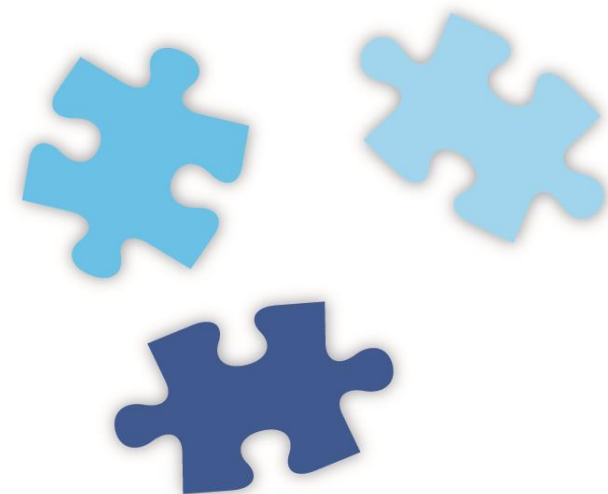




**Financial Results for the Period
Ended July 2018
(13th Fiscal Period)**

September 13, 2018



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Revised editions of our annual reports will be posted on our website if there should be major corrections going forward.

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1. The Next Stage following the JSL Merger

Overview of the Public Offering

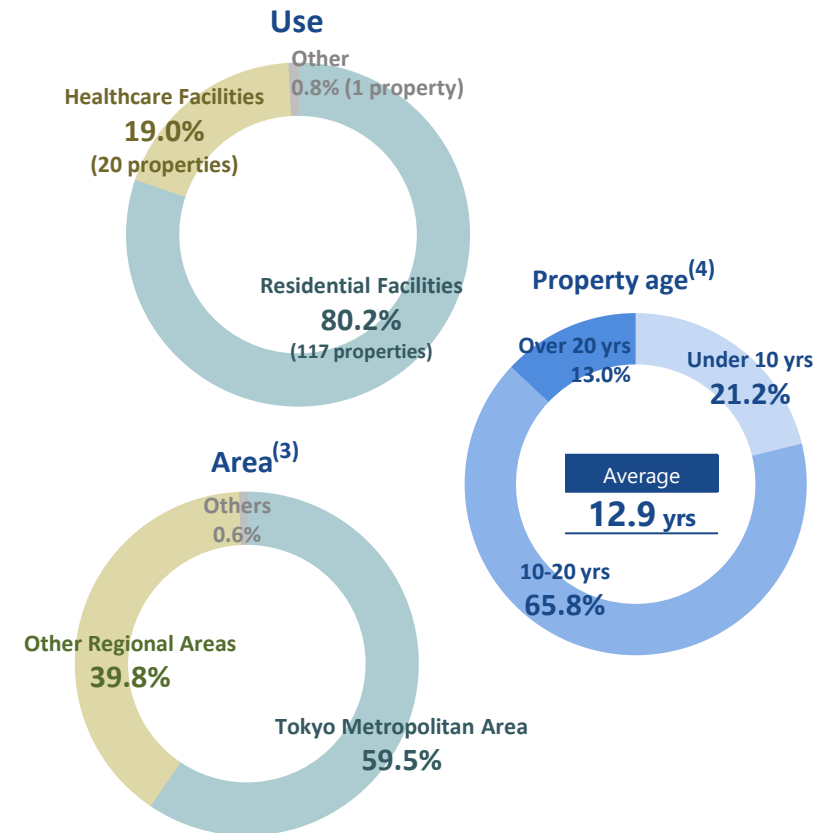
- The first public offering in three and a half years procured about ¥13 bln.
- Assets surpassed ¥200 bln, strengthening KDR's position among J-REITs.
- KDR ranks first among J-REITs in healthcare facility holdings due to the growth of these investments. (as of July 31, 2018)

Changes in the Portfolio

		At KDR-JSL merger	Asset reshuffle		Public offering (PO)	After the PO
			13th period sales	13th period purchases	PO-funded purchases	
Residential facilities ⁽¹⁾	Properties	115	1	-	4	118
	Asset size	¥164.1 bln	¥1.0 bln	-	¥13.8 bln	¥176.9 bln
Healthcare facilities	Properties	14	-	1	5	20
	Asset size	¥28.9 bln	-	¥0.7 bln	¥11.6 bln	¥41.3 bln
Total	Properties	129	1	10		138
	Asset size	¥193.1 bln	¥1.0 bln	¥26.2 bln		¥218.3 bln
NOI cap rate		5.5%	5.1%	5.2%		5.5%
NOI cap rate after depreciation		4.3%	3.4%	4.1%		4.3%
LTV		49.9%	-	-		49.6%

Note 1: Properties and assets of "Residential Facilities" in the above table include one property which is on land with leasehold interests.

Portfolio Breakdown (after the PO)⁽²⁾



Note 2: "Portfolio Breakdown" describes the ratio by acquisition price as of August 2, 2018.

Note 3: "Tokyo Metropolitan Area" includes Tokyo, Kanagawa, Saitama and Chiba.

"Other Regional Areas" include government-designed municipalities and other large cities.

Note 4: "Property age" is calculated by using the period from the completion of each property to July 31, 2018.

1. The Next Stage following the JSL Merger

Newly Acquired Properties

- KDR used bridge funds to acquire residential properties and healthcare facilities at competitive prices.
- KDR used the operator real estate strategy to become the first J-REIT to make an investment in a nursing and health facility.

Residential Facilities

				
	KDX Residence Asagaya	KDX Residence Hiyoshi	Serenite Kobe Motomachi	KDX Residence Shukugawa Hills
Location	Suginami-ku, Tokyo	Yokohama-shi, Kanagawa	Kobe-shi, Hyogo	Nishinomiya-shi, Hyogo
Property type	Small family	Family	Studio	Family
Leasable units	44 units	92 units	138 units	239 units
Acquisition price	¥1.93 bln	¥2.63 bln	¥2.39 bln	¥6.88 bln
Appraisal NOI cap rate (1)	4.6%	5.3%	5.3%	5.2%

Total acquisitions/Average (2)	
Number of properties	10
Total acquisition price	¥26.2 bln
Average appraisal NOI cap rate	5.2 %
Residential Facilities	5.1%
Healthcare Facilities	5.4%

Healthcare Facilities

						
	Excellent Kitano	Anesis Teradacho	Rococo-riha	Orage Suma	Canadian Hill	Anesis Hyogo
Location	Kyoto-shi, Kyoto	Osaka-shi, Osaka	Toyonaka-shi, Osaka	Kobe-shi, Hyogo	Kobe-shi, Hyogo	Kobe-shi, Hyogo
Property type	Residential private nursing homes	Nursing and health facilities	Nursing and health facilities	Nursing and health facilities	Nursing and health facilities	Nursing and health facilities
Facility scale	41 rooms	45 rooms/150 beds (nursing and health facilities) 100 rooms (with nursing care)	52 rooms/100 beds	100 rooms/100 beds (nursing and health facilities) 35 rooms (Serviced senior housing)	40 rooms/115 beds	58 rooms/100 beds
Acquisition price	¥0.73 bln	¥3.49 bln	¥2.10 bln	¥2.81 bln	¥1.83 bln	¥1.42 bln
Appraisal NOI cap rate (1)	5.1%	5.4%	5.4%	5.5%	5.2%	5.4%

Note 1: "Appraisal NOI cap rate" is calculated by dividing the appraisal net operating income (NOI) described in the appraisal report on June 1, 2018 for four residential facilities, on May 1, 2018 for Excellent Kitano healthcare facility, and on June 1, 2018 for other healthcare facilities of Anesis Teradacho, Rococo-riha, Orage Suma, Canadian Hill and Anesis Hyogo, by acquisition price.

Note 2: Includes Excellent Kitano, a property acquired during the 13th period, and properties newly acquired on public offering.

1. The Next Stage following the JSL Merger

Strategically Reshuffling of Assets and Actualizing Unrealized Gains by Selling Properties

- The sale of a residential property in Osaka produced a gain of ¥436 mln.
- The proceeds from this sale were used to purchase a private senior home in Kyoto, a property that is rarely on the market.

Policy for Upcoming Property Replacements

- KDR will continue to reshuffle assets in every fiscal period while reflecting current market conditions. The aim is to continue to improving portfolio quality and produce capital gains that can be used to increase distributions.

13th Period Asset Reshuffle

Property Acquired



Excellant Kitano

Property type	Healthcare facilities (private senior home)
Acquisition price	¥737 mln
Appraisal value	¥783 mln
NOI cap rate (1)	5.1%
NOI cap rate after depreciation (1)	4.0%
Operator	Excellant Care System Co., Ltd.
Completion	March 2015

Property Sold



KDX Shimmachi Residence

Property type	Residential facilities (Rental housing)
Selling price	¥1,420 mln
Appraisal value	¥1,200 mln
NOI cap rate (2)	3.7%
NOI cap rate after depreciation (2)	2.4%
Acquisition price (3)	¥1,015 mln
Completion	October 2007



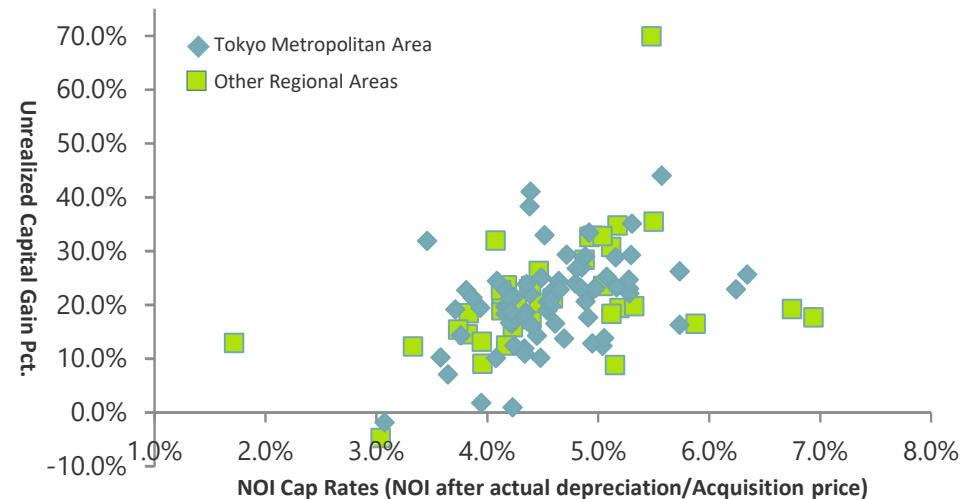
Asset reshuffle

Unrealized Capital Gains (Residential facilities as of July 31, 2018)

Properties with Unrealized Gains	Total Unrealized Capital Gains and Pct.
111 of 113 properties owned	¥30.4 bln, +18.8%

- Properties to be Sold**
- Regional areas where the residential rental markets are comparatively weak
 - Older properties where maintenance and repair expenses are expected to increase
 - Properties where profitability may decrease because of a declining population or other reasons

(Reference) Performance of Residential Properties



Note 1: The NOI cap rate for properties acquired is the net operating income (NOI) using the direct capitalization method and appraisal report values divided by the planned acquisition price (before taxes). The NOI cap rate after depreciation is the NOI using the direct capitalization method and appraisal report values minus estimated depreciation based on engineering reports prepared by Kenedix Real Estate Fund Management, Inc. divided by the planned acquisition price (before taxes).

Note 2: The NOI cap rate for properties sold is the annualized actual NOI cap rate in the 12th period (ended January 2018) and the NOI cap rate after depreciation is the annualized actual NOI cap rate before depreciation in the 12th period divided by the planned sale prices (before taxes).

Note 3: The acquisition price is the price (before taxes) of this property when KDR purchased it on May 1, 2012.

Measures for More Growth

Investment Policy

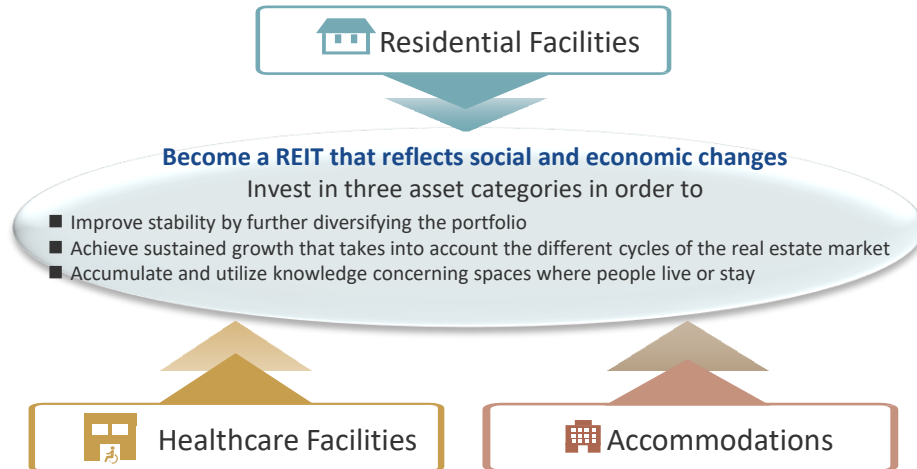
- KDR is dedicated to earning consistent income and achieving sustained growth by making investments in a broad range of properties where people live or stay.



Revision to Management Guidelines

- The weighting of healthcare facilities has been revised for the purpose of achieving sustained growth while preserving and improving the stability of the portfolio.

The KDR Vision



Revision to Management Guidelines (Change in target ratio)

Use	Current Investment Ratio	Target Investment Ratio for the Management Guideline
Residential Facilities	80.2%	At least 60%
Healthcare Facilities	19.0%	20% or less → 30% or less
Accommodations	-	20% or less
Other	0.8%	10% or less

Preferential Negotiation Rights



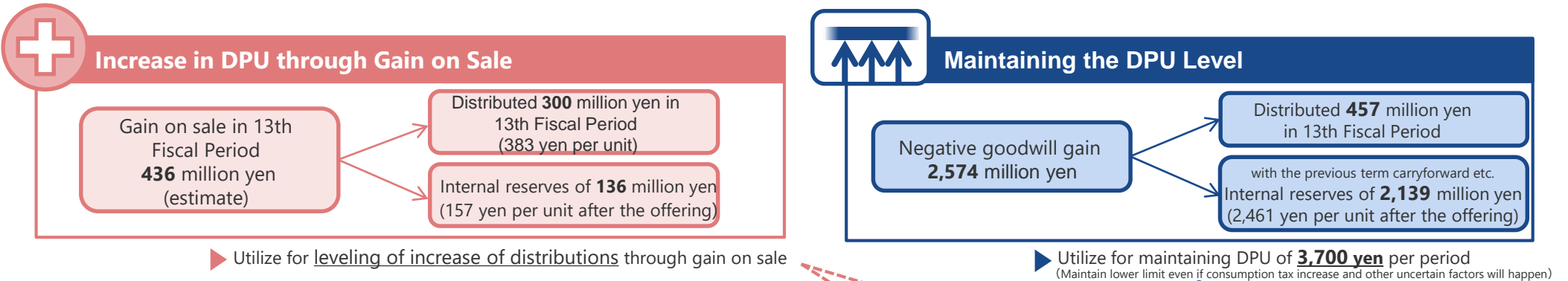
Property Owned by the Sponsor	
Tsukui Sunshine Machida East building / West building	
Location	Machida-shi, Tokyo
Property type	Private senior home with nursing care
Facility scale	East building : 180 rooms West building: 168 rooms
Operator	TSUKUI CORPORATION

Bridge Fund		
Serabi Ebisu		Arute Ishiyagawa
Location	Meguro-ku, Tokyo	Kobe-shi, Hyogo
Property type	Private senior home with nursing care	Private senior home with nursing care
Facility scale	34 rooms	54 rooms (with nursing care) 18 rooms (group home)
Operator	Japan CareLink Co.,Ltd	Medical Corporation Hakushinkai

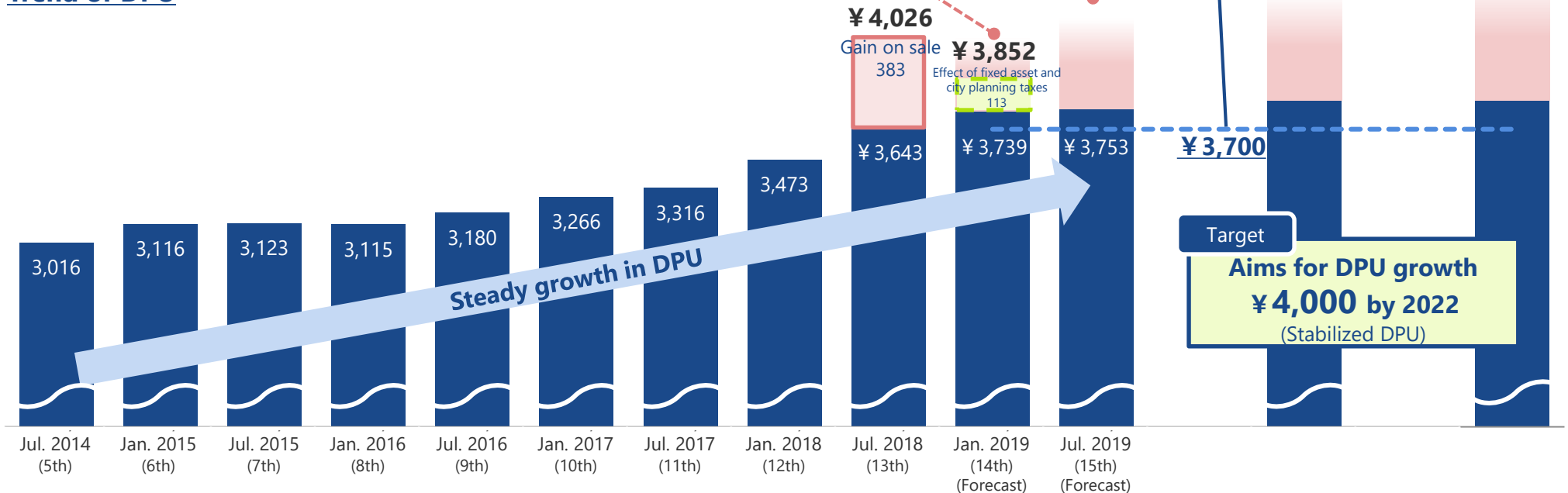
Trend of DPU and Distribution Policy

Distribution Policy

- Continue to implement measures that contribute increasing unitholder value and aim for the growth of distributions per unit.
- Continue to deliberate the sale of properties and aim also for **additions to distributions per unit through gain on sale of properties.**
- Internal reserves by negative goodwill obtained through the merger will be utilized for **maintaining the level of distributions per unit.**



Trend of DPU

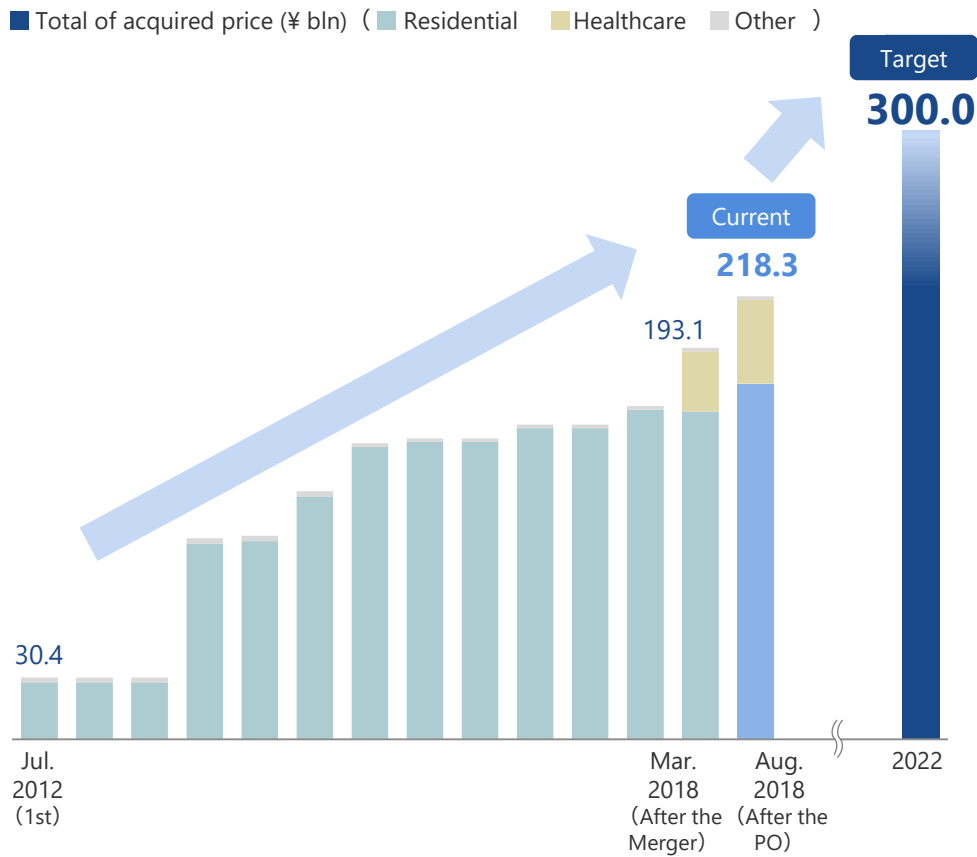


Increasing Unitholders' Value

Increase in Asset Size

Target

Aim to achieve asset size of ¥ 300 bln by 2022 with selective investment and replacing assets

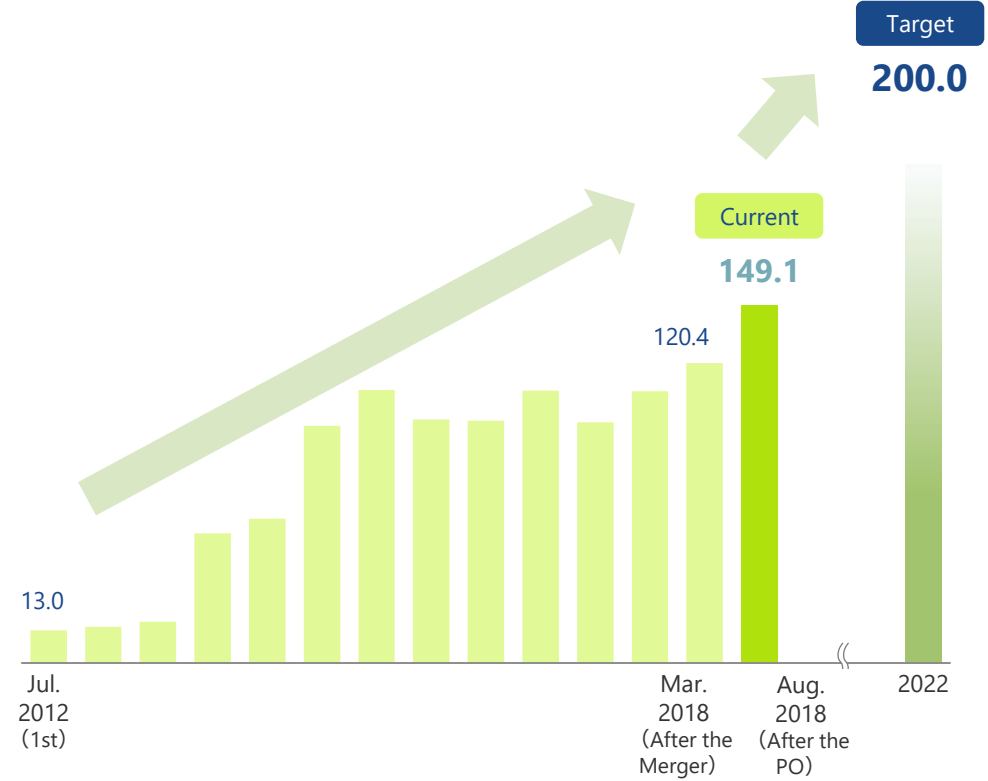


Increase in Market Capitalization

Target

Aim to achieve market cap of ¥ 200 bln by 2022

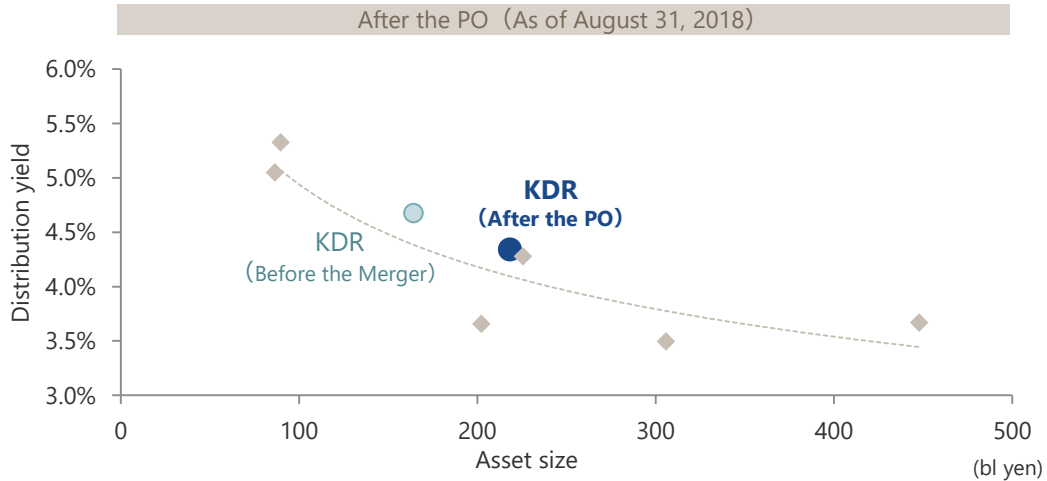
Achieved inclusion in
FTSE EPRA/NAREIT Global Real Estate Index
from September 2018



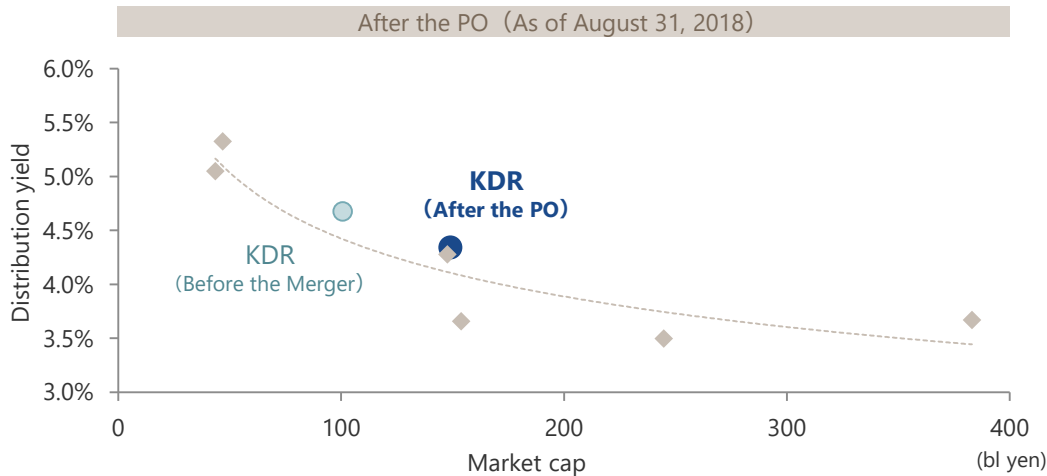
KDR Positioning

KDR positioning in residential REIT (1)

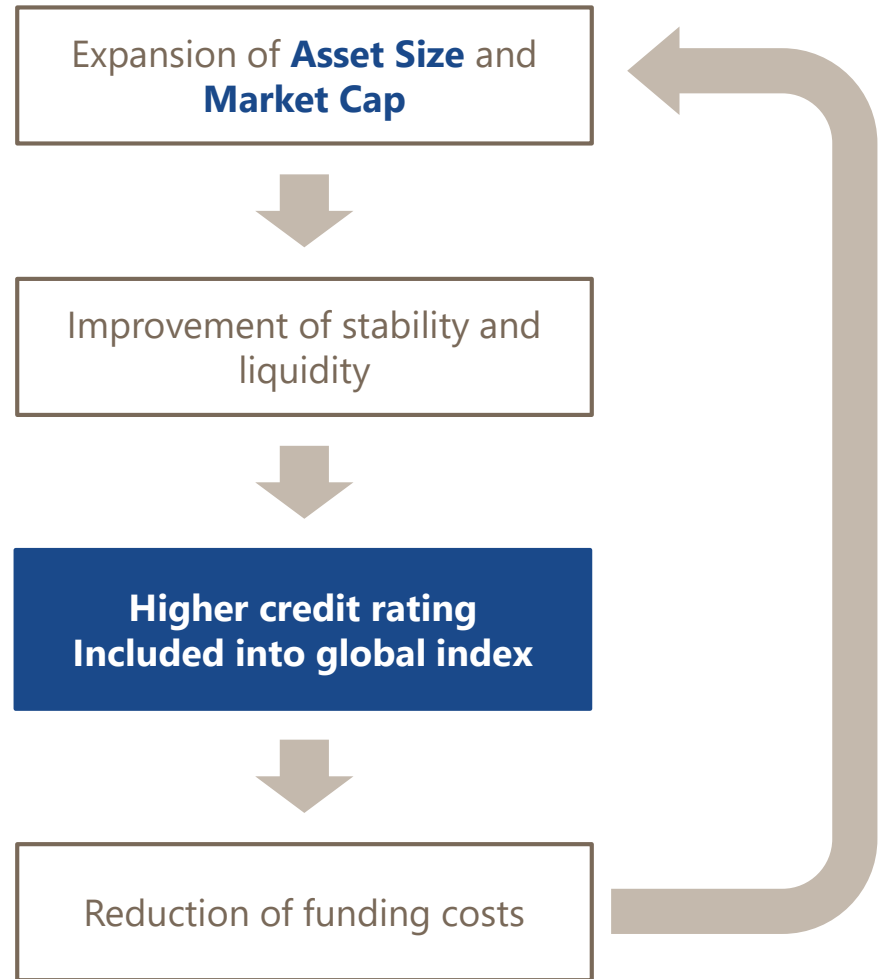
Asset size and distribution yield



Market cap and distribution yield



Positive growth spiral



Note 1: "Asset size", "Distribution yield" and "Market cap" show figures as of August 31, 2018, based on information disclosed by Nippon Accommodations Fund, Advance Residence Investment Corporation, Kenedix Residential Investment Corporation, Comforia Residential Investment Corporation, Samty Residential Investment Corporation, Starts Proceed Investment Corporation and Japan Rental Housing Investments, Inc. (in the order of securities codes). The curve shows a logarithmic trendline. As for KDR, the figures before the Merger are calculated as of November 10, 2017.

