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For Immediate Release

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**Notice Concerning the Proposed Acquisition of
Trust Beneficiary Rights in Real Estate**

Daiwa House Residential Investment Corporation (“DHI”) announced its decision today to acquire trust beneficiary rights in real estate as follows:

1. Acquisition Background and Rationale

DHI decided to acquire Royal Parks Wakabadai (the “Acquisition”) in order to secure stable revenue over the medium to long term based on the investment policy set forth in DHI’s Articles of Incorporation.

2. Acquisition Details

Property Name (Note 1)	Royal Parks Wakabadai
Asset Type	Beneficiary rights in trust that places real estate in trust
Acquisition Price (Note 2)	¥4,360,000,000
Seller	Daiwa House Industry Co., Ltd.
Execution Date of Sale and Purchase Agreement (planned)	March 28, 2014
Acquisition Date (planned)	March 28, 2014 or on a date agreed upon by the seller and DHI
Method of Settlement	Payment of entire amount upon delivery
Acquisition Funds	The property bought using cash on hand

(Note 1) The to-be-acquired asset is Royal Parks Wakabadai (residential tower) and Frespo Wakabadai East (retail tower), and these are collectively referred to as “Royal Parks Wakabadai.”

(Note 2) Excluding such amounts as expenses related to acquisition, amount equivalent to reimbursement of taxes and dues, etc., and amount equivalent to consumption taxes.

3. Asset Description

Name and Location, etc. of Respective Real Estate			
Type of specified asset	Beneficiary right in trust that places real estate in trust		
Present titleholder	Daiwa House Industry Co., Ltd.		
Trustee	Sumitomo Mitsui Trust Bank, Limited		
Expiration date of trust period	August 31, 2023		
Location	Lot number	2-1-1, Wakabadai, Inagi city, Tokyo	
	Residence indication	2-1-1, Wakabadai, Inagi city, Tokyo (Note 1)	
Land	Form of ownership	Fixed-term leasehold	
	Site area	18,350.46m ²	
	Zoning	Commercial zone	
	Building coverage ratio / Floor area ratio	80% / 400%	
Building	Form of ownership	Proprietary ownership	
	Usage	Apartment complex, Retail (Residential tower) Retail (Retail tower)	
	Total floor area	21,306.41m ² (Note 2)	
	Structure / Number of floors	RC structure, 14F (Residential tower) S structure, 3F (Retail tower)	
	Construction completion date	November 13, 2009 (Residential tower) November 13, 2009 (Retail tower)	
Overview of Leasing (as of February 28, 2014)			
Total number of tenants	3 (Note 3)	Monthly rent (incl. common area charges)	¥ 42,995 thousand
Number of leasable units	192	Deposits, guarantees, etc.	¥ 102,000 thousand
Number of leased units	192	Occupancy rate	100.0%
Leasable floor area	21,367.93m ²		
Leased floor area	21,367.93m ²	Breakdown of Residential Unit Type	
Type	As a percentage of total number of units (Residential tower, residence)	Property management company	Daiwa Living Co., Ltd. (Residential tower) Daiwa Lease Co., Ltd. (Retail tower)
Compact Type	5%	Master lease company	Daiwa Living Co., Ltd. (Residential tower) Daiwa Lease Co., Ltd. (Retail tower)
Family Type	95%	Master lease type	Rental guarantee type (Residential tower, residence and retail) and pass-through type (Residential tower, retail)
Collateral	N/A		
Engineering Report			
Building investigation agency	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Earthquake resistance investigation agency	Tokio Marine & Nichido Risk Consulting Co., Ltd.
Report date	March 2014	Report date	February 2014
Emergency repair expenses	0	Earthquake probable maximum loss	4.4% (Residential tower) 6.2% (Retail tower)
Short-term repair expenses (within 1 year)	0	Soil environment investigation agency	Tokio Marine & Nichido Risk Consulting Co., Ltd.
Long-term repair expenses (next 12 years)	¥242,999 thousand	Report date	July 2013
Building replacement cost	¥4,221,400 thousand	Summary of engineering report	No matters were pointed out in particular.
Building Developer, Designer, Structural Designer, Building Contractor and Building Confirmation Agency			
Building developer	DM Development Wakabadai LLC	Building contractor	Daiwa House Industry Co., Ltd., tokyo brunch

