

25th Period

Investor Presentation

March 2018 – August 2018



Summary of NAF



Features

1. Investments in Accommodation Assets, Primarily "Rental Apartments"
2. Leveraging the Mitsui Fudosan Group's Value Chain

Portfolio Summary

Total Acquisition Price	JPY 303.2 billion
No. of Investment Properties	122
Total Rentable Units	12,052
Portfolio in Tokyo 23 Wards	87.8%
Percentage of Single and Compact Units	83.0%
Focused Investment in Tokyo 23 Wards	
Primarily Single and Compact Units	
High Occupancy Rate	97.3 %

* Percentage of portfolio in Tokyo 23 Wards is based on acquisition price of "Rental Apartments" only. Percentage of single and compact units is based on units of "Rental Apartments" only.

* Occupancy rate is the average month-end occupancy rate during the 25th Period.

Financial Summary

Total Interest-Bearing Debt	JPY 147.5 billion
LTV	50.1%
Long-Term Debt Ratio	95.3%
Weighted-Average Interest Rate	0.63%
Duration of Long-Term Debt	4.2 years
Credit Rating	AA- R&I
	A+ S&P
The Highest Credit Ratings Among Residential J-REITs	

* LTV = Interest-bearing debt / Total assets x 100

(End of the 25th Period; as of August 31, 2018)

25th Period Summary

Distribution per Unit

- ▶ 25th Period JPY **9,161** (JPY +261 from forecast*1)

P.5

(*1) The forecasted distribution per unit for the 25th Period stated in the Financial Results as of April 18, 2018 was JPY **8,900**.

External Growth

- ▶ 25th Period Acquisition **1** Property /JPY **1.7** billion
- ▶ 26th Period Acquisitions **2** Properties /JPY **4.1** billion Sell **1** Property /JPY **1.6** billion

P.8

Internal Growth

- ▶ Occupancy Rate **97.3%** Average Month-end Occupancy Rate (+0.4% from forecast*2)
- ▶ Rent Trends **+4.4%** Rent Change at Tenant Turnover (Positive for 8 Consecutive Periods)

P.11
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P.15

(*2) The expected average month-end occupancy rate during the 25th Period stated in the Financial Results as of April 18, 2018 was **96.9%**.

Financial Strategy

- ▶ Weighted-Average Interest Rate **0.67%** → **0.63%**
- ▶ Duration of Long-Term Debt **4.2** years

P.16
P.17

Distribution per Unit (Forecast)

- ▶ 26th Period JPY **9,350** (Comparison with same period of previous year:*3 JPY +171)

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(*3) The distribution per unit for the 24th Period was JPY **9,179**.

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Overview

Financial Highlights (25th Period: March 2018 - August 2018)



	25th Period (Forecast)	25th Period	Comparison with Forecast		24th Period	Comparison with the 24th Period	
	(Ended August 31, 2018)	(Ended August 31, 2018)	Change	Notes	(Ended February 28, 2018)	Change	Notes
(JPY million)	①	②	②-①		③	②-③	
Number of Operating Days	184 days	184 days	—		181 days	+3 days	
Total Revenues	10,935	11,047	+112	Revenues +112 Existing properties +111 1 property acquired in the 25th Period +1	10,870	+177	Revenues +177 Existing properties +136 1 property acquired in the 25th Period +40
Operating Income	4,818	4,935	+116		4,955	-20	
Net income	4,312	4,438	+126	Operating expenses -4 Rental expenses -3 Real estate taxes +3 Depreciation and amortization -2	4,447	-8	Operating expenses +197 Rental expenses +194 Real estate taxes +12 Depreciation and amortization -24
Total Distributions	4,312	4,438	+126	Asset management fees +11	4,447	-8	Asset management fees +8
Distribution per Unit	8,900 yen	9,161 yen	+261 yen	Other expenses -13	9,179 yen	-18 yen	Other expenses +5
Units Outstanding	484,522 units	484,522 units	—	Non-operating income +4 Non-operating expenses -5 Interest expense -5	484,522 units	—	Non-operating income -3 Non-operating expenses -15 Interest expense -11 Amortization of investment unit issuance expenses -4
Total Assets	—	294,692	—		293,998	+694	
Total Net Assets	—	140,167	—		140,176	-8	
AUM	Total Acquisition Price ¹	303,259	303,259	—	301,559	+1,700	
	No. of Investment properties	122 properties	122 properties	—	121 properties	+1 property	
	Total Rentable Units (Including retail units)	12,052 units	12,052 units	—	11,981 units	+71 units	
Average Month-end Occupancy Rate	96.9 %	97.3 %	+0.4 points	97.6 %	-0.3 points		
LTV ² (At the end of the Period)	—	50.1 %	—	50.0 %	+0.1 points		

1. Acquisition-related expenses, property tax and consumption tax are not included.

2. LTV = Interest-bearing debt / Total assets x 100

Forecast (26th Period: September 2018 - February 2019)

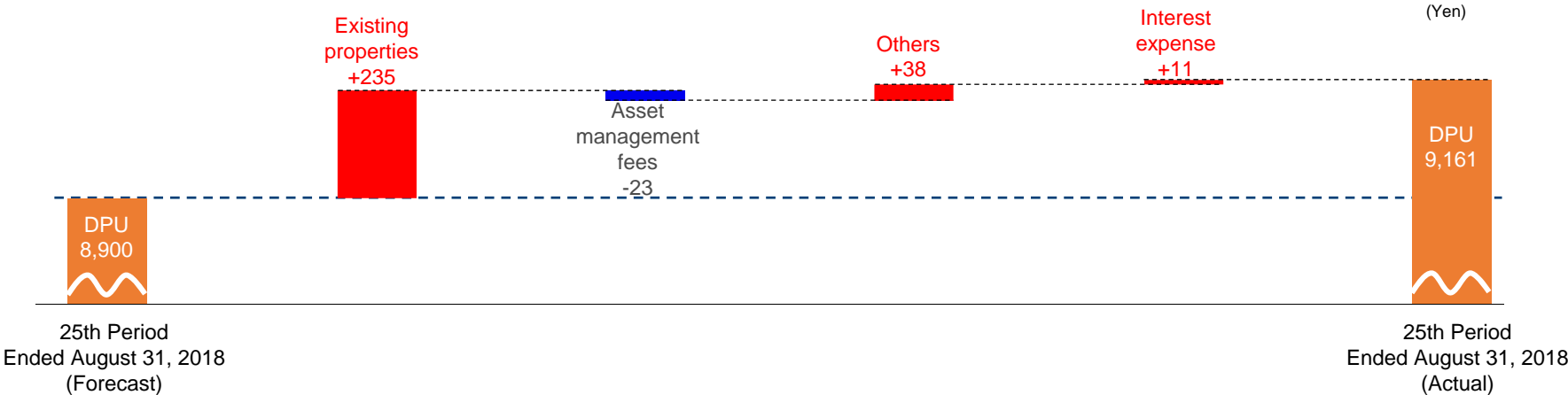
	25th Period	26th Period (Forecast)	Comparison with 25th Period		24th Period	Comparison with the 24th Period	
	(Ended August 31, 2018)	(Ending February 28, 2019)	Change	Notes	(Ended February 28, 2018)	Change	Notes
(JPY million)	①	②	②-①		③	②-③	
Number of Operating Days	184 days	181 days	-3 days		181 days	—	
Total Revenues	11,047	11,058	+10		10,870	+187	
Operating Income	4,935	5,031	+96		4,955	+76	
Net income	4,438	4,555	+116		4,447	+108	
Internal Reserves	—	25	+25		—	+25	
Total Distributions	4,438	4,530	+91		4,447	+82	
Distribution per Unit	9,161 yen	9,350 yen	+189 yen		9,179 yen	+171 yen	
Units Outstanding	484,522 units	484,522 units	—		484,522 units	—	
Total Assets	294,692	—	—		293,998	—	
Total Net Assets	140,167	—	—		140,176	—	
AUM	Total Acquisition Price ¹	303,259	305,821	+2,561	301,559	+4,261	
	No. of Investment properties	122 properties	123 properties	+1 property	121 properties	+2 properties	
	Total Rentable Units (Including retail units)	12,052 units	12,108 units	+56 units	11,981 units	+127 units	
	Average Month-end Occupancy Rate	97.3 %	97.3 %	—	97.6 %	-0.3 points	
LTV ² (At the end of the Period)	50.1 %	—	—	50.0 %	—		
				(JPY million)			(JPY million)
				Revenues +10			Revenues +187
				Existing properties -114			Existing properties +20
				1 property acquired in the 25th Period +8			1 property acquired in the 25th Period +49
				2 properties acquired in the 26th Period +109			2 properties acquired in the 26th Period +109
				1 property sold in the 26th Period -39			1 property sold in the 26th Period -38
				Gain on sale of investment property +46			Gain on sale of investment property +46
				(Internal reserves) +25			(Internal reserves) +25
				Operating expenses -86			Operating expenses +111
				Rental expenses -105			Rental expenses +89
				Real estate taxes -1			Real estate taxes +11
				Depreciation and amortization -13			Depreciation and amortization -37
				Asset management fees +21			Asset management fees +30
				Other expenses +12			Other expenses +18
				Non-operating income -4			Non-operating income -7
				Non-operating expenses -24			Non-operating expenses -39
				Interest expense -24			Interest expense -35
							Amortization of investment unit issuance expenses -4

1. Acquisition-related expenses, property tax and consumption tax are not included.

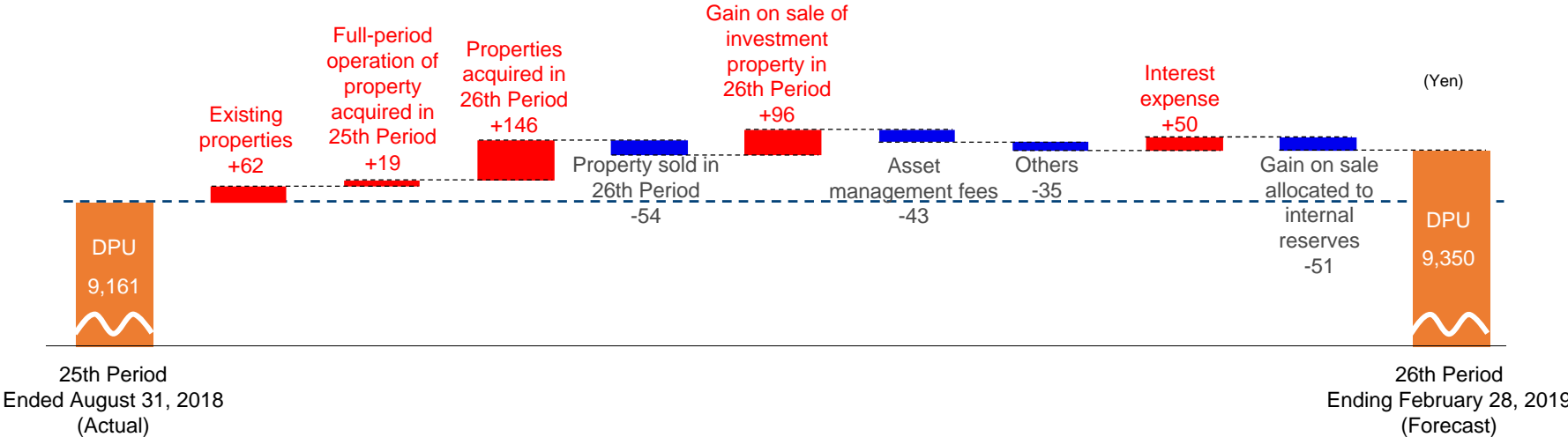
2. LTV = Interest-bearing debt / Total assets x 100

Factors in Change of Distribution per Unit (DPU)

Actual Results vs. Forecast for 25th Period



Actual Results for 25th Period vs. Forecast for 26th Period



External Growth

Property Acquired in the 25th Period

	Name of Property	Location	Acquisition Date	Completion Date	Rentable Area (㎡)	Number of Rentable Units	Acquisition Price (JPY million)	NOI Yield (%) ^{*1}	Seller
Rental Apartments	Park Cube Shin Itabashi	Itabashi-ku, Tokyo	March 29, 2018	November 17, 2016	1,930.12	70 residential 1 retail, etc.	1,700	4.5	Not disclosed

Properties Acquired in the 26th Period

	Name of Property	Location	Acquisition Date	Completion Date	Rentable Area (㎡)	Number of Rentable Units	Acquisition Price (JPY million)	NOI Yield (%) ^{*1}	Seller
Rental Apartments	Park Cube Nishi Shinjuku	Shinjuku-ku, Tokyo	September 3, 2018	December 26, 2014	1,809.56	57 residential 1 retail, etc.	2,400	4.4	ITOCHU Property Development, Ltd.
	Park Axis Kanayama WEST	Nagoya-shi, Aichi	September 27, 2018	February 17, 2006	4,795.13	63 residential	1,770	5.3	Not disclosed

Property sold in the 26th Period

	Name of Property	Location	Sale Date	Completion Date	Rentable Area (㎡)	Number of Rentable Units	Sale Price (JPY million)	NOI Yield (%) ^{*2}	Gain on Sale of Investment Property (JPY million)	Internal Reserves (JPY million)
Rental Apartments	Park Cube Ikebukuro Kanamecho	Toshima-ku, Tokyo	September 27, 2018	March 23, 2007	1,886.82	65 residential	1,620	4.3	46	25

*1 NOI Yield = Appraisal NOI / Acquisition price x 100 *2 NOI Yield = Appraisal NOI / Sale price x 100



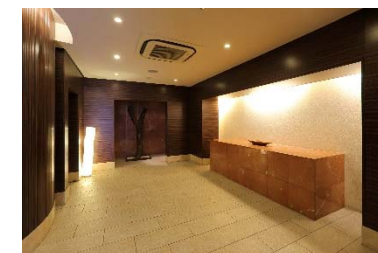
Park Cube Shin Itabashi



Park Cube Nishi Shinjuku



Park Axis Kanayama WEST



LTV and Acquisition Capacity

LTV **50.1%** (As of Aug. 31, 2018) → **Approx. 50.4%** (Estimate as of Feb. 28, 2019)

Acquisition Capacity* **Approx. JPY 30 billion** (Estimate as of Feb. 28, 2019)

* Borrowing capacity up to 55% LTV

External Growth Strategy

Park Axis Series Development Status (Pipeline)

Developed and leasing
2,879 units at **32** properties

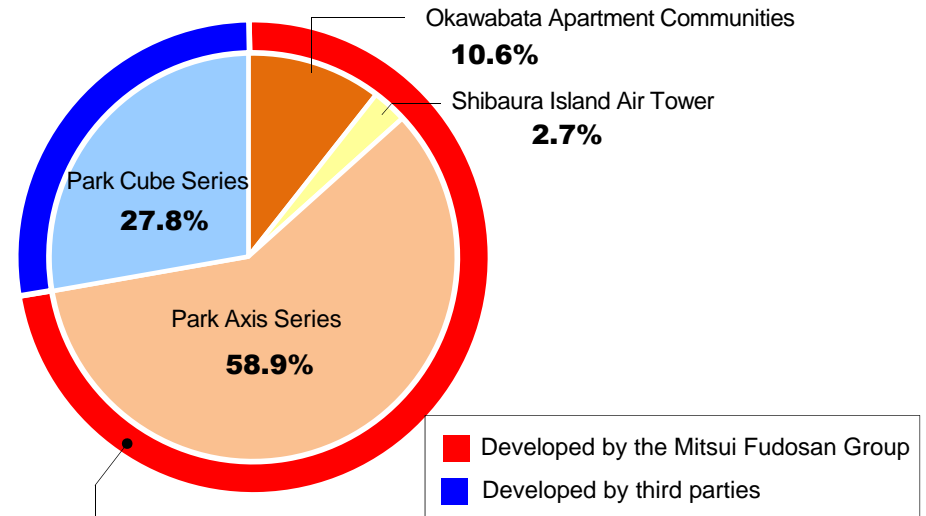
Tokyo 23 wards		Other Major Cities	
28 properties	2,509 units	2 properties	112 units
Greater Tokyo		Total	
2 properties	258 units	32 properties	2,879 units



Source: RESIDENT FIRST CO., LTD. website (Japanese only), Mitsui Rental Housing Park Axis Series (as of September 28, 2018)

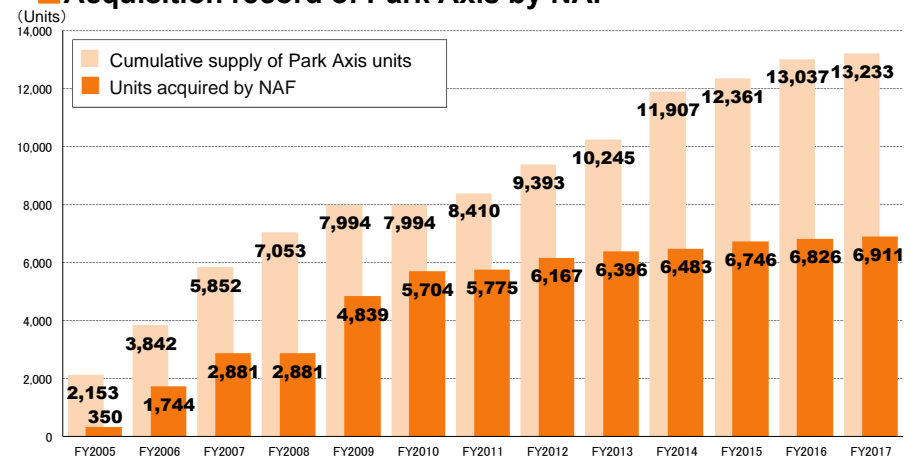
* The above presents the status of Park Axis series development by Mitsui Fudosan Residential Co., Ltd., a developer, but does not represent NAF acquisition commitments.

Asset Classification of Rental Apartments (As of the end of the 25th period, acquisition price basis)



Investment mainly focused on rental apartments developed by the Mitsui Fudosan Group

Acquisition record of Park Axis by NAF

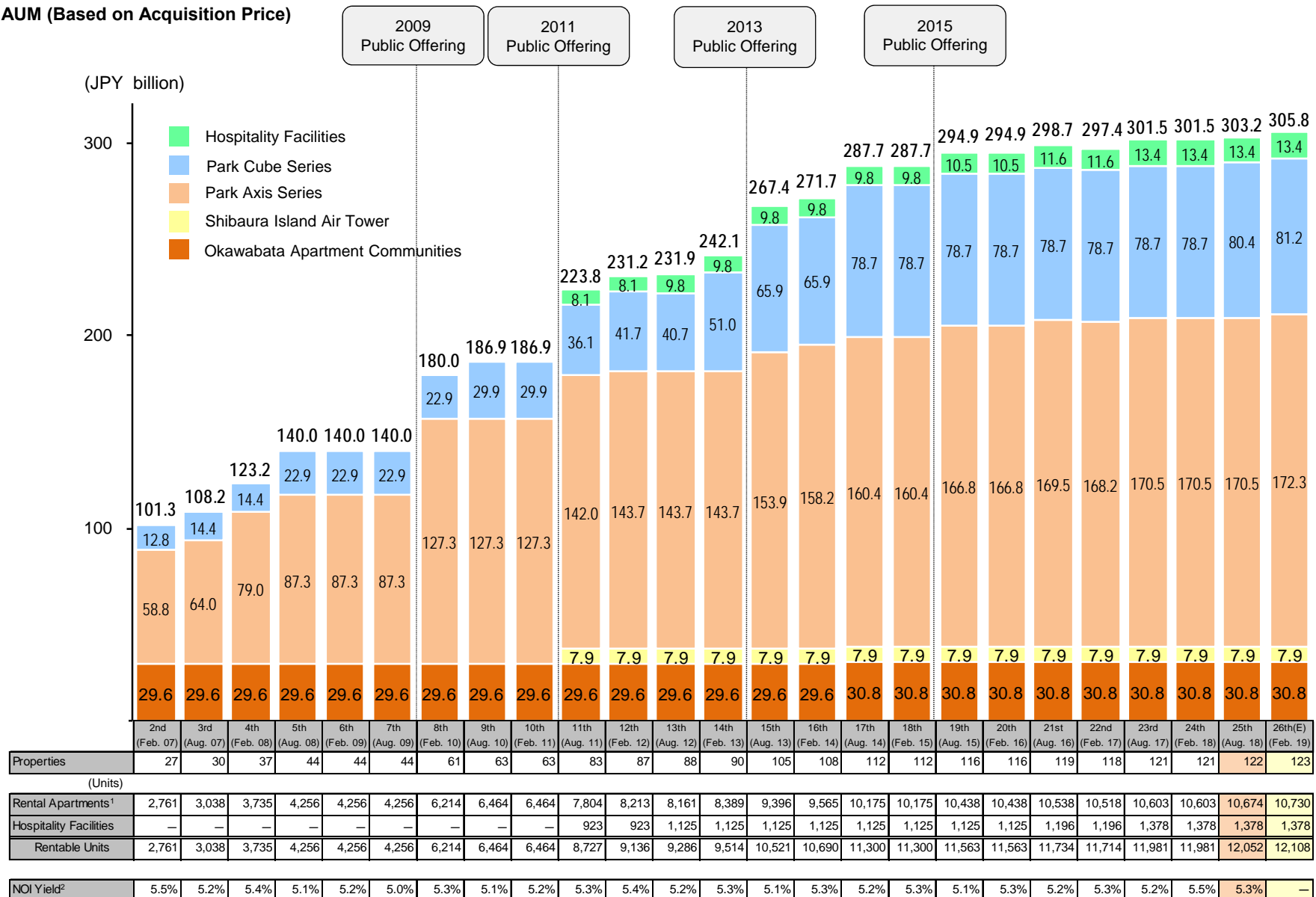


Source: Mitsui Fudosan Residential Co., Ltd.

Track Record of External Growth



■ AUM (Based on Acquisition Price)

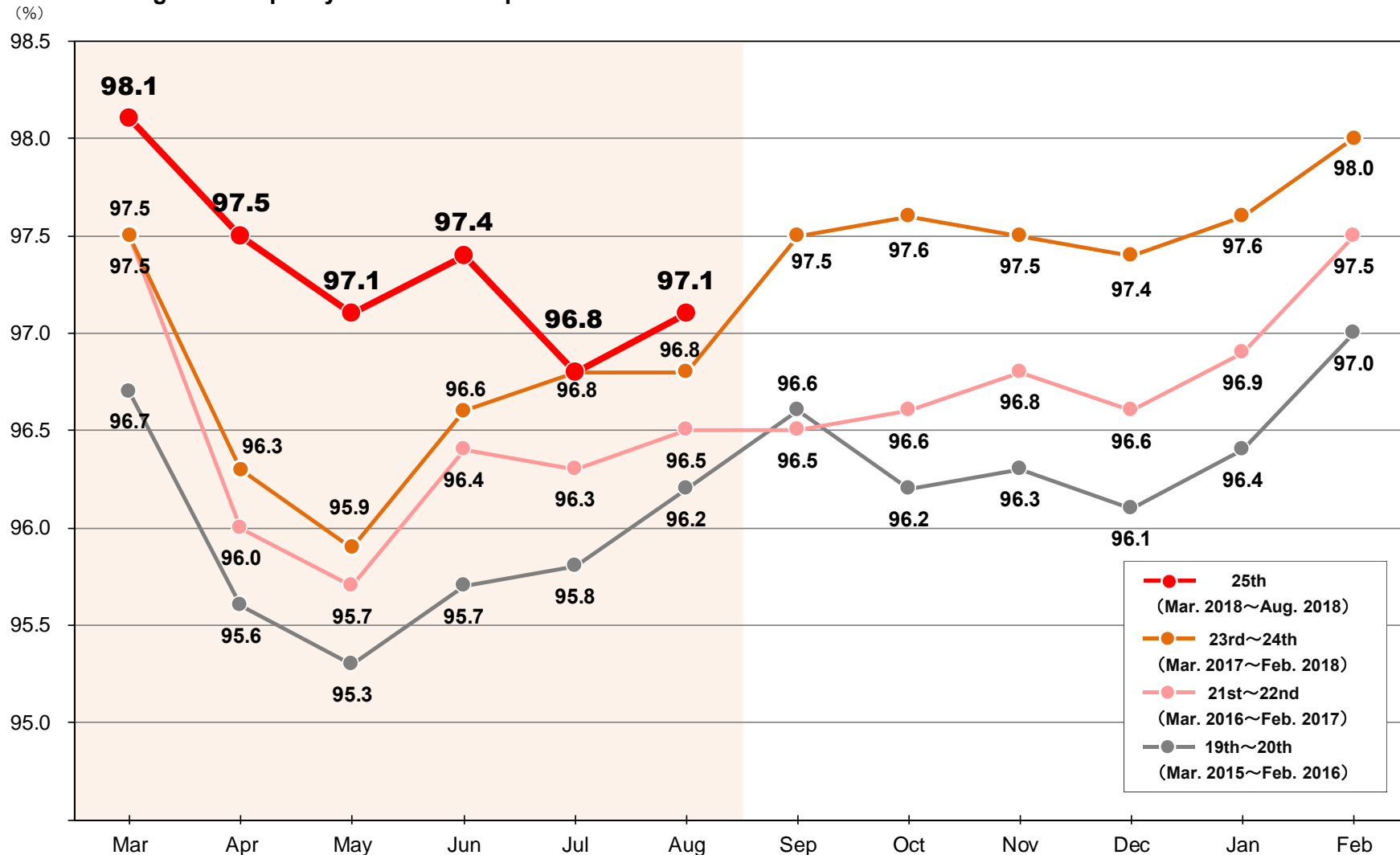


1. Figures for rental apartments include retail units.
 2. NOI Yield = Weighted average of actual NOI annualized / Acquisition price x 100

Internal Growth / Historical Occupancy Rates

Occupancy rate is at high level

Change in occupancy rate of overall portfolio at month-end



Note: Average month-end Occupancy rate is for the overall portfolio, including Hospitality Facilities.

Internal Growth / Rent Trends at Tenant Turnover(1)

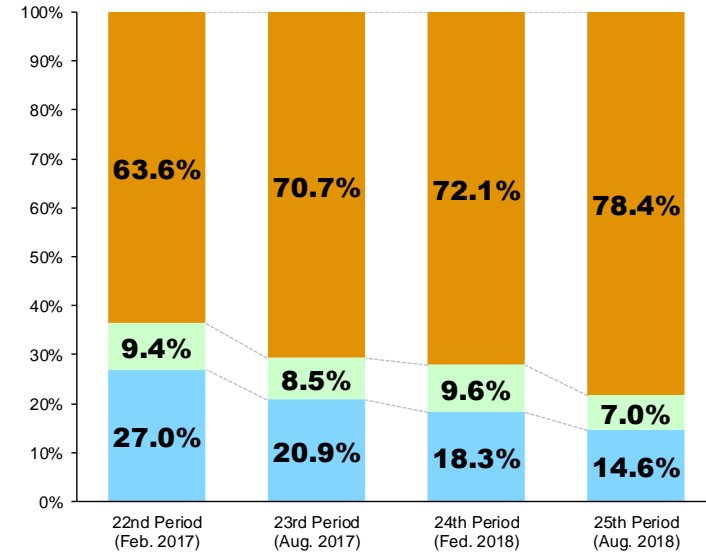
Positive Results and Upward Trend for 8 Consecutive Periods

Change in Rent of Rental Apartments at Tenant Turnover

(JPY thousand)

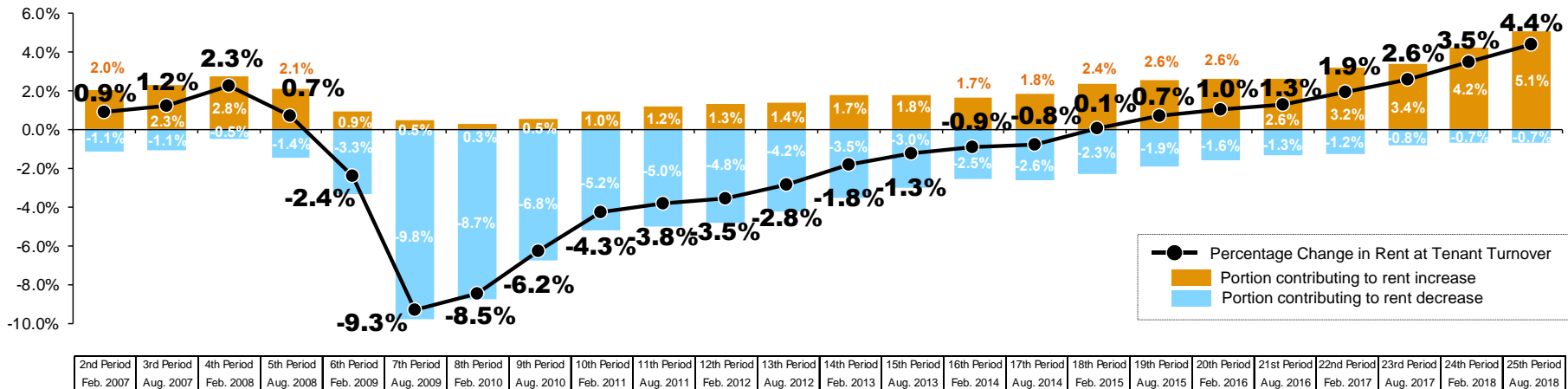
Tenant Turnover	22nd Period (Feb. 2017)	23rd Period (Aug. 2017)	24th Period (Feb. 2018)	25th Period (Aug. 2018)
Total Rentable Units	10,480 units	10,565 units	10,565 units	10,635 units
No. of Units	1,127 units	1,312 units	1,083 units	1,272 units
Rent Increase	717 units	927 units	781 units	997 units
Rent Unchanged	106 units	111 units	104 units	89 units
Rent Decrease	304 units	274 units	198 units	186 units
Monthly Rent Net Change	3,244	4,872	5,582	7,901
Rent Increase	5,353	6,397	6,699	9,180
Rent Decrease	-2,108	-1,525	-1,117	-1,278
Percentage Change	1.9 %	2.6 %	3.5 %	4.4 %

Percentage of Rent Changed Units at Tenant Turnover



* Continual renewal contracts under the periodic tenancy agreement are excluded from tenant turnover and counted as renewals.
* Calculations above do not include figures for retail units and Hospitality Facilities.

