

Press Release

1 April 2019

REIT Issuer:

Global One Real Estate Investment Corp.

Securities Code: 8958

Representative: Akio Uchida, Executive Director

Asset Manager:

Global Alliance Realty Co., Ltd.

Representative: Kenji Kojo, President

Contact: Gen Yamazaki

General Manager

REIT Finance Department

Tel: +81-3-3262-1494

GOR Announces Acquisition and Leasing of a Property and Transfer and Leasing Termination of a Property (Acquisition of Hulic Toyosu Prime Square and Transfer of Ginza First Building)

1 April 2019 - Global One Real Estate Investment Corp. ("GOR") announces today that Global Alliance Realty Co., Ltd. ("GAR"), the Asset Manager to which GOR entrusts the management of its assets, decided on the acquisition and leasing, and transfer and leasing termination of the assets (Hereinafter, the acquisition of the property is referred to as the "Acquisition" and the transfer of the property as the "Transfer"; and the Acquisition and the Transfer are collectively referred to as the "Replacement.") as outlined below.

1. Outline of the Replacement

(1) Outline of the Acquisition

- | | | |
|-------------------------------|---|--|
| 1) Type of asset | : | Trust beneficial interests in real estate (50% quasi co-ownership) |
| 2) Name of building | : | Hulic Toyosu Prime Square |
| 3) Location | : | Koto-ku, Tokyo |
| 4) Acquisition price | : | 21,000 million yen (*1) |
| 5) Scheduled acquisition date | : | 18 April 2019 |
| 6) Seller | : | Fuyo General Lease Co., Ltd. |

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

- 7) Funds of acquisition : Proceeds from the Transfer, proceeds from the issuance of new investment units (*2) resolved at the board of directors held today and funds on hand

Hereinafter, the above property for acquisition is referred to as the "Property Acquired."

(2) Outline of the Transfer

- 1) Type of asset : Trust beneficial interests in real estate
2) Name of building : Ginza First Building
3) Location : Chuo-ku, Tokyo
4) Acquisition date : 29 March 2005
5) Transfer price : 12,600 million yen (*1)
6) Book value : 11,840 million yen (*3)
7) Gain/Loss on transfer : Approximately 600 million yen (*4)
8) Expected Dates of : 18 April 2019

Transfers

- 9) Transferee : Fuyo General Lease Co., Ltd.
10) Use of proceed : Acquisition of the Property Acquired, etc.

Hereinafter, the above property for transfer is referred to as the "Property Transferred."

- (*1) The acquisition price and transfer price represent the prices described in the purchase agreement, excluding related expenses, settlement amount of property tax and city planning tax, consumption tax and local consumption tax.
(*2) For details of the issuance of new investment units, please refer to "GOR Announces Issuance of New Investment Units and Secondary Offering of Investment Units" separately announced today.
(*3) The figure is the book value as of 30 September 2018 and is stated as reference. Book value at the time of the transfer will be different.
(*4) The figure is an estimate as book value at the time of the transfer, details of sale-related expenses, etc. have yet to be determined.

2. Reason for the Replacement

GOR manages assets with an aim to ensure steady growth of the portfolio properties and stable income from a medium- to long-term perspective, pursuant to the "Investment Policies and Investment Targets" stipulated in the Articles of Incorporation.

The Replacement has been discussed as an effective way to acquire a property in the current market environment with rising transaction prices in a buy-and-sell style.

The Property Acquired is a 3-minute walk from the nearest station, completed 8.8 years ago and has a total floor area of approximately 12,600 tsubo, satisfying conditions of "Closer," "Newer" and "Larger" sought by GOR. Therefore, GOR has decided to acquire the 50% quasi co-ownership interest of trust beneficial interests in real estate of the property at a price that secures NOI yield of 4%.

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

On the other hand, the Property Transferred, which was completed 20 years ago, has required additional repairs in recent years, making its future growth outlook uncertain. With the current market environment favorable for sales, transferring the property at a price above the appraisal value will generate unrealized gain.

Since the Replacement enables the average building age of the portfolio to be lowered by more than one year and improves NOI yield while expanding the asset size, GOR has decided to carry out the Replacement believing such would contribute to income growth and stability over the medium to long term.