2. Financial Results

(Actual Results for 13th Period and Outlook for 14th and 15th Period)

Income Statements for the Period Ended July 2018 (13th Fiscal Period) 1/2

Rental Income of Real Estate by Use⁽¹⁾

		Off-peak season		Peak season								
		2H 2017	1H 2018									
(in millions of yen)		Actual	Forecast	Actual	Period on Period	Actual vs Forecast						
Residential Facilities	Rent revenue –real estate	5,235	5,332	5,332	97	1.9%	0	0.0%	Increase by step-up rent in KDX Residence Toyosu		+76	
	Other lease business revenue	435	484	501	66	15.2%	17	3.6%	Increase due to high occupancy (Occupancy rate: from 96.7% in 12th period to 97.0% in 13th period)		+15	
	Expenses related to rent business (ex. depreciation)	1,185	1,267	1,283	98	8.3%	16	1.3%	Increase due to a switch from rent guarantee structure to pass through structure at KDX Residence Kagurazaka Dori		+9	
	NOI	4,486	4,549	4,550	64	1.4%	1	0.0%	Increase in key money and other one-time revenue		+43	
	Depreciation	921	926	926	4	0.5%	0	0.0%	Increase in revenue from restoration during peak season		+11	
	Rental income of real estate	3,564	3,623	3,624	60	1.7%	1	0.0%	Increase leasing related fees, etc. in peak season		+32	
Healthcare Facilities	Rent revenue –real estate	-	819	819	819	-	0	0.0%	Increase in restoration expenses during peak season		+38	
	Other lease business revenue	-	1	1	1	-	0	3.5%	Imposition of fixed property tax, etc. on properties acquired in 12th fiscal period		+13	
	Expenses related to rent business (ex. depreciation)	-	128	126	126	-	-2	-2.0%	Increase in key money and other one-time revenue		+8	
	NOI	-	691	694	694	-	2	0.4%	Increase in repair expenses mainly due to renovations performed ahead of schedule		+17	
	Depreciation	-	217	218	218	-	0	-0.2%	Increase in restoration expenses		+13	
	Rental income of real estate	-	474	476	476	-	2	0.4%	Decrease in leasing-related fees due to a favorable leasing market		-15	

Note 1: All figures for residential facilities include "Others" (one property which is on land with leasehold interests).

Income Statements for the Period Ended July 2018 (13th Fiscal Period) 2/2

(in millions of yen)	2H 2017		1H 2018		Period on Period		Actual vs Forecast			
	Actual	Forecast (1)	Actual							
Rent revenue	5,235	6,152	6,152	916	17.5%	0	0.0%			
–real estate										
Other lease business revenue	435	485	503	67	15.5%	17	3.6%	Gain on the sale of KDX Shimmachi Residence	+436	
Gain and loss on sale of real estate property	-	435	436	436	-	1	0.3%	Valuation loss on silent partnership equity investment recorded due to sale of properties to KDR	-21	
Dividends received	10	26	5	-4	-49.0%	-21	-80.3%			
Operating revenues	5,681	7,099	7,097	1,415	24.9%	-2	0.0%			
Expenses related to rent business (ex. depreciation)	1,185	1,396	1,410	225	19.0%	13	1.0%	¥17 mln was recorded as “Other operating expenses” when estimating the valuation loss on silent partnership equity investment due to sale of properties to KDR. ¥-21 mln was recorded after offsetting with dividends received.		
Depreciation	921	1,144	1,144	222	24.1%	0	0.0%		Dividends received	-21
Merger expenses	67	392	395	328	487.1%	3	1.0%		Other operating expenses	-17
Other operating expenses	616	735	707	90	14.7%	-27	-3.8%	Increase in asset management fees due to higher earnings and increased assets	+35	
Operating expenses	2,791	3,668	3,657	866	31.0%	-10	-0.3%	Increase in compensations to experts concerning merger procedures	+13	
Operating income	2,889	3,431	3,439	549	19.0%	8	0.2%	Increase in non-deductible consumption tax	+31	
Non-operating income	0	10	0	0	0.6%	-10	-96.6%			
Non-operating expenses	537	607	597	60	11.2%	-10	-1.6%	Increases in interest expenses and borrowing related expenses due to transfer of borrowings arising from the JSL merger (¥15 bln) and new borrowings	+79	
Ordinary income	2,353	2,834	2,842	489	20.8%	7	0.3%	End of amortization of the cost of issuing investment units	-19	
Gain on bargain purchase	-	2,574	2,574	2,574	-	0	0.0%			
Net income	2,352	5,408	5,416	3,063	130.2%	8	0.2%	Internal accumulation of part of negative goodwill (¥117 mln), part of gain on sale (¥136 mln) and compensation of succession of interest rate swap by the JSL merger (¥10 mln)		
RTA compensation (accumulation)	-	(2,000)	(2,000)	-	-	-	-			
Earnings surplus compensation (accumulation)	72	(256)	(264)	-	-	-	-			
Dividends	2,424	3,152	3,152	727	30.0%	-	-			
Distribution per unit	¥3,473⁽²⁾	¥4,026	¥4,026	¥553	15.9%	-	-			

Note 1: The forecast for 1H 2018 is based on those announced on July 13, 2018.

Note 2: KDR carried out a 2-for-1 split of KDR investment units with the record date of February 28, 2018 and the effective date of March 1, 2018. Distribution per unit for 2H 2017 has been calculated on the assumption that the investment unit split was conducted at the beginning of the 2H 2017.

Outlook for the Period Ending January 2019 (14th Fiscal Period) and the Period Ending July 2019 (15th Fiscal Period) 1/2

Rental Income of Real Estate by Use⁽¹⁾

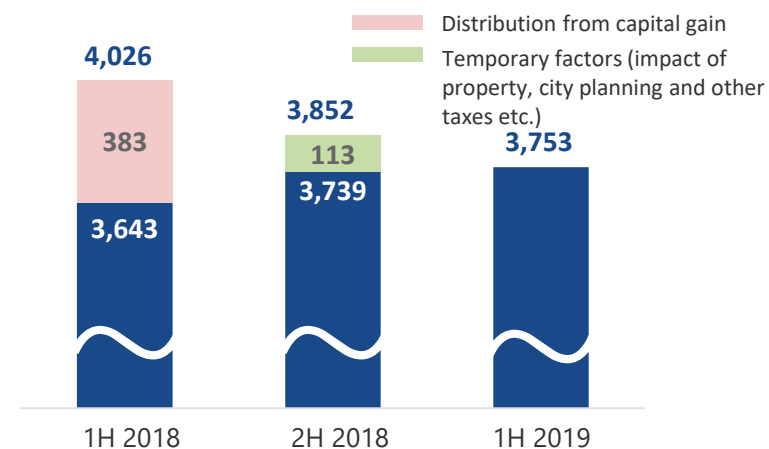
		Peak season		Off-peak season				Peak season			
		1H 2018	2H 2018	Period on Period		1H 2019	Actual vs Forecast				
(in millions of yen)		Actual	Forecast			Forecast					
Residential Facilities	Rent revenue –real estate	5,332	5,695	362	6.8%	5,694	0	0.0%	Decrease in revenue due to sale of KDX Shimmachi Residence (-30) and increase in revenue from other existing properties (+28) -2		
	Other lease business revenue	501	467	-34	-6.8%	518	51	11.0%	Contribution from newly acquired 4 properties +364		
	Expenses related to rent business (ex. depreciation)	1,283	1,291	7	0.6%	1,350	59	4.6%	Decrease in one-time revenue, etc. in off-peak season -57		
	NOI	4,550	4,871	321	7.1%	4,863	-8	-0.2%	Contribution from newly acquired 4 properties +39		
	Depreciation	926	977	51	5.5%	982	5	0.5%	Decreases in repair expenses and restoration expenses -55		
	Rental income of real estate	3,624	3,894	270	7.5%	3,880	-13	-0.3%	Increase in rent business expenses related to newly acquired 4 properties +65		
Healthcare Facilities	Rent revenue –real estate	819	1,354	535	65.3%	1,356	1	0.1%	Decrease due to sale of KDX Shimmachi Residence -8		
	Other lease business revenue	1	1	0	-18.5%	2	0	75.8%	Depreciation of newly acquired 4 properties +56		
	Expenses related to rent business (ex. depreciation)	126	147	20	16.4%	192	45	31.2%	Increase in key money and other one-time revenue +45		
	NOI	694	1,208	514	74.1%	1,165	-43	-3.6%	Increases in leasing-related fees and restoration expenses +46		
	Depreciation	218	361	142	65.5%	364	3	0.9%	Imposition of fixed property tax, etc. on 4 properties newly acquired +29		
	Rental income of real estate	476	847	371	78.0%	801	-46	-5.4%	Increase in revenue due to one month longer operating period for existing properties +163		
										Contribution from newly acquired 6 properties +372	
										Increase in repair expenses +9	
										Increase in rent business expenses related to newly acquired 4 properties +6	
										Increase in depreciation due to one month longer operating period for existing properties +44	
										Depreciation of newly acquired 6 properties +98	
										Increase in repair expenses +10	
										Imposition of fixed property tax, etc. on properties newly acquired +32	

Outlook for the Period Ending January 2019 (14th Fiscal Period) and the Period Ending July 2019 (15th Fiscal Period) 2/2

	1H 2018	2H 2018	Period on Period		1H 2019	Actual vs Forecast	
(in millions of yen)	Actual	Forecast			Forecast		
Rent revenue –real estate	6,152	7,050	897	14.6%	7,051	1	0.0%
Other lease business revenue	503	468	-34	-6.9%	521	52	11.2%
Gain and Loss on sale of real estate property	436	-	-436	-100.0%	-	-	-
Dividends received	5	9	4	87.3%	6	-3	-34.6%
Operating revenues	7,097	7,528	431	6.1%	7,578	50	0.7%
Expenses related to rent business (ex. depreciation)	1,410	1,438	27	2.0%	1,543	104	7.3%
Depreciation	1,144	1,338	194	17.0%	1,346	8	0.6%
Merger expenses	395	-	-395	-100.0%	-	-	-
Other operating expenses	707	812	105	14.9%	849	36	4.5%
Operating expenses	3,657	3,589	-68	-1.9%	3,739	150	4.2%
Operating income	3,439	3,939	499	14.5%	3,839	-99	-2.5%
Non-operating income	0	0	0	-	0	-	-
Non-operating expenses	597	600	2	0.5%	585	-14	-2.4%
Ordinary income	2,842	3,339	497	17.5%	3,254	-85	-2.6%
Gain on bargain purchase	2,574	-	-2,574	-100.0%	-	-	-
Net income	5,416	3,338	-2,077	-38.4%	3,253	-85	-2.6%
RTA compensation (accumulation)	(2,000)	20	-	-	20	-	-
Earnings surplus compensation (accumulation)	(264)	(10)	-	-	(10)	-	-
Dividends	3,152	3,347	195	6.2%	3,261	-86	-2.6%
Distribution per unit (yen)	¥4,026	¥3,852	¥-174	-4.3%	¥3,753	¥-99	-2.6%

Increase in asset management fees mainly due to increased assets resulting from the JSL merger	+85
Recording costs for obtaining the engineering report periodically	+17
Increase in interest expenses mainly due to new borrowings, etc.	+38
Decrease in borrowing related expenses, etc.	-45
Increase in investment unit issuance costs associated with capital increase	+9
Imposition of fixed property tax, etc. on properties newly acquired	+62
Increase in asset management fees mainly due to increased assets resulting from acquisition on properties	+28

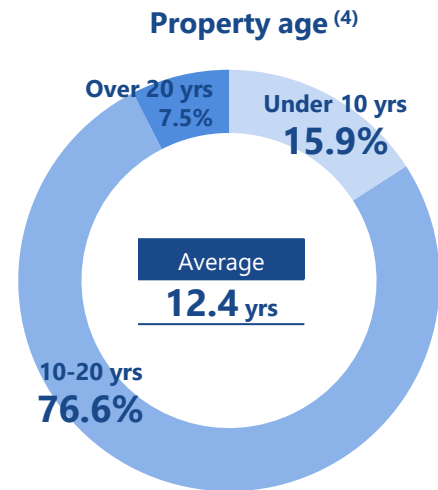
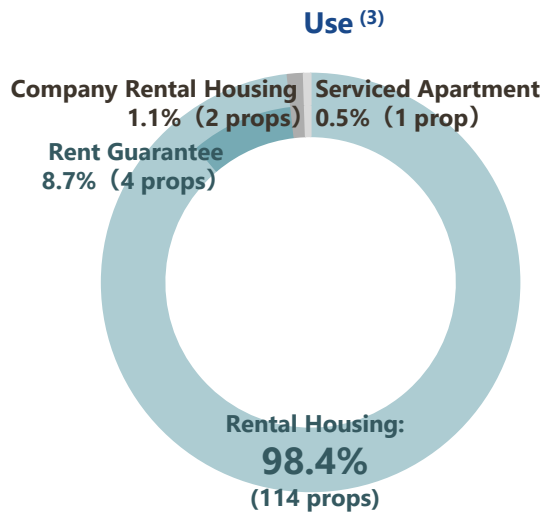
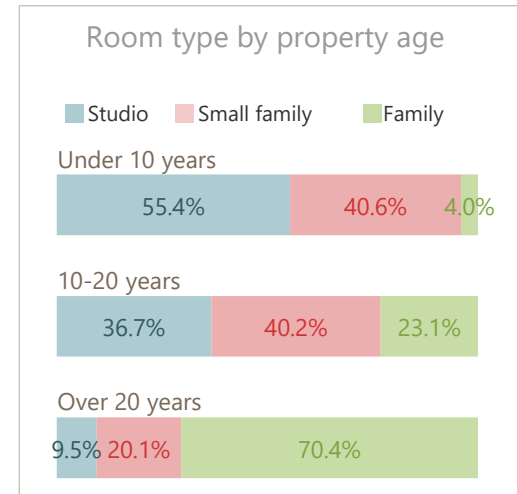
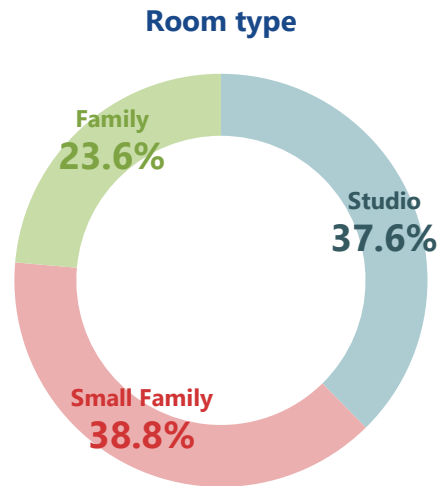
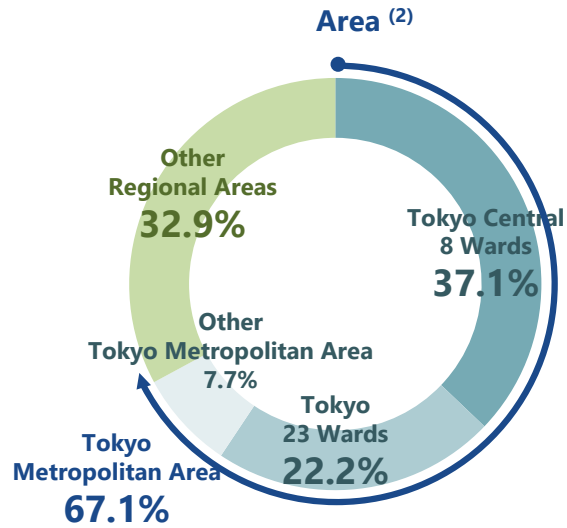
Distribution per unit (yen)



3. Operational Status ~Residential Facilities~

Portfolio for Residential Assets

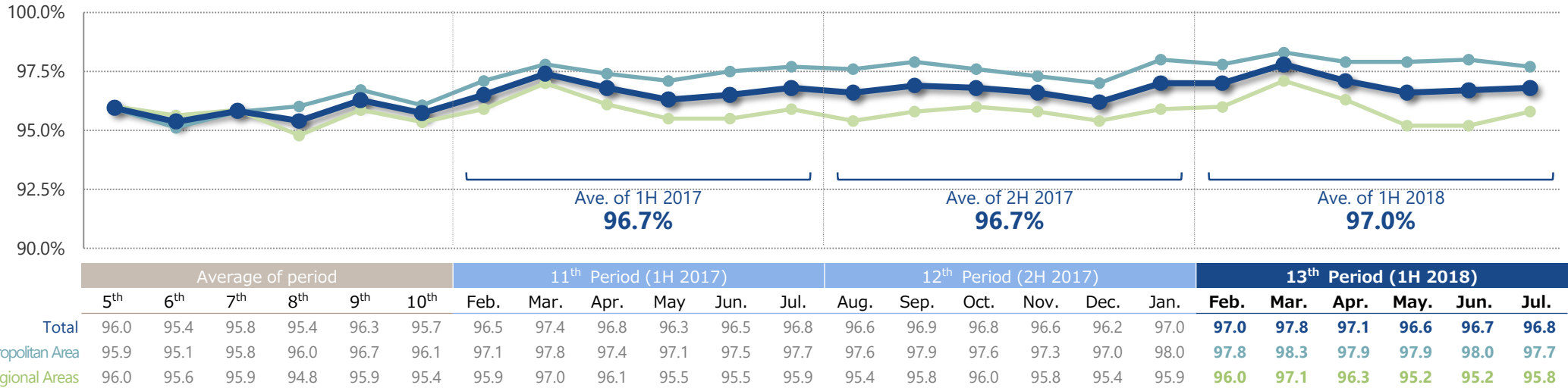
Portfolio Breakdown (as of August 2nd, 2018) ⁽¹⁾



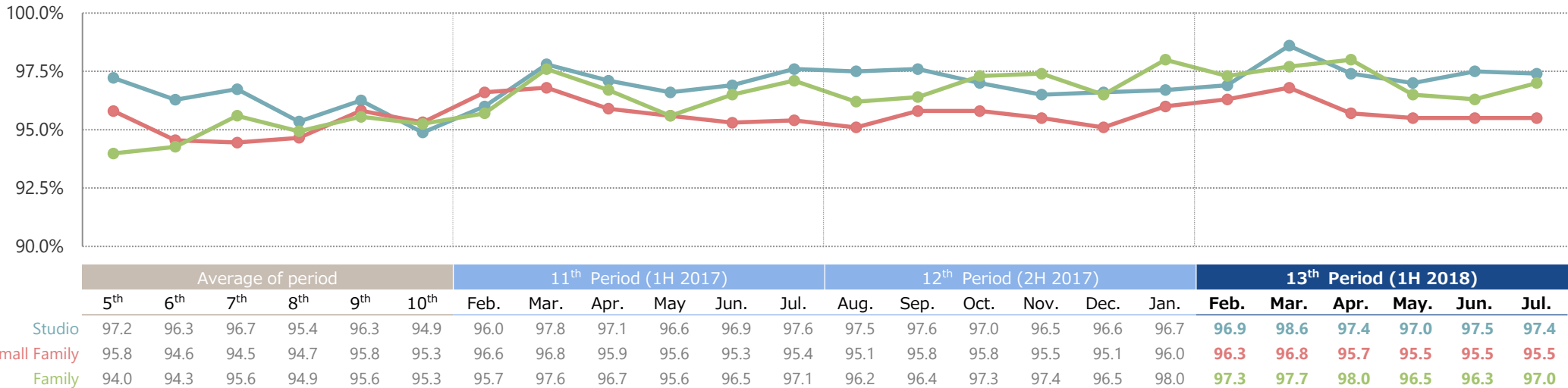
- Note 1: "Portfolio Breakdown" describes the ratio by acquisition price at the end of the fiscal period.
- Note 2: "Tokyo Central 8 Wards" include Minato-ku, Shibuya-ku, Chuo-ku, Chiyoda-ku, Shinjuku-ku, Meguro-ku, Setagaya-ku and Shinagawa-ku. "Tokyo Metropolitan Area" includes Tokyo, Kanagawa, Saitama and Chiba. "Other Regional Areas" include government-designed municipalities and other regional cities.
- Note 3: "Rent guarantee" is contract with rent guarantee structure in part of whole residence. KDX Residence Kagurazaka Dori was changed its contract structure to Pass-through type on February 5, 2018.
- Note 4: "Property age" is calculated by the weighted average by the acquisition price of the periods from completion dates to July 31, 2018.

Occupancy Rates

Occupancy Rates by Area⁽¹⁾



Occupancy Rates by Room Type⁽¹⁾



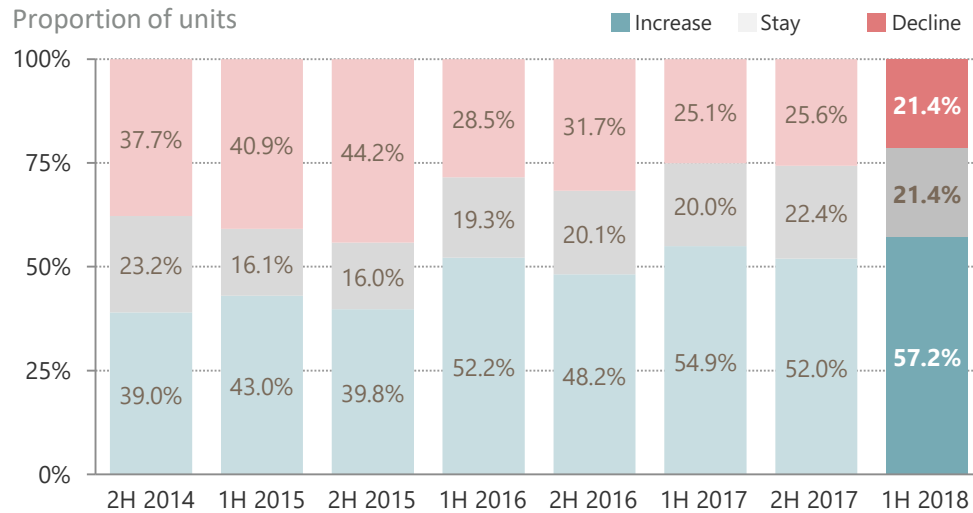
Note 1: Occupancy Rates by Area include those from stores and offices. Occupancy Rates by Room Type are calculated for residential units of pass through contract (excluding contract for whole building).

New Tenant Trend

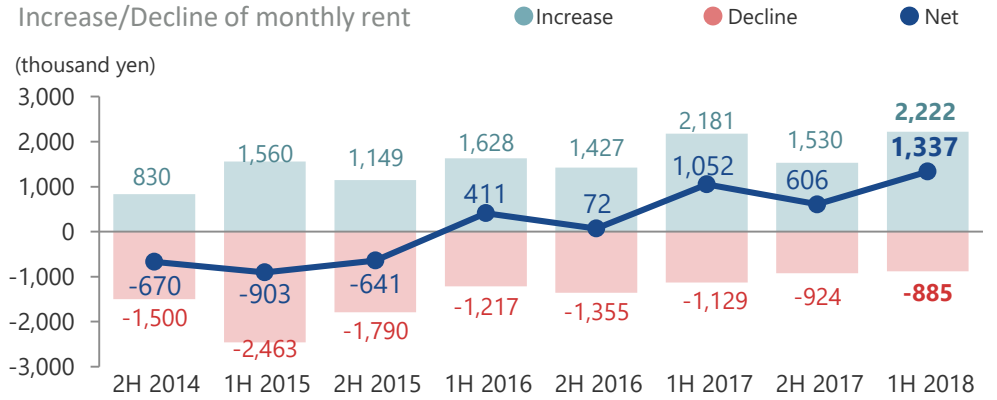
Average Downtime/Turnover Rate⁽¹⁾

Peak season				Off-peak season			
Average downtime				Average downtime			
67 days	64 days	64 days	56 days	81 days	80 days	80 days	69 days
Turnover rate				Turnover rate			
13.6%	13.5%	12.6%	13.0%	10.7%	9.8%	10.2%	10.7%
1H 2015	1H 2016	1H 2017	1H 2018	2H 2014	2H 2015	2H 2016	2H 2017

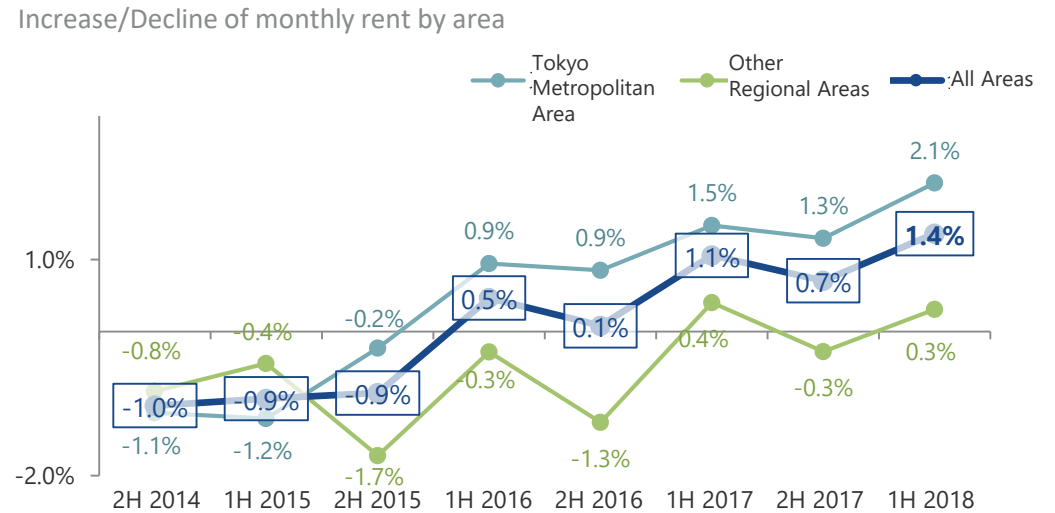
Rent Increase/Decline (units)



Rent Increase/Decline



Percentage of Increase/Decline of rent of new tenants⁽²⁾



Note 1: "Turnover Rate" = Exiting tenants during the period / Rentable units at the End of Period. These figures are calculated for residential units of pass through contract (excluding contract for whole building).

