

Creating New Community and Lifestyle Value by Resolving Social Issues

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Pursuing eco-friendly lifestyles with energy conservation, together with our customers



The Mitsubishi Estate Group carries out a full range of business activities in the building, residential, urban development, and hotel sectors, covering every phase from planning and development to leasing, sales, facility management and maintenance. Our stakeholders are everyone who lives or visits the communities we develop. The Mitsubishi Estate Group works to accurately identify social needs and issues, then meet the needs and create value that helps resolve the issues. By winning support in this way from stakeholders, we expect to deliver sustainable growth. This special feature introduces three initiatives that the Mitsubishi Estate Group is pursuing to create shared community and lifestyle value by resolving social issues.

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Promoting sustainable use of forest resources, together with our business partners



3

Community development to enhance Japan's and Tokyo's international competitiveness



Pursuing eco-friendly lifestyles with energy conservation, together with our customers

Social Issue Demand for energy conservation and reductions in CO₂ emissions

Humanity is confronted by pressing environmental problems. Japan has taken measures to conserve energy and reduce CO₂ in the hopes of helping to resolve these problems, but CO₂ emissions in the household sector continue to increase. Use of renewable energy has been a greater focus of attention since the Great East Japan Earthquake, and the revised Energy Conservation Act implemented in 2013 raised the energy conservation standards for windows, heat insulating materials and kitchen and bathroom devices. All newly built homes will have to comply with the new energy conservation standards by 2025. Construction of high-quality housing stock is required to build a sustainable society.



Hot water supply system using solar energy absorbers



Solar power generation

Basic Stance MEC eco LIFE and Mitsubishi Jisho Residence approach

MEC eco LIFE Co., Ltd., established in February 2008, drives the Mitsubishi Estate Group's condominium business to achieve environmental compatibility. The company conducts research and makes proposals on environmentally friendly design and the introduction of renewable energy, and also carries out research on renovating and reusing existing buildings. The cutting-edge products and services produced by this company are adopted in

the Group's condominium brands such as The Parkhouse, a line of built-for-sale condominiums from Mitsubishi Jisho Residence Co., Ltd. Going forward, MEC eco Life and Mitsubishi Jisho Residence will collaborate and pool their expertise to contribute to harmonious coexistence with the environment through energy conservation, as well as to create ever-more pleasant and convenient housing.

Milestones for MEC eco Life

2009	<ul style="list-style-type: none"> • Development of <i>soleco</i>, a style of condominium that combines collective-access high-voltage power receiving system with solar panels • Recognition as a best practice model under the Ministry of Land, Infrastructure, Transport and Tourism's new greenhouse gas reduction project • Business plan for Park House Kichijoji Oikos, an "eco condominium"
2010	<ul style="list-style-type: none"> • <i>soleco</i> wins the Fiscal 2010 Good Design Award
2011	<ul style="list-style-type: none"> • Park House Kichijoji Oikos wins the Fiscal 2011 Good Design Award and the Japan Association for Real Estate Sciences' Eighteenth Prize • Concept proposal for The Parkhouse Chigasaki Higashikaigan Minami based on the "smart select concept" for new condominium development • Development of <i>sōlev</i>, an electric vehicle recharging system • <i>soleco jazu</i> (a hot water supply system using solar heat) selected for Tokyo Municipal Government's Fiscal 2011 Proposal Project for New Solar Thermal Technologies
2012	<ul style="list-style-type: none"> • Website "<i>sumai LAB</i>" wins fiscal 2012 Good Design Award

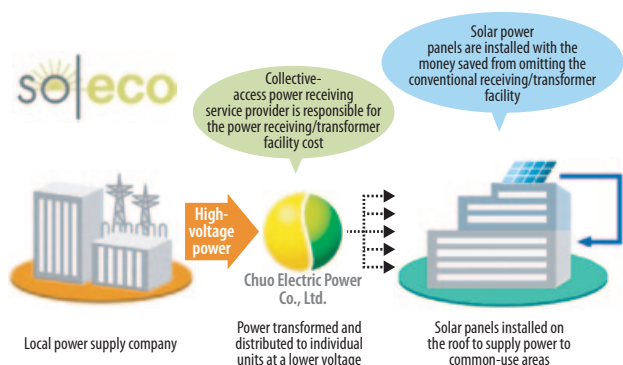


Achievements Development of cutting-edge environmental technology

soleco—Combining collective-access high-voltage power receiving system with solar panels

soleco is an environmental system developed in 2009 by MEC eco Life. Chuo Electric Power Co., Ltd., the provider of a collective-access, power-receiving service, forms high-voltage contracts with electric companies for the condominiums on a collective basis and transforms the power to a lower voltage for distribution to individual units. This results in a reduction in electricity costs for residents. In addition, MEC eco Life installs solar power panels, with the power generated used in common-use areas. Use of solar power not only helps to reduce CO₂ but also cuts electricity rates in common-use areas. As of June 2013, Mitsubishi Jisho Residence had installed solar panels in 32 new built-for-sale condominiums.

