



United Urban Investment Corporation

34th

Fiscal Period

(Six months ended November 2020)

<https://www.united-reit.co.jp/en/>

Securities Code: 8960



January 2021

United Urban will focus on stable management in accordance with the following basic policies.

- **Property replacements that will serve to enhance the quality and profitability of the portfolio**
- **Balance social responses with stable management of the portfolio**
- **Flexible financial management in accordance with change**
- **Stable distribution through reversal of retained earnings**

**Sustainable
growth of
unitholder
value**

Information Disclosure of Individual Properties

In light of ongoing discussions concerning the reduction and postponement of rent payments, etc. with individual tenants that have been impacted by COVID-19, income and expenses by property have not been disclosed for the results of the 34th FP and the forecasts of the 35th FP and 36th FP. Once these matters have been resolved, the information will be disclosed as in the past.

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1 Executive Summary

Major Topics of 34th FP & 35th FP

- Gain on sale of Nishi-Shimbashi 1-chome Building is booked in the 34th FP and the 35th FP.
- It boosted up the initial DPU forecast for the 34th FP and has good prospect on the initial forecast for the 35th FP.
- Acquired four properties of different asset types in excellent location; three out of all are new.
- Improve the quality of portfolio in building age, competitiveness and income stability.

Distribution per Unit (DPU)

33 rd FP (May 2020)	34 th FP (November 2020)		35 th FP (May 2021)	
Actual results	Initial forecast ^{*1}	Actual results ^{*2}	Initial forecast ^{*1}	Forecast ^{*2}
¥3,470	¥2,300	¥3,119	¥3,100	¥3,130

- ¥351
(-10.1%)

+ ¥819
(+35.6%)

+ ¥30
(+1.0%)

Disposition

Office buildings Nishi-Shimbashi 1-chome Building ('20/11 & 12)

Gain on sale + ¥607

+ ¥608

Acquisition

Logistics facilities REDWOOD Narita Distribution Centre ('20/6)

Office buildings

Toranomon Hills Mori Tower ('20/12)

Office buildings

Toranomon PF Building ('20/12)

Residential properties

UUR Court Ibaraki Higashi-Chujo('20/12)

*1 As of July 17, 2020.

*2 As of January 15, 2021.

Distribution Policy Under COVID-19

Stable DPU through reversal of retained earnings: minimum DPU of ¥3,100*

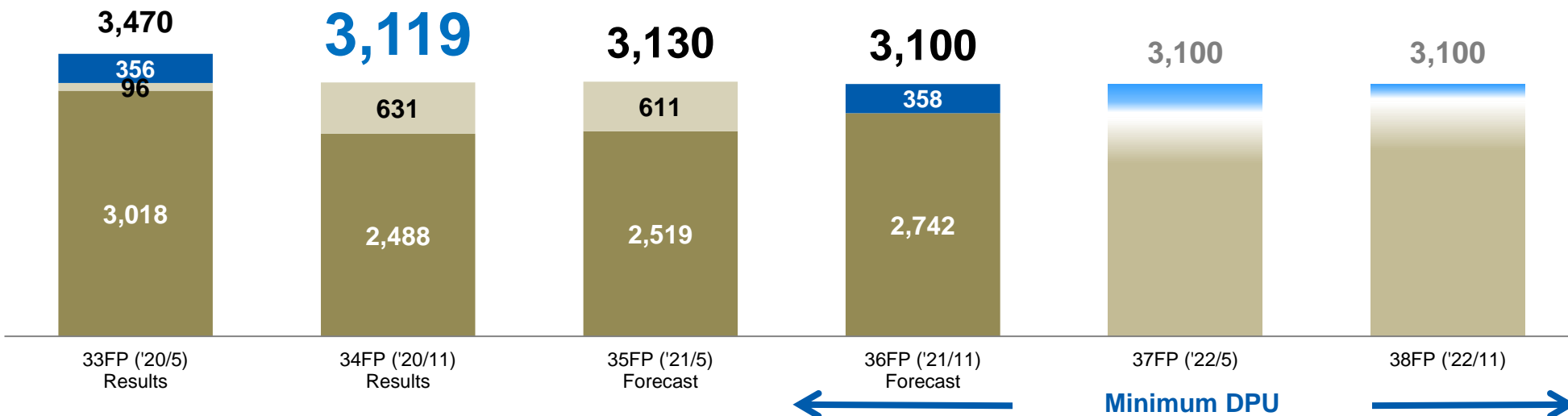
- A minimum DPU has been established until the 38th FP. If a profit level is lower than this minimum amount, there will be a reversal of retained earnings equivalent to the shortfall.
- If the minimum amount is exceeded over a profit level due to temporary factors such as gain on disposition or improvements in operating conditions, DPU will be increased without reserving retained earnings.

*Minimum DPU of ¥3,100 is an assumed amount based on the assumption for the 35th FP and the 36th FP announced on January 15, 2021 and it does not mean that an actual amount of ¥3,100 is guaranteed. This minimum DPU amount and the period set for the minimum DPU is subject to change in case that there are major changes in macro environment surrounding United Urban including real estate market outlook.

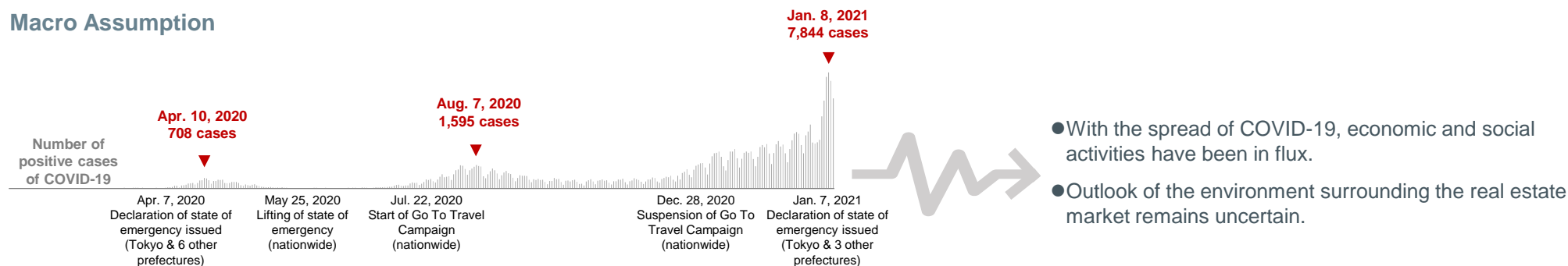
Distribution per Unit (DPU)

■ Distribution after deduction of cash distribution from temporary factors ■ Cash distribution from temporary factors* ■ Retained earnings (¥ per unit)

*Amount of appropriation from the gain on sale to cash distribution, cancellation penalty from tenant.



Macro Assumption



Impact of COVID-19 on DPU

(¥ per unit)

	34 th FP (Actual results) Jun. 2020 – Nov. 2020	35 th FP (Forecast) Dec. 2020 – May 2021	36 th FP (Forecast) Jun. 2021 – Nov. 2021
Distribution per Unit (DPU)	¥3,119	¥3,130	¥3,100

		Results & Outlook of United Urban's Response to COVID-19 (Rent Reductions)					
		(924)	901	(239)	801	521	
		Initial forecast*2	Results*3	Initial forecast*2	Forecast*3	Forecast*3	
Asset types	Portfolio share*						
Retail properties	29.3%	Temporary rent reductions for restaurant and service tenants that were significantly impacted.		-42 (-133)	Assume decrease in variable rents and decrease in revenue from some retailers in downtown.	-27 (-38)	Assume decrease in revenue from some retailers in downtown.
Hotels	24.5%	Stay-at-home request and immigration restrictions, etc. impacted tenant revenues more than anticipated. (including accounting estimates)		-836 (-721)	Expect moderate recovery in demand but the impact of COVID-19 will be prolonged.	-675 (-199)	Assume the impact of COVID-19 will continue; it is not certain whether the Tokyo Olympics will be hosted or if the number of foreign visitors to Japan will increase.
Asset types excluding the above	Office buildings 28.1%	Rent reductions for retail tenants, etc.		-24 (-69)	Same as on the left.	-21 (-1)	Same as on the left.
	Residential properties 7.6%						
	Others 10.4%						
Portfolio		—		—	Assume risk of rent reduction for the entire portfolio.	-77	—

*1 Acquisition price based. As of the 34th FP (November 2020). *2 As of July 17, 2020. *3 As of January 15, 2021.

Note: Forecast figures in the above table include a confirmed amount of decrease in income revenues that already agreed with tenants as well as an assumed amount of revenue decrease that have not been settled. Figures shown in parentheses are initial forecast amount for the 33rd FP (May 2020) announced on July 17, 2020. Total figures shown in the table may be different from the arithmetic total figures due to rounding off.

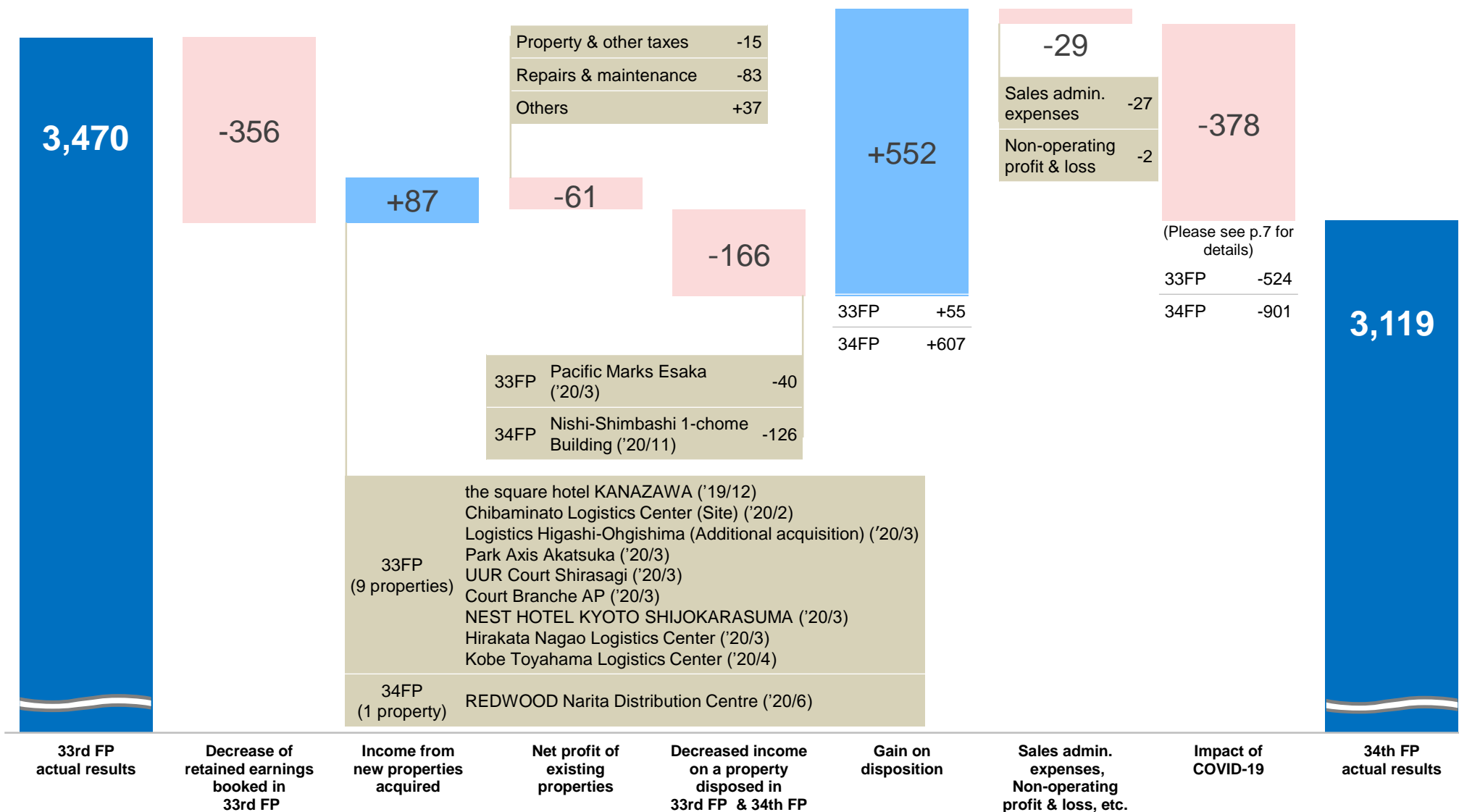
2 Business Results & Forecast

DPU

Increased factor

Decreased factor

(¥ per unit)



Note: Total figures shown may be different from the arithmetic total figures due to rounding off. For comparison with the revised forecast announced on November 5, 2020, please see p.35.

Business Results: 34th FP

(¥ Mn)

No	Item	33rd FP (Results) A	34th FP (Results) B	Change B-A	34th FP (Forecast) C*	Change B-C
1	Operating Revenues	23,565	23,945	+380	21,918	+2,027
2	Operating revenues from rental revenues	23,391	22,051	-1,340	21,918	+134
3	Rental revenues	21,432	20,300	-1,132	20,018	+282
4	Rental revenues and CAM	20,519	19,390	-1,129	19,120	+271
5	Parking revenues, etc.	912	909	-3	898	+11
6	Other rental revenues	1,959	1,751	-208	1,900	-148
7	Incidental revenues	1,254	1,385	+131	1,635	-250
8	Temporary revenues	620	280	-339	179	+102
9	Other miscellaneous revenues	84	85	+0	85	-0
10	Gain on sale of properties	173	1,893	+1,720	—	+1,893
11	Operating Expenses	12,942	13,300	+358	13,809	-508
12	Rental expenses	10,686	10,959	+274	11,490	-530
13	Property and other taxes	2,102	2,134	+32	2,061	+73
14	Property management fees	1,778	1,726	-52	1,724	+2
15	Utilities	1,242	1,303	+61	1,578	-274
16	Casualty insurance	24	24	-0	24	+0
17	Repairs and maintenance, etc.	978	1,227	+250	1,436	-208
18	Other rental expenses	385	442	+56	559	-117
19	Depreciation and amortization	4,174	4,100	-74	4,107	-6
20	Sales admin. expenses	2,256	2,340	+84	2,319	+22
21	Operating Income	10,622	10,644	+23	8,109	+2,535
22	Profit from rental activities	12,705	11,092	-1,614	10,428	+664
23	NOI	(16,880)	(15,192)	(-1,687)	(14,535)	(+658)
24	Non-operating Revenues	43	12	-30	2	+11
25	Non-operating Expenses	1,031	1,006	-25	1,016	-9
26	Ordinary Income	9,633	9,650	+17	7,095	+2,556
27	Net Income	9,633	9,650	+17	7,095	+2,556
28	EPU (yen/unit)	(3,089)	(3,094)	(+5)	(2,275)	(+819)
29	Reserve for temporary difference adjustment	77	77	—	77	—
30	Voluntary retained earnings	1,109	-1	-1,111	—	-1
31	Total Cash Distributions	10,820	9,726	-1,095	7,172	+2,554
32	DPU (yen/unit)	3,470	3,119	-351	2,300	+819
33	No. of investment units outstanding (unit)	3,118,337	3,118,337	—	3,118,337	—
34	CAPEX	1,361	1,339	-22	1,703	-364

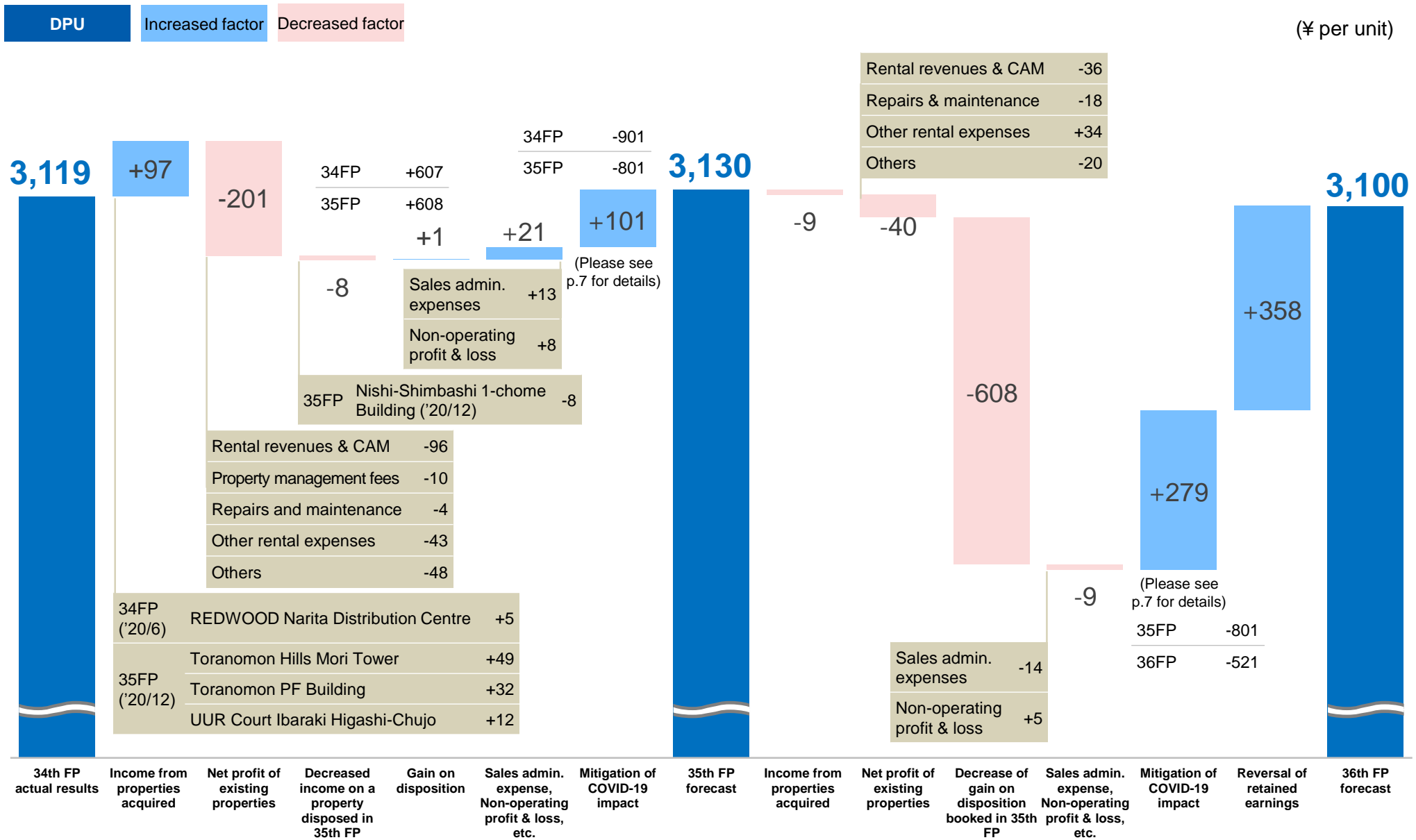
Main Causes for Difference in DPU

Signs (+/-) show increase/decrease of each item

33rd FP (Results) vs 34th FP (Results) (B-A)		(¥ Mn)
■ Operating Revenues		+380
Impact of disposition on revenues		+1,077
• Gain on disposition in 34th FP		+1,893
• Revenue decrease on disposition in 34th FP (decrease of temporary revenues in 33rd FP, etc.)		-348
• Revenue disappearance and decrease of gain on disposition in 33rd FP		-468
Response to COVID-19		-1,178
• Rent reductions (amount already agreed with tenants)		-760
• Accounting estimates (assumed rent reductions) (33rd FP -655 -> 34th FP -1,072)		-417
Impact of Other Revenues		+481
• Six-month revenues from properties acquired in 33rd FP		+277
• Revenues from properties acquired in 34th FP		+58
• Existing properties (incidental revenue decrease due to seasonality, etc.)		+147
■ Operating Expenses		-358
• Repair cost increase due to restoration, compartmentalization, etc. following tenant move-outs		-250
• Expensed property tax on properties acquired in 2019		-86
• Increase in utilities costs due to seasonality		-61
• Decrease in other rental expenses (depreciation and amortization, property management fees, etc.)		+123
• Sales admin. expenses (asset management fees related to property acquisitions, period-end appraisals, etc.)		-84
34th FP (Forecast) vs 34th FP (Results) (B-C)		(¥ Mn)
■ Operating Revenues		+2,027
Impact of disposition on revenues		+2,055
• Gain on disposition in 34th FP		+1,893
• Revenue increase on disposition in 34th FP (improved occupancy)		+162
Response to COVID-19		+71
• Impact of rent reductions (amount already agreed with tenants)		+1,143
• Accounting estimates (assumed rent reductions) (Forecast 0 -> Actual -1,072)		-1,072
Impact of Other Revenues		-98
• Decrease in incidental revenues (decline in amount of usage, etc. due to COVID-19)		-250
• Temporary revenue increase from penalty income, etc.		+102
• Other (rent increases, etc.)		+50
■ Operating Expenses		+508
• Decrease in utility costs (decline in amount of usage, etc. due to COVID-19)		+274
• Decrease in construction costs and in repair costs due to schedule postponement, etc.		+208
• Decrease in other rental expenses (leasing fees, etc.)		+117
• Other (property and other taxes, sales admin. expenses, etc.)		-92

*As of July 17, 2020. For comparison with the revised forecast announced on November 5, 2020, please see p.35.

DPU Forecast: 35th FP & 36th FP



Note: Total figures shown may be different from the arithmetic total figures due to rounding off.

Business Forecast: 35th FP & 36th FP

		(¥ Mn)				
No	Item	34th FP (Results) A	35th FP (Forecast) B*	Change B-A	36th FP (Forecast) C*	Change C-B
1	Operating Revenues	23,945	24,216	+271	23,183	-1,033
2	Operating revenues from rental revenues	22,051	22,320	+268	23,183	+864
3	Rental revenues	20,300	20,720	+420	21,529	+809
4	Rental revenues and CAM	19,390	19,817	+427	20,625	+808
5	Parking revenues, etc.	909	902	-6	903	+1
6	Other rental revenues	1,751	1,600	-152	1,654	+55
7	Incidental revenues	1,385	1,263	-123	1,537	+275
8	Temporary revenues	280	255	-26	34	-221
9	Other miscellaneous revenues	85	82	-3	83	+1
10	Gain on sale of properties	1,893	1,896	+3	—	-1,896
11	Operating Expenses	13,300	13,564	+264	13,755	+191
12	Rental expenses	10,959	11,262	+303	11,409	+147
13	Property and other taxes	2,134	2,088	-46	2,100	+12
14	Property management fees	1,726	1,836	+109	1,800	-37
15	Utilities	1,303	1,408	+105	1,683	+275
16	Casualty insurance	24	24	—	24	—
17	Repairs and maintenance, etc.	1,227	1,243	+15	1,297	+55
18	Other rental expenses	442	548	+106	436	-112
19	Depreciation and amortization	4,100	4,115	+14	4,069	-47
20	Sales admin. expenses	2,340	2,302	-39	2,347	+45
21	Operating Income	10,644	10,652	+7	9,428	-1,224
22	Profit from rental activities	11,092	11,058	-34	11,775	+717
23	NOI	(15,192)	(15,173)	(-20)	(15,843)	(+670)
24	Non-operating Revenues	12	2	-11	2	—
25	Non-operating Expenses	1,006	970	-37	955	-16
26	Ordinary Income	9,650	9,683	+33	8,475	-1,209
27	Net Income	9,650	9,683	+33	8,475	-1,208
28	EPU (yen/unit)	(3,094)	(3,105)	(+11)	(2,717)	(-388)
29	Reserve for temporary difference adjustment	77	77	—	77	—
30	Voluntary retained earnings	-1	—	+1	1,115	+1,115
31	Total Cash Distributions	9,726	9,760	+34	9,666	-94
32	DPU (yen/unit)	3,119	3,130	+11	3,100	-30
33	No. of investment units outstanding (unit)	3,118,337	3,118,337	—	3,118,337	—
34	CAPEX	1,339	1,733	+393	2,029	+296

Main Causes for Difference in DPU

Signs (+/-) show increase/decrease of each item

34th FP (Results) vs 35th FP (Forecast) (B-A)		(¥ Mn)
■ Operating Revenues		+271
Response to COVID-19		+532
• Assume continued income decrease primarily for hotel (34th FP -2,810 => 35th FP -2,278)		
Impact of Other Revenues		-261
• Revenues from properties acquired in 34th FP and 35th FP		+391
• Revenue disappearance due to disposition in 34th FP		-182
• Incidental revenue decrease due to seasonality		-128
• Other (decrease in rent revenue due to declining occupancy, etc.)		-342
■ Operating Expenses		-264
• Increase in rental expenses due to property acquisitions in 34th FP and 35th FP		-87
• Decrease in rental expenses due to dispositions in 34th FP and 35th FP		+157
• Increase in property management fees (including costs due to COVID-19 response)		-109
• Increase in utilities costs (including costs due to COVID-19 response)		-105
• Other (leasing expenses, etc.)		-120

35th FP (Forecast) vs 36th FP (Forecast) (C-B)		(¥ Mn)
■ Operating Revenues		-1,033
Response to COVID-19		+920
• Assume continued income decrease primarily for hotel (35th FP -2,278 => 36th FP -1,358)		
Impact of Other Revenues		-1,953
• Decrease of gain on disposition in 35th FP		-1,896
• Incidental revenue decrease due to seasonality		+275
• Temporary revenue decrease from penalty income, etc.		-221
• Other (decrease in rent revenue due to declining occupancy, etc.)		-111
■ Operating Expenses		-191
• Expensed property tax on properties acquired in 2020		-72
• Increase in property management fees (including costs due to COVID-19 response)		-275
• Other (leasing expenses, etc.)		+156

*As of January 15, 2021.

