



## Financial Results Briefing

32nd Fiscal Period (six months ended October 31, 2021)  
December 15, 2021

# MEMO

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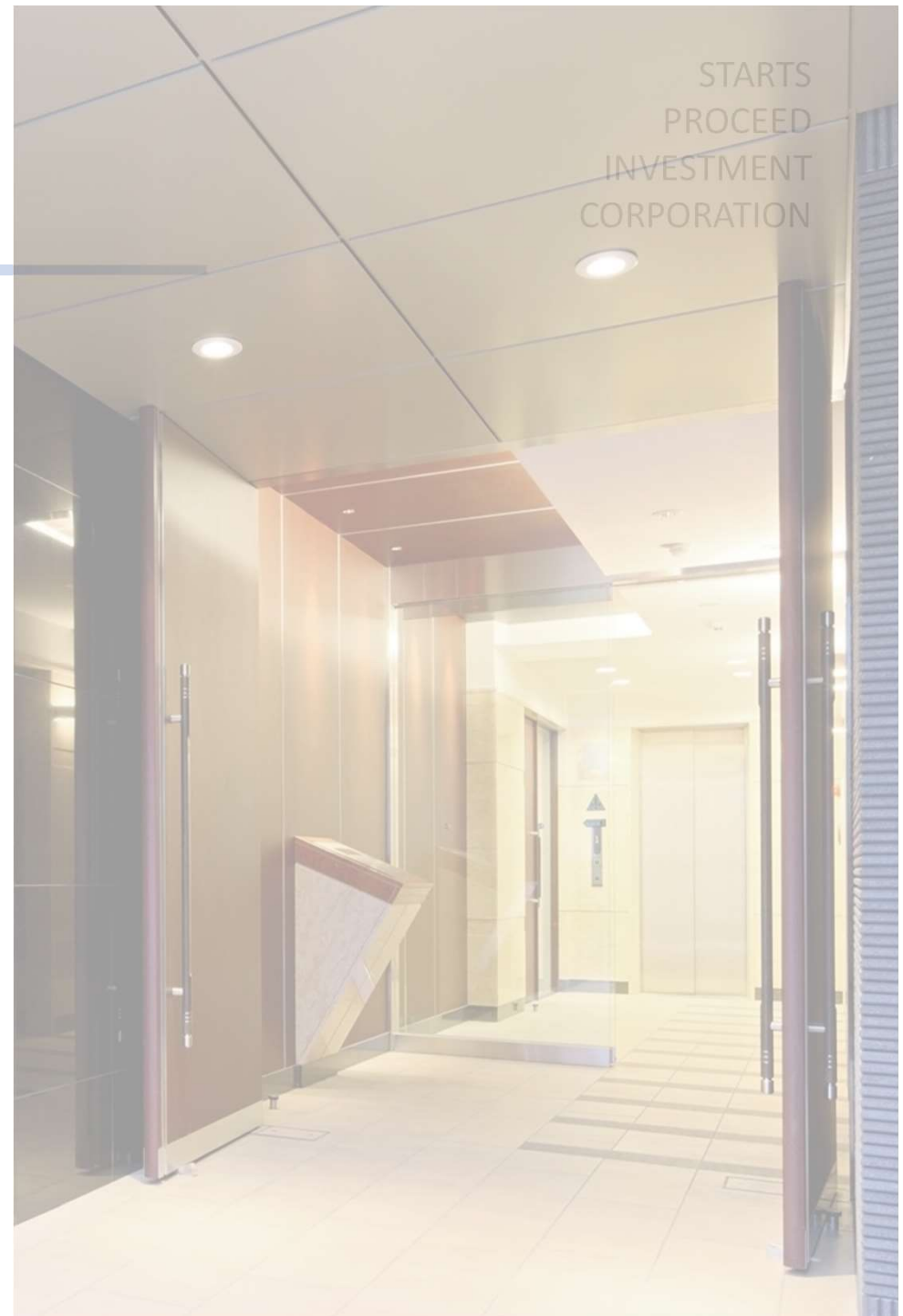
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## 32nd Fiscal Period Financial Results Summary





## 32nd Fiscal Period Financial Results Highlights



	Distribution forecast at beginning of 32nd fiscal period		Finalized distribution	Results for the Previous Fiscal Period	4,663 yen
Distribution/ Unit	<b>4,500 yen</b>	+63 yen	<b>4,563 yen</b>	Comparison with 31st fiscal period	-100 yen -2.1%

### ■ Management Summary

<b>External Growth</b>	Obtain unrealized gain through asset replacement Aim to improve portfolio quality	<ul style="list-style-type: none"> <li>■ Disposed Proceed Motoyawata (Ichikawa-shi, Chiba, 17.5 years old, acquired in February 2007) Disposition price: 336 million yen Gain on sale: 61 million yen</li> <li>■ Acquired Proceed Shinkawa (Chuo-ku, Tokyo, 11.9 years old) Acquisition price: 500 million yen</li> </ul>
<b>Internal Growth</b>	Continue stable asset management	<ul style="list-style-type: none"> <li>■ Period average occupancy rate: 95.8%</li> <li>■ Maintained an occupancy rate of 95% or more for the thirtieth consecutive fiscal period from the 3rd fiscal period</li> <li>■ The period average occupancy rate was up 0.2 percentage points year on year, but occupancy has not fully recovered due to the continuous impact of COVID-19 in the Narita area, etc.</li> <li>■ The rate of change in rent upon new replacements increased slightly by 1.0%</li> </ul>
<b>Financial Status</b>	Maintain sound finances	<ul style="list-style-type: none"> <li>■ Reduced procurement costs by issuing the Third Series Unsecured Investment Corporation Bond (Green Bonds) in November</li> <li>■ Total asset LTV End of 31st FP 50.6%→ After the refinancing this time (Note 1) 50.6% (± 0.0)</li> <li>■ Appraised LTV End of 31st FP 45.1%→ After the refinancing this time (Note 2) 45.1% (± 0.0)</li> <li>■ Ratio of fixed-rate loans End of 31st FP 37.8%→ After the refinancing this time 47.3% (+ 9.5 percentage points)</li> </ul>

(Note 1) After-refinancing total asset LTV = Balance of interest-bearing liabilities on the refinancing date (November 24, 2021) ÷ (Total assets at the end of the 31st fiscal period as recorded on the balance sheet + Amount of interest-bearing liabilities procured in the 32nd fiscal period - Amount of interest-bearing liabilities repaid in the 32nd fiscal period).

(Note 2) After-refinancing appraised LTV = Balance of interest-bearing liabilities on the refinancing date (November 24, 2021) ÷ (Total appraisal value at the end of the 31st fiscal period + Amount of interest-bearing liabilities procured in the 32nd fiscal period - Amount of interest-bearing liabilities repaid in the 32nd fiscal period).

(Note 3) All amounts are rounded down, and the figures with decimal places calculated for percentage or averaged are rounded off.

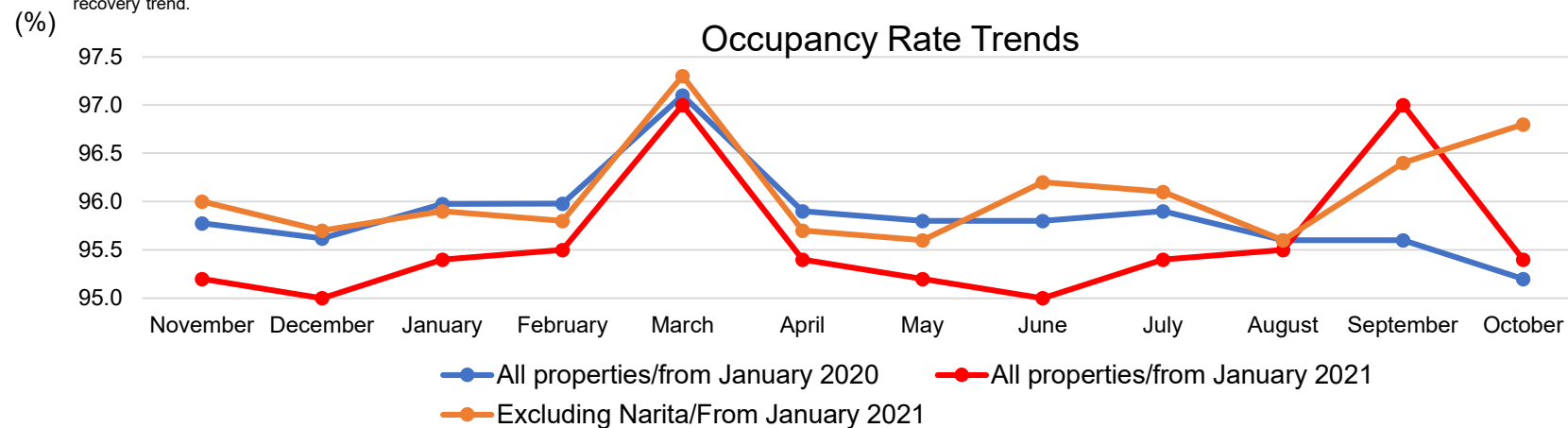
## Impact of COVID-19

- The average occupancy rate from January to October 2021 was 95.8%, down 0.1 percentage points year on year.
- The occupancy rate for those excluding the 2 properties in the Narita area with many residences of airport staff was 96.1%, up 0.2 percentage points year on year.

## Status of Occupancy

Occupancy rate (%)		January	February	March	April	May	June	July	August	September	October	Average	Year-on-year change
All properties	2020	96.0	96.0	97.1	95.9	95.8	95.8	95.9	95.6	95.6	95.2	95.9	-0.1 percentage points
	2021	95.4	95.5	97.0	95.4	95.3	95.8	95.8	95.4	96.1	96.4	95.8	
Excluding the 2 properties in Narita (Note 1)	2021	95.9	95.8	97.3	95.7	95.6	96.2	96.1	95.6	96.4	96.8	96.1	-

(Note 1) The occupancy rates at the end of October for the 2 properties namely (C-73) Proceed CO-Z East Building and (C-74) Proceed CO-Z West Building were 90.3% and 90.2%, respectively, showing a recovery trend.



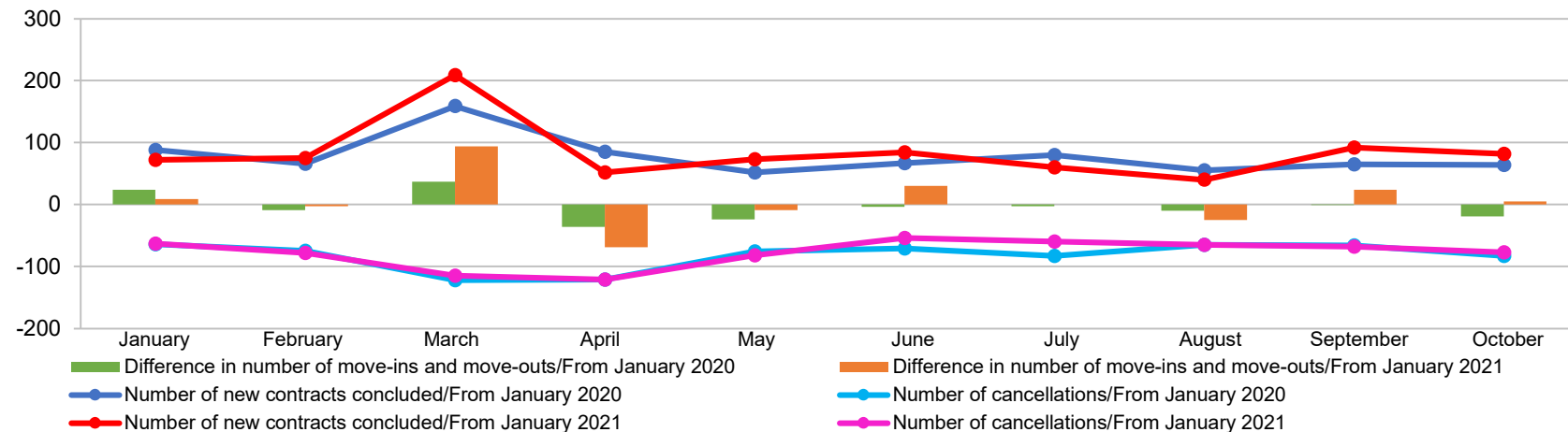
## Delinquency Rate

		January	February	March	April	May	June	July	August	September	October	Average	Year-on-year change
Delinquency rate (%) (Note 2)	2020	0.59	0.80	0.66	0.70	0.86	0.51	0.67	0.46	0.49	0.52	0.63	Improved by 0.2 percentage points
	2021	0.56	0.62	0.59	0.53	0.72	0.69	0.55	0.59	0.76	0.45	0.61	

(Note 2) Calculated by dividing the amount that remain delinquent even after a month among the delinquent rents to be paid by end tenants which occurred in the target month by the total amount of rent received by SPI.

## Change in Number of Move-ins and Move-outs

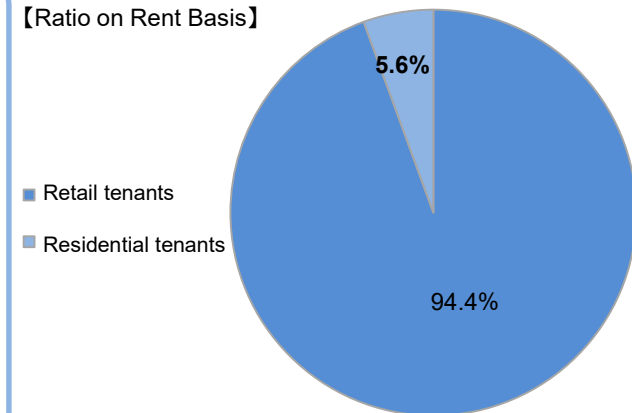
Number of move-ins and move-outs (cases)		January	February	March	April	May	June	July	August	September	October	Average	Year-on-year change
Move-in	2020	88	66	159	85	52	67	80	55	65	64	781	58
	2021	72	75	209	52	73	84	60	40	92	82	839	
Move-out	2020	65	76	123	124	76	71	83	65	66	83	832	-47
	2021	63	78	115	123	82	54	60	65	68	77	785	



## Rent Trend (From January 2020 to October 31, 2021)

- Requests for rent reduction/deferral of payment from residential tenants
  - ➔ 4 cases, 10 units (out of 5,163 units)
  - Result of response
    - ➔ Rent reduction: 1 case 7 units (total amount: 12,000 yen per month) (until December 2021)
    - Installment payment of renewal fee: 1 case 1 unit (Received)
    - No change: 2 cases 2 units
- Requests for rent reduction/deferral of payment from retail tenants
  - ➔ 9 cases (out of 63 units)
  - Result of response
    - ➔ No change upon discussion with tenants
- Only a 6-month extension of the period of rent decrease for the 1 case; 7 units of the residential tenant indicated above will be implemented as the response in the 32nd FP
- A rent guarantee agreement is concluded with our major property management company Starts Amenity Corporation, and even if tenants fell behind on rent, the impact on the rent revenue of SPI will be extremely limited

【Ratio on Rent Basis】

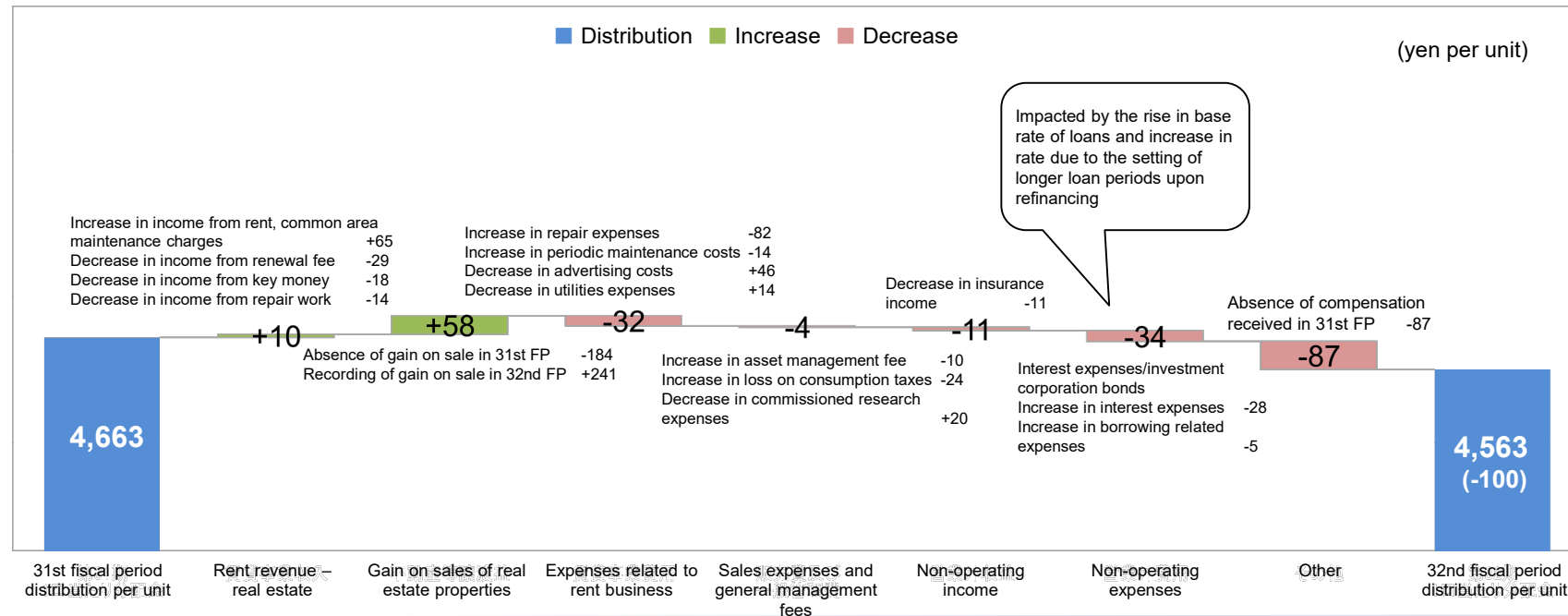


## 32nd Fiscal Period Financial Results

### ■ Comparing the Results of the 32nd Fiscal Period with the Results of the 31st Fiscal Period and the Forecast of the 32nd Fiscal Period

	31st FP Results	32nd FP Results	Against the 31st Fiscal Period	Forecast at beginning of the 32nd fiscal period	Against the Forecast
Operating revenue (million yen)	3,160	3,177	17	3,113	63
Operating expenses (million yen)	1,797	1,806	9	1,762	44
Operating income (million yen)	1,362	1,370	7	1,351	19
Ordinary income (million yen)	1,163	1,159	-3	1,144	15
Net income (million yen)	1,183	1,157	-25	1,142	15
Distribution per unit (yen)	4,663	4,563	-100	4,500	63
Number of investment units issued and outstanding (Unit)	253,777	253,777	-	253,777	-
Period average occupancy rate (%)	95.6	95.8	0.2	95.8	0.0

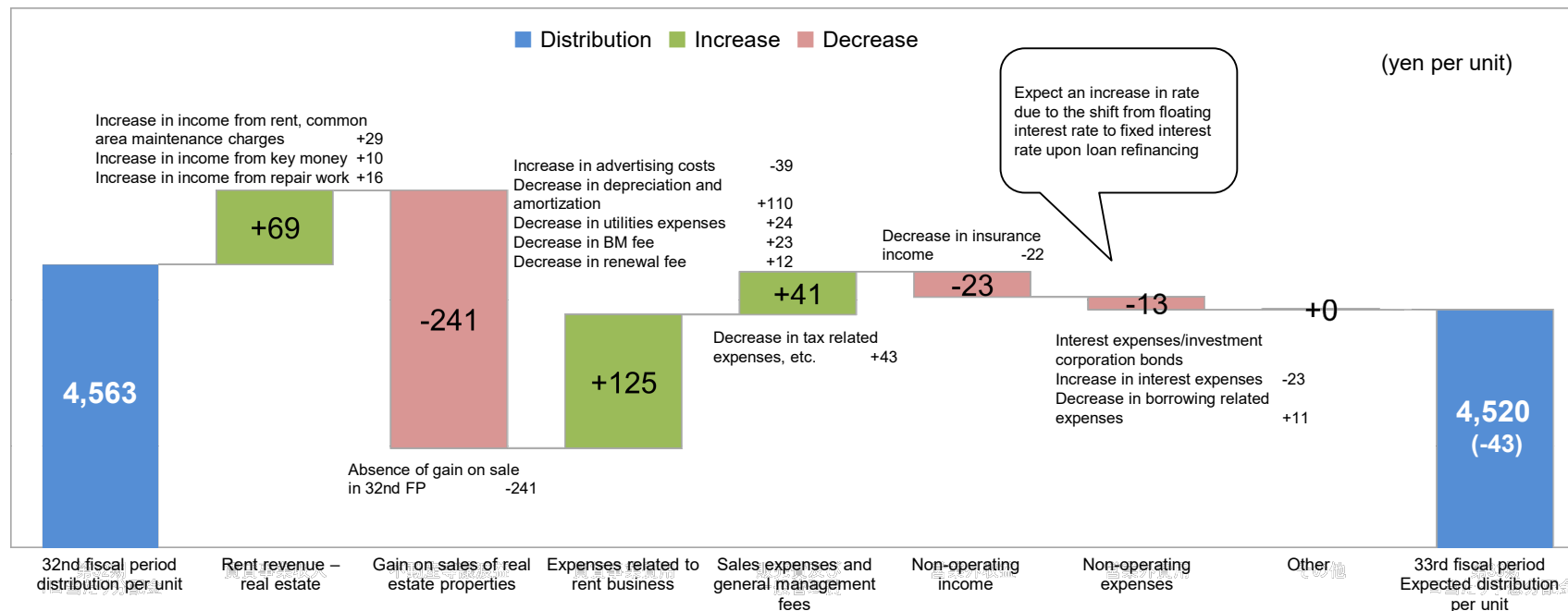
### ■ Main Factors of Increase/Decrease from Distribution for the 32nd Fiscal Period



## Forecast for the 33rd and 34th Fiscal Periods

	32nd FP Forecast	33rd FP Forecast	Against the 32nd FP Results	34th FP Forecast	Against the 33rd FP Forecast
Operating revenue (million yen)	3,177	3,133	-43	3,121	-12
Operating expenses (million yen)	1,806	1,764	-42	1,751	-12
Operating income (million yen)	1,370	1,369	-1	1,369	0
Ordinary income (million yen)	1,159	1,149	-10	1,149	0
Net income (million yen)	1,157	1,147	-10	1,147	0
Distribution per unit (yen)	4,563	4,520	-43	4,520	0
Number of investment units issued and outstanding (Unit)	253,777	253,777	-	253,777	-
Period average occupancy rate (%)	95.8	96.1	0.3	96.0	-0.1

## Main Factors of Increase/Decrease from Distribution for the 33rd Fiscal Period



### ■ Issues Recognized by SPI

- Although NAV multiple increased from 1.03x at the end of the 31st fiscal period (April 2021) to **1.06x**, a level steadily exceeding 1.0x, as of October 31, 2021, through various ongoing measures, we recognize that it takes effort to continue improving evaluation on investment units as the amount is low when compared with competing REITs.
- Recognized that there is a need to expand and build a highly stable and attractive portfolio as it **has no advantage** over competing REITs **in terms of scale**.



### ■ Future Initiatives of SPI

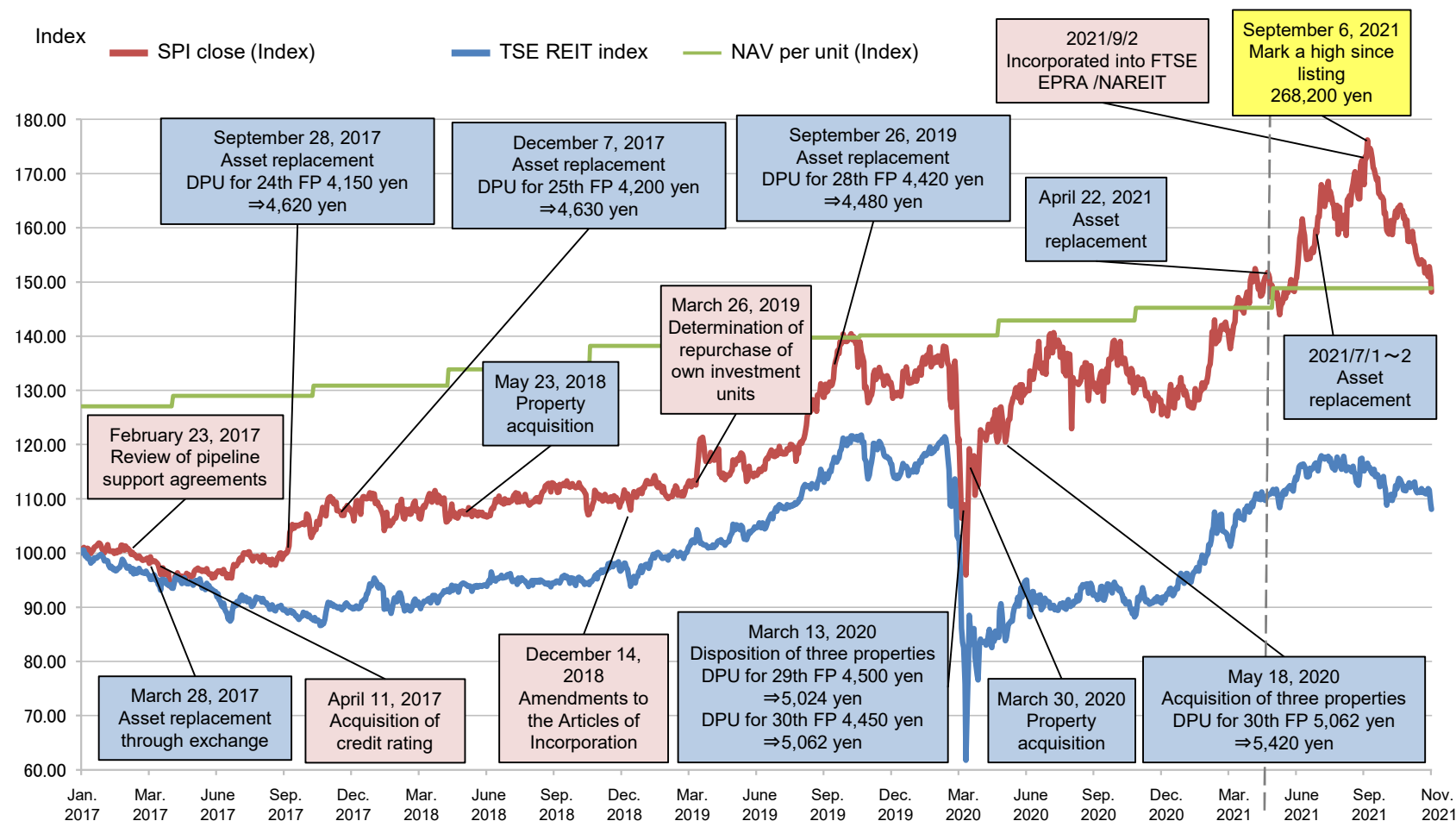
**Given the current issues, SPI will continue to implement measures with greater focus on the improvement of unitholder value**

- ① Improve portfolio quality through agile property replacement
  - Return gain on sale upon the disposition of owned assets.
  - Consider the expansion of asset size through property acquisition to improve medium- to long-term NOI and aim for comprehensive growth.
- ② Improve liquidity and stability through acquisition of pipeline properties
  - Build a stable and attractive portfolio through acquisition of highly competitive properties developed by the sponsor.
- ③ Proactive utilization of surplus
  - Enforce measures for unitholder return by repurchasing own investment units.