Business model for collective-access high-voltage power receiving system with solar power panels



sölev—System compatible with electric vehicles

sölev is a system that enables users to set up personal electrical outlets for charging electric vehicles in the parking lots of condominiums equipped with soleco. This mitigates the inconvenience associated with owning and using electric vehicles by keeping the construction costs borne by individual users low and providing a flat-rate system for usage.

soleco jozu—Hot water supply system using solar heat

This system heats water using solar energy absorbers installed on the roofs of condominiums. When installed on the roof of a nine-floor condominium with 32 units, gas consumption is reduced by 12–15% a year and CO₂ emissions are cut by 5,843 kg (our estimate).

soleco fit—Plans for existing condominiums

soleco fit is a service that introduces soleco at existing condominiums managed by Mitsubishi Jisho Community Co., Ltd. started in September 2012. Plans tailored to the needs of each condominium are prepared, such as a plan that lowers the electric rates for exclusive-use areas or common-use areas without any additional fees, and plans that lower the electric rates for both exclusive-use areas and common-use areas with the condominium association bearing costs to some degree.

Vision

We offer diverse value, beginning with energy conservation, for a residence's entire life cycle.

Shinji Karasawa, Director, MEC eco LIFE Co., Ltd.

Value for society and customers

- Achieving energy conservation and cost-reductions for residences
- Raising customers' awareness of energy conservation

Creating shared value through MEC eco Life and Mitsubishi Jisho Residence's cutting-edge eco-friendly condominium proposals

Value for the Mitsubishi Estate Group

- Raising The Parkhouse's appeal and brand strength

Energy conservation, long life, safety and comfort are not only housing values held by individuals, but also social assets supporting more sustainable lifestyles. The Mitsubishi Estate Group aspires to contribute to the creation of high-quality housing stock by offering high added value throughout the life cycle of residences, from the supply of new homes to the resale, rental, management and renovation of existing housing. Environmentally friendly housing also benefits household budgets and contributes to healthier lifestyles. In fiscal 2013, we will focus closely on contributions to better health, a major issue for Japan, whose population is aging at one of the fastest rates in the world. One such effort is the Mitsubishi Jisho Residence Lounge, which was opened in April 2013 to serve as a one-stop source of information and services on residences to existing customers as well as new members. We will continue to provide customers and the general public with valuable housing, particularly environmentally friendly condominiums.



Next Step 1

Condominium Household Account Book

Mitsubishi Jisho Residence and MEC eco Life began distributing Condominium Household Account Books to The Parkhouse customers and those considering a purchase in March 2013. These account books present indicators for energy efficiency as “money (costs)” for each unit. The account book makes it easy to ascertain the cost of condominium living by presenting “home fuel consumption,” which shows the electricity charges for air conditioning and heating; “lifestyle fuel costs” for electricity costs for electrical appliances such as lighting, refrigerator, washing machine and television as well as water and sewage costs, gas rates; “management costs” and “repair reserve costs,” which include fuel costs for the condominium’s common-use areas; and “lifestyle tax,” incurred every year after the condominium is purchased. Since fuel efficiency differs depending on the number of floors, orientation and size of the rooms, the account book includes a table of simulation results of annual air conditioning and heating costs per individual unit, which enables users to compare and consider “home fuel consumption.” In addition, advice on daily energy conservation is

provided, including tips on efficient operation of air conditioning units. This initiative preempts the concept behind Japan’s revised Energy Conservation Act, to go into effect in October 2013, and is also an attempt to make household energy consumption more “visible” as a cost (fuel costs). We will continue to incorporate our knowledge and techniques in the Condominium Household Account Book to make further reductions in energy consumption, and will offer support to our customers so that they reduce energy consumption in their daily lives.



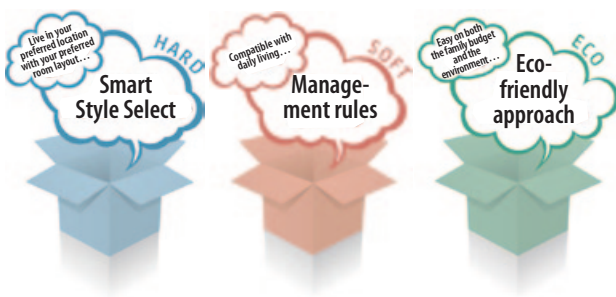
Next Step 2

Smart Select Concept

Mitsubishi Jisho Residence and MEC eco Life offer the Smart Select Concept for next-generation condominiums to give concrete shape to customer demands. The Smart Select Concept consists of three elements: the “Smart Style Select” system to give customers a choice of room arrangement, “management rules” tailored to the customer’s lifestyle, and an “eco-friendly approach” that is easy on both the family budget and the environment. Smart Style Select is the foundation of this concept. By using the Skeleton-infill system, customers can arrange the interior decorating and equipment without affecting the framework and pipes. This way, customers can arrange the rooms on their own, including the kitchen and bathroom, and can choose from a wider range of plans than previously. Moreover, the customers have more flexibility than in conventional renovations if adjustments need to be made to adapt to changes in their lifestyle and family makeup, and maintenance is also simple. This improves the ease of daily living and extends the life of the home.

In October 2012, The Parkhouse Chigasaki Higashikaigan Minami, the first condominium to be constructed in line with this concept, was completed. There are eight types of Smart Style Select plans, each featuring a different design and layout concept with a thematic name like “a home for enjoying a bath by the ocean” and “a home for the surfing lifestyle.” Moreover, condominium management rules have been revised to relax restrictions on roof entry and garden use. Environment-friendly housing appliances and equipment such as *soleco*, *sölev*, LED lighting and motion sensors have been adopted.

Three elements supporting the Smart Select Concept



Example of room layout plan