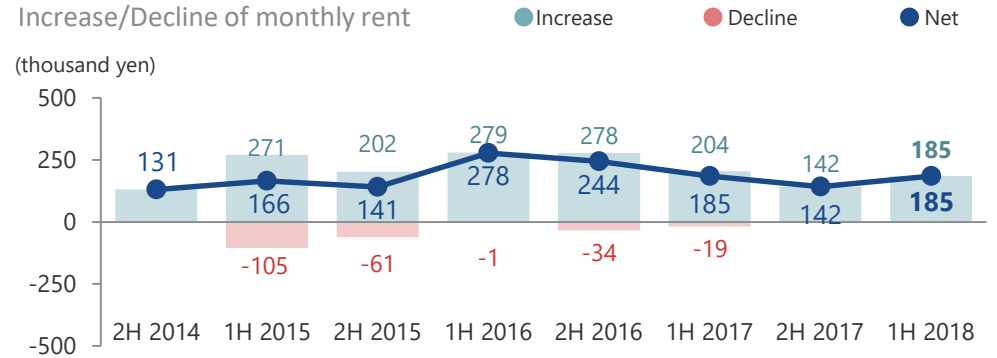
Note 2: "Percentage of Increase/Decline of rent of new tenants" = Total Amount of Increase/Decline of rent of new tenants / Total amount of rent before revisions.

Renewal Tenant Trend

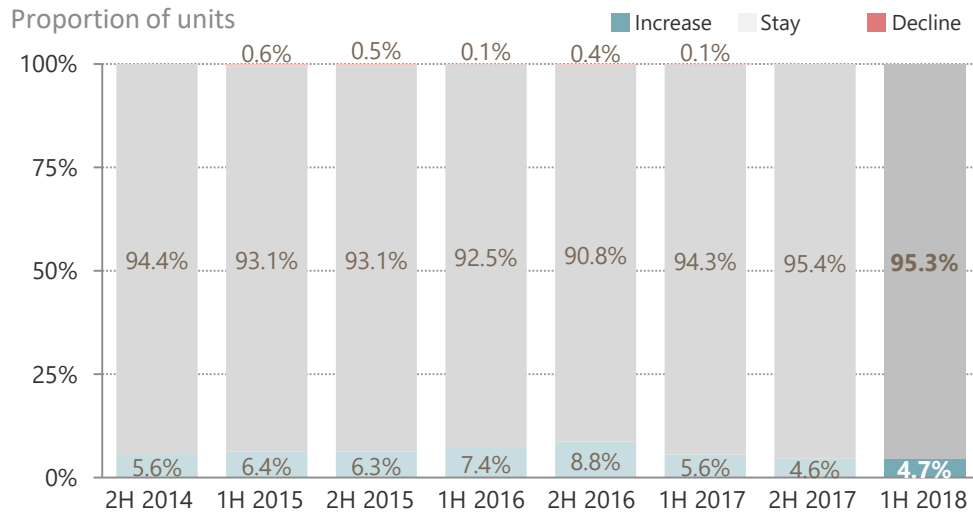
Renewal Rate⁽¹⁾

Peak season				Off-peak season			
Renewal rate				Renewal rate			
87.8%	89.3%	88.8%	89.7%	90.4%	89.5%	89.6%	90.3%
1H 2015	1H 2016	1H 2017	1H 2018	2H 2014	2H 2015	2H 2016	2H 2017

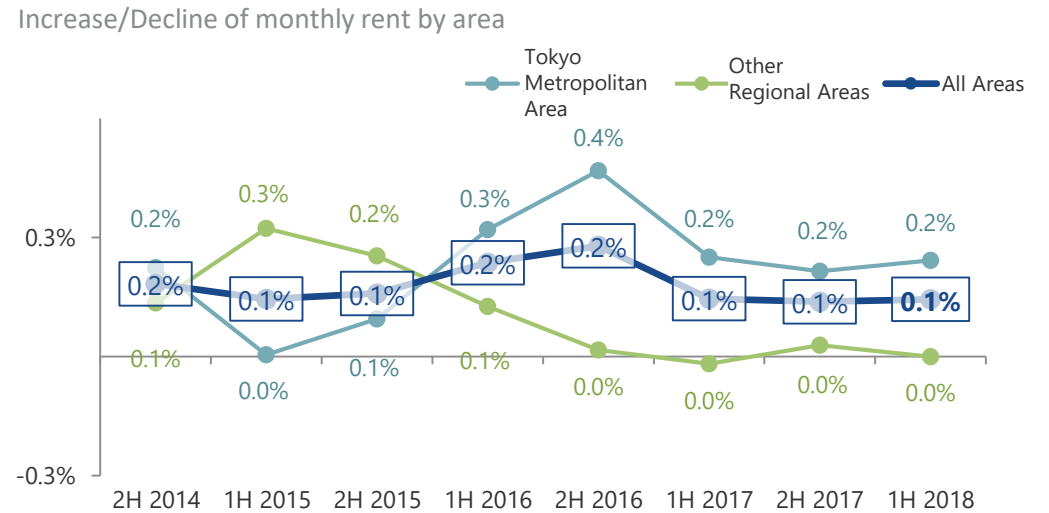
Rent Increase/Decline



Rent Increase/Decline (units)



Percentage of Increase/Decline of rent of Renewal tenants⁽²⁾

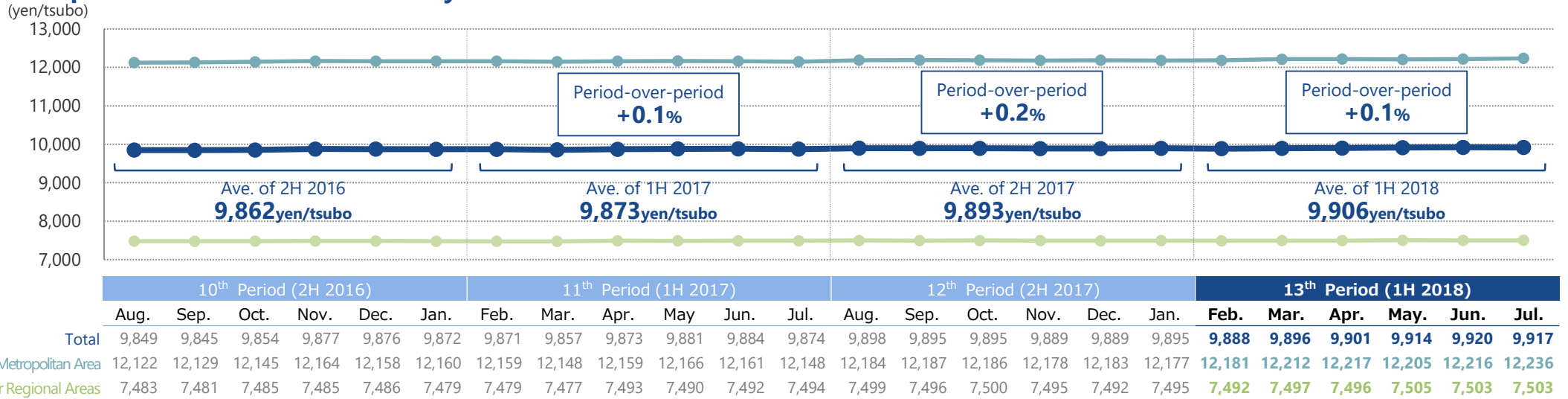


Note 1: "Renewal rate" = Renewal tenants during the period / Ending contracts during the period. These figures are calculated for residential units of pass through contract (excluding contract for whole building).

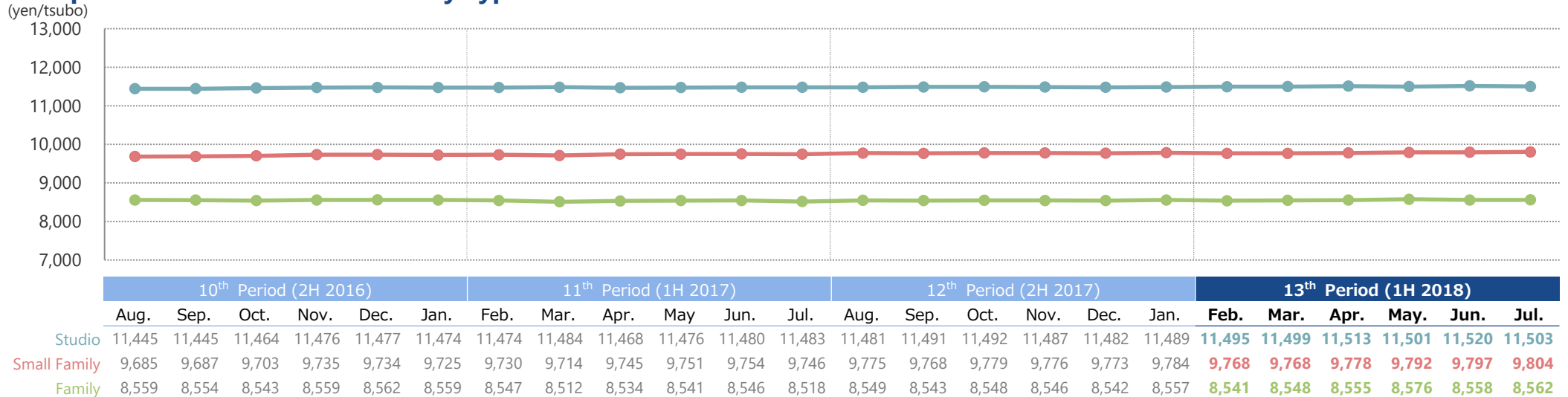
Note 2: "Percentage of Increase/Decline of rent of renewal tenants" = Total Amount of Increase/Decline of rent of renewal tenants / Total amount of rent before revisions.

Rent per Tsubo of Residential Unit

Rent per Tsubo of Residential Unit by Area⁽¹⁾



Rent per Tsubo of Residential Unit by Type⁽¹⁾



Note 1: Rent per Tsubo of Residential Unit by Area and Rent per Tsubo of Residential Unit by Room Type are calculated for residential units of pass through contract (excluding contract for whole building) of 108 properties operated from August 31, 2016 to July 31, 2018. (1 Tsubo = 35.5832 sq. ft.)

4. Operational Status ~Healthcare Facilities~

The Healthcare Facility Real Estate Market in Japan

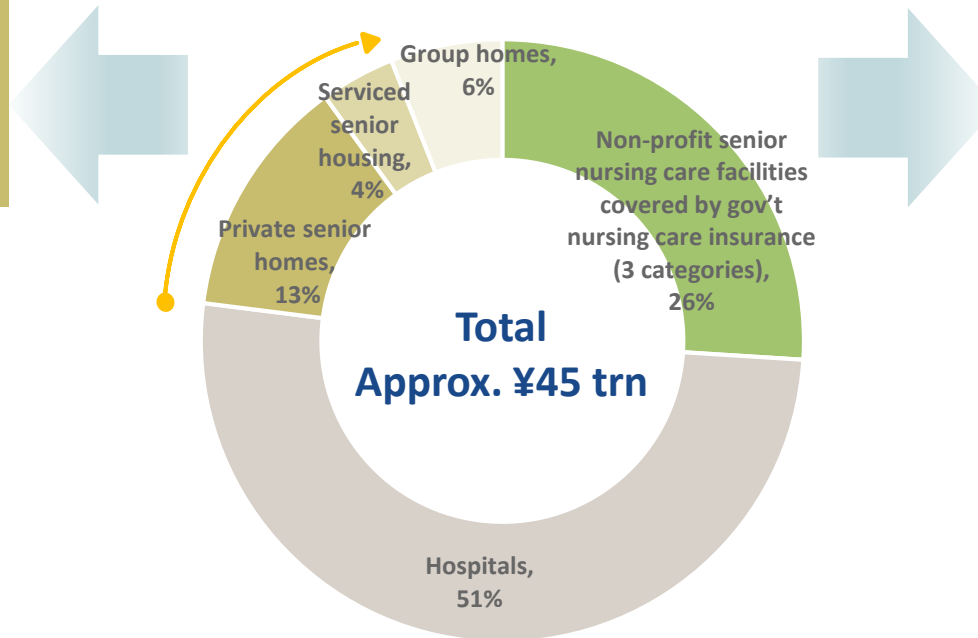
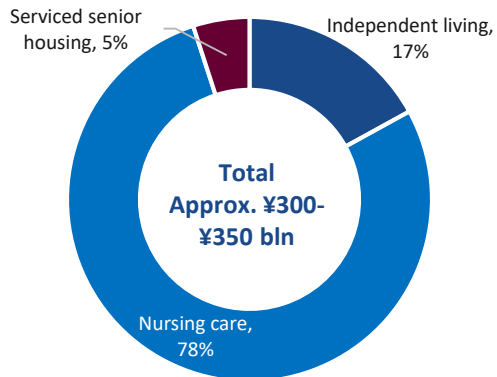
- The value of all healthcare facilities in Japan is **approximately ¥45 trn** (¥22 trn for nursing care facilities and ¥23 trn for hospitals).
- **Approximately ¥350 bln** of private senior homes and serviced senior housing have been securitized.
- KDR used proceeds from the public offering to purchase a nursing and health facility, an asset category that J-REITs normally do not acquire. Adding this asset category increases the potential for growth at KDR.

The Real Estate Market for Healthcare Facilities

Private senior homes and serviced senior housing properties have a total value of approximately ¥7.5 trn.

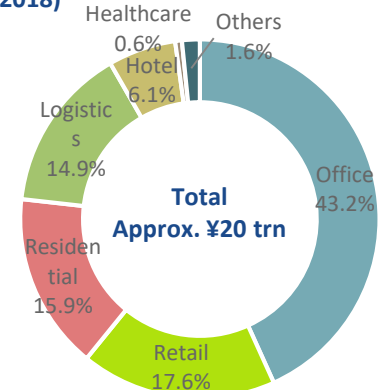
Only about ¥350 bln of these properties have been securitized (4% to 5% of all properties), leaving an enormous volume of potential growth.

Securitization of Private Senior Homes and Serviced Senior Housing



KDR was the first J-REIT to purchase nursing and health facilities that provide rehabilitation services, which is one of the three categories of non-profit senior nursing care facilities covered by gov't nursing care insurance. KDR acquired 5 properties at a cost of about ¥11.6 bln.

(Reference) Real Estate Owned by J-REITs and Private REITs (June 2018)

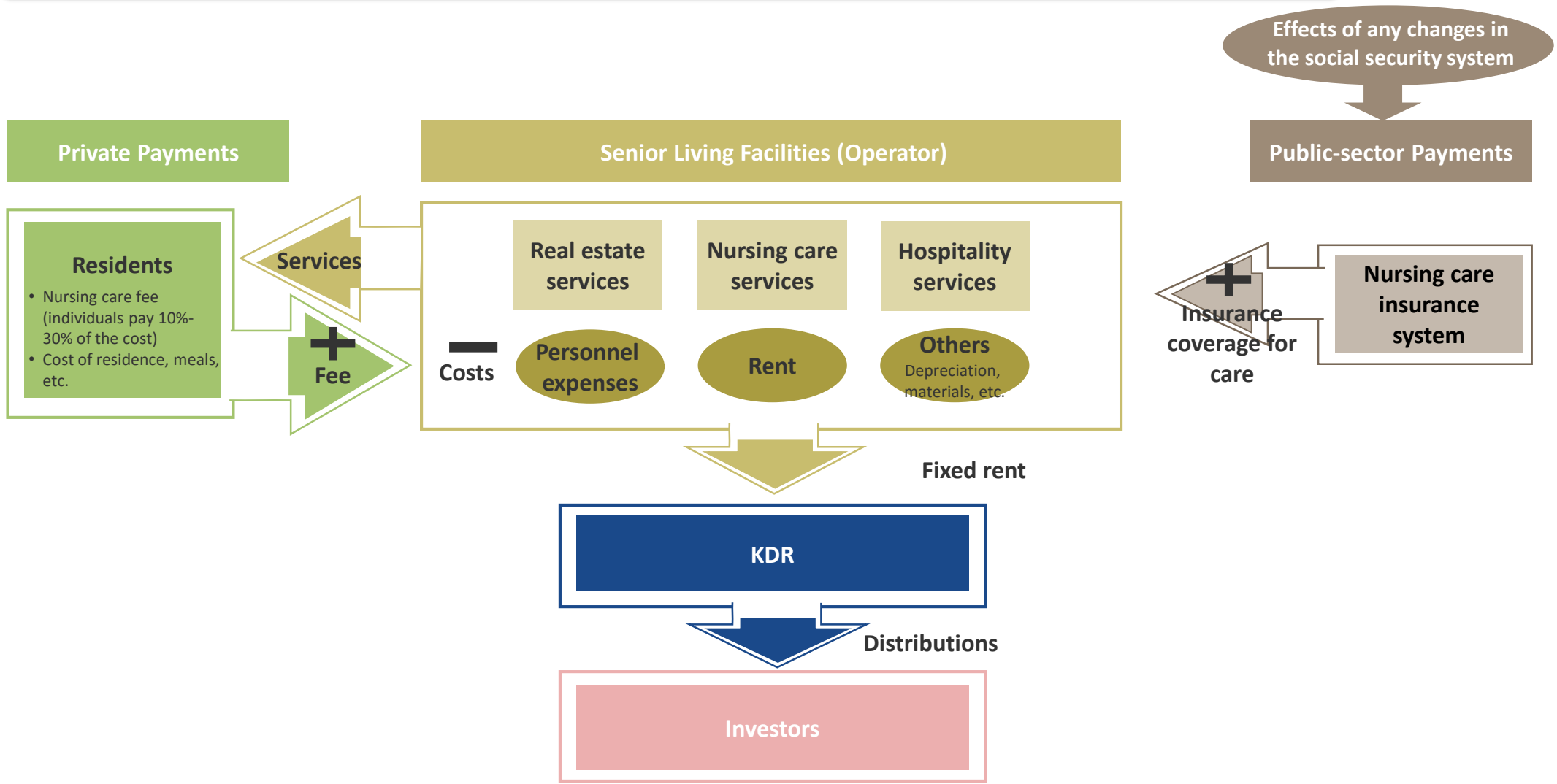


Source: KPMG Healthcare Japan (as of June 2016)

Source: "ARES J-REIT Databook, etc." The Association for Real Estate Securitization

Typical Profit Structure for Senior Living Facilities

- KDR receives **steady fixed rents** from the operators of senior living facilities.
- The performance of senior living facilities is vulnerable to revisions to Japan’s social security system due to their reliance on **public-sector insurance and other coverage**.
- Although changes in the earnings of operators does not directly impact KDR’s performance, monitoring and other activities are used to be vigilant about any potential long-term effects.

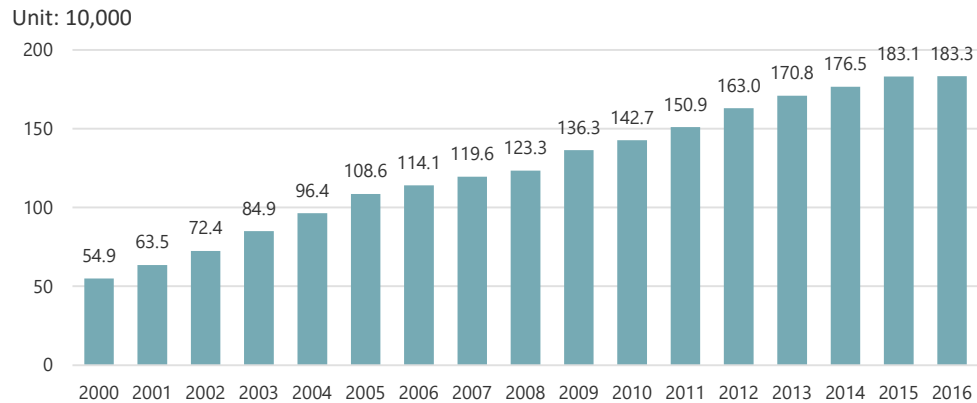


Note: The typical senior living facility profit structure in this diagram is based on analysis performed by KDR.

The Business Climate for Healthcare Facilities in Japan

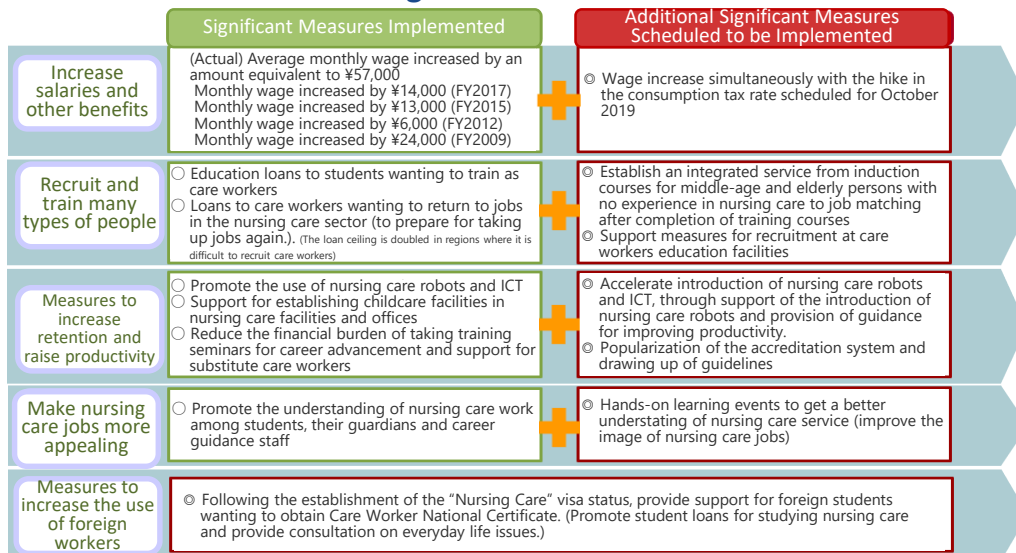
- Since the FY2000 start of the nursing care insurance system, the nursing care workforce in Japan has increased by 1.28 million people (about 3.3 times).
- Recruit and train many types of people, using robots and taking other actions will be being introduced.

Growth of Japan's Nursing Care Workforce



Source: Survey of Institutions and Establishments for Long-term Care, Ministry of Health, Labour and Welfare

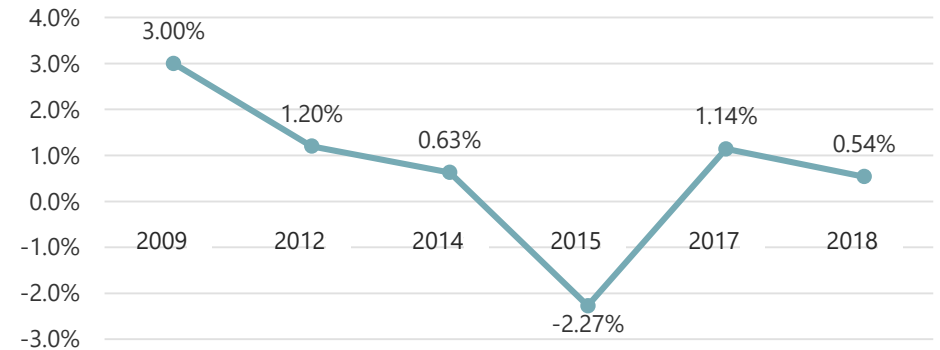
Measures to Recruit Nursing Care Workers



Source: Ministry of Health, Labour and Welfare

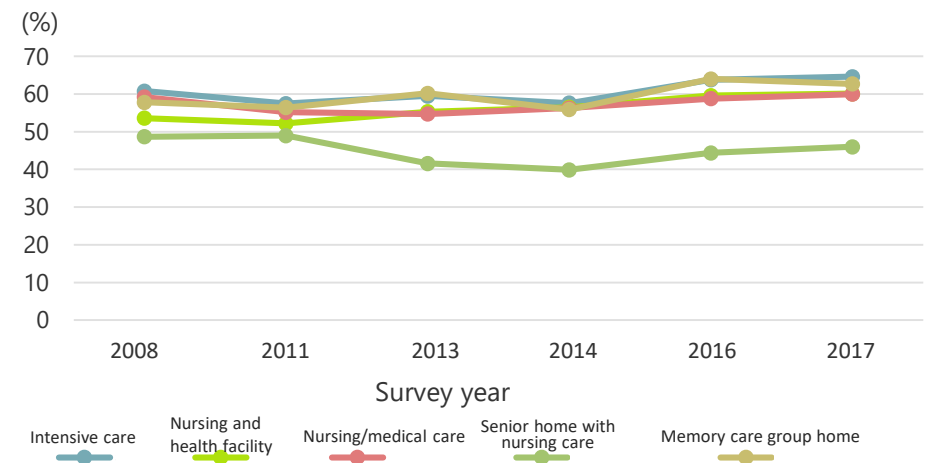
- Revisions to public-sector nursing care payments since 2009 have been generally positive; payments were raised 0.54% in FY2018.
- Measures to increase salaries and other benefits for nursing care personnel

Revisions to Public-sector Nursing Care Payments



Source: Ministry of Health, Labour and Welfare

Personnel Expenses as Pct. of Nursing Care Income



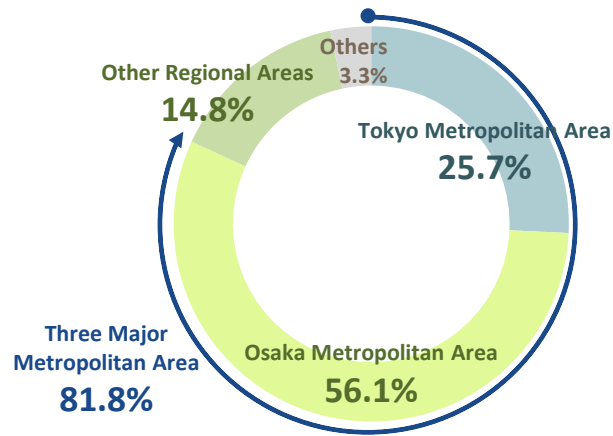
Source: Fact-finding Survey on Economic Conditions in Long-term Care, Ministry of Health, Labour and Welfare

Healthcare Facility Portfolio

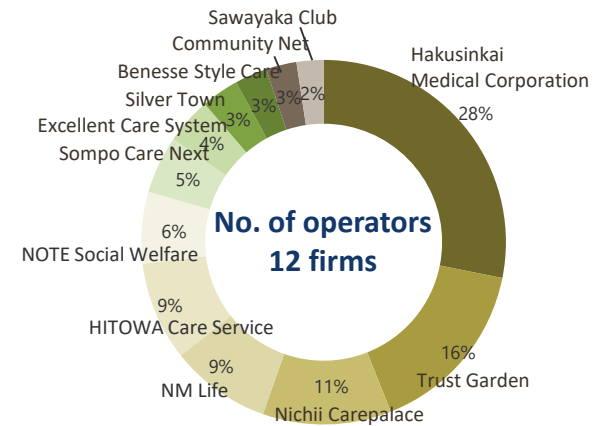
- Most properties (81.8%) are in the three major metropolitan areas of Tokyo, Osaka and Nagoya.
- More progress with diversifying types of facilities owned by acquiring nursing and health facilities.

