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For Immediate Release

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Notice Concerning Investment Unit Split, Partial Amendment of Articles of Incorporation
and Revision of Forecast Cash Distribution Per Unit

Comforia Residential REIT, Inc("Investment Corporation") announces that it resolved at the board of directors meeting held today that investment units shall be split and the Articles of Incorporation shall be partially amended as set forth below.

In addition, Investment Corporation announces that upon the split of investment units, the forecasts of cash distributions per unit for the period ending January 31, 2015 (August 1, 2014 - January 31, 2015) as announced on March 14, 2014 shall be revised as follows.

1. Purpose of the Split

It is intended to secure a broader range of investors and improve the liquidity of the investment units of Investment Corporation by ensuring an environment in which it is easy for investors to make investments through a reduction of the investment unit price upon the implementation of the Nippon Individual Savings Account (NISA) from January 1, 2014.

2. Summary of the Split

(1) Split method

The investment units of Investment Corporation held by unitholders appearing or recorded in the registry of unitholders as of the end of the record date, July 31, 2014, shall be split in a ratio of one (1) to four (4).

(2) Number of investment units to be increased upon the split and other information

1) Number of issued investment units before the split	100,662	units
2) Number of investment units to be increased upon the split	301,986	units
3) Number of issued investment units after the split	402,648	units
4) Total number of authorized investment units after the split	8,000,000	units

(3) Schedule for the split

1) Date of public notice on the record date	July 4, 2014 (scheduled)
2) Record date	July 31, 2014
3) Effective date	August 1, 2014

3. Partial Amendment of the Articles of Incorporation

(1) Reasons for amendment

The provisions of Paragraph 1, Article 6 of the Articles of Incorporation of Investment Corporation shall be amended to increase the aggregate number of authorized investment units in accordance with the ratio of the split of investment units pursuant to the provisions of Paragraph 2, Article 184 of the Companies Act that shall be applied mutatis mutandis under the provisions of Paragraph 2, Article 81-3 of the Act on Investment Trusts and Investment Corporations.

(2) Description of amendment

The Articles of Incorporation shall be amended as follows.

(The underlined parts are amended.)

Before	After
Article 6: Aggregate number of authorized investment units 1. The aggregate number of authorized investment units for Investment Corporation shall be <u>2,000,000 units</u> .	Article 6: Aggregate number of authorized investment units 1. The aggregate number of authorized investment units for Investment Corporation shall be <u>8,000,000 units</u> .

(3) Schedule for amendment

Effective date of amendment of Articles of Incorporation: August 1, 2014

4. Revision of the Forecast Distributions per Unit

Upon the split of investment units in the ratio of one (1) to four (4), the forecast cash distribution per unit for the period ending January 31, 2015 (August 1, 2014 - January 31, 2015) as announced on March 14, 2014 shall be revised from 16,400 yen to 4,100 yen in accordance with the ratio of the split of investment units. In addition, the costs for the split of investment units are insignificant, and this revision of the forecast distributions shall be made in accordance with the increase in the number of issued investment units upon the split of investment units without changing the forecasts of financial results and substantial distributions.

Furthermore, the forecast cash distribution per unit for the period ending July 31, 2014 (February 1, 2014 - July 31, 2014) shall not be revised, remaining 16,600 yen, as the effective date of the split of investment units shall be August 1, 2014.

Revision of the forecast distribution per unit for the period ending January 31, 2015 (August 1, 2014 - January 31, 2015)

	Operating Revenues (million yen)	Operating Income (million yen)	Ordinary Income (million yen)	Net Income (million yen)	Cash Distribution per Unit (excluding Cash Distribution in Excess of Net Income) (yen)	Cash Distribution in Excess of Net Income per Unit (yen)	Number of Issued Investment Units as of the End of the Period (units)
Previous Forecasts (A)	4,018	2,054	1,651	1,650	16,400	-	100,662
Revised Forecasts (B)	Same as above	Same as above	Same as above	Same as above	4,100	-	402,648
Amount of Increase /Decrease (B-A)	-	-	-	-	-12,300	-	301,986
Ratio of Increase /Decrease	- %	- %	- %	- %	-75.0 %	- %	300.0 %
(Information) Financial Results Forecast for the Period Ending July 31, 2014	4,005	2,081	1,672	1,671	16,600	-	100,662

(Note)

1. The figures forecast above are tentatively calculated based on certain assumptions. Actual operating revenues, operating income, ordinary income, net income, and cash distribution per unit may differ from the forecasts due to acquisitions and/or sales of assets, etc., trends in the real estate market, and any other changes in the circumstances surrounding Investment Corporation. In addition, the forecasts do not guarantee the amount of the cash distribution paid.
2. The forecasts may be revised if a material difference from the forecasts above is anticipated.
3. Amounts less than a single unit are rounded down, and percentages are rounded to one decimal place.



*The original Japanese version of this press release has been distributed to the press club of TSE (Kabuto Club), the Ministry of Land, Infrastructure, Transport and Tourism, and to the press club of the construction trade newspaper of the Ministry of Land, Infrastructure, Transport and Tourism.

*Website of the Investment Corporation: <http://comforia-reit.co.jp/english/>