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November 24, 2006

**Report Concerning the Management Structures and Systems of the Issuer
of Real Estate Investment Trust Units and Related Parties**

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1. Basic Information

(1) Basic Policy Concerning Compliance

a. The Investment Corporation

I. A Governance-Based Approach toward Compliance

TOKYU REIT, Inc. (“TOKYU REIT” or “the Investment Corporation”) and Tokyu Real Estate Investment Management Inc. (“Tokyu REIM” or “the Investment Management Company”), a company charged with the responsibility for managing TOKYU REIT’s assets, have positioned the highest quality governance as the basis for competitive advantage and efforts to enhance unitholder value. Both TOKYU REIT and Tokyu REIM have engaged in sound business management while formulating and improving a corporate governance system that complies with the highest global standards. Through these means, TOKYU REIT aims to position its investment units as an attractive global financial product for investors both in Japan and overseas.

II. TOKYU REIT's Compliance Policy

As a publicly listed real estate investment trust, TOKYU REIT is conscious of its corporate social responsibility and public mission. In order to secure the trust and confidence of unitholders as well as all other stakeholders, TOKYU REIT has placed the utmost importance on strict adherence to ethical behavior, laws and regulations, market rules, administrative guidelines and its own internal bylaws. As a part of these endeavors, TOKYU REIT has formulated compliance policies based on the following:

Compliance Structure

A. TOKYU REIT shall establish a relevant compliance structure as required to be consistent with all appropriate laws, regulations and generally expected standards of behavior.

Strict Adherence to Corporate Governance

B. TOKYU REIT shall implement relevant corporate governance as required to avoid any incidence of a conflict of interest in related-party transactions and to avoid insider trading of investment units.

Accurate Records and Appropriate Information Storage

C. TOKYU REIT shall maintain accurate records of financial accounts, minutes of meetings and all other relevant information while implementing an appropriate information storage system.

Disclosure of Relevant, Accurate and Fair Information on a Timely Basis

D. TOKYU REIT shall disclose and provide relevant, accurate and fair information in a timely fashion to unitholders as well as to all other stakeholders in accordance with laws and regulations.

Supervision of Operations Outsourced to External Parties

E. TOKYU REIT shall monitor and supervise as required all operations and activities outsourced to external parties.

A Strong Posture against Antisocial Forces

F. TOKYU REIT shall maintain an unwavering position against antisocial forces.

Communication and Information Sharing

G. TOKYU REIT shall establish a communication system that incorporates the sharing of information, respond promptly to emergencies and implement preventative measures.

Review and Improvement

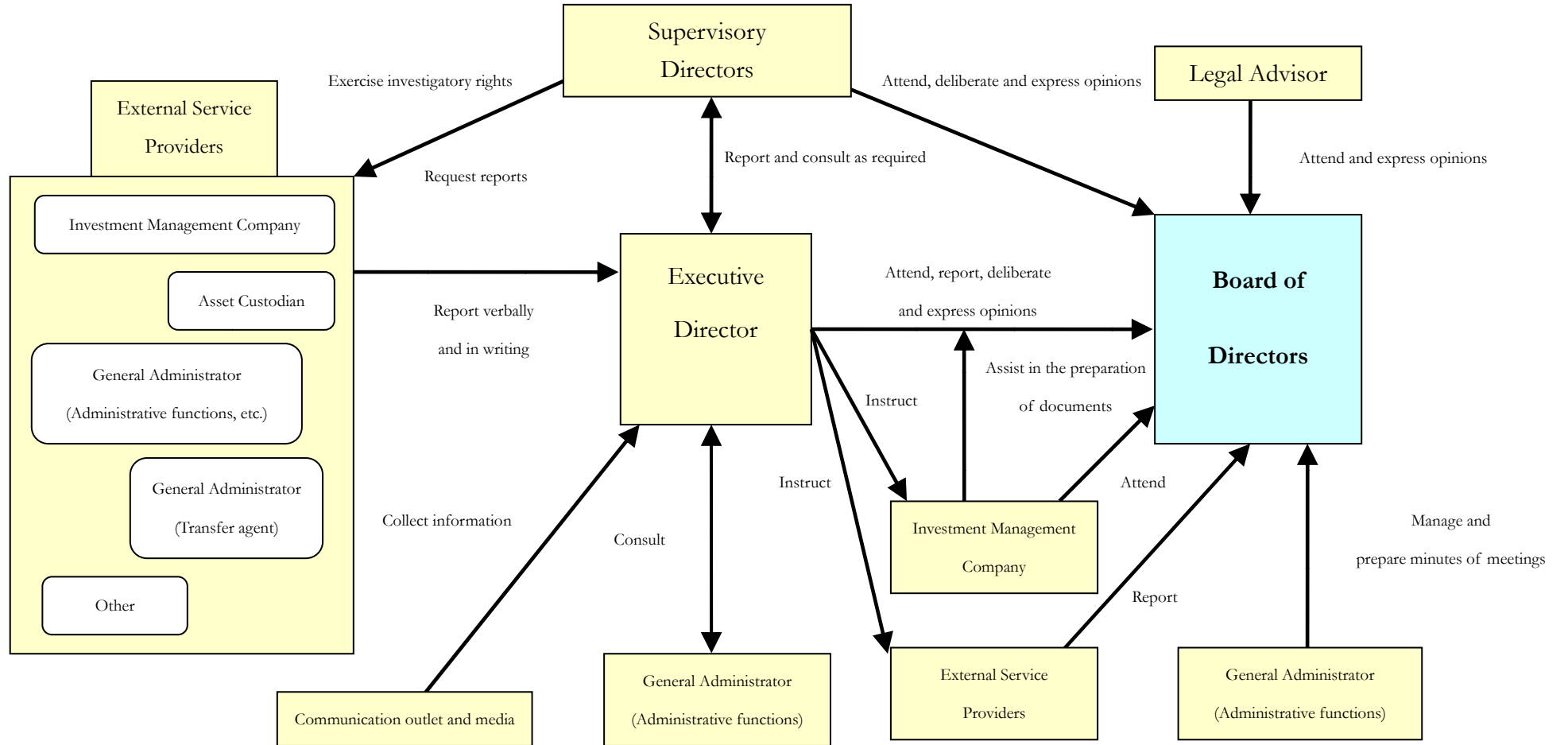
H. TOKYU REIT shall review this compliance policy as necessary and work to continuously improve its compliance structure and systems.

III. Compliance Measures

A. The Effective Application and Management of Board of Directors' Meetings

TOKYU REIT's Board of Directors' meetings are held with its general administrator, Mitsubishi UFJ Trust and Banking Corporation, in attendance. In principle, meetings are held twice per month. A total of 12 Board of Directors' meetings were held during the sixth fiscal period from February 1, 2006 through July 31, 2006. In particular, meetings are conducted in such a way that an extensive amount of information can promptly be reflected in deliberations by the Board of Directors. Since its establishment, TOKYU REIT has also invited legal council (Mori Hamada & Matsumoto) to attend Board of Directors' meetings and conduct compliance checks in a timely and appropriate manner in pursuit of efficient and applicable management of these meetings. In the sixth fiscal period, legal council attended all of TOKYU REIT's Board of Directors' meetings (once by telephone conference). Please refer to "TOKYU REIT Management Structure and Reporting Flow" that follows.

