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FOR IMMEDIATE RELEASE

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Notice Concerning Determination of the Number of
New Investment Units to be Issued through Third-Party Allotment

Activia Properties Inc. (“API”) announces that it has received a notice that the allottee is fully exercising its option to purchase all of the API’s new investment units originally scheduled to be issued through the third-party allotment, that was approved at the board of directors meetings held on November 26, 2015 and December 8, 2015, concurrently with the issuance of new investment units through the public offering and the secondary offering of investment units (secondary offering through over-allotment). Details are as follows.

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| (1) Number of investment units to be issued | 3,520 units
(number of investment units scheduled to be issued: 3,520 units) |
| (2) Total amount to be paid in (issue price per unit) | 1,610,111,360 yen
(457,418 yen per unit) |
| (3) Subscription period (subscription deadline) | January 5, 2016 (Tuesday) |
| (4) Payment date | January 6, 2016 (Wednesday) |
| (5) Allottee | A domestic underwriter |

Disclaimer: This press release is an announcement by Activia Properties Inc. concerning the determination of the number of new investment units to be issued through third-party allotment, and has not been prepared for the purpose of solicitation for investment. Investors are asked to ensure that they read the prospectus for the issuance of new investment units, as well as any amendments thereto, prepared by Activia Properties Inc. before they invest and that they make decisions on investment at their own discretion.

In addition, this press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

<Reference>

1. The issuance of new investment units through the third-party allotment was approved concurrently with the issuance of new investment units through the public offering and the secondary offering of investment units (secondary offering through over-allotment) at the meetings of the board of directors held on November 26, 2015 and December 8, 2015.

For details of the third-party allotment, please refer to the “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” announced on November 26, 2015 and “Notice Concerning Pricing for Issuance of New Investment Units and Secondary Offering” announced on December 8, 2015.

2. Change in number of investment units issued and outstanding as a result of the third-party allotment

Total number of investment units issued and outstanding at present	596,134 units
Increase in number of investment units to be issued through the third-party allotment	3,520 units
Total number of investment units issued and outstanding after the third-party allotment	599,654 units

3. Use of funds to be procured

The net proceeds of 1,610,111,360 yen received upon the exercise of the third-party allotment option will be used toward the partial repayment of 1,600,000,000 yen of borrowings for the acquisition of specified assets (as defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations; the same shall apply hereinafter) which API has acquired on December 16, 2015 as described in “Notice of Acquisition of Assets and Lease Contract with New Tenants” announced on November 26, 2015, with remaining funds to be held as cash on hand for future acquisitions of specified assets or repayment of borrowings.

*Distribution of this material: 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 API: <http://www.activia-reit.co.jp/english>

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