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Building designer	NTT FACILITIES, INC., building engineering headquarters, urban construction architect's office	Building confirmation agency	Japan Housing Finance Promotion Association
Structural designer	NTT FACILITIES, INC., building engineering headquarters, urban construction architect's office		
Other Information			
<p>(Note 1) The address of the property does not comply with residence indication.</p> <p>(Note 2) In addition to the total floor area indicated, there is a registered annex building (type: parking lot; structure: RC structure, 5F, 2F; floor area: 7,558.60m²), but the area of the registered annex building is not included.</p> <p>(Note 3) DHI rent the 3F roof portion for Daiwa House Industry Co., Ltd. as a place of solar energy generation. The total number of tenants is 3 including 2 master lease companies.</p>			
Location Environment and Other Property Characteristics			
The property is located approximately one minute walk from "Wakabadaï" Station on the Keio Sagami-hara Line and thus boasts extremely excellent access to the nearest station. With a large-scale retail facility in close proximity, it is convenient in terms of lifestyle.			
Matters of Special Note			
<p>The following is an overview of the leasehold interest in land.</p> <p>Holder of the leased fee interest in land: Urban Renaissance Agency; Land leasehold period: 60 years from November 30, 2006</p> <p>(1) Approval is required from the holder in the event of disposition of the property, in the event of subleasing of all or part of the leased land, in the event of disposition of the leasehold interest in land or buildings, etc. on the leased land, in the event of pledging of buildings, etc. on the leased land or right to claim repayment of deposits as collateral, in the event of reconstruction or renovation and expansion of the buildings on the leased land, in the event of subleasing of the buildings, etc. on the leased land newly to a third party, in the event of execution of a new periodic building lease agreement or property management agreement, in the event of change of the business structure of the master lease company and such, or in the event of amendments to the asset management agreement between DHI and the Asset Management Company, etc.</p> <p>(2) In the event that the holder of the leased fee interest in land cancels the land leasehold agreement for such reasons as breach of the land leasehold agreement by the holder of the leasehold interest in land, the holder of the leasehold interest in land shall be liable to pay a 488 million yen penalty (however, the concerned penalty amount is subject to adjustment depending on changes in the Consumer Price Index).</p>			

[Explanation of Entries in Table Above]

The summary of the respective real estate in trust is the information as of February 28, 2014, unless otherwise specified.

a. Explanation of "Name and Location, etc. of Respective Real Estate"

- (i) "Present titleholder" is the parties that sold the real estate, etc. to DHI.
- (ii) "Trustee" is the trustee or the party that is scheduled to become the trustee of the to-be-acquired asset.
- (iii) "Location (Lot number)" is the lot number as indicated in the register, and "Location (Residence indication)" is the residence indication of the asset to be acquired as indicated in the register (for properties without residence indication, the location of the building is as indicated in the register (only one location is indicated for properties that have several locations)).
- (iv) "Form of ownership" for the land and building are the kind of rights held by the trustee for the asset scheduled for acquisition.
- (v) "Site area" for the land is the area of the land recorded in the register.
- (vi) "Zoning" for the land is the zoning provided in Article 8, Paragraph 1, Item 1 of the City Planning Act.
- (vii) "Building coverage ratio" for the land is the ratio of the building area of the building to the site area as stipulated in Article 53 of the Building Standards Act and is the maximum figure of the building coverage ratio determined by city planning in accordance with the zoning, etc. (designated building coverage ratio). Designated building coverage ratios may be relaxed / increased, or decreased, since the building is a fireproof building in a fire prevention district, or for other reasons. Therefore it may differ from the actual building coverage ratio to be applied.
- (viii) "Floor area ratio" for the land is the ratio of the total floor area of the building to the site area as stipulated in Article 52 of the Building Standards Act and is the maximum figure of the floor area ratio determined by city planning in accordance with the zoning, etc. (designated floor area ratio). Designated floor area ratios may be relaxed / increased, or decreased, since the width of the road adjacent to the site, or for other reasons. Therefore it may defer from the actual floor area ratio to be applied.
- (ix) "Usage" for the building is the primary use out of the types recorded in the register.
- (x) "Total floor area" for the building is the sum total of the floor area recorded in the register.
- (xi) "Structure / Number of floors" for the building is the structure recorded in the register.
"Structure / Number of floors" entries use the following acronyms.
RC: Reinforced concrete structure SRC: Steel reinforced concrete structure S: Steel framed structure
- (xii) "Construction completion date" for the building is when construction was completed as recorded in the register.