TOKYU REIT Management Structure and Reporting Flow



External Service Providers

Investment Management Company : Tokyu Real Estate Investment Management Inc.

General Administrator : Mitsubishi UFJ Trust and Banking Corporation

Asset Custodian : Mitsubishi UFJ Trust and Banking Corporation

- B. Supervision of the Executive Director by Supervisory Directors
- Supervisory Directors of TOKYU REIT arbitrarily examine documents and engage in other activities in an effort to reinforce supervision of the Executive Director, who serves concurrently as president of Tokyu REIM. In addition to attending meetings of the Board of Directors, Supervisory Directors also engage in a full range of supervisory activities.
- C. Augmenting Measures to Avoid Conflicts of Interest in Related-Party Transactions
- As a part of its external growth strategy, TOKYU REIT aims to expand asset scale while improving portfolio quality. The Investment Corporation adopts a balanced approach relating to the acquisition of investment properties from Tokyu Group companies, including Tokyu Corporation and Tokyu Land Corporation, and from the real estate investment market. In addition, TOKYU REIT undertakes property management in collaboration with Tokyu Group companies with the aims of realizing stable profits and growth potential from an internal growth perspective. In strengthening collaborative arrangements with Tokyu Corporation and Tokyu Land Corporation, TOKYU REIT inevitably engages in related-party transactions. Accordingly, the Investment Corporation has formulated and adheres strictly to rules regarding conflicts of interest in related-party transactions, making up a system of open, fair and transparent transactions. (For specific details please refer to “2. Management Structure of the Investment Corporation and Investment Management Company (3) Measures to Avoid Conflicts of Interest in Related-Party Transactions.”)
- D. The Merits and Demerits of a Structure based on Concurrent Responsibilities, and Efforts to Avoid Potential Negative Impact
- Pursuant to an approval from the Director-General of the Financial Services Agency, TOKYU REIT’s Executive Director holds the concurrent position of President and Chief Executive Officer of Tokyu REIM. In tune with this structure of concurrent responsibility, TOKYU REIT enjoys a variety of benefits including prompt and detailed reporting to its Board of Directors. In addition, maintaining concurrent responsibility minimizes the information gap between the Executive Director and external service providers such as the general administrator, asset custodian, lead

securities company and property management company; optimizes the Board of Directors' supervisory function with regard to compliance; and promotes the highest quality management.

In the context of both TOKYU REIT and Tokyu REIM, the Executive Director of TOKYU REIT maintains dedicated office space, a filing system, mailing address and official seal independent of the positions of the President and Chief Executive Officer of Tokyu REIM. Through these initiatives and steps to establish a system capable of adequately monitoring the Investment Management Company, every effort is made to eliminate confusion of responsibilities regarding executive functions.

Demerits of a structure under which one officer holds the concurrent positions of Executive Director of TOKYU REIT and President and Chief Executive Officer of Tokyu REIM include possible conflicts of interest as well as potential deterioration of the supervisory function attributed to the marked increase in business duties and responsibilities. In order to offset these potential negative factors, Supervisory Directors strictly monitor the activities of the Executive Director. In addition, rules and regulations are formulated on a voluntary basis to avoid conflicts of interest in related-party transactions. Furthermore, officers and employees are appointed to support the President and CEO with authority delegated to alleviate the executive burden.

E. Supervising External Service Providers

On a periodic basis, the General Administrator, Transfer Agent and Asset Custodian provide reports and explanations of administrative matters and their treatment to the Board of Directors of TOKYU REIT. Subject to the content of each report, the Board of Directors may commission an investigation as appropriate. In addition, TOKYU REIT makes every effort to secure broad based asset management supervision by requiring Tokyu REIM to enhance the content of explanations and reports it provides to TOKYU REIT's Board of Directors.

In the context of TOKYU REIT's sixth fiscal period, a compliance study was conducted covering principal service providers in June 2006. In response to this study, all service providers surveyed have replied that an adequate compliance structure is in place.

b. The Investment Management Corporation

I. Fiduciary Responsibilities Underlying Compliance

TOKYU REIT aims to position its investment units as an attractive global financial product for investors both in Japan and overseas by providing quality that meets global standards. In an effort to ensure investment management transparency, Tokyu REIM makes every effort to fulfill its external supervisory and disclosure obligations, as well as its fiduciary responsibilities as a publicly listed real estate investment trust fund manager.

II. Development of Compliance-Related Rules and Regulations

The Investment Management Company has formulated a set of internal rules that encompass compliance standards, a code of corporate behavior, compliance manual and program. All company officers and employees adhere strictly to these rules, which include compliance with corporate ethics and statutory requirements, appropriately manage insider and personal information, and ensure reliable disclosure of financial and other reports.

III. Compliance Structure and Related Systems

A. Compliance Structure

(For detailed information, please refer to the organization chart and explanation of individual entity roles and functions provided in “2. Management Structure of the Investment Corporation and Investment Management Company (3) Measures to Avoid Conflicts of Interest in Related-Party Transactions a. Policies and Management Structure Regarding Conflicts of Interest in Related-Party Transactions”.)

i. Board of Directors

The Board of Directors of Tokyu REIM is comprised of two representative directors (the President and Chief Executive Officer, and the Executive Vice President) and three non-executive directors (as of the date of this report, these positions are held by employees of certain shareholders of Tokyu REIM). Non-executive directors fulfill a supervisory function in connection with management of the Investment Management Company.

ii. Compliance and Risk Management Committee

The Compliance and Risk Management Committee is comprised of two non-executive directors of the Investment Management Company and two external members. Under the guidance of the Board of Directors, the Compliance and Risk Management Committee discusses material matters relating to compliance and risk management as well as the adequacy of internal rules regarding conflicts of interest in related-party transactions. It also provides opinions and recommendations to Tokyu REIM's Board of Directors.

iii. Disclosure Committee

The head of the Disclosure Committee is the Investor Relations Officer. The other members of the Committee include the Compliance Officer, Corporate Secretary Officer, Business Planning & Development Officer and other members the Committee head judges to be necessary. Of information that is disclosed on a timely basis, the Committee reviews the handling of disclosure concerning matters that occur regarding TOKYU REIT, Tokyu REIM and TOKYU REIT's assets under management. The results of the Committee's discussions are reported to the Representative Director & President, Chief Executive Officer.

iv. Representative Director & President, Chief Executive Officer

The Representative Director & President, Chief Executive Officer maintains ultimate responsibility for both the executive and compliance functions.

v. Corporate Auditor

The Investment Management Company has appointed two non-standing corporate auditors. Tokyu REIM has also established the Auditors' Secretariat to ensure the efficacy of audit activities and enhance audit capabilities. In principle, each corporate auditor attends meetings of the Board of Directors, the Compliance and Risk Management Committee and the Investment Committee. Corporate auditors mainly focus on ensuring business activities comply with all relevant laws and regulations. At the same time, corporate auditors, operating through the Auditors' Secretariat, coordinate with the auditing firm as well as the Corporate Secretary Division in order

to further enhance efficacy of the independent accounting audit of business activities and internal audits.

