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FOR IMMEDIATE RELEASE

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Notice Concerning the Conclusion of a Lease Agreement on Owned Property
(Tokyu Plaza Akasaka)

In relation to Tokyu Plaza Akasaka (the “Property”), Activia Properties Inc. (“API”) announces that it has concluded today the lease agreement (the “Agreement”) below.

Details are as follows:

1. Overview of the Agreement

(1) Name of the tenant	Tokyu Hotels Co., Ltd.
(2) Type of the agreement	Fixed term
(3) Date of conclusion	May 21, 2021
(4) Term of the lease	November 1, 2021 to October 31, 2023
(5) Leased area	11,291.30 m ² (Note 1)
(6) Ratio of leased area to total leasable area of the Property	68.0%(Note 2)
(7) Ratio of leased area to total leasable area of API’s portfolio	2.7%(Note 3)
(8) Monthly rent	-(Note 4)
(9) Tenant leasehold and security deposits	-(Note 4)

(Note 1) Figures provided are in proportion to the trust beneficiary co-ownership interest held by API (50%).

(Note 2) Calculated based on the total leasable area of the Property at the end of April 2021 (16,609.75 m²).

(Note 3) Calculated based on the estimated total leasable area of the API’s portfolio at the end of April 2021 (425,493.08 m²).

(Note 4) Not disclosed because the tenant approval is not obtained.

2. Background of the conclusion of the Agreement

Ahead of the expiration of the current lease with Tokyu Hotels Co., Ltd. (the “Tenant”), API had a discussion on lease renewal with the Tenant. So long as the COVID-19 crisis keeps economic activities reduced both inside and outside of Japan and the number of foreign tourists has dropped sharply, etc., the environment surrounding the hotel market continues to be tough. And after examination of the proposed terms and conditions from the candidate hotel operators including the Tenant, under such circumstances, API decided to renew the lease with the Tenant with a lower rent.

3. Outlook

Due to the conclusion of the Agreement, there will be no impact on the API's management performance for the fiscal period ending May 31, 2021 (the 19th fiscal period, from December 1, 2020 to May 31, 2021).

As announced today in "Notice of Acquisition and Disposition of Assets and Lease Contract with New Tenants (Tamachi East Building and Tokyu Plaza Akasaka)", the Property is planned to be disposed of as of October 29, 2021, and the impact for the fiscal period ending November 30, 2021 (the 20th fiscal period, from June 1, 2021 to November 30, 2021) will be minimal. We will disclose the management status for the fiscal period ending November 30, 2021 in the Financial Report for the period ending May 31, 2021 which is planned to be disclosed on July 12, 2021.

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