	Before the Replacement	The Property Acquired	The Property Transferred	After the Replacement
Asset Size				
(1) Acquisition price	(1) 182,476 million yen	(1) 21,000 million yen	(1)12,282 million yen	(1) 191,194 million yen
(2) Appraisal value (*1)	(2) 199,550 million yen	(2) 23,700 million yen	(2)12,400 million yen	(2)210,850 million yen
NOI yield (*2)	4.0% on average	4.3%	3.2%	4.0% on average
NOI yield after depreciation (*2)	3.1% on average	3.6%	2.6%	3.2% on average
Building age (*3)	16.2 years on average	8.8 years	20.8 years	15.1 years on average
Total rentable area (*3)	11,263 m ² on average	16,141 m ²	7,887 m ²	12,014 m ² on average

(*1) Calculated based on the appraisal value as of 1 February 2019 for the Property Acquired, and that as of the end of the fiscal period ended September 2018 for other properties.

(*2) The Property Acquired: Appraisal NOI/Acquisition price; Other properties: Actual NOI in the fiscal period ended September 2018 multiplied by 2/Acquisition price

(*3) Before the Replacement: as of 31 March 2019; Others: as of 18 April 2019

The key determinant factors of the acquisition of the Property Acquired include the following. Furthermore, the lessee of the Property Acquired is deemed to comply with the tenant selection criteria of GOR described in the “Report on Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties” submitted on 14 November 2018.

1) District potential

Toyosu, where the Property Acquired is located, has continued to see development as a result of the establishment of offices and residential environment through redevelopment capitalizing on the close-to-central Tokyo location as well as the charm of waterfront since the opening of Toyosu Station on the Yurakucho Subway Line in 1988. With such, it is an area where attractive urban development offering proximity of workplace and residence has been progressing.

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

In terms of location as an office, since the area has a rent level that is lower than that of central Tokyo and offers a large leasable block rarely available in central Tokyo despite being close to business hubs in urban Tokyo, it is assessed as an area with solid tenant demand.

Furthermore, since mixed-use development is still ongoing around Toyosu Station and the main venues of the 2020 Tokyo Olympic and Paralympic Games are located nearby, the area can expect further development. The area is, therefore, deemed to offer great potential.

2) Location potential

The Property Acquired is located a 3-minute walk from Toyosu Station on the Tokyo Metro Yurakucho Line and the Yurikamome Line. From Yurakucho Station, an 8-minute ride from Toyosu Station, it takes only 2 minutes to Tokyo Station via the JR Yamanote Line/Keihin Tohoku Line. It faces Harumi-dori Street and also offers good access to National Route 357 (Wangan Doro) and Metropolitan Expressway Bay Shore Route, and thus boasts excellent transport convenience in business scenes.

In addition, development of the Bus Rapid Transit (BRT) connecting Shimbashi Station and Toyosu Station has also been progressing, aiming for a full-fledged opening in 2022, and further improvement of transportation convenience to the central Tokyo is expected.

3) Property specifications

The lease specifications of the Property Acquired are a standard lease floor space of 901 tsubo, an effective ceiling height of 2,800 mm, a free access floor of 100 mm, and a column-free structure that offers good layout efficiency with an individual air-conditioning system that allows for separate control of 48 zones under 4 lines, making the property highly appealing to tenants. In addition, by adopting a vibration damping structure (vibration dampers), the property offers high aseismic control performance, as well as securing space to install emergency power generators for tenants. Therefore, the property can accommodate BCP (business continuity planning) needs, which have recently become an important factor in tenants' selection of offices.

Furthermore, the property has facilities such as restaurants and shops on the lower floors, offering convenience to tenants and local residents. A full lineup of such facilities supporting office workers as well as a rich and pleasant environment with around 1,000 m² of green garden on the premises outside the building, a rarity in central Tokyo, are also recognized as features that support property competitiveness.

