



Sekisui House SI Investment Corporation

Business Results for the 10th Fiscal Period

From April 1, 2010 to September 30, 2010



November 16, 2010

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1. Overview of the Tenth Fiscal Period Ended September 30, 2010



Business Results and Status of Operations for the Tenth Fiscal Period Ended September 30, 2010

- ◇ Operating revenue: ¥3,334 million, Ordinary income: ¥956 million, Net income: ¥938 million
- ◇ Cash distributions per unit: ¥8,160 (up 0.5% from initial forecast)

Financial Strategy

- ◇ Refinanced loans that matured (Total ¥14.679 billion)
- ◇ Promoted stabilizing of financial standing by utilizing the creditworthiness of Sekisui House
- ◇ LTV: 48.9% as of March 31, 2010 → 47.1% as of September 30, 2010

External Growth Strategy

- ◇ Decided to acquire 3 residential properties by utilizing the pipelines with Sekisui House (acquired on October 1, 2010)

Internal Growth Strategy

- ◇ Occupancy rate as of March 31, 2010 was 96.6% → Occupancy rate as of September 30, 2010 was 96.9% (total portfolio)
- ◇ Implemented various measures to raise the occupancy rates of residential properties
- ◇ Implemented large renewal work on HAMAMATSU Plaza's HAMAMATSU West Building and solicited anchor tenants

Summary of Business Results for the Tenth Fiscal Period Ended September 30, 2010

Comparison with Forecasts

	Fiscal Period Ended Sep. 30, 2010 (Forecasts as of May 14, 2010)	Fiscal Period Ended Sep. 30, 2010 (183 days) (Actual)	Difference	
Operating revenue	¥3,296 million	¥3,334 million	¥38 million	1.2%
Operating income	¥1,576 million	¥1,576 million	¥0 million	0.0%
Ordinary income	¥937 million	¥956 million	¥19 million	2.0%
Net income	¥934 million	¥938 million	¥4 million	0.5%
Cash distributions per unit	¥8,120	¥8,160	¥40	0.5%

◆ Factors for differences between actual results and forecasts for the fiscal period ended September 30, 2010

• Operating income

Operating revenue

Increase in rent revenue:	+ ¥16 million
Increase in other lease business revenue:	+ ¥21 million

Operating expenses

Increase in expenses related to rent business:	+ ¥28 million
Increase in other business expenses:	+ ¥9 million

• Ordinary income

Decrease in non-operating expenses:	- ¥17 million
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• Net income

Increase in income taxes:	+ ¥14 million
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Comparison with Previous Fiscal Period

	Fiscal Period Ended Mar. 31, 2010 (182 days) (Actual)	Fiscal Period Ended Sep. 30, 2010 (183 days) (Actual)	Change	
Operating revenue	¥3,402 million	¥3,334 million	-¥68 million	-2.0%
Operating income	¥1,688 million	¥1,576 million	-¥111 million	-6.6%
Ordinary income	¥1,053 million	¥956 million	-¥97 million	-9.2%
Net income	¥1,052 million	¥938 million	-¥113 million	-10.8%
Cash distributions per unit	¥10,052	¥8,160	-¥1,892	-18.8%

◆ Factors for period-on-period changes to actual results for the fiscal period ended September 30, 2010

• Operating income

Operating revenue

Increase in rent revenue:	+ ¥10 million
Decrease in other lease business revenue:	- ¥79 million

Operating expenses

Increase in expenses related to rent business:	+ ¥18 million
Increase in other business expenses:	+ ¥24 million

• Ordinary income

Decrease in non-operating expenses:	- ¥13 million
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• Net income

Increase in income taxes:	+ ¥16 million
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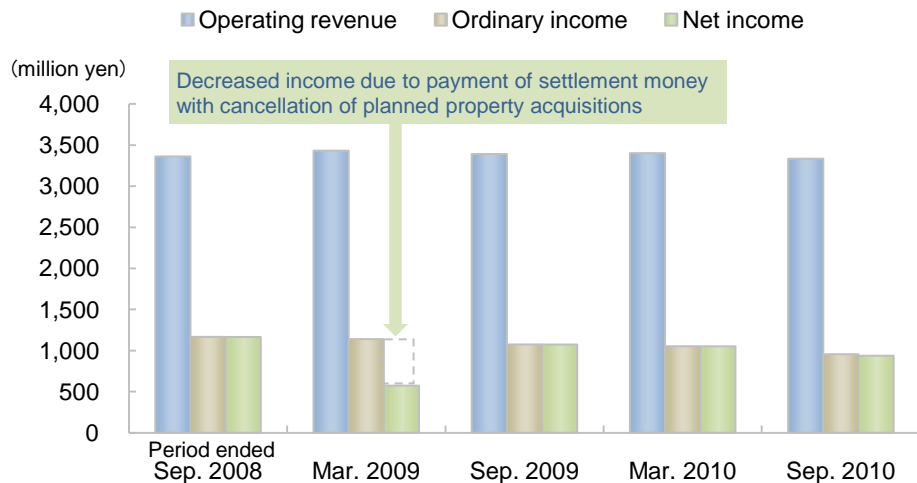
Total assets	¥104,750 million	¥104,422 million	-¥328 million
Interest-bearing debt	¥51,208 million	¥49,229 million	-¥1,979 million
Net assets	¥49,756 million	¥51,462 million	¥1,706 million
Period-end investment unit price	¥235,000	¥294,300	
Number of investment units issued and outstanding	104,670 units	115,070 units	
Period-end market value	¥24,597 million	¥33,865 million	
Cash distributions	¥1,052 million	¥938 million	

Notes: 1. Amounts less than the indicated unit are rounded down.

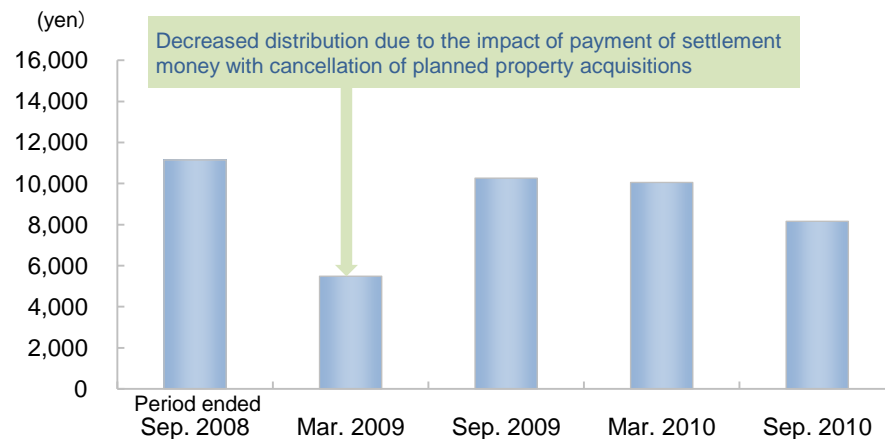
2. Percentage figures are rounded to the nearest first decimal place.

Business Results Summary

Operating Revenue, Ordinary Income and Net Income



Cash Distributions per Unit

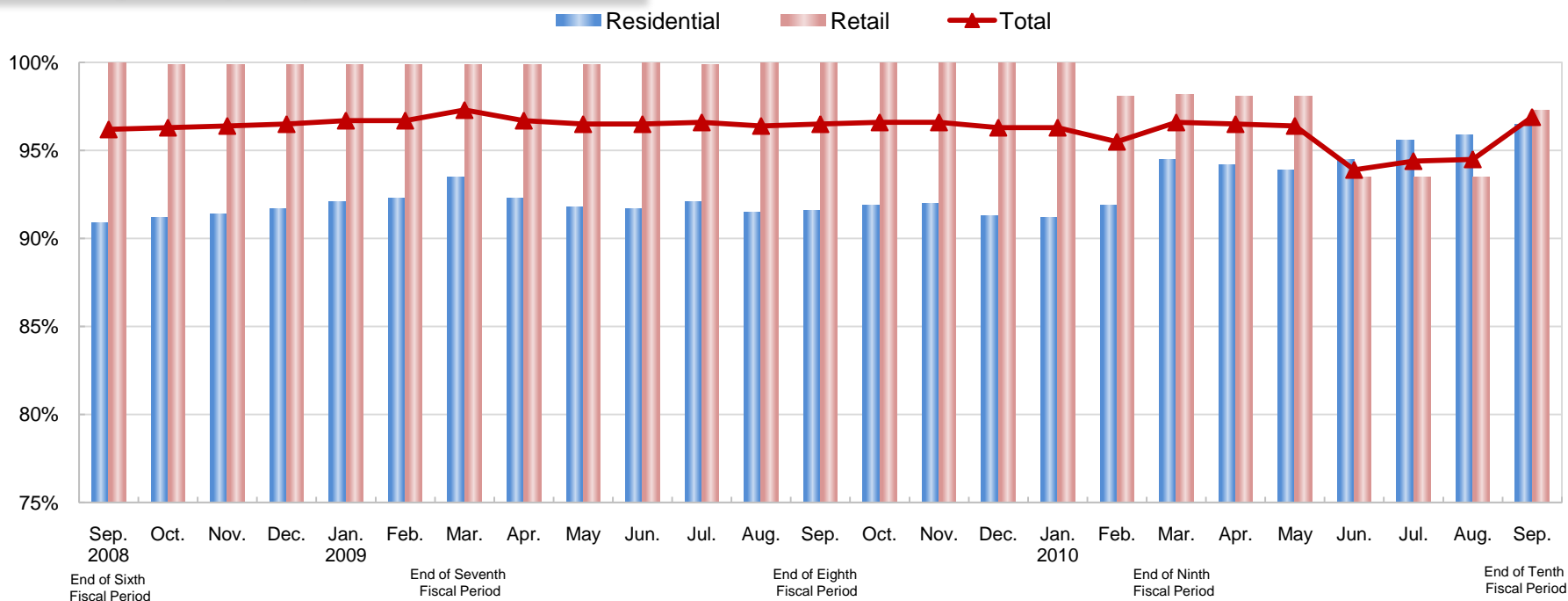


	Fiscal Period Ended Sep. 30, 2008 (183 days)	Fiscal Period Ended Mar. 31, 2009 (182 days)	Fiscal Period Ended Sep. 30, 2009 (183 days)	Fiscal Period Ended Mar. 31, 2010 (182 days)	Fiscal Period Ending Sep. 30, 2010 (183 days)
Operating revenue (million yen)	3,362	3,432	3,391	3,402	3,334
Ordinary income (million yen)	1,167	1,140	1,075	1,053	956
Net income (million yen)	1,166	574	1,074	1,052	938
Cash distributions per unit (yen)	11,147	5,485	10,262	10,052	8,160

Notes: Amounts less than the indicated unit are rounded down.

Occupancy Rates and NOI Yield

Monthly Occupancy Rates at a Glance



	Occupancy Rates	
	Fiscal period ended September 30, 2010 (tenth fiscal period)	
	As of September 30, 2010	Average for tenth fiscal period (Apr. 1, 2010 through Sep. 30, 2010)
Residential	96.5%	95.1%
Retail	97.3%	95.7%
Total	96.9%	95.4%

NOI Yields
Fiscal period ended September 30, 2010 (tenth fiscal period)
4.9%
5.4%
5.1%

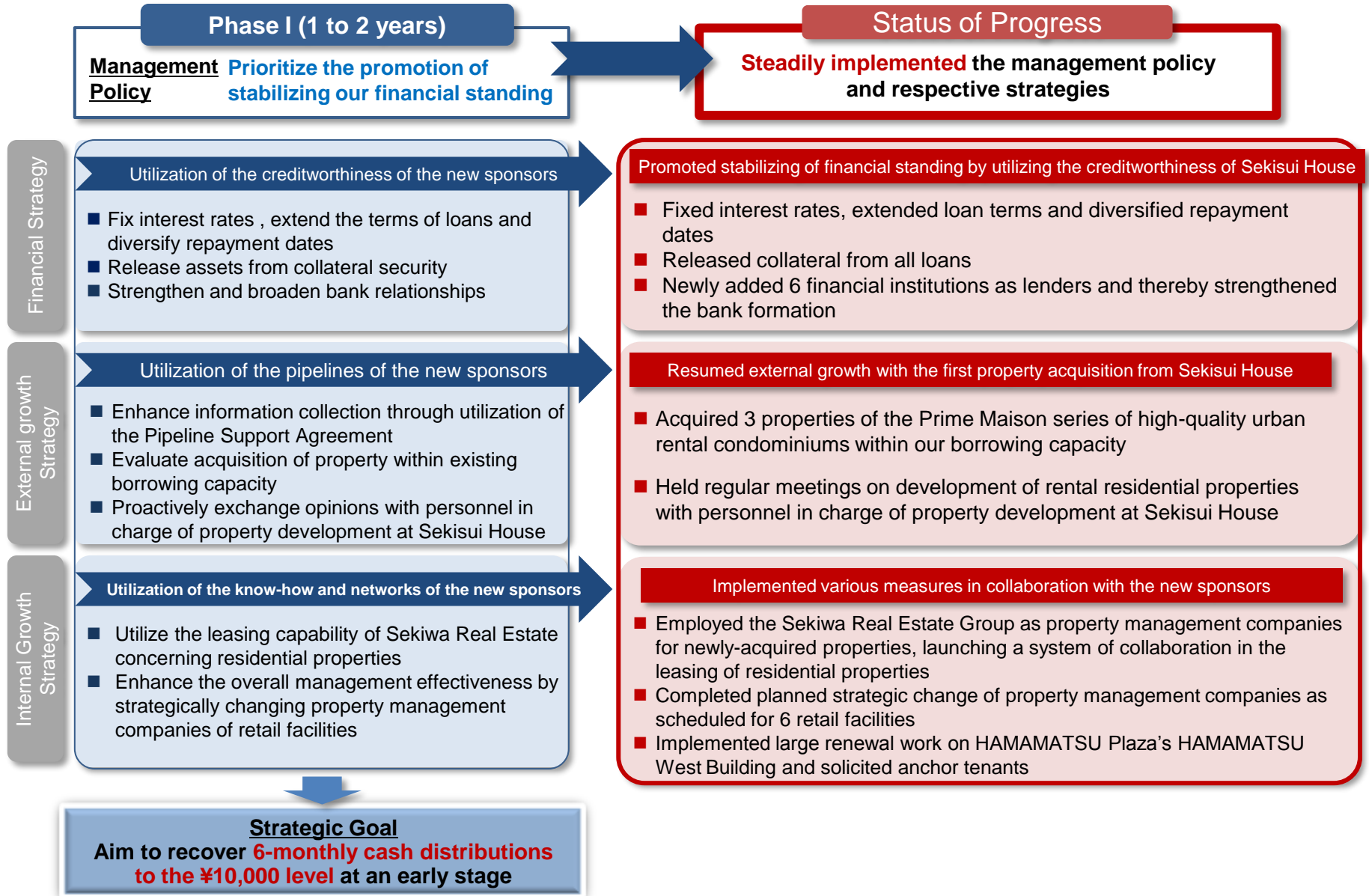
- Notes: 1. "Occupancy Rates" indicated in the graph describe the rate of total leased space to the total leasable space for assets held by the Investment Corporation as of the end of each month from September 2008 to September 2010.
 2. The average occupancy rate for the tenth fiscal period ended September 30, 2010 indicates the average of occupancy rates as of the end of each month for the fiscal period from Apr. 1, 2010 through Sep. 30, 2010.
 3. The NOI yield in the table is obtained by dividing the annualized NOI by the total acquisition price for the fiscal period from Apr. 1, 2010 through Sep. 30, 2010.
 4. Percentage figures are rounded to the nearest first decimal place.

