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Please refer to the original Japanese version.

February 4, 2009

**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, and in accordance with the policies, TOKYU REIT designs and maintains governance structure:

### *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*

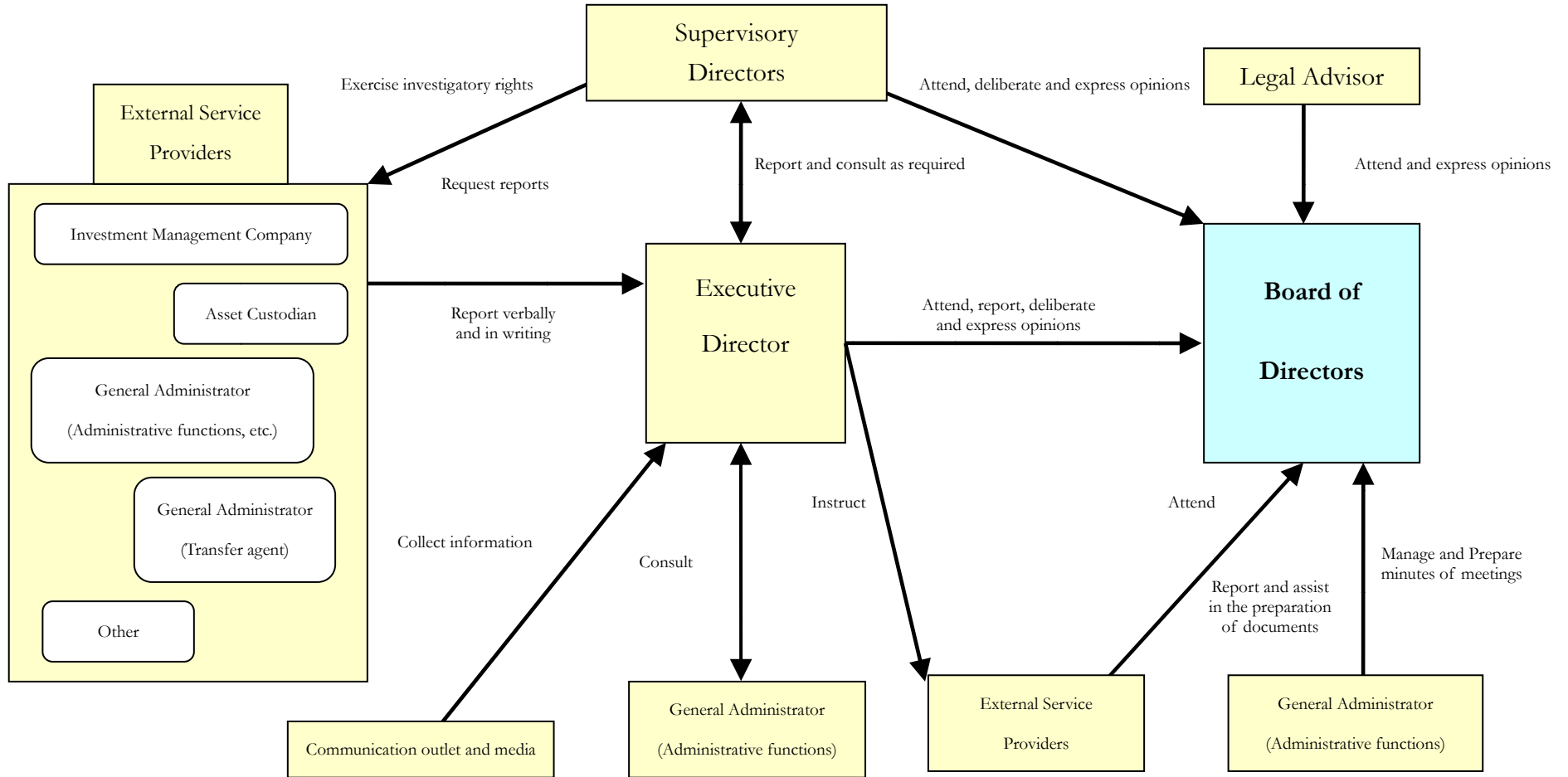
H. TOKYU REIT shall review this compliance policy as necessary and work to continuously improve its compliance structure and systems.

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 15 Board of Directors' meetings were held during the tenth fiscal period from February 1, 2008 through July 31, 2008. 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 tenth fiscal period, legal council attended all of TOKYU REIT's Board of Directors' meetings (attended through telephone one out of all the meetings). 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, The Sumitomo Trust and Banking Co., Ltd. (regarding Investment Corporation Bonds)

Asset Custodian : Mitsubishi UFJ Trust and Banking Corporation

- B. Supervision of the Executive Director by Supervisory Directors  
Supervisory Directors of TOKYU REIT engage in a full range of supervisory activities such as examining documents cautiously and arbitrarily, in addition to attending meeting of the Board of Directors, as the Executive Director serves concurrently as president of Tokyu REIM.
- 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.”)  
Note : In addition to the related parties designated by relevant laws and regulations (“legally related parties”), TOKYU REIT’s independent definition of “Tokyu Group companies” encompasses the following: companies, whose majority of voting rights is held by a company that has a stake in Tokyu REIM, and their subsidiaries (collectively “related companies”); and special purpose entities whose majority of capital has been contributed by legally related parties and related companies.
- 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 on June 16, 2003 in accordance with rules and regulations relating to the article 13 of the Law Concerning Investment Trusts and Investment Corporations (Law No. 198, promulgated in 1951 including amendment), 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 Chief Executive Officer of Tokyu REIM with authority delegated to alleviate the executive burden.

E. Mutual Cooperation with Independent Auditor

Executive Director and Supervisory Director have a meeting with Independent Auditor every fiscal period. Explanation and report about accountings and audit are executed by Independent Auditor.

F. Maintenance of Governance Structure for 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 investment 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. And additional study was conducted covering several service providers in October 2006 and September 2008. In response to these studies, all service providers surveyed have replied that an adequate compliance structure is in place.

b. The Investment Management Company

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

Tokyu REIM has formulated a set of internal rules that encompass compliance policy, 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

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 mainly 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 of Tokyu REIM.

v. Corporate Auditor

Tokyu REIM 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, TOKYU REIT and Tokyu REIM 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. Chief Compliance Officer

The Senior Executive Officer, Chief Compliance Officer is the supervisor of all matters relating to compliance in Tokyu REIM.

