



Creating peace of mind through honest and committed management.

November 15, 2013

REIT Issuer

**Ichigo Real Estate Investment Corporation (8975)**

1-1-1, Uchisaiwaicho, Chiyoda-ku, Tokyo

Representative: Yoshihiro Takatsuka, Executive Director

Asset Management Company

**Ichigo Real Estate Investment Advisors Co., Ltd.**

Representative: Wataru Orii, President & Representative Statutory Executive Officer

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## Asset Acquisitions and Sale

Ichigo Real Estate Investment Corporation (“Ichigo REIT”) is making the following asset acquisitions and sale.

### I. General Overview

#### 1. Acquisition Summary

Asset Name (Note 1)	O-49 Ichigo Kanda Ogawamachi Building	O-50 Ichigo Hatchobori Building	Z-10 Ichigo Shibuya Bunkamura-Dori Building	Z-11 Twicere Yokohama Isogo (Retail Section)
Asset Type	Office	Office	Other (Retail)	Other (Retail)
Date Built	September 1993	January 2010	May 2012	July 2009
Ownership	Trust beneficiary rights in real estate ( <i>juekiken</i> )	Trust beneficiary rights in real estate ( <i>juekiken</i> ) (expected)	Trust beneficiary rights in real estate ( <i>juekiken</i> )	Trust beneficiary rights in real estate ( <i>juekiken</i> )
Acquisition Price (Note 2)	2,210,000,000yen	1,905,000,000yen	2,400,000,000yen	1,620,000,000yen
Seller	Ogawamachi Holdings GK	Domestic KK (Note 3)	Domestic GK (Note 4)	Ginza Holdings GK
Contract Date	November 15, 2013	November 15, 2013	November 15, 2013	November 15, 2013
Closing Date (expected)	December 10, 2013	December 10, 2013	December 10, 2013	December 10, 2013
Financing Method (Note 5)	New share issuance, borrowing, and cash-on-hand			
Settlement Method	Lump-sum payment			

(Note 1) Three of the buildings are currently named the “Heiwado Building,” “Ichigo Central East Building,” and “Cross Avenue Shibuya” but they will be changed to the “Ichigo Kanda Ogawamachi Building,” “Ichigo Hatchobori Building,” and “Ichigo Shibuya Bunkamura-Dori Building” respectively.

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(Note 2) The acquisition price excludes incidental expenses such as property, city planning, and consumption taxes.

(Note 3) The buyer is a domestic kabushiki kaisha (KK) and did not consent to disclosure.

(Note 4) The buyer is a domestic godo kaisha (GK) and did not consent to disclosure.

(Note 5) For details on new share issuance, refer to today's release "Issuance of New Shares and Secondary Share Offering."

## 2. Sale Summary

Asset Name	O-01 COI Shinbashi Building
Asset Type	Office
Date Built	November 1960
Expected Legal Form of Asset	Trust beneficiary rights in real estate ( <i>juekiken</i> )
Acquisition Date (Ichigo REIT merger) (Original acquisition date)	November 1, 2011 (March 17, 2006)
Expected Sale Price (Note 6)	6,151,000,000 yen
Book Value	6,105,680,035 yen (estimated as of April 30, 2013)
Difference between Sale Price and Book Value	+45,319,965 yen (Note 7)
Contract Date	November 15, 2013
Settlement Date (expected)	April 30, 2014
Settlement Method	Assignment of trust beneficiary rights in real estate

(Note 6) The expected sale price excludes fixed asset, city planning, consumption taxes, etc.

(Note 7) As of the settlement date on April 30, 2014, the difference between the sale price and the book value is expected to be 52 million yen.

## 3. Acquisitions and Sale Rationale

Today's acquisitions and sale will dramatically improve Ichigo REIT's portfolio quality in order to drive higher future earnings and dividends for Ichigo REIT shareholders.

As announced in today's release "Issuance of New Shares and Secondary Share Offering," the acquisition of four fully-occupied prime location assets (three in central Tokyo, one in Yokohama) will be financed by the issuance of new shares, bank borrowing including from the Japanese megabanks (Note 8), and cash-on-hand. Two of these assets are being acquired by taking advantage of the asset warehousing capability of Ichigo REIT's sponsor, Ichigo Group Holdings. The averaged NOI of these four assets is 5.4%.

The sale of the 53-year-old Shinbashi Building will lower portfolio building age and seismic risk as well as decrease long-term maintenance and repair costs and risks.

