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For Immediate Release

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Obtention of the Preferential Negotiation Right

GLP Japan Advisors Inc. (hereinafter “GLPJA”), to which GLP J-REIT entrusts the management of its assets, had obtained a preferential negotiation right (hereinafter, the “Preferential Negotiation Right”) for the purchase by the bridge scheme of GLP Okinawa-Urasoe (hereinafter, “this Property”), which is planned to be developed, after its completion by submitting a Letter of Intent to SMFL MIRAI Partners Co., Ltd. (hereinafter, “SMFLMP”),¹ the provider of the bridge scheme, on May 21, 2020.

GLP J-REIT hereby announces GLPJA had obtained the Preferential Negotiation Right, as it was officially decided that GLP Japan Inc. (hereinafter, “GLP Japan”), the sponsor of GLP J-REIT, will carry out the development of this Property in collaboration with Anshin Co., Ltd. (hereinafter, “Anshin”), following the development permit for this Property.

Details

1. Outline of this Property

Property name		GLP Okinawa Urasoe
Type of specified asset		Real estate trust beneficiary rights
Land	Location	5-chome, Makiminato, Urasoe, Okinawa
	Land area	Approximately 29,000 sqm
Building	Date constructed	February 2023 (Scheduled) (Start of construction: October 2021 (Scheduled))
	Gross floor area	Approximately 62,000 sqm

This Property is the first to be developed by GLP Japan in Okinawa and will be one of the largest logistics facilities in the prefecture.

Located approximately 8 km from Naha Port and approximately 11.5 km from Naha Airport, this Property is conveniently located for wide-area delivery in the prefecture. This Property is expected to see robust demand, as there has been a growing demand for new logistics facilities in Okinawa

¹ SMFLMP has no capital relationships nor personnel relationships with GLP J-REIT, GLPJA, and GLP Group. “GLP Group” presents GLP Pte. Ltd., the parent company of the sponsor of GLP J-REIT and its group companies..

on the back of an increase in the number of chains of companies operating nationwide expanding to Okinawa from outside the prefecture, and Urasoe has been gaining attention as an area suited for logistics facilities due to its adjacency to Naha, which houses the main distribution gateway to the prefecture, and the opening of the Urasoe North Road and the Naha Port Road Urasoe Line.

In terms of facilities, a slope to the third floor enables efficient operations over two floors (floors 1 and 2, and floors 3 and 4). The first and third floors, on which berths will be installed, will have no braces, which improves the efficiency of loading and unloading. This will also enable handling of the accumulation and carrying of a wide variety of cargo by setting a floor load tolerance that can accommodate heavy cargo and large pallets as well as installing vertical conveyors and cargo elevators.

This Property is expected to enjoy stable operation on a long-term basis, as it has been decided that the entire Property would be leased out to Anshin, the largest logistic company in Okinawa, as its key base that would contribute to the improvement of productivity by consolidating bases, promoting smart logistics, and countering global warming, since the company provides logistics services within and outside Okinawa and Japan.



Perspective drawing of GLP Okinawa Urasoe

2. Background and Purpose of Obtention of the Preferential Negotiation Right

In terms of external growth strategy, GLP J-REIT aims to expand its assets through the acquisition of properties developed by its sponsor, GLP Japan and properties acquired from third parties in order to achieve the enhancement of both portfolio quality and profitability.

By utilizing a bridge scheme²³ based on the Optimal Takeout Arrangement (OTA), GLPJA newly obtained the Preferential Negotiation Right for this Property scheduled to be developed by GLP Japan and Anshin, with an effective preferential negotiation period of two years after the completion of this Property (February 2023 (scheduled)) and the acquisition of its trust beneficiary right by SMFLMP.

Through the obtention of the Preferential Negotiation Right, GLPJA aims to secure opportunities to acquire modern logistics facilities that can generate stable revenues for GLP J-REIT.

3. Future Outlook

There is no impact from Obtention of the Preferential Negotiation Right on GLP J-REIT's operation nor on the forecast of dividend payments.

*GLP J-REIT website address: <https://www.glpjreit.com/english>

² GLP J-REIT refers to a strategy to retain the opportunity for acquiring properties at a lower acquisition price depending on the acquisition timing designated by GJPJA during the preferential negotiation right period as an "Optimal Takeout Arrangement (OTA)," positioning it as one of bridge schemes. While GLPJA can exercise the Preferential Negotiation Right to obtain this Property at any time during the Preferential Negotiation Right period, GLPJA plans to exercise the Preferential Negotiation Right by taking into account market environment, etc. such as J-REIT unit price at that time when deciding to acquire this Property by exercising the Preferential Negotiation Right. Therefore, GJPJA may not exercise the Preferential Negotiation Right at the end.

³ OTA adopted this time is for obtaining a preferential negotiation right without entering into a sales and purchase contract to acquire asset. Therefore, it does not constitute a forward commitment (contract for sale or purchase at a later date, being contracts and the like for the settlement and transfer of goods no less than one month after the signing of the contract) as defined in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. set by the Financial Services Agency.