		Recognition of Environment	Points for Promoting Stabilization of Earnings and Sustainable Growth
External Growth		<ul style="list-style-type: none"> ■ No major changes in investors' expected yield amidst the global low-interest-rate environment. ■ Domestic and foreign investors have a steady appetite for investment. Transactions that had been muted due to the declaration of the state of emergency in April 2020 have shown signs of reversal in some asset types and areas. 	<ul style="list-style-type: none"> ■ Consider replacing properties where there are concerns of downward pressure on profitability or competitiveness from the perspective of enhancing the quality and profitability of the portfolio. ■ Consider investment opportunities selectively while firmly maintaining the investment policies and utilize various acquisition methods for real estate of various asset types in a wide variety of regions. ■ Selective investment in retail properties after careful examination of business conditions of facilities and tenants' credit. As for hotels, focus on identifying when demand will re-emerge or recover and how hotel operations are managed, and control investment for the time being.
	Retail properties	<ul style="list-style-type: none"> ■ While lifestyle-oriented industries such as grocery stores, drugstores, electronics retail stores and home centers have performed well, the operating status of other industries varies. ■ Operating status of tenants are unstable due to the repeated requests to refrain from business and shorten hours of operation on each wave of COVID-19 infections. 	<ul style="list-style-type: none"> ■ Strengthen relationship with tenants by making efforts to understand their status regarding sales and operation. ■ Implement flexible leasing by focusing on changes to social demands and consumer trends. ■ UUR Tenjin Nishi-dori Building: Continue discussions on various conditions with companies that wish to lease the building.
	Office buildings	<ul style="list-style-type: none"> ■ Office demand and appetites for capital spending are moderately suspended due to the prolonged impact on business performance by COVID-19. Cost reduction awareness is also on the rise. ■ Vacancy rates are rising across major cities in Japan due to the proliferation of remote working and diversification of work styles. 	<ul style="list-style-type: none"> ■ Enhance tenant relations in line with changes in office demand. Drive agile leasing activities. ■ Promote various measures to prevent infections in light of life with COVID-19 and life after COVID-19 including an expansion of service menu for cleaning of common area and an increase of sensor-based facilities such as auto tap and auto door. ■ Continuous cost reduction including a replacement to energy-saving facilities and re-examination of property managers.
Internal Growth	Hotels	<ul style="list-style-type: none"> ■ The number of patients with COVID-19 continues to increase in waves. It will take about a year or two for its threat to subside and for demand of accommodations, banquet, etc. to stabilize. ■ Accommodation demand will slowly recover thanks to the stimulus package and the proliferation of measures to prevent infection. 	<ul style="list-style-type: none"> ■ Focus on promotional activities of domestic OTAs to capture domestic demand for the time being. ■ Consider operation styles that pursue sustainable management. ■ Examine facilities to meet emerging demand during life with COVID-19 including change of usage for low-occupied spaces and diversification of sales channels.

		Recognition of Environment	Points for Promoting Stabilization of Earnings and Sustainable Growth
Internal Growth	Residential properties	<ul style="list-style-type: none"> ■ Both occupancy rates and rent levels remain stable. ■ Focus on new resident needs due to the penetration of remote working and diversification of work styles. 	<ul style="list-style-type: none"> ■ Implement interior and exterior value enhancement work with the aim of raising rents. ■ Promote effective use of common, shared and empty spaces that can accommodate needs of working from home. ■ Consider introduction of eco-friendly yet added-value facilities by replacing to LED lighting in resident units in addition to common areas, etc. and introduction of technology such as smart key system.
	Others	<ul style="list-style-type: none"> ■ E-commerce market continues to expand. Logistics demand remains firm. ■ Expectation for the diversification of investment targets is rising steadily (industrial, public-run facilities, etc.). 	<ul style="list-style-type: none"> ■ At logistics facilities, accelerate tenancy. Promote the installation of more LED lighting and energy-saving A/C with green lease contracts in mind. ■ Fuchu Building: Aim for the early conclusion of negotiations with companies that wish to lease the building by addressing a wide range of corporate needs including data centers.
Finance		<ul style="list-style-type: none"> ■ It is highly probable that the current low-interest-rate policy will continue for the time being. ■ Although United Urban has not experienced any change in the lending behavior of financial institutions, the future corporate financing behavior will be closely monitored in light of the extended life with COVID-19. 	<ul style="list-style-type: none"> ■ Flexible financial management in accordance with changes, with the ever-changing COVID-19 situation in mind. ■ Consider diversification of financing methods.
ESG		<ul style="list-style-type: none"> ■ Interest in non-financial information concerning ESG is increasing among investors. ■ ESG measures could be an opportunity to improve corporate value in the long term. 	<ul style="list-style-type: none"> ■ Aim to resolve non-financial issues through initiatives for materiality, etc. (please see p.32 for details).

3 Strategy & Implementation

3-1 External Growth

Overview of Property Replacement

- Dispose a property anticipated for a downward pressure on profits due to building age.
- Recycle proceeds from the disposition to invest in three quality assets in excellent location by carefully managing the timing of disposition and acquisition.
- Avoid a loss of operating revenues attributable to the disposition.

Disposition Price **¥18.9 Bn**

NOI Yield **3.5%*1**

NOI Yield after Depreciation **3.1%*1**

Disposition Date: Nov. 30 & Dec. 1, 2020

Office buildings



Nishi-Shimbashi 1-chome Building
(Former Hitachi High-tech Building)
Minato-ku, Tokyo
Completion 1986

Occupancy	
33 rd FP (end of May 2020)	0.0%
34 th FP (end of Nov. 2020)	56.8%
35 th FP (end of May 2021)	67.2%*3

Acquisition Price **¥15.1 Bn**

Acquisition Date: Dec. 1, 2020

Toranomon Hills Mori Tower

Office buildings (One floor of 10th)



¥10 Bn
Minato-ku, Tokyo
Occupancy 100%*3

Estimated NOI Yield **3.9%*2**

Estimated NOI Yield after Depreciation **3.5%*2**

Toranomon PF Building

Office buildings



¥3.4 Bn
Minato-ku, Tokyo
Occupancy 100%*3

UUR Court Ibaraki Higashi-Chujo

Residential



¥1.6 Bn
Ibaraki, Osaka
Occupancy 96%*3

Effect of asset replacement

Gain on Sale

¥3.79 billion

Operating Expenses*4

34th FP

- ¥90 million

Operating Revenues*5

35th FP

+ ¥170 million

Building Age*6

Disposition Acquisition

34 years vs 13 years*2

Planned Construction Cost*7

- 62%

*1 Based on the actual annualized NOI and depreciated NOI figures under normal operation in the 31st FP and the 32nd FP and the disposition price.

*2 Weighted average base on the respective acquisition price for three properties.

*3 As of acquisition/disposition date.

*4 Decrease of repair costs for forming compartments and restoration due to tenants' replacement at the property; it is originally scheduled for the 34th FP in the planned forecast announced on July 17, 2020.

*5 Increase of the rental revenues for the 35th FP as of disposition/acquisition date associated with the property replacement between one disposed property and three acquired properties.

*6 As of December 1, 2020.

*7 Based on the difference of the five-year planned construction cost between the disposed property (assuming its continued ownership) and three acquired properties (after acquisition).

Acquisition in 34th FP Others

E17 REDWOOD Narita Distribution Centre*

Location	Sanbu, Chiba	*Acquired 50% quasi co-ownership of the trust beneficial interest in real estate.
Structure & Scale	S 4F	
Completion	December 2016	
Acquisition price	¥2,345 Mn	
Estimated NOI Yield	4.9% (after depreciation:4.1%)	
Occupancy rate	100.0% (as of November 30, 2020)	
Acquisition date	June 30, 2020	

Sponsor Support

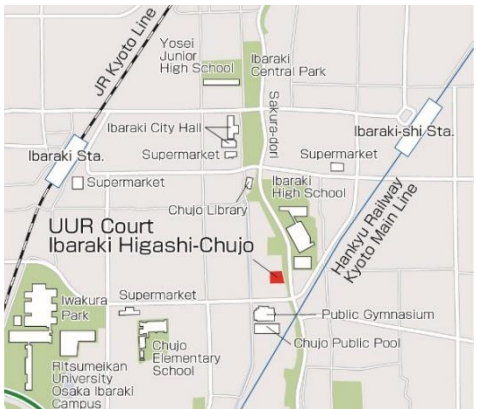


Acquisition in 35th FP Residential properties

D34 UUR Court Ibaraki Higashi-Chujo

Location	Ibaraki, Osaka
Structure & Scale	RC 8F
Completion	February 2009
Acquisition price	¥1,665 Mn
Estimated NOI Yield	4.6% (after depreciation:4.0%)
Occupancy rate	100.0% (as of December 1, 2020)
Acquisition date	December 1, 2020

- 3 stations and 3 train lines available. Direct access from Ibaraki-shi Station to CBD of Osaka and Kyoto with no train transfer.
- Main room type is 2LDK (62m² to 71m² per unit).
- Neighborhood has parks, schools for elementary, Jr. high and high school and other public facilities in addition to a couple of grocery stores; offers a comfortable living environment for family households.



Disposition in 34th FP & 35th FP Office buildings

Nishi-Shimbashi 1-chome Building

Location	: Minato-ku, Tokyo
Completion	: February 1986
Acquisition price	: ¥14,800 Mn
Appraisal value*1	: ¥17,900 Mn



- Occupancy rate once dropped to 0% after a departure of a tenant that fully occupied the building, but a success of 100% lease up drew in a letter of intent for purchase at a price level over both its appraisal value and book value.
- Anticipation for a downward pressure on competitiveness and profits due to building age.
- Recycle proceeds from the disposition to invest in three quality assets in excellent location in the 35th FP.

		(¥ Mn)		
		Disposition price	Book value*2	Gain on sale
Disposition date	Total	18,961	14,300	3,790
	Nov. 30, 2020 (34 th FP)	9,480	7,150	1,893
	Dec. 1, 2020 (35 th FP)	9,480	7,150	1,896

*1 As of May 31, 2020. *2 As of respective disposition date.



Acquisition in 35th FP Office buildings

B46 Toranomon Hills Mori Tower*

Location	Minato-ku, Tokyo
Structure & Scale	S/SRC B5/52F
Completion	May 2014
Acquisition price	¥10,000 Mn
Estimated NOI Yield	3.3% (after depreciation:2.8%)
Occupancy rate	100.0% (as of December 1, 2020)
Acquisition date	December 1, 2020

*Acquired sectional ownership of the 10th floor (2.03% co-ownership of the site).



- Sit in a **prime location** in Tokyo CBD.
- Toranomon area is **under development to attract global business** based on National Strategic Special Zone.

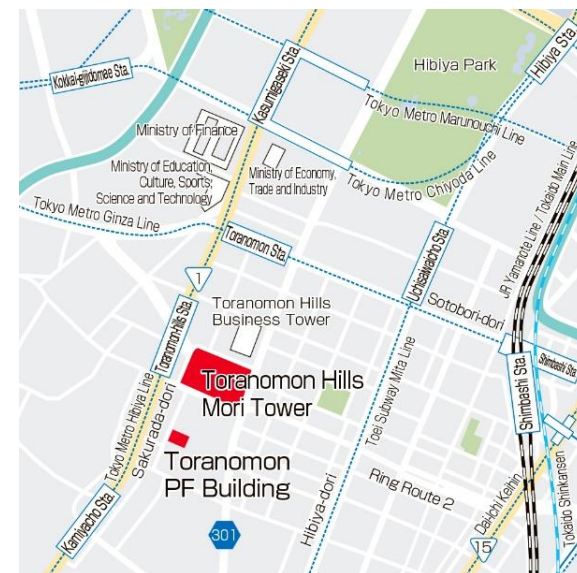
- Have a direct access to Toranomon Hills Station; 7 stations of 11 subway/train lines are available.
- Super-high complex with about 3,300m² of floor plate without pillars and 2.8m of ceiling height.
- Highest S rating for CASBEE.

Acquisition in 35th FP Office buildings

B47 Toranomon PF Building

Location	Minato-ku, Tokyo
Structure & Scale	RC B2/5F
Completion	March 1986
Acquisition price	¥3,435 Mn
Estimated NOI Yield	5.4% (after depreciation:5.2%)
Occupancy rate	100.0% (as of December 1, 2020)
Acquisition date	December 1, 2020

- 3-minute walk from Toranomon Hills Station.
- Replaced EV and A/C and renovated exterior walls, toilets and office kitchen.
- Installed LED lightings in office area in 2020.



Results of Property Replacement

	Acquisition	Disposition
Number of properties	4 properties	1 property
Acquisition/Disposition price	¥17.45 Bn	¥18.96 Bn
Estimated NOI yield	4.1%* ¹	3.5%* ²
Estimated NOI yield after depreciation	3.6%* ¹	3.1%* ²
Building age* ³	11.7 years* ¹	34.0 years

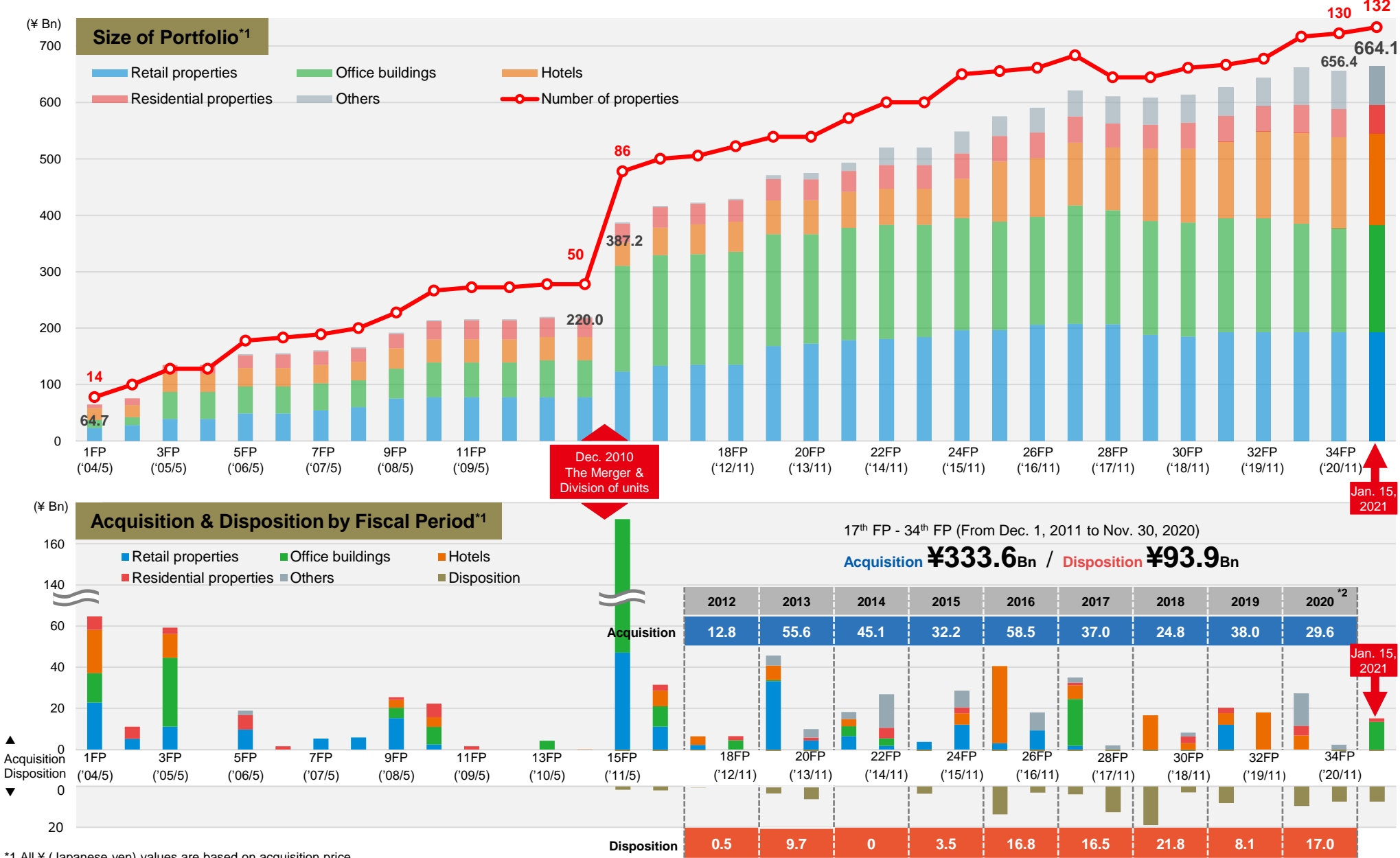
*¹ Weighted average based on the acquisition price for each property.

*² Please see *¹ on page 17 for calculation method.

*³ As of December 1, 2020.

Track Record of External Growth

As of January 15, 2021



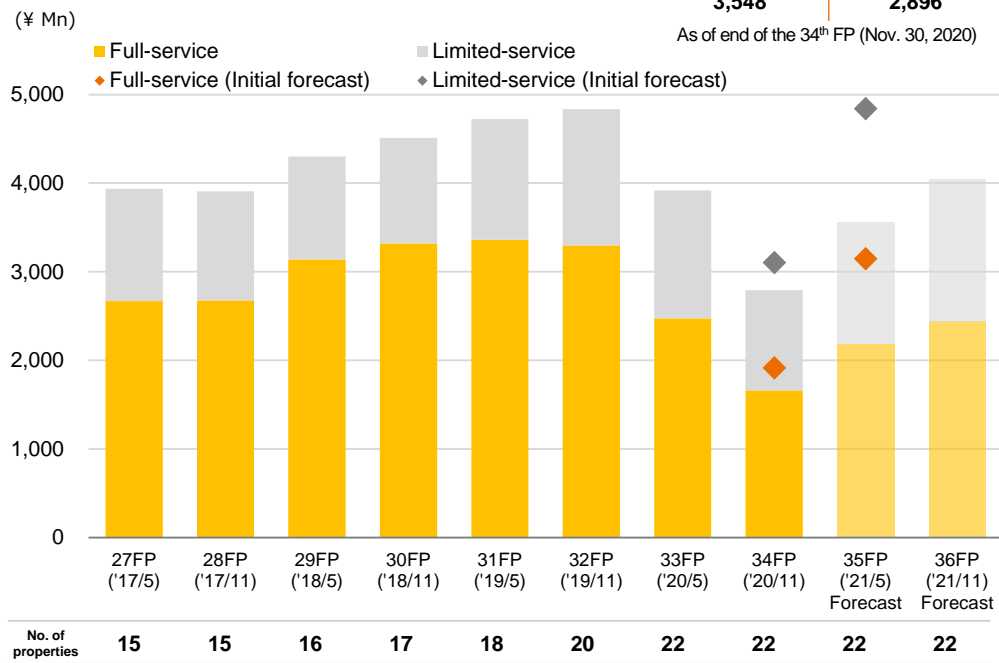
^{*1} All ¥ (Japanese yen) values are based on acquisition price.

^{*2} Two terms (from December 1st of the previous year to November 30th of the year) are counted as one year and posted.

3 Strategy & Implementation

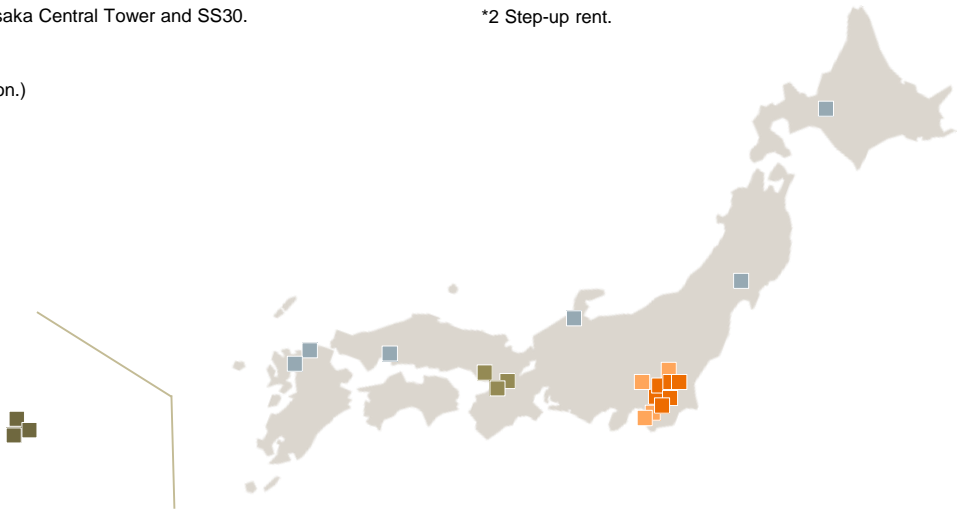
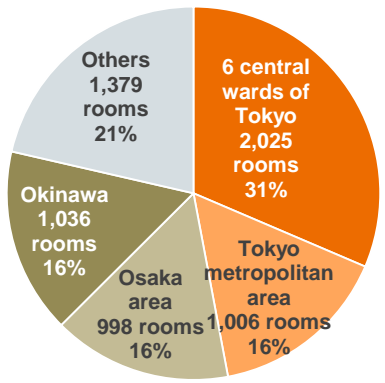
3-2 || Internal Growth

Rent Income in Hotel Portfolio*1



*1 Fixed rent + variable rent. Inclusive of rent revenues of Shin-Osaka Central Tower and SS30.

Location (Please see p.37 for the definition of location.)

