

Prospect Reit Investment Corporation

Listed on the Tokyo Stock Exchange with the securities code 8969

Eighth Fiscal Period Results

(February 1, 2009 to July 31, 2009)

September 11, 2009



Disclaimer

This document contains a translation of the majority of the information provided in the Japanese material for the presentation of eighth fiscal period results held on September 17, 2009 as well as some information provided in the Financial Report (Kessan Tanshin) dated September 11, 2009, and others, with some updated data.

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The financial statements of PRI have been prepared in accordance with generally accepted accounting principles in Japan (Japanese GAAP), which may materially differ in certain respects from generally accepted accounting principles in other jurisdictions.

Many provisions within this document contain information that constitutes forward-looking statements. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties. Therefore, actual results may differ materially from those in the forward-looking statements as a result of various factors.

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Prospect Reit Investment Corporation
("PRI" or "the Investment Corporation")

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Prospect Reit Investment Corporation is listed
as a Japanese Real Estate Investment Trust (J-REIT) on
the Tokyo Stock Exchange with the securities code 8969

(URL of English website <http://www.prospect-reit.co.jp/en/index.html>)

Planned date of submission of the Company Report (*Yukashoken Hokokusho*): October 23, 2009

Planned date of distribution payment commencement: October 19, 2009

(1) Operating Performance and Assets for the Fiscal Period Ended July 31, 2009

1) Operating Performance

(Millions of yen rounded down unless otherwise stated)

Fiscal Period Ended	Operating Revenues		Operating Income		Ordinary Income		Net Income	
		%		%		%		%
July 31, 2009	2,236	-0.8	843	-6.6	361	-19.8	362	-19.2
January 31, 2009	2,254	9.8	902	19.0	451	36.6	448	36.9

Fiscal Period Ended	Net Income per Unit	Return on Net Assets	Ordinary Income to Total Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
July 31, 2009	4,825	1.0	0.5	16.2
January 31, 2009	5,969	1.3	0.6	20.0

2) Distributions

(Millions of yen rounded down unless otherwise stated)

Fiscal Period Ended	Distributions per Unit Excluding Excess of Earnings (Yen)	Total Distribution	Distributions in Excess of Earnings per Unit (Yen)	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Net Assets
July 31, 2009	4,826	362	-	-	100.0	1.0
January 31, 2009	5,970	448	-	-	100.0	1.3

3) Financial Position

(Millions of yen rounded down unless otherwise stated)

Fiscal Period Ended	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit (Yen)
July 31, 2009	71,683	34,906	48.7	464,804
January 31, 2009	71,767	34,980	48.7	465,782

(Reference Material) Net worth, JPY 34,906 million as of July 31, 2009 and JPY 34,980 million as of January 31, 2009

4) Cash Flow Situation

(Millions of yen rounded down unless otherwise stated)

Fiscal Period Ended	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at The End of The Period
July 31, 2009	702	-167	-448	3,059
January 31, 2009	1,180	-144	-1,335	2,973

(2) Forecast of Revenues and Earnings (for the Eighth Fiscal Period: August 1, 2009 to January 31, 2010)

(Millions of yen rounded down unless otherwise stated, yoy % change)

Fiscal Period Ending	Operating Revenues	Operating Income	Ordinary Income	Net Income	Distributions per Unit Excluding Excess of Earnings (Yen)	Distributions in Excess of Earnings per Unit (Yen)
January 31, 2010	2,252 (0.7)	910 (7.3)	357 (-1.3)	356 (-1.8)	4,740	-

(Reference Material) Estimated net income per unit for the eighth fiscal period ending July 31, 2010: JPY 4,740

(3) Others

1) Changes in accounting policies

- A. Changes due to accounting standards: Please refer to 'Changes due to accounting standards' on page 19
- B. Other changes: None

2) Investment units outstanding

- A. Investment units outstanding (including units owned by PRI) at fiscal period-ends:
75,100 units as of July 31, 2009; 75,100 units as of January 31, 2009
- B. Investment units owned by PRI at fiscal period-ends:
0 units as of July 31, 2009; 0 units as of January 31, 2009

(Note) Please refer to 'Information per Unit' on page 22 with respect to the number of investment units used as the base to calculate the aforementioned 'net income per investment unit.'

* Disclaimer regarding 'Forecasts of Revenues and Earnings'

Forward-looking statements such as forecasts of revenues and earnings in this document are based on many sources including current information available to PRI's management as well as the assumptions judged to be rational by management. These forward-looking statements are not guarantees of future performance and they involve risks and uncertainties. As a result of various factors, actual results may differ materially from those in the forward-looking statements. With respect to the assumptions underlying such forecasts, please refer to 2) Management Policy and Operating Conditions (2) Operating Conditions.

1. Structure of the Investment Corporation

At the general meeting of unitholders held on April 10, 2009, the resolution was adopted in that Grant Thornton Taiyo ASG was appointed as new accounting auditor to replace Ernst & Young ShinNihon LLC which resigned as its term of service ended.

Please refer to “Structure of the Investment Corporation” on page 42.

2. Management Policy and Operating Conditions

(1) Management Policy

Because there have been no changes from the last Company Report (Yukashoken Hokokusho), submitted on April 24, 2009, disclosure is omitted.

(2) Operating Conditions

The Asset Management Company, as founder, filed for the establishment of PRI in accordance with the Investment Trust and Investment Corporation Law. PRI was established on April 22, 2005 with total capitalization of JPY 201 million, and registered on May 25, 2005 with the Kanto Local Finance Bureau (Registration No. 34). Thereafter, PRI undertook a public offering of additional investment units (74,698 units) raising JPY 34,420 million. On July 12, 2005, PRI was listed on the Real Estate Investment Trust Section of the Tokyo Stock Exchange under the securities code 8969. To date, PRI has continued to pursue business activities focusing on residential properties for rental purposes pursuant to its management policy.

1) Operating Conditions during the Fiscal Period under Review

A. Investment Environment

In the fiscal period under review (eighth fiscal period: the six-month period ended July 31, 2009), the financial crisis spread to the real economy and has escalated to the extent that it has caused a global economic crisis. Under such circumstances, the Japanese economy has been in a difficult situation. Going forward, the prospects for an early remarkable bottoming out of the economy remain low. From a real estate investment perspective as well, the real estate transaction market has shrunk substantially against the backdrop of the rapidly worsening financial situation, and the situation has grown so severe that there are arguably no buyers. In the rental housing market, while deteriorating trends have begun to surface for such properties as high-rent properties in central Tokyo, although not to the extent of the rapid deterioration seen in rental office market conditions, quality rental properties with reasonable rent levels located in such areas as the outskirts of Tokyo and other major cities remain relatively strong backed by robust demand.

B. Management Performance

- a. Although PRI is, consistent with its basic investment policy, dedicated to newly acquiring properties in an aim to secure steady growth and stable earnings from a medium- to long-term perspective, no acquisitions were made during the fiscal period under review. PRI also seeks to sell properties located in urban areas where competition is intensifying, properties with low profitability and properties that are small in size in an aim to restructure the property portfolio. During the fiscal period under review, nevertheless, there were neither acquisitions nor sales.
- b. Existing property management (Internal Growth)

In an effort to increase occupancy rates and profitability, PRI examined the merits of a variety of property management companies in terms of their individual characteristics, strengths, service contents and fees. Furthermore, property management companies were selected and dismissed, and property management rates set and revised, based on quantitative and qualitative assessments by the Asset Management Company.
- c. Funds Procurement

PRI procured debt financing from Aozora Bank, Ltd. in the amount of JPY 3,500 million for a period of three months in February 2009 to refinance an existing loan, and in the amount of JPY 3,500 million for a period of four months and JPY 4,500 million of two years in May 2009 to refinance the foregoing JPY 7,500 million loan. The interest-bearing debt ratio as of July 31, 2009 was 49.4% with total JPY35,404 million of interest bearing debt.
- d. PRI and PRA have been studying various measures, aiming at attaining remarkable growth in PRI's corporate value, including asset growth and a strengthening of its fundamentals.

C. Operating Results and Cash Distribution

Accounting for the aforementioned factors, operating revenues totaled JPY 2, 236 million in the fiscal period ended July 31, 2009. Ordinary income was JPY 361 million while net income amounted to JPY 362 million.

PRI distributes the total amount of its inappropriate retained earnings for each period. Accordingly, cash distribution for the third fiscal period was JPY 4, 826 per unit (rounded down to the nearest yen).

2) Outlook

A. Operating Environment

With the global economic crisis, the condition of the Japanese economy is also expected to remain harsh. Under such circumstances, the stagnant state of the real estate transaction market and real estate acquisition demand is also expected to persist. In the rental housing market, while such properties as high-rent properties in central Tokyo are highly likely to see stronger deteriorating trends, quality rental properties with reasonable rent levels located in such areas as the outskirts of Tokyo and other major cities are expected to remain relatively strong as robust demand is anticipated.

B. Acquisition of New Properties (External Growth)

Under these circumstances and in addition to trust banks that have traditionally served as a key source of information, PRI will foster a wide variety of relationships with the aim of collecting invaluable property information. Through these means, PRI will pursue the acquisition of prime properties from a medium- to long-term perspective.

In an effort to expand its asset scale, and taking into consideration future increases in interest rates, PRI will focus on properties that can generate profit growth and provide a basis for improved cash distribution.

C. Property Management (Internal Growth)

Carrying on from the previous fiscal period, PRI shall examine the merits of a variety of property management companies in terms of their individual characteristics, strengths, service contents and fees. Based on a philosophy of strict competition, PRI shall select property management companies that can contribute to increasing occupancy and profitability. Furthermore, PRI will continue to implement checks by internal specialists including first-class architects with the aims of reducing costs and securing the increased trust of tenants and investors.

D. Financial Strategy

PRI aims to carry out flexible procurement of short- and long-term loans with conservative LTV (Loan To Value) level while broadening the types of lenders and diversifying repayment dates. PRI will work to extend the repayment periods of debt and to obtain fixed-interest rates by continuing to issue the second series Investment Corporation bonds in the future.

E. PRI and PRA have been studying various measures, aiming at attaining remarkable growth in PRI's corporate value, including asset growth and a strengthening of its fundamentals.

(3) Important Subsequent Events

There is no pertinent matter.

(4) Forecast of Revenues and Earnings

Forecast of revenues and earnings for the ninth fiscal period (August 1, 2009 to January 31, 2010) is as follows. These forecasts are based on "Assumptions for Forecasts for the ninth Fiscal Period" mentioned afterwards.

Forecast of revenues and earnings for the ninth fiscal period (August 1, 2009 to January 31, 2010)

Operating revenues	JPY 2, 252 million
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Operating income	JPY 910 million
Ordinary income	JPY 357 million
Net income	JPY 356 million
Distributions per unit	JPY 4,740

Note: Forecasts for operating revenues, ordinary income, net income and distributions per unit may differ from actual results due to changes in the operating environment and a variety of factors. Accordingly, PRI does not guarantee any distribution amount.

Assumptions for Forecasts for the Ninth Fiscal Period (August 1, 2009 to January 31, 2010)

	Assumptions
Operating Period	Ninth fiscal period: From August 1, 2009 to January 31, 2010 (184 days)
Managed Assets	Forecasts are based on a property portfolio comprising 53 properties held as of July 31, 2009. The property portfolio may change, however, due to property acquisition or sale.
Investment Units Issued	Forecasts are based on the assumption that PRI shall not issue additional investment units.
Interest-Bearing Debt Ratio	The interest-bearing debt ratio as of July 31, 2009 was 49.4%. Forecasts are, however, based on an interest-bearing debt ratio of approximately 49.7% as of January 31, 2010, taking into account an increase in debt financing to acquire additional properties as well as repayment stemming from the above sale of one property. The interest-bearing debt ratio is calculated as follows: Interest-bearing debt ratio = Interest-bearing debt ÷ (Interest-bearing debt + Unitholders' capital) × 100
Operating Expenses	Forecasts are based on the assumption that PRI shall post repairs, maintenance and renovation expenses of JPY 86 million (a decrease of JPY 29 million compared with the previous fiscal period) and shall post property tax and city planning tax of JPY 107 million. Repairs, maintenance and renovation expenses are estimated based on amounts considered essential for each property for each fiscal period. Actual repairs, maintenance and renovation expenses for each fiscal period, however, may differ significantly from these amounts due to unforeseen circumstances or emergencies. Forecasts are also based on the assumption that PRI shall post property management expenses of JPY 179 million (a decrease of JPY 27 million compared with the previous fiscal period) Of the amount of property tax and city planning tax assessed for the property portfolio, the applicable portion is recorded as rental business expenses for each fiscal period. For properties acquired during each period, property tax and city planning tax are allocated to the seller and purchaser on a pro rata basis at the time of acquisition settlement. In the case of PRI, an amount equivalent to the portion allocated to the purchaser is included in the acquisition price of the property and not recorded as an expense. Forecasts are based on the assumption that PRI shall post property tax and city planning tax of JPY 125 million (an increase of JPY 5 million compared with the previous fiscal period). Depreciation is calculated using the straight-line method inclusive of incidental expenses. Forecasts are based on the assumption that PRI shall post depreciation expenses of JPY 484 million (a decrease of JPY 1 million compared with the previous fiscal period).
Non-Operating Expenses	Forecasts are based on the assumption that PRI shall post total interest expenses including bond interest expenses of JPY 378 million (an increase of JPY 39 million compared with the previous fiscal period), and debt-related expenses of JPY 167 million (an increase of JPY 38 million compared with the previous fiscal period). Forecasts for the fiscal period ending in January 2010 are based on the rollover of a JPY 3.0 billion short-term loan (repayment on September 30, 2009) and a JPY 5.0 billion investment corporation bonds (repayment on October 9, 2009) in the same amounts. There are no long-term borrowings with repayment dates during the fiscal period ending in January 2010.
Others	PRI and PRA will continue to study various measures including M&A strategies, aiming at attaining remarkable growth in PRI's corporate value, including asset growth and a strengthening of its fundamentals.
Cash Distribution	Forecasts are based on the assumption that PRI shall distribute the full amount of retained earnings each fiscal period in line with its distribution policy. Forecasts are also based on the assumption that PRI shall have no distributions in excess of earnings.

