

Advance Residence Investment Corporation

18th Fiscal Period Results 2019.2.1 ~ 2019.7.31

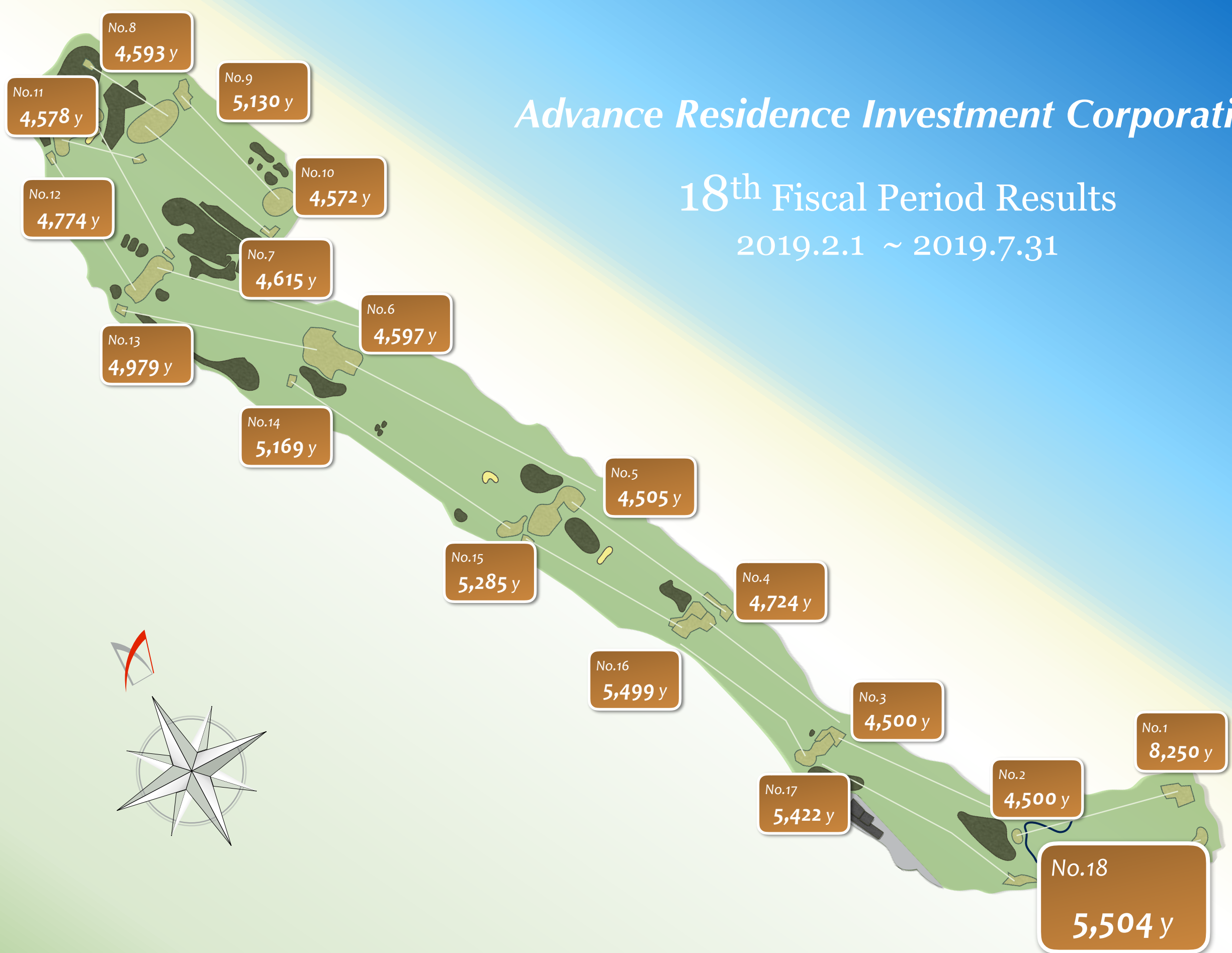




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Executive Summary



Record Occupancy, Accelerating Rent Rise DPU **+125** yen from Forecast

Earnings Per Unit (EPU)	5,254 yen	chg. fr last FP +1.6%	chg. fr forecast +2.4%
Dividend Per Unit (DPU)	5,504 yen	chg. fr last FP +1.5%	chg. fr forecast +2.3%
FFO Per Unit	7,277 yen	chg. fr last FP	+1.4%
NAV Per Unit	270,753 yen	chg. fr last FP	+4.7%
Unrealized Profit	1,53.1 bn yen	Total Book Value Percentage	36.1%

External Growth

Acquired RESIDIA Shin-Osaka II



Acquisition Price	647 mil. yen
Yield after Depreciation	4.3 %

* Annual NOI Listed on the appraisal report, yield after depreciation based on acquisition price

Internal Growth

Record Occupancy Accelerating Rent Rise

Period Average Occupancy	97.1 %
	chg. from forecast +0.5%
Portfolio Rent Rise	0.68 %
	Tenth Consecutive Period Rise in Rent

Finance

Credit Rating	JCR: AA (stable)
	R&I: AA- (stable)
Total Asset LTV	49.9%
Appraisal	39.0%



Results for Fiscal Period ended July 2019

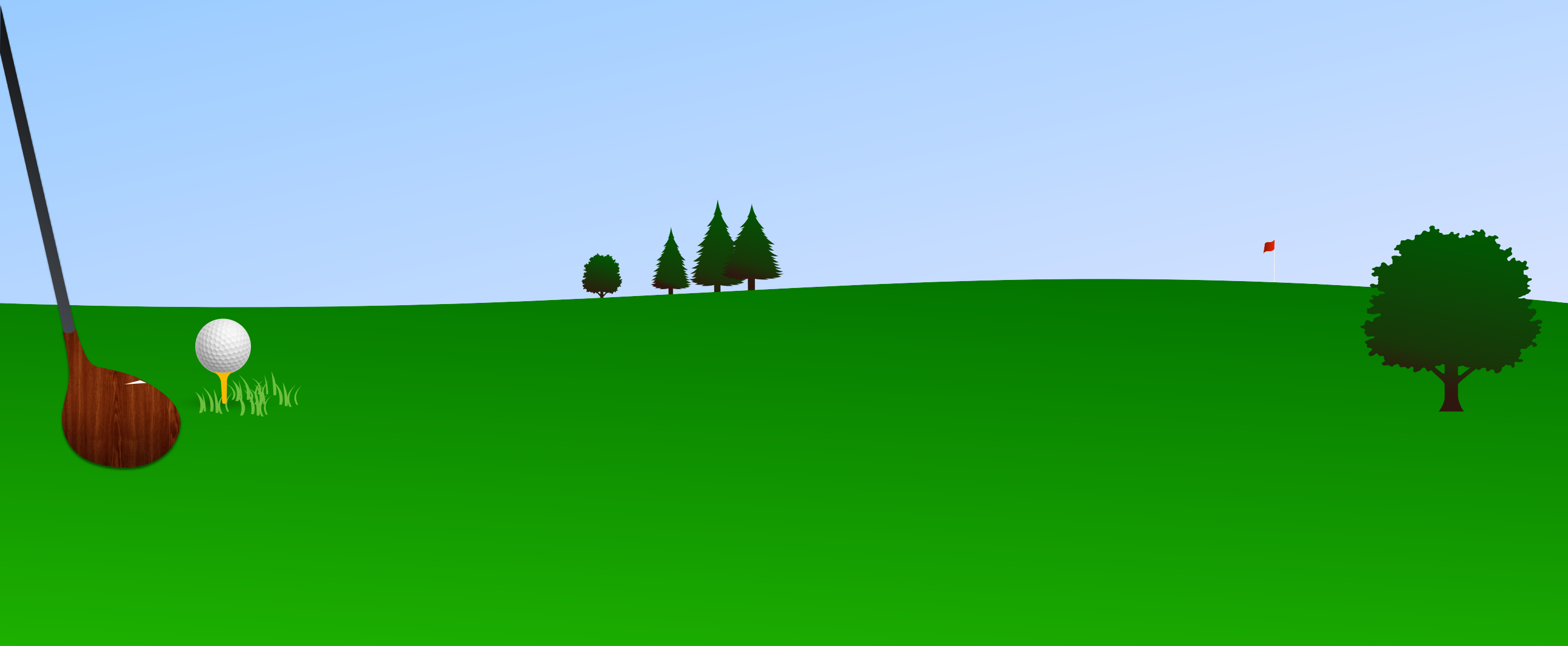
Feb. 1, 2019 - July. 31, 2019

	(1) 18 th FP Forecast	(2) 18 th FP Results	(2)-(1)			(3) 17 th FP Results	(2)-(3)		in million yen
	Initial Forecast as of March 12, 2019	Results for FP July 2019	Changes	Notes	Chgs	Results for FP January 2019	Changes	Notes	Chgs
Revenue	16,237 (264 properties) Period avg. occupancy 96.6%	16,465 (265 properties) Period avg. occupancy 97.1%	+228	Asset Acquisition Increase in revenue from acquisition Same Store Increases from higher occupancy & rise in rents Increases in key money Increases in other revenues	+6 +129 +77 +13	16,196 (264 properties) Period avg. occupancy 97.0%	+269	Asset Acquisitions Increase in revenue from acquisition Same Store Increases from higher occupancy & rise in rents Increase in key money Increases in other revenues	+6 +92 +157 +13
Operating Income	8,019 (Depreciation: 2,713) (Property taxes: 877)	8,202 (Depreciation: 2,730) (Property taxes: 880)	+183 (NOI: +199)	Leasing Expenses Increases in repair costs Decreases in other expenses Increase in depreciation	-37 +9 -15	8,117 (Depreciation: 2,705) (Property taxes: 871)	84 (NOI: +108)	Leasing Expenses Increases in costs due to incrs in asset Peak-season increases in fees Increases in repair costs Increases in other expenses Increase in depreciation G & A Expenses Decreases in other expenses	-1 -108 -46 -5 -23 +1
Ordinary Income	6,926 (Funding cost*: 1,090)	7,094 (Funding cost*: 1,079)	+168	Bond issuance expense	-14	6,984 (Funding cost*: 1,129)	+110	Decrease in compensation from lease cancellation Decrease in interest payment	-2 +28
Net Income	6,925	7,094	+168			6,983	+110		
EPU (yen)	5,130	5,254	+124	Units issued and outstanding 1,350,000 units		5,173	+81	Units issued and outstanding 1,350,000 units	
Per Unit Drawdown of Reserve** (yen)	249	249	-	Reserve** after dividend: 31.5 bn yen		249	-		
Dividend per unit (yen)	5,379	5,504	+125			5,422	+82		
Total Asset LTV	50.0%	49.9%	-0.1pt			49.9%	-		

* Funding costs include interest payments for loans and bonds as well as other finance fees.

** "Reserve" means "Temporary Difference Adjustment Reserve".

EXTERNAL GROWTH





External Growth Policy

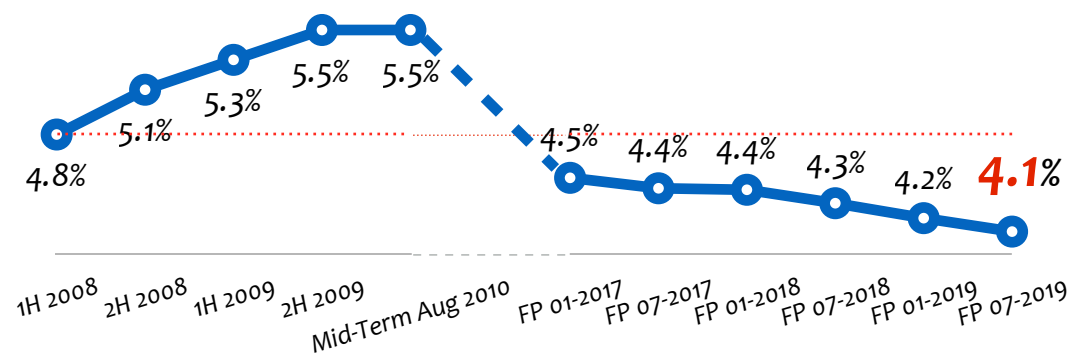


Maintaining Disciplined Acquisition Policy

Appraisal Direct Cap Rate Trend

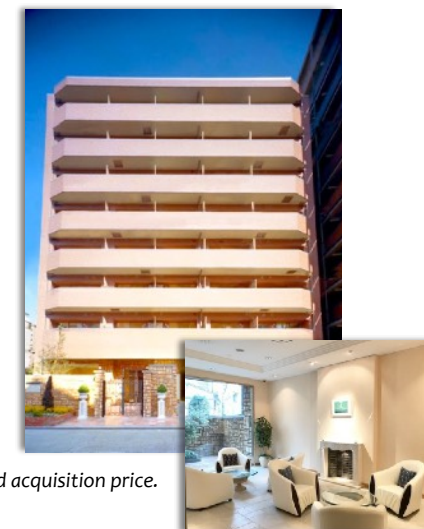
● Appraisal Direct Cap Rate

Cap Rate Compression Continues



FP July 2019 Acquisition

	RESIDIA Shin-Osaka II
Acquisition Price	647 million yen
Price to Appraisal Value	92.3%
NOI Yield *	5.0%
Yield after Depreciation *	4.3%
Building Age **	11.3 yrs
Location	Yodogawa-ku, Osaka

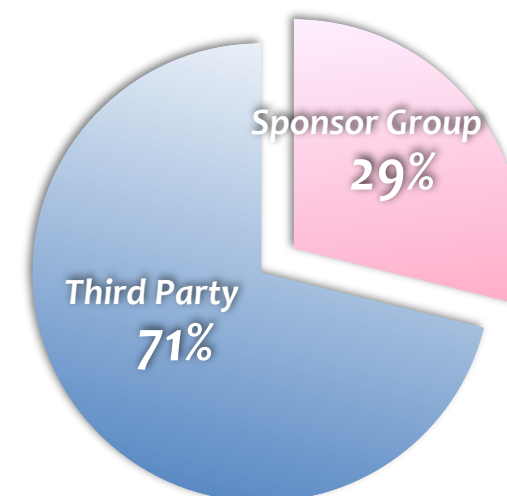
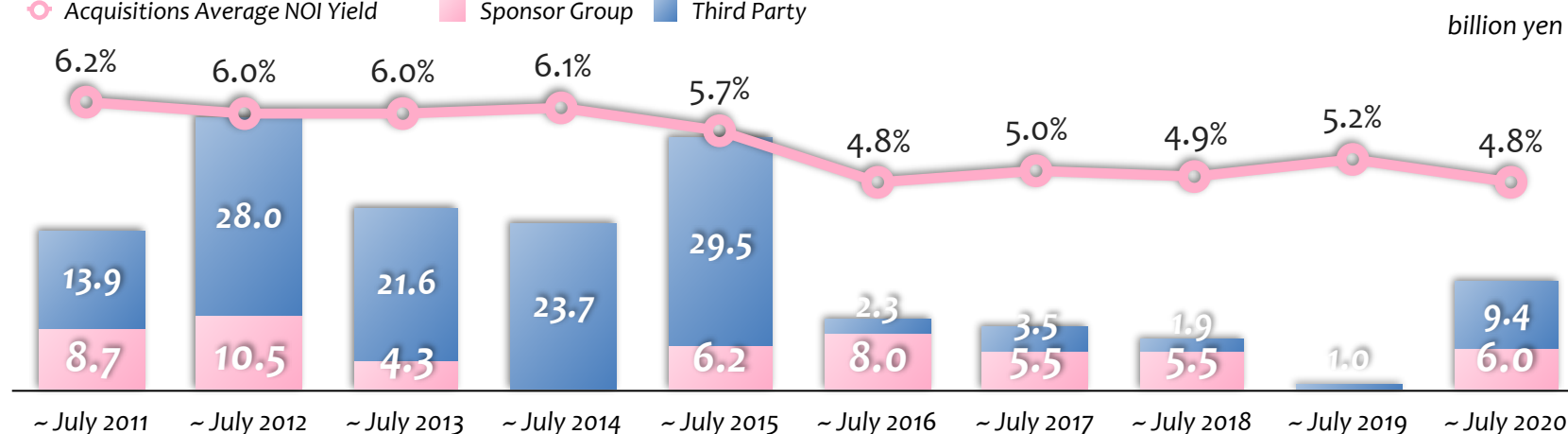


* Based on Annual NOI listed on the appraisal report, assumed depreciation and acquisition price.

** Building age is as of acquisition date.

Sourcing Track Record

○ Acquisitions Average NOI Yield ■ Sponsor Group ■ Third Party





Assets in the Pipeline



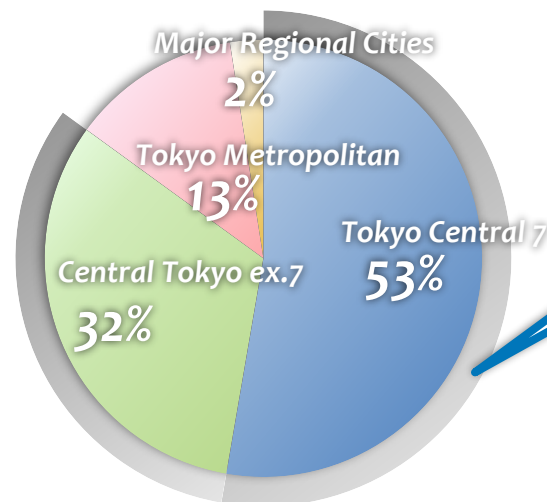
as of July 2019

Sponsor Pipeline **24** properties **40.6** billion yen (of which **33.9** billion yen is completed)

Properties Developed by Itochu Group

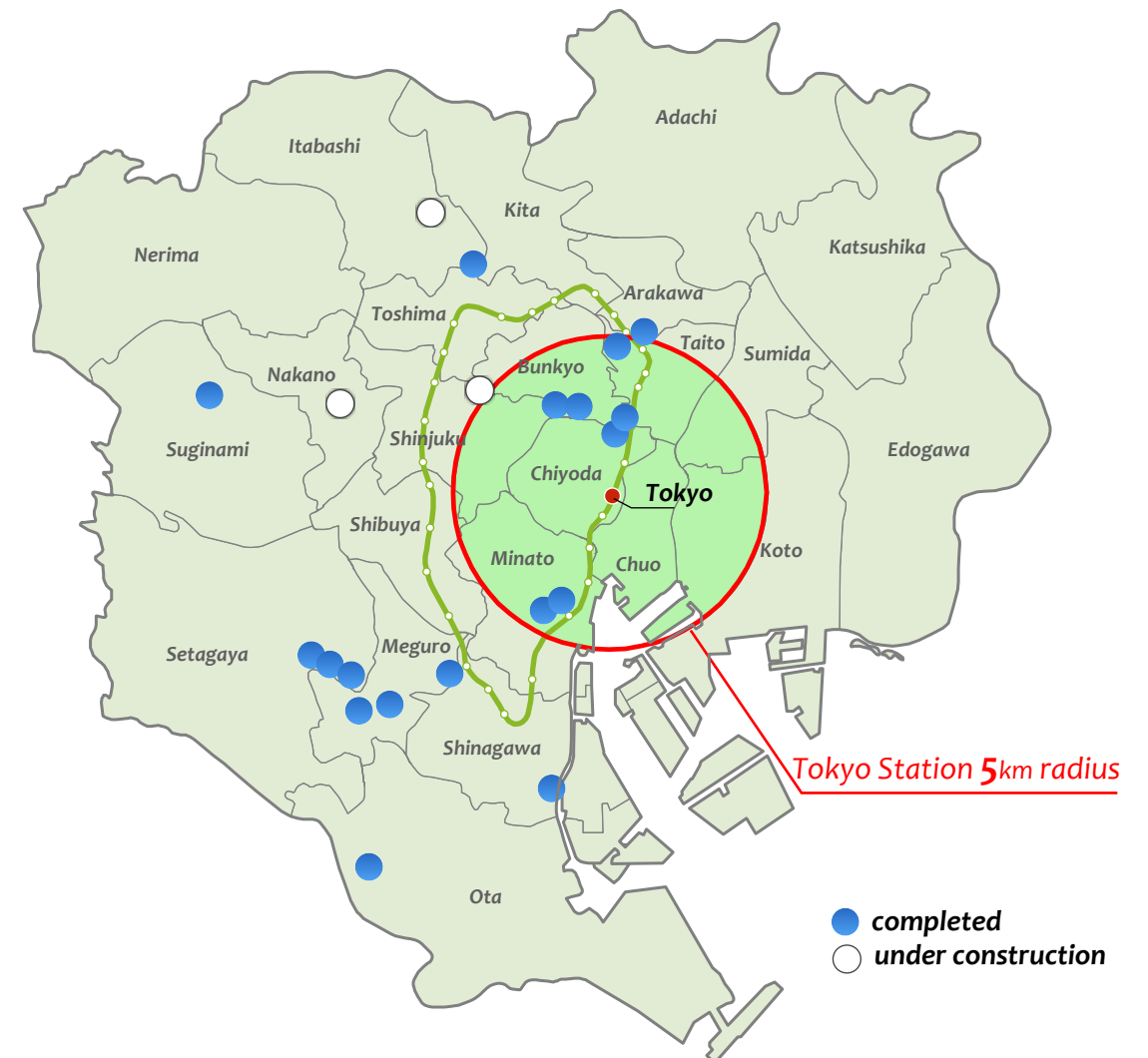
Pipeline for ADR

	No. of Properties	No. of Units	Expected Size	Completed
Tokyo Central 7	12 properties	773 units	21.4 bn yen	17.9 bn yen
Central Tokyo ex.7	9 properties	386 units	13.1 bn yen	10.9 bn yen
Tokyo Metropolitan	2 properties	445 units	5.1 bn yen	5.1 bn yen
Major Regional Cities	1 properties	94 units	1.0 bn yen	-
Total	24 properties	1,698 units	40.6 bn yen	33.9 bn yen



Tokyo 23 Wards
85%

Locations within 23 Wards of Tokyo





Memo

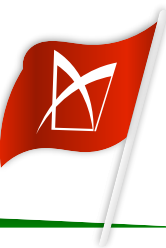






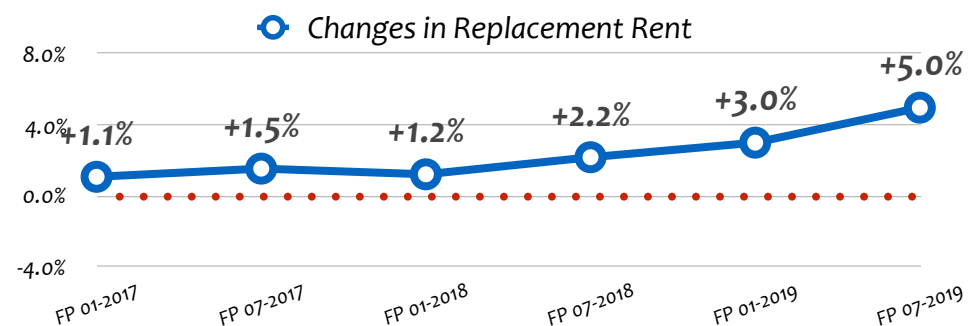
INTERNAL GROWTH

Rent Trends by Region



Portfolio Rent Change

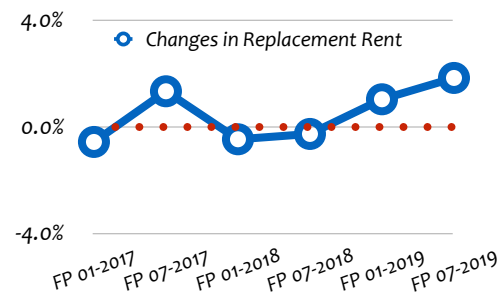
Replacements* **+5.0%** Renewals* **+0.8%**



Fukuoka Region

(3.8% of portfolio)

Replacements **+1.8%**
Renewals **+0.2%**

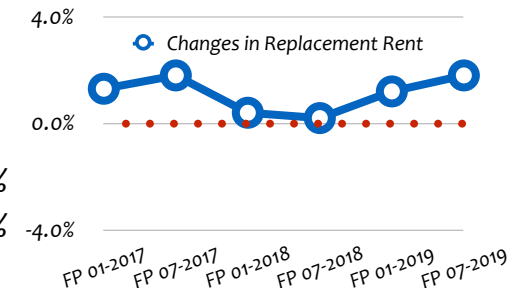


* Rent change for pass-through units that went through replacement or renewal during the period.
* The percentage of portfolio shows rentable area of the region to total portfolio rentable area.