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

3. Details of the asset for acquisition

1) Type of specified assets, its name and location, etc.		
Name of building	Hulic Toyosu Prime Square	
Type of specified assets	Trust beneficial interests in real estate	
Trustee	Mizuho Trust & Banking Co., Ltd.	
Trust period (*1)	19 December 2018 - 30 April 2029 (scheduled)	
Location	Residence indication: 5-6-36 Toyosu, Koto-ku, Tokyo Land number: 5-7-1 Toyosu, Koto-ku, Tokyo	
Land (*2)	Ownership	Ownership (50% quasi co-ownership)
	Land area	10,255.07 m ² (total land area)
Building (*2)	Ownership	Ownership (50% quasi co-ownership)
	Use	Office, retail and parking
	Floor area	41,741.18 m ² (total floor area of the entire building)
	Year built	August 2010
	Structure	12-story S with a flat roof
	Designer	Shimizu Corporation First-class Architect Office
	Construction firm	Shimizu Corporation
Acquisition price	21,000 million yen	
Appraisal value (Date of appraisal) (Appraisal institution)	23,700 million yen (as of 1 February 2019) (The Tanizawa Sogo Appraisal Co., Ltd.)	
Engineering report	PML (*3)	4.2%: Analysis conducted by OYO RMS Corporation, dated 28 January 2019
	CAPEX	212,670 thousand yen over 12 years: (annual average: 17,722 thousand yen): based on the estimates in the ER conducted by Tokyo Bldg-Tech Center Co., Ltd., as of 26 February 2019
Collateral	None	
Notes	<p><Administrative regulations concerning real estate></p> <p>The property has been made subject to establishment of public open space by the comprehensive design system and constructed with the floor-area ratio alleviated by approximately 70%.</p> <p><Arrangements with co-owner></p> <p>1. The other quasi co-owner of the trust beneficial interests in real estate is Hulic Co., Ltd.</p> <p>2. An Agreement between Quasi Co-owners is planned to be</p>	

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

	<p>concluded between the other quasi co-owner and the trustee for the purpose of smooth management and operation of the property as well as stipulation of procedures for the transfer of quasi co-ownership. Said Agreement between Quasi Co-owners is planned to stipulate that the offer of a transfer shall be first made to the other quasi co-owner, and that a transfer to a third party or the pledging of collateral is prohibited without the consent of the other quasi co-owner, that the other quasi co-owner has preemption rights under a certain period and conditions even when negotiating with a third party, and that a request for division is prohibited, except for cases of transfer to the related companies of the other quasi co-owner (Hulic Co., Ltd.).</p> <p><Leasing status></p> <p>For this property, traditional lease agreements (partly, fixed-term building lease agreements) have been concluded with 21 companies, who are the building lessees.</p>
--	---

2) Tenant profile, leasing status (*4)					
Total number of tenants	21				
Total rent and common area charges per month	84 million yen				
Security deposit	519 million yen				
Total rentable area	16,140.86 m ²				
Total leased area	16,140.86 m ²				
Trend in Occupancy ratio (*5)	March-end 2016	March-end 2017	March-end 2018	March-end 2019	Scheduled acquisition date
	95.4%	100%	100%	100%	100%
Expected NOI (*6)	844 million yen/ year (expected occupancy ratio: 95%)				
Appraisal NOI (*6)	903 million yen/ year				
Depreciation (*7)	143 million yen/ year				

(* 1) Trust period after (planned) amendments to the trust agreement is indicated.

(* 2) "Area," "use," "floor area," "year built," and "structure" are shown based on the registration, unless otherwise stated. "Floor area" is the total of floor areas for the main building and the annex building.

(* 3) PML is a probable maximum loss in the event of a major earthquake. While the definition may vary depending on the region, the PML used herein is a loss rate to assess damage, calculated by dividing the loss amount by the replacement cost. The figure is based on the assumption that the building will be in use for 50 years and that the largest expected earthquake has a 10% probability of occurring every 50 years within the recurrence range of 475 years.

(* 4) "Total number of tenants," "total rent and common area charges per month," "security deposit," "total rentable area," and "total leased area" represent the estimated amounts as of the scheduled acquisition date, while "total rent and common area charges per month," "security deposit," "total

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.



Global One Real Estate Investment Corp.



Global Alliance Realty Co.,Ltd.

rentable area" and "total leased area" represent an amount for the 50% ownership interest.

(* 5) "Trend in Occupancy ratio" is based on data provided by the seller.