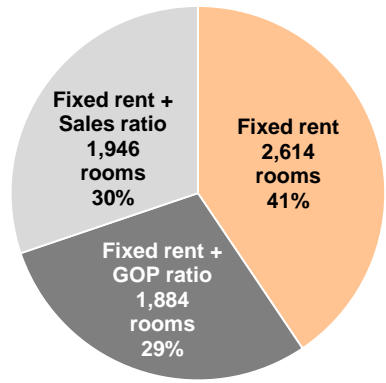


Rent Structure

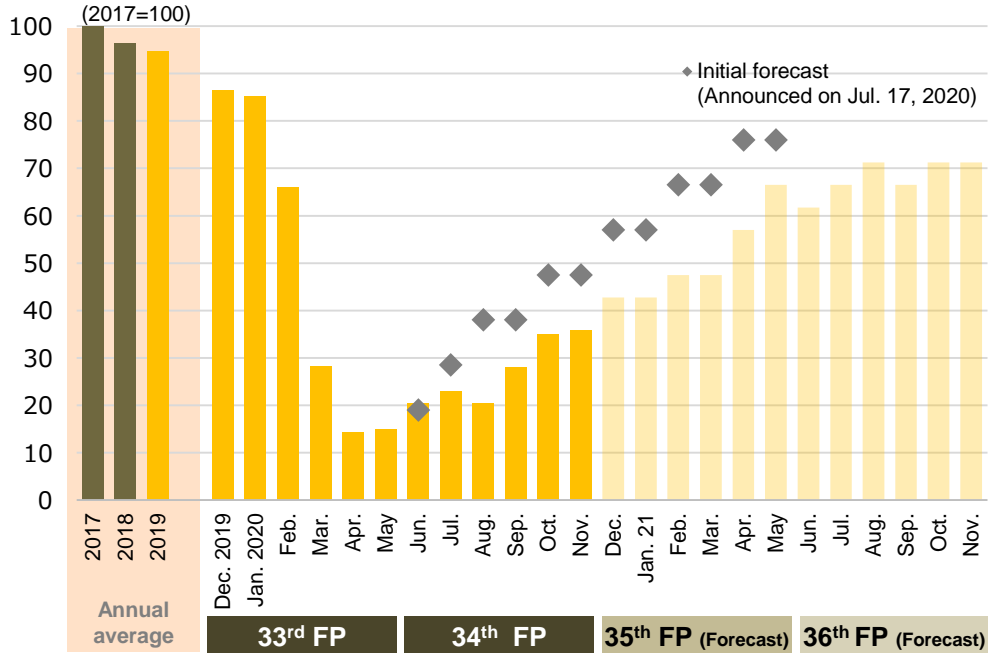
F: Full-service hotels L: Limited-service hotels (In order of acquisition date)

Fixed rent type			Variable rent type: Fixed rent + GOP ratio		
Property name	Hotel type	No. of rooms	Property name	Hotel type	No. of rooms
Shin-Osaka Central Tower (Shin Osaka Washington Hotel Plaza)	F	491	Hotel JAL City Naha	L	302
Toyoko Inn Shinagawa-eki Takanawa-guchi	L	180	Comfort Inn Tokyo Roppongi (Former name: the b Roppongi)	L	114
MZ BLD. (R&B Hotel Hachioji)	L	257	Loisir Hotel & Spa Tower Naha	F	640
HOTEL ROUTE-INN Yokohama Bashamichi	L	272	Royal Pines Hotel Urawa	F	196
Yotsuya 213 Building (Tokyu Stay Yotsuya)	L	148	the b fukuoka tenjin	L	125
Toyoko Inn Kawasaki Ekimae Shiyakusho-dori ^{*2}	L	281	Hotel Hewitt Koshien	F	412
Toyoko Inn Hiroshima Heiwa-odori ^{*2}	L	255	NEST HOTEL KYOTO SHIJOKARASUMA	L	95
Toyoko Inn Naha Kokusai-dori Miebash-eki ^{*2}	L	94	Variable rent type: Fixed rent + Sales ratio		
SS30 (Sendai Kokusai Hotel)	F	234	Property name	Hotel type	No. of rooms
Henn na Hotel Tokyo Hamamatsucho	L	118	Shinjuku Washington Hotel Honkan	F	1,280
Smile Hotel Premium Sapporo Susukino	L	284	UUR Yotsuya Sanchome Building (Hotel Wing International Premium Tokyo Yotsuya)	L	185
			RIHGA Royal Hotel Kokura・ARUARU City	F	295
			the square hotel KANAZAWA	L	186

*2 Step-up rent.

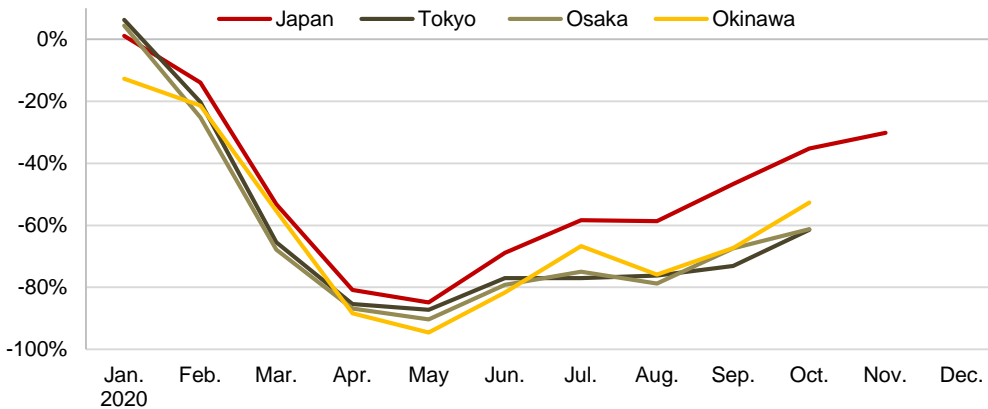


RevPAR*1



*1 Inclusive of rent revenues of hotel portion of Shin-Osaka Central Tower and SS30. Newly acquired properties are included respective financial periods.

Total Number of Guests (y-o-y)



Source: Japan Tourism Agency

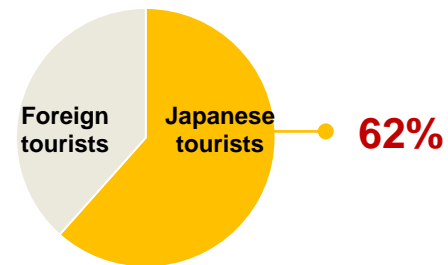
Macro Assumption

		With COVID-19				
		34 th FP	35 th FP (Forecast)	36 th FP (Forecast)	37 th FP	38 th FP
Japan	Resurgence of business/tourism demand	Moderate recovery of demand under infection control				Recovery of demand accelerate
Abroad	Disappearance of business/tourism demand	Resurgence of business demand	Moderate recovery of demand under a certain level of entry restrictions for foreign visitors			

Initiatives for Stable Management Tenant Replacement

	Comfort Inn Tokyo Roppongi (Former name: the b Roppongi)	the b fukuoka tenjin (Scheduled to change)
Reopen	January 12, 2021	Spring 2021 (Scheduled)
Rental revenues (Annual)	Fixed rent ¥131 million + Variable rent (GOP ratio)	Fixed rent ¥92 million + Variable rent (GOP ratio)
Contract term	From Oct. 1, 2020 to Sep. 30, 2030 (Rent collection: From Jan. 2021)	From Feb. 1, 2021 to Jan. 31, 2031 (Rent collection: From Apr. 2021)
New operator	GREENS Co., LTD. A hotel operator listed on the First Section of the Tokyo Stock Exchange and the First Section of the Nagoya Stock Exchange. The new operator has been engaged in the CHOICE HOTELS Business under the global brand of more than 7,000 hotel chains by Choice Hotels International, Inc. in 40 countries and the GREENS HOTELS Business with a track record of more than 60 years of hotel operations. The new operator operates 94 hotels nationwide as of the end of December 2020 under Comfort HOTEL, Comfort INN and Comfort SUITES, as well as their original brands such as Hotel Econo.	

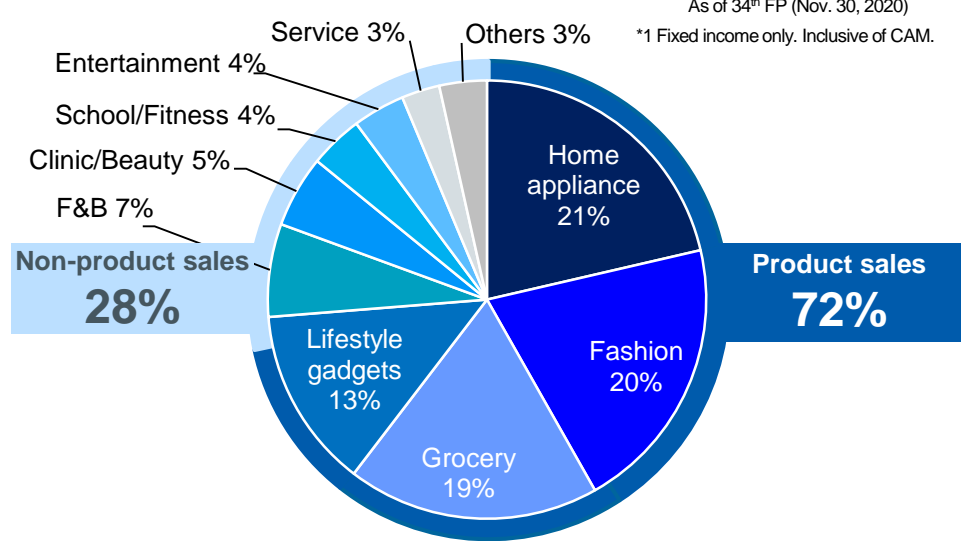
Hotel Guests*2 (2019)



Endeavor to stimulate domestic accommodation demand until restrictions on entry for foreigners visiting Japan are lifted in earnest.

*2 Data is sourced based on the interviews to hotel operators.
Samples: 5,876 rooms in 19 hotels

Tenant Mix (Fixed rent based)



No. of tenants 319

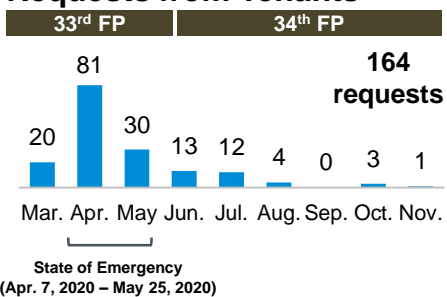
Monthly rent*1 ¥1 billion

As of 34th FP (Nov. 30, 2020)

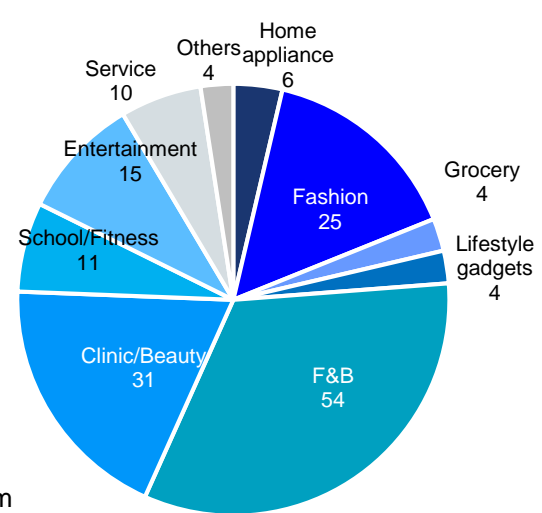
*1 Fixed income only. Inclusive of CAM.

Response to Requests from Tenants Affected by COVID-19

Requests from Tenants



By Industry (Figures represent the number of requests.)



United Urban's Response to Requests

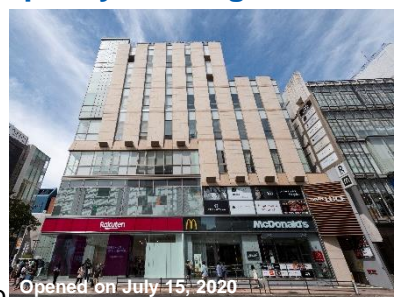
Eyeing United Urban's stable revenues for mid- to long term, it responded to each tenant by examining requests from tenants and their business/financial conditions based on its primary policy to support continued tenancy.

Initiatives for Stable Management Speedy Leasing That Addresses Change

TENJIN LUCE

Increase rental revenues for entire building; Finish re-tenancy

- Strategic renewal work upon re-tenancy
 - Enable multi-tenancy through changes to the line of flow and partitioning
 - Increase rentable area
- Attract multiple tenants with a high ability to attract customers



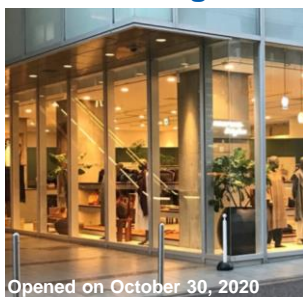
Opened on July 15, 2020

Rakuten Mobile

- Largest in Kyushu
- Most models on display in-store in Japan

McDonalds

- Delivery service available
- McCafe by Barista installed



Opened on October 30, 2020

Jurgen Lehl

- Luxury apparel brand created in Japan
- First store with full lineups in regional cities

KURURU

Boost rental revenues of the entire building with the help of other tenants' ability to draw customers

- Upon a tenant moveout, re-tenancy targets tenants to meet heightened needs to consume services among customers.
- Achieved higher-than-anticipated sales due to popularity.

Holds the Guinness World Record for most claw crane machines at a single venue

Taito Station Fuchu KURURU (B1F)

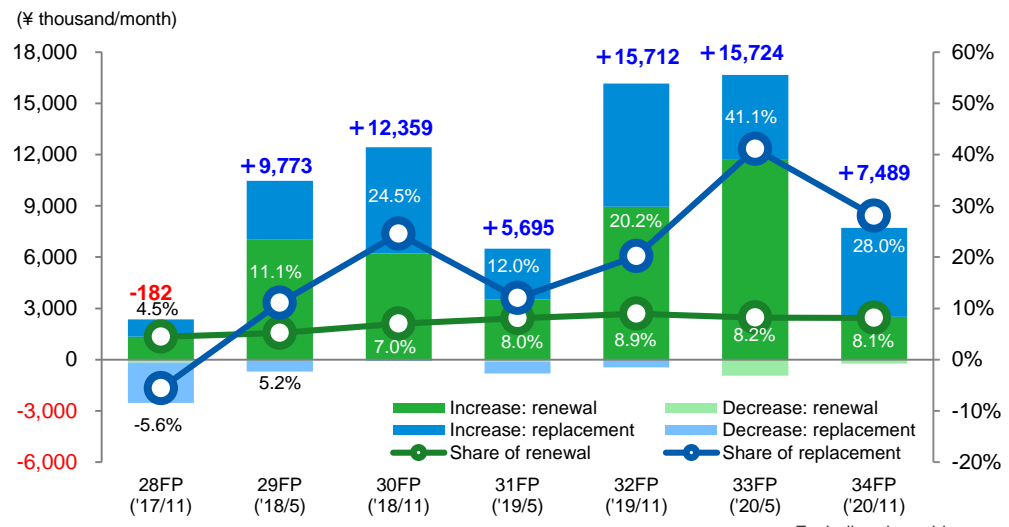


Opened on August 29, 2020



Rent Increase/Decrease

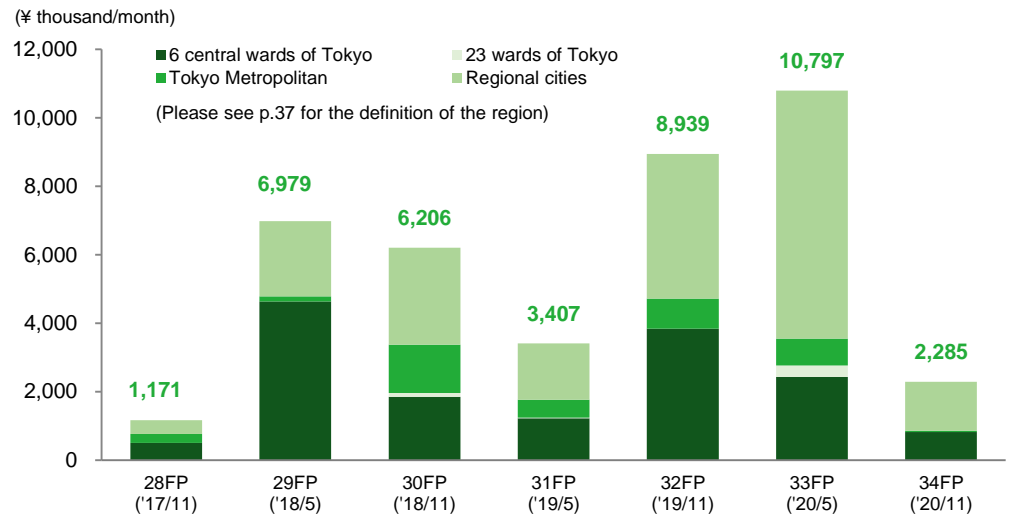
Impact from rent renewal/tenant replacement



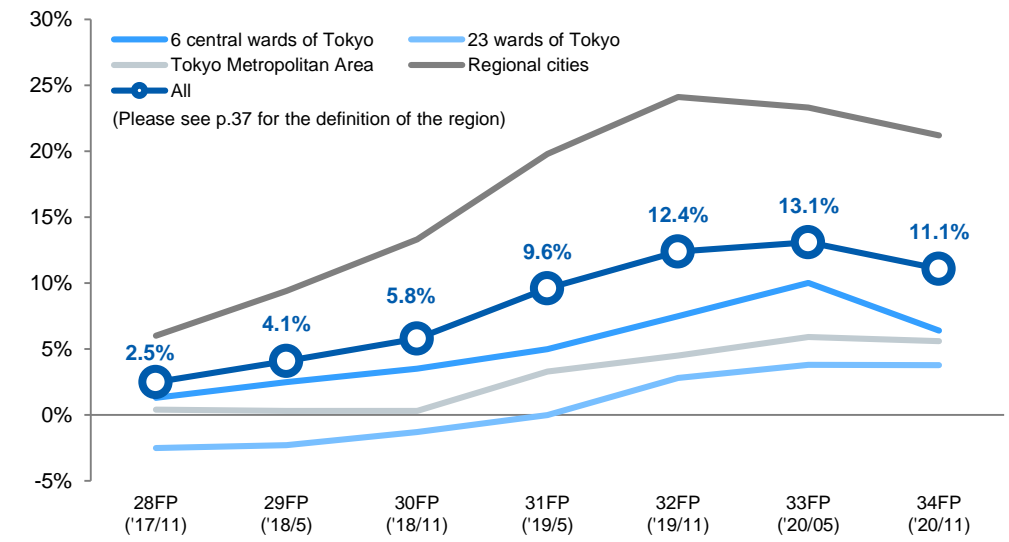
Excluding the sold Nishi-Shimbashi 1-chome Building

Rent Increase/Decrease by Area

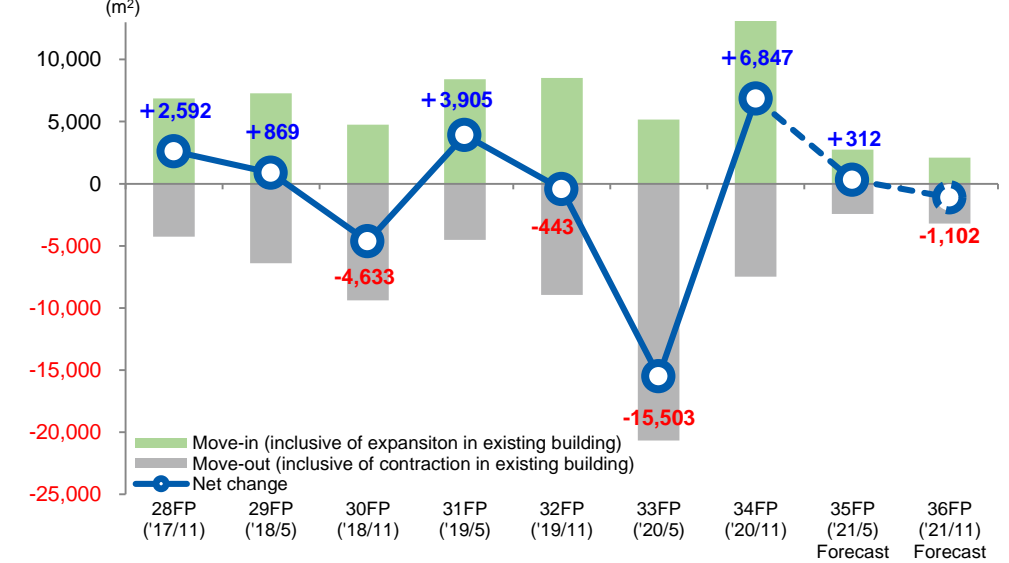
Impact from rent renewal



Rent Gap



Move-in vs Move-out



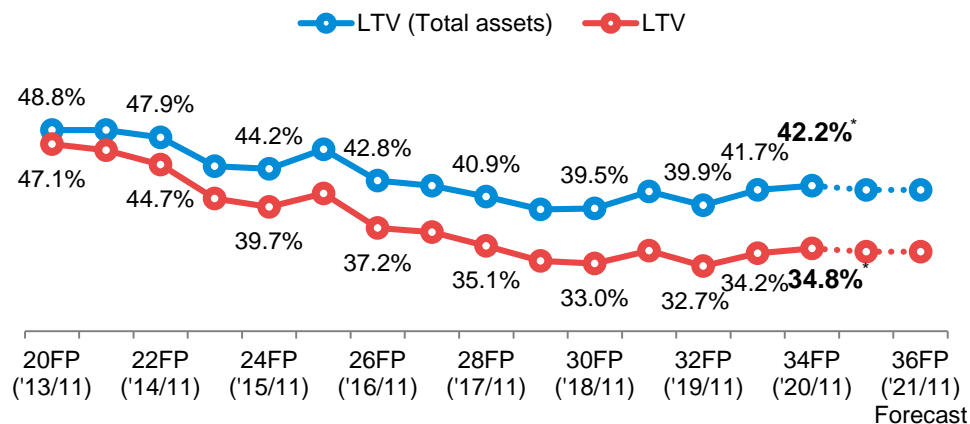
Note: Data surveyed in this slide are based on the activities of tenants in the properties categorized as "office buildings" in the portfolio.

3 Strategy & Implementation

3-3  Finance

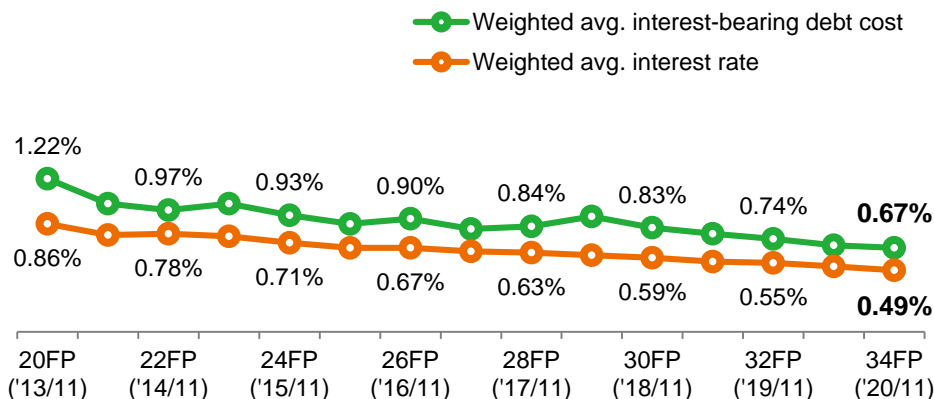
LTV and Interest-Bearing Debt Cost

■ LTV Performance at the End of Fiscal Period



*Each LTV figure in the 34th FP includes ¥4.6bn, a remainder of the twentieth corporate bond (¥8.0bn) issued in August 2020 that was allocated to a reimbursement of borrowings. Adjusted LTV figures after excluding the remainder are 41.8% for LTV (Total assets) and 34.5% for LTV respectively. The balance of the twentieth corporate bond is scheduled to appropriate for a reimbursement of borrowings due by the end of March 2021.