The Chief Compliance Officer appropriately reports all relevant matters including compliance, risk management issue and related-party transaction issues to the Compliance and Risk Management Committee in accordance with the Committee's rules and regulations. The Chief 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 Chief Compliance Officer strives to avoid conflicts of interest in related party transactions, 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 investment management 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 4.6 of the Corporation Law (Law No. 86, promulgated in 2005 including amendment).

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. Tokyu REIM 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 in 2004 including amendment). In this manner, Tokyu REIM 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, 2008.

| Name                                                                         | Relationship with TOKYU REIT, Tokyu REIM and Sponsor Companies; Investment History                                                                                                                                                                                                                                                                                   | Number of Units Owned | Ownership (%) |
|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------|
| NikkoCiti Trust and Banking Corporation (trust account)                      | No specific relationship                                                                                                                                                                                                                                                                                                                                             | 13,243                | 7.82          |
| Japan Trustee Services Bank, Ltd. (trust account)                            | No specific relationship                                                                                                                                                                                                                                                                                                                                             | 12,563                | 7.42          |
| Trust & Custody Services Bank, Ltd.(securities investment trust account)     | No specific relationship                                                                                                                                                                                                                                                                                                                                             | 10,467                | 6.18          |
| The Master Trust Bank of Japan, Ltd. (trust account)                         | No specific relationship                                                                                                                                                                                                                                                                                                                                             | 9,065                 | 5.35          |
| CB London Standard Assurance, Ltd.<br>(Standard Proxy: Citibank Japan, Ltd.) | No specific relationship                                                                                                                                                                                                                                                                                                                                             | 6,829                 | 4.03          |
| Tokyu Corporation                                                            | Parent company of Tokyu REIM<br>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. | 5,880                 | 3.47          |

|                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |       |      |
|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|------|
|                                                                                                 | <p>Tokyu Corporation has concluded with TOKYU REIT a property management agreement that covers a portion of the latter's held real estate. In addition, Tokyu Corporation has concluded with TOKYU REIT a Brand Licensing Agreement for licensing the "TOKYU" 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 TOKYU REIT.</p> <p>Tokyu Corporation has held TOKYU REIT's investment units since TOKYU REIT was first established.</p>                  |       |      |
| AIG STAR LIFE INSURANCE CO., LTD.<br>(general account)<br>(Standing Proxy: Citibank Japan Ltd.) | No specific relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 4,871 | 2.88 |
| North Pacific Bank, Ltd.                                                                        | No specific relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 4,604 | 2.72 |
| The Nomura Trust and Banking Co., Ltd. (trust account)                                          | No specific relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 4,017 | 2.37 |
| 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 had 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 transferred</p> | 3,920 | 2.31 |

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        |       |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------|
|                       | <p>relevant property management operations to Tokyu Community Co., Ltd. as of the date of this report, through the streamlining of operations with the Tokyu Land group.</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> |        |       |
| Total: (10 Companies) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 75,459 | 44.55 |

(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      | Refer above to item: "1. Basic Information" under section "(2) Details of the Investment Corporation's Unitholders". | 3,600                  | 60            |
| Tokyu Land Corporation | Refer above to item: "1. Basic Information" under section "(2) Details of the Investment Corporation's Unitholders". | 2,400                  | 40            |
| Total                  |                                                                                                                      | 6,000                  | 100           |

(4) Investment Policies & Objectives

(4) -2.Matters Concerning Investment in Overseas Real Estate

a. Basic Approach toward Investment in Overseas Real Estate

TOKYU REIT shall not invest in overseas real estate.

(5) Sponsors

a. Principal activities of Corporate Group Sponsors

- 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 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.<br><br>(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 Company," paragraph (1) "The Investment Corporation". |
|                    |                | 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)                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|                      |                                                                                    |                                                                                |                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Supervisory Director | Giichi Yanagisawa                                                                  | March 1985                                                                     | Certified as a public accountant in Japan. (current)<br>Established Yanagisawa Certified Public Accountant Office | Selected based on 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                                                |                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                         |
|                      |                                                                                    | • Director: 3; Statutory Auditor: 5, all of which are unrelated to TOKYU REIT  |                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                         |
|                      |                                                                                    | • Director: 3; Statutory Auditor: 4, 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 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 (current)                                  |                                                                                |                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                         |
|                      |                                                                                    | June 2003                                                                      | Appointed Supervisory Director, TOKYU REIT (current position)                                                     |                                                                                                                                                                                                                                                                                                                                                                                         |
|                      |                                                                                    | * Other concurrent appointments                                                |                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                         |
|                      |                                                                                    | • Director: 1; Statutory Auditor: 1, 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| Masahiro Horie | Representative Director & President, Chief Executive Officer | <p>The sole purpose of TOKYU REIT is investment 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 &amp; President, Chief 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 &amp; 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 &amp; 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</p> | <p>Aside from having entered an investment management agreement, Tokyu REIM and TOKYU REIT have no intention of engaging in any other business.</p> <p>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 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. Therefore, the Executive Director cannot individually change or cancel the Investment Management Agreement.</p> <p>At the same time, the Representative Director &amp; 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 &amp; 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</p> |

|  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  | <p>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 &amp; 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>Agreement. In like manner, even if the Representative Director &amp; 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> |
|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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<br>(Full-time/<br>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<br>Transferred from Tokyu Corporation |
| Representative Director,                                                 | Kenjiro Sawa   | April 1982                                                                                                                                                                                | Entered Tokyu Land Corporation, General Affairs Department | Transferred from Tokyu Land Corporation                              |

