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**For Immediate Release**

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**Notice Concerning Amendments to Asset Management Guidelines of Asset Manager**

BLife Investment Corporation (“BLife”) announces Daiwa House Asset Management Co., Ltd., the asset manager to which BLife entrusts the management of its assets (the “Asset Manager”), today decided to amend the Asset Management Guidelines pertaining to the management of BLife’s assets, which are internal rules of the Asset Manager, to exclude retail properties from the investment assets that it will acquire going forward.

1. Background

- (1) BLife was listed as a complex-type real estate investment trust (J-REIT) that invests in residential properties (rental housing), which have stable rent and occupancy rates, and retail properties, which have rent that is expected to increase when there is an economic upturn, with an aim of securing stable mid- to long-term income and to achieve steady portfolio growth.
- (2) However, due in part to merging with New City Residence Investment Corporation, which invested in solely residential properties, and succeeding its 105 residential properties, the properties that BLife has acquired since listing are mostly residential properties and BLife holds just two retail properties (accounting for 1.3% of the entire portfolio) as of today.

<Disclaimer> This document is a press release to make a public announcement of the release of the change of the amendments to the Asset Management Guidelines of the Asset Manager, and has not been prepared as a solicitation for investment. BLife cautions investors to ensure that they refer to the prospectus for notification of the issuance of new investment units and secondary offering of investment units as well as amendments thereto prepared by BLife (if such have been prepared) before undertaking investments and investments be made at their own discretion and responsibility.

*This English language notice is a translation of the Japanese language notice issued on the same day and was prepared solely for the convenience of, and reference by, overseas investors. Blife makes no warranties as to its accuracy or completeness.*

Under such circumstances, for future ongoing acquisition of retail properties and gaining of momentum in the management of retail properties, the Asset Manager will be required to increasingly strengthen its structure through various means, such as additionally securing personnel for the management of retail properties and developing additional information sourcing channels for the acquisition of retail properties, as well as taking other drastic measures.

In light of the above, a consideration of the economic climate of Japan and other factors has led to the Asset Manager concluding that rather than taking such drastic measures and expanding the scope of BLife's investment, pursuit of even higher investment efficiency and operational capacity of residential properties by BLife, and the Asset Manager concentrating management resources on the management of residential properties instead of additionally acquiring retail properties, would result in the maximization of returns for unitholders. Accordingly, the decision was made today to amend the Asset Management Guidelines.

- (3) Concerning the two retail properties (accounting for 1.3% of the entire portfolio) that BLife holds as of today, the policy is to keep holding these for the time being due in part to the current occupancy rate being 100%. However, studies will be underway on selling these properties at an appropriate time and as needed based on assessment of market conditions and other factors in accordance with BLife's selling policy.

## 2. Amendment Date

September 5, 2011

## 3. Other

An extraordinary report was submitted today to the Director-General of the Kanto Local Finance Bureau pursuant to the provisions of the Financial Instruments and Exchange Act for this matter.

\* This press release is to be distributed to the Kabuto Club (the press club of the Tokyo Stock Exchange); the Ministry of Land, Infrastructure, Transport and Tourism Press Club; and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.

\* URL of the BLife's website: <http://www.blife-reit.co.jp/eng/>

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[Reference]

## Amendments to Portfolio Development Policies

### Investment Ratio by Property Usage and Investment Ratio by Area

(i) Investment Ratio by Property Usage

The investment ratio by property usage is as follows:

|                  | Residential |
|------------------|-------------|
| Investment Ratio | 100%        |

Deletion of Retail

(ii) Investment Ratio by Area

The investment ratio by area is, in principle, as follows:

| Area   | Location  | Investment Ratio |
|--------|---|------------------|
|        |   | Residential      |
| Area 1 | 5 major wards of Tokyo<br>(Chiyoda, Chuo, Minato, Shibuya and Shinjuku Wards)                                 | 40 to 60%        |
| Area 2 | Wards of Tokyo excluding Area 1   | 20 to 50%        |
| Area 3 | Tokyo metropolitan area<br>(Tokyo (excluding Area 1 and Area 2), and Kanagawa, Saitama and Chiba Prefectures) | 0 to 20%         |
| Area 4 | Other cities with populations of approximately 100,000 or more  | 0 to 20%         |
| Total  |   | 100%             |

Deletion of Retail

### Investment Ratio by Type

The investment ratio by type of residential property is, in principle, as follows:

< Based on user >

| Type   | Single<br>(S)            | DINKS<br>(D)                              | Family<br>(F)                              | Large<br>(L)           |
|--|--------------------------|---|--|------------------------|
| Dedicated Area   | 30m <sup>2</sup> or less | Over 30m <sup>2</sup> to 70m <sup>2</sup> | Over 70m <sup>2</sup> to 100m <sup>2</sup> | Over 100m <sup>2</sup> |
| Investment Ratio<br>by the Number of<br>Units against All<br>Residential Units | 30 to 60%                | 40 to 60%                                 | 0 to 20%                                   | 0 to 10%               |

Deletion of the (i) symbol and (ii) Investment Ratio by Type of Retail Property

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