b. Explanation of "Overview of Leasing"

- (i) "Overview of Leasing" numerical figures and information are based on information as of February 28, 2014 and have been derived

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- based on numerical figures and information granted us from the previous owner of the asset scheduled for acquisition.
- (ii) “Total number of tenants” enters the number of tenants as 1 if there is a master lease agreement concluded with the sublessee. In the foregoing case, the number of leased units is calculated on the assumption that consent for the sublessee to become the lessor has been obtained from all end-tenants. The entry is 1 tenant when 1 party leases multiple rental units.
 - (iii) “Number of leasable units” is the number of units of the asset scheduled for acquisition that is leasable as of February 28, 2014.
 - (iv) “Number of leased units” is the number of units for which a lease agreement has been concluded with an end-tenant for the asset scheduled for acquisition as of February 28, 2014.
 - (v) “Leasable floor area” is the floor area of the real estate in trust that is leasable based on information as of February 28, 2014.
 - (vi) “Leased floor area” is the sum total of the floor area of the asset scheduled for acquisition entered in the lease contract concluded with end-tenants as of February 28, 2014. However, where there is clearly an error in the lease contract entry, that based on information received from the previous titleholder of the acquired asset, completion drawings, etc. is shown.
 - (vii) “Monthly rent (incl. common area charges)” is, in principle, in the case where the master lease type is the pass-through type, the sum total amount of the monthly rent (including common area charges, but excluding the monthly use fees for parking space, trunk room and other ancillary facilities and consumption taxes etc.) entered in the lease contract, etc. concluded between the master lease company or the titleholder of the real estate / real estate in trust and end-tenants. In addition, in the case where the master lease type is the rent-guaranteed type, it is the sum total amount of the guaranteed amount of monthly rent (including common area charges, but excluding the monthly use fees for parking space, trunk room and other ancillary facilities and consumption taxes, etc.) entered in the rent-guaranteed sublease contract concluded between the master lease company and the titleholder of the real estate / real estate in trust or the rent-guaranteed sublease contract concluded between the master lease company and the sublessee to which the master lease company is blanket subleasing. However, in the case where agreements of different master lease types are concluded, it is the sum total amount of the monthly rent of the pass-through type and monthly rent of the rent-guaranteed type. Amounts are rounded down to the nearest thousand yen.
 - (viii) “Deposits, guarantees, etc.” is, in principle, in the case where the master lease type is the pass-through type, the sum total of the balance of the deposits, guarantees, etc. that must be returned to end-tenants based on the lease agreement concluded between the master lease company or the titleholder of the real estate / real estate in trust and end-tenants, rounded down to the nearest thousand yen. However, in the case where there is a portion that need not be returned due to special provisions for non-refundable deposits, amortization of deposits, etc. in lease agreements, the amount after deducting the concerned amount is shown. In addition, in the case where the master lease type is the rent-guaranteed type, it is the balance of the deposits, guarantees, etc. based on the rent-guaranteed lease contract concluded between the master lease company and the titleholder of the real estate / real estate in trust or the rent-guaranteed sublease contract concluded between the master lease company and the sublessee to which the master lease company is blanket subleasing. However, in the case where agreements of different master lease types are concluded, it is the sum total amount of the deposits, guarantees, etc. of the pass-through type and deposits, guarantees, etc. of the rent-guaranteed type. Amounts are rounded down to the nearest thousand yen.
 - (ix) “Occupancy rate” is the ratio of leased floor area to leasable floor area of the asset scheduled for acquisition, rounded to one decimal place.
 - (x) “Property management company” is the property management company that, as of today, is delegated property management services for the asset scheduled for acquisition.
 - (xi) “Master lease company” is the lessee that has a blanket lease agreement concluded with the Present titleholder for the purpose of subleasing to third parties.
 - (xii) “Master lease type” is “Pass-through type” when the master lease agreement concluded is not one based on payment of a guaranteed amount of rent, while it is “Rent-guaranteed type” when the master lease agreement concluded is one based on payment of a guaranteed amount of rent. With “Pass-through type,” rent is received only when subleasing actually takes place.

c. Explanation of “Breakdown of Residential Unit Type”

- (i) “Breakdown of Residential Unit Type” is based on the following classification.