■ Interest-bearing Debt Cost & Weighted Average Interest Rate Performance*1~3



*1 Interest bearing debt cost is calculated by $(\text{interest expenses} + \text{financing related expenses}) / \text{outstanding balance of interest-bearing debt at the end of fiscal period} / \text{number of operating days} \times 365$.

*2 Weighted average interest rate on all the interest-bearing debt at the end of each fiscal period. Does not include financing related cost, etc.

*3 The figure includes the lump-sum of bond issuance expenses of the bonds issued during the relevant fiscal period. The same applies to the figures from 20th, 22nd, 23rd, 29th and 31st.

■ Reduction of Interest-bearing Liabilities Cost

Financing in 34th FP

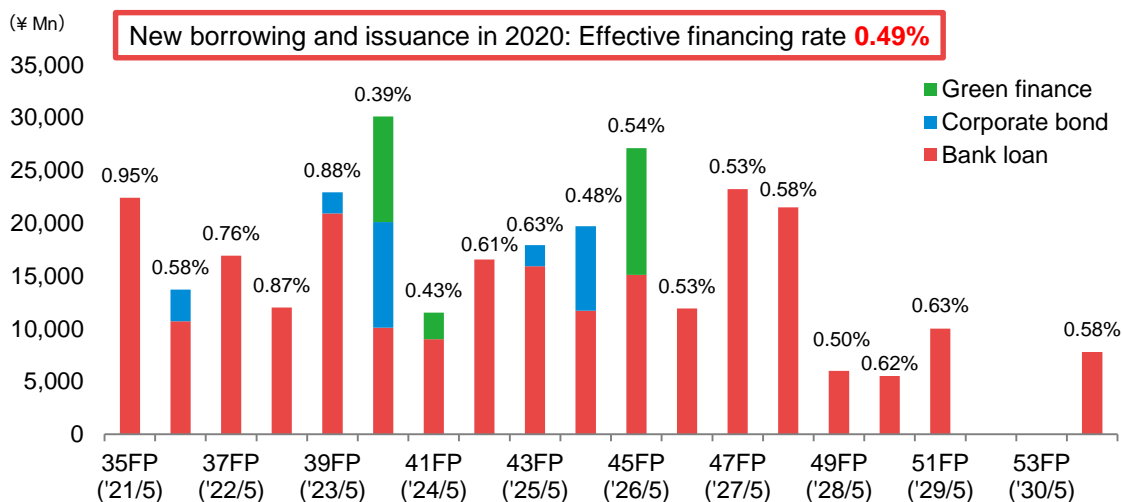
	Repayment in 34 th FP	Financing in 34 th FP
Loans and bonds*1	¥24.2 Bn	¥31.3 Bn
Interest rate (excluding financing related expenses)*1, 2	0.72%	0.38%
Interest-bearing debt cost (including fees)*1, 3	0.97%	0.50%
Averaged duration*1	6.9 years	6.9 years

*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.

■ Repayment & Redemption Schedule (as of January 15, 2021)*



* 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.

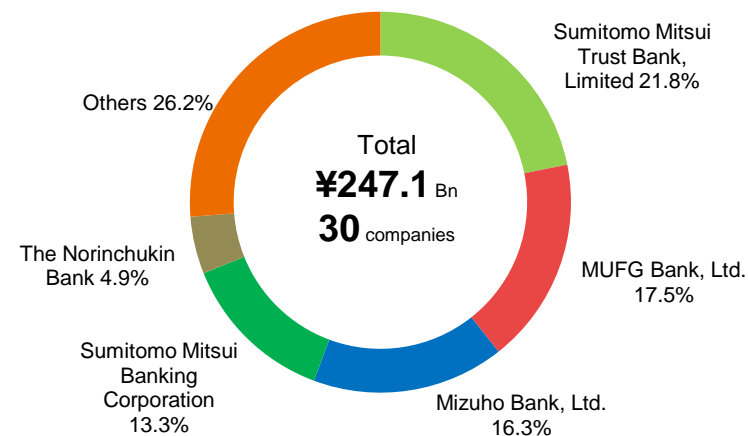
■ Financial Indices

	End of 33 rd FP (May 31, 2020)	End of 34 th FP (Nov. 30, 2020)	As of Jan. 15, 2021
Total interest bearing debt	¥289.5 Bn	¥296.6 Bn	¥296.6 Bn
Bank loans	¥248.0 Bn	¥247.1 Bn	¥247.1 Bn
Corporate bonds	¥17.0 Bn	¥25.0 Bn	¥25.0 Bn
Green finance	¥24.5 Bn	¥24.5 Bn	¥24.5 Bn
Collateral/Guarantee	Nil		
Weighted avg. duration of interest bearing debt	3.9 years	4.0 years	3.9 years
Weighted avg. interest rate of interest bearing debt	0.52%	0.49%	0.49%
Long term ratio of interest bearing debt	100% (Agreement base)		
Ratio of fixed interest rate debt	89.5%	89.5%	89.5%
Amount of commitment line	¥36.0 Bn		

■ Credit Rating

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

■ Lenders & Borrowing Amount (as of November 30, 2020)



■ Standing of Retained Earnings*

(¥ Mn)

	End of 33 rd FP (‘20/5)	34 th FP (‘20/11)		End of 34 th FP
		Reserved	Decreased	
Reserve for temporary difference adjustment	7,218	-	-77	7,140
Reserve retained for distribution	5,402	+1	-	5,404
Total amount of retained earnings	12,620	+1	-77	12,544

*Each end of fiscal period amount shows amount after increasing or decreasing of reserve retained for distribution and reserve for reduction entry based on “Statements of Cash Distribution”.

Total amount of
retained earnings
¥12.5 Bn

As of end of 34th FP (November 2020)

Current policy

1. Promoting external growth through flexible fund procurement

Aim to mitigate dilution of DPU impacted by issuance of new units, conduct flexible fund procurement corresponding to the economic and financial markets and promote external growth.

2. Portfolio management over the long term

Aim to mitigate negative impact on dividends through utilization of retained earnings in such cases as when loss on sale of properties arises or when there are sudden decreases in revenue (due to major tenants' leaving, etc.) to build the optimum portfolio and perform asset management over the long term.

3. Coping with difference between accounting and taxation

Aim to avert the imposition of large amounts of corporate tax due to difference between accounting and taxation such as impairment loss by partially allocating retained earnings to cash distribution and mitigate the risk of decrease of cash distribution.

Addition to the current policy

Response to State of Emergency

In case that an unforeseen circumstance arises, and this is expected to give a significant impact on the United Urban's asset management, United Urban will clearly state its policy to utilize retained earnings in an effort to stabilize distributions.

3 Strategy & Implementation

3-4 ||| ESG Initiatives

Actions on ESG Materiality

Among various ESG issues, United Urban has selected some to be addressed as a real estate investment trust based on the concept of **SDGs (Sustainable Development Goals)**. Major ESG initiatives on which United Urban places a high priority have been specified as **"Materiality"**. The action plan and target for each item under Materiality are monitored annually and reviewed accordingly.

Materiality (2020) & related SDGs

2020	Materiality	Achievement	Result
Environment	Energy consumption/management, Use of renewable energy	Cut GHG* emissions by 40% by 2030 compared to 2014. 2019 results: 15.8% *Green House Gases	3
	Green certified buildings	•Acquire external certification such as GRESB (see right side). •Environmental certification coverage ratio <div>December 31, 2019 December 31, 2020</div> <div># of properties 54 63</div> <div>Total floor space basis 58% 62%</div>	3
	Tenant/Property manager engagement	Incorporate green lease clauses in 100% of contracts by 2030. (Including buildings that are wholly leased, excluding residences) <div>November 30, 2019 November 30, 2020</div> <div>40% 58%</div>	3
	Employee job satisfaction/wellness	•Ensure business continuity during life with COVID-19 by developing remote working systems. •Conduct employee satisfaction surveys.	3
Society	Contribution to local community/government	Accept COVID-19 patients with mild and no symptoms as well as medical personnel, etc., at hotels owned by United Urban as an accommodation and care facility.	3
	Contribution to the real estate industry	Participate in multiple online seminars for individual investors.	2
Governance	Disclosure and assurance	Implement a construction management system to expand AM functions.	3
	Disclosure for investors	•Prepare and publish ESG reports. •Timely disclosure of operating conditions on the website.	3
	Whistleblower protection	Compliance training for all employees.	3

Global Initiatives

PRI
JRA became a signatory member to PRI in November 2018.

External Recognition

The **"Green Star"** rating, the **highest status**, was granted to United Urban in 2020 for **six years running**. The star-rating was upgraded to the **"Three-star"**. Also, the **"A"** rating, the **highest rating** for public disclosure level assessment, was granted for the **third consecutive year**.

Disclosure Policy

ESG information has been disclosed based on **GRI Standard** as well as the real estate standard in **SASB**.

GRI: Global Reporting Initiative
SASB: Sustainability Accounting Standard Board

SASB report is attached in the ESG Report (right image) that United Urban creates since 2018.

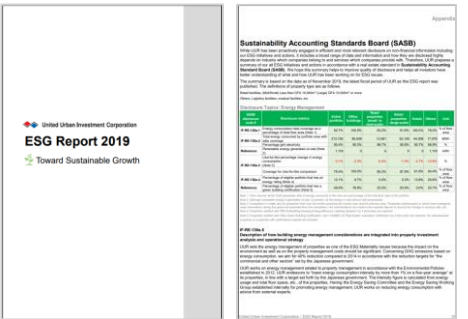
Signatory of:



GRESB
Real estate
assessment



GRESB
Public disclosure
level assessment



Contribution to Environment

Environmental Certification Coverage



Note: Denominator for the above percentage figures is the total number of properties in United Urban's portfolio excluding land properties. ARENA TOWER and LOOP-X・M acquired several certifications, but they are counted as one property when calculating the certification coverage ratio based on the number of properties.

Number of Properties that Acquired Environmental Certification

DBJ Green Building	13	CASBEE	27	BELS	25
★★★★	1	★★★★★	8	★★★★★	3
★★★	8	★★★★	19	★★★★	2
★★	3			★★★	11
★	1			★★	9

Contribution to Easing Climate Change

Reduction of GHG Emission

Switch to clean energy	Green lease
Energy conservation diagnosis	Adoption to highly efficient equipment*1

*1 Switch to LED lighting and renew A/C

	TENJIN LUCE	Tenjin Loft Building
Energy source*2	Water/Geothermal	Water
Energy category	Saiene ECO Plan*3 (RE100)	RE100
Supplier	Kyushu Electric Power, Co. Inc.	Marubeni Power Retail Corporation
Service to start	Apr. 1, 2020	Oct. 1, 2020
Clean energy coverage*4	100%	100%

*2 Subject to change; most appropriate clean energy to be selected.

*3 One of the service plans provided for corporates by Kyushu Electric Power, Co. Inc.

*4 Percentage of clean energy used out of total energy used in the subject properties.



What is RE100?

RE100 is the global corporate renewable energy initiative bringing together hundreds of large and ambitious businesses committed to 100% renewable electricity. Electricity is required to be produced from renewable sources. These can include biomass (including biogas), geothermal, solar, water, and/or wind

Initiatives to Prevent the Spread of COVID-19

Received patients with mild or no symptoms for medical treatment as well as medical personnel

In response to requests from local governments to help prevent the collapse of the medical care system caused by the spread of COVID-19, hotels owned by United Urban have been used as a lodging facility for medical treatment for the COVID-19 patients with mild or no symptoms who need medical treatment as well as medical personnel.



Hotel staff participating in the infection prevention training by experts in preparation for the acceptance of patients who need medical treatment



Guideline for Preventing Infection Spread

Implement measures to prevent the infection spread at each of United Urban's properties based on the guidelines recommended by national and local governments

Loisir Hotel & Spa Tower Naha



Okinawa Prefecture declares measures to prevent the spread of infection



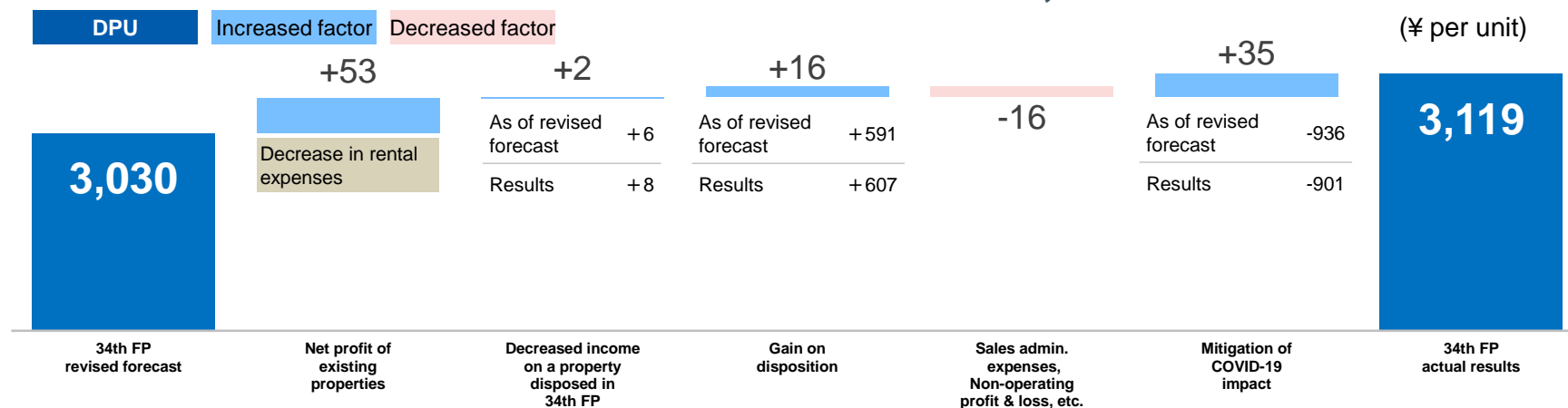
Thermal cameras at receptions to check the health condition of guests



Sponsor support

4 Appendix

Comparison with the revised forecast dated November 5, 2020



(¥ Mn)

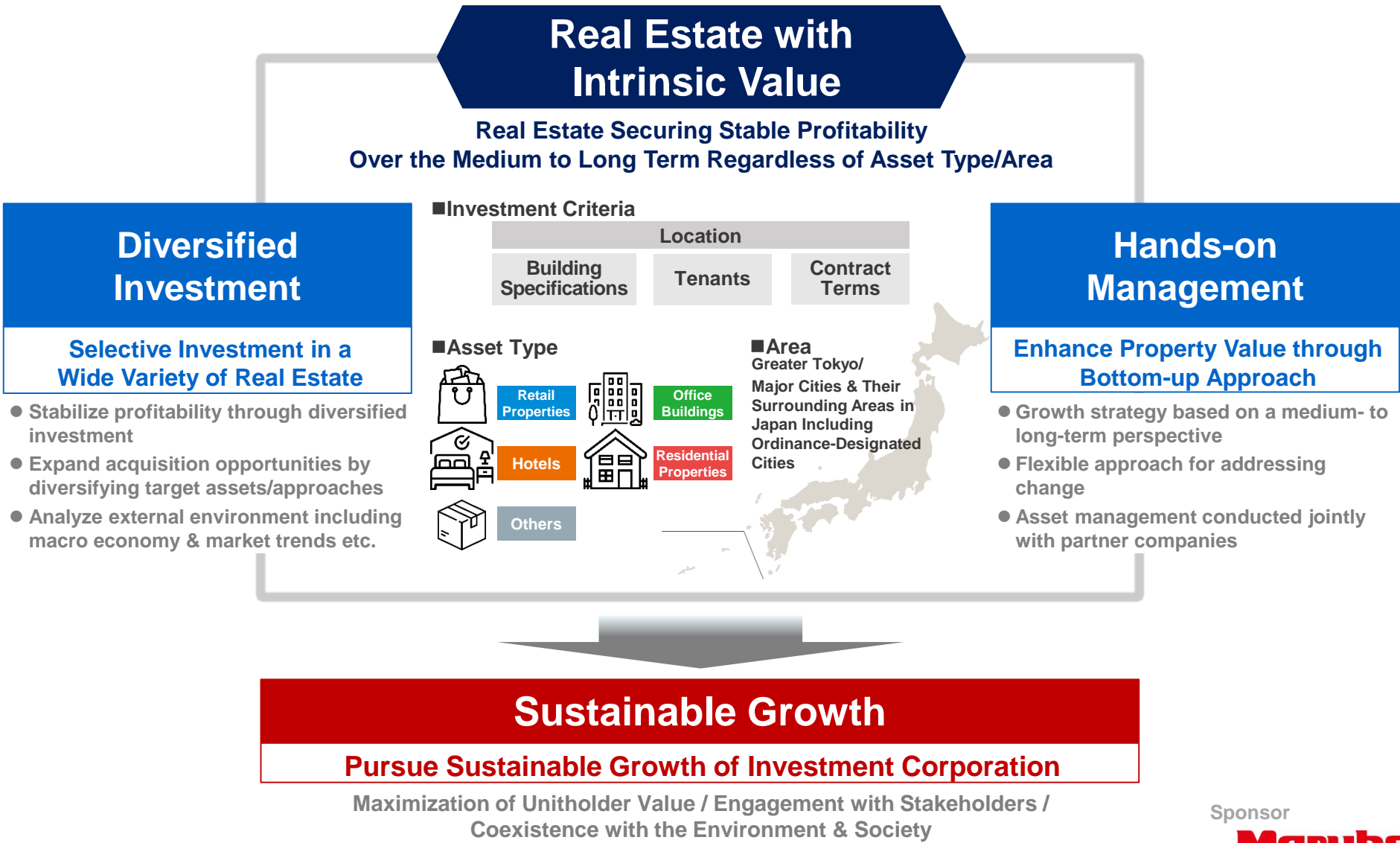
No	Item	34th FP (Results) A	34th FP (Forecast) B*	Change A-B
1	Operating Revenues	23,945	23,835	+110
2	Operating revenues from rental revenues	22,051	21,992	+59
3	Rental revenues	20,300	20,149	+151
4	Other rental revenues	1,751	1,843	-91
5	Gain on sale of properties	1,893	1,843	+51
6	Operating Expenses	13,300	13,458	-158
7	Rental expenses	10,959	11,179	-219
8	Sales admin. expenses	2,340	2,279	+62
9	Operating Income	10,644	10,377	+268
10	Profit from rental activities	11,092	10,813	+279
11	NOI	(15,192)	(14,910)	(+283)
12	Non-operating Revenues	12	16	-3
13	Non-operating Expenses	1,006	1,021	-14
14	Ordinary Income	9,650	9,372	+279
15	Net Income	9,650	9,371	+279
16	EPU (yen/unit)	(3,094)	(3,005)	(+89)
17	Reserve for temporary difference adjustment	77	77	—
18	Voluntary retained earnings	-1	—	-1
19	Total Cash Distributions	9,726	9,448	+277
20	DPU (yen/unit)	3,119	3,030	+89
21	No. of investment units outstanding (unit)	3,118,337	3,118,337	—
22	CAPEX	1,339	1,350	-10

34th FP (Forecast) vs 34th FP (Results) (A-B) (¥ Mn)

■ Operating Revenues	+110
Response to COVID-19	+108
• Impact of rent reductions (amount already agreed with tenants)	+143
• Accounting estimates (assuming possible rent reductions)	-35
(Forecast -1,038 -> Actual -1,072)	
Revenue increase from newly acquired properties, etc.	+3
• Gain on disposition in the 34th FP	+51
• Decrease in incidental revenues	-123
(decline in amount of usage, etc. due to COVID-19)	
• Other (rent increases, etc.)	+75
■ Operating Expenses	+158
• Decrease in utility costs (decline in amount of usage, etc. due to COVID-19)	+141
• Decrease in other rental expenses (leasing fees, etc.)	+114
• Other (sales admin. expenses, etc.)	-98

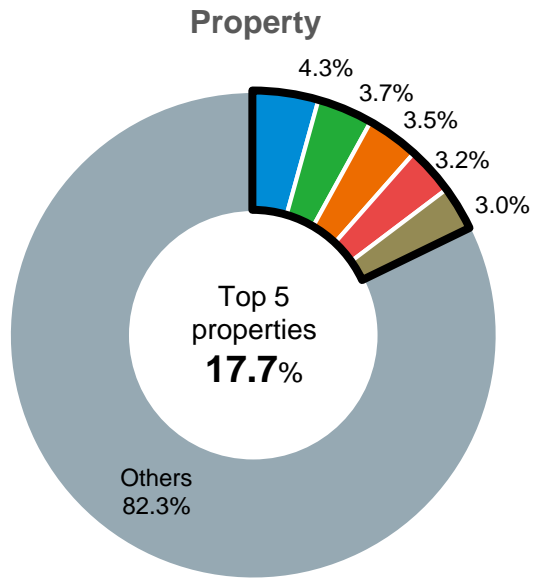
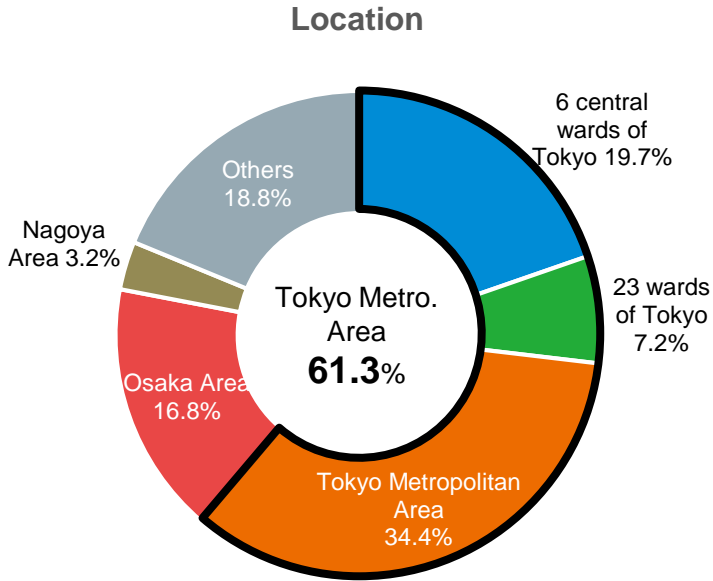
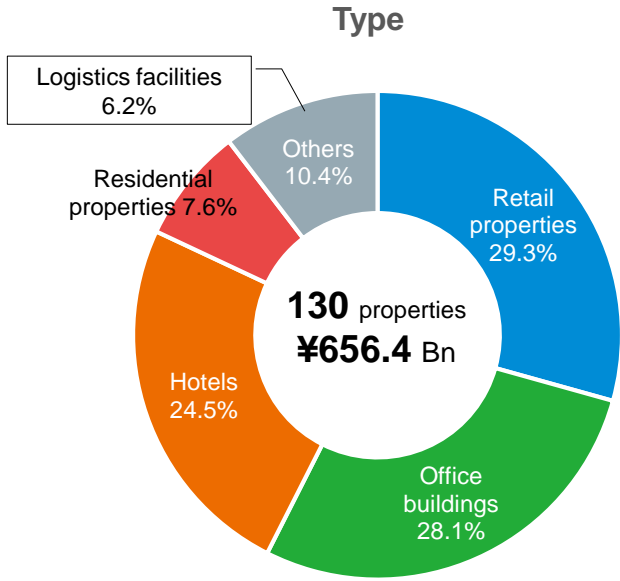
*As of November 5, 2020.