Sapporo Region

(5.8% of portfolio**)

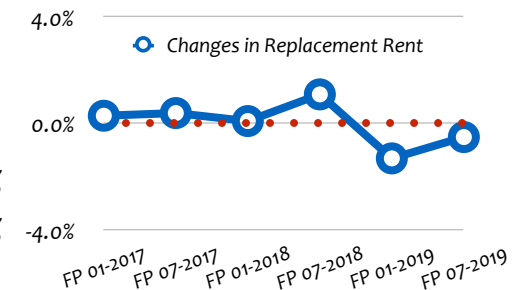
Replacements **+1.8%**
Renewals **+0.0%**



Sendai Region

(3.2% of portfolio)

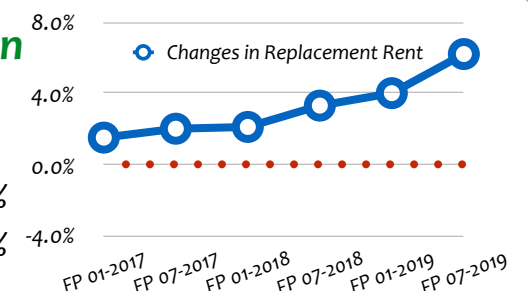
Replacements **-0.5%**
Renewals **+0.5%**



Tokyo Metropolitan Region

(67.7% of portfolio)

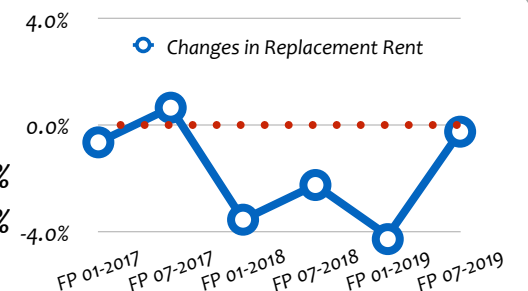
Replacements **+6.2%**
Renewals **+1.0%**



Nagoya Region

(7.5% of portfolio)

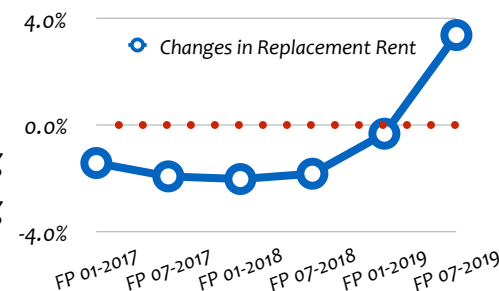
Replacements **-0.2%**
Renewals **+0.4%**



Kansai Region

(12.0% of portfolio)

Replacements **+3.4%**
Renewals **+0.3%**

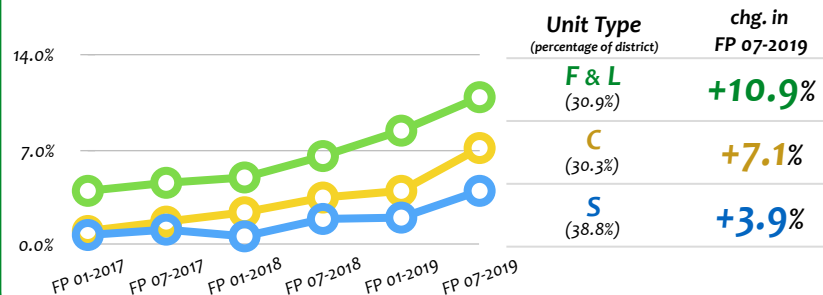


Rent Trends in 23 Wards of Tokyo



23 Wards of Tokyo (57.2% of portfolio)

Replacements **+6.5%** Renewals **+1.0%**

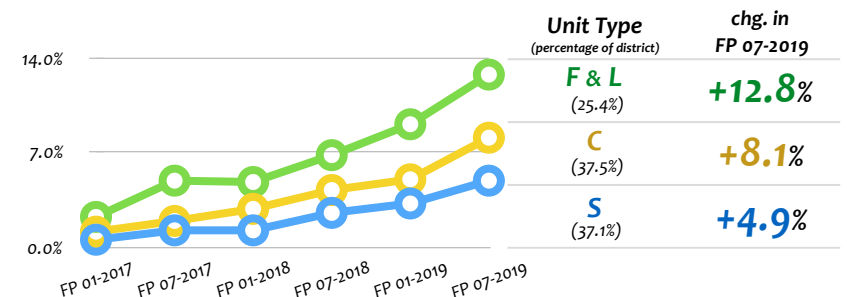


Replacements Rent Trend Chart

- Family & Large
- Compact
- Single

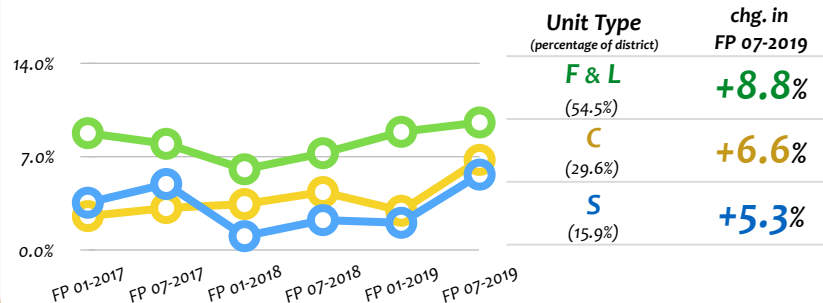
Tokyo Station 5km Radius (23.3% of portfolio)

Replacements **+7.8%** Renewals **+1.2%**



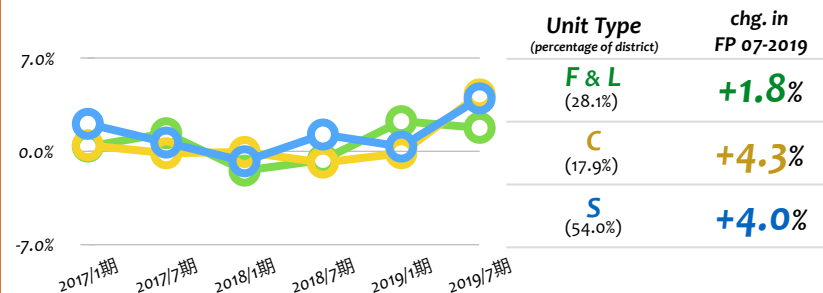
Toshima District (8.2% of portfolio)

Replacements **+7.3%** Renewals **+1.9%**



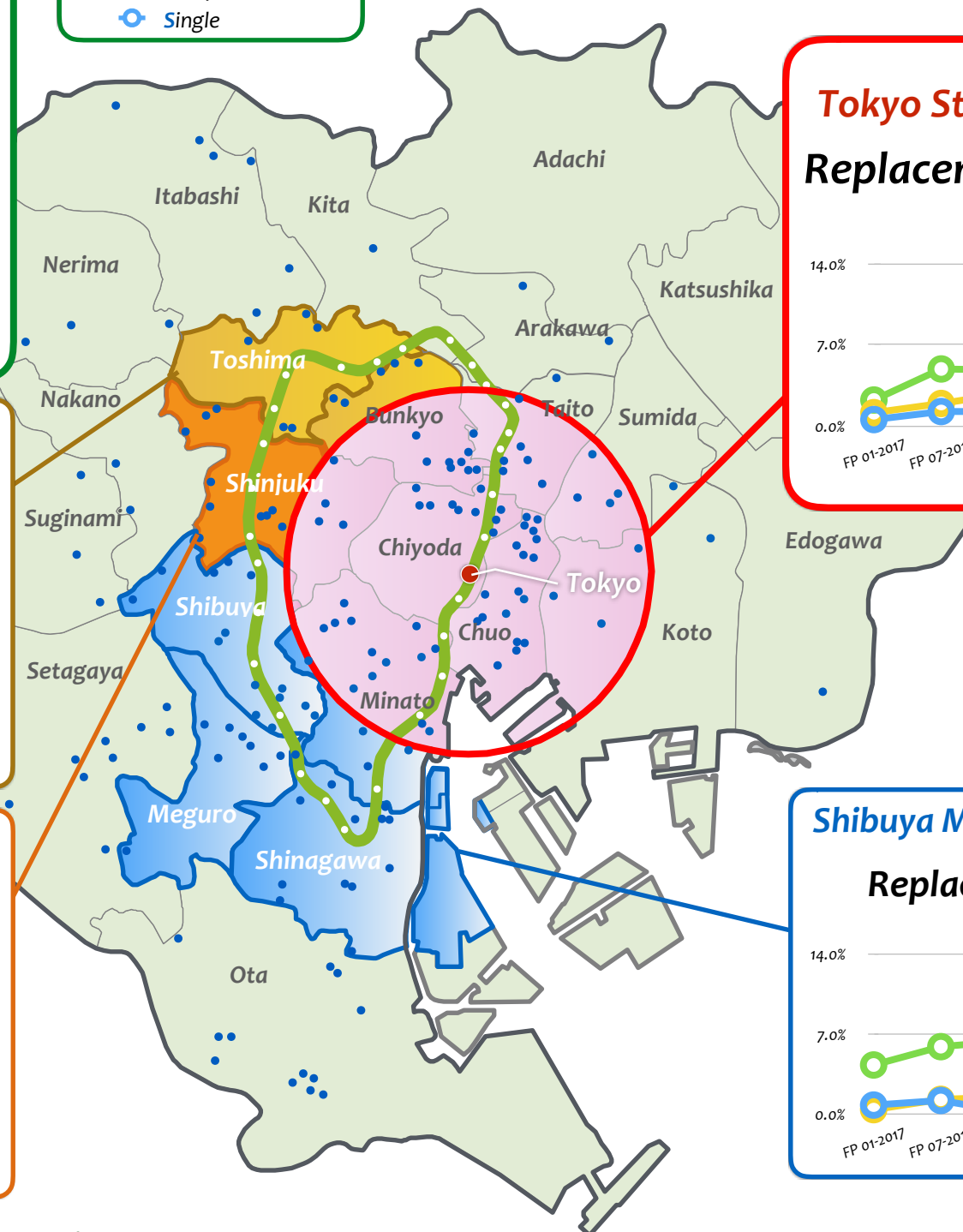
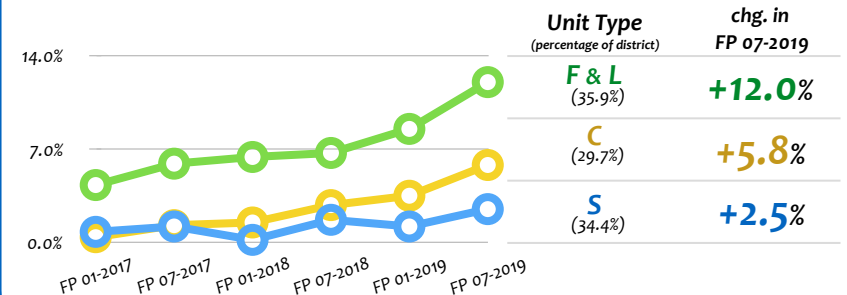
Shinjuku District (2.3% of portfolio)

Replacements **+3.8%** Renewals **+0.8%**



Shibuya Meguro Shinagawa District (11.7% of portfolio)

Replacements **+5.2%** Renewals **+0.6%**



FP July 2019 Rent Trend



FP18Rent Change Details

Replacements

million yen / month

	No. of Units	Ratio	Old Rent	New Rent	Difference	% Change
Increase	1,660 units	75.4%	201	215	+13.4	+6.7%
Unchanged	258 units	11.7%	24	24	-	-
Decrease	284 units	12.9%	24	23	-1.0	-4.2%
Total	2,202 units	100.0%	250	263	+12.4	+5.0%

* Rent change for pass-through units that went through replacement or renewal during the period.

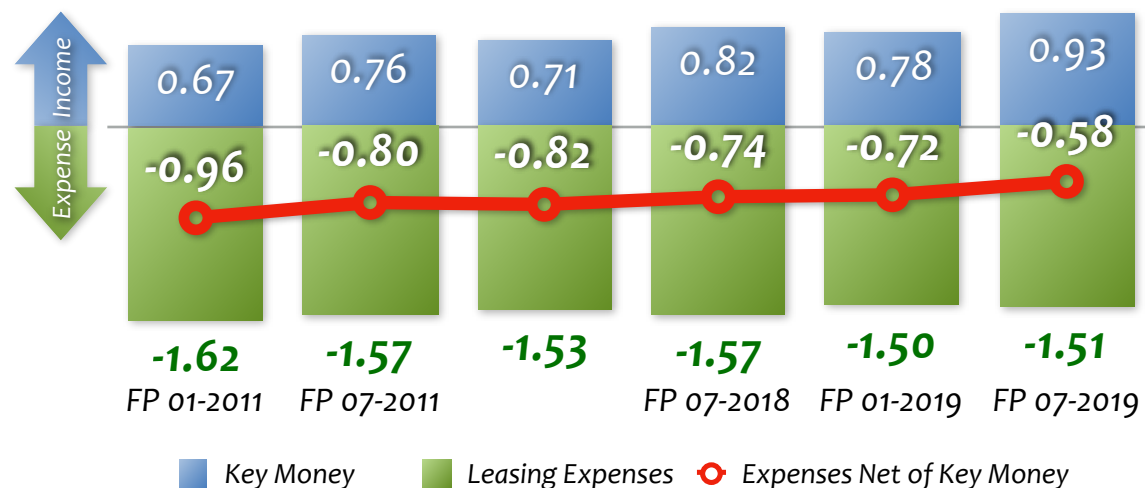
Renewals

million yen / month

	No. of Units	Ratio	Old Rent	New Rent	Difference	% Change
Increase	998 units	28.0%	133	137	+3.2	+2.4%
Unchanged	2,559 units	71.9%	277	277	-	-
Decrease	1 units	0.03%	0.1	0.1	-0.001	-0.8%
Total	3,558 units	100.0%	411	414	+3.2	0.8%

Leasing Expenses

Increase in Key Money & Reduction in Leasing Expenses



Turnover Period & Renewal Rate

Increase in Turnover Period & Renewal Rate

	Ave. Turnover Period*		Ave. Vacancy Period		Ave. Renewal Rate**	
	FP 07-2017	FP 07-2019	FP 07-2017	FP 07-2019	FP 07-2017	FP 07-2019
Total	4.0 yrs	4.3 yrs	62 days	61 days	85.9%	87.0%
Family & Large	4.7 yrs	5.2 yrs	77 days	75 days	87.7%	89.6%
Compact	3.7 yrs	3.9 yrs	61 days	64 days	84.4%	85.7%
Single	4.0 yrs	4.3 yrs	59 days	56 days	86.0%	86.8%

* Turnover period is calculated by dividing the number of average month end rented units by number of total move outs for the latest year.

** Renewal rate is calculated by dividing the number of contract renewed by number of total contract expiring during the latest year.



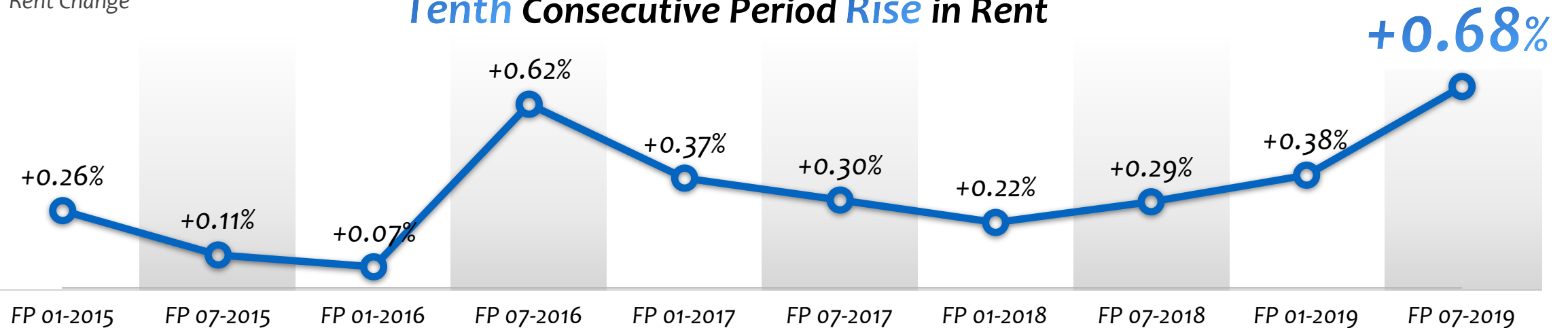
Increasing Rent Rise Potential



Portfolio Rent Rise

○ Rent Change

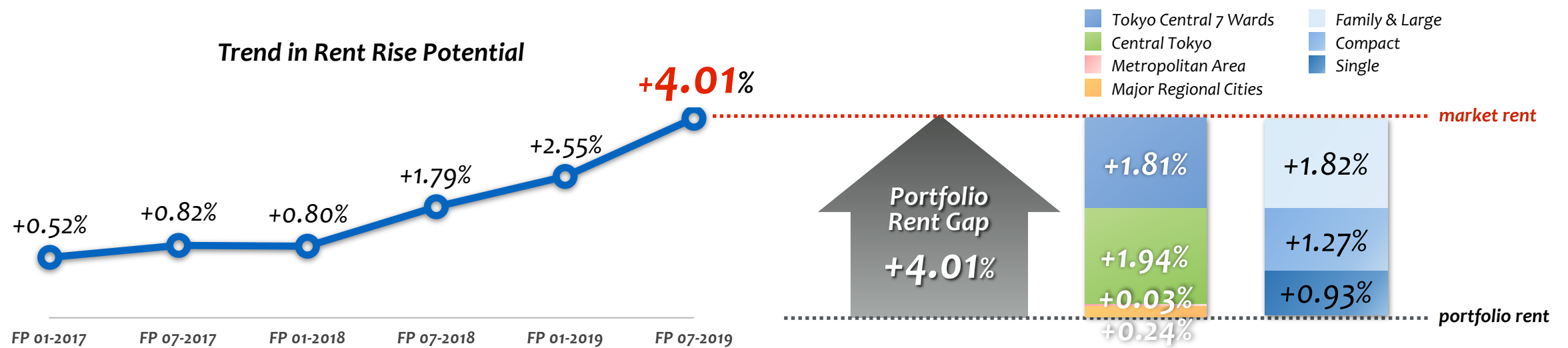
Tenth Consecutive Period Rise in Rent



Portfolio Rent Increase Potential*

EPU Rise Potential of **+315 yen** (annual rise of **+72 yen**)

Trend in Rent Rise Potential



* The portfolio rent increase potential is estimated by calculating the gap between the unit rent of new tenants of FP July 2019 (treating the rents as approximation of market rent) and unit rent of existing tenants, aggregated for the whole portfolio for leasing contracts that are pass-throughs. The calculation is made on each property and by each unit type for properties held at the end of FP July 2019.

RENOVATIONS AND REPAIRS



Maintaining the Competitiveness of Properties



Registered as First Class Architect Office

ADIM is the **first** and **only** J-REIT asset management company to register as **First Class Architect Office**. Efficient management of buildings are realized by our in-house architects.

Daily Maintenances & Restitution Works

Daily Maintenance of common areas / Restitution works on kitchen & bathroom equipments, walls and etc. are carried out between tenant replacements

Active Use of Information Technology

Developed Restitution Works Management System

The platform allows construction companies, PMs and ADIM to manage restitution projects on real-time basis.

Large-scale Repairs

Repair works are carried out at around **15** years intervals on roofings, exteriors and entrances to maintain the basic functionality of the buildings

Value Enhancement (VE) Works

In value enhancement works, floor plans, kitchens and bathrooms and are renovated to current taste, thereby making it possible to aggressively pursue rent increases

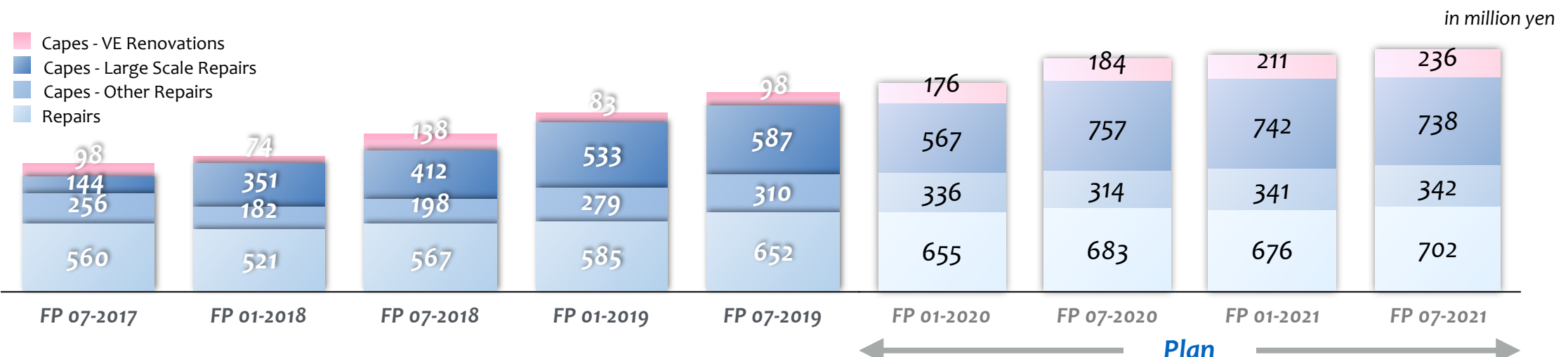
Track Record Since the Merger

No. of Properties: **48** properties
Total Investment: **3,007** million
Ave. Cost per Property: **62** million yen

Track Record Since the Merger

No. of Value Enhanced Units: **346** units
No. of Units Leased-out*: **336** units
% Increase in Rents*: **16.8%**

* Average increase in monthly rents are calculated for the 336 leased out units that has gone through VE works as of July 31, 2019, dividing the first contracted rent after the VE works by the previous rent before the VE works.





Large-Scale Repairs

An Example of Large-Scale Repairs Completed During FP July 2019

RESIDIA Daikanyama (Tokyo Central 7) 15 yrs old

Location 1-4 Daikanyamacho, Shibuya, Tokyo
Total Floor Space 2,859.12 m²
Structure RC, 8 floors and 1 basement
Number of Leasable Units 42 units
Initial Completion Date July 2004
Total Repair Cost 61 million yen

before



after

Anti-peeling coating on exterior wall tile
Improving the quality of common area





Value Enhancement Works

Examples of Works Completed During FP July 2019



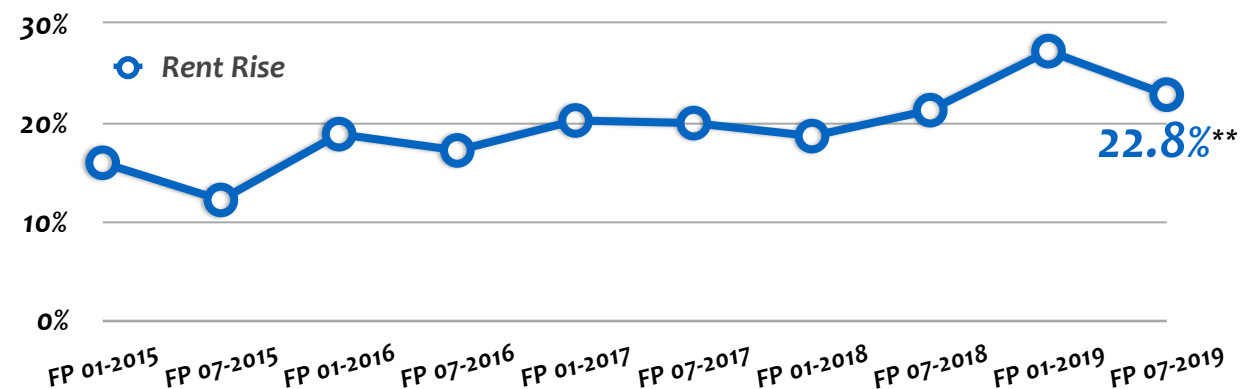
Value Enhancement Works Track Record

Avg. Increase in Monthly Rent* Since Merger

16.8%

thousand yen / month

	No. Leased Out Units	Construction Costs***	Previous Rent	Rent After V E	Increase	Rate of Increase
Since Merger	336 units	1,259 mil yen	57,422	67,058	+9,636	+16.8%
FP 07-2019	20 units	74 mil yen	3,601	4,422	+821	+22.8%



* Average increase in monthly rents are calculated for the 336 leased out units that has gone through VE works as of July 31, 2019, dividing the first contracted rent after the VE works by the previous rent before the VE works.

** Increase in monthly rents are calculated for the 20 leased out units, out of 30 units that has gone through VE works as of July 31, 2019, dividing the first contracted rent after the VE works by the previous rent before the VE works.

*** Construction cost includes all cost spent on the leased out units.

P-62 RESIDIA TOWER Azabujuban (Tokyo Central 7) 17 yrs old

before



Floor Plan
(floor space)

118.50m² / 2LDK

Construction Cost

7 million yen

Increase in
Monthly Rent*

+33.3%

after



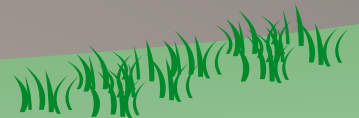
* Increase in monthly rent in the first contracted rent after the VE works by the previous rent before the VE works.



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FINANCE



Building a Stable Financial Base



Key Figures on Debts

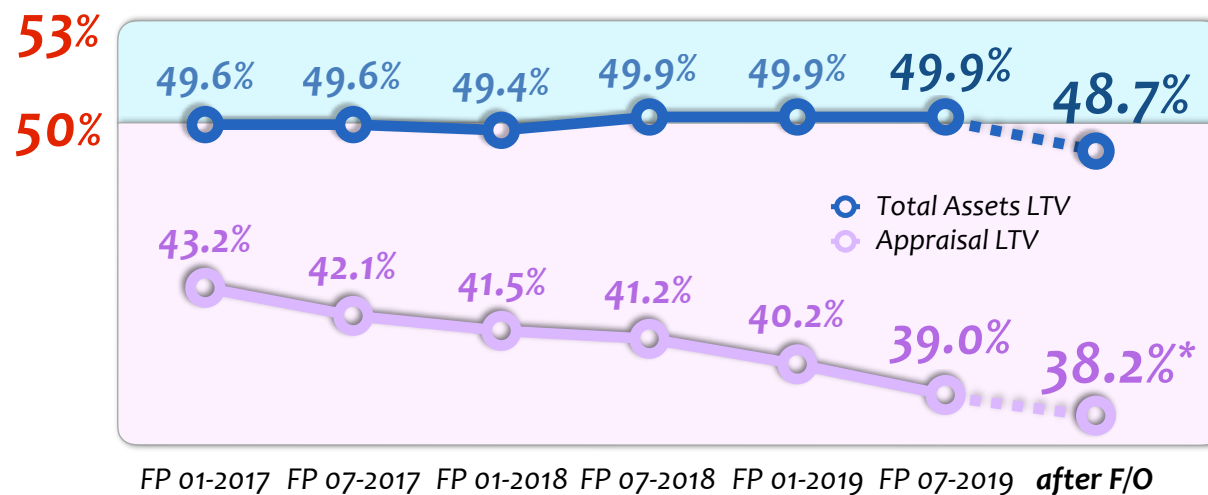
JCR **AA** (Stable) R&I **AA-** (Stable)

	FP July 2018	FP January 2019		change
Loans	196.9 bn yen	188.3 bn yen	-83.6%	-8.6 bn yen
Bonds	29.0 bn yen	37.0 bn yen	-16.4%	+8.0 bn yen
Total	225.9 bn yen	225.3 bn yen	(100.0%)	-0.6 bn yen

FP July 2019 Debt Financing

	Repayment	Procurement
Total	11.7 bn yen	11.1 bn yen
Avg. Interest Rate	1.27%	0.28%
Avg. Initial Duration	6.6 yrs	6.9 yrs (7.5 yrs) excluding short-term loans

LTV Management



* Appraisal LTV after the F/O = Total Interest Bearing Debts after borrowing for April 2020 acquisitions ÷ (Total Portfolio Appraisal Value at end of FP July 2019 + Appraisal Value of To-be-acquired Assets - Appraisal Value of To-be-disposed Assets at end of FP July 2019)

Maximum Leverage

Appraisal LTV **50%** Total Assets LTV **53%**

Acquisition Capacity

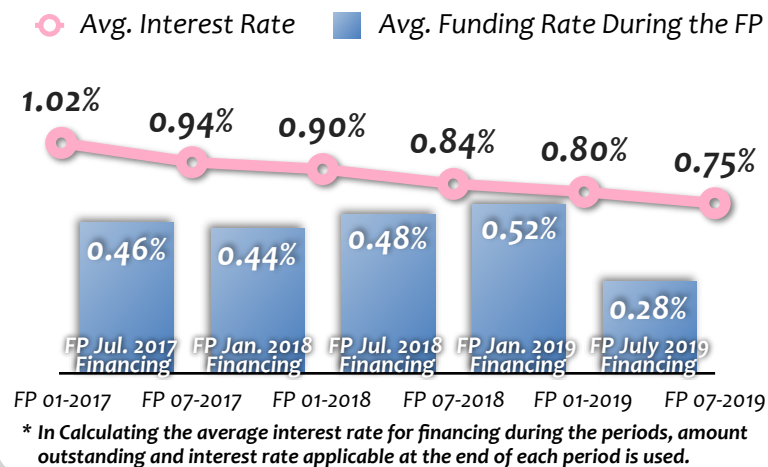
as July 31, 2019 **29.8** billion yen → after the follow-on offering** **42.6** billion yen

** Assuming that all investment units are issued for the 6th follow-on offering and loans made for acquisition of assets planned in April 2020.