|                                                                   |             |                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Executive Vice President and Chief Investment Officer (Full-time) |             | <p>June 1982</p> <p>July 1983</p> <p>April 1987</p> <p>April 1998</p> <p>April 2004</p> <p>April 2006</p>                                   | <p>Tokyu Land Corporation, Residential Development Division, Medium-to-High-Rise Housing Development Department</p> <p>Tokyu Land Corporation, Consulting Division</p> <p>Tokyu Land Corporation, Finance &amp; Accounting Division</p> <p>Tokyu Land Corporation, Manager of Finance, Accounting and Investor Relations Department</p> <p>Tokyu Land Corporation, Director of Finance, Accounting and Investor Relations Division</p> <p>Posted to Tokyu REIM; Appointed Representative Director, Executive Vice President and Chief Investment Officer (current position)</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Director (Part-time)                                              | Masao Tomoe | <p>April 1976</p> <p>May 1977</p> <p>March 1993</p> <p>April 1996</p> <p>July 1999</p> <p>April 2001</p> <p>June 2001</p> <p>April 2002</p> | <p>Entered Tokyu Corporation, Railway Operation Division</p> <p>Tokyu Corporation, Finance &amp; Accounting Division</p> <p>Tokyu Corporation, Manager of Group Management Division</p> <p>Tokyu Corporation, Manager of Personnel Division</p> <p>Tokyu Corporation, Manager of Hotel Division</p> <p>Posted to Tokyu Hotel Management Co., Ltd., General Manager of Administration Division</p> <p>Tokyu Hotel Management Co., Ltd., Director, General Manager of Administration Division</p> <p>Tokyu Hotel Management Co., Ltd.,</p>                                        | <p>Tokyu Finance &amp; Accounting Co., Ltd., President and Representative Director</p> <p>Tokyu Insurance Consulting Co., Ltd., Director (part-time)</p> <p>TH Properties Co., Ltd., Director (part-time)</p> <p>Izukyu Land Corporation, Director (part-time)</p> <p>Gold-Pak Co., Ltd., Auditor (part-time)</p> <p>Nippon Rent-A-Car Tokyu. Inc. Director (part-time)</p> <p>Tokyu-hakuba corporation, Director (part-time)</p> |

|  |  |               |                                                                                                                                                                                                                               |  |
|--|--|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  |  | April 2003    | Director, Business Planning & Administration Division<br>Tokyu Corporation, Accounting and Group Strategy Headquarters, General Manager of Finance and Accounting Division                                                    |  |
|  |  | June 2003     | Tokyu REIM, Director (part-time, non-executive) (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                                                                                                     |  |
|  |  | June 2007     | Tokyu Corporation, Director, Executive General Manager of Finance, Accounting and Group Strategy Headquarters                                                                                                                 |  |
|  |  | December 2007 | Tokyu Corporation, Director, Executive General Manager of Finance, Accounting and Group Strategy Headquarters, and General Manager of Accounting, & IR Division Division                                                      |  |
|  |  | April 2008    | Tokyu Corporation, Director, Executive General Manager of Finance, Accounting and Group Strategy Headquarters, (current position)                                                                                             |  |

|                                 |                               |                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                     |
|---------------------------------|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <p>Director<br/>(Part-time)</p> | <p>Toshitake<br/>Ashizawa</p> | <p>April 1986<br/>December 1986<br/>May 1987<br/>October 1991<br/>April 1997<br/>July 2002<br/>April 2003<br/>April 2005<br/>June 2005</p> | <p>Entered Tokyu Corporation, Railway Operation Division<br/>Tokyu Corporation, Tama Den-en-toshi Division<br/>Tokyu Corporation, Office Building Management Division<br/>Posted to Tokyu Bus Corporation<br/>Tokyu Corporation, Urban Development Division<br/>Tokyu Corporation, Manager of Urban Development Division<br/>Tokyu Corporation, Deputy General Manager of the Planning and Administration Division of Urban Development Headquarters<br/>Tokyu Corporation, General Manager of the Management Planning Department of Management Headquarters (current position)<br/>Tokyu REIM, Director (part-time, non-executive) (current position)</p> | <p>No pertinent items to report</p> |
| <p>Director<br/>(Part-time)</p> | <p>Hideyuki<br/>Takada</p>    | <p>April 1981<br/>May 1981<br/>November 1982<br/>April 1991<br/>April 1993<br/>April 1995<br/>April 1996</p>                               | <p>Entered Tokyu Land Corporation and assigned to a position in the General Administration Department<br/>Residential Development Division<br/>Transferred to Tokyu Home Corporation<br/>Transferred to the Development Business Department, Tokyu Land Corporation<br/>Tokyu Land Corporation, Strategy Planning Office<br/>Tokyu Land Corporation, Manager of Planning, Strategy Planning Office<br/>Tokyu Land Corporation, Manager of</p>                                                                                                                                                                                                              | <p>No pertinent items to report</p> |

|                        |                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                        |
|------------------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                        |                     | <p>April 1999 Business Planning Office<br/>Tokyu Land Corporation, Manager of Corporate Planning Department</p> <p>April 2004 Tokyu Land Corporation, General Manager of Planning Group, Corporate Planning Department</p> <p>April 2006 Tokyu Land Corporation, General Manager of BusinessPromotion Group and Real Estate Fund Planning Department, Asset Management Division</p> <p>April 2007 Tokyu Land Corporation, General Manager of Real Estate Fund Planning Department, and General Manager of Business Promotion Group, Asset Management Division</p> <p>June 2007 Tokyu REIM, Director (part-time, non-executive) (current position)</p> <p>April 2008 Tokyu Land Corporation, General Manager of Real Estate Fund Planning Department, and General Manager of Business Promotion Group, Asset Management Division (current position)</p> |                                                                                                                                                                        |
| Auditor<br>(Part-time) | Noriaki<br>Takahide | <p>April 1984 Entered Tokyu Corporation, Railway Operation Division</p> <p>April 1985 Tokyu Corporation, Cable Television Development Office</p> <p>October 1987 Posted to Tokyu Cable Television Co., Ltd., (currently, its communications Inc.)</p> <p>May 1989 Tokyu Corporation, Railway Division, Administration Department</p> <p>April 1990 Tokyu Corporation, Related Business Office, Related Section</p>                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>Tokyu-Computer-System.,Director (part-time)</p> <p>Tokyu Finance &amp; Accounting Co., Ltd., Auditor (part-time)</p> <p>Kidsbasecamp Inc., Director (part-time)</p> |