Part of the funds procured from the public offering, third-party allotment, cash-on-hand, and sales proceeds will be used to pay down existing loans, lowering the portfolio's LTV and further strengthening Ichigo REIT's lender base. The acquisitions and sale will lower LTV (as of October 31, 2013) from 54.1% to 50.5%. This will lead to improved financing terms by making future collateral consolidation and non-collateralized borrowing possible and lower interest rate costs to increase Ichigo REIT's earnings and dividends.

(Note 8) Financing details will be announced as soon as they become available.

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## II. Asset Acquisitions Overview

### (1) Ichigo Kanda Ogawamachi Building

#### (i) Location

The building is located in Kanda-Ogawamachi, a busy retail and office district in central Tokyo.

#### (ii) Features

The building is a short walk from multiple train and subway stations, including Ogawamachi Station on the Toei Shinjuku Line and Shin Ochanomizu Station on the Tokyo Metro Chiyoda Line.

The building stands out for its location directly facing the main street and architectural glass façade.

#### (iii) Property Photos and Location



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Asset Overview			Appraisal Overview	
Asset Type	Trust beneficiary rights in real estate ( <i>juekiken</i> )		Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Trustee	Mitsubishi UFJ Trust and Banking Corporation		Value	2,280,000,000 yen
Period of Trust Contract	August 27, 2013 – August 27, 2023		Date	October 1, 2013
Location	2-4-16, Kanda-Ogawamachi, Chiyoda-ku, Tokyo		Value by Direct Capitalization Method	2,320,000,000 yen
Land	Property Right	Freehold, Leasehold	Income	163,919,917 yen
	Size	405.19 m <sup>2</sup>	Obtainable Rent Income	146,995,428 yen
	Zoning	Commercial	Other Income	28,987,284 yen
	Coverage Ratio / Floor Area Ratio	80% / 700%	Amount Equivalent to Loss on Vacant Space	12,062,795 yen
Building	Property Right	Freehold	Expenses	50,533,818 yen
	Zoning	Office, Retail, and Parking	Administrative and Maintenance Expenses	9,510,705 yen
	Structure	S/SRC B1F/10F	Taxes	10,166,429 yen
	Total Floor Area	2,709.37 m <sup>2</sup>	Other Expenses	30,856,684 yen
	Construction Date	September 3, 1993	Net Operating Income (NOI)	113,386,099 yen
Architect	MHS Planners, Architects & Engineers Ltd.		Gain on Investment of Deposits	2,069,696 yen
Builder	The Zenitaka Corporation		Capital Expenditure	2,020,200 yen
Structural Strength Calculator	MHS Planners, Architects & Engineers Ltd.		Net Profit	113,435,595 yen
Inspection Agency	Building Official (Chiyoda-ku)		Cap Rate	4.9 %
PML (Assessor)	6.93 % (Sompo Japan Nipponkoa Risk Management Inc.)		Value by DCF method	2,260,000,000 yen
Collateral	Collateralized		Discount Rate	4.7 %
Rent Overview (as of September 30, 2013)			Terminal Cap Rate	5.1 %
Number of Tenants	7		Value by Cost Approach	2,170,000,000 yen
Monthly Rental Income	12,838 thousand yen		Land (Note 10)	85.0 %
Deposit	122,367 thousand yen		Property	15.0 %
Leasable Space	2,217.44 m <sup>2</sup>			
Leased Space	2,217.44 m <sup>2</sup>			
Occupancy	100 %			
Property Management Company	Xymax Properties Corporation			
Master Lease Company	To be determined			
Assumed NOI (NOI yield) (Note 9)	113 million yen (5.1 %)			
<b>Special Items</b>				
<p>1. Land size includes the leasehold. The leased land size is 238.11m<sup>2</sup>.</p> <p>2. The consent to transfer the leasehold from the current lessee to Ichigo REIT is expected to be provided from the lessor before closing.</p> <p>3. Part of a cable, foundation, fence, and wall encroach a northwest neighbor. A memorandum of understanding exists which agrees to rectify the situation when these parts are reconfigured in the future.</p>				

(Note 9) NOI is the net operating income used by the appraiser in determining direct capitalization.  
NOI yield is calculated by dividing NOI by Acquisition Price.

(Note 10) Includes leased land.

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(2) Ichigo Hatchobori Building

(i) Location

The building is located in Hatchobori, a neighborhood in walking distance of major business districts including Marunouchi, Otemachi, Nihonbashi, and Ginza.