A J-REIT Pursuing **Sustainable Growth** by Identifying Real Estate with Intrinsic Value

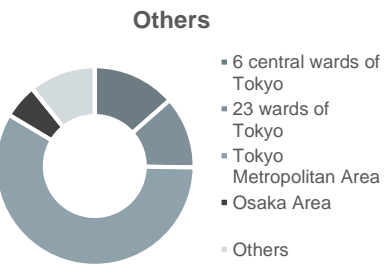
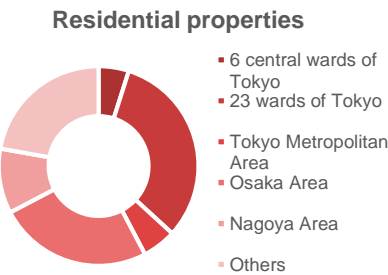
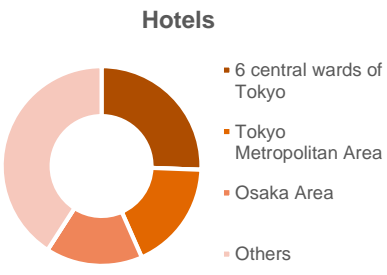
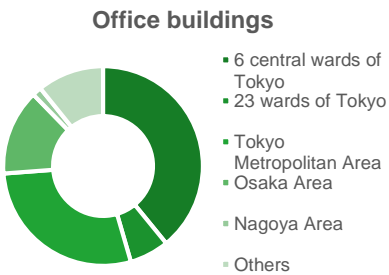
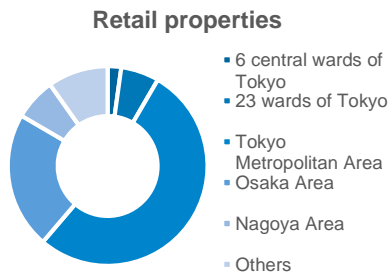


Portfolio Summary

As of November 30, 2020



- Yodobashi Camera Multimedia Kichijoji
- Shin-osaka Central Tower
- Shinsaibashi OPA Honkan
- Shinjuku Washington Hotel Honkan
- Loisir Hotel & Spa Tower Naha



6 central wards of Tokyo : Chiyoda-ku, Minato-ku, Chuo-ku, Shinjuku-ku, Shibuya-ku, and Shinagawa-ku

23 wards of Tokyo : 23 wards of Tokyo except for 6 central wards of Tokyo

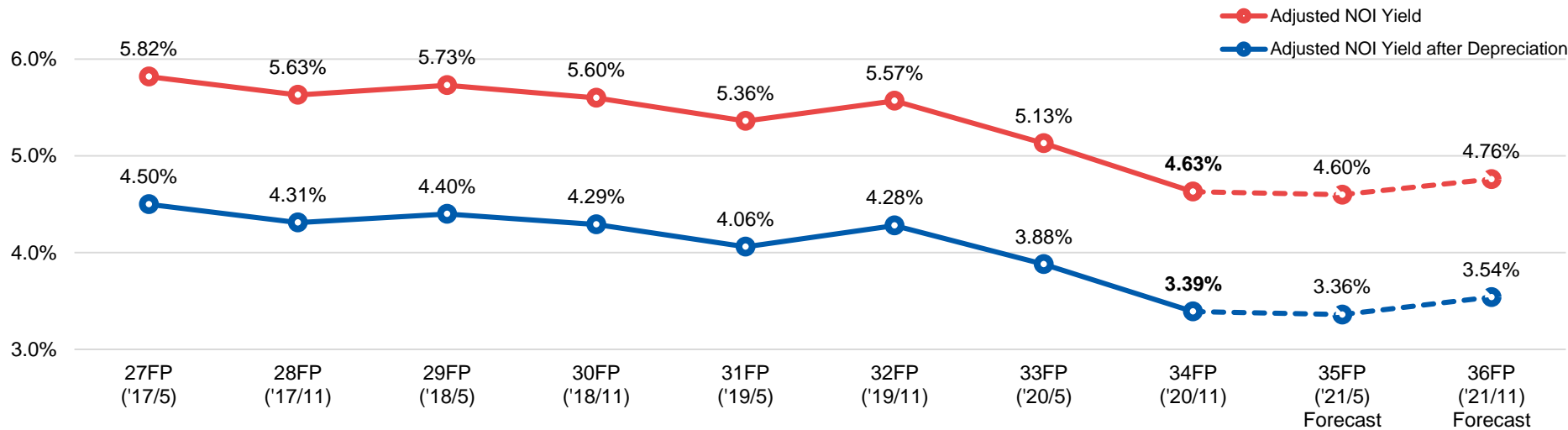
Tokyo Metropolitan Area : Tokyo Metropolitan Area except for 23 wards of Tokyo, and refers to Tokyo as well as Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi prefectures

Osaka Area : Osaka, Kyoto and Hyogo prefectures

Nagoya Area : Aichi, Mie and Gifu prefectures

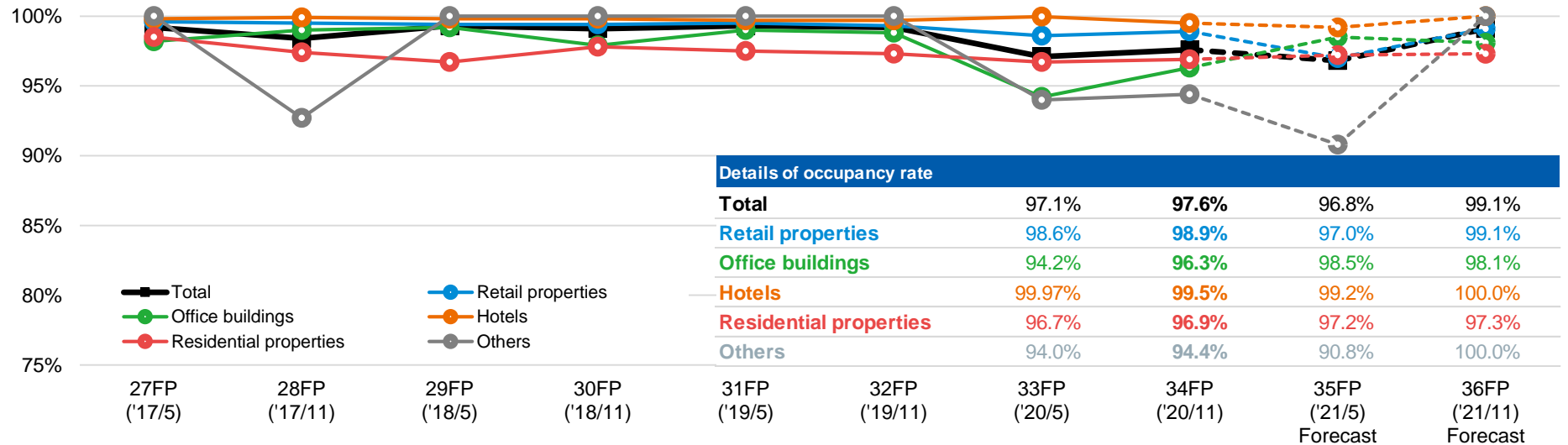
Others : Excluding Tokyo Metropolitan Area, Osaka Area or Nagoya Area

Change in Portfolio Yield*



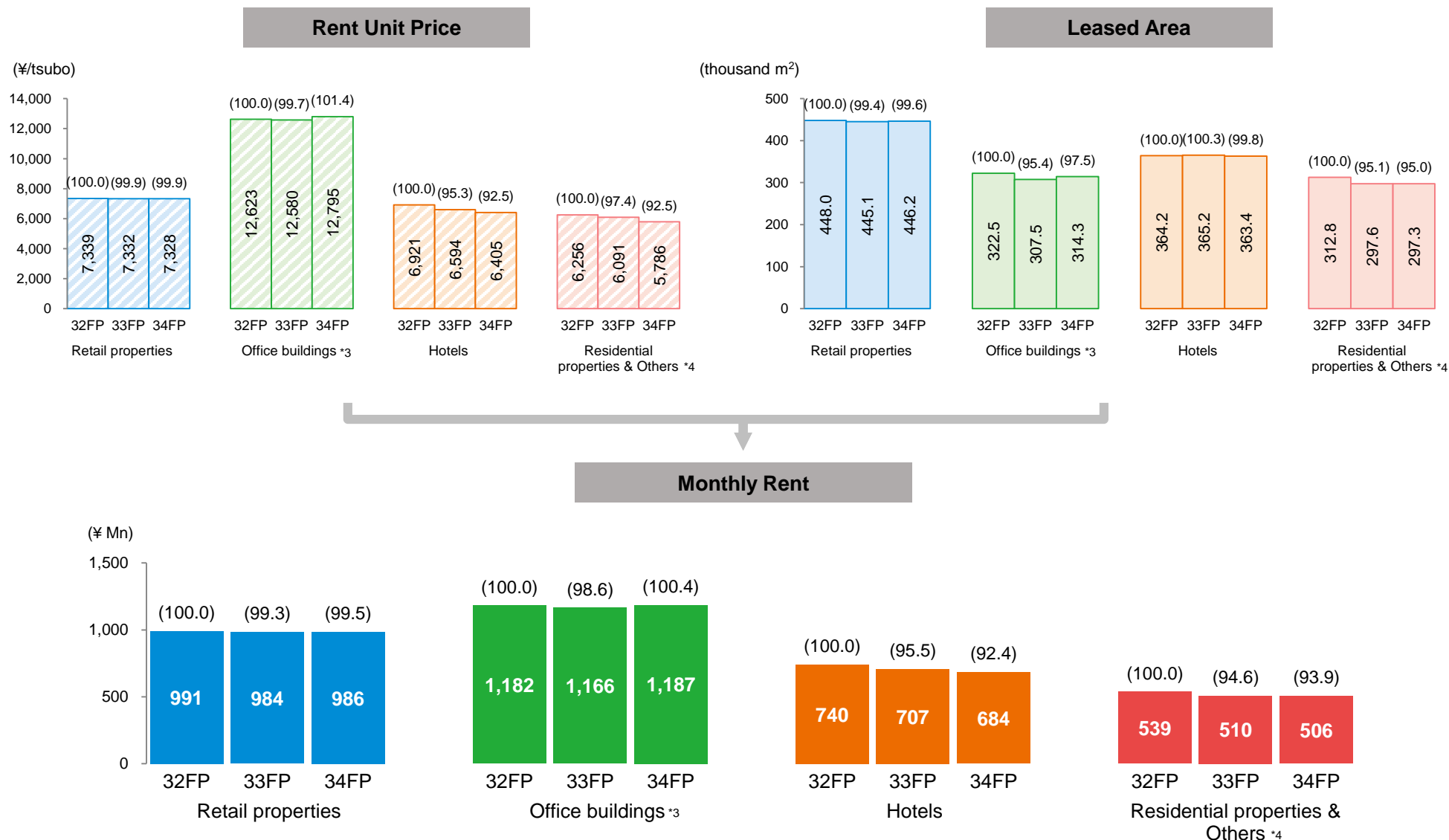
* Yield of the properties held at the end of the period are weighted average by acquisition price.

Change in Portfolio Occupancy Rate (End of Fiscal Period)



Change in Rent at Existing Properties

■ Change in Monthly Rent (Based on Lease Contracts) at Existing Properties*1~2 (The figures with parentheses show the index numbers, the end of 32nd FP (November 2019) are defined as 100)



*1 "Existing Properties" refers to the 121 properties which have been owned by United Urban for one year or more as at the end of November 2020.

*2 This analysis shows the trend of fixed rent only. Therefore, variable rent, based on sales volume, etc. is excluded from this analysis.

*3 Figures for Nishi-Shimbashi 1-chome Building where its 50% quasi co-ownership (equivalent to 25% co-ownership) was sold in the 34th FP are adjusted in line with the remainder of the ownership.

*4 Figures for Logistics Higashi-Ohgishima where its 49% quasi co-ownership was additionally acquired in the 33rd FP are adjusted to those for 51% quasi co-ownership.

(millions of yen, unless otherwise indicated)

		FP 2020/11 (34th FP: 183 days)	FP 2020/5 (33rd FP: 183 days)	FP 2019/11 (32nd FP: 183 days)	FP 2019/5 (31st FP: 182 days)	FP 2018/11 (30th FP: 183 days)
Total assets		701,982	694,089	678,208	680,901	651,242
Number of properties	(properties)	130	129	122	120	119
Interest-bearing liabilities		296,633	289,533	270,777	282,884	257,384
Net asset		365,666	366,863	367,970	357,789	356,029
Net asset per unit	(yen)	117,263	117,647	118,002	117,112	116,536
Return on Assets (ROA) (annualized)	(%)	2.8%	2.8%	3.1%	3.7%	3.6%
Return on Equity (ROE) (annualized)	(%)	5.3%	5.2%	5.8%	7.0%	6.6%
Equity ratio	(%)	52.1%	52.9%	54.3%	52.5%	54.7%
Debt service coverage ratio ^{*1}	(X)	14.9	14.8	15.6	16.9	15.9
NOI		15,192	16,880	17,933	16,759	17,253
FFO ^{*2}		11,859	13,634	14,676	13,462	13,974

		FP 2018/5 (29th FP: 182 days)	FP 2017/11 (28th FP: 183 days)	FP 2017/5 (27th FP: 182 days)	FP 2016/11 (26th FP: 183 days)	FP 2016/5 (25th FP: 183 days)
Total assets		648,503	663,531	675,885	648,105	629,262
Number of properties	(properties)	116	116	123	119	118
Interest-bearing liabilities		255,884	271,607	285,857	277,407	293,157
Net asset		355,017	353,258	351,801	333,592	298,009
Net asset per unit	(yen)	116,205	115,629	115,152	112,966	108,313
Return on Assets (ROA) (annualized)	(%)	3.7%	3.4%	3.1%	2.9%	3.0%
Return on Equity (ROE) (annualized)	(%)	6.8%	6.4%	6.0%	5.9%	6.1%
Equity ratio	(%)	54.7%	53.2%	52.1%	51.5%	47.4%
Debt service coverage ratio ^{*1}	(X)	15.8	14.5	13.2	11.6	11.1
NOI		18,051	17,514	17,528	15,679	15,420
FFO ^{*2}		14,773	14,144	14,213	11,870	11,939

*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 Sheet

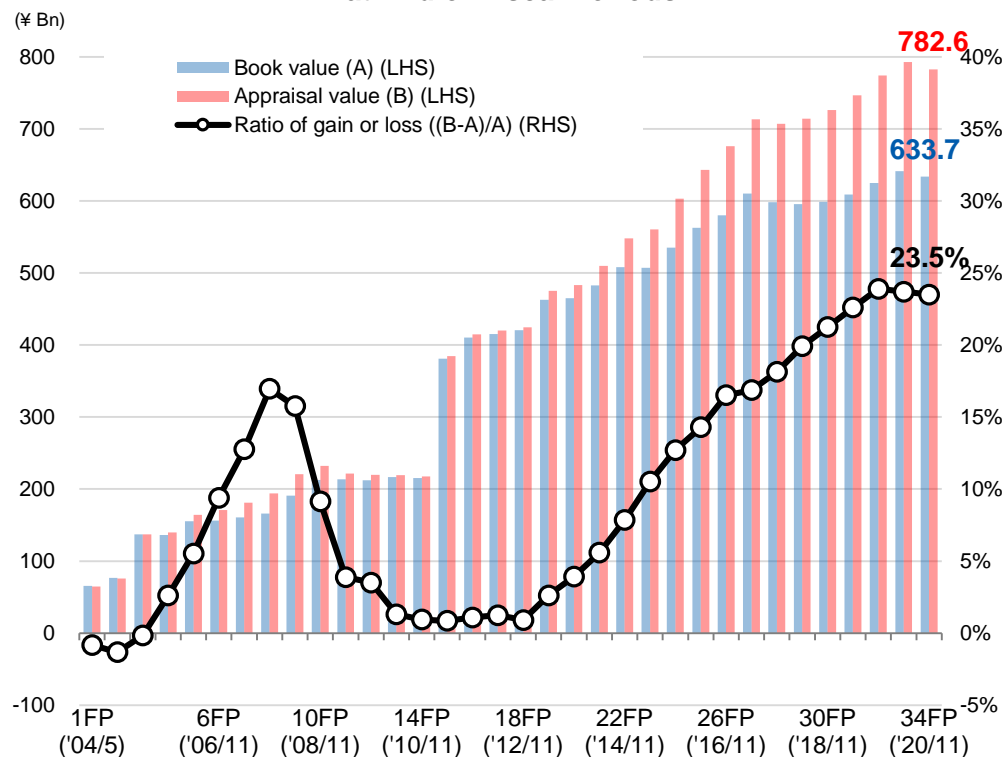
		End of 33rd Fiscal Period (May 31, 2020)		End of 34th Fiscal Period (November 30, 2020)		Change	
		(JPY Mn)	percentage	(JPY Mn)	percentage	(JPY Mn)	ratio
ASSETS	Current Assets	51,117	7.4%	66,320	9.4%	+15,204	+ 29.7%
	Cash and bank deposits	49,612	7.1%	65,483	9.3%	+15,871	+ 32.0%
	Rent receivables	609	0.1%	569	0.1%	-40	-6.6%
	Other	895	0.1%	267	0.0%	-627	-70.1%
	Fixed Assets	642,972	92.6%	635,621	90.5%	-7,351	-1.1%
	Property and equipment	631,784	91.0%	624,424	89.0%	-7,360	-1.2%
	Land	428,603	61.8%	423,617	60.3%	-4,986	-1.2%
	Buildings and structures	269,145	38.8%	270,295	38.5%	+1,150	+ 0.4%
	Machinery and equipment	3,067	0.4%	3,100	0.4%	+34	+ 1.1%
	Tools, furniture and fixtures	1,516	0.2%	1,604	0.2%	+88	+ 5.8%
	Construction in progress	119	0.0%	190	0.0%	+71	+ 58.9%
	Subtotal	702,452	101.2%	698,809	99.5%	-3,643	-0.5%
	Less accumulated depreciation	-70,668	-10.2%	-74,385	-10.6%	-3,717	+ 5.3%
	Intangible assets	9,474	1.4%	9,467	1.3%	-7	-0.1%
	Software	9	0.0%	8	0.0%	-0	-5.1%
	Leasehold	9,320	1.3%	9,320	1.3%	-	+ 0.0%
	Other	144	0.0%	137	0.0%	-7	-4.6%
	Investments and other assets	1,714	0.2%	1,730	0.2%	+16	+ 0.9%
	Long-term prepaid expenses	1,624	0.2%	1,640	0.2%	+16	+ 1.0%
	Other	89	0.0%	89	0.0%	-	+ 0.0%
	Deferred assets	-	-	39	0.0%	+40	-
	Investment corporation bond issuance costs	-	-	39	0.0%	+40	-
TOTAL ASSETS		694,089	100.0%	701,982	100.0%	+7,893	+ 1.1%
LIABILITIES	Current Liabilities	56,286	8.1%	47,838	6.8%	-8,448	-15.0%
	Trade accounts payable	1,638	0.2%	2,445	0.3%	+807	+ 49.2%
	Current portion of corporate bonds	-	-	3,000	0.4%	+3,000	-
	Long-term debt due for repayment within one year	49,933	7.2%	36,400	5.2%	-13,533	-27.1%
	Rent received in advance	3,393	0.5%	3,526	0.5%	+133	+ 3.9%
	Other	1,321	0.2%	2,467	0.4%	+1,145	+ 86.7%
	Long-term Liabilities	270,939	39.0%	288,477	41.1%	+17,538	+ 6.5%
	Corporate bonds	27,000	3.9%	32,000	4.6%	+5,000	+ 18.5%
	Long-term debt	212,600	30.6%	225,233	32.1%	+12,633	+ 5.9%
	Leasehold and security deposits received	31,247	4.5%	31,118	4.4%	-129	-0.4%
	Other	92	0.0%	126	0.0%	+34	+ 36.2%
TOTAL LIABILITIES		327,226	47.1%	336,316	47.9%	+9,090	+ 2.8%
NET ASSETS	Unitholders' Equity	366,962	52.9%	365,792	52.1%	-1,170	-0.3%
	Unitholders' capital	319,973	46.1%	319,973	45.6%	-	+ 0.0%
	Capital surplus	23,548	3.4%	23,548	3.4%	-	+ 0.0%
	Reserve for temporary difference adjustment	7,295	1.1%	7,218	1.0%	-78	-1.1%
	Reserve retained for distribution	3,207	0.5%	5,402	0.8%	+2,195	+ 68.4%
	Reserve for reduction entry	3,305	0.5%	-	-	-3,305	-
	Unappropriated retained earnings	9,633	1.4%	9,650	1.4%	+17	+ 0.2%
	Deferred gains or losses on hedges	-99	-0.0%	-126	-0.0%	-27	+ 26.6%
TOTAL NET ASSETS		366,863	52.9%	365,666	52.1%	-1,197	▲0.3%

Income Statement

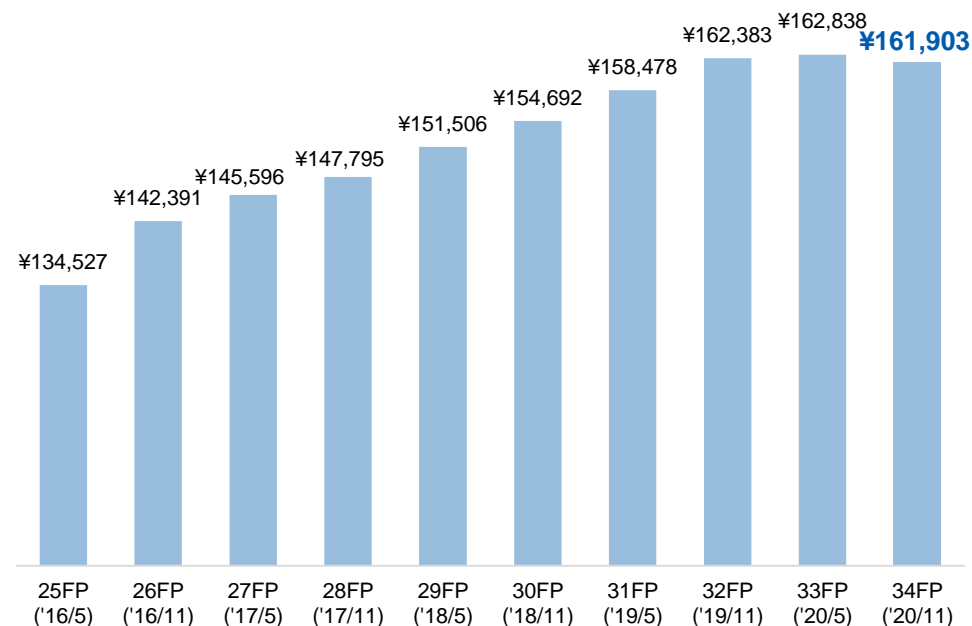
	33rd Fiscal Period (December 1, 2019-May 31, 2020)		34th Fiscal Period (June 1, 2020-November 30, 2020)		Change	
	(JPY Mn)	percentage	(JPY Mn)	percentage	(JPY Mn)	ratio
OPERATING REVENUES	23,565	100.0%	23,945	100.0%	+380	+ 1.6%
Rental revenues	21,432	90.9%	20,300	84.8%	-1,132	-5.3%
Other rental revenues	1,959	8.3%	1,751	7.3%	-208	-10.6%
Gain on sales of real estate properties	173	0.7%	1,893	7.9%	+1,720	+ 992.1%
OPERATING EXPENSES	12,942	54.9%	13,300	55.5%	+358	+ 2.8%
Property-related expenses	10,686	45.3%	10,959	45.8%	+274	+ 2.6%
Property and other taxes	2,102	8.9%	2,134	8.9%	+32	+ 1.5%
Property management fees	1,778	7.5%	1,726	7.2%	-52	-2.9%
Utilities	1,242	5.3%	1,303	5.4%	+61	+ 4.9%
Casualty insurance	24	0.1%	24	0.1%	-0	-0.2%
Repairs and maintenances	978	4.2%	1,227	5.1%	+250	+ 25.5%
Depreciation and amortization	4,174	17.7%	4,100	17.1%	-74	-1.8%
Other	385	1.6%	442	1.8%	+56	+ 14.6%
Selling, General & Admin. expenses	2,256	9.6%	2,340	9.8%	+84	+ 3.7%
Asset management fees	1,954	8.3%	1,989	8.3%	+35	+ 1.8%
Asset custodian fees	18	0.1%	18	0.1%	+0	+ 1.8%
Administrative service fees	65	0.3%	68	0.3%	+3	+ 4.5%
Directors' compensation	10	0.0%	10	0.0%	-	+ 0.0%
Other	208	0.9%	254	1.1%	+46	+ 21.9%
OPERATING INCOME	10,622	45.1%	10,644	44.5%	+23	+ 0.2%
NON-OPERATING REVENUES	43	0.2%	12	0.1%	-30	-70.3%
NON-OPERATING EXPENSES	1,031	4.4%	1,006	4.2%	-25	-2.4%
Interest expense	950	4.0%	930	3.9%	-19	-2.0%
Interest expense on corporate bonds	52	0.2%	58	0.2%	+6	+ 11.5%
Other	28	0.1%	16	0.1%	-11	-40.4%
ORDINARY INCOME	9,633	40.9%	9,650	40.3%	+17	+ 0.2%
INCOME BEFORE INCOME TAXES	9,633	40.9%	9,650	40.3%	+17	+ 0.2%
INCOME TAXES	0	0.0%	0	0.0%	-	+ 0.0%
Current	0	0.0%	0	0.0%	-	+ 0.0%
NET INCOME	9,633	40.9%	9,650	40.3%	+17	+ 0.2%