## Change in Investment Unit Price Since Sixth Public Offering (Implemented in November 2016)

As of October 31, 2021, NAV multiple stood at 1.06x, a level exceeding 1.0x, under efforts such as asset replacement and repurchase of own investment units on a continuous basis.

Even amid the COVID-19 pandemic, the investment unit price is outperforming the TSE REIT index due to the defensive portfolio.












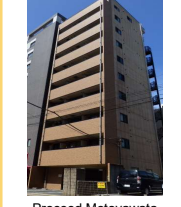


(Note) Dates in the graph indicate the dates when the information was disclosed.



# Asset Replacement Results and Future Asset Replacement Policy

SPI is improving its portfolio quality through agile property replacements. It increased the asset size by 6,373 million yen and obtained 1,244 million yen of gain on sale and exchange of assets from the 23rd fiscal period to the 32nd fiscal period through property replacements conducted since the previous public offering. SPI will continuously make efforts to improve the portfolio quality and conduct unitholder return through property replacement.

	23rd to 28th Fiscal Period (From November 1, 2016, to October 31, 2019)	29th Fiscal Period (six months ended April 30, 2020)	30th Fiscal Period (six months ended October 31, 2020)	31st Fiscal Period (six months ended April 30, 2021)	32nd Fiscal Period (six months ended October 31, 2021)	
<b>Acquired assets</b>	<p>Life Support Residence Funabori (Tokyo) Proceed Kinshicho (Tokyo) Proceed K2 (Chiba) Proceed K3 Annex (Chiba) Proceed K5 (Chiba) Proceed Sendai Kamisugi (Miyagi) Proceed Ichikawa Myoden II (Chiba) Proceed Kanayama 3 (Aichi) [8 properties in total]</p>	<p>Kanagawa</p>  <p>The Parkhabio Yokohama Yamate</p>	<p>Tokyo</p>  <p>Proceed Monzennakacho</p> <p>Ibaraki</p>  <p>Proceed Mito 3</p> <p>Chiba</p>  <p>Proceed Maihama</p>	<p>Chiba</p>  <p>Proceed Nagareyama Otakanomori</p>	<p>Tokyo</p>  <p>Proceed Shinkawa</p>	Total through 23rd FP to 32nd FP
Acquisition price	7,372 million yen	3,047 million yen	3,093 million yen	1,069 million yen	500 million yen	15,081 million yen
Appraisal value (Note 1)	7,555 million yen	3,160 million yen	3,359 million yen	1,100 million yen	522 million yen	15,696 million yen
Average building age (Note 2)	10.9 years	4.7 years	0.7 years	1.2 years	11.9 years	6.7 years
	↻	↻	↻	↻	↻	↻
Disposition price	3,214 million yen	2,451 million yen	3,350 million yen	785 million yen	336 million yen	10,136 million yen
Appraisal value (Note 1)	3,192 million yen	2,580 million yen	2,974 million yen	734 million yen	336 million yen	9,816 million yen
Average building age (Note 2)	25.2 years	12.3 years	12.3 years	24.2 years	17.4 years	16.6 years
Gain on sale/ exchange of assets	341 million yen	549 million yen	245 million yen	46 million yen	61 million yen	1,244 million yen
<b>Disposed assets</b>	<p>Hokkaido 5 properties Fukuoka 5 properties Saitama 2 properties Niigata 1 property Ehime 1 property [14 properties in total]</p>	<p>Osaka</p>  <p>Proceed Kitahorie</p>	<p>Osaka</p>  <p>Proceed Nishinagahori</p>  <p>Proceed Kyobashi</p>	<p>Chiba</p>  <p>Proceed Yachiyo Midorigaoka I</p>  <p>Proceed Yachiyo Midorigaoka II</p>	<p>Chiba</p>  <p>Proceed Motoyawata</p>	Total through 23rd FP to 32nd FP

(Note 1) Appraisal value of acquired assets indicates appraisal value as of acquisition and appraisal value of disposed assets indicates appraisal value as of the end of the fiscal period before the disposition.

(Note 2) Building age is that of acquisition or disposition.

# Acquisition of Proceed Shinkawa

- Acquired Proceed Shinkawa on July 2, 2021.
- The property was designed and constructed by Starts Group.
- The acquisition price was 500 million yen, appraisal value (as of May 31, 2021) was 522 million yen, and the property age upon acquisition was 11.9 years.
- It is within walking distance from Hatchobori Station and Kayabacho Station, and is close to the central Tokyo area including Nihonbashi, Otemachi and Marunouchi.



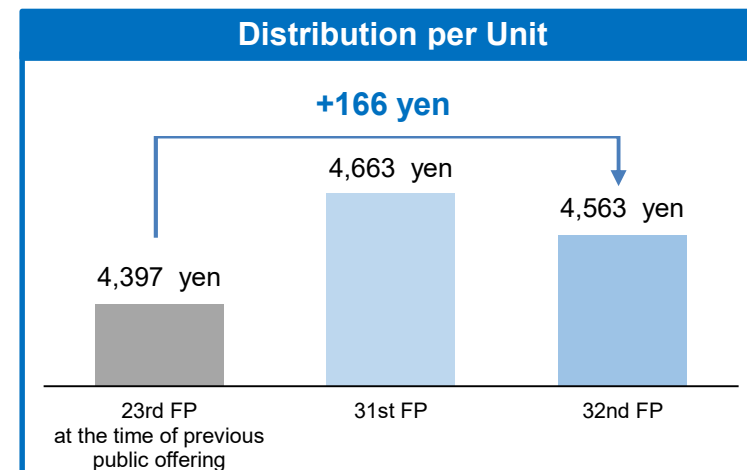
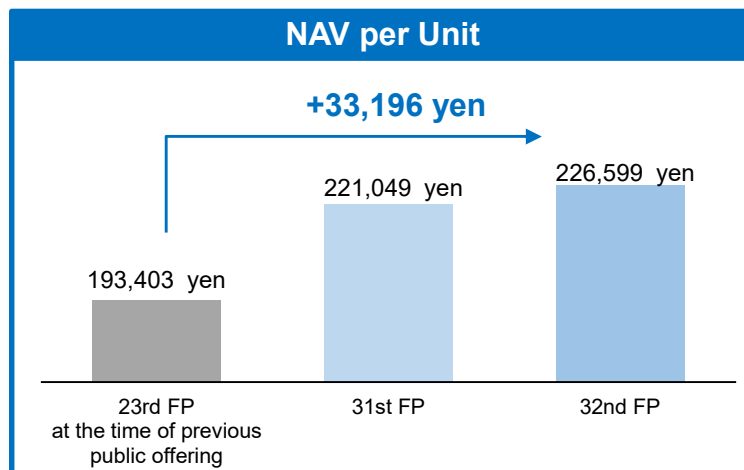
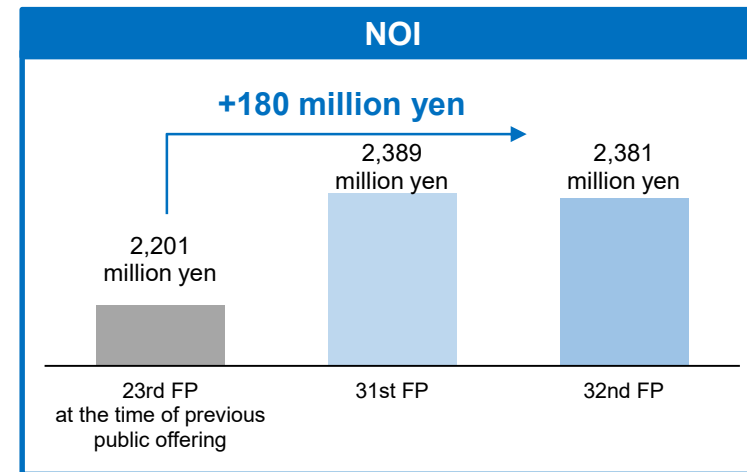
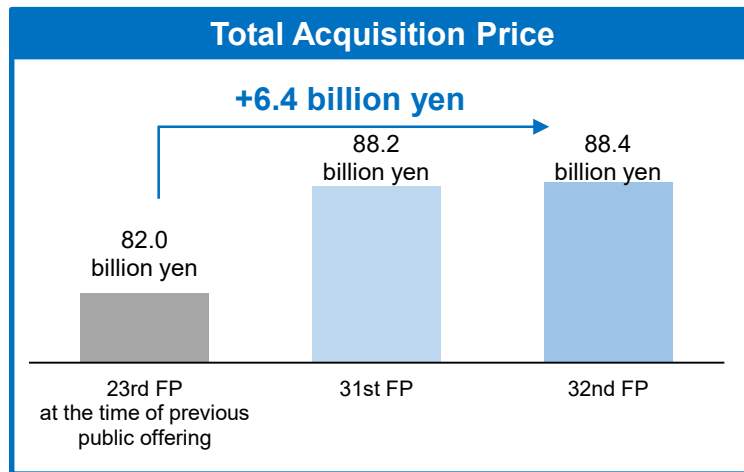
## <Property Overview>

Structure	: SRC/10F
Completion	: August 2009
Number of leasing units (type)	: 1K 9 units; 1LDK 9 units; Total 18 units
Location	: 1-chome Shinkawa, Chuo-ku, Tokyo
Site area	: 136.18 m <sup>2</sup>
Total floor area	: 818.50 m <sup>2</sup>
Use	: Apartment
Zoning	: Commercial district



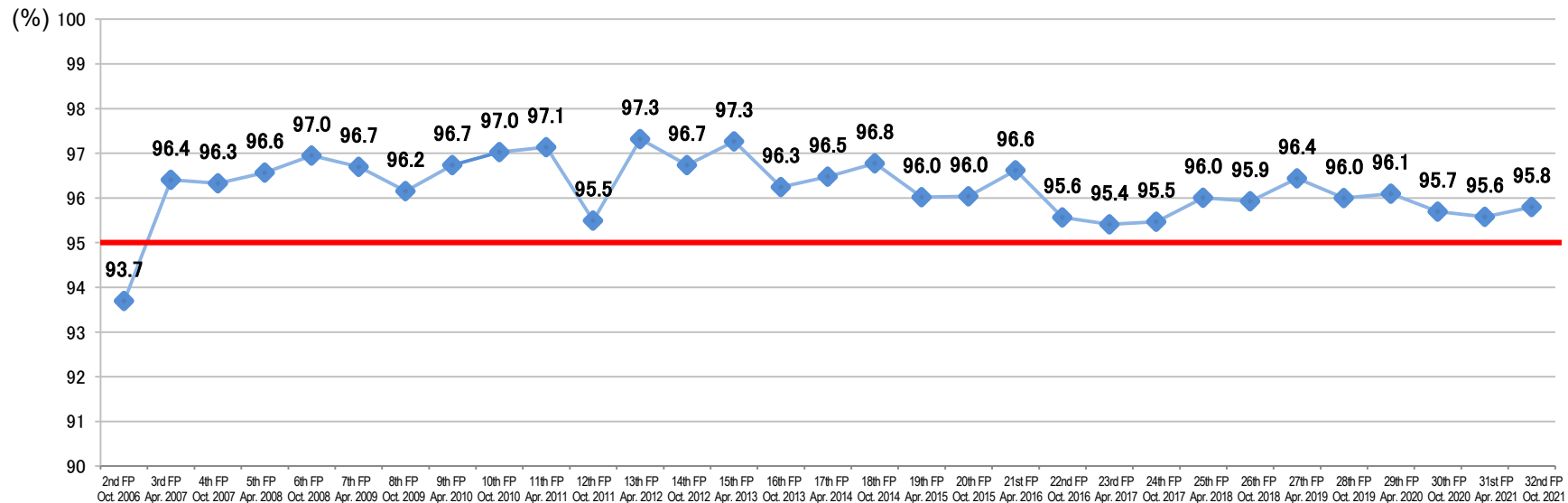
# Effect of Property Replacement

SPI achieved expansion of asset size while increasing unitholder value through property replacements. SPI will aim for further growth and improvement of unitholder value through its continuous efforts.



## Change in Period Average Occupancy Rate (from 2nd FP to 32nd FP)

Properties owned by SPI have maintained a high **occupancy rate at 95% or above** since the 3rd fiscal period. SPI will carry out stable asset management continuing to target such level.



## Background of Maintaining High Occupancy Rates

### ① Collaborative structure of the entire Starts Group

- Stable leasing activities by Pitat House with 667 stores around Japan (as of October 31, 2021)
- Advantage in a dominant area centering around the Tozai Line where the collective strength of Starts Group is exerted

### ② Establishing a portfolio targeting the needs of the market

- Investment targets are **properties for average-income households** where demand is thought to be most stable
- With property acquisitions mainly in the 23 wards of Tokyo and the area around Tokyo, a stable and highly profitable portfolio has been established

# Building a Portfolio That Responds to Various Fluctuation Risks

## ■ Characteristics of Rental Housing in which SPI Primarily Invests

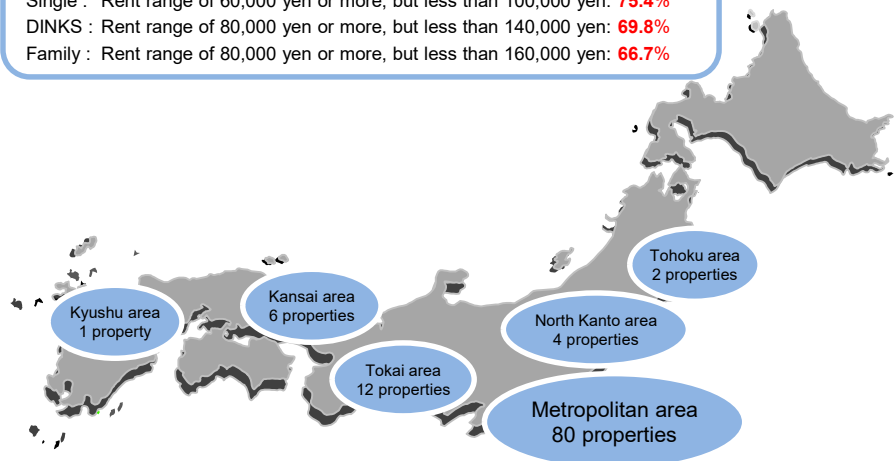
Setting as the primary investment target single, family and other rental housing for average-income households that have the most stable demand, we aim to build a portfolio that can respond to the fluctuations of market rent, resident demand, etc. as much as possible and to carry out stable management over the medium to long term.

**Average Rent by Residential Unit Type** (Note)

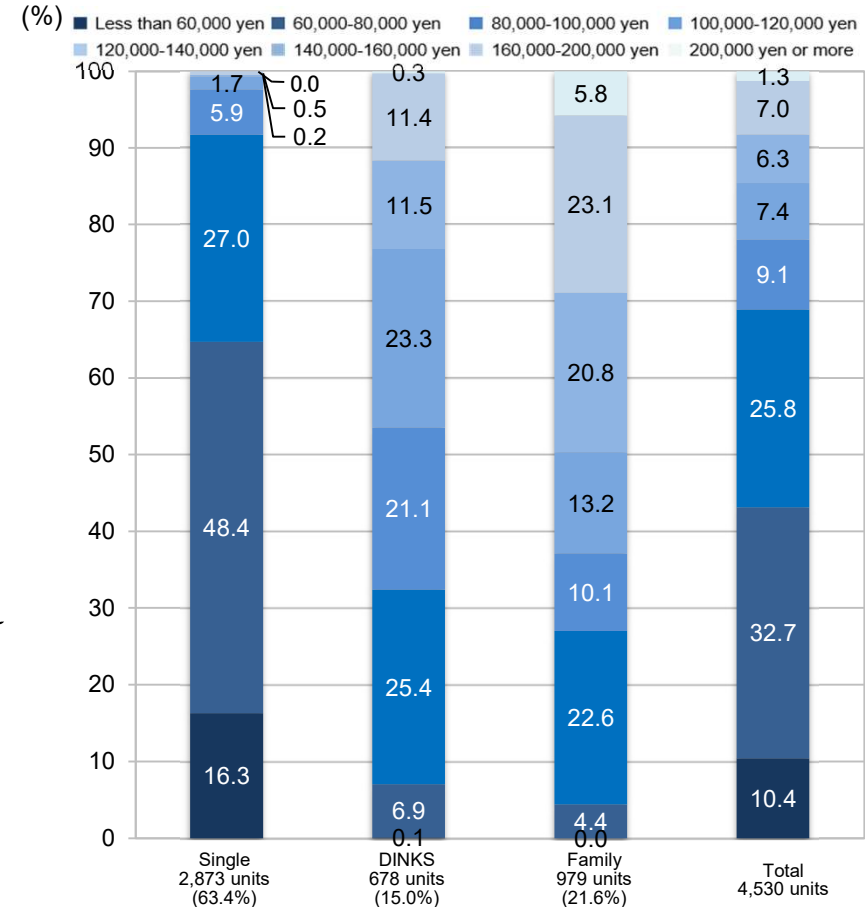
Residential unit type	Average rent (yen)		Unit price per tsubo (yen)		Change (yen)	Change (%)
	End of 31st FP	End of 32nd FP	End of 31st FP	End of 32nd FP		
Single	75,610	75,751	9,945	9,941	141	0.2
DINKS	118,320	118,285	8,612	8,614	-35	-0.0
Family	136,942	137,155	6,809	6,820	213	0.2
Overall average	95,259	95,387	8,476	8,491	128	0.1

### SPI Portfolio Characteristics Targeted at Middle-Income Households

Single : Rent range of 60,000 yen or more, but less than 100,000 yen: **75.4%**  
DINKS : Rent range of 80,000 yen or more, but less than 140,000 yen: **69.8%**  
Family : Rent range of 80,000 yen or more, but less than 160,000 yen: **66.7%**



**Rent Range by Residential Unit Type** (Note)



(Note)

- Average Rent and Rent Range by Residential Unit Type targets the 4,506 units in pass-through properties, excluding residential facilities for the elderly, tenants, and offices, from the 105 properties continuously operated from the end of the 31st fiscal period to the end of the 32nd fiscal period (excluding Proceed Motoyawata disposed on July 1 and Proceed Shinkawa acquired on July 2).
- Average rent and rent range are calculated by dividing the sum of the rent and common area maintenance charges stated in the lease agreement by the number of units for occupied rooms and by dividing the sum of advertised rents and common area maintenance charges by the number of units for vacant rooms, each rounded down to the nearest whole number.
- Percentage of change in average rent and percentage of rent range by residential unit type are rounded to the first decimal place.

# Status of Leasing Conditions of AUM

## Rent Setting for Agreement (Note 1)

### Difference in Rent Between New Agreement and Previous Agreement

(thousand yen)

	29th FP		30th FP		31st FP		32nd FP	
	Cases	Change	Cases	Change	Cases	Change	Cases	Change
Increase	315	960	232	671	284	930	212	820
No change	138	0	109	0	144	0	117	0
Decrease	68	-173	42	-159	105	-387	102	-394
Total	521	786	383	512	533	542	431	425
Rate of Change (Note 2)	1.7%		1.4%		1.1%		1.0%	

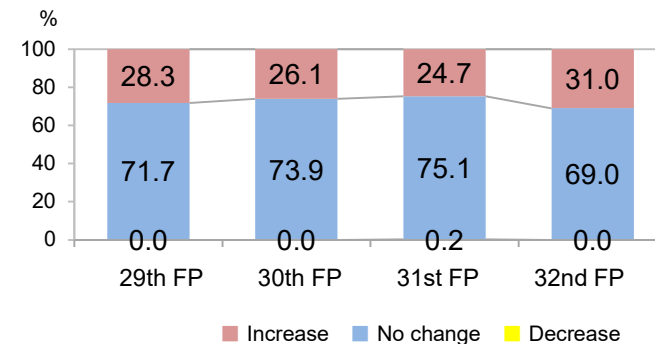
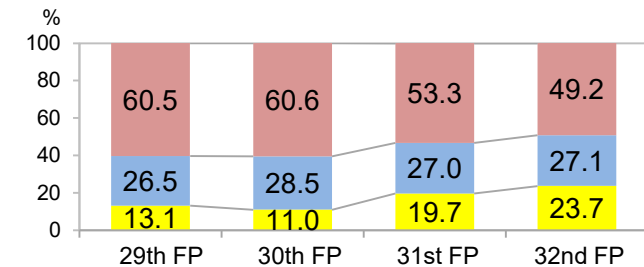
### Renewal Rent Revision

(thousand yen)

	29th FP		30th FP		31st FP		32nd FP	
	Cases	Change	Cases	Change	Cases	Change	Cases	Change
Increase	152	277	132	219	164	243	155	238
No change	386	0	373	0	498	0	345	0
Decrease	0	0	0	0	1	-1	0	0
Total	538	277	505	219	663	242	500	238
Rate of Change (Note 2)	0.5%		0.5%		0.4%		0.5%	
Renewal rate	92.4%		90.3%		89.2%		90.1%	

(Note 1) The conditions setting figures are for pass-through properties only and fixed-rent properties are not included.

(Note 2) Rate of change refers to the total amount of monthly rent and common area maintenance charges after tenant replacement against the total amount of monthly rent and common area maintenance charges before tenant replacement for units where tenant replacement occurs. The figure is calculated by dividing the sum of monthly rent and common area maintenance charges after tenant replacement by that before tenant replacement.



## Difference in Key Money and Rent for Agreements (Note 3)

### Difference in Key Money Between New Agreement and Previous Agreement

(thousand yen)

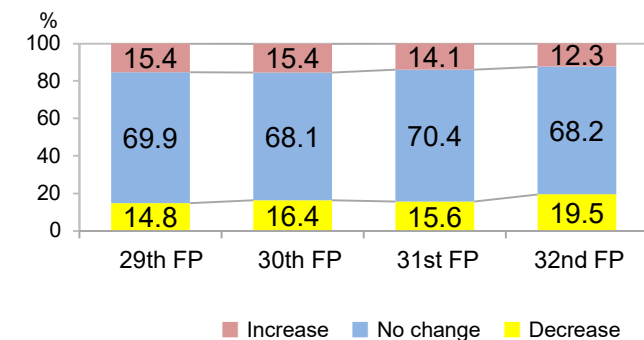
	29th FP		30th FP		31st FP		32nd FP	
	Cases	Change	Cases	Change	Cases	Change	Cases	Change
Increase	80	7,924	59	6,205	75	7,240	53	5,095
No change	364	272	261	265	375	318	294	216
Decrease	77	-6,660	63	-5,830	83	-7,888	84	8,898
Total	521	1,535	383	640	533	-329	431	3,586

### Total Amount and Ratio to Rent (at the end of fiscal periods)

(thousand yen)

	29th FP	30th FP	31st FP	32nd FP
Total key money	237,517	257,485	258,807	252,935
Total rent	421,292	424,618	425,764	426,403
Ratio to rent	0.56 month	0.61 month	0.61 month	0.59 month

(Note 3) The ratio to rent is calculated from the sum of rents and advertised rents stated in the lease agreement and common area maintenance charges are not included. The figures are for pass-through properties only and those for fixed-rent properties are not included.



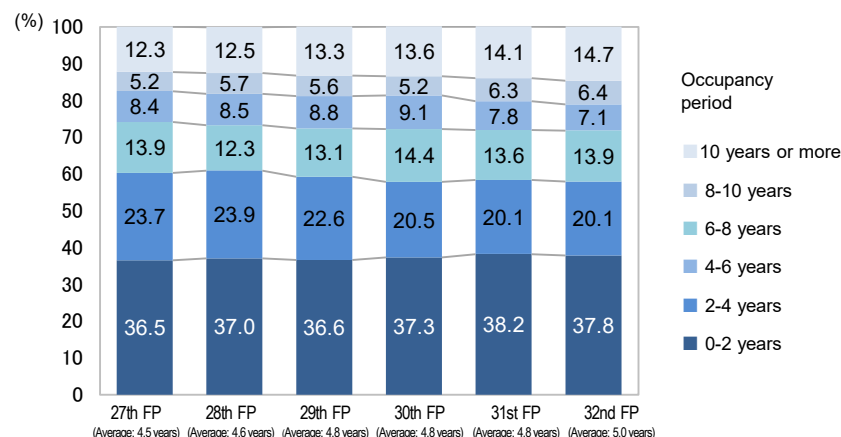


# AUM Average Occupancy Period by Residential Unit Type (Results of 27th–32nd Fiscal Period-End Residents)

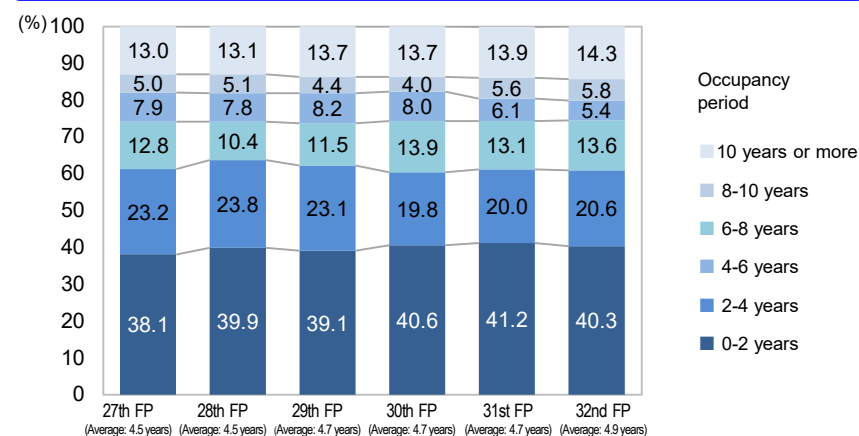


The longer average occupancy period of all residential unit types has contributed to cost reduction, revenue increase from renewal fees, etc.