3. Financial Statements

(1) Balance Sheets

(Thousands of yen)

	Notes	Seventh Fiscal Period (As of January 31, 2009)		Eighth Fiscal Period (As of July 31, 2009)	
ASSETS					
I Current assets					
Cash and deposits			1,119,128		1,291,069
Entrusted cash and deposits	* 1		1,854,042		1,768,022
Rental receivables			22,097		17,158
Prepaid expenses			118,030		222,713
Deferred tax assets			10,504		23,862
Consumption tax receivables			21,515		409
Derivative assets			1,407		279
Other current assets			25,545		25,875
Reserve for possible losses of receivables			3,215		2,634
Total current assets			3,169,057		3,346,755
II Fixed assets					
1. Property and equipment:					
Buildings	* 1	862,448		866,388	
Accumulated depreciation		108,194	754,254	125,472	740,916
Structures	* 1	1,131		1,131	
Accumulated depreciation		351	779	395	735
Machinery and equipment	* 1	6,189		6,189	
Accumulated depreciation		2,769	3,420	3,164	3,024
Tools, furniture and fixtures	* 1	3,307		3,307	
Accumulated depreciation		588	2,718	838	2,468
Land	* 1		794,545		794,545
Entrusted buildings	* 1	32,320,934		32,441,755	
Accumulated depreciation		2,557,699	29,763,234	3,001,016	29,440,739
Entrusted structures	* 1	161,243		162,742	
Accumulated depreciation		35,232	126,011	42,051	120,690
Entrusted machinery		358,359		358,359	
Accumulated depreciation		94,841	263,518	107,197	251,161
Entrusted tools, furniture and fixtures		55,047		70,793	
Accumulated depreciation		15,235	39,812	20,051	50,742
Entrusted land	* 1		36,725,509		36,725,573
Entrusted construction account			-		11,210
Total property and equipment			68,473,804		68,141,808
2. Intangible assets:					
Other intangible assets			6,803		5,696
Total intangible assets			6,803		5,696
3. Investments and other assets:					
Long-term prepaid expenses			28,414		135,098
Deferred tax assets			47,919		27,028
Leasehold and security deposits received			23,578		23,393
Long-term derivative assets			6,859		777
Total investments and other assets			106,772		186,298
Total fixed assets			68,587,380		68,333,802

III. Deferred assets:			
Expenses to issue Investment Corporation Bonds		10,646	2,959
Total deferred assets		10,646	2,959
Total assets		71,767,084	71,683,518

(Thousands of yen)

	Notes	Seventh Fiscal Period (As of January 31, 2009)	Eighth Fiscal Period (As of July 31, 2008)
LIABILITIES			
I Current liabilities			
Operating payables		71,634	100,025
Short-term debt	* 1	7,500,000	3,000,000
Long-term Borrowing with repayment dates within one year		-	17,346,000
Current Portion of Investment Corporation Bonds		5,000,000	5,000,000
Other payables		50,271	37,800
Accrued expenses		211,883	196,489
Accrued income taxes		2,373	605
Accrued consumption taxes		6,799	-
Advances received		244,800	264,637
Other current liabilities		207	1,486
Total current liabilities		13,087,969	25,947,044
II Long-term liabilities			
Investment Corporation Bonds		-	-
Long-term debt		22,904,000	10,058,000
Leasehold and security deposits		794,824	771,640
Total long-term liabilities		23,698,824	10,829,640
Total liabilities		36,786,793	36,776,684
NET ASSETS	* 2		
I Unitholders' capital			
1. Unitholders' capital			
Unitholders' capital		34,621,838	34,621,838
2. Retained earnings			
Unappropriated retained earnings for the period		448,355	362,436
Total retained earnings		448,355	362,436
Total unitholders' capital		35,070,193	34,984,275
II Evaluation and conversions			
1. Earnings on deferred hedge		89,902	77,441
Total evaluation and conversions		89,902	77,441
Total net assets		34,980,291	34,906,833
Total liabilities and net assets		71,767,084	71,683,518

(2) Statements of Income

(Thousands of yen)

	Notes	Seventh Fiscal Period (August 1, 2008 to January 31, 2009)		Eighth Fiscal Period (February 1, 2009 to July 31, 2009)	
I. Operating Revenues					
Real estate rental revenues	* 1	2,160,486		2,121,562	
Other rental revenues	* 1	93,566		115,305	
Gain on sale of real estate	* 2	-	2,254,053	-	2,236,868
II. Operating Expenses					
Real estate rental expenses	* 1	1,053,178		1,133,698	
Loss on sales of real estate properties	* 2	20,937		-	
Asset management fees		136,272		122,267	
Custodian fees		3,606		3,584	
Administrative service fees		21,265		22,848	
Directors' fees		6,000		6,000	
Transferred to reserve for possible losses of receivables		3,142		-	
Losses of receivables		1,599		1,322	
Other operating expenses		105,123	1,351,126	103,944	1,393,667
Operating income			902,926		843,200
III. Non-Operating Income					
Interest income		2,493		1,431	
Additional refunds		-		-	
Other non-operating income		39	2,533	787	2,218
IV. Non-Operating Expenses					
Interest expense		292,950		284,995	
Bonds interest expense		55,478		54,364	
Bonds issuance expense		7,686		7,686	
Debt-related expenses		94,073		129,020	
Other non-operating expenses		4,251	454,441	7,442	483,510
Ordinary income			451,018		361,908
Income before income taxes			451,018		362,488
Income taxes		2,811		605	
Deferred taxes		124	2,687	544	60
Net income			448,331		362,428
Retained earnings brought forward			24		8
Retained earnings at the end of the period			448,355		362,436

(3) Statement of Changes in Net Assets
Seventh Fiscal Period (August 1, 2008 to January 31, 2009)

(Thousands of yen)

	Unitholders' Capital				Evaluation and Conversions		Total Net Assets
	Unitholders' Capital *1	Retained Earnings		Total Unitholders' Capital	Earnings (Loss) on Deferred Hedge Transactions	Total Evaluation and Conversions	
		Unappropriated Retained Earnings	Total Retained Earnings				
Balance as of the previous fiscal period-end	34,621,838	710,320	710,320	35,332,158	69,336	69,336	35,262,821
Movements during the fiscal period ended January 31, 2009							
Distribution of retained earnings	-	710,295	710,295	710,295	-	-	710,295
Net income	-	448,331	448,331	448,331	-	-	448,331
Net change due to items other than unitholders' capital	-	-	-	-	20,565	20,565	20,565
Total	-	261,964	261,964	261,964	20,565	20,565	282,530
Balance as of January 31, 2009	34,621,838	448,355	448,355	35,070,193	89,902	89,902	34,980,291

Eighth Fiscal Period (February 1, 2009 to July 31, 2009)

(Thousands of yen)

	Unitholders' Capital				Evaluation and Conversions		Total Net Assets
	Unitholders' Capital *1	Retained Earnings		Total Unitholders' Capital	Earnings on Deferred Hedge Transactions	Total Evaluation and Conversions	
		Unappropriated Retained Earnings	Total Retained Earnings				
Balance as of the previous fiscal period-end	34,621,838	448,355	448,355	35,070,193	89,902	89,902	34,980,291
Movements during the fiscal period ended July 31, 2009							
Distribution of retained earnings	-	448,347	448,347	448,347	-	-	448,347
Net income	-	362,428	362,428	362,428	-	-	362,428
Net change due to items other than unitholders' capital	-	-	-	-	12,461	12,461	12,461
Total	-	85,918	85,918	85,918	12,461	12,461	73,457
Balance as of July 31, 2009	34,621,838	362,436	362,436	34,984,275	77,441	77,441	34,906,833

(4) Basis for Calculating Cash Distribution

(Yen)

	Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
I Unappropriated retained earnings at the end of the fiscal period	448,355,398	362,436,651
II Total distribution	448,347,000	362,432,600
(Distribution per unit)	(5,970)	(4,826)
III Retained earnings carried forward	8,398	4,051

Method of Calculating the Amount of Distribution	<p>PRI determines the amount of distribution in accordance with Article 34.1 of its Articles of Incorporation. The amount must exceed 90% of distributable income as stipulated in Articles 67.15 of the Special Taxation Measures Law.</p> <p>PRI has therefore decided to distribute the maximum amount of retained earnings at the end of the period: JPY 448,347,000 to 75,100 units issued and outstanding. Procedures for the distribution of amounts exceeding distributable income are outlined in Article 36.1-4 of PRI's Articles of Incorporation. PRI decided not to distribute cash in excess of distributable income for the fiscal period.</p>	<p>PRI determines the amount of distribution in accordance with Article 36.1 of its Articles of Incorporation. The amount must exceed 90% of distributable income as stipulated in Articles 67.15 of the Special Taxation Measures Law.</p> <p>PRI has therefore decided to distribute the maximum amount of retained earnings at the end of the period: JPY 362,432,600 to 75,100 units issued and outstanding. Procedures for the distribution of amounts exceeding distributable income are outlined in Article 36.1-4 of PRI's Articles of Incorporation. PRI decided not to distribute cash in excess of distributable income for the fiscal period.</p>
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(5) Statements of Cash Flows

(Thousands of yen)

	Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
I Cash flows from operating activities:		
Income before income taxes	451,018	362,488
Depreciation and amortization	486,763	486,382
Interest income	7,686	7,686
Reserve for possible losses of receivables	3,142	580
Amortization for issuance expense of investment corporation bonds	2,493	1,431
Interest expense	348,429	339,360
Decrease (increase) in operating receivables	6,995	4,938
Decrease in other receivables	41	230
Decrease in consumption tax and other receivables	21,515	21,106
(Increase) decrease in prepaid expenses	5,966	104,682
(Decrease) increase in operating payables	14,886	19,408
Decrease in other payables	14,438	11,862
Increase in accrued consumption taxes	22,091	6,799
(Decrease) increase in accrued expenses	13,825	13,231
(Decrease) increase in advances received	10,041	19,836
Decrease in long-term prepaid expenses	44,289	106,683
Loss on sale of entrusted property and Equipment	244,524	-
Other	3,264	28,928
Subtotal	1,525,094	1,044,637
Interest received	2,505	1,431
Interest paid	345,967	341,522
Income taxes paid	1,009	2,373
Net cash provided by operating activities	1,180,622	702,173
II Cash flows from investing activities:		
Payments for the purchase of property and Equipment	1,650	1,812
Payments for the purchase of entrusted property and equipment	92,499	142,484
Payments for leasehold and security deposits	-	184
Proceeds from leasehold and security deposits received	54,286	83,315
Payments for leasehold and security deposits received	100,978	108,499
Net cash used in investing activities	144,704	167,295
III Cash flows from financing activities:		
Proceeds from short-term debt	7,500,000	6,500,000
Payments of short-term debt	8,000,000	11,000,000
Proceeds of long-term debt	-	4,500,000
Payments of long-term debt	124,000	-
Proceeds of investment corporation bonds	-	-
Payments for issuance expense of investment corporation bonds	-	-
Payments for distributions to unitholders	711,279	448,955
Net cash (used in) provided by financing Activities	1,335,279	448,955
IV Net change in cash and cash equivalents	299,361	85,922
VI Cash and cash equivalents at the beginning of the period	3,272,531	2,973,170
VI Cash and cash equivalents at the end of the period	2,973,170	3,059,092

(6) Notes for preconditions of going concern entities

Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
None	None

(7) Notes for Items Related to Important Accounting Policies

	Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)								
1. Depreciation method for fixed assets	<p>(1) Tangible fixed assets (including entrusted assets) The straight-line method has been adopted. Estimated years of use for major tangible fixed assets are as follows:</p> <table> <tr> <td>Buildings</td> <td>3 – 60 years</td> </tr> <tr> <td>Structures</td> <td>2 – 45 years</td> </tr> <tr> <td>Machinery and equipment</td> <td>3 – 15 years</td> </tr> <tr> <td>Tools, furniture, and fixtures</td> <td>3 – 15 years</td> </tr> </table> <p>(2) Intangible fixed assets The straight-line method has been adopted.</p> <p>(3) Long-term prepaid expenses The straight-line method has been adopted.</p>	Buildings	3 – 60 years	Structures	2 – 45 years	Machinery and equipment	3 – 15 years	Tools, furniture, and fixtures	3 – 15 years	<p>(1) Tangible fixed assets (including entrusted assets) Same as seventh fiscal period</p> <p>(2) Intangible fixed assets Same as seventh fiscal period</p> <p>(3) Long-term prepaid expenses Same as seventh fiscal period</p>
Buildings	3 – 60 years									
Structures	2 – 45 years									
Machinery and equipment	3 – 15 years									
Tools, furniture, and fixtures	3 – 15 years									
2. Accounting standards to post revenues and expenses	<p>Method to post fixed asset taxes and other taxes</p> <p>In terms of fixed asset taxes, city planning taxes, depreciable taxes, and others levied on holding real estate and others, the tax amount to be paid in this period is posted as expenses in the period.</p> <p>In terms of settled amounts for fixed asset taxes and other taxes for the first year in the case of acquiring real estate or trust beneficiary rights (with real estate as entrusted assets) from sellers, such amounts are not posted as expenses but included in book values at the time of acquisition of such real estate or trust beneficiary rights.</p> <p>Such fixed assets and other taxes included in book values at the time of acquisition of such real estate and trust beneficiary rights were none.</p>	<p>Method to post fixed asset taxes and other taxes</p> <p>Same as seventh fiscal period</p>								