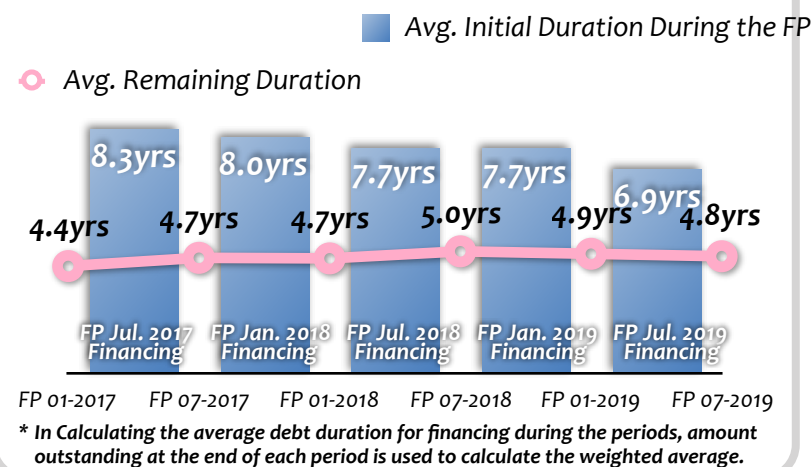
Aiming for Long-term Stability



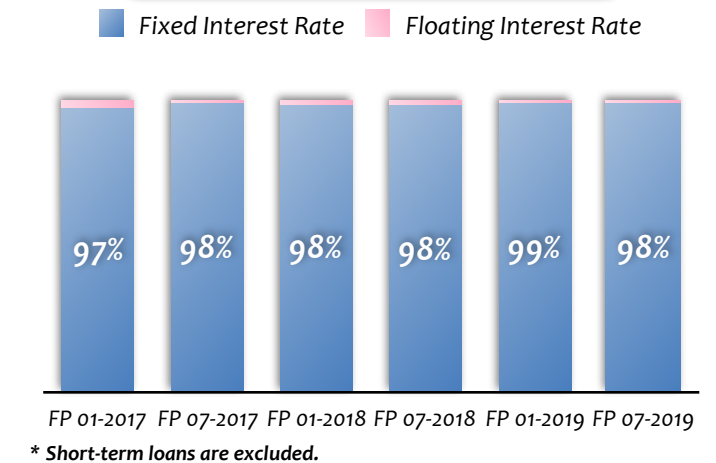
Lowering Interest Rate



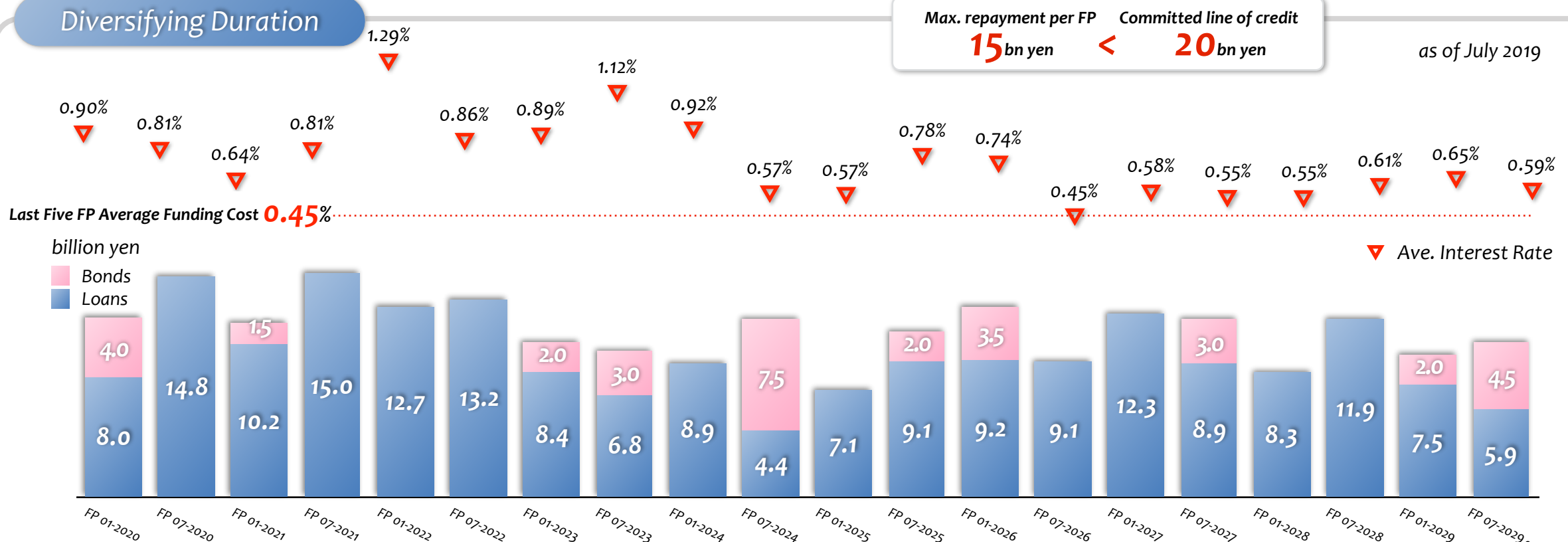
Extending Duration



Fixing Interest Rate



Diversifying Duration

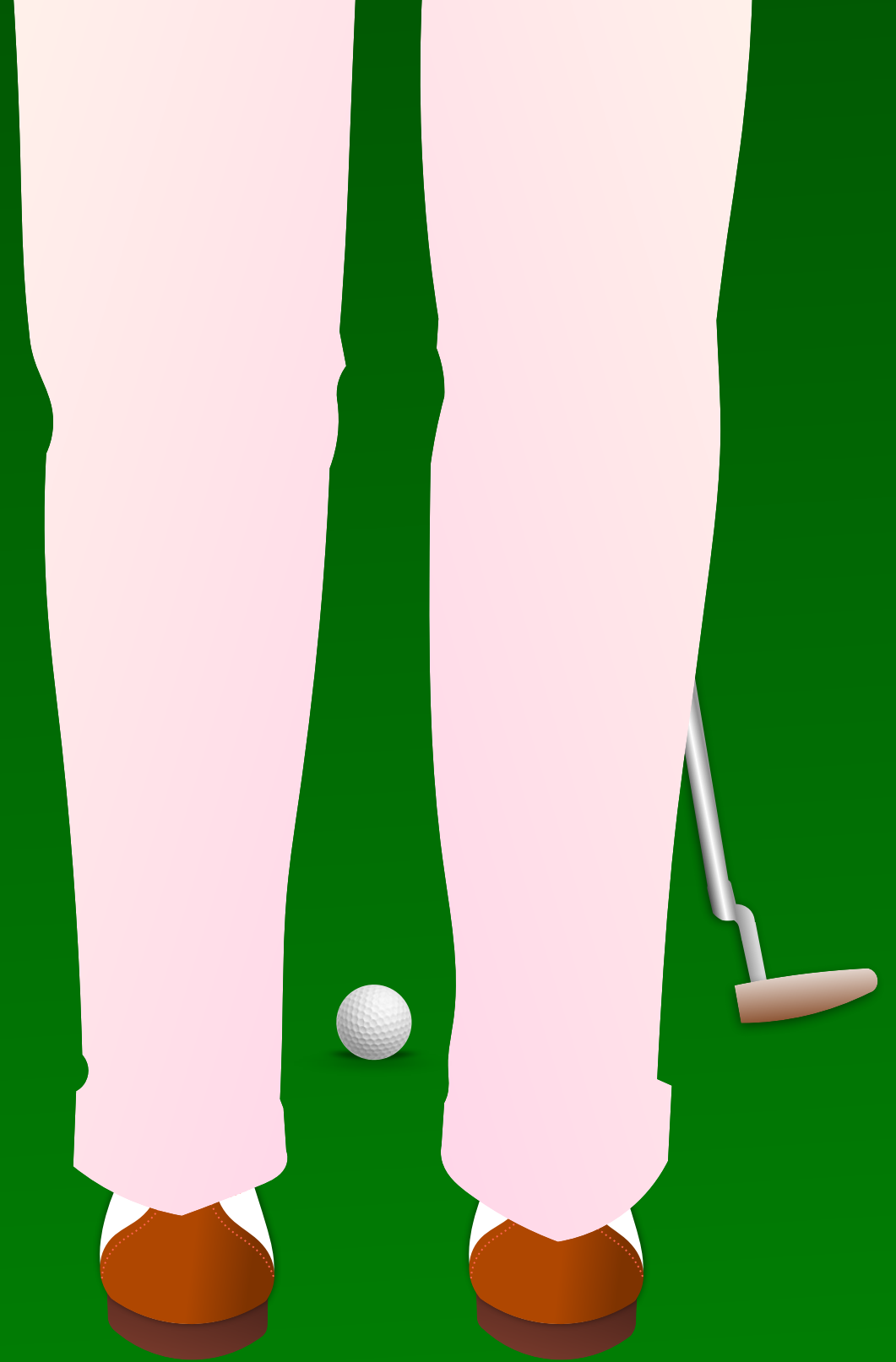




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GUIDANCE AND DPU TARGET



6th Follow-on Offering



	5 th Follow-on Offering	6 th Follow-on Offering
Launch Date	Sept. 6, 2016	Sept. 10, 2019
Offering Price	263,445 yen	334,425 yen
Offered No. of Units (including 3rd party allotment)	50,000 units	35,000 units
Procured Amount	12.7 billion yen	11.3 billion yen
Acquisitions Announced at the Offering	5 properties 9.0 billion yen	9 properties 15.4 billion yen

	Before the Offering	After Project Completion
AUM (acquisition price base)	448.7 billion yen	458.9 billion yen
Total Asset LTV	49.9%	48.7%
Acquisition Capacity	298 billion yen	426 billion yen
NAV / Unit	270,753 yen	273,031 yen
DPU (Jan. 2020 forecast)	5,349 yen	5,450 yen

* NOI and Depreciation for the FP of each properties are aggregated after annualized based on the number of days of operation and divided by the total acquisition price.

** Calculated by dividing Annual NOI listed on the appraisal or estimated depreciation subtracted from the NOI by acquisition price.

*** As of Sept. 10, 2019

	No. of Properties	Total Acquisition Price (million yen)	Total Leasable Units	NOI Yield*	Yield after Depreciation*	Building Age***	Occupancy Rate (%)
End FP July 2019	265 properties	448,765	21,322	5.7%	4.5%	13.2%	97.0%

	Acquisitions	Acquisition Price (million yen)	Leasable Units	NOI Yield**	Yield after Depreciation**	Building Age***	Occupancy Rate (%) End July 2019	Acquisition Dates
P-111	RESIDIA Ichigaya II	1,915	57	4.7%	4.2%	12.0 yrs	88.9%	Sept. 26, 2019
P-112	RESIDIA Ichigaya- Sadohara	4,085	28	4.8%	4.3%	11.5 yrs	88.9%	Sept. 26, 2019
P-113	RESIDIA Nishi-Koyama	1,671	56	4.7%	4.1%	1.6 yrs	100.0%	Nov. 1, 2019
P-114	RESIDIA Minami-Shinagawa II Sponser	2,120	83	4.7%	4.1%	3.9 yrs	99.0%	Apr. 22, 2020
P-115	RESIDIA Kagurazaka II Sponser	1,110	23	4.6%	4.2%	3.1 yrs	86.5%	Apr. 22, 2020
C-90	RESIDIA Ikegami II	1,074	42	4.8%	4.1%	3.0 yrs	100.0%	Nov. 1, 2019
C-91	RESIDIA Sasazuka III Sponser	1,361	44	4.6%	4.0%	0.6 yrs	84.0%	Apr. 22, 2020
R-78	RESIDIA Tsutsujigaoka-Koen	740	63	5.6%	4.3%	13.6 yrs	95.9%	Dec. 27, 2019
R-79	RESIDIA Sendai-Kamisugi Sponser	1,409	92	5.3%	4.1%	0.5 yrs	54.3%	Apr. 22, 2020
		15,485	488	4.8%	4.2%	6.4 yrs	87.7%	

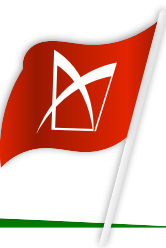
	Disposal	Disposition Price (million yen)	Leasable Units	End July 2019 Book Value (million yen)	End July 2019 Appraisal Value (million yen)	Gain on Sale (million yen)	Disposition Date
C-10	RESIDIA Higashi-Ginza	5,740	169	4,980	5,740	647	Sept. 26, 2019

	No. of Properties	Total Acquisition Price (million yen)	Total Leasable Units	NOI Yield	Yield after Depreciation	Building Age***
after the project completion	273 properties	458,999	21,641	5.7%	4.5%	13.0%





Offering Highlights



Raising Investment Ratio of Tokyo 23wards Assets

Improve quality, profitability and grow the size of the portfolio by acquiring competitive assets located in Tokyo 23 Ward where stable rental demand can be expected.

before the offering

Tokyo 23 Wards Ratio
71.1%



after the project completion

Tokyo 23 Wards Ratio
71.3%

Lowering LTV

The total asset LTV is expected to go down to 48.7% where the acquisition capacity is expected to increase to 42.6 billion yen. Using this capacity we will realize external growth by mainly acquiring the ample sponsor pipeline assets which are mostly located in Tokyo 23 ward.

before the offering

Total Asset LTV
49.9%
acquisition capacity
29.8 billion yen

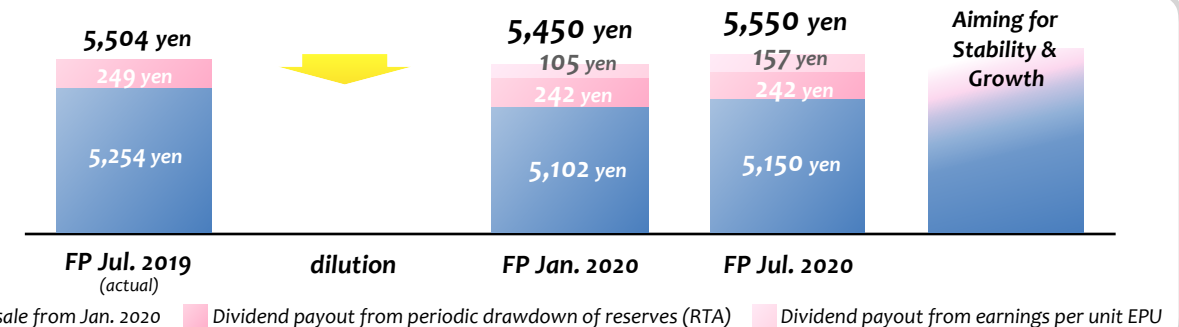


after the project completion

Total Asset LTV
48.7%
acquisition capacity
42.6 billion yen

Countering DPU Dilution

The full contribution of income from the to-be-acquired assets will only be expected from Jan. 2021. In the meantime by additionally distributing dividends from retained earnings and drawdowns from the reserve, we will counter the DPU dilution.



Raising DPU Floor

Going forward, if the sum of EPU and regular drawdown of reserve does not add up to 5,000 yen, we will additionally use retained earnings or drawdowns from reserve to offset the deficit to 5,000 yen and distribute 5,000 yen or more*.

* The actual dividends will be decided by the ADR's board based on comprehensive considerations of such factors as increase/decrease in portfolio rent and occupancy, level of cash reserves, level of LTV, debt costs.

before the offering

DPU
4,500 yen
& Over

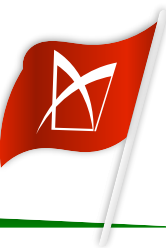


after the project completion

DPU
5,000 yen
& over



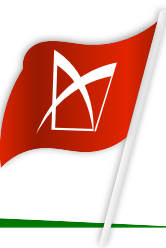
Earnings Guidance



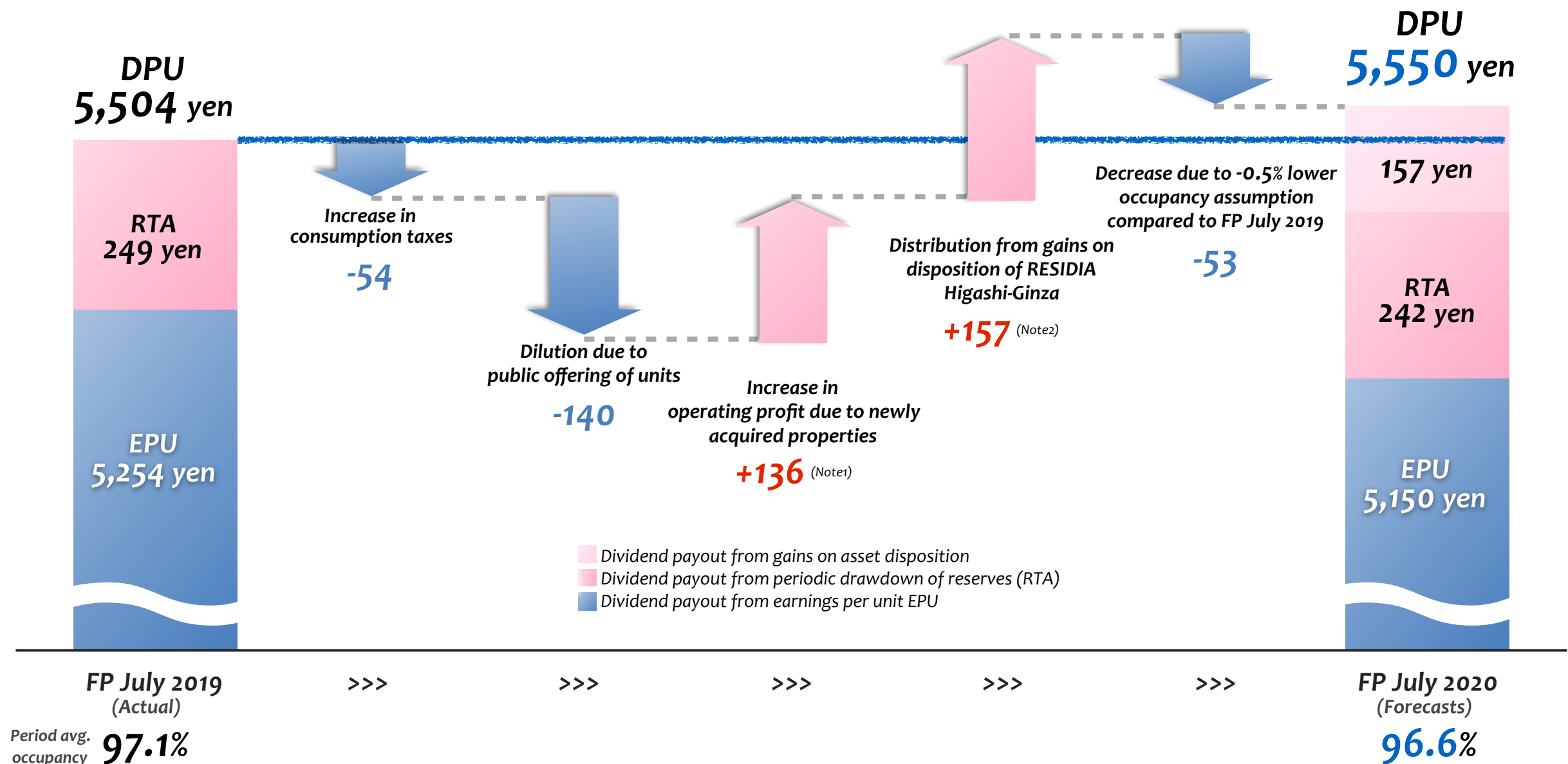
	(1) 18 th FP Results	(2) 19 th FP Forecast	(2)-(1)		(3) 20 th FP Forecast	(3)-(2)		in million yen
	Results for FP July. 2019	Forecast for FP Jan. 2020 (announced Sept. 10, 2019)	Changes	Notes	Forecast for FP July 2020 (announced Sept. 10, 2019)	Changes	Notes	
Revenue	16,465 (265 properties) Period avg. occupancy 97.1%	17,046 (269 properties) Period avg. occupancy 96.5%	+580	Acquisition & Disposition Gains from sales of RD Higashi-Ginza Chgs. due to acquisitions & dispositions Same Store Decrease due to lower occupancy assumption Increase due to rent rise Off season decrease in key money & renewal fee income	16,715 (273 properties) Period avg. occupancy 96.6%	-330	Acquisition & Disposition No Gains from sales of RD Higashi-Ginza Chgs. due to acquisitions & dispositions Same Store Higher occupancy assumption Increase due to rent rise Off-peak decrease in key money & renewal fee income	+647 +86 -86 +55 -123
Operating Income	8,202 (Depreciation: 2,730) (Property taxes: 880)	8,741 (Depreciation: 2,757) (Property taxes: 884)	+539 (NOI: -37)	Leasing Expenses Chgs. in expenses due to acquisitions & dispositions Off season decrease in expenses Increase in other costs Increase in depreciation G & A Expenses Increase in mgmt. fees Increase in Cons. tax settlement & other expenses	8,170 (Depreciation: 2,795) (Property taxes: 892)	-571 (NOI: +76)	Leasing Expenses Chgs. in expenses due to acquisitions & dispositions Peak season increase in expenses Increase in other cost Increase in depreciation G & A Expenses Tax hike cons. tax settlement increase Decrease in other expenses	-52 -95 -32 -18 -86 +44
Ordinary Income	7,094 (Funding cost*: 1,079)	7,715 (Funding cost*: 1,090)	+620	Increase in compensation from lease cancellation Decrease in interest payment One off equity offering expenses	7,133 (Funding cost*: 1,028)	-581	No compensation from lease cancellation Decrease in interest payment No equity offering expenses	+8 +94 -22
Net Income	7,094	7,714	+620		7,132	-581		
EPU (yen)	5,254	5,570	+316	Units issued and outstanding 1,385,000 units	5,150	-420	Units issued and outstanding 1,385,000 units	
Per Unit Drawdown of Reserve** (yen)	249	242	-7	Reserve** after dividend: 31.1 bn yen	242	-	Reserve** after dividend: 30.8 bn yen	
Dividend per unit (yen)	5,504	5,450	-54	145 mil. yen (105 yen/unit) of the gains in sales of 647 mil. yen will be distributed. The balance of 501 mil. yen is retained.	5,550	+110	218 mil. yen (157 yen/unit) of the retained earnings of 501 mil. yen will be distributed with a remaining balance of 283 mil. yen.	
Total Asset LTV	49.9%	48.0%	-1.9p		50.1%	+0.6p		



DPU Growth from FP July 2019



FP July 2020 DPU Forecast **5,550 yen**
(+46 yen from FP July 2019)



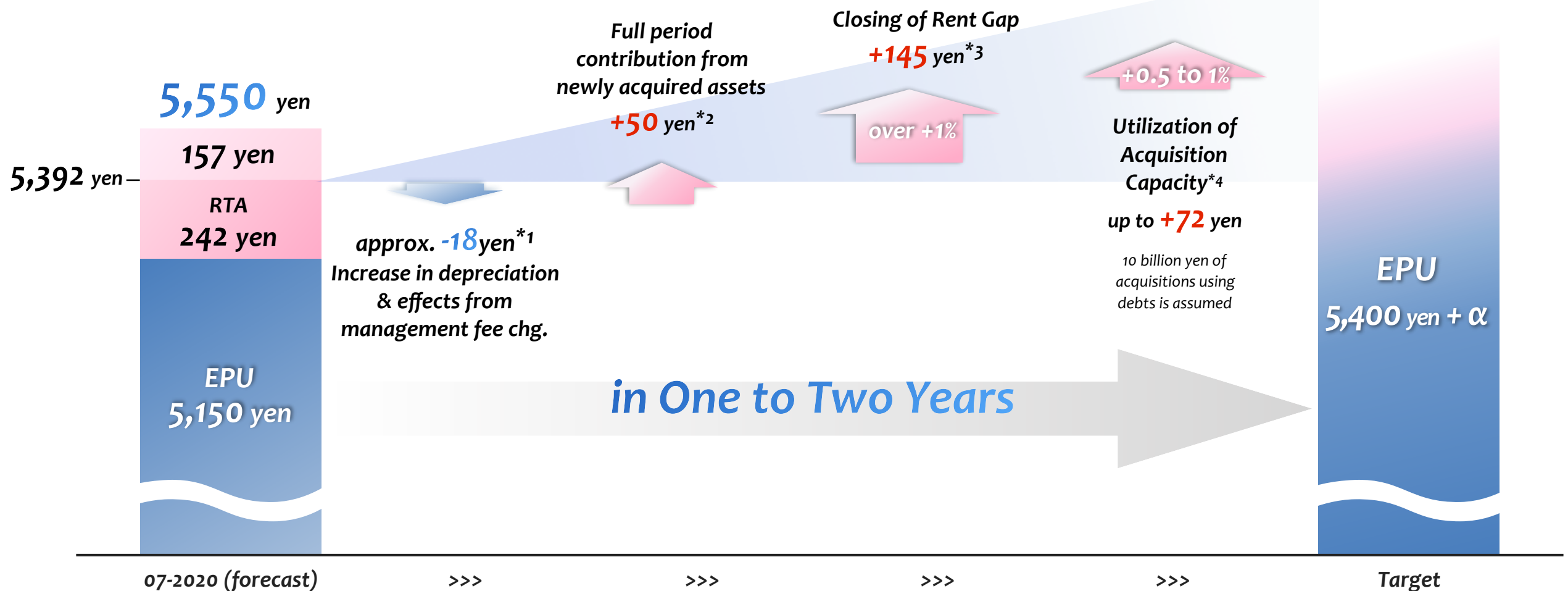
1 to 2 Year DPU Target



Dividend of **5,600** yen without extra
distribution of retained earnings

DPU **5,600** yen ~

- Extra distribution using gains of sale from Jan. 2020
- Dividend payout from periodic drawdown of reserves (RTA)
- Dividend payout from earnings per unit EPU



Assumptions are that the issued and outstanding amount of 1,385,000 ADR units will be unchanged, and that the amount of effects of various events on EPU and DPU are estimated using assumptions listed below.

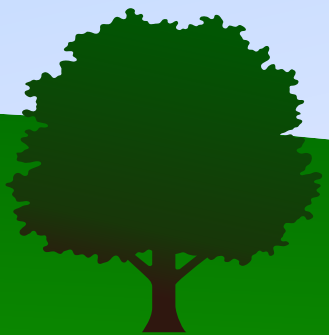
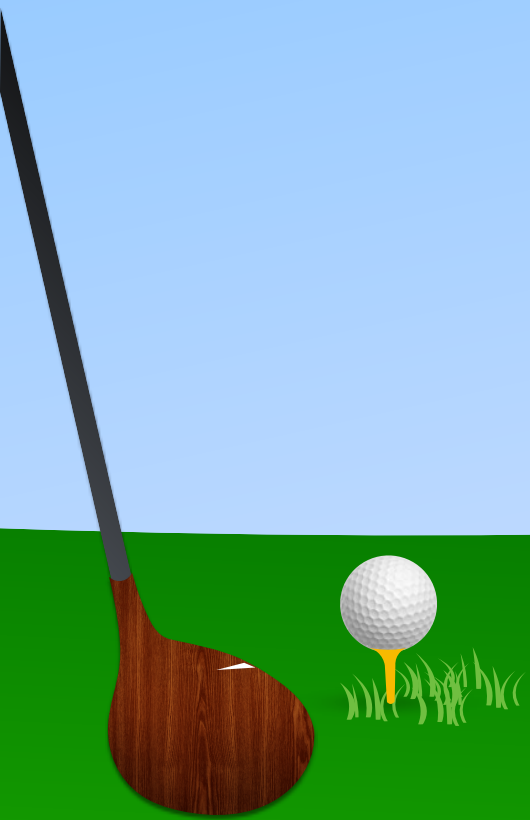
*¹ Increase in depreciation from FP July 2020 to FP July 2021 and effects of management fee structure if approved at AUM on Oct. 24, 2019 is estimated.

*² Calculated the contribution in income of assets to be acquired in April 2020.

*³ Assumption of EPU/DPU growth between FP July 2020 to FP 07-2022 from the effect of the closing the rent gap is made referring to rent gap, turnover figure, lease contract term leasing costs of FP07-2019.

*⁴ Based on the acquisition capacity of 42.6 billion yen after the follow-on offering and utilizing it to acquire 10 billion yen of assets with a yield after depreciation of 3.8% and funding cost of 1.0%.

APPENDIX





Advance Residence's Strength



as of Sept 10, 2019

Defensive with Stable Dividend

ASSET

Holds the **Largest** AUM
Among Residential J-REITs

448.7 billion yen

DEBT

Stable Financial Foundation

Long-term × Fixed Rate

× Diversified Maturity

JCR **AA** R&I **AA-**

EQUITY

Holds the **Largest**
Reserve Among All J-REITs

31.5 billion yen

(the outstanding after FP July 2019 dividend payout)

* According to data collected by ADIM from the latest disclosures made by each residential J-REITs as of Sept. 10, 2019.