(ii) Features

The building benefits from especially convenient subway and train access via the JR Keiyo Line, Tokyo Metro Hibiya Line, and Yurakucho Line.

In addition, the building has architectural features such as a glass curtain wall and an entrance hall with two-story ceilings. Furthermore, each floor has features including uncommonly high ceilings and energy-efficient, individually-controlled air conditioning units.

(iii) Property Photos and Location



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Asset Overview			Appraisal Overview	
Asset Type	Trust beneficiary rights in real estate (juekiken)		Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Trustee	Shinsei Trust & Banking Co., Ltd.		Value	2,190,000,000 yen
Period of Trust Contract	To be determined		Date	October 1, 2013
Location	1-14-1, Shintomi, Chuo-ku, Tokyo		Value by Direct Capitalization Method	2,240,000,000 yen
Land	Property Right	Leasehold	Income	167,265,324 yen
	Size	598.25 m <sup>2</sup>	Obtainable Rent Income	156,666,240 yen
	Zoning	Commercial	Other Income	19,816,206 yen
	Coverage Ratio / Floor Area Ratio	80% / 600% (Note 11)	Amount Equivalent to Loss on Vacant Space	9,217,122 yen
Building	Property Right	Freehold	Expenses	49,350,792 yen
	Zoning	Office	Administrative and Maintenance Expenses	10,871,651 yen
	Structure	S 8F	Taxes	8,075,800 yen
	Total Floor Area	3,328.89 m <sup>2</sup>	Other Expenses	30,403,341 yen
	Construction Date	January 13, 2010	Net Operating Income (NOI)	117,914,532yen
Architect	Tokyo head office 1 <sup>st</sup> class architect office, Asanuma Corporation		Gain on Investment of Deposits	2,023,126 yen
Builder	Asanuma Corporation		Capital Expenditure	1,272,943 yen
Structural Strength Calculator	Tokyo head office 1 <sup>st</sup> class architect office, Asanuma Corporation		Net Profit	118,664,715 yen
Inspection Agency	Center of International Architectural Standard		Cap Rate	5.3 %
PML (Assessor)	7.17 % (Sompo Japan Nipponkoa Risk Management Inc.)		Value by DCF method	2,170,000,000yen
Collateral	Collateralized		Discount Rate	5.1 %
Rent Overview (as of September 30, 2013)			Terminal Cap Rate	5.5 %
Number of Tenants	7		Value by Cost Approach	1,990,000,000 yen
Monthly Rental Income	12,783 thousand yen		Land (Note 13)	61.2 %
Deposit	102,059 thousand yen		Property	38.8 %
Leasable Space	2,697.18 m <sup>2</sup>		/	
Leased Space	2,697.18 m <sup>2</sup>			
Occupancy	100 %			
Property Management Company	To be determined			
Master Lease Company	To be determined			
Assumed NOI (NOI yield) (Note 12)	117 million yen (6.2 %)			
<b>Special Items</b>				
<p>1. Land size includes the leasehold.</p> <p>2. The consent to transfer the leasehold from the current lessee to Ichigo REIT is expected to be provided from the lessor before closing.</p> <p>3. A 0.59 m<sup>2</sup> portion of the land facing the road to the south will be considered a road pursuant to Article 42, paragraph 2 and 3 of the Building Standards Act.</p>				

(Note 11) Floor area ratio is 529% pursuant to Article 52, paragraph 2 and 9 of the Building Standards Act.

(Note 12) NOI is the net operating income used by the appraiser in determining direct capitalization.

NOI yield is calculated by dividing NOI by Acquisition Price.

(Note 13) Includes leased land.

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### (3) Ichigo Shibuya Bunkamura-Dori Building

#### (i) Location

The building is located to the west of Shibuya Station, one of Tokyo's most vibrant large-scale retail and shopping areas. In addition, constant large-scale redevelopment projects promise neighborhood renewal and growth.

#### (ii) Features

The building is a 3- minute walk from Shibuya Station on the Tokyu Line, Keio Inokashira Line, and Tokyo Metro Line. It occupies a highly visible corner of Bunkamura-Dori, a bustling main street.

Boasting a unique aluminum curtain wall, the building is designed to attract a wide range of retail, restaurant, and professional tenants.

