

J-REIT Asset Size

Number of properties: 2,637 (Last month: 2,615)

Total assets (acquisition price) : ¥11,815.6bn (Last month: ¥11,656.4bn)

Total assets (appraised price) : ¥11,378.9 bn (Last month: ¥11,162.4 bn)

Investment corporations: 44 investment corporations

(Last month: 44 investment corporations)

(as of March 31, 2014)

The NOI cap rate **remained level.**

◆ The Ministry of Land, Infrastructure, Transport and Tourism's Land Market Value Publication of 2014 (as of January 1) shows that the average land prices of both residential land and commercial land in the three major metropolitan areas have increased in the year since January 2013. In the three major metropolitan areas, the land price rose in approximately one-half of the standard sites of residential land and two-thirds of those sites of commercial land. Looking at this rise semiannually, the land price in residential land rose in the first half and the second half almost at the same rate while that in commercial land rose at a faster pace in the second half than it did in the first half. Meanwhile, the average nationwide land prices in both residential land and commercial land declined, but the pace of declines was slowing.

◆ NIPPON REIT Investment Corporation (Chuo-ku, Tokyo) announced on March 20 that it has received approval from the Tokyo Stock Exchange for its listing on the exchange. NIPPON REIT Investment Corporation was established in September 2010, and its assets will be managed by Sojitz REIT Advisors K.K. that is jointly owned by Sojitz Corporation, Cushman & Wakefield Asset Management K.K., and Agility Asset Advisers Co., Ltd. NIPPON REIT Investment Corporation is expected to be listed on April 24, 2014, and will seek to maximize investor value mainly by developing a comprehensive portfolio targeting primarily office and residential buildings and commercial facilities, emphasizing income growth and stability, and making dynamic and timely investments.

I. Trends of REIT stock prices(March 2014)

◆Trends of Japanese stock market

The Japanese stock market declined at the beginning of the month mainly reflecting growing tensions in the situation surrounding Ukraine, but it began to climb partly due to the fact that concerns over a military confrontation in the country decelerated, and it continued to rise until the early mid-month. However, the Japanese stock market then began to fall once again given a large volume of sales mainly from overseas investors, which was largely triggered by the resurgence of uncertainties over Ukraine following Russia's annexation of Crimea, as well as an apparent slowdown in economic indicators in China. The stock market then reacted positively to the weakening yen in the second half of the month in the foreign exchange market, and it began to show signs of a recovery by the end of the month.

The Nikkei Stock Average at the end of March was 14,827, down 0.09% from the end of February.

◆REIT Index

The J-REIT market maintained its declining trends from the beginning of the month to the mid-month. This mainly reflected a deterioration in the supply/demand balance in the market as a result of a series of capital increases through a public offering by companies such as ORIX JREIT Inc., Daiwa House REIT Investment Corporation and Nippon Building Fund Inc., There was as well a growing trend of investors avoiding investment risks, partly due to rising tensions in Ukraine. However, the market positively responded mainly to the trends of the weakening yen in the foreign exchange market, and it showed a recovery in the latter month.

The Tokyo Stock Exchange REIT Index was 2,464.98 (including dividends) at the end of March, down 2.36% from the end of February.

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Report for April 2014 (April 15, 2014)

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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: 4.8%)

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

◆By asset type

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

III. Acquisition Trends: 25 (Last month: 67)  **-42**

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

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