<p>3. Hedge accounting method</p>	<p>(1) Hedge accounting method Deferred hedge method. In the cases of interest swaps meet conditions for special treatment, special treatment is adopted.</p> <p>(2) Hedge type and objective Hedge type Interest rate swap transaction Interest rate cap transaction Hedge objective Interest payment on borrowing</p> <p>(1) Hedge policy PRI carries out derivative transactions to hedge risks based on its risk management policy and in accordance with the Articles of the Investment Corporation.</p> <p>(4) Method to evaluate effectiveness of hedge accounting PRI judges the effectiveness of hedge accounting based on such indicators as accumulated cash flow changes in comparison with hedging objects and hedging methods, during commence of hedge and the time to judge effectiveness. In the cases of interest swaps meet conditions for special treatment, effective judgement is omitted.</p>	<p>(1) Hedge accounting method Same as seventh fiscal period</p> <p>(2) Hedge type and objective Same as seventh fiscal period</p> <p>(3) Hedge policy Same as seventh fiscal period</p> <p>(4) Method to evaluate effectiveness of hedge accounting Same as seventh fiscal period</p>
<p>4. Composition of cash and cash equivalents in the statements of cash flows</p>	<p>Cash and cash equivalents in the statements of cash flows consist of cash in hand, entrusted cash, cash and entrusted deposits that can be withdrawn easily, and short-term investments redeemable within three months from acquisition that pose minimal risk of value fluxuations and are easily convertible to cash.</p>	<p>Same as seventh fiscal period</p>

<p>5. Other important items for the basis of compiling financial statements</p>	<p>(1) Accounting method with respect to trust beneficiary rights to real estate and other entrusted assets</p> <p>With respect to trust beneficiary rights to real estate and other entrusted assets, all of the asset and liability items within entrusted assets as well as all revenue and expense items generated from entrusted assets are posted in the corresponding items in the balance sheets and statements of income.</p> <p>Among entrusted asset items posted in such corresponding items, the following important items are posted independently in the balance sheets.</p> <ol style="list-style-type: none"> 1) Entrusted cash and entrusted deposits 2) Entrusted buildings, entrusted structures, entrusted machinery and equipment, entrusted tools, furniture and fixtures, entrusted land <p>(2) Accounting method for consumption tax and others</p> <p>The accounting method for consumption tax and local consumption tax is the tax-exclusive method. Undeductable consumption taxes for asset acquisition are included in book values at the time of each respective asset acquisition.</p>	<p>(1) Accounting method with respect to trust beneficiary rights to real estate and other entrusted assets</p> <p>With respect to trust beneficiary rights to real estate and other entrusted assets, all of the asset and liability items within entrusted assets as well as all revenue and expense items generated from entrusted assets are posted in the corresponding items in the balance sheets and statements of income.</p> <p>Among entrusted asset items posted in such corresponding items, the following important items are posted independently in the balance sheets.</p> <ol style="list-style-type: none"> 1) Entrusted cash and entrusted deposits 2) Entrusted buildings, entrusted structures, entrusted machinery and equipment, entrusted tools, furniture and fixtures, entrusted land, and entrusted construction account <p>(2) Accounting method for consumption tax and others</p> <p>Same as seventh fiscal period</p>
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Changes due to accounting policies

Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
<p>Adoption of Accounting Standards for Lease Transactions</p> <p>PRI began the adoption of the 'Accounting Standards for Lease Transactions' (The Accounting Standards Board of Japan, ASBJ Statement No. 13, revised on March 30, 2007) and the 'Guidance on Accounting Standards for Lease Transactions' (The Accounting Standards Board of Japan, ASBJ Guidance No. 16, revised on March 30, 2007) from the fiscal period under review. This adoption has no effect on revenues or expenses.</p>	<p>None.</p>

(7) Notes to the Financial Statements
[Notes for the Balance Sheets]

Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)																																																														
<p>Note 1. Assets put up for collateral or assets put up for collateral of secured debt are as follows:</p> <p style="text-align: right;">(Thousands of yen)</p> <table border="1"> <tr><td>Entrusted cash and entrusted deposits</td><td style="text-align: right;">1,825,489</td></tr> <tr><td>Buildings</td><td style="text-align: right;">754,254</td></tr> <tr><td>Structures</td><td style="text-align: right;">779</td></tr> <tr><td>Machinery and equipment</td><td style="text-align: right;">3,420</td></tr> <tr><td>Tools, furniture and fixtures</td><td style="text-align: right;">2,718</td></tr> <tr><td>Entrusted buildings</td><td style="text-align: right;">794,545</td></tr> <tr><td>Entrusted buildings</td><td style="text-align: right;">29,195,304</td></tr> <tr><td>Entrusted structures</td><td style="text-align: right;">112,382</td></tr> <tr><td>Entrusted machinery and equipment</td><td style="text-align: right;">225,593</td></tr> <tr><td>Entrusted tools, furniture and fixtures</td><td style="text-align: right;">39,812</td></tr> <tr><td>Entrusted land</td><td style="text-align: right;">36,074,511</td></tr> <tr><td>Total</td><td style="text-align: right;">69,028,811</td></tr> </table> <p>Secured debt with collateral are as follows:</p> <table border="1"> <tr><td>Short-term debt</td><td style="text-align: right;">7,500,000</td></tr> <tr><td>Long-term debt</td><td style="text-align: right;">22,904,000</td></tr> <tr><td>Total</td><td style="text-align: right;">30,404,000</td></tr> </table>	Entrusted cash and entrusted deposits	1,825,489	Buildings	754,254	Structures	779	Machinery and equipment	3,420	Tools, furniture and fixtures	2,718	Entrusted buildings	794,545	Entrusted buildings	29,195,304	Entrusted structures	112,382	Entrusted machinery and equipment	225,593	Entrusted tools, furniture and fixtures	39,812	Entrusted land	36,074,511	Total	69,028,811	Short-term debt	7,500,000	Long-term debt	22,904,000	Total	30,404,000	<p>Note 1. Assets put up for collateral or assets put up for collateral of secured debt are as follows:</p> <p style="text-align: right;">(Thousands of yen)</p> <table border="1"> <tr><td>Entrusted cash and entrusted deposits</td><td style="text-align: right;">1,768,022</td></tr> <tr><td>Buildings</td><td style="text-align: right;">740,916</td></tr> <tr><td>Structures</td><td style="text-align: right;">735</td></tr> <tr><td>Machinery and equipment</td><td style="text-align: right;">3,024</td></tr> <tr><td>Tools, furniture and fixtures</td><td style="text-align: right;">2,468</td></tr> <tr><td>Entrusted buildings</td><td style="text-align: right;">794,545</td></tr> <tr><td>Entrusted buildings</td><td style="text-align: right;">29,440,739</td></tr> <tr><td>Entrusted structures</td><td style="text-align: right;">120,690</td></tr> <tr><td>Entrusted machinery and equipment</td><td style="text-align: right;">251,161</td></tr> <tr><td>Entrusted tools, furniture and fixtures</td><td style="text-align: right;">50,742</td></tr> <tr><td>Entrusted land</td><td style="text-align: right;">36,725,573</td></tr> <tr><td>Total</td><td style="text-align: right;">69,898,621</td></tr> </table> <p>Secured debt with collateral are as follows:</p> <table border="1"> <tr><td>Short-term debt</td><td style="text-align: right;">3,000,000</td></tr> <tr><td>Long-term Borrowing with repayment dates within one year</td><td style="text-align: right;">17,346,000</td></tr> <tr><td>Long-term debt</td><td style="text-align: right;">10,058,000</td></tr> <tr><td>Total</td><td style="text-align: right;">30,404,000</td></tr> </table>	Entrusted cash and entrusted deposits	1,768,022	Buildings	740,916	Structures	735	Machinery and equipment	3,024	Tools, furniture and fixtures	2,468	Entrusted buildings	794,545	Entrusted buildings	29,440,739	Entrusted structures	120,690	Entrusted machinery and equipment	251,161	Entrusted tools, furniture and fixtures	50,742	Entrusted land	36,725,573	Total	69,898,621	Short-term debt	3,000,000	Long-term Borrowing with repayment dates within one year	17,346,000	Long-term debt	10,058,000	Total	30,404,000
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<p>Note 2. Minimum net assets set by Article 67.4 of the Investment Trust and Investment Corporation Law</p> <p style="text-align: center;">JPY 50,000 thousand</p>	<p>Note 2. Minimum net assets set by Article 67.4 of the Investment Trust and Investment Corporation Law</p> <p style="text-align: center;">Same as seventh fiscal period</p>																																																														

[Notes to the Statements of Income]

Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
<p>Note 1. Breakdown of real estate rental revenues and earnings (Thousands of yen)</p> <p>A. Real estate rental revenues</p> <p>Real estate rental revenues</p> <p>Rental revenues 1,975,963</p> <p>Common area maintenance fee revenues 78,245</p> <p>Parking revenues 80,723</p> <p>Other related revenues 25,554</p> <p style="text-align: right;">21,160,486</p> <hr/> <p>Other rental revenues 93,566</p> <p style="text-align: right;">93,566</p> <p>Total real estate rental revenues 2,254,053</p> <p>B. Real estate rental expenses</p> <p>Real estate rental expenses</p> <p>Property management expenses 161,966</p> <p>Repair expenses 86,043</p> <p>Water, electricity, and other rates 45,969</p> <p>Taxes 113,433</p> <p>Insurance premiums against losses 7,279</p> <p>Trust fees 44,434</p> <p>Depreciation expenses 485,978</p> <p>Other rental expenses 108,072</p> <p style="text-align: right;">1,053,178</p> <p>Total real estate rental expenses 1,053,178</p> <p>C. Real estate rental business earnings (A – B) 1,200,875</p> <p style="text-align: right;"><u>1,200,875</u></p>	<p>Note 1. Breakdown of real estate rental revenues and earnings (Thousands of yen)</p> <p>A. Real estate rental revenues</p> <p>Real estate rental revenues</p> <p>Rental revenues 1,936,298</p> <p>Common area maintenance fee revenues 80,195</p> <p>Parking revenues 78,814</p> <p>Other related revenues 26,253</p> <p style="text-align: right;">2,121,562</p> <hr/> <p>Other rental revenues 115,305</p> <p style="text-align: right;">115,305</p> <p>Total real estate rental revenues 2,236,868</p> <p>B. Real estate rental expenses</p> <p>Real estate rental expenses</p> <p>Property management expenses 206,073</p> <p>Repair expenses 115,089</p> <p>Water, electricity, and other rates 45,295</p> <p>Taxes 120,201</p> <p>Insurance premiums against losses 6,858</p> <p>Trust fees 44,183</p> <p>Depreciation expenses 485,275</p> <p>Other rental expenses 110,721</p> <p style="text-align: right;">1,133,698</p> <p>Total real estate rental expenses 1,133,698</p> <p>C. Real estate rental business earnings (A – B) 1,103,169</p> <p style="text-align: right;"><u>1,103,169</u></p>
<p>Note 2. Breakdown of real estate rental revenues and earnings (Thousands of yen)</p> <p>TK Flats Denenchofu Annex</p> <p>Revenues from sale of real estate and others 225,000</p> <p>Book value for sold real estate and others 244,524</p> <p>Other expenses for sales 1,413</p> <p style="text-align: right;">20,937</p> <hr/> <p>Loss on sale of real estate and others 20,937</p> <p style="text-align: right;"><u>20,937</u></p>	<p>Note 2. Breakdown of real estate rental revenues and earnings (Thousands of yen)</p>

[Notes to the Statement of Changes in Net Assets]

Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
Note 1. Total number of investment units authorized for issuance and outstanding	Note 1. Total number of investment units authorized for issuance and outstanding
Total number of investment units authorized for issuance 2,000,000	Same as sixth fiscal period
Total number of investment units outstanding 75,100	

[Notes to the Statement of Cash Flows]

Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
Note 1. Relationship between cash and cash equivalents at the end of the period and items posted on the balance sheets	Note 1. Relationship between cash and cash equivalents at the end of the period and items posted on the balance sheets
As of January 31, 2009 (Thousands of yen)	As of July 31, 2009 (Thousands of yen)
Cash and deposits 1,119,128	Cash and deposits 1,291,069
Entrusted cash and entrusted deposits <u>1,854,042</u>	Entrusted cash and entrusted deposits <u>1,768,022</u>
Cash and cash equivalents 2,973,170	Cash and cash equivalents 3,059,092

(Disclosure is omitted for notes regarding lease transactions, derivatives transactions and others because of small necessity to disclose in this Financial Report <Kessan Tanshin>)

[Notes regarding information per investment unit]

Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
Net assets per investment unit JPY 465,782	Net assets per investment unit JPY 464,804
Net income per investment unit JPY 5,969	Net income per investment unit JPY 4,825
Because there are no latent investment units, PRI does not record net income per investment unit after adjustment of latent investment units.	Same as seventh fiscal period

Note: Net income per investment unit is calculated using the following average investment units in the respective periods.