The Largest Portfolio Among Residential J-REITs



as of July 31, 2019

as of April 22, 2020

Number of Properties

265 properties

273 properties

Total Leasable Area

791,673 m²

805,775 m²

Leasable units

21,322 units

21,641 units

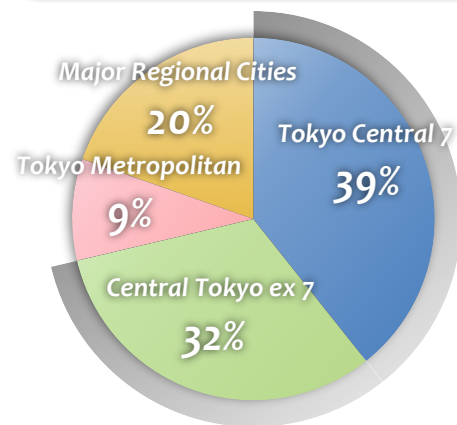
Assets Under Management
(acquisition price)

448.7 billion yen

458.9 billion yen

Investment Location

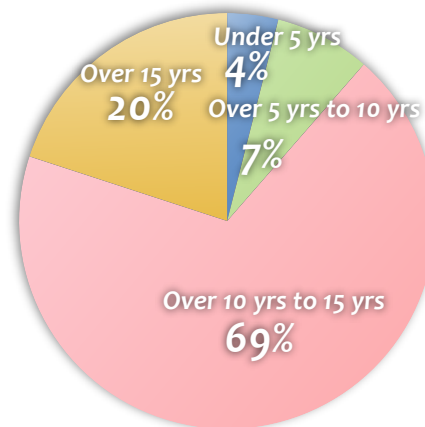
(by acquisition price)



Tokyo 23 Wards **71%**

Building Age

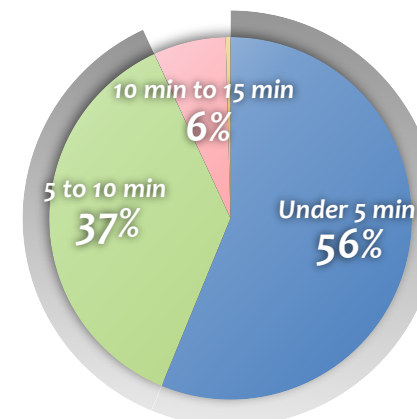
(by acquisition price)



Weighted Average Age **13.0** yrs

Walking Minutes to Train Station

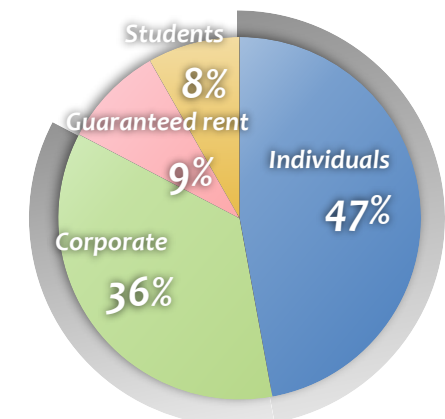
(by acquisition price)



Under 10 min **93%**

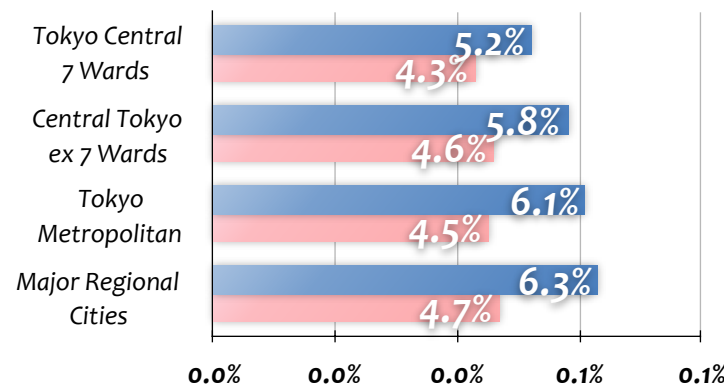
Tenant Category

(by no. of units, as of July 31, 2019)



Pass-through contract tenants **82%**

NOI Yields (%) **
(as of July 31, 2019)



Portfolio Yield

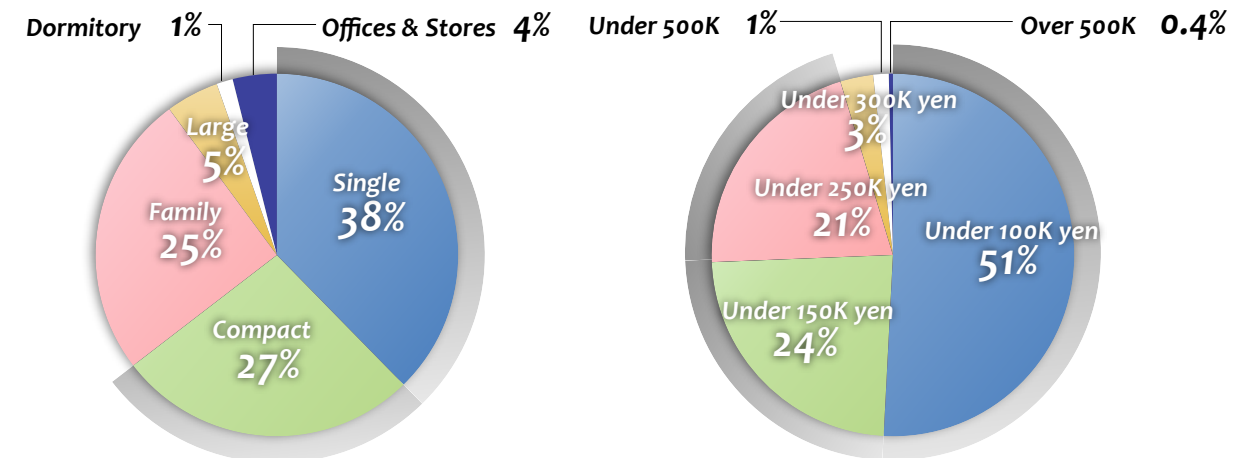
NOI yield **5.7%**

Yield after Depreciation **4.5%**

■ NOI Yield
■ Yield after Depreciation

Unit type

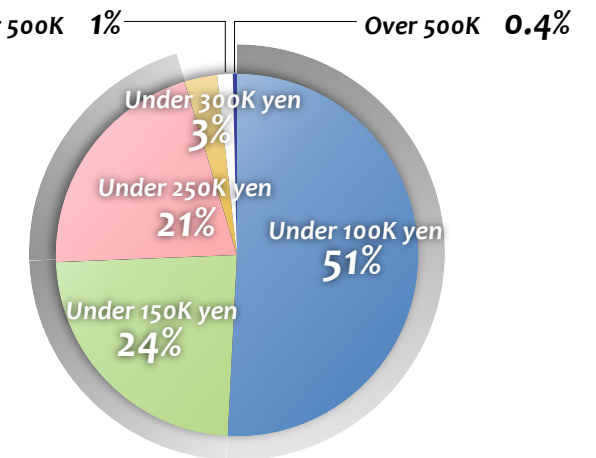
(as of July 31, 2019)



Single & Compact type units **65%**

Rents

(by no. of units, as of July 31, 2019)



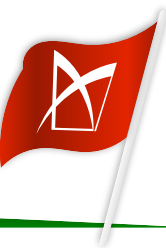
Unit rents under 250K yen **74%**

* According to data collected by ADIM from the latest disclosures made by each residential J-REITs as of Sept. 10, 2019.

** Includes acquisitions and dispositions announced by Sept. 10, unless otherwise noted.

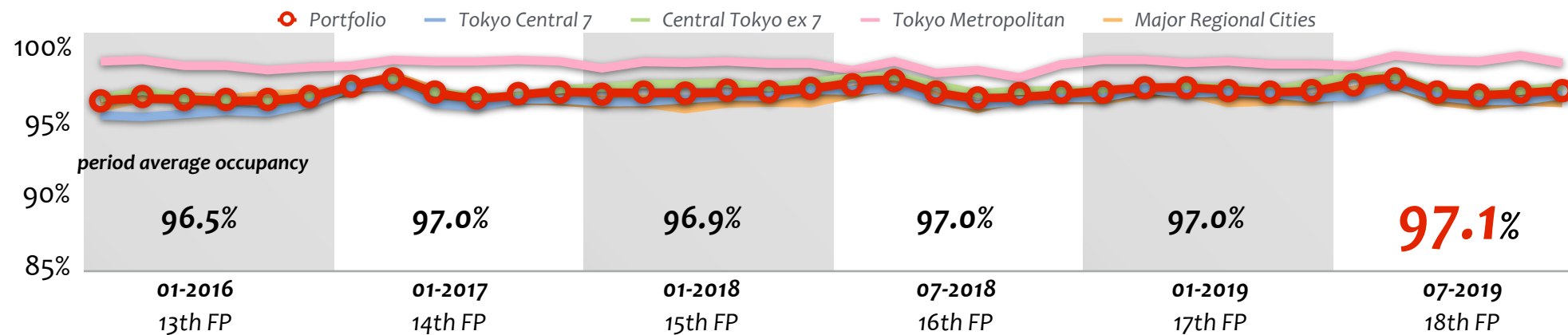
*** NOI Yield is calculated as FP18 Annualized NOI ÷ Acquisition Price.
Yield after Depreciation is calculated as (FP18 annualized NOI - FP 18 depreciation) ÷ Acquisition Price.

Solid Growth, Solid Track Record



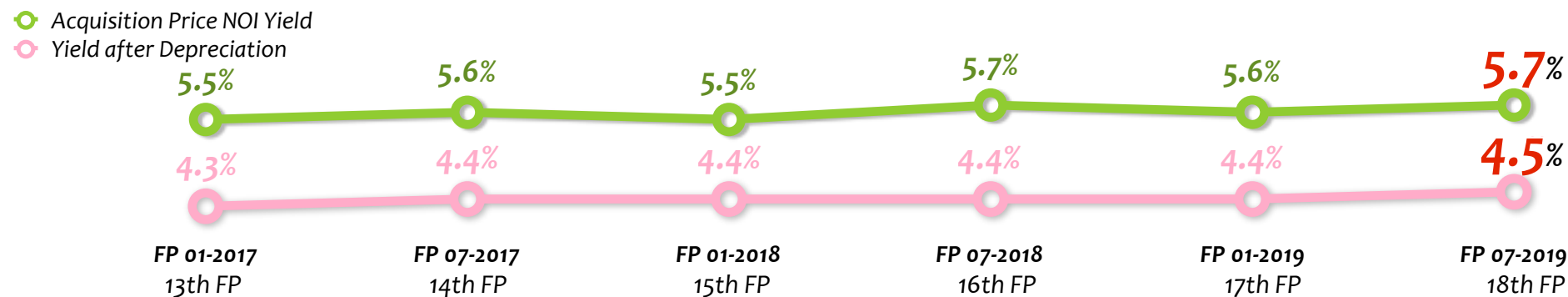
Assets

Occupancy



Maintained High Occupancy

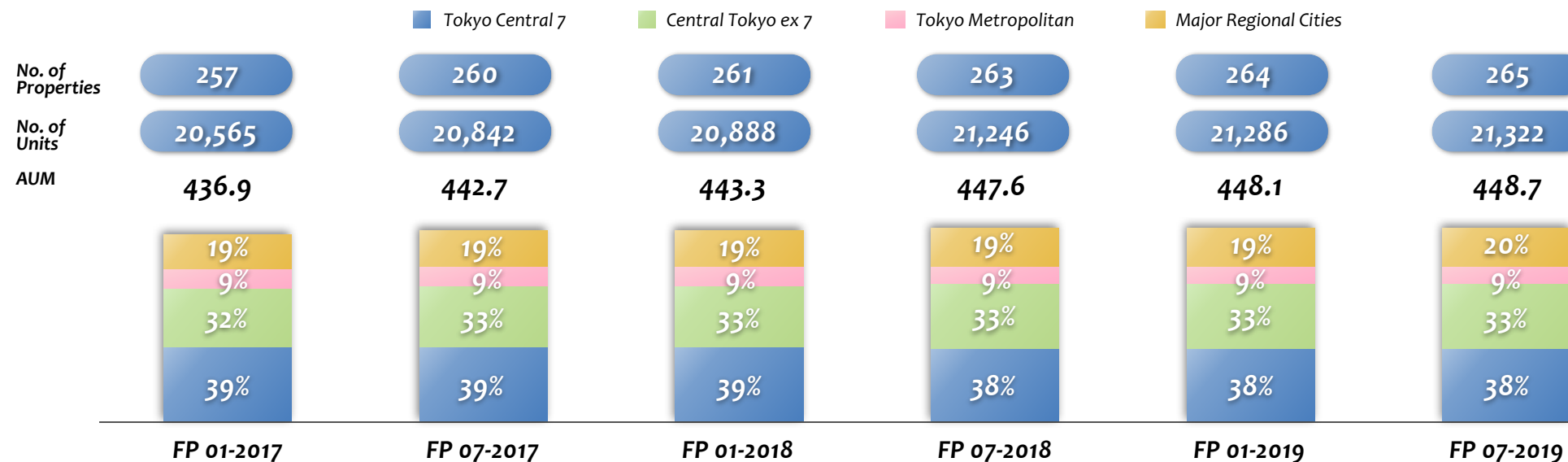
Yield



* NOI yield = annualized NOI ÷ book value. NOIs are annualized according to the number of actual days of operation for each properties during the periods.
* Yield after depreciation = (annualized NOI - depreciation) ÷ book value.

Stable Yield

AUM



The Largest Portfolio Among Residential J-REITs

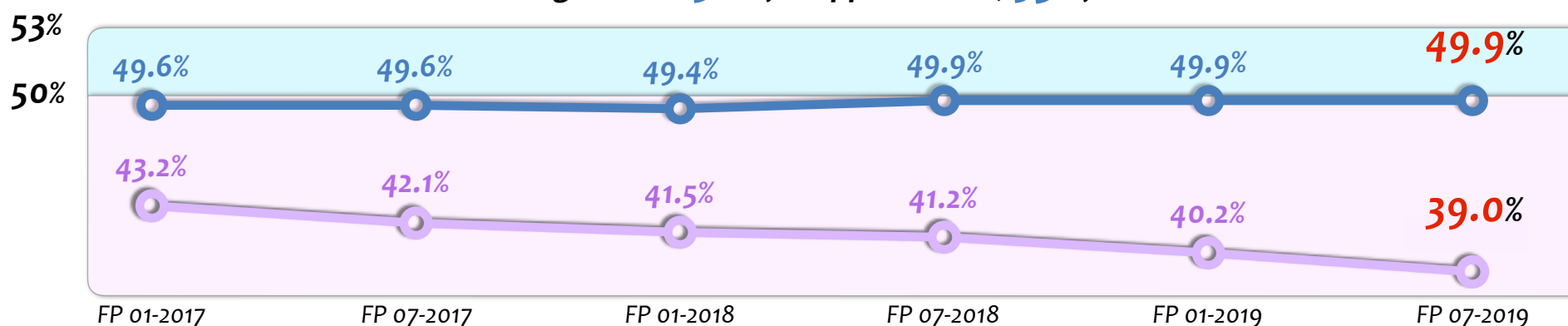
Topping 440 bn yen

Debts

LTV

- Total Assets LTV
- Appraisal LTV

maximum leverage will be **50%** for appraisal LTV, **53%** for Total Assets LTV



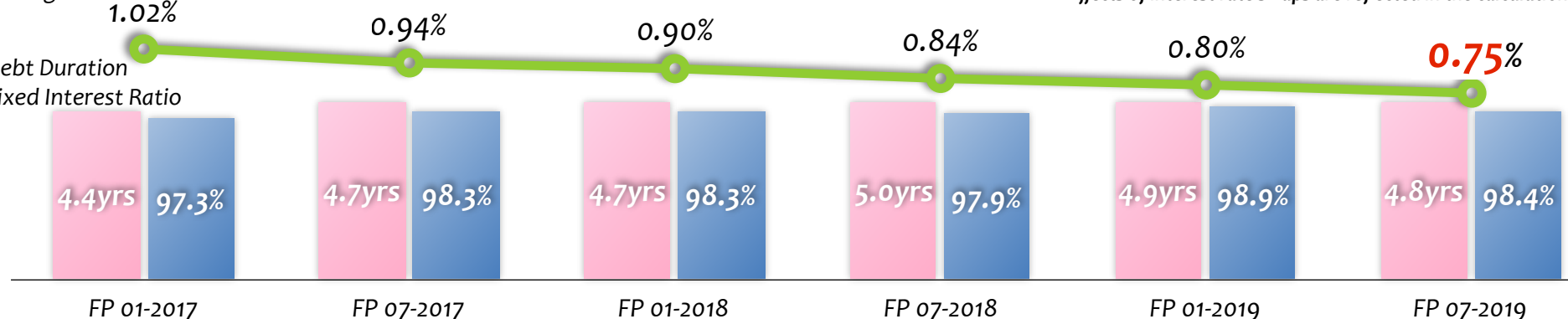
Lowered LTV Range to Maintain Flexibility in Preparation for Future Volatility

Acquisition Capacity
(@ Total Assets LTV of 53%)
of around
30.0 bn yen
(as of FP ending July 2019)

Debts

- Average Interest Rate
- Debt Duration
- Fixed Interest Ratio

* Effects of interest rate swaps are reflected in the calculation.

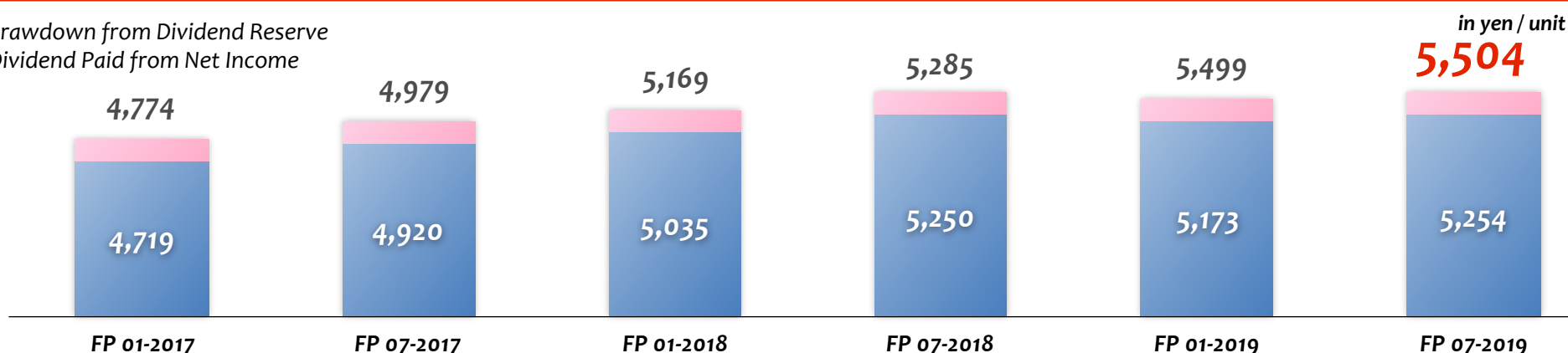


Lowered Interest Rate While Maintaining a Stable Base

Equities

Dividends

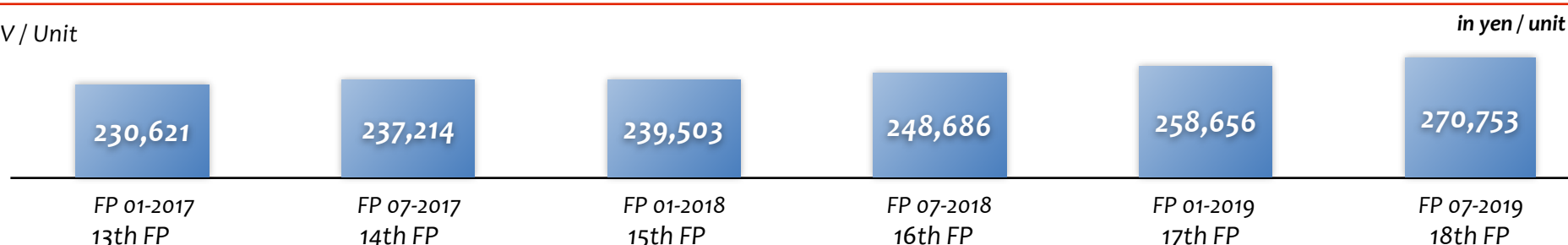
- Drawdown from Dividend Reserve
- Dividend Paid from Net Income



DPU topping 5,000 yen
Outstanding Dividend Reserve
31.5 bn yen
(after FP July 2019 dividend payout)

Unit-holders' Value

- NAV / Unit



Continued Increase in NAV per Unit

* NAV / Unit is calculated as follows. (FP end net asset + FP end unrealized gain or loss - dividend amount for the FP) ÷ FP end number of issued and outstanding units.



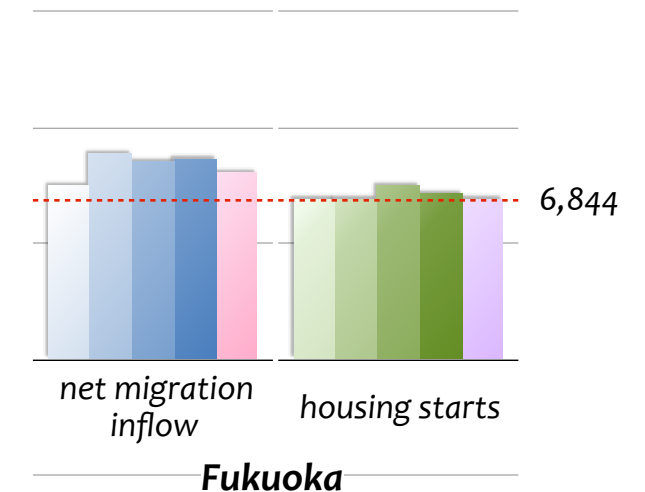
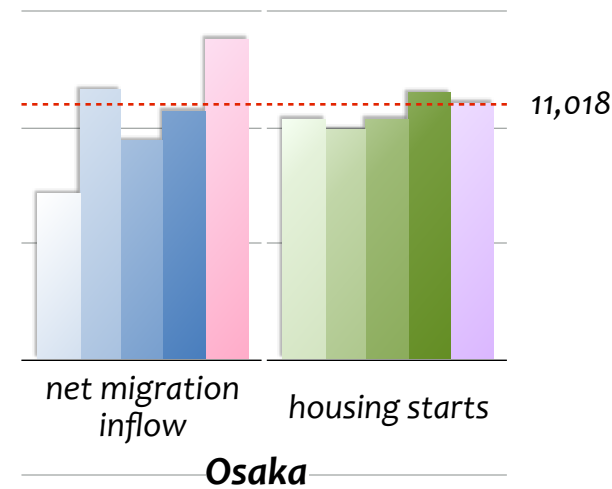
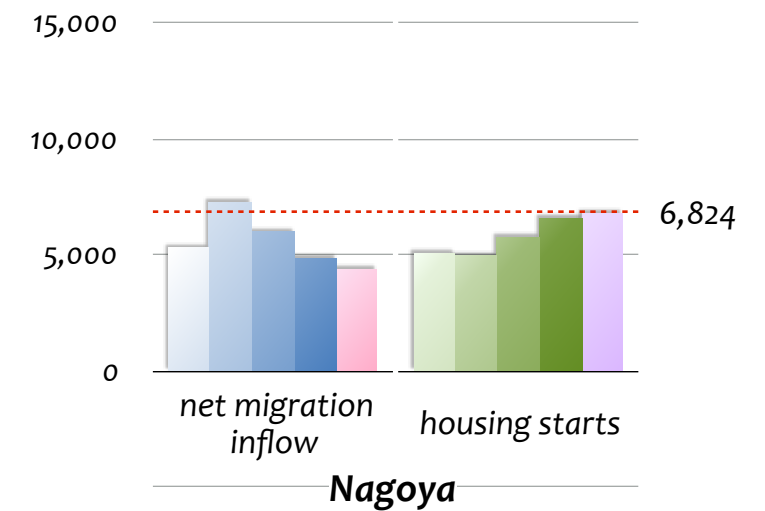
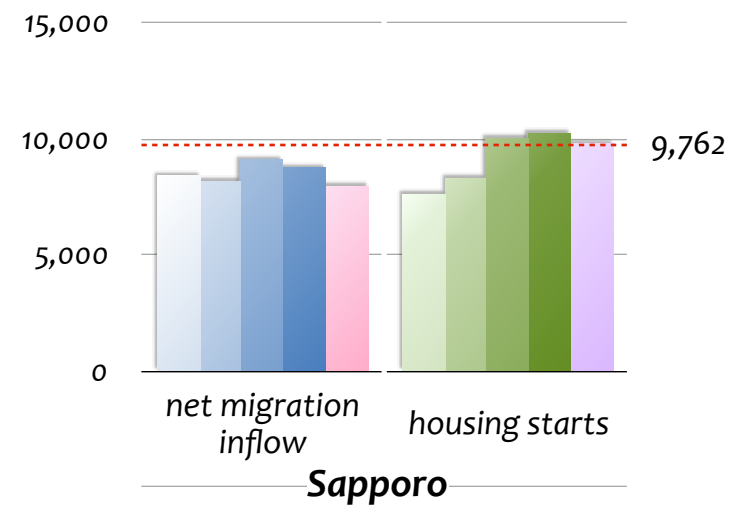
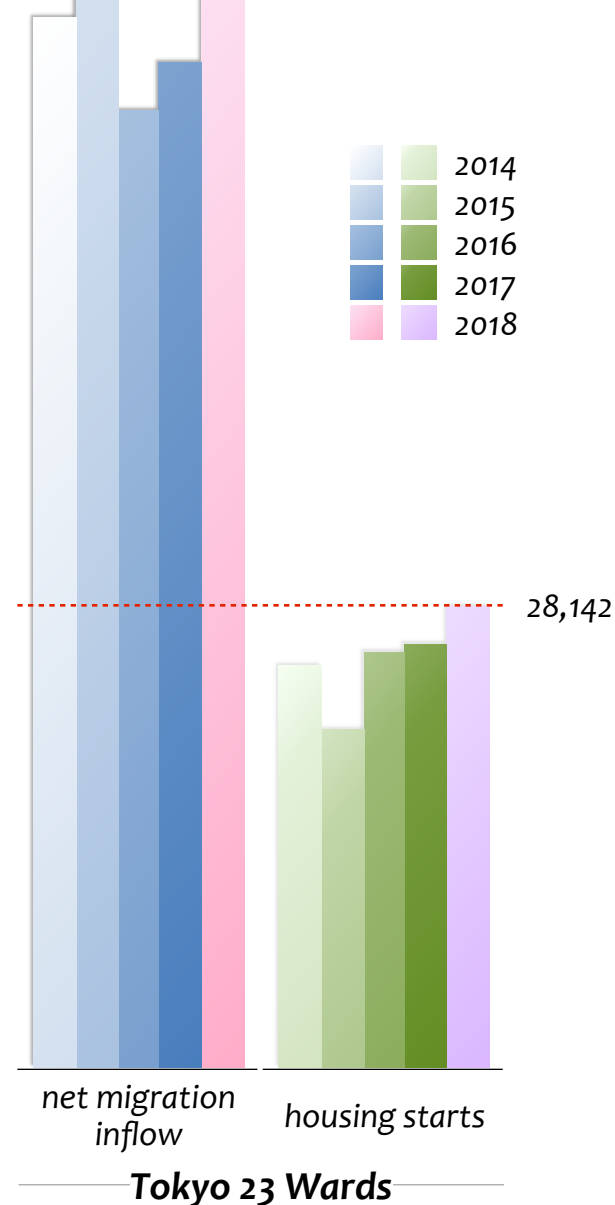
Demand Supply Stats I



70,000

Tokyo 23 Wards' See the Most Shortage in Supply

no. of persons, units



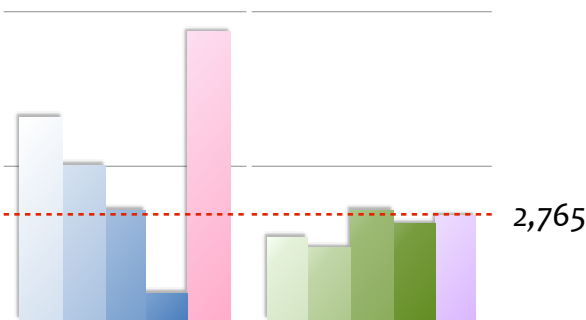
Source: "2018 Report on Internal Migration in Japan", Statistics Division, Statistics Bureau, Ministry of Internal Affairs and Communications
"Housing Starts" (RC and SRC Construction Rented Collective Housing) (2018), Construction Statistics Office, Information Policy Division, Policy Bureau, Ministry of Land, Infrastructure, Transportation and Tourism



Demand Supply Stats II



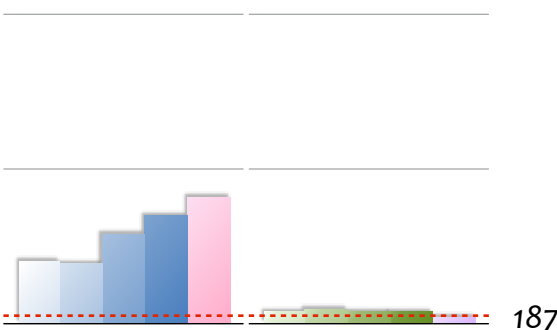
Tokyo Metropolitan Area Also Are in Short Supply