(* 6) "NOI" means net operating income, the amount of the total rental revenue less property-related expenses (excluded depreciation and amortization costs). "Expected NOI" is an expected annualized number excluding extraordinary factors for the first year of acquisition, not a forecast number for the next fiscal period, based on the assumption the occupancy rate will be the expected occupancy rate and considering the occurrence of taxes and public dues. "Appraisal NOI" is the NOI that was used in the calculation of direct capitalization value stated in the appraisal report summary in 11 below.

(* 7) "Depreciation" represents the current estimate amount.

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

4. Details of the asset for transfer

Outline of the Property Transferred				
Name of building	Ginza First Building			
Type of specified asset	Trust beneficial interests in real estate			
Location	Residence indication: 1-10-6 Ginza, Chuo-ku, Tokyo Land number: 1-7-2 Ginza, Chuo-ku, Tokyo			
Land	Title (Note 1)	Right of site (Co-ownership interest in ownership)	Use	Commercial
	Land area	Total land area: 1,404.64 sqm	Floor area ratio / Building coverage	700%/80%
Building	Title (Note 2)	Sectional ownership	Use	Offices, stores, parking
	Floor area (Note 3)	Total floor area of the entire building 12,479.45 m ² Floor area of subject section 9,856.20 m ²	Date built	August 1998
	Structure	11-story plus three basement levels S, RC and SRC with a flat proof		
	Designer	Sonoda Sekkei Co., Kumagai Gumi Co., Ltd. First-class Architect Office	Construction firm	Consortium of Matsuo Construction and Kumagai Gumi
	PML	4.8%	Estimated future repair expenses	434,030 thousand yen over 12 years (annual average: 36,169 thousand yen)
Trustee	Mitsubishi UFJ Trust and Banking Corporation			
Property manager	XYMAX ALPHA Corporation			
Summary of rent status (as of 31 March 2019)			Date and price of acquisition	
Total number of Tenants		7	Date of acquisition	29 March 2005
Rentable area		7,886.72 sqm	Acquisition price	12,282 million yen
Leased area		7,886.72 sqm	Appraisal value at the time of acquisition (Note 3)	
Total rent (Per month)		53 million yen	Date price determined	30 November 2004
Occupancy ratio		100%	Appraisal value	12,500 million yen
Estimated value at the end of the period (Note 3)			Appraisal value at the time of transfer (Note 3)	
Date estimate made		30 September 2018	Date price determined	1 February 2019
Estimated value at the end of the period		12,400 million yen	Appraisal value	12,400 million yen
(Note 1) Right of site has been set on the land of the property, and the trustee owns 95,518/100,000 of co-ownership interest.				
(Note 2) The trustee owns 9,856.20 m ² of condo ownership interests on floors B3 to 9 of the building of the property. The other condo owner of the property is Chuo Ward of Tokyo.				
(Note 3) The appraisal value at the time of the acquisition, the estimated value at the end of the period and the appraisal value at the time of the transfer were calculated by Daiwa Real Estate Appraisal Co., Ltd.				

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

Notes

《Administrative regulations concerning real estate》

In addition to having the floor-area ratio alleviated by approximately 200% due to the district plans (function-renewal type high-level use district plans and streetscape-attraction type district plans), the property has been made subject to establishment of public open space by the comprehensive design system and constructed with the floor-area ratio alleviated by approximately 75%.

《Leasing status》

For this property, traditional lease agreements (partial, fixed-term building lease agreements) have been concluded with 7 tenants, who are the building lessees.

5. Overview of the seller and transferee

Company name	Fuyo General Lease Co., Ltd.
Location of head office	3-3-23 Kanda-Misaki-cho, Chiyoda-ku, Tokyo
Representative	Yasunori Tsujita, President & CEO
Business	General leasing
Capital	10,532,163,400 yen
Date incorporated	1 May 1969
Net assets	287,240 million yen (as of 31 December 2018)
Total assets	2,543,092 million yen (as of 31 December 2018)
Major shareholders and their shareholding ratios	Hulic Co., Ltd. 13.96% Meiji Yasuda Life Insurance Company 7.48% (as of 31 March 2018)
Relationships with GOR/GAR	
Capital relationships	There are no capital relationships of note between the GOR/GAR and the company.
Personnel relationships	There are no personnel relationships of note between the GOR/GAR and the company.
Business relationships	There are no business relationships of note between the GOR/GAR and the company.
Whether related party	The company is not a related party of GOR/GAR.