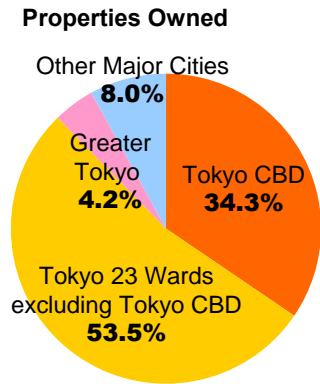
Percentage Change in Rent at Tenant Turnover



Internal Growth / Rent Trends at Tenant Turnover(2)

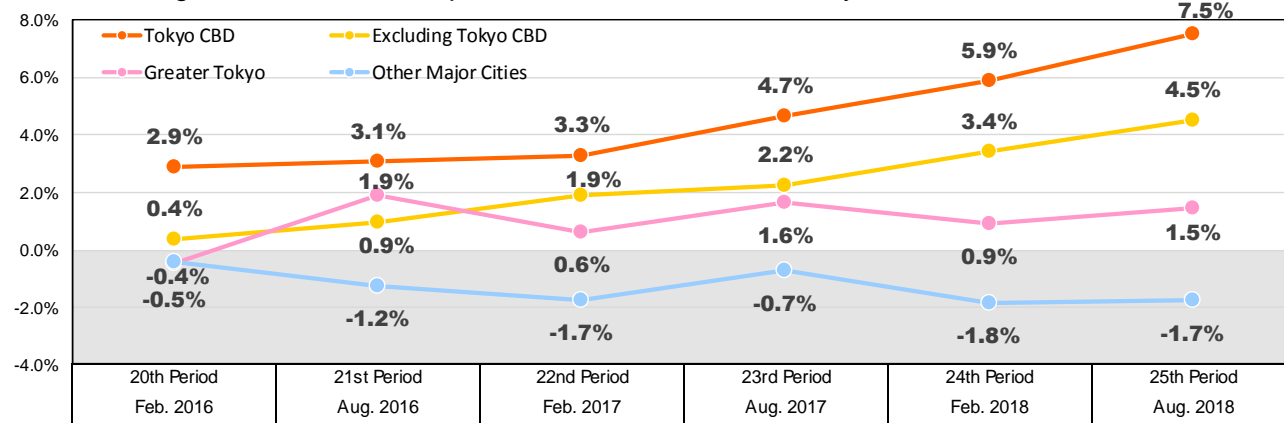
Higher rents in central Tokyo are driving growth

Location of Rental Apartment



As of the end of the 25th Period, acquisition price basis

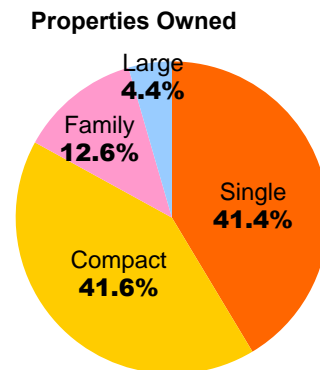
Change in Rent of Rental Apartments at Tenant Turnover by Area



*Tokyo CBD (Central Business District) includes Minato, Chuo and Chiyoda wards.

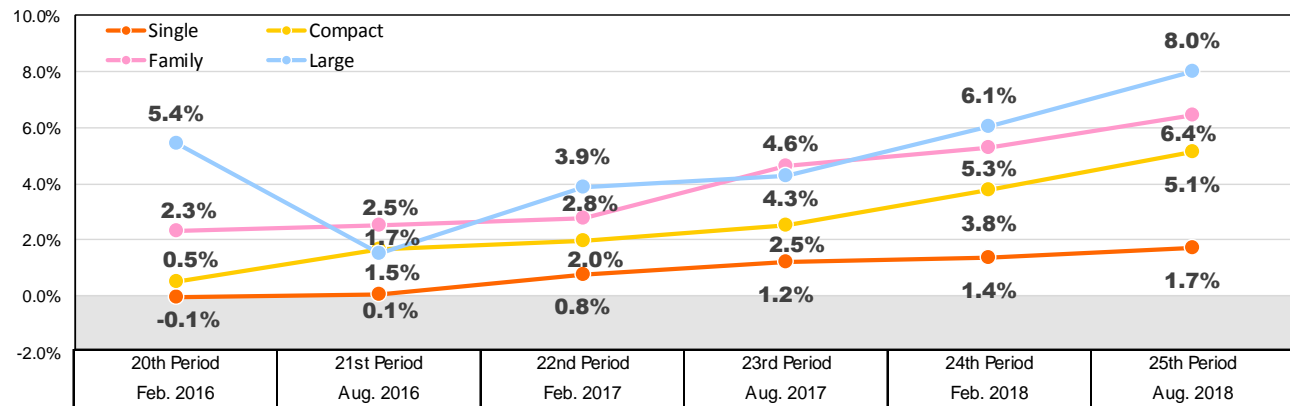
Growth continues in all categories

Category of Rental Apartment



As of the end of the 25th Period, units basis

Change in Rent of Rental Apartments at Tenant Turnover by Category



* Calculations above do not include figures for retail units and Hospitality Facilities.

Internal Growth / Rent Trends at Renewal

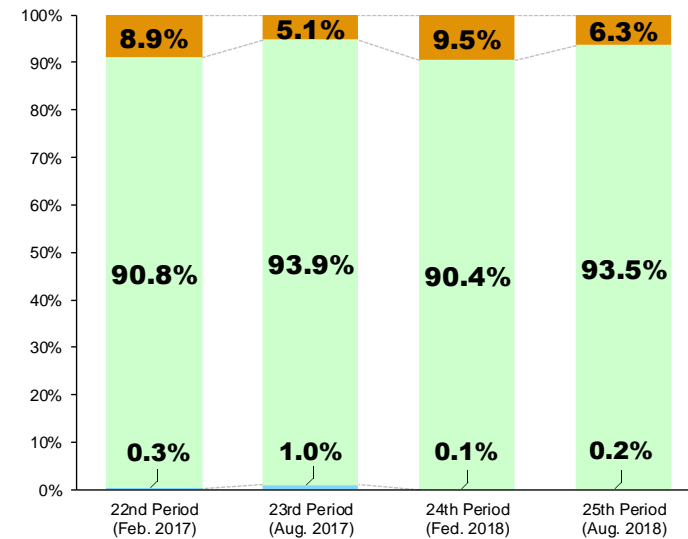
Rent Change Positive for 7 Consecutive Periods

Change in Rent of Rental Apartments at Renewal

(JPY thousand)

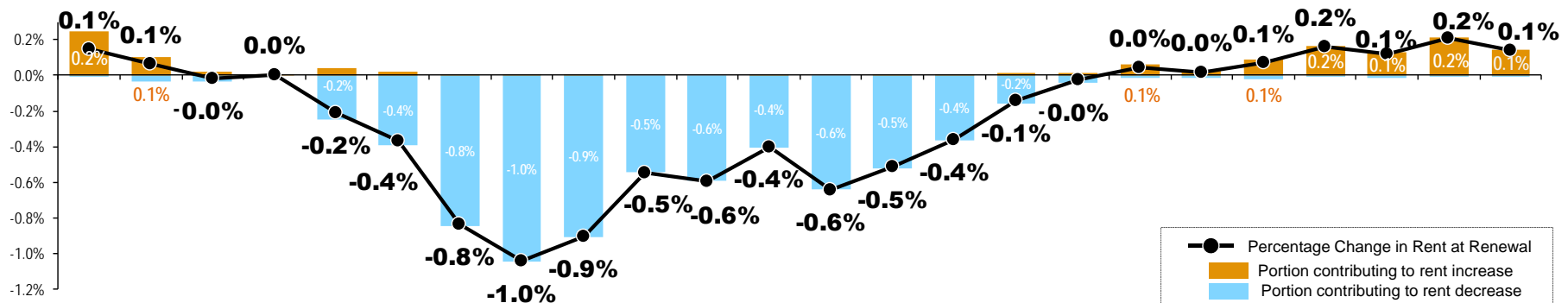
Renewal	22nd Period (Feb. 2017)	23rd Period (Aug. 2017)	24th Period (Feb. 2018)	25th Period (Aug. 2018)
Total Rentable Units	10,480 units	10,565 units	10,565 units	10,635 units
No. of Units	1,483 units	2,002 units	1,551 units	2,177 units
Rent Increase	132 units	103 units	148 units	137 units
Rent Unchanged	1,346 units	1,879 units	1,402 units	2,036 units
Rent Decrease	5 units	20 units	1 units	4 units
Monthly Rent Net Change	348	337	482	415
Rent Increase	364	373	486	430 Average rate of increase : 1.9 %
Rent Decrease	-16	-35	-4	-15 Average rate of decrease : -2.8 %
Percentage Change	0.2 %	0.1 %	0.2 %	0.1 %

Percentage of Rent Changed Units at Renewal



* Continual renewal contracts under the periodic tenancy agreement are excluded from tenant turnover and counted as renewals.
* Calculations above do not include figures for retail units and Hospitality Facilities.

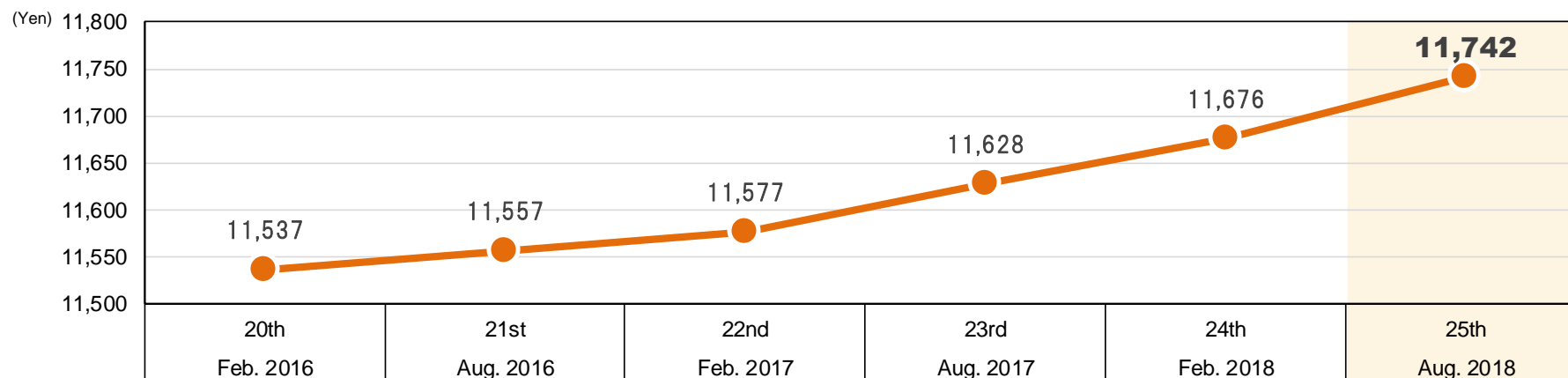
Percentage Change in Rent at Renewal



2nd Period Feb. 2007	3rd Period Aug. 2007	4th Period Feb. 2008	5th Period Aug. 2008	6th Period Feb. 2009	7th Period Aug. 2009	8th Period Feb. 2010	9th Period Aug. 2010	10th Period Feb. 2011	11th Period Aug. 2011	12th Period Feb. 2012	13th Period Aug. 2012	14th Period Feb. 2013	15th Period Aug. 2013	16th Period Feb. 2014	17th Period Aug. 2014	18th Period Feb. 2015	19th Period Aug. 2015	20th Period Feb. 2016	21st Period Aug. 2016	22nd Period Feb. 2017	23rd Period Aug. 2017	24th Period Feb. 2018	25th Period Aug. 2018
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Average rent per tsubo is steadily rising

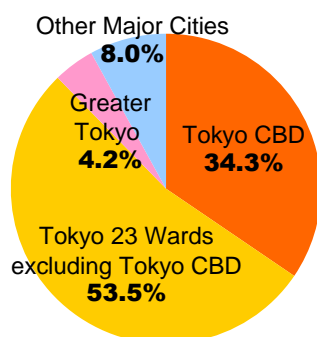
Average Rent per Tsubo



*Average rent per tsubo = Total rent at the end of each period / Total rentable area in tsubo (1 tsubo = approx. 3.3 m²)
 *Show here is the change in average rent per tsubo for the 104 rental apartment properties owned from the 20th to the 25th Periods.

Continuous rise in Tokyo 23 Wards

Location of Rental Apartment Properties Owned



As of the end of the 25th Period, acquisition price basis

Percentage Change in Average Rent per Tsubo by Location

		20th Feb. 2016	21st Aug. 2016	22nd Feb. 2017	23rd Aug. 2017	24th Feb. 2018	25th Aug. 2018
Tokyo 23 Wards	Tokyo CBD	+0.35%	+0.29%	+0.50%	+0.47%	+0.66%	+0.71%
	Excluding Tokyo CBD	+0.08%	+0.12%	+0.21%	+0.31%	+0.36%	+0.63%
Greater Tokyo		+0.29%	▲0.17%	+0.06%	+0.20%	+0.30%	+0.41%
Other Major Cities		▲0.18%	▲0.73%	▲0.04%	▲0.38%	▲0.03%	▲0.05%
Total		+0.15%	+0.18%	+0.16%	+0.43%	+0.40%	+0.57%

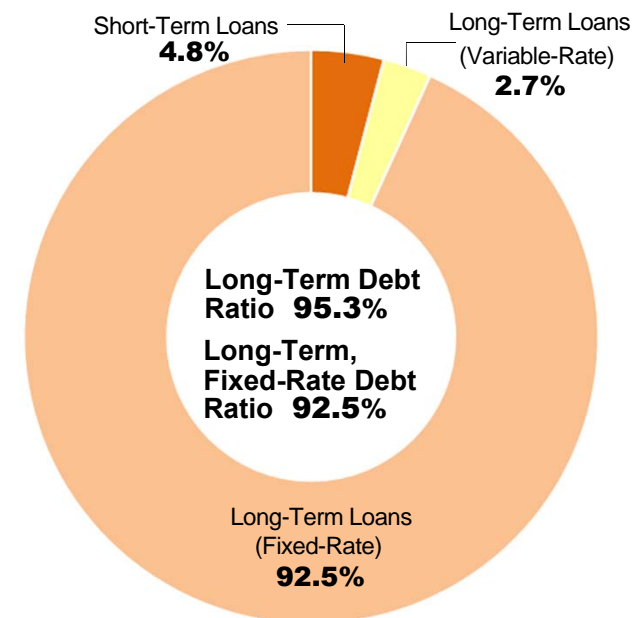
*Tokyo CBD (Central Business District) includes Minato, Chuo and Chiyoda wards.

*Above percentages indicate approximate change in average rent per tsubo at the end of each period compared with the end of the immediately preceding period (six months before).

* Calculations above do not include figures for retail units and Hospitality Facilities.

Debt Overview

(JPY million)	24th Period (Ended February 28, 2018)	25th Period (Ended August 31, 2018)	Change
Short-Term Loans	6.0	7.0	+1.0
Long-Term Loans (Variable-Rate)	4.0	4.0	—
Long-Term Loans (Fixed-Rate)	137.0	136.5	-0.5
Total	147.0	147.5	+0.5
LTV	50.0 %	50.1 %	+0.1 points
Appraisal LTV	41.5 %	40.9 %	-0.6 points
Long-Term Debt Ratio	95.9 %	95.3 %	-0.6 points
Long-Term, Fixed-Rate Debt Ratio	93.2 %	92.5 %	-0.7 points
Weighted-Average Interest Rate	0.67 %	0.63 %	-0.04 points
Duration of Long-Term Debt	4.3 years	4.2 years	-0.1 years
Lender	22 financial institutions	23 financial institutions	+1 financial institutions



* Borrowings in the left chart are classified according to lender contract.

* The weighted-average interest rate at period-end is calculated based on the interest rate as of August 31, 2018.

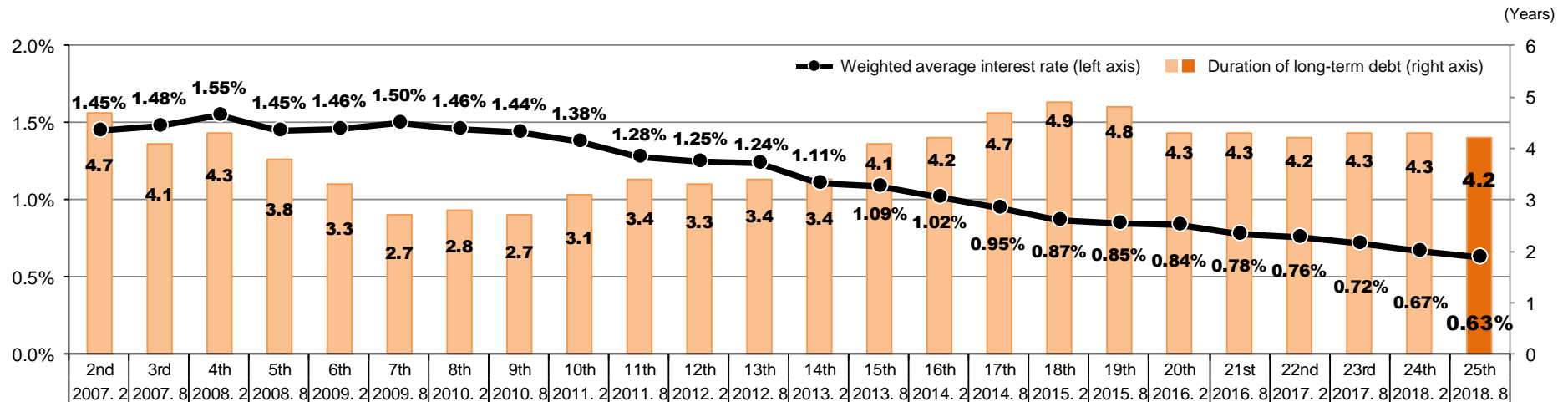
Commitment Line

Sumitomo Mitsui Banking Corporation	Sumitomo Mitsui Trust Bank, Limited	Mizuho Banking Corporation
Maximum amount of borrowing JPY 5.0 billion	Maximum amount of borrowing JPY 5.0 billion	Maximum amount of borrowing JPY 5.0 billion

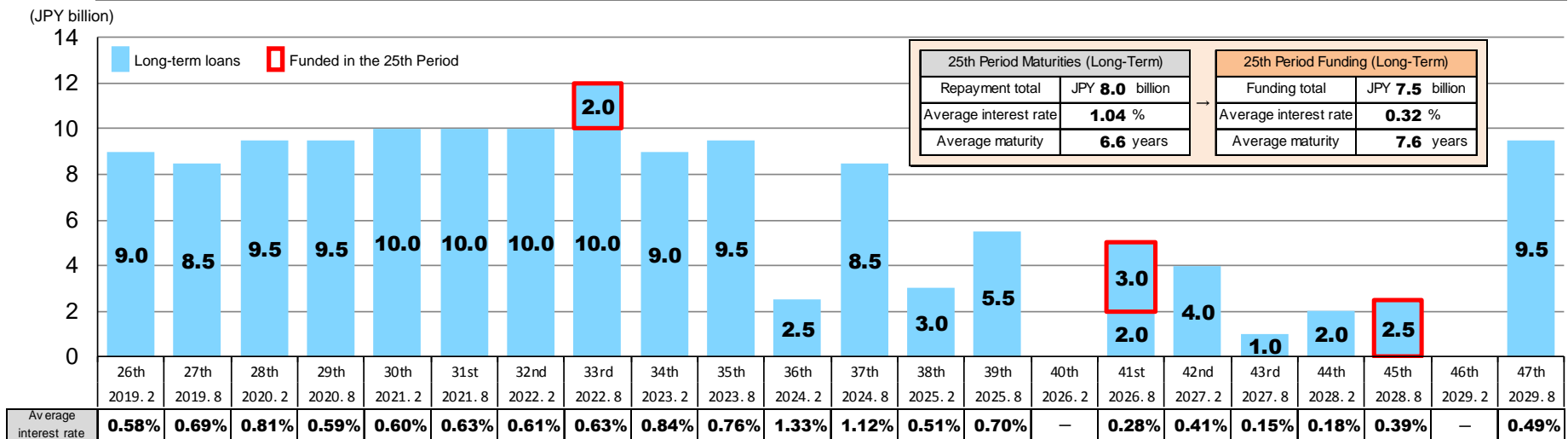
Highest Ratings among Residential J-REITs

Rating Agency	Rating
R&I	AA- (Issuer Rating)
S&P	A+ (Long-term Rating)

Financing Costs and Maturities



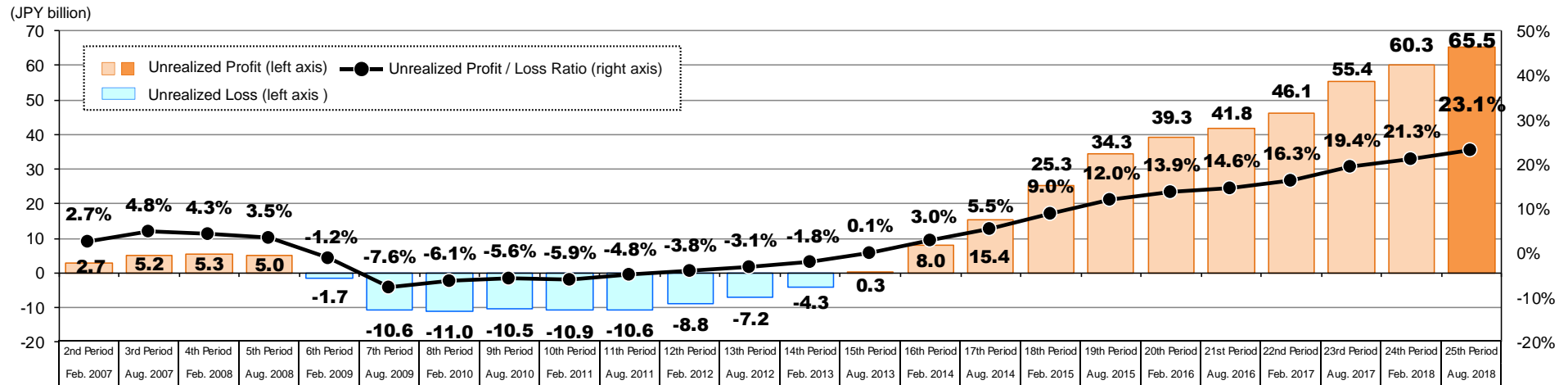
Long-Term Interest-Bearing Debt Maturity Ladder



1. Average interest rate is a weighted average of the interest rates on long-term interest-bearing loans.
 2. Average maturity is a weighted average of the maturities of long-term interest-bearing loans.

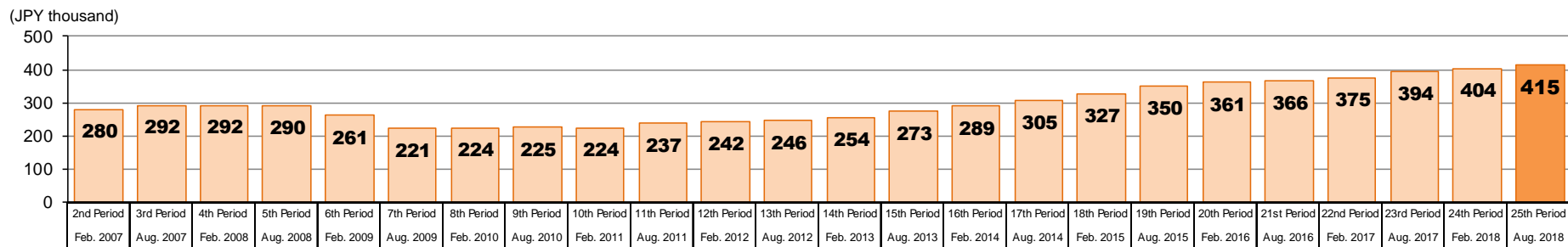
Unrealized Profit / Loss

Unrealized Profit / Loss and Unrealized Profit / Loss Ratio

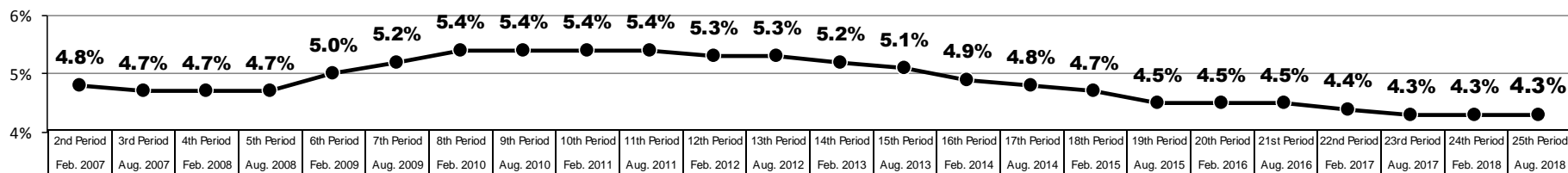


NAV per unit

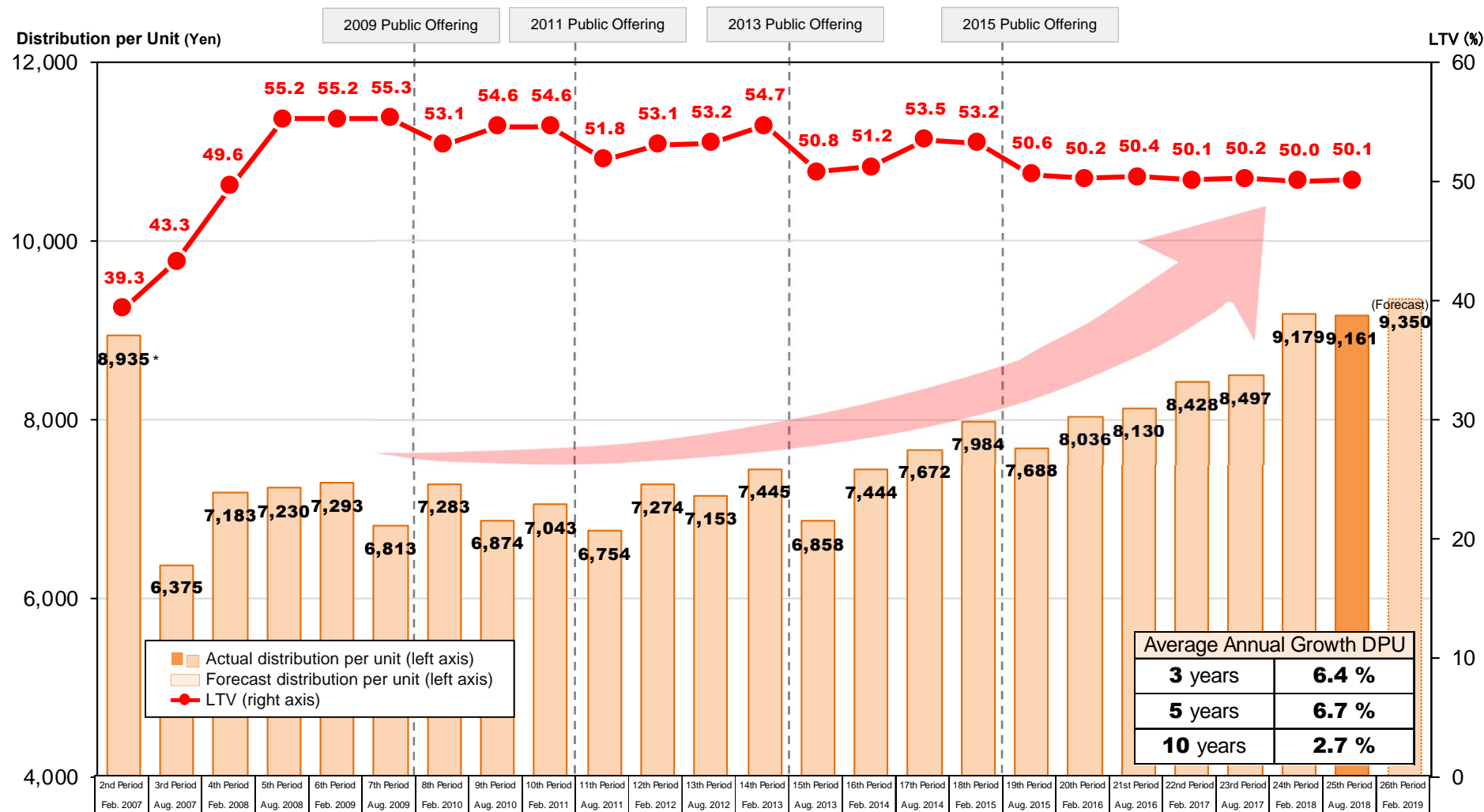
* NAV (net asset value) per unit = (Net assets – Total distribution + Unrealized profit or loss) / Units outstanding



Direct Capitalization Rate on Appraisal Value of Properties Owned at Period-End



Track Record of Distributions



(Note) NAF implemented a two-for-one split of investment units with an effective date of March 1, 2014. Distribution per unit for the 16th Period and earlier are adjusted for this split (actual distribution divided in half, rounded down to the nearest yen).