Average investment units in the seventh and eighth fiscal periods:

Eighth Fiscal Period (February 1, 2009 to July 31, 2009): 75,100 (no changes during the period)

Seventh Fiscal Period (August 1, 2008 to January 31, 2009): 75,100 (no changes during the period)

The calculation formulae for net income per unit are as follows.

	Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
	(JPY thou)	(JPY thou)
Net income	448,331	362,428
Net income not distributed to unitholders	-	-
Net income distributed to unitholders	448,331	362,428
Average number of units	75,100 units	75,100 units

[Notes regarding subsequent events]

Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
None.	None.

(8) Changes in total investment units outstanding

Public and private offerings from the establishment of PRI to the end of the seventh fiscal period (ended July 31, 2009) are as follows:

Date	Type	Total investment units outstanding (unit)		Paid-in capital (Millions of yen)		Notes
		Change	Balance	Change	Balance	
April 22, 2005	Established by private offering	402	402	201	201	(Note 1)
July 12, 2005	Public offering	74,698	75,100	34,420	34,621	(Note 2)

Note 1: PRI's investment units were set at JPY 500,000 per unit at the time of establishment.

Note 2: PRI issued new investment units priced at JPY 480,000 per unit (underwritten price set at JPY 460,800) through a public offering for the purpose of raising funds mainly for the new acquisition of property.

4. Reference material

(1) Investment breakdown

A breakdown of PRI's investment assets as of the end of the sixth fiscal period (ended July 31, 2008) is as follows:

		Seventh Fiscal Period (August 1, 2008 to January 31, 2009)		Eighth Fiscal Period (February 1, 2009 to July 31, 2009)	
Type of asset	Use	Total held (Millions of yen)	Proportion to total (%)	Total held (Millions of yen)	Proportion to total (%)
Trust beneficiary rights in real estate	Residential rental units	66,918	93.2	66,588	92.9
Real estate	Residential rental units	1,555	2.2	1,541	2.2
Deposit and other assets		3,293	4.6	3,552	5.0
Total assets		71,767	100.0	71,683	100.0

Note: Total held amounts are recorded on the balance sheets (total of book values after deducting depreciation).

(2) Investment properties classified as real estate or entrusted real estate

Overview of investment properties

The following chart lists investment properties owned by PRI as of July 31, 2009. With the exception of properties S017, F017, and F022, which are classified as real estate, all other assets are classified as trust beneficiary rights in real estate.

Code	Property Name	Acquisition Price (Millions of Yen) (Note 1)	Percentage Share of Total (%) (Note 2)	Appraisal Value (Millions of Yen) (Note 3)	Acquisition Date
S001	TK Flats Shibuya	6,399	9.4	5,210	July 12, 2005
S002	Prospect Shinonomebashi	3,353	4.9	3,270	July 12, 2005
S004	Maison de Ville Takanawa Gyoranzaka	1,768	2.6	1,600	July 14, 2005
S005	Prospect Omori-Kaigan	1,807	2.7	1,660	July 14, 2005

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S006	Abreast Shin-Osaka	1,826	2.7	1,556	July 12, 2005
S007	Maison de Ville Naka-Meguro	1,189	1.7	1,090	July 14, 2005
S008	Roppongi Rise House	1,184	1.7	951	July 12, 2005
S009	Prospect Nihonbashi-Honcho	1,070	1.6	897	July 12, 2005
S011	Fragrance Kawasaki	624	0.9	601	July 12, 2005
S012	Abreast Sakuragawa	516	0.8	430	July 12, 2005
S013	Dome Takamine	322	0.5	223	July 12, 2005
S014	Dome Yotsuya	275	0.4	194	July 12, 2005
S016	Abreast Nagase	209	0.3	159	July 12, 2005
S017	Living Stage Higashi-Sendai	435	0.6	347	August 31, 2005
S018	Prospect Toyonaka Hattori	396	0.6	388	February 10, 2006
S019	Prospect Bishoen	376	0.6	289	February 15, 2006
S020	Prospect Shimogamo	411	0.6	321	March 15, 2006
S021	Prospect Kawaramachi-Gojo	803	1.2	643	March 15, 2007
S022	Prospect Chuo-Rinkan	700	1.0	537	March 15, 2007
S023	Sky Hills N15	932	1.4	840	May 31, 2007
S024	Sky Hills Sakaimachi	1,115	1.6	876	May 31, 2007
S025	Domy Chitose	592	0.9	500	May 31, 2007
S026	Sky Hills Takadai I	691	1.0	609	May 31, 2007
S027	Exceria Ikebukuro West II	1,020	1.5	880	June 20, 2007
S028	Prospect Monzennakacho	1,250	1.8	1,080	June 20, 2007
S029	Prospect KALON Minowa	1,930	2.8	1,740	September 7, 2007
S030	Prospect Nakanoshima	1,000	1.5	789	October 19, 2007
S031	Prospect Ogikubo	880	1.3	726	November 7, 2007
S032	Prospect Musashi-Shinjo	1,230	1.8	1,080	May 30, 2008
F001	Prospect Kiyosumi-Teien	2,780	4.1	2,660	July 14, 2005
F002	Park Terrace Ebisu	2,712	4.0	2,230	July 14, 2005
F003	BELNOS34	2,534	3.7	1,960	July 12, 2005
F004	Prospect Dogenzaka	2,294	3.4	1,740	July 12, 2005
F005	U House Daikan-Cho	1,548	2.3	1,336	July 12, 2005
F006	U House Gokiso	1,406	2.1	1,165	July 12, 2005
F007	Angel Heim Nishi-Rokugo No.2	1,401	2.1	1,291	July 14, 2005
F008	Prospect Onshi-Koen	1,196	1.8	1,160	July 12, 2005
F009	Deim-Hashimoto	992	1.5	825	July 12, 2005
F010	SK Residence	1,020	1.5	901	July 12, 2005
F012	Prospect Urawa-Tokiwa (Note 4)	878	1.3	788	July 12, 2005
F014	U House Tsurumai II	685	1.0	527	July 12, 2005

Prospect Reit Investment Corporation

F017	Living Stage Minami-Sendai	275	0.4	241	August 31, 2005
F019	Prospect Glarsa Hiroo	3,905	5.7	4,020	February 15, 2006
F020	Prospect Katsura-	570	0.8	478	March 03, 2006
F021	Crown Heim Nishi-Tanabe	601	0.9	446	March 03, 2006
F022	Takasagoseki Nibankan	810	1.2	639	March 15, 2006
F023	Prospect Machiya	547	0.8	498	November 07, 2006
F024	Prospect Hatsudai	730	1.1	577	March 15, 2007
F025	Prospect Morishita	1,480	2.2	1,310	March 15, 2007
F026	Prospect Nishi-Sugamo	1,419	2.1	1,220	March 30, 2007
F027	Palais D'Or Maruyama	1,250	1.8	889	October 19, 2007
F028	Prospect Kawasaki	1,717	2.5	1,580	October 19, 2007
F029	Prospect Nihonbashi-Koamicho	946	1.4	875	October 19, 2007
Total		68,000	100.0	58,847	

Note 1: Acquisition price does not include real estate brokerage fees and other expenses incurred through the acquisition of properties.

Note 2: Figures are rounded to the nearest first decimal place.

Note 3: Based on the Cabinet Office Ordinance Concerning Balance Sheets, Income Statements, Asset Management Reports, Cash Distribution Statements and Other Supplementary Documents to be Prepared by Investment Corporations, appraisal values are drawn from valuation reports prepared by Aoyama Realty Advisors Inc., Chuo Real Estate Appraisal Co., Ltd., Tanizawa Sogo Appraisal Co., Ltd., Mitsui Real Estate Sales Co., Ltd., and Daiwa Real Estate Appraisal Co., Ltd as of the Investment Corporation's closing date. The properties appraised by each appraiser are shown below, with the property codes corresponding to those in the above table.

Overview of real estate and entrusted real estate

The following chart lists property names, site areas, and other information for real estate and entrusted real estate.

Code	Property Name	Location	Site Area (m ²) (Note 1)	Total Leasable Floor Space (m ²) (Note 2)	Total Leased Floor Space (m ²) (Note 3)	Total No. of Leasable Residential Units (Note 4)	Total No. of Leased Residential Units (Note 5)	Total Monthly Rental Revenues (Thousands of Yen) (Note 6)	Number of tenants (Note 7)	Occupancy Ratio (By Space) (%) (Note 8)	Occupancy Ratio (By No. of Residential Units) (%) (Note 9)
S001	TK Flats Shibuya	Shibuya-ku, Tokyo	1,800.47	6,903.54	6,235.30	194	174	28,333	1	90.3	89.7
S002	Prospect Shinonomebashi	Koto-ku, Tokyo	1,385.45	4,849.20	4,765.45	171	168	18,135	1	98.3	98.2
S004	Maison de Ville Takanawa Gyoranzaka	Minato-ku, Tokyo	638.65	1,778.37	1,603.02	70	63	7,744	1	90.1	90.0
S005	Prospect Omori-Kaigan	Ota-ku, Tokyo	856.82	2,478.04	2,402.98	89	86	8,746	1	97.0	96.6
S006	Abreast Shin-Osaka	Osaka-shi, Osaka	766.13	2,984.64	2,331.09	92	74	14,607	39	78.1	80.4
S007	Maison de Ville Naka-Meguro	Meguro-ku, Tokyo	275.36	1,275.00	1,147.50	50	45	5,419	1	90.0	90.0
S008	Roppongi Rise House	Minato-ku, Tokyo	574.65	1,209.87	989.10	34	31	4,563	1	81.8	91.2
S009	Prospect Nihonbashi-Honcho	Chuo-ku, Tokyo	174.36	1,290.49	1,199.30	50	46	5,095	1	92.9	92.0
S011	Fragrance Kawasaki	Kawasaki-shi, Kanagawa	228.05	1,065.96	1,065.96	45	45	3,752	1	100.0	100.0

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S012	Abreast Sakuragawa	Osaka-shi, Osaka	361.99	1,009.92	967.68	48	46	2,871	1	95.8	95.8
S013	Dome Takamine	Nagoya-shi, Aichi	983.60	946.04	838.22	36	32	1,750	1	88.6	88.9
S014	Dome Yotsuya	Nagoya-shi, Aichi	812.09	765.90	596.59	36	28	1,331	1	77.9	77.8
S016	Abreast Nagase	Higashiosaka-shi, Osaka	318.54	532.98	532.98	26	26	1,418	26	100.0	100.0
S017	Living Stage Higashi-Sendai	Sendai-shi, Miyagi	904.00	1,539.41	1,307.91	52	44	2,384	1	85.0	84.6
S018	Prospect Toyonaka Hattori	Toyonaka-shi, Osaka	352.75	986.34	986.34	34	34	2,448	1	100.0	100.0
S019	Prospect Bishoen	Osaka-shi, Osaka	313.24	901.15	901.15	26	26	2,023	1	100.0	100.0
S020	Prospect Shimogamo	Kyoto-shi, Kyoto	234.53	675.51	675.51	31	31	1,959	1	100.0	100.0
S021	Prospect Kawaramachi-Gojo	Shimogyo-ku, Kyoto	234.98	1,528.12	1,311.83	52	45	3,845	1	85.8	86.5
S022	Prospect Chuo-Rinkan	Yamato-shi, Kanagawa	589.73	1,098.24	1,006.72	48	44	3,181	1	91.7	91.7
S023	Sky Hills N15	Sapporo-shi, Hokkaido	1,232.73	3,443.55	3,443.55	111	111	5,106	1	100.0	100.0
S024	Sky Hills Sakaimachi (Note 9)	Chitose-shi, Hokkaido	4,189.97	5,194.78	5,194.78	134	134	6,039	1	100.0	100.0
S025	Domy Chitose	Chitose-shi, Hokkaido	1,796.60	2,145.70	2,145.70	110	110	4,081	1	100.0	100.0
S026	Sky Hills Takadai I	Chitose-shi, Hokkaido	2,401.78	3,697.20	3,697.20	120	120	5,500	1	100.0	100.0
S027	Exceria Ikebukuro West II	Toshima-ku, Tokyo	290.14	1,379.52	1,322.35	48	46	4,984	1	95.9	95.8
S028	Prospect Monzennakacho	Koto-ku, Tokyo	613.01	1,790.56	1,715.80	62	59	6,232	1	95.8	95.2
S029	Prospect KALON Minowa	Taito-ku, Tokyo	473.35	3,032.27	2,875.54	82	77	9,645	1	94.8	93.9
S030	Prospect Nakanoshima	Kita-ku, Osaka	370.61	1,572.48	1,447.68	63	58	5,007	1	92.1	92.1
S031	Prospect Ogikubo	Suginami-ku, Tokyo	731.41	1,106.63	980.13	40	36	3,979	1	88.6	90.0
S032	Prospect Musashi-Shinjo	Kawasaki-shi, Kanagawa	972.48	1,855.03	1,855.03	85	85	6,827	1	100.0	100.0
F001	Prospect Kiyosumi-Teien	Koto-ku, Tokyo	1,586.77	5,556.73	5,556.73	77	77	15,067	1	100.0	100.0
F002	Park Terrace Ebisu	Shibuya-ku, Tokyo	790.18	2,705.09	2,284.76	51	43	10,336	1	84.5	84.3
F003	BELNOS 34	Katsushika-ku, Tokyo	3,092.58	5,321.89	4,599.31	100	91	11,479	1	86.4	91.0
F004	Prospect Dogenzaka	Shibuya-ku, Tokyo	274.24	2,058.53	1,986.45	47	45	9,400	1	96.5	95.7