vi. Auditing Firm

Consistent with the implementation of the Corporation Law, Tokyu REIM has voluntarily adopted a corporate structure that encompasses an auditing firm system. In an effort to ensure reliability in the audit of financial statements, the Investment Corporation and Investment Management Company appoint separate auditing firms. In addition, regular meetings are held between the auditing firm and the Representative Director to ensure that information essential to the audit function is proactively channeled to the auditing firm.

vii. Compliance Officer

The Chief Compliance Officer maintains ultimate responsibility and control of all matters relating to compliance. The Compliance Officer appropriately reports all relevant matters including related-party transaction and legal compliance issues to the Compliance and Risk Management Committee in accordance with the Committee's rules and regulations. The Compliance Officer also oversees the formulation of the compliance manual and programs, the implementation of compliance training in line with this manual and programs, and the management of the compliance consultation hotline. Accordingly, the Compliance Officer strives to enhance Tokyu REIM's compliance posture and raise the awareness and confidence of all officers and employees in the implemented systems.

viii. Compliance Department

Tokyu REIM has established the Compliance Department to assume overall control and responsibility for the administrative function in support of the Compliance and Risk Management Committee, and for the overall management of compliance issues. Activities include the planning, proposal and promotion of initiatives as they relate to compliance.

B. Other Specific Measures

i. Board of Directors' Resolution on the Fundamental Policies Relating to Internal Control Systems

As an investment management company charged with the responsibility of managing the assets of a publicly listed real estate investment trust, Tokyu REIM has basic policies in connection with the establishment of an internal control system, which have been ratified by its Board of Directors, pursuant to Article 362, Paragraph 4.5 of the Corporation Law.

ii. Formulation of an Internal Control Policy

The Investment Management Company has formulated an internal control policy in connection with the execution of its business activities in order to clarify its fundamental business policies. Through these means, Tokyu REIM strives to rebuild and strengthen internal controls, while ensuring the efficiency and efficacy of business processes, the reliability of financial statements, compliance with legal requirements and regulations, and the safekeeping of assets.

iii. Implementation of Internal Audits

Tokyu REIM considers the relevance, adequacy and efficiency of all business processes and reviews their compliance with statutory requirements and regulations as well as in-house standards and rules. Results are reported to the Board of Directors and the Representative Director & President, Chief Executive Officer.

iv. Implementation of In-house Compliance Training

Tokyu REIM implements in-house compliance training in an effort to ensure the efficacy of business operations in the context of statutory requirements and regulations, market rules and other in-house standards and rules. The Investment Management Company strives to enhance the compliance structure and systems and raise awareness and confidence of the attitudes of all directors, officers and employees.

v. Establishment of a Compliance Consultation Hotline

In an effort to further supplement its compliance system, Tokyu REIM established a compliance consultation hotline in accordance with the Whistleblower Protection Act (Law No. 122, promulgated on June 18, 2004). In this manner, the Investment Management Company has created a support structure to facilitate the early

identification, prompt resolution and implementation of measures to prevent recurrence of illegalities and unacceptable behavior.

(2) Details of the Investment Corporation's Unitholders

The following table sets forth information regarding TOKYU REIT's major unitholders as of July 31, 2006.

Name	Relationship with TOKYU REIT, Tokyu REIM and Sponsor Companies; Investment History	Number of Units Owned	Ownership (%)
Japan Trustee Services Bank, Ltd. (trust account)	No specific relationship	16,448	9.71
NikkoCiti Trust and Banking Corporation (trust account)	No specific relationship	12,152	7.17
Trust & Custody Services Bank, Ltd. (securities investment trust account)	No specific relationship	6,831	4.03
The Master Trust Bank of Japan, Ltd. (trust account)	No specific relationship	6,622	3.91
Educational Corporation Kawasaki Gakuen	No specific relationship	6,000	3.54
Tokyu Corporation	Parent company of Tokyu REIM Tokyu Corporation functions as a Pipeline Support company, and has entered with Tokyu REIM, TOKYU REIT and Tokyu Land Corporation into a Memorandum concerning the purchase and sale of held real estate, which establishes codes of conduct with respect to the buying and selling of real estate and the provision of information. Tokyu Corporation has concluded with the Investment Corporation a property management agreement that covers a portion of the latter's held real estate. In addition, Tokyu Corporation has concluded with the Investment Corporation a Brand Licensing Agreement for licensing the "TOKYU"	5,880	3.47

	<p>trademark.</p> <p>Tokyu Corporation has entered with Tokyu REIM, TOKYU REIT, and Tokyu Land Corporation into a Memorandum concerning the holding of investment units of the Investment Corporation.</p> <p>Tokyu Corporation has held TOKYU REIT's investment units since TOKYU REIT was first established.</p>		
AIG STAR LIFE INSURANCE CO., LTD. (general account) (Standing Proxy: Citibank N.A. Tokyo Branch, Ltd.)	No specific relationship	4,871	2.88
The Gibraltar Life Insurance Co., Ltd. (general and other accounts) (Standing proxy: Japan Trustee Services Bank, Ltd.)	No specific relationship	4,252	2.51
Tokyu Land Corporation	<p>Shareholder of Tokyu REIM</p> <p>Tokyu Land Corporation functions as a Pipeline Support company, and has entered with Tokyu REIM, TOKYU REIT and Tokyu Corporation into a Memorandum concerning the purchase and sale of held real estate, which establishes codes of conduct with respect to the buying and selling of real estate and the provision of information.</p> <p>Tokyu Land Corporation has entered with Tokyu REIM, TOKYU REIT, and Tokyu Corporation into a Memorandum concerning the holding of investment units of the Investment Corporation.</p> <p>Tokyu Land Corporation has held TOKYU REIT's investment units since TOKYU REIT was first established.</p>	3,920	2.31
American Life Insurance Company GAL (standing proxy: Citibank N.A. Tokyo Branch)	No specific relationship	3,746	2.21
Total: (10 Companies)		70,722	41.75

(3) Major Shareholders of the Investment Management Company

The following table sets forth information regarding Tokyu REIM's major shareholders, as of the date of this report.

