

J-REIT Asset Size

Number of properties: 2,672 (Last month: 2,637)

Total assets (acquisition price) : ¥11,962.8bn (Last month: ¥11,815.6bn)

Total assets (appraised price) : ¥11,558.0 bn (Last month: ¥11,378.9 bn)

Investment corporations: 45 investment corporations

(Last month: 44 investment corporations)

(as of April 30, 2014)

The NOI cap rate **remained level.**

◆The Ministry of Land, Infrastructure, Transport and Tourism's Result of General Survey on Condominiums Fiscal 2013 shows that the monthly average maintenance cost per household (including the amount appropriated from parking usage fees, etc.) is 15,257 yen while the monthly average reserves for repair (ditto) is 11,800 yen, and that the maintenance cost tends to be lower as the total number of households increases. In addition, 53.0% of owners say that they have concern about quake resistance, and of the condominiums that were constructed based on the old quake-resistance standards, management associations that conducted a seismic diagnosis account for 33.2%, while those that have not conducted it account for 58.0%.

◆Invesco Office J-REIT, Inc. (Minato-ku, Tokyo) announced that it would be listed on the Tokyo Stock Exchange on June 5. Invesco Office J-REIT says that Invesco Global Real Estate Asia Pacific, Inc. that belongs to the Invesco Group, one of the world's largest independent asset management companies, will be entrusted with asset management and invest mainly in large office buildings located in metropolitan areas (the Tokyo area, Osaka, Nagoya and Fukuoka). At the moment, Ebisu Prime Square, Harumi Island Triton Square Office Tower Z, and Queen's Square Yokohama, etc. are expected to be included in its portfolio.

I. Trends of REIT stock prices(April 2014)

◆Trends of Japanese stock market

The Japanese stock market remained firm at the beginning of the month mainly reflecting favorable economic indicators in the United States and higher expectations of additional monetary easing by the Bank of Japan, but declined after that as the overall U.S. stock market was corrected and the status quo was determined at the Monetary Policy Meeting of the Bank of Japan. After mid-month, the Japanese stock market stayed in a stop-start process, reacting to rising expectations for investment reforms of the Government Pension Investment Fund (GPIF) and the postponement of agreement in negotiations of the Trans-Pacific Strategic Economic Partnership Agreement (TPP), etc.

The Nikkei Stock Average at the end of April was 14,304, down 3.53% from the end of March.

◆REIT Index

The J-REIT market maintained a strong tone at the beginning of the month against the backdrop of a firm Japanese stock market, but remained soft subsequently as the Japanese stock market declined. After mid-month, the J-REIT market rebounded and rose, and remained generally stable throughout the month as high distributions of J-REITs were preferred amid falling long-term interest rates, among other factors. As a result, the J-REIT market rose from the end of March.

The Tokyo Stock Exchange REIT Index was 2,520.81 (including dividends) at the end of April, up 2.26% from the end of March.

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Tokyu Land Corporation

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II. NOI Cap Rate: **5.5%** (Last month: 5.5%)  ±0.0 P

◆By area

Minato-ku, Chuo-ku, Chiyoda-ku: **4.7%** (Last month: 4.7%)

Other major cities: **6.3%** (Last month: 6.4%)

◆By asset type

Office: **5.2%** (Last month: 5.2%) Residential: **5.6%** (Last month: 5.6%)

III. Acquisition Trends: **37** (Last month: 25)  +12

IV. Sales Trends: **2** (Last month: 3)  -1

The red number shows a rise, the yellow numbers show remaining level, and the green number shows a decline from the previous month.