* The 2nd Period (ended February 28, 2007) is 11 months (from April 1, 2006 to February 28, 2007).

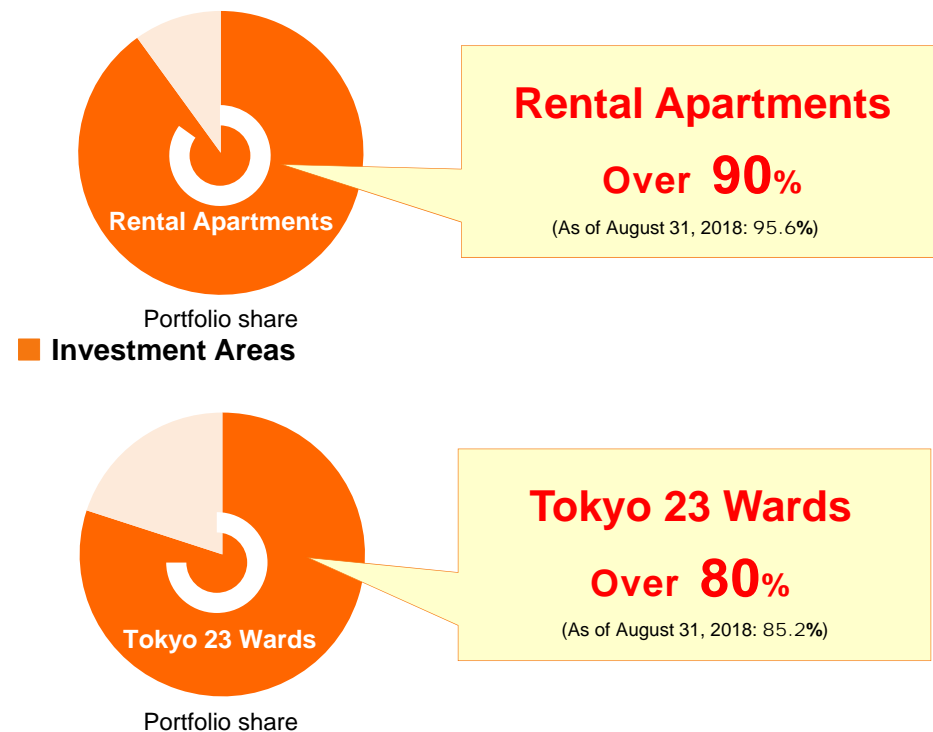
Features and Strategies

Core Investment Strategy: Continuing Acquisition of Rental Apartments and Stable Operations

Investment in Accommodation Assets



Proportion of Investment in Assets



Rental Apartments: Greater Tokyo*¹, mainly the 23 wards of Tokyo, and Other Major Cities*²

Hospitality Facilities: Major cities throughout Japan and their suburbs

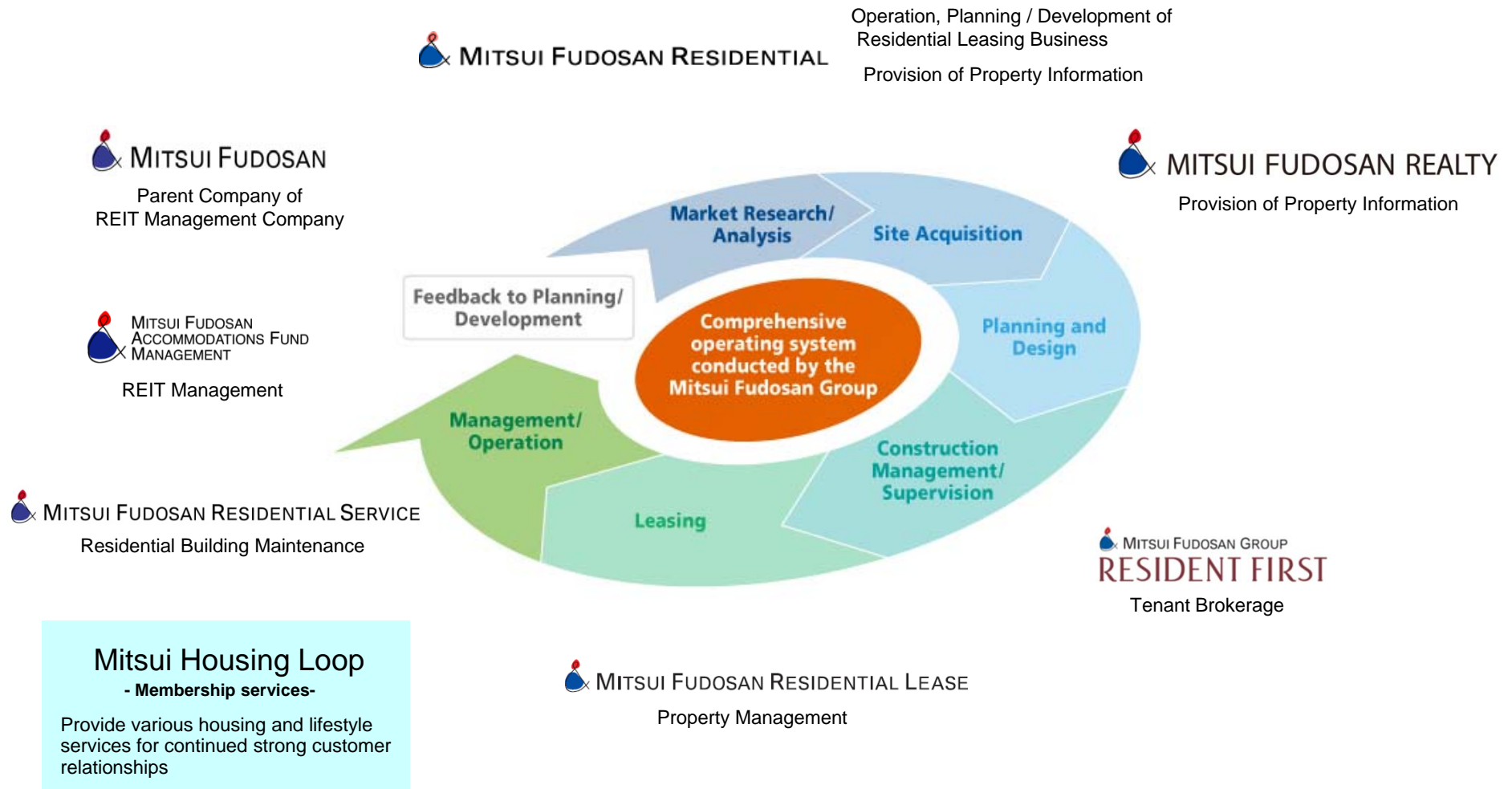
*¹ Tokyo, Kanagawa, Chiba and Saitama

*² Each of the urban areas of Sapporo, Sendai, Nagoya, Osaka, Kyoto, Kobe, Hiroshima and Fukuoka cities

Features and Strategies (2) Leveraging the Mitsui Fudosan Group



Fully Leverage the Expertise and Support of the Companies That Comprise the Mitsui Fudosan Group's Residential Leasing Business Value Chain.



A series of horizontal dotted lines for writing, spanning the width of the page.

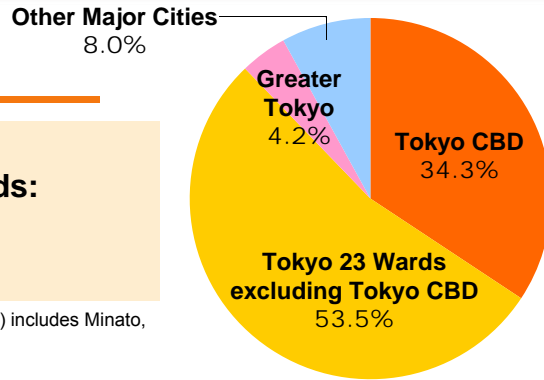


Appendix (1) : Portfolio

Rental Apartments Characteristics

1 Location

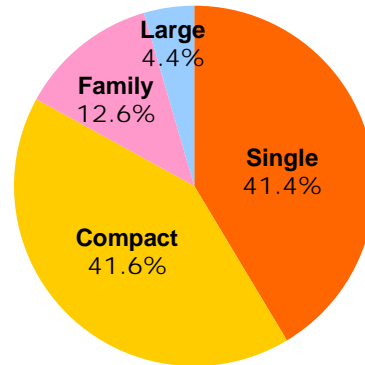
Tokyo 23 wards:
87.8%



*Tokyo CBD (Central Business District) includes Minato, Chuo and Chiyoda wards.

2 Category

Single and Compact Units:
83.0%



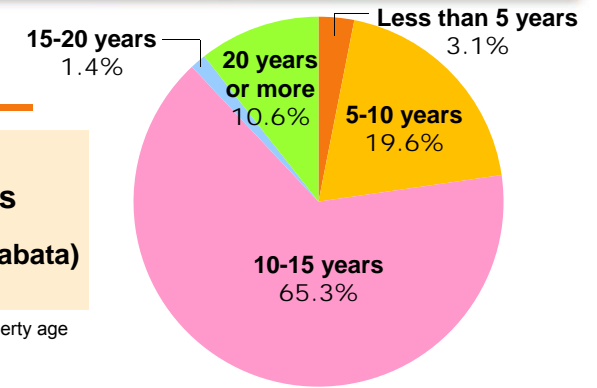
* Calculation based on unit categories as of August 31, 2018.

	<30㎡	≥30㎡ <40㎡	≥40㎡ <50㎡	≥50㎡ <60㎡	≥60㎡ <70㎡	≥70㎡ <80㎡	≥80㎡ <90㎡	≥90㎡ <100㎡	≥100㎡
STUDIO	S	S	C	C	L	L	L	L	L
1BED	S	C	C	C	L	L	L	L	L
2BED		C	C	C	F	F	L	L	L
3BED				F	F	F	F	L	L
4BED					F	F	F	F	L

Studio: 1K, studio
 1 Bed: 1DK, 1LDK, 1LDK + utility room
 2 Bed: 2DK, 2LDK, 2LDK + utility room
 3 Bed: 3DK, 3LDK, 3LDK + utility room
 4 Bed: 4DK, 4LDK, 4LDK + utility room

3 Property Age

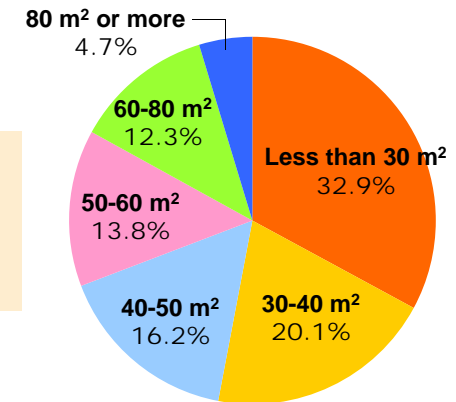
Average: 12.7 years
(10.8 years excluding Okawabata)



* The calculations are based on individual property age as of August 31, 2018.

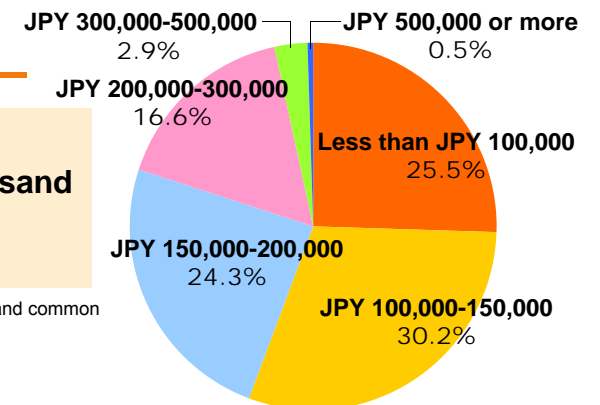
4 Unit Area

Average: 42.6 m² per Unit



5 Monthly Rent per Unit

Average: JPY 151 thousand per Unit



* Calculation based on total monthly rent (rent and common area fees) per unit as of August 31, 2018.

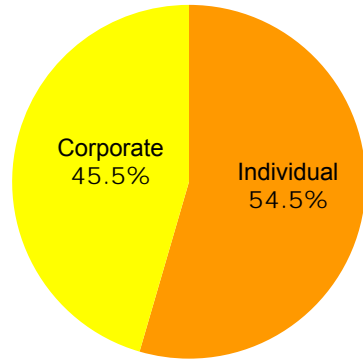
* The data above are calculations for rental apartments owned as of August 31, 2018 and do not include Hospitality Facilities.

* The calculations for graphs 1 and 3 are based on acquisition price.

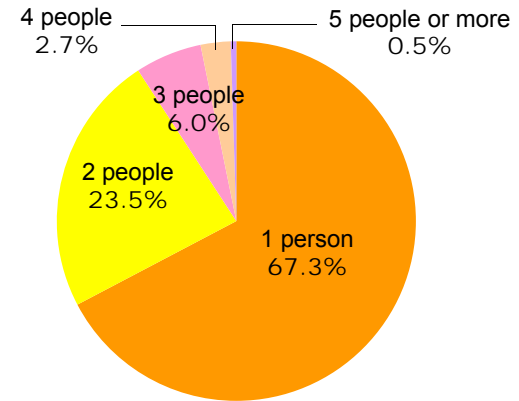
* The calculations for graphs 2, 4 and 5 are based on units, excluding retail units.

Tenant Characteristics

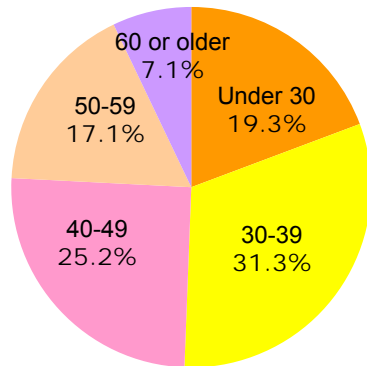
1 Lessee Type



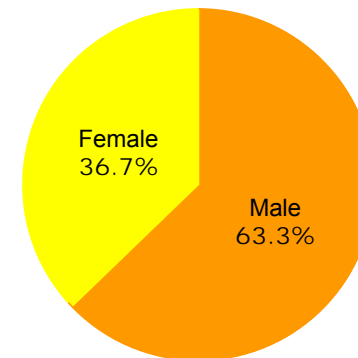
3 Number of Occupants



2 Age



4 Gender of Single Occupants



* All data above are based on information provided by tenants at the point of contract.

* The data above are calculations for rental apartments owned as of August 31, 2018, excluding retail units and hospitality facilities.

Hospitality Facilities Owned

Summary (As of August 31, 2018)

Hospitality Facilities Owned	
Number of properties	14
Acquisition price	JPY 13.4 billion
Portfolio share	4.4%
Occupancy rate	100%
Rentable units	1,378

* "Hospitality facilities" collectively refers to assets in the four categories of dormitories/corporate housing, serviced apartments, senior residences and hotels.

Dormitories, Corporate Housing

Property Name	Location	Rentable Units (Units)	Completion Date	Operator
Dormy Ashiya	Ashiya-shi, Hyogo	140	2002.09.17	Kyoritsu Maintenance Co., Ltd.
Kawaijuku Kyoto Gakushin Ryo	Kyoto-shi, Kyoto	134	2004.03.02	Kyoritsu Maintenance Co., Ltd.
Sundai Horikawa Ryo	Kyoto-shi, Kyoto	113	2005.02.21	Kyoritsu Maintenance Co., Ltd.
Dormy Rakuohku	Kyoto-shi, Kyoto	70	2006.02.24	Kyoritsu Maintenance Co., Ltd.
Rikkyo University International Dormitory (RUID) Shiki	Shiki-shi, Saitama	127	2010.01.29	Kyoritsu Maintenance Co., Ltd.
Dormy Naka Itabashi	Itabashi-ku, Tokyo	106	2010.02.12	Kyoritsu Maintenance Co., Ltd.
Philosophia Nishidai	Itabashi-ku, Tokyo	121	2010.02.18	Kyoritsu Maintenance Co., Ltd.
Dormy Musashi Kosugi	Kawasaki-shi, Kanagawa	112	2010.03.04	Kyoritsu Maintenance Co., Ltd.
Artis Sendai Kakyoin	Sendai-shi, Miyagi	60	2008.12.10	J.S.B.Co., Ltd.
Artis Sendai Kimachi Dori	Sendai-shi, Miyagi	142	2010.03.05	J.S.B.Co., Ltd.
Dormy Nishi Ogikubo	Suginami-ku, Tokyo	71	1992.03.21	Kyoritsu Maintenance Co., Ltd.
Dormy Kamisugi	Sendai-shi, Miyagi	124	1997.03.13	Kyoritsu Maintenance Co., Ltd.

Senior Residences

Property Name	Location	No. of Rooms (Rooms)	Completion Date	Operator
Medical Home Granda Sangen Jaya (Land with leasehold interest)	Setagaya-ku, Tokyo	—	—	Benesse Style Care Co., Ltd.
Granda Kanazawa Hakkei	Yokohama-shi, Kanagawa	58	2012.06.08	Benesse Style Care Co., Ltd.

Highly competent and trustworthy operators

Dormitories, Corporate Housing operators

Kyoritsu Maintenance Co., Ltd.

(Listed on the first section of TSE with the securities code 9616)

J.S.B.Co., Ltd.

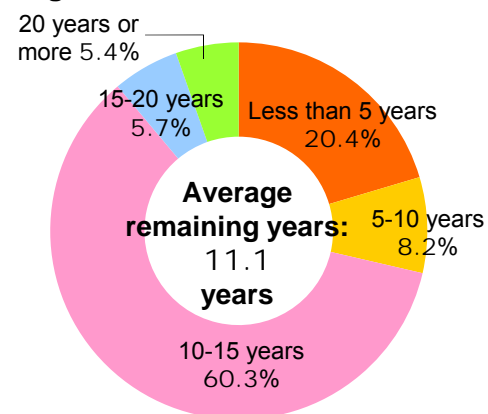
(Listed on the second section of TSE with the securities code 3480)

Senior Residences operator

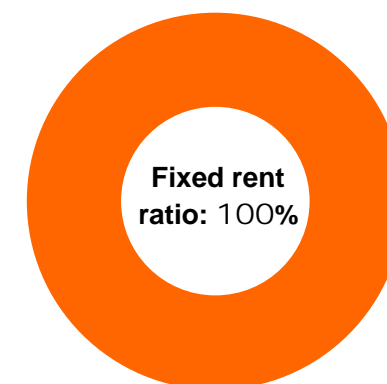
Benesse Style Care Co., Ltd.

(A subsidiary of the company listed on the first section of TSE with the securities code 9783)

Long-term lease contracts



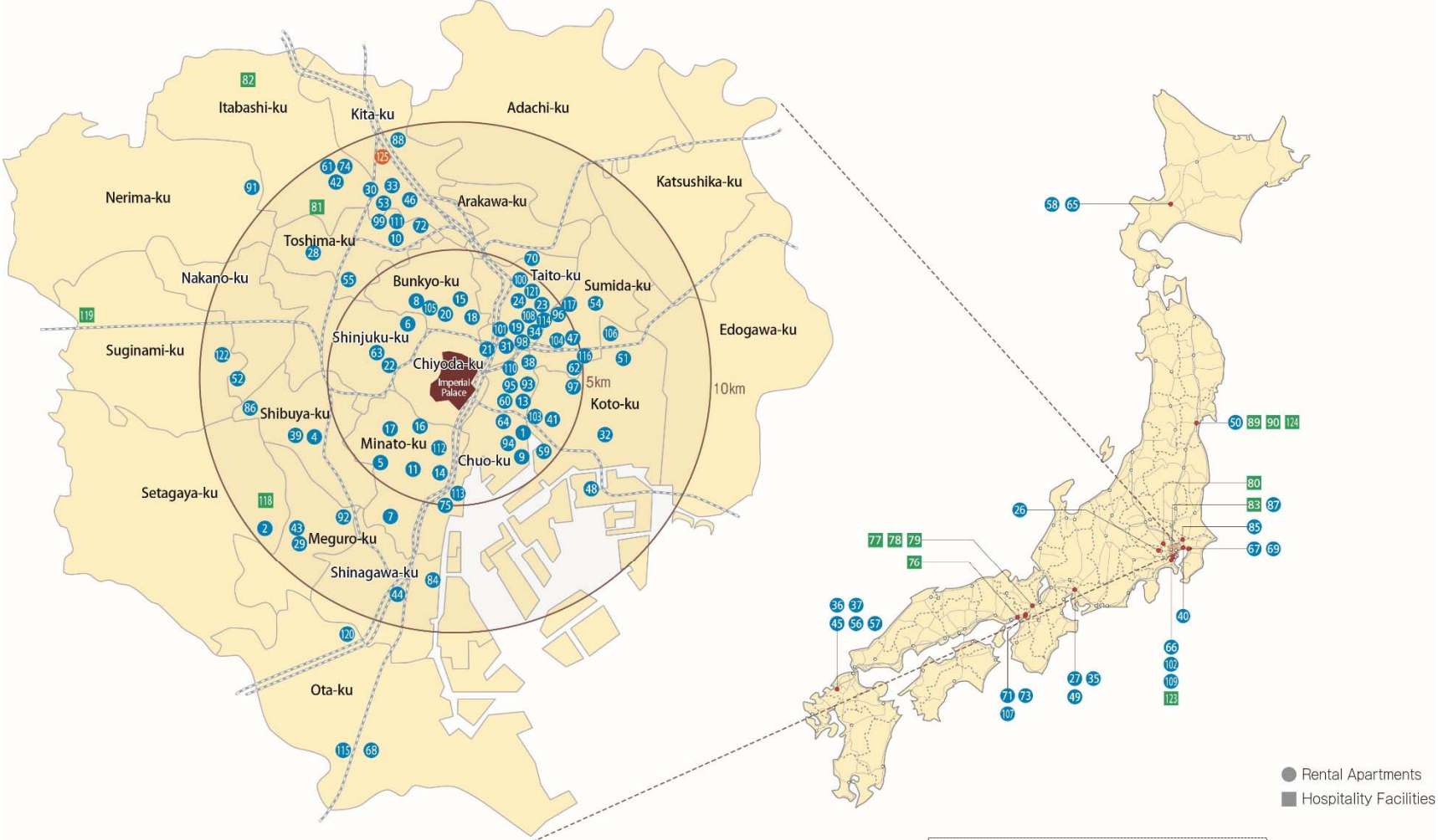
Fixed rents



1. Calculated based on acquisition price.
2. Calculated based on years remaining on lease contracts at each property as of August 31, 2018.

Note: The figures above are calculations for Hospitality Facilities owned at the end of the 25th period (ended August 31, 2018), excluding Rental Apartments.

Portfolio Map



Tokyo 23 Wards: 89 properties

Greater Tokyo: 12 properties

Other Major Cities: 21 properties

* NAF's portfolio consisted of 122 properties as of August 31, 2018.
 Numbers in orange indicate property acquired during the 25th Period.
 * Circled numbers correspond to the property numbers on pages 29 to 32.

Portfolio List (1/4)

No.	Property Name	Location	Completion Date	Acquisition Price (JPY mn) ¹	Portfolio Share (%)	Rentable Area (m ²)	Rentable Units (Units) ²						PML (%)
								Single	Compact	Family	Large	Retail, etc.	
1	River Point Tower	Chuo-ku, Tokyo	1989.03.30	30,816	10.2	43,812.41	544	-	52	297	195	-	1.8
	Park Side Wings												2.7
	Pier West House												2.7
	Okawabata Parking												1.7
2	Park Axis Gakugei Daigaku	Setagaya-ku, Tokyo	2004.10.27	1,760	0.6	2,437.66	64	37	21	6	-	-	5.0
4	Park Axis Shibuya Jinnan	Shibuya-ku, Tokyo	2005.08.04	3,230	1.1	2,766.62	75	51	24	-	-	-	4.1
5	Park Axis Aoyama Kotto Dori	Minato-ku, Tokyo	2005.08.31	1,730	0.6	1,537.24	40	12	28	-	-	-	4.5
6	Park Axis Kagurazaka Stage	Shinjuku-ku, Tokyo	2004.08.31	1,400	0.5	1,891.05	59	44	15	-	-	-	3.0
7	Park Axis Shirokanedai	Minato-ku, Tokyo	2005.09.09	5,140	1.7	4,704.44	99	29	39	26	5	-	4.2
8	Park Axis Bunkyo Stage	Bunkyo-ku, Tokyo	2005.09.20	4,440	1.5	6,078.93	154	80	70	4	-	-	3.6
9	Park Axis Tsukishima	Chuo-ku, Tokyo	2005.11.15	930	0.3	1,383.99	30	-	30	-	-	-	3.2
10	Park Axis Otsuka	Toshima-ku, Tokyo	2006.01.10	1,655	0.5	2,606.37	52	-	39	13	-	-	2.4
11	Park Axis Minami Azabu	Minato-ku, Tokyo	2003.02.28	3,939	1.3	3,938.14	64	-	38	16	10	-	3.0
13	Park Axis Nihonbashi Stage	Chuo-ku, Tokyo	2004.08.31	7,557	2.5	10,025.40	185	66	34	64	20	1	4.5
14	Park Axis Hamamatsucho	Minato-ku, Tokyo	2004.12.07	2,025	0.7	2,426.45	80	67	12	-	1	-	3.3
15	Park Axis Hongo no Mori	Bunkyo-ku, Tokyo	2005.11.30	2,910	1.0	3,317.94	87	40	46	-	-	1	4.0
16	Park Axis Tameike Sanno	Minato-ku, Tokyo	2005.12.14	2,860	0.9	2,710.69	70	30	40	-	-	-	3.5
17	Park Axis Roppongi Hinokicho Koen	Minato-ku, Tokyo	2006.01.31	2,170	0.7	2,054.46	46	3	37	6	-	-	5.8
18	Park Axis Ochanomizu Stage	Bunkyo-ku, Tokyo	2006.02.28	9,710	3.2	12,025.25	324	178	136	9	1	-	3.9
19	Park Axis Okachimachi	Taito-ku, Tokyo	2006.02.28	1,070	0.4	1,621.73	42	11	31	-	-	-	4.0
20	Park Cube Hongo	Bunkyo-ku, Tokyo	2005.08.26	1,760	0.6	2,160.12	60	-	60	-	-	-	3.9
21	Park Cube Kanda	Chiyoda-ku, Tokyo	2005.10.01	2,454	0.8	3,194.59	95	64	25	4	2	-	2.4
22	Park Cube Ichigaya	Shinjuku-ku, Tokyo	2005.10.11	1,949	0.6	2,288.46	53	-	51	-	2	-	2.9
23	Park Cube Asakusa Tawaramachi	Taito-ku, Tokyo	2006.01.26	2,508	0.8	4,012.68	76	6	46	24	-	-	2.8
24	Park Cube Ueno	Taito-ku, Tokyo	2006.03.02	2,233	0.7	3,041.61	91	25	66	-	-	-	2.8
28	Park Cube Ikebukuro Kanamecho	Toshima-ku, Tokyo	2007.03.23	1,608	0.5	1,886.82	65	65	-	-	-	-	3.8
29	Park Axis Meguro Honcho	Meguro-ku, Tokyo	2006.07.14	1,810	0.6	1,884.77	60	15	45	-	-	-	5.8
30	Park Axis Shin Itabashi	Itabashi-ku, Tokyo	2007.02.20	3,430	1.1	4,395.99	152	122	30	-	-	-	3.4
													3.3
31	Park Axis Akihabara	Chiyoda-ku, Tokyo	2006.09.27	1,200	0.4	1,346.07	41	18	23	-	-	-	3.3
32	Park Axis Toyochō	Koto-ku, Tokyo	2007.03.22	3,950	1.3	5,412.40	140	-	140	-	-	-	5.8
33	Park Axis Takinogawa	Kita-ku, Tokyo	2007.03.31	1,820	0.6	2,924.75	49	-	43	5	-	1	4.0
34	Park Axis Asakusabashi	Taito-ku, Tokyo	2007.07.10	2,717	0.9	3,400.78	79	26	52	-	-	1	3.2
38	Park Axis Nihonbashi Hamacho	Chuo-ku, Tokyo	2006.07.14	5,540	1.8	6,999.83	118	-	75	43	-	-	4.2
39	Park Cube Yoyogi Tomigaya	Shibuya-ku, Tokyo	2007.07.31	1,975	0.7	1,929.10	38	1	36	-	1	-	5.8
41	Park Axis Monzen Nakacho	Koto-ku, Tokyo	2007.02.28	1,700	0.6	1,886.39	55	33	22	-	-	-	5.1