- Progress with diversification of operators (currently 12)
- As a rule, long-term, fixed-rate leasing contracts are used.

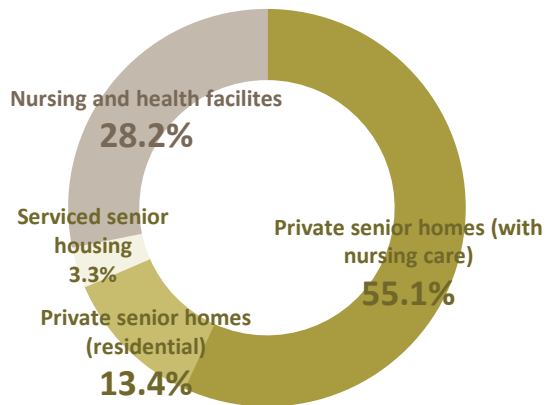
Areas (1, 2)



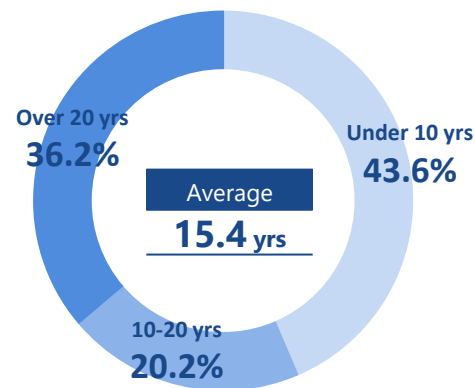
Operators (1)



Use (facility type) (1)



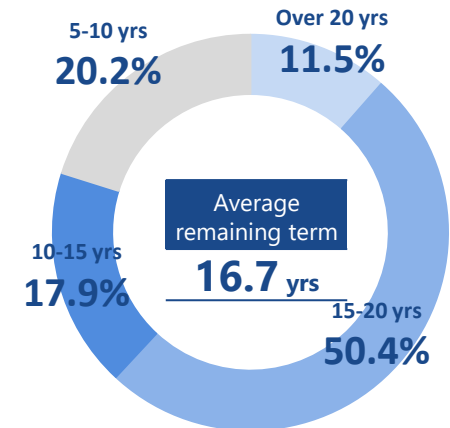
Property age (1, 3)



Ratio of fixed rent



Remaining terms (1, 4)



Note 1: The breakdown of the above portfolio (by areas, use (facility type), property age, operators and remaining terms) is calculated based on acquisition price as of August 2, 2018.

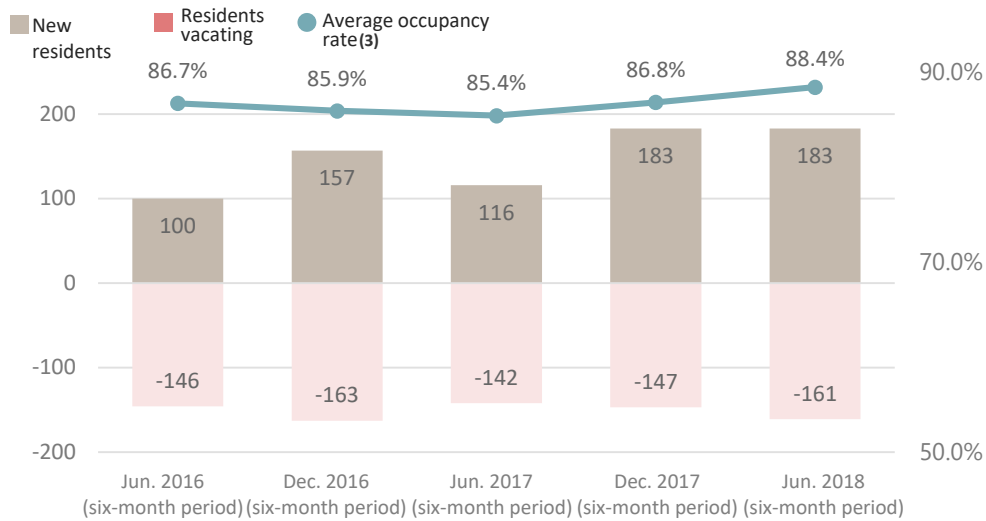
Note 2: "Tokyo Metropolitan Area" includes principal cities of the Tokyo, Kanagawa, Saitama and Chiba. "Osaka Metropolitan Area" includes Osaka, Kyoto, Nara, Hyogo and Shiga. "Three Major Metropolitan Area" includes Tokyo Metropolitan Area, Osaka Metropolitan Area and Nagoya Metropolitan Area. "Other Regional Areas" include regional cities excluding the three major metropolitan area.

Note 3: "Property age" is calculated by using the period from the completion of each property to July 31, 2018.

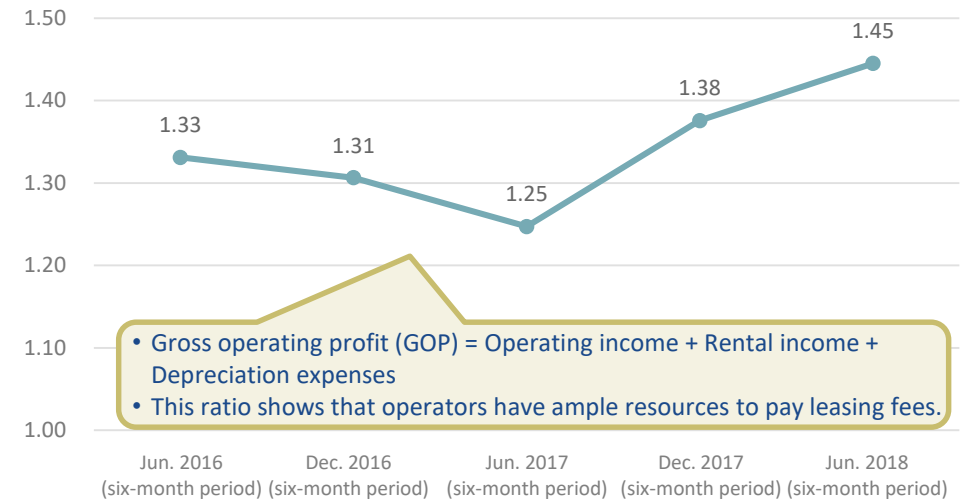
Note 4: Remaining years to the termination date of lease agreements is calculated based on the period from July 31, 2018 to the date of termination of lease agreements with an operator.

Operational Status of Healthcare Facilities

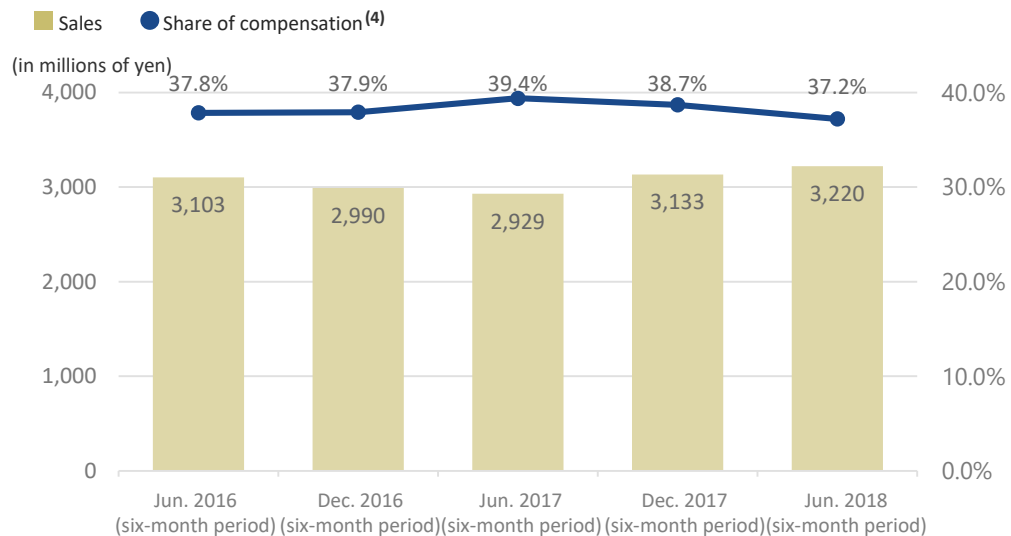
Occupancy Trend (1, 2)



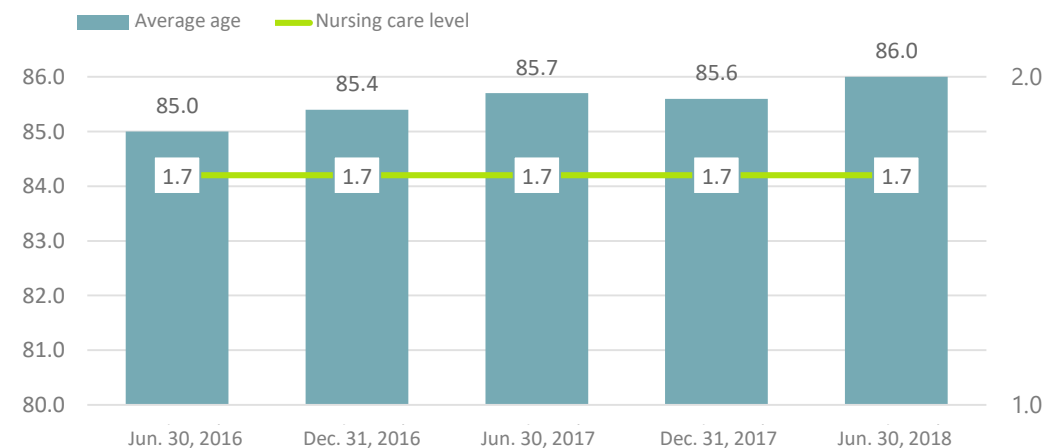
Capacity to Pay Leasing Fees (GOP/Leasing fees) (1, 2)



Sales and Share of Compensation (1, 2)



Average Age and Nursing Care Level (1, 2)



Note 1: Figures are based on materials submitted by operators and total data of 13 facilities (existing 14 facilities, excluding Granda Mondo Yakujin).

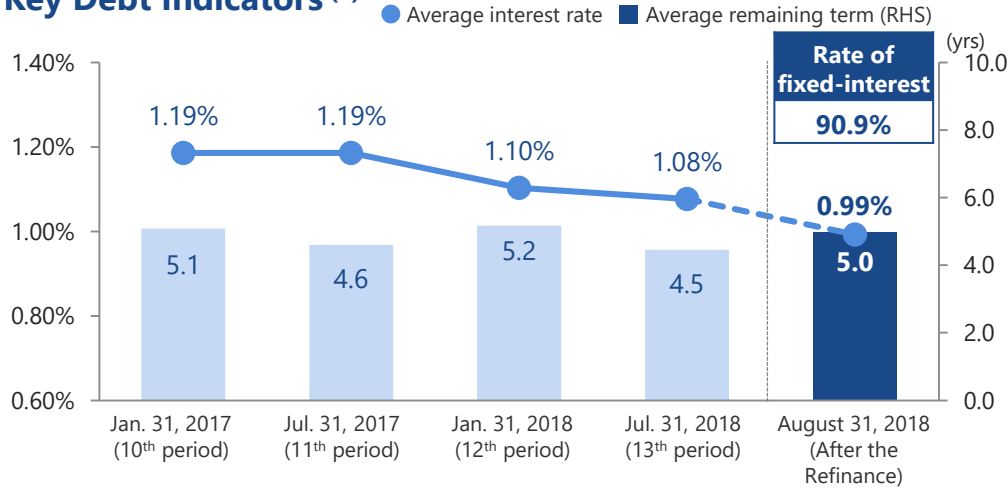
Note 2: Sales, share of compensation, capacity to pay leasing fees, number of new residents, number of residents vacating, and average occupancy rate are calculated using cumulative figures for each six-month period. Average age and nursing care level are figures at the end of respective month.

Note 3: The average occupancy rate is the simple average of occupancy rate at the end of month for each period.

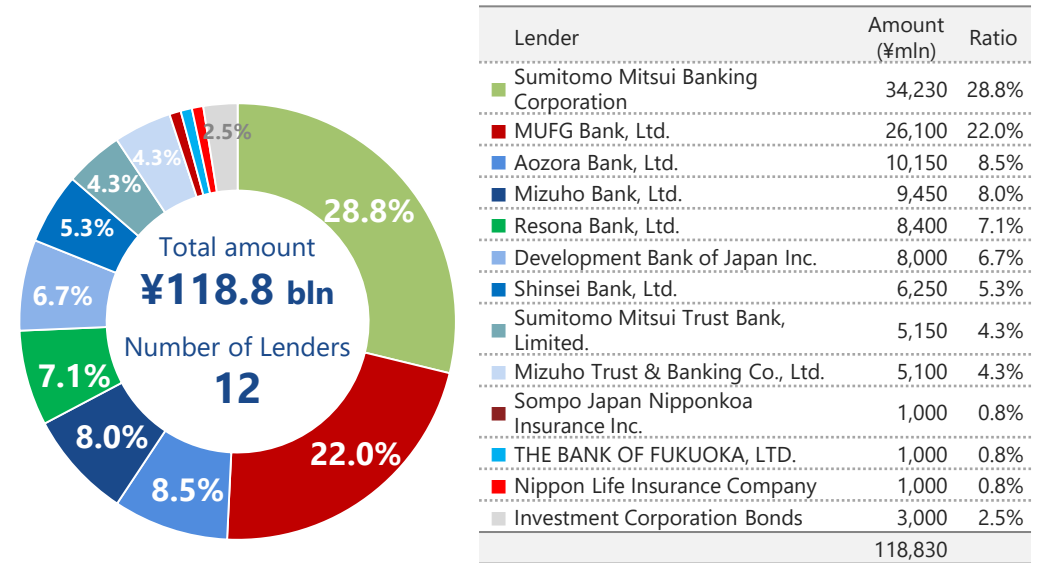
Note 4: The share of compensation is the ratio of compensation to sales at individual facilities.

5. Finance

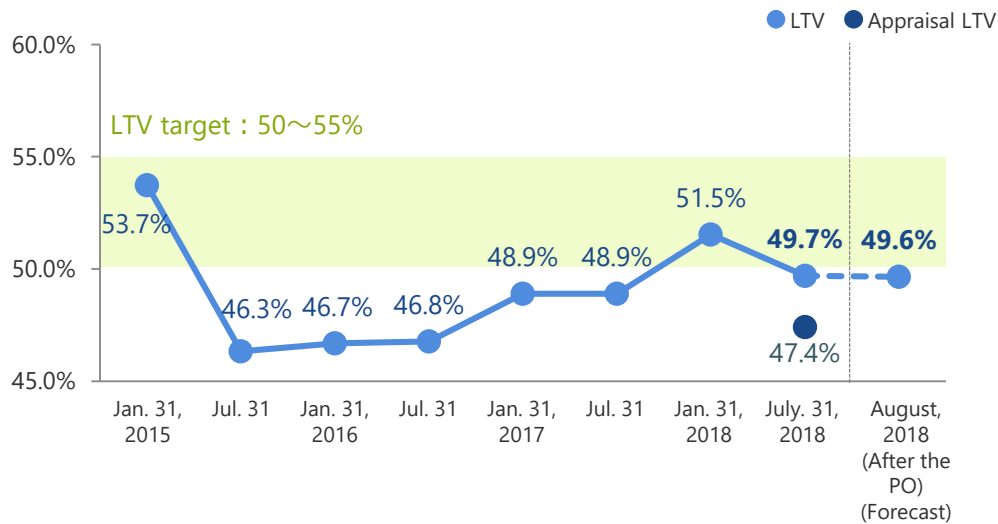
Key Debt Indicators ⁽¹⁾



Status of Interest-bearing Liabilities (as of August 31, 2018)



LTV (based on total assets)⁽²⁾



Credit Rating

A+
(Japan Credit Rating Agency, Ltd. (JCR))

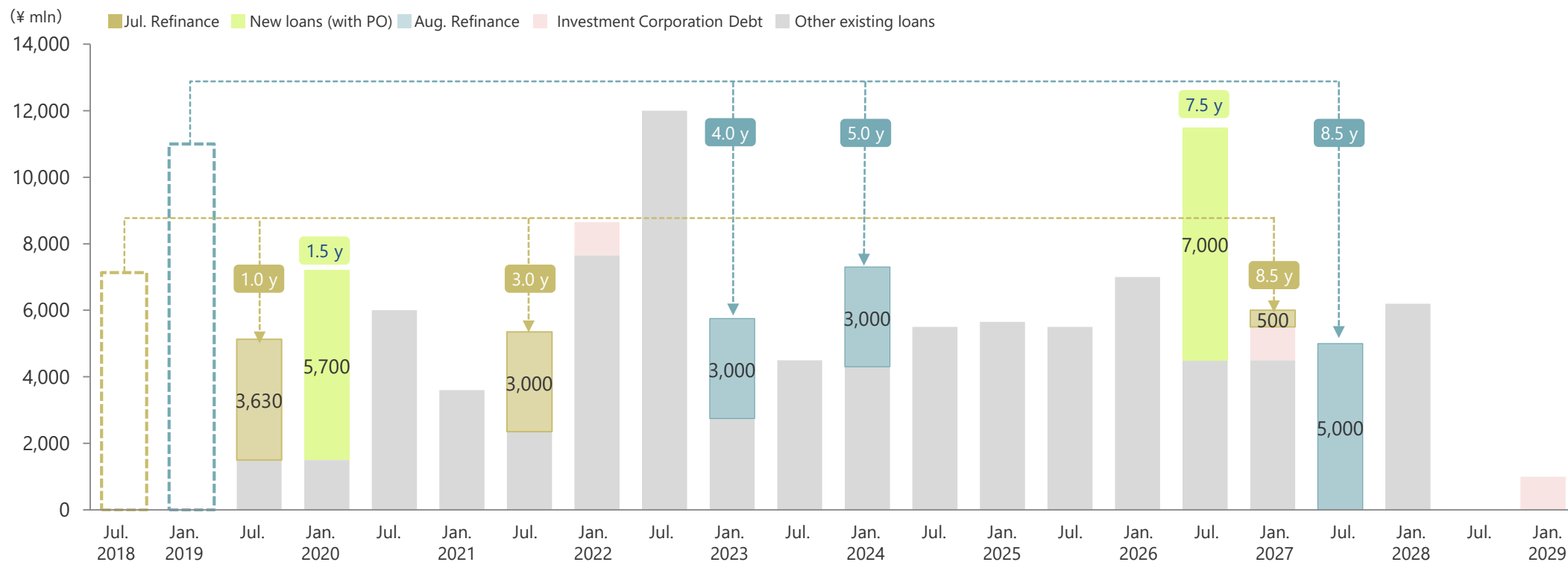
Note 1: "Average interest rate" calculated by weighted average interest rate at the end of the period and August 31, 2018 that took into consideration up-front fee (per year) and the effect of the interest rate swap. "Average remaining term" calculated by weighted average remaining term of interest-bearing liabilities at the end of the period and August 31, 2018. "Rate of fixed-interest" calculated the percentage of fixed interest rate loans of total amount of loans at the August 31, 2018. The floating loans which are substantially fixed with interest rate swap are included in the fixed-rate.

Note 2: "LTV" = Interest-bearing Liabilities / Total Assets. "Appraisal LTV" = Interest-bearing Liabilities / Total Appraisal Value. "LTV" as of August, 2018 is current forecasts.

Repayment Terms

Latest New Loans and Refinance

Classification	Amount	Term ⁽¹⁾	Average interest rate ⁽²⁾
Refinance in Jul. 2018	¥7.13 bln	2.4 yrs	0.50%
New Loans (with PO)	¥12.7 bln	4.8 yrs	0.72%
Refinance in Aug. 2018	¥11.0 bln	6.3 yrs	0.86%

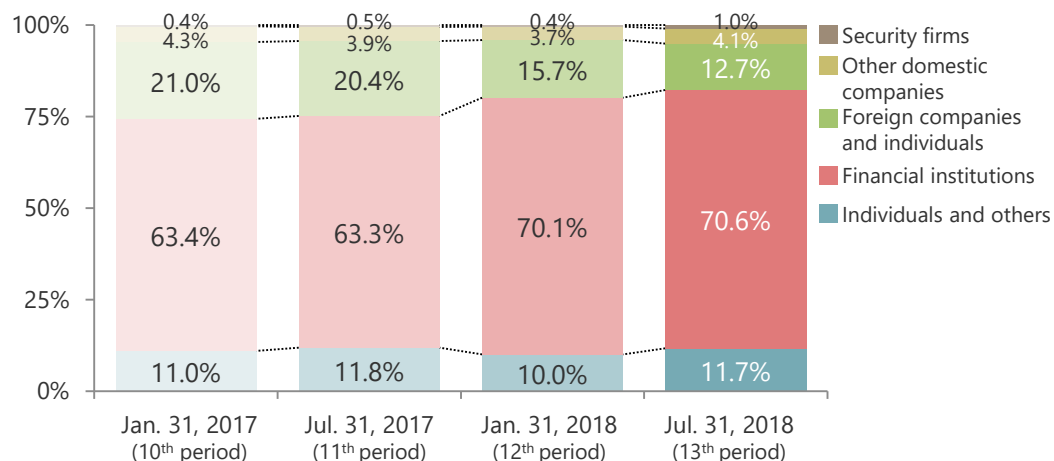


Note 1: "Average interest rate" calculated by weighted average interest rate at the end of the period for the each loans.

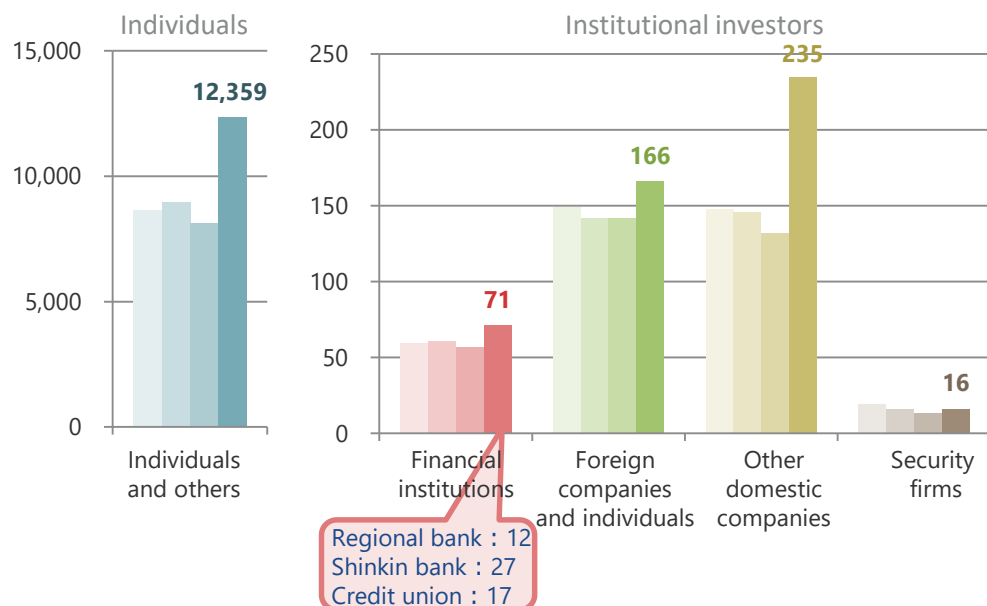
Note 2: "Interest rate" calculated as of end of August 2018 that took into consideration up-front fee (per year) and the effect of the interest rate swap.

Unitholders

Composition of Unitholders (based on number of units)



Number of Unitholders (last 4 fiscal periods)



Major Unitholders (as of July 31, 2018)

	Name	Units	Ratio ⁽¹⁾
1	Japan Trustee Services Bank, Ltd. (Trust Acct.)	242,472	30.96%
2	The Master Trust Bank of Japan Ltd. (Trust Acct.)	160,306	20.47%
3	Trust and Custody Services Bank, Ltd. (Securities Investment Trust Acct.)	30,374	3.87%
4	The Nomura Trust Banking Co., Ltd. (Trust Acct.)	23,847	3.04%
5	Kenedix, Inc.	16,570	2.11%
6	Mizuho Trust & Banking Co., Ltd.	14,764	1.88%
7	Mitsubishi UFJ Trust and Banking Corporation	14,562	1.85%
8	STATE STREET BANK AND TRUST COMPANY 505012	13,482	1.72%
9	The Gunma Bank, Ltd.	12,849	1.64%
10	DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	9,124	1.16%
	Total	538,350	68.76%

Note 1: Ratio means the percentage for total units owned to total units issued. (Rounded down to the nearest three decimal places)

6. Sustainability

Initiatives for Sustainability

DBJ Green Building Certification⁽¹⁾

5 residential properties are certificated.

Properties certificated DBJ Green Building

KDX Residence Toyosu



January 2018 **New**



DBJ Green Building
2017

Properties with excellent
environmental & social awareness

Ashiya Royal Homes



KDX Residence Hanzomon



KDX Residence Ebisu



KDX Residence Yotsuya



GRESB Real Estate Assessment

The Investment Corporation participates in GRESB Real Estate Assessment from 2016 and acquired "Green Star" rating in 2018. (Rating is "2 Stars")



GRESB (Global Real Estate Sustainability Benchmark) is a benchmark to evaluate sustainability performance of private and listed real estate portfolio, etc. from environmental and social perspectives.

Others

LED Lights in Common Areas⁽²⁾

	1H 2015	2H 2015 1H 2016	2H 2016 1H 2017	2H 2017 1H 2018	Total
Property (props)	4	8	14	11	37
Expense (mln yen)	9.3	21.2	22.4	11.0	64.0
Annual reduction (mln yen)	0.9	7.0	7.7	3.5	19.2

Secure Lockers for Deliveries



110 props

Secure lockers for parcels eliminate the need for delivery companies to return to a property when a resident is not home the first time. This reduces transportation CO2 emissions and wasted working time for drivers. Installing these lockers therefore contributes to fighting climate change and supporting economic growth, two of the U.N. sustainable development goals.

Outlets for recharging electric cars



3 props

Parking areas have outlets so that residents can easily recharge electric cars.