Yokohama
Tokyo Metropolitan

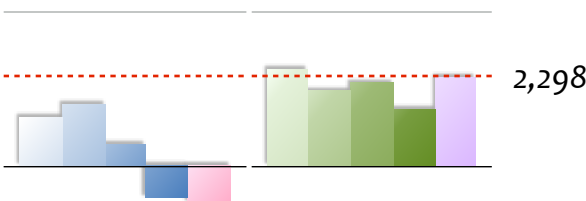


2,765



Funabashi
Tokyo Metropolitan

187



Kyoto

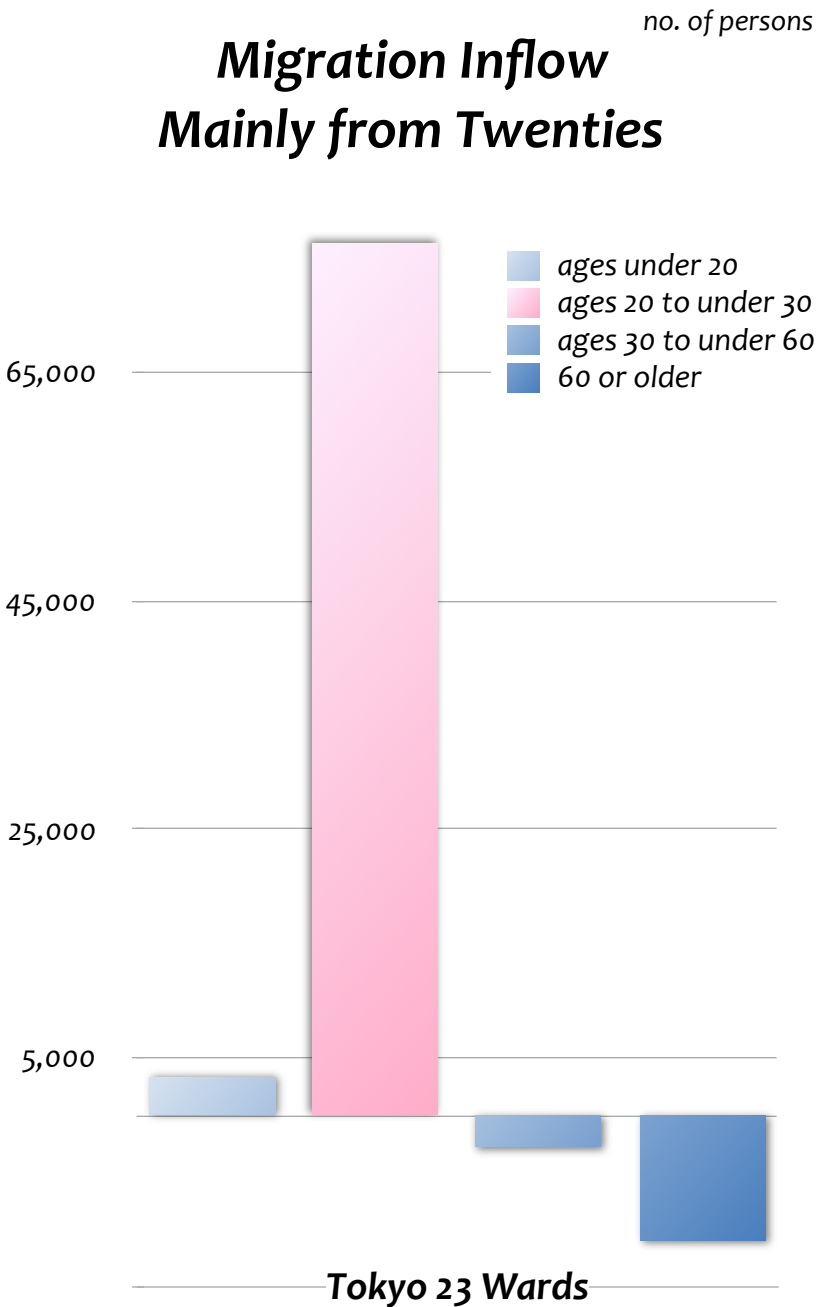
2,298



Sendai

1,527

Migration Inflow Mainly from Twenties



Tokyo 23 Wards

Source: "2018 Report on Internal Migration in Japan", Statistics Division, Statistics Bureau, Ministry of Internal Affairs and Communications
"Housing Starts" (RC and SRC Construction Rented Collective Housing) (2018), Construction Statistics Office, Information Policy Division, Policy Bureau, Ministry of Land, Infrastructure, Transportation and Tourism

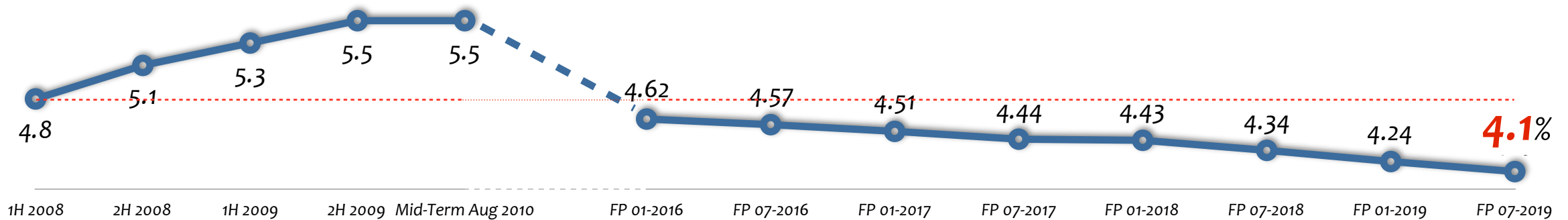
Appraisal Value



Appraisal Direct Cap Rate Trend

Appraisal Direct Cap Rate

Cap Rate Compression Continues



Appraisal Summary of FP July. 2019

Unrealized profit of **153.1** billion yen (**36.1%** of total book-value)

	Appraisal (in mil. yen)		Appraisal NCF (in mil. yen)				Direct Cap Rate (%)		Unrealized Profit and Loss (in mil. yen)		
	End of FP July '19	diff vs last FP	End of FP July '19	diff vs last FP	Itemized diff** rent rev	ER re-appraisal	End of FP July '19	diff vs last FP	Book Value (a)	Diff. from the appraisal (b)	(b)/(a)
Tokyo Central 7 Wards	216,443	+6,715	8,539	+49	+63	-14	3.88%	-0.1pt	160,783	55,659	34.6%
Central Tokyo ex. 7 Wards	197,537	+5,060	8,100	+41	+59	-18	4.04%	-0.1pt	142,163	55,373	39.0%
Tokyo 23 Wards Total	413,980	+11,775	16,640	+90	+123	-32	3.96%	-0.1pt	302,947	111,032	36.7%
Tokyo Metropolitan	50,344	+784	2,337	+2	+47	-1	4.60%	-0.1pt	37,444	12,899	34.5%
Major Regional Cities	112,730	+2,233	5,300	+2	+66	-4	4.65%	-0.1pt	83,551	29,178	34.9%
Portfolio Total	577,054	+14,792	24,279	+95	+134	-39	4.15%	-0.1pt	423,943	153,110	36.1%

* For assets acquired during the FP July 2019, appraisal value at the time of acquisition is used as the previous appraisal value.

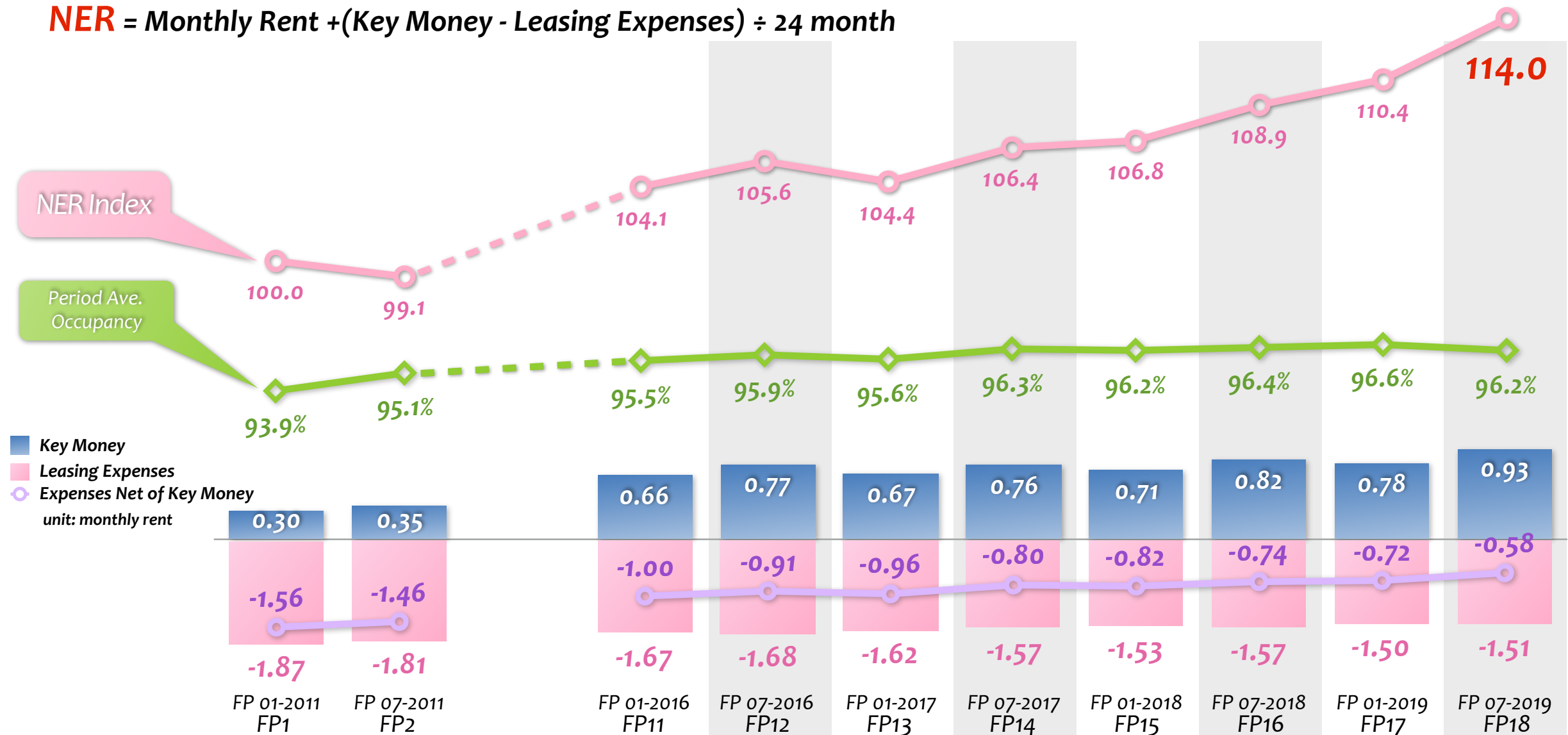
** In the "Itemized Diff", difference from the previous FP in appraisal NOI minus repair costs are listed in "rent rev" and differences in repair costs and capital expenditures due to engineering report re-appraisal are listed in "ER re-appraisal".

Strong Growth in NER



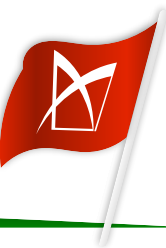
Net Effective Rent (NER)

NER = Monthly Rent + (Key Money - Leasing Expenses) ÷ 24 month



- ▶ Net Effective Rent Index is calculated as monthly rental of new contracts and common fees plus key Money Income divided by 24 month, minus leasing related expenses divided by 24 month and weighted averaged by each 114 properties rentable space for each fiscal period and indexed by using the FP01-2011 figure as 100.
- ▶ The 114 properties that are included in above charts are properties held since the start of the FP01-2011. Following properties are excluded from the calculation. 1) Properties with guaranteed rent or properties where the whole building is let to one tenant. This is because fluctuation in "key money" and leasing related expenses do not affect ADR's rental income from those properties. 2) Properties targeted for Expats, where there are no key money practices.
- ▶ Number of new contracts for each fiscal period are as follows, FP01-2011) 1,744, FP07-2011) 1,070, FP01-2016) 784, FP07-2016) 917, FP01-2017) 783, FP07-2017) 959, FP01-2018) 748, FP07-2018) 862, FP01-2019) 710, FP07-2019) 881.

Senior Housing



	No. of Properties	Asset Size (Acquisition Price Total)	Investment Ratio	Leasable Units	Occupancy (Guaranteed Rent Contract)	Bookvalue NOI Yield
as of July 31, 2019	2 properties	2.7 billion yen	0.6%	163 units	100 %	6.7%

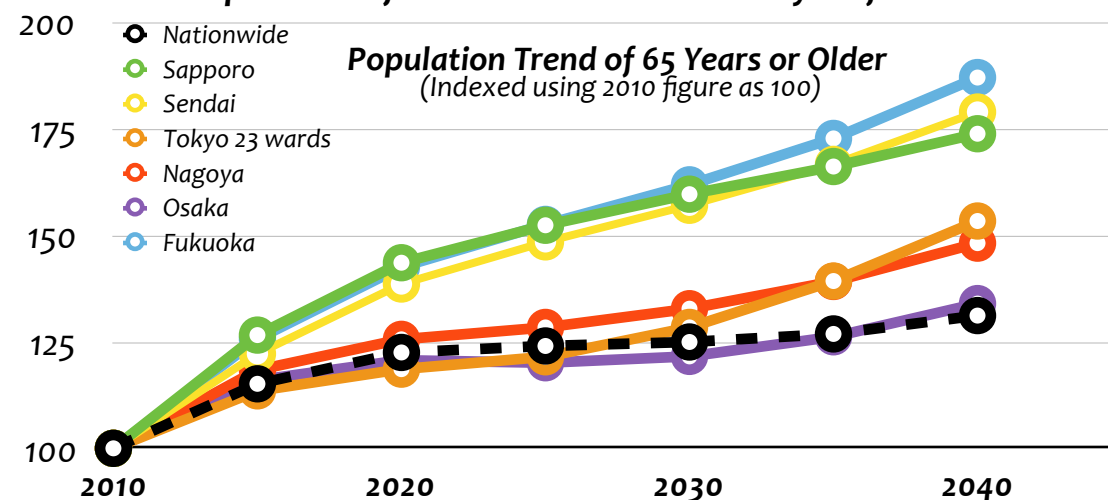
Investment Policy

Continue Search for Good Investment

Targeted Assets Assets that can be expected to have continued demand. Equivalent locational requirements with good access to public transportation.

Expected Yield To insure future liquidity there should be some premium over normal residential assets.

Population of Seniors Will Grow in Every Major Cities



Source: National Social Security and Population Research Center (March 2013)

Holdings

S-22 Life & Senior House Kohoku 2

There are units both for tenants needing nursing and tenants who do not. Depending on the tenants condition they are able to transfer between the two type units. The neighborhood is filled with greenery a, are parks and trails.



S-29 Cocofump Hiyoshi

Located 8 min. walk away from Hiyoshi Honcho Station. Day service center and home nursing center is also located in the property. On the commercial space, there are medical clinics and drugstores.



Prop. N.	Property Name	Location	Built	NOI Yield
1 S-22	Life & Senior House Kohoku 2	Yokohama, Kanagawa	2003/10	6.9%
2 S-29	Cocofump Hiyoshi	Yokohama, Kanagawa	2010/01	6.5%

Student Housing



	No. of Properties	Asset Size (Acquisition Price Total)	Investment Ratio	Leasable Units	Occupancy (Guaranteed Rent Contract)	Bookvalue NOI Yield
as of July 31, 2019	19 properties	18.0 billion	4.0 %	1,709 units	100 %	5.8 %

Dormitories

Dormitories usually have in addition to individual rooms, kitchen serving breakfast and dinner, common dining room and common room, and operated under an operator.

S-23 College Court Tanashi



Property No.	Property Name	Location	Built	Book Value NOI Yield
1 S-11	Tokyo • Student House Wako	Wako, Saitama	04/1990	6.7%
2 S-23	College Court Tanashi	Nishi-Tokyo, Tokyo	02/2010	7.6%

Student Apartments

Student apartments are normal apartments tenants are exclusively students.



R-8 RESIDIA Kobe Port Island



R-60 RESIDIA Okayama-Ekimae
(undergone large-scale repair in FP 01/2018)

Property No.	Property Name	Location	Built	Book Value NOI Yield
1 P-3	RESIDIA Nakameguro	Meguro, Tokyo	02/2005	4.8%
2 P-85	RESIDIA Komazawa	Setagaya, Tokyo	10/2008	5.9%
3 C-28	RESIDIA Oji	Kita, Tokyo	02/2005	5.5%
4 C-50	RESIDIA Shin-Itabashi	Itabashi, Tokyo	08/2009	6.2%
5 C-66	RESIDIA Takashimadaira	Itabashi, Tokyo	02/2007	5.8%
6 C-67	RESIDIA Shimurasakaue	Itabashi, Tokyo	02/2007	5.6%
7 C-68	RESIDIA Shimurasakaue II	Itabashi, Tokyo	03/2007	5.8%
8 C-69	RESIDIA Shimurasakaue III	Itabashi, Tokyo	03/2007	5.9%
9 C-74	RESIDIA Nerima	Nerima, Tokyo	03/2005	5.4%
10 C-77	RESIDIA Ogikubo II	Suginami, Tokyo	03/2007	5.4%
11 S-15	RESIDIA Okurayama	Yokohama, Kanagawa	03/1998	6.1%
12 S-30	RESIDIA Sagamihara	Sagamihara, Kanagawa	05/2004	6.1%
13 R-2	RESIDIA Imadegawa	Kyoto, Kyoto	02/1999	5.5%
14 R-8	RESIDIA Kobe Port Island	Kobe, Hyogo	09/2007	5.5%
15 R-38	RESIDIA Hirose-dori	Sendai, Miyagi	02/2010	7.8%
16 R-60	RESIDIA Okayama-Ekimae	Okayama, Okayama	03/2004	6.2%
17 R-61	RESIDIA Kyoto-Okazaki	Kyoto, Kyoto	03/2005	5.8%



Portfolio Diversification Policy



Investment Regions* ¹	Investment ratio* ²
Tokyo 23 Wards	70 ~ 100%
Tokyo Central 7 Wards	
Central Tokyo ex 7 Wards	
Other Regions	0 ~ 30%
Tokyo Metropolitan (ex. Tokyo 23 Wards)	
Major Regional Cities	

Unit types	Investment ratio* ³
Single	~ 50%
Compact	20 ~ 40%
Family	20 ~ 40%
Large	~ 10%
■ In addition to the above, we invest in the following unit type.	
Unit types	Investment ratio* ³
Dormitory	up to 20%

*Note

1. Of the Tokyo 23 Wards, Chiyoda, Shibuya, Shinjuku, Meguro, Setagaya and Shinagawa wards are classified as Tokyo Central 7 Wards and the remaining wards are classified as Central Tokyo. Other Regions are Tokyo Metropolitan Area (Tokyo Metropolis excluding the Tokyo 23 Wards, prefectures of Kanagawa, Saitama and Chiba) and Major Regional Cities.
2. Investment ratios are calculated based on acquisition price.
3. Investment ratios are calculated based on leasable area.

Unit-type Definition

Floor Plan	~30m ²	~40m ²	~50m ²	~60m ²	~70m ²	~80m ²	~90m ²	over 90m ²
Studio	S	S	C	C	L	L	L	L
1 Bedroom	S	C	C	C	L	L	L	L
2 Bedroom	-	C	C	F	F	F	F	L
3 Bedroom	-	-	F	F	F	F	F	L
4 Bedroom ~	-	-	-	-	F	F	F	L

Floor plan

Studio	1R, 1K, STUDIO
1Bedroom	1DK, 1LDK
2Bedroom	2DK, 2LDK, 1LDK+S
3Bedroom	3DK, 3LDK, 2LDK+S
4Bedroom ~	4DK, 4LDK, 3LDK+S, or units with more rooms

Dormitory Type Units The dormitories generally have shared bathrooms and laundry spaces.

Life & Senior House Kohoku 2, College Court Tanashi and Cocofump Hiyoshi are categorized as Dormitory type due to their characteristics.

Unit types

S = Single Type Units	mostly for singles
C = Compact Type Units	mostly for singles, couples or small families
F = Family Type Units	mostly for families
L = Large Type Units	mostly for foreign executives

Building a High Quality Portfolio



as of July 31, 2019

Acquisitions and Dispositions Since the Merger

	Acquisitions	Dispositions
No. of Properties	122	45
Total Value (Acquisition Price)	174.9 bn yen	72.0 bn yen
Weighted Average NOI Yield	5.8%* ₁	4.6%* ₂
Weighted Average Building Age* ₃	4.9 yrs	13.3 yrs

Improving Yield and Reducing Average Age

	at the time of merger	after the transactions
Book Value NOI Yield	5.2%	5.7%* ₄
Building Age	15.7 yrs* ₅	13.2 yrs

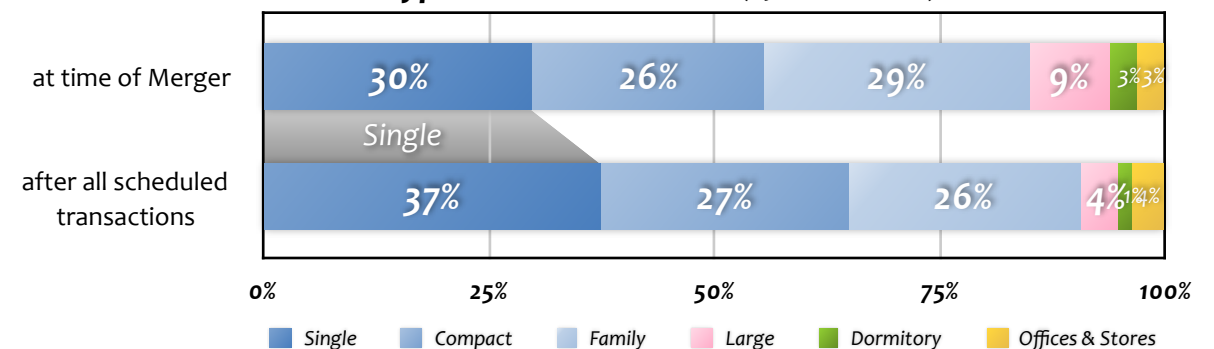
Balanced and Diversified Acquisition Sources

Transactions since the Merger	The Sponsor Group * ₆	Bridge Funds * ₇	Third party and Others	Total
No. of Properties	27	42	53	122
Total Acquisition Value (bn yen)	48.9	52.4	73.4	174.9
Share of Sources	28.0%	30.0%	42.0%	100%

Acquisition Focused on Single-type Units

	Single	Compact	Family	Large	Dormitory	Others	Total
Tokyo Central 7 Wards	+850	+4	-48	-179	0	0	+627
Central Tokyo ex 7	+2,154	+715	+436	+11	0	+14	+3,330
Tokyo 23 Wards	+3,004	+719	+388	-168	0	+14	+3,957
Tokyo Metropolitan	+483	+10	-105	0	-748	-4	-364
Major Regional Cities	+1,927	+1,178	+323	+63	0	+2	+3,493
Other Regions	+2,410	+1,188	+218	+63	-748	-2	+3,129
Total	+5,414	+1,907	+606	-105	-748	+12	+7,086

Unit Type Investment Ratio (by leasable area)



- *₁ Weighted average NOI yield of acquisitions = Total annual NOI as entered on the appraisal of acquisitions ÷ Total of the acquisition prices × 100%
- *₂ Weighted average NOI yield of dispositions = Total actual annual NOI ÷ Total of the historical acquisition prices × 100
- *₃ Weighted average building age is acquisition price weighted average as of the time of acquisition or disposition.
- *₄ The following figures are used to calculate the Book Value NOI Yield. Annualized NOI ÷ FP2019/7 end book value, where the NOI is annualized using the actual days in operation during the FP2019/7
- *₅ Weighted Average age of buildings held at the time of merger as of July 31, 2019.
- *₆ The **Sponsor Group** applies to Itochu Corporation, who is the parent company of ADR's asset management company, and its subsidiaries.
- *₇ Bridge Funds are property funds which are often TK and where ADR has a right of first refusal on the assets under management.



Measures to Reduce Rent Declines Caused by Aging



Rents Decline due to Aging

Supply of new properties

Equipments become obsolete

Decrease in Quality due to wearing

Change in tenants' needs

Gradual Decline in Competitiveness

Measures taken to prevent or reduce rent declines

Building Maintenance

Daily Cleaning

Daily Repairs

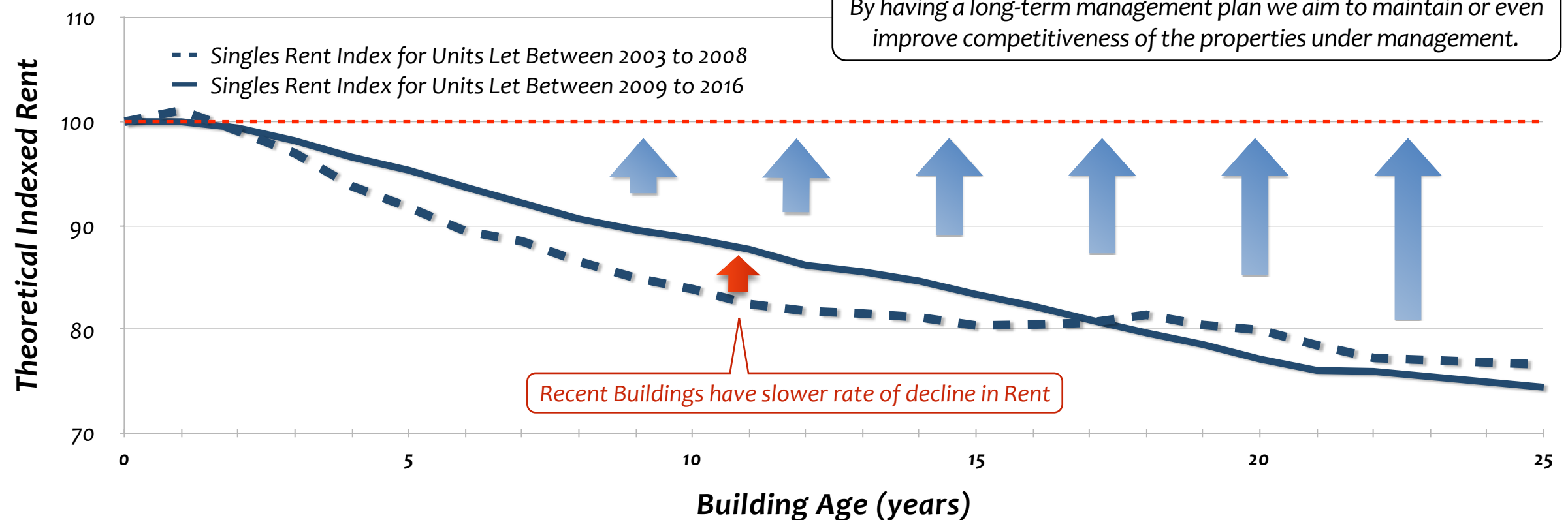
Equipment Maintenance

Timely Capital Expenditures

Large-scale renovations of common areas and exteriors

Renovations of individual apartment units

Providing living environments that satisfy the tenants' needs



* Figures are indexed theoretical rent categorized by year and building age using actual rents provided by At Home Co., Ltd., of which Sumitomo Mitsui Trust Research Institute Co., Ltd. statistically processed using hedonic method.

* Analysis was conducted on rent data from single-type units (18m² to 30m²) of apartments in 23 wards of Tokyo.