Portfolio List (2/4)

No.	Property Name	Location	Completion Date	Acquisition Price (JPY mn) ¹	Portfolio Share (%)	Rentable Area (m ²)	Rentable Units (Units) ²						PML (%)
								Single	Compact	Family	Large	Retail, etc.	
42	Park Cube Itabashi Honcho	Itabashi-ku, Tokyo	2008.03.27	4,170	1.4	5,317.07	166	125	40	-	-	1	2.9
43	Park Cube Gakugei Daigaku	Meguro-ku, Tokyo	2008.03.27	910	0.3	957.88	24	13	11	-	-	-	6.8
44	Park Cube Oimachi	Shinagawa-ku, Tokyo	2008.03.14	1,440	0.5	1,511.12	65	65	-	-	-	-	3.2
46	Park Axis Nishigahara	Kita-ku, Tokyo	2007.10.19	840	0.3	1,435.83	46	38	8	-	-	-	2.4
47	Park Axis Kinshicho	Sumida-ku, Tokyo	2007.12.14	1,448	0.5	2,288.13	65	13	52	-	-	-	4.2
48	Park Axis Tatsumi Stage	Koto-ku, Tokyo	2008.01.31	7,464	2.5	16,474.06	300	95	50	136	18	1	5.1
51	Park Axis Kameido	Koto-ku, Tokyo	2008.03.28	2,359	0.8	3,986.78	118	40	78	-	-	-	5.6
52	Park Axis Honancho	Nakano-ku, Tokyo	2008.07.31	745	0.2	1,231.08	31	7	24	-	-	-	3.0
53	Park Axis Itabashi	Kita-ku, Tokyo	2008.10.31	1,448	0.5	2,567.96	64	8	51	5	-	-	5.3
54	Park Axis Oshiage	Sumida-ku, Tokyo	2008.11.20	1,193	0.4	2,121.29	58	36	21	-	-	1	4.9
55	Park Axis Takadanobaba	Toshima-ku, Tokyo	2008.11.28	1,222	0.4	1,463.25	37	-	36	-	-	1	2.7
59	Park Axis Toyosu	Koto-ku, Tokyo	2008.03.26	14,300	4.7	25,537.94	403	19	163	219	-	2	3.9
60	Park Axis Hatchobori	Chuo-ku, Tokyo	2009.03.31	1,760	0.6	2,416.29	64	41	22	-	-	1	3.2
61	Park Axis Itabashi Honcho	Itabashi-ku, Tokyo	2009.05.15	987	0.3	2,048.31	66	55	11	-	-	-	4.0
62	Park Axis Sumiyoshi	Sumida-ku, Tokyo	2009.05.29	1,006	0.3	1,785.72	60	42	18	-	-	-	7.4
63	Park Cube Yotsuya Sancho	Shinjuku-ku, Tokyo	2009.02.26	2,749	0.9	3,599.82	130	112	18	-	-	-	5.1
64	Park Cube Hatchobori	Chuo-ku, Tokyo	2009.03.13	4,200	1.4	5,191.86	120	-	118	-	-	2	2.4
68	Park Axis Kamata Ichibankan	Ota-ku, Tokyo	2009.03.19	1,069	0.4	1,721.28	63	52	11	-	-	-	6.7
70	Park Axis Taito Negishi	Taito-ku, Tokyo	2009.08.06	672	0.2	1,283.13	40	28	12	-	-	-	4.2
72	Park Axis Komagome	Toshima-ku, Tokyo	2009.11.20	1,389	0.5	1,979.51	40	3	36	-	-	1	2.5
74	Park Axis Itabashi Honcho Nibankan	Itabashi-ku, Tokyo	2010.01.29	1,859	0.6	3,661.58	99	44	55	-	-	-	3.1
75	Shibaura Island Air Tower ³	Air Tower	2007.03.01	7,905	2.6	17,646.33	272	47	103	63	57	2	1.9
		Air Terrace										-	7.5
84	Park Cube Higashi Shinagawa	Shinagawa-ku, Tokyo	2007.02.28	6,060	2.0	10,636.67	201	-	137	23	41	-	3.5
86	Park Cube Sasazuka	Shibuya-ku, Tokyo	2009.08.19	2,200	0.7	2,416.00	93	75	16	-	1	1	3.4
88	Park Axis Higashi Jujo	Kita-ku, Tokyo	2007.02.28	1,700	0.6	2,893.54	71	26	44	-	-	1	3.1
91	Park Cube Heiwadai	Nerima-ku, Tokyo	2007.06.29	1,204	0.4	2,656.00	34	-	1	33	-	-	2.8
92	Park Cube Meguro Tower	Meguro-ku, Tokyo	2008.02.18	9,000	3.0	12,367.62	194	43	64	10	76	1	2.2
93	Park Cube Nihonbashi Suitengu	Chuo-ku, Tokyo	2005.05.12	2,711	0.9	4,235.33	77	-	55	22	-	-	4.4
94	Park Cube Ginza East	Chuo-ku, Tokyo	2005.06.01	2,269	0.7	3,358.63	77	-	77	-	-	-	3.0
95	Park Cube Kayabacho	Chuo-ku, Tokyo	2006.03.15	1,105	0.4	1,695.06	28	-	18	9	-	1	3.2
96	Park Cube Honjo Azumabashi	Sumida-ku, Tokyo	2006.03.23	1,252	0.4	2,241.63	45	9	36	-	-	-	4.6
97	Park Axis Kiyosumi Shirakawa	Koto-ku, Tokyo	2008.03.31	696	0.2	1,159.84	36	18	18	-	-	-	3.7
98	Park Axis Asakusabashi Nichome	Taito-ku, Tokyo	2011.12.07	1,079	0.4	1,569.00	48	24	24	-	-	-	3.4
99	Park Axis Nishi Sugamo	Kita-ku, Tokyo	2012.01.05	1,439	0.5	2,326.32	56	14	42	-	-	-	3.9
100	Park Axis Ueno	Taito-ku, Tokyo	2012.01.11	1,389	0.5	1,992.29	59	31	28	-	-	-	3.3

Portfolio List (3/4)

No.	Property Name	Location	Completion Date	Acquisition Price (JPY mn) ¹	Portfolio Share (%)	Rentable Area (m ²)	Rentable Units (Units) ²						PML (%)
								Single	Compact	Family	Large	Retail, etc.	
101	Park Axis Akihabara East	Taito-ku, Tokyo	2012.05.25	1,369	0.5	1,890.20	58	38	20	-	-	-	3.8
103	Park Axis Kayabacho	Chuo-ku, Tokyo	2012.06.29	1,809	0.6	2,355.07	72	37	35	-	-	-	3.0
104	Park Axis Kinshicho Shinsui Koen	Sumida-ku, Tokyo	2012.06.22	1,369	0.5	2,085.62	60	32	28	-	-	-	7.5
105	Park Cube Kasuga Andozaka	Bunkyo-ku, Tokyo	2005.10.14	2,670	0.9	3,581.09	68	13	29	26	-	-	2.7
106	Park Cube Kameido	Koto-ku, Tokyo	2007.08.23	3,020	1.0	4,442.09	122	88	33	-	-	1	5.5
108	Park Axis Shin Okachimachi East	Taito-ku, Tokyo	2012.09.21	1,299	0.4	1,847.01	49	23	26	-	-	-	3.0
110	Park Axis Nihonbashi Honcho	Chuo-ku, Tokyo	2013.02.08	1,469	0.5	1,808.12	49	13	36	-	-	-	2.5
111	Park Cube Nishigahara Stage	Kita-ku, Tokyo	2009.11.06	4,110	1.4	19,693.35	358	-	229	111	17	1	2.5
112	Park Cube Atagoyama Tower	Minato-ku, Tokyo	2007.01.10	8,650	2.9	8,389.91	165	74	21	44	26	-	2.4
113	Park Axis Shibaura	Minato-ku, Tokyo	2012.10.31	1,045	0.3	1,273.60	42	30	12	-	-	-	5.2
114	Park Axis Asakusa Kuramae	Taito-ku, Tokyo	2013.05.22	1,095	0.4	1,456.35	45	30	15	-	-	-	3.0
115	Park Axis Kamata Station Gate	Ota-ku, Tokyo	2012.09.18	4,144	1.4	4,582.72	158	123	34	-	-	1	3.2
116	Park Axis Kinshicho Residence	Sumida-ku, Tokyo	2013.09.20	1,251	0.4	1,793.33	56	34	22	-	-	-	4.0
117	Park Axis Oshiage Sumida Koen	Sumida-ku, Tokyo	2014.01.31	1,055	0.3	1,610.49	49	34	15	-	-	-	5.2
120	Park Axis Magome Residence	Ota-ku, Tokyo	2014.08.29	1,450	0.5	1,621.94	55	40	15	-	-	-	9.6
121	Park Axis Higashi Ueno	Taito-ku, Tokyo	2015.01.30	1,250	0.4	1,460.10	45	30	15	-	-	-	4.0
122	Park Axis Higashi Koerji	Suginami-ku, Tokyo	2015.02.27	2,300	0.8	2,679.96	85	55	30	-	-	-	5.1
125	Park Cube Shin Itabashi	Itabashi-ku, Tokyo	2016.11.17	1,700	0.6	1,930.12	71	70	-	-	-	1	2.9
Tokyo 23 Wards Total				254,291	83.9	372,378.35	8,144	2,910	3,519	1,218	473	24	
26	Park Cube Keio Hachioji II	Hachioji-shi, Tokyo	2005.08.25	1,130	0.4	3,082.32	48	-	14	33	-	1	4.0
40	Park Axis Nishi Funabashi	Funabashi-shi, Chiba	2007.09.21	1,020	0.3	2,074.35	55	25	30	-	-	-	3.2
66	Park Axis Yokohama Idogaya	Minami-ku, Yokohama-shi, Kanagawa	2008.03.31	1,419	0.5	2,706.59	100	96	3	-	-	1	6.3
67	Park Axis Chiba Shinmachi	Chuo-ku, Chiba-shi, Chiba	2008.05.30	1,679	0.6	3,318.15	84	66	11	-	-	7	1.9
69	Park Axis Chiba	Chuo-ku, Chiba-shi, Chiba	2009.03.19	970	0.3	2,270.32	91	91	-	-	-	-	2.3
85	Park Cube Kita Matsudo	Matsudo-shi, Chiba	2009.02.17	1,200	0.4	2,358.66	109	108	-	-	-	1	1.6
87	Park Cube Musashi Kosugi	Nakahara-ku, Kawasaki-shi, Kanagawa	2009.09.25	2,250	0.7	3,057.36	136	136	-	-	-	-	3.3
102	Park Axis Yokohama Tamachi Koen	Kanagawa a-ku, Yokohama-shi, Kanagawa	2012.06.20	1,119	0.4	1,682.46	63	45	18	-	-	-	4.1
109	Park Axis Yokohama Yamashitacho	Naka-ku, Yokohama-shi, Kanagawa	2012.10.05	1,539	0.5	2,325.92	71	47	23	-	-	1	8.2
Greater Tokyo Total				12,326	4.1	22,876.13	757	614	99	33	-	11	
27	Park Axis Meieki Minami	Nakamura-ku, Nagoya-shi, Aichi	2006.02.08	2,440	0.8	5,565.13	169	114	46	9	-	-	3.7
35	Park Axis Marunouchi	Naka-ku, Nagoya-shi, Aichi	2006.11.01	1,920	0.6	3,821.75	99	56	42	-	-	1	2.9
36	Park Axis Ropponmatsu	Chuo-ku, Fukuoka-shi, Fukuoka	2007.03.22	1,515	0.5	3,473.67	112	55	56	-	-	1	2.5
37	Park Axis Hakataeki Minami	Hakata-ku, Fukuoka-shi, Fukuoka	2007.03.23	1,890	0.6	4,668.29	177	176	-	-	-	1	3.0
45	Park Axis Naka Gofukumachi	Hakata-ku, Fukuoka-shi, Fukuoka	2007.08.27	742	0.2	2,707.88	112	112	-	-	-	-	2.9
49	Park Axis Shirakabe	Higashi-ku, Nagoya-shi, Aichi	2008.02.28	1,547	0.5	4,735.89	86	6	45	35	-	-	3.0
50	Park Axis Sendai	Wakabayashi-ku, Sendai-shi, Miyagi	2008.03.06	2,320	0.8	8,843.17	204	-	175	28	1	-	2.8

Portfolio List (4/4)

No.	Property Name	Location	Completion Date	Acquisition Price (JPY mn) ¹	Portfolio Share (%)	Rentable Area (m ²)	Rentable Units (Units) ²					PML (%)	
							Single	Compact	Family	Large	Retail, etc.		
56	Park Axis Hakata Minoshima	Hakata-ku, Fukuoka-shi, Fukuoka	2008.12.25	960	0.3	3,461.85	112	34	78	-	-	-	2.7
57	Park Axis Takamiya Higashi	Minami-ku, Fukuoka-shi, Fukuoka	2009.03.03	605	0.2	2,289.21	70	16	54	-	-	-	5.1
58	Park Axis Sapporo Shokubutsuen Mae	Chuo-ku, Sapporo-shi, Hokkaido	2008.02.07	1,650	0.5	7,845.01	146	-	133	13	-	-	1.1
65	Park Axis Shin Sapporo	Atsubetsu-ku, Sapporo-shi, Hokkaido	2008.03.05	827	0.3	3,729.05	85	-	84	-	-	1	2.4
71	Park Axis Esaka Hiroshibacho	Suita-shi, Osaka	2009.09.28	2,369	0.8	4,309.24	130	117	13	-	-	-	4.9
73	Park Axis Utsubo Koen	Nishi-ku, Osaka-shi, Osaka	2010.01.26	2,399	0.8	4,952.45	133	92	41	-	-	-	8.6
107	Park Cube Kitahama	Chuo-ku, Osaka-shi, Osaka	2007.01.16	1,970	0.6	4,683.33	138	97	41	-	-	-	5.7
Other Major Cities Total				23,154	7.6	65,085.92	1,773	875	808	85	1	4	
Rental Apartments Total				289,771	95.6	460,340.40	10,674	4,399	4,426	1,336	474	39	
76	Dormy Ashiya	Ashiya-shi, Hyogo	2002.09.17	928	0.3	3,729.45	140	-	-	-	-	-	6.6
77	Kawaijuku Kyoto Gakushin Ryo	Nakagyo-ku, Kyoto-shi, Kyoto	2004.03.02	991	0.3	3,492.88	134	-	-	-	-	-	12.9
78	Sundai Horikawa Ryo	Kamigyo-ku, Kyoto-shi, Kyoto	2005.02.21	916	0.3	2,793.71	113	-	-	-	-	-	8.8
79	Dormy RakuHoku	Kita-ku, Kyoto-shi, Kyoto	2006.02.24	374	0.1	1,489.86	70	-	-	-	-	-	8.8
80	Rikkyo University International Dormitory (RUID) Shiki	Shiki-shi, Saitama	2010.01.29	1,478	0.5	3,061.89	127	-	-	-	-	-	3.0
81	Dormy Naka Itabashi	Itabashi-ku, Tokyo	2010.02.12	1,041	0.3	2,439.17	106	-	-	-	-	-	5.5
82	Philosophia Nishidai	Itabashi-ku, Tokyo	2010.02.18	1,249	0.4	2,969.25	121	-	-	-	-	-	5.3
83	Dormy Musashi Kosugi	Nakahara-ku, Kawasaki-shi, Kanagawa	2010.03.04	1,152	0.4	3,017.34	112	-	-	-	-	-	7.3
89	Artis Sendai Kakyoin	Aoba-ku, Sendai-shi, Miyagi	2008.12.10	540	0.2	2,234.24	60	-	-	-	-	-	3.0
90	Artis Sendai Kimachi Dori	Aoba-ku, Sendai-shi, Miyagi	2010.03.05	1,160	0.4	4,864.04	142	-	-	-	-	-	2.7
118	Medical Home Granda Sangen Jaya (Land with leasehold interest)	Setagaya-ku, Tokyo	-	735	0.2	-	-	-	-	-	-	-	-
119	Dormy Nishi Ogikubo	Suginami-ku, Tokyo	1992.03.21	1,100	0.4	1,616.52	71	-	-	-	-	-	8.8
123	Granda Kanazawa Hakkei	Kanazawa-ku, Yokohama-shi, Kanagawa	2012.06.08	774	0.3	1,826.29	58	-	-	-	-	-	9.6
124	Dormy Kamisugi	Aoba-ku, Sendai-shi, Miyagi	1997.03.13	1,050	0.3	3,151.56	124	-	-	-	-	-	4.6
Hospitality Facilities Total				13,488	4.4	36,686.20	1,378	-	-	-	-	-	
Grand Total				303,259	100.0	497,026.60	12,052	-	-	-	-	-	2.4

(Portfolio PML)⁴

* As of August 31, 2018

* Property acquired in the 25th Period is highlighted in light orange.

1. Acquisition price does not include acquisition-related expenses, property tax or consumption tax.

2. Calculation of rentable units in each category is based on categories as of August 31, 2018. The breakdown of classified units of each property may change in future due to change of floor plans, etc.

3. Rentable units and rentable area for Shibaura Island Air Tower are calculated by multiplying NAF's ownership (31%) by the property's total rentable units and total rentable area and rounding to the nearest unit and one-hundredth of a square meter, respectively.

4. Portfolio PML is the PML for all NAF's portfolio, 121 properties excluding Medical Home Granda Sangen Jaya (Land with leasehold interest).

Appraisal Value (1/4)

No.	Property Name	Acquisition Price (JPY mn)	24th Period				25th Period				Change from Previous Period	
			Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)
1	Okawabata Apartment Communities	30,816	31,993	29,400	4.0%	▲2,593	31,925	29,800	3.9%	▲2,125	▲0.1%	467
2	Park Axis Gakugei Daigaku	1,760	1,522	2,020	4.0%	▲497	1,512	2,070	3.9%	557	▲0.1%	59
4	Park Axis Shibuya Jinnan	3,230	2,934	3,220	3.9%	285	2,941	3,290	3.8%	348	▲0.1%	63
5	Park Axis Aoyama Kotto Dori	1,730	1,573	1,740	3.9%	166	1,565	1,810	3.8%	244	▲0.1%	77
6	Park Axis Kagurazaka Stage	1,400	1,263	1,560	4.2%	296	1,255	1,570	4.2%	314	—	18
7	Park Axis Shirokanedai	5,140	4,696	5,640	4.0%	943	4,677	5,640	4.0%	962	—	19
8	Park Axis Bunkyo Stage	4,440	4,039	5,040	4.2%	1,000	4,018	5,060	4.2%	1,041	—	41
9	Park Axis Tsukishima	930	825	1,110	4.1%	284	820	1,140	4.0%	319	▲0.1%	35
10	Park Axis Otsuka	1,655	1,485	1,840	4.3%	354	1,476	1,840	4.3%	363	—	9
11	Park Axis Minami Azabu	3,939	3,660	3,730	4.0%	69	3,645	3,760	4.0%	114	—	45
13	Park Axis Nihonbashi Stage	7,557	6,702	8,680	4.0%	1,977	6,662	8,720	4.0%	2,057	—	79
14	Park Axis Hamamatsucho	2,025	1,864	2,300	4.1%	435	1,855	2,360	4.0%	504	▲0.1%	69
15	Park Axis Hongo no Mori	2,910	2,589	3,430	4.0%	840	2,575	3,510	3.9%	934	▲0.1%	94
16	Park Axis Tameike Sanno	2,860	2,569	3,000	4.0%	430	2,558	3,020	4.0%	461	—	31
17	Park Axis Roppongi Hinokicho Koen	2,170	2,047	2,150	3.9%	102	2,038	2,210	3.8%	171	▲0.1%	68
18	Park Axis Ochanomizu Stage	9,710	8,809	11,700	4.0%	2,890	8,768	12,100	3.9%	3,331	▲0.1%	441
19	Park Axis Okachimachi	1,070	941	1,240	4.1%	298	935	1,280	4.0%	344	▲0.1%	46
20	Park Cube Hongo	1,760	1,666	2,150	4.0%	483	1,659	2,220	3.9%	560	▲0.1%	76
21	Park Cube Kanda	2,454	2,308	3,050	4.0%	741	2,298	3,120	3.9%	821	▲0.1%	80
22	Park Cube Ichigaya	1,949	1,871	2,270	4.0%	398	1,865	2,330	3.9%	464	▲0.1%	66
23	Park Cube Asakusa Tawaramachi	2,508	2,286	3,010	4.1%	723	2,274	3,100	4.0%	825	▲0.1%	102
24	Park Cube Ueno	2,233	2,072	2,510	4.1%	437	2,063	2,580	4.0%	516	▲0.1%	79
28	Park Cube Ikebukuro Kanamecho	1,608	1,551	1,620	4.1%	68	1,545	1,620	4.0%	74	▲0.1%	5
29	Park Axis Meguro Honcho	1,810	1,673	1,680	4.2%	6	1,665	1,680	4.2%	14	—	7
30	Park Axis Shin Itabashi	3,430	3,008	3,050	4.4%	41	2,987	2,960	4.4%	▲27	—	▲68
31	Park Axis Akihabara	1,200	1,095	1,130	4.2%	34	1,089	1,160	4.2%	70	—	35
32	Park Axis Toyochō	3,950	3,530	3,840	4.5%	309	3,505	3,870	4.5%	364	—	54
33	Park Axis Takinogawa	1,820	1,636	2,080	4.2%	443	1,626	2,120	4.1%	493	▲0.1%	50
34	Park Axis Asakusabashi	2,717	2,447	3,100	4.3%	652	2,432	3,200	4.2%	767	▲0.1%	114
38	Park Axis Nihonbashi Hamacho	5,540	4,985	5,780	4.1%	794	4,957	5,930	4.0%	972	▲0.1%	177
39	Park Cube Yoyogi Tomigaya	1,975	1,830	1,790	4.1%	▲40	1,819	1,800	4.1%	▲19	—	20
41	Park Axis Monzen Nakacho	1,700	1,536	1,690	4.3%	153	1,527	1,700	4.3%	172	—	19
42	Park Cube Itabashi Honcho	4,170	3,822	4,110	4.1%	287	3,798	4,200	4.0%	401	▲0.1%	113
43	Park Cube Gakugei Daigaku	910	850	841	4.0%	▲9	846	858	3.9%	11	▲0.1%	21
44	Park Cube Oimachi	1,440	1,321	1,590	4.3%	268	1,314	1,590	4.3%	275	—	7
46	Park Axis Nishigahara	840	767	1,010	4.6%	242	761	1,010	4.6%	248	—	5

Appraisal Value (2/4)

No.	Property Name	Acquisition Price (JPY mn)	24th Period				25th Period				Change from Previous Period	
			Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)
47	Park Axis Kinshicho	1,448	1,343	1,910	4.2%	566	1,337	1,950	4.1%	612	▲0.1%	46
48	Park Axis Tatsumi Stage	7,464	6,841	10,000	4.6%	3,158	6,792	10,000	4.6%	3,207	—	49
51	Park Axis Kameido	2,359	2,151	2,890	4.5%	738	2,136	2,850	4.6%	713	0.1%	▲24
52	Park Axis Honancho	745	676	867	4.3%	190	671	855	4.4%	183	0.1%	▲6
53	Park Axis Itabashi	1,448	1,314	1,980	4.1%	665	1,304	2,020	4.0%	715	▲0.1%	50
54	Park Axis Oshiage	1,193	1,081	1,510	4.5%	428	1,073	1,520	4.5%	446	—	18
55	Park Axis Takadanobaba	1,222	1,155	1,450	4.0%	294	1,149	1,510	3.9%	360	▲0.1%	65
59	Park Axis Toyosu	14,300	12,662	18,600	4.3%	5,937	12,548	18,400	4.4%	5,851	0.1%	▲85
60	Park Axis Hatchobori	1,760	1,633	2,320	4.2%	686	1,629	2,330	4.2%	700	—	14
61	Park Axis Itabashi Honcho	987	872	1,250	4.4%	377	863	1,250	4.4%	386	—	9
62	Park Axis Sumiyoshi	1,006	901	1,240	4.6%	338	893	1,240	4.6%	346	—	8
63	Park Cube Yotsuya Sancho	2,749	2,588	3,630	4.0%	1,041	2,568	3,630	4.0%	1,061	—	20
64	Park Cube Hatchobori	4,200	4,056	5,460	4.1%	1,403	4,031	5,500	4.1%	1,468	—	64
68	Park Axis Kamata Ichibankan	1,069	1,013	1,320	4.3%	306	1,006	1,320	4.3%	313	—	6
70	Park Axis Taito Negishi	672	618	816	4.5%	197	612	844	4.5%	231	—	34
72	Park Axis Komagome	1,389	1,298	1,780	4.2%	481	1,288	1,780	4.2%	491	—	9
74	Park Axis Itabashi Honcho Nibankan	1,859	1,664	2,280	4.4%	615	1,645	2,280	4.4%	634	—	19
75	Shibaura Island Air Tower ¹	7,905	6,980	9,180	—	2,199	6,903	9,390	—	2,486	—	286
84	Park Cube Higashi Shinagawa	6,060	5,723	6,950	4.5%	1,226	5,680	6,950	4.5%	1,269	—	42
86	Park Cube Sasazuka	2,200	2,133	2,580	4.0%	446	2,121	2,640	3.9%	518	▲0.1%	71
88	Park Axis Higashi Jujo	1,700	1,627	2,160	4.2%	532	1,617	2,200	4.1%	582	▲0.1%	50
91	Park Cube Heiwadai	1,204	1,162	1,390	4.6%	227	1,152	1,390	4.6%	237	—	9
92	Park Cube Meguro Tower	9,000	8,965	11,700	4.1%	2,734	8,911	11,700	4.1%	2,788	—	54
93	Park Cube Nihonbashi Suitengu	2,711	2,634	3,450	4.1%	815	2,619	3,550	4.0%	930	▲0.1%	114
94	Park Cube Ginza East	2,269	2,205	2,710	4.1%	504	2,192	2,830	4.0%	637	▲0.1%	133
95	Park Cube Kayabacho	1,105	1,100	1,440	4.1%	339	1,097	1,470	4.0%	372	▲0.1%	33
96	Park Cube Honjo Azumabashi	1,252	1,234	1,600	4.2%	365	1,228	1,630	4.1%	401	▲0.1%	36
97	Park Axis Kiyosumi Shirakawa	696	687	863	4.2%	175	684	878	4.1%	193	▲0.1%	18
98	Park Axis Asakusabashi Nichome	1,079	1,033	1,290	4.3%	256	1,024	1,270	4.3%	245	—	▲10
99	Park Axis Nishi Sugamo	1,439	1,399	1,730	4.3%	330	1,389	1,730	4.3%	340	—	9
100	Park Axis Ueno	1,389	1,333	1,660	4.3%	326	1,323	1,640	4.3%	316	—	▲9
101	Park Axis Akihabara East	1,369	1,316	1,620	4.3%	303	1,306	1,620	4.3%	313	—	10
103	Park Axis Kayabacho	1,809	1,732	2,180	4.2%	447	1,717	2,180	4.2%	462	—	14
104	Park Axis Kinshicho Shinsui Koen	1,369	1,323	1,620	4.4%	296	1,312	1,600	4.4%	287	—	▲9
105	Park Cube Kasuga Andozaka	2,670	2,607	3,180	4.1%	572	2,594	3,270	4.0%	675	▲0.1%	103
106	Park Cube Kameido	3,020	2,943	3,570	4.2%	626	2,927	3,640	4.1%	712	▲0.1%	86

Appraisal Value (3/4)