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F005	U House Daikan-Cho	Nagoya-shi, Aichi	2,060.52	5,944.44	5,316.71	96	87	8,706	1	89.4	90.6
F006	U House Gokiso	Nagoya-shi, Aichi	3,113.87	5,127.19	4,565.57	78	70	7,864	1	89.0	89.7
F007	Angel Heim Nishi-Rokugo No.2	Ota-ku, Tokyo	1,666.28	2,776.64	2,571.23	40	37	5,994	1	92.6	92.5
F008	Prospect Onshi-Koen	Koto-ku, Tokyo	772.00	2,033.77	1,929.59	61	58	6,354	1	94.9	95.1
F009	Deim-Hashim oto	Sagamihara-s hi, Kanagawa	898.13	3,170.41	2,837.94	92	87	5,897	1	89.5	94.6
F010	SK Residence	Toshima-ku, Tokyo	474.55	1,624.49	1,531.99	30	28	5,064	1	94.3	93.3
F012	Prospect Urawa-Tokiwa	Saitama-shi, Saitama	1,557.49	2,263.05	2,263.05	30	30	4,830	1	100.0	100.0
F014	U House Tsurumai II	Nagoya-shi, Aichi	615.51	2,262.63	2,206.44	34	33	3,776	1	97.5	97.1
F017	Living Stage Minami-Sendai	Sendai-shi, Miyagi	476.23	1,277.10	803.80	27	17	1,282	1	62.9	63.0
F019	Prospect Glarsa Hiroo	Shibuya-ku, Tokyo	803.31	3,846.27	3,302.32	112	101	17,187	1	85.9	90.2
F020	Prospect Katsura	Kyoto-shi, Kyoto	1,354.29	1,769.96	1,648.68	29	27	3,010	1	93.1	93.1
F021	Crown Heim Nishi-Tanabe	Osaka-shi, Osaka	444.20	1,517.86	1,277.63	22	19	2,601	1	84.2	86.4
F022	Takasagoseki Nibankan	Sendai-shi, Miyagi	1,794.83	3,336.52	2,589.78	41	31	4,195	1	77.6	75.6
F023	Prospect Machiya	Arakawa-ku, Tokyo	251.44	1,169.37	1,055.75	21	19	2,798	1	90.3	90.5
F024	Prospect Hatsudai	Shibuya-ku, Tokyo	586.68	817.71	784.36	22	21	3,248	1	95.9	95.5
F025	Prospect Morishita	Koto-ku, Tokyo	736.43	2,399.23	2,115.38	45	39	6,526	1	88.2	86.7
F026	Prospect Nishi-Sugamo	Koto-ku, Tokyo	368.15	2,023.42	1,602.99	42	33	5,511	1	79.2	78.6
F027	Palais D'Or Maruyama	Chuo-ku, Sapporo	2,236.99	4,678.32	3,391.74	64	49	5,575	1	72.5	76.6
F028	Prospect Kawasaki	Saiwai-ku, Kawasaki	1,218.89	3,377.53	3,307.52	52	51	8,890	1	97.9	98.1
F029	Prospect Nihonbashi- Koamicho	Chuo-ku, Tokyo	273.37	1,364.02	1,126.72	37	32	4,322	1	82.6	86.5
	Total		52,324.40	127,458.61	116,198.83	3,289	3,049	336,924	116	-	-

Note 1. In the 'Site Area' column, figures for total site area of real estate or entrusted real estate are based on data in register books or records. In some cases, such data might not be completely accurate.

Note 2. In the 'Total Leasable Floor Space' column, figures represent leasable floor space for portions of real estate or entrusted real estate acquired by PRI. These figures are based on real estate registers or blueprints. In the cases of Sky Hills N15, Sky Hills Sakaimachi, Domy Chitose, Sky Hills Takadai I, and Prospect Urawa-Tokiwa, the figures are based on sole ownership portions from February 1, 2009, changed from floor space figures on registers, taking into account being wholly leased.

Note 3. In the 'Total Leased Floor Space' column, figures represent leased floor space with lease contracts concluded with end-tenants. Such floor space excludes leased site (land) area. Figures are based on lease contracts between end-tenants and master lessors or trust beneficiaries. Nevertheless, in cases of apparent errors in lease contracts, floor space data are based on information given by the previous owner of the acquired properties, information shown on plans at completion, etc.

Note 4. In the 'Total Leasable Residential Units' column, figures represent leasable units for portions of real estate or entrusted real estate acquired by PRI. In the cases of Sky Hills Sakaimachi, and Domy Chitose, the figures exclude spaces for caretakers from

from February 1, 2009, changed from being included, taking into account being wholly leased.

Note 5. In the 'Total Leased Residential Units' column, figures represent leased units to end-tenants with lease contracts concluded between end-tenants and master lessors or trust beneficiaries as of July 31, 2009.

Note 6. In the 'Total Monthly Rental Revenues' column, figures represent total monthly revenues as recorded in lease contracts concluded between end-tenants and master lessors or trust beneficiaries as of July 31, 2009. Such revenues include common area maintenance fee revenues but exclude revenues from monthly contracted parking spaces or such supplemental facilities as storage and locker space.

Note 7. In the 'Total Number of Tenants' column, '1' represents cases of lease contracts concluded between trust beneficiaries and master lessors. In such cases, figures are based on the assumption that all end-tenants have agreed with their master lesser to be lessors (sub-lessors). In the cases that one tenant leases more than one unit, the number of tenants is recorded as '1.' These figures are based on information current as of July 31, 2009.

Note 8. In the 'Occupancy Ratio (By Space)' column, percentage figures represent the proportion of leased floor space to leasable floor space of each real estate or entrusted real estate property. In addition, percentage numbers are rounded to the nearest first decimal place. The 'Total' percentage figure represents the proportion of total leased floor space to total leasable floor space as of July 31, 2009.

Note 9. In the 'Occupancy Ratio (By No. of Residential Units)' column, percentage figures represent the proportion of leased floor space to leasable floor space of each asset. In the 'Occupancy Ratio (By Space)' column, percentage figures are rounded to the nearest first decimal place. The 'Total' percentage figure represents the proportion of total leased floor space to total leasable floor space as of July 31, 2009.

Note 10. The site area figure was changed on February 5, 2009, following completion of official maps at Sapporo Registration Office.

(3) Capital Expenditures for Investment Properties

Capital Expenditure Plan (consisting of items from JPY 1 million)

Property Name	Purpose	Planned period	Planned work amount (millions of yen) Note		
			Total	Paid in this period	Total paid
TK Flats Shibuya	Replacement of electric back-up power supply facilities switchboard for antidisaster purposes	From September 2009 to September 2009	1	1	-
Prospect Shinonomebashi	Replacement of fire extinguishers	From December 2009 to January 2010	1	1	-
Dome Takamine	New installation of security cameras	From September 2009 to October 2009	1	1	-
Dome Yotsuya	New installation of security cameras	From September 2009 to October 2009	1	1	-
Sky Hills Takadai I	Large-scale repair work	From July 2009 to November 2009	72	72	-
BELNOS34	Maintenance of mechanical parking systems	From August 2009 to August 2009	7	7	-
BELNOS34	New installation of security cameras	From October 2009 to October 2009	2	2	-
BELNOS34	Renovation of retail space on the second floor	From August 2009 to January 2010	35	35	-
U House Gokiso	Renovation of two rooms	From August 2009 to January 2010	10	10	-
Deim-Hashimoto	Renovation of retail space on the first floor	From July 2009 to September 2010	3	3	-
Deim-Hashimoto	Replacement of water supply pump	From October 2009 to October 2009	1	1	-
Deim-Hashimoto	Renovation of three rooms	From August 2009 to January 2010	9	9	-
U House Tsurumai II	Large-scale repair work	From June 2009 to September 2009	37	25	11

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Palais D'Or Maruyama	Renovation of retail space on the first floor	From July 2009 to October 2009	5	5	-
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Note. Numbers are rounded down to the nearest first decimal place.

Capital expenditures in the period under review

Property Name	Purpose	Period	Amount paid (millions of yen)
Maison de Ville Takanawa Gyoranzaka	New installation facilities for terrestrial digital broadcasting with cables	From July 2009 to July 2009	1
Maison de Ville Takanawa Gyoranzaka	New installation of security cameras	From April 2009 to April 2009	1
Sky Hills Sakaimachi	New installation of security cameras	From July 2009 to July 2009	3
BELNOS34	Replacement of air conditioners for office space on the second floor	From July 2009 to July 2009	1
U House Daikan-Cho	Replacement of water supply pump	From July 2009 to July 2009	2
U House Gokiso	Renovation of office space on the first floor	From February 2009 to February 2009	17
Deim-Hashimoto	Renovation of three rooms	From January 2009 to February 2009	7
Prospect Urawa-Tokiwa	Large-scale repair work	From January 2009 to March 2009	82
Prospect Urawa-Tokiwa	New installation of security cameras	From June 2009 to June 2009	2
Takasagoseki Nibankan	Replacementment of water-supply meters	From July 2009 to July 2009	1
Others	Replacementment of air conditioners, water heaters, and others		20
Total			142

Note. Numbers are rounded down to the nearest first decimal place.

Reserve for repair expenses

(Millions of yen)

Items \ Period	Seventh Fiscal Period (August 1, 2008 to January 31, 2009)	Eighth Fiscal Period (February 1, 2009 to July 31, 2009)
Reserve balance at the end of previous fiscal period	469	548
Reserved amount in the period	151	69
Withdrawal in the period	72	104
Balance carried forward	548	512

(4) Figures in Engineering Reports

Outline of building engineering reports

In addition to receiving support from research firms, PRI commissions them for the following items for each of its investment real estate or entrusted real estate properties.

Examination of building deterioration, planning of short- and long-term repair expenses, research of compliance in accordance with the Building Standards Law, research of hazardous material contents in buildings, and research

of soil conditions.

Nevertheless, the contents of these reports are the opinions of the respective research firms, and PRI does not guarantee the appropriateness and accuracy of such contents.

Nevertheless, the contents of the reports are the opinions of TBTC, and PRI does not guarantee the appropriateness and accuracy of such contents.

Code	Property name	Research firm (Note 1)	Estimate of repair expenses (thousands of yen rounded down) (Note 2)			Rebuilding price of building (millions of yen rounded down) (Note 2)	Month and year of building engineering reports
			Urgent	Within one year	Over 12 years		
S001	TK Flats Shibuya	Takenaka	-	490	184,420	2,174	June 2005
S002	Prospect Shinonomebashi	TBTC	-	-	10,180	1,450	April 2005
S004	Maison de Ville Takanawa Gyoranzaka	TBTC	-	-	47,800	463	April 2005
S005	Prospect Omori-Kaigan	TBTC	-	-	6,830	600	April 2005
S006	Abreast Shin-Osaka	TBTC	-	-	94,760	910	May 2005
S007	Maison de Ville Naka-Meguro	TBTC	-	-	37,070	372	April 2005
S008	Roppongi Rise House	TBTC	-	-	3,570	362	April 2005
S009	Prospect Nihonbashi-Honcho	TBTC	-	-	3,830	385	April 2005
S011	Fragrance Kawasaki	TBTC	-	-	2,990	274	April 2005
S012	Abreast Sakuragawa	TBTC	-	-	11,570	275	June 2005
S013	Dome Takamine	Takenaka	-	870	49,760	161	June 2005
S014	Dome Yotsuya	Takenaka	-	370	49,250	138	June 2005
S016	Abreast Nagase	TBTC	-	-	21,200	160	May 2005
S017	Living Stage Higashi-Sendai	TBTC	-	300	46,660	312	August 2005
S018	Prospect Toyonaka Hattori	Takenaka	-	-	18,490	277	February 2006
S019	Prospect Bishoen	Takenaka	-	-	8,360	209	February 2006
S020	Prospect Shimogamo	TBTC	-	-	2,460	203	March 2006
S021	Prospect Kawaramachi-Gojo	TBTC	-	-	4,320	440	January 2007
S022	Prospect Chuo-Rinkan	TBTC	-	-	3,960	301	February 2007
S023	Sky Hills N15	Takenaka	300	-	52,710	609	March 2007
S024	Sky Hills Sakaimachi	Takenaka	-	-	98,660	850	March 2007
S025	Domy Chitose	Takenaka	300	-	63,750	415	March 2007
S026	Sky Hills Takadai I	Takenaka	1,200	680	133,960	581	March 2007
S027	Exceria Ikebukuro West II	TBTC	-	-	4,860	350	May 2007
S028	Prospect Monzennakacho	TBTC	-	-	5,400	410	May 2007
S029	Prospect KALON Minowa	TBTC	-	-	8,000	970	July 2007
S030	Prospect Nakanoshima	TBTC	-	-	5,210	534	August 2007
S031	Prospect Ogikubo	TBTC	-	-	3,300	305	August 2007
S032	Prospect Musashi-Shinjo	Takenaka	-	-	26,960	501	May 2008
F001	Prospect Kiyosumi-Teien	Takenaka	-	100	238,790	1,332	March 2003
F002	Park Terrace Ebisu	TBTC	-	-	41,750	700	April 2005
F003	BELNOS34	TBTC	-	150	174,670	1,735	April 2005
F004	Prospect Dogenzaka	TBTC	-	-	4,130	552	February 2005
F005	U House Daikan-Cho	Takenaka	250	410	228,290	1,563	January 2009
F006	U House Gokiso	Takenaka	-	500	165,900	1,141	July 2007
F007	Angel Heim Nishi-Rokugo No.2	Takenaka	-	130	108,540	580	March 2003
F008	Prospect Onshi-Koen	TBTC	-	-	4,980	574	February 2005
F009	Deim-Hashimoto	TBTC	-	150	38,280	646	April 2005
F010	SK Residence	TBTC	-	-	36,930	447	April 2005
F012	Prospect Urawa-Tokiwa	TBTC	-	-	14,980	657	June 2009
F014	U House Tsurumai II	Takenaka	-	820	125,540	491	April 2005
F017	Living Stage Minami-Sendai	TBTC	-	150	36,750	300	August 2005
F019	Prospect Glarsa Hiroo	TBTC	-	270	16,680	1,185	December 2005
F020	Prospect Katsura	TBTC	-	-	41,620	351	March 2006
F021	Crown Heim Nishi-Tanabe	TBTC	-	160	7,070	405	March 2006
F022	Takasagoseki Nibankan	TBTC	-	150	80,220	761	February 2006
F023	Prospect Machiya	TBTC	-	-	2,680	290	October 2006
F024	Prospect Hatsudai	TBTC	-	-	2,190	179	January 2007