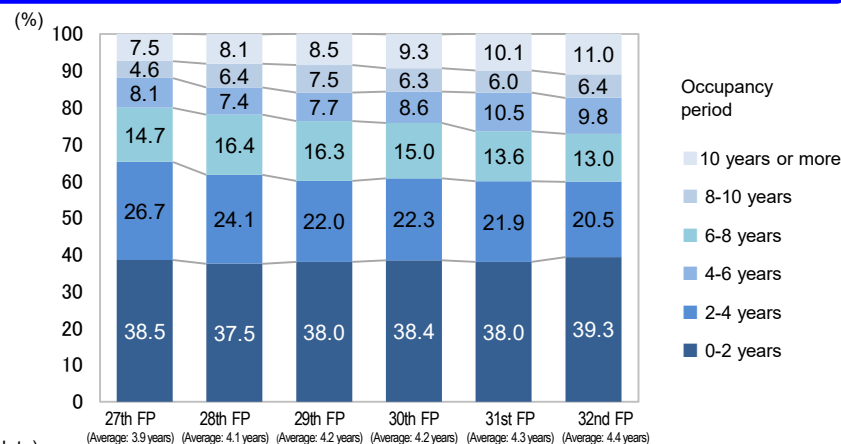
**All (End of 27th FP: average 4.5 years → End of 32nd FP: average 5.0 years)**



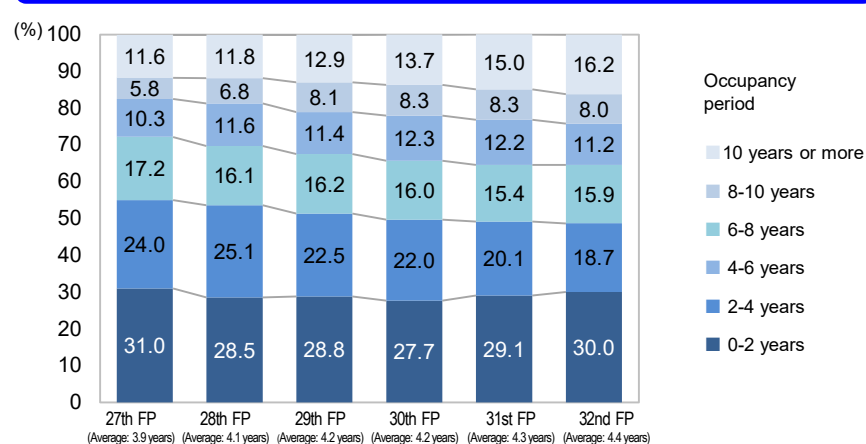
**Single (End of 27th FP: average 4.5 years → End of 32nd FP: average 4.9 years)**



**DINKS (End of 27th FP: average 3.9 years → End of 32nd FP: average 4.4 years)**



**Family (End of 27th FP: average 4.7 years → End of 32nd FP: average 5.4 years)**



(Note)

- "Occupancy period" aggregates tenant households by period of occupancy at the end of the respective fiscal periods.
- As the data has been prepared for rental housing alone, (G-23) Group Home Tanoshii Ie Taisho and (C-76) Life Support Residence Funaboriekimae are excluded from compilation.
- "All" includes retail and office and excludes vacant units
- The average occupancy period for all, single, DINKS and family is rounded to the first decimal place, respectively.



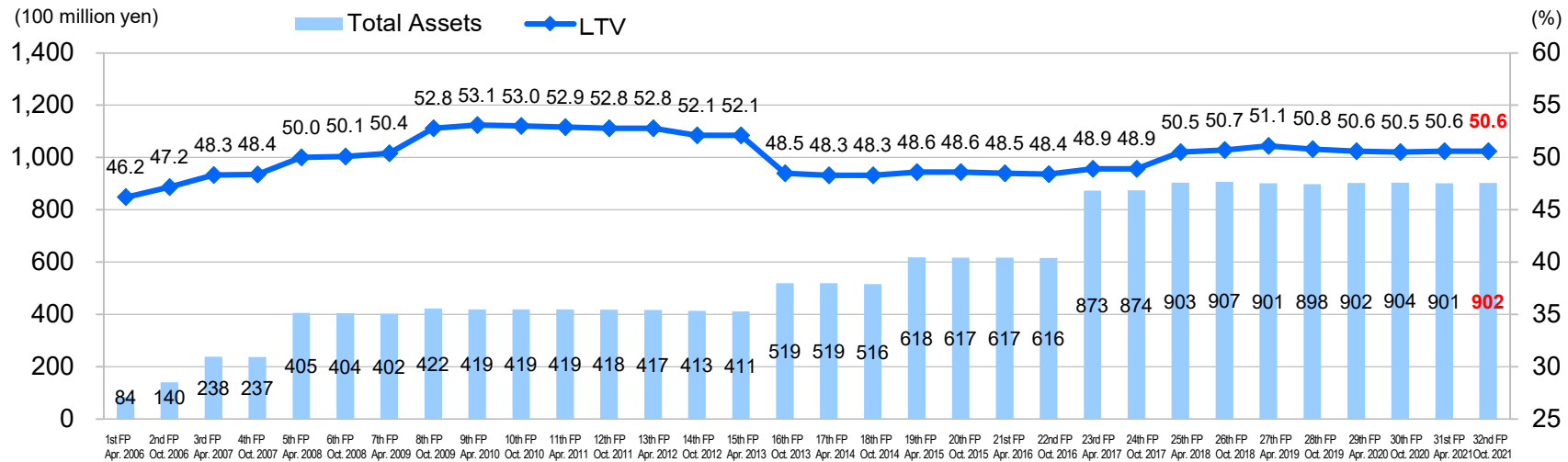
# Acquisition Price and Appraisal Value of AUM

	Acquisition price (million yen)	Carrying amount (million yen)			Appraisal value (million yen)			Occupancy rate (period-end) (%)		NOI results (million yen)			NOI yield (based on acquisition price) (%)		NOI yield (based on appraisal value) (%)		NOI yield after depreciation (based on acquisition price) (%)	
	At acquisition	31st FP	32nd FP	Change	31st FP	32nd FP	Change	31st FP	32nd FP	31st FP	32nd FP	Change	31st FP	32nd FP	31st FP	32nd FP	31st FP	32nd FP
Tokyo metropolitan area major cities (81 properties)	66,795	64,878	64,889	11	75,514	76,425	911	96.4	97.5	1,824	1,812	-11	5.5	5.4	4.8	4.7	4.1	4.0
Those located in the 23 wards of Tokyo (43 properties)	36,275	33,542	33,951	408	41,570	42,531	961	97.2	98.4	1,006	985	- 20	5.5	5.4	4.8	4.6	4.1	4.0
Cabinet order designated cities (21 properties)	19,265	18,908	18,775	-133	21,750	22,085	335	92.2	93.5	488	496	8	5.1	5.2	4.5	4.5	3.5	3.6
Regional area major cities (4 properties)	2,400	2,277	2,249	-28	2,715	2,727	12	95.7	93.2	75	71	-4	6.3	6.0	5.6	5.3	3.3	3.6
Total (106 properties)	88,461	86,065	85,914	-150	99,979	101,237	1,258	95.4	96.4	2,389	2,381	-7	5.4	5.4	4.8	4.7	3.9	3.9

- \* The main factors of increase/decrease in carrying amount are as follows. [Factors of increase] Net increase by 273 million yen due to the acquisition of Proceed Shinkawa (Chuo-ku, Tokyo, book value: 536 million yen) and disposition of Proceed Motoyawata (Chiba, book value: 263 million yen) and increase by 213 million yen due to capital expenditure.  
[Factors of decrease] Decrease due to 647 million yen of depreciation and amortization.
- \* Appraisal value at the end of the fiscal period exceeded 100 billion yen.
- \* The factors of increase/decrease in NOI are as follows. [Tokyo metropolitan area] +12 million yen due to the increase in rent revenue, +3 million yen due to the decrease in utilities expenses, -21 million yen due to the increase in repair expenses and periodic maintenance costs, -7 million yen due to the decrease in other revenue (key money, renewal fee, etc.)  
[Cabinet order designated cities] +5 million yen due to the increase in rent revenue, +9 million yen due to the decrease in advertising costs, -2 million yen due to the decrease in other revenue (key money, renewal fee, etc.), -4 million yen due to the increase in repair expenses  
[Regional area major cities] Decreased by 5 million yen due to the decrease in other revenue (key money, renewal fee, etc.)
- \* NOI yield is the figure arrived at when the annualized NOI results figure is divided by acquisition price and appraisal value, respectively.

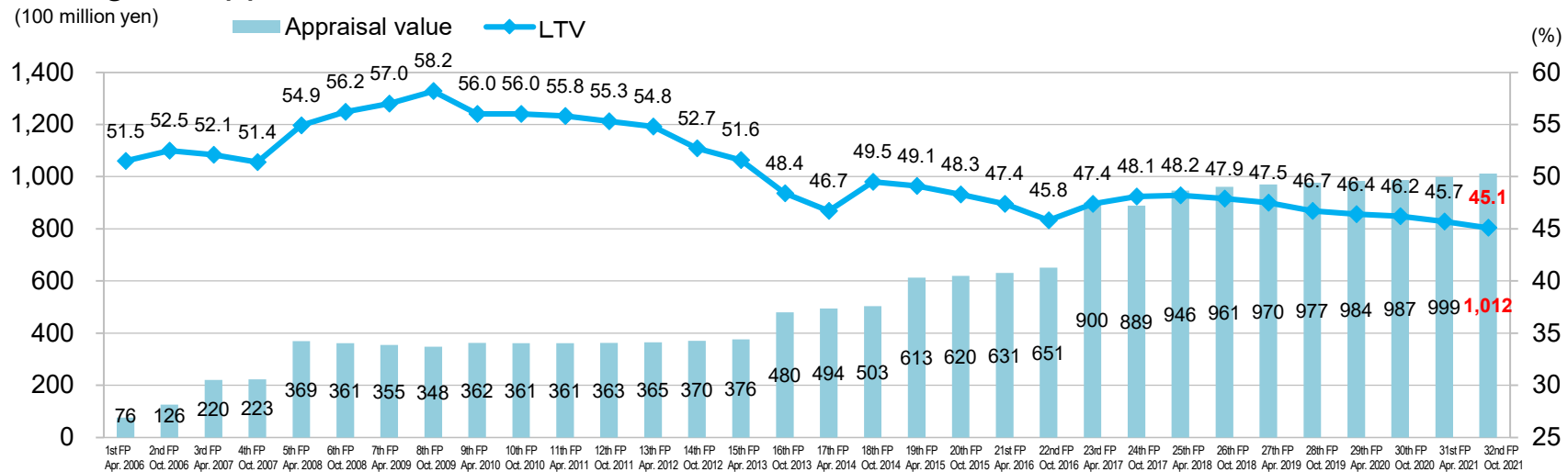
# Change in LTV

## Change in Total Assets and LTV Ratio (Note 1)



(Note 1) "LTV ratio" in this graph is calculated by dividing the balance of interest-bearing liabilities at the end of the fiscal period by total assets at the end of the fiscal period.

## Change in Appraisal Value and LTV (Note 2)



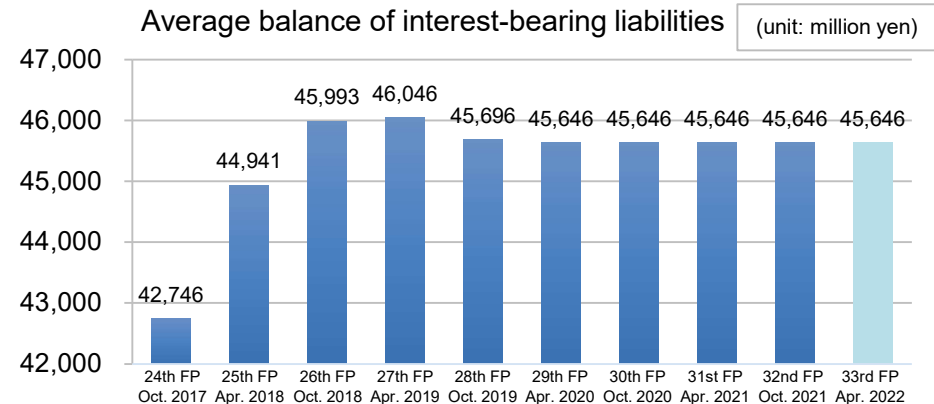
(Note 2) "LTV ratio" in this graph is calculated by dividing the balance of interest-bearing liabilities at the end of the fiscal period (excluding subordinated investment corporation bonds issued and outstanding for the 8th – 18th FP) by appraisal value at the end of the fiscal period.

# Overview of Investment Corporation Bonds and Financial Status

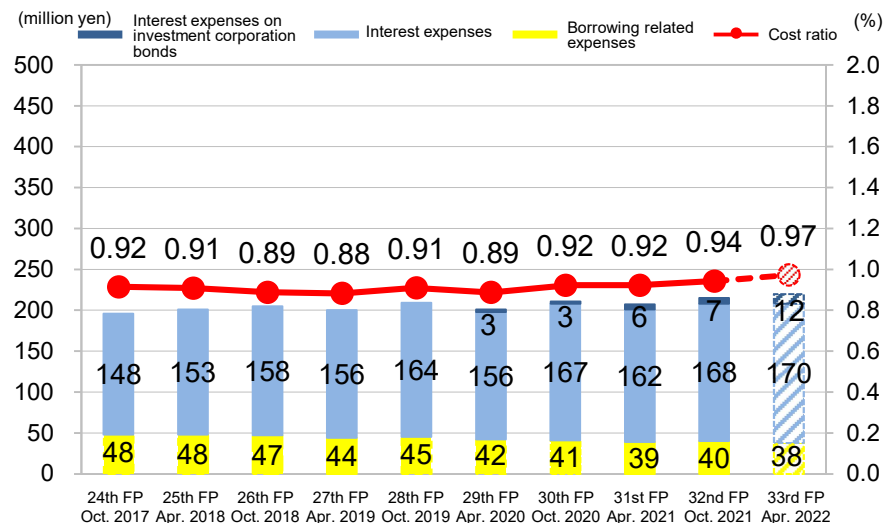


## ■ Issuance of Investment Corporation Bonds ■ Change in Balance of Interest-Bearing Liabilities at the End of 32nd FP

Type	Third Series Unsecured Investment Corporation Bond (Green Bond)
Term	10 years
Amount of issuance	1.5 billion yen
Coupon	0.800%
Determination date of conditions	November 12, 2021
Payment date	November 18, 2021
Redemption date	November 18, 2031
Lead manager	Mizuho Securities/SMBC Nikko Securities/Daiwa Securities
Fiscal agent	Resona Bank, Ltd.



## ■ Change in Interest-Bearing Liability Costs



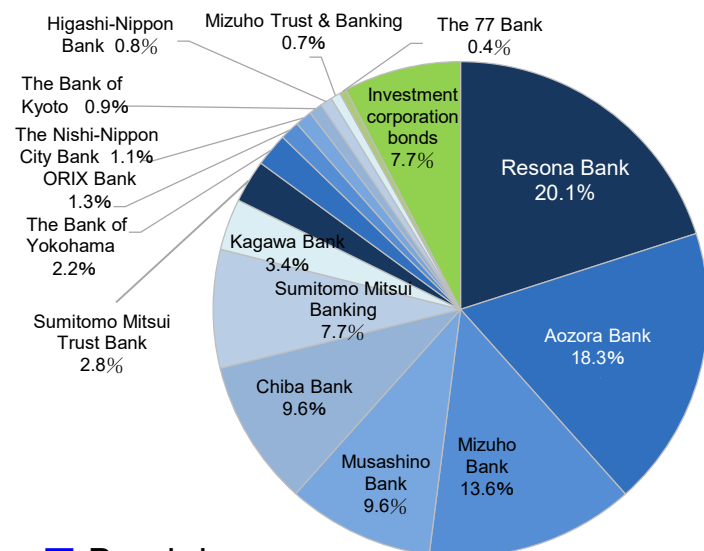
	Loans balance
Current portion of long-term loans payable	10,093 million yen
Long-term loans payable	33,552 million yen
Total loans	43,646 million yen
Investment corporation bonds	2,000 million yen
Total interest-bearing liabilities	45,646 million yen
LTV ratio	50.6%

## ■ Status of Credit Rating

Japan Credit Rating Agency, Ltd. (JCR): **A- (Positive)**  
 \* Changed the outlook from A- (Stable)

# Status of Interest-Bearing Liabilities / After Refinancing (November 24, 2021)

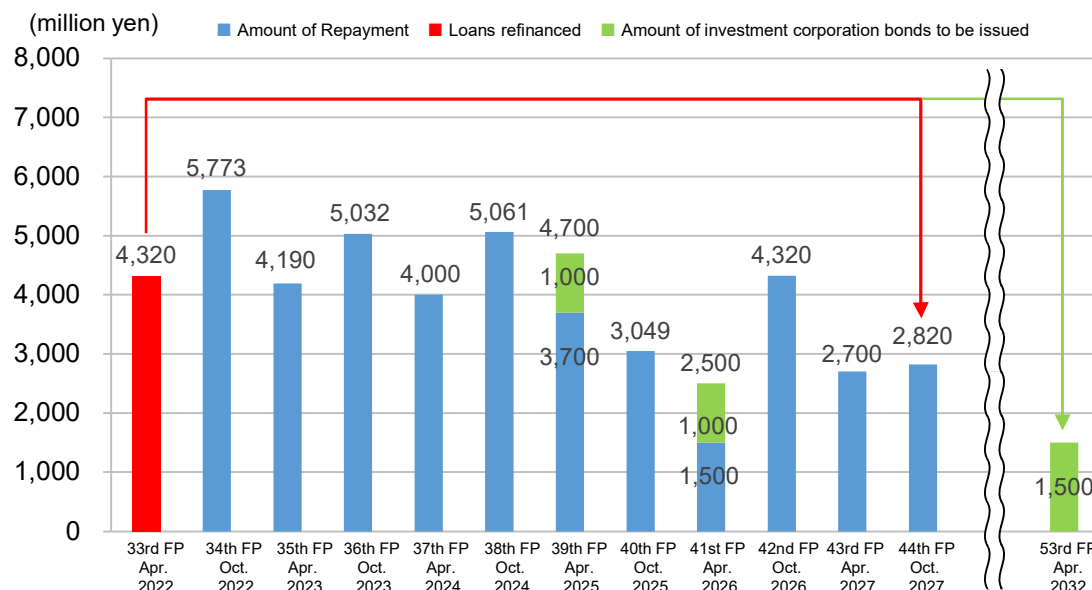
## Allocation of Total Loan Amount



## Breakdown

Lenders	Loan balance (million yen)	Ratio
Resona Bank	9,157	20.1%
Aozora Bank	8,374	18.3%
Mizuho Bank	6,213	13.6%
Musashino Bank	4,376	9.6%
Chiba Bank	4,366	9.6%
Sumitomo Mitsui Banking	3,531	7.7%
Kagawa Bank	1,533	3.4%
Sumitomo Mitsui Trust Bank	1,268	2.8%
The Bank of Yokohama	1,000	2.2%
ORIX Bank	577	1.3%
The Nishi-Nippon City Bank	500	1.1%
The Bank of Kyoto	400	0.9%
Higashi-Nippon Bank	350	0.8%
Mizuho Trust & Banking	300	0.7%
The 77 Bank	200	0.4%
Investment corporation bonds	Loans balance (million yen)	Ratio
Investment corporation bonds	3,500	7.7%
<b>Total</b>	<b>45,646</b>	<b>100.0%</b>

## Status of Diversification



## Overview of November 24, 2021, Term Loan 2T

Term Loan	Amount	Period	Fixed interest rate
2T	2,820 million yen	5.5 years	0.85%

## Change in Average Remaining Period, Ratio of Fixed-Rate Loans and Average Interest Rate

	End of 27th FP	End of 28th FP	End of 29th FP	End of 30th FP	End of 31st FP	End of 32nd FP	November 24, 2021 After refinancing
Change in average remaining period (year)	2.8	2.7	2.6	2.6	2.6	2.3	2.9
Ratio of fixed-rate loans (%)	21.5	28.4	28.4	37.8	37.8	37.8	47.3
Average interest rate (%)	0.69	0.72	0.70	0.74	0.74	0.75	0.80

Under the recognition that efforts on ESG are important issues, SPI and the Asset Management Company will pay consideration to the environment and society as well as promote corporate governance over the medium to long term. In addition, we will proactively seek external certifications for owned assets.

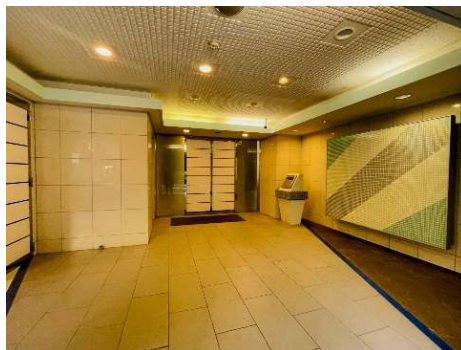
## Environment



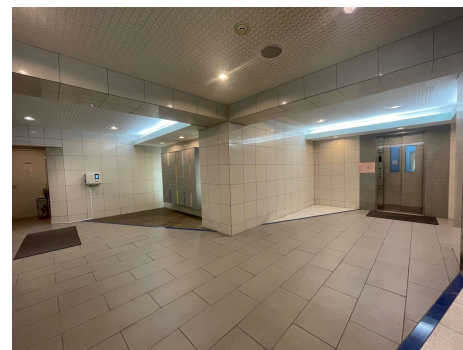
- Introduction of LED lighting (as of October 31, 2021)  
Number of buildings where LED lighting is already installed:  
28 (3 buildings installed with LED lighting in the current fiscal period)  
Number of building scheduled to be installed with LED lighting in the next fiscal period: 2
- Renewal of air conditioner (as of October 31, 2021)  
Number of renewals in the current fiscal period: 231
- Extension of durable life through large-scale repair and value enhancement work

### Proceed Nihonbashi-horidomecho/Introduction of LED lighting

Before



After



### Environmental consideration to printed matter, etc.

Adopting environmentally-friendly materials such as FSC certified papers for asset management reports, envelops, etc.



## JCR (Green Finance Framework Evaluation)

Newly acquired Green 1 (F)

## Issuance of first green bonds

Issue amount	Interest rate	Term	Issue date	Use of funds
			Redemption date	
1.5 billion yen	0.80%	10 years	November 18, 2021	For repayment of borrowings taken out upon the acquisition of Proceed Monzennakacho and Proceed Maihama
			November 18, 2031	

## Acquisition of Building-Housing Energy-Efficiency Labelling System (BELS) Certification

Proceed Monzennakacho



Proceed Maihama



## Towards the acquisition of GRESB Real Estate Assessment

Tackling issues towards the participation from fiscal 2022.



## Social



The Asset Management Company is also making efforts to develop PPP and PFI, etc. It revitalizes regions by effectively utilizing public land, etc., and is engaged in area management using the comprehensive strengths of Starts Group even after the development of facilities such as libraries, schools and childcare support facilities. In addition, it is also proactively making efforts for safety and security.