Note 1: "DBJ Green Building Certification" is a system established by Development Bank of Japan in April 2011 to support real estate that meets environmental and social conditions.

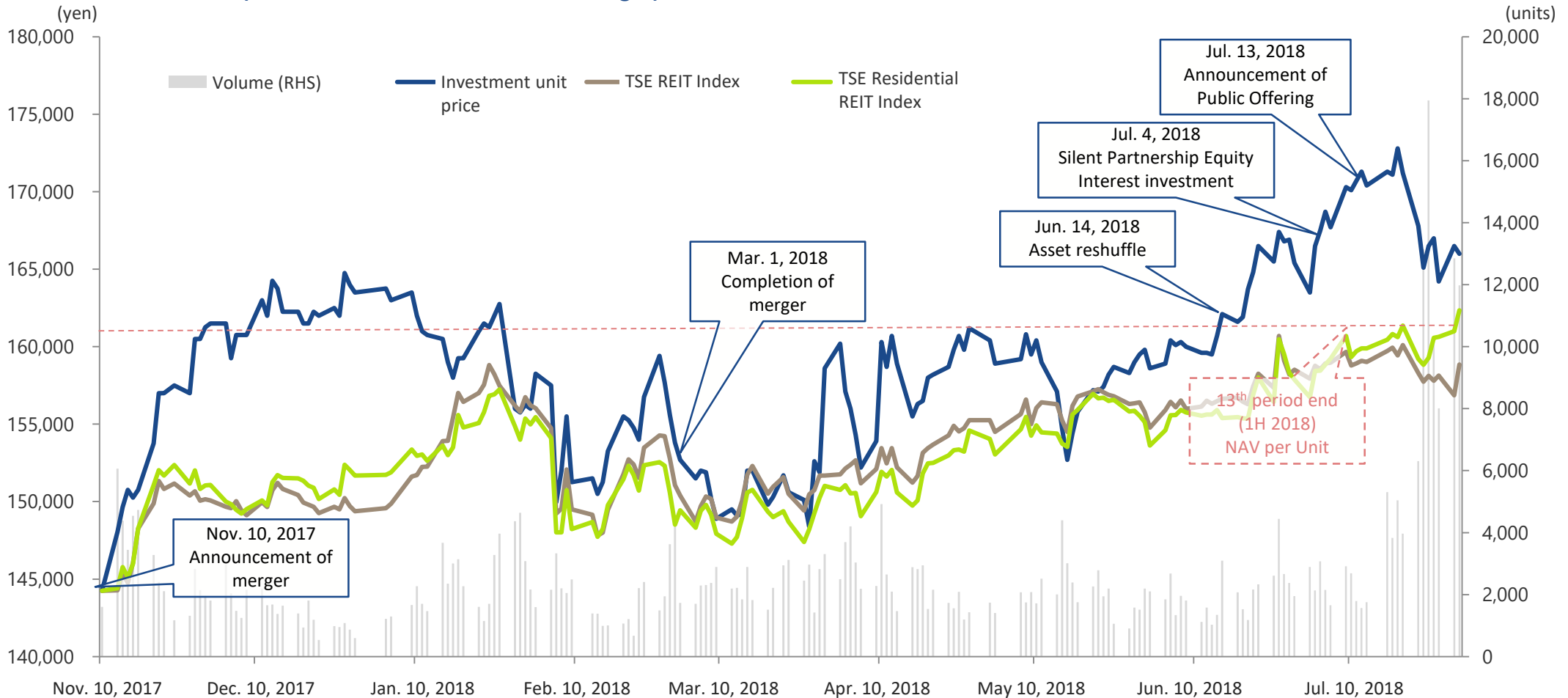
Note 2: "Annual reduction" is calculated based on the presentation materials from construction company as of exchanging construction.

Appendices

Investment Unit Price

- Since the November 2017 announcement of the JSL merger, the price of KDR investment units has increased due to even greater expectations for growth as well as the stability of residential rent income.
- In addition to the JSL merger, KDR is taking many activities involving the management of its portfolio. Examples include portfolio reshuffling and, to create new pipelines for property acquisitions, investments in silent partnerships.
- Due to the contribution of the public offering to growth, the price of KDR investment units has remained strong even after the announcement of this offering and the terms. (With healthcare facilities added, KDR's portfolio is structured for stability and growth.)

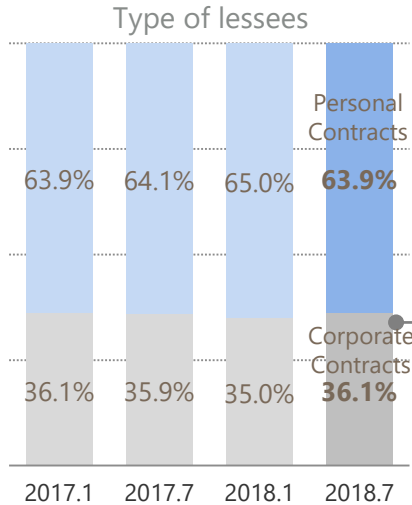
Investment Unit Price (after announcement of the JSL merger)



Note: Tokyo Stock Exchange REIT Index and Tokyo Stock Exchange Residential REIT Index on the announcement date of the JSL merger of November 10, 2017 are indexed as the investment unit price (closing price) of KDR on the same date.

Tenant Demographics Analysis (Residential Facilities)

Type of Lessees⁽¹⁾

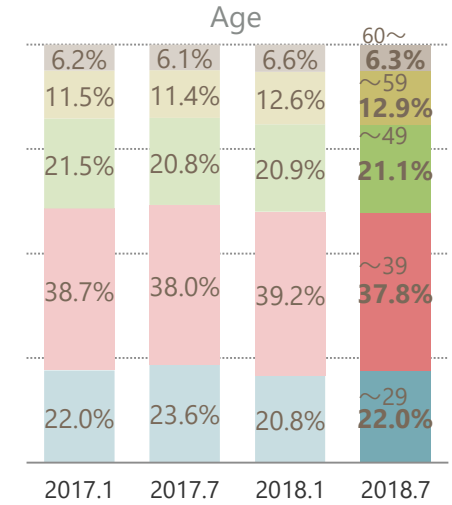
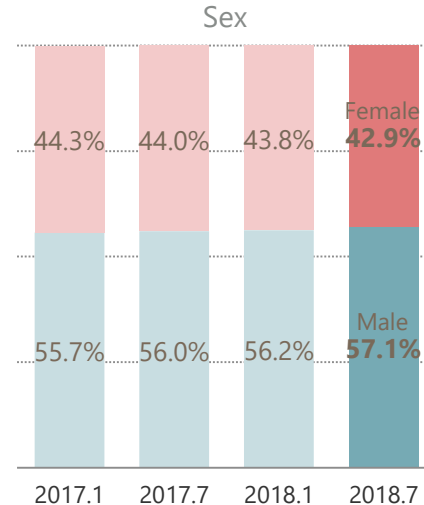


Large corporate contracts in rental housing⁽²⁾

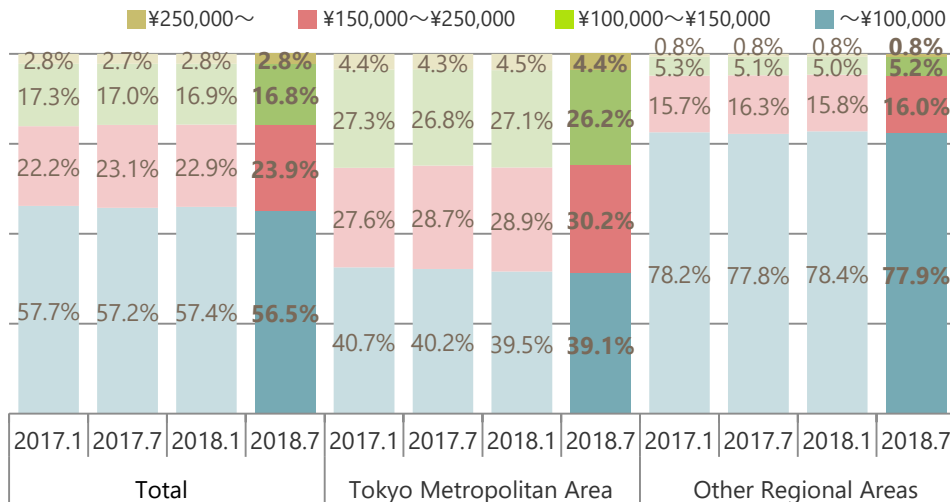
Property Name	Number of Contracts	% in a property
KDX Residence Okachimachi	27 units	52.9%
KDX Residence Yoga	18 units	47.4%
KDX Residence Higashi-shinjuku	75 units	41.9%
KDX Residence Ojima	34 units	29.1%
KDX Residence Moriguchi	6 units	21.4%

Note 1: Lessees of units at the end of each period include stores and offices.
 Note 2: Large corporate contracts are those that lease over 20% of the units in a certain property. However, 4 properties which have rent guaranteed master lease contracts are excluded.

Breakdown of Personal Contracts



Breakdown of Rent Range (based on unit)



Average Rent per Residential Unit⁽¹⁾ (as of July 31, 2018)

Room Type \ Area	Tokyo Metropolitan Area	Other Regional Areas	Total
Studio	¥94,901 (+933)	¥69,422 (+240)	¥86,741 (+1,462)
Small Family	¥165,349 (+837)	¥85,467 (▲259)	¥120,207 (+98)
Family	¥216,162 (+566)	¥165,953 (+1,048)	¥191,850 (+487)
Total	¥133,863 (▲346)	¥91,674 (+731)	¥114,931 (+641)

Note1: "()" Shows the amount of increase or decrease compared to the previous period.

Sub-MLIT Standard Toyo Tire & Rubber Seismic Isolation Materials

Failure of Toyo Tire & Rubber Seismic Isolation Materials to Meet the Certification Requirements and Subsequent Actions

March, 2015		April, 2015		September, 2015
<p>Toyo Tire announced that its seismic isolation materials do not comply with certification requirements of the Ministry of Land, Infrastructure, Transport and Tourism of Japan (MLIT).</p>	<p>One portfolio building uses Toyo Tire seismic isolation materials, but Toyo Tire stated that these materials complied with the certification requirements.</p>	<p>Toyo Tire announced a new incident involving seismic isolation material fraud.</p>	<p>KDR visited each tenant in the building to explain the situation.</p>	<p>The MLIT and Toyo Tire measured the seismic isolation properties of the affected KDR owned building and concluded that the building is structurally sound up to a seismic intensity of 6-upper to 7.</p>
<p>Start of examination to determine if any portfolio buildings use these materials.</p>		<p>Toyo Tire notified KDR that the seismic isolation materials in the portfolio building are included in this newly disclosed incident.</p>		
<p>KDR, KFM and a trust bank who is the trustee of the building signed a Compensation Agreement with Toyo Tire and Toyo Chemical Industrial Products.</p>				

Signing of a Compensation Agreement

KDR, the Asset Management Company and a trust bank who is the trustee of the building signed a Compensation Agreement with Toyo Tire & Rubber Co., and Toyo Chemical Industrial Products regarding compensation for damages due to the use of certain seismic isolation laminated rubber that did not meet the certification criteria in the building. For the time being, an understanding has been reached concerning compensation for damages. However, the contents of the Agreement will not be disclosed because problems may occur during in the implementation of compensation payments.

Replacement of the Substandard Seismic Isolation Laminated Rubber

KDR will continue to hold discussions regarding construction related to the replacement of the substandard seismic isolation laminated rubber and plans to ask Toyo Tire and Toyo Chemical Industrial Products to take all actions required for a satisfactory conclusion of this problem.

Toyo tire has resumed the production of the seismic isolation laminated rubber from August 2016. We are holding discussions regarding the replacement, etc. with Toyo Tire continuously.

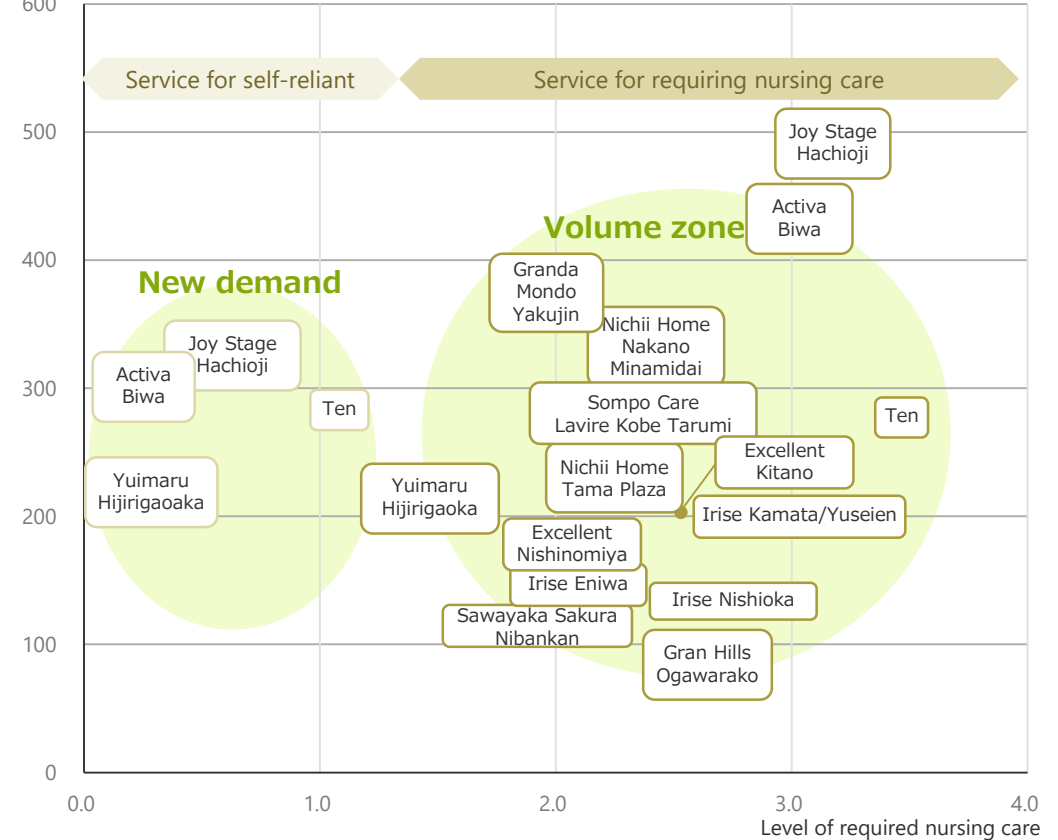
Classification of Senior Living Facilities

Classification of Senior Living Facilities by Type (1)

	For persons living on their own (self-reliant)		For persons requiring nursing care	
	Mid-price range	High price range	Mid-price range	High price range
Market demand	◎ (Potential demand)	△ (Price)	◎ (Volume zone)	○ (Price)
Monthly housing charge	¥ 0.1~0.3 million	¥ 0.3 million ~	¥ 0.1~0.3 million	¥ 0.3 million ~
Unit size	25~50m ²	50~100m ²	15~25m ²	18~25m ²
Room amenities	Washroom, bathroom, air conditioner, etc			
	bathroom, kitchen, etc.			
Shared amenities	Dining room, kitchen, lounge, etc.			
	public bathroom, Leisure facilities, etc.		bathroom (for individual, public bath room and mechanical bathroom), helper station, health management room, rehabilitation room, etc.	

Average Required Level of Nursing and Monthly Paid Fee by Facilities (2)

Monthly charged fee (thousand yen)



Note 1: The above chart shows, in a simplified manner, the general features of market demand, monthly housing charge, unit size, room amenities and shared amenities assumed by KDR to pertain to the mentioned types of senior living facilities. The monthly housing charge is calculated as follows: “the amount of lump sum received, if any, whether there is or not initial depreciation, divided by the No. of months of the amortization period defined by the tenant agreement” + “the monthly usage charge (including meal charges).”

Note 2: This diagram is a simplified analysis of attributes of senior living facilities in the portfolio. The averages of both service for self-reliant and service for requiring nursing care are calculated for Joy Stage Hachioji, Yuimaru Hijirigaoka, Ten, and Active Biwa.

Overview of Operators

How KDR Selects Operators

Management philosophy

- Reason for establishment, management philosophy
- Skills and character of senior executives

Industry and size

- Scale of operations
- Problems and other incidents in the past

Financial soundness

- Financial statements, bank relationships
- Status of other businesses and affiliated companies

Operators of KDR Owned Properties

Operator (Parent company, etc.)	Established	Facilities operated (note)	No. of rooms (capacity; Person) (note)	Listed/Unlisted	Locations owned by KDR (Property name)
Sompo Care Inc. (Sompo Holdings, Inc.)	May 1997	444	26,183	Consolidated subsidiary of Sompo Holdings, Inc. (TSE 1st section listed)	Sompo Care Lavire Kobe Tarumi
Benesse Style Care Co., Ltd. (Benesse Holdings, Inc.)	September 1995	316	17,821	Consolidated subsidiary of Benesse Holdings, Inc. (TSE 1st section listed)	Granda Mondo Yakujin
HITOWA Care Service Co., Ltd. (HITOWA Holdings Co., Ltd.)	November 2006	112	6,707	Unlisted company	Irise Kamata/Yuseien Irise Nishioka Izarie Eniwa building (Irise Eniwa)
Nichii Carepalace Company (NICHIIGAKKAN CO., LTD.)	June 1964	79	5,159	Consolidated subsidiary of NICHIIGAKKAN CO., LTD. (TSE 1st section listed)	Nichii Home Nakano Minamidai Nichii Home Tama Plaza
Sawayaka Club Co., Ltd. (Uchiyama Holdings Co., Ltd.)	December 2004	81	4,838	Consolidated subsidiary of UCHIYAMA HOLDINGS Co., Ltd. (TSE 1st section listed)	Sawayaka Sakura Nibankan
Trust Garden Co., Ltd. (Resorttrust, Inc.)	August 2007	15	1,968	Consolidated subsidiary of Resorttrust, Inc. (TSE 1st section listed)	Activa Biwa
NOTE Social Welfare Corporation	June 1983	44	1,688	Unlisted company	Ten
Excellent Care System Co., Ltd.	August 2004	37	1,300	Unlisted company	Excellent Nishinomiya Excellent Kitano
Hakusinkai Medical Corporation (Nihon Human Support Co., Ltd.)	November 1999	12	1,125	Unlisted company	Anesis Teradacho, Rococo-riha, Orage Suma, Canadian Hill, Anesis Hyogo
Community Net Inc.	June 1998	11	1,040	Unlisted company	Yuimaru Hijirigaoka
NM LIFE Co., Ltd. (Iriscare Co., Ltd.)	October 1995	1	263	Unlisted company	Joy Stage Hachioji
Silver Town Ltd. (Iriscare Co., Ltd.)	February 2002	3	188	Unlisted company	Gran Hills Ogawarako

Note: Facilities operated and capacity are based on information received from operators and other sources and are current as of June 30, 2018 (July 31, 2018 for SOMPO Care).
All figures for operators are non-consolidated.

Senior Housing and Senior Care Facility Operators Ranked by Number of Rooms

Senior Housing and Senior Care Facilities

Rank	Company	Major brands	Locations owned by KDR	Total ^(note)	
				Buildings	Rooms
1	Sompo Care	Sompo no ie, Sompo no ie S, Sompo Care Lavire	1	431	25,487
2	Benesse Style Care	Aria, Kurara, Granny & Granda, Madoka, Bonsejour, Kokochi, Li-Re	1	316	17,061
3	NICHIIGAKKAN	Nichii no Kirameki, Nichii no Hohoemi, Nichii Home, Iris Garden	2	427	13,867
4	BestLife	BestLife		172	10,845
5	Kawashima Corporation	Sunny Life, Yawaragien		113	9,520
6	KOYAMA Healthcare Group	(No specific brand)		181	7,955
7	HITOWA Care Service	Irise	3	112	6,686
8	Souseikai Group	Good Time Home		85	6,100
9	Medical Care Service	Ai no ie, Ensemble, Famineu		288	5,982
10	Kinoshita Care	Lien Reve, Life commune, Ouen Kazoku		102	5,909
11	Gakken Cocofump	Cocofump		116	5,792
12	VATI	Furusato Home, Anshin Home		139	5,175
13	Half Century More	SunCity		17	4,911
14	Uchiyama Holdings	Sawayaka	1	81	4,838
15	SHIP Healthcare Holdings	Green Life, Well House		68	4,373
16	ALSOK Group	Minna no ie, Sukoyaka, Amica		139	4,183
17	UNIMAT Retirement Community	Soyokaze		159	4,132
18	Fuji Amenity Service	Fuji Palace Senior		128	3,998
19	TSUKUI	TSUKUI Sunshine, TSUKUI Sun Forest		81	3,970
20	Nakagin Group	Nakagin Life Care		21	3,510
40	Excellent Care System	Excellent, Suite, Grand Home	2	54	1,761
43	Nihon Human Support	Human Support	5	30	1,691
46	Resorttrust Group	Trust Garden, Trust Grace	1	15	1,513
78	NOTE Social Welfare Corporation	Yuyujiteki, Gokigen, Happy House	1	23	1,017
144	Community Net	Yuimaru	1	11	556
186	Iriscare	Gran Hills, Joy Stage	2	4	412

Source: Shukan Koreisha Jutaku Shimbun (“Weekly Senior Housing Newspaper”), August 1 and 8, 2018 (Issue 504)

Note: The number of buildings and number of rooms are as of August 31, 2018 and based on information in Shukan Koreisha Jutaku Shimbun, August 1 and 8, 2018 (Issue 504). For corporate groups, the number of buildings and number of rooms are for all private senior homes, memory care group homes and senior care facilities of affiliated companies.

Overview of Nursing and Health Facilities

Nursing and medical care facilities that are community bases linking homes and hospitals in order to enable seniors to return to their homes

- ❑ Nursing and health facilities, with the cost covered by government nursing care insurance, function as community bases that link homes with hospitals. The goals are to enable seniors return home and to support at-home care.
- ❑ Japan’s infrastructure for the provision of nursing and medical care has the objective of providing this care in a seamless manner. To accomplish this, Japan is making progress with numerous reforms of the nursing and medical care systems. Due to these reforms, KDR believes that the role of nursing and health facilities covered by gov’t insurance will become even greater.

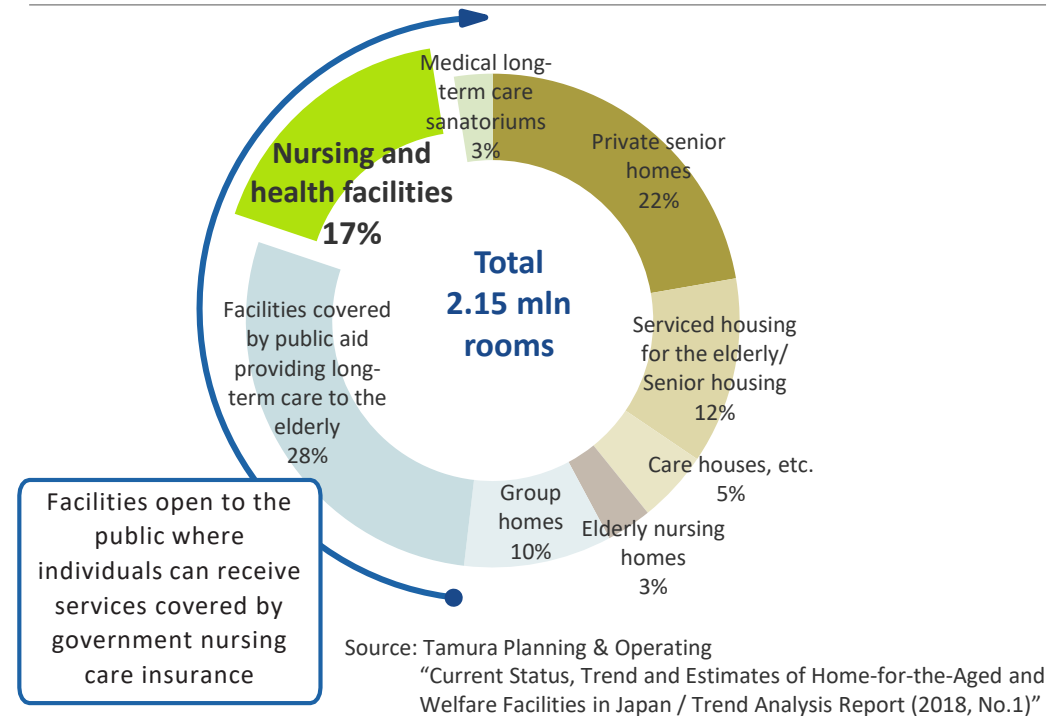
A new category of the healthcare facility market

- ❑ Nursing and health facilities are one of the three categories of senior care facilities covered by government nursing care insurance. The positioning of these facilities differs from private senior homes and serviced senior housing, which are properties that REITs and other funds targeting healthcare facilities have been acquiring for many years.
- ❑ These nursing and health facilities account for a relatively large share of the market for healthcare facilities. KDR believes that the start of investments by a J-REIT in this category of the healthcare facility market will increase opportunities for acquiring these properties in the future.
- ❑ Furthermore, adding this category of healthcare facilities, which has a positioning that differs from that of conventional healthcare properties, to the investment portfolio will contribute to the diversification of KDR’s healthcare property holdings.

High barrier to entry because operators must be a non-profit entity

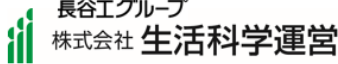








- ❑ Nursing and health facilities covered by government nursing care insurance have high barriers to new entrants because operators must be a local public service organization, medical corporation, social welfare corporation or other entity that has been certified by the Minister of Health, Labour and Welfare. KDR believes that operators of these facilities are all very sound organizations due to the strict certification process.