6. The property's ownership status

Since the seller has no special relationship with GOR/GAR, the description is omitted.

7. Outline of intermediation

Not applicable.

8. Payment method

GOR is scheduled to make a lump sum payment at the time of acquisition and transfer.

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.



Global One Real Estate Investment Corp.



Global Alliance Realty Co., Ltd.

9. Acquisition schedule

1 April 2019

- Declare the Acquisition and the Transfer
- Conclude purchase and sales agreements for the Acquisition and the Transfer

18 April 2019

- Settlement for the Acquisition and the Transfer
- Acquire the Property Acquired
- Transfer the Property Transferred

10. Earnings forecasts

Gain on sale of real estate is expected to arise from the Transfer in the fiscal period ending September 2019, and GOR intends to internally reserve part of the gain for reduction entry to an extent that does not infringe on dividend deductibility requirements and allows for discretionary reversal by applying special provisions for taxation in cases of replacement of assets held over a long term, in order to stabilize dividends. For details of the above and earnings forecasts reflecting the impact of the Replacement, etc., please refer to “GOR Revises Earnings Forecasts for the Six-Month Period Ending September 2019 and Announces Earnings Forecasts for the Six-Month Period Ending March 2020” separately announced today.

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

11. Appraisal report summary for the Property Acquired

Name of building	Hulic Toyosu Prime Square
Appraisal value	23,700,000 thousand yen
Appraisal institution	The Tanizawa Sogo Appraisal Co., Ltd.
Date of appraisal	1 February 2019

Item	Value	Notes
Appraisal value based on income method	23,700,000 thousand yen	Equivalent to 50.0% quasi co-ownership interest
Appraisal value based on DC method	24,300,000 thousand yen	Equivalent to 50.0% quasi co-ownership interest
(1) Operating revenue	1,130,680 thousand yen	—
Effective gross income	1,190,047 thousand yen	Appraised in view of the subject property's competitiveness, current lease situation, entry/leaving schedules, and the market environment
Losses from vacancy, etc.	59,367 thousand yen	Appraised in view of the subject property's competitiveness and market environment
(2) Operating expenses	227,035 thousand yen	—
Building maintenance costs	70,696 thousand yen	Appraised based on the details of outsourcing agreements, past performance, and similar cases
Utilities expenses	70,309 thousand yen	Appraised based on past performance and similar cases
Repair expenses	5,500 thousand yen	Appraised by allocating figures based on ER and similar cases at "repair expenses 30: capital expenditure 70"
Property management fees	8,581 thousand yen	Appraised based on the details of outsourcing agreements
Leasing expenses, etc.	7,411 thousand yen	Appraised based on similar cases
Taxes & public duties	58,336 thousand yen	Appraised based on land/house tax register book classified by owner of FY2018, etc.
Insurance premiums	545 thousand yen	Appraised based on insurance certificate
Other expenses	5,653 thousand yen	Appraised based on the trend of past performance
(3) Net operating income (NOI = (1) - (2))	903,644 thousand yen	—
(4) Investment income from temporary deposits	5,645 thousand yen	Appraised based on the recent earnings ratio of financial assets
(5) Capital expenditure	11,000 thousand yen	Appraised by allocating figures based on ER and similar cases at "repair expenses 30: capital expenditure 70"
(6) Net cash flow (NCF = (3) + (4) - (5))	898,290 thousand yen	—
(7) Capitalization rate	3.7%	Appraised by comparing with multiple transaction yields in a similar area within the same demand & supply zone, by taking into consideration the fluctuation estimate of future net revenue, and with an awareness of the relationship with the discount rate

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

	Appraisal value based on DCF method	23,500,000 thousand yen	Equivalent to 50.0% quasi co-ownership interest
	Discount rate	3.7%	Appraised in view of regional and unique risks of the subject property
	Terminal capitalization rate	3.9%	Appraised by adding future estimate uncertainties to cap rate
	Integrated value based on cost method	24,100,000 thousand yen	Equivalent to 50.0% quasi co-ownership interest
	Land ratio	77.9%	—
	Building ratio	22.1%	—
Matters specifically considered in determination of appraisal value		The appraisal value (value of ownership interest planned to acquired) is derived by obtaining the price for the entire building, multiplied by 50% quasi co-ownership interest. In consideration of size, total amount, management method, etc., it has been determined that there will be no increase or decrease in value or impact on the yield due to quasi co-ownership.	