### ■ Proceed Nagareyama Otakanomori

- Mixed-use facility designed and constructed by Starts Group in the PPP project
- Directly connected to the station by a pedestrian deck
- [Public hall of Nagareyama City, city hall service counter](#)
- The first floor of the rental building (seismic isolation structure) is occupied by a private [authorized nursery school](#)



### ■ Proceed TX Nagareyama Central Park

- City-owned land effective utilization project in Nagareyama City
- Developed [a kindergarten](#), [elementary school](#) and rental housing in cooperation with Gyosei International School



### ■ Proceed Nishiarai

- Large-scale rental housing developed by Starts Group
- Seismic isolation structure
- Adopts all-electric system
- [Anti-disaster rental apartment \(installed with well, bench with oven function, etc.\)](#)
- [Nursery school](#) operated by Starts Group



### ■ Proceed Shinozaki Tower

- Mixed-use facility developed by Starts Group as a development project implemented by Edogawa Ward Office
- [Facilities for ward residents \(library, lifelong learning facility, gallery, café\)](#)
- Private facilities (retail facility, housing)



# Initiatives on Sustainability

## Social



- Seismic isolation structure (as of October 31, 2021)  
Number of orders received by Starts CAM: 562  
Number of buildings incorporated into the AUM of SPI: 10
- Installation of well, bench with oven function, disaster prevention goods for exclusive floor area → Disaster prevention measures
- Implementation of disaster prevention events using earthquake simulation vehicles owned by Starts Group
- Installation of public art  
Installed public art at many places including PPP and PFI projects and contributes to the training of artists
- Investment in healthcare facilities/nursery facilities → Nishiarai Kirakira Hoikuen, etc.
- Free internet infrastructure (as of October 31, 2021)  
Number of buildings installed with internet infrastructure: 56  
To be installed at 3 buildings in the next fiscal period
- Recommendation and provision of expenses for the acquisition of qualifications by employees
- Promotion of health checkup of employees, success of female employees, work-life balance, special holiday
- Recommendation of remote work and staggered commuting by employees



Well



Bench with oven function



Earthquake simulation vehicles/disaster prevention events



Disaster prevention goods for exclusive floor area (some properties)



Nishiarai Kirakira Hoikuen



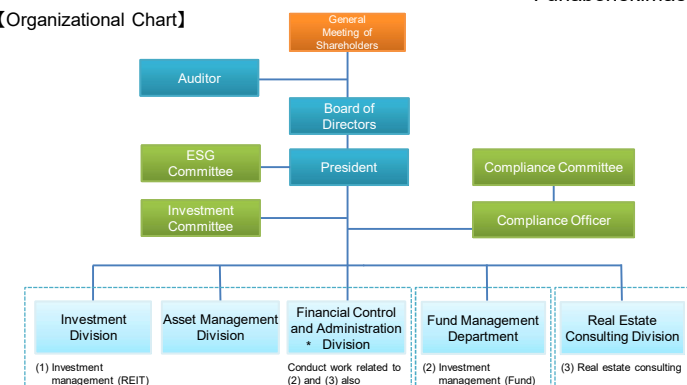
Life Support Residence Funaboriekimae

## Governance



- Prevention of conflicts of interest, risk management, information disclosure, compliance with laws and regulations
- Decision-making flow on transactions
- Compliance Committee, investment Committee, implementation of periodic internal audit
- Establishment of ESG Committee (Chief Officer is the Representative Director of the Asset Management Company)
- Same-boat investment (Starts Corporation Inc.)

【Organizational Chart】



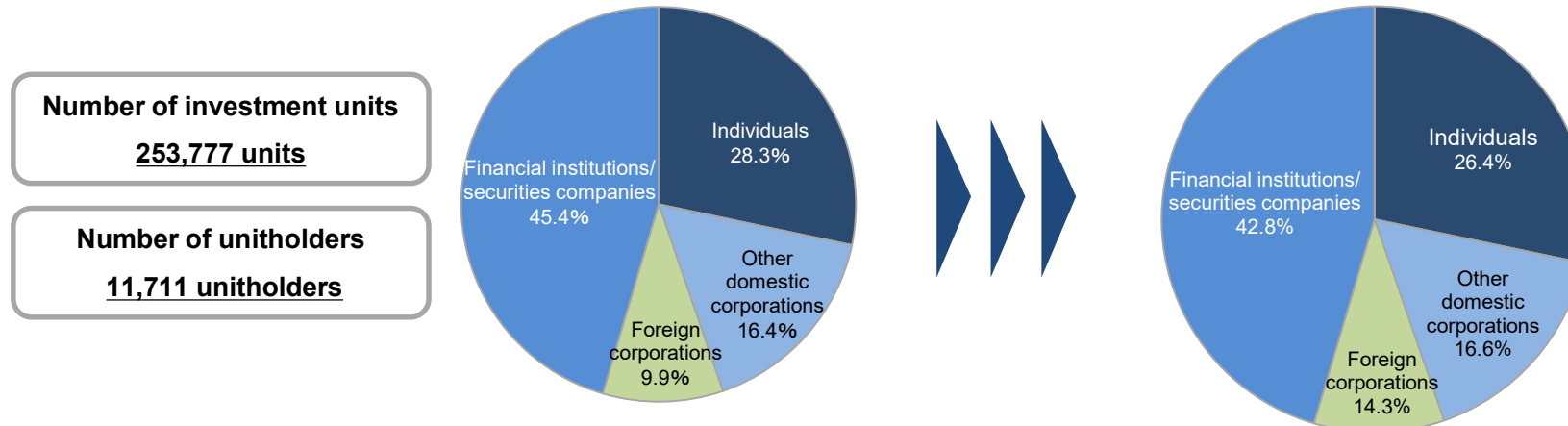


# Status of Unitholders (As of October 31, 2021)

## Composition of Unitholders and Investment Units at End of 31st and 32nd Fiscal Periods

Composition of Investment Units at End of 31st Fiscal Period

Composition of Investment Units at End of 32nd Fiscal Period

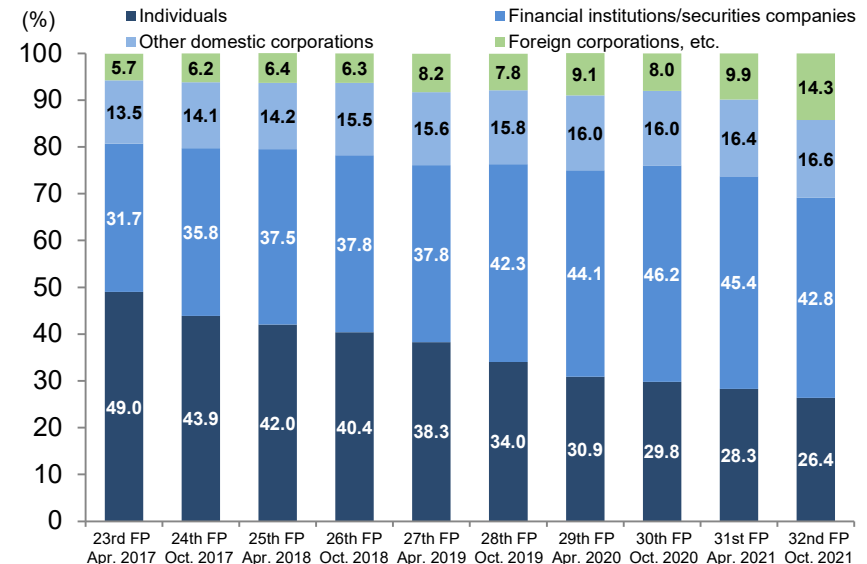


## Major Unitholders at End of 32nd Fiscal Period (October 31, 2021)

	Name	Number of investment units held (units)	Unitholding ratio (%) (Note)
1	Custody Bank of Japan, Ltd. (Trust Account)	35,756	14.08
2	Starts Corporation Inc.	34,153	13.45
3	The Master Trust Bank of Japan, Ltd. (Trust Account)	24,956	9.83
4	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	13,851	5.45
5	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	8,550	3.36
6	JP MORGAN CHASE BANK 385771	4,834	1.90
7	Nomura Securities Co., Ltd.	4,806	1.89
8	DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	3,902	1.53
9	Kinki Sangyo Credit Union	3,313	1.30
10	SMBC Nikko Securities Inc.	3,242	1.27
	Total	137,363	54.06

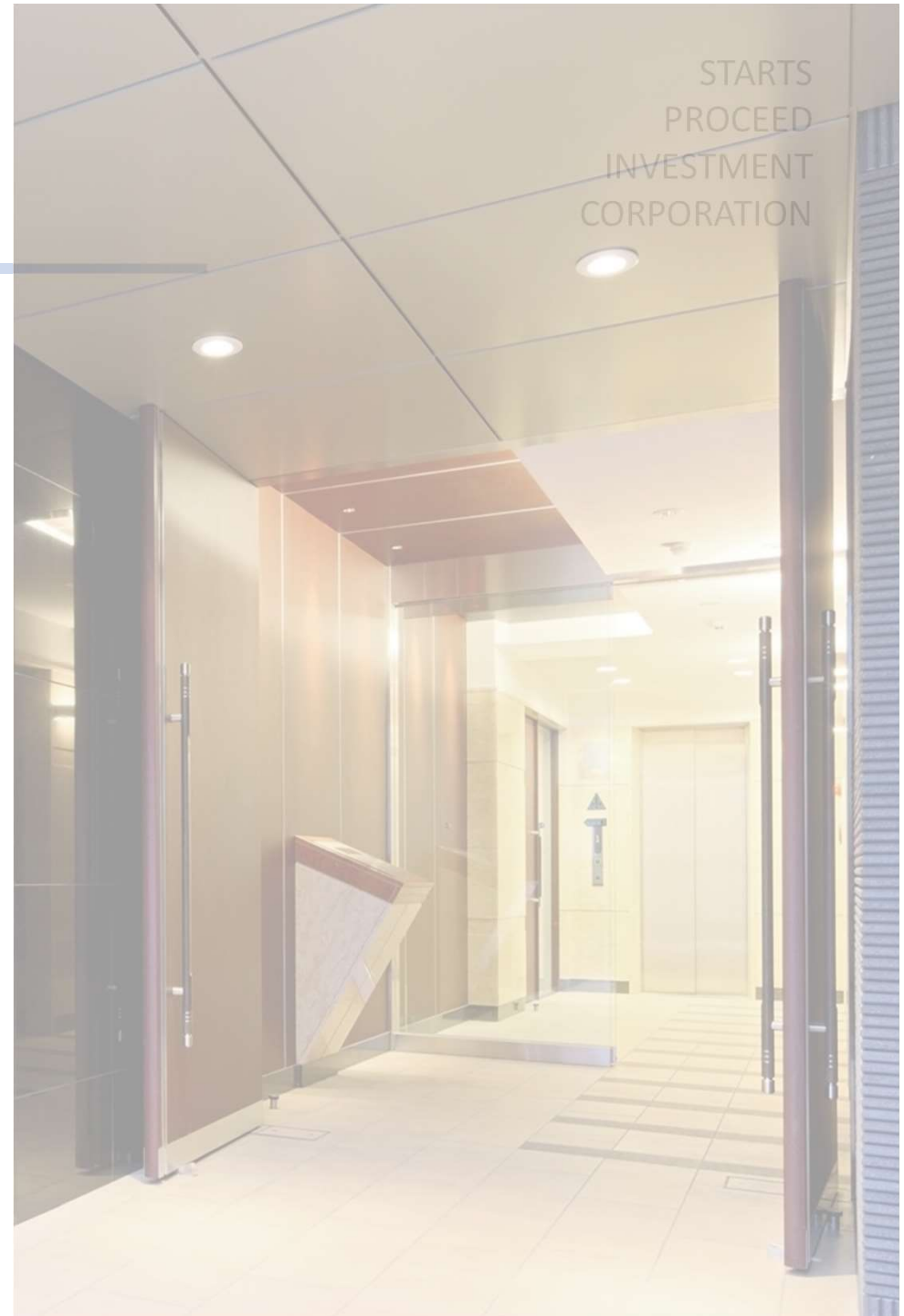
(Note) Figures for unitholding ratio are rounded down to the second decimal place.

## Change in Composition of Unitholders (23rd to 32nd Fiscal Periods)



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## Future Management Policy



# Major Initiatives in 32nd Fiscal Period and Management Policy from 33rd Fiscal Period



## Main Initiatives in 32nd Fiscal Period

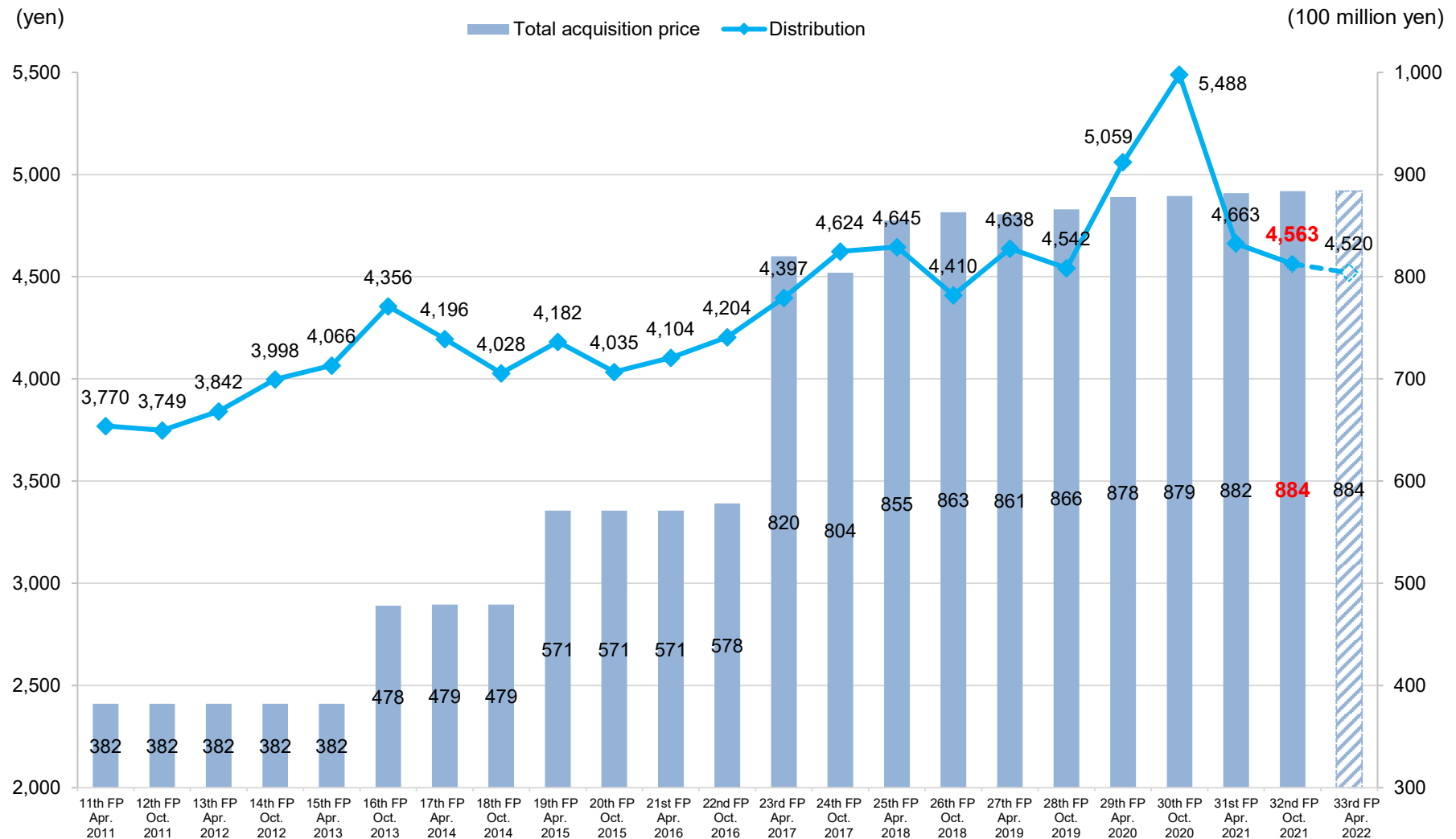
## Initiatives from 33rd Fiscal Period (ending April 30, 2022)

## Securing of stable distributions

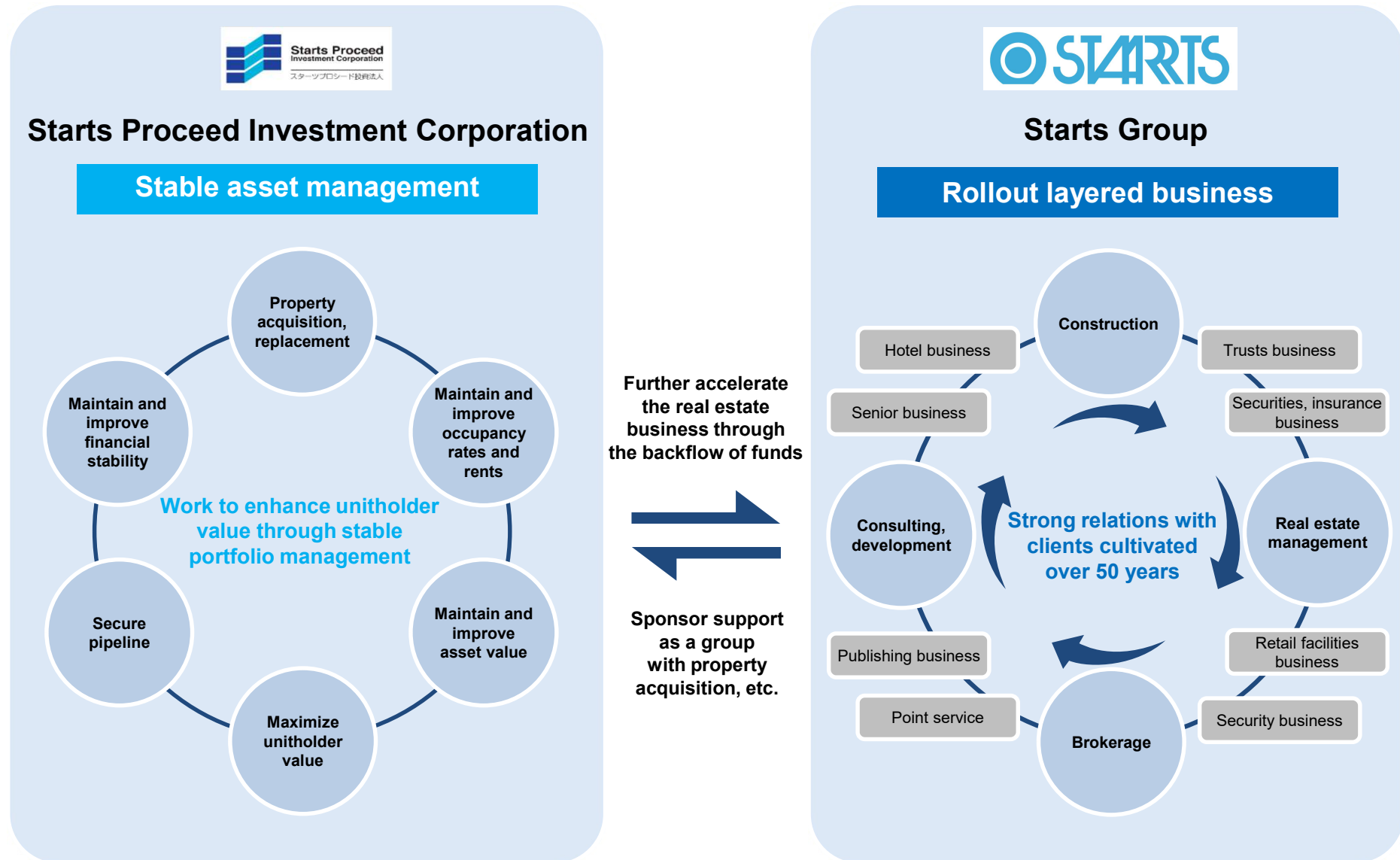
External Growth	<ul style="list-style-type: none"> <li>● Property disposition <ul style="list-style-type: none"> <li>• Disposed Proceed Motoyawata</li> </ul> </li> <li>● Property acquisition <ul style="list-style-type: none"> <li>• Acquired Proceed Shinkawa</li> </ul> </li> <li>● Improvement in average building age <ul style="list-style-type: none"> <li>• Average building age remained almost unchanged even after the property replacement in July 2021</li> </ul> </li> <li>● Acquisition of warehousing properties <ul style="list-style-type: none"> <li>• Starts Development Corporation made efforts to acquire a rental apartment, which is under construction in Minami-Sunamachi, Koto-ku, and scheduled to be sold in its entirety, as a warehousing property, and such effort led to the acquisition in November 2021</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Promotion of property replacement <ul style="list-style-type: none"> <li>⇒ Promoting the replacement of properties centering on small ones at time of IPO and initial PO with properties in the Tokyo metropolitan area</li> </ul> </li> <li>● Early achievement of 100-billion-yen asset size</li> <li>● Enhancement of relationship with each company in Starts Group and acquisition of prime properties</li> <li>● Starts Development Corporation plans to acquire Kinshicho 2</li> <li>● Promotion of acquisition of development properties <ul style="list-style-type: none"> <li>• Focusing especially on the development and acquisition of environmentally friendly properties and properties with IoT functions</li> <li>⇒ Starts Development Corporation plans to develop and acquire each property in Shin-Matsudo and Matsudo as warehousing properties.</li> </ul> </li> </ul>
Internal Growth	<ul style="list-style-type: none"> <li>● Maintaining of period average occupancy rate of over 95.0%. <ul style="list-style-type: none"> <li>⇒ Period-end occupancy rate: 96.4%</li> <li>Period average occupancy rate: 95.8%</li> </ul> </li> <li>● Cost reduction <ul style="list-style-type: none"> <li>• Revision of expenses for regular maintenance</li> </ul> </li> <li>● Recycling properties for service upon restoration to their original state. <ul style="list-style-type: none"> <li>• Improvement of design and convenience and enhancement of competitiveness through renewal of indoor facilities</li> </ul> </li> <li>● Promotion of ESG <ul style="list-style-type: none"> <li>• Introduction of LED lights in common areas</li> <li>• Installed at 3 buildings</li> </ul> </li> <li>● Support for telework and enhancement of competitiveness through free use of internet infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>● Maintaining and improving period average occupancy rate of over 95.0%. <ul style="list-style-type: none"> <li>• Enhancement of profitability of AUM through reinforced cooperation with Starts Group companies.</li> <li>• Promotion of online posting of units for lease, enhancement of recognition of properties by brokers/advertisement agencies.</li> <li>• Enhancement of appeal by introducing model homes, strengthening of sales capability.</li> <li>• Improvement of restoration quality and promotion of value enhancement work</li> <li>• Support for telework and enhancement of competitiveness through free use of internet infrastructure</li> </ul> </li> <li>● Continuation of cost reduction <ul style="list-style-type: none"> <li>• Advertising, repair and building management costs, periodic maintenance costs, etc.</li> </ul> </li> <li>● Major repair and renewal of facilities under capital expenditures <ul style="list-style-type: none"> <li>• Improvement of asset value, increase in rent revenue and promotion of ESG (adoption of LED lights in common areas)</li> </ul> </li> </ul>
Financial Strategy	<ul style="list-style-type: none"> <li>● Conservative management of LTV</li> <li>● Extension of average remaining period of loans, lowering of average interest rates.</li> <li>● Promotion of fixing interest rates</li> </ul>	<ul style="list-style-type: none"> <li>● Establishment of stable financial base <ul style="list-style-type: none"> <li>• Conservative LTV control</li> <li>• Extension of repayment period upon refinancing and fixing of interest rates</li> <li>• Promotion of diversification of fund procurement including investment corporation bonds</li> </ul> </li> </ul>

## Change in Distribution

Distribution recovered from the higher 3,000-yen range in the 11th fiscal period to 4,000 yen in the 15th fiscal period and has currently increased to 4,500 yen.



## ■ Cooperative Relations Within the Group in the Form of Sponsor Support





## Proceed Yamashita Koen The Tower



Occupancy rate: 94.0%  
(as of October 31, 2021)

### <Property Overview>

Structure	: RC/B2F, 18F
Completion	: January 2008
Number of leasing units (type)	: 1R 84 units; 1LDK 31 units; 2LDK 24 units; 3LDK 3 units; Retail 5 units; Total 147 units
Location	: Yamashita-cho, Naka-ku, Yokohama-shi, Kanagawa
Site area	: 1,676.56 m <sup>2</sup>
Total floor area	: 12,208.74 m <sup>2</sup>
Use	: Apartment, retail, nursery, parking
Zoning	: Commercial district





## ■ Proceed Ishikawadai



### <Property Overview>

Structure	: RC B1F, 5F
Completion	: December 2021
Number of leasing units (type)	: 1K 4 units; 1LDK 16 units 2LDK 4 units; 2SLDK 1 unit Total 25 units
Location	: 2-chome Higashi-Yukigaya, Ota-ku, Tokyo
Site area	: 519.50 m <sup>2</sup>
Total floor area	: 1,368.84 m <sup>2</sup>
Use	: Apartment, parking
Zoning	: Category 1 medium-to-high-rise exclusive residential district



- Property introduced with IoT system
- Opening the key with smartphones. Remote locking and control of home appliances such as lighting and air conditioners are possible

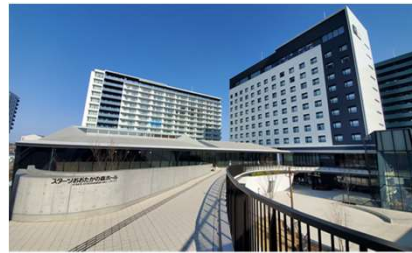




# Development Projects of Starts Group



**Alpha Grande Chizakura Tower**  
Chiyoda City, Tokyo  
Residence, retail, office, living support facility  
Completed in July 2018



**City-Owned Land Development Project in Front of Nagareyama-Otakanomori Station**  
Nagareyama City, Chiba Prefecture  
Public facility, hotel, apartment  
Opened in January 2019 (hotel building)  
Opened in April 2019 (public facility building)  
Completed and handed off in March 2020 (apartment building)



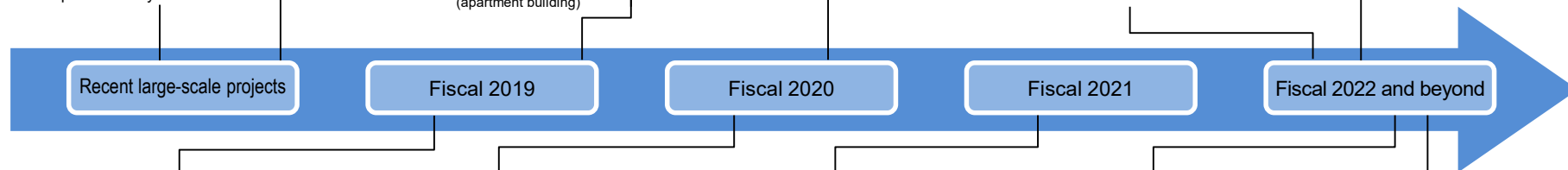
**Project Utilizing "Bustle Zone" at No. 1 Market of Kyoto Central Wholesale Market**  
Kyoto City, Kyoto  
Hotel, retail  
Opened in July 2020



**Hotei Station East Complex Public Facility Development Project**  
Konan City, Aichi  
Public facilities (library, health center, etc.)  
Private facilities (food supermarket, retail store, etc.)  
Scheduled to open in April 2023



**Sapporo Kita 8 Nishi 1 District Redevelopment Project**  
Sapporo City, Hokkaido  
Hotel, retail  
Scheduled to be completed in June 2023



**Narashino-City Okubo District Public Facility Revitalization Project**  
Narashino City, Chiba Prefecture  
Public facility (library, citizen hall, community center), park, parking lot, facilities by private sectors  
Opened in November 2019



**PFI Project for Development of Surrounding area of Yoshino-cho Ryokuchi in Hirosaki City**  
Hirosaki City, Aomori Prefecture  
Public facility (art museum)  
Facilities by private sectors (museum shop, café, cider mill)  
Grand opening in July 2020



**Utilization Project of Site of Fuchu Green Plaza**  
Fuchu City, Tokyo  
Hotel, retail, office, co-working space  
Opened in July 2021  
(hotel, office, co-working space)  
Opened in August 2021 (retail)



**Yokohama Cultural Gymnasium Redevelopment Project**  
For profit private sector facility ① (hotel, etc.)  
Yokohama City, Kanagawa Prefecture  
Hotel, retail, parking lot  
Scheduled to open in April 2024



**Kannai Ekimae Minatocho District Category I Urban Redevelopment Project**  
Yokohama City, Kanagawa  
Retail facility, office, housing, etc.  
Scheduled to be completed in 2029

(Note) The images may differ from actual project.