Examples of Rents Maintained by Renovation

By taking proper measures competitiveness can be maintained

P-73 RESIDIA Shibaura

Common area renovation
Cost: 123 million yen

before



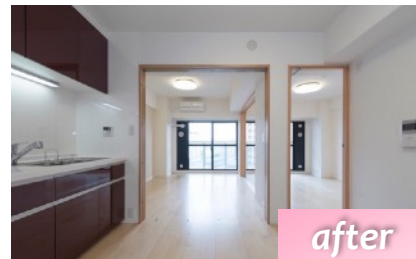
Building age 28 years



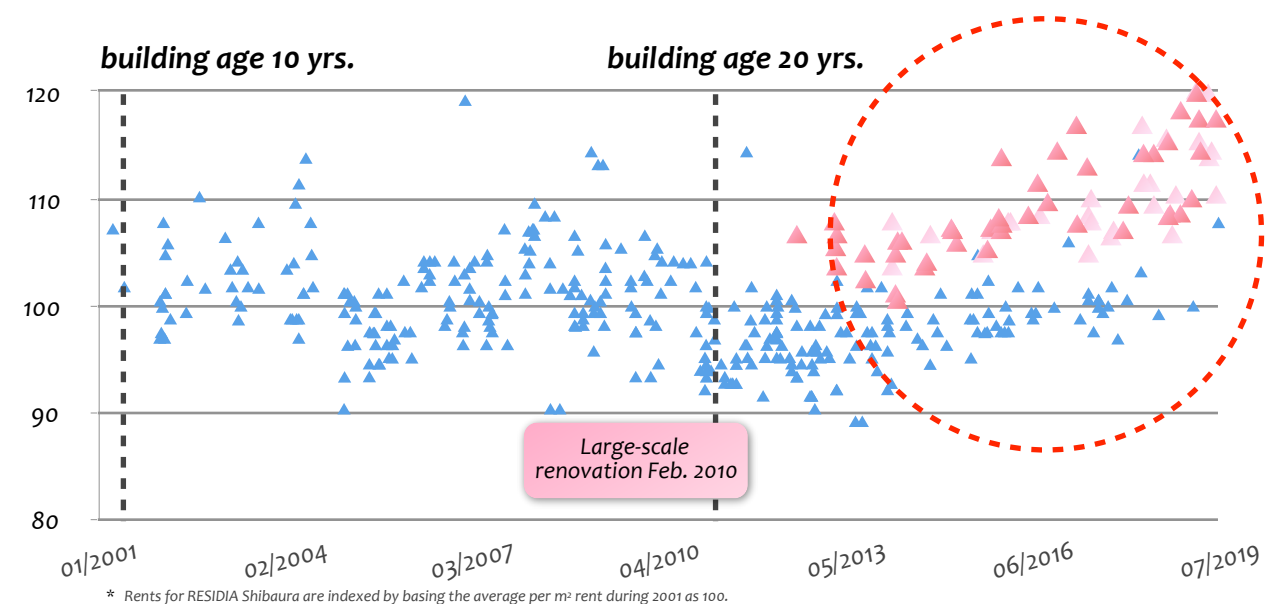
after

Individual apartment unit
upgrading renovations
Cost: 3,822 K yen/unit

before



after



▲ Units went under VE works ▲ Units having t/o more than twice after VE works ▲ Units w/ standard restoration work

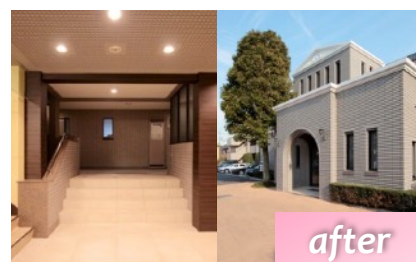
S-19 RESIDIA Kichijoji

Common area renovation
Cost: 30 million yen

before



Building age 24 years



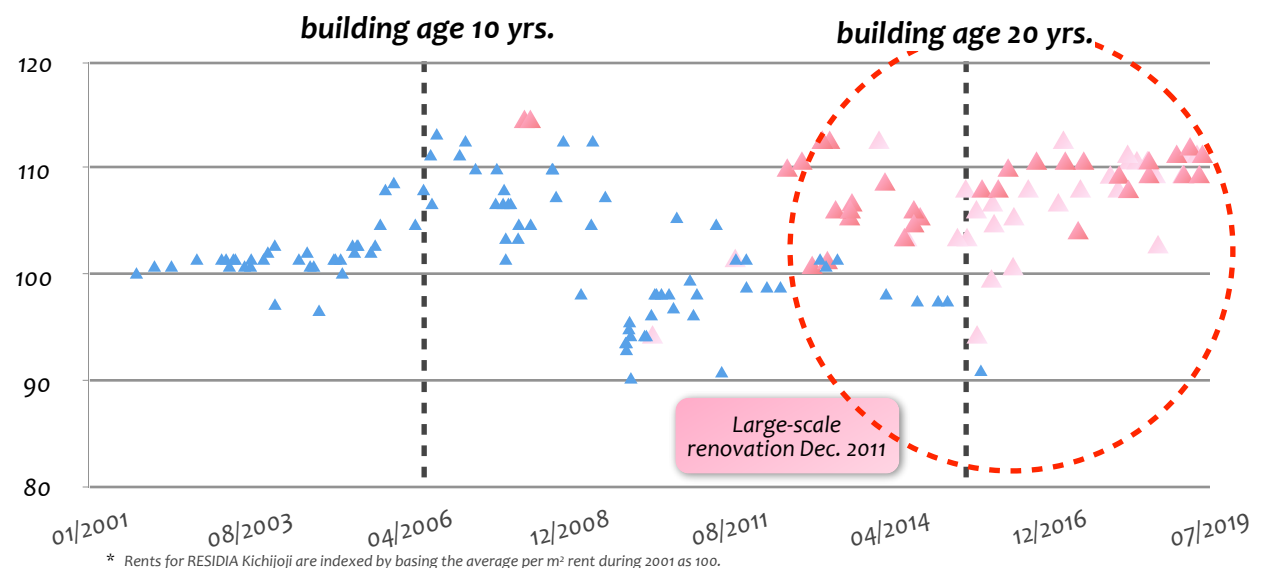
after

Individual apartment unit
upgrading renovations
Cost: 3,579 K yen/unit

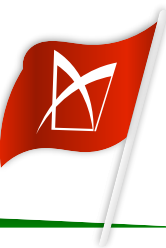
before



after



More Unit-Holders' Interest Oriented Asset Management Fee



Abolishing Total Asset Size Linkage and improving Performance Linkage

Proposed Fee Structure

AM Fee I

Fee linked to NOI ^{*1}

$$\text{NOI}^{*1} \times 7.00\%$$

AM Fee II

Fee Linked to Adjusted FFO per Unit ^{*2}

$$\text{AM fee I} \times \text{Adjusted FFO per Unit} \times 0.005\%$$

Current Fee Structure

AM Fee I

Fee Linked to Total Asset Size

$$\text{Total Asset Size (previous fiscal end)} \times 0.20\%$$

AM Fee II

Fee Linked to NOI ^{*1}

$$\text{NOI}^{*1} \times 3.00\%$$

AM Fee III

Fee Linked to Adjusted EPU ^{*3}

$$(\text{AM Fee I} + \text{II}) \times \text{Adjusted EPU} \times 0.008\%$$

change in fee rate

change in fee base

Proposed Fee Structure

Fees	Fee Base	Maximum Fee Rate
AM Fee I	NOI ^{*1}	$\times 7.00\%$
AM Fee II	AM Fee I \times adjusted FFO / unit ^{*2}	$\times 0.005\%$
Acquisition Fee	Acquisition price	$\times 1.00\%$
Disposal Fee	Disposal price \geq Book value	$\times 0.50\%$
	Disposal price $<$ Book value (Loss on Disposal)	No Fee
Merger Fee	Acquired Asset Value	$\times 0.50\%$

Abolished

Rate Change

Fee Base Change

No Fee If Loss on Disposal^{*4}

Current Fee Structure

Fees	Fee Base	Maximum Fee Rate
AM Fee I	Total Asset Size (previous fiscal end)	$\times 0.20\%$
AM Fee II	NOI ^{*1}	$\times 3.00\%$
AM Fee III	(AM Fee I + II) \times adjusted EPU ^{*3}	$\times 0.008\%$
Acquisition Fee	Acquisition price	$\times 1.00\%$
Disposal Fee	Disposal Price	$\times 0.50\%$
Merger Fee	Acquired Asset Value	$\times 0.50\%$

^{*1} NOI = Gross Operating Income minus Gross Operating expense (excluding depreciation and loss from fixed asset retirement)

^{*2} Adjusted FFO per Unit = (Net profit excluding AM Fee II + depreciation expense - gains on transfer of real estate + losses on transfer on real estate + impairment losses) / Number of investment units issued as of the closing date of the accounting term.

^{*3} Adjusted EPU = Net profit excluding AM Fee III / Number of investment units issued as of the closing date of the accounting term

^{*4} A loss on disposal is where the sale price at the time of the disposal was less than the book value.



Measures to Ensure Sustainability



Multiple Measures to Ensure Sustainability and Retain & Increase Asset Value

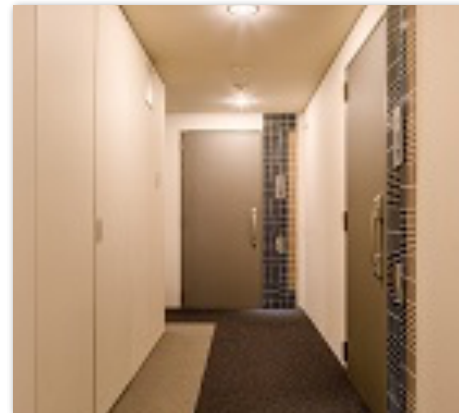
Environmental Considerations

- Installation of LED Lightings
- Putting up awareness posters to promote energy conservation
- Timely execution of large-scale repairs



Neighborhood Clean-up

Example of Installation of LED Lightings



Measures to Improve Governance

- Established a framework for compliance and risk management
- Asset management fee structure having a same boat incentive
- Timely and active disclosures
- **Abolished asset management fee linked to Total Assets**

more inline with unitholders' interest

Asset Management Fee I

Fee Linked to NOI *1

NOI x 7.00%

Asset Management Fee II

Fee Linked Adjusted FFO / unit *2

AM Fees I x
Adjusted FFO/U x 0.005%

※1 NOI = Gross Operating Income minus Gross Operating Expense (excluding depreciation and loss from fixed asset retirement).
※2 Adjusted FFO = FFO excluding AM Fee II divided by number of outstanding asset at the fiscal period end.

Social Considerations

1) Improving Tenant Satisfaction

- Rich menu of tenant services
- Posting of emergency maps in properties
- Distributing emergency kits to tenants

Emergency Kits



2) Contribution to the Community

- Installation of vending machines that enables charitable donations
- Installation of AEDs
- Holding architectural design competition
- Volunteering in neighborhood clean-up

AED



3) Human Capital Development and Employee Satisfaction

- Provide variety of training seminars for employees
- Promoting work / life balance
- Providing ample company benefits

Training Seminars





Recognitions for Sustainability Measures



ADR & ADIM were recognized by multiple parties for its sustainability measures

Participated in GRESB Survey

First residential J-REIT to participate in the survey in 2014

Green Star

Rated as



four years running

G R E S B
REAL ESTATE

GRESB is an industry-driven organization committed to assessing the sustainability performance of real estate portfolios (public, private and direct) around the globe. The dynamic benchmark is used by institutional investors to engage with their investments with the aim to improve the sustainability performance of their investment portfolio, and the global property sector at large.

Green Bond Issuance

**First Residential J-REIT to Issue
Green Bond**

**Awarded the Highest Rating in JCR Green
Finance Framework Assessment**

Green 1 (F)

ESG Ratings

**MUFG ESG Rating for J-REIT supported by JCR
Acquired the highest rating of**

S Rank

Funding executed using ESG assessment loan on November 2018.

DBJ Green Building Certification

DBJ Green Building Awarded to 11 properties*

P-55 RESIDIA Tower
Meguro-Fudomae



DBJ Green Building
2018





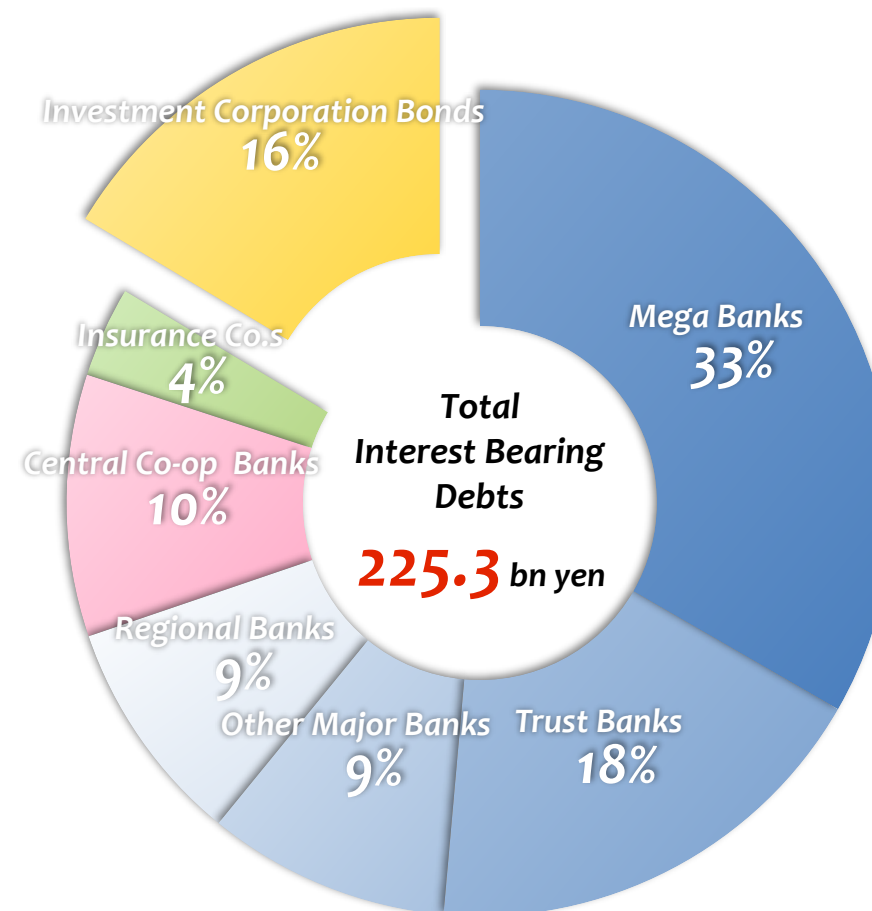
Debt Structure

Stable Financial Base with Multiple Funding Source

as of July 31, 2019

Investment Corporation Bonds

	Issue Date	Duration	Amount (bn yen)
Bond #18	09/2012	7.0 yrs	4.0
Bond #19	04/2013	10.0 yrs	3.0
Bond #20	11/2013	12.0 yrs	2.0
Bond #21	04/2014	10.0 yrs	2.5
Bond #22	04/2015	10.0 yrs	2.0
Bond #23	10/2015	5.0 yrs	1.5
Bond #24	10/2015	10.0 yrs	1.5
Bond #25	06/2016	15.0 yrs	3.0
Bond #26	02/2017	5.5 yrs	2.0
Bond #27	07/2017	10.0 yrs	3.0
Bond #28 (private placement)	11/2017	10.0 yrs	1.0
Bond #29	04/2018	12.0 yrs	1.5
Bond #30	10/2018	10.0 yrs	2.0
Bond #31	07/2019	5.0 yrs	5.0
Bond #32 (private placement)	07/2019	10.0 yrs	3.0
Total			37.0



Loans

Lenders	Loan Outstanding (bn yen)	% share
MUFG Bank	39.3	17.5
Sumitomo Mitsui Trust Bank	28.6	12.7
Mizuho Bank	19.1	8.5
Sumitomo Mitsui Banking Corporation	16.5	7.4
Development Bank of Japan	14.6	6.5
Mizuho Trust & Banking	12.1	5.4
Aozora Bank	9.0	4.0
Resona Bank	8.1	3.6
The Norinchukin Bank	7.0	3.1
The Bank of Fukuoka	6.0	2.7
The Nishi-Nippon City Bank	4.5	2.0
Shinsei Bank	4.2	1.9
The Yamaguchi Bank	3.0	1.3
Taiyo Life Insurance	3.0	1.3
The Iyo Bank	2.0	0.9
Nippon Life Insurance	2.0	0.9
Shinkin Central Bank	1.5	0.7
Mitsui Sumitomo Insurance	1.0	0.4
The Chugoku Bank	1.0	0.4
Tokio Marine & Nichido Fire Insurance	1.0	0.4
JAPAN POST INSURANCE	1.0	0.4
The Gunma Bank	1.0	0.4
The Bank of Kyoto	1.0	0.4
The 77 Bank	1.0	0.4
Kiraboshi Bank	0.5	0.2
Total	188.3	83.6

Credit Ratings

JCR

AA (Stable)

R&I

AA- (Stable)

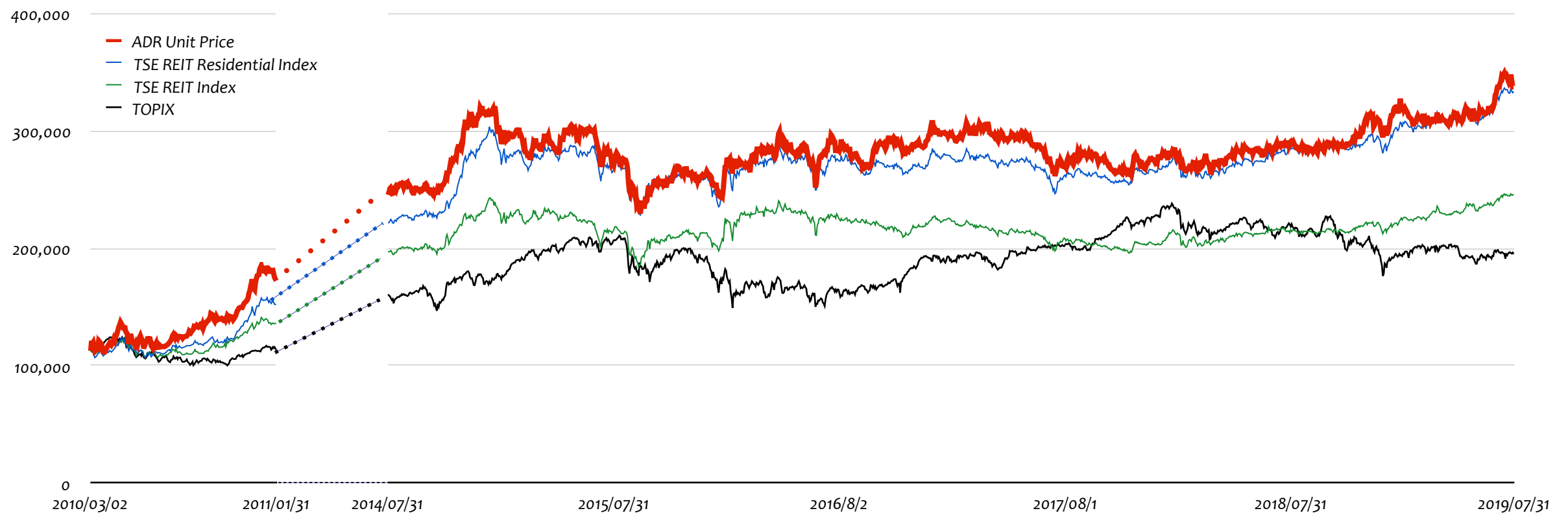
Unit Price Chart



* NAV and BPS are ex-dividend figures

Key Figures	FP 01-2011
Market capitalization	168.8 bn yen @172,300
Daily Average Trading volume	0.44 bn yen 3,247 units
LTV (Total assets base)	52.4%
NAV per Unit (yen)	152,749
BPS (yen)	159,564
Implied CAP rate	5.3%

FP 01-2015	FP 07-2015	FP 01-2016	FP 07-2016	FP 01-2017	FP 07-2017	FP 01-2018	FP 07-2018	FP 01-2019	FP 07-2019
391.9 bn yen @301,500	351.6 bn yen @270,500	338.6 bn yen @260,500	369.9 bn yen @284,600	402.1 bn yen @297,900	363.6 bn yen @269,400	378.0 bn yen @280,000	392.7 bn yen @290,900	434.7 bn yen @322,000	455.6 bn yen @337,500
0.81 bn yen 2,922 units	0.92 bn yen 3,181 units	0.85 bn yen 3,344 units	1.26 bn yen 4,512 units	1.25 bn yen 4,389 units	0.93 bn yen 3,225 units	0.77 bn yen 2,827 units	0.86 bn yen 3,116 units	0.92 bn yen 3,087 units	10.0 bn yen 3,158 units
50.1%	51.6%	51.4%	52.2%	49.6%	49.6%	49.4%	49.9%	49.9%	49.9%
198,261	207,281	216,739	223,586	230,621	237,214	239,503	248,686	258,656	270,753
155,160	155,161	155,161	155,161	158,601	158,353	158,103	157,852	157,592	157,338
3.8%	4.1%	4.2%	4.1%	4.0%	4.4%	4.2%	4.2%	3.9%	3.9%



* TOPIX, TSE REIT Index and TSE REIT Residential Index are re-indexed by using Advance Residence's March 2, 2010, closing price of 112,500 yen as base price.



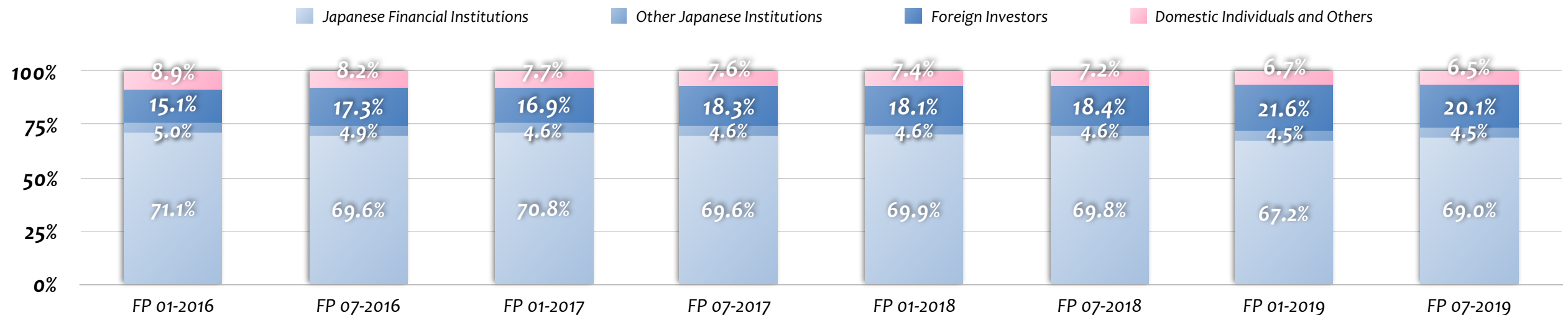
Major Unitholders



Increase in Holdings by Domestic Financial Institutions

	Number of Unitholders		Number of Units		
	Unit-holders	diff	Units	diff	(%)
Japanese Financial Institutions	188	+1	930,874	+24,044	69.0%
Trust Banks	13	0	664,287	+13,696	49.2%
(Inv. Trust Acc.)	23	-	484,878	+7,433	35.9%
Regional Banks	50	+1	114,559	+87	8.5%
Life Insurance	10	0	36,903	-1,919	2.7%
Securities Companies	20	+3	59,896	+7,276	4.4%
Casualty Insurance	4	△3	15,088	+8,119	1.1%
Credit Unions & Co-ops	48	2	23,963	-2,956	1.8%
Shinkin Banks	43	-2	16,178	-259	1.2%
City Banks	0	-	0	-	0.0%
Other Japanese Corporations	216	-15	60,417	-398	4.5%
Foreign Corporations and Individuals	270	-5	270,940	-20,489	20.1%
Domestic Individuals and Others	13,459	-529	87,769	-3,157	6.5%
Total	14,133	-548	1,350,000	-	100.0%

Top 10 Unitholders	Holdings (units)	% share of issued and outstanding
Japan Trustee Services Bank, Ltd. (Tr. Acc.)	302,596	22.4%
The Master Trust Bank of Japan, Ltd. (Tr. Acc.)	220,453	16.3%
The Nomura Trust and Banking Co., Ltd. (Inv. Tr. Acc.)	56,030	4.2%
Trust & Custody Services Bank, Ltd. (Securities Inv. Tr. Acc.)	39,017	2.9%
ITOCHU Corporation	34,800	2.6%
Mizuho Securities Co., Ltd.	19,171	1.4%
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	17,605	1.3%
State Street Bank - West Client - Treaty 505234	16,174	1.2%
Trust & Custody Services Bank, Ltd. (Money Tr. Acc.)	14,214	1.1%
State Street Bank and Trust Company 505001	13,776	1.0%
Total	733,836	54.4%



Balance Sheet



in thousand yen

Fiscal Period Ending July 31, 2019

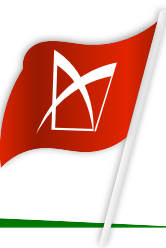
Assets	
Current assets	
Cash and deposits	14,777,247
Cash and deposits in trust	9,747,503
Operating accounts receivables	96,656
Prepaid expenses	435,609
Other	1,105
Allowance for doubtful accounts	-7,949
Current assets	25,160,126
Fixed assets	
Property, plant and equipment	
Buildings	61,993,443
Structures	17,350
Machinery and equipment	73,476
Tools, furniture and fixtures	202,558
Land	74,918,371
Construction in progress	1,863
Buildings in trust	126,729,188
Structures in trust	83,332
Machinery and equipment in trust	77,493
Tools, furniture and fixtures in trust	322,639
Land in trust	157,508,159
Construction in progress	109,521
Property, plant and equipment	422,037,398
Intangible assets	
Leasehold right in trust	1,906,079
Other	5,127
Intangible assets	1,911,207
Investments and other assets	
Long-term prepaid expenses	721,020
Guarantee deposits	562,774
Guarantee deposits in trust	1,038,903
Other	1,180
Investments and other assets	2,323,878
Fixed assets	426,272,484
Deferred assets	
Investment unit issuance expenses	231
Investment corporation bond issuance costs	156,725
Deferred assets	156,956
Total Assets	451,589,567

Fiscal Period Ending July 31, 2019

Liabilities	
Current liabilities	
Operating accounts payable	253,419
Current portion of short-term loans payable	2,000,000
Current portion of investment corporation bond	4,000,000
Current portion of long-term loans payable	20,870,000
Accounts payable-other	1,392,961
Accrued expenses	78,237
Accrued consumption taxes	26,631
Advances received	69,792
Other	18,795
Current liabilities	28,709,838
Long-term liabilities	
Investment corporation bond	33,000,000
Long-term loans payable	165,448,000
Tenant leasehold and security deposits	1,275,575
Tenant leasehold and security deposits in trust	3,294,022
Derivatives liabilities	25,100
Long-term liabilities	203,042,697
Liabilities	231,752,536
Net assets	
Unitholders' equity	
Unitholders' capital, gross	127,690,098
Surplus	
Capital surplus	53,220,279
Reserve for dividend	31,857,520
Unappropriated retained earnings (undisposed loss)	7,094,233
Surplus	92,172,033
Unitholders' equity	219,862,132
Valuation and translation adjustments	-25,100
Net assets	219,837,031
Liabilities and net assets	451,589,567



Profit and Loss Statement



in thousand yen

Fiscal Period Ending July 31, 2019

(from February 1, 2019 to July 31, 2019)

Operating Revenue	
Rent Revenue - real estate	16,465,789
Operating Revenue	16,465,789
Operating Expenses	
Expenses Related to Rent Business	6,519,835
Asset Management Fee	1,195,611
Asset Custody Fee	9,774
Administrative Service fees	57,929
Director Compensations	3,600
Taxes and Dues	285,035
Provision of Allowance for Doubtful Accounts	1,493
Bad Debt Expenses	-
Other Operating Expenses	190,164
Operating Expenses	8,263,445
Operating Income	8,202,344
Non-operating Income	
Interest Income	6,825
Claim Compensation Income	98
Reversal of Distributions Payable	1,284
Other	226
Non-operating Income	8,434
Non-operating Expenses	
Interest Expenses	771,790
Interest Expenses on Investment Corporation Bonds	124,750
Amortization of Investment Unit Issuance Expenses	1,388
Amortization of Corporation Bonds Issuance Expenses	11,214
Investment Unit Issuance Expenses	1,562
Borrowing Related Expenses	183,377
Other	21,856
Non-operating Expenses	1,115,940
Ordinary Income	7,094,838
Income before Income Taxes	7,094,838
Income Taxes - Current	605
Income Taxes	605
Net Income	7,094,233
Retained Earnings Brought Forward	-
Unappropriated Retained Earnings (undisposed loss)	7,094,233

Fiscal Period Ending July 31, 2019

(from February 1, 2019 to July 31, 2019)

A. Revenue from Property Leasing

Rental	
Rent Income	14,458,933
Facility Charge	812,679
Parking Fee	438,764
Subtotal	15,710,377
Other Revenues Related to Property Leasing	
Income from Leasing Rights, etc.	90,133
Miscellaneous Income	665,278
Subtotal	755,411
Total Revenues from Property Leasing	16,465,789

B. Rental Expenses

Taxes and Duties	880,277
Property Management Fees	1,180,620
Utilities	256,973
Repairs and Maintenance	652,724
Insurance	25,540
Trust Tee	69,575
Other Rental Expenses	723,524
Depreciation and Amortization	2,730,600
Total Rental Expenses	6,519,835