Senior Care and Housing Facilities in Japan (Number of rooms)



Unitholders' benefit programs

Breakdown for the Unitholders' benefits at approx. 740 facilities

<p>Seikatsu Kagaku Un-Ei Co., Ltd.</p>  <ul style="list-style-type: none"> Same-day facility site-visit (with lunch) free of charge <p>26 facilities</p> <p>Tokyo, Saitama, Kanagawa, Chiba, Shizuoka, Aichi, Kyoto, Hyogo, Osaka</p>	<p>CENTURY LIFE CORPORATION</p>  <ul style="list-style-type: none"> Same-day facility site-visit (with lunch) free of charge <p>10 facilities</p> <p>Tokyo, Saitama, Chiba, Kanagawa, Osaka</p>	<p>LIXIL SENIOR LIFE COMPANY</p>  <p>«On the condition of advance payment»</p> <ul style="list-style-type: none"> Discount on one-time payment for resident (¥ 300,000 discount) Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast) Same-day facility site-visit (with lunch) free of charge <p>5 facilities</p> <p>Tokyo, Fukuoka</p>
<p>Sompo Care Inc.</p>  <p>I . Sompo Care LAVIERE</p> <ul style="list-style-type: none"> « On the condition of advance payment» 3% discount on one-time payment for resident «On the condition of monthly payment» 3% discount on monthly rent equivalent (Until the contract ends) Same-day facility site-visit (with lunch) free of charge <p>II . Fee-based homes for the elderly with nursing care for Sompo Care Sompo no ie, Sompo no ie S, Sompo no ie GH Fee-based homes for the elderly (residential), Serviced housing for the elderly, Group homes</p> <ul style="list-style-type: none"> 3% discount on monthly rent equivalent (Until the contract ends) Same-day facility site-visit(with lunch) free of charge (Only applicable to SOMPO no ie) <p>442 facilities</p> <p>Hokkaido, Akita, Miyagi, Saitama, Chiba, Tokyo Kanagawa, Yamanashi, Shizuoka, Aichi, Mie, Kyoto, Osaka, Hyogo, Nara, Okayama, Hiroshima, Kagawa, Fukuoka, Kumamoto</p>	<p>HITOWA Care Service Co., Ltd.</p>  <ul style="list-style-type: none"> Same-day facility site-visit (with lunch) free of charge Discount on usage charge for two-month equivalent <p>99 facilities</p> <p>Hokkaido, Miyagi, Saitama, Chiba, Tokyo, Kanagawa, Nagano, Hyogo, Okinawa</p>	<p>Excellent Care System Co., Ltd.</p>  <ul style="list-style-type: none"> 10% discount on usage charge for first month Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast) Same-day facility site-visit (with lunch) free of charge <p>15 facilities</p> <p>Tokyo, Kanagawa, Kyoto, Hyogo, Tokushima</p>
<p>Nichii Carepalace Company</p>  <ul style="list-style-type: none"> Same-day facility site-visit (with lunch) free of charge Trial residence free of charge (1-night, 2-day stay, with dinner, lunch and breakfast) <p>73 facilities</p> <p>Tokyo, Saitama, Chiba, Kanagawa, Shizuoka</p>	<p>Sawayaka Club Corporation</p>  <ul style="list-style-type: none"> 10% discount on usage charge for first month Trial residence free of charge (1-night, 2-day stay, with dinner and breakfast) Same-day facility site-visit(with lunch) free of charge <p>68 facilities</p> <p>Hokkaido, Akita, Tochigi, Saitama, Chiba, Kanagawa, Niigata, Shizuoka, Aichi, Mie, Kyoto, Osaka, Hyogo, Ehime, Wakayama, Fukuoka, Oita</p>	<p>NM LIFE Co., Ltd.</p>  <ul style="list-style-type: none"> Discount on one-time payment for resident (¥ 200,000 discount) Trial residence free of charge, up to three times (1-night, 2-day stay, with dinner and breakfast) Same-day facility site-visit(with lunch) free of charge (up to three times) <p>1 facility</p> <p>Tokyo</p>

(Note) The unitholders' benefit programs are applied private nursing homes that are managed by above companies as of July 31, 2018. Other Facilities Available for Century Life Corporation is serviced housing for the elderly operated, LIXIL Senior Life Company is apartment for the elderly, and Sompo Care Inc. is serviced housing for the elderly, Group homes.

Financial Statements

Balance Sheets

	(in thousands of yen)			(in thousands of yen)	
	12 th fiscal period (as of Jan 31, 2018)	13 th fiscal period (as of Jul 31, 2018)		12 th fiscal period (as of Jan 31, 2018)	13 th fiscal period (as of Jul 31, 2018)
Assets			Liabilities		
Current assets			Current liabilities		
Cash and deposits	6,551,666	10,029,598	Operating accounts payable	473,021	609,170
Cash and deposits in trust	3,928,017	8,749,823	Short-term loans payable	2,630,000	2,630,000
Operating accounts receivable	24,913	29,188	Current portion of long-term loans payable	11,000,000	13,500,000
Prepaid expenses	3,557	10,855	Accounts payable-other	239,241	284,251
Other	11,358	11,033	Accrued expenses	26,142	26,489
Total current assets	¥10,519,513	¥18,830,499	Income taxes payable	604	605
Noncurrent assets			Accrued consumption taxes	-	63,856
Property, plant and equipment			Advances received	779,137	958,812
Land	1,798,041	1,798,041	Deposits received	53,143	54,159
Building in trust	61,915,815	76,755,095	Other	-	13
Structures in trust	388,001	588,929	Total current liabilities	¥15,201,290	¥18,127,358
Machinery and equipment in trust	1,090,946	1,103,222	Noncurrent liabilities		
Tools, furniture and fixtures in trust	309,425	361,742	Investment corporation bonds	3,000,000	3,000,000
Land in trust	99,538,715	111,474,267	Long-term loans payable	74,500,000	87,000,000
Total property, plant and equipment, net	¥165,040,946	¥192,081,298	Tenant leasehold and security deposits in trust	1,462,549	2,330,549
Intangible assets			Trust tenants lump sum deposits	-	4,205,076
Land leasehold in trust	-	1,067,058	Other	-	150,601
Other	-	7,115	Total noncurrent liabilities	¥78,962,549	¥96,685,885
Total intangible assets	-	¥1,074,174	Total liabilities	¥94,163,839	¥114,813,244
Investments and other assets			Net Assets		
Investment securities	221,707	512,263	Unitholders' equity		
Lease and guarantee deposits	10,397	39,097	Unitholders' capital	80,132,379	80,132,379
Long-term prepaid expenses	915,782	916,981	Surplus		
Other	80,743	81,989	Investment surplus	-	13,187,100
Total investments and other assets	¥1,228,631	¥1,550,331	Unappropriated retained earnings (undisposed loss)	2,437,011	5,428,676
Total noncurrent assets	¥166,269,577	¥194,705,805	Total surplus	¥2,437,011	¥18,615,776
Deferred assets			Total unitholders' equity	¥82,569,390	¥98,748,155
Investment corporation bond issuance costs	24,461	22,583	Valuation and translation adjustments		
Investment unit issuance costs	421	-	Deferred gains or losses on hedges	80,743	△2,512
Total deferred assets	¥24,883	¥22,583	Total valuation and translation adjustments	¥80,743	△¥2,512
Total assets	¥176,813,974	¥213,558,887	Total net assets	¥82,650,134	¥98,745,643
			Total liabilities and net assets	¥176,813,974	¥213,558,887

Financial Statements

Statements of Income and Retained Earnings

	(in thousands of yen)	
	12 th fiscal period from: Aug. 1, 2017 to: Jan. 31, 2018	13 th fiscal period from: Feb. 1, 2018 to: Jul. 31, 2018
Operating revenues		
Rent revenues-real estate	5,235,620	6,152,086
Other lease business revenue	435,685	503,250
Gain on sales of real estate, etc.	-	436,817
Dividend received	10,132	5,164
Total operating revenues	¥5,681,438	¥7,097,319
Operating expenses		
Expenses related to rent business	2,107,064	2,554,551
Asset management fees	377,361	413,158
Asset custody fees	11,365	11,583
Administrative service fees	39,023	41,201
Directors' compensation	4,500	7,500
Merger-related expenses	67,446	395,984
Other operating expenses	184,719	233,938
Total operating expenses	¥2,791,481	¥3,657,918
Operating Income	¥2,889,956	¥3,439,400
Non-operating income		
Interest income	12	15
Dividends and redemption-prescription	350	293
Interest on refund	-	56
Total non-operating income	¥363	¥364
Non-operating expenses		
Interest expenses	410,074	441,829
Interest expenses on Investment corporation bonds	7,806	7,593
Borrowing expenses	97,811	145,787
Amortization of investment corporation bond issuance costs	1,878	1,878
Amortization of investment unit issuance costs	19,618	421
Other	-	108
Total non-operating expenses	¥537,188	¥597,619
Ordinary Income	¥2,353,130	¥2,842,146
Extraordinary Income		
Gain on negative goodwill	-	2,574,896
Total Extraordinary income	-	2,574,896

	(in thousands of yen)	
	12 th fiscal period from: Aug. 1, 2017 to: Jan. 31, 2018	13 th fiscal period from: Feb. 1, 2018 to: Jul. 31, 2018
Income before income taxes	¥2,353,130	¥5,417,042
Income taxes-current	604	605
Income taxes-deferred	9	-
Total income taxes	¥614	¥605
Net Income	¥2,352,516	¥5,416,437
Retained earnings brought forward	84,495	12,239
Unappropriated retained earnings (undisposed loss)	¥2,437,011	¥5,428,676




























Distributions

	12 th fiscal period from: Aug. 1, 2017 to: Jan. 31, 2018	13 th fiscal period from: Feb. 1, 2018 to: Jul. 31, 2018
	I. Retained earnings at the end of period	2,437,011,775 yen
II. Total distributions	2,424,772,194 yen	3,152,068,128 yen
(Distributions per unit)	(6,946 yen)	(4,026 yen)
III. Voluntary reserve		
Reserve for temporary difference	-	2,000,000,000 yen
IV. Retained earnings brought forward to the next period	12,239,581 yen	276,608,736 yen

Statements of Cash Flows

	(in thousands of yen)	
	12 th fiscal period from: Aug. 1, 2017 to: Jan. 31, 2018	13 th fiscal period from: Feb. 1, 2018 to: Jul. 31, 2018
Net cash provided by (used in) operating activities	3,251,371	4,894,673
Net cash provided by (used in) investing activities	△9,969,526	△551,360
Net cash provided by (used in) financing activities	7,012,897	△2,710,094
Net increase (decrease) in Cash and Cash Equivalents	¥294,741	¥1,633,218
Cash and cash equivalents at the beginning of period	10,184,942	10,479,684
Net increase (decrease) in cash and cash equivalents with the Merger	-	6,666,519
Cash and cash equivalents at the End of Period	¥10,479,684	¥18,779,421

Support System by Sponsor and Support Companies

		Support for:  Residential facilities			 Healthcare facilities	 Accommodation		
Sponsor	Support Companies	External growth support			Internal growth support		Finance support Financing means for bridge funds, etc. provided	Personnel support or provision of expertise
		Information provision (1)	Development (2)	Warehousing	Renovations, maintenance	Backup operator (3)		
								
								
								
								
								
								 (Note 4)

Note 1: "Information provision" means support to provide, to KDR or KFM under certain conditions, information on sales of third parties' real properties, etc. that Sponsor or individual Support Companies obtain on their own or information on sales of real properties that Sponsor, individual Support Companies or their group companies, etc. possess (with respect to Shinsei Bank and Mitsubishi UFJ Trust and Banking Corporation among other Support Companies, only information on sales of third parties' real properties, etc. that they obtain on their own).

Note 2: "Development" means support to provide cooperation to the extent practically reasonable and under practically reasonable conditions when KDR requests support for new development of investable assets or redevelopment of real properties, etc. that KDR possesses or considers to acquire.

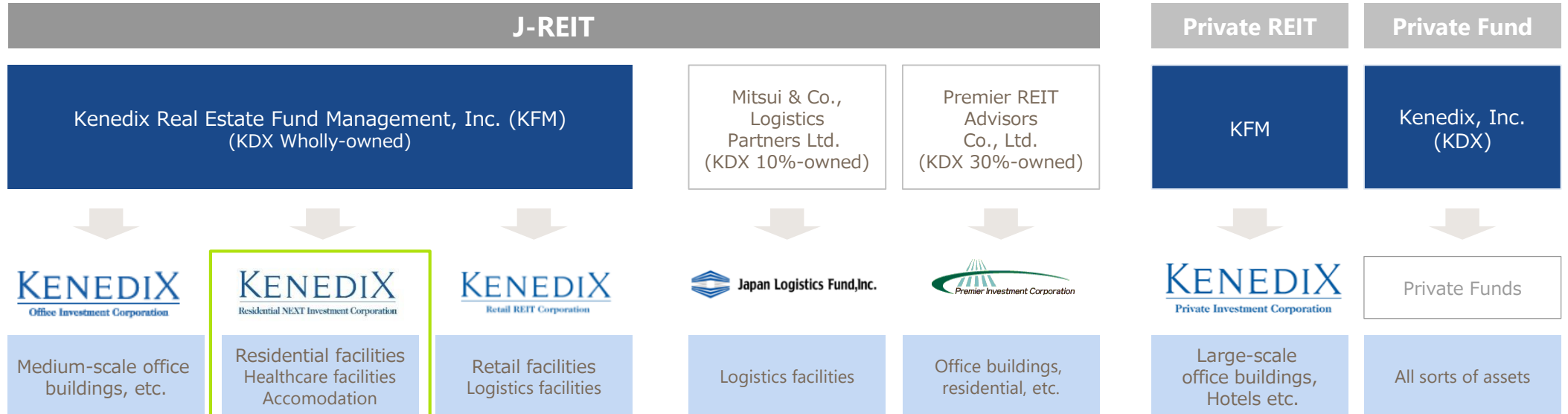
Note 3: "Backup operator" means support to consider to be backup operators for existing operators who are managing facilities which are located on real properties, etc. that KDR possesses or considers to acquire when KDR requests.

Note 4: This is limited to the provision of expertise, and personnel support is not included.

Note 5: The chart above shows a summary of support set forth in each support agreement executed by and among Sponsor, each of the Support Companies and KDR/KFM or agreeing succession resulting from the merger. Neither the Sponsor nor the individual Support Companies are necessarily contractually obligated to provide the support above, and Sponsor and the individual Support Companies have not guaranteed or promised to provide the support above.

Summary of Kenedix Group

Main Funds Kenedix Group Involves in Operation

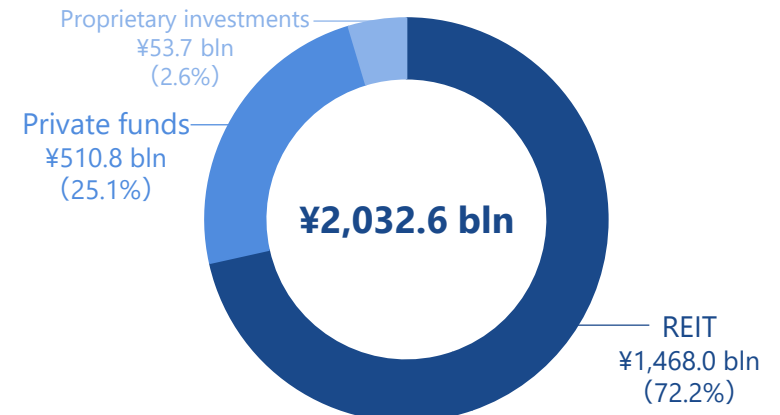


Priority Rights of Consideration for Real Estate Sale Information in Asset Management Company

Property type	Total floor area per investment property (m ²)	Primary	2nd	3rd
Residential	Less than 20,000 ⁽¹⁾	KDR	KPI ⁽²⁾	Private Fund
	Over 20,000 ⁽¹⁾	KPI ⁽²⁾	KDR	Private Fund
Healthcare	All	KDR	Private Fund	-
Accommodation	All	KPI ⁽²⁾	KDR	Private Fund

Note 1: Total floor area per property is for properties in the 23 wards of Tokyo. This figure is less than 30,000 for each of the other regions outside of the 23 wards of Tokyo, and over 30,000 combined.
 Note 2: "KPI" indicates Kenedix Private Investment Corporation.

Breakdown of AUM (as of end of June 2018)

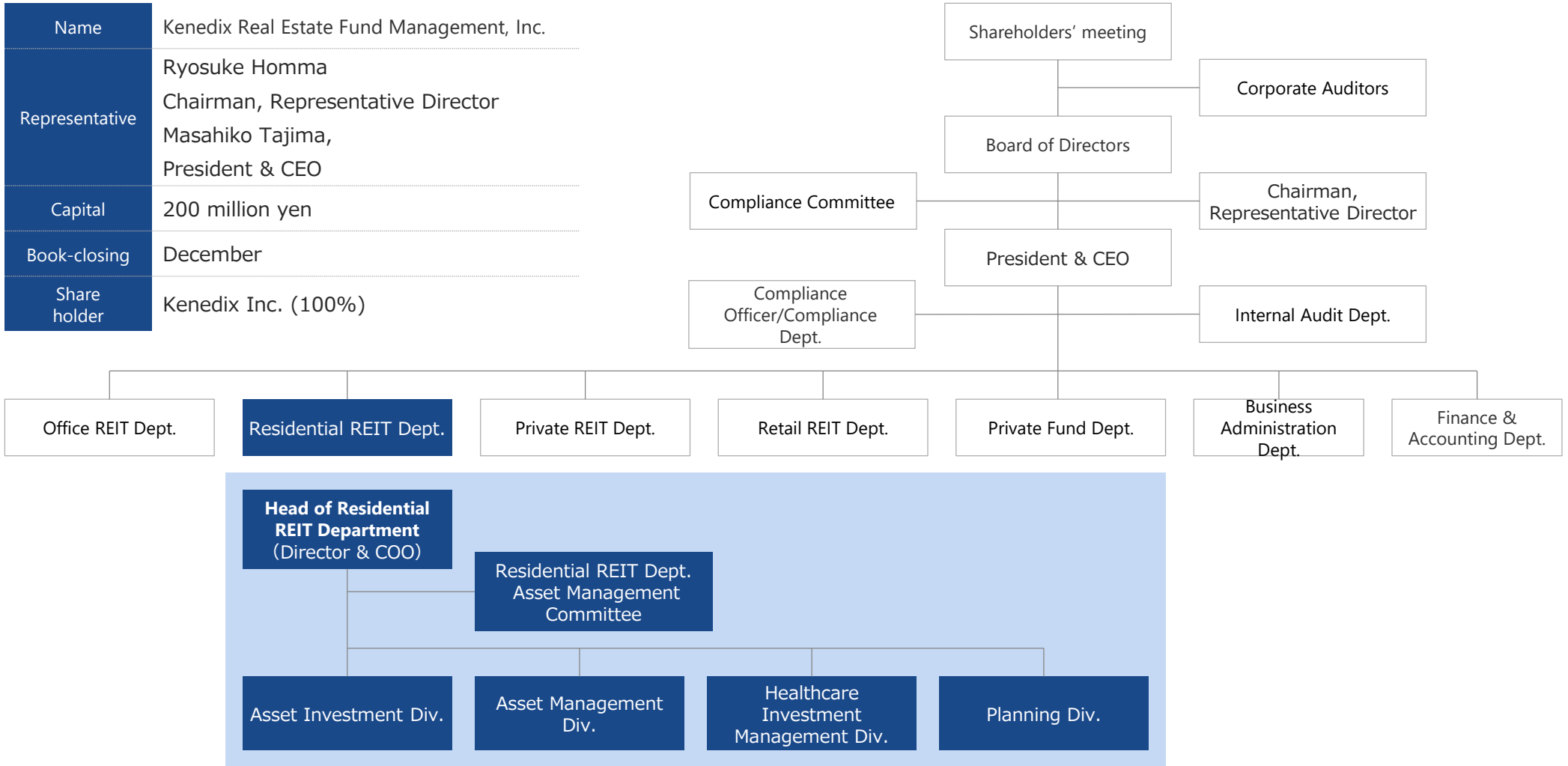


Organization Chart of KFM (KDR)

Overview of Asset Management Company

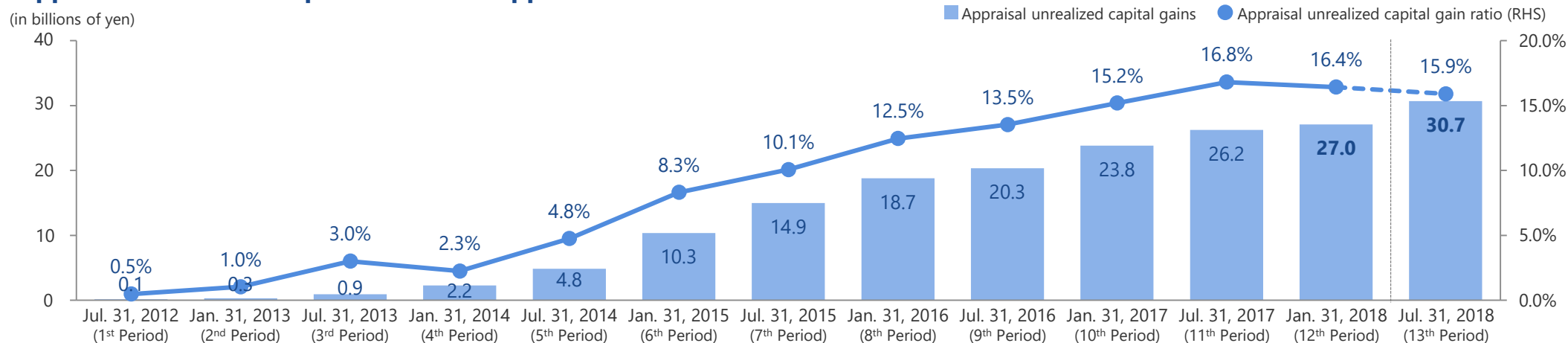
Name	Kenedix Real Estate Fund Management, Inc.
Representative	Ryosuke Homma Chairman, Representative Director Masahiko Tajima, President & CEO
Capital	200 million yen
Book-closing	December
Share holder	Kenedix Inc. (100%)

Organizational chart

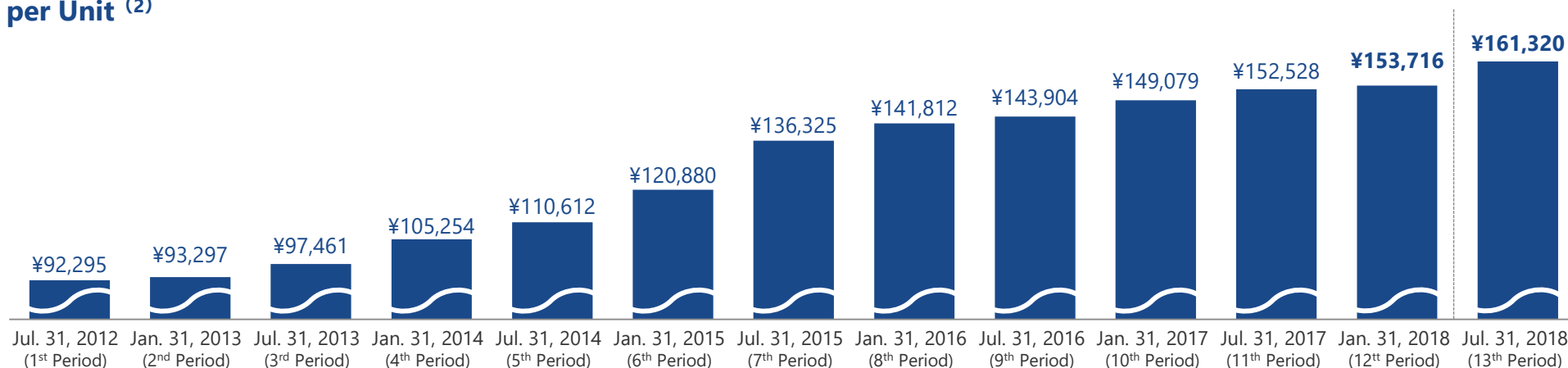


Appraisal Unrealized Capital Gains and NAV per Unit

Appraisal Unrealized Capital Gains and Appraisal Unrealized Gain Ratio⁽¹⁾



NAV per Unit ⁽²⁾



Note 1: "Appraisal Unrealized Capital Gains" = Total Appraisal Value at the End of the Period - Total Book Value at the End of the Period (Appraisal Value for Healthcare facilities after the merger). "Appraisal Unrealized Capital Gain Ratio" = Total Appraisal Unrealized Capital Gains at the End of the Period / Total. After the merger of "Appraisal Unrealized Capital Gains" and "Appraisal Unrealized Gain Ratio" are estimated figure calculated under premise assumptions as of March 1, 2018.

note2: "NAV per unit" has been changed as follows, including for past figures

Calculation method up until the 11th fiscal period: NAV per unit = (end of period total assets - unappropriated retained earnings + end of period appraisal value - property, plant and equipment) / number of outstanding units

Calculation method from the 12th fiscal period: NAV per unit = (end of period total assets - total distribution amount + end of period appraisal value - property, plant and equipment - land leasehold in trust) / number of outstanding units

Further, considering the 2-for-1 investment unit split on March 1, 2018, NAV per unit from July 31, 2017 (end of 11th fiscal period) onward reflects the split by being prorated by 2. Post-merger NAV per unit is estimated figure calculated as of March 1, 2018 based on certain assumptions.