2. Progress of Growth Strategy “Phase I”



Progress of Growth Strategy

Progress of Phase I of the “Growth Strategy for a New Stage” proposed in May 2010



Financial Strategy ~ Initiatives to Promote Stabilizing of Financial Standing (1) ~

Overview of Refinancing in July and August 2010

■ Before Refinancing

Drawdown Date (Contract Date)	Balance (million yen)	Lender	Repayment Date (Loan Term)	Interest Rate
Aug. 2, 2007 (Jul. 31, 2007)	6,587	Aozora Bank Sumitomo Trust and Banking Chuo Mitsui Trust and Banking Mizuho Corporate Bank Sumitomo Mitsui Banking Bank of Tokyo-Mitsubishi UFJ	Aug. 2, 2010* (3 years)	Fixed
Mar. 31, 2008 (Mar. 25, 2008)	550	Bank of Yokohama	Aug. 31, 2010* (2 years 5 months)	Floating
Jul. 31, 2009 (Jul. 28, 2009)	3,000	Aozora Bank Sumitomo Trust and Banking Mizuho Corporate Bank Sumitomo Mitsui Banking	Jul. 30, 2010 (1 year)	Floating
Feb. 26, 2010 (Feb. 23, 2010)	4,542	Aozora Bank Sumitomo Trust and Banking	Aug. 31, 2010 (6 months)	Floating
Total	14,679	-	-	-

*Repaid prior to the repayment date

Initiatives for Promoting Stabilizing of Financial Standing

1. Released collateral from all loans
2. Fixed interest rates
3. Extended loan terms
4. Diversified repayment dates
5. Strengthened bank formation (Invite new financial institutions)

Reduction of borrowing costs

■ After Refinancing

Drawdown Date (Contract Date)	Balance (million yen)	Lender	Repayment Date (Loan Term)	Interest Rate
Jul. 30, 2010 (Jul. 27, 2010)	10,137	Senshu Ikeda Bank Sumitomo Trust and Banking Mizuho Corporate Bank Mizuho Trust & Banking Sumitomo Mitsui Banking Mitsubishi UFJ Trust and Banking Yamaguchi Bank Resona Bank	Feb. 28, 2014 (3 years 7 months)	Fixed
Aug. 31, 2010 (Jul. 27, 2010)	4,542	77 Bank Hiroshima Bank Bank of Tokyo-Mitsubishi UFJ Mitsubishi UFJ Trust and Banking	Feb. 28, 2013 (2 years 6 months)	Floating
Total	14,679	-	-	-

Reduction of Borrowing Costs

Status of reduction of borrowing costs through such measures as utilizing the creditworthiness of Sekisui House

	Fiscal Period Ended Mar. 31, 2010 (Ninth Fiscal Period) Results	Fiscal Period Ended Sept. 30, 2010 (Tenth Fiscal Period) Results	Fiscal Period Ending Mar. 31, 2011 (Eleventh Fiscal Period) Outlook
Period-end balance of interest-bearing debt	¥51,208 million	¥49,229 million	¥51,874 million
Interest expenses	¥328 million	¥338 million	¥341 million
Interest expenses on investment corporation bonds	¥85 million	¥50 million	¥50 million
Borrowing related expenses	¥215 million	¥222 million	¥130 million
Borrowing costs total	¥629 million	¥611 million	¥523 million

Notes: 1. Amounts are rounded down to the nearest million yen.

2. The fiscal period ending March 31, 2011 (eleventh fiscal period) outlook are figures based on the assumption that there are no new borrowings other than the refinancing scheduled for February and March 2011.

3. Assumptions are made that the refinancing scheduled for the fiscal period ending March 31, 2011 (eleventh fiscal period) will be implemented under similar economic conditions as the refinancing implemented in the fiscal period ended September 30, 2010 (tenth fiscal period).

Financial Strategy ~ Initiatives to Promote Stabilizing of Financial Standing (2) ~

Release Collateral from Loans

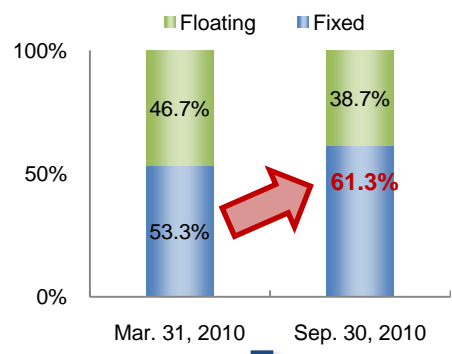
All loans were collateral loans as at the end of the fiscal period ended March 31, 2010 (security interests granted for 88.4% of assets under management on an acquisition price basis)



Released collateral from all loans

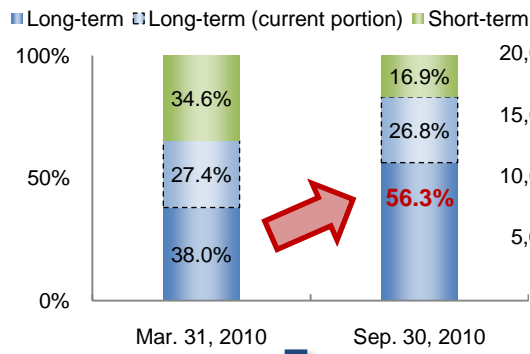
Fix Interest rates, Extend Loan Terms, and Diversify Repayment Dates

Ratio of Fixed/Floating Rate Loans Payable (Notes 1 and 2)



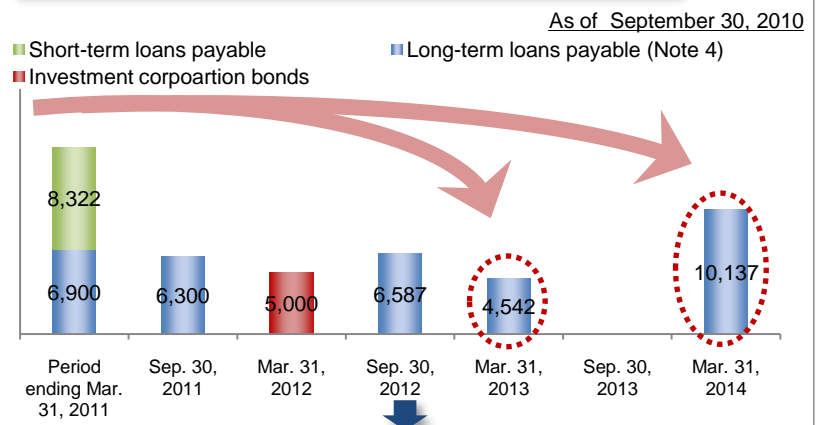
Increased the ratio of fixed rate loans payable

Ratio of Long/Short-Term Loans Payable (Notes 1, 2 and 5)



Increased the ratio of long-term liabilities

Diversification of Repayment Dates (Notes 3 and 5)



Diversified repayment dates

Note: 1. Percentage figures are rounded to the nearest first decimal place. 2. Stated as the percentage of total interest-bearing debt. 3. Does not include interest-bearing tenant leasehold and security deposits. 4. Includes current portion of long-term loans payable. 5. The term loan that was drawn down on February 26, 2010 has a loan term that exceeds 1 year by several days, but is presented here under "Short-term loans payable." Please note that this is accounted for as "Current portion of long-term loans payable" on balance sheets.

Strengthen Bank Formation

Maintained a bank formation comprised of major domestic financial institutions, centering on mega banks




New participation of 6 financial institutions, centering on lenders with which Sekisui House are on good terms



Newly-participating financial institutions: Senshu Ikeda Bank, 77 Bank, Hiroshima Bank, Mizuho Trust & Banking, Mitsubishi UFJ Trust and Banking, and Yamaguchi Bank

External Growth Strategy ~ Resumed External Growth with the First Property Acquisition from Sekisui House (1) ~

Properties Contracted in the Fiscal Period Ended September 30, 2010 (Tenth Fiscal Period)

Residence - 50 Prime Maison MUSASHINONOMORI		Location	Josuihoncho, Kodaira-shi, Tokyo	Completed	Dec. 2007
	Closest station	19-min. walk from Kokubunji Station on the JR Chuo Line	Total leasable floor space	3,924.58m ²	
	Construction and number of floors	RC, 3F	Total number of leasable units	77	
	Site area	5,116.62m ²	Acquisition date	Oct. 1, 2010	
	Total floor area	4,412.42m ²	Acquisition price	1.56 billion yen	
	Main residential type	Compact and Family Types	Appraisal value	1.6 billion yen (as of Aug. 5, 2010)	

Residence - 51 Prime Maison HIGASHISAKURA		Location	Higashisakura, Higashi-ku, Nagoya-shi, Aichi	Completed	Feb. 2008
 	Closest station	3-min. walk from Takaoka Station on the Subway Sakura-dori Line	Total leasable floor space	3,118.11m ²	
	Construction and number of floors	SRC, 14F	Total number of leasable units	64	
	Site area	846.05m ²	Acquisition date	Oct. 1, 2010	
	Total floor area	3,517.62m ²	Acquisition price	1.14 billion yen	
	Main residential type	Single and Compact Types	Appraisal value	1.23 billion yen (as of Aug. 5, 2010)	

Residence - 52 Prime Maison KAYABAKOEN		Location	Kayaba, Chikusa-ku, Nagoya-shi, Aichi	Completed	Nov. 2006
 	Closest station	12-min. walk from Nagoya Dome-mae Yada Station on the Subway Meijo Line	Total leasable floor space	2,163.98m ²	
	Construction and number of floors	RC, 10F	Total number of leasable units	27	
	Site area	1,129.02m ²	Acquisition date	Oct. 1, 2010	
	Total floor area	2,301.42m ²	Acquisition price	640 million yen	
	Main residential type	Family Type	Appraisal value	673 million yen (as of Aug. 5, 2010)	

Significance of the Acquisition

• First Property Acquisition from New Sponsor Sekisui House

Acquired the **Prime Maison** series of high-quality urban rental condominiums that are designed, developed and operated nationwide by the Sekisui House Group

Acquired **3 properties** that will serve to enhance the portfolio's quality and revenue-generating capacity (acquisition price total: approx. **¥3.3 billion**) within our borrowing capacity

Before the Acquisition

Entire portfolio:
53 properties
Total acquisition price:
Approx. **¥99.9 billion**



After the Acquisition

Entire portfolio:
56 properties
Total acquisition price:
Approx. **¥103.2 billion**
(as at October 1, 2010)

Expected Weighted Average NOI Yield for the Fiscal Period Ending March 31, 2011 (Eleventh Fiscal Period) (Note)

Prime Maison MUSASHINONOMORI	6.9%
Prime Maison HIGASHISAKURA	
Prime Maison KAYABAKOEN	

Note: Expected NOI for the eleventh fiscal period is calculated for the respective properties based on the respective properties' valid lease agreements and factoring in also forecast changes in light of property competitiveness and other factors, the sum total amount of that annualized amount is then divided by the sum total amount of the acquisition price of the respective properties, and the ratio arrived at is then rounded to the nearest first decimal place.

• Employed the Sekiwa Real Estate Group as Property Management Companies

Employed experienced **property management companies of the Sekisui House Group**

Name of Acquired Asset	Property Management Company
Prime Maison MUSASHINONOMORI	Sekiwa Real Estate, Ltd.
Prime Maison HIGASHISAKURA	Sekiwa Real Estate Chubu, Ltd.
Prime Maison KAYABAKOEN	Sekiwa Real Estate Chubu, Ltd.

The Sekiwa Real Estate Group

- 6 companies across Japan within the Group (wholly-owned subsidiaries of Sekisui House)
- The real estate leasing division has conducted leasing management for about **460,000 property units** throughout Japan, centering on Sekisui House's rental housing
- **94.9%** occupied (portion leased as Sha-Maison*) (as of end of July 2010)

*A rental housing brand of Sekisui House

Promoted building of a **system of collaboration** in the **leasing of residential properties**

• Procured Funds for Acquisition with the Cooperation of Lending Financial Institutions

Newly procured a **¥2.8 billion long-term loan payable** and applied it to fund the purchase of properties

Loan term: Oct. 1, 2010 to Feb. 28, 2013 (2 years 5 months)

Lender	Loan Amount
Mizuho Corporate Bank	¥500 million
Mizuho Trust & Banking	¥500 million
Mitsubishi UFJ Trust and Banking	¥1,300 million
Resona Bank	¥500 million
Total	¥2,800 million

External Growth Strategy ~ Resumed External Growth with the First Property Acquisition from Sekisui House (3) ~

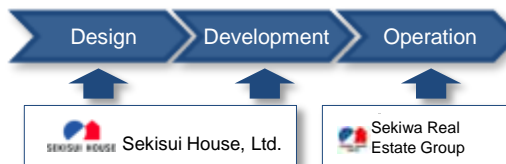
Prime Maison Series

About Prime Maison

A brand of high-quality urban rental condominiums that draw on the know-how of Sekisui House in the solid experience it has accumulated as a leading manufacturer of housing

Based on the concept of delivering quality for permanent residences, Sekisui House has applied the comfort it has cultivated through development of detached housing and the Grande Maison series of for-sale condominiums to also its rental housing. These are high-quality condominiums that give detailed attention to not only facilities and specifications, but even the foundation, architectural structure and other points that are beyond sight, and also consider for the living environment and are particular about location.

The Sekisui House Group independently designs, develops and operates properties



Case Examples of Facilities and Specifications

Walk-in closet



Prime Maison MUSASHINOMORI

Elevator call security system

Adopts the elevator call security system that links a contactless key based personal authentication system with the elevator.



The double security at the entrance and elevator blocks out unauthorized entries.

Contactless key | Key reader

Prime Maison HIGASHISAKURA

Living room with hot-water floor heating system



Prime Maison KAYABAOKEN

Parking lot shutter gate



A shutter gate is installed at the entry/exit to the parking lot to prevent theft, etc.

Prime Maison HIGASHISAKURA

Case Example of Tenant Services

MAST Club



Services for tenants of properties managed by the Sekiwa Real Estate Group

MAST Points Service

Tenants of rental housing managed by the Sekiwa Real Estate Group can earn points according to their rent and can receive up to 3 months free rent when moving to another property managed by the Sekiwa Real Estate Group

There are also services available upon purchase of real estate or ready-built housing or upon construction of custom-built housing

Concierge service

Door-to-door parcel delivery, arranging for a taxi, attending to visitors, guide to pet hotels, etc.

