

FOR IMMEDIATE RELEASE

Activia Properties Inc.
1-1 Minami-Aoyama 1-chome, Minato-ku, Tokyo
Michie Kawai
Executive Director
(Code: 3279)

Asset Management Company
TLC Activia Investment Management Inc.
Michie Kawai
Representative Director, President and Chief Executive Officer

Inquiries
Kazuyuki Murayama
Executive Officer of Fund Management Department
(Tel: +81-3-6804-5671)

Notice Concerning Appointment of Property Management Company and Master Lease Company

Activia Properties Inc. (“API”) announced today that TLC Activia Investment Management Inc. (“TAIM”), to which API entrusts its asset management operations, decided to appoint the property management company (the “PM Company”) and the master lease company (the “ML Company”) for the A-FLAG KOTTO DORI. Details are as follows.

1. Overview of the appointment

For the A-FLAG KOTTO DORI, which API will acquire on December 20, 2016 as disclosed in the “Notice of Acquisition of Asset (A-FLAG KOTTO DORI)” on October 5, 2016, API will appoint the PM Company and the ML Company on December 20, 2016, the same date of acquisition of the property.

Property number	Property name	PM Company and ML Company
UR-11	A-FLAG KOTTO DORI	Tokyu Community Corp.

2. Reasons for the appointment

Tokyu Community Corp. has a proven track record in management of offices and retail facilities (including complex facilities) with approximately 1,100 cases as of the end of March, 2016. Leveraging the value chain of Tokyu Fudosan Holdings Group, API currently entrusts the property management operations and the master lease operations for 16 properties out of the office buildings held by API to Tokyu Community Corp.

Furthermore, Tokyu Community Corp. has been entrusted with property management operations and master lease operations of complex facilities, including commercial facilities in close proximity to the property. As API recognizes the high capability of Tokyu Community Corp. for property management as well as leasing, it has examined the validity of appointment of the PM Company and the ML Company for the property mentioned above as well to Tokyu Community Corp. Upon due consideration, API assessed that it can expect the maintenance and enhancement of quality levels of operations, so that it decided the appointment.

3. Profile of the PM Company and the ML Company

Name	Tokyu Community Corp.
Address	10-1, Yoga 4-chome, Setagaya-ku, Tokyo
Management	President, Saiga Katsuhide
Amount of Capital	1,653 million yen
Established	April 8, 1970
Business Description	1. Building management 2. Lease 3. Repair 4. Others
Relationships with API and TAIM	
Capital relationship	Tokyu Community Corp. has no capital relationship to be reported with API or TAIM. Any person or affiliated company involved in Tokyu Community Corp. has no capital relationship to be reported with any person or affiliated company involved in API or TAIM.
Personnel relationship	Certain personnel have been seconded to TAIM from Tokyu Community Corp.
Business relationship	TAIM has contracted the building maintenance agreements, the lease agreements and/or the property management agreements with Tokyu Community Corp. for some properties with the trust beneficiary interests held by API.
Related party	Tokyu Community Corp. is not a related party of API, but is an interested party of TAIM. In addition, Tokyu Community Corp. is an interested party defined under the Act on Investment Trusts and Investment Corporations of Japan ("ITA").

4. Transaction with related parties

Tokyu Community Corp., the PM Company and the ML Company (anticipated) for the A-FLAG KOTTO DORI after the appointment, is a wholly-owned subsidiary of Tokyu Fudosan Holdings Corporation, which is the parent company of Tokyu Land Corporation, the parent company of TAIM. Tokyu Community Corp. is an interested party as provided in Article 201 of the ITA and Article 123 of the Order for Enforcement of the ITA, and the regulations concerning transactions with interested parties in the internal regulations of TAIM. Therefore, TAIM carried out the appropriate procedures as provided in the regulations concerning the transactions with interested parties for API to entrust PM operations and ML operations to Tokyu Community Corp.

5. Outlook

There is no impact of the appointment on the management performance of API for the fiscal period ending May 2017 (The 11th fiscal period, from December 1, 2016 to May 31, 2017).

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

<Reference>

PM Companies after the appointment

Property number	Property name	PM Company
UR-1	Tokyu Plaza Omotesando Harajuku	Tokyu Land Corporation
UR-2	Tokyu Plaza Akasaka	Tokyu Land Corporation
UR-3	Q plaza EBISU	Tokyu Land SC Management Corporation
UR-4	Shinbashi Place	Tokyu Land SC Management Corporation
UR-5	Kyoto Karasuma Parking Building	Tokyu Land SC Management Corporation
UR-6	A-FLAG AKASAKA	Tokyu Land SC Management Corporation
UR-7	Kobe Kyu Kyoryuchi 25Bankan	Tokyu Land SC Management Corporation
UR-8	A-FLAG SAPPORO	Tokyu Land SC Management Corporation
UR-9	A-FLAG SHIBUYA	Tokyu Land SC Management Corporation
UR-10	Q plaza SHINSAIBASHI	Tokyu Land SC Management Corporation
UR-11	A-FLAG KOTTO DORI	Tokyu Community Corp.
TO-1	TLC Ebisu Building	Tokyu Community Corp.
TO-2	A-PLACE Ebisu Minami	Tokyu Community Corp.
TO-3	A-PLACE Yoyogi	Tokyu Community Corp.
TO-4	A-PLACE Aoyama	Tokyu Community Corp.
TO-5	Luogo Shiodome	Tokyu Community Corp.
TO-6	TAMACHI SQUARE (Land)	-
TO-7	A-PLACE Ikebukuro	Tokyu Community Corp.
TO-8	A-PLACE Shinbashi	Tokyu Community Corp.
TO-9	A-PLACE Gotanda	Tokyu Community Corp.
TO-10	A-PLACE Shinagawa	Tokyu Community Corp.
TO-11	OSAKI WIZTOWER	Tokyu Community Corp.
TO-12	Shiodome Building	Mitsubishi Jisho Property Management Co., Ltd.
TO-13	A-PLACE Ebisu Higashi	Tokyu Community Corp.
TO-14	A-PLACE Shibuya Konnoh	Tokyu Community Corp.
TO-15	A-PLACE Gotanda Ekimae	Tokyu Community Corp.
O-1	Amagasaki Q's MALL (Land)	-
O-2	icot Nakamozu	Tokyu Land SC Management Corporation
O-4	icot Mizonokuchi	Tokyu Land SC Management Corporation
O-5	icot Tama Center	Tokyu Land SC Management Corporation
O-6	A-PLACE Kanayama	Tokyu Community Corp.
O-7	Osaka Nakanoshima Building	Tokyu Community Corp.
O-8	icot Omori	Tokyu Land SC Management Corporation
O-9	Market Square Sagamihara	Tokyu Land SC Management Corporation
O-10	Umeda Gate Tower	Marubeni Real Estate Management
O-11	A-PLACE Bashamichi	Tokyu Community Corp.