(in millions of yen)

No.	Property Name	Appraiser	Appraisal Value			Cap Rate		Discount Rate		Terminal Cap Rate		Acquisition Price	Difference	Book Value	Difference
			Previous a	End of the 13 th Period b	Difference c [b-a]	Previous	End of the 13 th Period	Previous	End of the 13 th Period	Previous	End of the 13 th Period				
T-1	KDX Daikanyama Residence	F	5,680	5,680	-	4.1%	4.1%	3.9%	3.9%	4.3%	4.3%	4,700	980	4,709	970
T-3	KDX Odemma Residence	F	1,990	2,040	50	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	1,775	265	1,724	315
T-4	KDX Iwamoto-cho Residence	F	928	950	22	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	822	128	797	152
T-5	KDX Bunkyo Sengoku Residence	F	1,710	1,740	30	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	1,488	252	1,462	277
T-6	KDX Azumabashi Residence	F	849	873	24	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	650	223	619	253
T-7	KDX Shimura Sakaue Residence	F	3,250	3,310	60	4.6%	4.5%	4.4%	4.3%	4.8%	4.7%	2,830	480	2,698	611
T-9	Cosmo Heim Motosumiyoshi (land with leasehold interest)	F	1,790	1,800	10	-	-	4.7%	4.6%	4.9%	4.8%	1,750	50	1,798	1
T-10	KDX Musashi Nakahara Residence	F	713	719	6	4.9%	4.8%	4.7%	4.6%	5.1%	5.0%	637	82	640	78
T-11	KDX Chiba Chuo Residence	D	1,750	1,780	30	4.9%	4.8%	4.7%	4.6%	5.1%	5.0%	1,480	300	1,350	429
T-12	KDX Kawaguchi Saiwai-cho Residence	F	1,350	1,380	30	4.8%	4.7%	4.6%	4.5%	5.0%	4.9%	1,150	230	1,122	257
T-13	KDX Residence Shirokane I	F	3,430	3,460	30	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	3,000	460	3,092	367
T-15	KDX Residence Shirokane II	F	3,340	3,400	60	4.1%	4.0%	3.9%	3.8%	4.3%	4.2%	2,800	600	2,867	532
T-16	KDX Residence Minami-aoyama	F	2,470	2,470	-	4.1%	4.1%	3.9%	3.9%	4.3%	4.3%	2,230	240	2,241	228
T-17	KDX Residence Minami-azabu	F	2,530	2,580	50	4.1%	4.0%	3.9%	3.8%	4.3%	4.2%	2,080	500	2,081	498
T-18	KDX Residence Shiba Koen	F	2,220	2,290	70	4.1%	4.0%	3.9%	3.8%	4.3%	4.2%	1,781	509	1,771	518
T-19	KDX Residence Azabu East	F	1,910	1,910	-	4.2%	4.2%	4.0%	4.0%	4.4%	4.4%	1,560	350	1,555	354
T-20	KDX Residence Takanawa	F	987	1,020	33	4.1%	4.0%	3.9%	3.8%	4.3%	4.2%	770	250	767	252
T-21	KDX Residence Nishihara	F	1,870	1,870	-	4.2%	4.2%	4.0%	4.0%	4.4%	4.4%	1,450	420	1,451	418
T-22	KDX Residence Daikanyama II	F	928	935	7	4.4%	4.3%	4.2%	4.1%	4.6%	4.5%	730	205	761	173
T-23	KDX Residence Sendagaya	F	788	805	17	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	650	155	643	161
T-24	KDX Residence Nihombashi Suitengu	D	3,870	3,870	-	4.1%	4.1%	3.9%	3.9%	4.3%	4.3%	3,240	630	3,187	682
T-25	KDX Residence Nihombashi Hakozaki	D	1,330	1,360	30	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	1,147	213	1,167	192
T-26	KDX Residence Higashi-shinjuku	F	3,890	3,990	100	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	3,270	720	3,241	748
T-27	KDX Residence Yotsuya	F	2,590	2,650	60	4.2%	4.2%	4.0%	4.0%	4.4%	4.4%	2,260	390	2,253	396
T-28	KDX Residence Nishi-shinjuku	F	1,250	1,290	40	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	1,000	290	1,000	289
T-29	KDX Residence Kagurazaka	F	870	905	35	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	720	185	713	191

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T-30	KDX Residence Futako Tamagawa	F	1,420	1,440	20	4.4%	4.3%	4.2%	4.1%	4.6%	4.5%	1,250	190	1,276	163
T-31	KDX Residence Komazawa Koen	F	1,070	1,090	20	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	920	170	911	178
T-32	KDX Residence Misyuku	F	888	907	19	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	760	147	757	149
T-33	KDX Residence Yoga	F	835	854	19	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	700	154	699	154
T-34	KDX Residence Shimouma	F	727	741	14	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	600	141	602	138
T-35	Raffine Minami-magome	F	1,450	1,450	-	4.9%	4.9%	4.7%	4.7%	5.1%	5.1%	1,250	200	1,247	202
T-36	KDX Residence Yukigaya Otsuka	F	1,280	1,310	30	4.5%	4.4%	4.3%	4.2%	4.7%	4.6%	1,050	260	1,033	276
T-37	KDX Residence Denen Chofu	D	1,190	1,210	20	4.5%	4.4%	4.3%	4.2%	4.7%	4.6%	1,000	210	1,064	145
T-38	KDX Residence Tamagawa	F	901	920	19	4.6%	4.5%	4.4%	4.3%	4.8%	4.7%	776	144	750	169
T-39	KDX Residence Monzennakacho	F	938	961	23	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	773	188	768	192
T-40	KDX Residence Okachimachi	F	1,020	1,040	20	4.4%	4.3%	4.2%	4.1%	4.6%	4.5%	850	190	844	195
T-41	KDX Residence Moto-asakusa	F	968	990	22	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	800	190	795	194
T-42	KDX Residence Itabashi Honcho	F	727	743	16	4.6%	4.5%	4.4%	4.3%	4.8%	4.7%	620	123	606	136
T-43	KDX Residence Azusawa	F	635	637	2	4.6%	4.5%	4.4%	4.3%	4.8%	4.7%	550	87	557	79
T-44	KDX Residence Tobu Nerima	F	496	502	6	4.7%	4.6%	4.5%	4.4%	4.9%	4.8%	420	82	403	98
T-45	KDX Residence Yokohama Kannai	F	960	979	19	4.8%	4.7%	4.6%	4.5%	5.0%	4.9%	800	179	785	193
T-46	KDX Residence Miyamaedaira	F	1,130	1,130	-	4.6%	4.6%	4.4%	4.4%	4.8%	4.8%	999	131	1,005	124
T-47	KDX Residence Machida	F	1,990	2,020	30	4.5%	4.4%	4.3%	4.2%	4.7%	4.6%	1,800	220	1,734	285
T-48	KDX Residence Kinshicho	F	1,600	1,630	30	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	1,350	280	1,348	281
T-49	KDX Residence Nihombashi Hamacho	F	1,170	1,190	20	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	996	194	1,006	183
T-50	KDX Residence Nihombashi Ningyocho	F	643	643	-	4.4%	4.3%	4.2%	4.1%	4.6%	4.5%	530	113	565	77
T-51	KDX Residence Jiyugaoka	F	1,500	1,540	40	4.1%	4.0%	3.9%	3.8%	4.3%	4.2%	1,268	272	1,325	214
T-52	KDX Residence Togoshi	F	4,520	4,630	110	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	3,745	885	3,771	858
T-53	KDX Residence Shinagawa Seaside	F	3,100	3,170	70	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	2,593	577	2,599	570
T-54	KDX Residence Ojima	F	2,160	2,210	50	4.4%	4.3%	4.2%	4.1%	4.6%	4.5%	1,857	353	1,851	358
T-55	KDX Residence Oyama	F	3,120	3,190	70	4.6%	4.5%	4.4%	4.3%	4.8%	4.7%	2,679	511	2,669	520

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			Previous a	End of the 13 th Period B	Difference c [b-a]	Previous	End of the 13 th Period	Previous	End of the 13 th Period	Previous	End of the 13 th Period				
T-56	KDX Residence Hanzomon	F	5,470	5,470	-	4.2%	4.2%	3.9%	3.9%	4.3%	4.3%	4,832	638	4,970	499
T-57	B-Site Akihabara	F	941	962	21	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	850	112	867	94
T-58	KDX Residence Kagurazaka Dori	F	1,620	1,750	130	4.0%	3.9%	3.8%	3.7%	4.2%	4.1%	1,360	390	1,387	362
T-59	KDX Residence Sendagi	F	2,360	2,390	30	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	2,200	190	2,368	21
T-60	KDX Residence Seijo	F	1,520	1,530	10	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	1,400	130	1,429	100
T-61	KDX Residence Akihabara	F	1,430	1,470	40	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	1,250	220	1,260	209
T-62	KDX Residence Iriya	F	1,300	1,330	30	4.5%	4.4%	4.3%	4.2%	4.7%	4.6%	1,062	268	1,074	255
T-63	KDX Residence Tachikawa	F	3,410	3,470	60	4.5%	4.4%	4.3%	4.2%	4.7%	4.6%	3,026	443	3,035	434
T-64	KDX Residence Tsurumi	F	1,380	1,430	50	5.1%	5.0%	4.9%	4.8%	5.3%	5.2%	1,050	380	1,138	291
T-65	KDX Residence Morishita Chitose	M	1,200	1,230	30	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	1,100	130	1,116	113
T-66	KDX Residence Akasaka	F	1,530	1,600	70	4.0%	3.9%	3.8%	3.7%	4.2%	4.1%	1,150	450	1,199	400
T-67	KDX Residence Kanda	F	1,020	1,050	30	4.1%	4.0%	3.9%	3.8%	4.3%	4.2%	700	350	729	320
T-68	KDX Residence Ebisu	F	3,880	4,000	120	4.0%	3.9%	3.8%	3.7%	4.2%	4.1%	2,845	1,155	2,961	1,038
T-69	KDX Residence Nishi-magome	F	1,180	1,200	20	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	1,130	70	1,179	20
T-70	KDX Residence Nishi-azabu	F	1,450	1,510	60	4.1%	4.0%	3.9%	3.8%	4.3%	4.2%	1,224	286	1,245	264
T-71	KDX Residence Azabu Sendaizaka	F	929	975	46	4.1%	4.0%	3.9%	3.8%	4.3%	4.2%	792	182	809	165
T-72	KDX Residence Waseda Tsurumaki	F	778	791	13	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	561	230	572	218
T-73	KDX Residence Bunkyo Yushima	F	892	915	23	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	695	220	707	207
T-74	KDX Residence Kamishakujii	F	750	786	36	4.6%	4.5%	4.4%	4.3%	4.8%	4.7%	648	138	662	123
T-75	KDX Residence Shin-otsuka	F	922	945	23	4.3%	4.2%	4.1%	4.0%	4.5%	4.4%	764	181	782	162
T-76	KDX Residence Sakurajosui	F	1,100	1,110	10	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	894	216	914	195
T-77	KDX Residence Ryogoku	F	1,050	1,080	30	4.2%	4.1%	4.0%	3.9%	4.4%	4.3%	842	238	863	216
T-78	KDX Residence Toyosu	T	7,640	7,640	-	4.2%	4.1%	4.4%	4.3%	4.4%	4.3%	7,500	140	7,789	-149
Subtotal / Average			134,473	136,838	2,365	4.3%	4.2%	4.2%	4.1%	4.6%	4.5%	114,781	22,055	115,767	21,030

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R-2	KDX JozenjiDori Residence	D	1,270	1,290	20	5.1%	5.0%	4.9%	4.8%	5.3%	5.2%	1,015	275	956	333
R-3	KDX Izumi Residence	F	1,300	1,320	20	4.7%	4.7%	4.5%	4.5%	4.9%	4.9%	1,120	200	1,067	252
R-4	KDX Chihaya Residence	F	1,350	1,350	-	4.8%	4.8%	4.6%	4.6%	5.0%	5.0%	1,080	270	1,015	334
R-5	KDX Sakaisuji Hommachi Residence	F	3,150	3,230	80	4.7%	4.6%	4.5%	4.4%	4.9%	4.8%	2,910	320	2,751	478
R-7	KDX Takarazuka Residence	F	1,780	1,830	50	4.8%	4.7%	4.6%	4.5%	5.0%	4.9%	1,510	320	1,385	444
R-8	KDX Shimizu Residence	F	1,950	1,960	10	5.0%	4.9%	4.8%	4.7%	5.2%	5.1%	1,680	280	1,585	374
R-9	KDX Residence Odori Koen	F	901	931	30	5.1%	5.0%	4.9%	4.8%	5.3%	5.2%	765	166	736	194
R-10	KDX Residence Kikusui Yojo	F	1,000	1,030	30	5.3%	5.2%	5.1%	5.0%	5.5%	5.4%	830	200	801	228
R-11	KDX Residence Toyohira Koen	F	529	539	10	5.4%	5.3%	5.2%	5.1%	5.6%	5.5%	445	94	476	62
R-13	KDX Residence Ichiban-cho	D	683	694	11	5.1%	5.0%	4.9%	4.8%	5.3%	5.2%	530	164	511	182
R-14	KDX Residence Kotodai	D	562	567	5	5.1%	5.0%	4.9%	4.8%	5.3%	5.2%	520	47	504	62
R-15	KDX Residence Izumi Chuo	D	611	617	6	5.2%	5.1%	5.0%	4.9%	5.4%	5.3%	480	137	464	152
R-16	KDX Residence Higashi-sakura I	F	2,700	2,740	40	4.8%	4.7%	4.6%	4.5%	5.0%	4.9%	2,350	390	2,282	457
R-17	KDX Residence Higashi-sakura II	F	1,070	1,080	10	4.8%	4.7%	4.6%	4.5%	5.0%	4.9%	900	180	878	201
R-18	KDX Residence Jingumae	F	1,040	1,060	20	5.1%	5.0%	4.9%	4.8%	5.3%	5.2%	840	220	810	249
R-19	KDX Residence Nishi-oji	D	925	946	21	4.8%	4.7%	4.6%	4.5%	5.0%	4.9%	813	133	791	154
R-20	KDX Residence Saiin	D	498	509	11	4.8%	4.7%	4.6%	4.5%	5.0%	4.9%	440	69	427	81
R-21	KDX Residence Namba	F	1,630	1,660	30	5.0%	4.9%	4.8%	4.7%	5.2%	5.1%	1,410	250	1,378	281
R-22	KDX Residence Namba-minami	F	1,560	1,580	20	5.0%	4.9%	4.8%	4.7%	5.2%	5.1%	1,350	230	1,302	277
R-23	KDX Residence Shin-osaka	F	578	578	-	5.1%	5.0%	4.9%	4.8%	5.3%	5.2%	510	68	487	90
R-24	KDX Residence Ibaraki I・II	F	1,387	1,413	26	5.2%	5.1%	5.0%	4.9%	5.4%	5.3%	1,275	138	1,297	115
R-25	KDX Residence Toyonaka-minami	F	840	853	13	5.2%	5.1%	5.0%	4.9%	5.4%	5.3%	740	113	698	154
R-26	KDX Residence Moriguchi	F	640	649	9	5.1%	5.0%	4.9%	4.8%	5.3%	5.2%	551	98	528	120
R-27	KDX Residence Sannomiya	F	1,290	1,300	10	4.7%	4.6%	4.5%	4.4%	4.9%	4.8%	1,080	220	1,051	248
R-28	Ashiya Royal Homes	F	1,720	1,720	-	4.5%	4.5%	4.3%	4.3%	4.7%	4.7%	1,360	360	1,460	259

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R-29	KDX Residence Funairi Saiwai-cho	F	664	676	12	5.7%	5.6%	5.5%	5.4%	5.9%	5.8%	588	88	564	111
R-30	KDX Residence Tenjin-higashi II	F	851	875	24	5.0%	4.9%	4.8%	4.7%	5.2%	5.1%	680	195	658	216
R-32	KDX Residence Nishi Koen	F	839	858	19	5.0%	4.9%	4.8%	4.7%	5.2%	5.1%	763	95	739	118
R-33	KDX Residence Hirao Josui-machi	F	867	886	19	4.8%	4.7%	4.6%	4.5%	5.0%	4.9%	760	126	748	137
R-34	Melody Heim Gotenyama	F	510	510	-	5.6%	5.6%	5.4%	5.4%	5.8%	5.8%	400	110	427	82
R-35	Leopalace Flat Shin-sakae	M	4,260	4,290	30	4.7%	4.6%	4.6%	4.5%	4.9%	4.8%	3,500	790	3,563	726
R-36	KDX Residence Konan Yamate	F	1,120	1,120	-	4.7%	4.6%	4.5%	4.4%	4.9%	4.8%	973	147	977	142
R-37	KDX Residence Hommachibashi	F	3,450	3,490	40	4.7%	4.6%	4.5%	4.4%	4.9%	4.8%	3,201	289	3,196	293
R-38	KDX Residence Minami-kusatsu	D	2,290	2,340	50	5.5%	5.4%	5.3%	5.2%	5.7%	5.6%	1,974	365	2,006	333
R-39	KDX Residence Ohori Harbor View Tower	D	5,210	5,210	-	4.8%	4.7%	4.6%	4.5%	5.0%	4.9%	4,606	603	4,630	579
R-40	KDX Residence Minami-sanjo	F	1,560	1,600	40	5.0%	4.9%	4.8%	4.7%	5.2%	5.1%	915	685	941	658
R-41	Serenite Kita-kyuhoji	M	1,470	1,500	30	4.4%	4.3%	4.2%	4.1%	4.6%	4.5%	1,290	209	1,298	201
R-42	Serenite Nishinomiya Hommachi	T	739	739	-	5.0%	4.9%	5.1%	5.0%	5.2%	5.1%	617	121	652	86
R-43	KDX Residence Nishijin	T	1,670	1,670	-	4.9%	4.8%	5.0%	4.9%	5.1%	5.0%	1,600	70	1,751	-81
Subtotal / Average			56,464	57,210	746	4.9%	4.8%	4.7%	4.6%	5.1%	5.0%	48,373	8,835	47,808	9,382
Residential Facilities total / Average			190,937	194,048	3,111	4.5%	4.4%	4.3%	4.3%	4.7%	4.6%	163,154	30,890	163,575	30,412

Note 1: Regarding Appraisers, "F" means Japan Real Estate Institute, "D" means Daiwa Real Estate Appraisal co., Ltd., "M" means Morii Appraisal & Investment Consulting Inc. and "T" means The Tanizawa Sogo Appraisal Co., Ltd. Appraisal values are rounded down to the nearest ¥mln. Contents of the real estate appraisal are opinions and judgements at the time of evaluation(Previous; January 31, 2018,13th Period; July 31, 2018), and do not guarantee the validity, accuracy and the possibility of sales at appraisal values. Subtotal and Total of "Cap Rate", "Discount Rate" and "Terminal Cap Rate" are calculated by the weighted average by the appraisal value. For properties for which multiple discount rates are set per fiscal period, the value for the first fiscal period in which a discount rate was applied is shown above.

Appraisal Values 6/6

(in millions of yen)

No.	Property Name	Appraiser	Appraisal Value			Cap Rate		Discount Rate		Terminal Cap Rate		Acquisition Price d	Difference e [b-d]	Book Value f	Difference g [b-f]
			Previous a	End of the 13 th Period b	Difference c [b-a]	Previous	End of the 13 th Period	Previous	End of the 13 th Period	Previous	End of the 13 th Period				
H-1	Irise Kamata/Yuseien	D	1,120	1,120	-	4.7%	4.7%	4.5%	4.5%	4.9%	4.9%	1,120	-	1,115	4
H-2	Nichii Home Nakano-Minamidai	D	1,780	1,780	-	4.4%	4.4%	4.2%	4.2%	4.6%	4.6%	1,780	-	1,777	2
H-3	Joy Stage Hachioji	T	3,690	3,700	10	5.3%	5.3%	5.2%	5.2%	5.5%	5.5%	3,690	10	3,673	26
H-4	Yuimaru Hijirigaoka	F	1,120	1,120	-	5.0%	5.0%	4.8%	4.8%	5.2%	5.2%	1,120	-	1,112	7
H-5	Nichii Home Tama Plaza	D	2,940	2,940	-	5.1%	5.1%	4.9%	4.9%	5.3%	5.3%	2,940	-	2,915	24
H-6	Ten	T	2,630	2,640	10	6.1%	6.1%	6.2%	6.2%	6.3%	6.3%	2,630	10	2,607	32
H-7	Irise Nishioka	F	858	854	-4	5.3%	5.3%	5.1%	5.1%	5.5%	5.5%	858	-4	850	3
H-8	Izarie Eniwa Building	F	1,660	1,670	10	6.1%	6.1%	5.9%	5.9%	6.3%	6.3%	1,660	10	1,644	25
H-9	Sawayaka Sakura Nibankan	D	989	990	1	5.6%	5.6%	5.4%	5.4%	5.8%	5.8%	989	1	978	11
H-10	Activa Biwa	T	6,560	6,560	-	5.7%	5.7%	5.8%	5.8%	5.9%	5.9%	6,560	-	6,516	43
H-11	Sompo Care LAVIERE Kobe Tarumi	T	2,110	2,110	-	4.9%	4.9%	4.9%	4.9%	5.1%	5.1%	2,110	-	2,100	9
H-12	Granda Mondo Yakujin	F	1,190	1,190	-	4.9%	4.9%	4.6%	4.6%	5.1%	5.1%	1,190	-	1,181	8
H-13	Excellent Nishinomiya	T	971	972	1	5.0%	5.0%	5.0%	5.0%	5.2%	5.2%	971	1	963	8
H-14	Gran Hills Ogawarako	T	1,380	1,380	-	7.2%	7.2%	7.1%	7.1%	7.4%	7.4%	1,380	-	1,364	15
H-15	Excellent Kitano	T	-	783	-	-	4.7%	-	4.7%	-	4.9%	737	46	769	130
Subtotal / Average			28,998	29,809	28	5.4%	5.4%	5.4%	5.4%	5.6%	5.6%	29,735	74	29,572	236
Grand total			219,935	223,857								192,889		193,148	30,708

Note 1: Regarding Appraisers, "F" means Japan Real Estate Institute, "D" means Daiwa Real Estate Appraisal co., Ltd., "M" means Morii Appraisal & Investment Consulting Inc. and "T" means The Tanizawa Sogo Appraisal Co., Ltd. Appraisal values are rounded down to the nearest ¥mln. Contents of the real estate appraisal are opinions and judgements at the time of evaluation(Previous; January 31, 2018,13th Period; July 31, 2018), and do not guarantee the validity, accuracy and the possibility of sales at appraisal values. Subtotal and Total of "Cap Rate", "Discount Rate" and "Terminal Cap Rate" are calculated by the weighted average by the appraisal value. For properties for which multiple discount rates are set per fiscal period, the value for the first fiscal period in which a discount rate was applied is shown above.

Summary of Portfolio Performance

Trends in Portfolio Performance

	8 th fiscal period (as of Jan. 31, 2016)	9 th fiscal period (as of Jul. 31, 2016)	10 th fiscal period (as of Jan. 31, 2017)	11 th fiscal period (as of Jul. 31, 2017)	12 th fiscal period (as of Jan. 31, 2018)	13 th fiscal period (as of Jul. 31, 2018)
Number of Properties	105 props	105 props	113 props	113 props	115 props	129 props
Properties Acquired during the period	5 props	0 props	10 props	0 props	2 props	1 props
Properties Transferred during the period	3 Props	0 Props	2 Props	0 Props	0 Props	1 Props
Total Acquisition Price	148,184 million	148,184 million	155,069 million	155,069 million	164,169 million	192,889 million
Total Book Value	150,906 million	150,211 million	156,805 million	156,161 million	165,040 million	193,148 million
Total Appraisal Value	169,702 million	170,538 million	180,618 million	182,410 million	192,137 million	223,857 million
Rentable Units ⁽¹⁾	7,243 units	7,243 units	7,518 units	7,518 units	7,888 units	7,794 units
Rentable Area ⁽¹⁾	286,310.51 m ²	286,310.51 m ²	292,324.33 m ²	292,324.33 m ²	303,608.43 m ²	301,462.41 m ²
Leasing Business Revenues	5,208 million	5,329 million	5,437 million	5,574 million	5,671 million	6,655 million
Leasing Business Expenses (ex. Depreciation)	1,084 million	1,175 million	1,172 million	1,239 million	1,185 million	1,410 million
NOI (Net Operating Income) ⁽²⁾	4,124 million	4,153 million	4,265 million	4,335 million	4,486 million	5,245 million
NOI Cap Rate (per year)	5.6 %	5.6 %	5.5 %	5.6 %	5.4 %	5.4 %
Capital Expenditure	167 million	163 million	220 million	241 million	286 million	436 million
Depreciation	852 million	857 million	878 million	884 million	921 million	1,144 million
Depreciation Rate (per acquisition price, year)	1.1 %	1.2 %	1.1 %	1.2 %	1.1 %	1.2 %
NOI Cap Rate after Depreciation (per year)	4.4 %	4.5 %	4.4 %	4.5 %	4.3 %	4.2 %

Note 1: "Rentable Units" and "Rentable Area" don't include healthcare facilities.

Note 2: NOI=Operating Revenues – Operating Expenses(ex. Depreciation) (Rounded down to the nearest one decimal places)

Portfolio Performance in 1H 2018 1/6

																	(in thousands of yen)	
No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units (unit)	Rentable Area (m ²)	Rented Area (m ²)	Occupancy Rate (%)	Operating Days (days)	Leasing Business Revenues a	Leasing Business Expenses b	NOI c [a-b]	Depreciation d	Leasing Business Income e [c-d]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)	
T-1	KDX Daikanyama Residence	4,700,000	4,709,541	5,680,000	SF	86	5,338.99	5,338.99	100.0%	181	160,834	30,952	129,882	15,991	113,890	5.6%	4.9%	
T-3	KDX Odemma Residence	1,775,000	1,724,498	2,040,000	SF	54	2,353.23	2,262.01	96.1%	181	58,781	11,394	47,386	10,723	36,662	5.4%	4.2%	
T-4	KDX Iwamoto-cho Residence	822,000	797,660	950,000	SF	36	1,131.24	1,131.24	100.0%	181	28,177	7,804	20,372	5,245	15,127	5.0%	3.7%	
T-5	KDX Bunkyo Sengoku Residence	1,488,000	1,462,851	1,740,000	S	77	2,054.10	2,004.18	97.6%	181	51,269	11,223	40,046	6,519	33,526	5.4%	4.5%	
T-6	KDX Azumabashi Residence	650,000	619,101	873,000	S	41	1,054.83	956.75	90.7%	181	25,152	6,097	19,054	4,901	14,152	5.9%	4.4%	
T-7	KDX Shimura Sakaue Residence	2,830,000	2,698,343	3,310,000	F	85	6,117.48	5,815.66	95.1%	181	105,540	30,520	75,020	21,543	53,477	5.3%	3.8%	
T-9	Cosmo Heim Motosumiyoshi (land)	1,750,000	1,798,041	1,800,000	-	-	-	-	-	181	43,750	1,325	42,424	-	42,424	4.9%	4.9%	
T-10	KDX Musashi Nakahara Residence	637,000	640,051	719,000	F	35	2,123.46	2,002.46	94.3%	181	26,607	7,001	19,606	3,691	15,914	6.2%	5.0%	
T-11	KDX Chiba Chuo Residence	1,480,000	1,350,082	1,780,000	S	106	3,546.91	3,313.71	93.4%	181	61,532	18,899	42,632	17,260	25,372	5.8%	3.5%	
T-12	KDX Kawaguchi Saiwai-cho Residence	1,150,000	1,122,287	1,380,000	SF	61	2,491.66	2,406.09	96.6%	181	47,195	9,798	37,396	7,290	30,106	6.6%	5.3%	
T-13	KDX Residence Shirokane I	3,000,000	3,092,817	3,460,000	SF	50	3,617.32	3,530.17	97.6%	181	113,014	40,560	72,453	7,948	64,505	4.9%	4.3%	
T-15	KDX Residence Shirokane II	2,800,000	2,867,193	3,400,000	S	85	2,889.66	2,858.14	98.9%	181	92,412	25,215	67,197	6,842	60,355	4.8%	4.3%	
T-16	KDX Residence Minami-aoyama	2,230,000	2,241,654	2,470,000	SF	20	1,680.79	1,610.31	95.8%	181	55,882	13,053	42,829	3,254	39,574	3.9%	3.6%	
T-17	KDX Residence Minami-azabu	2,080,000	2,081,487	2,580,000	SF	62	2,785.42	2,692.66	96.7%	181	70,729	14,341	56,388	6,930	49,457	5.5%	4.8%	
T-18	KDX Residence Shiba Koen	1,781,000	1,771,749	2,290,000	SF	64	2,507.52	2,464.31	98.3%	181	65,430	12,862	52,567	5,785	46,781	6.0%	5.3%	
T-19	KDX Residence Azabu East	1,560,000	1,555,600	1,910,000	S	76	1,849.00	1,806.97	97.7%	181	56,593	12,084	44,509	6,174	38,335	5.8%	5.0%	
T-20	KDX Residence Takanawa	770,000	767,285	1,020,000	SF	27	1,034.27	988.82	95.6%	181	27,055	7,043	20,011	2,765	17,245	5.2%	4.5%	
T-21	KDX Residence Nishihara	1,450,000	1,451,512	1,870,000	SF	39	2,310.08	2,255.78	97.6%	181	51,042	8,106	42,935	5,848	37,087	6.0%	5.2%	
T-22	KDX Residence Daikanyama II	730,000	761,222	935,000	F	17	985.10	985.10	100.0%	181	28,708	4,849	23,858	1,262	22,596	6.6%	6.2%	
T-23	KDX Residence Sendagaya	650,000	643,034	805,000	SF	16	748.96	748.96	100.0%	181	22,529	3,363	19,166	2,804	16,361	5.9%	5.1%	
T-24	KDX Residence Nihombashi Suitengu	3,240,000	3,187,598	3,870,000	F	79	5,534.86	5,534.86	100.0%	181	97,107	11,163	85,944	17,768	68,175	5.3%	4.2%	
T-25	KDX Residence Nihombashi Hakozaeki	1,147,000	1,167,567	1,360,000	S	60	1,537.38	1,537.38	100.0%	181	41,294	8,176	33,117	6,881	26,236	5.8%	4.6%	
T-26	KDX Residence Higashi-shinjuku	3,270,000	3,241,079	3,990,000	S	179	4,358.43	4,140.12	95.0%	181	111,640	19,327	92,313	11,593	80,719	5.7%	5.0%	
T-27	KDX Residence Yotsuya	2,260,000	2,253,197	2,650,000	F	42	3,101.16	3,101.16	100.0%	181	82,049	17,713	64,336	9,314	55,021	5.7%	4.9%	
T-28	KDX Residence Nishi-shinjuku	1,000,000	1,000,097	1,290,000	S	54	1,345.92	1,231.42	91.5%	181	35,965	7,816	28,149	3,932	24,217	5.7%	4.9%	
T-29	KDX Residence Kagurazaka	720,000	713,207	905,000	S	34	890.93	890.93	100.0%	181	25,242	4,590	20,652	3,327	17,325	5.8%	4.9%	