Prime Maison HIGASHISAKURA

Prime Maison are high-quality rental housing that can be found widely in not only the Tokyo metropolitan area, but also Osaka, Nagoya, Fukuoka and Sapporo. Their management and operation are entrusted to the Sekiwa Real Estate Group, which is comprised of 6 companies across Japan, covering a broad target including single-person, DINKs and family households.

Internal Growth Strategy ~ Implemented Large Renewal Work on HAMAMATSU Plaza and Solicited Anchor Tenants (1) ~

Policy on Renewal Plan

- In an aim for early recovery of the occupancy rate of HAMAMATSU Plaza's HAMAMATSU West Building, reviewed and changed the concept of the facility

Before the Renewal

Facilities selling merchandise for daily use **Target** Mainly housewives and seniors

Collaborated with new property management company
 XYMAX CUBE Corporation

After the Renewal

Community-based area for communication through leisure and culture

Target

A broad range of age groups from students to working people in their 20s to 30s, families and seniors

Implemented renewal work in an effort to tap new target demographics;
 Enhanced the attractiveness of the facility

Pursue greater ability to attract customers through synergistic effects with other HAMAMATSU Plaza buildings by targeting a broad range of age groups and strengthening functions that make customers want to stay

Aim to enhance the attractiveness of HAMAMATSU Plaza on the whole and satisfaction of tenants

Content of Renewal Work

Content of main construction work

- Façade makeover to revamp the image of HAMAMATSU West Building
- Changed leasable compartments to make the 2F portion that used to be a single-tenant floor into a multi-tenant floor
- Implemented other construction work, such as for installation of a bowling alley

Estimated construction cost

Approx. ¥338 million
 (of which, repair expenses:
 approx. ¥27 million)
 To be accounted for in
 fiscal period ending
 March 31, 2011



Image of façade renewal

Soliciting of Anchor Tenants

- Signed into fixed-term building lease agreement for a 10-year term with Tokori Global Corporation

Agreement term

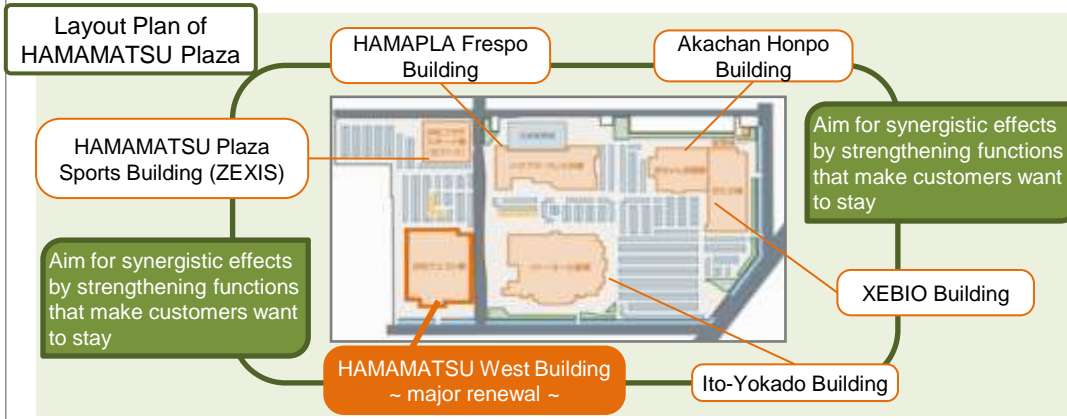
September 1, 2010 to November 19, 2020

Moved into 2F of HAMAMATSU West Building that underwent renewal work

Tokori Global Corporation

(Paid-in capital: ¥50 million; Incorporation: November 2001)
 • Operates "T.T BOWL" and "Masters Bowl" bowling alleys.
 Established the industry's 2nd largest operational base in terms of the number of stores in Japan by operating 24 stores nationwide, etc.

(as of September 2010)



“T.T BOWL Hamamatsu Plaza West” Bowling Alley Store Overview

■ Store Overview

- Opening: November 20, 2010
- Number of bowling lanes: 28 lanes
- Bowling alley with movable partitions, which Tokori Global was the first in Japan to install (supports private room specifications; room service available and eating/drinking allowed in each private room while bowling)
- Also houses various amusement sections and food/drink sections
 Golf simulation (2 booths), billiard tables (2 tables), darts (about 10 boards), restaurant, bar, etc.

Image of Bowling Alley



When in use with partitions

Status of Management of HAMAMATSU Plaza on the Whole (Tenth Fiscal Period Results and Eleventh Fiscal Period Outlook)

	Fiscal Period Ended Sep. 30, 2010 (Tenth Fiscal Period) Results	Fiscal Period Ending Mar. 31, 2011 (Eleventh Fiscal Period) Outlook
Average occupancy ratios for the period	92.0%	94.2%
NOI yields	5.1%	4.4%

The figures for the outlook for the fiscal period ending March 31, 2011 (eleventh fiscal period) are calculated based on valid lease agreements as of November 15, 2010 and factoring in also forecast changes. NOI yields for the respective fiscal periods is the ratio arrived at when the annualized amount of NOI for the respective periods is divided by the initial acquisition price of the entire HAMAMATSU Plaza (rounded to the nearest first decimal place).

Key Factors of Decrease in Expected NOI Yield

■ Renewal Related

- Concerning compartments that became vacant in the fiscal period ended September 30, 2010 (tenth fiscal period) as of November 15, 2010 due to agreement cancellation by Nitori Co., Ltd., review of tenant composition, etc. (leasable floor space: 1,953.14m²), conservative assumption is made that there will be a certain period during which these compartments will remain vacant
- Will account for ¥27 million in repair expenses for such renewal work

Corresponding Policy

Inclusive of the compartments that became vacant in the fiscal period ended March 31, 2010 (ninth fiscal period) (leasable floor space: 2,861.95m²), aiming to solicit tenants during the fiscal period ending March 31, 2011 (eleventh fiscal period) and currently in talks with potential tenants that will set up store

■ Existing Tenants Related

- In light of the prolonged economic downturn, etc., assuming that there will be a certain amount of decrease based on lease agreements for some tenants

Corresponding Policy

Enhance relationships with existing tenants

While the basic policy is to keep the current rent, take a case-by-case approach depending on the status of tenants

*Announcement was made in the press release dated September 30, 2010 that the leasable floor space will change as a result of increase in the common-use portion, etc. after renewal work is implemented for such purposes as changing the leasable compartments and turning the floor into a multi-tenant floor for the 2F portion of HAMAMATSU West Building. Subsequent review of the content of the construction work increased the leasable floor space by 2.66m² to: · Total for HAMAMATSU Plaza after renewal: 81,932.40m² · Total for retail facilities after renewal: 151,882.62m² · Total for portfolio after renewal: 271,378.48m²



3. Status of Portfolio Management



Prime Maison
HIGASHISAKURA

Portfolio Summary

As of September 30, 2010 (End of Tenth Fiscal Period)

Total Acquisition Price (Note 1)	Occupancy Rate	Average Property Age (Note 2)
¥99,920 million (As of Oct. 1, 2010: ¥103,260 million)	96.9%	6.3 years
Total Number of Properties	PML (Entire Portfolio)	Average Property Age (Note 2) (Residential Properties Only)
53 properties (As of Oct. 1, 2010: 56 properties)	5.2%	4.6 years

Diversification by Asset Class (Note 3)

Diversification by Region (Note 3)

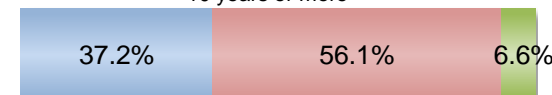
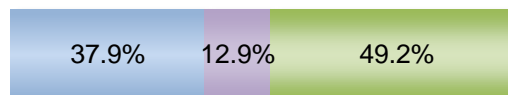
Diversification by Age (Note 3)

■ Residential ■ Retail

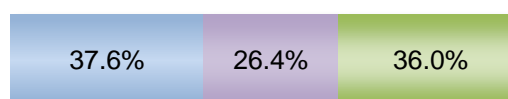
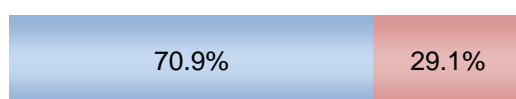
■ Central Tokyo / Jonan Area
 ■ Greater Tokyo
 ■ Major Regional Cities

■ Less than 1 year
 ■ 1 year to less than 5 years
 ■ 5 years to less than 10 years
 ■ 10 years or more

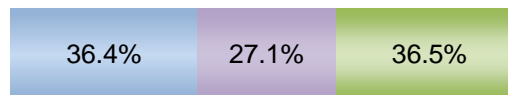
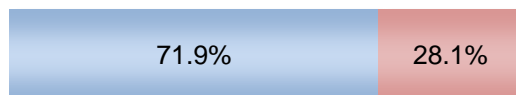
As of IPO



As of Sep. 30, 2010
(End of Tenth Fiscal Period)



As of Oct. 1, 2010
(Note 4)

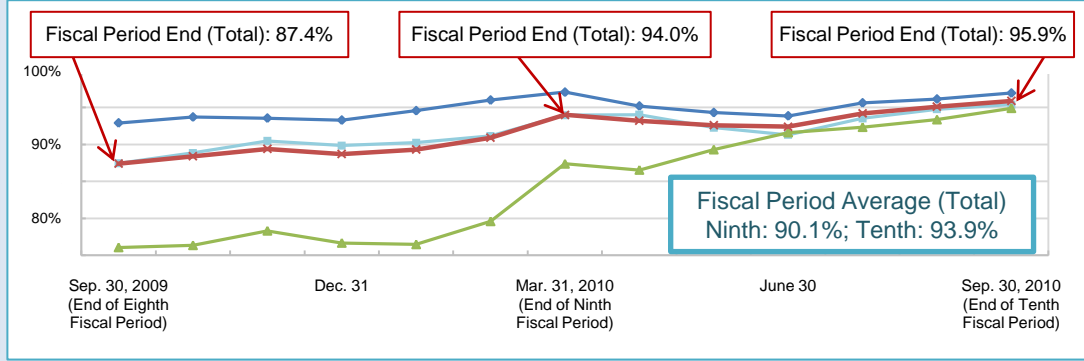


- Notes: 1. Concerning total acquisition prices, amounts of less than one million yen are rounded down.
 2. Average property ages are the result of calculating the weighted average using investment ratios based on acquisition prices and rounded down to the nearest first decimal place.
 3. Investment ratios by each category are calculated based on the acquisition price of each investment asset and rounded to the nearest first decimal place. Accordingly, ratio totals may not add up to 100%.
 4. Figures are inclusive of the trust beneficiary interests in real estate in Japan that were acquired on October 1, 2010 (Prime Maison MUSASHINOMORI, Prime Maison HIGASHISAKURA and Prime Maison KAYABAKOEN).

Occupancy by Region and by Floor Space (Residential Properties)

— Less than 30m² — 30m² to less than 50m² — 50m² or more — Total (incl. stores, etc.)

Central Tokyo / Jonan Area

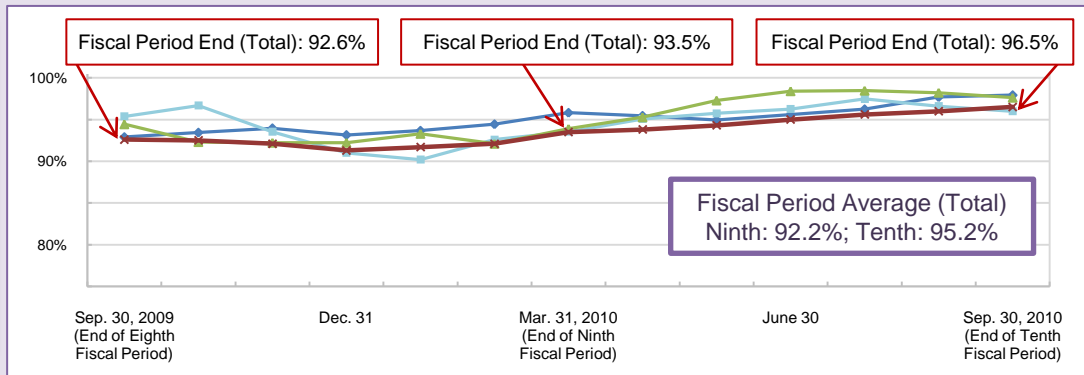


Regional Data

Number of properties: 20
 Investment ratio: 49.4%
 Leasable residential units: 1,151 units
 Average property age: 4.6 years

Through flexible review of advertised terms and various other measures, the occupancy rate of residential units of 50m² or more, which had dropped to the 76% level as of September 30, 2009, **significantly improved** (Sep. 30, 2009: 76.1% ⇒ Sep. 30, 2010: **94.9%**)

Greater Tokyo

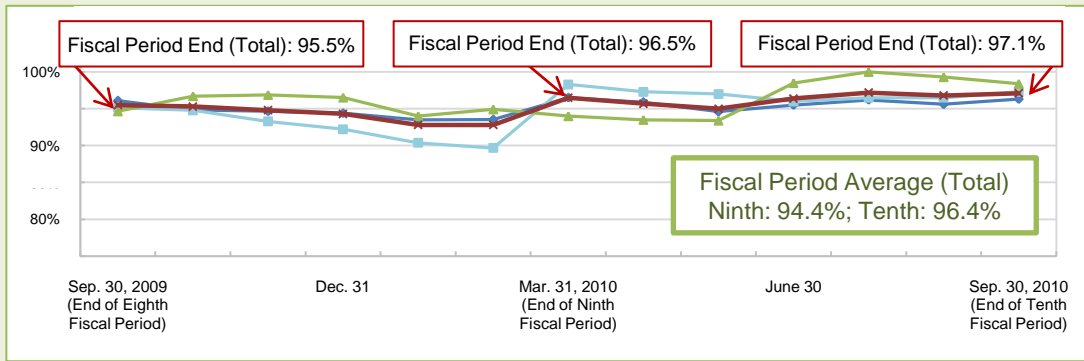


Regional Data

Number of properties: 14
 Investment ratio: 30.0%
 Leasable residential units: 1,155 units
 Average property age: 5.3 years

The demand outflow from high-rent properties continues to flow into this region and enhancement of property PR and management led to contract closing and renewal, resulting in the **occupancy rate rising overall**