#### (iii) Property Photos and Location



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Asset Overview			Appraisal Overview	
Asset Type	Trust beneficiary rights in real estate ( <i>juekiken</i> )		Appraiser	Japan Real Estate Institute
Trustee	Mitsubishi UFJ Trust and Banking Corporation		Value	2,540,000,000 yen
Period of Trust Contract	June 29, 2012 – June 30, 2022		Date	October 1, 2013
Location	28-3, Udagawa-cho, Shibuya-ku, Tokyo		Value by Direct Capitalization Method	2,570,000,000 yen
Land	Property Right	Leasehold	Income	143,944,000 yen
	Size	122.79 m <sup>2</sup>	Obtainable Rent Income	137,898,000 yen
	Zoning	Commercial	Other Income	7,500,000 yen
	Coverage Ratio / Floor Area Ratio (Note 14)	80% / 700%	Amount Equivalent to Loss on Vacant Space	1,454,000 yen
Building	Property Right	Freehold	Expenses	37,444,000 yen
	Zoning	Retail	Administrative and Maintenance Expenses	4,613,000 yen
	Structure	S/RC B1F/8F	Taxes	2,996,000 yen
	Total Floor Area	855.21 m <sup>2</sup>	Other Expenses	29,835,000 yen
	Construction Date	May 28, 2012	Net Operating Income (NOI)	106,500,000 yen
Architect	Asai Ken Architectural Research Inc.		Gain on Investment of Deposits	1,752,000 yen
Builder	Daiho Corporation, Tokyo Branch		Capital Expenditure	370,000 yen
Structural Strength Calculator	Asai Ken Architectural Research Inc.		Net Profit	107,882,000 yen
Inspection Agency	The Building Center of Japan		Cap Rate	4.2 %
PML (Assessor)	6.17 % (Sompo Japan Nipponkoa Risk Management Inc.)		Value by DCF method	2,510,000,000 yen
Collateral	Collateralized		Discount Rate	3.8 %
Rent Overview (as of September 30, 2013)			Terminal Cap Rate	4.3 %
Number of Tenants	4		Value by Cost Approach	2,420,000,000 yen
Monthly Rental Income	11,491 thousand yen		Land (Note 16)	92.4 %
Deposit	98,099 thousand yen		Property	7.6 %
Leasable Space	778.77 m <sup>2</sup>		/	
Leased Space	778.77 m <sup>2</sup>			
Occupancy	100 %			
Property Management Company	To be determined			
Master Lease Company	To be determined			
Assumed NOI (NOI yield) (Note 15)	106 million yen (4.4 %)			
Special Items				
1. Land size includes the leasehold. 2. Any additional fire prevention regulatory procedures will be completed prior to closing. 3. A concrete wall with uncertain ownership sits across the northeast border with an adjoining property.				

(Note 14) The coverage ratio is relaxed to 100% because the property complies with fire prevention zoning regulations.

(Note 15) NOI is the net operating income used by the appraiser in determining direct capitalization. NOI yield is calculated by dividing NOI by Acquisition Price.

(Note 16) Includes leased land.

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(4) Twicere Yokohama Isogo (Retail Section)

(i) Location

The building is located in the Yokohama Isogo area, a bedroom community serving Central Tokyo and Yokohama. The west side of Isogo Station on the Isogo Line has a concentration of commercial buildings.

(ii) Features

The asset consists of ownership of the B1- 3F retail floors of the “Twicere Yokohama Isogo” building, a condominium with direct pedestrian access from Isogo Station on the JR Negishi Line. The current tenants include retail shops, a clinic, and banks. In addition, the property generates stable revenue via a long-term fixed lease with a 1F supermarket.