|                     |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                         |
|---------------------|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
|                     |                   | <p>July 1993 Tokyu Corporation, Group Business Office, Related Section</p> <p>July 1999 Tokyu Corporation, Group Administration Division</p> <p>July 2000 Tokyu Corporation, Manager of Management Planning Division</p> <p>April 2003 Tokyu Corporation, General Manager of Corporate Strategy, Corporate Headquarters</p> <p>April 2005 Statutory Auditor (part-time, non-executive), Tokyu REIM (current position)</p> <p>April 2005 Posted to its communications Inc., General Manager of the Corporate Management Division</p> <p>June 2007 its communications Inc., Executive Director, General Management Division</p> <p>April 2008 Tokyu Corporation, General Manager, of Management Planning Division of Management Headquarters (current position)</p> |                                                                                                         |
| Auditor (Part-time) | Takashi Matsuzawa | <p>April 1974 Entered Tokyu Corporation, Real Estate Development Business Unit</p> <p>April 1985 Tokyu Corporation, Tama Den-en-toshi Division</p> <p>October 1992 Tokyu Corporation, Manager of Personal Division</p> <p>April 1996 Tokyu Corporation, Manager of Tama Den-en-toshi Division, Urban Development Division</p> <p>July 2000 Tokyu Corporation, Manager of Marketing Department I of Urban</p>                                                                                                                                                                                                                                                                                                                                                      | <p>Tokyu Cerulean Tower Co., Ltd., Director (part-time)</p> <p>TMD Corporation, Auditor (part-time)</p> |

|  |  |            |                                                                                                                                                                                             |  |
|--|--|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  |  | July 2001  | Development Division<br>Tokyu Corporation, General Manager<br>of Planning & Administration<br>Division, Resort Headquarters                                                                 |  |
|  |  | April 2003 | Tokyu Corporation, General Manager<br>of Resort Division of Corporate<br>Headquarters                                                                                                       |  |
|  |  | April 2005 | Tokyu Corporation, General Manager<br>of Sales Promotion Division,<br>Information & Communication<br>Headquarters                                                                           |  |
|  |  | June 2006  | Jotetsu Corporation, Managing<br>Director, Senior Executive General<br>Manager of Management<br>Headquarters                                                                                |  |
|  |  | May 2007   | Jotetsu Corporation, Managing<br>Director,<br>Senior Executive General Manager of<br>Management Headquarters and Bus<br>Operation Business Unit                                             |  |
|  |  | March 2008 | Tokyu Corporation, General Manager<br>of Real Estate Development Business<br>Unit                                                                                                           |  |
|  |  | April 2008 | Tokyu Corporation, Executive Officer<br>& Executive General Manager of<br>Property Management & Development<br>Headquarters, Real Estate<br>Development Business Unit (current<br>position) |  |
|  |  | June 2008  | Statutory Auditor (part-time, non<br>executive) of Tokyu Real Estate                                                                                                                        |  |

|  |  |  |                                                |  |
|--|--|--|------------------------------------------------|--|
|  |  |  | Investment Management, Inc. (current position) |  |
|--|--|--|------------------------------------------------|--|

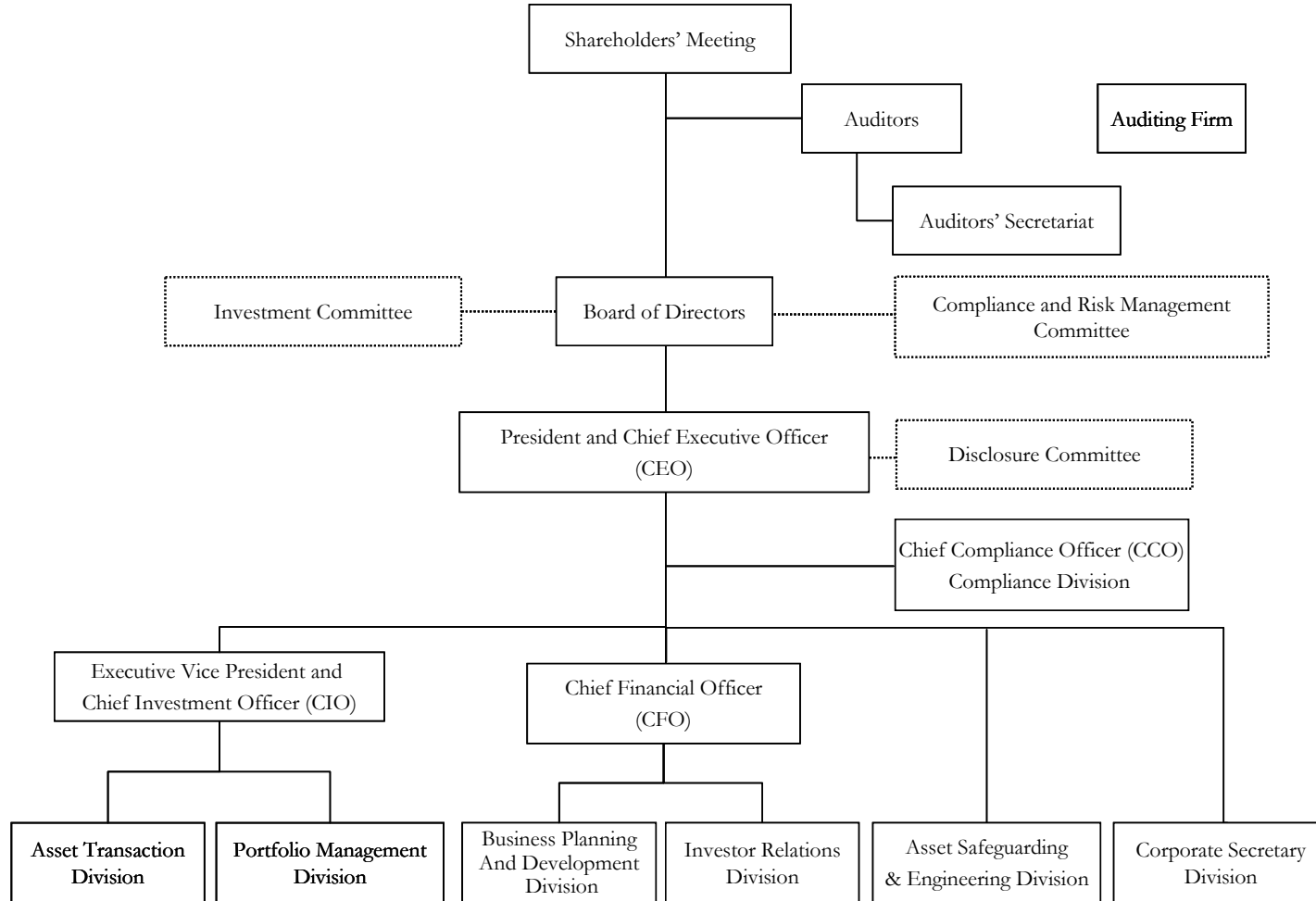
b. Status of Employees at the Investment Management Company