Major Regional Cities



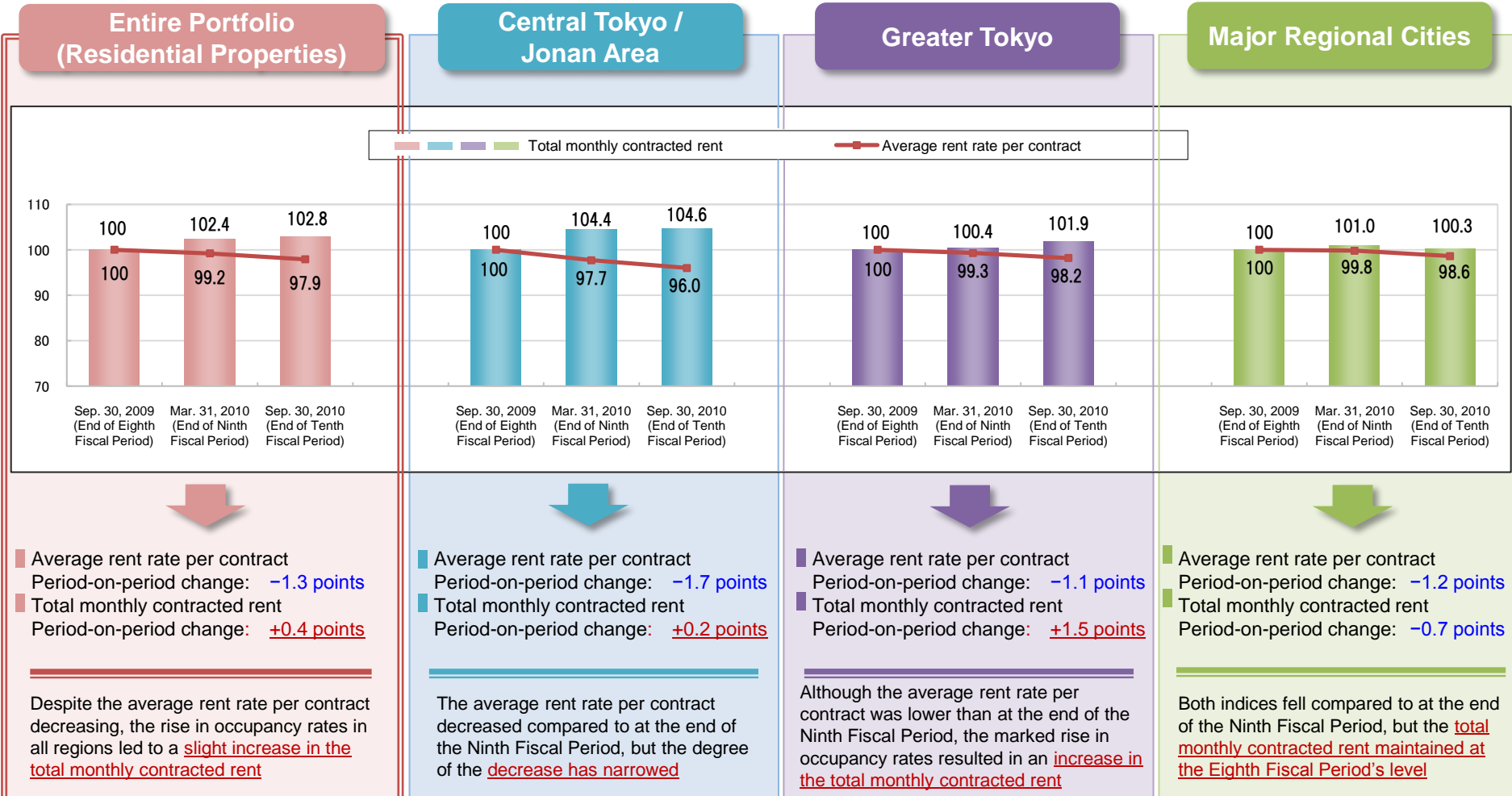
Regional Data

Number of properties: 11
 Investment ratio: 20.5%
 Leasable residential units: 988 units
 Average property age: 3.8 years

Addressing vacant residential units early by working together with local property management companies led to the Ninth Fiscal Period's **high occupancy rate being maintained** in the Tenth Fiscal Period, as well

Note: Occupancy rates by floor space do not include floor space for stores or offices in residential properties. Fiscal period average occupancy rates are the averages of the occupancy rates at the end of each month of the fiscal period. Regional data are figures for only residential properties as of September 30, 2010 (the end of the tenth fiscal period). Investment ratios are calculated based on acquisition prices and rounded to the nearest first decimal place. Accordingly, ratio totals may not add up to 100%. Average property ages are the result of calculating the weighted average using investment ratios based on acquisition prices and rounded down to the nearest first decimal place.

Rent Revisions (Residential Properties)



Average rent rate per contract
 Period-on-period change: **-1.3 points**
Total monthly contracted rent
 Period-on-period change: **+0.4 points**

Despite the average rent rate per contract decreasing, the rise in occupancy rates in all regions led to a slight increase in the total monthly contracted rent

Average rent rate per contract
 Period-on-period change: **-1.7 points**
Total monthly contracted rent
 Period-on-period change: **+0.2 points**

The average rent rate per contract decreased compared to at the end of the Ninth Fiscal Period, but the degree of the decrease has narrowed

Average rent rate per contract
 Period-on-period change: **-1.1 points**
Total monthly contracted rent
 Period-on-period change: **+1.5 points**

Although the average rent rate per contract was lower than at the end of the Ninth Fiscal Period, the marked rise in occupancy rates resulted in an increase in the total monthly contracted rent

Average rent rate per contract
 Period-on-period change: **-1.2 points**
Total monthly contracted rent
 Period-on-period change: **-0.7 points**

Both indices fell compared to at the end of the Ninth Fiscal Period, but the total monthly contracted rent maintained at the Eighth Fiscal Period's level

Future Basic Policy

As well as aiming to maintain high levels of occupancy rates, we enhance revenue stability with appropriate rents based on respective property characteristics

Note: Figures on the above graph present changes from September 30, 2009 (the end of the Eighth Fiscal Period) based on the total contracted rent and average rent rate per contract as of September 30, 2009 being set as 100. Stores or offices in residential properties are not included.

Implementation of Various Measures for Internal Growth (Residential and Retail Properties)

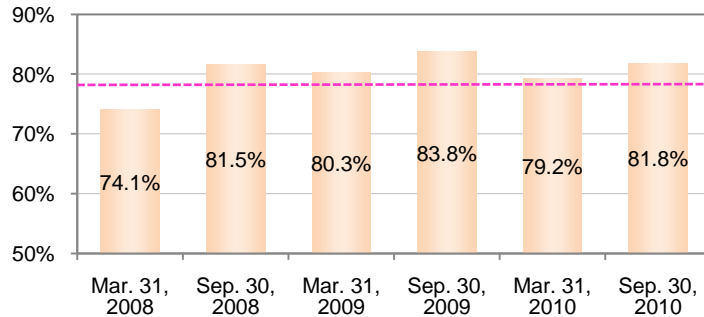
Various Measures at Residential Properties

Measures to Reduce Costs

Measures to Reduce Costs by Maintaining or Increasing Contract Renewal Rates

With contract renewal rates in the Tenth Fiscal Period ended September 30, 2010 **increasing slightly** compared to the Ninth Fiscal Period ended March 31, 2009, continue to aim to **improve profitability** by striving to reduce restoration and other costs through maintaining and increasing contract renewal rates

【 Contract Renewal Rates 】



Note: Renewal rate: The number of residential units for which contracts were renewed against the number of residential units due for contract renewal during the fiscal period

Cost Reduction by Reviewing Basic Contracted Electric Capacity

Lowering of the basic contracted electric capacity by installing new equipment, which has been implemented from the Eighth Fiscal Period ended September 30, 2009, was implemented in the Tenth Fiscal Period also

⇒ Aim to significantly reduce basic electricity costs in common-use areas

Properties at which installation work was implemented in the Tenth Fiscal Period ended Sep. 30, 2010 (total of 4 properties)

J-FLATS MINAMIHORIE	J-FLATS SHIJONISHINOTOIN
PREGIO NISHINAKAJIMA	J-FLATS HAKATAHIGASHI

Expects **cost reduction of about ¥750,000 / year** in total electricity costs (Expects **cost reduction of about ¥3,530,000 / year** when combined with that implemented in the Eighth and Ninth Fiscal Periods (about ¥2,780,000 / year))

Measures to Improve Cash Flows

Installation of Base Station for Mobile Phones

Installed a wireless base station for mobile phones on the roof of a portfolio property

⇒ Aim to increase ancillary income

- Property where installed: Spacia GINZA
- Contract maturity: July 2015
- Annual rent: ¥1,200,000 / year



Various Measures at Retail Properties

Held "Events" at Retail Properties to Boost the Ability to Attract Customers and Contribute to the Community

- Held a summer fireworks show at HAMAMATSU Plaza on July 10, 2010
- Held a music performance in tandem with a local festival at Joy Square YUGAWARA on August 3, 2010
- Held a festival in tandem with a special Buddhism day at Bell Plaza Shopping Center on August 7, 2010



Event at Joy Square YUGAWARA→



← Event at HAMAMATSU Plaza



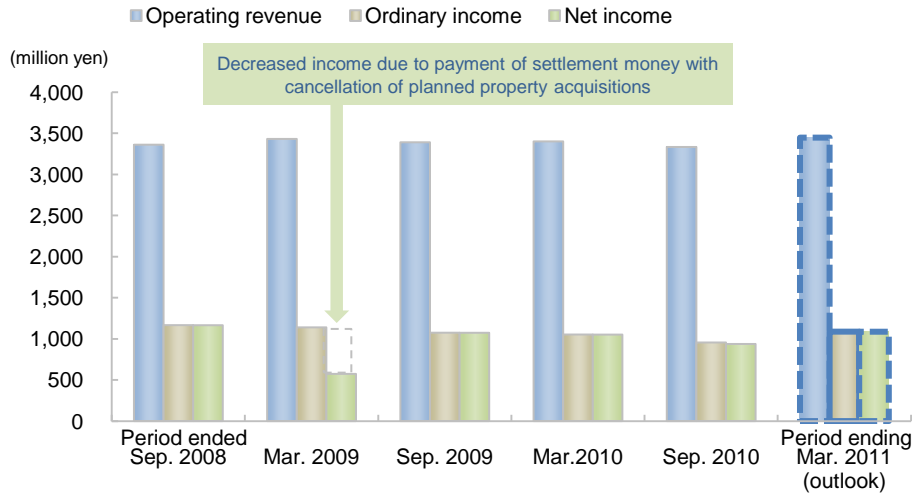
↑ Event at Bell Plaza Shopping Center

4. Forecasts for the Eleventh Fiscal Period Ending March 31, 2011 and Future Policy

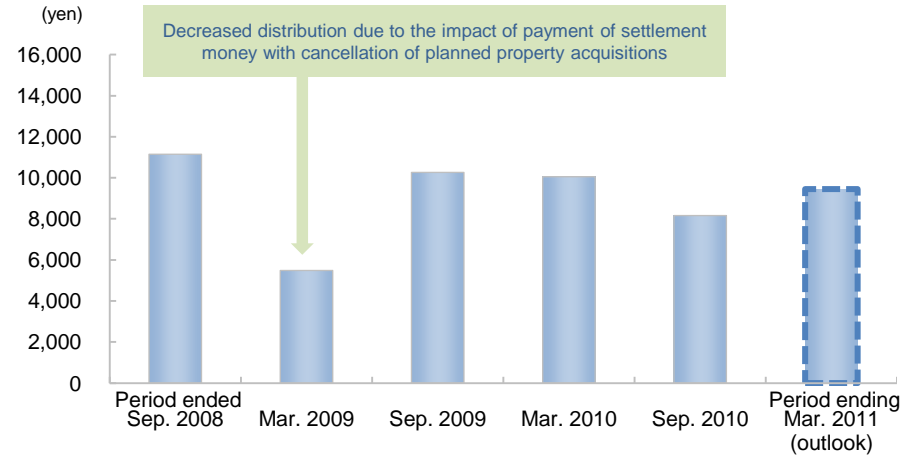


Forecasts for the Eleventh Fiscal Period Ending March 31, 2011

Operating Revenue, Ordinary Income and Net Income



Cash Distributions per Unit



	Fiscal Period Ended Sep. 30, 2008 (183 days)	Fiscal Period Ended Mar. 31, 2009 (182 days)	Fiscal Period Ended Sep. 30, 2009 (183 days)	Fiscal Period Ended Mar. 31, 2010 (182 days)	Fiscal Period Ending Sep. 30, 2010 (183 days)	Fiscal Period Ending Mar. 31, 2011 (outlook) (182 days)
Operating revenue (million yen)	3,362	3,432	3,391	3,402	3,334	3,448
Ordinary income (million yen)	1,167	1,140	1,075	1,053	956	1,088
Net income (million yen)	1,166	574	1,074	1,052	938	1,087
Cash distributions per unit (yen)	11,147	5,485	10,262	10,052	8,160	9,450

<Assumptions for forecast of fiscal period ending March 31, 2011>

- ◆ Assets under management: 56 properties owned as of October 1, 2010 ◆ Management fees: Approx. ¥322 million
- ◆ Noncurrent asset tax, etc. that will be allocated as expenses related to rent business: Approx. ¥203 million ◆ Depreciation and amortization: Approx. ¥642 million
- ◆ Interest expenses, loan origination fees, etc.: Approx. ¥523 million ◆ Number of investment units issued and outstanding: 115,070 units

Notes: 1. Amounts less than the indicated unit are rounded down.

2. The above figures are calculated based upon specific assumptions as of November 15, 2010. Actual operating revenue, ordinary income, net income and cash distributions per unit may differ as a result of subsequent acquisitions or sales of real estate, trends in real estate markets, changes in the operating environment or other conditions affecting the Investment Corporation. The above forecasts are not intended to be guarantees of business results or cash distributions.