C. Operating Income from Property Leasing Activities (A-B) 9,945,954

NOI (C + Depreciation and Amortization) 12,676,555

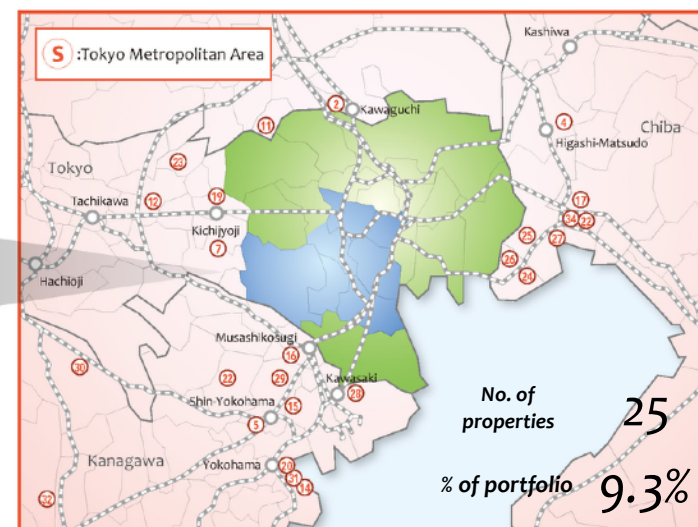
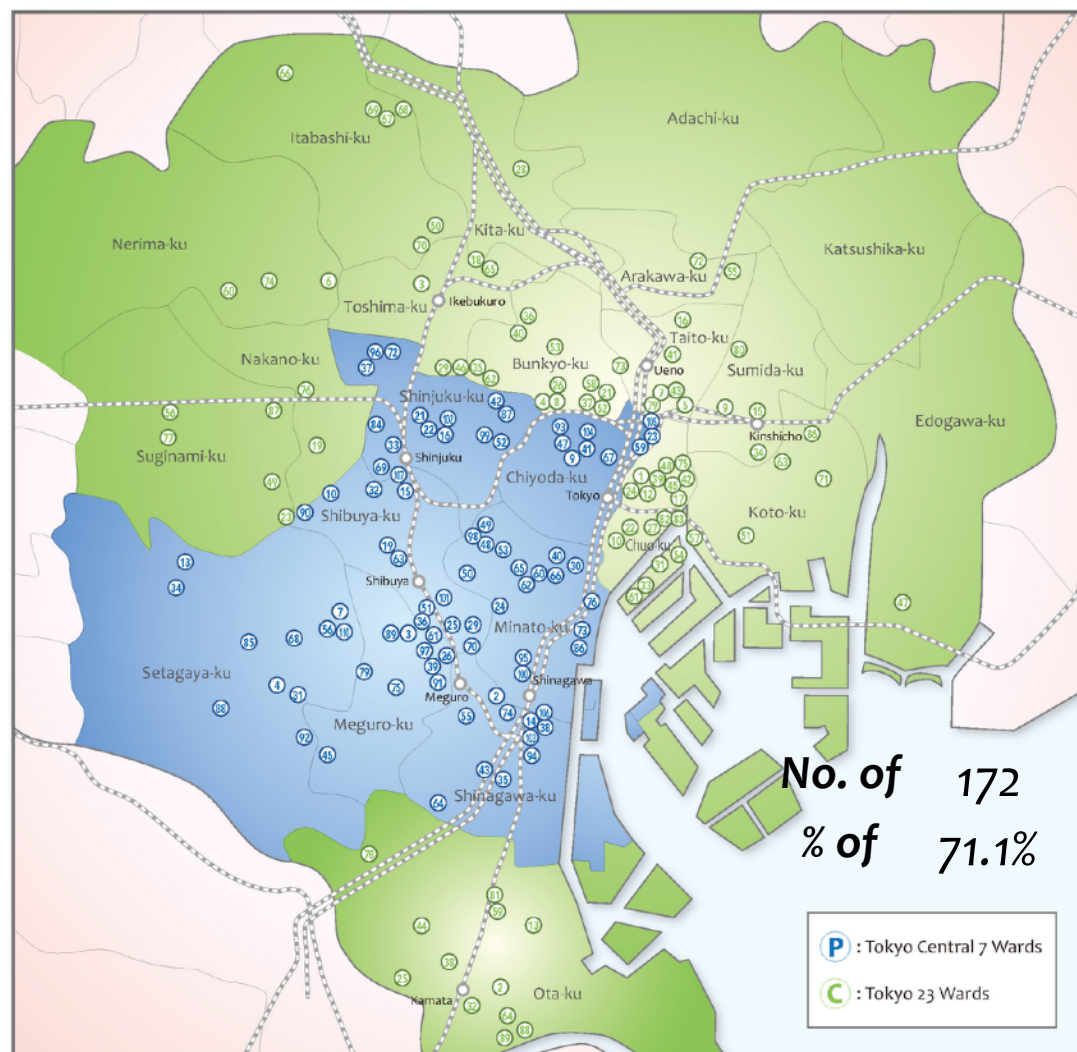


Portfolio Map



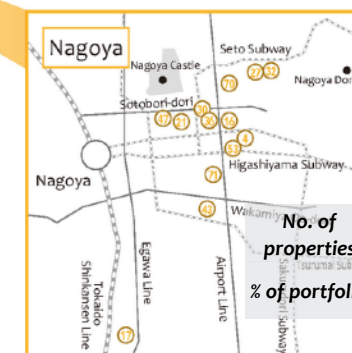
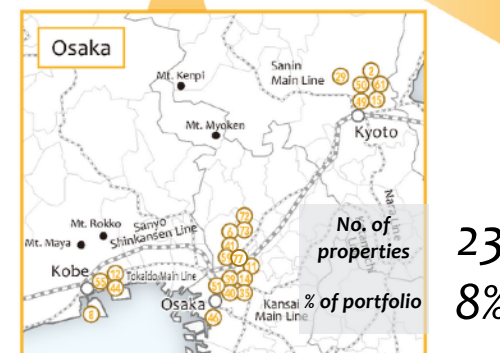
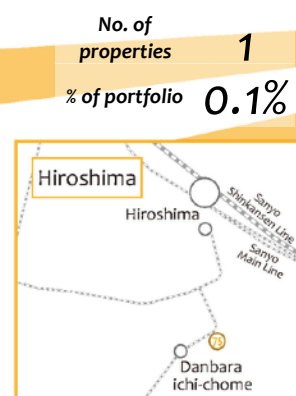
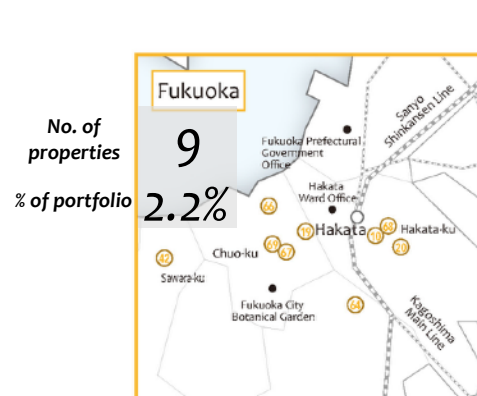
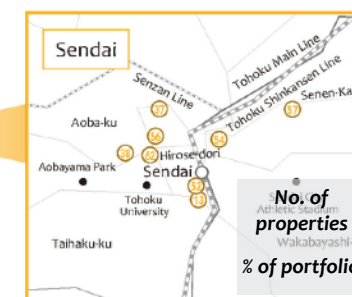
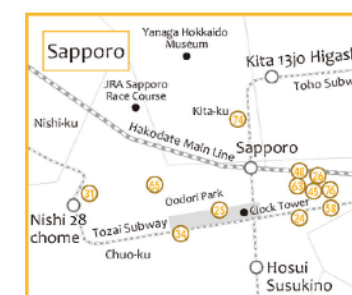
Percentages of portfolio are calculated based on acquisition price of properties.

as of July 31, 2019



No. of Properties
265

R : Major Regional Cities





Portfolio



as of July 31, 2019

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
P-2	RESIDIA Shimazuyama	Shinagawa-ku, Tokyo	12-2004	2004/12	115	286000.0%	0	3,530	231000.0%	52.8%	4.3%
P-3	RESIDIA Nakameguro	Meguro-ku, Tokyo	2-2005	2005/2	88	173000.0%	0	2,270	137500.0%	65.1%	2.6%
P-4	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	3-2002	2002/3	28	122900.0%	0	1,330	115400.0%	15.2%	7.3%
P-7	RESIDIA Ikejiriohashi	Setagaya-ku, Tokyo	8-2005	2005/8	42	123000.0%	0	1,500	113700.0%	31.9%	3.1%
P-9	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	3-2004	2004/3	86	227000.0%	0	2,750	205000.0%	34.1%	2.9%
P-10	RESIDIA Hatagaya	Shibuya-ku, Tokyo	2-2006	2006/2	35	113000.0%	0	1,310	105200.0%	24.5%	7.3%
P-13	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	7-2006	2006/7	39	112000.0%	0	1,360	104600.0%	30.0%	7.0%
P-14	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	2-2007	2007/2	120	272000.0%	0	3,170	249200.0%	27.2%	4.3%
P-15	RESIDIA Yoyoginomori	Shibuya-ku, Tokyo	3-2007	2007/3	22	73200.0%	0	763	69900.0%	9.1%	4.4%
P-16	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	2-2009	2009/2	39	75000.0%	0	972	70800.0%	37.2%	4.3%
P-19	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	8-2001	2001/8	30	58800.0%	0	778	55700.0%	39.5%	8.2%
P-21	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	2-2004	2004/2	54	138000.0%	0	1,890	138200.0%	36.7%	4.8%
P-22	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	8-2000	2000/8	48	94100.0%	0	1,260	91700.0%	37.3%	5.3%
P-23	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	2-2004	2004/2	65	152000.0%	0	2,220	137600.0%	61.2%	4.1%
P-24	RESIDIA Azabujuban II	Minato-ku, Tokyo	2-2001	2001/2	37	87400.0%	0	1,160	88700.0%	30.8%	3.1%
P-25	RESIDIA Ebisu	Shibuya-ku, Tokyo	1-2001	2001/1	26	55400.0%	0	756	56800.0%	32.9%	3.0%
P-26	RESIDIA Meguro	Shinagawa-ku, Tokyo	10-1999	1999/10	20	72200.0%	0	777	73000.0%	6.3%	6.2%
P-29	RESIDIA Hiroo II	Shibuya-ku, Tokyo	11-2005	2005/11	76	166000.0%	0	2,300	149800.0%	53.5%	2.9%
P-30	Pianetta Shiodome	Minato-ku, Tokyo	2-2005	2005/2	67	195000.0%	0	2,350	177000.0%	32.7%	5.3%
P-31	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	10-2004	2004/10	18	33300.0%	0	402	30500.0%	31.7%	8.5%
P-32	RESIDIA Yoyogi	Shibuya-ku, Tokyo	2-2005	2005/2	16	32600.0%	0	409	30500.0%	33.7%	11.0%
P-33	RESIDIA Nishi-Shinjuku	Shinjuku-ku, Tokyo	2-2005	2005/2	19	36300.0%	0	452	34000.0%	32.6%	9.9%
P-34	RESIDIA Kyodo	Setagaya-ku, Tokyo	2-2005	2005/2	15	28600.0%	0	348	26200.0%	32.8%	10.6%
P-35	RESIDIA Oimachi	Shinagawa-ku, Tokyo	12-2005	2005/12	48	94700.0%	0	1,200	85400.0%	40.4%	4.3%

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
P-36	RESIDIA Ebisu II	Shibuya-ku, Tokyo	1-2006	61	2,280	0.5%	2,990	2,209	35.3%	3.4%	98.9%
P-37	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	9-2006	70	1,180	0.3%	1,550	1,079	43.6%	4.8%	98.8%
P-38	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	8-2006	122	2,040	0.5%	2,560	1,891	35.3%	4.0%	96.6%
P-39	RESIDIA Meguro II	Meguro-ku, Tokyo	1-2006	34	1,190	0.3%	1,460	1,134	28.7%	6.5%	97.7%
P-40	RESIDIA Toranomom	Minato-ku, Tokyo	9-2006	63	1,320	0.3%	1,770	1,225	44.4%	3.3%	98.4%
P-41	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	3-2006	52	1,160	0.3%	1,630	1,086	50.0%	2.8%	100.0%
P-42	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	8-2006	52	918	0.2%	1,150	855	34.4%	2.1%	98.2%
P-43	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	7-2007	40	1,050	0.2%	1,370	979	39.9%	4.8%	100.0%
P-45	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	3-2002	28	1,050	0.2%	1,370	1,015	34.9%	7.3%	97.3%
P-47	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	12-2004	65	2,310	0.5%	2,930	2,118	38.3%	2.3%	93.0%
P-48	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	8-2004	68	3,660	0.8%	4,380	3,518	24.5%	3.5%	94.2%
P-49	RESIDIA Akasaka	Minato-ku, Tokyo	5-2004	37	1,180	0.3%	1,550	1,130	37.1%	8.3%	94.7%
P-50	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	7-2004	125	6,780	1.5%	8,750	6,493	34.8%	2.8%	97.2%
P-51	RESIDIA Daikanyama	Shibuya-ku, Tokyo	7-2004	42	2,150	0.5%	2,300	2,021	13.8%	4.0%	94.3%
P-52	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	8-2004	85	2,500	0.6%	3,320	2,399	38.3%	3.6%	94.3%
P-53	RESIDIA Roppongi-Hinokichokoen	Minato-ku, Tokyo	9-1999	89	3,570	0.8%	5,120	3,581	43.0%	6.8%	97.2%
P-55	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	1-2007	358	16,500	3.7%	19,500	14,708	32.6%	1.8%	100.0%
P-56	RESIDIA Sangenjaya	Setagaya-ku, Tokyo	1-2005	78	2,760	0.6%	3,640	2,485	46.4%	2.7%	98.2%
P-59	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	10-2003	64	1,620	0.4%	2,280	1,531	48.9%	3.4%	93.5%
P-60	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	4-2006	31	1,430	0.3%	1,600	1,350	18.5%	3.2%	90.7%
P-61	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	3-2007	39	2,020	0.5%	2,350	1,922	22.2%	7.1%	97.3%
P-62	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	1-2003	113	6,190	1.4%	7,910	6,108	29.5%	0.7%	95.9%
P-63	RESIDIA Shibuya	Shibuya-ku, Tokyo	6-2006	40	1,250	0.3%	1,690	1,201	40.7%	3.5%	94.8%
P-64	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	11-2005	65	1,880	0.4%	2,520	1,739	44.9%	3.4%	96.8%



Portfolio



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No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
P-65	RESIDIA Azabudai	Minato-ku, Tokyo	2-2006	47	1,610	0.4%	1,980	1,534	29.0%	4.6%	97.4%
P-66	RESIDIA Shibadaimon II	Minato-ku, Tokyo	8-2006	48	1,740	0.4%	2,080	1,662	25.1%	3.3%	91.7%
P-67	RESIDIA Kanda	Chiyoda-ku, Tokyo	6-2006	43	1,140	0.3%	1,570	1,080	45.4%	4.9%	98.0%
P-68	RESIDIA Sangenjaya II	Setagaya-ku, Tokyo	3-2006	34	1,280	0.3%	1,590	1,207	31.7%	4.4%	96.9%
P-69	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	5-2007	74	1,830	0.4%	2,270	1,688	34.4%	10.9%	90.4%
P-70	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	8-2007	26	923	0.2%	1,140	863	32.0%	2.8%	92.5%
P-72	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	12-2002	19	974	0.2%	1,210	969	24.8%	4.9%	100.0%
P-73	RESIDIA Shibaura	Minato-ku, Tokyo	9-1991	153	4,670	1.0%	6,260	4,347	44.0%	2.8%	95.4%
P-74	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	1-2007	16	930	0.2%	1,040	873	19.0%	7.9%	100.0%
P-75	RESIDIA Yutenji	Meguro-ku, Tokyo	8-2006	118	5,260	1.2%	6,420	5,008	28.2%	7.8%	94.6%
P-76	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	5-2005	191	9,570	2.1%	12,200	8,813	38.4%	3.6%	94.4%
P-79	RESIDIA Kamimeguro	Meguro-ku, Tokyo	1-1993	16	878	0.2%	1,140	840	35.7%	7.7%	94.6%
P-84	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	2-1997	26	1,460	0.3%	1,720	1,355	26.9%	8.8%	100.0%
P-85	RESIDIA Komazawa	Setagaya-ku, Tokyo	10-2008	59	870	0.2%	1,290	814	58.3%	10.0%	100.0%
P-86	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	1-2010	72	2,400	0.5%	3,220	2,293	40.4%	4.4%	93.7%
P-87	RESIDIA Ichigaya-Yakuoji	Shinjuku-ku, Tokyo	8-2008	98	2,070	0.5%	2,750	1,960	40.3%	3.0%	95.7%
P-88	RESIDIA Yoga	Setagaya-ku, Tokyo	6-2008	66	1,523	0.3%	1,970	1,528	28.9%	10.3%	100.0%
P-89	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	3-2007	70	3,300	0.7%	4,900	3,289	48.9%	2.4%	95.7%
P-90	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	1-2011	167	3,760	0.8%	4,890	3,656	33.7%	4.2%	97.5%
P-91	RESIDIA Meguro III	Meguro-ku, Tokyo	1-2010	31	950	0.2%	1,450	947	53.1%	2.6%	96.7%
P-92	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	10-2007	17	778	0.2%	1,030	774	33.0%	5.4%	100.0%
P-93	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	1-2012	48	1,240	0.3%	1,840	1,216	51.2%	2.6%	98.4%
P-94	RESIDIA Omori II	Shinagawa-ku, Tokyo	3-2012	90	1,620	0.4%	2,310	1,583	45.9%	2.2%	100.0%
P-95	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	3-2012	53	1,480	0.3%	2,130	1,455	46.4%	6.7%	98.6%

No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
P-96	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	3-2008	187	3,656	0.8%	4,580	3,758	21.8%	A 2.9% B 2.9% C 3.0%	96.4%
P-97	RESIDIA Nakameguro II	Meguro-ku, Tokyo	8-2006	50	1,119	0.2%	1,570	1,108	41.7%	2.7%	96.0%
P-98	ARTIS COURT Minamiaoyama	Minato-ku, Tokyo	7-2008	23	1,720	0.4%	1,960	1,722	13.8%	3.9%	91.3%
P-99	RESIDIA Yotsuya-Sanchome	Shinjuku-ku, Tokyo	5-2009	90	2,090	0.5%	2,890	2,064	40.0%	3.8%	99.2%
P-100	RESIDIA Takanawa-Katsurazaka	Minato-ku, Tokyo	3-2006	45	900	0.2%	1,160	938	23.6%	5.4%	97.9%
P-101	RESIDIA Ebisu III	Shibuya-ku, Tokyo	3-2006	26	611	0.1%	858	648	32.4%	3.3%	95.9%
P-102	RESIDIA Shinjukugyoen	Shinjuku-ku, Tokyo	10-2006	38	687	0.2%	998	717	39.1%	5.2%	100.0%
P-103	RESIDIA Minami-Shinagawa	Shinagawa-ku, Tokyo	10-2013	50	1,177	0.3%	1,530	1,190	28.5%	8.7%	95.5%
P-104	Chester Court Ochanomizu	Chiyoda-ku, Tokyo	3-2007	118	3,117	0.7%	3,950	3,160	25.0%	2.4%	97.2%
P-105	RESIDIA Kanda-Iwamotocho II	Chiyoda-ku, Tokyo	4-2007	48	1,280	0.3%	1,710	1,293	32.2%	2.8%	95.7%
P-106	RESIDIA Shinagawa	Shinagawa-ku, Tokyo	6-2007	36	980	0.2%	1,310	991	32.1%	4.0%	100.0%
P-107	RESIDIA Yoyogi II	Shibuya-ku, Tokyo	1-2008	31	839	0.2%	1,010	893	13.1%	8.4%	97.4%
P-108	RESIDIA Nakanobu II	Shinagawa-ku, Tokyo	4-2014	44	917	0.2%	1,140	934	22.0%	3.9%	100.0%
P-109	RESIDIA Ochanomizu II	Chiyoda-ku, Tokyo	3-2015	28	821	0.2%	1,040	838	24.1%	4.1%	100.0%
P-110	RESIDIA Mishuku	Shinagawa-ku, Tokyo	4-2015	43	1,159	0.3%	1,390	1,182	17.6%	4.1%	100.0%
C-1	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	2-2005	105	1,920	0.4%	2,760	1,523	81.2%	3.3%	96.1%
C-2	RESIDIA Kamata	Ota-ku, Tokyo	3-2005	166	2,640	0.6%	3,760	2,038	84.4%	4.7%	96.3%
C-3	RESIDIA Ikebukuro	Toshima-ku, Tokyo	3-2005	60	1,520	0.3%	1,850	1,372	34.8%	7.1%	97.2%
C-4	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	7-2005	65	1,680	0.4%	2,370	1,535	54.4%	4.6%	96.5%
C-5	RESIDIA Asakusabashi	Taito-ku, Tokyo	8-2005	47	1,060	0.2%	1,520	917	65.6%	2.9%	97.5%
C-6	Maison Eclairée Ekoda	Nerima-ku, Tokyo	3-1993	94	953	0.2%	1,140	893	27.6%	9.2%	95.8%
C-7	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	2-2006	127	3,160	0.7%	3,980	2,800	42.1%	2.1%	96.7%
C-8	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	1-2006	70	1,623	0.4%	2,110	1,512	39.5%	3.6%	98.9%
C-9	RESIDIA Ryogoku	Sumida-ku, Tokyo	2-2006	48	913	0.2%	1,310	833	57.1%	9.1%	100.0%



Portfolio



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No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
C-10	RESIDIA Higashi-Ginza	Chuo-ku, Tokyo	9-2006	169	5,251	1.2%	5,740	4,980	15.2%	4.3%	93.4%
C-12	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	1-2007	137	3,180	0.7%	4,180	2,913	43.5%	4.6%	99.4%
C-13	RESIDIA Omori-Higashi	Ota-ku, Tokyo	8-2007	81	1,980	0.4%	2,190	1,799	21.7%	3.8%	100.0%
C-15	RESIDIA Kinshicho	Sumida-ku, Tokyo	11-2007	157	4,200	0.9%	4,840	3,951	22.5%	7.2%	95.4%
C-16	RESIDIA Negishi	Taito-ku, Tokyo	12-2005	28	856	0.2%	1,030	797	29.2%	7.7%	96.5%
C-17	RESIDIA Shinkawa	Chuo-ku, Tokyo	2-2003	83	1,880	0.4%	2,570	1,792	43.4%	5.3%	95.8%
C-18	RESIDIA Kamiikebukuro	Toshima-ku, Tokyo	12-2001	44	558	0.1%	741	529	40.0%	6.4%	93.4%
C-19	RESIDIA Shin-nakano	Nakano-ku, Tokyo	6-2002	24	352	0.1%	537	344	56.0%	3.8%	100.0%
C-21	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	3-2004	63	1,010	0.2%	1,260	949	32.7%	5.3%	94.0%
C-22	RESIDIA Tsukiji	Chuo-ku, Tokyo	12-2005	54	1,460	0.3%	2,020	1,296	55.7%	3.4%	90.8%
C-23	RESIDIA Sasazuka	Suginami-ku, Tokyo	3-2000	96	1,800	0.4%	2,270	1,776	27.7%	6.9%	95.0%
C-24	RESIDIA Kyobashi	Chuo-ku, Tokyo	1-2005	52	1,220	0.3%	1,560	1,097	42.2%	3.4%	100.0%
C-25	RESIDIA Tamagawa	Ota-ku, Tokyo	9-2004	98	1,300	0.3%	1,730	1,149	50.5%	5.9%	98.0%
C-26	RESIDIA Korakuen	Bunkyo-ku, Tokyo	10-2004	31	603	0.1%	797	537	48.3%	3.5%	93.9%
C-27	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	9-2004	94	2,000	0.4%	2,770	1,867	48.3%	4.0%	98.3%
C-28	RESIDIA Oji	Kita-ku, Tokyo	2-2005	61	867	0.2%	1,060	771	37.3%	3.2%	100.0%
C-29	RESIDIA Mejiro II	Toshima-ku, Tokyo	7-2005	63	1,050	0.2%	1,290	961	34.1%	2.3%	93.3%
C-31	RESIDIA Tsukishima	Chuo-ku, Tokyo	2-2006	40	1,100	0.2%	1,360	1,000	35.9%	6.8%	97.8%
C-32	RESIDIA Kamata II	Ota-ku, Tokyo	9-2006	78	1,360	0.3%	1,760	1,262	39.4%	4.0%	96.5%
C-33	RESIDIA Tsukishima II	Chuo-ku, Tokyo	9-2006	105	2,440	0.5%	3,160	2,304	37.1%	3.8%	94.7%
C-34	RESIDIA Kinshicho II	Sumida-ku, Tokyo	1-2008	99	2,380	0.5%	2,790	2,210	26.2%	4.7%	97.0%
C-35	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	8-2003	104	3,380	0.8%	4,400	3,064	43.6%	4.7%	96.3%
C-36	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	2-2003	33	707	0.2%	960	655	46.5%	5.0%	94.2%
C-37	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	2-2003	39	1,050	0.2%	1,450	990	46.4%	6.9%	95.3%

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C-38	RESIDIA Ikegami	Ota-ku, Tokyo	7-2003	19	378	0.1%	438	353	23.8%	8.5%	75.1%
C-39	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	3-2004	25	557	0.1%	850	513	65.5%	5.6%	93.3%
C-40	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	4-2005	45	1,440	0.3%	1,840	1,331	38.2%	4.1%	92.0%
C-41	RESIDIA Iriya	Taito-ku, Tokyo	12-2004	49	990	0.2%	1,220	857	42.4%	5.4%	100.0%
C-42	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	8-2006	45	1,310	0.3%	1,670	1,237	34.9%	4.5%	97.9%
C-43	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	3-2007	69	1,860	0.4%	2,230	1,742	28.0%	3.0%	92.1%
C-44	RESIDIA Chidoricho	Ota-ku, Tokyo	9-2006	60	1,290	0.3%	1,490	1,189	25.3%	5.0%	95.2%
C-45	RESIDIA Shinkawa II	Chuo-ku, Tokyo	2-2003	36	1,320	0.3%	1,730	1,256	37.6%	3.9%	92.5%
C-46	RESIDIA Mejiro	Toshima-ku, Tokyo	1-1999	162	6,280	1.4%	8,290	6,009	37.9%	2.6%	97.0%
C-47	RESIDIA Kasai	Edogawa-ku, Tokyo	1-2000	29	683	0.2%	811	646	25.4%	7.0%	100.0%
C-48	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	2-2007	132	5,500	1.2%	7,630	5,021	51.9%	2.4%	99.5%
C-49	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	2-2009	194	3,834	0.9%	5,740	3,546	61.8%	4.3%	98.8%
C-50	RESIDIA Shin Itabashi	Itabashi-ku, Tokyo	8-2009	67	888	0.2%	1,270	833	52.4%	8.6%	100.0%
C-51	RESIDIA Kiba	Koto-ku, Tokyo	3-2008	155	1,950	0.4%	3,260	1,853	75.9%	7.2%	100.0%
C-52	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	12-2008	52	1,129	0.3%	1,650	1,075	53.4%	4.4%	100.0%
C-53	RESIDIA Bunkyo-Honkomagome	Bunkyo-ku, Tokyo	3-2008	98	2,340	0.5%	3,220	2,244	43.5%	3.5%	97.1%
C-54	RESIDIA Tsukishima III	Chuo-ku, Tokyo	2-2008	119	2,570	0.6%	3,880	2,427	59.8%	4.0%	92.2%
C-55	RESIDIA Minamisenju	Arakawa-ku, Tokyo	3-2007	175	2,580	0.6%	3,750	2,332	60.8%	5.3%	96.9%
C-56	RESIDIA Ogikubo	Suginami-ku, Tokyo	3-2003	101	1,710	0.4%	2,450	1,783	37.4%	4.5%	98.0%
C-57	RESIDIA Monzennakacho	Koto-ku, Tokyo	2-2005	68	970	0.2%	1,430	948	50.8%	7.6%	97.1%
C-58	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	9-2005	80	2,090	0.5%	3,080	2,001	53.8%	4.2%	93.3%
C-59	RESIDIA Omori	Ota-ku, Tokyo	3-2006	75	1,150	0.3%	1,570	1,105	42.0%	1.8%	97.3%
C-60	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	2-2008	66	1,075	0.2%	1,460	1,021	43.0%	4.5%	97.2%
C-61	RESIDIA Kachidoki	Chuo-ku, Tokyo	2-2008	55	1,805	0.4%	2,630	1,728	52.2%	4.9%	98.1%