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F025	Prospect Morishita	TBTC	-	-	4,930	616	February 2007
F026	Prospect Nishi-Sugamo	TBTC	-	-	3,890	504	February 2007
F027	Palais D'Or Maruyama	TBTC	-	300	96,650	975	August 2007
F028	Prospect Kawasaki	TBTC	-	-	5,810	862	September 2007
F029	Prospect Nihonbashi-Koamicho	TBTC	-	-	4,150	399	August 2007
Total portfolio			2,050	6,000	2,495,710	32,240	

Note 1. In the 'Research firm' column, TBTC stands for Tokyo Bldg-Tech Center Co., Ltd., and Takenaka stands for Takenaka Corporation.

Note 2. The month and year of building engineering reports and the month and year of earthquake risk reports refer to the first reports issued.

(5) Outline of earthquake risk reports

PRI commissions Tokyo Bldg-Tech Center Co., Ltd. (TBTC) for earthquake risk reports and other reports for each investment real estate and entrusted real estate property.

Nevertheless, the contents of the reports are the opinions of TBTC, and PRI does not guarantee the appropriateness and accuracy of such contents.

Code	Property Name	Probable Maximum Loss (%) (Note 1)	Month and year of earthquake risk reports
S001	TK Flats Shibuya	19.0	July 2009
S002	Prospect Shinonomebashi	12.0	July 2009
S004	Maison de Ville Takanawa Gyoranzaka	10.0	July 2009
S005	Prospect Omori-Kaigan	12.0	July 2009
S006	Abreast Shin-Osaka	7.0	July 2009
S007	Maison de Ville Naka-Meguro	15.0	July 2009
S008	Roppongi Rise House	12.0	July 2009
S009	Prospect Nihonbashi-Honcho	13.0	July 2009
S011	Fragrance Kawasaki	15.0	July 2009
S012	Abreast Sakuragawa	6.0	July 2009
S013	Dome Takamine	5.0	July 2009
S014	Dome Yotsuya	12.0	July 2009
S016	Abreast Nagase	7.0	July 2009
S017	Living Stage Higashi-Sendai	9.0	July 2009
S018	Prospect Toyonaka Hattori	14.0	July 2009
S019	Prospect Bishoen	5.0	July 2009
S020	Prospect Shimogamo	12.0	July 2009
S021	Prospect Kawaramachi-Gojo	14.0	July 2009
S022	Prospect Chuo-Rinkan	2.0	July 2009
S023	Sky Hills N15	4.0	July 2009
S024	Sky Hills Sakaimachi	3.0	July 2009
S025	Domy Chitose	4.0	July 2009
S026	Sky Hills Takadai I	10.0	July 2009
S027	Exceria Ikebukuro West II	19.0	July 2009
S028	Prospect Monzennakacho	14.0	July 2009
S029	Prospect KALON Minowa	12.0	July 2009
S030	Prospect Nakanoshima	11.0	July 2009
S031	Prospect Ogikubo	12.0	July 2009
S032	Prospect Musashi-Shinjo	19.0	July 2009
F001	Prospect Kiyosumi-Teien	15.0	July 2009
F002	Park Terrace Ebisu	11.0	July 2009
F003	BELNOS34	12.0	July 2009
F004	Prospect Dogenzaka	9.0	July 2009
F005	U House Daikan-Cho	11.0	July 2009
F006	U House Gokiso	10.0	July 2009
F007	Angel Heim Nishi-Rokugo No.2	11.0	July 2009

F008	Prospect Onshi-Koen (Note 2)	25.0	July 2009
F009	Deim-Hashimoto	13.0	July 2009
F010	SK Residence	11.0	July 2009
F012	Prospect Urawa-Tokiwa	5.0	July 2009
F014	U House Tsurumai II	17.0	July 2009
F017	Living Stage Minami-Sendai	7.0	July 2009
F019	Prospect Glarsa Hiroo	7.0	July 2009
F020	Prospect Katsura	7.0	July 2009
F021	Crown Heim Nishi-Tanabe	11.0	July 2009
F022	Takasagoseki Nibankan	11.0	July 2009
F023	Prospect Machiya	14.0	July 2009
F024	Prospect Hatsudai	8.0	July 2009
F025	Prospect Morishita	11.0	July 2009
F026	Prospect Nishi-Sugamo	10.0	July 2009
F027	Palais D'Or Maruyama	2.0	July 2009
F028	Prospect Kawasaki	10.0	July 2009
F029	Prospect Nihonbashi-Koamicho	12.0	July 2009
Total portfolio		7.6	

Note 1. Probable Maximum Loss (PML) is a ratio that represents the probability of a maximum loss, and is calculated for each asset and the overall portfolio. In this document, PML is defined as a ratio of a building's estimated restoration cost to its rebuilding price resulting from a maximum-magnitude earthquake projected to occur within a 50-year period every 475 years, therefore having a 10% probability every 50 years.

Note 2. PRI has purchased earthquake insurance for this property.

(6) Outline of tenants and others

Outline of leasing conditions for each real estate or entrusted real estate property

Code	Property Name	Total Leasable Floor Space (m ²)	Total Leased Floor Space (m ²)	Number of tenants	Total Monthly Rental Revenues (Thousands of Yen)	Percentage share to total revenues (%)
S001	TK Flats Shibuya	6,903.54	6,235.30	1	185	8.3
S002	Prospect Shinonomebashi	4,849.20	4,765.45	1	112	5.0
S004	Maison de Ville Takanawa Gyoranzaka	1,778.37	1,603.02	1	50	2.3
S005	Prospect Omori-Kaigan	2,478.04	2,402.98	1	59	2.7
S006	Abreast Shin-Osaka	2,984.64	2,331.09	39	93	4.2
S007	Maison de Ville Naka-Meguro	1,275.00	1,147.50	1	35	1.6
S008	Roppongi Rise House	1,209.87	989.10	1	30	1.4
S009	Prospect Nihonbashi-Honcho	1,290.49	1,199.30	1	33	1.5
S011	Fragrance Kawasaki	1,065.96	1,065.96	1	22	1.0
S012	Abreast Sakuragawa	1,009.92	967.68	1	18	0.8
S013	Dome Takamine	946.04	838.22	1	10	0.5
S014	Dome Yotsuya	765.90	596.59	1	9	0.4
S015	TK Flats Denenchofu Annex	532.98	532.98	26	8	0.4
S016	Abreast Nagase	1,539.41	1,307.91	1	17	0.8
S017	Living Stage Higashi-Sendai	986.34	986.34	1	15	0.7
S018	Prospect Toyonaka Hattori	901.15	901.15	1	12	0.6
S019	Prospect Bishoen	675.51	675.51	1	12	0.6
S020	Prospect Shimogamo	1,528.12	1,311.83	1	26	1.2
S021	Prospect Kawaramachi-Gojo	1,098.24	1,006.72	1	22	1.0
S022	Prospect Chuo-Rinkan	3,443.55	3,443.55	1	32	1.4
S023	Sky Hills N15	5,194.78	5,194.78	1	37	1.7
S024	Sky Hills Sakaimachi	2,145.70	2,145.70	1	25	1.1
S025	Domy Chitose	3,697.20	3,697.20	1	35	1.6
S026	Sky Hills Takadai I	1,379.52	1,322.35	1	32	1.5

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S027	Exceria Ikebukuro West II	1,790.56	1,715.80	1	43	1.9
S028	Prospect Monzennakacho	3,032.27	2,875.54	1	64	2.9
S029	Prospect KALON Minowa	1,572.48	1,447.68	1	31	1.4
S030	Prospect Nakanoshima	1,106.63	980.13	1	24	1.1
S031	Prospect Ogikubo	1,855.03	1,855.03	1	42	1.9
S032	Prospect Musashi-Shinjo	6,903.54	6,235.30	1	185	8.3
F001	Prospect Kiyosumi-Teien	5,556.73	5,556.73	1	97	4.3
F002	Park Terrace Ebisu	2,705.09	2,284.76	1	73	3.3
F003	BELNOS34	5,321.89	4,599.31	1	80	3.6
F004	Prospect Dogenzaka	2,058.53	1,986.45	1	52	2.3
F005	U House Daikan-Cho	5,944.44	5,316.71	1	58	2.6
F006	U House Gokiso	5,127.19	4,565.57	1	53	2.4
F007	Angel Heim Nishi-Rokugo No.2	2,776.64	2,571.23	1	58	2.6
F008	Prospect Onshi-Koen	2,033.77	1,929.59	1	44	2.0
F009	Deim-Hashimoto	3,170.41	2,837.94	1	37	1.7
F010	SK Residence	1,624.49	1,531.99	1	34	1.6
F012	Garden City Urawa	2,263.05	2,263.05	1	25	1.2
F014	U House Tsurumai II	2,262.63	2,206.44	1	25	1.1
F017	Living Stage Minami-Sendai	1,277.10	803.80	1	11	0.5
F019	Prospect Glarsa Hiroo	3,846.27	3,302.32	1	113	5.1
F020	Prospect Katsura	1,769.96	1,648.68	1	22	1.0
F021	Crown Heim Nishi-Tanabe	1,517.86	1,277.63	1	17	0.8
F022	Takasagoseki Nibankan	3,336.52	2,589.78	1	34	1.5
F023	Prospect Machiya	1,169.37	1,055.75	1	18	0.8
F024	Prospect Hatsudai	817.71	784.36	1	20	0.9
F025	Prospect Morishita	2,399.23	2,115.38	1	45	2.0
F026	Prospect Nishi-Sugamo	2,023.42	1,602.99	1	33	1.5
F027	Palais D'Or Maruyama	4,678.32	3,391.74	1	39	1.8
F028	Prospect Kawasaki	3,377.53	3,307.52	1	59	2.7
F029	Prospect Nihonbashi-Koamicho	1,364.02	1,126.72	1	29	1.3
Total		127,458.61	116,198.83	116	2,236	100.0

Occupancy rates

(End of each month)

Code	Property Name	January 2009	February 2009	March 2009	April 2009	May 2009	June 2009	July 2009
S001	TK Flats Shibuya	88.1	91.4	92.3	91.1	91.1	89.5	90.3
S002	Prospect Shinonomebashi	97.7	96.0	97.8	96.0	98.3	98.3	98.3
S004	Maison de Ville Takanawa Gyoranzaka	92.8	94.4	94.4	91.5	87.3	85.9	90.1
S005	Prospect Omori-Kaigan	98.7	99.0	99.0	96.7	97.0	97.0	97.0
S006	Abreast Shin-Osaka	79.1	79.1	79.1	79.1	81.2	81.2	78.1
S007	Maison de Ville Naka-Meguro	98.0	94.0	92.0	94.0	90.0	86.0	90.0
S008	Roppongi Rise House	83.1	87.9	90.3	90.3	85.5	85.5	81.8
S009	Prospect Nihonbashi-Honcho	96.7	98.4	97.9	96.3	92.9	92.9	92.9
S011	Fragrance Kawasaki	93.4	93.4	100.0	100.0	100.0	100.0	100.0
S012	Abreast Sakuragawa	95.8	100.0	100.0	100.0	97.9	95.8	95.8
S013	Dome Takamine	74.9	80.4	83.1	88.6	88.6	88.6	88.6
S014	Dome Yotsuya	94.6	91.9	83.6	75.0	75.0	75.0	77.9
S015	TK Flats Denenchofu Annex	92.3	96.2	88.3	100.0	100.0	100.0	100.0
S016	Abreast Nagase	84.9	83.3	92.6	92.6	86.8	86.8	85.0
S017	Living Stage Higashi-Sendai	100.0	100.0	100.0	100.0	100.0	100.0	100.0
S018	Prospect Toyonaka Hattori	93.3	93.3	93.2	93.2	100.0	100.0	100.0
S019	Prospect Bishoen	90.8	87.7	100.0	100.0	100.0	100.0	100.0
S020	Prospect Shimogamo	87.2	85.5	83.5	78.2	83.9	83.9	85.8
S021	Prospect Kawaramachi-Gojo	95.8	95.8	97.9	95.8	97.9	91.7	91.7
S022	Prospect Chuo-Rinkan	88.1	91.4	92.3	91.1	91.1	89.5	90.3

