBEE for Market Promotion

CASBEE is a tool for assessing and rating the environmental performance of buildings and built environment.

CASBEE for Market Promotion was developed with an intention to be widely used among property market participants, since conventional CASBEE rating schemes had been used mainly as tools for "Design for Environment". Compared with other CASBEE rating schemes, CASBEE for Market Promotion is a shorter version covering common metrics examined by UNEP SBCI and considers alignment with other internationally recognized certification schemes, e.g., LEED.

Rank S ★★★★★ (1 property)

B17 Akasaka Hikawa Building

Rank A ★★★★★ (5 properties)

B11 Pacific Marks Shinjuku Parkside

B14 Pacific Marks Yokohama East

B20 Pacific Marks Akasaka-mitsuke

B22 Pacific Marks Shin-Yokohama

B34 Pacific Marks Esaka



Acquisition of "Green Star" rating in GRESB Survey



The "Global Real Estate Sustainability Benchmark (GRESB)" is a benchmark developed by a group of leading European pension funds. It evaluates the sustainability performance of real estate companies and funds, and is becoming a de facto standard among major European, American and Asian institutional investors and is utilized in their investment decision-making processes. United Urban has participated in the GRESB survey since 2012, and got the "Green Star" rating in the GRESB survey held in two consecutive years from 2015 to 2016. It is granted to entities which have exhibited excellence in both dimensions of "Management and Policy" and "Implementation and Measurement."

Sustainability Objectives

United Urban has established its objectives on sustainability as follows; As an owner of large-scale business facilities whose greenhouse effect gas emissions are assumed to be high, United Urban sets a target to reduce the "specific energy consumption rate" by 1% per annum on average for 5 years ("Specific energy consumption rate" is calculated by the factors like energy consumption, floor space, etc.).

United Urban will accomplish the above mentioned target by such means as introducing highly-efficient equipments suitable to each facility on replacement of air-conditioners or lighting equipments.

DBJ Green Building Certification

"DBJ Green Building Certification" is a comprehensive evaluation system for real estate properties with high environmental and social awareness by Development Bank of Japan Inc. (DBJ). DBJ conducts an assessment based on the original scoring model and certifies real estate properties with five ranks of certification according to the score from the assessment.

"ARENA TOWER" and "Tsubogawa Square Building" owned by United Urban acquired "three stars" (properties with excellent environmental & social awareness).



■ the Management Structure and System of JRA

JRA fully recognizes that insufficiencies in carrying out strict compliance may undermine investors' confidence in financial instruments and exchange markets and the management bases of United Urban and JRA and considers the thorough execution of compliance as the basic principle of management. The Board of Directors, positioned at the top, the President and Chief Executive Officer ("CEO"), the Compliance Committee, and the Chief Compliance Officer ("CCO") undertake decision-making regarding various matters relating to compliance and administration of compliance (management of the standing in compliance with laws and regulations) under their respective responsibilities and authority. The Investment Committee and Compliance Committee as the decision-making organs are placed below the Board of Directors and maintain independence in dealing with compliance issues, internal audit, risk management, etc. in JRA. They also endeavor to constrain and remedy transactions involving conflicts of interest.

【The Investment Committee】 (the "Committee" within this framework)

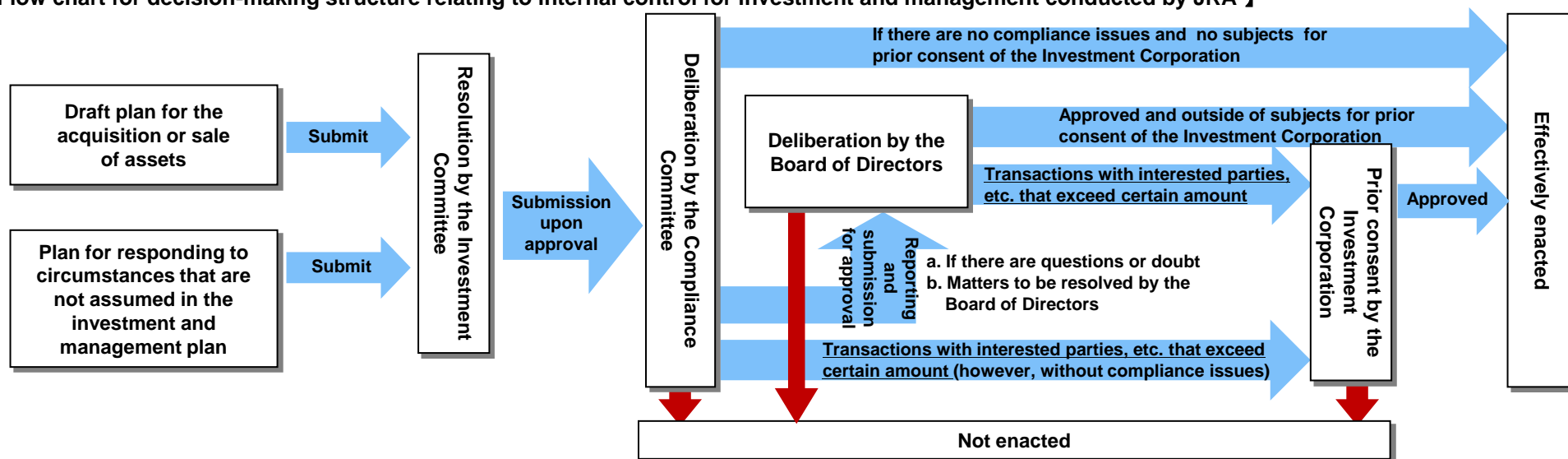
- The Committee has the decision-making authority about services concerning investment and management of United Urban assigned and granted authority by the Board of Directors
- Committee members : 1 chairperson (CEO), and 2 members (a Non-executive Director and an outside expert (An attorney at Law))
- Method of resolution : A quorum for adopting a resolution shall be 2 or more members of the Committee and the unanimous consent of all the attending members of the Committee shall be required for a resolution

【The Compliance Committee】 (the "Committee" within this framework)

- The Committee is not an organ for making resolutions or decisions, but has been established for the purpose of making specific recommendations to the Board of Directors, not only about compliance with laws and regulations but about a broad range of matters concerning the code of professional conduct, internal audit etc.
- Committee members : 1 chairperson (CCO), and 3 members (CEO, General Manager of Corporate Operation Team, and an outside expert (An Attorney at Law))
- Method of deliberation : After a resolution by the Investment Committee, the item of the agenda shall be deliberated by the Committee from the viewpoint of compliance together with internal audit etc.

As JRA's own rules for the prevention of conflicts of interest, United Urban has established internal rules (as rules ancillary to the Investment Committee rules) concerning transactions with Sponsor/Stakeholder to provide for restrictions on transactions, etc. between United Urban that entrusts the management of its assets to JRA and those related to the sponsors. Flowchart for decision-making structure relating to internal control for the acquisition or sale of assets by JRA, is as follows.

【 Flow chart for decision-making structure relating to internal control for investment and management conducted by JRA 】





MEMO



MEMO



United Urban
Investment Corporation



KURURU

This material is neither a disclosure document nor an investment report under the Act on Sales, etc of Financial Products. Final investment decisions are entirely the responsibility of the investors themselves.

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