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

| Loan Employees Received                                                                 | Number of Employees | Concurrent Appointment                                                                                     |
|-----------------------------------------------------------------------------------------|---------------------|------------------------------------------------------------------------------------------------------------|
| Employees                                                                               | 25                  |                                                                                                            |
| Employees dispatched from Tokyu Corporation                                             | 15                  | • Executive Officer Taizo Kusakabe serves concurrently as Chief Compliance Officer and Corporate Secretary |
| Employees dispatched from Tokyu Land Corporation                                        | 8                   |                                                                                                            |
| Employees dispatched from Tokyu Finance & Accounting Co., Ltd                           | 2                   |                                                                                                            |
| Temporary Staff                                                                         | 11                  | -                                                                                                          |
| The number of employees (including two representative directors and executive officers) | 36                  | -                                                                                                          |

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

I .Management Structure of the Investment Management Company (Organization Chart)



(Scope of Responsibilities)

| Organization                               | Scope of Responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Compliance Division                        | <ul style="list-style-type: none"> <li>■ Matters relating to compliance</li> <li>■ Matters relating to the Office of the Secretariat of the Compliance and Risk Management Committee</li> <li>■ Matters relating to the monitoring and assessment of internal control</li> <li>■ Matters relating to the coordination of initiatives to deal with antisocial forces</li> </ul>                                                                                                                                                                                                                          |
| Asset Transaction Division                 | <ul style="list-style-type: none"> <li>■ Matters relating to the formulation of basic policies concerning the acquisition and sale of investment properties as well as to the planning of property acquisition</li> <li>■ Matters relating to the acquisition and sale of TOKYU REIT's investment properties</li> <li>■ Matters relating to the Office of the Secretariat of the Investment Committee</li> </ul>                                                                                                                                                                                        |
| Portfolio Management Division              | <ul style="list-style-type: none"> <li>■ Matters relating to the formulation of basic policies concerning the management of TOKYU REIT's investment properties as well as to the planning of property-specific budgets and property management</li> <li>■ Matters relating to the supervision and reporting on TOKYU REIT's investment management status</li> <li>■ Matters relating to lease agreements involving real estate held by TOKYU REIT</li> <li>■ Matters relating to the management of real estate held by TOKYU REIT, including the management of property management companies</li> </ul> |
| Business Planning and Development Division |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| General affairs                            | <ul style="list-style-type: none"> <li>■ Matters relating to human resources, general affairs and others within Tokyu REIM.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Financial affairs for TOKYU REIT           | <ul style="list-style-type: none"> <li>■ Matters relating to debt financing and the issuance of investment corporation bonds</li> <li>■ Matters relating to the preparation of statutory disclosure materials</li> <li>■ Matters relating to TOKYU REIT's distribution policy</li> </ul>                                                                                                                                                                                                                                                                                                                |

|                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial and accounting affairs for Tokyu REIM | <ul style="list-style-type: none"> <li>■ Matters relating to financial and accounting affairs of Tokyu REIM</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Business planning and development               | <ul style="list-style-type: none"> <li>■ Matters relating to the formulation of TOKYU REIT's investment management and property management plans</li> <li>■ Matters relating to the overall management and planning of Tokyu REIM business, including the formulation of annual management policies and budgets</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                              |
| Investor Relations Division                     | <ul style="list-style-type: none"> <li>■ Matters relating to TOKYU REIT's information disclosure</li> <li>■ Matters relating to communication between TOKYU REIT and investors</li> <li>■ Matters relating to the additional issuance of TOKYU REIT's units</li> <li>■ Matters relating to the Office of the Secretariat of the Disclosure Committee</li> </ul>                                                                                                                                                                                                                                                                                                                                                         |
| Asset Safeguarding & Engineering Division       | <ul style="list-style-type: none"> <li>■ Matters relating to the safeguarding of TOKYU REIT's investment properties (matters relating to internal control)</li> <li>■ Matters relating to technical support required in acquisition of properties and safeguarding by TOKYU REIT</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Corporate Secretary Division                    | <ul style="list-style-type: none"> <li>■ Matters relating to the formulation and implementation of internal audit plans</li> <li>■ Matters relating to the coordination of risk management activities</li> <li>■ Matters relating to the administration of Tokyu REIM's shareholders' and Board of Directors' meetings</li> <li>■ Matters relating to communication with relevant government authorities</li> <li>■ Matters relating to communication with relevant external organizations</li> <li>■ Matters relating to the formulation, revision and abolition of internal rules, guidelines and regulations</li> <li>■ Matters relating to the formulation and coordination of internal control policies</li> </ul> |

## II. Decision-Making Structures

### A. Decision-Making Processes Regarding Investment Management Policies

#### i. Investment Management Guidelines

Each division submits proposals to the CIO, who oversees investment properties, and the CFO, who oversees fund management



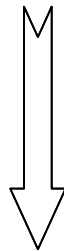
1) Mutual deliberation by the CIO and CFO  
2) Revised Investment Management Guidelines (drafts) are put forward at the Investment Management Review Meeting



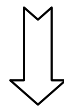
1) Deliberations by the Investment Management Review Meeting  
2) Screened for compliance issues by the CCO  
3) Approved by the CEO

Deliberated , resolved and recommended by the Investment Committee

Deliberated and recommended by the Compliance and Risk Management Committee



Ratified by Tokyu REIM's Board of Directors  
(revisions of rules concerning conflicts of interests are determined by TOKYU REIT's Board of Directors)