No.	Property Name	Acquisition Price (JPY mn)	24th Period				25th Period				Change from Previous Period	
			Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)
108	Park Axis Shin Okachimachi East	1,299	1,277	1,510	4.3%	232	1,270	1,510	4.3%	239	—	7
110	Park Axis Nihonbashi Honcho	1,469	1,444	1,830	4.0%	385	1,436	1,850	4.0%	413	—	28
111	Park Cube Nishigahara Stage ²	4,110	4,051	4,880	—	828	3,996	4,880	—	883	—	54
112	Park Cube Atagoyama Tower	8,650	8,666	9,050	4.0%	383	8,632	9,250	3.9%	617	▲0.1%	234
113	Park Axis Shibaura	1,045	1,053	1,290	4.1%	236	1,047	1,320	4.0%	272	▲0.1%	35
114	Park Axis Asakusa Kuramae	1,095	1,097	1,330	4.1%	232	1,091	1,360	4.0%	268	▲0.1%	36
115	Park Axis Kamata Station Gate	4,144	4,179	4,780	4.1%	600	4,159	4,900	4.0%	740	▲0.1%	139
116	Park Axis Kinshicho Residence	1,251	1,264	1,490	4.1%	225	1,257	1,520	4.0%	262	▲0.1%	37
117	Park Axis Oshiage Sumida Koen	1,055	1,067	1,300	4.3%	232	1,060	1,330	4.2%	269	▲0.1%	37
120	Park Axis Magome Residence	1,450	1,483	1,500	4.3%	16	1,476	1,530	4.2%	53	▲0.1%	36
121	Park Axis Higashi Ueno	1,250	1,279	1,320	4.2%	40	1,272	1,370	4.1%	97	▲0.1%	56
122	Park Axis Higashi Koenji	2,300	2,384	2,360	4.3%	▲24	2,369	2,360	4.3%	▲9	—	14
26	Park Cube Keio Hachioji II	1,130	967	1,330	4.8%	362	1,003	1,360	4.7%	356	▲0.1%	▲6
40	Park Axis Nishi Funabashi	1,020	870	975	4.9%	104	861	977	4.9%	115	—	11
66	Park Axis Yokohama Idogaya	1,419	1,287	1,720	4.7%	432	1,274	1,690	4.8%	415	0.1%	▲17
67	Park Axis Chiba Shinmachi	1,679	1,498	1,980	4.9%	481	1,480	1,940	5.0%	459	0.1%	▲21
69	Park Axis Chiba	970	855	1,100	5.0%	244	843	1,080	5.0%	236	—	▲8
85	Park Cube Kita Matsudo	1,200	1,102	1,370	5.0%	267	1,089	1,390	4.9%	300	▲0.1%	32
87	Park Cube Musashi Kosugi	2,250	2,081	2,840	4.4%	758	2,064	2,900	4.3%	835	▲0.1%	76
102	Park Axis Yokohama Tanmachi Koen	1,119	1,072	1,320	4.6%	247	1,062	1,310	4.6%	247	—	▲0
109	Park Axis Yokohama Yamashitacho	1,539	1,497	1,810	4.5%	312	1,485	1,810	4.5%	324	—	11
27	Park Axis Meieki Minami	2,440	2,039	2,350	5.0%	310	2,021	2,350	5.0%	328	—	18
35	Park Axis Marunouchi	1,920	1,624	1,740	4.9%	115	1,610	1,670	4.9%	59	—	▲55
36	Park Axis Ropponmatsu	1,515	1,307	1,380	4.6%	72	1,295	1,400	4.5%	104	▲0.1%	32
37	Park Axis Hakataeki Minami	1,890	1,604	1,760	4.7%	155	1,590	1,800	4.6%	209	▲0.1%	54
45	Park Axis Naka Gofukumachi	742	635	998	4.7%	362	627	1,010	4.6%	382	▲0.1%	19
49	Park Axis Shirakabe	1,547	1,380	1,980	4.9%	599	1,366	1,950	5.0%	583	0.1%	▲16
50	Park Axis Sendai	2,320	2,036	3,170	5.3%	1,133	2,012	3,170	5.4%	1,157	0.1%	23
56	Park Axis Hakata Minoshima	960	813	1,100	5.1%	286	801	1,100	5.1%	298	—	11
57	Park Axis Takamiya Higashi	605	486	697	5.1%	210	477	696	5.1%	218	—	7
58	Park Axis Sapporo Shokubutsuen Mae	1,650	1,377	1,950	5.3%	572	1,357	1,950	5.3%	592	—	20
65	Park Axis Shin Sapporo	827	705	937	5.4%	231	696	922	5.5%	225	0.1%	▲5
71	Park Axis Esaka Hiroshibacho	2,369	2,147	2,680	4.8%	532	2,126	2,650	4.8%	523	—	▲9
73	Park Axis Utsubo Koen	2,399	2,161	2,850	4.8%	688	2,138	2,840	4.8%	701	—	12
107	Park Cube Kitahama	1,970	1,900	2,140	4.9%	239	1,883	2,100	4.9%	216	—	▲22
76	Dormy Ashiya	928	814	1,270	5.4%	455	800	1,290	5.3%	489	▲0.1%	33

Appraisal Value (4/4)

No.	Property Name	Acquisition Price (JPY mn)	24th Period				25th Period				Change from Previous Period	
			Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Book Value (JPY mn)	Appraisal Value (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)	Appraisal Cap Rate	Appraisal Profit/Loss (JPY mn)
77	Kawajuku Kyoto Gakushin Ryo	991	892	1,300	5.2%	407	879	1,320	5.1%	440	▲0.1%	32
78	Sundai Horikawa Ryo	916	870	1,230	5.2%	359	862	1,250	5.1%	387	▲0.1%	28
79	Dormy Rakuohoku	374	334	479	5.6%	144	329	486	5.5%	156	▲0.1%	12
80	Rikkyo University International Dormitory (RUID) Shiki	1,478	1,422	1,890	5.4%	467	1,411	1,920	5.3%	508	▲0.1%	40
81	Dormy Naka Itabashi	1,041	999	1,380	4.8%	380	991	1,410	4.7%	418	▲0.1%	38
82	Philosophia Nishidai	1,249	1,185	1,620	4.9%	434	1,174	1,650	4.8%	475	▲0.1%	40
83	Dormy Musashi Kosugi	1,152	1,100	1,520	5.1%	419	1,091	1,540	5.0%	448	▲0.1%	29
89	Artis Sendai Kakyoin	540	515	653	5.6%	137	509	653	5.6%	143	—	5
90	Artis Sendai Kimachi Dori	1,160	1,115	1,470	5.6%	354	1,101	1,470	5.6%	368	—	14
118	Medical Home Granda Sangen Jaya (Land with leasehold interest)	735	770	805	4.0%	34	770	814	4.0%	43	—	9
119	Dormy Nishi Ogikubo	1,100	1,158	1,190	4.5%	31	1,154	1,210	4.4%	55	▲0.1%	24
123	Granda Kanazawa Hakkei	774	805	861	4.7%	55	800	878	4.6%	77	▲0.1%	22
124	Dormy Kamisugi	1,050	1,122	1,160	5.6%	37	1,119	1,180	5.5%	60	▲0.1%	22
Subtotal		301,559	283,613	343,922	—	60,308	281,866	347,401	—	65,534	—	5,225
Property acquired in the 25th Period												
125	Park Cube Shin Itabashi	1,700	—	—	—	—	1,761	1,780	4.2%	18	—	18
Subtotal		1,700	—	—	—	—	1,761	1,780	—	18	—	18
Total		303,259	283,613	343,922	—	60,308	283,628	349,181	—	65,552	—	5,243

* Appraisal value and book value are as of the end of each period (24th Period: February 28, 2018; 25th Period: August 31, 2018).

1. Appraisal value of Shibaura Island Air Tower: Equivalent of 31% ownership.
Appraisal cap rate of Shibaura Island Air Tower: Not available because the asset is a building with term leasehold interest.
2. Appraisal cap rate of Park Cube Nishigahara Stage was 4.6% for the 24th period and 4.6% for the 25th period.
(Discount rate based on the Inwood method of capitalization over a definite term)

Reference: Appraisal Value Changes in the Properties Owned at the end of the previous period

PoP Change in Appraisal Value			
Increase	No Change	Decrease	Total
74 properties	29 properties	18 properties	121 properties

Occupancy Rates (1/4)

No.	Property Name	Rentable Units (Units)	Rentable Area (㎡)	25th Period						24th Period					
				2018 Aug 31	2018 Jul 31	2018 Jun 30	2018 May 31	2018 Apr 30	2018 Mar 31	2018 Feb 28	2018 Jan 31	2017 Dec 31	2017 Nov 30	2017 Oct 31	2017 Sep 30
				Occupancy Rate											
1	Okawabata Apartment Communities	544	43,812.41	96.2%	95.7%	95.1%	95.9%	95.3%	96.2%	96.7%	96.7%	96.3%	96.6%	96.6%	95.4%
2	Park Axis Gakugei Daigaku	64	2,437.66	94.1%	92.0%	94.5%	96.5%	97.7%	98.8%	98.7%	98.7%	98.7%	100.0%	100.0%	100.0%
4	Park Axis Shibuya Jinnan	75	2,766.62	96.8%	97.2%	98.6%	95.9%	97.5%	98.8%	94.1%	94.3%	95.5%	96.7%	95.4%	97.2%
5	Park Axis Aoyama Kotto Dori	40	1,537.24	96.7%	100.0%	100.0%	100.0%	98.3%	96.4%	98.2%	91.5%	88.3%	85.7%	89.3%	94.9%
6	Park Axis Kagurazaka Stage	59	1,891.05	98.6%	97.1%	91.2%	91.0%	97.0%	98.6%	94.6%	96.4%	100.0%	95.0%	100.0%	98.6%
7	Park Axis Shirokanedai	99	4,704.44	96.9%	95.7%	97.6%	96.2%	95.9%	99.0%	100.0%	99.4%	96.1%	98.1%	97.3%	94.6%
8	Park Axis Bunkyo Stage	154	6,078.93	97.9%	96.4%	98.9%	98.2%	97.5%	98.2%	98.9%	99.0%	96.4%	97.2%	97.8%	100.0%
9	Park Axis Tsukishima	30	1,383.99	100.0%	96.4%	100.0%	100.0%	100.0%	100.0%	96.4%	100.0%	100.0%	100.0%	100.0%	100.0%
10	Park Axis Otsuka	52	2,606.37	100.0%	100.0%	100.0%	98.6%	96.5%	98.0%	96.3%	100.0%	97.7%	97.7%	100.0%	100.0%
11	Park Axis Minami Azabu	64	3,938.14	100.0%	96.9%	96.5%	100.0%	98.5%	100.0%	98.8%	100.0%	100.0%	97.7%	97.7%	98.2%
13	Park Axis Nihonbashi Stage	185	10,025.40	97.7%	97.6%	99.0%	99.4%	98.8%	99.2%	100.0%	99.7%	98.7%	99.3%	98.0%	98.0%
14	Park Axis Hamamatsucho	80	2,426.45	98.9%	93.3%	92.8%	91.7%	93.4%	98.9%	98.9%	97.9%	100.0%	98.9%	94.6%	100.0%
15	Park Axis Hongo no Mori	87	3,317.94	99.1%	97.3%	99.2%	99.2%	97.5%	96.4%	100.0%	99.1%	96.5%	99.1%	99.1%	98.6%
16	Park Axis Tameike Sanno	70	2,710.69	96.4%	96.7%	100.0%	95.6%	98.4%	98.4%	98.4%	97.4%	98.4%	100.0%	100.0%	96.3%
17	Park Axis Roppongi Hinokicho Koen	46	2,054.46	98.1%	98.1%	100.0%	100.0%	96.7%	100.0%	97.9%	100.0%	98.1%	98.2%	98.5%	95.4%
18	Park Axis Ochanomizu Stage	324	12,025.25	96.9%	95.2%	97.1%	97.6%	97.9%	99.1%	99.8%	98.7%	98.4%	98.2%	99.0%	99.4%
19	Park Axis Okachimachi	42	1,621.73	96.1%	97.6%	100.0%	100.0%	96.9%	100.0%	100.0%	96.9%	97.6%	97.6%	97.6%	97.7%
20	Park Cube Hongo	60	2,160.12	100.0%	100.0%	100.0%	96.7%	98.3%	100.0%	100.0%	98.4%	100.0%	98.3%	96.6%	95.1%
21	Park Cube Kanda	95	3,194.59	100.0%	97.3%	98.3%	99.0%	98.3%	98.9%	98.9%	100.0%	99.0%	99.0%	100.0%	100.0%
22	Park Cube Ichigaya	53	2,288.46	98.6%	96.3%	100.0%	93.7%	98.6%	100.0%	98.6%	94.1%	100.0%	96.3%	97.3%	97.3%
23	Park Cube Asakusa Tawaramachi	76	4,012.68	98.6%	100.0%	97.2%	97.7%	97.8%	94.5%	100.0%	98.8%	97.2%	97.2%	100.0%	100.0%
24	Park Cube Ueno	91	3,041.61	97.8%	98.8%	100.0%	97.8%	96.7%	96.8%	97.7%	96.5%	97.7%	96.6%	95.6%	96.7%
28	Park Cube Ikebukuro Kanamecho	65	1,886.82	96.9%	96.9%	98.5%	98.5%	100.0%	95.4%	95.4%	96.9%	98.5%	98.5%	98.5%	98.5%
29	Park Axis Meguro Honcho	60	1,884.77	100.0%	100.0%	100.0%	98.2%	100.0%	100.0%	96.5%	96.5%	98.3%	96.5%	96.5%	98.3%
30	Park Axis Shin Itabashi	152	4,395.99	97.8%	98.9%	97.3%	97.9%	98.9%	100.0%	99.0%	97.3%	96.2%	96.6%	97.9%	97.9%
31	Park Axis Akihabara	41	1,346.07	91.0%	100.0%	100.0%	100.0%	100.0%	98.2%	98.2%	94.1%	97.1%	95.3%	100.0%	95.5%
32	Park Axis Toyoko	140	5,412.40	95.7%	95.0%	96.4%	99.3%	98.6%	99.3%	97.9%	97.9%	97.9%	95.0%	95.0%	99.3%
33	Park Axis Takinogawa	49	2,924.75	95.4%	97.1%	100.0%	96.6%	94.7%	100.0%	100.0%	100.0%	98.2%	96.4%	98.2%	100.0%
34	Park Axis Asakusabashi	79	3,400.78	100.0%	96.7%	99.3%	98.7%	99.3%	100.0%	98.6%	97.9%	99.3%	98.7%	98.4%	100.0%
38	Park Axis Nihonbashi Hamacho	118	6,999.83	98.0%	96.3%	100.0%	98.2%	98.1%	99.3%	98.6%	99.3%	98.3%	100.0%	100.0%	99.3%
39	Park Cube Yoyogi Tomigaya	38	1,929.10	100.0%	100.0%	94.9%	97.1%	100.0%	100.0%	97.8%	100.0%	100.0%	97.1%	97.1%	97.1%
41	Park Axis Monzen Nakacho	55	1,886.39	100.0%	98.6%	98.6%	97.2%	98.7%	98.7%	100.0%	100.0%	100.0%	97.5%	98.7%	97.5%
42	Park Cube Itabashi Honcho	166	5,317.07	96.1%	96.1%	97.2%	96.4%	97.5%	96.9%	97.8%	97.2%	95.9%	94.5%	96.5%	99.0%
43	Park Cube Gakugei Daigaku	24	957.88	100.0%	92.3%	92.3%	92.3%	96.1%	100.0%	100.0%	100.0%	92.0%	91.9%	95.2%	96.2%

Occupancy Rates (2/4)

No.	Property Name	Rentable Units (Units)	Rentable Area (㎡)	25th Period						24th Period					
				2018 Aug 31	2018 Jul 31	2018 Jun 30	2018 May 31	2018 Apr 30	2018 Mar 31	2018 Feb 28	2018 Jan 31	2017 Dec 31	2017 Nov 30	2017 Oct 31	2017 Sep 30
				Occupancy Rate											
44	Park Cube Oimachi	65	1,511.12	95.7%	97.3%	100.0%	96.9%	98.2%	98.4%	95.7%	95.9%	95.9%	97.3%	97.3%	95.7%
46	Park Axis Nishigahara	46	1,435.83	94.5%	92.8%	96.4%	100.0%	98.2%	97.9%	97.9%	95.8%	94.0%	98.2%	100.0%	100.0%
47	Park Axis Kinshicho	65	2,288.13	98.9%	98.5%	100.0%	96.9%	98.5%	98.5%	100.0%	100.0%	98.6%	100.0%	100.0%	96.1%
48	Park Axis Tatsumi Stage	300	16,474.06	96.9%	98.8%	98.2%	98.8%	99.1%	98.3%	97.8%	98.1%	97.5%	97.9%	98.7%	98.0%
51	Park Axis Kameido	118	3,986.78	96.5%	99.3%	100.0%	99.3%	100.0%	100.0%	100.0%	98.5%	98.6%	98.4%	98.2%	96.5%
52	Park Axis Honancho	31	1,231.08	100.0%	100.0%	100.0%	96.9%	100.0%	96.5%	96.5%	97.9%	92.3%	93.0%	96.5%	94.4%
53	Park Axis Itabashi	64	2,567.96	93.0%	92.2%	97.8%	95.5%	96.0%	100.0%	100.0%	100.0%	98.8%	100.0%	100.0%	97.0%
54	Park Axis Oshiage	58	2,121.29	100.0%	100.0%	100.0%	97.3%	100.0%	98.6%	98.1%	100.0%	100.0%	100.0%	100.0%	100.0%
55	Park Axis Takadanobaba	37	1,463.25	97.3%	89.0%	89.0%	86.3%	100.0%	100.0%	100.0%	97.7%	100.0%	100.0%	95.0%	97.3%
59	Park Axis Toyosu	403	25,537.94	98.4%	97.5%	98.3%	98.8%	98.8%	97.7%	98.9%	98.0%	98.4%	99.8%	98.8%	97.5%
60	Park Axis Hatchobori	64	2,416.29	98.7%	95.6%	94.6%	100.0%	98.9%	98.9%	100.0%	100.0%	97.9%	97.9%	99.0%	98.7%
61	Park Axis Itabashi Honcho	66	2,048.31	96.0%	98.7%	95.9%	91.1%	92.4%	95.1%	95.6%	96.5%	96.5%	97.9%	100.0%	100.0%
62	Park Axis Sumiyoshi	60	1,785.72	97.8%	97.8%	100.0%	95.1%	95.8%	100.0%	94.5%	94.5%	97.2%	100.0%	98.6%	98.6%
63	Park Cube Yotsuya Sancho	130	3,599.82	96.1%	97.2%	98.7%	97.1%	98.1%	98.6%	97.9%	99.3%	96.2%	98.6%	98.0%	97.9%
64	Park Cube Hatchobori	120	5,191.86	96.1%	97.4%	100.0%	97.6%	99.0%	100.0%	99.0%	99.2%	100.0%	99.2%	96.0%	96.8%
68	Park Axis Kamata Ichibankan	63	1,721.28	94.9%	96.3%	94.9%	98.6%	100.0%	97.3%	98.6%	95.9%	95.9%	94.3%	90.6%	92.0%
70	Park Axis Taito Negishi	40	1,283.13	96.1%	98.0%	98.0%	94.3%	98.0%	100.0%	100.0%	96.1%	96.1%	96.1%	98.0%	98.0%
72	Park Axis Komagome	40	1,979.51	100.0%	97.3%	100.0%	100.0%	100.0%	100.0%	96.7%	94.1%	98.0%	98.0%	97.3%	95.3%
74	Park Axis Itabashi Honcho Nibankan	99	3,661.58	95.1%	94.5%	97.8%	98.7%	98.0%	99.3%	95.2%	98.0%	98.0%	98.0%	100.0%	97.4%
75	Shibaura Island Air Tower	272	17,646.33	97.8%	97.2%	98.0%	97.9%	98.0%	98.3%	98.0%	98.1%	97.4%	97.3%	97.7%	98.0%
84	Park Cube Higashi Shinagawa	201	10,636.67	96.4%	96.5%	98.3%	96.0%	96.5%	98.2%	98.6%	99.0%	96.8%	97.8%	96.7%	96.2%
86	Park Cube Sasazuka	93	2,416.00	95.6%	95.2%	97.7%	97.5%	95.0%	97.5%	96.6%	97.5%	98.3%	96.6%	94.8%	96.7%
88	Park Axis Higashi Jujo	71	2,893.54	97.2%	100.0%	100.0%	97.4%	97.7%	100.0%	100.0%	100.0%	98.4%	98.4%	98.4%	100.0%
91	Park Cube Heiwadai	34	2,656.00	91.0%	89.4%	95.4%	94.7%	88.1%	94.5%	94.2%	97.1%	94.3%	97.0%	97.0%	97.0%
92	Park Cube Meguro Tower	194	12,367.62	96.0%	94.1%	93.4%	94.8%	97.0%	97.0%	96.5%	94.3%	95.4%	96.2%	97.9%	97.7%
93	Park Cube Nihonbashi Suitengu	77	4,235.33	100.0%	98.6%	98.5%	99.1%	99.1%	100.0%	98.7%	97.6%	95.9%	100.0%	99.1%	98.1%
94	Park Cube Ginza East	77	3,358.63	97.6%	94.8%	95.1%	98.8%	98.8%	100.0%	97.3%	97.6%	98.8%	100.0%	100.0%	100.0%
95	Park Cube Kayabacho	28	1,695.06	96.8%	100.0%	100.0%	100.0%	96.0%	96.0%	100.0%	100.0%	96.6%	100.0%	100.0%	96.6%
96	Park Cube Honjo Azumabashi	45	2,241.63	98.7%	100.0%	98.7%	98.7%	100.0%	97.6%	98.7%	100.0%	100.0%	97.5%	96.2%	97.6%
97	Park Axis Kiyosumi Shirakawa	36	1,159.84	100.0%	97.7%	97.7%	97.8%	97.8%	95.1%	97.3%	100.0%	97.7%	90.9%	97.7%	97.7%
98	Park Axis Asakusabashi Nichome	48	1,569.00	100.0%	100.0%	100.0%	98.3%	100.0%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	98.3%
99	Park Axis Nishi Sugamo	56	2,326.32	95.5%	97.7%	97.4%	95.2%	94.1%	95.3%	97.5%	100.0%	97.2%	97.2%	95.6%	100.0%
100	Park Axis Ueno	59	1,992.29	97.9%	98.7%	100.0%	97.9%	100.0%	98.7%	100.0%	93.3%	94.2%	95.4%	96.7%	97.9%
101	Park Axis Akihabara East	58	1,890.20	97.2%	90.1%	98.6%	98.6%	96.5%	98.6%	94.3%	92.2%	95.1%	94.4%	94.4%	97.2%

Occupancy Rates (3/4)

No.	Property Name	Rentable Units (Units)	Rentable Area (㎡)	25th Period						24th Period					
				2018 Aug 31	2018 Jul 31	2018 Jun 30	2018 May 31	2018 Apr 30	2018 Mar 31	2018 Feb 28	2018 Jan 31	2017 Dec 31	2017 Nov 30	2017 Oct 31	2017 Sep 30
				Occupancy Rate											
103	Park Axis Kayabacho	72	2,355.07	100.0%	98.3%	98.5%	92.2%	97.2%	98.9%	98.9%	97.8%	96.2%	97.8%	98.9%	98.3%
104	Park Axis Kinshicho Shinsui Koen	60	2,085.62	97.2%	98.8%	97.2%	97.2%	97.2%	100.0%	98.1%	93.2%	95.1%	96.3%	96.0%	98.5%
105	Park Cube Kasuga Andozaka	68	3,581.09	96.8%	93.4%	100.0%	98.8%	100.0%	98.2%	100.0%	100.0%	100.0%	98.1%	96.5%	95.9%
106	Park Cube Kameido	122	4,442.09	95.2%	95.6%	98.1%	95.8%	97.5%	97.6%	99.4%	96.6%	96.0%	96.4%	97.7%	98.3%
108	Park Axis Shin Okachimachi East	49	1,847.01	98.6%	97.3%	100.0%	96.2%	96.9%	98.6%	100.0%	96.2%	98.6%	98.6%	100.0%	100.0%
110	Park Axis Nihonbashi Honcho	49	1,808.12	100.0%	97.4%	98.3%	96.6%	96.0%	98.3%	100.0%	97.8%	97.8%	96.0%	97.4%	100.0%
111	Park Cube Nishigahara Stage	358	19,693.35	95.4%	95.8%	96.8%	95.8%	95.7%	97.2%	99.2%	97.8%	97.4%	98.1%	97.3%	98.1%
112	Park Cube Atagoyama Tower	165	8,389.91	95.0%	95.7%	97.2%	95.7%	93.9%	94.5%	97.9%	98.1%	99.0%	98.1%	99.2%	99.6%
113	Park Axis Shibaura	42	1,273.60	95.8%	95.8%	100.0%	100.0%	100.0%	100.0%	98.0%	95.0%	100.0%	98.0%	98.0%	100.0%
114	Park Axis Asakusa Kuramae	45	1,456.35	100.0%	100.0%	100.0%	96.6%	100.0%	100.0%	100.0%	97.1%	97.1%	96.0%	96.0%	98.3%
115	Park Axis Kamata Station Gate	158	4,582.72	96.8%	96.8%	97.3%	97.4%	97.3%	98.5%	96.6%	96.6%	96.5%	94.8%	97.8%	99.4%
116	Park Axis Kinshicho Residence	56	1,793.33	93.3%	97.1%	92.0%	97.1%	97.1%	100.0%	95.1%	96.8%	93.1%	96.8%	100.0%	100.0%
117	Park Axis Oshiage Sumida Koen	49	1,610.49	95.1%	98.4%	93.9%	93.9%	97.1%	100.0%	100.0%	98.4%	98.4%	100.0%	96.8%	100.0%
120	Park Axis Magome Residence	55	1,621.94	92.1%	92.1%	92.1%	94.0%	95.1%	100.0%	97.5%	97.5%	93.1%	97.5%	97.5%	94.2%
121	Park Axis Higashi Ueno	45	1,460.10	98.2%	98.2%	97.0%	92.2%	97.0%	97.0%	95.2%	98.2%	98.2%	96.5%	95.2%	93.3%
122	Park Axis Higashi Koenji	85	2,679.96	95.1%	94.2%	96.2%	98.0%	98.1%	95.5%	94.1%	95.0%	97.2%	95.7%	94.8%	97.2%
125	Park Cube Shin Itabashi	71	1,930.12	100.0%	100.0%	98.7%	96.0%	97.2%	98.6%	—	—	—	—	—	—
Tokyo 23 Wards Total		8,144	372,378.35	97.1%	96.7%	97.5%	97.1%	97.4%	98.0%	98.1%	97.8%	97.4%	97.6%	97.8%	97.7%
26	Park Cube Keio Hachioji II	48	3,082.32	92.1%	94.1%	94.1%	100.0%	100.0%	96.0%	96.2%	97.8%	97.8%	100.0%	100.0%	98.1%
40	Park Axis Nishi Funabashi	55	2,074.35	94.3%	96.5%	98.7%	96.5%	96.5%	94.8%	98.3%	98.3%	98.5%	98.5%	96.3%	100.0%
66	Park Axis Yokohama Idogaya	100	2,706.59	97.2%	97.2%	97.2%	97.2%	99.1%	100.0%	97.2%	95.4%	97.2%	95.4%	92.7%	93.5%
67	Park Axis Chiba Shinmachi	84	3,318.15	95.0%	97.4%	97.5%	95.3%	99.1%	97.6%	97.5%	96.5%	94.8%	92.1%	92.1%	93.0%
69	Park Axis Chiba	91	2,270.32	95.6%	96.7%	95.6%	97.8%	98.9%	97.8%	92.3%	93.4%	93.4%	90.1%	92.3%	94.6%
85	Park Cube Kita Matsudo	109	2,358.66	99.2%	98.3%	98.3%	96.6%	99.2%	100.0%	95.8%	94.9%	94.9%	93.2%	94.1%	94.9%
87	Park Cube Musashi Kosugi	136	3,057.36	96.4%	98.5%	98.5%	97.8%	97.8%	99.2%	99.2%	97.2%	97.2%	94.9%	96.3%	95.6%
102	Park Axis Yokohama Tanmachi Koen	63	1,682.46	96.1%	98.1%	96.6%	95.2%	95.1%	98.5%	95.7%	98.6%	98.6%	97.1%	97.1%	97.1%
109	Park Axis Yokohama Yamashitacho	71	2,325.92	97.4%	95.2%	95.2%	96.7%	97.8%	94.9%	96.7%	97.8%	98.9%	97.8%	97.8%	94.1%
Greater Tokyo Total		757	22,876.13	95.8%	96.8%	96.8%	97.1%	98.4%	97.7%	96.7%	96.6%	96.7%	95.4%	95.4%	95.5%
27	Park Axis Meieki Minami	169	5,565.13	98.7%	98.3%	98.8%	98.7%	98.3%	97.3%	97.8%	97.6%	97.4%	97.8%	97.0%	95.7%
35	Park Axis Marunouchi	99	3,821.75	96.7%	96.2%	94.9%	90.5%	94.3%	97.3%	94.1%	92.4%	92.3%	94.4%	98.1%	99.4%
36	Park Axis Ropponmatsu	112	3,473.67	94.5%	94.1%	94.4%	96.0%	97.7%	100.0%	100.0%	95.8%	98.2%	98.9%	96.7%	95.7%
37	Park Axis Hakataeki Minami	177	4,668.29	98.9%	98.3%	97.8%	99.3%	98.8%	100.0%	98.8%	95.6%	95.6%	95.9%	97.1%	96.9%
45	Park Axis Naka Gofukumachi	112	2,707.88	98.2%	98.2%	100.0%	95.5%	95.5%	99.1%	100.0%	99.1%	99.1%	99.1%	99.1%	100.0%
49	Park Axis Shirakabe	86	4,735.89	91.1%	92.5%	92.5%	92.5%	93.4%	93.2%	94.1%	95.0%	95.9%	94.4%	94.4%	93.0%

Occupancy Rates (4/4)