(iii) Property Photos and Location



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Asset Overview			Appraisal Overview	
Asset Type	Trust beneficiary rights in real estate ( <i>juekiken</i> )		Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Trustee	Mizuho Trust & Banking Co., Ltd.		Value	1,670,000,000 yen
Period of Trust Contract	May 29, 2013 – May 28, 2023		Date	October 1, 2013
Location	1-7-10, Mori, Isogo-ku, Yokohama City, Kanagawa		Value by Direct Capitalization Method	1,660,000,000 yen
Land	Property Right	Freehold (Ownership Ratio 48.7%)	Income	142,858,363 yen
	Size	1,576.48 m <sup>2</sup>	Obtainable Rent Income	130,265,820 yen
	Zoning	Commercial	Other Income	20,201,088 yen
	Coverage Ratio / Floor Area Ratio (Note 17)	80% / 400%	Amount Equivalent to Loss on Vacant Space	7,608,545 yen
Building	Property Right	Freehold (Ownership Ratio 48.7%)	Expenses	44,374,575 yen
	Zoning	Retail	Administrative and Maintenance Expenses	4,800,000 yen
	Structure	RC B1F/8F	Taxes	8,665,800 yen
	Total Floor Area	7,479.46 m <sup>2</sup>	Other Expenses	30,908,775 yen
	Construction Date	July 6, 2009	Net Operating Income (NOI)	98,483,788 yen
Architect	Mitsubishi Jisho Sekkei Inc.		Gain on Investment of Deposits	1,500,397 yen
Builder	Toa Corporation		Capital Expenditure	1,803,917 yen
Structural Strength Calculator	Mitsubishi Jisho Sekkei Inc.		Net Profit	98,180,268 yen
Inspection Agency	The Building Center of Japan		Cap Rate	5.9 %
PML (Assessor)	8.02 % (Sompo Japan Nipponkoa Risk Management Inc.)		Value by DCF method	1,680,000,000 yen
Collateral	Collateralized		Discount Rate	5.8 %
Rent Overview (as of September 30, 2013)			Terminal Cap Rate	6.2 %
Number of Tenants	8		Value by Cost Approach	1,420,000,000 yen
Monthly Rental Income	11,469 thousand yen		Land	50.4 %
Deposit	76,151 thousand yen		Property	49.6 %
Leasable Space	2,717.77 m <sup>2</sup>		/	
Leased Space	2,717.77 m <sup>2</sup>			
Occupancy	100 %			
Property Management Company	To be determined			
Master Lease Company	To be determined			
Assumed NOI (NOI yield) (Note 18)	98 million yen (6.1 %)			
<b>Special Items</b>				
The building is sectional ownership property of which Ichigo REIT will hold 48.7% (3,039.41m <sup>2</sup> / 6,240.81m <sup>2</sup> ). In addition, Ichigo REIT's land ownership ratio is also 48.7%. The property has 51 owners in total.				

(Note 17) The coverage ratio is relaxed to 100% because the property complies with fire prevention zoning regulations.

(Note 18) NOI is the net operating income used by the appraiser in determining direct capitalization. NOI yield is calculated by dividing NOI by Acquisition Price.

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### III. Asset Seller Profiles

#### (1) Ichigo Kanda Ogawamachi Building

Name	Ogawamachi Holdings GK
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Managing Member: Ippan Shadan Hojin High Stage Manager: Atsushi Nakao
Principal Businesses	1. The acquisition, holding, and sale of trust beneficiary rights ( <i>juekiken</i> ) 2. The acquisition, holding, and sale of real estate 3. Other businesses relating to the aforementioned businesses
Capital	100,000 yen
Establishment Date	June 26, 2013
Equity Holder	Ippan Shadan Hojin High Stage
Relationship with the Ichigo REIT or Asset Manager	The Seller does not have any capital, personnel, or business relationship and is not a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law (Note 19)
Total Net Assets of Previous Year	N/A
Total Assets of Previous Year	N/A

(Note 19) Ogawamachi Holdings GK (“Ogawamachi”) is not a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law. Nonetheless, the acquisition process has followed the internal rules of IRE for the following reasons: First, Ichigo Group Holdings Co. Ltd., the 100 % shareholder of Ichigo Real Estate Investment Advisors Co., Ltd. (Ichigo REIT’s asset manager), is a related party according to the internal rules of Ichigo REIT since it holds more than half of the equity in Ogawamachi. Second, Ichigo Estate Co., Ltd., a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law, is providing asset management advisory services. Further, Ichigo REIT has obtained a second opinion regarding the property’s appraisal and confirmed its propriety.

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(2) Ichigo Hatchobori Building

Name	Domestic KK (Note 20)
Relationship with the Ichigo REIT or Asset Manager	The Seller does not have any capital, personnel, or business relationship and is not a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law

(Note 20) The seller has not consented to disclosure.

(3) Ichigo Shibuya Bunkamura-Dori Building

Name	Domestic GK (Note 21)
Relationship with the Ichigo REIT or Asset Manager	The Seller does not have any capital, personnel, or business relationship and is not a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law

(Note 21) The seller has not consented to disclosure.