Name	Relationship with TOKYU REIT, Tokyu REIM and Sponsor Companies; Investment History	Number of Shares Owned	Ownership (%)
Tokyu Corporation	<p>Tokyu Corporation functions as a Pipeline Support company, and has entered with Tokyu REIM, TOKYU REIT and Tokyu Land Corporation into a Memorandum concerning the purchase and sale of held real estate, which establishes codes of conduct with respect to the buying and selling of real estate and the provision of information.</p> <p>Tokyu Corporation has concluded with the Investment Corporation a property management agreement that covers a portion of the latter's held real estate. Tokyu Corporation has concluded with the Investment Corporation a Brand Licensing Agreement for licensing the "TOKYU" trademark.</p> <p>Tokyu Corporation has entered with Tokyu REIM, TOKYU REIT, and Tokyu Land Corporation a Memorandum concerning the holding of investment units of the Investment Corporation.</p> <p>Tokyu Corporation has held TOKYU REIT's investment units since TOKYU REIT was first established.</p>	3,600	60
Tokyu Land Corporation	<p>Tokyu Land Corporation functions as a Pipeline Support company, and has entered with Tokyu REIM, TOKYU REIT and Tokyu Corporation into a Memorandum concerning the purchase and sale of held real estate, which establishes codes of conduct with respect to the buying and selling of real estate and the provision of information.</p> <p>Tokyu Land Corporation has concluded with TOKYU REIT a property management agreement that covers a portion of the latter's held real estate.</p> <p>Tokyu Land Corporation has entered with Tokyu REIM, TOKYU REIT, and Tokyu Corporation into a Memorandum concerning the holding of investment units of the Investment Corporation.</p> <p>Tokyu Land Corporation has held TOKYU REIT's investment units since TOKYU REIT was first established.</p>	2,400	40
Total		6,000	100

(4) Investment Policies & Objectives

a. Investment Policies

- I. Basic Policies
- II. Investment Stance

b. Investment Objectives

(5) Sponsors

a. Principal activities of Corporate Group Sponsors (the following information is based on the Financial Report for the fiscal period ended March 31, 2006)

- I. Tokyu Corporation
- II. Tokyu Land Corporation

b. Agreements with Corporate Group Sponsors pertaining to property supply and information provision

- I. Outline of the Memorandum Concerning the Purchase and Sale of Held Real Estate
- II. Compartmentalization of or duplication between Corporate Group Sponsors and the Investment Corporation

Note: An English translation of “1. Basic Information (4) Investment Policies & Objectives” and “1. Basic Information (5) Sponsors” has been omitted.

2. Management Structure of the Investment Corporation and Investment Management Company

- (1) The Investment Corporation
 a. TOKYU REIT Executives

The following information details the status of TOKYU REIT's executives as of the date of this report.

Title	Name	Career Summary		Basis for Selection
Executive Director	Masahiro Horie	April 1984	Entered Tokyu Corporation, Railway Operation Division	Selected based on expectations that with wide-ranging experience and expertise in the real estate and business finance industries and having had held the responsibility of assistant liquidation trustee, Mr. Horie would possess the ability to execute business operations with advanced adeptness as Executive Director for the Investment Corporation. Also, that as Chief Executive Officer of Tokyu REIM, the investment management company of TOKYU REIT, Mr. Horie would be most appropriate in the interest of maintaining a close working relationship between TOKYU REIT and Tokyu REIM. (For details refer to item b. "Initiatives to Address Conflicts of Interest and the Basis for the Concurrent Appointment of the Executive Director of TOKYU REIT as a Tokyu REIM Executive," under section 2. "Management Structure of the Investment Corporation and Investment Management
		April 1985	Tokyu Corporation, Tama Den-en-toshi Division (Residential Development)	
		March 1986	Tokyu Corporation, Resort Operation Division, Overseas Development Department	
		July 1989	Posted to Emerald Resorts and Hotels, Assistant Vice President; Emerald Liquidation Trust, Executive Assistant to Trustee (Honolulu)	
		March 1994	Tokyu Corporation, Finance & Accounting Division	
		February 1996	Tokyu Corporation, Group Controllers Division	
		December 1999	Tokyu Corporation, Manager of Group Restructuring Strategy & Investor Relations Division	
		June 2001	Posted to Tokyu REIM, Executive Vice President and Representative Director	
		September 2002	Appointed Representative Director & President, Chief Executive Officer of Tokyu REIM (current position)	

		June 2003	Appointed Executive Director of TOKYU REIT (current position)	Company,” paragraph (1) “The Investment Corporation.”
Supervisory Director	Giichi Yanagisawa	March 1985	Certified as a public accountant in Japan. Established Yanagisawa Certified Public Accountant Office	Selected based on our expectations that in addition to having experience and expertise as an accounting specialist, operating an audit firm, possessing insight as a businessperson as well as having a wealth of experience as an outside director, Mr. Yanagisawa would possess the ability to monitor the Executive Director’s execution of operations from a broad ranging perspective.
		May 1985	Certified as a tax accountant in Japan. (current)	
		June 2000	Appointed Representative, Shinso Audit Corporation (current position)	
		July 2001	Appointed Council Member of the Japanese Institute of Certified Public Accountants	
		June 2003	Appointed Supervisory Director, TOKYU REIT (current position)	
		July 2004	Appointed Executive Board Member of the Japanese Institute of Certified Public Accountants (current position)	
		* Other concurrent appointments		
<ul style="list-style-type: none"> • Director: 3 business corporations; Statutory Auditor: 11 business corporations, all of which are unrelated to TOKYU REIT • Director: 2 non-profit organizations; Statutory Auditor: 2 non-profit organizations, all of which are unrelated to TOKYU REIT 				

Supervisory Director	Maruhito Kondo	April 1988	Admitted to the Bar of Japan (Tokyo Bar Association); Entered Ohara Law Office	Selected based on our expectations that in addition to having experience and expertise as a law specialist, operating a law office, possessing insight as a businessperson as well as having a wealth of experience as an outside director, Mr. Kondo would possess the ability to monitor the Executive Director's execution of operations from a broad ranging perspective.
		May 1988	Studied abroad at the Chinese University of Hong Kong	
		September 1988	Studied abroad at the Renmin University of China	
		July 1989	Employed at Robert Lee & Fong Solicitors (Law office), Hong Kong	
		February 1996	Established Maruhito Kondo Law Office (current)	
		May 1998	Admitted to Daini Tokyo Bar Association	
		June 2003	Appointed Supervisory Director, TOKYU REIT (current position)	
		* Other concurrent appointments • Director: 1 non-profit organization; Statutory Auditor: 1 non-profit organization, both of which are unrelated to TOKYU REIT		

b. Initiatives to Address Conflicts of Interest and the Basis for Concurrent Appointments of the Executive Director of TOKYU REIT as a Tokyu REIM Executive

Name	Tokyu REIM Executives	Basis for Concurrent Appointments	Initiatives to Address Conflicts of Interest
Masahiro Horie	Representative Director & President, Chief Executive Officer	The sole purpose of TOKYU REIT is asset management, and since it has entrusted Tokyu REIM with the management of these assets, it is important that both companies work closely together to promote their business and strengthen compliance. Having the Tokyu REIM Representative Director & President, Chief	Aside from having entered an investment management agreement, Tokyu REIM and TOKYU REIT have no intention of engaging in any other business. In addition, with respect to the Investment Management Agreement, 1) investment management fees are listed in the Articles of Incorporation and require a resolution of