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No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
C-62	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	2-2008	89	2,268	0.5%	3,260	2,253	44.7%	4.0%	99.3%
C-63	RESIDIA Kinshicho III	Koto-ku, Tokyo	2-2005	51	651	0.1%	892	637	40.0%	9.6%	100.0%
C-64	RESIDIA Kamata III	Ota-ku, Tokyo	3-2007	53	948	0.2%	1,320	920	43.4%	3.5%	100.0%
C-65	RESIDIA Tower Kami-Ikebukuro	Toshima-ku, Tokyo	3-2009	472	8,250	1.8%	12,200	7,686	58.7%	Twr 2.9% Prk 5.4% Anx 5.7%	97.9%
C-66	RESIDIA Takashimadaira	Itabashi-ku, Tokyo	2-2007	45	502	0.1%	641	516	24.0%	4.8%	100.0%
C-67	RESIDIA Shimurasakaue	Itabashi-ku, Tokyo	2-2007	44	580	0.1%	738	602	22.4%	3.4%	100.0%
C-68	RESIDIA Shimurasakaue II	Itabashi-ku, Tokyo	3-2007	94	1,093	0.2%	1,450	1,119	29.5%	5.6%	100.0%
C-69	RESIDIA Shimurasakaue III	Itabashi-ku, Tokyo	3-2007	36	411	0.1%	523	428	22.1%	5.4%	100.0%
C-70	RESIDIA Ikebukuro West	Itabshi-ku, Tokyo	10-2007	72	1,115	0.2%	1,430	1,097	30.3%	3.0%	93.7%
C-71	RESIDIA Ojima	Koto-ku, Tokyo	11-2007	87	1,282	0.3%	1,690	1,259	34.2%	6.1%	100.0%
C-72	RESIDIA Machiya	Arakawa-ku, Tokyo	8-2009	55	1,168	0.3%	1,420	1,172	21.1%	3.2%	100.0%
C-73	RESIDIA Ueno-Ikenohata	Taito-ku, Tokyo	2-2004	71	1,700	0.4%	2,170	1,811	19.8%	3.8%	98.8%
C-74	RESIDIA Nerima	Nerima-ku, Tokyo	3-2005	34	502	0.1%	679	509	33.4%	3.9%	100.0%
C-75	RESIDIA Higashi-Nihonbashi	Chuo-ku, Tokyo	4-2006	22	378	0.1%	521	394	32.0%	5.8%	100.0%
C-76	RESIDIA Nakano	Nakano-ku, Tokyo	11-2006	30	652	0.1%	832	688	20.8%	4.1%	100.0%
C-77	RESIDIA Ogikubo II	Suginami-ku, Tokyo	3-2007	36	460	0.1%	577	484	19.0%	5.1%	100.0%
C-78	RESIDIA Minamiyukigaya	Ota-ku, Tokyo	3-2008	58	1,299	0.3%	1,570	1,345	16.7%	4.4%	97.9%
C-79	RESIDIA Akihabara	Taito-ku, Tokyo	4-2007	40	977	0.2%	1,290	986	30.8%	5.1%	97.6%
C-80	RESIDIA Asakusa-Azumabashi	Sumida-ku, Tokyo	9-2007	60	876	0.2%	1,200	882	35.9%	3.5%	98.3%
C-81	RESIDIA Oomori III	Ota-ku, Tokyo	12-2012	65	1,395	0.3%	1,770	1,408	25.7%	3.1%	98.7%
C-82	RESIDIA Nihonbashi-Bakurocho II	Chuo-ku, Tokyo	4-2014	77	1,975	0.4%	2,640	2,000	32.0%	3.8%	100.0%
C-83	RESIDIA Nihonbashi-Bakurocho III	Chuo-ku, Tokyo	3-2008	55	1,833	0.4%	2,440	1,846	32.2%	3.7%	96.6%
C-84	RESIDIA Bunkyo-Hongo III	Bunkyo-ku, Tokyo	7-2014	48	1,655	0.4%	2,050	1,682	21.9%	4.7%	96.9%
C-85	RESIDIA Shin-Okachimachi II	Taito-ku, Tokyo	3-2015	100	4,650	1.0%	5,780	4,729	22.2%	1.9%	100.0%

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C-86	RESIDIA Kameido	Chiyoda-ku, Tokyo	10-2013	129	2,988	0.7%	3,520	3,056	15.2%	5.9%	99.2%
C-87	RESIDIA Koenji	Bunkyo-ku, Tokyo	3-2015	58	1,380	0.3%	1,650	1,414	16.7%	3.9%	97.1%
C-88	RESIDIA Kamata V	Ota-ku, Tokyo	1-2013	110	2,283	0.5%	2,660	2,365	12.5%	6.4%	97.5%
C-89	RESIDIA KamataIV	Ota-ku, Tokyo	2-2014	149	3,268	0.7%	3,770	3,367	12.0%	4.7%	99.4%
S-2	Chester House Kawaguchi	Kawaguchi, Saitama	3-1991	39	770	0.2%	756	687	9.9%	5.5%	100.0%
S-4	RESIDIA Higashi-Matsudo	Matsudo, Chiba	4-2007	44	1,100	0.2%	1,260	994	26.7%	4.6%	95.4%
S-5	RESIDIA Shin-Yokohama	Yokohama, Kanagawa	1-2007	131	1,920	0.4%	2,120	1,732	22.3%	5.6%	100.0%
S-7	RESIDIA Chofu	Chofu, Tokyo	3-2007	41	1,143	0.3%	1,230	1,051	17.0%	5.0%	96.4%
S-11	TOKYO Student-House Wako	Wako, Saitama	4-1990	127	675	0.2%	743	651	14.0%	10.2%	100.0%
S-12	RESIDIA Kokubunji	Kokubunji, Tokyo	2-2003	33	518	0.1%	678	491	37.9%	2.9%	100.0%
S-14	RESIDIA Yokohama-Kannai	Yokohama, Kanagawa	8-2004	102	1,700	0.4%	1,910	1,483	28.7%	8.4%	94.1%
S-15	RESIDIA Okurayama	Yokohama, Kanagawa	3-1998	64	755	0.2%	964	702	37.3%	5.3%	100.0%
S-16	RESIDIA Musashikosugi	Kawasaki, Kanagawa	2-2007	68	1,580	0.4%	2,040	1,468	39.0%	7.2%	98.8%
S-17	RESIDIA Funabashi I and II	Funabashi, Chiba	3-2007	172	2,730	0.6%	3,420	2,496	37.0%	(I) 3.6% (II) 3.4%	97.9%
S-19	RESIDIA Kichijoji	Musashino, Tokyo	3-1995	48	1,380	0.3%	1,830	1,429	28.0%	9.1%	95.9%
S-20	Pacific Royal Court Minato Mirai Ocean Tower	Yokohama, Kanagawa	11-2007	416	14,000	3.1%	15,700	11,250	39.5%	4.5%	100.0%
S-22	Life & Senior House Kohoku II	Yokohama, Kanagawa	10-2003	78	1,670	0.4%	2,330	1,649	41.2%	6.4%	100.0%
S-23	College Court Tanashi	Nishi-Tokyo, Tokyo	2-2010	91	810	0.2%	1,160	747	55.2%	7.7%	100.0%
S-24	RESIDIA Urayasu	Urayasu, Chiba	9-2009	146	2,115	0.5%	3,050	2,030	50.2%	6.7%	97.2%
S-25	RESIDIA Minami-Gyotoku	Ichikawa, Chiba	2-2005	85	823	0.2%	1,110	800	38.6%	6.6%	98.8%
S-26	RESIDIA Urayasu II	Urayasu, Chiba	2-2005	74	802	0.2%	1,090	781	39.5%	7.5%	97.3%
S-27	RESIDIA Gyotoku	Ichikawa, Chiba	2-2005	75	761	0.2%	1,020	738	38.0%	6.1%	100.0%
S-28	RESIDIA Kawasaki	Kawasaki, Kanagawa	3-2007	104	1,670	0.4%	2,330	1,586	46.8%	4.7%	97.0%
S-29	Cocofump Hiyoshi	Yokohama, Kanagawa	1-2010	85	1,050	0.2%	1,170	969	20.7%	7.5%	100.0%



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No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
S-30	RESIDIA Sagamihara	Sagamihara, Kanagawa	5-2004	111	1,050	0.2%	1,320	1,032	27.9%	6.8%	100.0%
S-31	RESIDIA Yokohama-Bashamichi	Yokohama, Kanagawa	9-2005	28	735	0.2%	1,020	767	32.9%	11.5%	100.0%
S-32	RESIDIA Hon-Atugi	Atugi, Kanagawa	1-2008	49	606	0.1%	744	630	18.0%	11.0%	98.1%
S-33	RESIDIA Funabashi III	Funabashi, Chiba	10-2006	43	620	0.1%	737	660	11.5%	5.0%	100.0%
S-34	RESIDIA Funabashi IV	Funabashi, Chiba	10-2008	43	567	0.1%	612	606	0.8%	5.2%	95.3%
R-2	RESIDIA Imadegawa	Kyoto, Kyoto	2-1999	154	1,671	0.4%	1,730	1,504	15.0%	10.9%	100.0%
R-4	RESIDIA Higashi-Sakura	Nagoya, Aichi	2-2006	91	1,290	0.3%	1,460	986	48.1%	3.4%	93.1%
R-5	RESIDIA Kameyama	Kameyama, Mie	2-2007	182	1,610	0.4%	1,180	1,491	-20.9%	4.2%	98.3%
R-6	RESIDIA Ryokuchi Koen	Toyonaka, Osaka	5-2007	44	979	0.2%	957	866	10.4%	5.7%	88.0%
R-8	RESIDIA Kobe Port Island	Kobe, Hyogo	9-2007	404	3,740	0.8%	4,310	3,342	28.9%	South・Center 6.8% North 6.7%	100.0%
R-10	RESIDIA Hakata	Fukuoka, Fukuoka	3-2002	155	1,220	0.3%	1,540	1,235	24.6%	3.4%	98.7%
R-11	RESIDIA Tenjinbashi	Osaka, Osaka	2-2000	78	871	0.2%	1,190	821	44.9%	8.3%	89.8%
R-12	RESIDIA Sannomiya-Higashi	Kobe, Hyogo	11-2005	161	2,220	0.5%	2,970	1,902	56.1%	3.2%	96.3%
R-13	KC21 Building	Sendai, Miyagi	3-1997	79	900	0.2%	984	847	16.1%	2.4%	98.1%
R-14	RESIDIA Utubokoen	Osaka, Osaka	1-2006	94	1,170	0.3%	1,610	1,021	57.7%	6.6%	98.8%
R-15	RESIDIA Kyoto-ekimae	Kyoto, Kyoto	2-2006	116	1,970	0.4%	2,660	1,740	52.8%	9.9%	98.7%
R-16	RESIDIA Takaoka	Nagoya, Aichi	8-2007	198	2,330	0.5%	3,350	2,104	59.2%	3.5%	95.9%
R-17	RESIDIA Hibino	Nagoya, Aichi	4-1992	124	1,340	0.3%	1,530	1,100	39.0%	3.9%	97.6%
R-19	RESIDIA Tenjin-Minami	Fukuoka, Fukuoka	1-2004	56	936	0.2%	1,190	901	32.0%	4.9%	96.4%
R-20	RESIDIA Hakataeki-Minami	Fukuoka, Fukuoka	1-2003	39	324	0.1%	422	307	37.0%	2.7%	97.4%
R-21	RESIDIA Hisaya-Odori II	Nagoya, Aichi	2-2005	38	685	0.2%	825	588	40.3%	5.0%	84.8%
R-24	RESIDIA Minami-Ichijo	Sapporo, Hokkaido	12-2006	179	1,640	0.4%	2,030	1,426	42.3%	0.9%	96.7%
R-25	RESIDIA Odori-Nishi	Sapporo, Hokkaido	12-2006	103	1,320	0.3%	1,440	1,172	22.8%	1.1%	98.6%
R-26	RESIDIA Kita-Sanjo	Sapporo, Hokkaido	1-2007	100	1,130	0.3%	1,460	975	49.7%	1.4%	96.4%

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R-27	RESIDIA Shirakabe-Higashi	Nagoya, Aichi	5-2005	33	831	0.2%	958	737	29.9%	4.1%	93.7%
R-29	RESIDIA Uzumasa	Kyoto, Kyoto	1-2000	48	701	0.2%	785	724	8.3%	13.5%	100.0%
R-30	RESIDIA Izumi	Nagoya, Aichi	11-2005	122	3,700	0.8%	4,510	3,248	38.8%	3.1%	93.7%
R-31	RESIDIA Maruyama Kita-Gojo	Sapporo, Hokkaido	2-2007	56	1,050	0.2%	1,270	929	36.7%	1.2%	92.5%
R-32	RESIDIA Tokugawa	Nagoya, Aichi	12-2006	27	751	0.2%	915	705	29.6%	3.9%	92.6%
R-34	RESIDIA Odori-Koen	Sapporo, Hokkaido	8-2007	109	2,010	0.4%	2,610	1,809	44.3%	0.9%	96.3%
R-35	RESIDIA Tanimachi	Osaka, Osaka	8-2008	108	1,100	0.2%	1,690	1,068	58.1%	7.5%	95.8%
R-36	RESIDIA Hisaya-Odori	Nagoya, Aichi	2-2007	57	652	0.1%	985	623	58.0%	4.8%	96.3%
R-37	RESIDIA Sendai-Miyamachi	Sendai, Miyagi	1-2008	67	529	0.1%	784	495	58.2%	2.5%	100.0%
R-38	RESIDIA Hirose-dori	Sendai, Miyagi	2-2010	63	494	0.1%	695	462	50.1%	2.8%	100.0%
R-39	RESIDIA Edobori	Osaka, Osaka	2-2007	127	1,400	0.3%	1,900	1,367	39.0%	8.7%	95.5%
R-40	RESIDIA Kyomachibori	Osaka, Osaka	3-2007	84	1,000	0.2%	1,420	982	44.6%	7.8%	95.0%
R-41	RESIDIA Esaka	Suita, Osaka	7-2007	68	989	0.2%	1,300	997	30.4%	4.8%	100.0%
R-42	RESIDIA Nishijin	Fukuoka, Fukuoka	1-2008	173	2,380	0.5%	3,300	2,205	49.6%	2.6%	98.4%
R-43	RESIDIA Tsurumai	Nagoya, Aichi	2-2008	122	1,206	0.3%	1,720	1,130	52.2%	3.6%	93.0%
R-44	RESIDIA Kobe-Isogami	Kobe, Hyogo	3-2008	196	2,740	0.6%	3,880	2,548	52.3%	3.6%	96.4%
R-45	RESIDIA Kita-Nijyo-East	Sapporo, Hokkaido	3-2006	56	894	0.2%	1,130	853	32.4%	1.1%	96.5%
R-46	RESIDIA Shinsaibashi West	Osaka, Osaka	2-2007	97	1,921	0.4%	2,580	1,853	39.2%	9.1%	93.6%
R-47	RESIDIA Marunouchi	Nagoya, Aichi	1-2007	86	972	0.2%	1,240	930	33.3%	2.8%	97.8%
R-48	RESIDIA Sapporo-Ekimae	Sapporo, Hokkaido	2-2007	168	1,483	0.3%	2,220	1,397	58.9%	0.7%	93.7%
R-49	RESIDIA Gosyo-Higashi	Kyoto, Kyoto	9-2007	57	1,227	0.3%	1,650	1,183	39.4%	8.9%	90.5%
R-50	RESIDIA Raku-hoku	Kyoto, Kyoto	3-2008	75	874	0.2%	1,090	846	28.7%	12.4%	97.5%
R-51	RESIDIA Miyakojima I & II	Osaka, Osaka	9-2006	178	3,232	0.7%	5,130	3,180	61.3%	7.1%	94.5%
R-52	RESIDIA TOWER Sendai	Sendai, Miyagi	1-2008	67	1,705	0.4%	2,030	1,707	18.9%	2.3%	94.9%



Portfolio



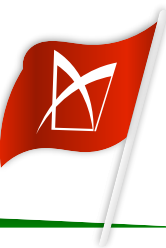
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No.	Property Name	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)	Unrealized Profit and Loss (%)	PML	Period End Occupancy
R-53	RESIDIA Higashizakura II	Nagoya, Aichi	2-2006	127	2,862	0.6%	3,710	2,915	27.3%	3.1%	92.9%
R-54	RESIDIA Tsutsujigaoka	Sendai, Miyagi	11-2006	168	1,796	0.4%	2,460	1,720	43.0% (EAST)2.6% (WEST)2.7%		95.9%
R-55	RESIDIA Kobe-Motomachi	Kobe, Hyogo	1-2007	85	1,052	0.2%	1,380	1,022	35.0%	5.8%	96.6%
R-56	RESIDIA Sendai-Honcho	Sendai, Miyagi	6-2007	105	1,117	0.2%	1,670	1,077	55.0%	2.3%	98.3%
R-57	RESIDIA Sendai-Haranomachi	Sendai, Miyagi	9-2007	72	593	0.1%	878	563	55.9%	2.1%	93.7%
R-58	RESIDIA Minami-Ichijo East	Sapporo, Hokkaido	1-2008	85	1,062	0.2%	1,410	1,025	37.5%	1.1%	91.7%
R-59	RESIDIA Shin-Osaka	Osaka, Osaka	2-2014	208	2,644	0.6%	3,760	2,725	37.9%	6.2%	97.3%
R-60	RESIDIA Okayama-ekimae	Okayama, Okayama	3-2004	108	772	0.2%	1,040	823	26.3%	1.7%	100.0%
R-61	RESIDIA Kyoto-Okazaki	Kyoto, Kyoto	3-2005	23	227	0.1%	318	232	36.8%	14.1%	100.0%
R-62	RESIDIA Sendai-Ichibancho	Sendai, Miyagi	3-2006	103	1,083	0.2%	1,350	1,075	25.6%	2.4%	100.0%
R-63	RESIDIA Kita-Nijyo East II	Sapporo, Hokkaido	2-2007	51	538	0.1%	741	539	37.4%	1.2%	95.4%
R-64	RESIDIA Takamiya	Fukuoka, Fukuoka	2-2007	51	488	0.1%	587	491	19.4%	6.1%	100.0%
R-65	RESIDIA Soen	Sapporo, Hokkaido	2-2007	60	384	0.1%	538	382	40.5%	1.4%	98.3%

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R-66	RESIDIA Tenjin	Fukuoka, Fukuoka	5-2007	88	1,122	0.3%	1,320	1,122	17.6%	3.4%	98.9%
R-67	RESIDIA Yakuin-Odori	Fukuoka, Fukuoka	6-2007	91	1,123	0.3%	1,340	1,127	18.8%	4.5%	97.8%
R-68	RESIDIA Hakata II	Fukuoka, Fukuoka	9-2007	124	1,358	0.3%	1,630	1,357	20.1%	1.8%	96.2%
R-69	RESIDIA Kego	Fukuoka, Fukuoka	1-2008	86	834	0.2%	1,170	831	40.7%	2.3%	100.0%
R-70	RESIDIA Shirakabe	Nagoya, Aichi	3-2008	70	907	0.2%	1,110	934	18.7%	4.4%	96.4%
R-71	RESIDIA Sakae	Nagoya, Aichi	12-2007	77	868	0.2%	965	927	4.0%	4.2%	94.8%
R-72	RESIDIA Senri-Fujishirodai	Suita, Osaka	2-2017	90	1,430	0.3%	1,720	1,523	12.9%	5.2%	100.0%
R-73	RESIDIA Senri-Banpakukoen	Suita, Osaka	10-2005	68	2,124	0.5%	2,420	2,229	8.5%	5.2%	100.0%
R-74	RESIDIA Sapporo-eki North	Sapporo, Hokkaido	2-2003	46	679	0.2%	706	742	-4.9%	1.5%	97.6%
R-75	RESIDIA Hijiyama Koen	Hiroshima, Hiroshima	2-1997	81	663	0.1%	737	690	6.8%	5.9%	97.7%
R-76	RESIDIA Kita-Nijyo East III	Sapporo, Hokkaido	10-2007	40	420	0.1%	439	447	-1.9%	1.2%	97.5%
R-77	RESIDIA Shin-Osaka II	Osaka, Osaka	2-2008	35	647	0.1%	701	696	0.7%	8.9%	100.0%
Total 265 properties				21,322	448,765	100.0%	577,054	423,943	36.1%	2.4%	97.0%

No.	Region	Location	Completion Date	Rentable Units	Acquisition Price (mil yen)	Share of Investment (%)	Appraisal Price (mil yen)	Book Value (mil yen)
P	Tokyo Central 7 Wards	87	5,413	169,532	37.8%	216,443	160,783	34.6%
C	Central Tokyo ex 7 wards	85	6,831	149,693	33.4%	197,537	142,163	39.0%
S	Tokyo Metropolitan	25	2,297	41,552	9.3%	50,344	37,444	34.5%
R	Major Regional Cities	68	6,781	87,987	19.5%	112,730	83,551	34.9%
Total		265	21,322	448,765	100.0%	577,054	423,943	36.1%

Asset Management Company Profile



AD Investment Management Co., Ltd.

as of Sept. 30, 2019

Address: 17F Jimbocho Mitsui Bldg., 1-105 Kanda-Jimbocho, Chiyoda-ku, Tokyo

Company Representative: Takeshi Takano, Representative Director and President

Amount of Capital: 300 million yen

Type of Business: Asset Management

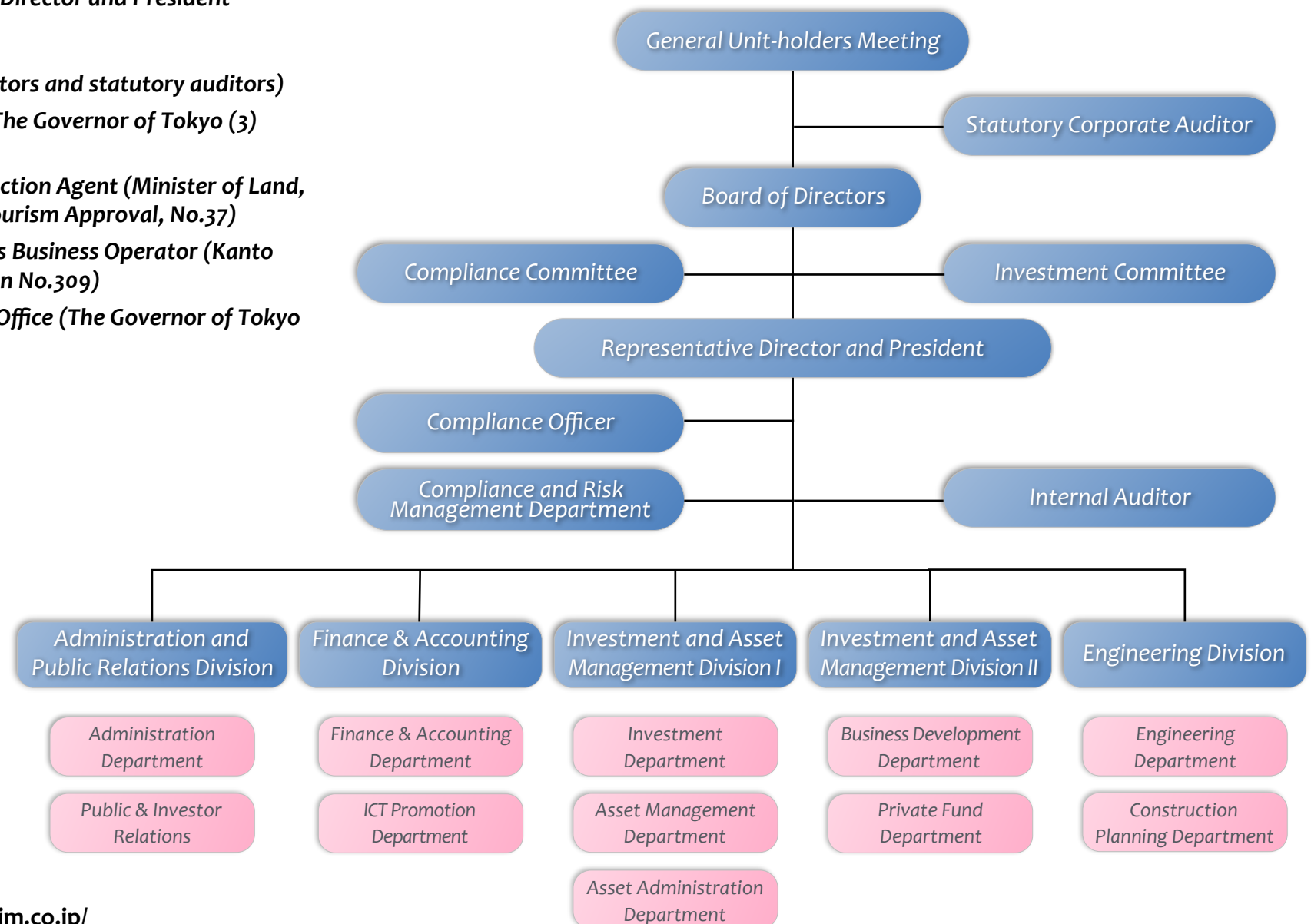
Number of Employees: 76 (excluding independent directors and statutory auditors)

Registrations and Licenses: Real Estate Brokerage License (The Governor of Tokyo (3) No.84325)
Discretionary Real Estate Transaction Agent (Minister of Land, Infrastructure, Transport and Tourism Approval, No.37)
Registered Financial Instruments Business Operator (Kanto Local Finance Bureau registration No.309)
Registered First-Class-Architect Office (The Governor of Tokyo No. 58856)

Major Initiatives By the Asset Management Co.

- ✓ Registered as first-class architect office
- ✓ Constantly hiring new graduates every year (11 new hires in the past five years)
- ✓ Received a BCM (BCP) rating from DBJ
- ✓ Began providing engineering service to third-parties
- ✓ Held architectural design competition for students

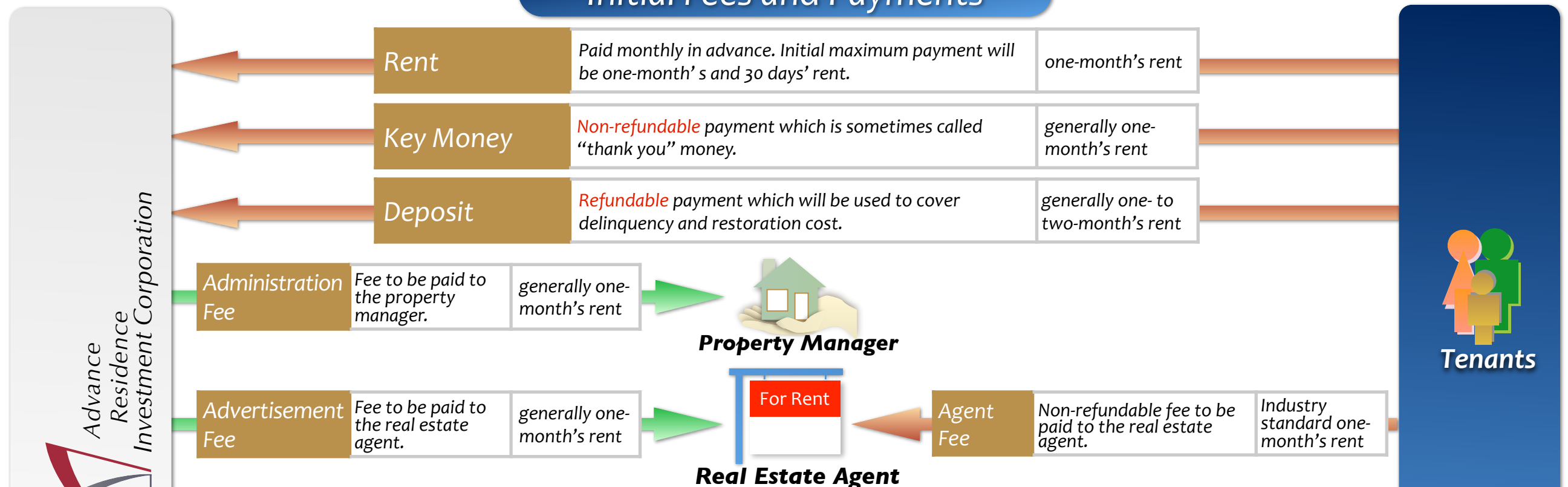
Organizational Chart



Japanese Real Estate Leasing Contract Practices

- Standard lease terms in Japan are mostly two years.
- Tenants are able to leave the leased space before contract expiration without paying for the remaining contract period.
- Japan's Lease Land and House Law makes raising rents of existing contracts almost impossible.

Initial Fees and Payments



Fees and Payments at Renewal

Renewal Fee	Non-refundable fee to be paid when tenants renew the lease contracts.	generally one-month's rent
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Payments at Termination

Deposit	Deposits are refunded minus restoration.	generally one- to two-month's rent
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Disclaimer



This material contains forward-looking statements on future operating results, plans, business objectives and strategies of the company.

Forward-looking statements provide current expectations of future events based on number of assumptions and include statements that do not directly relate to any historical or current facts. Forward-looking statements are not guarantees of future performance and the Company's actual results may differ significantly from the results discussed in the forward-looking statements.

Although the financial figures in the material are based on Japanese GAAP, the material does not necessarily follow any official rules or regulations on financial disclosures.

This material was not created for the purpose of soliciting investment in the company. Investments should be based on your own judgment and responsibility.

The purpose of this material is to present you with an update on the financial performance of Advance Residence Investment Corporation (the “Corporation”). We do not intend to conduct any advertising or solicitation with respect to any units of the Corporation in connection with this material. Nothing in this material should be regarded as an offer to sell or a solicitation of an offer to buy, a recommendation to sell or buy, or a direct or indirect offer or placement of, any units of the Corporation, except for the purpose of meeting certain requirements under the European Alternative Investment Fund Managers Directive

(European Directive 2011/61/EU)(the “AIFMD”) as described below.

Disclaimer for Dutch Investors: The prospectus containing the information required under Article 23(1) and (2) of the AIFMD as implemented in the Netherlands is available at [<https://www.adr-reit.com/en/financial/en/financial/sonota/>].

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Advance Residence Investment Corporation



2020/01/06



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