# Case Example of Development by Starts Group I [Yokohama City, Kanagawa]

## ■ Kannai Ekimae Minatocho District Category I Urban Redevelopment Project <Scheduled to be completed in 2029>



### International industry-academia collaboration

- Headquarters of global companies
- Research and development base of leading companies
- Global share campus
- Base for supporting the growth of venture companies in Kannai

### <Plan Overview>

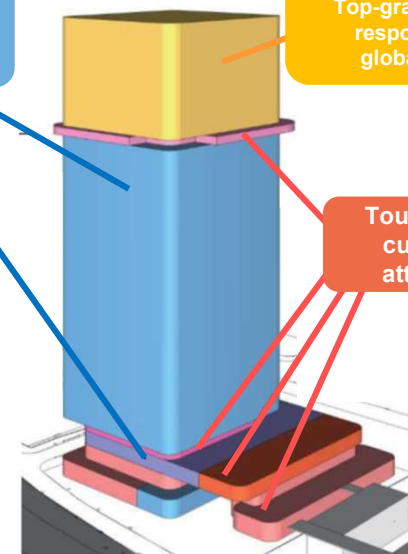
Size : B1F/31F  
Site area : 7,720 m<sup>2</sup>  
Total floor area : 88,551 m<sup>2</sup>  
Use : Retail facility, office, housing, etc.



### Residential function

Top-grade leasing  
responding to  
global needs

### Tourism and customer attraction

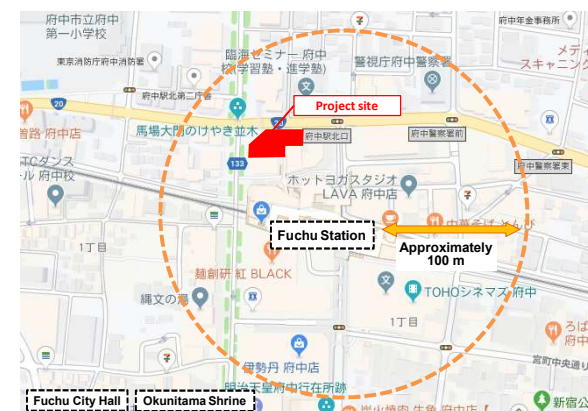




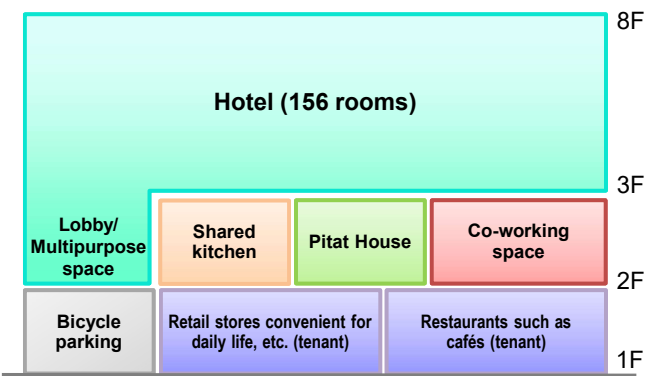
# Case Example of Development by Starts Group II [Fuchu City, Tokyo]



## ■ Utilization Project of Site of Fuchu Green Plaza <Grand opening on August 27, 2021>



Connected to the station by pedestrian deck



### <Plan Overview>

Size : 8 floors above ground  
 Site area : 1,092.27 m<sup>2</sup>  
 Total floor area : 5,817.26 m<sup>2</sup>  
 Structure : Steel-framed  
 Operation period : 50 years  
 (Fixed-term land lease)

Official website of  
Hotel Keyaki Gate





# Case Example of Development by Starts Group III [Konan City, Aichi]

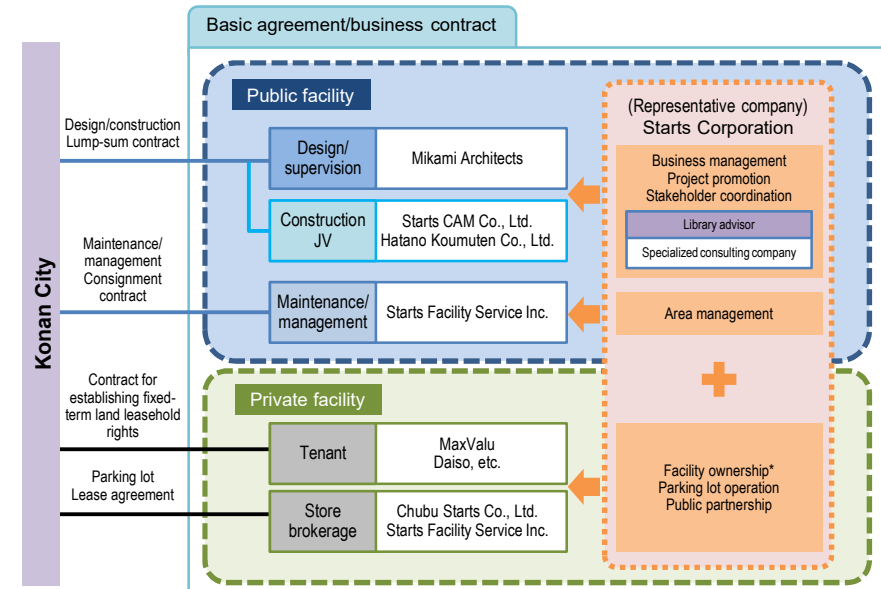
## ■ Hotei Station East Complex Public Facility Development Project <Scheduled to open in April 2023>



Aerial view

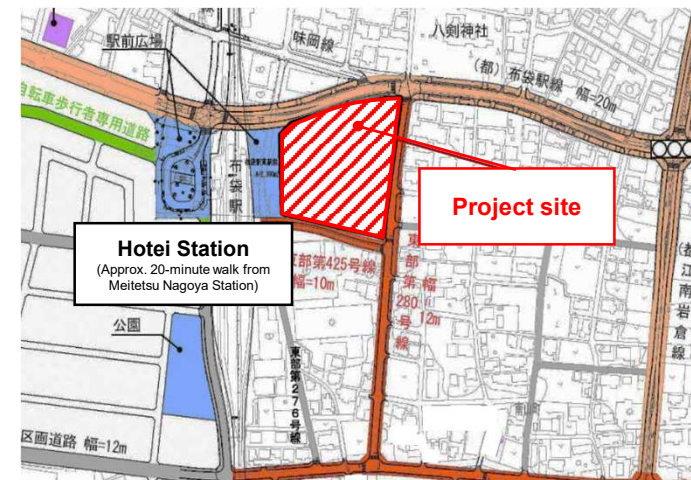
Urban planning road on the north side

### <Project Overview>



### <Property Overview>

Size	: Public facility/4F Private facility/4F
Site area	: Approx. 9,081 m <sup>2</sup>
Total floor area	: Public facility/Approx. 7,497 m <sup>2</sup> Private facility/Approx. 8,152 m <sup>2</sup>
Structure	: Steel-framed
Operation period	: 30 years (Fixed-term land lease)
Use	: Public facilities/library, health center, childcare support center, community space, etc. Private facilities/food supermarket, retail store, nursery school, local community facility (future center), etc.

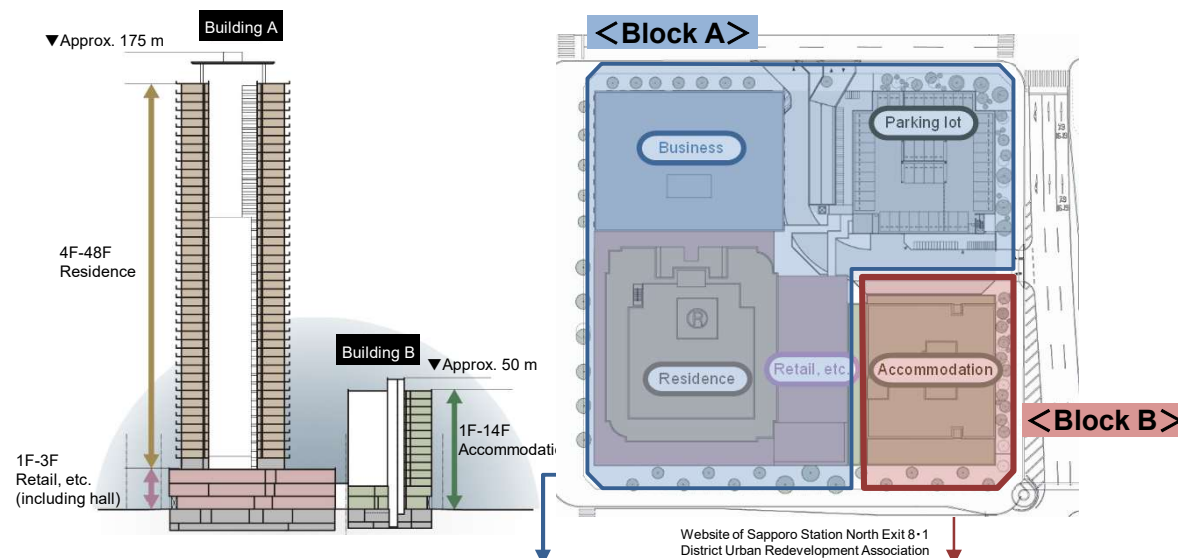
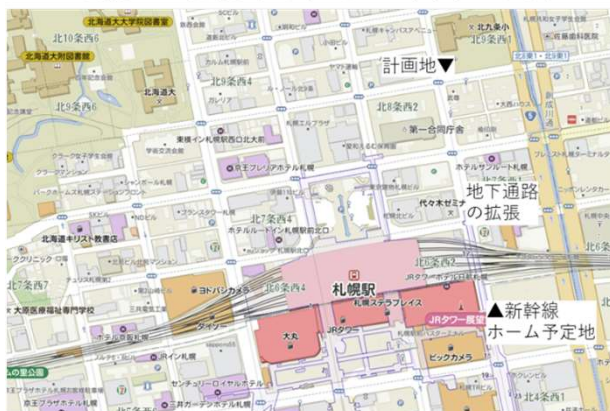


# Case Example of Development by Starts Group IV [Sapporo City, Hokkaido]

## ■ Kita 8 Nishi 1 District Category I Urban Redevelopment Project <Scheduled to open in January 2024>



Location: Kita 8-jo Nishi 1-chome, Kita-ku, Sapporo-shi

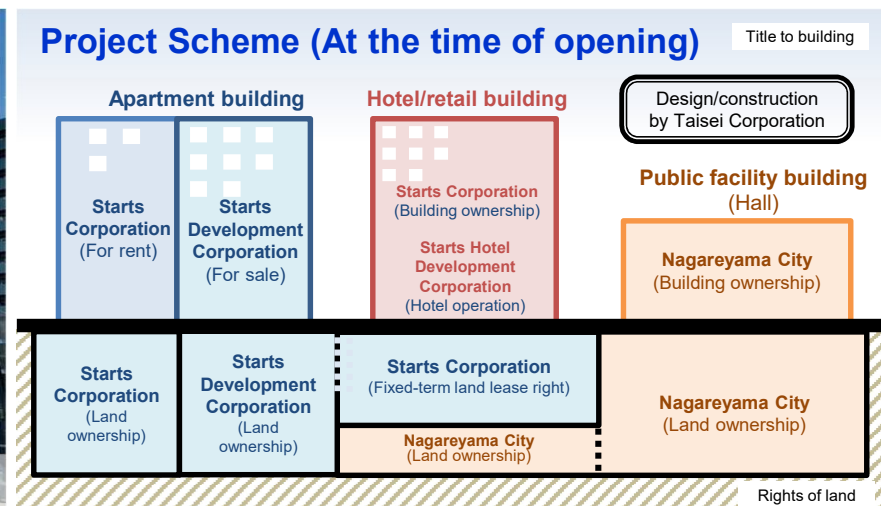


	Block A	Block B
Use	Housing, retail, etc., office parking, etc.	Hotel, retail, etc.
Site area	Approx. 9,710 m <sup>2</sup>	Approx. 1,970 m <sup>2</sup>
Total floor area	Approx. 98,600 m <sup>2</sup>	Approx. 14,430 m <sup>2</sup>
Size	48 floors above ground, 2 floors below ground	14 floors above ground, 1 floor below ground
Height	Approx. 175 m	Approx. 50 m
Constructor	Taisei Corporation, Itogumi Construction Co., Ltd., Starts CAM Co., Ltd., Consortium	
Participating members	Residential building: Daiwa House Industry Co., Ltd. Sumitomo Realty & Development Co., Ltd. Tokyu Land Corporation NIPPO Consortium  Business building: Tokyo Tatemono Co., Ltd.	Accommodation building: Starts Corporation Inc.  Construction period: Start of construction: May 2021 (Start of construction of entire building: Around July 2020) Delivery: October 2023 (schedule) Opening: January 2024 (schedule)  Operation: Emion brand 308 rooms (schedule)

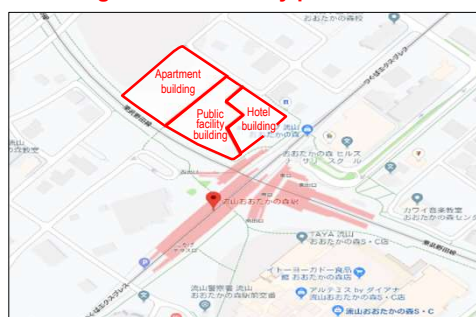


# Case Example of Development by Starts Group V [Nagareyama City, Chiba]

## City-Owned Land Development Project in Front of Nagareyama-Otakanomori Station



### Connecting three facilities by pedestrian deck



The leased space of the apartment building has already been incorporated into the REIT

### Schedule

July 2016	Disclosure of guidelines for applicants
Nov. 2016	Determination of preferred negotiation rights holder
Jan. 2017	Start of construction
Mar. 2017	Conclusion of business contract
Oct. 2018	Hotel building, completed
Dec. 2018	Public facilities building, completed
Jan. 2019	Hotel building, handed off and opened
Feb. 2019	Public facilities building handed off to Nagareyama City
Mar. 2020	Apartment building, completed and handed off

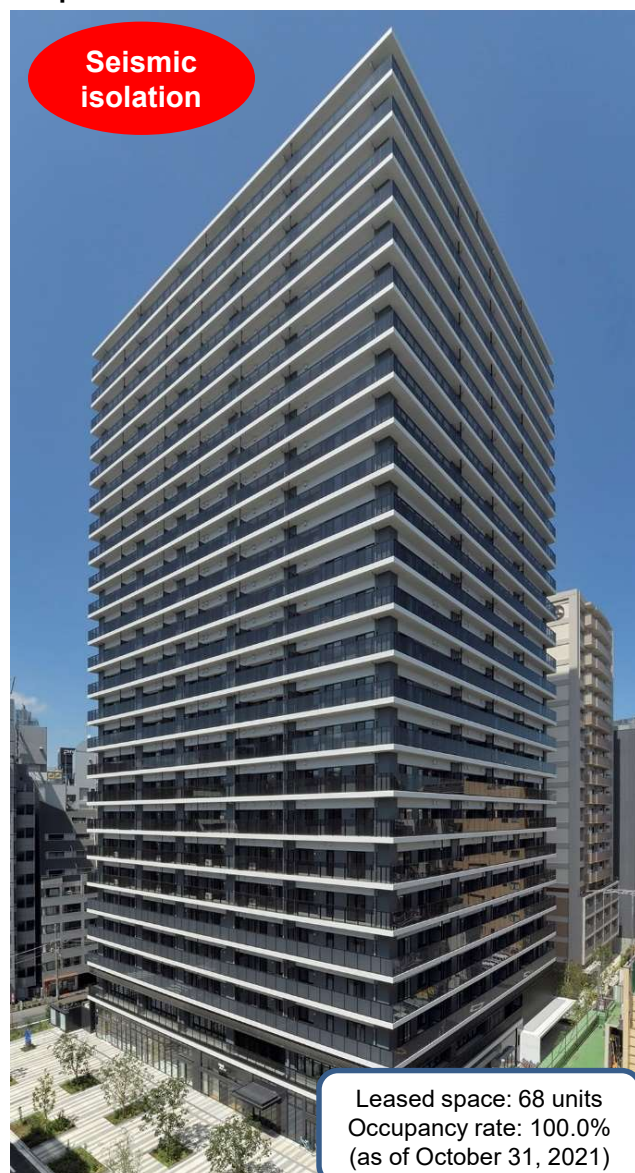
## Property Overview

	Apartment building	Hotel/retail building	Hall/resident service counter
Site area	4,200 m <sup>2</sup>	2,000 m <sup>2</sup>	3,945 m <sup>2</sup>
Building area (m <sup>2</sup> )	1,927 m <sup>2</sup>	1,047 m <sup>2</sup>	2,586 m <sup>2</sup>
Building-to-land ratio (%)	45.90%	52.36%	65.56%
Total floor area	19,393 m <sup>2</sup>	8,161 m <sup>2</sup>	3,493 m <sup>2</sup>
Floor-area ratio	399.97%	392.22%	87.34%
Structure	RC/Base with seismic isolation	Steel-framed	RC (Partial steel-frame structure)
Floors	14 floors above ground and 1 floor below	11 floors above ground, 1 PH floor	2 floors above ground
Maximum height (m)	44.9 m	45.1 m	13.3 m
Size/Features	<ul style="list-style-type: none"> <li>For sale: 192 Units</li> <li>For rent: 49 Units</li> <li>Childcare center</li> </ul>	<ul style="list-style-type: none"> <li>Guest rooms: 167</li> <li>Banquet rooms, large bath and fitness studio</li> <li>Plan to house a café and restaurants</li> </ul>	<ul style="list-style-type: none"> <li>Number of audience seats: 506</li> <li>Movable forward/backward seats</li> <li>Can be used together with the foyer</li> <li>Allocate resident service center and tourist information center that is convenient for users</li> </ul>



# Case Example of Development by Starts Group VI [Chiyoda City, Tokyo]

## ■ Kanda-Higashimatsushitacho Private Residential Building Development Project Alpha Grande Chizakura Tower



### <Property Overview >

Structure/Size	: RC/25F
Completion	: July 2018
Number of units for sale	185 units
Number of leasing units (type)	: 2LDK 45 units; 2SLDK 10 units; 3LDK 10 units; Retail 3 units; Total 68 units
Site area	: 3,428.28 m <sup>2</sup>
Total floor area	: 26,971.61 m <sup>2</sup>
Use	: Apartment, retail, office, living support facility
Zoning	: Commercial district, fire preventive district

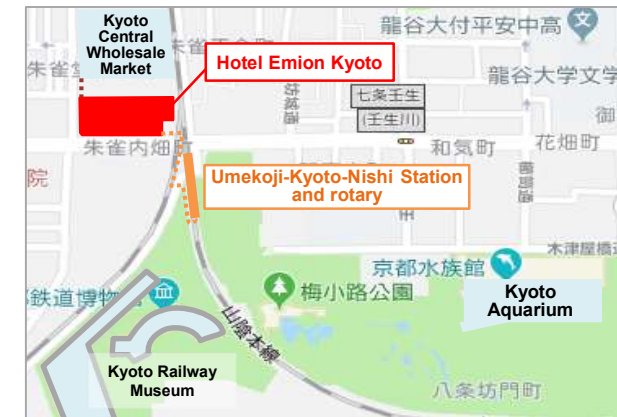


- Kanda-Higashimatsushitacho Private Residential Building Development Project (Alpha Grande Chizakura Tower) is a plan to set a fixed-term land leasehold to private land adjacent to the former lot of Chizakura Elementary School (kuyuchi), develop integrally with business parties and establish condominiums and rental housing primarily for average-income households with a square area to the east and west.
- Starts Corporation was selected as a business partner through a public proposal of Chiyoda City Office in 2010, and the property was completed in July 2018.



## Case Example of Development by Starts Group VII [Kyoto City, Kyoto]

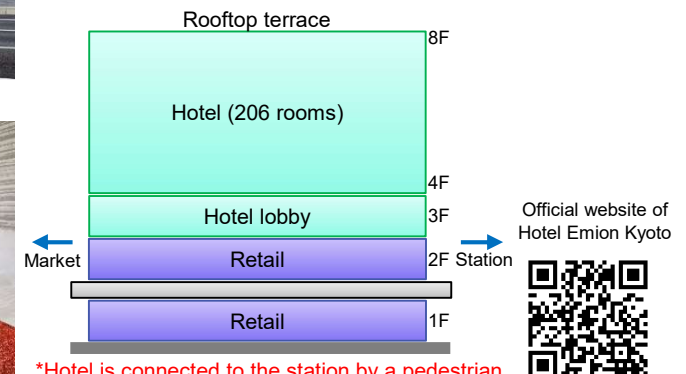
### ■ Project Utilizing “Bustle Zone” at No. 1 Market of Kyoto Central Wholesale Market <Opened on July 23, 2020>



Connected to JR Umekoji-Kyoto-Nishi Station by pedestrian deck

#### <Plan Overview>

Size : 8 floors above ground,  
1 floor below ground, 1 PH floor  
Site area : 4,000 m<sup>2</sup>  
Total floor area : 17,673.71 m<sup>2</sup>  
Use : Hotel, retail facility  
Operation period : 60 years (Fixed-term land lease)



\*Hotel is connected to the station by a pedestrian deck outside the ticket gate

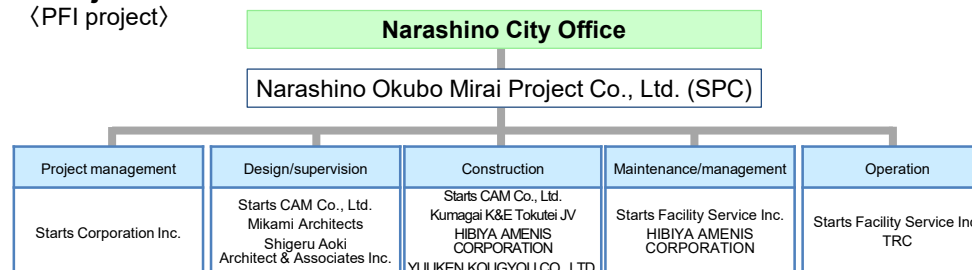


# Case Example of Development by Starts Group VIII [Narashino City, Chiba]

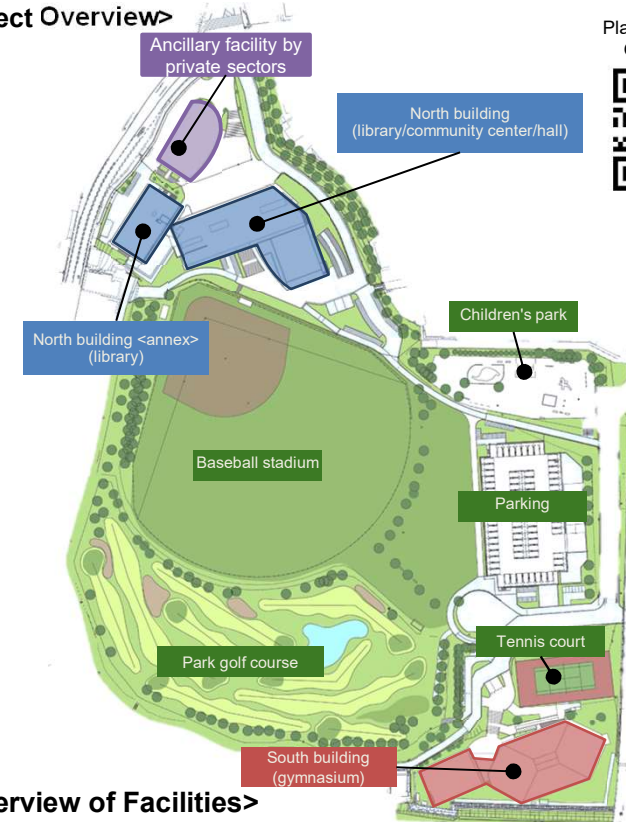
## ■ Revitalization Project of Existing Public Facility in Front of Keisei Okubo Station <Opened on November 2, 2019>



### <Project Execution Structure> <PFI project>



### <Project Overview>



Platz Narashino  
Official HP



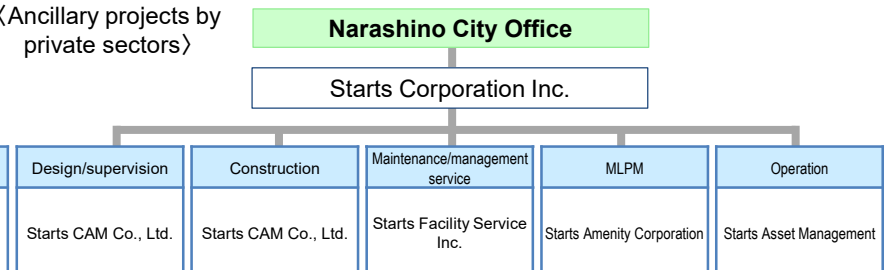
### <Overview of Facilities>

- North building (community center, library, hall)
- South building (arena, kids' space, etc.)
- Park (park golf course, baseball field, parking, open space)
- Facilities by private sectors (rental housing, café, Mini supermarket)