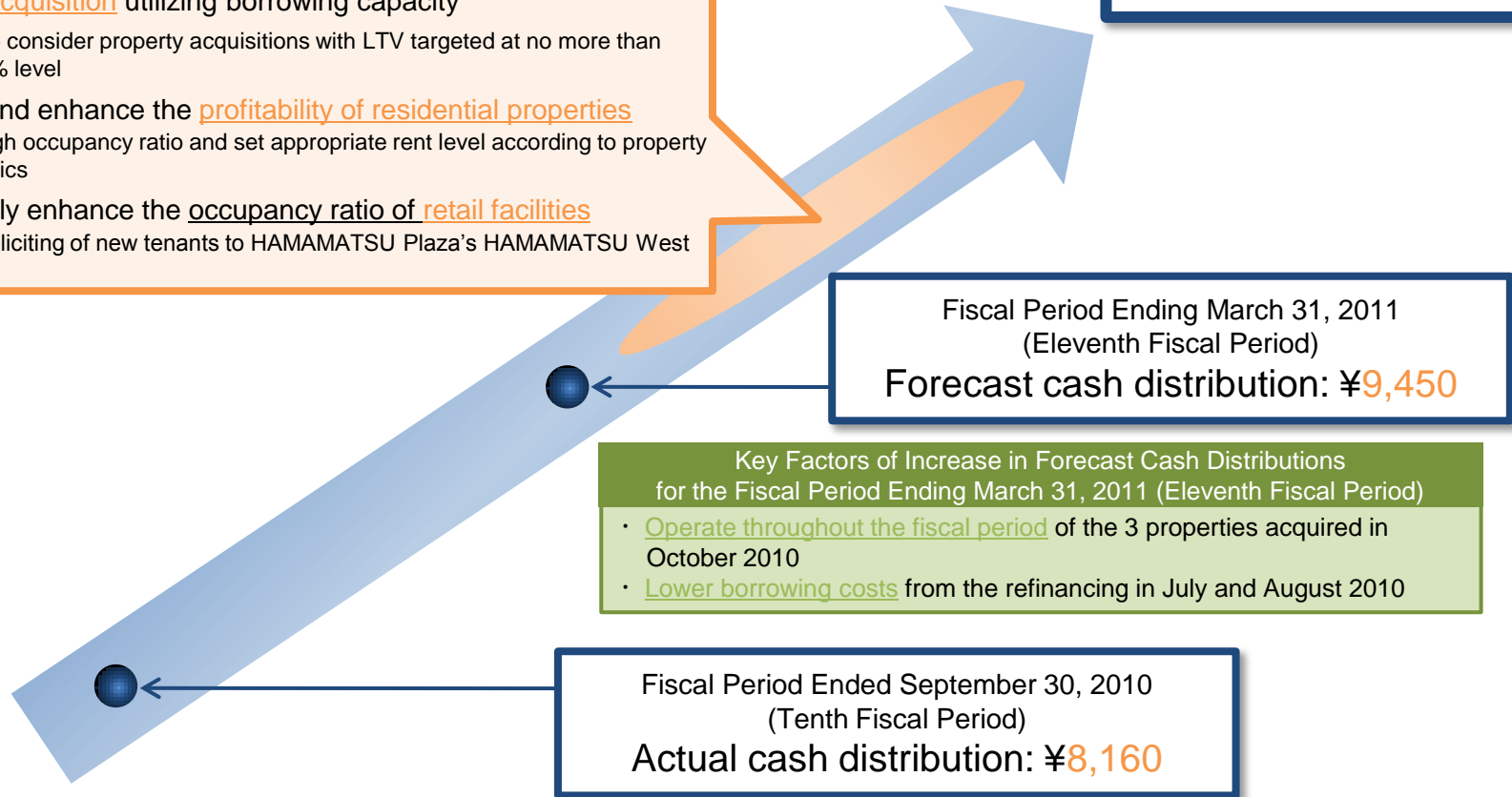
Future Policy

Various measures to achieve strategic goals

Measures to achieve cash distributions of a ¥10,000 level

1. Steady implementation of refinancing in February and March 2011
 With prospects of stabilizing of financial standing, aim to implement at the same or better terms compared to the refinancing in July and August 2010
2. Property acquisition utilizing borrowing capacity
 Continue to consider property acquisitions with LTV targeted at no more than the low 50% level
3. Maintain and enhance the profitability of residential properties
 Maintain high occupancy ratio and set appropriate rent level according to property characteristics
4. Increasingly enhance the occupancy ratio of retail facilities
 Promote soliciting of new tenants to HAMAMATSU Plaza's HAMAMATSU West Building

Phase I Strategic Goal
 Aim to recover cash distributions to the **¥10,000** level at an early stage



Fiscal Period Ending March 31, 2011
 (Eleventh Fiscal Period)
Forecast cash distribution: ¥9,450

Key Factors of Increase in Forecast Cash Distributions for the Fiscal Period Ending March 31, 2011 (Eleventh Fiscal Period)

- Operate throughout the fiscal period of the 3 properties acquired in October 2010
- Lower borrowing costs from the refinancing in July and August 2010

Fiscal Period Ended September 30, 2010
 (Tenth Fiscal Period)
Actual cash distribution: ¥8,160

Make the transition to Phase II. Aim to maintain and enhance cash distributions, and for full-scale increase in asset size.

[Reference] Rental Housing Properties Owned by Sekisui House and Loan Repayment Schedule

Rental Housing Properties Owned by Sekisui House



Residencia Ginza East
Chuo-ku, Tokyo



Prime Maison YUHIGAOKA
Osaka-shi, Osaka



Prime Maison YADAMINAMI
Nagoya-shi, Aichi



Prime Maison GOKISO
Nagoya-shi, Aichi

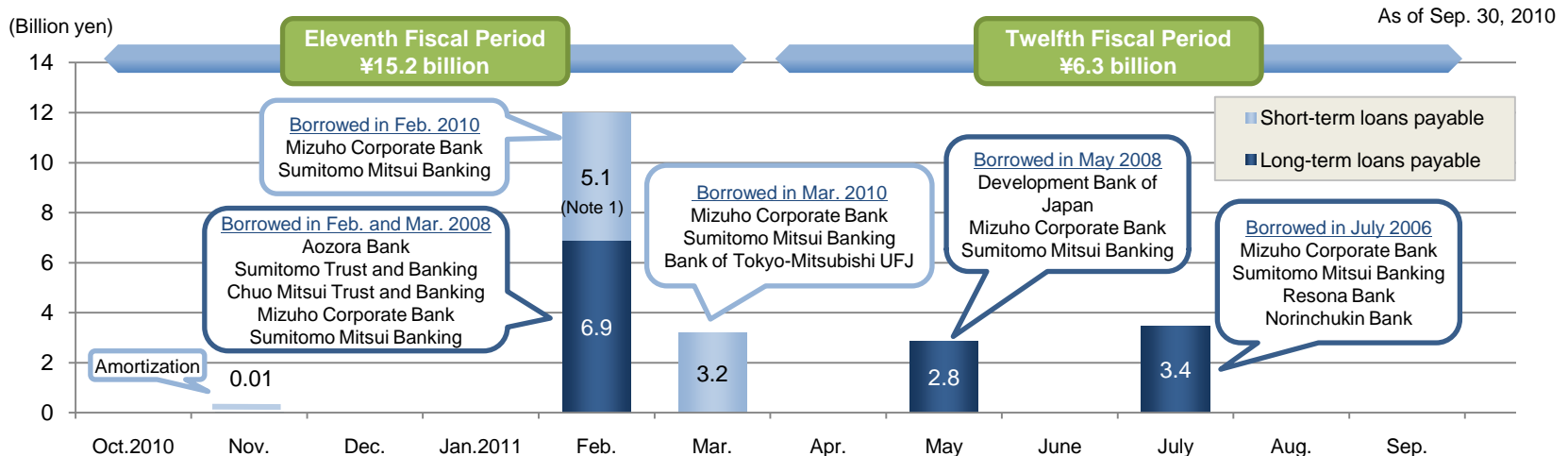


Prime Maison TERIHA
Fukuoka-shi, Fukuoka

Schedule of Loan Repayments in the Eleventh and Twelfth Fiscal Periods

Note: There is no specific plan to acquire the above properties.

Loans to be Due for Repayment in the Eleventh Fiscal Period Ending March 31, 2011 and Twelfth Fiscal Period Ending September 30, 2011



Notes: 1. The loan balance of a term loan borrowed on February 26, 2010 has a loan term that exceeds 1 year by a few days, but is presented here under "short-term loans payable". The loan balance is included in the current portion of long-term loans payable on balance sheets.
 2. Amounts less than the indicated unit are rounded down.

[Reference] Growth Strategy for a New Stage

Announced in May 2010 with additions in November 2010

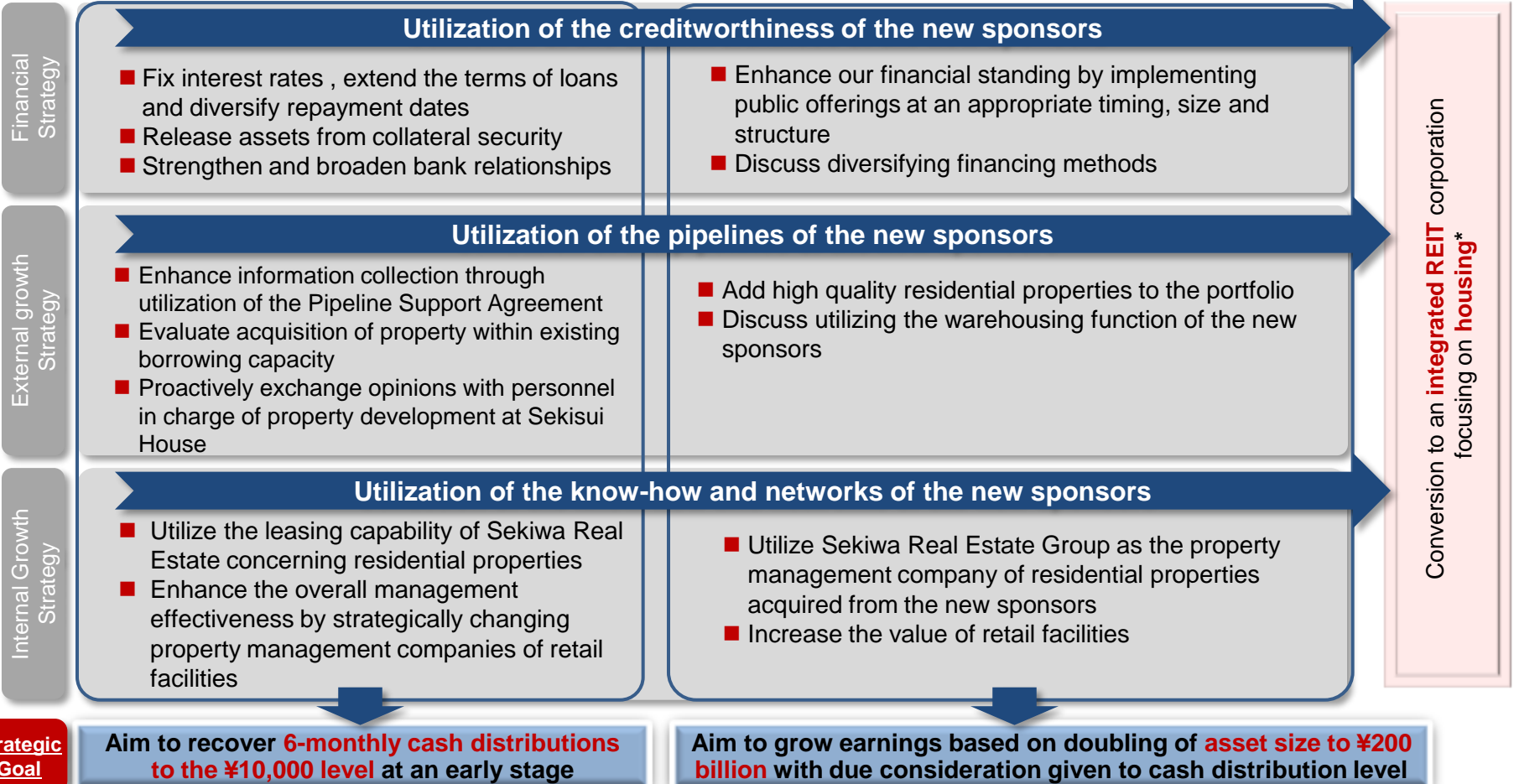
- Assuming implementation of 3 to 5 years -

Phase I (1 to 2 years)

Management Policy **Prioritize the promotion of stabilizing our financial standing**

Phase II (2 to 3 years)

Management Policy **Enhance profitability by significantly increasing asset size**



*Thinking on "conversion to an integrated REIT corporation focusing on housing"

Aim to develop into a REIT that has a strong financial standing through increase of asset size focused on maximizing unitholder returns by building a portfolio centering on high-quality residential properties.



5. Appendix



Balance Sheets (1)

	9th fiscal period (As of March 31, 2010)		10th fiscal period (As of September 30, 2010)		Change	
	Million yen	Percent of total	Million yen	Percent of total	Million yen	Period on period (%)
Assets						
Current assets						
Cash and deposits	2,380		2,539		158	
Cash and deposits in trust	3,298		3,319		21	
Operating accounts receivable	69		55		-13	
Prepaid expenses	306		212		-94	
Deferred tax assets	5		0		-5	
Other	0		8		8	
Allowance for doubtful accounts	-15		-24		-9	
Total current assts	6,045	5.8	6,111	5.9	66	1.1
Noncurrent assets						
Property, plant and equipment						
Buildings in trust	41,108		41,121		13	
Accumulated depreciation	-4,194		-4,778		-583	
Buildings in trust, net	36,913		36,343		-569	
Structures in trust	451		467		15	
Accumulated depreciation	-114		-127		-13	
Structures in trust, net	337		339		1	
Machinery and equipment in trust	421		421		-	
Accumulated depreciation	-97		-111		-14	
Machinery and equipment in trust, net	323		309		-14	
Tools, furniture and fixtures in trust	23		24		0	
Accumulated depreciation	-7		-9		-1	
Tools, furniture and fixtures in trust, net	16		15		-0	
Land in trust	60,997		60,997		-	
Construction in progress in trust	-		110		110	
Total property, plant and equipment	98,588	94.1	98,115	93.9	-472	-0.5
Intangible assets						
Other	1		5		4	
Total intangible assets	1	0.0	5	0.0	4	397.1
Investments and other assets						
Lease and guarantee deposits	10		10		-	
Long-term prepaid expenses	22		93		71	
Other	75		79		4	
Total investments and other assets	107	0.1	182	0.2	75	69.8
Total noncurrent assets	98,697	94.2	98,304	94.1	-392	-0.4
Deferred assets						
Investment corporation bond issuance costs	8		5		-2	
Total deferred assets	8	0.0	5	0.0	-2	-25.7
Total Assets	104,750	100.0	104,422	100.0	-328	-0.3

Balance Sheets (2)

	9th fiscal period (As of March 31, 2010)		10th fiscal period (As of September 30, 2010)		Change	
	Million yen	Percent of total	Million yen	Percent of total	Million yen	Period on period (%)
Liabilities						
Current liabilities						
Operating accounts payable	63		57		-5	
Short-term loans payable	12,554		3,200		-9,354	
Current portion of long-term loans payable	19,185		18,322		-863	
Accounts payable – other	271		269		-1	
Accrued expenses	150		149		-1	
Income taxes payable	5		11		6	
Consumption taxes payable	3		18		14	
Advances received	418		410		-8	
Other	19		6		-13	
Total current liabilities	32,672	31.2	22,446	21.5	-10,226	-31.3
Noncurrent liabilities						
Investment corporation bond	5,000		5,000		-	
Long-term loans payable	12,887		21,266		8,379	
Tenant leasehold and security deposits in trust	4,434		4,246		-187	
Total noncurrent liabilities	22,321	21.3	30,512	29.2	8,191	36.7
Total Liabilities	54,994	52.5	52,959	50.7	-2,034	-3.7
Net Assets						
Unitholders' equity						
Unitholders' capital	48,704	46.5	50,523	48.4	1,819	3.7
Surplus						
Unappropriated retained earnings (undisposed loss)	1,052		939		-113	
Total surplus	1,052	1.0	939	0.9	-113	-10.8
Total unitholders' equity	49,756	47.5	51,462	49.3	1,706	3.4
Total Net Assets	49,756	47.5	51,462	49.3	1,706	3.4
Total Liabilities and Net Assets	104,750	100.0	104,422	100.0	-328	-0.3