Change in Unrealized Gain or Loss / NAV per unit

Change in Book Value and Appraisal Value
at End of Fiscal Periods



Trend of NAV per unit



	End of 33rd FP Total	End of 34th FP						Change
		Total	Retail properties	Office buildings	Hotels	Residential properties	Others	
Number of properties	129 properties	130 properties	35 properties	34 properties	20 properties	24 properties	17 properties	+1 property
Book value (A)	¥641.1 Bn	¥633.7 Bn	¥188.7 Bn	¥188.6 Bn	¥144.6 Bn	¥44.3 Bn	¥67.4 Bn	- ¥7.3 Bn
Appraisal value (B)	¥792.8 Bn	¥782.6 Bn	¥218.2 Bn	¥252.0 Bn	¥168.2 Bn	¥59.9 Bn	¥84.3 Bn	- ¥10.1 Bn
Unrealized capital gain	¥151.7 Bn	¥148.9 Bn	¥29.4 Bn	¥63.3 Bn	¥23.5 Bn	¥15.5 Bn	¥16.8 Bn	- ¥2.8 Bn
Ratio of gain or loss ((B-A)/A)	23.7%	23.5%	15.6%	33.6%	16.3%	35.2%	25.1%	-0.2%

Appraisal Value 1/3

(in millions of yen)

Type	No.	Property Name	Acquisition			33rd fiscal period (2020/5/31)				34th fiscal period (2020/11/30)				Comparison between 34th and 33rd FP				Appraisers
			Period	Date	Price	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 properties	A2	Joy Park Izumigaoka	1	03/12/22	6,770	4,993	4,780	5.3%	-213	4,952	4,290	5.1%	-662	-490	-10.3%	-0.2%	-448	JREI
	A4	Luz Funabashi	2	04/09/17	5,200	4,281	6,200	5.2%	+1,918	4,247	6,210	5.2%	+1,962	+10	+0.2%	±0%	+44	JREI
	A6	TENJIN LUCE	5	06/04/14	6,500	6,176	6,510	4.4%	+333	6,363	6,560	4.4%	+196	+50	+0.8%	±0%	-137	Nittochi
	A7	Kaden Sumairu-kan YAMADA Sakai Honten	5	06/04/28	3,210	2,690	3,930	5.0%	+1,239	2,675	3,960	4.9%	+1,284	+30	+0.8%	-0.1%	+44	JREI
	A8	Miyamae Shopping Center	7	07/02/19	5,312	4,922	5,340	4.7%	+417	4,887	5,340	4.7%	+452	±0	±0%	±0%	+34	JREI
	A9	KONAMI SPORTS CLUB Korigaoka	8	07/06/29	2,040	1,470	2,060	5.0%	+589	1,447	2,060	5.0%	+612	±0	±0%	±0%	+23	JREI
	A10	ACTIOLE Minami-ikebukuro	8	07/09/27	3,760	3,601	3,400	3.9%	-201	3,586	3,400	3.9%	-186	±0	±0%	±0%	+14	JREI
	A11	Tip's Machida Building	9	07/12/27	4,100	4,233	5,060	4.5%	+826	4,219	5,000	4.5%	+780	-60	-1.2%	±0%	-45	JREI
	A12	Daiei Takarazuka Nakayama	9	08/01/30	4,284	3,126	3,940	6.0%	+813	3,099	3,940	6.0%	+840	±0	±0%	±0%	+27	JREI
	A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	9	08/02/18	11,904	12,459	11,600	5.5%	-859	12,459	11,200	4.7%	-1,259	-400	-3.4%	-0.8%	-399	JREI
	A14	ACTIOLE Kannai	10	08/06/30	2,410	2,221	2,080	4.3%	-141	2,208	2,000	4.4%	-208	-80	-3.8%	+0.1%	-66	JREI
	A15	Shinsaibashi OPA Honkan	15	10/12/01	22,800	21,898	26,500	4.0%	+4,601	21,910	26,500	4.0%	+4,589	±0	±0%	±0%	-12	JREI
	A19	Albore Jingumae	15	10/12/01	1,580	1,547	2,390	3.3%	+842	1,543	2,390	3.3%	+846	±0	±0%	±0%	+3	JREI
	A20	Albore Sendai	15	10/12/01	2,590	2,332	3,600	4.3%	+1,267	2,319	3,580	4.3%	+1,260	-20	-0.6%	±0%	-6	JREI
	A21	Mallage Kashiwa	15	10/12/01	7,040	6,725	8,710	5.2%	+1,984	6,651	8,740	5.2%	+2,088	+30	+0.3%	±0%	+104	JREI
	A23	Ito-Yokado Owariasahi	15	10/12/01	4,840	3,962	4,880	6.6%	+917	3,920	4,880	6.6%	+959	±0	±0%	±0%	+41	JREI
	A24	Yokohama Kariba Shopping Center	15	10/12/01	2,500	2,104	2,140	4.9%	+35	2,081	2,140	4.9%	+58	±0	±0%	±0%	+22	JREI
	A25	Luz Jiyugaoka	16	11/06/15	5,090	4,831	5,930	3.7%	+1,098	4,799	5,930	3.7%	+1,130	±0	±0%	±0%	+31	JREI
	A26	ACTIOLE Ichikawa	16	11/06/15	3,350	2,869	4,050	4.4%	+1,180	2,834	4,050	4.4%	+1,215	±0	±0%	±0%	+35	JREI
	A27	Yokohama Aoba Shopping Center (Site)	16	11/10/31	2,600	2,740	3,300	4.5%	+559	2,740	3,300	4.5%	+559	±0	±0%	±0%	±0	JREI
	A28	Yamada Denki Tecc Land Aoba (Site)	17	12/05/18	2,150	2,270	2,840	4.5%	+569	2,270	2,840	4.5%	+569	±0	±0%	±0%	±0	JREI
	A29	Yodobashi Camera Multimedia Kichijoji	19	13/03/18	28,000	26,907	33,900	3.7%	+6,992	26,750	33,900	3.7%	+7,149	±0	±0%	±0%	+157	JREI
	A30	Kaden Sumairu-kan YAMADA Matsudo Honten	19	13/03/18	5,150	4,734	6,830	5.6%	+2,095	4,694	6,830	5.6%	+2,135	±0	±0%	±0%	+40	JREI
	A31	Tenjin Loft Building	20	13/11/29	4,350	4,598	6,110	4.3%	+1,511	4,631	6,110	4.3%	+1,478	±0	±0%	±0%	-32	JREI
	A32	Narumi Shopping Center (Site)	21	14/04/08	6,460	6,850	7,470	4.6%	+619	6,850	7,510	4.6%	+659	+40	+0.5%	±0%	+40	Tanizawa
	A33	Plussing Wave Enoshima	22	14/08/29	1,800	1,900	1,970	5.2%	+69	1,893	1,900	5.1%	+6	-70	-3.6%	-0.1%	-63	JREI
	A34	LIFE Nishikujo (Site)	23	15/03/02	1,760	1,842	2,090	4.2%	+247	1,842	2,080	4.2%	+237	-10	-0.5%	±0%	-10	Tanizawa
	A35	LIFE Tamatsukuri (Site)	23	15/03/02	1,880	1,967	2,190	4.1%	+222	1,967	2,190	4.1%	+222	±0	±0%	±0%	±0	Tanizawa
	A36	Granbell Ginza Building	24	15/06/30	2,621	2,692	3,050	3.4%	+357	2,686	3,050	3.4%	+363	±0	±0%	±0%	+5	JREI
	A37	UUR Tenjin Nishi-dori Building	24	15/07/15	5,500	5,660	5,980	3.9%	+319	5,654	5,830	4.0%	+175	-150	-2.5%	+0.1%	-143	JREI
	A38	Luz Shonan Tsujido	24	15/09/30	3,938	3,869	4,620	5.1%	+750	3,841	4,300	5.1%	+458	-320	-6.9%	±0%	-292	Tanizawa
	A39	ACTIOLE Ueno	25	15/12/04	3,000	3,176	2,810	3.4%	-366	3,182	2,780	3.4%	-402	-30	-1.1%	±0%	-36	Tanizawa
	A40	KURURU	26	16/09/01	9,285	9,456	9,420	4.4%	-36	9,454	9,420	4.4%	-34	±0	±0%	±0%	+2	Tanizawa
	A41	K's Denki Nagoya-kita	27	16/12/01	1,750	1,826	1,890	5.7%	+63	1,821	1,890	5.7%	+68	±0	±0%	±0%	+5	Tanizawa
	A42	Luz Musashikosugi	31	18/12/28	12,151	12,233	12,100	4.1%	-133	12,225	12,100	4.1%	-125	±0	±0%	±0%	+7	Tanizawa
Office buildings	B1	T&G Hamamatsucho Building	1	03/12/26	2,257	2,094	3,130	3.8%	+1,035	2,079	3,130	3.8%	+1,050	±0	±0%	±0%	+14	Tanizawa
	B3	Fukuoka Eartheon Building	1	03/12/26	2,080	1,542	3,100	5.1%	+1,557	1,524	3,110	5.1%	+1,585	+10	+0.3%	±0%	+28	JREI
	B4	Marumasu Kojimachi Building	1	04/03/29	2,350	2,396	2,790	3.2%	+393	2,390	2,790	3.2%	+399	±0	±0%	±0%	+6	JREI
	B5	Rokubancho K Building	1	04/03/30	2,150	2,241	3,780	3.7%	+1,538	2,230	3,780	3.7%	+1,549	±0	±0%	±0%	+10	JREI
	B6	Shin-Osaka Central Tower	3	04/12/02	24,000	23,476	30,600	4.9%	+7,123	23,363	29,100	4.9%	+5,736	-1,500	-4.9%	±0%	-1,387	Nittochi
	B7	Kawasaki Toshiba Building	3	04/12/20	19,200	19,256	33,500	4.3%	+14,243	19,159	33,500	4.3%	+14,340	±0	±0%	±0%	+97	Tanizawa
	B8	UUR Toyoko Building	10	08/06/30	8,500	8,323	8,450	4.1%	+126	8,296	7,220	4.1%	-1,076	-1,230	-14.6%	±0%	-1,202	JREI
	B9	FOUR SEASONS BLDG	13	09/12/25	4,200	4,073	6,650	3.9%	+2,576	4,048	6,650	3.9%	+2,601	±0	±0%	±0%	+24	JREI
	B10	Nishi-Shimbashi 1-chome Building	15	10/12/01	7,400	14,326	17,900	3.4%	+3,573	7,150	8,950	3.4%	+1,799	-8,950	-50.0%	±0%	-1,773	JREI

Appraisal Value 2/3

(in millions of yen)

Type	No.	Property Name	Acquisition			33rd fiscal period (2020/5/31)				34th fiscal period (2020/11/30)				Comparison between 34th and 33rd FP				Appraisers
			Period	Date	Price	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 buildings	B11	Pacific Marks Shinjuku Parkside	15	10/12/01	12,100	11,717	14,000	3.5%	+2,282	11,658	14,100	3.5%	+2,441	+100	+0.7%	±0%	+159	JREI
	B13	Pacific Marks Tsukishima	15	10/12/01	6,080	5,717	7,030	4.2%	+1,312	5,697	7,050	4.2%	+1,352	+20	+0.3%	±0%	+40	JREI
	B14	Pacific Marks Yokohama East	15	10/12/01	7,050	6,569	8,090	4.4%	+1,520	6,512	8,090	4.4%	+1,577	±0	±0%	±0%	+57	Tanizawa
	B17	Akasaka Hikawa Building	15	10/12/01	3,290	3,192	4,320	3.9%	+1,127	3,180	4,320	3.9%	+1,139	±0	±0%	±0%	+11	JREI
	B18	Pacific Marks Shibuya Koen-dori	15	10/12/01	2,570	2,456	3,340	4.4%	+883	2,447	3,340	4.4%	+892	±0	±0%	±0%	+9	JREI
	B20	Pacific Marks Akasaka-mitsuke	15	10/12/01	2,210	2,156	2,660	3.5%	+503	2,150	2,660	3.5%	+509	±0	±0%	±0%	+6	JREI
	B22	Pacific Marks Shin-Yokohama	15	10/12/01	1,710	1,560	1,780	4.7%	+219	1,543	1,780	4.7%	+236	±0	±0%	±0%	+17	Tanizawa
	B25	Pacific Marks Kawasaki	15	10/12/01	9,890	8,833	12,500	3.9%	+3,666	8,775	12,400	3.9%	+3,624	-100	-0.8%	±0%	-42	Tanizawa
	B26	Hamamatsucho 262 Building	15	10/12/01	6,840	6,398	8,090	3.6%	+1,691	6,364	8,090	3.6%	+1,725	±0	±0%	±0%	+33	JREI
	B27	Lila Hijirizaka	15	10/12/01	2,750	2,654	3,300	4.0%	+645	2,648	3,310	4.0%	+661	+10	+0.3%	±0%	+15	JREI
	B29	Otsuka HT Building	15	10/12/01	1,160	1,074	1,220	4.7%	+145	1,068	1,220	4.7%	+151	±0	±0%	±0%	+6	JREI
	B30	Pacific Marks Shinjuku South-gate	15	10/12/01	2,460	2,476	3,830	3.5%	+1,353	2,469	3,830	3.5%	+1,360	±0	±0%	±0%	+7	JREI
	B31	Pacific Marks Nishi-Umeda	15	10/12/01	6,860	6,605	8,570	4.0%	+1,964	6,565	8,570	4.0%	+2,004	±0	±0%	±0%	+39	Tanizawa
	B32	Pacific Marks Higobashi	15	10/12/01	4,570	4,424	5,100	4.1%	+675	4,391	5,100	4.1%	+708	±0	±0%	±0%	+32	Tanizawa
	B35	Pacific Marks Sapporo Kita-Ichijo	15	10/12/01	1,790	1,706	2,230	5.3%	+523	1,686	2,230	5.3%	+543	±0	±0%	±0%	+19	Tanizawa
	B36	Shin-Sapporo Center Building	15	10/12/01	987	833	1,080	5.7%	+246	824	1,070	5.7%	+245	-10	-0.9%	±0%	-1	Tanizawa
	B37	ARENA TOWER	16	11/06/16	9,500	7,920	12,900	4.7%	+4,979	7,812	12,900	4.7%	+5,087	±0	±0%	±0%	+108	Tanizawa
	B38	Yushima First Building	18	12/08/29	2,100	2,023	3,150	4.1%	+1,126	2,012	3,150	4.1%	+1,137	±0	±0%	±0%	+11	JREI
	B39	Dogenzaka Square	18	12/11/22	2,300	2,233	3,170	3.6%	+936	2,221	3,170	3.6%	+948	±0	±0%	±0%	+12	JREI
	B40	GRAND-SQUARE Shin-Sakae	21	14/02/28	1,480	1,286	1,900	5.0%	+613	1,265	1,900	5.0%	+634	±0	±0%	±0%	+21	JREI
	B41	GRAND-SQUARE Meieki-minami	21	14/02/28	1,220	1,078	2,240	4.5%	+1,161	1,064	2,240	4.5%	+1,175	±0	±0%	±0%	+14	JREI
B42	Shiba 520 Building	21	14/03/28	2,100	2,133	3,360	3.6%	+1,226	2,124	3,480	3.6%	+1,355	+120	+3.6%	±0%	+128	JREI	
B43	Hirose-dori SE Building	22	14/06/13	3,600	3,139	5,170	4.8%	+2,030	3,090	5,170	4.8%	+2,079	±0	±0%	±0%	+48	JREI	
B44	SS30	27	17/03/30	18,200	18,742	21,800	4.6%	+3,057	18,778	21,800	4.6%	+3,021	±0	±0%	±0%	-36	JREI	
B45	LOOP-X・M	27	17/04/26	11,200	12,006	12,600	3.8%	+593	12,047	12,800	3.8%	+752	+200	+1.6%	±0%	+158	JREI	
Hotels	C1	Shinjuku Washington Hotel Honkan	1	03/12/22	21,140	21,989	27,100	4.4%	+5,110	21,889	27,200	4.4%	+5,310	+100	+0.4%	±0%	+200	JREI
	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	3	05/02/18	1,884	1,598	2,600	3.8%	+1,001	1,591	2,600	3.8%	+1,008	±0	±0%	±0%	+6	Nittochi
	C3	MZ BLD.	9	08/04/10	3,800	3,038	3,960	4.8%	+921	2,991	3,960	4.8%	+968	±0	±0%	±0%	+47	JREI
	C4	HOTEL ROUTE-INN Yokohama Bashamichi	10	08/06/30	4,720	3,879	5,150	4.7%	+1,270	3,834	5,160	4.7%	+1,325	+10	+0.2%	±0%	+55	Nittochi
	C5	Hotel JAL City Naha	16	11/10/25	7,650	7,239	11,600	4.5%	+4,360	7,159	11,600	4.5%	+4,440	±0	±0%	±0%	+80	Nittochi
	C6	UUR Yotsuya Sanchome Building	17	11/12/26	4,200	4,483	6,960	4.0%	+2,476	4,484	7,030	4.0%	+2,545	+70	+1.0%	±0%	+68	JREI
	C7	Yotsuya 213 Building	19	13/03/18	5,020	4,933	7,040	3.9%	+2,106	4,914	7,020	3.9%	+2,105	-20	-0.3%	±0%	-1	JREI
	C9	Comfort Inn Tokyo Roppongi	21	14/05/01	4,488	4,766	4,840	3.8%	+73	4,750	3,560	3.9%	-1,190	-1,280	-26.4%	+0.1%	-1,264	JREI
	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	24	15/08/31	2,655	2,634	3,150	4.0%	+515	2,620	3,150	4.0%	+529	±0	±0%	±0%	+13	DAIWA
	C11	Toyoko Inn Hiroshima Heiwa-odori	24	15/08/31	2,113	2,058	2,560	4.9%	+501	2,043	2,580	4.9%	+536	+20	+0.8%	±0%	+34	DAIWA
	C12	Toyoko Inn Naha Kokusai-dori Miebash-eki	24	15/08/31	745	722	854	6.1%	+131	718	854	6.1%	+135	±0	±0%	±0%	+3	DAIWA
	C13	Loisir Hotel & Spa Tower Naha	25	16/02/05	20,000	20,312	22,500	5.4%	+2,187	20,133	22,500	5.4%	+2,366	±0	±0%	±0%	+179	JREI
	C14	Royal Pines Hotel Urawa	25	16/04/01	17,500	17,696	17,900	5.3%	+203	17,641	17,900	5.3%	+258	±0	±0%	±0%	+55	JREI
	C15	RIHGA Royal Hotel Kokura・ARUARU City	29	18/01/26	16,600	17,584	17,000	5.4%	-584	17,519	16,800	5.4%	-719	-200	-1.2%	±0%	-135	Tanizawa
	C16	the b fukuoka tenjin	30	18/09/27	3,000	3,083	3,680	4.3%	+596	3,070	3,680	4.3%	+609	±0	±0%	±0%	+13	JREI
	C17	Henn na Hotel Tokyo Hamamatsucho	31	19/05/15	4,456	4,469	4,740	3.9%	+270	4,452	4,750	3.9%	+297	+10	+0.2%	±0%	+27	JREI
	C18	Hotel Hewitt Koshien	32	19/06/25	13,520	13,561	13,700	4.5%	+138	13,529	13,700	4.5%	+170	±0	±0%	±0%	+32	Tanizawa
	C19	Smile Hotel Premium Sapporo Susukino	32	19/06/28	4,233	4,242	5,210	4.6%	+967	4,220	5,210	4.6%	+989	±0	±0%	±0%	+22	Tanizawa
	C20	the square hotel KANAZAWA	33	19/12/03	4,802	4,972	5,900	4.9%	+927	4,948	5,900	4.9%	+951	±0	±0%	±0%	+23	Tanizawa
	C21	NEST HOTEL KYOTO SHIJOKARASUMA	33	20/03/31	2,010	2,096	3,120	4.1%	+1,023	2,091	3,050	4.1%	+958	-70	-2.2%	±0%	-65	Tanizawa

Appraisal Value 3/3

(in millions of yen)