No.	Property Name	Rentable Units (Units)	Rentable Area (m ²)	25th Period						24th Period					
				2018 Aug 31	2018 Jul 31	2018 Jun 30	2018 May 31	2018 Apr 30	2018 Mar 31	2018 Feb 28	2018 Jan 31	2017 Dec 31	2017 Nov 30	2017 Oct 31	2017 Sep 30
				Occupancy Rate											
50	Park Axis Sendai	204	8,843.17	98.3%	98.7%	99.1%	98.0%	98.7%	98.7%	96.6%	97.0%	98.6%	96.8%	98.7%	99.2%
56	Park Axis Hakata Minoshima	112	3,461.85	97.3%	97.1%	98.1%	97.9%	96.0%	98.2%	98.1%	97.6%	96.7%	96.3%	96.2%	98.1%
57	Park Axis Takamiya Higashi	70	2,289.21	97.1%	93.7%	95.3%	94.0%	97.6%	100.0%	97.0%	98.5%	94.3%	95.9%	97.4%	98.6%
58	Park Axis Sapporo Shokubutsuen Mae	146	7,845.01	94.3%	94.2%	92.9%	93.8%	94.7%	97.3%	98.0%	98.7%	99.3%	97.3%	96.0%	95.9%
65	Park Axis Shin Sapporo	85	3,729.05	97.6%	96.6%	96.4%	96.4%	96.6%	96.6%	97.9%	95.2%	96.3%	97.5%	99.1%	99.1%
71	Park Axis Esaka Hiroshibacho	130	4,309.24	90.9%	91.6%	92.5%	89.1%	95.5%	95.6%	92.4%	93.9%	97.8%	97.8%	96.3%	91.8%
73	Park Axis Utsubo Koen	133	4,952.45	92.9%	96.5%	98.7%	94.9%	96.3%	95.7%	91.1%	91.1%	89.2%	88.6%	90.3%	88.5%
107	Park Cube Kitahama	138	4,683.33	97.2%	95.6%	92.6%	96.1%	97.3%	99.4%	97.3%	94.3%	96.5%	98.0%	98.7%	98.7%
Other Major Cities Total		1,773	65,085.92	96.0%	96.0%	96.0%	95.4%	96.6%	97.6%	96.5%	95.9%	96.5%	96.3%	96.7%	96.3%
Rental Apartments Total		10,674	460,340.40	96.8%	96.6%	97.2%	96.9%	97.3%	97.9%	97.8%	97.4%	97.2%	97.3%	97.5%	97.4%
76	Dormy Ashiya	140	3,729.45	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
77	Kaw aijuku Kyoto Gakushin Ryo	134	3,492.88	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
78	Sundai Horikaw a Ryo	113	2,793.71	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
79	Dormy Rakuoku	70	1,489.86	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
80	Rikkyo University International Dormitory (RUID) Shiki	127	3,061.89	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
81	Dormy Naka Itabashi	106	2,439.17	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
82	Philosophia Nishidai	121	2,969.25	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
83	Dormy Musashi Kosugi	112	3,017.34	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
89	Artis Sendai Kakyoin	60	2,234.24	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
90	Artis Sendai Kimachi Dori	142	4,864.04	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
118	Medical Home Granda Sangen Jaya (Land with leasehold interest)	—	—	—	—	—	—	—	—	—	—	—	—	—	—
119	Dormy Nishi Ogikubo	71	1,616.52	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
123	Granda Kanazawa Hakkei	58	1,826.29	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
124	Dormy Kamisugi	124	3,151.56	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Hospitality Facilities Total		1,378	36,686.20	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Grand Total		12,052	497,026.60	97.1%	96.8%	97.4%	97.1%	97.5%	98.1%	98.0%	97.6%	97.4%	97.5%	97.6%	97.5%

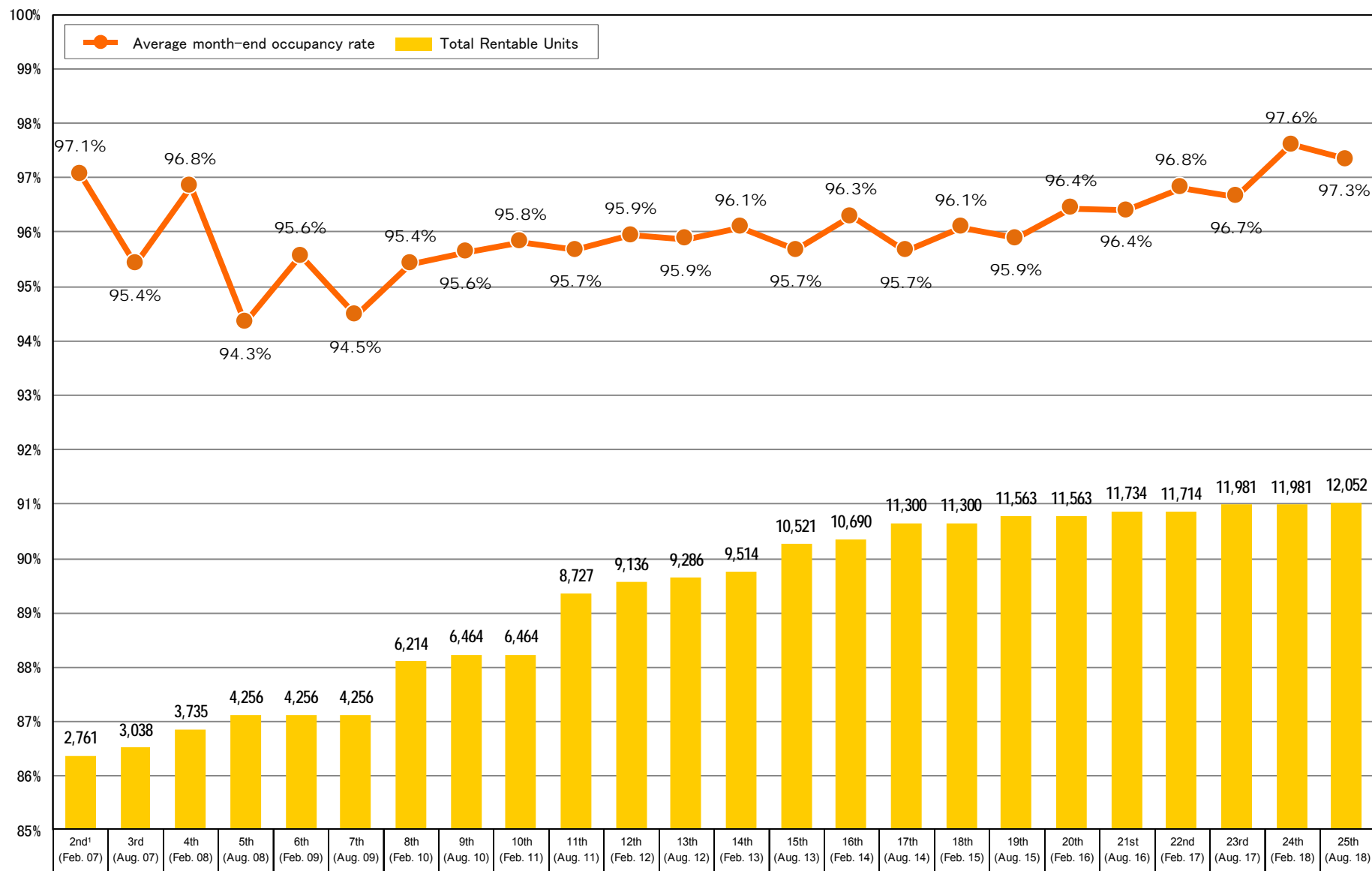
* Occupancy rate for rental apartments is calculated based on the floor area in the lease contract signed between the master lease company or the trust bank and tenants.

Figures for Shibaura Island Air Tower are calculated by multiplying the total floor area by NAF's 31% ownership.

Occupancy rate for hospitality facilities is calculated based on the floor area in the lease contract signed between NAF and the operator.

* Property acquired in the 25th Period is highlighted in light orange.

Historical Occupancy Rates since IPO



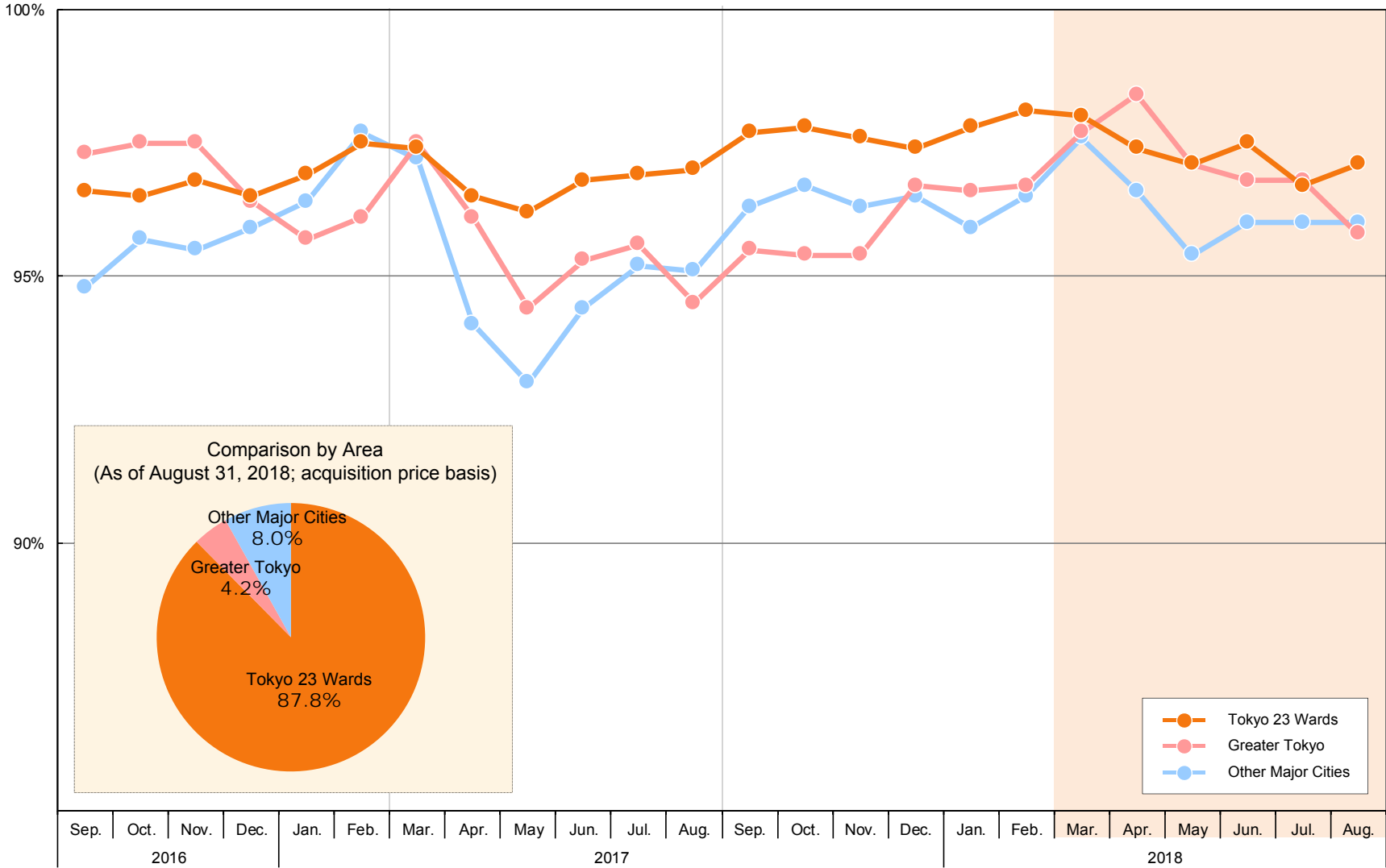
* Average month-end occupancy rate is for the overall portfolio, including hospitality facilities.

1. The figure for average month-end occupancy rate during the 2nd Period in the graph and table above is for the post-IPO period from August 31, 2006 to February 28, 2007.

Occupancy Rates by Area



Month-end occupancy rate

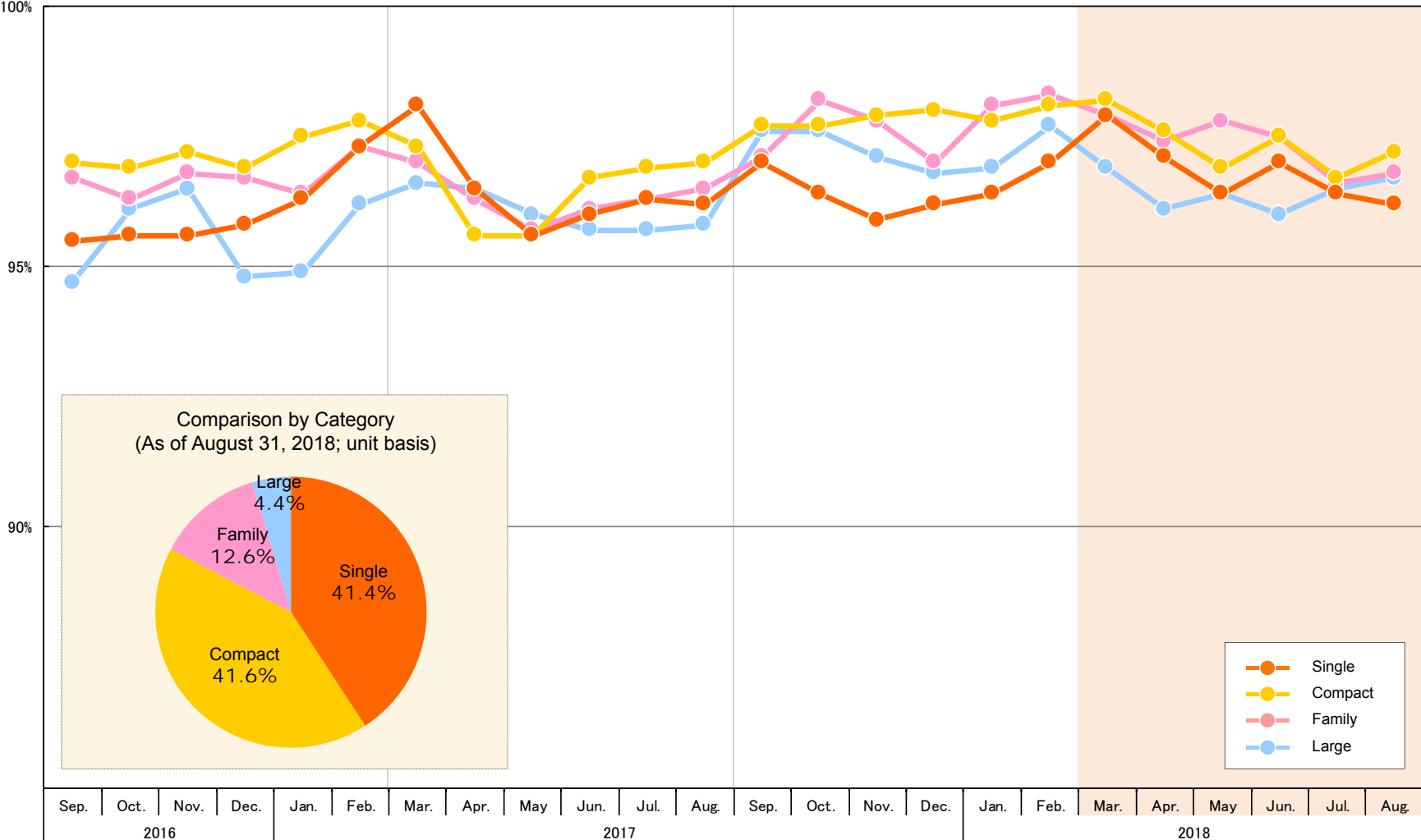


* The figures above are calculations for rental apartments owned at the end of each month, excluding hospitality facilities.

Occupancy Rates by Category



Month-end occupancy rate



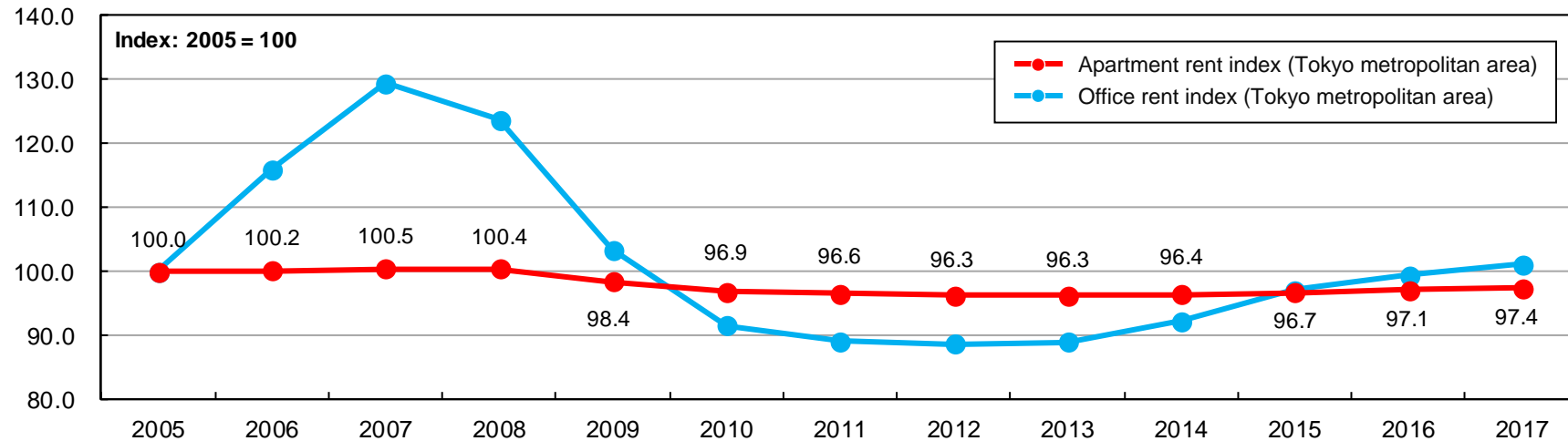
Single	95.5%	95.6%	95.6%	95.8%	96.3%	97.3%	98.1%	96.5%	95.6%	96.0%	96.3%	96.2%	97.0%	96.4%	95.9%	96.2%	96.4%	97.0%	97.9%	97.1%	96.4%	97.0%	96.4%	96.2%
Compact	97.0%	96.9%	97.2%	96.9%	97.5%	97.8%	97.3%	95.6%	95.6%	96.7%	96.9%	97.0%	97.7%	97.7%	97.9%	98.0%	97.8%	98.1%	98.2%	97.6%	96.9%	97.5%	96.7%	97.2%
Family	96.7%	96.3%	96.8%	96.7%	96.4%	97.3%	97.0%	96.3%	95.7%	96.1%	96.3%	96.5%	97.1%	98.2%	97.8%	97.0%	98.1%	98.3%	97.9%	97.4%	97.8%	97.5%	96.6%	96.8%
Large	94.7%	96.1%	96.5%	94.8%	94.9%	96.2%	96.6%	96.5%	96.0%	95.7%	95.7%	95.8%	97.6%	97.6%	97.1%	96.8%	96.9%	97.7%	96.9%	96.1%	96.4%	96.0%	96.5%	96.7%

* The figures above are calculations for rental apartments owned at the end of each month, excluding retail units and hospitality facilities.

Appendix (2) : Business Environment

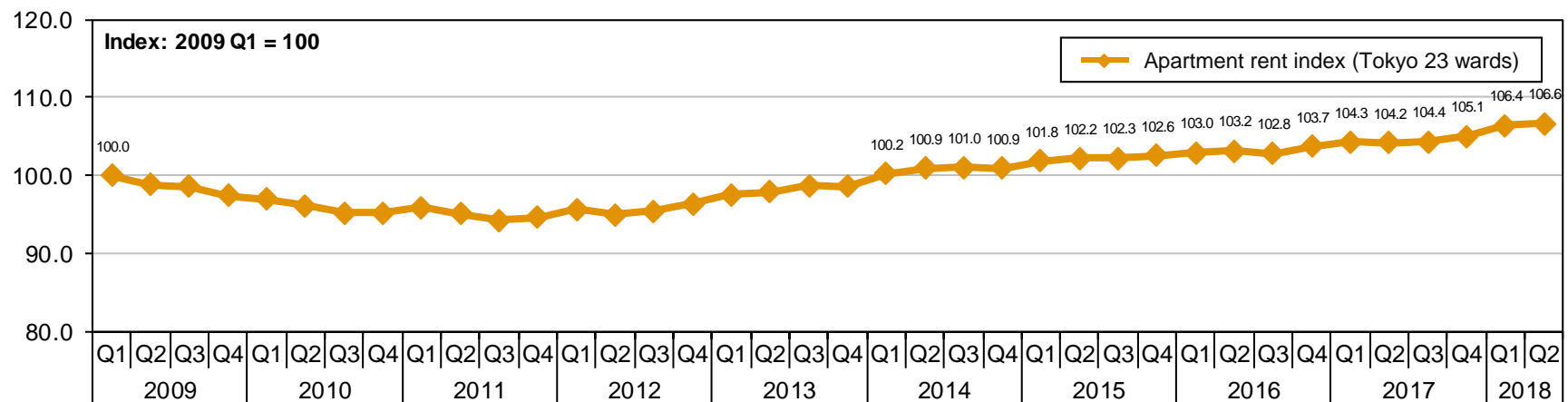
Trends in Apartment Rents

Rent Fluctuation: Apartments / Offices



Source: Japan Real Estate Institute

Apartment Rent Index in Tokyo 23 Wards

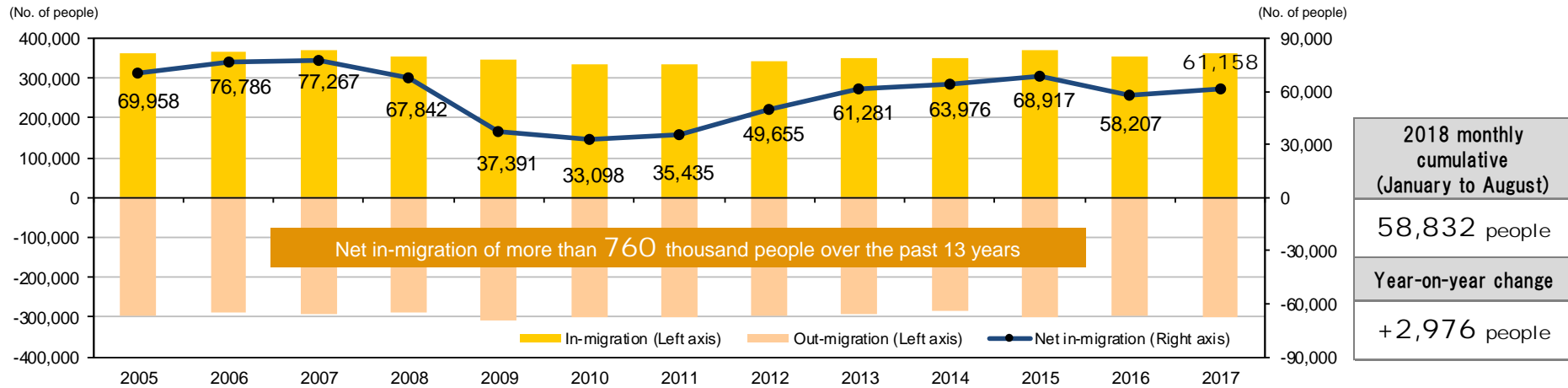


Source: At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.

*Prepared by Mitsui Fudosan Accommodations Fund Management based on the Apartment Rent Index (general: 18m²-100m²)

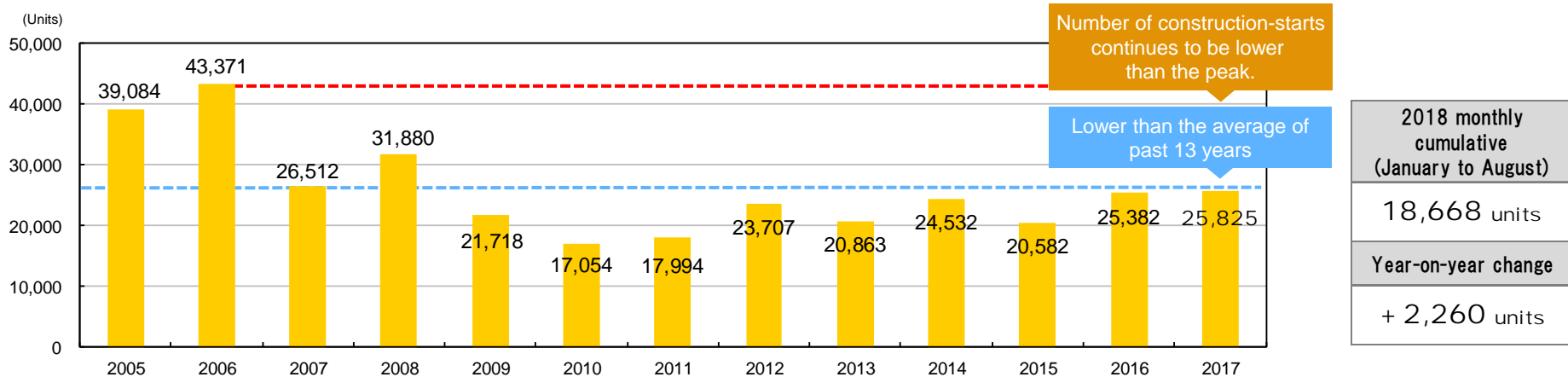
Supply and Demand of Rental Apartments - Tokyo 23 Wards

Population Change in Tokyo 23 Wards



Source: Tokyo Metropolitan Government, Ministry of Internal Affairs and Communications

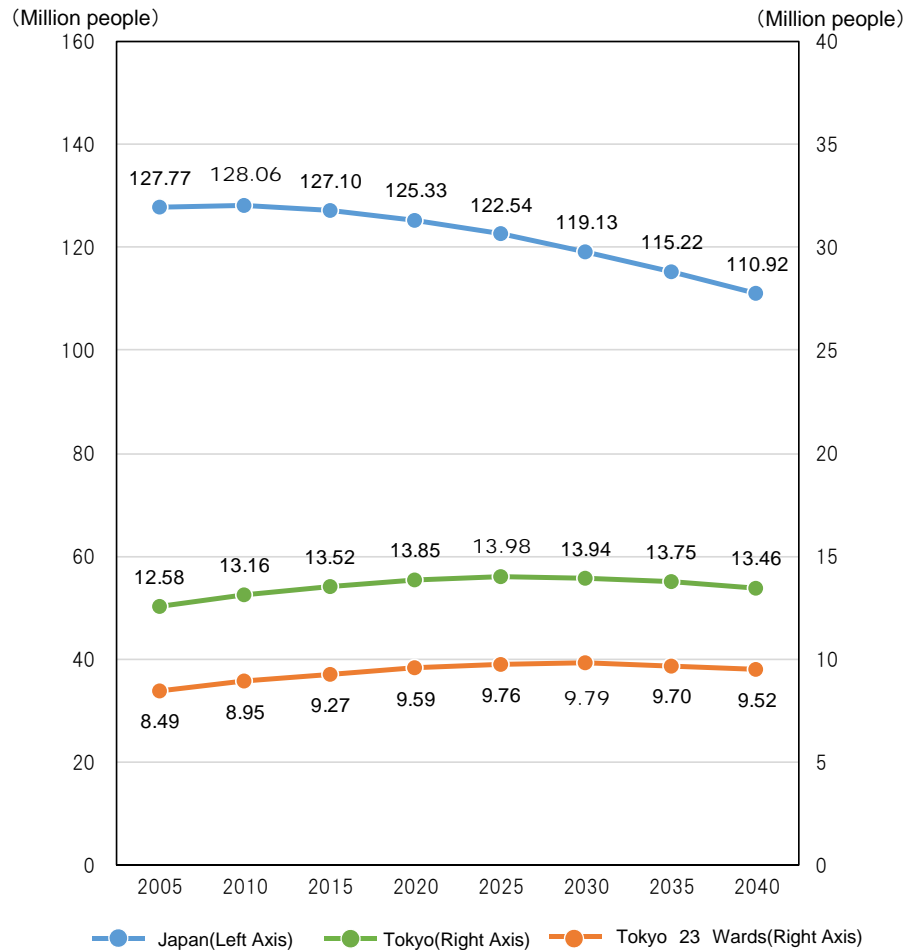
Construction-Starts for Rental Apartments in Tokyo 23 Wards



Source: Ministry of Land, Infrastructure, Transport and Tourism (SRC and RC)