		<p>Executive Officer concurrently serve as the Executive Director of TOKYU REIT helps to facilitate cooperation between the two entities. Therefore, the concurrent holding of these two posts is considered to be extremely important. The Representative Director & President, Chief Executive Officer of Tokyu REIM is responsible for the investment management business that TOKYU REIT has entrusted to it, and his concurrent holding of the position of TOKYU REIT's Executive Director is considered as most appropriate for the achievement of closer cooperation between Tokyu REIM and TOKYU REIT. In other words, having the Representative Director & President, Chief Executive Officer of Tokyu REIM concurrently hold the post of TOKYU REIT's Executive Director helps, in each of the following three cases below, provide for more effective and complete reporting and explanations, and leads to close cooperation between Tokyu REIM and TOKYU REIT. In cases where, 1) the Executive Director of TOKYU REIT manages the business and affairs of TOKYU REIT and represents TOKYU REIT, and TOKYU REIT requires reports and other materials from Tokyu REIM to execute its duties; 2) in status reports on the Executive Director's execution of duties at TOKYU REIT's Board of Directors meetings, and; 3) when the Executive Director must give an account to unitholders at TOKYU REIT's unitholders' general meetings.</p> <p>Therefore, it is extremely important that the Representative Director & President, Chief Executive Officer who is responsible for Tokyu REIM's investment management business assume the post of the Executive Director of TOKYU REIT.</p>	<p>the unitholders' general meeting to change them; 2) changes to the investment management contract and payment of investment management fees as well as other fees pertaining to the management of assets are matters to be resolved by the Board of Directors (also, as the Executive Director has a special interest, participation in said resolutions is prohibited); 3) and in addition, as a general rule, the cancellation of the Investment Management Agreement requires a resolution of the unitholders' general meeting. In other words, the Executive Director cannot individually change or cancel the Investment Management Agreement.</p> <p>At the same time, the Representative Director & President, Chief Executive Officer of Tokyu REIM 1) has a duty to exercise appropriate management and a duty of loyalty to Tokyu REIM; 2) changes to the Investment Management Agreement are matters that the Board of Directors shall resolve as "important agreement-related items" (in this case too, because the Representative Director & President, Chief Executive Officer has a special interest, participation in the said resolution is prohibited), and the Chief Executive Officer cannot individually change or cancel the Investment Management Agreement. In like manner, even if the Representative Director & President, Chief Executive Officer of Tokyu REIM assumes the post of TOKYU REIT's Executive Director, he or she cannot individually change or cancel the Investment Management Agreement. In addition, while the function of the Supervisory Director, a member of the Board of Directors, is important to avoid conflicts of interest, an attorney or CPA who has absolutely no vested interest in the Executive Director or Tokyu REIM is to assume the post of Supervisory Director. Under this system, the Supervisory Director serves to provide an adequate monitoring function.</p>
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c. No Other Items Correspond to the Status of Conflicts of Interest Deriving from Concurrent Appointments Held by TOKYU REIT Executives

(2) The Investment Management Company

a. Tokyu REIM Executives

The following information details the status of Tokyu REIM's executives as of the date of this report.

Title (Full-time/ part-time)	Name	Career Summary		Concurrent Appointments
Representative Director & President, Chief Executive Officer (Full-time)	Masahiro Horie	Refer above to item: a. "TOKYU REIT Executives" under section 2. "Management Structure of the Investment Corporation and Investment Management Company," (1) "The Investment Corporation"		TOKYU REIT, Executive Director Transferred from Tokyu Corporation
Representative Director, Executive Vice President and Chief Investment Officer (Full-time)	Kenjiro Sawa	April 1982	Entered Tokyu Land Corporation, General Affairs Department	Transferred from Tokyu Land Corporation
		June 1982	Tokyu Land Corporation, Residential Development Division, Medium-to-High-Rise Housing Development Department	
		July 1983	Tokyu Land Corporation, Consulting Division	
		April 1987	Tokyu Land Corporation, Finance & Accounting Division	

		April 1998	Tokyu Land Corporation, Manager of Finance, Accounting and Investor Relations Department	
		April 2004	Tokyu Land Corporation, Director of Finance, Accounting and Investor Relations Division	
		April 2006	Posted to Tokyu REIM; Appointed Representative Director, Executive Vice President and Chief Investment Officer (current position)	
Director (Part-time)	Masao Tomoe	April 1976	Entered Tokyu Corporation, Railway Operation Division	Tokyu Finance & Accounting Co., Ltd., President and Representative Director
		May 1977	Tokyu Corporation, Finance & Accounting Division	Tokyu Insurance Consulting Co., Ltd., Director (part-time)
		March 1993	Tokyu Corporation, Manager of Group Management Division	TH Properties Co., Ltd., Director (part-time)
		April 1996	Tokyu Corporation, Manager of Personnel Division	
		July 1999	Tokyu Corporation, Manager of Hotel Division	
		April 2001	Posted to Tokyu Hotel Management Co., Ltd., General Manager of Administration Division	
		June 2001	Tokyu Hotel Management Co., Ltd., Director, General Manager of	

			Administration Division	
		April 2002	Tokyu Hotel Management Co., Ltd., Director, Business Planning & Administration Division	
		April 2003	Tokyu Corporation, Accounting and Group Strategy Headquarters, General Manager of Finance and Accounting Division	
		June 2003	Appointed Director (part-time, non-executive), Tokyu REIM (current position)	
		April 2005	Appointed to Tokyu Corporation, Executive Officer, Deputy Executive General Manager of Finance, Accounting and Group Strategy Headquarters, and General Manager of Finance Division of Finance, Accounting and Group Strategy	
		June 2006	Tokyu Corporation, Executive Officer and Executive General Manager of Finance, Accounting and Group Strategy Headquarters (current position)	

Director (Part-time)	Toshitake Ashizawa	April 1986	Entered Tokyu Corporation, Railway Operation Division	No pertinent items to report
		December 1986	Tokyu Corporation, Tama Den-en-toshi Division	
		May 1987	Tokyu Corporation, Office Building Management Division	
		October 1991	Posted to Tokyu Bus Corporation	
		April 1997	Tokyu Corporation, Urban Development Division	
		July 2002	Tokyu Corporation, Manager of Urban Development Division	
		April 2003	Tokyu Corporation, Deputy General Manager of the Planning and Administration Division of Urban Development Headquarters	
		April 2005	Tokyu Corporation, General Manager of the Management Planning Department of Management Headquarters (current position)	
June 2005	Tokyu REIM, Director (part-time, non-executive) (current position)			

Director (Part-time)	Hitoshi Maehara	April 1979	Entered Tokyu Land Corporation, Marketing Headquarters, Real Estate Transaction Department	No pertinent items to report
		April 1983	Tokyu Land Corporation, Finance & Accounting Department	
		February 1987	Tokyu Land Corporation, Overseas Business Headquarters (Jakarta)	
		April 1993	Tokyu Land Corporation, Corporate Planning Department	
		April 1995	Tokyu Land Corporation, Related Business Office	
		April 1998	Tokyu Land Corporation, Manager of the Related Business Department	
		April 1999	Tokyu Land Corporation, Manager of the Asset Management Division	
		March 2000	Dispatched to GE Capital Real Estate, Asset Manager	
		April 2001	Tokyu Land Corporation, Manager of the Asset Management Division	
		April 2002	Tokyu Land Corporation, Deputy General Manager of the Asset Management Division	
September 2002	Posted to Tokyu REIM; Representative Director, Executive Vice President and Chief Investment Officer			