Reported to TOKYU REIT's Board of Directors

TOKYU REIT entrusts Tokyu REIM with investment management in accordance with its Articles of Incorporation. With the aim of clearly defining its basic policies for matters that arise in the course of investment and fund management, Tokyu REIM formulates Investment Management Guidelines (hereafter, the “Guidelines”). The Guidelines stipulate its policies concerning investment, distribution and disclosure as well as measures to prevent conflicts of interest. When it is deemed necessary to review and revise the Guidelines due to economic conditions, investment environments and changes to relevant laws and regulations, a relevant division makes proposals for revising the Guidelines (hereafter, the “Guideline Proposals”). Tokyu REIM’s Executive Vice President and Chief Investment Officer (CIO), who oversees investment properties, and the Chief Financial Officer (CFO), who oversees fund management, the Business Planning and Development Division and the Investor Relations Division, discuss the Guideline Proposals. Consequently, the Business Planning and Development Division serves as a secretariat office for organizing the Guideline Proposals to submit them to the Investment Management Review Meeting (hereafter, the “Review Meeting”). Tokyu REIM’s President and Chief Executive Officer (CEO), CIO, CFO, the Chief Compliance Officer (CCO) and all division heads attend the Review Meeting to deliberate on the Guideline Proposals. The Guideline Proposals refined at the Review Meeting are screened for compliance issues by the CCO and subject to approval by the CEO. Following the CEO’s approval, the Guideline Proposals are submitted to Tokyu REIM’s Board of Directors for ratification. Prior to its ratification, the Board of Directors may submit the Guideline Proposals to the Investment Committee (resolution body) and the Compliance and Risk Management Committee (deliberation body) for their review and recommendation. After all these processes, the Board of Directors makes the final decision to revise the Guidelines, respecting deliberation results, approvals and recommendations presented by the aforementioned internal organizations and minority opinions and reports submitted by the said committees. Following the final decision, the revised Guidelines are submitted and reported to TOKYU REIT’s Board of Directors. Revising items that are prescribed in the Guidelines in line with TOKYU REIT’s Articles of Incorporation requires resolutions by the General Meeting of TOKYU REIT’s Unitholders. Similarly, revising measures to prevent conflicts of interest requires resolutions by TOKYU REIT’s Board of Directors.

ii. Investment Management Plans

Each division submits proposals to the CIO, who oversees investment properties, and the CFO, who oversees fund management

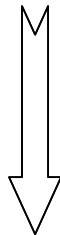


1) Mutual deliberation by the CIO and CFO  
2) Revised investment management plans (drafts) are put forward at the Investment Management Review Meeting



1) Deliberations by the Investment Management Review Meeting  
2) Screened for compliance issues by the CCO  
3) Approved by the CEO

Deliberated , resolved and recommended  
by the Investment Committee



Deliberated and recommended  
by the Compliance and Risk Management Committee  
(only matters related to compliance and risks)

Ratified by Tokyu REIM's Board of Directors



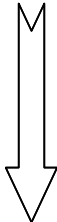
Reported to TOKYU REIT's Board of Directors

Tokyu REIM formulates investment management plans (hereafter, the “Management Plans”) to define specific action plans regarding its investment management. First, the Asset Transaction Division and the Portfolio Management Division—both in charge of asset management—submit to the CIO their individual plans, and the CIO prepares property-specific investment management plans (hereafter, the “Property Plans”) based on the plans submitted by the two divisions. The CIO submits the Property Plans to the CFO. Based on the Property Plans and incorporating fund procurement plans prepared by the Business Planning and Development Division, the CFO prepares proposals for investment management plans (hereafter, the “Management Proposals”). The CIO and CFO discuss the Management Proposals and then submit them to the Review Meeting. The CEO, CIO, CFO, CCO and all division heads attend the Review Meeting to deliberate on the Management Proposals. The Management Proposals refined at the Review Meeting are screened for compliance issues by the CCO and subject to approval by the CEO. Following the CEO’s approval, the Management Proposals are submitted to Tokyu REIM’s Board of Directors for ratification. Prior to its ratification, the Board of Directors may submit the Management Proposals to the Investment Committee (resolution body) and the Compliance and Risk Management Committee (deliberation body) for their review and recommendation. After all these processes, the Board of Directors finally formulates the Management Plans, respecting deliberation results, approvals and recommendations presented by the aforementioned internal organizations and minority opinions and reports submitted by the said committees. Following the formulation, the Management Plans are submitted and reported to TOKYU REIT’s Board of Directors. In principle, the Management Plans shall be reviewed and revised by the end of January and July, the months in which TOKYU REIT settles its accounts. However, the Management Plans shall be revised on an as-required basis should significant changes occur in economic and other conditions.

B. Decision-Making Processes Regarding Investment Management

i. Acquisition and Sale of Investment Properties

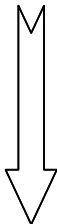
1) Investment selection targets prepared by the CIO, who oversees investment properties  
2) Proposals put forward at the Investment Management Review Meeting



1) Deliberations by the Investment Management Review Meeting  
2) Screened for compliance issues by the CCO  
3) Approved by the CEO

Deliberated, resolved and recommended  
by the Investment Committee

Deliberated and recommended  
by the Compliance and Risk Management Committee  
(according to necessity of the CCO)



Ratified by Tokyu REIM's Board of Directors  
(related-party transactions require prior approval by TOKYU REIT's Board of Directors)

Prior to the acquisition and sale of investment properties, the Asset Transaction Division and the Portfolio Management Division conduct due diligence on: (1) property and other rights; (2) property lessees; (3) property lease agreements; (4) repair and maintenance history; (5) property conditions; (6) environmental conditions; and (7) property appraisal (all hereafter referred to as “Due Diligence”). Based on the outcome of the Due Diligence, the two divisions prepare the documents required for making a decision to acquire and sell of investment properties, along with transaction agreements, and submit these documents to the CIO. The CIO reviews these documents to check whether they coincide with TOKYU REIT’s investment policy and criteria and, based on the review results, selects properties that TOKYU REIT can invest in or sell. The Asset Transaction Division, as a secretariat office, organizes the CIO’s selection of properties into plans for property acquisition and sale (hereafter, the “Acquisition and Sale Plans”) and submits them to the Review Meeting. The CEO, CIO, CFO, CCO and all division heads attend the Review Meeting to deliberate on the Acquisition and Sale Plans. The CCO examines the outcome of the deliberation at the Review Meeting for compliance issues, and the Acquisition and Sale Plans are subject to approval by the CEO. Following the CEO’s approval, the Acquisition and Sale Plans are submitted to Tokyu REIM’s Board of Directors for ratification. Prior to its ratification, the Board of Directors may submit the Acquisition and Sale Plans to the Investment Committee (resolution body) and the Compliance and Risk Management Committee (deliberation body) for their review and recommendation. After all these processes, the Board of Directors makes the final decision on property acquisition and sale, respecting deliberation results, approvals and recommendations presented by the aforementioned internal organizations and minority opinions and reports submitted by the said committees. Following the ratification, the Acquisition and Sale Plans are submitted and reported to TOKYU REIT’s Board of Directors. In particular, property acquisition and sale involving Tokyu Group companies require deliberation at the Compliance and Risk Management Committee and an advance approval by TOKYU REIT’s Board of Directors.