	Exclusive-use floor area
Compact Type	60m ² or less
Family Type	More than 60m ²

- (ii) “As a percentage of total number of units” is the ratio of the number of leasable units of the residential unit type to the number of leasable units of the asset scheduled for acquisition, rounded to one decimal place. Accordingly, the sum total of the entered percentages does not necessarily add up to 100.0%.

d. Explanation of “Engineering Report”

- (i) “Engineering Report” is based on the entries in the engineering report prepared for the asset scheduled for acquisition.
- (ii) “Earthquake probable maximum loss” represent the probable maximum loss from an earthquake as being the amount of probable loss of damage that may result from an earthquake having 0.21% annual exceedance probability (475-year return period) expressed as a percentage (%) of the replacement cost (Note).

(Note) Replacement cost: Refers to the expenses that will be incurred if the existing building is to be newly constructed at the time of investigation.

e. Explanation of “Other Information”

“Other Information” provides an explanation of matters that need to be noted with respect to the entries of the items in the summary of the asset scheduled for acquisition.

f. Explanation of “Location Environment and Other Property Characteristics”

“Location Environment and Other Property Characteristics” is, in principle, based on the entries of real estate appraisal reports for the asset scheduled for acquisition.

g. Explanation of “Matters of Special Note”

“Special Notation” presents matters recognized to be of importance in terms of the rights, use, etc. of assets, as well as matters recognized to be of importance in consideration of the degree of impact on the appraised value, profitability and appropriation of assets, including the following matters.

- (i) Significant limitations or restrictions by laws, ordinances, rules and regulations
- (ii) Significant burdens or limitations pertaining to rights, etc.
- (iii) Significant cases where there are buildings, etc. crossing the boundaries of real estate in trust and cases where there are issues with boundary confirmation, etc.; and related arrangements, etc.
- (iv) Significant agreements, arrangements, etc. made with co-owners or condominium unit owners

4. Seller Profile

Trade name	Daiwa House Industry Co., Ltd.	
Head office location	3-3-5, Umeda, Kita-ku, Osaka	
Representative	Naotake Ohno, President and COO	
Main line of business	General construction business	
Capital	¥161,699 million (August 19, 2013)	
Established	March 4, 1947	
Net assets	¥609,016 million (March 31, 2013)	
Total assets	¥1,634,124 million (March 31, 2013)	
Major stockholder and ratio (March 31, 2013)	Stockholder	Ratio
	The Master Trust Bank of Japan, Ltd. (trust account)	4.94%
	Japan Trustee Services Bank, Ltd. (trust account)	4.18%
	Sumitomo Mitsui Banking Corporation	2.68%
Relationship with DHI and Asset Management Company		
Capital Relationship	As of February 28, 2014, the Company holds 10.1% of the total number of DHI investment units issued and outstanding. As of February 28, 2014, the Company also holds 100% of the total number of Asset Management Company shares issued and outstanding.	
Personnel Relationship	As of February 28, 2014, of the officers and officials of the Asset Management Company, twelve are personnel dispatched from the Company.	
Business Relationship	The Company has a support agreement with DHI and the Asset Management Company, based on which the Company provides the first refusal right, a warehousing function, etc. for residential properties, etc. to DHI and the Asset Management Company. In addition, the Company is the property management company and lessee (master lease company) for real estate, etc. held by DHI.	
Status of Classification as Related Party	The Company constitutes a related party of DHI and the Asset Management Company. The Company is also the Asset Management Company's parent company.	
Other	The Company constitutes an interested party as set forth in the bylaws of the Asset Management Company.	

5. Broker Profile

(1) Broker Profile

Trade name	Sumitomo Mitsui Trust Bank, Limited
Head Office Address	1-4-1, Marunouchi, Chiyoda-ku, Tokyo
Representative	Hitoshi Tsunekage, President and CEO
Principal Activities	Trust banking business
Capital	¥ 342,037 million (As of March 31, 2013)
Established	July 28, 1925

Relationship with DHI and Asset Management Company		
Capital Relationship	There is no capital relationship to describe between DHI, asset management company and Sumitomo Mitsui Trust Bank, Limited.	
Personnel Relationship	As of February 28, 2014, of the officers and officials of the Asset Management Company, one is personnel dispatched from the Company.	
Business Relationship	The Company has a basic agreement on the provision of brokerage information on properties, etc. with DHI and the Asset Management Company, based on which the Company provides sale and brokerage information on income-producing real estate to DHI and the Asset Management Company. The Company is also DHI's asset custodian, general administration operator, unitholder registration operator, special account managing institution, investment corporation bond manager, investment corporation bond general administration operator, trustee and lender.	
Status of Classification as Related Party	The Company does not constitute a related party of DHI or the Asset Management Company. Furthermore, affiliated persons or affiliated companies of the Company do not constitute a related party of DHI or the Asset Management Company.	
Other	The Company constitutes an interested party as set forth in the bylaws of the Asset Management Company.	