		April 2006	Tokyu Land Corporation, Asset Management Division, General Manager of Business Planning Department (current position); Tokyu REIM, Director (part-time, non-executive) (current position)	
Auditor (Part-time)	Noriaki Takahide	April 1984	Entered Tokyu Corporation, Railway Operation Division	Yokohama Community Broadcasting Co., Ltd., Director (part-time, non-executive)
		April 1985	Tokyu Corporation, Cable Television Development Office	
		October 1987	Posted to Tokyu Cable Television Co., Ltd., (currently, its communications Inc.)	
		May 1989	Tokyu Corporation, Railway Division, Administration Department	
		April 1990	Tokyu Corporation, Related Business Office, Related Section	
		July 1993	Tokyu Corporation, Group Business Office, Related Section	
		July 1999	Tokyu Corporation, Group Administration Division	
		July 2000	Tokyu Corporation, Manager of Management Planning Division	
		April 2003	Tokyu Corporation, General Manager of Corporate Strategy, Corporate Headquarters	

		April 2005	Appointed Statutory Auditor (part-time, non-executive), Tokyu REIM (current position)	
		April 2005	Posted to its communications Inc., General Manager of the Corporate Management Division (current position)	
Auditor (Part-time)	Yoshihiro Onogi	April 1976	Entered Tokyu Corporation, Railway Operation Division	Tokyu Cerulean Tower Corporation, Director (part-time)
		May 1977	Tokyu Corporation, Finance & Accounting Division	Tokyu Sports System Co., Ltd., Director (part-time)
		July 1981	Tokyu Corporation, Overseas Development Division (Singapore)	Tokyu Station Retail Service Co., Ltd., Director (part-time)
		January 1988	Tokyu Corporation, Overseas Development Division, Administration Department	Tokyu Gourmet Front Co., Ltd., Director (part-time)
		July 1989	Tokyu Corporation, Planning Strategy Division	TMD Corporation, Auditor (part-time)
		July 1993	Tokyu Corporation, Manager of the Office of the President	
		December 1998	Tokyu Corporation, Manager of Marketing Department, Building Management Division	
		October 2001	Tokyu Corporation, General Manger of Business Promotion Department, Building Management Division	

		April 2003	Tokyu Corporation, General Manager of Office Building Management Division of Urban Development Headquarters Tokyu REIM, Director (part-time, non-executive)	
		April 2005	Appointed Tokyu Corporation, Executive Director, Deputy General Manager of Building Headquarters and General Manager of Building Management Division	
		June 2005	Appointed Statutory Auditor (part-time, non-executive), Tokyu REIM (current position)	
		June 2006	Tokyu Corporation, Executive Director, Deputy General Manager of Building Headquarters (current position)	

b. Status of Employees at the Investment Management Company

The status of employees at Tokyu REIM as of the date of this report is as follows.

Number of Employees/Loan Employees Received	Concurrent Appointments
<p>The number of employees (excluding two representative directors and executive officers) is 25. Details are as follows.</p> <p>Employees dispatched from Tokyu Corporation: 12</p> <p>Employees dispatched from Tokyu Land Corporation: 5</p> <p>Employees dispatched from Tokyu Finance & Accounting Co., Ltd.: 1</p> <p>Temporary Staff: 7</p>	<ul style="list-style-type: none"> • Executive Officer Taizo Kusakabe serves concurrently as Chief Compliance Officer and Corporate Secretary • Executive Officer Yosuke Koi serves concurrently as Chief Financial Officer and General Manager, Investor Relations

(3) Measures to Avoid Conflicts of Interest in Related-Party Transactions

a. Policies and Management Structure Regarding Conflicts of Interest in Related-Party Transactions

I. Policies Regarding Conflicts of Interest in Related-Party Transactions

II. Management Structures of the Investment Management Company

b. Reason for Employing the Management Structures

I. Reason for confidence that the internal control structure in investment decision-making outlined in (3) a. above is appropriate as a system to avoid conflicts of interest in related-party transactions

The reason we believe our internal control structure for investment decision-making is appropriate as a system to avoid conflicts of interest in related-party transactions is, as detailed below, that there are sufficient checks of the Investment Management Company's decisions as a result of effective external oversight functions, including by third parties, and multi-level checks (including the Investment Corporation) that are in place.

A. Adherence to Rules Regarding Conflicts of Interest in Related-Party Transactions

- TOKYU REIT understands the importance of collaboration with Sponsors as a part of our growth strategy and the risks that are involved with such collaboration. As a self-imposed rule to determine the incidence or absence of conflicts of interests in transactions, TOKYU REIT conducts checks across a wider range of related parties than those defined under the Investment Trust and Investment Corporation Law of Japan.

B. Multi-Level Checks Including Activities of Independent Third Parties

- Tokyu REIM has formed its Compliance and Risk Management Committee comprised of four members, including two outside members that are independent third parties, to deliberate on the appropriateness of individual transactions as stipulated in its rules regarding conflicts of interest in related-party transactions.
- The prior resolution of TOKYU REIT's Board of Directors is required regarding individual transactions that are regulated in the rules regarding conflicts of interest in related-party transactions. Moreover, when such prior resolution is needed, the Executive Director of the Investment Corporation, who also serves as the President of the Investment Management Company,

does not hold the decision-making authority for the resolution.

C. Confirming the Implementation Status of Rules Regarding Conflicts of Interest in Related-Party Transactions

- In order to ascertain the appropriateness of appraisal value, which is also the maximum acquisition price, when considering property acquisitions from Tokyu Group companies, TOKYU REIT shall obtain second opinions regarding the propriety of the appraisal value from trust banks or other third parties.
- Concerning the implementation status of rules regarding conflicts of interest in related-party transactions, TOKYU REIT shall obtain an “agreed upon procedures report” from an audit firm other than the its usual independent auditor for TOKYU REIT. In the event that special items are noted in the report, the Compliance Officer shall make a determination as to whether or not such items will be the subject of deliberations by the Compliance and Risk Management Committee.

II. Other Considerations

A. Perspective on Functions of the Investment Corporation’s Executive Director in Avoiding Conflicts of Interest when Serving Concurrently as a Director of the Investment Management Company.

Please refer to section 2. “Management Structure of the Investment Corporation and Investment Management Company,” paragraph (1) “The Investment Corporation,” point b. “Initiatives to Address Conflicts of Interest and the Basis for Concurrent Appointments of the Executive Director of TOKYU REIT as a Tokyu REIM Executive.”

B. Perspective on Functions of the Board of Directors in Avoiding Conflicts of Interest with Tokyu Group Companies when the Sponsor is a Shareholder of the Investment Management Company and Tokyu REIM’s Board of Directors is Comprised of a Majority of Loan Employees and Dual Position Holders from Tokyu Corporation and Tokyu Land Corporation

TOKYU REIT believes that it can, through its activities detailed previously in b. “Reason for Employing the Management Structures” points A through C respectively, “Adherence to Rules Regarding Conflicts of Interest in Related-Party Transactions,” “Multi-Level Checks Including Activities of Independent Third Parties” and “Confirming the Implementation Status of Rules Regarding Conflicts of Interest in Related-Party Transactions”, confirm the appropriateness of resolutions made by its Board of Directors regarding individual transactions that are regulated under rules regarding conflicts of interest in related-party transactions.