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S023	Sky Hills N15	100.0	100.0	100.0	100.0	100.0	100.0	100.0
S024	Sky Hills Sakaimachi	100.0	100.0	100.0	100.0	100.0	100.0	100.0
S025	Domy Chitose	100.0	100.0	100.0	100.0	100.0	100.0	100.0
S026	Sky Hills Takadai I	100.0	100.0	100.0	100.0	100.0	100.0	100.0
S027	Exceria Ikebukuro West II	95.6	98.2	95.6	94.9	93.1	88.9	95.9
S028	Prospect Monzennakacho	95.8	98.6	97.2	95.1	95.5	95.8	95.8
S029	Prospect KALON Minowa	91.5	95.1	98.3	99.0	96.5	95.5	94.8
S030	Prospect Nakanoshima	98.4	98.4	100.0	93.7	90.5	90.5	92.1
S031	Prospect Ogikubo	93.2	89.7	85.9	83.3	83.3	88.6	88.6
S032	Prospect Musashi-Shinjo	100.0	100.0	100.0	100.0	100.0	100.0	100.0
F001	Prospect Kiyosumi-Teien	98.6	97.9	97.5	93.3	95.9	97.5	100.0
F002	Park Terrace Ebisu	93.5	93.5	97.9	97.9	93.5	85.9	84.5
F003	BELNOS34	80.3	80.3	91.3	87.8	86.8	87.2	86.4
F004	Prospect Dogenzaka	76.5	82.2	74.5	84.9	88.7	96.5	96.5
F005	U House Daikan-Cho	90.8	91.8	92.9	93.0	88.8	89.4	89.4
F006	U House Gokiso	87.5	88.1	94.9	93.0	87.3	88.4	89.0
F007	Angel Heim Nishi-Rokugo No.2	100.0	100.0	100.0	97.3	100.0	97.3	92.6
F008	Prospect Onshi-Koen	98.1	98.2	96.1	91.2	92.4	92.5	94.9
F009	Deim-Hashimoto	86.2	89.6	89.5	88.9	88.2	90.2	89.5
F010	SK Residence	92.0	97.4	94.5	94.5	91.6	91.6	94.3
F012	Garden City Urawa	0.0	0.0	83.3	100.0	100.0	100.0	100.0
F014	U House Tsurumai II	91.2	91.2	96.8	96.8	94.4	97.5	97.5
F017	Living Stage Minami-Sendai	92.6	92.6	92.6	85.2	66.6	66.6	62.9
F019	Prospect Glarsa Hiroo	87.0	83.5	89.7	92.3	91.1	87.3	85.9
F020	Prospect Katsura	96.5	96.5	93.1	89.7	89.7	93.1	93.1
F021	Crown Heim Nishi-Tanabe	88.4	88.4	88.4	88.4	84.2	84.2	84.2
F022	Takasagoseki Nibankan	93.4	93.4	90.9	84.2	84.2	77.6	77.6
F023	Prospect Machiya	95.3	100.0	100.0	90.3	90.3	90.3	90.3
F024	Prospect Hatsudai	100.0	100.0	100.0	100.0	95.9	90.3	95.9
F025	Prospect Morishita	93.9	99.1	99.1	91.7	91.4	88.6	88.2
F026	Prospect Nishi-Sugamo	100.0	100.0	74.7	72.2	69.4	74.6	79.2
F027	Palais D'Or Maruyama	73.3	73.1	76.3	72.5	72.5	74.4	72.5
F028	Prospect Kawasaki	100.0	97.9	100.0	98.3	100.0	97.9	97.9
F029	Prospect Nihonbashi-Koamicho	89.9	86.3	87.0	84.9	89.1	80.4	82.6

Note: The formula to calculate occupancy rate is 'leased floor space/leasable floor space,' with results rounded to the nearest first decimal place.

(7) Revenues and earnings of individual assets

Revenues and earnings of individual assets are shown in the table below. The Leasing NOI (Net Operating Income) of each property includes the real estate rental business earnings of each property plus depreciation expenses. Monetary amounts are rounded down to the nearest thousand yen unless otherwise stated.

(Thousands of yen)

	S001 TK Flats Shibuya	S002 Prospect Shinonomebashi	S004 Maison de Ville Takanawa Gyoranzaka	S005 Prospect Omori-Kaigan	S006 Abreast Shin-Osaka
Total real estate rental revenues	185,218	112,850	50,361	59,784	93,689
Real estate rental revenues	178,856	108,521	47,546	54,991	90,089
Other rental revenues	6,361	4,328	2,814	4,792	3,600
Real estate rental expenses	94,209	47,822	18,401	23,244	66,600

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Taxes	10,961	4,715	1,938	2,680	3,719
Other expenses	14,324	5,920	3,780	4,264	2,734
Property management expenses	22,359	9,940	4,024	4,119	33,338
Water, electricity, and other rates	6,668	1,225	461	668	5,175
Repair expenses	7,101	2,635	1,570	2,148	1,670
Depreciation expenses	32,793	23,385	6,626	9,362	19,962
Real estate rental business earnings	91,008	65,027	31,959	36,539	27,088
NOI (Net Operating Income)	123,802	88,413	38,585	45,902	47,051

	S007	S008	S009	S011	S012
	Maison de Ville Naka-Meguro	Roppongi Rise House	Prospect Nihonbashi-Honcho	Fragrance Kawasaki	Abreast Sakuragawa
Total real estate rental revenues	35,480	30,580	33,045	22,756	18,360
Real estate rental revenues	33,117	29,252	31,559	22,035	17,794
Other rental revenues	2,362	1,328	1,485	721	566
Real estate rental expenses	15,009	14,086	13,282	10,033	10,122
Taxes	1,419	2,017	1,610	1,163	928
Other expenses	2,298	2,072	2,143	1,608	1,339
Property management expenses	2,801	3,301	1,839	1,269	1,235
Water, electricity, and other rates	531	383	446	280	764
Repair expenses	2,647	934	768	271	354
Depreciation expenses	5,312	5,377	6,475	5,441	5,501
Real estate rental business earnings	20,470	16,494	19,763	12,723	8,238
NOI (Net Operating Income)	25,782	21,871	26,238	18,164	13,739

	S013	S014	S016	S017	S018
	Dome Takamine	Dome Yotsuya	Abreast Nagase	Living Stage Higashi-Sendai	Prospect Toyonaka Hattori
Total real estate rental revenues	10,714	9,052	8,578	17,334	15,058
Real estate rental revenues	10,528	8,727	8,578	15,951	15,058
Other rental revenues	186	324	-	1,382	-
Real estate rental expenses	6,942	5,992	4,944	12,526	7,715
Taxes	700	572	478	1,180	1,062

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Other expenses	1,451	1,196	308	1,556	1,338
Property management expenses	993	523	935	1,978	300
Water, electricity, and other rates	433	391	408	892	368
Repair expenses	1,174	1,933	232	1,775	3
Depreciation expenses	2,188	1,374	2,580	5,143	4,640
Real estate rental business earnings	3,772	3,060	3,634	4,807	7,343
NOI (Net Operating Income)	5,961	4,434	6,215	9,951	11,983

	S019	S020	S021	S022	S023
	Prospect Bishoen	Prospect Shimogamo	Prospect Kawaramachi-Gojo	Prospect Chuo-Rinkan	Sky Hills N15
Total real estate rental revenues	12,404	12,783	26,895	22,865	32,076
Real estate rental revenues	11,804	11,735	23,779	21,754	32,076
Other rental revenues	600	1,048	3,116	1,111	-
Real estate rental expenses	6,646	6,551	15,476	12,786	13,042
Taxes	829	635	1,682	1,328	3,866
Other expenses	1,407	1,339	2,451	2,013	1,146
Property management expenses	778	750	2,577	1,216	500
Water, electricity, and other rates	130	321	1,069	399	40
Repair expenses	187	77	907	411	592
Depreciation expenses	3,312	3,427	6,788	7,416	6,895
Real estate rental business earnings	5,758	6,231	11,418	10,079	19,033
NOI (Net Operating Income)	9,070	9,659	18,207	17,496	25,929

	S024	S025	S026	S027	S028
	Sky Hills Sakaimachi	Domy Chitose	Sky Hills Takadai I	Exceria Ikebukuro West II	Prospect Monzennakacho
Total real estate rental revenues	37,854	25,653	35,263	32,855	43,116
Real estate rental revenues	37,854	25,653	35,263	29,749	37,774
Other rental revenues	-	-	-	3,105	5,342
Real estate rental expenses	15,288	8,745	15,429	14,985	16,920
Taxes	4,621	2,363	3,047	759	1,165
Other expenses	1,183	1,090	3,782	2,697	2,716

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Property management expenses	500	500	500	3,727	4,570
Water, electricity, and other rates	42	-	1,020	494	363
Repair expenses	433	173	2,470	1,479	1,167
Depreciation expenses	8,507	4,617	4,608	5,827	6,937
Real estate rental business earnings	22,565	16,907	19,834	17,870	26,196
NOI (Net Operating Income)	31,072	21,525	24,443	23,697	33,133

	S029 Prospect KALON Minowa	S030 Prospect Nakanoshima	S031 Prospect Ogikubo	S032 Prospect Musashi-Shinjo
Total real estate rental revenues	64,231	31,504	24,669	42,465
Real estate rental revenues	60,371	31,401	23,411	42,465
Other rental revenues	3,859	103	1,258	-
Real estate rental expenses	31,586	20,478	11,813	17,464
Taxes	893	2,064	686	2,887
Other expenses	5,226	3,402	2,212	3,218
Property management expenses	6,301	2,734	2,156	880
Water, electricity, and other rates	853	418	367	588
Repair expenses	724	969	189	-
Depreciation expenses	17,587	10,887	6,200	9,889
Real estate rental business earnings	32,644	11,025	12,855	25,001
NOI (Net Operating Income)	50,231	21,913	19,056	34,890

	F001 Prospect Kiyosumi-Teien	F002 Park Terrace Ebisu	F003 BELNOS34	F004 Prospect Dogenzaka	F005 U House Daikan-Cho
Total real estate rental revenues	97,023	73,493	80,358	52,274	58,780
Real estate rental revenues	90,574	70,385	77,878	49,824	56,987
Other rental revenues	6,448	3,107	2,479	2,449	1,793
Real estate rental expenses	40,660	29,510	37,776	31,397	31,229
Taxes	6,239	3,331	6,946	2,380	3,492
Other expenses	5,539	4,161	6,147	2,736	3,257
Property management expenses	6,037	5,547	3,884	13,010	3,067

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Water, electricity, and other rates	1,160	699	2,573	568	841
Repair expenses	3,820	1,935	3,042	3,459	8,863
Depreciation expenses	17,862	13,835	15,180	9,242	11,707
Real estate rental business earnings	56,362	43,982	42,581	20,877	27,551
NOI (Net Operating Income)	74,224	57,817	57,762	30,119	39,258

	F006	F007	F008	F009	F010
	U House Gokiso	Angel Heim Nishi-Rokugo No.2	Prospect Onshi-Koen	Deim-Hashimoto	SK Residence
Total real estate rental revenues	53,629	58,090	44,785	37,821	34,734
Real estate rental revenues	52,454	51,206	38,518	35,808	32,593
Other rental revenues	1,174	6,884	6,267	2,012	2,141
Real estate rental expenses	33,720	26,863	22,170	21,892	16,422
Taxes	4,339	3,107	1,726	2,158	1,963
Other expenses	3,951	5,193	3,228	2,510	3,608
Property management expenses	3,444	2,693	3,935	3,459	2,389
Water, electricity, and other rates	2,250	391	489	437	652
Repair expenses	9,347	5,364	1,659	5,422	2,499
Depreciation expenses	10,387	10,113	11,131	7,903	5,308
Real estate rental business earnings	19,908	31,226	22,615	15,929	18,312
NOI (Net Operating Income)	30,296	41,340	33,746	23,833	23,621

	F012	F014	F017	F019	F020
	Garden City Urawa	U House Tsurumai II	Living Stage Minami-Sendai	Prospect Glarsa Hiroo	Prospect Katsura
Total real estate rental revenues	25,952	25,586	11,099	113,253	22,991
Real estate rental revenues	21,398	24,864	10,354	107,276	21,391
Other rental revenues	4,554	722	745	5,977	1,599
Real estate rental expenses	32,311	12,362	8,489	55,625	14,119
Taxes	1,967	2,037	1,076	4,388	1,389
Other expenses	2,521	2,453	1,309	5,195	2,559
Property management expenses	9,991	1,372	586	10,119	1,146
Water, electricity, and other rates	569	265	645	1,080	1,073

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Repair expenses	8,776	857	1,525	4,880	2,800
Depreciation expenses	8,485	5,376	3,346	29,961	5,150
Real estate rental business earnings	6,358	13,223	2,610	57,627	8,871
NOI (Net Operating Income)	2,126	18,599	5,957	87,589	14,022

	F021	F022	F023	F024	F025
	Crown Heim Nishi-Tanabe	Takasagoseki Nibankan	Prospect Machiya	Prospect Hatsudai	Prospect Morishita
Total real estate rental revenues	17,733	34,152	18,840	20,477	45,837
Real estate rental revenues	16,801	32,984	17,680	19,975	42,606
Other rental revenues	932	1,167	1,159	501	3,230
Real estate rental expenses	7,309	21,022	11,436	8,866	19,785
Taxes	886	3,045	148	402	350
Other expenses	1,600	2,845	2,276	2,296	2,482
Property management expenses	522	1,111	1,258	1,318	2,810
Water, electricity, and other rates	347	1,373	409	206	615
Repair expenses	461	3,169	367	374	1,465
Depreciation expenses	3,491	9,475	6,976	4,268	12,061
Real estate rental business earnings	10,424	13,129	7,404	11,610	26,051
NOI (Net Operating Income)	13,916	22,605	14,380	15,879	38,112

	F026	F027	F028	F029
	Prospect Nishi-Sugamo	Palais D'Or Maruyama	Prospect Kawasaki	Prospect Nihonbashi-Koa micho
Total real estate rental revenues	33,615	39,456	59,529	29,846
Real estate rental revenues	31,569	38,160	56,132	26,429
Other rental revenues	2,045	1,295	3,396	3,417
Real estate rental expenses	19,467	29,758	26,339	15,902
Taxes	167	3,608	2,550	513
Other expenses	2,850	5,840	3,609	2,254
Property management expenses	3,435	2,005	3,311	2,957
Water, electricity, and other rates	500	1,827	749	354
Repair expenses	2,817	5,462	727	984

Depreciation expenses	9,695	11,014	15,390	8,837
Real estate rental business earnings	14,147	9,698	33,189	13,944
NOI (Net Operating Income)	23,842	20,712	48,580	22,781

(8) Information related to major real estate and major entrusted real estate

None of the real estate or entrusted real estate properties owned by PRI independently accounted for at least 10% of total real estate rental revenues in the eighth fiscal period.

