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FOR IMMEDIATE RELEASE

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Notice Concerning the conclusion of the lease agreement on owned properties

Activia Properties Inc. (hereinafter referred to as the “Investment Corporation”) announces that TLC Activia Investment Management Inc. (hereinafter referred to as the “Asset Manager”), to which Investment Corporation entrusts its asset management operations, decided today that it decided to conclude the one year and seven months fixed term lease contract (hereinafter referred as the “Original Contract”). Details are as follows:

1. Overview of the contracts

(1) Name of counterparty	Tokyu Hotels Co., Ltd.	Tokyu Hotels Co., Ltd.
(2) Property name	Tokyu Plaza Akasaka	Tokyu Plaza Sapporo
(3) Type of contract	The one year and seven months fixed term lease contract	The one year and seven months fixed term lease contract
(4) Date of conclusion	June 16, 2015 (plan)	June 16, 2015 (plan)
(5) Lease term	April 1, 2016 to October 31, 2021	April 1, 2016 to October 31, 2021
(6) Monthly Rent	- (Note 1)	- (Note 1)
(7) Security deposit	- (Note 1)	- (Note 1)
(8) Leased area	11,291.30 m ² (Note 2)	18,891.39 m ²
(9) Percentage of leased area to total leased area of our portfolio	3.6% (Note 2)	6.0%

(Note 1) Not disclosed because the tenant approval was not obtained.

(Note 2) For “Tokyu Plaza Akasaka”, the figures are calculated in proportion to the co-ownership interest (50%).

2. Reasons of the contracts

Since the current fixed term lease contracts concluded with Tokyu Hotels Co, Ltd will expire on March 31, 2016, Tokyu Land Corporation and Tokyu Land SC Management Corporation, both master lessees of the properties, decided to conclude the new contract for the continuation of the lease with the tenant.

The Investment Corporation comprehends that a high demand for hotels in Japan will continue against the backdrop of favorable inbound effect and believes that the conclusion of the contract will contribute to reinforce its portfolio and improve the profitability.

Furthermore, the Investment Corporation judges that the counterparty / tenant of the contract satisfy the criteria for the selection tenants stated in the “Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties” set by the investment corporation and the Asset Management Company on February 27, 2015.

3. Outlook

The management performance of the Investment Corporation for the fiscal period ended May 2015 (The 7th fiscal period, from December 1, 2014 to May 31, 2015) and the fiscal period ending November 2015 (The 8th fiscal period, from June 1, 2015 to November 30, 2015) will not be changed by the conclusion of the contract.

*Distribution of this material: The Japanese translation of this material is distributed to the Kabuto Club; the press club for the Ministry of Land, Infrastructure, Transport, and Tourism; and the press club for construction trade newspapers at the Ministry of Land, Infrastructure, Transport, and Tourism.

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