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

12. Appraisal report summary for the Property Transferred

Name of building	Ginza First Building
Appraisal value	12,400,000 thousand yen
Appraisal institution	Daiwa Real Estate Appraisal Co., Ltd.
Date of appraisal	1 February 2019

Item	Value	Notes
Appraisal value based on income method	12,400,000 thousand yen	
Appraisal value based on DC method	12,600,000 thousand yen	
(1) Operating revenue	691,241 thousand yen	—
Effective gross income	724,725 thousand yen	Appraised in view of the subject property's competitiveness, current lease situation, entry/leaving schedules, and the market environment
Losses from vacancy, etc.	33,483 thousand yen	Appraised in view of the subject property's competitiveness and market environment
(2) Operating expenses	240,562 thousand yen	—
Building maintenance costs	36,724 thousand yen	Appraised based on the current agreement, etc.
Utilities expenses	62,981 thousand yen	Appraised based on past performance, etc.
Repair expenses	11,264 thousand yen	Appraised based on the annual average of repair expenses stated in the ER.
Property management fees	9,426 thousand yen	Appraised based on the current agreement
Leasing expenses, etc.	4,295 thousand yen	Appraised based on similar cases
Taxes & public duties	113,805 thousand yen	Appraised based on materials related to taxes and public duties
Insurance premiums	918 thousand yen	Appraised based on actual amounts
Other expenses	1,145 thousand yen	Appraised based on the trend of past performance
(3) Net operating income (NOI = (1) – (2))	450,679 thousand yen	—
(4) Investment income from temporary deposits	5,032 thousand yen	Appraised based on the recent earnings ratio of financial assets
(5) Capital expenditure	26,007 thousand yen	Recorded based on renewal expenses stated in the ER, considering CM fees
(6) Net cash flow (NCF = (3) + (4) – (5))	429,705 thousand yen	—
(7) Capitalization rate	3.4%	Appraised by comparing with multiple transaction yields in a similar area within the same demand & supply zone, by taking into consideration the fluctuation estimate of future net revenue, and with an awareness of the relationship with the discount rate
Appraisal value based on DCF method	12,300,000 thousand yen	
Discount rate	3.2%	Appraised in view of regional and unique risks of the subject property
Terminal capitalization rate	3.6%	Appraised by adding future estimate uncertainties to cap rate
Integrated value based on cost method	14,900,000 thousand yen	
Land ratio	90.9%	—
Building ratio	9.1%	—

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

Matters specifically considered in determination of appraisal value	Not applicable.
---	-----------------

About GOR:

Global One Real Estate Investment Corporation (“GOR”) is a Japanese Real Estate Investment Trust (J-REIT) listed on the Tokyo Stock Exchange (TSE: 8958) with the ultimate goal of pursuing maximum returns for unitholders. GOR cautiously selects prime properties at prime locations with an eye on “strong and sustainable competitiveness in the marketplace.” The three key watchwords in selecting properties are: (1) *CLOSER* - easily accessible from nearby train stations; (2) *NEWER* - newly or recently built; and (3) *LARGER* - large office buildings with extensive office space.

For more information about GOR, please visit: <https://www.go-reit.co.jp/eng/>

Note: This document is the English version of “Press Release” that is written in Japanese. The English version is understood to be a translation of the Japanese version and is supplied as a convenience to investors who prefer to use English. This document, containing forward-looking statements, is not intended to be a solicitation of any particular investment transaction. Investors should consult with their own investment advisors regarding the appropriateness of investing in any of the securities or investment strategies.