### <Site Overview>

Land for PFI projects : 45,583 m<sup>2</sup>  
Land for ancillary projects by private sectors : 1,337 m<sup>2</sup>

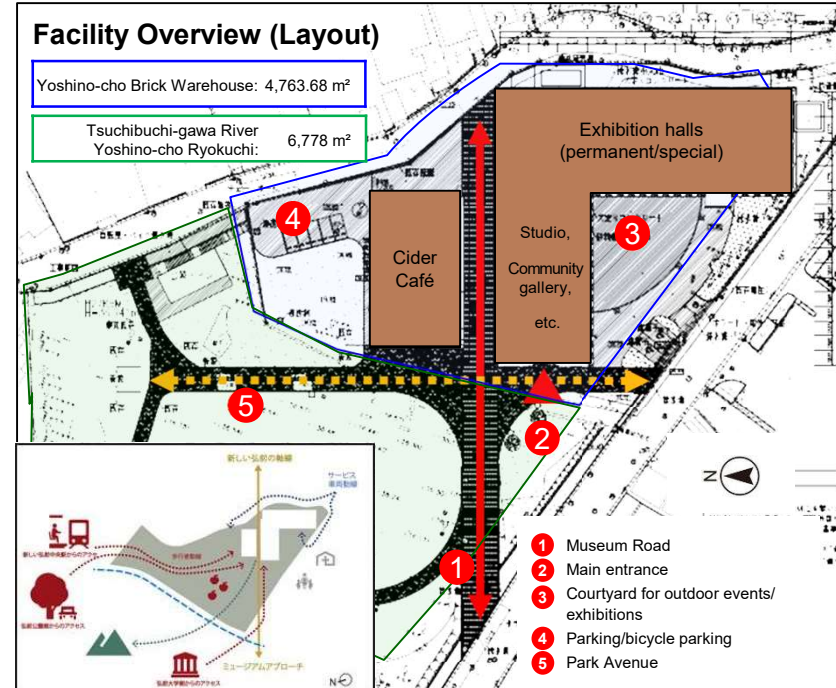
### <Ancillary projects by private sectors>



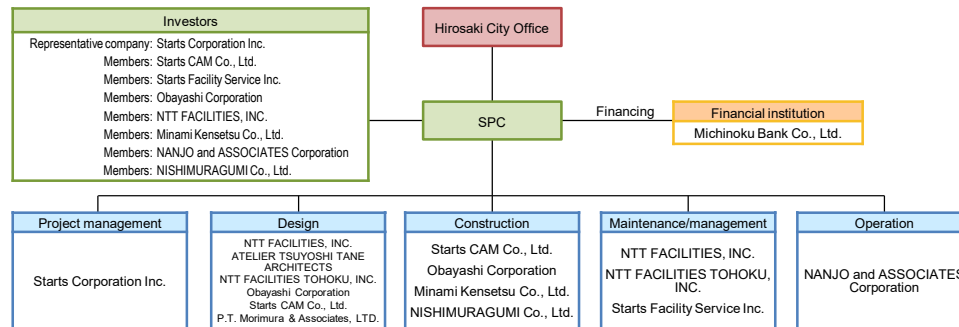


# Case Example of Development by Starts Group IX [Hirosaki City, Aomori]

■ PFI Project for Development of Surrounding Area of Yoshino-cho Ryokuchi in Hirosaki City <Grand opening on July 11, 2020>



## <Project Structure> (PFI project)



## <Ancillary Projects>

Museum shop & café, cider factory

Won the Grand Prix of the French Foreign Architecture Award (Grand Prix AFEX 2021)



# Case Example of Development by Starts Group X [Fuchu City, Narashino City/Creation of Bustling Atmosphere in Local Areas]



LIGHT UP LOBBY  
Official website



## ■ Co-working space with shared kitchen “LIGHT UP LOBBY”

Opened on the 2nd floor of “Hotel Keyaki Gate Tokyo Fuchu”

Provide a space serving as a base of interaction where people gather based on the theme of “brightening life, work and city”



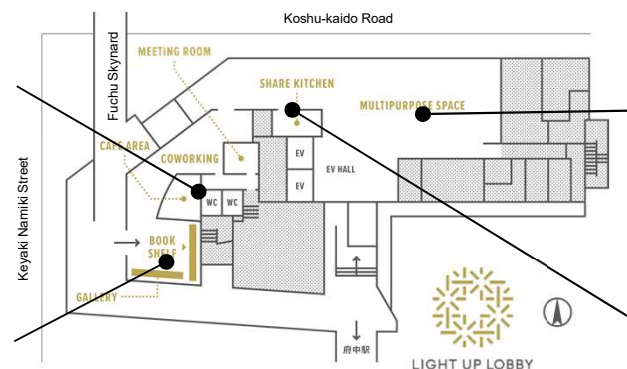
“Co-working space”

High convenience  
offering direct access to  
the station  
Not only monthly use but  
also temporary use is  
possible



“Cafeteria, rental book  
shelf, gallery”

Also exhibit and sell  
books, records and art  
using book shelves and  
walls



“Multipurpose space”

Holding various events at the  
space



“Shared kitchen”

Complete with commercial  
cooking equipment.  
Users can also open stores  
under their own names

## ■ Rental housing for students “LIGHT UP STUDIO”

Adjacent to “Platz Narashino”, a mixed-use facility for lifelong learning in  
Narashino City

Provide an opportunity to learn outside schools to tenants based on the concept of  
“living while learning”

- Prioritize the occupancy by students who are proactively engaged in activities at  
“Platz Narashino”, an adjacent mixed-use facility for lifelong learning, and local  
events and volunteer work
- Intend to promote the interaction among tenants as well as consider planning  
exchange events by establishing a common living and kitchen inside the facility



▲ Common living (above, middle)/Inside living room (below)

“Proceed Keisei Okubo”

(Rental housing for students “LIGHT UP STUDIO”, cafe, mini supermarket)

Revitalization of the flow of people ➡ Creation of bustling atmosphere in local  
areas

Interaction among students and local residents ➡ Expectations over the increase  
in residential population



- ◀ Opened the exterior of the facility  
to the users of public facilities and  
local residents as free passage  
Scheduled to also hold events and  
bazaars



- ◀ Housed a cafe which received  
many requests from the local  
community on the 1st basement  
floor facing Platz Narashino
- ◀ Also introduced a mini  
supermarket which enhances the  
convenience of local residents on  
the 1st floor facing the road



## Case Example of Ongoing Projects by Starts Group

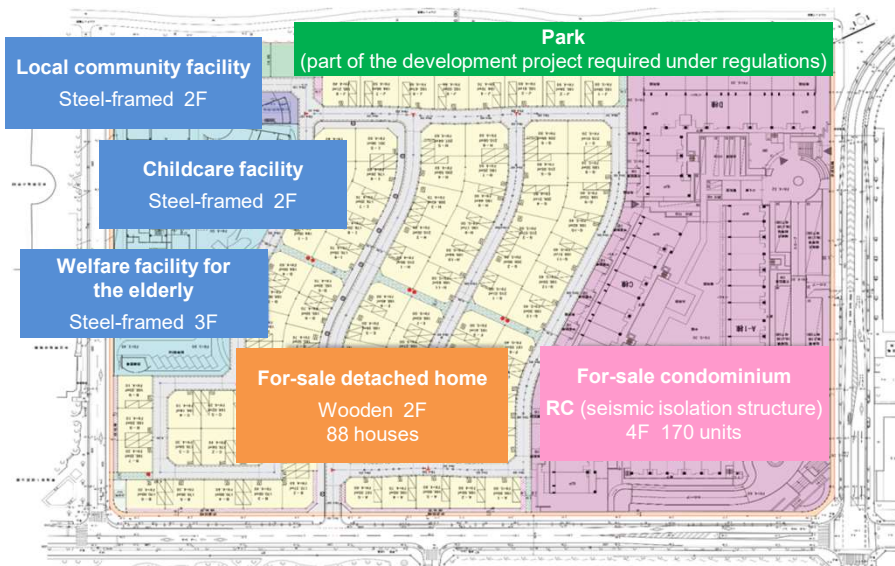
### ■ Project Under Way in Shin-Urayasu: Timeless Town Shin-Urayasu (Urayasu City, Chiba)



#### <Project Overview>

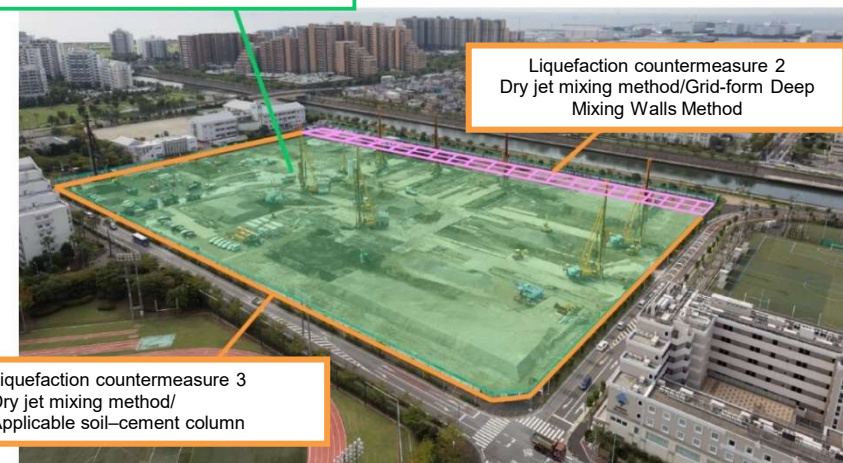
Site area: Approx. 51,900 m<sup>2</sup>

- For-sale condominium: RC/Seismic isolation structure 4F, 170 units
- For-sale detached home: Wooden structure 2F, 88 houses
- Facilities: Welfare facility for the elderly, childcare facility, local community facility



Liquefaction countermeasure 1  
Static sand compaction pile method  
(Approx. 18,000 piles)

Advanced liquefaction countermeasure engineering work

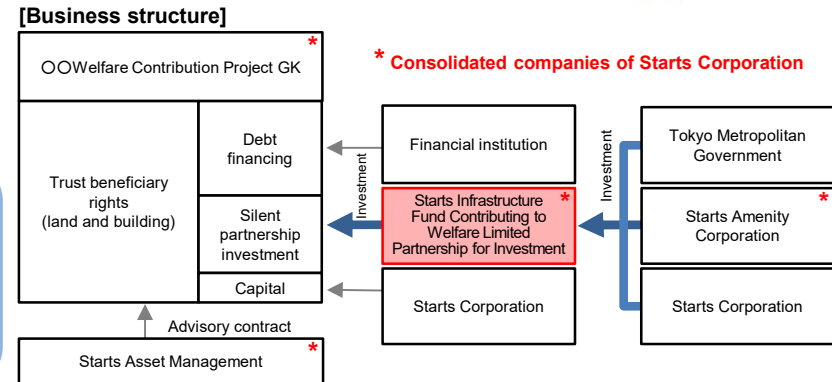




# Case Example of Efforts by Management Company

## Initiatives by Public-Private Partnership Infrastructure Fund for Contributing to Welfare

Starts Group is making efforts in development and promotion of buildings contributing to welfare including childcare support facilities in Tokyo in cooperation with the Tokyo Metropolitan Government.



## Proceed Ryogoku 2



### <Project overview>

Location : 1-chome Midori, Sumida-ku, Tokyo  
 Site area : 444.17 m<sup>2</sup>  
 Structure : RC (seismic isolation)/10F  
 Use : Authorized nursery school  
 Apartment (24 units)  
 Shared house (2 floors for 8 people)  
 Completion : January 2019

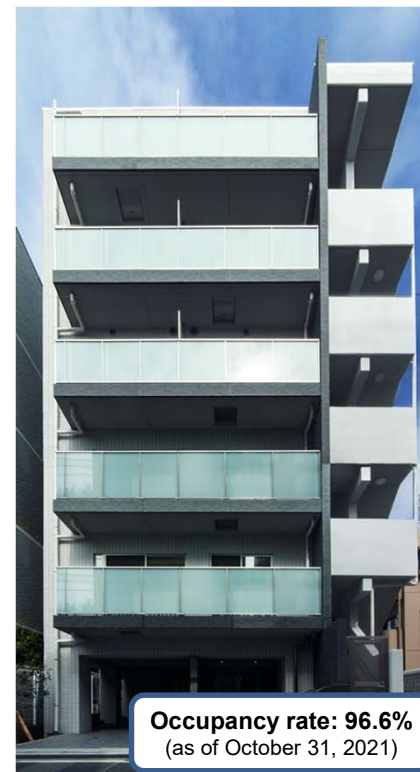
### <Property configuration>

Share-house  
 Share-house  
 Rental housing  
 Rental housing  
 Rental housing  
 Rental housing  
 Rental housing  
 Nursery  
 Nursery  
 Nursery Garage



**Occupancy rate: 97.9%**  
(as of October 31, 2021)

## Proceed Chidoricho



### <Project overview>

Location : 1-chome Chidori, Ota-ku, Tokyo  
 Site area : 364.82 m<sup>2</sup>  
 Structure : RC/6F  
 Use : Authorized nursery school  
 Apartment (11 units)  
 Completion : January 2019

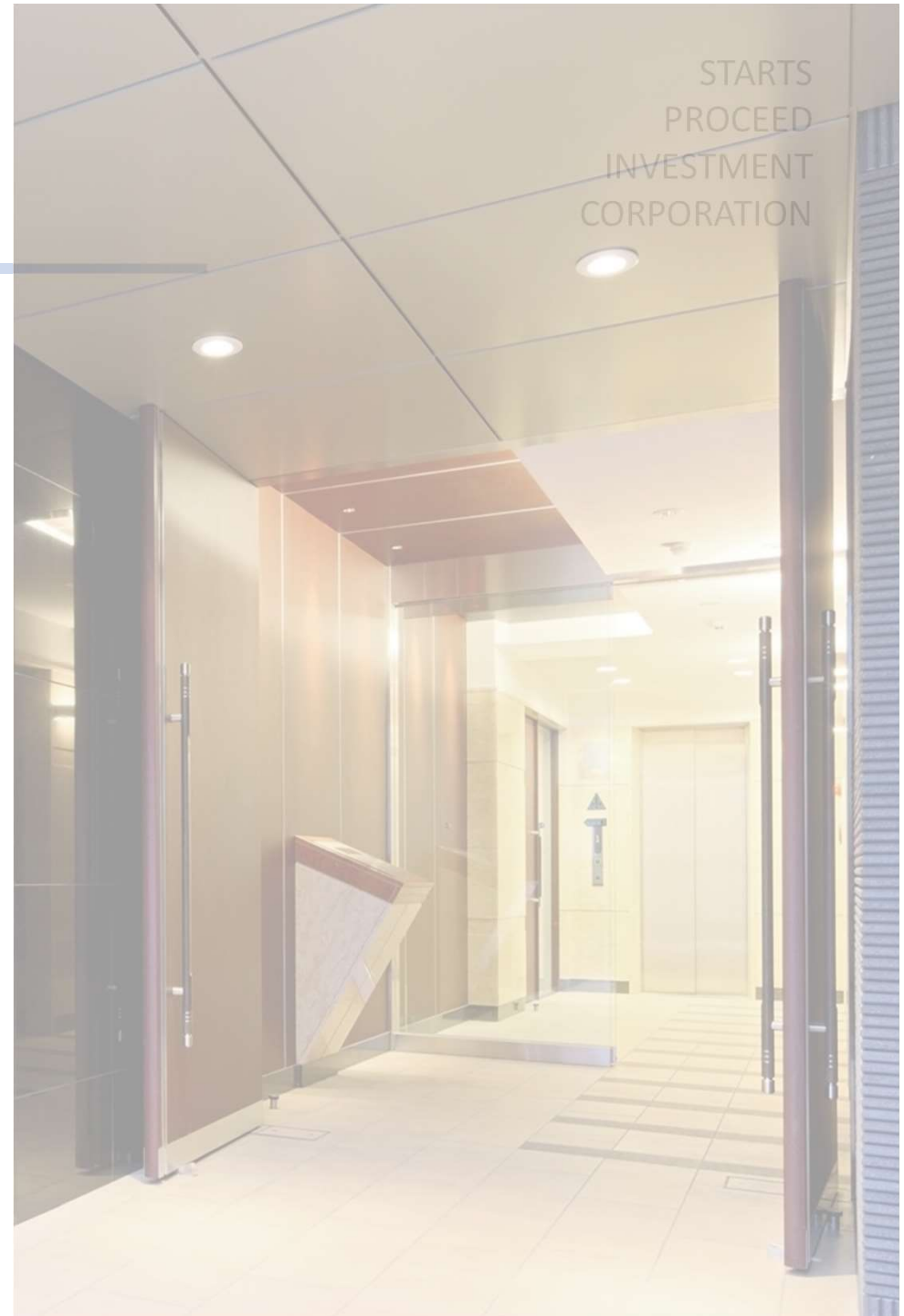
### <Property configuration>

Rental housing  
 Rental housing  
 Rental housing  
 Nursery  
 Nursery  
 Nursery



**Occupancy rate: 96.6%**  
(as of October 31, 2021)

## Reference Materials



# Balance Sheet

(thousand yen)

	31st Fiscal Period As of Apr. 30, 2021	32nd Fiscal Period As of Oct. 31, 2021	Change
<b>Assets</b>			
Current assets			
Cash and deposits	1,389,472	1,558,790	169,318
Cash and deposits in trust	1,920,383	1,981,070	60,686
Operating accounts receivable	31,641	23,835	-7,805
Prepaid expenses	79,859	76,672	-3,186
Consumption taxes receivable	-	8,072	8,072
Other	994	5,144	4,150
<b>Total current assets</b>	<b>3,422,350</b>	<b>3,653,586</b>	<b>231,235</b>
Noncurrent assets			
Property, plant and equipment			
Buildings in trust	46,820,953	46,851,393	30,440
Accumulated depreciation	-10,151,186	-10,627,991	-476,804
Buildings in trust, net	36,669,766	36,223,402	-446,364
Structures in trust	1,286,882	1,287,397	515
Accumulated depreciation	-787,356	-822,940	-35,583
Structures in trust, net	499,525	464,457	-35,068
Machinery and equipment in trust	5,376	5,376	-
Accumulated depreciation	-4,978	-5,107	-128
Machinery and equipment in trust, net	397	268	-128
Tools, furniture and fixtures in trust	473,714	547,811	74,096
Accumulated depreciation	-266,404	-288,872	-22,467
Tools, furniture and fixtures in trust, net	207,310	258,939	51,629
Land in trust	48,688,187	48,967,674	279,487
<b>Total property, plant and equipment</b>	<b>86,065,187</b>	<b>85,914,742</b>	<b>-150,444</b>
Investments and other assets			
Lease and guarantee deposits	10,000	10,000	-
Lease and guarantee deposits in trust	535,874	541,719	5,845
Long-term prepaid expenses	124,870	105,496	-19,373
Deferred tax assets	79	80	0
Other	16,223	17,744	1,521
<b>Total investments and other assets</b>	<b>687,048</b>	<b>675,041</b>	<b>-12,007</b>
<b>Total noncurrent assets</b>	<b>86,752,235</b>	<b>86,589,783</b>	<b>-162,451</b>
Deferred assets			
Investment corporation bonds issuance expenses	17,372	15,191	-2,180
<b>Total deferred assets</b>	<b>17,372</b>	<b>15,191</b>	<b>-2,180</b>
<b>Total assets</b>	<b>90,191,958</b>	<b>90,258,562</b>	<b>66,603</b>

(thousand yen)

	31st Fiscal Period As of Apr. 30, 2021	32nd Fiscal Period As of Oct. 31, 2021	Change
<b>Liabilities</b>			
Current liabilities			
Current portion of long-term loans payable	8,640,000	10,093,500	1,453,500
Operating accounts payable	128,736	234,972	106,236
Accounts payable –other	205,759	207,842	2,083
Accrued expenses	5,396	7,332	1,936
Income taxes payable	1,944	1,956	12
Accrued consumption taxes	15,110	7,169	-7,941
Advances received	1,515	2,210	695
Other	265	393	128
<b>Total current liabilities</b>	<b>8,998,727</b>	<b>10,555,378</b>	<b>1,556,650</b>
Noncurrent liabilities			
Investment corporation bonds	2,000,000	2,000,000	-
Long-term loans payable	35,006,000	33,552,500	-1,453,500
Tenant leasehold and security deposits in trust	685,153	672,884	-12,269
Asset retirement obligation	135,137	136,251	1,114
<b>Total noncurrent liabilities</b>	<b>37,826,291</b>	<b>36,361,636</b>	<b>-1,464,654</b>
<b>Total liabilities</b>	<b>46,825,019</b>	<b>46,917,015</b>	<b>91,995</b>
<b>Net assets</b>			
Unitholders' equity			
Unitholders' capital	42,230,457	42,230,457	-
Deduction from unitholders' capital	-545,913	-545,913	-
Unitholders' capital (net)	41,684,544	41,684,544	-
Surplus			
Voluntary reserves			
Reserve for reduction entry	99,000	99,000	-
Reserve for reduction entry under special provisions for property replacement	400,000	400,000	-
Total voluntary reserves	499,000	499,000	-
Unappropriated retained earnings (undisposed loss)	1,183,395	1,158,003	-25,392
<b>Total surplus</b>	<b>1,682,395</b>	<b>1,657,003</b>	<b>-25,392</b>
<b>Total unitholders' equity</b>	<b>43,366,939</b>	<b>43,341,547</b>	<b>-25,392</b>
<b>Total net assets</b>	<b>43,366,939</b>	<b>43,341,547</b>	<b>-25,392</b>
<b>Total liabilities and net assets</b>	<b>90,191,958</b>	<b>90,258,562</b>	<b>66,603</b>

# Statements of Income/Cash Distributions

## Statements of Income

(thousand yen)

	31st Fiscal Period (From: Nov. 1, 2020 To: Apr. 30, 2021)	32nd Fiscal Period (From: May 1, 2021 To: Oct. 31, 2021)	Change
Operating revenue			
Rent revenue – real estate	3,113,450	3,115,991	2,540
Gain on sales of real estate properties	46,672	61,286	14,613
<b>Total operating revenue</b>	<b>3,160,123</b>	<b>3,177,278</b>	<b>17,154</b>
Operating expenses			
Expenses related to rent business	1,374,418	1,382,510	8,091
Asset management fee	261,041	263,581	2,539
Asset custody fee	8,480	8,480	-0
Administrative service fees	27,033	25,667	-1,366
Directors' compensations	1,200	1,200	-
Other operating expenses	124,985	124,896	-89
<b>Total operating expenses</b>	<b>1,797,159</b>	<b>1,806,335</b>	<b>9,175</b>
<b>Operating income</b>	<b>1,362,963</b>	<b>1,370,942</b>	<b>7,979</b>
Non-operating income			
Interest income	16	16	-0
Insurance income	8,300	5,555	-2,745
Reversal of distribution payable	958	1,000	41
<b>Total non-operating income</b>	<b>9,275</b>	<b>6,571</b>	<b>-2,703</b>
Non-operating expenses			
Interest expenses	162,311	168,949	6,638
Interest expenses on investment corporation bonds	4,708	5,147	439
Amortization of investment corporation bond issuance costs	2,180	2,180	-
Borrowing related expenses	39,404	40,743	1,338
Other	465	565	99
<b>Total non-operating expenses</b>	<b>209,071</b>	<b>217,586</b>	<b>8,515</b>
<b>Ordinary income</b>	<b>1,163,168</b>	<b>1,159,927</b>	<b>-3,240</b>
Extraordinary income			
Compensation received	22,113	-	-22,113
<b>Total extraordinary income</b>	<b>22,113</b>	<b>-</b>	<b>-22,113</b>
<b>Income before income taxes</b>	<b>1,185,281</b>	<b>1,159,927</b>	<b>-25,353</b>
Income taxes – current	1,946	1,958	12
Income taxes – deferred	0	-0	-1
<b>Total income taxes</b>	<b>1,947</b>	<b>1,958</b>	<b>10</b>
<b>Net income</b>	<b>1,183,334</b>	<b>1,157,969</b>	<b>-25,364</b>
Retained earnings brought forward	61	33	-28
<b>Unappropriated retained earnings</b>	<b>1,183,395</b>	<b>1,158,003</b>	<b>-25,392</b>

## (1) “Real estate rent revenue”

(thousand yen)

	31st Fiscal Period (From: Nov. 1, 2020 To: Apr. 30, 2021)	32nd Fiscal Period (From: May 1, 2021 To: Oct. 31, 2021)	Change
Rent	2,699,690	2,716,070	16,380
Common area maintenance charges	184,202	185,975	1,773
Parking revenue	85,451	84,772	-679
Incidental revenue	1,589	1,643	54
Other lease business revenue	142,516	127,529	-14,987
<b>Total</b>	<b>3,113,450</b>	<b>3,115,991</b>	<b>2,541</b>

## (2) “Expenses related to rent business”

(thousand yen)

	31st Fiscal Period (From: Nov. 1, 2020 To: Apr. 30, 2021)	32nd Fiscal Period (From: May 1, 2021 To: Oct. 31, 2021)	Change
Management expenses	200,876	205,024	4,148
Repair expenses	87,057	107,744	20,687
Real estate taxes	182,199	180,386	-1,813
Trust fees	34,871	34,269	-602
Utilities expenses	49,269	45,822	-3,447
Nonlife insurance expenses	7,775	7,605	-170
Depreciation and amortization	650,181	647,919	-2,262
Other lease business expenses	162,185	153,737	-8,448
<b>Total</b>	<b>1,374,418</b>	<b>1,382,510</b>	<b>8,092</b>