(4) Twicere Yokohama Isogo (Retail Section)

Name	Ginza Holdings GK
Address	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Managing Member: Ippan Shadan Hojin VSL Manager: Mariko Hirano
Principal Businesses	1. The acquisition, holding, and sale of trust beneficiary rights ( <i>juekiken</i> ) 2. The acquisition, holding, and sale of real estate 3. Other businesses relating to the aforementioned businesses
Capital	100,000 yen
Establishment Date	January 25, 2013
Equity Holder	Ippan Shadan Hojin VSL
Relationship with the Ichigo REIT or Asset Manager	The Seller does not have any capital, personnel, or business relationship and is not a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law (Note 22)
Total Net Assets of Previous Year	N/A
Total Assets of Previous Year	N/A

(Note 22) Ginza Holdings GK (“Ginza”) is not a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law. Nonetheless, the acquisition process has followed the internal rules of IRE for the following reasons: First, Ichigo Group Holdings Co. Ltd., the 100 % shareholder of Ichigo Real Estate Investment Advisors Co., Ltd. (Ichigo REIT’s asset manager), is a related party according to the internal rules of Ichigo REIT since it holds more than half of the equity in Ginza. Second, Ichigo Estate Co., Ltd., a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law, is providing asset management advisory services. Further, Ichigo REIT has obtained a second opinion regarding the property’s appraisal and confirmed its propriety.

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#### IV. Ownership History

##### (1) Ichigo Kanda Ogawamachi Building

Overview	Current Owner (Seller)	Previous Owner
Name	Ogawamachi Holdings GK	Unrelated party
Relationship to Ichigo REIT	Related Party as defined in the internal rules of IRE	—
Reason for Acquisition	Investment	—
Acquisition Price	2,000 million yen (excluding acquisition costs and consumption tax)	—
Acquisition Date	August 27, 2013	—

##### (2) Ichigo Hatchobori Building

Overview	Current Owner (Seller)	Previous Owner
Name, Acquisition Background, Acquisition Price, Acquisition Date	N/A (seller's consent was not provided)	Unrelated party
Relationship to Ichigo REIT	Not a Related Party as defined in the internal rules of IRE	—

##### (3) Ichigo Shibuya Bunkamura-Dori Building

Overview	Current Owner (Seller)	Previous Owner
Name, Acquisition Background, Acquisition Price, Acquisition Date	N/A (seller's consent was not provided)	—
Relationship to Ichigo REIT	Not a Related Party as defined in the internal rules of IRE	—

##### (4) Twicere Yokohama Isogo (Retail Section)

Overview	Current Owner (Seller)	Previous Owner
Name	Ginza Holdings GK	Unrelated party
Relationship to Ichigo REIT	Related Party as defined in the internal rules of IRE	—
Reason for Acquisition	Investment	—
Acquisition Price	1,450 million yen (excluding acquisition costs and consumption tax)	—
Acquisition Date	May 29, 2013	—

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## V. Broker Profile

### (1) Ichigo Kanda Ogawamachi Building

N/A

### (2) Ichigo Hatchobori Building

Name	Ichigo Estate Co., Ltd. (“IES”)
Address	The Imperial Hotel Tower, 1-1-1, Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Takuma Hasegawa, President & Representative Director
Principal Businesses	Real Estate Solutions Business Focused on Small-to-Mid Sized Assets and Ground Leases
Capital	500,000,000 yen
Relationship with Ichigo REIT or Asset Management Company	IES and the Asset Management Company are subsidiaries of Ichigo Group Holdings Co., Ltd. In addition, Ichigo REIT, IES, and the Asset Management Company are signatories of a Support Agreement. The acquisition process has followed the internal rules of the Asset Management Company since IES is a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law as well as in the internal rules of the Asset Management Company.
Brokerage Fee	19,050,000 yen (excluding consumption tax, etc.)

### (3) Ichigo Shibuya Bunkamura-Dori Building

Name	N/A (broker’s consent was not provided)
Relationship with Ichigo REIT or Asset Management Company	The Seller does not have any capital, personnel, or business relationship and is not a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law as well as in the internal rules of the Asset Management Company.
Brokerage Fee	N/A (broker’s consent was not provided)