(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. Basic Principle

II. Specific Rules

b. Reason for Adopting 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 Tokyu REIM'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 law.

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 Tokyu REIM, 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 Group Companies

TOKYU REIT believes that it can, through its activities detailed previously in 2. “Management Structure of the Investment Corporation and Investment Management Company,” (3) Measures to Avoid Conflicts of Interest in Related-Party Transactions b. “Reason for Adopting 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).

As of the date of this report, 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,<br>Compliance and Risk<br>Management<br>Committee | Shin<br>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 (current position) 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,<br>Compliance and Risk<br>Management<br>Committee | Naoyoshi<br>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 Risk Group |
|                                                                     |                    | June 2003      | Tokyu REIM Committee Member, Compliance and Risk Management Committee (current position)                                                                                     |
|                                                                     |                    | April 2007     | InterRisk Research Institute & Consulting, Inc., Manager, Senior                                                                                                             |

|  |  |  |                                     |
|--|--|--|-------------------------------------|
|  |  |  | Consultant, Consulting Department 1 |
|--|--|--|-------------------------------------|

The Investment Committee has also invited one qualified appraiser as an external member, and as of the date of this report, Kazuto Nakajima has been appointed to this position. Mr. Nakajima 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,<br>Investment<br>Committee | Kazuto<br>Nakajima | April 1976        | Joined Tokyu Land Corporation                                                                                            |
|                                              |                    | March 2001        | Registered as a qualified appraiser                                                                                      |
|                                              |                    | October 2006      | Member of appraisal committee, the price of land fronting major roads                                                    |
|                                              |                    | June 2007         | Member of appraisal committee, official land price                                                                       |
|                                              |                    | July 2007         | Member of securitization appraisal committee (current position),<br>Japanese Association of Real Estate Appraisal        |
|                                              |                    | September<br>2007 | Tokyu Land Corporation, General Manager of Appraisal Service<br>Department, Asset Management Division (current position) |
|                                              |                    | September<br>2007 | Tokyu REIM Committee Member, Investment Committee, (current<br>position)                                                 |

D. Chief 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 Chief Compliance Officers in Avoiding Conflicts of Interest in Related-Party Transactions and Compliance

The Chief Compliance Officer appropriately reports all relevant matters including compliance, risk management issue and related-party transaction issues to the Compliance and Risk Management Committee in accordance with the Committee's rules and regulations. The Chief 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 Chief Compliance Officer strives to avoid conflicts of interest in related party transactions, enhance and Tokyu REIM's compliance posture and raise the awareness and confidence of all officers and employees in the

implemented systems.

Currently, Taizoh Kusakabe serves as the Chief Compliance Officer (Senior Executive Officer, Chief 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 Chief Compliance Officer are as follows.

| Title                                                                      | Name            | Career Summary |                                                                                                                                                                 |
|----------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Senior Executive Officer, Corporate Secretary and Chief Compliance 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                                                                                           |
|                                                                            |                 | June 2007      | Tokyu REIM, Senior Executive Officer, Corporate Secretary and Chief Compliance Officer (current position)                                                       |

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

(1) Transactions with Related Parties

(2) Status of Property Acquisitions

During the tenth fiscal period, there is property acquisition from 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”) and detailed below.

※a.Property Name b.Relationship with Investment Corporation c.Rationale

| Property Name<br>(Address)                                                               | Investment Corporation                                                                                                                                | Pervious Owner                                                                                                                             | Owner before<br>the Previous Owner                                                                                                                                   | Owner before “Owner<br>before the Previous Owner”                             |
|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Tokyu Ikejiri-ohashi<br>Building<br>(Address)<br>3-8-1, Higashiyama,<br>Meguro-ku, Tokyo | c.This Property is an office building that meets TOKYU REIT’s fundamental investment/acquisition policy as outlined in its Articles of Incorporation. | a. <i>KI Realty</i><br>b.As a special purpose company (SPC) established by Tokyu Corporation, falls under the category of a related party. | a. <i>Shibuya Kaihatsu</i><br>b.At the time of acquisition, a wholly owned subsidiary of the TOKYU Corporation, a related party of the Investment Management Company | a. <i>Yaesu Shinko</i><br>b.Not corresponding to specifically related parties |
|                                                                                          | ¥ 5,480 million                                                                                                                                       | Details omitted as possessed over a year                                                                                                   | -                                                                                                                                                                    | -                                                                             |
|                                                                                          | March 2008                                                                                                                                            | March 2006                                                                                                                                 | March 2004                                                                                                                                                           | November 1998                                                                 |