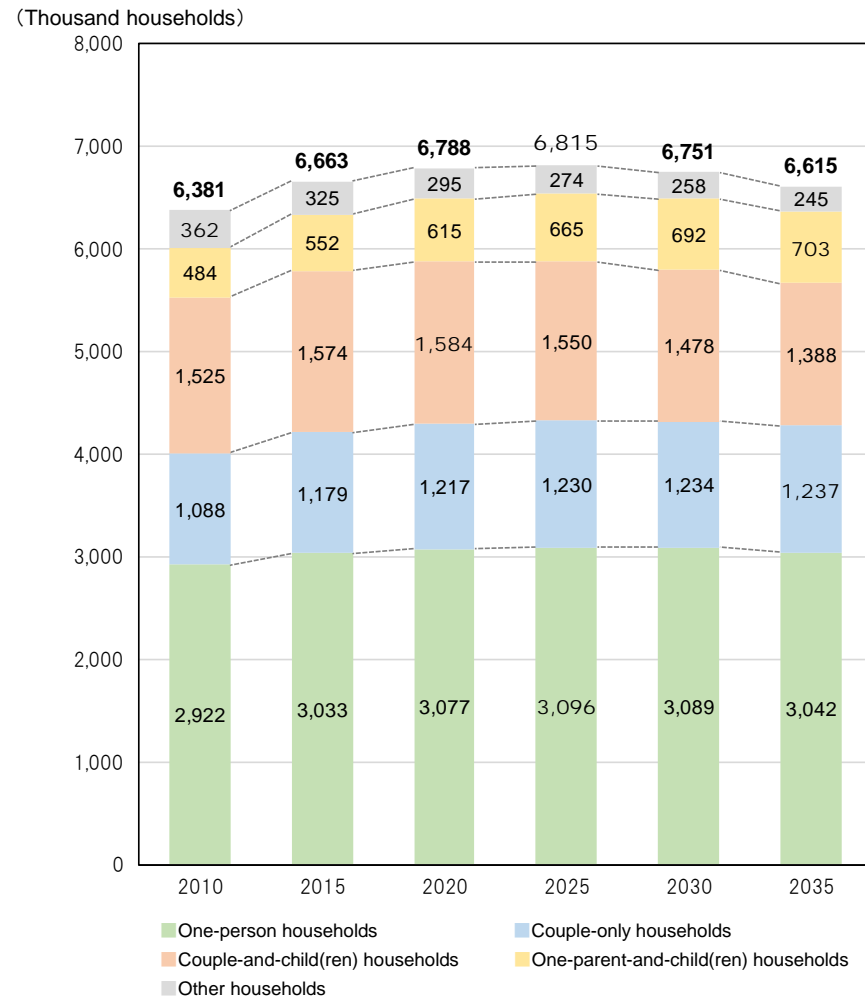
Tokyo's population and number of households are increasing

Population Projections for Japan, Tokyo and Tokyo 23 Wards



Source: Ministry of Internal Affairs and Communications,
Tokyo Metropolitan Government Bureau of General Affairs,
National Institute of Population and Social Security Research

Household Projections for Tokyo by Type of Household

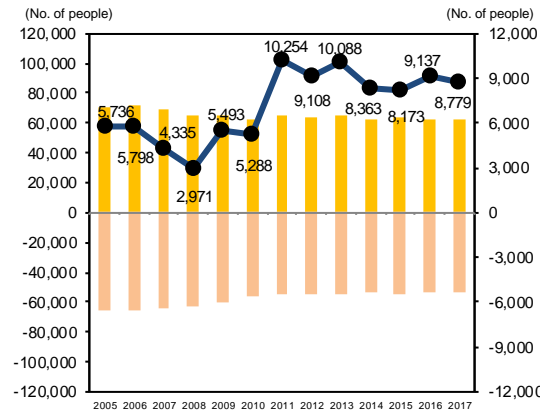


Source: National Institute of Population and Social Security Research

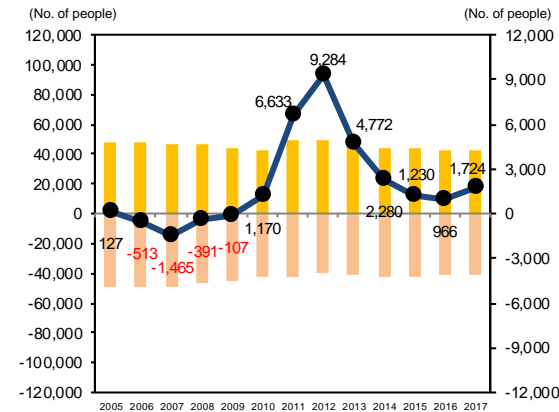
Demand for Rental Apartments - Other Major Cities

Population Change

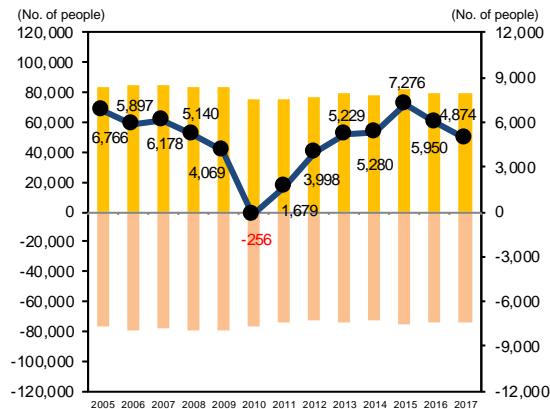
Sapporo



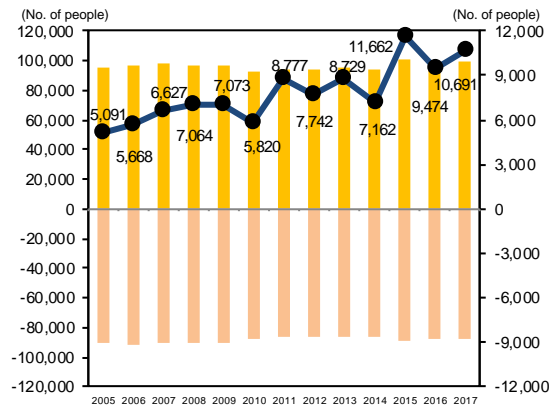
Sendai



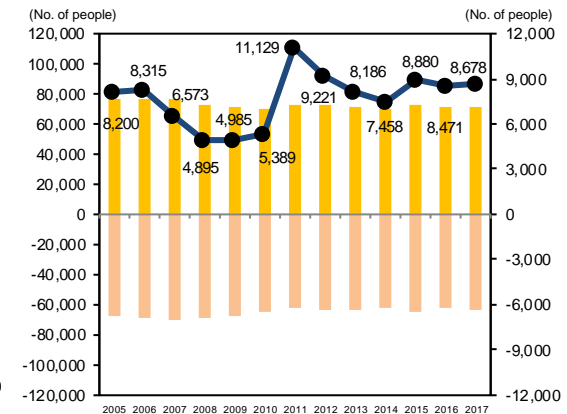
Nagoya



Osaka



Fukuoka

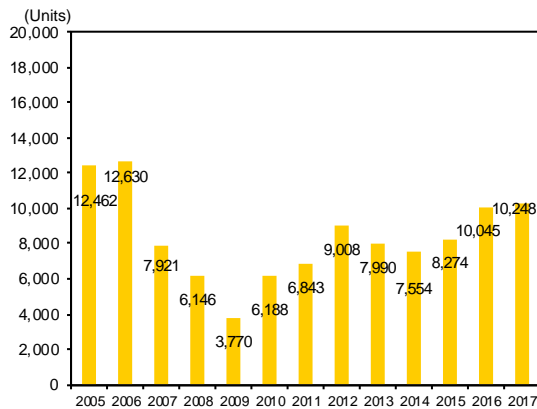


Source: Ministry of Internal Affairs and Communications

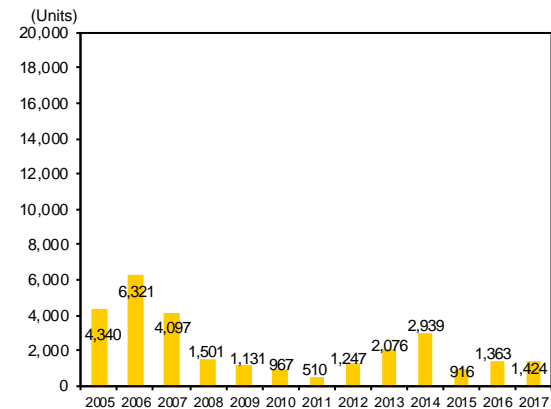
Supply of Rental Apartments - Other Major Cities

Construction-Starts for Rental Apartments

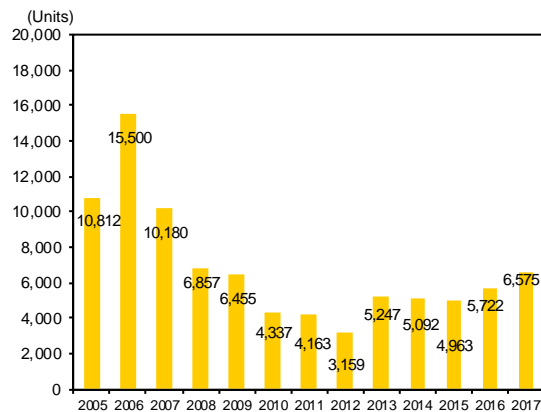
Sapporo



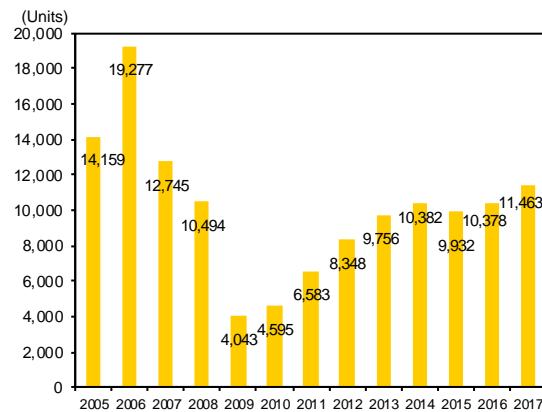
Sendai



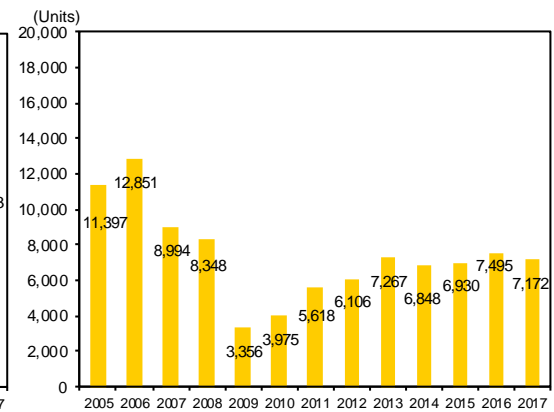
Nagoya



Osaka



Fukuoka



Source: Ministry of Land, Infrastructure, Transport and Tourism (SRC and RC)

Appendix (3) : Financial Details

Interest-Bearing Debt

	Lender	Balance (JPY mn)	Interest rate	Issue date of loans	Date of maturity	Loan period	Repayment method	Use of funds	Notes
Short-term loans	Mizuho Bank, Ltd.	2,000	0.07608%	2018.08.13	2018.09.28	1.6month	Bullet Payment	*1	Unsecured Unguaranteed Pari Passu *2
		2,000	0.08955%	2018.08.31	2018.09.28	1 month			
	The 77 Bank, Ltd.	1,000	0.09455%	2018.08.31	2018.09.28	1 month			
	Shinkin Central Bank	1,000	0.09455%	2018.08.31	2018.09.28	1 month			
	Sumitomo Mitsui Trust Bank, Limited	1,000	0.08955%	2018.08.31	2018.09.28	1 month			
	Total short-term loans	7,000							
Long-term loans	Sumitomo Mitsui Banking Corporation	5,500	0.90500%	2012.08.31	2020.02.28	7.5 years	Bullet Payment	*1	Unsecured Unguaranteed Pari Passu *2
		3,000	0.65750%	2014.05.28	2021.05.28	7.0 years			
		2,000	0.45125%	2014.05.30	2019.05.31	5.0 years			
		4,000	0.32000%	2014.09.30	2018.09.28	4.0 years			
		2,000	0.51375%	2014.11.28	2021.11.30	7.0 years			
		1,500	0.19955% *3	2016.07.29	2029.07.31	13.0 years			
	Sumitomo Mitsui Trust Bank, Limited	2,000	0.19950%	2018.08.13	2022.08.15	4.0 years			
		2,000	0.44625%	2014.09.30	2020.09.30	6.0 years			
		1,500	0.11455% *3	2017.08.14	2023.08.31	6.0 years			
	NIPPON LIFE INSURANCE COMPANY	1,000	0.15455% *3	2017.08.14	2027.08.31	10.0 years			
		2,000	0.93375%	2013.11.29	2022.11.30	9.0 years			
		3,000	0.98750%	2014.05.30	2024.05.31	10.0 years			
	Development Bank of Japan Inc.	1,000	0.51375%	2014.11.28	2021.11.30	7.0 years			
		2,000	1.04300%	2011.12.21	2018.12.21	7.0 years			
		3,000	1.03300%	2012.04.11	2019.04.11	7.0 years			
		3,000	1.05400%	2013.04.11	2023.04.11	10.0 years			
		2,500	1.32900%	2013.08.06	2024.02.06	10.5 years			
		2,500	1.39800%	2013.08.06	2024.08.06	11.0 years			
		2,500	1.17750%	2014.04.01	2025.04.01	11.0 years			
	The Hachijuni Bank, Ltd.	2,000	0.18248%	2016.06.30	2027.12.30	11.5 years			
		4,000	0.54779%	2017.10.18	2029.04.18	11.5 years			
		1,500	0.81500%	2013.05.31	2019.05.31	6.0 years			
	Mizuho Bank, Ltd.	1,000	0.63900%	2014.04.11	2021.04.09	7.0 years			
		1,000	0.23550%	2017.09.14	2024.09.17	7.0 years			
		2,000	0.72250%	2012.12.14	2020.06.15	7.5 years			
	The Chugoku Bank, Limited	2,000	0.82500%	2013.11.29	2021.11.30	8.0 years			
		1,000	0.10630%	2017.08.31	2020.08.31	3.0 years			
		1,000	0.11988%	2017.08.31	2021.02.26	3.5 years			
		1,000	0.18561%	2017.11.30	2022.05.31	4.5 years			
		1,000	0.21561%	2017.11.30	2023.05.31	5.5 years			
	Shinsei Bank, Limited	2,000	0.55000%	2015.07.31	2023.07.31	8.0 years			
		2,000	0.21880%	2016.05.31	2026.05.29	10.0 years			
1,000		1.22500%	2013.07.19	2023.01.19	9.5 years				
Shinkin Central Bank	1,000	0.65750%	2014.05.28	2021.05.28	7.0 years				
	1,000	0.99250%	2014.05.28	2024.05.28	10.0 years				
	3,000	0.61750%	2012.10.12	2018.10.12	6.0 years				
		2,000	0.38880%	2017.01.31	2027.01.29	10.0 years			
		3,000	0.30950%	2017.07.31	2025.07.31	8.0 years			

Long-term loans	The Bank of Fukuoka, Ltd.	1,000	0.82687%	2013.07.08	2020.01.08	6.5 years	Bullet Payment	*1	Unsecured Unguaranteed Pari Passu *2
		2,500	0.59437%	2013.10.28	2020.04.28	6.5 years			
		2,000	0.43500%	2017.02.20	2027.02.26	10.0 years			
		2,000	0.33500%	2018.04.27	2026.04.30	8.0 years			
	MUFG Bank, Ltd.*4	2,000	0.67000%	2013.03.15	2020.03.16	7.0 years			
		4,000	0.72750%	2013.03.15	2020.09.15	7.5 years			
		1,000	0.96250%	2013.08.23	2021.08.23	8.0 years			
		3,000	0.79375%	2014.03.07	2022.03.07	8.0 years			
		3,000	0.85500%	2014.03.07	2022.09.07	8.5 years			
		3,000	0.76500%	2014.05.30	2022.05.31	8.0 years			
		2,000	0.53250%	2014.10.01	2021.10.01	7.0 years			
		3,000	0.62125%	2014.10.01	2022.10.03	8.0 years			
		3,000	0.54500%	2017.04.25	2029.04.27	12.0 years			
	The Norinchukin Bank	3,000	0.69500%	2013.11.29	2020.11.30	7.0 years			
		2,000	0.43250%	2014.12.30	2021.12.30	7.0 years			
	Resona Bank, Limited	3,000	0.62625%	2012.12.14	2019.12.16	7.0 years			
	Mizuho Trust & Banking Co., Ltd.	1,000	1.04000%	2013.06.14	2021.06.14	8.0 years			
		1,000	1.15750%	2013.06.14	2022.06.14	9.0 years			
		1,000	1.02438%	2013.08.23	2022.02.23	8.5 years			
		1,000	1.08625%	2013.08.23	2022.08.23	9.0 years			
		1,500	0.38380%	2018.03.29	2028.03.29	10.0 years			
	The Yamaguchi Bank, Ltd.	1,000	1.26000%	2013.06.14	2023.06.14	10.0 years			
		1,000	1.28125%	2013.07.19	2023.07.19	10.0 years			
		1,000	0.98750%	2014.05.30	2024.05.31	10.0 years			
		1,000	0.55500%	2017.04.27	2029.04.27	12.0 years			
	The Daishi Bank, Ltd.	2,000	0.59437%	2013.10.28	2020.04.28	6.5 years			
		1,000	0.40062%	2014.12.30	2021.06.30	6.5 years			
		1,000	0.09000%	2016.07.29	2021.07.30	5.0 years			
	MITSUI LIFE INSURANCE COMPANY LIMITED	1,000	1.04375%	2014.03.28	2024.03.28	10.0 years			
	The Ashikaga Bank, Ltd.	2,000	0.33375%	2014.06.30	2019.06.30	5.0 years			
	DAIDO LIFE INSURANCE COMPANY	1,000	0.57875%	2014.06.30	2021.06.30	7.0 years			
TAIYO LIFE INSURANCE COMPANY	2,000	0.64750%	2014.12.30	2024.12.30	10.0 years				
The Iyo Bank, Ltd.	1,000	0.09000%	2016.09.30	2022.03.31	5.5 years				
The Yamanashi Chuo Bank, Ltd.	1,000	0.31630%	2018.06.29	2026.06.30	8.0 years				
The 77 Bank, Ltd.	1,000	0.40500%	2018.06.29	2028.06.30	10.0 years				
Total long-term loans		140,500							
Total Loans		147,500							
Total Interest-Bearing Debt		147,500							

* As of August 31, 2018

* Long-term loans funded in the 25th Period are highlighted with orange. Long-term loans repaid in the 26th Period are highlighted with blue.

*1. The proceeds of the above loans were applied to the purchase of property or real estate trust beneficiary interests and the refinancing of other loans and operational costs, etc.

*2. The loans in the table above are ranked pari passu in accordance with specified clauses in the loan agreements between NAF and all of its lenders.

*3. Interest rate applicable from August 31, 2018 to September 27, 2018.

*4. Due to the "functional realignment" of the subsidiaries of Mitsubishi UFJ Financial Group, Inc. Mitsubishi UFJ Trust and Banking Corporation transferred its corporate loan-related businesses to The MUFG Bank, Ltd. As of April 16, 2018 by way of a corporate split. In conjunction with this, as of April 16, 2018, MUFG Bank, Ltd. shall succeed as the lender for all the loans noted above originating from Mitsubishi UFJ Trust and Banking Corporation.

Historical Operating Performance

	unit	2nd Period	3rd Period	4th Period	5th Period	6th Period	7th Period	8th Period	9th Period	10th Period	11th Period	12th Period	13th Period
		Feb. 2007	Aug. 2007	Feb. 2008	Aug. 2008	Feb. 2009	Aug. 2009	Feb. 2010	Aug. 2010	Feb. 2011	Aug. 2011	Feb. 2012	Aug. 2012
Number of Operating Days	Days	334	184	182	184	181	184	181	184	181	184	182	184
Total Revenues	JPY mn	5,072	3,524	4,092	4,498	4,508	4,474	5,918	6,217	6,180	7,565	7,857	8,103
Rental Revenues	JPY mn	5,067	3,524	4,092	4,498	4,508	4,474	5,362	6,217	6,180	7,565	7,857	8,018
Gain on Sale of Investment Properties	JPY mn	4	—	—	—	—	—	556	—	—	—	—	85
Dividend Income from Anonymous Partnership	JPY mn	—	—	—	—	—	—	—	—	—	—	—	—
Net Operating Income from Property Leasing ¹	JPY mn	4,130	2,805	3,316	3,541	3,614	3,507	4,178	4,770	4,839	5,763	6,113	6,072
Depreciation and Amortization	JPY mn	849	607	731	847	862	850	1,060	1,240	1,251	1,586	1,699	1,719
Operating Income from Property Leasing	JPY mn	3,281	2,197	2,585	2,693	2,751	2,657	3,117	3,529	3,587	4,176	4,413	4,352
Operating Income	JPY mn	2,705	1,795	2,103	2,212	2,248	2,169	3,010	2,895	2,944	3,420	3,613	3,634
Income before Income Taxes	JPY mn	2,029	1,447	1,631	1,642	1,656	1,547	2,276	2,148	2,200	2,631	2,833	2,856
Net income	JPY mn	2,028	1,446	1,630	1,641	1,655	1,546	2,275	2,147	2,199	2,630	2,832	2,855
Capital Expenditure	JPY mn	301	158	538	442	72	138	94	145	76	125	114	114
Total Assets	JPY mn	108,096	114,366	129,969	146,666	146,665	146,541	186,428	192,478	192,360	230,551	237,222	237,854
Interest-Bearing Debt	JPY mn	42,500	49,500	64,500	81,000	81,000	81,000	99,000	105,000	105,000	119,500	126,000	126,500
LTV ²	%	39.3	43.3	49.6	55.2	55.2	55.3	53.1	54.6	54.6	51.8	53.1	53.2
Appraisal LTV ³	%	38.3	41.4	47.7	53.4	55.9	59.6	56.4	57.7	57.9	54.4	55.2	54.9
Total Net Assets	JPY mn	63,006	62,425	62,608	62,619	62,634	62,525	83,377	83,249	83,302	105,865	106,068	106,090
Total Distribution	JPY mn	2,028	1,446	1,630	1,641	1,655	1,546	2,275	2,147	2,199	2,630	2,832	2,785
Units Outstanding	* Units	226,960	226,960	226,960	226,960	226,960	226,960	312,356	312,356	312,356	389,422	389,422	389,422
Total Net Assets per Unit	* Yen	277,611	275,051	275,858	275,906	275,969	275,489	266,931	266,522	266,691	271,852	272,373	272,431
Unitholders' Capital per Unit	* Yen	268,675	268,675	268,675	268,675	268,675	268,675	259,648	259,648	259,648	265,098	265,098	265,098
Distribution per Unit	* Yen	8,935	6,375	7,183	7,230	7,293	6,813	7,283	6,874	7,043	6,754	7,274	7,153
NAV per Unit ⁴	* Yen	280,841	292,010	292,435	290,969	261,119	221,673	224,265	225,884	224,500	237,638	242,497	246,720
Unit Market Price	* Yen	403,000	376,500	298,500	247,500	185,500	256,000	230,500	244,000	299,000	289,000	264,500	262,000
Book Value=(A)	JPY mn	103,584	110,334	125,697	142,687	141,917	141,250	181,656	188,118	187,046	224,429	230,632	229,973
Appraisal Value=(B)	JPY mn	106,346	115,630	131,090	147,747	140,203	130,583	170,604	177,572	176,068	213,736	221,831	222,746
Unrealized Profit / Loss=(B)-(A)	JPY mn	2,761	5,295	5,392	5,059	-1,714	-10,667	-11,052	-10,546	-10,978	-10,693	-8,801	-7,227
Number of Investment Properties	#	27	30	37	44	44	44	61	63	63	83	87	88
Total Acquisition Price	JPY mn	101,385	108,233	123,245	140,000	140,000	140,000	180,026	186,975	186,975	223,877	231,227	231,936
Total Rentable Units	Units	2,761	3,038	3,735	4,256	4,256	4,256	6,214	6,464	6,464	8,727	9,136	9,286
Rental Apartments	Units	2,758	3,035	3,727	4,247	4,247	4,247	6,199	6,447	6,447	7,775	8,181	8,129
Residential	Units	—	—	—	—	—	—	—	—	—	—	—	—
Retail, etc.	Units	3	3	8	9	9	9	15	17	17	29	32	32
Hospitality Facilities	Units	—	—	—	—	—	—	—	—	—	923	923	1,125
Total Rentable Area	m ²	135,745	143,912	168,960	189,636	189,636	189,636	279,562	288,354	288,354	369,722	380,448	384,732
Average month-end occupancy rate	%	97.1 ⁵	95.4	96.8	94.3	95.6	94.5	95.4	95.6	95.8	95.7	95.9	95.9

unit	14th Period	15th Period	16th Period	17th Period	18th Period	19th Period	20th Period	21st Period	22nd Period	23rd Period	24th Period	25th Period		
	Feb. 2013	Aug. 2013	Feb. 2014	Aug. 2014	Feb. 2015	Aug. 2015	Feb. 2016	Aug. 2016	Feb. 2017	Aug. 2017	Feb. 2018	Aug. 2018		
Number of Operating Days	Days	181	184	181	184	181	184	182	184	181	184	181	184	
Total Revenues	JPY mn	8,082	9,002	9,241	10,152	10,129	10,435	10,433	10,621	10,650	10,775	10,870	11,047	
Rental Revenues	JPY mn	8,078	8,997	9,241	10,152	10,129	10,435	10,433	10,621	10,592	10,775	10,870	11,047	
Gain on Sale of Investment Properties	JPY mn	—	—	—	—	—	—	—	—	58	—	—	—	
Dividend Income from Anonymous Partnership	JPY mn	3	4	—	—	—	—	—	—	—	—	—	—	
Net Operating Income from Property Leasing*1	JPY mn	6,222	6,783	7,090	7,450	7,524	7,564	7,723	7,745	7,854	7,878	8,150	8,120	
Depreciation and Amortization	JPY mn	1,748	1,915	1,976	2,088	2,075	2,083	2,073	2,066	2,056	2,060	2,042	2,018	
Operating Income from Property Leasing	JPY mn	4,474	4,867	5,113	5,362	5,449	5,481	5,649	5,679	5,797	5,817	6,108	6,102	
Operating Income	JPY mn	3,655	3,964	4,181	4,304	4,374	4,372	4,531	4,567	4,717	4,675	4,955	4,935	
Income before Income Taxes	JPY mn	2,900	3,165	3,435	3,541	3,685	3,725	3,894	3,940	4,139	4,118	4,448	4,439	
Net income	JPY mn	2,899	3,164	3,434	3,540	3,684	3,725	3,893	3,939	4,138	4,117	4,447	4,438	
Capital Expenditure	JPY mn	278	252	247	168	159	163	240	175	231	215	269	245	
Total Assets	JPY mn	245,982	273,872	277,125	292,317	290,463	295,644	293,684	295,463	293,446	294,828	293,998	294,692	
Interest-Bearing Debt	JPY mn	134,500	139,000	142,000	156,500	154,500	149,500	147,500	149,000	147,000	148,000	147,000	147,500	
LTV*2	%	54.7	50.8	51.2	53.5	53.2	50.6	50.2	50.4	50.1	50.2	50.0	50.1	
Appraisal LTV*3	%	55.7	50.7	49.8	50.9	48.9	45.3	44.3	44.2	43.3	42.3	41.5	40.9	
Total Net Assets	JPY mn	106,204	128,921	129,191	129,296	129,441	139,398	139,567	139,612	139,812	139,845	140,176	140,167	
Total Distribution	JPY mn	2,899	3,164	3,434	3,540	3,683	3,725	3,893	3,939	4,083	4,116	4,447	4,438	
Units Outstanding	* Units	389,422	461,422	461,422	461,422	461,422	484,522	484,522	484,522	484,522	484,522	484,522	484,522	
Total Net Assets per Unit	* Yen	272,723	279,400	279,985	280,214	280,526	287,703	288,051	288,145	288,557	288,626	289,308	289,290	
Unitholders' Capital per Unit	* Yen	265,098	272,390	272,390	272,390	272,390	279,870	279,870	279,870	279,870	279,870	279,870	279,870	
Distribution per Unit	* Yen	7,445	6,858	7,444	7,672	7,984	7,688	8,036	8,130	8,428	8,497	9,179	9,161	
NAV per Unit*4	* Yen	254,031	273,348	289,920	305,978	327,380	350,911	361,312	366,419	375,353	394,502	404,599	415,422	
Unit Market Price	* Yen	340,000	321,500	351,000	378,000	457,000	404,500	413,500	443,000	486,500	446,500	468,000	505,000	
Book Value=(A)	JPY mn	239,401	263,889	266,672	281,583	279,758	285,457	283,751	285,839	282,842	285,338	283,613	283,628	
Appraisal Value=(B)	JPY mn	235,022	264,262	274,691	297,012	305,062	319,808	323,142	327,704	328,981	340,755	343,922	349,181	
Unrealized Profit / Loss=(B)-(A)	JPY mn	-4,379	372	8,018	15,428	25,303	34,350	39,390	41,864	46,138	55,416	60,308	65,552	
Number of Investment Properties	#	90	105	108	112	112	116	116	119	118	121	121	122	
Total Acquisition Price	JPY mn	242,140	267,406	271,713	287,733	287,733	294,918	294,918	298,718	297,435	301,559	301,559	303,259	
Total Rentable Units	Units	9,514	10,521	10,690	11,300	11,300	11,563	11,563	11,734	11,714	11,981	11,981	12,052	
Rental Apartments	Residential	Units	8,356	9,361	9,529	10,138	10,138	10,400	10,400	10,500	10,480	10,565	10,565	10,635
	Retail, etc.	Units	33	35	36	37	37	38	38	38	38	38	38	39
Hospitality Facilities	Units	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,196	1,196	1,378	1,378	1,378	
Total Rentable Area	m ²	399,756	439,054	445,035	475,848	475,848	483,834	483,834	488,533	487,439	495,096	495,096	497,027	
Average month-end occupancy rate	%	96.1	95.7	96.3	95.7	96.1	95.9	96.4	96.4	96.8	96.7	97.6	97.3	

* NAF implemented a two-for-one split of investment units with an effective date of March 1, 2014. Distribution per unit for the 16th Period and earlier are adjusted for this split (actual distribution divided in half, rounded down to the nearest yen).