Type	No.	Property Name	Acquisition			33rd fiscal period (2020/5/31)				34th fiscal period (2020/11/30)				Comparison between 34th and 33rd FP				Appraisers
			Period	Date	Price	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 ④-② (change)	④/②-1 (change)	Cap Rate (change)	Gain or Loss (change)	
Residential properties	D1	T&G Higashi-ikebukuro Mansion	1	03/12/26	2,021	1,392	2,420	4.0%	+1,027	1,380	2,490	3.9%	+1,109	+70	+2.9%	-0.1%	+81	Tanizawa
	D4	Komazawa Court	1	03/12/26	1,680	1,468	2,130	4.1%	+661	1,462	2,200	4.0%	+737	+70	+3.3%	-0.1%	+76	JREI
	D6	UUR Court Shiba-Daimon	2	04/10/15	1,175	971	1,460	3.9%	+488	966	1,500	3.8%	+533	+40	+2.7%	-0.1%	+45	Tanizawa
	D9	Aprile Shin-Ohgi Ichibankan	3	05/04/13	3,031	2,386	3,620	5.1%	+1,233	2,381	3,680	5.0%	+1,298	+60	+1.7%	-0.1%	+65	JREI
	D10	UUR Court Sapporo Kita-Sanjo	5	06/03/16	1,278	910	1,620	4.7%	+709	891	1,650	4.6%	+758	+30	+1.9%	-0.1%	+48	Tanizawa
	D15	CLIO Bunkyo Koishikawa	5	06/04/28	3,170	2,577	3,590	4.2%	+1,012	2,550	3,680	4.1%	+1,129	+90	+2.5%	-0.1%	+117	JREI
	D16	GRAND-ROUGE Sakae	6	06/11/30	1,570	1,159	1,360	4.4%	+200	1,143	1,370	4.3%	+226	+10	+0.7%	-0.1%	+26	JREI
	D17	GRAND-ROUGE Sakae II	9	07/12/26	1,300	968	1,400	4.4%	+431	952	1,420	4.3%	+467	+20	+1.4%	-0.1%	+36	JREI
	D18	MA Sendai Building	10	08/09/24	3,440	2,536	4,690	5.4%	+2,153	2,488	4,750	5.3%	+2,261	+60	+1.3%	-0.1%	+108	JREI
	D19	UUR Court Nagoya Meieki	10	08/09/30	1,473	1,135	1,570	4.4%	+434	1,117	1,570	4.4%	+452	±0	±0%	±0%	+17	Nittochi
	D20	UUR Court Sapporo Shinoro Ichibankan	10	08/11/11	870	678	874	5.5%	+195	668	874	5.5%	+205	±0	±0%	±0%	+10	Nittochi
	D21	Park Site IZUMI	10	08/11/21	900	806	769	4.4%	-37	804	787	4.3%	-17	+18	+2.3%	-0.1%	+20	JREI
	D22	UUR Court Osaka Juso-honmachi	11	09/02/26	1,570	1,241	1,700	4.5%	+458	1,222	1,740	4.4%	+517	+40	+2.4%	-0.1%	+58	JREI
	D23	UUR Court Kinshicho	16	11/06/15	2,900	2,806	3,660	4.2%	+853	2,782	3,750	4.1%	+967	+90	+2.5%	-0.1%	+114	JREI
	D24	UUR Court Sapporo Minami-Sanjo P.T.	18	12/06/28	2,050	1,728	3,120	4.8%	+1,391	1,699	3,190	4.7%	+1,490	+70	+2.2%	-0.1%	+99	JREI
	D25	GRAND-ROUGE Nakanoshima-minami	20	13/06/25	1,380	1,245	1,630	4.4%	+384	1,230	1,640	4.3%	+409	+10	+0.6%	-0.1%	+25	JREI
	D26	Glenpark Umeda-kita	22	14/08/29	5,150	4,997	6,590	4.2%	+1,592	4,965	6,740	4.1%	+1,774	+150	+2.3%	-0.1%	+181	Tanizawa
	D27	UUR Court Shiki	24	15/09/18	2,730	2,834	3,100	5.1%	+265	2,856	3,150	5.0%	+293	+50	+1.6%	-0.1%	+27	JREI
	D28	GRAND-ROUGE Tanimachi Rokucho	27	16/12/01	1,300	1,365	1,520	4.2%	+154	1,360	1,520	4.2%	+159	±0	±0%	±0%	+5	Tanizawa
	D29	Chatte Otemachi S・N	30	18/07/03	3,398	3,668	3,680	4.9%	+11	3,641	3,730	4.8%	+88	+50	+1.4%	-0.1%	+76	JREI
	D30	GRAN FONTE	31	19/04/01	2,700	2,859	3,340	4.3%	+480	2,865	3,410	4.2%	+544	+70	+2.1%	-0.1%	+63	Tanizawa
	D31	Park Axis Akatsuka	33	20/03/30	1,980	2,058	2,070	4.1%	+11	2,053	2,120	4.0%	+66	+50	+2.4%	-0.1%	+55	Tanizawa
	D32	UUR Court Shirasagi	33	20/03/31	1,442	1,533	1,640	4.2%	+106	1,532	1,670	4.1%	+137	+30	+1.8%	-0.1%	+31	Tanizawa
	D33	Court Branche AP	33	20/03/31	1,270	1,352	1,310	4.0%	-42	1,350	1,340	3.9%	-10	+30	+2.3%	-0.1%	+32	Tanizawa
Others	E1	Lilycolor Tohoku Branch	5	06/05/29	2,050	1,378	2,200	5.5%	+821	1,364	2,200	5.5%	+835	±0	±0%	±0%	+13	Nittochi
	E2	Fuchu Building	19	13/05/16	4,920	4,732	4,890	5.7%	+157	4,712	4,670	5.7%	-42	-220	-4.5%	±0%	-199	JREI
	E3	Tsubogawa Square Building	20	13/11/01	4,150	3,766	6,280	5.3%	+2,513	3,717	6,280	5.3%	+2,562	±0	±0%	±0%	+48	JREI
	E4	THE PLACE of TOKYO	21	14/05/01	3,500	3,329	4,600	4.9%	+1,270	3,303	4,600	4.9%	+1,296	±0	±0%	±0%	+26	JREI
	E5	Logistics Higashi-Ohgishima	22	14/10/02	9,525	9,392	10,800	4.5%	+1,407	9,352	10,900	4.3%	+1,547	+100	+0.9%	-0.2%	+140	JREI
	E6	MT Ariake Center Building I&II	22	14/11/25	8,000	7,906	14,400	4.6%	+6,493	7,891	14,700	4.5%	+6,808	+300	+2.1%	-0.1%	+314	JREI
	E7	Quartz Tower	24	15/11/13	5,700	5,792	6,240	3.3%	+447	5,775	6,240	3.3%	+464	±0	±0%	±0%	+16	Tanizawa
	E8	Shin-Narashino Logistics Center	24	15/08/07	2,555	2,628	2,820	4.6%	+191	2,625	2,730	4.5%	+104	-90	-3.2%	-0.1%	-87	JREI
	E9	Kawagoe Logistics Center	26	16/06/17	7,550	7,589	9,520	4.5%	+1,930	7,552	9,670	4.4%	+2,117	+150	+1.6%	-0.1%	+186	Tanizawa
	E10	Asuto Nagamachi Dental Clinic	26	16/08/29	1,200	1,213	1,290	5.2%	+76	1,207	1,290	5.2%	+82	±0	±0%	±0%	+6	JREI
	E11	Shin-Narashino Logistics Center II	27	17/01/31	2,590	2,719	2,640	4.7%	-79	2,709	2,700	4.6%	-9	+60	+2.3%	-0.1%	+69	JREI
	E12	Yoshikawa Logistics Center	28	17/07/27	1,960	1,960	2,030	4.7%	+69	1,951	2,070	4.6%	+118	+40	+2.0%	-0.1%	+49	JREI
	E13	Musashimurayama Logistics Center	30	18/10/30	1,800	1,859	1,910	4.8%	+50	1,853	1,940	4.7%	+86	+30	+1.6%	-0.1%	+36	JREI
	E14	Chibaminato Logistics Center (Site)	33	20/02/28	6,600	6,914	7,790	3.9%	+875	6,934	7,790	3.9%	+855	±0	±0%	±0%	-19	Tanizawa
	E15	Hirakata Nagao Logistics Center	33	20/03/31	2,550	2,660	2,650	4.6%	-10	2,650	2,700	4.5%	+49	+50	+1.9%	-0.1%	+59	Tanizawa
	E16	Kobe Toyahama Logistics Center	33	20/04/17	1,300	1,359	1,360	5.1%	±0	1,351	1,360	5.2%	+8	±0	±0%	+0.1%	+7	JREI
	E17	REDWOOD Narita Distribution Centre	34	20/06/30	2,345	-	-	-	-	2,449	2,460	4.7%	+10	-	-	-	+10	Tanizawa
Total					656,437	641,104	792,847	4.44%	+151,742	633,744	782,675	4.43%	+148,930	-12,632	-1.3%	-0.01%	-2,811	

Notes:

- Each of B26, C1, C9 and E5 were acquired in separate acquisitions. The acquisition date indicates the initial acquisition date and the acquisition price indicates the aggregated acquisition price.
- The discount rates applied for the DCF method are shown as the "Cap Rate" for A27, A28, A34, A35, and E14.
- The name for E2 was changed to "Fuchu Building" (former KDDI Fuchu Building) from March 25, 2020, the name for B10 was changed to "Nishi-Shimbashi 1-chome Building" (former Hitachi High-Tech Building) from August 1, 2020, and the name for C9 was changed to "Comfort Inn Tokyo Roppongi" (former the b roppongi) from November 17, 2020.
- United Urban sold 50% quasi co-ownership interest of B10 on November 30, 2020. The value for the end of 34th fiscal period is described for the remaining 50% quasi co-ownership interest.
- Under "Appraisers," "JREI" stands for Japan Real Estate Institute, "Tanizawa" for The Tanizawa Sōgō Appraisal Co., Ltd., "Nittochi" for NIPPON TOCHI-TATEMONO Co., Ltd., and "Daiwa" for DAIWA REAL ESTATE APPRAISAL CO., LTD.

Property Income and Occupancy

(in thousand yen)	Total	Retail properties Total	Office buildings Total	Hotels Total	Residential properties Total	Others Total
Operating Revenues	22,051,657	6,927,241	8,513,920	2,645,925	1,842,239	2,122,329
Rental Revenues	20,300,354	6,236,503	7,853,845	2,437,534	1,725,010	2,047,460
Other Rental Revenues	1,751,302	690,738	660,075	208,390	117,228	74,869
Operating Expenses	10,845,404	3,162,578	3,862,695	2,358,060	853,673	608,395
Property and other taxes	2,019,845	583,038	740,830	470,944	109,624	115,406
Other expenses	4,724,684	1,627,351	1,695,724	885,711	327,123	188,773
Property Mgmt Fees	1,726,786	601,508	759,903	188,989	119,668	56,715
Utilities	1,303,486	454,833	578,251	182,771	21,429	66,199
Casualty Insurance	24,400	6,669	7,670	6,553	1,898	1,608
Repairs & Maintenance	1,227,985	330,658	235,350	461,520	147,549	52,906
Other Rental Expenses	442,026	233,680	114,547	45,875	36,577	11,344
Depreciation	4,100,874	952,189	1,426,140	1,001,404	416,925	304,215
Profit from Rental Activities	11,206,252	3,764,662	4,651,224	287,865	988,565	1,513,933
Net Operating Income (NOI)	15,307,126	4,716,851	6,077,365	1,289,269	1,405,490	1,818,149
CAPEX	1,339,437	498,764	473,369	241,892	97,528	27,883
Occupancy (as of Nov. 30, 2020)	97.6%	98.9%	96.5%	99.4%	96.9%	94.4%
Adjusted NOI Yield	4.63%	4.76%	6.15%	1.77%	5.60%	5.27%

Notes:

1. Items of individual properties are undisclosed as United Urban judges that the disclosure of these items may have an adverse impact on the asset management of United Urban and harm the interest of investors.
2. As expenses related to properties, non-deductible consumption tax, etc. (114 million yen) are incurred due to the accounting policy for consumption tax processing. These costs are not included in the above table as it is difficult to attribute such expenses to costs of specific properties.

Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition	
					(JPY Mn)	Ratio					Period	Date
Retail properties	A2	Joy Park Izumigaoka	Other Regions (Osaka)	Sakai, Osaka	6,770	1.0%	10,368.45	29,250.71	13,611.24	10	1	2003/12/22
	A4	Luz Funabashi	Tokyo Metropolitan Area	Funabashi, Chiba	5,200	0.8%	5,198.20	12,944.65	12,952.88	13	2	2004/09/17
	A6	TENJIN LUCE	Other Regions (Others)	Fukuoka, Fukuoka	6,500	1.0%	1,138.66	5,458.81	4,256.57	2	5	2006/04/14
	A7	Kaden Sumairu-kan YAMADA Sakai Honten	Other Regions (Osaka)	Sakai, Osaka	3,210	0.5%	10,702.86	8,637.63	8,637.63	8	5	2006/04/28
	A8	Miyamae Shopping Center	Tokyo Metropolitan Area	Kawasaki, Kanagawa	5,312	0.8%	6,937.54	17,338.54	10,487.92	17	7	2007/02/19
	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	2007/06/29
	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	2007/09/27
	A11	Tip's Machida Building	Tokyo Metropolitan Area	Machida, Tokyo	4,100	0.6%	1,596.82	8,075.04	6,710.19	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	2008/01/30
	A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) (retail portion)	Tokyo Metropolitan Area	Yokohama, Kanagawa	6,883	1.0%	53,363.57	-	30,453.73	-	9	2008/02/18
	A14	ACTIOLE Kannai	Tokyo Metropolitan Area	Yokohama, Kanagawa	2,410	0.4%	375.17	2,238.82	1,938.56	16	10	2008/06/30
	A15	Shinsaibashi OPA Honkan	Other Regions (Osaka)	Osaka, Osaka	22,800	3.5%	2,430.23	25,865.61	27,025.42	12	15	2010/12/01
	A19	Albore Jingumae	6 Cental Wards of Tokyo	Shibuya-ku, Tokyo	1,580	0.2%	308.02	816.60	931.14	14.6	15	2010/12/01
	A20	Albore Sendai	Other Regions (Others)	Sendai, Miyagi	2,590	0.4%	736.01	4,082.94	3,151.93	8	15	2010/12/01
	A21	Mallage Kashiwa	Tokyo Metropolitan Area	Kashiwa, Chiba	7,040	1.1%	79,484.47	54,689.28	41,748.73	9	15	2010/12/01
	A23	Ito-Yokado Owariasahi	Other Regions (Nagoya)	Owariasahi, Aichi	4,840	0.7%	34,612.39	56,371.77	54,606.34	11	15	2010/12/01
	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	2010/12/01
	A25	Luz Jiyugaoka	23 Wards of Tokyo	Meguro-ku, Tokyo	5,090	0.8%	828.70	2,771.59	2,283.47	12	16	2011/06/15
	A26	ACTIOLE Ichikawa	Tokyo Metropolitan Area	Ichikawa, Chiba	3,350	0.5%	749.42	4,452.39	3,927.49	10	16	2011/06/15
	A27	Yokohama Aoba Shopping Center (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	0.3%	7,594.00	-	7,650.63	-	17	2012/05/18
	A29	Yodobashi Camera Multimedia Kichijoji	Tokyo Metropolitan Area	Musashino, Tokyo	28,000	4.3%	3,582.39	37,932.95	37,932.95	14	19	2013/03/18
	A30	Kaden Sumairu-kan YAMADA Matsudo Honten	Tokyo Metropolitan Area	Matsudo, Chiba	5,150	0.8%	7,311.98	17,461.22	17,561.23	11	19	2013/03/18
	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	1.0%	60,747.02	-	60,419.26	-	21	2014/04/08
	A33	Plussing Wave Enoshima	Tokyo Metropolitan Area	Fujisawa, Kanagawa	1,800	0.3%	2,450.62	3,471.69	2,885.94	14	22	2014/08/29
	A34	LIFE Nishikujo (Site)	Other Regions (Osaka)	Osaka, Osaka	1,760	0.3%	3,252.76	-	3,252.76	-	23	2015/03/02
	A35	LIFE Tamatsukuri (Site)	Other Regions (Osaka)	Osaka, Osaka	1,880	0.3%	2,391.44	-	2,391.44	-	23	2015/03/02
	A36	Granbell Ginza Building	6 Cental Wards of Tokyo	Chuo-ku, Tokyo	2,621	0.4%	231.00	1,646.50	1,352.35	10	24	2015/06/30
	A37	UUR Tenjin Nishi-dori Building	Other Regions (Others)	Fukuoka, Fukuoka	5,500	0.8%	466.76	1,486.52	1,564.70	2	24	2015/07/15
	A38	Luz Shonan Tsujido	Tokyo Metropolitan Area	Fujisawa, Kanagawa	3,938	0.6%	3,658.25	17,889.43	10,454.22	14	24	2015/09/30
	A39	ACTIOLE Ueno	23 Wards of Tokyo	Taito-ku, Tokyo	3,000	0.5%	159.59	1,234.99	1,163.44	12	25	2015/12/04
	A40	KURURU	Tokyo Metropolitan Area	Fuchu, Tokyo	9,285	1.4%	7,266.41	59,361.08	13,292.33	6	26	2016/09/01
	A41	K's Denki Nagoya-kita	Other Regions (Nagoya)	Toyoyama, Aichi	1,750	0.3%	7,461.97	4,733.74	4,733.74	8	27	2016/12/01
	A42	Luz Musashikosugi	Tokyo Metropolitan Area	Kawasaki, Kanagawa	12,151	1.9%	6,104.63	12,223.72	8,272.58	11	31	2018/12/28
Office buildings	B1	T&G Hamamatsucho Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,257	0.3%	453.81	3,296.58	2,341.13	12	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 Cental Wards of Tokyo	Chiyoda-ku, Tokyo	2,350	0.4%	703.24	5,218.55	2,576.57	11	1	2004/03/29
	B5	Rokubancho K Building	6 Cental Wards of Tokyo	Chiyoda-ku, Tokyo	2,150	0.3%	689.70	4,031.14	4,031.14	14	1	2004/03/30
	B6	Shin-Osaka Central Tower (office portion)	Other Regions (Osaka)	Osaka, Osaka	14,279	2.2%	7,265.79	58,882.64	27,788.73	7	3	2004/12/02
	B7	Kawasaki Toshiba Building	Tokyo Metropolitan Area	Kawasaki, Kanagawa	19,200	2.9%	8,615.20	51,254.06	36,142.30	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	2008/02/18
	B8	UUR Toyocho Building	23 Wards of Tokyo	Koto-ku, Tokyo	8,500	1.3%	3,262.50	10,768.11	7,540.30	13	10	2008/06/30
	B9	FOUR SEASONS BLDG	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	4,200	0.6%	690.93	6,318.81	5,000.54	11	13	2009/12/25
	B10	Nishi-Shimbashi 1-chome Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	7,400	1.1%	3,464.39	22,952.71	15,809.61	15	15	2010/12/01
	B11	Pacific Marks Shinjuku Parkside	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	12,100	1.8%	3,201.80	19,802.22	10,947.34	14.8	15	2010/12/01
	B13	Pacific Marks Tsukishima	6 Cental Wards of Tokyo	Chuo-ku, Tokyo	6,080	0.9%	3,302.07	14,507.92	9,335.19	14	15	2010/12/01

Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition	
					(JPY Mn)	Ratio					Period	Date
Office buildings	B14	Pacific Marks Yokohama East	Tokyo Metropolitan Area	Yokohama, Kanagawa	7,050	1.1%	2,525.41	15,387.49	11,199.19	15	15	2010/12/01
	B17	Akasaka Hikawa Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	3,290	0.5%	1,328.93	4,795.06	3,438.20	14	15	2010/12/01
	B18	Pacific Marks Shibuya Koen-dori	6 Cental Wards of Tokyo	Shibuya-ku, Tokyo	2,570	0.4%	428.62	1,972.43	1,972.43	12	15	2010/12/01
	B20	Pacific Marks Akasaka-mitsuke	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,210	0.3%	390.86	1,895.87	1,675.13	13	15	2010/12/01
	B22	Pacific Marks Shin-Yokohama	Tokyo Metropolitan Area	Yokohama, Kanagawa	1,710	0.3%	475.00	4,141.89	3,110.72	16	15	2010/12/01
	B25	Pacific Marks Kawasaki	Tokyo Metropolitan Area	Kawasaki, Kanagawa	9,890	1.5%	1,183.52	10,694.91	7,395.50	17	15	2010/12/01
	B26	Hamamatsucho 262 Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	6,840	1.0%	1,401.61	8,331.90	6,154.21	14	15	2010/12/01
	B27	Lila Hijirizaka	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,750	0.4%	1,474.05	6,598.52	4,255.02	12	15	2010/12/01
	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	2010/12/01
	B30	Pacific Marks Shinjuku South-gate	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	2,460	0.4%	257.87	2,038.70	1,727.08	12	15	2010/12/01
	B31	Pacific Marks Nishi-Umeda	Other Regions (Osaka)	Osaka, Osaka	6,860	1.0%	2,053.30	16,142.54	10,990.99	10	15	2010/12/01
	B32	Pacific Marks Higobashi	Other Regions (Osaka)	Osaka, Osaka	4,570	0.7%	1,284.23	9,596.62	7,616.83	12	15	2010/12/01
	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	2010/12/01
	B36	Shin-Sapporo Center Building	Other Regions (Others)	Sapporo, Hokkaido	987	0.2%	1,940.15	3,725.13	2,796.65	2	15	2010/12/01
	B37	ARENA TOWER	Tokyo Metropolitan Area	Yokohama, Kanagawa	9,500	1.4%	2,733.00	24,412.67	17,967.46	10	16	2011/06/16
	B38	Yushima First Building	23 Wards of Tokyo	Bunkyo-ku, Tokyo	2,100	0.3%	1,120.85	6,165.88	4,558.77	13	18	2012/08/29
	B39	Dogenzaka Square	6 Cental Wards of Tokyo	Shibuya-ku, Tokyo	2,300	0.4%	488.93	3,227.62	2,233.73	16	18	2012/11/22
	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	2014/02/28
	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	2014/02/28
	B42	Shiba 520 Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	2,100	0.3%	727.86	3,781.22	2,831.94	13	21	2014/03/28
Hotels	B43	Hirose-dori SE Building	Other Regions (Others)	Sendai, Miyagi	3,600	0.5%	2,146.31	10,396.94	8,235.87	8	22	2014/06/13
	B44	SS30 (office portion)	Other Regions (Others)	Sendai, Miyagi	11,521	1.8%	15,542.84	110,955.68	42,886.13	2	27	2017/03/30
	B45	LOOP-X-M	6 Cental Wards of Tokyo	Minato-ku, Tokyo	11,200	1.7%	5,491.44	31,583.38	21,590.30	7	27	2017/04/26
	C1	Shinjuku Washington Hotel Honkan	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	21,140	3.2%	6,215.31	59,985.37	53,310.20	9	1	2003/12/22
	(B6)	Shin-Osaka Central Tower (hotel portion)	Other Regions (Osaka)	Osaka, Osaka	9,721	1.5%	-	-	18,149.63	-	3	2004/12/02
	C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	6 Cental Wards of Tokyo	Minato-ku, Tokyo	1,884	0.3%	482.10	2,928.94	3,088.85	17	3	2005/02/18
	C3	MZ BLD.	Tokyo Metropolitan Area	Hachioji, Tokyo	3,800	0.6%	1,304.44	7,708.88	6,660.20	13	9	2008/04/10
	C4	HOTEL ROUTE-INN Yokohama Bashamichi	Tokyo Metropolitan Area	Yokohama, Kanagawa	4,720	0.7%	970.83	6,610.51	7,139.44	19	10	2008/06/30
	C5	Hotel JAL City Naha	Other Regions (Others)	Naha, Okinawa	7,650	1.2%	3,573.31	13,655.23	13,701.80	5	16	2011/10/25
	C6	UUR Yotsuya Sanchome Building	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	4,200	0.6%	1,053.16	7,682.82	7,854.86	14	17	2011/12/26
	C7	Yotsuya 213 Building	6 Cental Wards of Tokyo	Shinjuku-ku, Tokyo	5,020	0.8%	1,264.94	7,884.53	7,544.42	13	19	2013/03/18
	C9	Comfort Inn Tokyo Roppongi	6 Cental Wards of Tokyo	Minato-ku, Tokyo	4,488	0.7%	551.39	4,154.72	3,708.47	12	21	2014/05/01
	C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	Tokyo Metropolitan Area	Kawasaki, Kanagawa	2,655	0.4%	639.19	4,785.93	4,874.28	14.5	24	2015/08/31
	C11	Toyoko Inn Hiroshima Heiwa-odori	Other Regions (Others)	Hiroshima, Hiroshima	2,113	0.3%	660.40	4,345.24	4,357.75	7	24	2015/08/31
	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	2015/08/31
	C13	Loisir Hotel & Spa Tower Naha	Other Regions (Others)	Naha, Okinawa	20,000	3.0%	11,850.24	45,731.16	45,731.16	7	25	2016/02/05
	C14	Royal Pines Hotel Urawa	Tokyo Metropolitan Area	Saitama, Saitama	17,500	2.7%	7,418.83	51,071.32	31,129.86	10	25	2016/04/01
	(B44)	SS30 (hotel portion)	Other Regions (Others)	Sendai, Miyagi	6,679	1.0%	-	-	24,814.24	-	27	2017/03/30
	C15	RIHGA Royal Hotel Kokura-ARUARU City	Other Regions (Others)	Kitakyushu, Fukuoka	16,600	2.5%	22,799.65	114,117.54	81,367.12	1	29	2018/01/26
	C16	the b fukuoka tenjin	Other Regions (Others)	Fukuoka, Fukuoka	3,000	0.5%	496.79	3,567.22	3,567.22	1	30	2018/09/27
	C17	Henn na Hotel Tokyo Hamamatsucho	6 Cental Wards of Tokyo	Minato-ku, Tokyo	4,456	0.7%	365.81	2,293.64	2,293.64	14.8	31	2019/05/15
	C18	Hotel Hewitt Koshien	Other Regions (Osaka)	Nishinomiya, Hyogo	13,520	2.1%	14,997.27	29,537.39	36,104.06	9	32	2019/06/25
	C19	Smile Hotel Premium Sapporo Susukino	Other Regions (Others)	Sapporo, Hokkaido	4,233	0.6%	958.37	7,762.50	8,332.04	1	32	2019/06/28
	C20	the square hotel KANAZAWA	Other Regions (Others)	Kanazawa, Ishikawa	4,802	0.7%	1,632.92	6,253.86	6,333.36	4	33	2019/12/03
	C21	NEST HOTEL KYOTO SHIJOKARASUMA	Other Regions (Osaka)	Kyoto, Kyoto	2,010	0.3%	609.28	2,358.25	2,358.25	8	33	2020/03/31
	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