(9) Portfolio diversification

Portfolio diversification by region, years after construction, and type of units is as follows:

By region

Region	Number of property	Acquisition price (millions of yen rounded down) (Note 2)	Percentage share of acquisition price to total (%) (Note 3)	Total leasable floor space (m ²) (Note 4)	Percentage share of floor space to total (%) (Note 3)
Tokyo's 23 Wards	24	44,815	65.9	60,790.65	47.7
Tokyo Metropolitan Area (excluding Tokyo's 23 Wards)	6	6,141	9.0	12,830.22	10.1
Other Regions (Note 1)	23	17,044	25.1	53,837.74	42.2
Total	54	68,000	100.0	127,458.61	100.0

Note 1. The "other regions" category refers to government-designated cities and prefectural capitals, excluding regions within the Tokyo Metropolitan area, as well as other cities of equivalent size and commuter belts for all of the aforementioned regions.

Note 2. Transaction prices exclude consumption tax recorded on sales contracts.

Note 3. Percentage numbers are rounded to the nearest first decimal place.

Note 4. Leasable space owned by PRI excluding certain sites (ground-level parking spaces).

Years after construction

Years after construction	Number of property	Acquisition price (millions of yen rounded down) (Note 1)	Percentage share of acquisition price to total (%) (Note 2)	Total leasable floor space (m ²) (Note 3)	Percentage share of floor space to total (%) (Note 2)
More than one year and up to five years	21	25,301	37.2	36,306.19	28.5
More than five years and up to ten years	11	22,023	32.4	35,934.54	28.2
More than ten years	21	20,676	30.4	55,217.88	43.3
Total	53	68,000	100.0	127,458.61	100.0

Note 1. Transaction prices exclude consumption tax recorded on sales contracts.

Note 2. Percentage numbers are rounded to the nearest first decimal place.

Note 3. Leasable space owned by PRI excluding certain sites (ground-level parking spaces).

(10) Outline of major tenants and outline of overall tenants

List of major tenants

The following chart shows the names of major tenants with leased floor space and total monthly rents for property owned by PRI at the end of the eighth fiscal period. To be designated as a major tenant, leased floor space must account for at least 10% of the total leased floor space of PRI's portfolio. All of these tenants are master lessors.

Prospect Reit Investment Corporation

Tenant Name	Industry	Total Leased Floor Space (㎡)	Percentage share to Total Leased Floor Space (%) (Note 2)	Total Monthly Rental Revenues (Thousands of Yen)	Percentage share to total revenues (%) (Note 4)
Haseko Livenet Co., Ltd	Real estate	40,108.63	34.5	119,024	35.3
Tokyu Community Co., Ltd	Real estate	29,091.10	25.0	51,091	15.2
Mitsui Fudosan Residential Lease Co., Ltd (Note 1)	Real estate	15,566.22	13.4	53,306	15.8
Total of Major Tenants		100,151.17	84,765.95	72.9	223,421
Total Portfolio		124,243.34	116,198.83	100.0	336,924

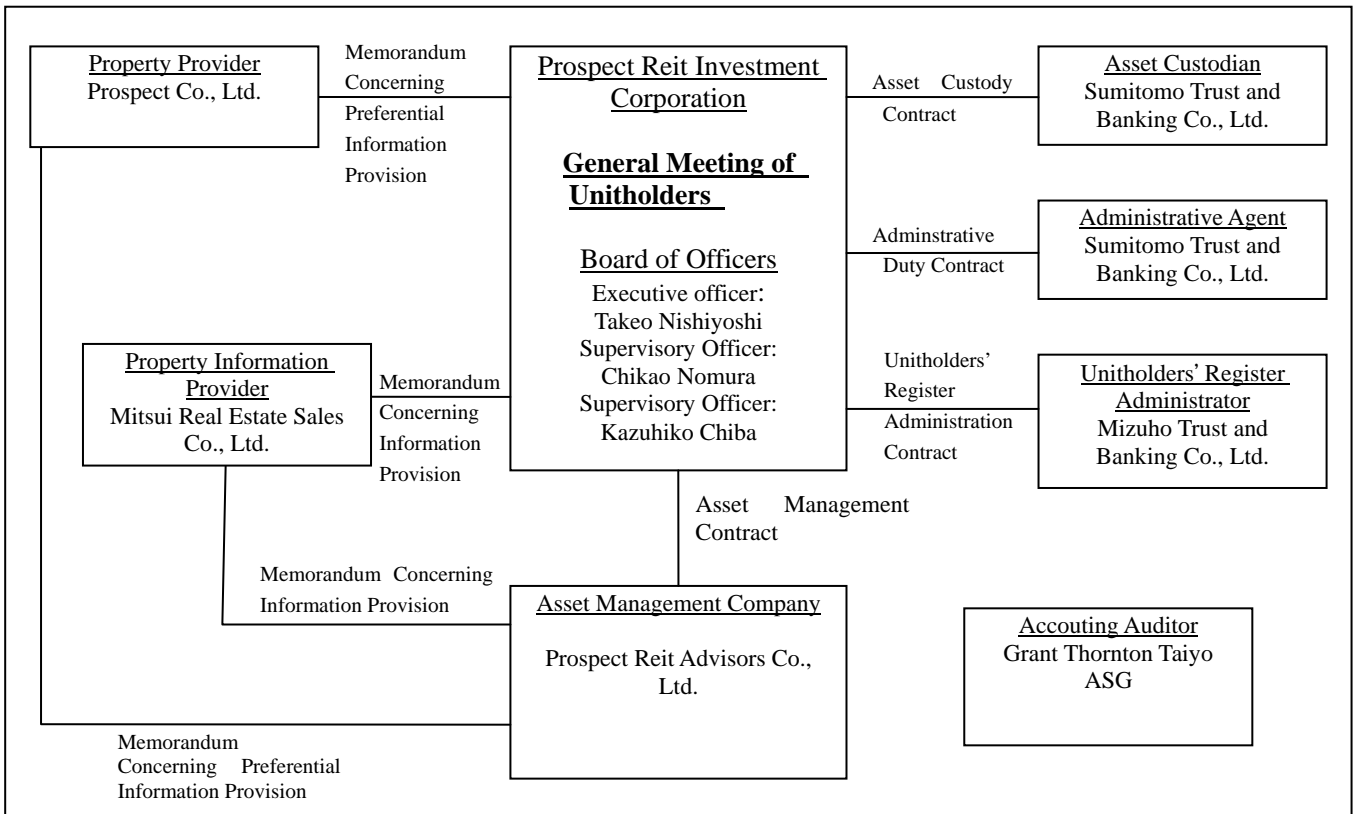
Note 1. Mitsui Fudosan Residential Lease Co., Ltd. succeeded the condominium leasing operations of Mitsui Fudosan Real Estate Sales Co., Ltd. on April 1, 2003. Hence, Mitsui Fudosan Real Estate Sales is used in master lease contracts.

Note 2. Percentage numbers are rounded to the nearest first decimal place.

Note 3. Percentage numbers are rounded to the nearest first decimal place.

5. Corporations and entities related to PRI (in reference material 1 . Corporations and entities related to PRI)

(1) Structure of the Investment Corporation



Note: At the general meeting of unitholders held on April 10, 2009, the resolution was adopted in that Grant Thornton Taiyo ASG was appointed as new accounting auditor to replace Ernst & Young ShinNihon LLC which resigned as its term of service ended.

(2) Names, operational roles, and outline of related operations

Operational roles	Names	Outline of related operations
Investment Corporation	Prospect Reit Investment Corporation	PRI invests primarily in properties wholly or partly for residential use, and defined as real estate or real estate related assets (Notes) backed by real estate. With the aim of achieving steady growth and securing stable earnings and profits over the medium to long term, PRI carries out the management of its investment assets.
Asset Management Company	Prospect Reit Advisors Co., Ltd.	<p>PRI outsources all asset management operations to Prospect Residential Advisors Co., Ltd. (the "Asset Management Company"). Based on the Asset Management Contract signed between the two parties on April 22, 2005 (the "Contract," as amended thereafter), the Asset Management Company has formulated its Investment Management Policy (the "Policy") to function as in-house rules and regulations regarding the management of the Investment Assets.</p> <p>In accordance with the Policy, the Asset Management Company formulates Annual Asset Management Plans ("Plans") for each of the Investment Corporation's operating periods. The Plans present period-specific reports concerning the acquisition, disposition and management of real estate-related assets; fund procurement and other financing schemes; and distribution strategies.</p> <p>The outsourced operations to the Asset Management Company from PRI are as follows: Operations for asset management, fund raising operations, reporting on asset conditions compiling property management plans, related operations of and which are commissioned occasionally by PRI.</p>
Asset Custodian Administrative Agent	Sumitomo Trust and Banking Co., Ltd.	<p>Sumitomo Trust engages in the following operations based on the Administrative Duty Contract as an administrative duty contractor, in accordance with the Investment Trust Law:</p> <p>Operations for calculations of PRI (excluding unitholders' register administrative operations), operations to compile accounting books for PRI, taxation accounting for PRI, operations for board meetings of officers of PRI and general meetings of unitholders of PRI, and related operations of and . Sumitomo Trust also engages in asset custody operations and related cash management and book keeping operations as an asset custodian in accordance with the Asset Custody Contract and the Investment Trust Law:</p>
Unitholders' Register Administrator	Mizuho Trust and Banking Co., Ltd.	<p>Mizuho Trust engages in the following operations based on the Unitholders' Register Administrative Contracts as a unitholders' register administrator, in accordance with the Investment Trust Law:</p> <p>Change of names of unitholders, operations to issue investment securities, operations to compile invitations to general meetings of unitholders, notices of decisions made on such meetings and reference documents, proxy documents, and reception support at such meetings, operations to calculate and pay distributions to unitholders, operations to respond to inquiries about investment units, to issue related certificates, and to handle applications of mishaps, operations to sort out and keep documents and undelivered postal items related to outsourced operations, operations to compile statistics of investment units needed by PRI based on related laws and provisions as well as contracts with PRI, and related operations of and .</p>

Notes:

Real estate related assets are defined in a. and c.

PRI primarily invests in the following designated assets, as set in Item 28.I of its Articles of Incorporation

- a. real estate
- b. real estate equivalent assets, as follows
 - i) leasing rights to real estate
 - ii) surface rights
 - iii) trust beneficiary rights to real estate, leasehold, and surface rights
 - iv) cash trust beneficiary rights to real estate, leasehold, and surface rights
 - v) equity contracts with the above a. and b.i), and iv) as investment assets
 - vi) cash trust beneficiary rights to anonymous partnership equity with real estate as major trust assets
- c. More than half or equal to half of backed assets investmented in real estate
 - i) preferred equity securities (according to Article 2.12 of the Asset Liquidation Act)
 - ii) beneficiary securities (according to Article 2.12 of the Investment Trust Law)
 - iii) investment securities (according to Article 2.22 of the Investment Trust Law)
 - iv) beneficiary securities for designated purpose trusts (according to Article 2.15 of the Asset Liquidation Act, excluding the above b. iii. iv. and v.)

(3) Major related parties other than the aforementioned

Operational roles	Names	Outline of related operations
Property Provider	Prospect Co., Ltd. (KKP) (Note)	KKP concluded the Memorandum Concerning Preferential Information Provision with PRI as well as PRA. Based on the memorandum, KKP agrees to supply certain information about real estate and to give preferential negotiation rights to PRI with respect to acquiring real estate as well as real estate related assets it owns, will own or develop.
Property Information Provider	Mitsui Real Estate Sales Co., Ltd.	Mitsui Real Estate Sales Co., Ltd. concluded the Memorandum Concerning Information Provision with PRI as well as PRA. Based on the memorandum, it supplies PRI as well as PRA information about certain real estate to be sold.

Note: KKP is a 100% shareholder of the Asset Management Company.