*1. Net operating income from property leasing does not include Gain on sale of investment properties or Dividend income from anonymous partnership.

*2. LTV (loan-to-value) ratio at the end of the period = Total interest-bearing debt / Total assets x 100

*3. Appraisal LTV (loan-to-value) ratio at the end of the period = Total interest-bearing debt / (Total assets + Unrealized profit or loss) x 100

*4. NAV (net asset value) per Unit = (Net assets – Total distribution + Unrealized profit or loss) / Units outstanding

*5. The average month-end occupancy rate during the 2nd Period is the calculation for the post-IPO period from August 31, 2006 to February 28, 2007.

Financial Summary (1) Income Statement

(JPY million)	24th Period (Ended February 28, 2018)	25th Period (Ended August 31, 2018)	Change
Total Revenues	10,870	11,047	+177
Rental expenses	2,133	2,328	+194
Real estate taxes	585	598	+12
Depreciation and amortization	2,042	2,018	-24
Total Rental Expenses	4,761	4,944	+183
Operating Income from Property Leasing	6,108	6,102	-5
Asset Management Fees	806	815	+8
Other Expenses	346	352	+5
Operating Income	4,955	4,935	-20
Non-Operating Income and Expenses	-507	-495	+12
Income before Income Taxes	4,448	4,439	-8
Current and Deferred Income Taxes	0	0	+0
Net income	4,447	4,438	-8
Total Distribution	4,447	4,438	-8
Distribution per Unit	9,179 yen	9,161 yen	-18 yen
Number of Units Outstanding	484,522 units	484,522 units	—
Net Operating Income (from Property Leasing Activities)	8,150	8,120	-30
Funds from Operations	6,489	6,456	-32
Number of Days in the Period	181 days	184 days	+3 days

Financial Summary (2) Balance Sheet

(JPY million)	24th Period (Ended February 28, 2018)	25th Period (Ended August 31, 2018)	Change
Total Assets	293,998	294,692	+694
Cash and cash equivalents	7,666	8,380	+714
Total investment properties	283,004	283,020	+15
Others	3,326	3,291	-35
Total Liabilities	153,821	154,525	+703
Interest-bearing debt	147,000	147,500	+500
Tenant security deposits	3,731	3,663	-67
Others	3,090	3,362	+271
Total Net Assets	140,176	140,167	-8
Unitholders' capital	135,603	135,603	—
Reserve for distribution	125	125	—
Retained earnings	4,447	4,438	-8
Number of Investment Properties	121 properties	122 properties	+1
Total Acquisition Price	301,559	303,259	+1,700
Total Rentable Area	495,096 m ²	497,027 m ²	+1,930 m ²
Average Month-end Occupancy Rate	97.6 %	97.3 %	-0.3 points
Capital Ratio (Net Assets / Total Assets)	47.7 %	47.6 %	-0.1 points
LTV¹	50.0 %	50.1 %	+0.1 points
Interest-Bearing Debt Ratio²	52.0 %	52.1 %	+0.1 points
Book Value per Unit	289,308 yen	289,290 yen	-18 yen
Original Capital per Unit	279,870 yen	279,870 yen	—
Units Outstanding	484,522 units	484,522 units	—

1. LTV=Interest-Bearing Debt / Total Assets x 100

2. Interest-Bearing Debt Ratio=Interest-Bearing Debt / (Interest-Bearing Debt + Capital) x 100

Financial Summary (3) Details of Forecast

		Forecast for the 26th Period (Ending February 28, 2019)
		(JPY million)
Total Revenues		11,011
	Rental expenses	2,223
	Real estate taxes	596
	Depreciation and amortization	2,004
Total Rental Expenses		4,824
Operating Income from Property Leasing		6,186
Gain on Sale of Investment Property		46
Asset Management Fees		836
Other Expenses		365
Operating Income		5,031
Non-Operating Income and Expenses		-475
Income before Income Taxes		4,556
Current and Deferred Income Taxes		1
Net Income		4,555
Internal Reserves		25
Distribution per Unit (Number of units outstanding)		9,350 yen (484,522 units)

Assumptions

■ Assets under management

123 properties as of October 18, 2018
(assumes no acquisition or sale of investment assets through to February 28, 2019)

■ Average month-end occupancy rate

97.3%

■ Interest-bearing debt

JPY 150.5 billion as of October 18, 2018
(assumes no change in interest-bearing debt through to February 28, 2019)

■ Units outstanding

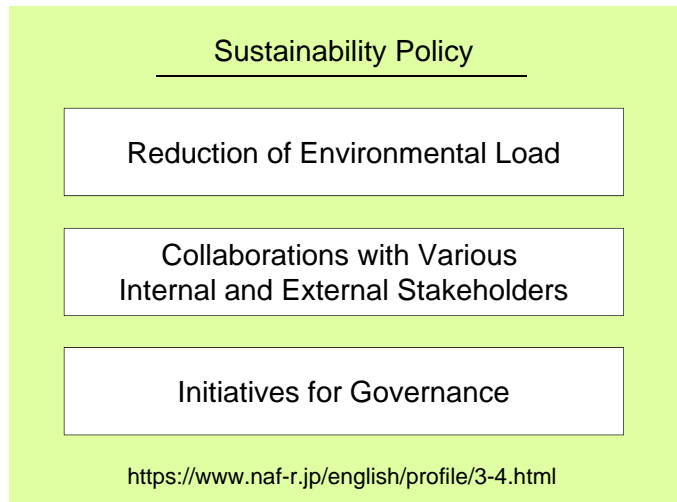
484,522 units
(assumes no issue of units through to February 28, 2019)

■ Internal Reserves

Regarding the gain from transfer of Park Cube Ikebukuro Kanamecho, NAF plans to internally retain approx. JPY 25 million by implementing a reduction entry utilizing the Special Provisions for Taxation

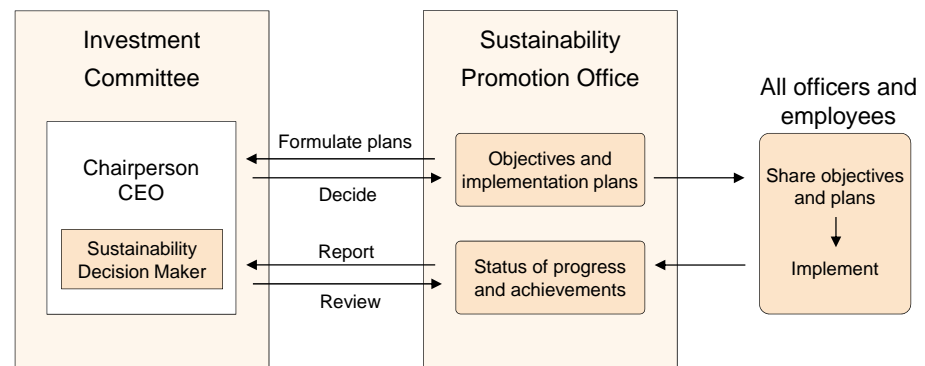
Appendix (4) : Sustainability Initiatives

Asset management operations focused on sustainability



In-House Structure for Promotion of Sustainability

Sustainability Promotion Office established to ensure effective sustainability policies



Mitsui Fudosan Group's ESG Guidelines

Mitsui Fudosan Co., Ltd., the parent company of Mitsui Fudosan Accommodations Fund Management Co., Ltd., the Asset Management Company, considers ESG a management priority and sets key goals for relevant initiatives to consistently create value and under the Group statement of “Bring affluence and comfort to urban living.”



<https://www.mitsufudosan.co.jp/english/corporate/csr/2017/index.html>

Consistently Acquire External Certification of Sustainability

We consistently acquire external certification including GRESB Real Estate Assessment as opportunities to improve NAF’s sustainability initiatives.

► GRESB Real Estate Assessment



Assessment
Green Star
Rating
3 Stars

► SMBC Environmental Assessment



Assessment
A
Initiatives with
good environmental
consideration

Sustainability Initiatives (2) Environment

Steadily reduce environmental load by systematically installing LED lighting

Installation of LED lighting in common areas

Systematically installing LED lighting promotes energy saving and reduction of CO₂ emissions throughout our portfolio.

Installation completed
53 properties
In the 25th Period
2 properties



(As of August 31, 2018)

External Certification of Investment Properties

We strive to acquire DBJ Green Building certification to ensure the validity and objectivity of the results of our initiatives to reduce environmental impact.

Property Name	Certification rank
Okawabata Apartment Communities	2016
Park Axis Toyosu	2018
Park Cube Nishigahara Stage	2017

Certification Details	
No. of properties	3
Total floor space	161,871 m ²
Percentage of floor space certified	22.9 %

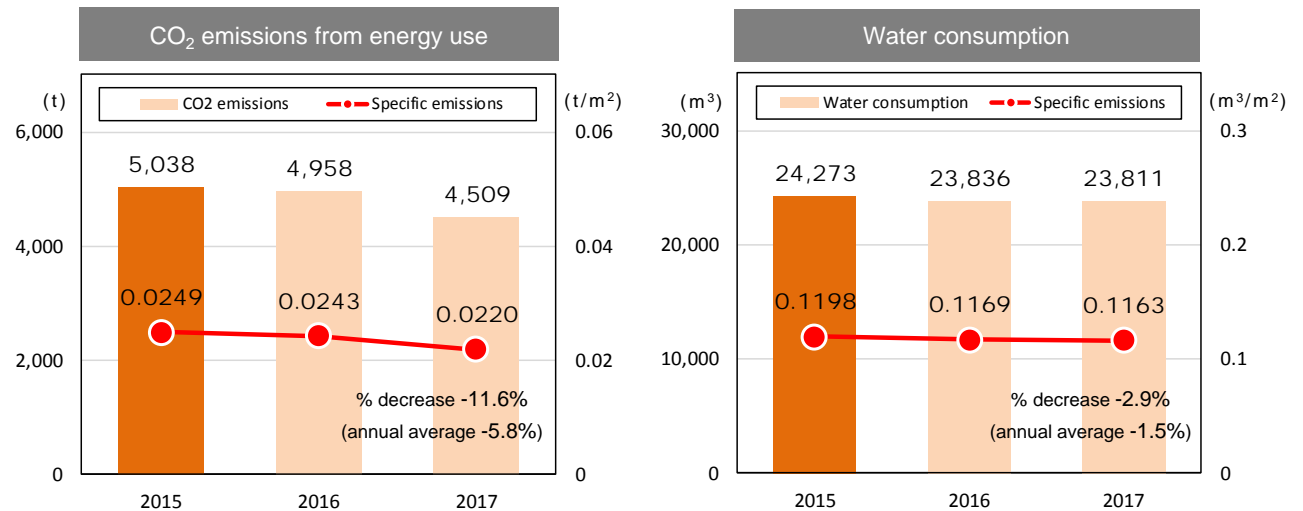
(As of August 31, 2018)

Environmental Performance

Targets

Energy consumption, CO ₂ emissions from energy use
Average annual decrease of 1% over five years using 2015 as the baseline (based on intensity)
Water consumption
No increase in amount used over five years using 2015 as the baseline (based on intensity)

Results



Please refer to our website for details about our environmental initiatives. <https://www.naf-r.jp/english/profile/3-4.html>

Promote sustainability through collaborative initiatives with various stakeholders

■ Employees of the Asset Management Company

The Asset Management Company recognizes that human resources are its most valuable assets and has implemented various initiatives for its employees.

▶ Human Resource Development

The Company takes various measures to foster human resources having a high level of expertise, deep knowledge and ethical values.

- Support for Acquisition of Qualifications
- Support for Education and Training
- Interviews for Setting Objectives of Individual Employees
- Performance Evaluations

▶ Health and Safety, Respect for Human Rights

We maintain healthy workplaces that facilitate work so that all officers and employees can fully demonstrate their abilities.

- Implementation of Periodic Medical Examinations, etc.
- Work-Life Balance
- Special Leave Program (maternity leave, caregiver leave and time off for sick/injured childcare, etc.)
- Consultation Service Office for Compliance
- Promotion of Active Roles for Women
- Support for Childcare and Nursing Care

■ Supply Chains

When selecting/evaluating suppliers, which are important in NAF's asset management, NAF keeps in mind the promotion of sustainability throughout its supply chain by also confirming suppliers' initiatives in consideration of society, the environment, etc.

■ Tenants

We conduct various initiatives to improve safety, security and comfort in assets under management to enhance tenant satisfaction.

▶ Greater Satisfaction

Initiatives in collaboration with property management company (Mitsui Fudosan Residential Lease)

- Toll-Free Helpline for Tenants
- Renovation of Common Areas
- Chatbot to Answer Inquiries
- Tenant Satisfaction Surveys

■ Local Communities

As a member of local communities in which the assets we manage are located, we contribute to community formation and vitalization.

▶ Cooperation in Local Events

At the Okawabata Apartment Communities, NAF has proactively cooperated in activities of the management association and strives to contribute to formation of a local community.



Disaster prevention event (Demonstration of Water discharge by fire department members)



Disaster prevention event (Disaster prevention drills for local residents)

Please refer to our website for details about our social contribution initiatives. <https://www.naf-r.jp/english/profile/3-4.html>

Sustainability Initiatives (4) Governance

An organizational structure that ensures fair transactions

Basic Philosophy on Governance

► Thorough compliance

The Company has established an organizational structure that should secure compliance with laws and regulations and implement fair transactions at any time. At the same time, the Company works to ensure that its officers and employees will act based on high ethical values and win the trust of its stakeholders.

► Establishment of risk management structure

The Company has established a proper risk management structure to appropriately manage a variety of risks, to avoid or minimize risks in conducting asset management.

Management Structure



General Meeting of Unitholders

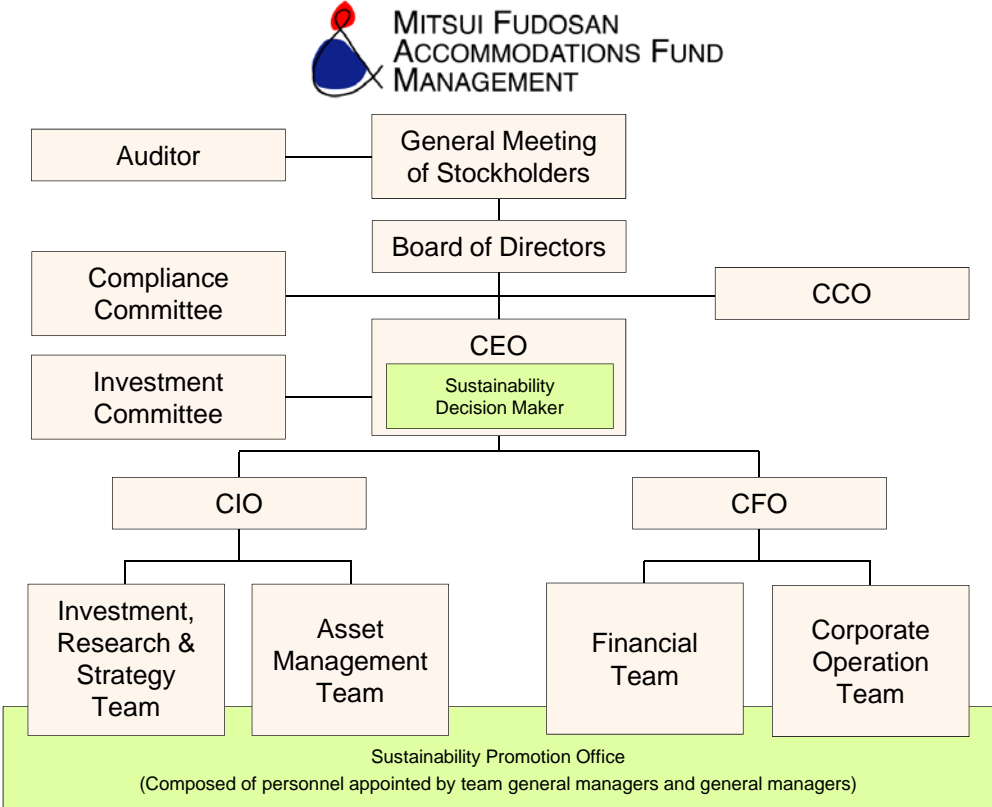
Board of Directors

Executive Directors:
Takashi Ikeda, Tateyuki Ikura

Supervisory Directors:
Tsunehisa Ota, Hiroaki Saito,
Mitsutoshi Masuda

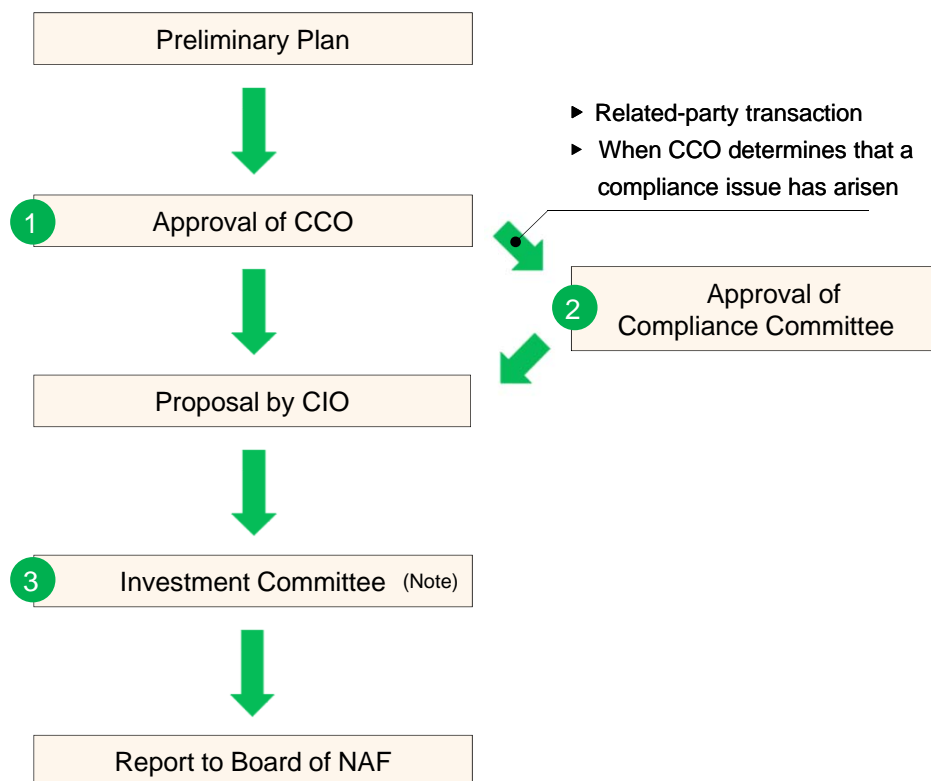
Independent Auditor

KPMG AZSA LLC



Governance structure for avoiding conflicts of interest

■ The Asset Management Company's decision flow for acquiring or selling investment assets



Compliance Checking System

1 Confirmation by Chief Compliance Officer (CCO)

The following require approval of the Compliance Committee

- ▶ Related-party transactions*
- ▶ When CCO determines that a compliance issue has arisen

*Property acquisition price from sponsor-related parties is below appraisal value

2 The Compliance Committee

Requires approval by independent external professionals
 Members: CCO (Chairperson), CEO, 2 external professionals (Currently 1 lawyer and 1 CPA)

External professionals: Appoint professionals independent from sponsor-related parties

Resolution: Requires the votes of 2/3 or more members and at least 1 of the 2 independent external professionals

3 Functions as a Check on the Investment Committee

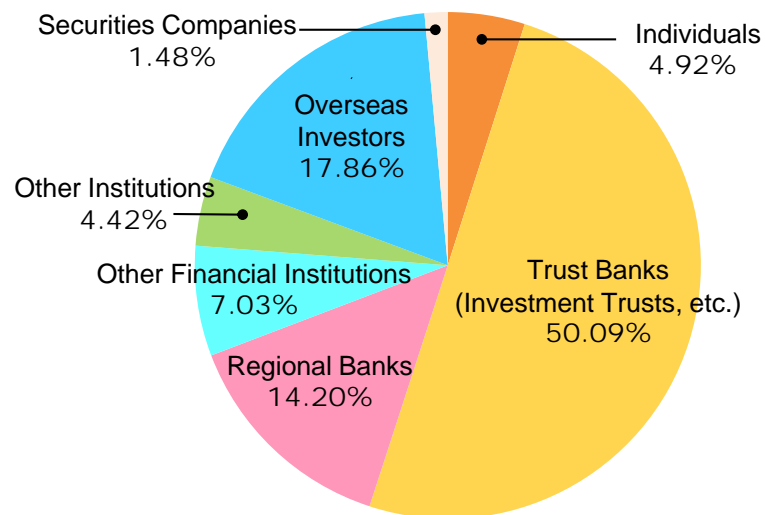
CCO can suspend discussion when he sees any problem in the discussion process

Note: When NAF acquires or sells of assets in transactions with related parties as defined by the Investment Trust and Investment Corporation Act of Japan, the Asset Management Company must obtain consent from NAF based on the approval of NAF's Board of Directors prior to the deliberations of the Investment Committee. However, such consent is not required for property or other real estate acquisitions stipulated by Article 245-2-1 of the Investment Trust and Investment Corporation Act as having immaterial impact on NAF's assets because the acquisition cost represents less than 10 percent of the book value of NAF's investment properties.

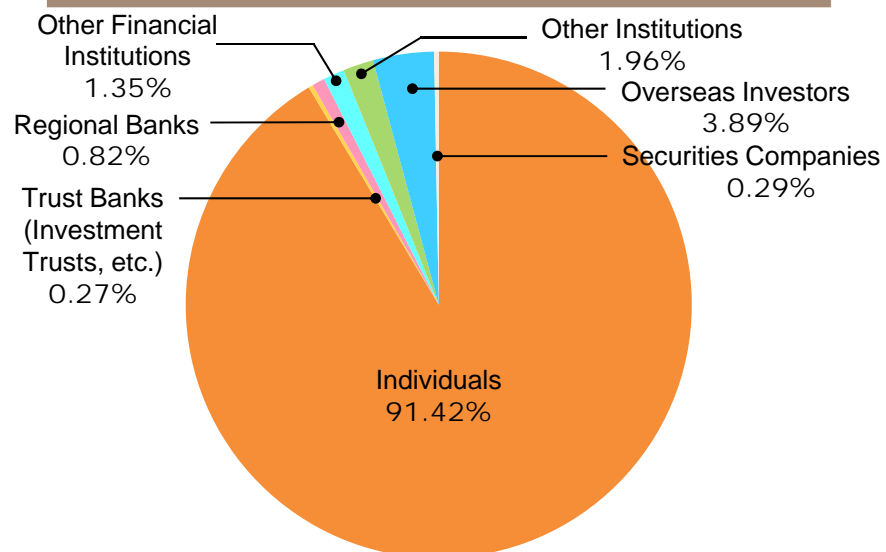
Appendix(5): Others

Unitholders

Ownership by Unitholders (Total 484,522 units)



Number of Unitholders (Total 5,476 people)



Number of Units and Unitholders

	Individuals	Trust Banks (Investment Trusts, etc.)	Regional Banks	Other Financial Institutions	Other Institutions	Overseas Investors	Securities Companies	Total
Number of Units Held	23,835	242,712	68,812	34,071	21,411	86,522	7,159	484,522
Number of Unitholders	5,006	15	45	74	107	213	16	5,476

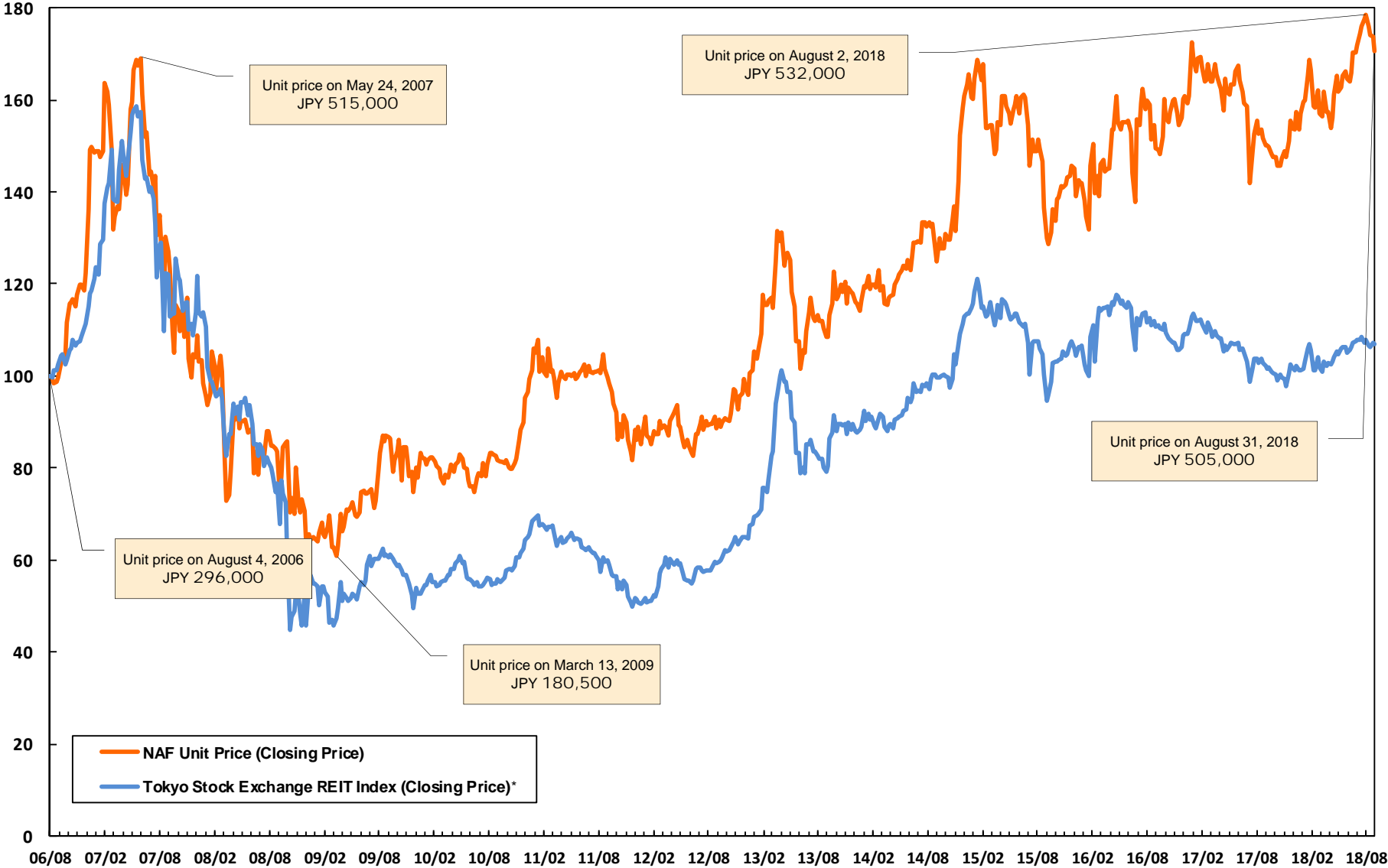
Major Unitholders

Name	Number of Units Held	Percentage of Total ¹ (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	111,553	23.02
The Master Trust Bank of Japan, Ltd. (Trust Account)	71,405	14.73
The Nomura Trust and Banking Co., Ltd. (Investment Account)	18,536	3.82
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	17,597	3.63
Mitsui Fudosan Residential Co., Ltd.	15,600	3.21
The Chugoku Bank, Limited	9,276	1.91
Trust & Custody Services Bank, Ltd. (Money Trust Tax Account)	7,403	1.52
MetLife Insurance	6,957	1.43
State Street Bank and Trust Company 505012	6,114	1.26
The Hachijuni Bank, Ltd.	5,228	1.07
Total	269,669	55.65

1. Number of units held as a percentage of total units issued and outstanding, rounded down to the nearest hundredth.

Historical Unit Price since IPO

Index: Date of IPO (NAF: August 4, 2006) = 100



Source: Bloomberg (unit prices have been retroactively restated to reflect the two-for-one split of NAF investment units on the effective date of March 1, 2014.)

* The Tokyo Stock Exchange calculates and presents the Tokyo Stock Exchange REIT Index, which is a weighted average aggregate market price index for all real estate investment trusts listed on the Tokyo Stock Exchange.

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