### (4) Twicere Yokohama Isogo (Retail Section)

N/A

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## VI. Asset Sale

### 1. Asset Overview

#### O-01 COI Shinbashi Building

Legal Form of Asset		Trust beneficiary rights in real estate ( <i>juekiken</i> )
Location		1-9-6, Shinbashi, Minato-ku, Tokyo
Land	Property Right	Ownership (fee simple)
	Size	730.67 m <sup>2</sup>
	Zoning	Commercial
	Coverage Ratio / Floor Area Ratio	80%/800%
Building	Property Right	Ownership (fee simple)
	Use	Office
	Structure	SRC B2F/9F
	Total Floor Area	7,906.41 m <sup>2</sup>
	Construction Date	November 22, 1960
Number of Tenants		8 (as of October 31, 2013)
Monthly Rent (Note 23)		28,805 thousand yen (as of September 30, 2013)
Tenant Security Deposits (Note 24)		198,867 thousand yen (as of September 30, 2013)
Leasable Space		5,519.98 m <sup>2</sup> (as of September 30, 2013)
Leased Space		4,944.08 m <sup>2</sup> (as of September 30, 2013)
Occupancy		89.6% (as of September 30, 2013)
Acquisition Price		6,110 million yen
Appraisal	Appraiser	The Tanizawa Sōgō Appraisal Co., Ltd.
	Date	October 31, 2013
	Value	6,040 million yen

(Note 23) The monthly rent, tenant security deposits include common area management charges pursuant to the lease agreement.

(Note 24) Pursuant to the sales and purchase agreement, a separate sales and purchase agreement between the buyer and Ichigo Group Holdings for the adjoining property is one of the preconditions of the transaction.

### 2. Buyer Profile

Name	N/A (buyer's consent was not provided)
Relationship with Ichigo REIT or Asset Management Company	The Buyer does not have any capital, personnel, or business relationship and is not a related party as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law as well as in the internal rules of the Asset Management Company.

### 3. Broker Profiles

N/A

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#### 4. Use of Funds

6 billion yen of sale proceeds will be used for loan repayment.

#### VII. Future Outlook

Please refer to today's release "Earnings and Dividend Forecast Revision for the October 2013 Fiscal Period and Earnings and Dividend Forecast for the April 2014 Fiscal Period."

Website of Ichigo REIT: [www.ichigo-reit.co.jp/english](http://www.ichigo-reit.co.jp/english)

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Reference: Acquisitions and Sale Results

		<b>+8 billion yen (4 assets)</b>	<b>-6 billion yen (1 asset)</b>	
<b>Portfolio Size 112 billion yen (68 assets)</b>	<b>Portfolio Size 114 billion yen (71 assets)</b>	Ichigo Kanda Ogawamachi Building  Ichigo Hatchobori Building  Ichigo Shibuya Bunkamura-Dori Building  Twicere Yokohama Isogo  <b>4 assets +8 bil yen</b> (Average Age 7 years)	COI Shinbashi Building          <b>1 asset -6 bil yen</b> (Age 53 years)	
		Replaced Assets to Improve Portfolio Quality		
October 2013	Dec 10, 2013 (Acquisition via PO)	Apr 30, 2014 (Sale)	After the Transactions	
<b>Effects</b>	Portfolio	<ul style="list-style-type: none"> <li>• Replace assets and increase portfolio size</li> <li>• Lower building age</li> </ul>		<b>Improve Portfolio Quality Focus on Profitability</b>
	Financial	<ul style="list-style-type: none"> <li>• New borrowing and prepayment of existing loans to lower LTV and improve lender base</li> </ul> <b><u>Improve LTV for Future Collateral Consolidation and Non-Collateralized Borrowing</u></b>		<b>Obtain Credit Rating</b>

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Reference: Portfolio Information

1. Post-Acquisition Portfolio Summary

	Before Acquisition (A)	After Acquisition (B)	After Sale (C)	Difference (C-A)
Occupancy	94.8 % (Note 25)	95.1%	95.3%	+0.5%
Average Building Age	20.9 years (Note 26)	19.9 years	18.6 years	- 2.3 years
Diversification by Area (Tokyo Metropolitan Area/Other Areas) (Note 27)	74.7% / 25.3%	76.4% / 23.6%	75.2% / 24.8%	+0.5% /-0.5%

(Note 25) Data as of September 30, 2013.

(Note 26) Data as of November 15, 2013

(Note 27) “Tokyo Metropolitan Area” refers to “Central Tokyo” and “Tokyo Metropolitan Area.”

“Other Areas” refers to “Four Major Regional Cities” and “Other Regional Cities.”

The ratios are based on the acquisition price.

