

FOR IMMEDIATE RELEASE

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Notice Concerning Change of Tenant (Commencement of Lease) (Shinbashi Place)

In relation to Shinbashi Place (the “Property”), Activia Properties Inc. (“API”) announces that it has concluded below lease agreement (the “Agreement”) with tenant.

Details are as follows:

1. Overview of the Agreement

(1) Name of the tenant	- (Note 1)
(2) Date of the contract	March 16, 2018
(3) Term of the lease	May 15, 2018-May 31, 2022 (Non fixed term)
(4) Leased area	677.51 m ²
(5) Ratio of leased area to total leasable area of the Property	11.1% (Note 2)
(6) Ratio of leased area to total leasable area of API's portfolio	0.2% (Note 3)
(7) Monthly rent	- (Note 1)
(8) Tenant leasehold and security deposits	- (Note 1)

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

(Note 2) Calculated based on the estimated total leasable area of the Property as of today (6,117.48 m²).

(Note 3) Calculated based on the estimated total leasable area of API's portfolio as of today (395,557.19 m²).

2. Background of the conclusion of the Agreement

As announced in "Notice Concerning Change of Tenants (Commencement of Lease)" released on November 17, 2017 and “Notice Concerning Change of Tenants (Commencement of Lease) (Shinbashi Place)” released on February 6, 2018, due to the departure of the current tenant of the Property scheduled as of May 14, 2018, we already concluded lease agreements with five new tenants. And today we entered into the Agreement with the new tenant without generating vacant period.

Upon the conclusion of the Agreement, with approximately two months left before termination of the lease of the current tenant, approximately 90% of the total area of the Property has been re-leased. We will continue diligently searching for tenant(s) for the remaining area.

API judges that the anticipated lessee of the Property satisfies the criteria for the selection of tenants stated in the “Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties” submitted by TLC REIT Management Inc. (“TRM”), the Asset Manager to which API entrusts its asset management, on February 28, 2018.

<Reference: Floor plan>

<As of February 6, 2018>			<As of March 16, 2018>	
Floor			Floor	
10th	COSMOHEALTH		10th	COSMOHEALTH
9th	Remaining 2 floors: Searching for new tenant(s)		9th	New tenant
8th			8th	Remaining 1 floor: Searching for new tenant(s)
7th	Tokyu Land Corporation		7th	Tokyu Land Corporation
6th			6th	
5th	AP Shinbashi (Tentative name)		5th	AP Shinbashi (Tentative name)
4th			4th	
3rd			3rd	
2nd	Retail store		2nd	Retail store
1st	Sugi Pharmacy Shinbashi Ekimae (Tentative name)		1st	Sugi Pharmacy Shinbashi Ekimae (Tentative name)

3. Outlook

Due to the conclusion of the Agreement, there will be no material impact on API’s management performance for the fiscal period ending May 31, 2018 (the 13th fiscal period, from December 1, 2017 to May 31, 2018) and the fiscal period ending November 30, 2018 (the 14th fiscal period, from June 1, 2018 to November 30, 2018).

*Website of API: <https://www.activia-reit.co.jp/en/>