Statements of Income

	9 th fiscal period from October 1, 2009 to March 31, 2010		10 th fiscal period from April 1, 2010 to September 30, 2010		Change	
	Million yen	Percent of total	Million yen	Percent of total	Million yen	Period on period (%)
Operating revenue						
Rent revenue - real estate	3,402		3,334		-68	
Total operating revenue	3,402	100.0	3,334	100.0	-68	-2.0
Operating expenses						
Expenses related to rent business	1,383		1,401		18	
Asset management fee	212		207		-5	
Asset custody fee	10		10		-0	
Administrative service fees	28		26		-1	
Directors' compensations	6		5		-1	
Provision of allowance for doubtful accounts	7		14		7	
Other operating expenses	66		92		25	
Total operating expenses	1,714	50.4	1,757	52.7	42	2.5
Operating Income	1,688	49.6	1,576	47.3	-111	-6.6
Non-operating income						
Interest income	1		1		0	
Reversal of distributions payable	0		0		-0	
Other	-		0		0	
Total non-operating income	1	0.1	1	0.1	0	28.5
Non-operating expenses						
Interest expenses	328		338		10	
Interest expenses on investment corporation bonds	85		50		-34	
Amortization of investment corporation bond issuance costs	4		2		-2	
Borrowing related expenses	215		222		7	
Other	1		8		6	
Total non-operating expenses	636	18.7	622	18.7	-13	-2.2
Ordinary Income	1,053	31.0	956	28.7	-97	-9.2
Income before Income Taxes	1,053	31.0	956	28.7	-97	-9.2
Income taxes - current	5		12		6	107.1
Income taxes - deferred	-4		5		9	-216.3
Total income taxes	1	0.1	17	0.5	16	1,121.7
Net Income	1,052	30.9	938	28.2	-113	-10.8
Retained earnings brought forward	0	0.0	0	0.0	-0	-0.1
Unappropriated Retained Earnings (undisposed loss)	1,052	30.9	939	28.2	-113	-10.8

Statements of Cash Flows / Cash Distributions

Statements of Cash Flows

	9 th fiscal period from October 1, 2009 to March 31, 2010	10 th fiscal period from April 1, 2010 to September 30, 2010
	Million yen	Million yen
Net cash provided by (used in) operating activities		
Income before income taxes	1,053	956
Depreciation and amortization	612	613
Investment unit issuance expenses	-	7
Amortization of investment corporation bond issuance costs	4	2
Increase (decrease) in allowance for doubtful accounts	3	9
Interest income	-1	-1
Interest expenses	414	389
Decrease (increase) in operating accounts receivable	3	13
Decrease (increase) in prepaid expenses	85	47
Increase (decrease) in operating accounts payable	35	-5
Increase (decrease) in accounts payable - other	-18	-0
Increase (decrease) in accrued expenses	-6	-0
Increase (decrease) in consumption taxes payable	-9	14
Increase (decrease) in advances received	1	-8
Decrease (increase) in long-term prepaid expenses	-68	-23
Other, net	6	-22
Subtotal	2,116	1,991
Interest income received	1	1
Interest expenses paid	-417	-381
Income taxes paid	-2	-6
Net cash provided by (used in) operating activities	1,697	1,605
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment in trust	-19	-148
Purchase of intangible assets	-	-5
Proceeds from tenant leasehold and security deposits in trust received	92	92
Repayments of tenant leasehold and security deposits in trust received	-257	-280
Decrease (increase) in investments and other assets	-5	-4
Net cash provided by (used in) investment activities	-190	-346

	9 th fiscal period from October 1, 2009 to March 31, 2010	10 th fiscal period from April 1, 2010 to September 30, 2010
	Million yen	Million yen
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	9,554	-
Repayments of short-term loans payable	-9,751	-9,354
Proceeds from long-term loans payable	5,148	14,679
Repayments of long-term loans payable	-50	-7,163
Redemption of investment corporation bonds	-5,000	-
Proceeds from issuance of investment units	-	1,811
Dividends paid	-1,072	-1,052
Net cash provided by (used in) financing activities	-1,171	-1,078
Net increase (decrease) in cash and cash equivalents	336	179
Cash and cash equivalents at beginning of period	5,342	5,678
Cash and cash equivalents at end of period	5,678	5,858

Cash Distributions

	9 th fiscal period from October 1, 2009 to March 31, 2010	10 th fiscal period from April 1, 2010 to September 30, 2010
	Yen	Yen
I Unappropriated retained earnings	1,052,220,109	939,029,614
II Cash Distributions	1,052,142,840	938,971,200
Cash distributions per unit	(10,052)	(8,160)
III Retained earnings brought forward	77,269	58,414

Summary of Selected Financial Data

	9 th fiscal period from October 1, 2009 to March 31, 2010	10 th fiscal period from April 1, 2010 to September 30, 2010
Business days	182	183
Total assets	104,750 million yen	104,422 million yen
Net assets	49,756 million yen	51,462 million yen
Unitholders' capital	48,704 million yen	50,523 million yen
Investment units outstanding	104,670 units	115,070 units
Net assets per unit	475,363 yen	447,227 yen
Total cash distributions	1,052 million yen	938 million yen
Cash distributions per unit	10,052 yen	8,160 yen
Ordinary income to total assets ¹ (annualized)	2.0%	1.8%
Return on unitholders' equity ² (annualized)	4.2%	3.7%
Unitholders' equity ratio ³	47.5%	49.3%
Total number of properties	53	53
Total rentable floor area	263,196.48m ²	262,169.15m ²
Period-end occupancy rate	96.6%	96.9%
Depreciation expense	611 million yen	612 million yen
Capital expenditures	44 million yen	29 million yen
Leasing Net Operating Income ⁴ (NOI)	2,631 million yen	2,545 million yen
Funds from Operation ⁵ (FFO)	1,664 million yen	1,552 million yen
FFO per unit	15,903 yen	13,496 yen
Total interest-bearing debt	51,208 million yen	49,229 million yen
Loan to Value ⁶ (LTV)	48.9%	47.1%
Interest-bearing debt ratio ⁷	51.3%	49.4%
Debt Service Coverage Ratio ⁸ (DSCR)	3.9 times	3.7 times

- (1) Ordinary income to total assets = Ordinary income (annualized) / Average total assets
Average total assets = (Period-beginning total assets + Period-end total assets) / 2
- (2) Return on unitholders' equity = Net income (annualized) / Average net assets
Average net assets = (Period-beginning net assets + Period-end net assets) / 2
- (3) Unitholders' equity ratio = Period-end net assets / Period-end total assets
- (4) Leasing NOI = Leasing operating income (= Rent revenue-real estate – Expenses related to rent business) + Depreciation and amortization (Expenses related to rent business)
- (5) FFO = Net income + Depreciation and amortization
- (6) LTV = Period-end interest-bearing debt / Period-end total assets
Interest-bearing debt = Borrowings + Investment corporation bonds + Interest-bearing leasehold and security deposits
- (7) Interest-bearing debt ratio = Period-end interest-bearing debt / (Period-end interest-bearing debt + Unitholders' capital)
- (8) DSCR = (Net income + Repayment of interest-bearing debt + Interest expenses + Depreciation and amortization) / (Repayment of interest-bearing debt + Interest expenses)

Note: Ratios are rounded to the nearest first decimal place.

Outline of Portfolio (1)

Primary Properties Owned (Residential Properties)

Central Tokyo / Jonan Area

Spacia GINZA



Spacia GOTANDA



Spacia OISENDAIZAKA



Spacia AZABUJUBAN III



Greater Tokyo

J-FLATS YOKOHAMA



J-FLATS
ITABASHIKUYAKUSHOMAE



Major Regional Cities

S-RESIDENCE
KYOBASHI

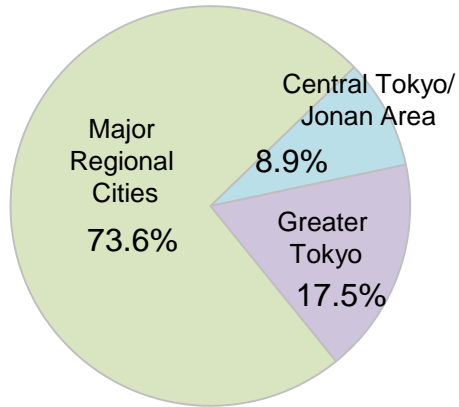


J-FLATS KAMIGOFUKU



Outline of Portfolio (2)

Classification by Region (Retail Properties)



As of Sep. 30, 2010

Properties Owned (Retail Properties)

Central Tokyo / Jonan Area

b-town JINGUMAE II



b-town MINAMIAOYAMA



Greater Tokyo

b-toss IKEBUKURO



KOJIMA NEW KAMIFUKUOKA



Joy Square YUGAWARA



Major Regional Cities

HAMAMATSU Plaza



RINKU HAGURAZAKI Plaza



Bell Plaza Shopping Center



Note: Ratios are calculated based on the acquisition price of each property (retail facility) and are rounded to the nearest first decimal place. Accordingly, ratio totals may not add up to 100 percent.

Portfolio at a Glance (1)

Properties Owned as of September 30, 2010

	Property No.	Property Name	Location	Site Area (m ²)	Total Floor Area (m ²)	Acquisition Price		Appraisal Value at End of Period (Million yen)	Occupancy Rate (%)		Completion Date
						Price (Million yen)	Ratio (%)		As of Mar. 31, 2010	As of Sep. 30, 2010	
Core Assets	Residence-1	Spacia GINZA	GINZA, Chuo-ku, Tokyo	636.36	7,836.57	5,290	5.3	5,080	95.1	97.7	February 07, 2005
	Residence-3	Spacia AZABUJUBAN II	Roppongi, Minato-ku, Tokyo	677.45	2,317.87	1,730	1.7	1,480	88.6	94.7	January 16, 2004
	Residence-4	Spacia EBISU II	Higashi, Shibuya-ku, Tokyo	561.58	2,452.69	1,960	2.0	1,750	83.6	92.3	June 13, 2003
	Residence-5	Spacia EBISU III	Hiroo, Shibuya-ku, Tokyo	169.00	871.90	700	0.7	745	96.8	96.1	October 20, 2004
	Residence-6	Spacia KANDA	Kandatacho, Chiyoda-ku, Tokyo	307.69	2,028.19	1,360	1.4	1,250	91.1	94.4	February 20, 2004
	Residence-7	Spacia SENDAGAYA	Daikyo-cho, Shinjuku-ku, Tokyo	340.49	844.13	576	0.6	506	94.1	88.8	August 31, 2004
	Residence-8	Spacia KITASHINJUKU	Kitashinjuku, Shinjuku-ku, Tokyo	504.41	2,204.07	1,290	1.3	1,330	95.2	100.0	August 06, 2004
	Residence-9	Spacia MEGUROFUDOMAE	Nishigotanda, Shinagawa-ku, Tokyo	217.38	1,044.37	766	0.8	744	97.5	100.0	January 12, 2005
	Residence-10	FITL KOMAGATA	Komagata, Taito-ku, Tokyo	663.54	3,406.10	1,870	1.9	1,830	95.5	96.2	July 28, 2004
	Residence-11	Spacia MACHIDA	Haramachida, Machida-shi, Tokyo	587.48	4,033.59	1,360	1.4	1,300	95.5	99.2	February 23, 2004
	Residence-12	Spacia KAWASAKI	Ogawa-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	683.69	4,656.10	2,130	2.1	2,110	94.5	99.3	July 15, 2004
	Residence-13	IMAIKE IRIS NIBANKAN	Imaike, Chikusa-ku, Nagoya-shi, Aichi	360.54	1,375.76	300	0.3	206	90.2	86.8	October 15, 1991
	Residence-14	GRACIA FIS	Furuichiba, Saiwai-ku, Kawasaki-shi, Kanagawa	1,992.09	3,737.47	1,018	1.0	953	100.0	100.0	March 05, 1999
	Residence-15	J-FLATS YOKOHAMA	Tsuruya-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	611.41	3,076.45	2,090	2.1	1,850	100.0	100.0	January 23, 2007
	Residence-16	FITL KAMEIDO	Kameido, Koto-ku, Tokyo	438.43	2,899.67	1,650	1.7	1,440	95.9	97.8	November 30, 2005
	Residence-17	Spacia MEGURO	Mita, Meguro-ku, Tokyo	578.01	1,283.92	887	0.9	926	97.5	95.5	November 28, 2005
	Residence-18	ACT HILLS YACHIYO	Midorigaoka, Yachiyo-shi, Chiba	1,289.14	5,420.53	1,348	1.3	1,030	77.5	88.8	January 10, 1998
	Residence-19	J-FLATS SUGAMO	Sugamo, Toshima-ku, Tokyo	965.70	2,785.83	1,510	1.5	1,440	94.8	95.0	February 22, 2007
	Residence-20	S-RESIDENCE KYOBASHI	Higashinoda-cho, Miyakojima-ku, Osaka-shi, Osaka	799.68	5,995.82	2,774	2.8	2,560	98.7	96.0	March 02, 2006
	Residence-21	EL CIELO MEGUROHONCHO	Megurohoncho, Meguro-ku, Tokyo	865.22	1,975.84	1,220	1.2	954	84.2	89.9	February 22, 2006
	Residence-22	Spacia HAKURAKU	Rokkakubashi, Kanagawa-ku, Yokohama-shi, Kanagawa	457.54	1,593.68	844	0.8	750	94.8	98.2	February 02, 2006
	Residence-23	J-FLATS MINAMIHORIE	Minamihorie, Nishi-ku, Osaka-shi, Osaka	475.06	1,994.14	1,055	1.1	902	100.0	98.4	February 19, 2007
	Residence-24	Spacia GOTANDA ⁵	Nishigotanda, Shinagawa-ku, Tokyo	593.32	5,590.34	3,043	3.0	2,630	93.0	97.8	March 02, 2006

Portfolio at a Glance (2)