(2) Broker's Commission

¥ 10,000 thousand

(Note) Excluding amount equivalent to consumption taxes.

6. Status of Property Owners, etc.

Property name	Royal Parks Wakabadai	
Status of property titleholders, etc.	Present trust beneficiary interest holder (initial settlor)	Previous holder of leasehold interest in land
Name of company/individual	Daiwa House Industry Co., Ltd.	N/A
Relationship with party having particular vested interest	See "4. Seller Profile" above	
Acquisition background, rationale, etc.	Self-developed property	
Acquisition value	—	
Acquisition timing	—	

7. Relationship with Interested Party

Daiwa House Industry Co., Ltd. (seller and lessee), Daiwa Living Co., Ltd. and Daiwa Lease Co., Ltd. (property management and master lease company) and Sumitomo Mitsui Trust Bank, Limited (broker and trustee) constitute interested parties as set forth in the bylaws of the Asset Management Company. Consequently, such transactions have undergone the procedures required by the Interested-Party Transaction Rules bylaws of the Asset Management Company.

8. Matters Concerning Earthquake Resistance, etc.

The to-be-acquired asset has not undergone investigation concerning seismic resistance performance, etc. by a third party institution since structural calculation conformity judgment has been performed by a designated structural calculation conformity judgment institution in accordance with the Building Standards Act.

In addition, in the course of due diligence upon property acquisition, DHI has earthquake risk analyses conducted separate to the investigation of examination/confirmation conducted by the confirmation and investigation agencies. The analyses are based on a design drawing review, ground survey, etc. using structural drawings, structural calculation documents and other materials.

9. Future Prospects

The Acquisition will have only a minor impact on operating status forecasts for the fiscal period ending in August 2014 (17th Fiscal Period: from March 1, 2014 to August 31, 2014), there is no revision to the operating status forecasts.

For operation status forecasts for the fiscal period ending in February 2015 (18th Fiscal Period: from September 1, 2014 to February 28, 2015) that take the Acquisition into account is currently being assessed and will be announced once determined.

Kessan tanshin for the fiscal period ending in February 2014 (16th Fiscal Period: from September 1, 2013 to February 28, 2014) will be announced on April 10, 2014.

* 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 DHI's website: <http://daiwahouse-resi-reit.co.jp/eng/>

[Reference Information]

1. Summary of Real Estate Appraisal

Real estate appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.	Date of value opinion: February 28, 2014 Date of appraisal: March 13, 2014
Final opinion of value	4,550,000,000	
A. Value indicated by the cost approach	4,660,000,000	
B. Value indicated by the income approach	4,550,000,000	
1. Value indicated by the income approach based on the direct capitalization method (Inwood method of capitalization over a definite term)	4,490,000,000	
(1) Total revenue	555,994,916	①+②+③+④-⑤
① Rent income	524,072,616	
② Common area charges income	31,717,884	
③ Parking space income	22,500,000	
④ Other income	8,870,580	Rent income pertaining to solar power generation, antenna income, etc.
⑤ Losses from vacancies, etc.	31,166,164	
(2) Total expenses	250,274,478	Sum total of a. to h.
a. Maintenance and management expenses	30,388,000	
b. Utilities expenses	4,576,572	
c. Repair expenses	9,456,095	Including restore expenses
d. Property management fee	10,336,648	
e. Leasing fee	10,632,652	
f. Taxes and dues	35,529,300	
g. Non-life insurance expenses	939,211	
h. Other expenses	148,416,000	Land rent etc.
(3) Operating income from property leasing	305,720,438	(1) - (2)
(4) Operating revenue from deposits/guarantees, etc.	2,797,888	
(5) Loss on investment of leasehold guarantee deposits	10,894,320	
(6) Capital expenditures	16,407,833	Based on an assessment (taking into consideration the engineering report)
(7) Net operating income	281,216,173	(3) + (4) - (5) - (6)
(8) Discount rate based on the Inwood method of capitalization over a definite term	5.9%	
2. Value indicated by the income approach based on the DCF method	4,570,000,000	
Discount rate (during period from 1st year to 10th year)	5.7%	
Discount rate at resale (from 11th year to expiration of the land leasehold agreement)	6.1%	