C. External Members of Committees: Names, Career Summaries, Status of Concurrent Appointments and Positions, and Relation to Tokyu Group Companies; Perspective on Functions of Such Committee Members in Avoiding Conflicts of Interest in Light of These Details

The Compliance and Risk Management Committee includes two external members who have experience and academic standing and are not executives or employees at any Tokyu Group company (currently or within the past five years).

Current external appointees are Shin Kikuchi, a lawyer, and Naoyoshi Tamura, a specialist in risk management from InterRisk Research Institute & Consulting, Inc. Both add their broad perspectives to the Committee's deliberations based upon their knowledge and experience as seasoned professionals in compliance and risk management. TOKYU REIT believes that they perform the function of external oversight by independent third parties in relation to Tokyu REIM's decision-making processes.

Brief details regarding external members of the Compliance and Risk Management Committee are as follows.

Title	Name	Career Summary	
Committee Member, Compliance and Risk Management Committee	Shin Kikuchi	April 1982	Joined the Ministry of Home Affairs (currently the Ministry of Internal Affairs and Communications)
		April 1989	Registered lawyer affiliated with the Daini Tokyo Bar Association Joined Mori Sogo Law Offices
		April 1998	Hibiya Park Law Offices, Partner
		June 2003	Tokyu REIM Committee Member, Compliance and Risk Management Committee (current position)
		October 2003	Mori Hamada & Matsumoto, Partner (current position)
		June 2005	JAFCO Co., Ltd., External Auditor (current position)
Committee Member, Compliance and Risk Management Committee	Naoyoshi Tamura	April 1990	Joined Taisho Marine and Fire Insurance Company (currently Mitsui Sumitomo Insurance Co., Ltd.)
		April 1998	Dispatched to InterRisk Co., Ltd.; Affiliated with legal risk group

		October 2001	Dispatched to InterRisk Research Institute & Consulting, Inc. Merger of InterRisk Co., Ltd. and Sumitomo Marine Risk Research Institute; Senior Consultant, Law and Environment (current position)
		June 2003	Tokyu REIM Committee Member, Compliance and Risk Management Committee (current position)

The Investment Committee has also invited one qualified appraiser as an external member, and Ryuji Kumakura currently has been appointed to this position. Mr. Kumakura adds his broad perspectives to Committee deliberations based upon his knowledge and experience as a seasoned professional in real estate appraisal. TOKYU REIT is confident that he fulfills oversight functions in relation to Tokyu REIM's decision-making processes.

Brief details regarding the external member of the Investment Committee are as follows.

Title	Name	Career Summary	
Committee Member, Investment Committee	Ryuji Kumakura	April 1973	Joined Tokyu Land Corporation
		April 1977	Registered as a qualified appraiser
		April 1999	Tokyu Land Corporation, General Manager of Appraisal Service Department, Asset Management Division (current position) Appointed Director, Japanese Association of Real Estate Appraisal (current position)
		April 2004	Tokyu REIM Committee Member, Investment Committee, (current position)
		June 2005	Japanese Association of Real Estate Appraisal, Chairman, Legal Appraisal Committee (current position) Committee Member, Appraisal Report Subcommittee, Land Appraisal Committee (current position)
		August 2006	Committee Member, Land Policy Committee of the National Land Council, Real Estate Appraisal Panel (current position)

D. Compliance Officers: Names, Career Summaries, Status of Concurrent Appointments and Positions, Status of Dispatches, Concurrent In-House Positions and Relation to Group Companies; In Light of these Details, Perspective on Functions of Compliance Officers in Avoiding Conflicts of Interest in Related-Party Transactions and Compliance

Based upon rules established by the Compliance and Risk Management Committee, the Compliance Officer shall hold deliberations with the Compliance and Risk Management Committee as appropriate concerning conflicts of interest in related-party transactions and compliance. In addition, the Compliance Officer shall draw up compliance manuals and programs, implement compliance training sessions based upon these manuals and programs, and operate a compliance consultation hotline. Through these measures, the Compliance Officer shall work to promote the improvement and strengthening of measures to counter conflicts of interest in related-party transactions, as well as the compliance posture of Tokyu REIM.

Currently, Taizoh Kusakabe serves as the Compliance Officer (Executive Compliance Officer). Mr. Kusakabe also serves concurrently and independently of business divisions as the Corporate Secretary. Leveraging his experience in the business of real estate securitization, he also presides over risk management in his middle office functions.

Brief details regarding the Compliance Officer are as follows.

Title	Name	Career Summary	
Executive Compliance Officer Corporate Secretary Officer	Taizoh Kusakabe	April 1980	Joined Tokyu Land Corporation, Real Estate Transaction Division
		July 1983	Tokyu Land Corporation, Consulting Division
		April 1988	Tokyu Land Corporation, Urban Development Division
		April 1990	Tokyu Land Corporation, Medium-to-High-Rise Housing Development Department
		July 1992	Tokyu Land Corporation, Residential Development Division
		April 1995	Dispatched to the Council for Real Estate Syndication (currently the Association for Real Estate Securitization), Representative, Executive Office Commissioner
		April 1997	Tokyu Land Corporation, Manager of Urban Development Division
		October 1998	Tokyu Land Corporation, Manager of Corporate Planning Department
		April 1999	Tokyu Land Corporation, Manager of Asset Management Division
		June 2001	Tokyu REIM, Non-Executive Director
		July 2001	Tokyu REIM, Dispatched as General Manager, Directors' Asset Management Department
September 2002	Tokyu REIM, Executive Compliance Officer, Corporate Secretary Officer (current position)		

3. Transactions, etc., with Sponsors and Other Related Parties

(1) Transactions with Related Parties

(2) Status of Property Acquisitions

During the sixth fiscal period, the most recent operating period to the submission of this report, the Investment Corporation conducted the following property transactions with related parties, special-purpose companies (“SPCs,” which are subsidiary companies) where related parties have control over decision-making bodies, or parties in other specific relationships with the Investment Corporation (hereafter “specifically related parties”).

a. Company Name or Name b. Relationship to Specifically Related Parties c. Background/Rationale for Transaction

Property (Location)	The Investment Corporation	Most Recent Owner/Trust Beneficiary	Previous Owner before Most Recent Owner/Trust Beneficiary
Shonan Mall Fill (<i>Sokoichi</i> refers to ownership of land with a fixed-term leasehold for commercial use) (Location) 4-1-1 Tsujido Shinmachi, Fujisawa City, Kanagawa	c. The property is a retail facility of the type identified for investment in TOKYU REIT’s fundamental policy to acquire properties, based upon the Articles of Incorporation. The Investment Corporation decided to acquire the property with the objectives of portfolio stability and growth.	a. Alpha Capital Co., Ltd. b. SPC formed by Tokyu Corporation and Tokyu Land Corporation	Other than specifically related parties

	¥6,810 million In addition to the above acquisition price, TOKYU REIT paid ¥183 million to Alpha Capital Co., Ltd. for that company's purchase of the property. No payments to Tokyu Group companies are included in this amount.	¥6,810 million	
	April 2006	September 2005	

4. Other

(1) Policies and Summary for Selection of Real Estate Appraisers

a. Policies for Selection of Real Estate Appraisers

Tokyu REIM uses a designated service-provider system for selecting real estate appraisers.