## Cash Distributions

	31st Fiscal Period (From: Nov. 1, 2020 To: Apr. 30, 2021)	32nd Fiscal Period (From: May 1, 2021 To: Oct. 31, 2021)	Change
I. Unappropriated retained earnings	1,183,395,764 yen	1,158,003,138 yen	-25,392,626 yen
II. Amount of distributions	1,183,362,151 yen	1,157,984,451 yen	-25,377,700 yen
(Amount of distribution per investment unit)	(4,663 yen)	(4,563 yen)	(-100 yen)
III. Retained earnings carried forward	33,613 yen	18,687 yen	-14,926 yen

# Status of Interest-Bearing Liabilities I (As of October 31, 2021)

## ■ Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 32nd FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
Resona Bank, Limited	May 24, 2016	763,500	0.87499	May 24, 2022	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2B
Aozora Bank, Ltd.		520,000						
Sumitomo Mitsui Banking Corporation		408,500						
The Chiba Bank, Ltd.		387,500						
The Musashino Bank, Ltd.		387,500						
Mizuho Bank, Ltd.		158,500						
ORIX Bank Corporation		130,000						
Sumitomo Mitsui Trust Bank, Limited		56,500						
Mizuho Trust & Banking Co., Ltd.		50,000						
The Kagawa Bank, Ltd.		11,500						
<b>Subtotal</b>		2,873,500						
Resona Bank, Limited	May 24, 2016	763,500	0.93499	May 24, 2023	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2C
Aozora Bank, Ltd.		520,000						
Sumitomo Mitsui Banking Corporation		408,500						
The Chiba Bank, Ltd.		387,500						
The Musashino Bank, Ltd.		387,500						
Mizuho Bank, Ltd.		158,500						
ORIX Bank Corporation		130,000						
Sumitomo Mitsui Trust Bank, Limited		56,500						
Mizuho Trust & Banking Co., Ltd.		50,000						
The Kagawa Bank, Ltd.		11,500						
<b>Subtotal</b>		2,873,500						
Resona Bank, Limited	Dec. 9, 2016	1,105,000	0.40499	May 24, 2021	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2H
Aozora Bank, Ltd.		1,061,000						
Mizuho Bank, Ltd.		917,000						
The Musashino Bank, Ltd.		480,000						
The Chiba Bank, Ltd.		460,000						
The Kagawa Bank, Ltd.		152,000						
Sumitomo Mitsui Trust Bank, Limited		145,000						
<b>Subtotal</b>		4,320,000						

## Status of Interest-Bearing Liabilities II (As of October 31, 2021)

### ■ Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 32nd FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
Mizuho Bank, Ltd.	May 24, 2017	1,090,000	0.75499	Nov. 24, 2022	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2I
The Chiba Bank, Ltd.		500,000						
The Nishi-Nippon City Bank, Ltd.		500,000						
Sumitomo Mitsui Banking Corporation		500,000						
The Musashino Bank, Ltd.		500,000						
Resona Bank, Limited		385,000						
Higashi-Nippon Bank, Ltd.		250,000						
Aozora Bank, Ltd.		215,000						
ORIX Bank Corporation		150,000						
Mizuho Trust & Banking Co., Ltd.		100,000						
<b>Subtotal</b>		4,190,000						
The Bank of Yokohama, Ltd.	Nov. 24, 2017	1,000,000	0.78499	Nov. 24, 2023	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2J
Resona Bank, Limited		519,000						
Mizuho Bank, Ltd.		479,000						
Sumitomo Mitsui Banking Corporation		479,000						
The Chiba Bank, Ltd.		415,000						
The Musashino Bank, Ltd.		415,000						
Aozora Bank, Ltd.		321,000						
Sumitomo Mitsui Trust Bank, Limited		171,000						
ORIX Bank Corporation		167,000						
The Kagawa Bank, Ltd.		34,000						
<b>Subtotal</b>		4,000,000						
Resona Bank, Limited	Dec.15, 2017	650,000	0.68499	May 24, 2022	Lump-sum repayment on repayment date	Funds for acquisition of AUM	Unsecured Unguaranteed	Term Loan 2K
Aozora Bank, Ltd.		600,000						
Mizuho Bank, Ltd.		600,000						
Sumitomo Mitsui Banking Corporation		600,000						
Sumitomo Mitsui Trust Bank, Limited		150,000						
The Kagawa Bank, Ltd.		100,000						
Higashi-Nippon Bank		100,000						
Mizuho Trust & Banking Co., Ltd		100,000						
<b>Subtotal</b>		2,900,000						
Resona Bank, Limited	May 25, 2018	727,000	0.78499	May 24, 2024	Lump-sum repayment on repayment date	Part of funds for refinancing and acquisition of AUM	Unsecured Unguaranteed	Term Loan 2L
Aozora Bank, Ltd.		450,000						
The Bank of Kyoto, Ltd.		400,000						
Mizuho Bank, Ltd.		299,000						
Sumitomo Mitsui Banking Corporation		299,000						
The Chiba Bank, Ltd.		259,000						
The Musashino Bank, Ltd.		259,000						
Sumitomo Mitsui Trust Bank, Limited		107,000						
The Kagawa Bank, Ltd.		100,000						
<b>Subtotal</b>		2,900,000						



## Status of Interest-Bearing Liabilities III (As of October 31, 2021)

### ■ Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 32nd FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
Aozora Bank, Ltd.	Nov. 22, 2018	1,089,000	0.93000 (Note 2)	Nov. 22, 2024	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2M
Resona Bank, Limited		825,000						
The Chiba Bank, Ltd.		382,000						
The Musashino Bank, Ltd.		382,000						
Mizuho Bank, Ltd.		357,000						
The Kagawa Bank, Ltd.		325,000						
Sumitomo Mitsui Banking Corporation		241,000						
Sumitomo Mitsui Trust Bank, Limited		99,000						
<b>Subtotal</b>		3,700,000						
Aozora Bank, Ltd.	May 24, 2019	831,000	0.86000 (Note 2)	May 23, 2025	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2N
Resona Bank, Limited		635,000						
The Chiba Bank, Ltd.		356,000						
The Musashino Bank, Ltd.		356,000						
The Kagawa Bank, Ltd.		303,000						
Mizuho Bank, Ltd.		250,000						
Sumitomo Mitsui Banking Corporation		225,000						
Sumitomo Mitsui Trust Bank, Limited		93,000						
<b>Subtotal</b>		3,049,000						
Resona Bank, Limited	Nov. 25, 2019	449,000	0.87000 (Note 2)	Nov. 25, 2025	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2O
Aozora Bank, Ltd.		278,000						
Mizuho Bank, Ltd.		189,000						
Sumitomo Mitsui Banking Corporation		189,000						
The Chiba Bank, Ltd.		163,000						
The Musashino Bank, Ltd.		163,000						
Sumitomo Mitsui Trust Bank, Limited		69,000						
<b>Subtotal</b>		1,500,000						
Resona Bank, Limited	May 22, 2020	1,095,000	0.92000 (Note 2)	May 22, 2026	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2P
Aozora Bank, Ltd.		1,060,000						
Mizuho Bank, Ltd.		917,000						
The Musashino Bank, Ltd.		480,000						
The Chiba Bank, Ltd.		470,000						
The Kagawa Bank, Ltd.		152,000						
Sumitomo Mitsui Trust Bank, Limited		146,000						
<b>Subtotal</b>		4,320,000						

# Status of Interest-Bearing Liabilities IV (As of October 31, 2021)

## ■ Long-Term Loans Payable

Lender	Drawdown date	Balance at end of 32nd FP (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks	Name
Aozora Bank, Ltd.	Nov. 24, 2020	790,000	0.90000 (Note 2)	Nov. 24, 2026	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2Q
Resona Bank, Limited		590,000						
The Chiba Bank, Ltd.		286,000						
The Musashino Bank, Ltd.		286,000						
Mizuho Bank, Ltd.		248,000						
The Kagawa Bank, Ltd.		244,000						
Sumitomo Mitsui Banking Corporation		181,000						
Sumitomo Mitsui Trust Bank, Limited		75,000						
<b>Subtotal</b>		2,700,000						
Resona Bank, Limited	May 24, 2021	547,500	0.50526	May 24, 2023	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2R
Aozora Bank, Ltd.		530,000						
Mizuho Bank, Ltd.		458,000						
The Musashino Bank, Ltd.		240,000						
The Chiba Bank, Ltd.		235,000						
The Kagawa Bank, Ltd.		76,000						
Sumitomo Mitsui Trust Bank, Limited		72,500						
<b>Subtotal</b>		2,159,000						
Resona Bank, Limited	May 24, 2021	548,000	0.56526	May 24, 2024	Lump-sum repayment on repayment date	Refinancing	Unsecured Unguaranteed	Term Loan 2S
Aozora Bank, Ltd.		530,500						
Mizuho Bank, Ltd.		459,000						
The Musashino Bank, Ltd.		240,000						
The Chiba Bank, Ltd.		235,000						
The Kagawa Bank, Ltd.		76,000						
Sumitomo Mitsui Trust Bank, Limited		72,500						
<b>Subtotal</b>		2,161,000						
<b>Total</b>		43,646,000						

(Note 1) Average interest rate is the weighted average for the period, rounded to the fifth decimal place.

(Note 2) As an interest rate swap agreement has been concluded for the purpose of hedging the risk of interest rate fluctuations, the fixed interest rate is shown.

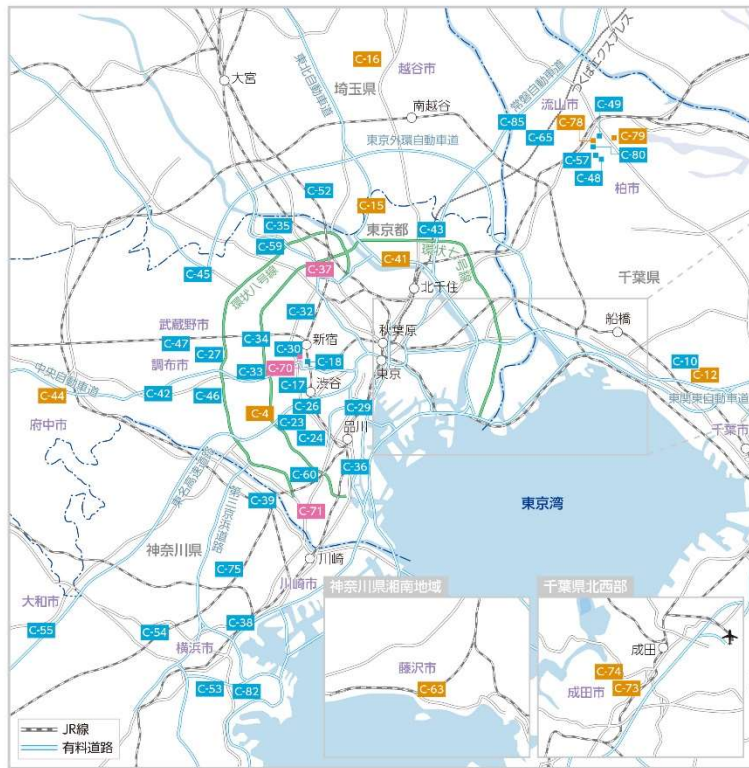
Investment corporation bonds	Issue date	Balance at end of 32nd FP (thousand yen)	Interest rate (%)	Use	Redemption date	Overview
First Series Unsecured Investment Corporation Bond	November 18, 2019	1,000,000	0.47	Refinancing deposits	November 18, 2024	Unsecured and unguaranteed
Second Series Unsecured Investment Corporation Bond	November 19, 2020	1,000,000	0.54	Refinancing deposits	November 19, 2025	Unsecured and unguaranteed
<b>Total</b>		2,000,000				

**Total interest-bearing liabilities (loans + investment corporation bonds)**

**45,646,000 thousand yen**

# Portfolio Map (As of October 31, 2021)

## ■ Cities Surrounding Tokyo



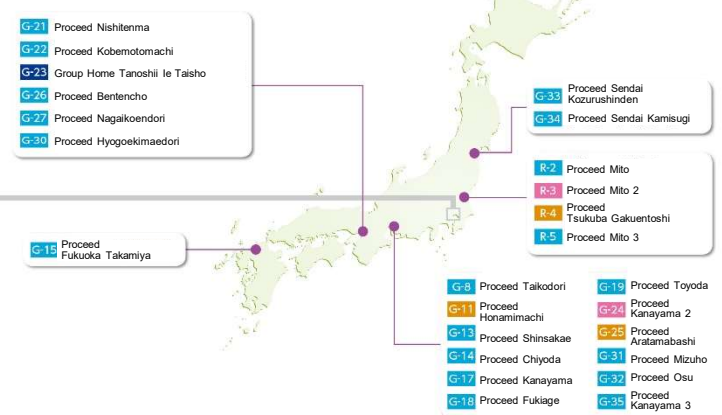
C-4 Proceed Sangenjaya	C-32 Proceed Takadanobaba	C-46 Proceed Chitosekarasuyama	C-70 Proceed Nishi Shinjuku
C-10 Proceed Makuharinhongo	C-33 Proceed Shinkoenji	C-47 Proceed Mitaka	C-71 Proceed Unoki
C-12 Proceed Makuharinhongo 2	C-34 Proceed Koenjiminami	C-48 Proceed Kashiwa Est	C-72 Proceed CO-Z East Building
C-15 Proceed Takenozuka	C-35 Proceed Hasune	C-49 Proceed Kashiwa Nord	C-73 Proceed CO-Z West Building
C-16 Proceed Sengendai 2	C-36 Proceed Oimachi	C-52 Proceed Nishikawaguchi	C-75 Proceed Shin Yokohama
C-17 Proceed Shoto	C-37 Proceed Jujo	C-53 Proceed Gomyoji	C-76 Proceed K2
C-18 Proceed Sangubashi	C-38 Proceed Hakuraku	C-54 Proceed Tsurugamine	C-77 Proceed K3 Annex
C-23 Proceed Toritsudaigaku	C-39 Proceed Shinmaruko	C-55 Proceed Sagamiotsuka	C-80 Proceed K5
C-24 Proceed Toritsudaigaku 2	C-41 Proceed Nishiarai	C-57 Proceed Kashiwa Trois	C-82 The Parkhio Yokohamayamate
C-26 Proceed Meguro Aobadai	C-42 Proceed Chofu	C-59 Proceed Tobu Nerima	C-85 Proceed Nagareyama Otakanomori
C-27 Proceed Suginami Miyamae	C-43 Proceed TX Rokucho	C-60 Proceed Yukigaya	
C-29 Proceed Mita	C-44 Proceed Nakagawara	C-63 Proceed Fujisawa Kugenuma	
C-30 Proceed Nakanoshimbashi	C-45 Proceed Otsumigakuen	C-65 Proceed TX Nagareyama Central Park	

## Enlarged map of Tokyo and the surrounding area



C-1 Proceed Ichikawa	C-19 Proceed Urayasu	C-61 Proceed Ichikawa Minami	C-77 Proceed Kinshicho
C-2 Proceed Toyocho	C-20 Proceed Shinkoiwa	C-62 Proceed Ichikawa Myoden	C-81 Proceed Ichikawa Myoden II
C-3 Proceed Kasai	C-25 Proceed Honjozumabashi	C-64 Proceed Nihonbashi-horidomecho	C-83 Proceed Monzenakacho
C-5 Proceed Mizue	C-28 Proceed Ryogoku	C-66 Proceed Gytoku 2	C-84 Proceed Maihama
C-6 Proceed Funabashi Miyamoto	C-31 Proceed Kametido	C-67 Proceed Nishikasai	C-86 Proceed Shinkawa NEW
C-7 Proceed Minamikasai	C-50 Proceed Gytokuekime	C-68 Proceed Kasai 2	
C-9 Proceed Gytoku	C-51 Proceed Funabashi Honcho	C-69 Proceed Nihonbashi Honcho	
C-11 Proceed Minamigyotoku	C-56 Proceed Shinozaki 2	C-72 Proceed Minamigyotoku 2	
C-14 Proceed Funabari	C-58 Proceed Shinozaki Tower	C-76 Life Support Residence Funaboriekime	

## ■ Cabinet Order-Designated Cities / Regional Area Major Cities



Acquired assets	Single	DINKS	Family	Facility for the elderly
Assets Acquired in 32nd Fiscal Period	NEW	DINKS		

# Portfolio Policy and the Status as of the End of the 32nd FP

## ■ Portfolio Policy and the Status as of the End of the 32nd FP

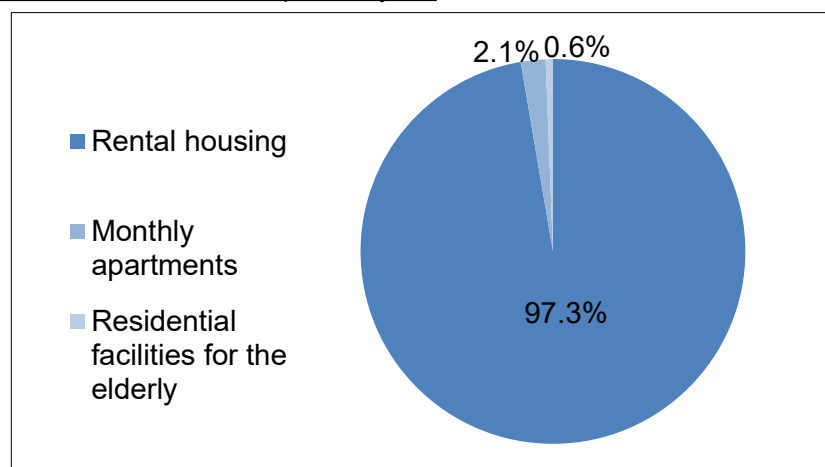
Portfolio policy by use (Note)

Investment target	Characteristics	Price ratio
Rental housing	Regular rental housing for singles, DINKS, families, etc.	70% or more
Monthly apartments	Rental housing with furniture that accepts short-term contracts such as a monthly contract.	25% or less
Serviced apartments	Rental housing with furniture that provides services such as linen changes.	
Hotels	Primarily hotels specialized in lodging, etc.	10% or less
Residential facilities for the elderly	Rental housing in the form of paid nursing homes, etc., and insurance-covered nursing care facilities such as elderly nursing welfare facilities, etc.	
Others	Property developments, etc., through PFI, PPP, and urban redevelopment work, etc. which are not targeted for any of such uses as rental housing, etc. and have been constructed and designed, etc. through the real estate consulting business concurrently conducted by the Asset Management Company.	25% or less

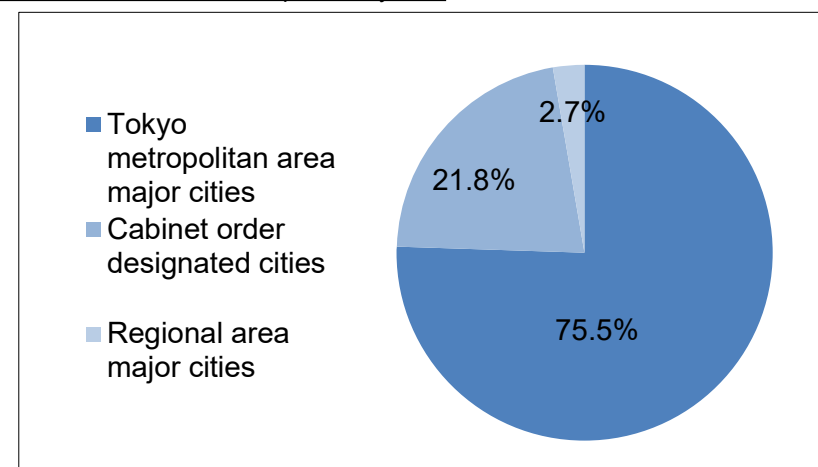
Portfolio policy by area (Note)

Area category	Price ratio
Tokyo metropolitan area major cities	70% or more
Cabinet order designated cities (excluding cities included in the above.)	20% or less
Regional area major cities (prefectural capitals, etc.) (excluding cities included in the above.)	10% or less

As of the end of 32nd fiscal period: By use



As of the end of 32nd fiscal period: By area



(Note) Price ratio is calculated by dividing subtotal of acquisition prices in each category by total acquisition price of entire portfolio. Moreover, actual price ratios may not meet the target ratios due to economic climate, real estate market conditions and other factors.

# Portfolio List I (As of October 31, 2021)



Property No. (Note 1)	Property name	Location	Acquisition price (thousand yen)	Investment share (%) (Note 2)	Carrying amount (thousand yen)	Real estate appraisal value or research price (thousand yen)	Gross leasable area (m <sup>2</sup> )	Leased area (m <sup>2</sup> )	Total number of leasable units (units) (Note 3)	Period-end occupancy rate (%) (Note 4)	PML (%)	Construction completion (Note 5)
C-1	Proceed Ichikawa	Ichikawa-shi, Chiba	1,076,000	1.2	997,449	1,410,000	3,322.17	3,259.12	50	98.1	5.9	April 1, 1997
C-2	Proceed Toyochō	Koto-ku, Tokyo	646,700	0.7	566,001	912,000	1,085.56	1,085.56	45	100.0	8.6	January 31, 2003
C-3	Proceed Kasai	Edogawa-ku, Tokyo	688,700	0.8	590,939	848,000	1,243.80	1,243.80	57	100.0	5.1	March 1, 2003
C-4	Proceed Sangenjaya	Setagaya-ku, Tokyo	555,900	0.6	616,118	631,000	1,019.27	1,019.27	9	100.0	9.3	June 29, 1990
C-5	Proceed Mizue	Edogawa-ku, Tokyo	602,600	0.7	613,835	789,000	2,076.68	1,929.26	28	92.9	7.0	June 20, 1991
C-6	Proceed Funabashi Miyamoto	Funabashi-shi, Chiba	419,900	0.5	441,212	589,000	1,685.73	1,611.50	33	95.6	4.7	June 24, 1991
C-7	Proceed Minamikasai	Edogawa-ku, Tokyo	303,500	0.3	320,576	312,000	1,045.28	1,045.28	16	100.0	10.4	March 12, 1993
C-9	Proceed Gyotoku	Ichikawa-shi, Chiba	315,600	0.4	339,490	350,000	1,218.56	1,218.56	20	100.0	6.7	March 15, 1988
C-10	Proceed Makuharihongo	Chiba-shi, Chiba	279,300	0.3	269,928	322,000	963.00	934.50	34	97.0	8.7	February 22, 1989
C-11	Proceed Minamigyotoku	Ichikawa-shi, Chiba	287,300	0.3	294,897	337,000	838.95	838.95	26	100.0	6.8	February 6, 1990
C-12	Proceed Makuharihongo 2	Chiba-shi, Chiba	223,400	0.3	227,358	247,000	1,104.84	1,104.84	22	100.0	4.8	September 24, 1989
C-14	Proceed Funabori	Edogawa-ku, Tokyo	226,100	0.3	233,839	247,000	479.52	399.60	24	83.3	7.3	October 11, 1991
C-15	Proceed Takenozuka	Adachi-ku, Tokyo	169,400	0.2	169,705	249,000	860.55	860.55	15	100.0	3.4	March 10, 1994
C-16	Proceed Sengendai 2	Koshigaya-shi, Saitama	86,700	0.1	90,170	113,000	695.81	695.81	12	100.0	3.3	April 3, 1991
C-17	Proceed Shoto	Shibuya-ku, Tokyo	937,400	1.1	872,568	997,000	890.22	809.19	40	90.9	5.3	November 18, 2005
C-18	Proceed Sangubashi	Shibuya-ku, Tokyo	497,600	0.6	478,223	508,000	527.88	487.38	26	92.3	7.0	July 22, 2005
C-19	Proceed Urayasu	Urayasu-shi, Chiba	431,400	0.5	454,187	456,000	1,786.58	1,786.58	21	100.0	7.8	June 4, 1992
C-20	Proceed Shinkoiwa	Edogawa-ku, Tokyo	465,200	0.5	493,416	553,000	1,629.07	1,629.07	27	100.0	7.1	March 15, 1991
C-23	Proceed Toritsudaigaku	Meguro-ku, Tokyo	790,400	0.9	759,873	836,000	808.65	744.81	37	92.1	8.3	March 13, 2006
C-24	Proceed Toritsudaigaku 2	Meguro-ku, Tokyo	772,200	0.9	720,865	859,000	831.74	831.74	36	100.0	7.8	September 7, 2006
C-25	Proceed Honjoazumabashi	Sumida-ku, Tokyo	339,800	0.4	289,405	476,000	570.53	570.53	19	100.0	6.7	July 7, 2006
C-26	Proceed Meguro Aobadai	Meguro-ku, Tokyo	466,700	0.5	448,263	466,000	485.15	485.15	24	100.0	11.6	March 27, 2003
C-27	Proceed Suginami Miyamae	Suginami-ku, Tokyo	454,900	0.5	421,771	485,000	680.50	680.50	29	100.0	7.1	January 26, 2004
C-28	Proceed Ryogoku	Sumida-ku, Tokyo	443,900	0.5	420,595	600,000	702.54	702.54	27	100.0	6.9	March 15, 2003
C-29	Proceed Mita	Minato-ku, Tokyo	1,537,200	1.7	1,401,215	1,660,000	1,500.57	1,500.57	72	100.0	8.7	February 6, 2006
C-30	Proceed Nakanoshimbashi	Nakano-ku, Tokyo	638,800	0.7	664,578	700,000	849.08	849.08	50	100.0	10.4	September 24, 1992
C-31	Proceed Kameido	Koto-ku, Tokyo	339,000	0.4	343,639	346,000	853.98	853.98	23	100.0	7.6	March 23, 1994
C-32	Proceed Takadanobaba	Shinjuku-ku, Tokyo	223,700	0.3	248,165	278,000	278.36	278.36	17	100.0	13.8	October 24, 1991
C-33	Proceed Shinkoenji	Suginami-ku, Tokyo	742,100	0.8	772,261	894,000	1,040.24	1,040.24	57	100.0	10.0	August 31, 1990
C-34	Proceed Koenjiminami	Suginami-ku, Tokyo	277,400	0.3	306,255	251,000	337.05	337.05	20	100.0	11.7	October 2, 1989
C-35	Proceed Hasune	Itabashi-ku, Tokyo	284,000	0.3	309,258	267,000	587.13	587.13	29	100.0	6.8	July 17, 1991
C-36	Proceed Oimachi	Shinagawa-ku, Tokyo	944,000	1.1	967,586	950,000	961.88	961.88	59	100.0	13.0	April 13, 1992
C-37	Proceed Jujo	Kita-ku, Tokyo	533,000	0.6	550,678	558,000	1,206.90	1,206.90	30	100.0	7.2	June 15, 1989
C-38	Proceed Hakuraku	Yokohama-shi, Kanagawa	241,000	0.3	255,476	185,000	445.16	445.16	27	100.0	16.4	July 19, 1991
C-39	Proceed Shinmaruko	Kawasaki-shi, Kanagawa	635,000	0.7	659,708	605,000	759.00	759.00	46	100.0	11.7	September 12, 1988
C-41*	Proceed Nishiarai (Note 6)	Adachi-ku, Tokyo	5,172,000	5.8	2,947,366	6,910,000	20,137.85	20,011.05	294	99.4	ARTIER: 3.9 OZAREA: 5.0 Hall: 3.5 Nursery: 3.5	July 20, 2007
C-42	Proceed Chofu	Chofu-shi, Tokyo	460,500	0.5	391,787	599,000	764.48	738.15	26	96.6	6.4	February 17, 2007
C-43	Proceed TX Rokucho	Adachi-ku, Tokyo	156,800	0.2	174,890	181,000	518.31	494.20	20	95.3	6.6	June 21, 1991
C-44	Proceed Nakagawara (Note 7)	Fuchu-shi, Tokyo	1,141,000	1.3	1,207,004	1,340,000	3,061.94	3,061.94	54	100.0	Ichibankan: 10.7 Nibankan: 11.8	April 1, 1989
C-45	Proceed Oizumigakuen	Nerima-ku, Tokyo	268,300	0.3	286,729	282,000	483.43	466.76	29	96.6	10.6	November 26, 1991
C-46	Proceed Chitosekarasuyama	Setagaya-ku, Tokyo	289,600	0.3	325,587	334,000	449.96	433.89	28	96.4	11.7	December 8, 1988
C-47	Proceed Mitaka	Mitaka-shi, Tokyo	477,200	0.5	519,555	581,000	739.48	739.48	47	100.0	9.3	December 16, 1988