2. Real Estate Portfolio List after Acquisition of Property

	Area (Note 1)	Property No.	Property Name	Acquisition Date (Note 2)	Acquisition Price (Note 3)	Investment Ratio (Note 4)
Residential	Area 1	1001	Qiz Ebisu	March 22, 2006	7,650	3.3%
		1002	Castalia Azabujuban Shichimenzaka	March 22, 2006	4,500	1.9%
		1003	Castalia Shibakoen	March 22, 2006	2,630	1.1%
		1004	Castalia Ginza	March 22, 2006	2,520	1.1%
		1005	Castalia Hiroo	March 22, 2006	2,220	0.9%
		1006	Castalia Nihonbashi	March 22, 2006	1,200	0.5%
		1007	Castalia Hacchobori	March 7, 2007	2,300	1.0%
		1008	Castalia Azabujuban	June 21, 2007	2,910	1.2%
		1009	Castalia Azabujuban II	June 21, 2007	2,690	1.1%
		1010	Castalia Shinjuku Natsumezaka	June 21, 2007	1,865	0.8%
		1011	Castalia Ginza II	June 21, 2007	1,800	0.8%
		1012	Castalia Shibuya Sakuragaoka	June 21, 2007	1,400	0.6%
		1015	Castalia Nishi Azabu Kasumicho	April 1, 2010	2,143	0.9%
		1016	Castalia Ochanomizu	April 1, 2010	1,770	0.8%
		1017	Castalia Sangubashi	April 1, 2010	1,393	0.6%
		1018	Castalia Suitengu	April 1, 2010	1,279	0.5%
		1019	Castalia Suitengu II	April 1, 2010	1,138	0.5%
		1020	Castalia Shintomicho	April 1, 2010	932	0.4%
		1021	Castalia Shintomicho II	April 1, 2010	825	0.4%
		1022	Castalia Harajuku	April 1, 2010	887	0.4%
		1023	Castalia Yoyogi Uehara	April 1, 2010	608	0.3%
		1024	Castalia Sendagaya	April 1, 2010	555	0.2%
		1025	Castalia Shinjuku 7 chome	April 1, 2010	464	0.2%
		1027	Castalia Ningyocho	April 1, 2010	947	0.4%
		1028	Castalia Ningyocho II	April 1, 2010	1,070	0.5%
		1029	Castalia Shin-Ochanomizu	April 1, 2010	914	0.4%
		1030	Castalia Higashi Nihonbashi II	April 1, 2010	1,370	0.6%
		1031	Castalia Jinbocho	April 1, 2010	1,160	0.5%
		1032	Castalia Shintomicho III	April 1, 2010	675	0.3%
		1033	Castalia Shinjuku Gyoen	April 1, 2010	2,720	1.2%
		1034	Castalia Takanawadai	April 1, 2010	860	0.4%
		1035	Castalia Higashi Nihonbashi III	April 1, 2010	666	0.3%
		1036	Castalia Shinjuku Gyoen II	April 1, 2010	486	0.2%
	1037	Castalia Shintomicho IV	April 1, 2010	400	0.2%	
	1038	Castalia Takanawadai II	April 1, 2010	1,190	0.5%	
	1039	Castalia Minami Azabu	April 1, 2010	642	0.3%	
	1040	Castalia Ginza III	April 1, 2010	2,880	1.2%	
	1041	Castalia Kayabacho	April 1, 2010	2,707	1.2%	
	1042	Castalia Takanawa	April 1, 2010	7,430	3.2%	
	1043	Castalia Higashi Nihonbashi	April 1, 2010	3,520	1.5%	
	1045	Castalia Shinjuku	April 1, 2010	2,950	1.3%	
	1046	Castalia Ichigaya	June 29, 2010	940	0.4%	
	1047	Shibaura Island Bloom Tower	October 18, 2011	7,580	3.2%	
	1048	Castalia Hatsudai	December 19, 2011	2,030	0.9%	
	1049	Castalia Hatsudai II	September 27, 2013	1,900	0.8%	
	1050	Castalia Ebisu	September 27, 2013	1,420	0.6%	
	Subtotal					92,136
	Area 2	2001	Castalia Meguro Kamurozaka	December 20, 2005	4,500	1.9%
		2002	IPSE Toritsudaigaku	March 22, 2006	648	0.3%
		2004	Castalia Yukigaya	March 7, 2007	1,110	0.5%
		2005	Castalia Yutenji	June 21, 2007	1,450	0.6%
		2006	Castalia Otsuka	June 21, 2007	1,480	0.6%
		2007	Castalia Kikukawa	June 21, 2007	817	0.3%
		2008	Castalia Meguro	April 1, 2010	844	0.4%
		2009	Castalia Otsuka II	April 1, 2010	1,040	0.4%
		2010	Castalia Jiyugaoka	April 1, 2010	1,200	0.5%