#### **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 eight companies are designated appraisers.

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

b. Summary of Real Estate Appraisers

A summary of real estate appraisers for properties held as of July 31, 2008, 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"> <li>• QFRONT</li> <li>• Lexington Aoyama</li> <li>• TOKYU REIT Omotesando Square</li> <li>• Tokyu Saginuma Building</li> <li>• Tokyu Saginuma 2 Building</li> <li>• Setagaya Business Square</li> <li>• Tokyu Nampeidai-cho Building</li> <li>• Tokyu Sakuragaoka-cho Building</li> <li>• Tokyo Nissan Taito Building</li> <li>• TOKYU REIT Akasaka Hinokicho Building</li> <li>• TOKYU REIT Kamata Building</li> </ul> | Japan Real Estate Institute       | 1-3-2, Toranomom, Minato-ku, Tokyo | 262<br>(As of January 31, 2009) | 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"> <li>• Resona Maruha Building</li> <li>• TOKYU REIT Toranomom Building</li> <li>• TOKYU Ikejiri-ohashi Building</li> <li>• Ryoshin Harajuku Building</li> </ul>                                                                                                                                                                                                                                                          |                                   |                                    |                                 | With no disruption to business commissions, this appraiser could very much be relied upon to deliver on time.                                                                                                                                                                                                                     |

|                                                                                                                                                                                                                                                              |                                       |                                             |                                 |                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------------|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• TOKYU REIT Shibuya Udagawa-cho Square</li> <li>• Beacon Hill Plaza (Ito-Yokado Noukendai Store)</li> <li>• Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)</li> <li>• Daikanyama Forum</li> </ul> | HIRO & REAS network, Inc.             | 2-13, Goban-cho, Chiyoda-ku, Tokyo          | 11<br>(As of January 31, 2009)  | 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, with no disruption to business commissions, this appraiser could very much be relied upon to deliver on time. |
| <ul style="list-style-type: none"> <li>• Shonan Mall Fill (<i>sokochi</i>)</li> </ul>                                                                                                                                                                        | Jones Lang LaSalle Inc.               | 2-13-10, Nagatacho, Chiyoda-ku, Tokyo       | 6<br>(As of January 31, 2009)   | Jones Lang LaSalle Inc., a name with excellent credentials recognized the world over, is with no disruption to business commissions, this appraiser could very much be relied upon to deliver on time.                                                    |
| <ul style="list-style-type: none"> <li>• cocoti</li> <li>• TOKYU REIT Hatchobori Building</li> <li>• CONZE Ebisu</li> </ul>                                                                                                                                  | Daiwa Real Estate Appraisal Co., Ltd. | 3-13-7, Kandanishiki cho, Chiyoda-ku, Tokyo | 66<br>(As of December 31, 2008) | 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.

As of the date of this report, there are five designated engineering report producers, as follows:

- Engineering & Risk Services Corporation
- Shimizu Corporation
- Takenaka Corporation
- Property Risk Solution Corporation
- Another company

b. Summary of Engineering Report Producers

Provided below is an outline of the engineering report producer for the properties acquired in the tenth period.

| Property name                                                                                                        | Engineering Report Producer Summary     |                                        |                                                                                               |                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                      | Name of producer                        | Address                                | Principal activities                                                                          | Reason for selection                                                                                                                                                                                                                                                                                                                                               |
| <ul style="list-style-type: none"> <li>•Tokyu Ikejiri-ohashi Building</li> <li>•Ryoshin Harajuku Building</li> </ul> | Engineering & Risk Services Corporation | 3-11-15, Akasaka, Minato-ku, Tokyo     | Contract for Building and geo-environmental evaluation work; fire and damage risk assessments | Engineering & Risk Services Corporation is a pioneer of producing Engineering Report. The report leverages its vast experience to create highly credible engineering reports and has a wellproven track record of filling orders from J-REITs. This appraiser is with no disruption to business commissions and could very much be relied upon to deliver on time. |
| Daikanyama Forum                                                                                                     | Property Risk Solution Corporation      | 1-3-13, Hirakawacho, Chiyoda-ku, Tokyo | Building Assessment; Environmental Site Assessment;                                           | Property Risk Solution has a wellproven track record of producing Engineering Report                                                                                                                                                                                                                                                                               |

|  |  |  |                          |                                                                                                                                                               |
|--|--|--|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  | Environmental Consulting | and these reports are highly credible.<br>This appraiser is with no disruption to business commissions and 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. About financial statements of tenth fiscal period, the meeting took place on September 16, 2008. In the main, Tokyu REIM's 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/eng/>

IR information appearing on the Web site includes: financial information (financial statements, presentation materials, data books); timely disclosure information other than earnings information (including notices convening unitholder meetings); semiannual report; and information disclosed since its stock exchange listing.

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

Tokyu Real Estate Investment Management Inc.

Senior Executive Officer, 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.

(5) Measures for Eliminating Relationships with Antisocial Forces

a. Basic Approaches  
<TOKYU REIT>

TOKYU REIT's compliance policies clearly state that TOKYU REIT shall maintain an unwavering position against antisocial forces. TOKYU REIT notifies its principal outsourcees of such policies and other related matters.

<Tokyu REIM>

Tokyu REIM respects and works to help maintain public order while adhering to a basic approach of not using, fearing and engaging in transactions with antisocial forces. Not leaving slightest margin for compromise, Tokyu REIM constantly observes the policy of maintaining a strong posture against antisocial forces.

b. Structure to Eliminate Relationships with Antisocial Forces

I. Internal Regulations

Tokyu REIM clearly defines its stance against antisocial forces in its code of corporate behavior, while more specific initiatives are stipulated in its compliance manuals.

II. Coordinator

Tokyu REIM has established a Compliance Department in charge of issues relating to antisocial forces. Responsible for the preparation of relevant manuals, the provision of training programs in related subjects and collaboration with external specialist organizations, the department is working to establish the necessary structures and systems.

III. Collaboration with External Specialist Organizations

Tokyu REIM is striving to eliminate relationships with antisocial forces through collaboration with external specialist organizations. In more specific terms, Tokyu REIM representatives periodically visit applicable police stations to facilitate communication in case of emergencies while maintaining relationships with attorneys to make available necessary legal consultation.

IV. Collection and Management of Information Relating to Antisocial Forces

In the screening of outsourcees and new tenants as well as the purchase and sale of portfolio properties, Tokyu REIM conducts careful investigation of the relevant parties and properties for any affiliation with antisocial forces. In this way, Tokyu REIM endeavors to eliminate relationships with antisocial forces.

V. Antisocial Forces Handling Manual

In its compliance manual, Tokyu REIM clearly defines procedures for dealing with antisocial forces. In addition, Tokyu REIM's operational and other manuals stipulate specific procedures deemed necessary in the course of business activities.

VI. Training Programs

Positioning the elimination of relationships with antisocial forces as an important compliance issue, Tokyu REIM provides its

employees with compliance training programs.