<Attachments>

<Ref. 1> Hulic Toyosu Prime Square: Building photo and access

<Ref. 2> List of assets after the Replacement

<Ref. 3> Change in the portfolio data

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

<Ref. 1> Hulic Toyosu Prime Square: Building photo and access



Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

<Ref. 2> List of assets after the Replacement

Name of Property (location)	Type of ownership	Total floor area (m ²) (*1)	Gross rentable area (m ²) (*2)	Year built	Age year (*3)	Acquisition price (million yen) (*4)
Otemachi First Square (Chiyoda-ku, Tokyo)	Condo ownership (Trust beneficial interest)	141,228.06	8,131.75	Feb 1992	27.3	23,495
Hirakawacho Mori Tower (Chiyoda-ku, Tokyo)	Condo Ownership (Trust beneficial interest)	51,094.82	9,843.52	Dec 2009	9.4	18,200
TK Minami-Aoyama Building (Minato-ku, Tokyo)	Ownership (Trust beneficial interest)	20,958.79	14,012.64	May 2003	16.0	35,000
ARK Hills Sengokuyama Mori Tower (Minato-ku, Tokyo)	Condo Ownership (Trust beneficial interest)	140,667.09	3,944.81	Aug 2012	6.8	8,423
Arca Central (Sumida-ku, Tokyo)	Condo Ownership (Trust beneficial interest)	49,753.92	15,746.41	Mar 1997	22.2	15,391
Hulic Toyosu Prime Square (Koto-ku, Tokyo)	Ownership (50% quasi co-ownership of trust beneficial interest)	41,741.18	16,140.86	Aug 2010	8.8	21,000
Shinagawa Seaside West Tower (Shinagawa-ku, Tokyo)	Ownership (50% quasi co-ownership of trust beneficial interest)	38,645.33	12,255.39	Aug 2004	14.8	12,000
Yokohama Plaza Building (Kanagawa-ku, Yokohama City, Kanagawa)	Ownership (Trust beneficial interest)	19,968.20	14,148.34	Feb 2010	9.3	17,950
Meiji Yasuda Life Insurance Saitama (Chuo-ku, Saitama City, Saitama)	50% co-ownership of ownership (Trust beneficial interest)	78,897.42	21,704.32	Mar 2002	17.2	22,700
Meiji Yasuda Life Insurance Osaka Midosuji Building (Chuo-ku, Osaka City, Osaka)	50% co-ownership of ownership	32,997.60	8,791.18	Jul 2001	17.8	9,200
Yodoyabashi Flex Tower (Chuo-ku, Osaka City, Osaka)	Ownership (Trust beneficial interest)	10,997.50	7,432.28	Nov 2006	12.5	7,834
Total	—	626,949.91	132,151.49	—	15.1	191,194

(* 1) "Total floor area" indicates the total floor area of the building regardless of the type of ownership. However, with regard to Arca Central, of the buildings registered, the floor space of each building is described based on the completion drawing.

(* 2) "Gross rentable area" are figures as of 31 March 2019.

(* 3) "Age year" of each property refers to the estimated number of years as of 18 April 2019, which is rounded to one decimal place. In addition, "Total" of the age year means the average age of the portfolio properties (weighted average value of the total rentable area).

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.



Global One Real Estate Investment Corp.



Global Alliance Realty Co.,Ltd.

- (* 4) “Acquisition price” refers to the value (described in the purchase agreement), excluding acquisition expenses (such as brokerage fees and taxes and public dues). The acquisition price of Arca Central means the anticipated value, which further excludes the maintenance charges on the management association to be succeeded from the seller. The amount is rounded down to the nearest million yen.

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.

<Ref. 3 > Change in the portfolio data

Indicators	Unit	Before the Replacement As of the end of March 2019	After the Replacement As of 18 April 2019 (forecast)
Number of properties		11	11
Total acquisition price	Million yen	182,476	191,194
Average invested amount per property	Million yen	16,588	17,381
Average rentable area per property	m ²	11,263	12,014
Average age of building (*)	Year	16.2	15.1
Portfolio PML	%	1.9	1.9

(*) "Average age of building" is the weighted average value of the gross rentable area. In particular, the average age before the Replacement refers to the age as of 31 March 2019, and the average age after the Replacement represents the age as of 18 April 2019.

Note: This press release was prepared as a public announcement regarding acquisition and leasing of a property and transfer and leasing termination of a property and was not prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as the amendments thereto (if any), prepared by GOR before they invest and that they make decisions on investment at their or own discretion and responsibility.