2011	Castalia Mejiro	April 1, 2010	988	0.4%	
2012	Castalia Ikebukuro	April 1, 2010	2,570	1.1%	
2013	Castalia Kaname-cho	April 1, 2010	1,140	0.5%	
2014	Castalia Tower Shinagawa Seaside	April 1, 2010	7,380	3.1%	
2015	Castalia Yakumo	April 1, 2010	857	0.4%	
2016	Castalia Togoshiekimae	April 1, 2010	1,560	0.7%	
2018	Castalia Honjo Azumabashi	April 1, 2010	996	0.4%	
2019	Castalia Kitazawa	April 1, 2010	742	0.3%	
2020	Castalia Monzennakacho	April 1, 2010	503	0.2%	
2023	Castalia Kamiikedai	April 1, 2010	198	0.1%	
2024	Castalia Morishita	April 1, 2010	832	0.4%	
2025	Castalia Wakabayashi koen	April 1, 2010	776	0.3%	
2026	Castalia Asakusabashi	April 1, 2010	792	0.3%	
2027	Castalia Iriya	April 1, 2010	546	0.2%	
2028	Castalia Kita Ueno	April 1, 2010	2,641	1.1%	
2029	Castalia Morishita II	April 1, 2010	686	0.3%	
2030	Castalia Minowa	April 1, 2010	1,430	0.6%	
2031	Castalia Oyamadai	April 1, 2010	533	0.2%	
2032	Castalia Nakano	April 1, 2010	1,060	0.5%	
2033	Castalia Yoga	April 1, 2010	923	0.4%	
2034	Castalia Sumiyoshi	April 1, 2010	948	0.4%	
2035	Castalia Monzennakacho II	April 1, 2010	2,160	0.9%	
2036	Castalia Oshiage	April 1, 2010	1,100	0.5%	
2037	Castalia Kuramae	April 1, 2010	1,260	0.5%	
2038	Castalia Nakanobu	June 29, 2010	1,790	0.8%	
2039	Royal Parks Toyosu	November 1, 2010	7,360	3.1%	
2040	Castalia Togoshi	November 1, 2010	1,770	0.8%	
2041	Castalia Ooimachi	June 30, 2011	1,181	0.5%	
2042	Castalia Omori	August 2, 2011	1,500	0.6%	
2043	Castalia Mishuku	October 7, 2011	1,900	0.8%	
2044	Castalia Arakawa	March 28, 2012	1,660	0.7%	
2045	Castalia Omori II	March 29, 2012	2,370	1.0%	
2046	Castalia Nakameguro	November 29, 2012	3,800	1.6%	
2047	Castalia Meguro Chojyamaru	September 27, 2013	2,030	0.9%	
2048	Castalia Meguro Takaban	September 27, 2013	1,750	0.7%	
2049	Castalia Omori III	September 27, 2013	1,520	0.6%	
Subtotal			74,341	31.7%	
Area 3	3001	Cosmo Heim Musashikosugi	March 22, 2006	1,674	0.7%
	3002	Castalia Tsurumi	June 21, 2007	666	0.3%
	3003	Castalia Funabashi	April 1, 2010	704	0.3%
	3006	Castalia Nishi Funabashi	April 1, 2010	783	0.3%
	3007	Castalia Maihama	April 1, 2010	670	0.3%
	3008	Castalia Ichikawamyoden	April 1, 2010	671	0.3%
	3010	Castalia Urayasu	April 1, 2010	592	0.3%
	3011	Castalia Minamigyotoku	April 1, 2010	543	0.2%
	3012	Castalia Minamigyotoku II	April 1, 2010	385	0.2%
	3013	Castalia Nogeeyama	April 1, 2010	325	0.1%
	3017	Castalia Ichikawa	April 1, 2010	461	0.2%
	3018	Royal Parks Hanakoganei	October 7, 2011	5,300	2.3%
	3019	Castalia Musashikosugi	September 27, 2013	1,680	0.7%
	3020	Royal Parks Wakabadai	March 28, 2014 (planned)	4,360	1.9%
Subtotal			18,814	8.0%	
Area 4	4001	Castalia Shinsakae	December 20, 2005	1,920	0.8%
	4008	Aprile Tarumi	April 1, 2010	1,340	0.6%
	4009	Crest Kusatsu	April 1, 2010	3,004	1.3%
	4010	Castalia Sakaisuji Honmachi	April 1, 2010	1,490	0.6%
	4011	Castalia Shin-Umeda	April 1, 2010	1,376	0.6%
	4012	Castalia Abeno	April 1, 2010	4,368	1.9%
	4014	Castalia Sakae	April 1, 2010	1,010	0.4%
	4015	Castalia Nipponbashi Kouzu	April 1, 2010	3,570	1.5%
4016	Castalia Maruyama Urasando	April 1, 2010	411	0.2%	