	Property No.	Property Name	Location	Site Area (m ²)	Total Floor Area (m ²)	Acquisition Price		Appraisal Value at End of Period (Million yen)	Occupancy Rate (%)		Completion Date
						Price (Million yen)	Ratio (%)		As of Mar. 31, 2010	As of Sep. 30, 2010	
Core Assets	Residence-25	Spacia OISENDAIZAKA	Higashioi, Shinagawa-ku, Tokyo	558.39	3,440.73	2,440	2.4	2,160	97.0	97.9	August 10, 2006
	Residence-26	FITL SHINAGAWA SEASIDE	Higashishinagawa, Shinagawa-ku, Tokyo	1,049.00	3,127.48	2,200	2.2	1,920	96.1	94.8	June 23, 2006
	Residence-27	FITL MINAMIAZABU	Minamiazabu, Minato-ku, Tokyo	487.27	1,479.61	1,300	1.3	1,100	96.2	96.2	August 23, 2006
	Residence-28	RARETE JYOUTOU	Noe, Jyoutou-ku, Osaka-shi, Osaka	740.49	2,232.26	1,075	1.1	921	98.3	95.1	August 31, 2006
	Residence-29	Spacia TSUKAMOTO CROWN HEIM	Tsukamoto, Yodogawa-ku, Osaka-shi, Osaka	808.54	2,565.66	1,250	1.3	1,060	96.9	97.9	August 10, 2006
	Residence-30	Spacia KAWASAKI II	Ogawa-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	601.38	3,193.14	1,900	1.9	1,760	96.9	97.6	February 27, 2007
	Residence-31	Spacia AZABUJUBAN III	Azabujuban, Minato-ku, Tokyo	380.26	2,097.45	2,700	2.7	2,240	97.5	96.9	February 22, 2007
	Residence-33	FITL ITABASHIHONCHO	Yamato-cho, Itabashi-ku, Tokyo	220.85	1,446.78	1,000	1.0	837	100.0	96.9	February 27, 2007
	Residence-34	FITL OIZUMIGAKUEN	Higashi-Oizumi, Nerima-ku, Tokyo	618.00	1,542.16	871	0.9	694	89.4	96.6	February 22, 2007
	Residence-35	J-FLATS TENJINHIGASHI I	Susaki-machi, Hakata-ku, Fukuoka-shi, Fukuoka	239.18	1,158.70	445	0.4	343	100.0	97.8	January 31, 2007
	Residence-36	J-FLATS TENJINHIGASHI II	Susaki-machi, Hakata-ku, Fukuoka-shi, Fukuoka	514.89	2,108.69	840	0.8	641	86.6	96.4	May 23, 2007
	Residence-37	J-FLATS SHIJONISHINOTOIN	Myodenji-cho, Shijo-sagaru, Nishinotoin-dori, Shimogyo-ku, Kyoto-shi, Kyoto	400.59	3,374.74	1,420	1.4	990	98.9	95.6	April 08, 2008
	Residence-39	J-FLATS HIGASHISHINAGAWA	Higashi-Shinagawa, Shinagawa-ku, Tokyo	1,028.92	3,338.12	2,610	2.6	2,070	96.9	93.4	May 23, 2008
	Residence-40	J-FLATS HACHIOJIMINAMINO	Nishikatakura, Hachioji-shi, Tokyo	1,134.50	2,243.06	1,000	1.0	921	94.2	94.2	March 6, 2007
	Residence-41	PREGIO NISHINAKAJIMA	Higashinakajima, Higashiyodogawa-ku, Osaka-shi, Osaka	969.02	3,947.24	2,250	2.3	1,730	96.5	98.3	April 18, 2007
	Residence-42	J-FLATS ITABASHIKUYAKUSHOMAE	Itabashi, Itabashi-ku, Tokyo	731.71	4,322.19	2,700	2.7	2,210	91.9	96.0	April 22, 2007
	Residence-43	J-FLATS MUSASHIKOYAMA ⁵	Ebara, Shinagawa-ku, Tokyo	512.62	1,616.87	1,012	1.0	882	92.5	95.6	November 5, 2007
	Residence-44	J-FLATS SENDAGI ⁵	Sendagi, Bunkyo-ku, Tokyo	250.44	1,239.10	757	0.8	629	97.3	90.9	January 9, 2008
	Residence-45	J-FLATS YOTSUYASAKAMACHI ⁵	Sakamachi, Shinjuku-ku, Tokyo	905.08	3,675.01	2,300	2.3	1,800	96.5	98.8	March 29, 2008
	Residence-46	J-FLATS HAKATAHIGASHI	Yoshizuka, Hakata-ku, Fukuoka-shi, Fukuoka	4,590.91	9,465.09	2,250	2.3	2,110	96.7	99.4	November 21, 2007
Residence-47	J-FLATS KAMIGOFUKU	Kamigofukumachi, Hakata-ku, Fukuoka-shi, Fukuoka	593.55	2,523.71	900	0.9	722	94.3	95.5	March 14, 2008	
Residence-48	J-FLATS SANGENJAYA	Sangenjaya, Setagaya-ku, Tokyo	153.83	954.94	871	0.9	720	94.5	97.2	January 22, 2008	
Residential Subtotal				32,264.63	130,517.76	70,862	70.9	62,226	94.5	96.5	

Portfolio at a Glance (3)

	Property No.	Property Name	Location	Site Area (m ²)	Total Floor Area (m ²)	Acquisition Price		Appraisal Value at End of Period (Million yen)	Occupancy Rate (%)		Completion Date
						Price (Million yen)	Ratio (%)		As of Mar. 31, 2010	As of Sep. 30, 2010	
Core Assets	Retail-1	HAMAMATSU Plaza	Kaminishi-cho, Higashi-ku, Hamamatsu-shi, Shizuoka, etc.	135,817.46	73,250.17	15,360	15.4	12,900	96.6	94.9	(Note 6)
	Retail-2	b-town JINGUMAE II	Jingumae, Shibuya-ku, Tokyo	283.83	499.67	1,043	1.0	912	100.0	100.0	May 20, 2005
	Retail-3	RINKU HAGURAZAKI Plaza	Tajiri-cho Oaza, Gashou-ji, Sennan-gun, Osaka, etc.	53,231.66	—	4,697	4.7	3,936	100.0	100.0	—
	Retail-4	b-town MINAMIAOYAMA	Minamiaoyama, Minato-ku, Tokyo	385.32	797.63	1,530	1.5	1,290	94.7	100.0	February 28, 2006
	Retail-5	KOJIMA NEW KAMIFUKUOKATEN	Kamifukuoka, Fujimino-shi, Saitama	4,877.90	3,413.40	1,300	1.3	1,120	100.0	100.0	October 14, 1996
	Retail-7	b-toss IKEBUKURO	Nishi-Ikebukuro, Toshima-ku, Tokyo	223.38	1,474.21	1,980	2.0	1,550	100.0	100.0	November 12, 2005
	Retail-8	Joy Square YUGAWARA	Chuo, Yugawaramachi, Ashigarashimogun, Kanagawa	5,425.13	6,326.53	1,810	1.8	1,590	100.0	100.0	September 22, 2006
	Retail-9	Bell Plaza Shopping Center	Nakamaruko, Ueda-shi, Nagano	23,304.57	6,203.26	1,337	1.3	1,070	100.0	100.0	(Note 8)
	Retail Subtotal				223,549.25	91,964.87	29,058	29.1	24,368	98.2	97.3
As of September 30, 2010 Portfolio Total				255,813.88	222,482.63	99,920	100.0	86,594	96.6	96.9	

Owned as of March 31, 2010	53 properties	99,920 million yen
Acquired in the period ended September 30, 2010	0 property	—
Owned as of September 30, 2010	53 properties	99,920 million yen
Acquired as of October 1	3 properties	3,340 million yen
Owned as of November 30, 2010	56 properties	103,260 million yen

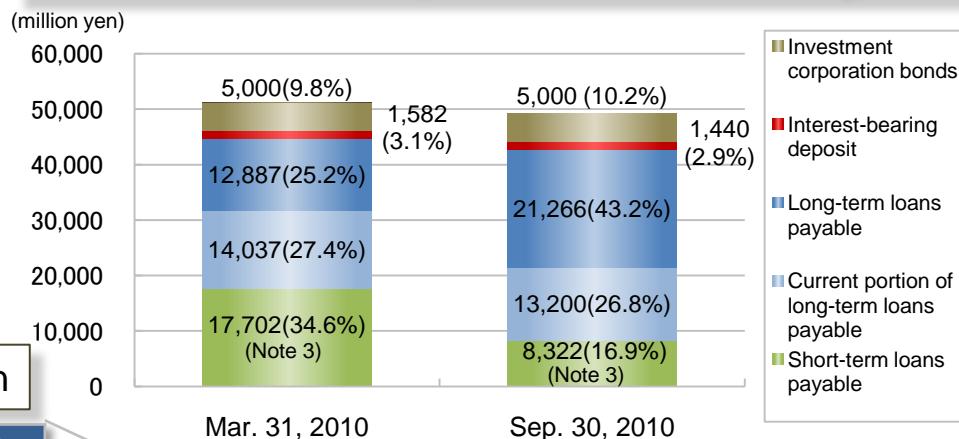
- Notes: 1. Based on information as of September 30, 2010. Occupancy rates are rounded to the nearest first decimal place.
2. Concerning acquisition prices, amounts of less than one million yen are rounded down, and percentages indicate the portion of the portfolio's total acquisition price for properties owned and are rounded to the nearest first decimal place.
3. The listed site area and total floor area figures are based on indications given in the register. As for Rinku Hagurazaki Plaza, its total floor area is not described because the Investment Corporation acquired only the land and leases it (the buildings on it are owned by the tenants).
4. The appraisal value at end of period is the amount appraised based on an appraisal by a real estate appraiser or the amount as found in a real estate price survey, rounded down to the nearest million yen.
5. The ratio of site rights (co-ownership rights) for Spacia GOTANDA, J-FLATS MUSASHIKOYAMA, J-FLATS SENDAGI and J-FLATS YOTSUYASAKAMACHI are 387,036/426,933, 117,678/127,609, 89,730/103,842 and 245,317/329,739, respectively. However, "Site Area" indicates the total land area of the real estate in trust, while "Total Floor Area" indicates the floor area of the entire building. The exclusive portions of the total floor area that the Investment Corporation has acquired are 3,637.18m², 1,148.58m², 867.27m² and 2,253.07m², respectively.
6. HAMAMATSU Plaza is a shopping-complex-type facility, with Hamamatsu West completed on October 20, 1979, the Ito-Yokado and administration buildings completed on November 7, 2000, and Akachanhonpo and Xebio buildings completed on November 9, 2000.
7. The site area of RINKU HAGURAZAKI Plaza changed from 51,146.89m² to 53,231.66m² as a result of a national land survey in May 2010.
8. Bell-Plaza Shopping Center is a shopping-complex-type facility, with the Center building and Shop building completed on November 30, 1992 and the Restaurant building completed on July 12, 2006.

Overview of Interest-Bearing Debt as of September 30, 2010

Overview of Interest-Bearing Debt

	Outstanding Balance	Average Interest Rate on Procurement (Note 2)
Short-term loans payable (Note 3)	¥8,322 million	1.3%
Long-term loans payable (Note 4)	¥34,466 million	1.5%
Interest-bearing deposits	¥1,440 million	2.0%
Investment corporation bonds	¥5,000 million	2.0%
Total interest-bearing debt	¥49,229 million	1.5%

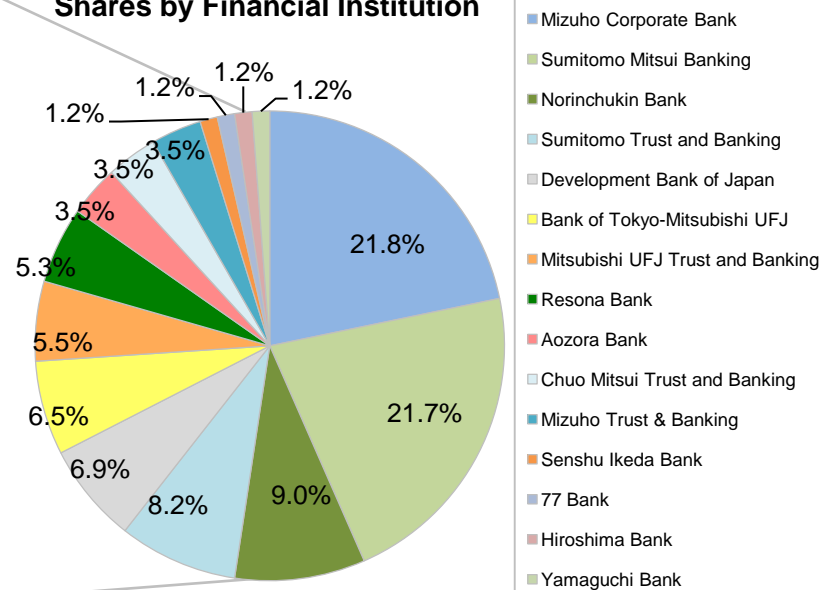
Period-on-Period Comparison of Interest-Bearing Debt



Loans Payable Outstanding by Financial Institution

Financial Institution	Outstanding Balance	Share
Mizuho Corporate Bank, Ltd.	¥9,338 million	21.8%
Sumitomo Mitsui Banking Corporation	¥9,279 million	21.7%
The Norinchukin Bank	¥3,852 million	9.0%
The Sumitomo Trust and Banking Co., Ltd.	¥3,500 million	8.2%
Development Bank of Japan Inc.	¥2,941 million	6.9%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,800 million	6.5%
Mitsubishi UFJ Trust and Banking Corporation	¥2,342 million	5.5%
Resona Bank, Ltd.	¥2,250 million	5.3%
Aozora Bank, Ltd.	¥1,500 million	3.5%
The Chuo Mitsui Trust and Banking Company, Limited	¥1,500 million	3.5%
Mizuho Trust & Banking Co., Ltd.	¥1,484 million	3.5%
The Senshu Ikeda Bank, Ltd.	¥500 million	1.2%
The 77 Bank, Ltd.	¥500 million	1.2%
The Hiroshima Bank, Ltd.	¥500 million	1.2%
The Yamaguchi Bank, Ltd.	¥500 million	1.2%
Total Debt	¥42,788 million	100.0%

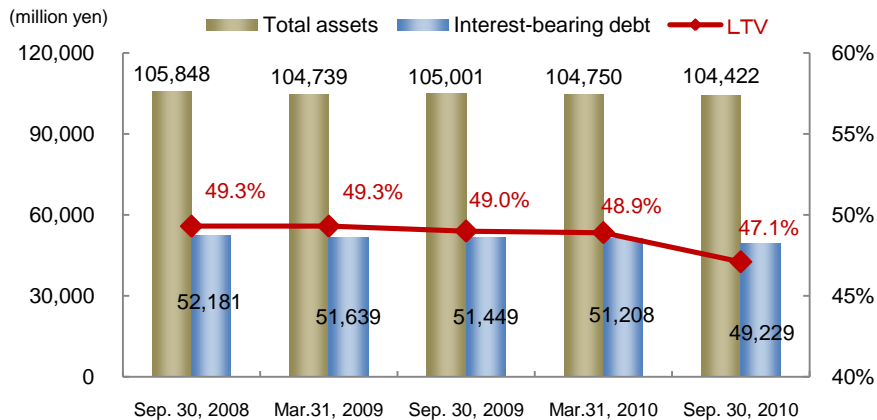
Shares by Financial Institution



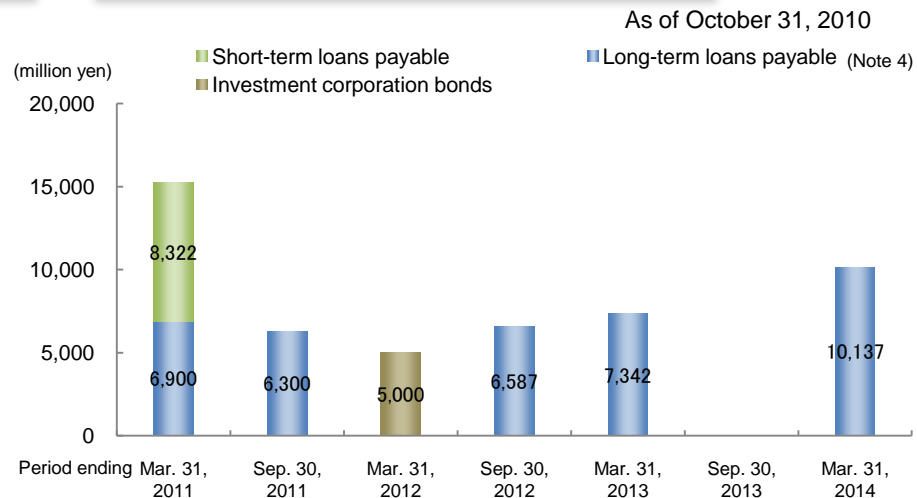
Notes: 1. Concerning figures in the graphs and tables above, amounts of less than one million yen are rounded down and percentage figures are rounded to the nearest first decimal place.
2. The average interest rate on procurement is the weighted average of applied interest rates as of September 30, 2010, and the figures are rounded to the nearest first decimal place.
3. The term loan that was drawn down on February 26, 2010 has a loan term that exceeds 1 year by several days, but is presented here under "Short-term loans payable." Please note that this is accounted for as "Current portion of long-term loans payable" on balance sheets. 4. Includes current portion of long-term loans payable.

