

## J-REIT Asset Size

Number of properties: 2,544 (Last month: 2,518)

Total assets (acquisition price) : ¥11,412.7bn (Last month: ¥11,279.2bn)

Total assets (appraised price) : ¥10,907.6 bn (Last month: ¥10,766.7 bn)

Investment corporations: 43 investment corporations

(Last month: 43 investment corporations)

(as of December 31, 2013)

## The NOI cap rate Declined

◆ Hulic REIT Inc. is due to be listed on February 7, 2014. Assets under management at the time of listing will include 21 properties worth 101.4 billion yen (based on the acquisition price). The main portfolio assets and their ratios are as follows: office buildings located within a five-minute walk of a station in the 23 wards of Tokyo and commercial facilities located in the Tokyo Area, which in total account for approximately 80% of the portfolio, and pay nursing homes and telecommunications infrastructure facilities, which in total make up about 20%. The portfolio is managed by Hulic REIT Management Co., Ltd.

◆ Diawa Real Estate Asset Management Co., Ltd. established Nippon Healthcare Investment Corporation on January 7, 2014 based on an advisory agreement with AIP-Japan GK. Nippon Healthcare Investment Corporation will commence investment management in March 2014 as a REIT specialized in healthcare facilities and will aim for a listing by the end of the year. The scale of assets at the time of the commencement of investment management will be approximately 10.0 billion yen, and Nippon Healthcare Investment Corporation intends to increase it to around 30.0 billion yen by the time of listing. Major portfolio assets will be pay nursing homes and housing for the elderly with services, and it will also invest in hospitals, medical malls and life science facilities.

## I. Trends of REIT stock prices(December 2013)

### ◆Trends of Japanese stock market

The Japanese stock market rose at the beginning of December as the yen weakened due to expectations for additional easing of monetary policy by the Bank of Japan, among other factors, although the market subsequently declined towards mid-December on such concerns as the tapering of quantitative easing in the United States. In the second half of the month, however, even though U.S. authorities did decide to proceed with the tapering of quantitative easing, Japanese equities firmed as the market looked favorably on the cautious pace of tapering and the announcement that the low interest rate policy would be maintained. The Japanese stock market continued to rise after that and reached a new high for the year at the end of the month, reflecting the depreciation of the yen, and other factors, against the backdrop of positive economic indicators in the United States and other positive developments.

The Nikkei Stock Average at the end of December was 16,291, up 4.02% from the end of November.

### ◆REIT Index

The REIT Index followed a downward trend in early to mid-December for the same reasons as the stock market as well as continuous profit taking associated with the abolition of the preferential tax measures for securities. In late December, however, the REIT Index rebounded strongly on the same factors that drove the rise in the stock market and because of the elimination of the pressure of profit taking observed from the beginning of the month as well as expectations of an inflow of funds into J-REITs through NISA that will begin in 2014.

The Tokyo Stock Exchange REIT Index was 2,524.39 (including dividends) at the end of December, up 3.71% from the end of November.

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**Tokyu Land Corporation**

Report for January 2014 (January 15, 2013)

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**II. NOI Cap Rate: 5.5% (Last month: 5.6%)**

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◆By area

Minato-ku, Chuo-ku, Chiyoda-ku: **4.8%** (Last month: 4.8%)

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

◆By asset type

Office: **5.3%** (Last month: 5.3%) Residential: **5.6%** (Last month: 5.7%)

**III. Acquisition Trends: 28 (Last month: 36)**

 **-8**

**IV. Sales Trends: 2 (Last month: 6)**

 **-4**

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