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) [footprint of equal or more than 18m² and less than 30m² and more than 20 rentable units per property], Small Family (SF): (intended primarily for households of couples or families with infants) [footprint of equal or more than 30m² and less than 60m² and more than 15 rentable units per property], Family (F): (intended primarily for households of three or more families) [footprint of equal or more than 60m² and more than 5 rentable units per property]

Portfolio Performance in 1H 2018 2/6

																	(in thousands of yen)	
No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units (unit)	Rentable Area (m ²)	Rented Area (m ²)	Occupancy Rate (%)	Operating Days (days)	Leasing Business Revenues a	Leasing Business Expenses b	NOI c [a-b]	Depreciation d	Leasing Business Income e [c-d]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)	
T-30	KDX Residence Futako Tamagawa	1,250,000	1,276,803	1,440,000	F	38	2,339.62	2,339.62	100.0%	181	43,733	8,475	35,257	4,593	30,664	5.7%	4.9%	
T-31	KDX Residence Komazawa Koen	920,000	911,264	1,090,000	SF	32	1,020.18	997.81	97.8%	181	29,072	5,416	23,655	4,664	18,991	5.2%	4.2%	
T-32	KDX Residence Misyuku	760,000	757,299	907,000	S	39	1,103.82	1,103.82	100.0%	181	26,630	6,275	20,355	3,112	17,243	5.4%	4.6%	
T-33	KDX Residence Yoga	700,000	699,446	854,000	S	38	1,012.80	1,012.80	100.0%	181	25,778	4,828	20,949	2,617	18,331	6.0%	5.3%	
T-34	KDX Residence Shimouma	600,000	602,109	741,000	S	29	829.05	829.05	100.0%	181	20,821	4,156	16,664	2,253	14,411	5.6%	4.8%	
T-35	Raffine Minami-magome	1,250,000	1,247,038	1,450,000	S	56	2,408.56	2,408.56	100.0%	181	42,152	3,273	38,878	3,342	35,536	6.3%	5.7%	
T-36	KDX Residence Yukigaya Otsuka	1,050,000	1,033,819	1,310,000	S	72	1,526.98	1,485.18	97.3%	181	39,262	8,788	30,473	5,453	25,020	5.9%	4.8%	
T-37	KDX Residence Denen Chofu	1,000,000	1,064,387	1,210,000	F	36	2,359.44	2,162.82	91.7%	181	37,550	10,060	27,490	4,216	23,274	5.5%	4.7%	
T-38	KDX Residence Tamagawa	776,000	750,151	920,000	S	52	1,170.40	1,106.00	94.5%	181	28,547	6,611	21,935	5,894	16,040	5.7%	4.2%	
T-39	KDX Residence Monzennakacho	773,000	768,656	961,000	S	49	1,171.41	1,142.64	97.5%	181	28,130	6,916	21,214	4,006	17,208	5.5%	4.5%	
T-40	KDX Residence Okachimachi	850,000	844,062	1,040,000	S	51	1,329.79	1,329.79	100.0%	181	30,576	5,031	25,545	3,771	21,773	6.1%	5.2%	
T-41	KDX Residence Moto-asakusa	800,000	795,771	990,000	SF	44	1,314.91	1,294.31	98.4%	181	29,904	6,966	22,937	4,512	18,424	5.8%	4.6%	
T-42	KDX Residence Itabashi Honcho	620,000	606,280	743,000	S	46	1,127.58	1,127.58	100.0%	181	24,551	6,241	18,310	4,210	14,099	6.0%	4.6%	
T-43	KDX Residence Azusawa	550,000	557,533	637,000	S	39	989.82	958.14	96.8%	181	19,926	4,434	15,491	3,357	12,133	5.7%	4.4%	
T-44	KDX Residence Tobu Nerima	420,000	403,555	502,000	S	37	931.82	931.82	100.0%	181	17,703	5,418	12,284	3,772	8,512	5.9%	4.1%	
T-45	KDX Residence Yokohama Kannai	800,000	785,645	979,000	S	72	1,602.16	1,509.26	94.2%	181	35,304	8,406	26,897	5,964	20,933	6.8%	5.3%	
T-46	KDX Residence Miyamaedaira	999,000	1,005,322	1,130,000	F	40	2,448.27	2,319.12	94.7%	181	36,150	10,378	25,771	4,746	21,025	5.2%	4.2%	
T-47	KDX Residence Machida	1,800,000	1,734,555	2,020,000	F	52	3,832.53	3,832.53	100.0%	181	63,651	11,052	52,598	14,934	37,664	5.9%	4.2%	
T-48	KDX Residence Kinshicho	1,350,000	1,348,726	1,630,000	F	33	2,024.81	1,962.08	96.9%	181	45,242	7,794	37,447	6,920	30,526	5.6%	4.6%	
T-49	KDX Residence Nihombashi Hamacho	996,000	1,006,985	1,190,000	F	28	1,756.27	1,756.27	100.0%	181	30,519	4,989	25,530	4,149	21,381	5.2%	4.3%	
T-50	KDX Residence Nihombashi Ningyocho	530,000	565,128	643,000	S	27	877.14	877.14	100.0%	181	19,722	4,205	15,517	2,235	13,281	5.9%	5.1%	
T-51	KDX Residence Jiyugaoka	1,268,000	1,325,994	1,540,000	SF	48	1,637.00	1,519.43	92.8%	181	39,488	7,600	31,887	4,209	27,678	5.1%	4.4%	
T-52	KDX Residence Togoshi	3,745,000	3,771,303	4,630,000	SF	144	4,591.76	4,591.76	100.0%	181	123,663	20,102	103,561	17,156	86,404	5.6%	4.7%	
T-53	KDX Residence Shinagawa Seaside	2,593,000	2,599,449	3,170,000	S	127	3,314.75	3,285.46	99.1%	181	86,485	17,270	69,214	12,791	56,422	5.4%	4.4%	
T-54	KDX Residence Ojima	1,857,000	1,851,286	2,210,000	S	117	2,372.67	2,271.29	95.7%	181	62,827	15,513	47,313	11,060	36,252	5.1%	3.9%	
T-55	KDX Residence Oyama	2,679,000	2,669,066	3,190,000	SF	145	4,009.07	3,933.71	98.1%	181	93,233	21,141	72,092	16,592	55,499	5.4%	4.2%	

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) [footprint of equal or more than 18m² and less than 30m² and more than 20 rentable units per property], Small Family (SF): (intended primarily for households of couples or families with infants) [footprint of equal or more than 30m² and less than 60m² and more than 15 rentable units per property], Family (F): (intended primarily for households of three or more families) [footprint of equal or more than 60m² and more than 5 rentable units per property]

Portfolio Performance in 1H 2018 3/6

(in thousands of yen)																	
No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units (unit)	Rentable Area (m ²)	Rented Area (m ²)	Occupancy Rate (%)	Operating Days (days)	Leasing Business Revenues a	Leasing Business Expenses b	NOI c [a-b]	Depreciation d	Leasing Business Income e [c-d]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)
T-56	KDX Residence Hanzomon	4,832,000	4,970,676	5,470,000	F	85	4,854.23	4,722.37	97.3%	181	130,224	17,847	112,377	14,645	97,731	4.7%	4.1%
T-57	B-Site Akihabara	850,000	867,578	962,000	S	52	1,254.50	1,254.50	100.0%	181	23,965	3,156	20,809	2,523	18,286	4.9%	4.3%
T-58	KDX Residence Kagurazaka Dori ⁽²⁾	1,360,000	1,387,017	1,750,000	S	70	1,809.84	1,734.51	95.8%	181	52,453	10,080	42,372	3,696	38,676	6.3%	5.7%
T-59	KDX Residence Sendagi	2,200,000	2,368,989	2,390,000	F	40	3,159.89	3,159.89	100.0%	181	65,710	10,799	54,911	8,776	46,134	5.0%	4.2%
T-60	KDX Residence Seijo	1,400,000	1,429,183	1,530,000	SF	38	2,198.56	2,048.92	93.2%	181	41,521	11,581	29,939	4,628	25,310	4.3%	3.6%
T-61	KDX Residence Akihabara	1,250,000	1,260,371	1,470,000	SF	32	1,929.61	1,754.08	90.9%	181	39,061	6,397	32,664	6,601	26,062	5.3%	4.2%
T-62	KDX Residence Iriya	1,062,000	1,074,208	1,330,000	S	57	1,899.29	1,899.29	100.0%	181	38,554	9,440	29,113	6,192	22,921	5.5%	4.4%
T-63	KDX Residence Tachikawa	3,026,200	3,035,728	3,470,000	S	174	4,314.87	4,117.36	95.4%	181	99,121	21,553	77,567	21,121	56,445	5.2%	3.8%
T-64	KDX Residence Tsurumi	1,050,000	1,138,723	1,430,000	SF	59	3,499.84	3,442.34	98.4%	181	53,315	13,415	39,900	6,878	33,021	7.7%	6.3%
T-65	KDX Residence Morishita Chitose	1,100,000	1,116,864	1,230,000	S	65	1,614.28	1,593.17	98.7%	181	40,203	10,082	30,121	5,690	24,431	5.5%	4.5%
T-66	KDX Residence Akasaka	1,150,000	1,199,447	1,600,000	SF	28	1,180.71	1,180.71	100.0%	181	37,950	5,706	32,243	4,195	28,048	5.7%	4.9%
T-67	KDX Residence Kanda	700,000	729,384	1,050,000	SF	30	1,031.09	1,031.09	100.0%	181	28,276	5,250	23,026	3,682	19,343	6.6%	5.6%
T-68	KDX Residence Ebisu	2,845,000	2,961,810	4,000,000	SF	65	2,659.66	2,659.66	100.0%	181	98,674	12,556	86,117	11,269	74,848	6.1%	5.3%
T-69	KDX Residence Nishi-magome	1,130,000	1,179,776	1,200,000	S	47	1,297.27	1,297.27	100.0%	181	31,889	4,887	27,001	4,885	22,115	4.8%	3.9%
T-70	KDX Residence Nishi-azabu	1,224,000	1,245,702	1,510,000	SF	33	1,357.88	1,315.97	96.9%	181	38,339	8,895	29,444	3,911	25,532	4.9%	4.2%
T-71	KDX Residence Azabu Sendaizaka	792,300	809,037	975,000	S	30	878.50	845.39	96.2%	181	26,579	6,121	20,458	2,600	17,857	5.2%	4.5%
T-72	KDX Residence Waseda Tsurumaki	561,000	572,020	791,000	S	39	808.54	788.88	97.6%	181	22,438	7,278	15,160	2,974	12,185	5.4%	4.4%
T-73	KDX Residence Bunkyo Yushima	695,000	707,730	915,000	S	38	939.89	919.49	97.8%	181	24,935	5,558	19,377	3,120	16,256	5.6%	4.7%
T-74	KDX Residence Kamishakujii	648,000	662,171	786,000	S	47	1,032.18	1,010.86	97.9%	181	23,617	6,510	17,106	3,566	13,540	5.3%	4.2%
T-75	KDX Residence Shin-otsuka	764,000	782,396	945,000	S	40	872.00	872.00	100.0%	181	22,608	1,870	20,737	3,433	17,304	5.5%	4.6%
T-76	KDX Residence Sakurajosui	894,000	914,903	1,110,000	S	43	1,227.16	1,227.16	100.0%	181	28,957	7,693	21,264	4,116	17,148	4.8%	3.9%
T-77	KDX Residence Ryogoku	842,000	863,816	1,080,000	S	36	1,190.53	1,190.53	100.0%	181	29,444	6,325	23,118	4,392	18,726	5.5%	4.5%
T-78	KDX Residence Toyosu	7,500,000	7,789,844	7,640,000	S	242	6,811.38	6,811.38	100.0%	181	159,211	16,571	142,640	28,252	114,387	3.8%	3.1%
Subtotal / Average		114,781,500	115,767,797	136,838,000		4,366	160,313.01	156,572.99	97.7%	181	3,823,228	776,219	3,047,009	517,303	2,529,706	5.4%	4.4%

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) [footprint of equal or more than 18m² and less than 30m² and more than 20 rentable units per property], Small Family (SF): (intended primarily for households of couples or families with infants) [footprint of equal or more than 30m² and less than 60m² and more than 15 rentable units per property], Family (F): (intended primarily for households of three or more families) [footprint of equal or more than 60m² and more than 5 rentable units per property]

Note 2: "Bureau Kagurazaka" was changed into "KDX Residence Kagurazaka Dori" on February 5, 2018.

																	(in thousands of yen)	
No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units (unit)	Rentable Area (m ²)	Rented Area (m ²)	Occupancy Rate (%)	Operating Days (days)	Leasing Business Revenues a	Leasing Business Expenses b	NOI c [a-b]	Depreciation d	Leasing Business Income e [c-d]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)	
R-2	KDX JozenjiDori Residence	1,015,000	956,410	1,290,000	S	92	3,330.15	3,230.72	97.0%	181	51,370	14,974	36,395	10,356	26,039	7.2%	5.2%	
R-3	KDX Izumi Residence	1,120,000	1,067,033	1,320,000	F	40	2,798.20	2,577.85	92.1%	181	43,757	11,395	32,361	9,174	23,186	5.8%	4.2%	
R-4	KDX Chihaya Residence	1,080,000	1,015,556	1,350,000	SF	92	2,936.40	2,792.48	95.1%	181	47,503	10,990	36,512	10,022	26,489	6.8%	4.9%	
R-5	KDX Sakaisuji Hommachi Residence	2,910,000	2,751,076	3,230,000	SF	160	6,385.70	6,290.68	98.5%	181	110,453	23,194	87,259	23,823	63,436	6.0%	4.4%	
R-6	KDX Shimmachi Residence	-	-	-	-	-	-	-	-	92	32,211	10,136	22,075	8,998	13,076	8.6%	5.1%	
R-7	KDX Takarazuka Residence	1,510,000	1,385,449	1,830,000	F	80	4,631.16	4,466.28	96.4%	181	58,398	11,359	47,038	16,544	30,494	6.3%	4.1%	
R-8	KDX Shimizu Residence	1,680,000	1,585,411	1,960,000	SF	148	6,255.16	6,049.72	96.7%	181	74,090	17,881	56,209	14,207	42,001	6.7%	5.0%	
R-9	KDX Residence Odori Koen	765,000	736,418	931,000	SF	78	2,762.76	2,762.76	100.0%	181	33,271	8,455	24,816	7,883	16,933	6.5%	4.5%	
R-10	KDX Residence Kikusui Yojo	830,000	801,712	1,030,000	SF	84	3,413.06	3,083.42	90.3%	181	38,492	10,897	27,595	7,530	20,065	6.7%	4.9%	
R-11	KDX Residence Toyohira Koen	445,000	476,929	539,000	SF	65	2,253.81	2,145.80	95.2%	181	22,480	14,207	8,273	4,483	3,789	3.7%	1.7%	
R-13	KDX Residence Ichiban-cho	530,000	511,957	694,000	SF	45	1,818.09	1,680.09	92.4%	181	26,246	6,766	19,480	5,026	14,453	7.4%	5.5%	
R-14	KDX Residence Kotodai	520,000	504,595	567,000	SF	27	1,475.73	1,311.76	88.9%	181	19,812	6,771	13,040	4,459	8,581	5.1%	3.3%	
R-15	KDX Residence Izumi Chuo	480,000	464,977	617,000	SF	40	2,159.25	2,069.01	95.8%	181	23,211	7,002	16,209	4,505	11,704	6.8%	4.9%	
R-16	KDX Residence Higashi-sakura I	2,350,000	2,282,455	2,740,000	SF	187	6,221.83	5,622.85	90.4%	181	97,879	31,518	66,361	17,797	48,564	5.7%	4.2%	
R-17	KDX Residence Higashi-sakura II	900,000	878,007	1,080,000	SF	66	2,655.31	2,377.51	89.5%	181	38,341	11,789	26,552	7,021	19,530	5.9%	4.4%	
R-18	KDX Residence Jingumae	840,000	810,011	1,060,000	SF	95	2,724.19	2,640.98	96.9%	181	39,577	10,949	28,628	7,327	21,301	6.9%	5.1%	
R-19	KDX Residence Nishi-oji	813,000	791,423	946,000	S	76	2,353.55	2,353.55	100.0%	181	33,806	6,537	27,269	6,343	20,925	6.8%	5.2%	
R-20	KDX Residence Saiin	440,000	427,471	509,000	S	49	1,094.81	1,051.78	96.1%	181	18,260	5,400	12,859	3,859	9,000	5.9%	4.1%	
R-21	KDX Residence Namba	1,410,000	1,378,336	1,660,000	S	118	3,387.30	3,233.37	95.5%	181	58,100	16,921	41,179	9,975	31,204	5.9%	4.5%	
R-22	KDX Residence Namba-minami	1,350,000	1,302,859	1,580,000	S	131	3,813.31	3,711.07	97.3%	181	54,968	12,453	42,514	11,789	30,725	6.4%	4.6%	
R-23	KDX Residence Shin-osaka	510,000	487,524	578,000	SF	43	1,321.04	1,321.04	100.0%	181	21,256	6,370	14,885	5,200	9,685	5.9%	3.8%	
R-24	KDX Residence Ibaraki I・II	1,275,000	1,297,417	1,413,000	F	61	4,701.87	4,701.87	100.0%	181	55,855	16,917	38,937	6,373	32,564	6.2%	5.2%	
R-25	KDX Residence Toyonaka-minami	740,000	698,330	853,000	SF	70	2,024.50	1,939.21	95.8%	181	29,822	6,510	23,312	8,167	15,144	6.4%	4.1%	
R-26	KDX Residence Moriguchi	551,000	528,247	649,000	F	28	1,942.78	1,875.45	96.5%	181	24,131	7,435	16,695	5,431	11,264	6.1%	4.1%	
R-27	KDX Residence Sannomiya	1,080,000	1,051,928	1,300,000	S	86	2,292.72	2,254.82	98.3%	181	39,428	8,175	31,252	7,724	23,528	5.8%	4.4%	
R-28	Ashiya Royal Homes	1,360,000	1,460,462	1,720,000	F	21	3,999.01	3,999.01	100.0%	181	65,950	14,357	51,593	4,799	46,794	7.7%	6.9%	

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) [footprint of equal or more than 18m² and less than 30m² and more than 20 rentable units per property], Small Family (SF): (intended primarily for households of couples or families with infants) [footprint of equal or more than 30m² and less than 60m² and more than 15 rentable units per property], Family (F): (intended primarily for households of three or more families) [footprint of equal or more than 60m² and more than 5 rentable units per property]

Portfolio Performance in 1H 2018 5/6

																	(in thousands of yen)	
No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Type ⁽¹⁾	Rentable Units (unit)	Rentable Area (m ²)	Rented Area (m ²)	Occupancy Rate (%)	Operating Days (days)	Leasing Business Revenues a	Leasing Business Expenses b	NOI c [a-b]	Depreciation d	Leasing Business Income e [c-d]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)	
Other Regional Areas	R-29	KDX Residence Funairi Saiwai-cho	588,000	564,041	676,000	S	64	1,889.53	1,859.68	98.4%	181	28,026	7,132	20,894	5,373	15,521	7.2%	5.3%
	R-30	KDX Residence Tenjin-higashi II	680,000	658,389	875,000	SF	63	2,602.53	2,478.60	95.2%	181	30,441	7,224	23,217	6,236	16,980	6.9%	5.0%
	R-32	KDX Residence Nishi Koen	763,000	739,965	858,000	F	36	2,522.16	2,392.76	94.9%	181	30,995	8,611	22,383	6,381	16,002	5.9%	4.2%
	R-33	KDX Residence Hirao Josui-machi	760,000	748,232	886,000	F	24	2,098.68	2,098.68	100.0%	181	30,212	6,117	24,094	4,803	19,290	6.4%	5.1%
	R-34	Melody Heim Gotenyama	400,000	427,500	510,000	F	36	2,297.24	2,171.02	94.5%	181	21,640	5,260	16,380	3,004	13,375	8.3%	6.7%
	R-35	Leopalace Flat Shin-sakae	3,500,000	3,563,286	4,290,000	S	274	11,589.95	11,589.95	100.0%	181	121,557	14,215	107,341	33,281	74,059	6.2%	4.3%
	R-36	KDX Residence Konan Yamate	973,000	977,240	1,120,000	SF	55	1,923.22	1,873.99	97.4%	181	31,876	8,522	23,353	4,912	18,440	4.8%	3.8%
	R-37	KDX Residence Hommachibashi	3,201,000	3,196,902	3,490,000	SF	134	6,511.88	6,437.13	98.9%	181	107,280	22,524	84,756	21,975	62,780	5.3%	4.0%
	R-38	KDX Residence Minami-kusatsu	1,974,666	2,006,588	2,340,000	S	170	5,735.96	5,735.96	100.0%	181	101,488	25,681	75,807	18,253	57,553	7.7%	5.9%
	R-39	KDX Residence Ohori Harbor View Tower	4,606,296	4,630,102	5,210,000	SF	212	11,855.63	10,731.22	90.5%	181	177,217	39,468	137,748	42,554	95,194	6.0%	4.2%
	R-40	KDX Residence Minami-sanjo	915,000	941,166	1,600,000	SF	114	5,269.39	4,864.47	92.3%	181	53,291	17,198	36,093	11,231	24,861	8.0%	5.5%
	R-41	Serenite Kita-kyuhoji	1,290,740	1,298,357	1,500,000	S	85	2,277.14	2,247.66	98.7%	181	42,471	8,402	34,068	10,155	23,913	5.3%	3.7%
	R-42	Serenite Nishinomiya Hommachi	617,048	652,505	739,000	S	51	1,351.68	1,199.48	88.7%	181	22,027	5,194	16,832	4,746	12,086	5.5%	3.9%
	R-43	KDX Residence Nishijin	1,600,000	1,751,787	1,670,000	SF	128	4,472.72	4,003.96	89.5%	181	54,071	22,805	31,265	7,164	24,101	3.9%	3.0%
Subtotal / Average		48,372,751	47,808,071	57,210,000		3,428	141,149.40	135,227.64	95.8%	179.1	2,011,282	507,731	1,503,550	408,901	1,094,648	6.2%	4.5%	
Residential facilities total / Average		163,154,251	163,575,868	194,048,000		7,794	301,462.41	291,800.63	96.8%	152.7	5,834,510	1,283,950	4,550,559	926,204	3,624,355	5.6%	4.5%	

Note 1: Type means principal room type of the property (If applicable to some types, type of the largest footprint unit)

Single (S): (intended primarily for single-person households) [footprint of equal or more than 18m² and less than 30m² and more than 20 rentable units per property], Small Family (SF): (intended primarily for households of couples or families with infants) [footprint of equal or more than 30m² and less than 60m² and more than 15 rentable units per property], Family (F): (intended primarily for households of three or more families) [footprint of equal or more than 60m² and more than 5 rentable units per property]

Portfolio Performance in 1H 2018 6/6

														(in thousands of yen)			
No.	Property Name	Acquisition Price	Book Value	Appraisal Value	Facility Type ⁽¹⁾	Rentable Area (m ²)	Rentable Units (unit)	Capacity (people)	Occupancy Rate (%)	Actual Occupancy Rate ⁽²⁾ (%)	Operating Days (days)	NOI a	Depreciation b	Leasing Business Income c [a-b]	NOI Cap Rate (per year)	NOI Cap Rate after Depreciation (per year)	
Other Regional Areas	H-1	Irise Kamata/Yuseien	1,120,000	1,115,048	1,120,000	Nursing care	2,086.40	48	55	100.0%	95.8%	153	22,267	9,680	12,587	4.7%	2.7%
	H-2	Nichii Home Nakano-Minamidai	1,780,000	1,777,728	1,780,000	Nursing care	3,339.00	83	83	100.0%	75.9%	153	36,777	3,566	33,210	4.9%	4.5%
	H-3	Joy Stage Hachioji	3,690,000	3,673,348	3,700,000	Nursing care	13,812.27	232	263	100.0%	90.9%	153	86,705	22,821	63,884	5.6%	4.1%
	H-4	Yuimaru Hijirigaoka	1,120,000	1,112,466	1,120,000	Residential	4,385.53	70	109	100.0%	100.0%	153	24,507	7,533	16,973	5.2%	3.6%
	H-5	Nichii Home Tama Plaza	2,940,000	2,915,094	2,940,000	Nursing care	8,208.65	154	158	100.0%	70.8%	153	65,974	25,430	40,544	5.4%	3.3%
	H-6	Ten	2,630,000	2,607,420	2,640,000	Nursing care	6,473.60	85	89	100.0%	87.1%	153	68,793	23,071	45,721	6.2%	4.1%
	H-7	Irise Nishioka	858,000	850,898	854,000	Residential	3,140.27	83	83	100.0%	89.2%	153	18,762	7,632	11,129	5.2%	3.1%
	H-8	Izarie Eniwa Building	1,660,000	1,644,784	1,670,000	Residential	5,343.33	73	73	100.0%	91.8%	153	42,511	15,215	27,295	6.1%	3.9%
	H-9	Sawayaka Sakura Nibankan	989,000	978,761	990,000	Nursing care	3,628.51	92	92	100.0%	100.0%	153	23,919	10,238	13,680	5.8%	3.3%
	H-10	Activa Biwa	6,560,000	6,516,883	6,560,000	Nursing care	39,649.84	384	445	100.0%	87.0%	153	174,433	51,009	123,423	6.3%	4.5%
	H-11	Sompo Care LAVIERE Kobe Tarumi	2,110,000	2,100,635	2,110,000	Nursing care	4,493.35	100	100	100.0%	95.0%	153	43,192	9,831	33,361	4.9%	3.8%
	H-12	Granda Mondo Yakujin	1,190,000	1,181,693	1,190,000	Residential	3,287.80	62	63	100.0%	n/a	153	25,883	8,306	17,576	5.2%	3.5%
	H-13	Excellent Nishinomiya	971,000	963,062	972,000	Nursing care	2,685.48	67	70	100.0%	100.0%	153	15,123	7,937	7,186	3.7%	1.8%
	H-14	Gran Hills Ogawarako	1,380,000	1,364,936	1,380,000	Serviced housing	4,180.28	103	107	100.0%	100.0%	153	42,853	15,063	27,789	7.4%	4.8%
	H-15	Excellent Kitano	737,000	769,726	783,000	Residential	1,339.58	41	41	100.0%	97.6%	26	2,757	691	2,065	5.3%	3.9%
Subtotal / Average		29,735,000	29,572,488	29,809,000		106,053.89	1,677	1,831	100.0%	89.5%	150.7	694,463	218,032	476,431	5.7%	3.9%	
Grand total / Average		192,889,251	193,148,357	223,857,000		407,516.30					175.7	5,245,023	1,144,236	4,100,786	5.6%	4.4%	

Note 1: About "Facility Type", "Nursing care" shows Fee-based homes for the elderly (with nursing care), "Residential" shows Fee-based homes for the elderly (residential) and "Serviced housing" shows Serviced housing for the elderly.

Note 2: "Actual Occupancy Rate (based on end-tenants)" = Number of residents / number of rooms. "Actual Occupancy Rate" is based on documents from operators but that of "Granda Mondo Yakujin" isn't disclosed because KDR isn't admitted to disclose from the operator. If "Actual Occupancy Rate" is over 100.0% by calculation, it is written as 100.0%.