# Portfolio List II (As of October 31, 2021)



Property No. (Note 1)	Property name	Location	Acquisition price (thousand yen)	Investment share (%) (Note 2)	Carrying amount (thousand yen)	Real estate appraisal value or research price (thousand yen)	Gross leasable area (m <sup>2</sup> )	Leased area (m <sup>2</sup> )	Total number of leasable units (units) (Note 3)	Period-end occupancy rate (%) (Note 4)	PML (%)	Construction completion (Note 5)
C-48	Proceed Kashiwa Est	Kashiwa-shi, Chiba	732,000	0.8	667,634	734,000	1,279.93	1,279.93	44	100.0	4.5	February 13, 2007
C-49	Proceed Kashiwa Nord	Kashiwa-shi, Chiba	689,000	0.8	615,262	636,000	1,391.55	1,391.55	47	100.0	5.7	February 13, 2007
C-50	Proceed Gytokuekimae	Ichikawa-shi, Chiba	331,000	0.4	264,899	372,000	659.68	659.68	24	100.0	5.2	September 4, 2007
C-51	Proceed Funabashi Honcho	Funabashi-shi, Chiba	531,700	0.6	489,338	591,000	996.44	946.71	40	95.0	5.7	July 19, 2006
C-52	Proceed Nishikawaguchi	Kawaguchi-shi, Saitama	881,000	1.0	944,023	839,000	1,630.24	1,567.84	104	96.2	5.5	February 10, 1989
C-53	Proceed Gumyoji	Yokohama-shi, Kanagawa	552,000	0.6	554,838	578,000	1,246.48	1,057.72	77	84.9	19.0	May 12, 1988
C-54	Proceed Tsurugamine	Yokohama-shi, Kanagawa	356,000	0.4	359,921	378,000	855.00	803.70	50	94.0	7.2	March 12, 1991
C-55	Proceed Sagamiotsuka	Yamato-shi, Kanagawa	234,000	0.3	227,034	217,000	741.24	741.24	29	100.0	12.9	April 5, 1991
C-56*	Proceed Shinozaki 2	Edogawa-ku, Tokyo	913,300	1.0	774,055	1,140,000	2,134.07	2,134.07	35	100.0	4.2	September 18, 2008
C-57	Proceed Kashiwa Trois	Kashiwa-shi, Chiba	537,100	0.6	458,122	687,000	1,149.95	1,149.95	38	100.0	5.4	May 8, 2009
C-58	Proceed Shinozaki Tower (Note 8)	Edogawa-ku, Tokyo	1,564,000	1.8	1,311,110	2,250,000	5,117.49	5,074.48	88	99.2	High-rise bldg.: 2.6 Low-rise Bldg.: 4.4	March 17, 2008
C-59	Proceed Tobu Nerima	Itabashi-shi, Chiba	422,000	0.5	402,439	573,000	779.84	779.84	35	100.0		August 31, 2007
C-60	Proceed Yukigaya	Ota-ku, Tokyo	323,000	0.4	357,387	394,000	600.62	600.62	35	100.0	14.0	October 7, 1991
C-61	Proceed Ichikawa Minami	Ichikawa-shi, Chiba	687,000	0.8	691,934	968,000	1,635.59	1,521.01	66	93.0	2.0	February 10, 1997
C-62	Proceed Ichikawa Myoden	Ichikawa-shi, Chiba	498,000	0.6	518,276	639,000	945.00	903.00	45	95.6	6.8	March 15, 2003
C-63	Proceed Fujisawa Kugenuma	Fujisawa-shi, Kanagawa	729,000	0.8	747,399	914,000	2,005.76	2,005.76	25	100.0	14.7	March 30, 2001
C-64	Proceed Nihonbashi-horidomecho	Chuo-ku, Tokyo	1,485,800	1.7	1,507,945	1,810,000	1,904.45	1,904.45	37	100.0	7.5	April 7, 2006
C-65*	Proceed TX Nagareyama Central Park (Note 9)	Nagareyama-shi, Chiba	979,700	1.1	876,096	1,180,000	2,976.85	2,976.85	73	100.0	2.9	April 11, 2014
C-66	Proceed Gytoku 2	Ichikawa-shi, Chiba	830,000	0.9	820,725	926,000	1,626.54	1,626.54	59	100.0	6.5	October 7, 2006
C-67	Proceed Nishikasai (Note 10)	Edogawa-ku, Tokyo	875,600	1.0	954,204	1,040,000	2,993.52	2,898.54	63	96.8	Ichibankan: 11.0 Nibankan: 8.1	October 17, 1993 Nibankan: July 23, 1985
C-68*	Proceed Kasai 2	Edogawa-ku, Tokyo	750,000	0.8	833,611	957,000	2,140.59	2,140.59	29	100.0		September 12, 2003
C-69	Proceed Nihonbashi Honcho	Chuo-ku, Tokyo	2,449,000	2.8	2,585,290	2,630,000	2,553.89	2,454.34	84	96.1	8.3	February 25, 2003
C-70	Proceed Nishi Shinjuku	Shinjuku-ku, Tokyo	2,549,000	2.9	2,678,403	2,770,000	2,461.88	2,334.24	66	94.8	4.5	February 25, 2003
C-71	Proceed Unoki	Ota-ku, Tokyo	917,000	1.0	916,455	1,020,000	1,260.58	1,215.18	29	96.4	13.9	September 5, 2015
C-72*	Proceed Minamigyotoku 2	Ichikawa-shi, Chiba	1,080,000	1.2	1,068,993	1,180,000	2,832.74	2,832.74	36	100.0	6.4	May 15, 2014
C-73	Proceed CO-Z East Building	Narita-shi, Chiba	1,830,000	2.1	1,910,769	2,050,000	6,873.33	6,207.84	112	90.3	6.0	March 10, 1997
C-74	Proceed CO-Z West Building	Narita-shi, Chiba	971,000	1.1	1,031,076	1,110,000	3,716.05	3,353.11	71	90.2	6.0	January 9, 1998
C-75	Proceed Shin Yokohama	Yokohama-shi, Kanagawa	4,330,000	4.9	4,394,988	4,460,000	5,457.56	5,096.31	226	93.4	6.9	April 19, 2007
C-76	Life Support Residence Funaboriekimae	Edogawa-ku, Tokyo	380,000	0.4	251,363	442,000	1,408.71	1,408.71	2	100.0	6.6	January 14, 2013
C-77	Proceed Kinshicho	Sumida-ku, Tokyo	2,140,000	2.4	2,231,902	2,210,000	2,302.92	2,241.41	64	97.3	6.1	July 1, 2005
C-78	Proceed K2	Kashiwa-shi, Chiba	1,170,000	1.3	1,241,240	1,320,000	4,099.04	3,972.96	59	96.9	3.9	February 10, 1995
C-79	Proceed K3 Annex	Kashiwa-shi, Chiba	283,000	0.3	303,961	316,000	1,590.30	1,524.78	24	95.9	5.5	March 2, 1997
C-80	Proceed K5	Kashiwa-shi, Chiba	269,000	0.3	287,492	277,000	788.95	729.08	17	92.4	6.3	February 13, 1998
C-81	Proceed Ichikawa Myoden II	Ichikawa-shi, Chiba	800,000	0.9	835,986	848,000	1,218.00	1,218.00	58	100.0	6.7	March 15, 2003
C-82	The Parkhabio Yokohamayamate	Yokohama-shi, Kanagawa	3,047,000	3.4	3,221,330	3,150,000	2,654.69	2,603.25	76	98.1	15.0	July 2, 2015
C-83	Proceed Monzennakacho	Koto-ku, Tokyo	1,240,000	1.4	1,296,337	1,390,000	1,515.81	1,449.73	48	95.6	9.7	January 18, 2020
C-84	Proceed Maishima	Urayasu-shi, Chiba	1,029,000	1.2	1,087,995	1,260,000	1,735.31	1,704.41	66	98.2	7.4	March 10, 2020
C-85*	Proceed Nagareyama Otakanomori	Nagareyama-shi, Chiba	1,069,000	1.2	1,171,273	1,130,000	1,730.96	1,730.96	50	100.0	0.1	February 4, 2020
C-86	Proceed Shinkawa	Chuo-ku, Tokyo	500,000	0.6	536,351	526,000	579.96	579.96	18	100.0	8.2	August 5, 2009
Properties in Tokyo			38,354,300	43.3	36,069,397	45,051,000	76,461.91	75,301.05	1,947	98.5		
Properties in the Tokyo metropolitan area excluding Tokyo			28,441,100	32.2	28,820,479	31,374,000	64,656.98	62,258.94	1,807	96.3		
Tokyo metropolitan area major cities subtotal			66,795,400	75.5	64,889,876	76,425,000	141,118.89	137,559.99	3,754	97.5		

# Portfolio List III (As of October 31, 2021)



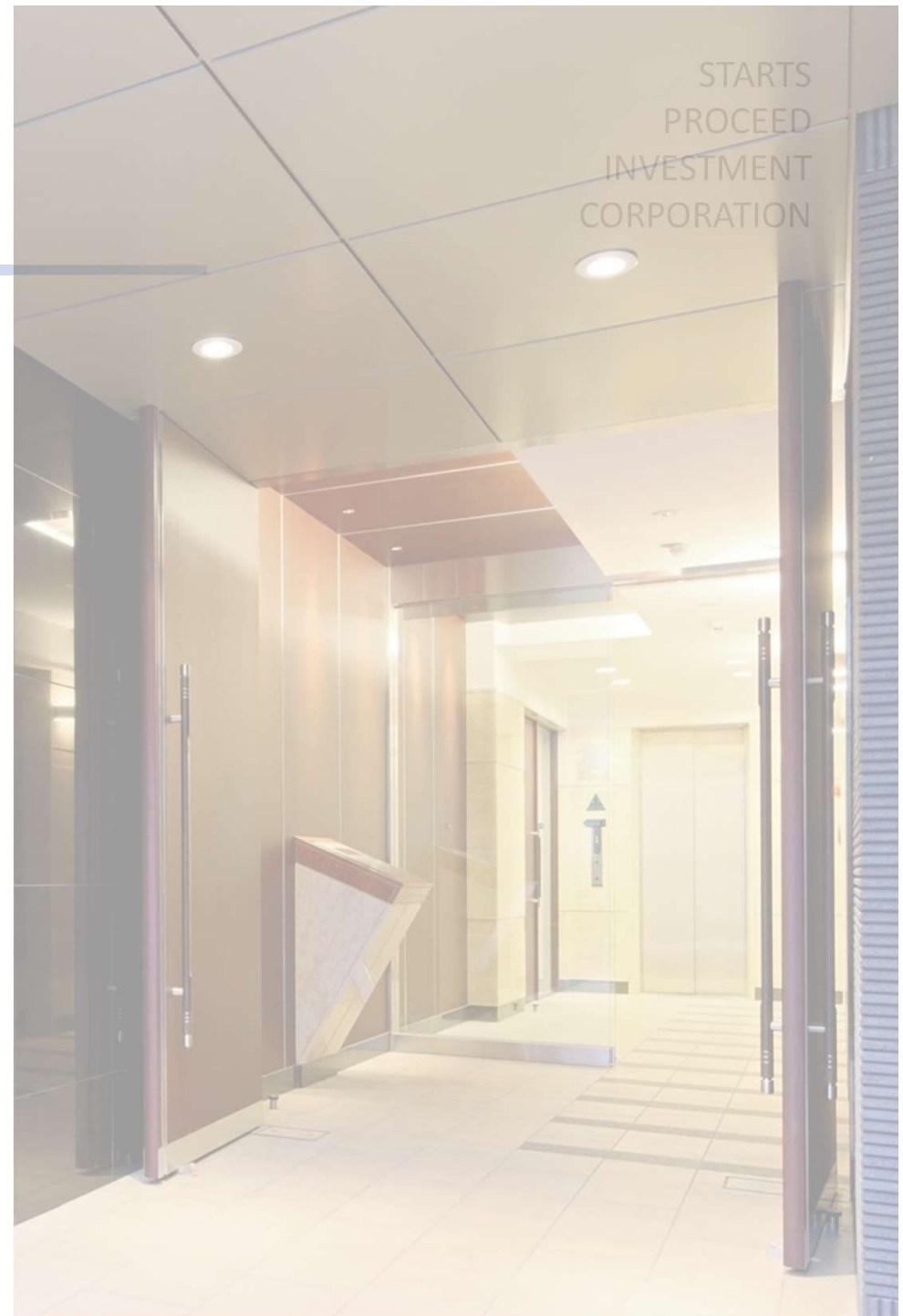
Property No. (Note 1)	Property name	Location	Acquisition price (thousand yen)	Investment share (%) (Note 2)	Carrying amount (thousand yen)	Real estate appraisal value or research price (thousand yen)	Gross leasable area (m <sup>2</sup> )	Leased area (m <sup>2</sup> )	Total number of leasable units (units) (Note 3)	Period-end occupancy rate (%) (Note 4)	PML (%)	Construction completion (Note 5)
G-8	Proceed Taikodori	Nagoya-shi, Aichi	403,400	0.5	323,974	496,000	1,101.56	956.87	44	86.9	11.3	March 15, 2006
G-11	Proceed Honamimachi	Nagoya-shi, Aichi	275,000	0.3	218,924	244,000	620.22	546.74	10	88.2	10.5	March 27, 2006
G-13*	Proceed Shinsakae	Nagoya-shi, Aichi	792,500	0.9	612,175	979,000	1,958.44	1,732.10	77	88.4	7.1	February 28, 2007
G-14	Proceed Chiyoda	Nagoya-shi, Aichi	309,300	0.3	239,302	386,000	922.40	890.17	30	96.5	7.3	March 20, 2007
G-15	Proceed Fukuoka Takamiya	Fukuoka-shi, Fukuoka	453,600	0.5	413,413	513,000	1,312.29	1,287.50	46	98.1	3.2	March 12, 2007
G-17*	Proceed Kanayama	Nagoya-shi, Aichi	1,022,000	1.2	914,835	1,430,000	2,733.58	2,623.27	94	96.0	6.0	February 18, 2008
G-18*	Proceed Fukiage	Nagoya-shi, Aichi	499,000	0.6	444,219	654,000	1,204.65	1,108.91	48	92.1	6.2	March 13, 2008
G-19*	Proceed Toyota	Toyota-shi, Aichi	219,000	0.2	196,730	312,000	752.04	679.07	27	90.3	6.7	February 29, 2008
G-21	Proceed Nishitenma	Osaka-shi, Osaka	880,000	1.0	858,156	1,200,000	1,775.89	1,665.33	56	93.8	13.9	November 30, 2007
G-22	Proceed Kobemotomachi	Kobe-shi, Hyogo	780,000	0.9	767,433	1,050,000	1,590.64	1,590.64	61	100.0	8.6	December 21, 2007
G-23	Group Home Tanoshii le Taisho	Osaka-shi, Osaka	158,000	0.2	153,004	185,000	482.72	482.72	1	100.0	14.8	February 28, 2007
G-24	Proceed Kanayama 2	Nagoya-shi, Aichi	2,040,400	2.3	1,989,908	2,360,000	4,218.01	4,043.40	72	95.9	6.2	August 22, 2007
G-25	Proceed Aratamabashi	Nagoya-shi, Aichi	2,129,600	2.4	2,105,555	2,230,000	5,335.93	4,436.41	72	83.1	6.2	August 19, 2005
G-26	Proceed Bentencho	Osaka-shi, Osaka	2,170,000	2.5	2,228,832	2,340,000	4,134.70	3,997.26	126	96.7	8.1	January 11, 2008
G-27	Proceed Nagaikoendori	Osaka-shi, Osaka	1,070,000	1.2	1,096,569	1,070,000	2,170.80	2,091.32	81	96.3	14.4	May 28, 2007
G-30	Proceed Hyogoekimaedori	Kobe-shi, Hyogo	1,670,000	1.9	1,707,087	1,790,000	3,086.99	2,961.59	117	95.9	9.2	February 8, 2008
G-31	Proceed Mizuho	Nagoya-shi, Aichi	535,000	0.6	551,030	539,000	1,126.40	945.42	40	83.9	6.2	February 28, 2007
G-32	Proceed Osu	Nagoya-shi, Aichi	831,000	0.9	818,330	910,000	1,851.30	1,739.10	66	93.9	7.6	March 7, 2016
G-33	Proceed Sendai Kozurushinden	Sendai-shi, Miyagi	698,000	0.8	759,289	789,000	1,913.28	1,783.48	63	93.2	8.4	March 20, 2006
G-34	Proceed Sendai Kamisugi	Sendai-shi, Miyagi	1,560,000	1.8	1,560,535	1,750,000	3,409.93	3,379.49	108	99.1	4.8	February 21, 2017
G-35	Proceed Kanayama 3	Nagoya-shi, Aichi	770,000	0.9	816,125	858,000	1,799.52	1,718.49	60	95.5	6.4	August 9, 2018
	Cabinet order designated cities subtotal		19,265,800	22	18,775,425	22,085,000	43,501.29	40,659.28	1,299	93.5		
R-2	Proceed Mito	Mito-shi, Ibaraki	383,700	0.4	291,306	486,000	1,223.83	1,008.40	36	82.4	4.0	January 7, 2007
R-3	Proceed Mito 2	Mito-shi, Ibaraki	416,900	0.5	328,228	521,000	1,381.34	1,349.09	36	97.7	3.6	March 11, 2008
R-4	Proceed Tsukuba Gakuentoshi	Tsukuba-shi, Ibaraki	775,600	0.9	746,965	844,000	2,659.71	2,396.38	34	90.1	3.8	March 3, 2008
R-5	Proceed Mito 3	Mito-shi, Ibaraki	824,000	0.9	882,892	876,000	2,258.88	2,258.88	60	100.0	2.5	September 20, 2018
	Regional area major cities subtotal		2,400,200	3	2,249,391	2,727,000	7,523.76	7,012.75	166	93.2		
	<b>Portfolio total</b>		<b>88,461,400</b>	<b>100</b>	<b>85,914,692</b>	<b>101,237,000</b>	<b>192,143.94</b>	<b>185,232.02</b>	<b>5,219</b>	<b>96.4</b>	<b>3.1</b>	

Average building age: 17.0 years

- (Note 1) "Property No." is the properties grouped into 3 classifications "C" (= Tokyo metropolitan area major cities), "G" (= Cabinet order designated cities) and "R" (= Regional area major cities) and numbered per classification.
- (Note 2) "Investment share" is the proportion of acquisition price of each acquired property to total acquisition prices of the portfolio and is rounded to the first decimal place.
- (Note 3) "Total number of leasable units" is the number of units that are leasable for residential, office, retail and other uses.
- (Note 4) "Period-end occupancy rate" is the proportion of leased area to the gross leasable area of the respective property, rounded to the first decimal place. For properties with fixed rent, 100% is indicated.
- (Note 5) "Construction completion" is the date stated in the real estate registry transcript.
- (Note 6) The right to the land of (C-41) Proceed Nishiarai is a 50-year fixed-term land leasehold right. In addition, as (C-41) Proceed Nishiarai consists of 4 independent buildings, PML for each of the 4 buildings is shown.
- (Note 7) As (C-44) Proceed Nakagawara comprises 2 independent buildings, PML for each of the 2 buildings is shown.
- (Note 8) The right to the land of (C-58) Proceed Shinozaki Tower is a 70-year fixed-term land leasehold right and fixed-term land sublease right. In addition, as (C-58) Proceed Shinozaki Tower consists of 2 structurally independent buildings, PML for each of the 2 buildings is shown.
- (Note 9) The right to the land of (C-65) Proceed TX Nagareyama Central Park is a 52-year fixed-term land sublease right.
- (Note 10) As (C-67) Proceed Nishikasai comprises 2 independent buildings, PML and construction completion for each of the 2 buildings is shown.
- (Note 11) Of the assets SPI has acquired, the properties with the asterisk (\*) mark attached at their property numbers are seismic isolated.

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## Management Company Overview



■ **Established** Oct. 31, 2001

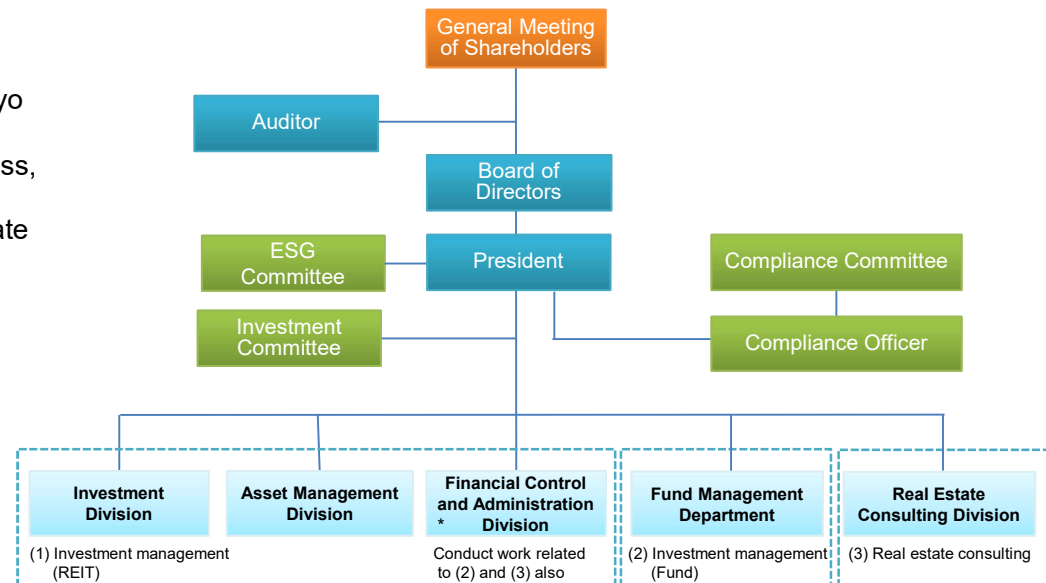
■ **History**

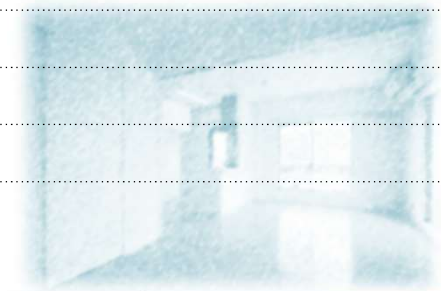
Dec. 22, 2001	Obtained building lots and buildings transaction business license (Tokyo Governor (4) No.80325)
Nov. 11, 2004	Obtained discretionary transaction agent and other approval under the Building Lots and Buildings Transaction Business Act (Minister of Land, Infrastructure, Transport and Tourism Approval No. 25)
Dec. 20, 2004	Obtained investment corporation asset management business approval (Prime Minister No. 36)
Sept. 30, 2007	Registered as financial instruments business operator under Financial Instruments and Exchange Act (Director-General of the Kanto Local Finance Bureau (Kinsho) No. 343)
Oct. 1, 2010	Commenced real estate consulting business operations Changed trade name from Starts Asset Management Investment Trust Co., Ltd. to Starts Asset Management Co., Ltd.
Feb. 1, 2016	Notification of change in content and method of business concerning commencement of discretionary investment management business
Feb. 7, 2018	Registered Change in Type of Financial Instruments Business (Addition of investment advisory and agency business)

## ■ Outline

President	Kazuya Hiraide
Head office location	3-1-8 Nihonbashi, Chuo-ku, Tokyo
Line of business	Investment management business, investment advisory and agency business and real estate consulting business
Capital stock	150,000,000 yen
Shareholder	Starts Corporation Inc. (100%)

## ■ Organizational Chart







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Unless otherwise stated, information in this document is as of October 31, 2021.