Prior to selection, investigations are made regarding the capacities and the performance records of appraisal candidates in order to ensure the quality of real estate appraisal reports. Final selection of real estate appraisers is subject to the authorization of Tokyu REIM's Board of Directors.

Selection of real estate appraisers for individual cases is determined following a comprehensive assessment of factors including whether or not there are impediments to doing business, the reliability of delivery dates and others.

As of the current date of this report, the following seven companies are designated appraisers.

- Japan Real Estate Institute
- HIRO & REAS network, Inc.
- Jones Lang LaSalle Inc.
- Daiwa Real Estate Appraisal Co., Ltd.
- Three other companies

b. Summary of Real Estate Appraisers

A summary of real estate appraisers for properties held as at July 31, 2006, is set out below.

Property name	Summary of real estate appraisers			
	Name of appraiser	Address	No. of qualified appraisers	Basis for selection
<ul style="list-style-type: none"> • QFRONT • Lexington Aoyama • TOKYU REIT Omotesando Square • Tokyu Saginuma Building • Tokyu Saginuma 2 Building • Setagaya Business Square • Tokyu Nampeidai-cho Building • Tokyu Sakuragaoka-cho Building • Tokyo Nissan Taito Building • TOKYU REIT Akasaka Hinokicho Building • TOKYU REIT Kamata Building 	Japan Real Estate Institute	1-3-2 Toranomom, Minato-ku	277	As Japan's largest real estate appraisal office, Japan Real Estate Institute has high credibility. Since several appraisals were needed quickly at the time of the Investment Corporation's stock exchange listing, an appraiser with the capacity to deal with high volume was selected and commissioned for the entire project.
<ul style="list-style-type: none"> • Resona Maruha Building • TOKYU REIT Toranomom Building 				With no disruption to business commissions, this appraiser could very much be relied upon to deliver on time.
<ul style="list-style-type: none"> • TOKYU REIT Shibuya Udagawa-cho Square • Beacon Hill Plaza (Ito-Yokado Noukendai Store) • Shonan Mall Fill (<i>sokochi</i>) 	HIRO & REAS network, Inc. Jones Lang LaSalle Inc. (joint appraisals)	2-13 Goban-cho, Chiyoda-ku 2-13-10 Nagatacho, Chiyoda-ku	8 4	HIRO & REAS network, Inc. is a pioneer of the cash flow method in Japan, with a track record in appraisals of income-producing real estate. By undertaking joint appraisals with Jones Lang LaSalle Inc., a name with excellent

				credentials recognized the world over, improvements in appraisal accuracy and confidence levels overseas are to be expected.
• cocoti	Daiwa Real Estate Appraisal Co., Ltd.	3-7-1 Kasumigaseki, Chiyoda-ku	47	With a wealth of achievements in J-REIT appraisals, its profitable real estate evaluations and delivery times are highly dependable, as personnel and other systems have been put in place.

(2) Engineering Report Producer Selection Policy and Outline

a. Engineering Report Producer Selection Policy

Tokyu REIM uses a designated service-provider system in selecting engineering report producers.

By undertaking reviews in advance of engineering report producers covering such factors as competence and past results, the designated service-provider system aims to ensure the quality of engineering reports, and the approval of appointments is a prerequisite at Tokyu REIM's Board of Directors' meetings.

The selection of individual engineering report producers generally takes into account and is decided on such factors as whether or not it will hinder business operations and delivery reliability.

However, as calculating probable maximum loss (PML) involves calculating the PML not only of each property but also of the entire portfolio, the Engineering & Risk Services Corporation is commissioned on an ongoing basis to ensure the consistency of analysis data.

At the time of writing, there are three designated engineering report producers, as follows:

- Engineering & Risk Services Corporation
- Shimizu Corporation
- Takenaka Corporation

b. Summary of Engineering Report Producers

Provided below is an outline of the engineering report producer for the properties acquired in the 6th period, the fiscal period closest to the date of this report.

Property name	Engineering Report Producer Summary			
	Name of producer	Address	Principal activities	Reason for selection
• Shonan Mall Fill (<i>sokochi</i>)	Engineering & Risk Services Corporation	3-11-15 Akasaka, Minato-ku, Tokyo	Building and geo-environmental evaluation work; fire and damage risk assessments	With no disruption to business commissions, the producer could very much be relied upon to deliver on time.

(3) Conflicts of Interest

There are no cases involving the possibility of a conflict of interest.

(4) IR-Related Activities

a. Holding of Explanatory Meetings, etc.

I. For Individual Investors

After a general unitholders' meeting has been held, explanatory unitholder meetings specifically aimed at individual investors are conducted. Individual investor explanatory meetings are conducted as appropriate by the President & CEO of Tokyu REIM at securities company branches, in cooperation with the securities companies concerned.

II. For Analysts and Institutional Investors

In principle, the President & CEO of Tokyu REIM conducts semiannual explanatory meetings the day after financial statements are announced. In 2006, these meetings took place on March 30 and September 15. In the main, the Investment Management Company President & CEO holds meetings as appropriate with institutional investors who are unable to attend an explanatory meeting.

III. Foreign Investors

After the financial statements are announced, mainly the President & CEO of Tokyu REIM visits foreign institutional investors in Europe, North America, Asia and Oceania to hold individual meetings.

b. IR information Accessible by Web site

IR information is provided on the following URL:

<http://www.tokyu-reit.co.jp/>

IR information appearing on the Web site includes: financial information (financial statements, explanatory accounting information, data books); timely disclosure information other than earnings information (including notices convening unitholder meetings); asset securities reports; reports on property investments; TOKYU REIT's Articles of Incorporation; and information disclosed since its stock exchange listing.

c. Existence of the IR Department (Person in Charge)

Tokyu Real Estate Investment Management Inc.

Chief Financial Officer and General Manager, Investor Relations: Yosuke Koi

d. Activity Guidelines

TOKYU REIT's ultimate goals are maximizing unitholder value and undertaking investments that aim to ensure growth potential, stability and transparency, based on guidelines prescribed in its Articles of Incorporation. Among the guidelines for ensuring transparency, rules on disclosure are in place for disclosing information of a statutory nature as well as important information deemed of use to and appropriate for unitholders in a specific and timely manner.

As an investment corporation under the terms of the Investment Trust and Investment Corporation Law of Japan, TOKYU REIT entrusts business affairs related to investment management, including timely disclosure, to Tokyu REIM based on the Investment Management Agreement. Tokyu REIM institutes disclosure guidelines and regulations, based on the Investment Corporation's rules on disclosure. The disclosure guidelines specified in management guidelines are posted on TOKYU REIT's Web site.