4017	Castalia Maruyama Omotesando	April 1, 2010	1,740	0.7%		
4018	Castalia Higashi Hie	April 1, 2010	960	0.4%		
4019	Castalia Tower Nagahoribashi	April 1, 2010	3,400	1.5%		
4020	Castalia Sannomiya	April 1, 2010	1,230	0.5%		
4021	Castalia Kotodaikoen	April 1, 2010	481	0.2%		
4022	Castalia Ichibancho	April 1, 2010	783	0.3%		
4023	Castalia Omachi	April 1, 2010	656	0.3%		
4024	Castalia Uemachidai	April 1, 2010	2,190	0.9%		
4025	Castalia Tower Higobashi	April 1, 2010	2,670	1.1%		
4026	Big Tower Minami Sanjo	November 1, 2010	1,740	0.7%		
4027	Castalia Fushimi	January 14, 2011	2,260	1.0%		
4028	Castalia Meieki Minami	August 1, 2011	720	0.3%		
4029	Castalia Yakuin	September 26, 2011	930	0.4%		
4030	Castalia Mibu	December 22, 2011	1,193	0.5%		
4031	Castalia Tsutsujigaoka	September 3, 2012	1,208	0.5%		
4032	Castalia Ohori Bay Tower	March 25, 2013	2,910	1.2%		
4033	Royal Parks Namba	March 29, 2013	2,830	1.2%		
4034	Castalia Shigahondori	June 26, 2013	1,730	0.7%		
Subtotal			48,120	20.5%		
Subtotal			233,411	99.6%		
Residential	Area 3	6001	Urban Living Inage	June 24, 2013	930	0.4%
(Residential properties for the elderly)			Subtotal	930	0.4%	
Total			234,341	100.0%		

- (Note 1) Under “Area,” “Area 1” refers to the 5 major wards of Tokyo (Chiyoda, Chuo, Minato, Shibuya and Shinjuku Wards), “Area 2” refers to the wards of Tokyo excluding “Area 1,” “Area 3” refers to the Tokyo metropolitan area (Tokyo (excluding “Areas 1” and “Area 2”), Kanagawa, Saitama and Chiba Prefectures), and “Area 4” refers to other cities (areas with populations of approximately 100,000 people or more).
- (Note 2) “Acquisition Date (planned)” is entered as the effective date of the merger (April 1, 2010) for properties that were held by the former New City Residence Investment Corporation.
- (Note 3) “Acquisition Price (planned)” is excluding such amounts as expenses related to acquisition, reimbursement of taxes and dues, etc., and consumption taxes. For properties that were held by the former New City Residence Investment Corporation, the price at which the properties were succeeded at the time of the merger (the appraisal value as of February 28, 2010) is shown. Amounts are rounded to the nearest million yen.
- (Note 4) “Investment Share” is the ratio of the acquisition price to the total amount of acquisition prices, rounded to one decimal place.

3. Photograph of the Property Planned for Acquisition