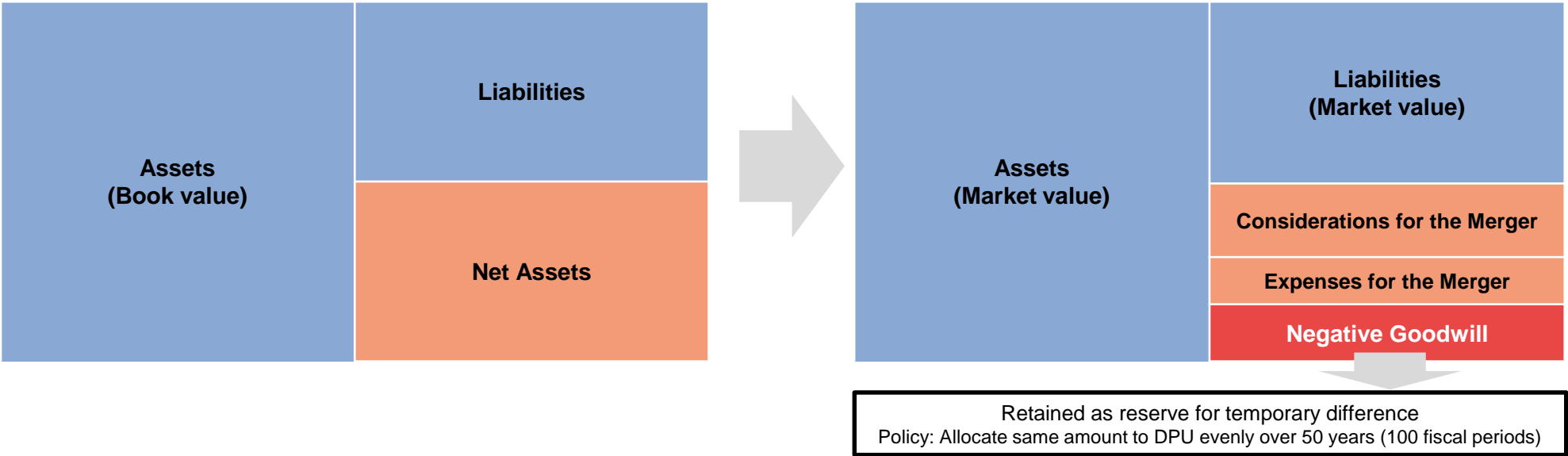
Type	No.	Property Name	Area	Location	Acquisition Price		Site Area (sqm)	Floor Area (sqm)	Rentable Area (sqm)	PML (%)	Acquisition	
					(JPY Mn)	Ratio					Period	Date
Residential Properties	D6	UUR Court Shiba-Daimon	6 Cental Wards of Tokyo	Minato-ku, Tokyo	1,175	0.2%	233.66	1,486.38	1,486.38	17	2	2004/10/15
	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	2005/04/13
	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	2006/03/16
	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	2006/04/28
	D16	GRAND-ROUGE Sakae	Other Regions (Nagoya)	Nagoya, Aichi	1,570	0.2%	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	0.5%	3,656.44	12,642.98	11,525.36	11	10	2008/09/24
	D19	UUR Court Nagoya Meieki	Other Regions (Nagoya)	Nagoya, Aichi	1,473	0.2%	639.17	3,207.39	2,958.45	16	10	2008/09/30
	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	0.1%	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	0.2%	1,266.32	4,166.73	3,650.00	16	11	2009/02/26
	D23	UUR Court Kinshicho	23 Wards of Tokyo	Koto-ku, Tokyo	2,900	0.4%	924.27	6,890.13	5,460.39	14.8	16	2011/06/15
	D24	UUR Court Sapporo Minami-Sanjo Premier Tower	Other Regions (Others)	Sapporo, Hokkaido	2,050	0.3%	1,078.42	10,224.31	7,763.18	1	18	2012/06/28
	D25	GRAND-ROUGE Nakanoshima-minami	Other Regions (Osaka)	Osaka, Osaka	1,380	0.2%	405.74	3,741.79	3,090.36	15	20	2013/06/25
	D26	Glenpark Umeda-kita	Other Regions (Osaka)	Osaka, Osaka	5,150	0.8%	2,156.35	14,340.44	12,730.60	15.5	22	2014/08/29
	D27	UUR Court Shiki	Tokyo Metropolitan Area	Shiki, Saitama	2,730	0.4%	6,132.03	9,885.83	9,288.00	11	24	2015/09/18
	D28	GRAND-ROUGE Tanimachi Rokuchome	Other Regions (Osaka)	Osaka, Osaka	1,300	0.2%	817.52	3,607.14	2,792.81	13	27	2016/12/01
	D29	Chatle Otemachi S・N	Other Regions (Others)	Kitakyushu, Fukuoka	3,398	0.5%	3,516.04	12,599.91	12,040.28	1	30	2018/07/03
	D30	GRAN FONTE	23 Wards of Tokyo	Nerima-ku, Tokyo	2,700	0.4%	4,132.97	6,983.30	6,268.24	1	31	2019/04/01
	D31	Park Axis Akatsuka	23 Wards of Tokyo	Itabashi-ku, Tokyo	1,980	0.3%	1,137.49	5,433.60	4,370.31	12	33	2020/03/30
	D32	UUR Court Shirasagi	23 Wards of Tokyo	Nakano-ku, Tokyo	1,442	0.2%	2,849.08	2,978.00	2,815.30	12	33	2020/03/31
	D33	Court Branche AP	6 Cental Wards of Tokyo	Shinagawa-ku, Tokyo	1,270	0.2%	599.07	1,786.90	1,480.17	13	33	2020/03/31
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	2006/05/29
	E2	Fuchu Building	Tokyo Metropolitan Area	Fuchu, Tokyo	4,920	0.7%	5,479.15	14,165.71	14,490.92	11	19	2013/05/16
	E3	Tsubogawa Square Building	Other Regions (Others)	Naha, Okinawa	4,150	0.6%	5,294.63	14,742.80	10,570.98	8	20	2013/11/01
	E4	THE PLACE of TOKYO	6 Cental Wards of Tokyo	Minato-ku, Tokyo	3,500	0.5%	645.87	3,105.31	3,212.21	13	21	2014/05/01
	E5	Logistics Higashi-Ohgishima	Tokyo Metropolitan Area	Kawasaki, Kanagawa	9,525	1.5%	28,351.30	41,949.12	42,113.83	12	22	2014/10/02
	E6	MT Ariake Center Building I&II	23 Wards of Tokyo	Koto-ku, Tokyo	8,000	1.2%	8,307.86	22,917.94	23,816.82	12	22	2014/11/25
	E7	Quartz Tower	6 Cental Wards of Tokyo	Sibuya-ku, Tokyo	5,700	0.9%	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	2015/08/07
	E9	Kawagoe Logistics Center	Tokyo Metropolitan Area	Kawagoe, Saitama	7,550	1.2%	32,665.82	47,284.22	40,060.76	9	26	2016/06/17
	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	2016/08/29
	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	2017/01/31
	E12	Yoshikawa Logistics Center	Tokyo Metropolitan Area	Yoshikawa, Saitama	1,960	0.3%	5,705.63	10,806.37	11,096.70	8	28	2017/07/27
	E13	Musashimurayama Logistics Center	Tokyo Metropolitan Area	Musashimurayama,	1,800	0.3%	5,788.52	9,207.73	9,237.87	14	30	2018/10/30
	E14	Chibaminato Logistics Center (Site)	Tokyo Metropolitan Area	Chiba, Chiba	6,600	1.0%	24,467.78	-	24,467.78	-	33	2020/02/28
	E15	Hirakata Nagao Logistics Center	Other Regions (Osaka)	Hirakata, Osaka	2,550	0.4%	5,951.88	11,374.78	11,874.51	8	33	2020/03/31
	E16	Kobe Toyahama Logistics Center	Other Regions (Osaka)	Kobe, Hyogo	1,300	0.2%	5,158.42	9,046.80	9,402.93	7	33	2020/04/17
	E17	REDWOOD Narita Distribution Centre	Tokyo Metropolitan Area	Sanbu, Chiba	2,345	0.4%	12,105.00	22,079.22	21,445.46	7	34	2020/06/30
Total					656,437	100.0%	724,717.77	1,711,759.44	1,543,024.46	6.01		

Acquisition in 35th FP

B46	Toranomon Hills Mori Tower	6 Cental Wards of Tokyo	Minato-ku, Tokyo	10,000	-	17,068.95	241,581.95	3,273.51	1	35	2020/12/01
B47	Toranomon PF Building	6 Cental Wards of Tokyo	Minato-ku, Tokyo	3,435	-	1,071.65	4,829.15	3,603.09	10	35	2020/12/01
D34	UUR Court Ibaraki Higashi-Chujo	Other Regions (Osaka)	Ibaraki, Osaka	1,665	-	2,064.56	4,137.00	3,783.25	10	35	2020/12/01

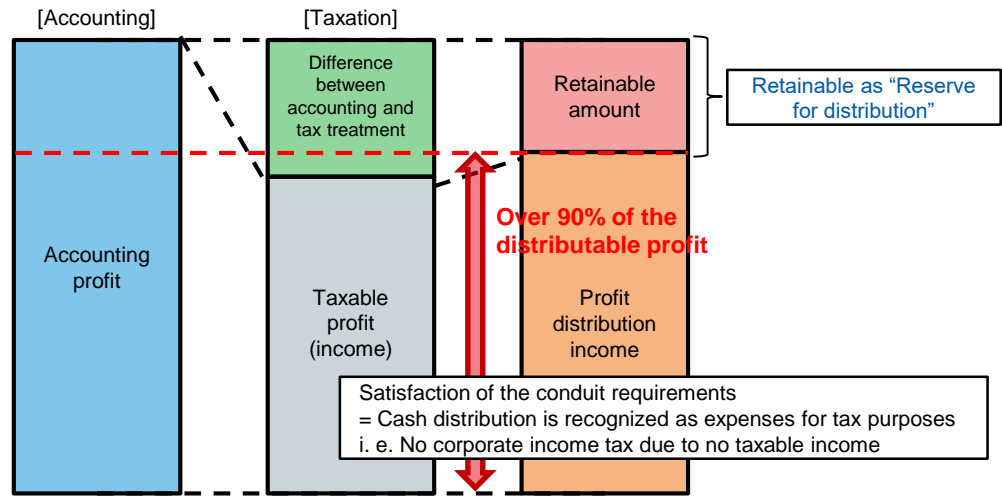
Note: The value of the acquisition properties in 35th FP is as of the acquisition date.

■ Occurrence of Negative Goodwill due to the Merger (Retained as Reserve for Temporary Difference)



■ Retained Earnings (Provision of Reserve for Distribution) Utilizing the Difference Between Accounting and Taxation

In the case “Accounting profit > Taxable profit (income)”



Difference between accounting/tax treatment in United Urban’s case

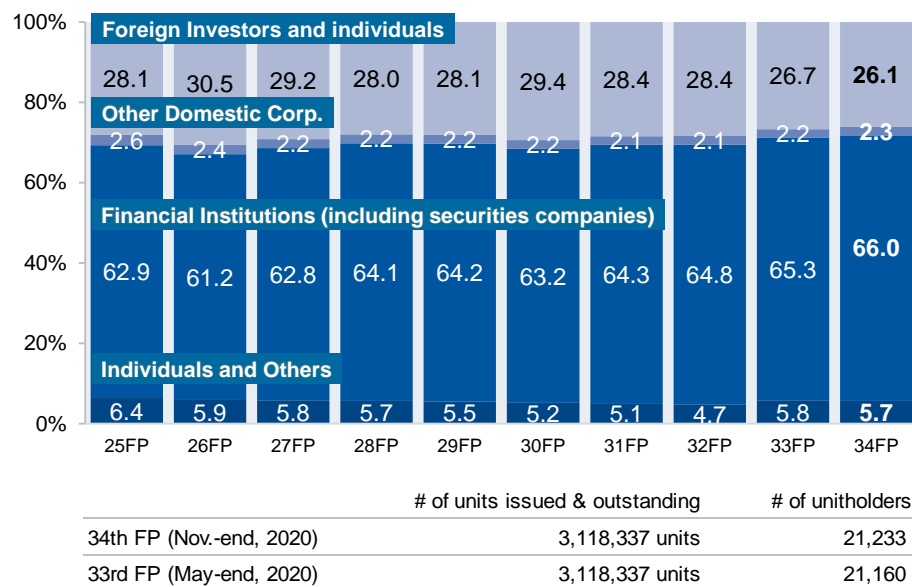
With regard to most properties which United Urban succeeded from NCI through the Merger (NCI properties), the difference between the accounting and tax treatment arises in depreciation and amortization and gain (loss) on the property sale due to the difference between the book value for accounting and tax purposes.

(Accounting profit > Taxable profit (income))

In the case the retained amount is within the extent that satisfies the conduit requirements, part of the accounting profit is retainable as a “reserve for distribution” without corporate income tax.

Overview of Unitholders and Unit Price

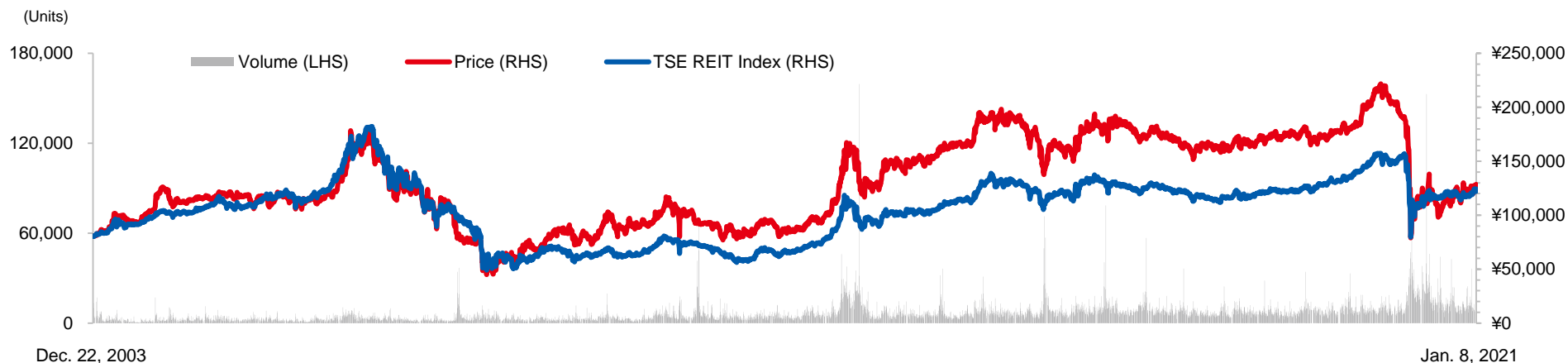
Change in Composition of Unitholders



Major Unitholders (as of November 30, 2020)

Rank	Unitholder	Number of units held	Percentage of unit held
1	Custody Bank of Japan, Ltd. (trust account)	786,695	25.2%
2	The Master Trust Bank of Japan, Ltd. (trust account)	521,539	16.7%
3	The Nomura Trust and Banking Co., Ltd. (investment trust account)	153,131	4.9%
4	Custody Bank of Japan, Ltd. (securities investment trust account)	102,495	3.3%
5	SMBC Nikko Securities Inc.	57,694	1.9%
6	STATE STREET BANK WEST CLIENT-TREATY 505234	53,731	1.7%
7	BNYM AS AGT/CLTS 10 PERSENT	52,152	1.7%
8	Mizuho Securities Co., Ltd.	50,630	1.6%
9	SSBTC CLIENT OMNIBUS ACCOUNT	44,461	1.4%
10	JAPAN SECURITIES FINANCE CO., LTD.	33,680	1.1%
11	JP MORGAN CHASE BANK 385771	32,186	1.0%
12	THE BANK OF NEW YORK 133970	29,740	1.0%
13	The Chugoku Bank, Ltd.	23,389	0.8%
14	THE BANK OF NEW YORK MELLON 140044	20,017	0.6%
15	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	19,278	0.6%
Total		1,980,818	63.5%

Change in Unit Price and Trading Volume*1~4



*1 Source: QUICK

*2 UUR's unit price and trading volume from December 22, 2003 to January 8, 2021.

*3 In connection with the unit split, before November 25, 2010 (the last trading day at the unit price before the unit split on the Tokyo Stock Exchange), the unit prices are shown divided by six, and the trading volumes are shown multiplied by six.

*4 TSE REIT Index is shown indexed based on the unit price on December 22, 2003.

Terms	Definitions
UUR	Refers to United Urban Investment Corporation.
JRA	Refers to Japan REIT Advisors Co., Ltd., the asset management company of UUR.
Fiscal period	Each fiscal period ends on the last day of May or of November, and main fiscal periods and the number of operating days that appear in this document are as follows •31st FP: from December 1, 2018 to May 31, 2019 (182 days) •32nd FP: from June 1, 2019 to November 30, 2019 (183 days) •33rd FP: from December 1, 2019 to May 31, 2020 (183 days) •34th FP: from June 1, 2020 to November 30, 2020 (183 days) •35th FP: from December 1, 2020 to May 31, 2021 (182 days) •36th FP: from June 1, 2021 to November 30, 2021 (183 days)
The Merger	UUR merged with Nippon Commercial Investment Corporation (NCI) with UUR being the surviving investment corporation with December 1, 2010 as the effective date.
Division of units	The 6-for-1 unit split of UUR investment units with December 1, 2010 as the effective date.
Acquisition (sale) price	The amount described in a purchase and sale agreement etc. excluding miscellaneous expenses for the acquisition (sale), property taxes, city planning taxes, consumption tax, etc. The acquisition price of NCI properties is the acceptance price at the time of the Merger.
Retained earning	The voluntary retained earnings. The provision of voluntary retained earnings may be indicated as “retained earnings” for tax purposes.
Voluntary retained earnings	The collective amount of reserve for temporary difference adjustment and reserve for distribution.
Reserve for temporary difference adjustment	A kind of voluntary retained earnings, comprised of reserves derived from the gains on negative goodwill and reserves for future appropriation of retained earnings within the difference in amount between the accounting and tax treatment of excess earnings in each accounting period. The difference between the accounting and tax treatment of excess earnings refers to the difference where the deduction adjustment is larger than the addition adjustment (excluding permanent difference) in tax treatment for the accounting period.
Negative goodwill	The gain on negative goodwill in accounting as a result of The Merger. The reserve for temporary difference adjustment that is accumulated based on the gain may be referred to as negative goodwill.
Difference between accounting and tax treatment	It means there is the difference between the profit in accounting and the taxable income adjustment profit on the Merger. It mainly arises because the expenses required to be booked in accounting are not equal to the expenses permitted to be booked in tax treatment. With regard to UUR, there is a difference between the "book value in accounting" and "book value in tax treatment" regarding NCI properties acquired through the Merger. Accordingly, differences of depreciation and gain (loss) on the property sale, etc. in accounting and tax treatment remain permanently.
EPU	Calculated by "net income / the total number of investment units issued and outstanding at the end of the fiscal period". So, it is different from the "net income per unit" for accounting purposes which is calculated based on the average number of investment units issued for each fiscal period.
NAV per unit	Calculated by “total net assets - total distribution amount - total book value of portfolio + total year-end appraisal value of portfolio) / the number of investment units issued as of each fiscal year-end”.

Terms	Definitions
LTV (total assets basis)	Calculated by "Interest-bearing liabilities (including corporate bonds) / Total Assets * 100(%)".
LTV (fair value basis)	Calculated by "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) * 100(%)".
NOI	Net Operating Income; the figure equal to the amount subtracting rental expenses (excluding depreciation and amortization) from rental revenues.
Estimated NOI yield	Calculated by "Estimated NOI (annualized) / Acquisition price * 100(%)" Estimated NOI (annualized) for acquired properties is the annual estimated NOI from the time of acquisition by UUR and is calculated based on the leasing conditions after acquisition.
Estimated NOI yield after depreciation	Calculated by "estimated NOI after depreciation (annualized) / Acquisition price * 100(%)" Estimated NOI after depreciation (annualized) for acquired properties is the NOI amount arrived at by deducting the estimated depreciation amount (annualized) from the estimated NOI (annualized). Estimated depreciation amount (annualized) is the annual estimated depreciation amount from the time of acquisition by UUR and is calculated, in line with UUR's accounting policy, using the straight line depreciation rate (assumed when in the acquisition) according to the life of each acquired property.
Adjusted NOI yield	Calculated by "Adjusted NOI / Acquisition price / number of operating days * 365 (annualized) * 100(%)" In the case of acquired properties, Adjusted NOI is the NOI amount after recording taxes (fix asset tax & city planning tax) for acquisition as expenses which are generally included in the acquisition cost.
Adjusted profit after depreciation	Calculated by "Adjusted NOI after depreciation / Acquisition price / Number of operating days * 365 (annualized) * 100(%)" It is the amount arrived at by deducting depreciation and amortization for part of properties, estimated or adjusted figures, in the FP from the Adjusted NOI in the FP.
Occupancy rate	Calculated by "total leased floor space / total leasable floor space"
GOP	Gross Operating Profit; It is the gross profit amount of hotel operations, which is calculated by deducting the non-allocation costs (e.g. labor costs and utility costs of corporate or sales section which cannot be included in the operating costs of other sections, etc.) from the profit of hotel business (lodging, banquet and others).
Variable rent system with GOP/sales (GOP ratio/Sales ratio)	It is the rent system where a calculated amount is receivable by multiplying GOP by a determined rate as rental income or an amount of sales exceeding over a determined level is receivable as rental income.
RevPAR	Revenue Per Available Room; calculated by "Hotel sales from guest rooms per day / the number of marketable guest rooms."



United Urban Investment Corporation

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Japan REIT Advisors Co., Ltd.

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