Key Financial Indices for Interest-Bearing Debt

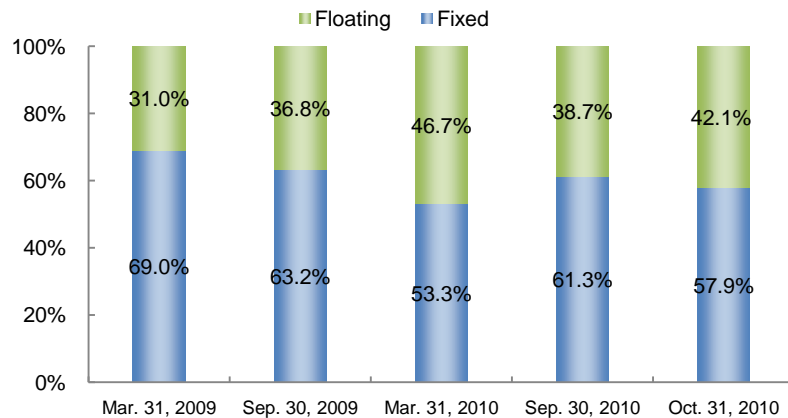
Changes in Total Assets, Total Interest-Bearing Debt and LTV (Notes 1 and 2)



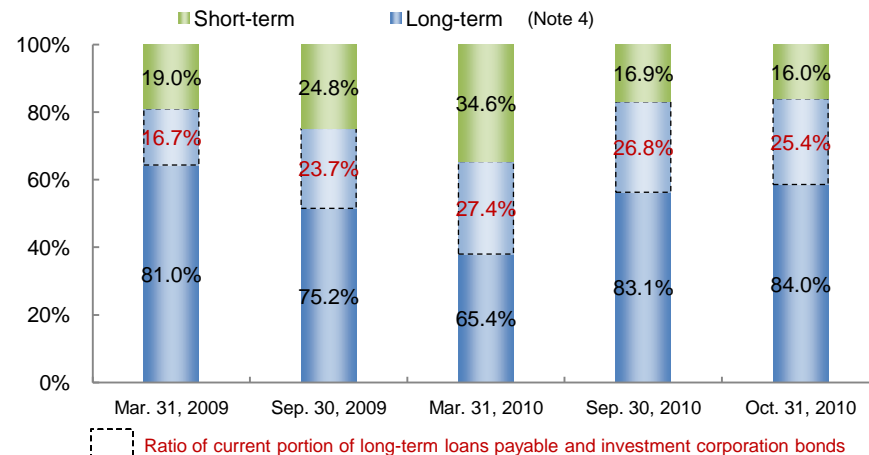
Diversification of Repayment Dates (Notes 3 and 6)



Ratio of Fixed / Floating Interest Rates (Notes 2 and 5)



Ratio of Long/Short-Term Loans Payable (Notes 2, 5 and 6)



Notes: 1. LTV = Interest-bearing debt / Total assets at end of the period (where interest-bearing debt is the sum of loans payable, investment corporation bonds and interest-bearing tenant leasehold and security deposits).
 2. Percentage figures are rounded to the nearest first decimal place.
 3. Does not include interest-bearing tenant leasehold and security deposits.
 4. Includes current portion of long-term loans payable.
 5. Stated as the percentage of total interest-bearing debt.
 6. The term loan that was drawn down on February 26, 2010 has a loan term that exceeds 1 year by several days, but is presented here under "Short-term loans payable." Please note that this is accounted for as "Current portion of long-term loans payable" on balance sheets.

Overview of Unitholders as of September 30, 2010

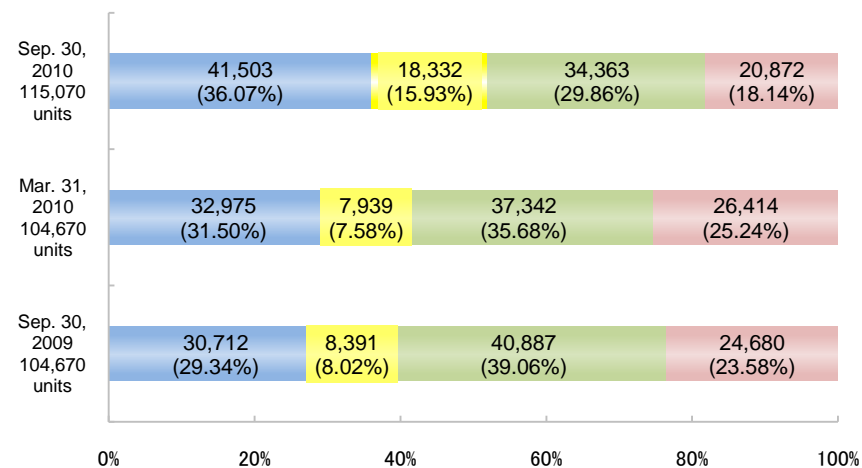
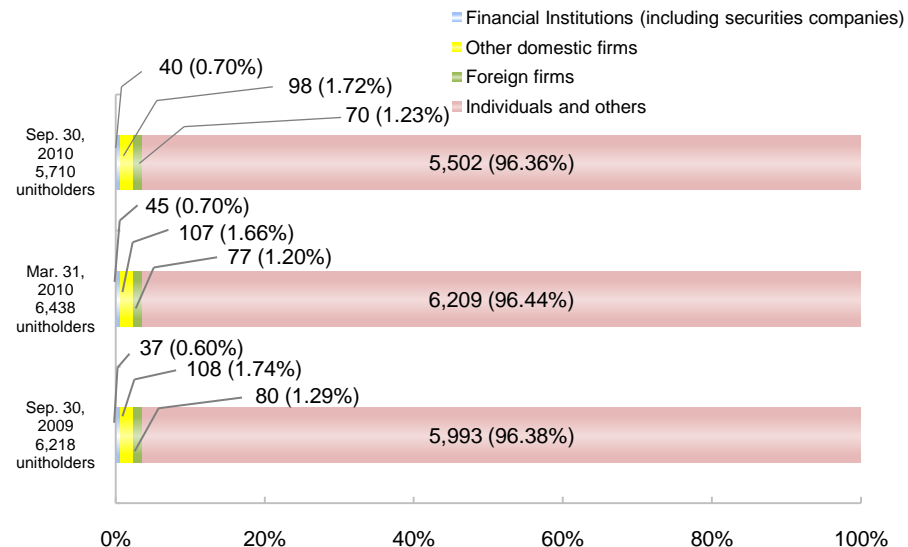
Major Unitholders

Name / Company Name	Investment Units Owned (units)	Ownership of Investment Units Outstanding (%)
Goldman Sachs International	19,937	17.32
Japan Trustee Services Bank, Ltd. (Trust Account)	17,559	15.25
The Nomura Trust and Banking Co., Ltd. (Trust Account)	9,455	8.21
Sekisui House Ltd.	7,800	6.77
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	5,662	4.92
JOINT CORPORATION	5,400	4.69
Deutsche Bank AG London-PB Non-Treaty Clients 613	4,857	4.22
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,769	4.14
Spring Investors Co., Ltd.	2,600	2.25
State Street Bank and Trust Company 505200	1,241	1.07
Total	79,280	68.89

Note: The status of large holdings as determined by the large share holdings reports (including Reports of Changes) submitted by November 11, 2010 is as follows.

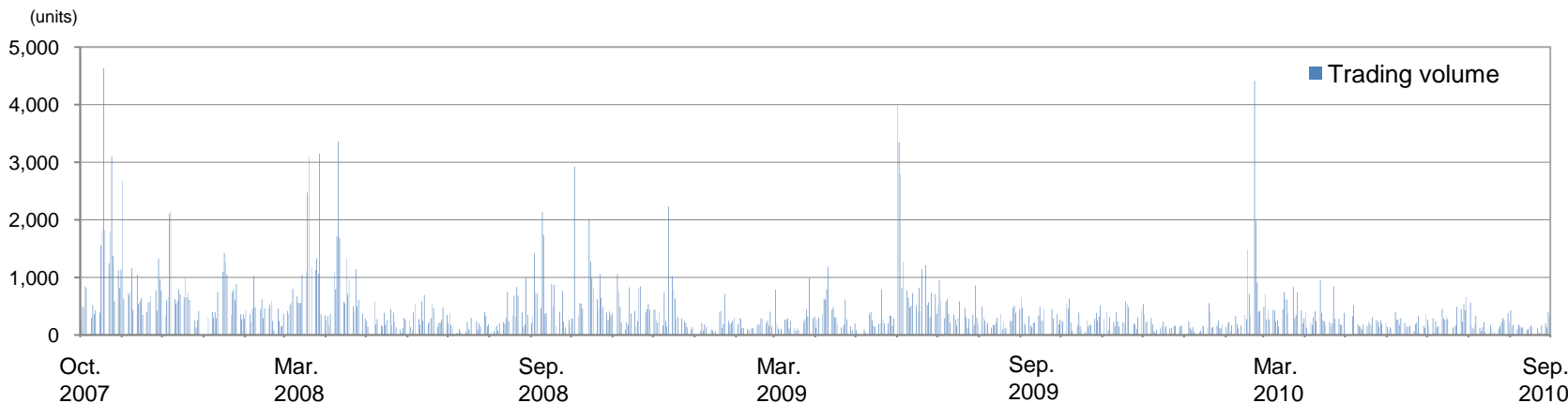
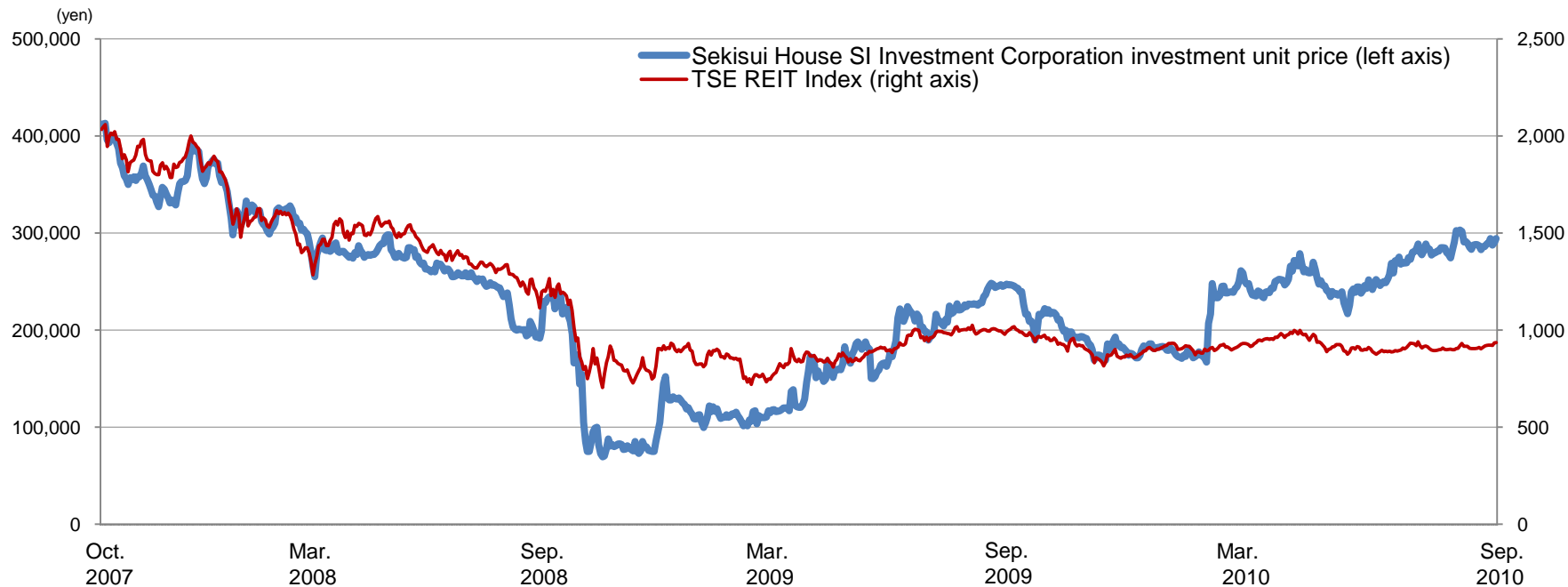
Name	Tower Investment Management Co., Ltd.	Dalton Investments LLC	Sumitomo Trust & Banking Co., Ltd.	DIAM Co., Ltd.	Mizuho Securities Co., Ltd.
Total units held	24,763 units	4,616 units	7,940 units	12,901 units	6,932 units
Total percentage of ownership	21.52%	4.01%	6.90%	11.21%	6.02%
Submission date	Apr. 26, 2010	Aug. 3, 2010	Sep. 7, 2010	Nov. 4, 2010	Nov. 8, 2010

Diversification of Unitholders



Historical Investment Unit Price

Sekisui House SI Investment Corporation Investment Unit Price Summary



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