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## 2. Post-Acquisition Portfolio

No.	Property	Area	Acquisition Price (mm yen) (Note 28)	% of Portfolio (Note 29)
O-01	COI Shinbashi Building (Note 30)	Central Tokyo	6,110	5.1%
O-02	Ichigo Nishisando Building	Central Tokyo	3,254	2.7%
O-03	Ichigo Mita Building	Central Tokyo	2,740	2.3%
O-04	Ichigo Nanpeidai Building	Central Tokyo	1,920	1.6%
O-05	Ichigo Hanzomon Building	Central Tokyo	1,550	1.3%
O-06	Ichigo Hijirizaka Building	Central Tokyo	1,200	1.0%
O-07	Ichigo Shibuya Kamiyamacho Building	Central Tokyo	1,505	1.2%
O-08	Ichigo Akasaka 5 Chome Building	Central Tokyo	735	0.6%
O-09	Ichigo Shibakoen Building	Central Tokyo	1,100	0.9%
O-10	Ichigo Ebisu-Nishi Building	Central Tokyo	1,917	1.6%
O-11	COI Ginza 612	Central Tokyo	1,773	1.5%
O-12	Ichigo Uchikanda Building	Central Tokyo	1,140	0.9%
O-13	Ichigo Kudan-Minami Building	Central Tokyo	387	0.3%
O-14	Ichigo Yotsuya 4 Chome Building	Central Tokyo	550	0.5%
O-15	Ichigo Tameike Building	Central Tokyo	580	0.5%
O-16	Ichigo Jimbocho Building	Central Tokyo	1,820	1.5%
O-17	Ichigo Hakozaeki Building	Central Tokyo	1,150	1.0%
O-18	Ichigo Kudan 2 Chome Building	Central Tokyo	763	0.6%
O-19	Ichigo Kudan 3 Chome Building	Central Tokyo	844	0.7%
O-20	Ichigo Gotanda Building	Central Tokyo	5,060	4.2%
O-21	Ichigo Shin-Yokohama Building	Tokyo Metropolitan Area	1,816	1.5%
O-22	Ichigo Minami-Ikebukuro Building	Tokyo Metropolitan Area	1,460	1.2%
O-23	Ichigo Nakano North Building	Tokyo Metropolitan Area	764	0.6%
O-24	Ichigo Eitai Building	Tokyo Metropolitan Area	1,490	1.2%
O-25	Ichigo Yokosuka Building	Tokyo Metropolitan Area	971	0.8%
O-26	Ichigo Ikejiri Building	Tokyo Metropolitan Area	2,030	1.7%
O-27	Route Ikebukuro Building	Tokyo Metropolitan Area	639	0.5%
O-28	Ichigo Nishi-Gotanda Building	Central Tokyo	765	0.6%
O-29	Ichigo Kichijoji Building	Tokyo Metropolitan Area	2,160	1.8%
O-33	Ichigo Meieki Building	Four Major Regional Cities	837	0.7%
O-34	Ichigo Sakae Building	Four Major Regional Cities	4,705	3.9%
O-35	Ichigo Sendai Chuo Building	Other Regional Cities	510	0.4%
O-37	Ichigo Marunouchi Building	Four Major Regional Cities	6,710	5.6%
O-38	Ichigo Toyamaeki-Nishi Building	Other Regional Cities	1,650	1.4%
O-39	Ichigo Mirai-Shinkin Building	Other Regional Cities	1,100	0.9%
O-40	Ichigo Saga Building	Other Regional Cities	659	0.5%
O-42	Ichigo Takamatsu Building	Other Regional Cities	3,010	2.5%
O-44	Akita Sanno 21 Building	Other Regional Cities	560	0.5%
O-46	Ichigo Kanda-Nishikicho Building	Central Tokyo	2,130	1.8%
O-47	Ichigo Akiharaba North Building	Central Tokyo	5,500	4.6%

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O-48	Ichigo Sakaisuji Honmachi Building	Four Major Regional Cities	1,940	1.6%
O-49	Ichigo Kanda Ogawamachi Building	Central Tokyo	2,210	1.8%
O-50	Ichigo Hatchobori Building	Central Tokyo	1,905	1.6%
Subtotal - Office (43 Properties)			81,619	67.7%
R-01	ForeCity Roppongi	Central Tokyo	1,730	1.4%
R-02	ForeCity Azabujuban	Central Tokyo	1,140	0.9%
R-03	ForeCity Azabujuban No.2	Central Tokyo	1,250	1.0%
R-04	Bureau Takanawadai	Central Tokyo	1,360	1.1%
R-05	ForeCity Shirokanedai	Central Tokyo	824	0.7%
R-06	B-Site Hamamatsucho	Central Tokyo	701	0.6%
R-07	ForeCity Akihabara	Central Tokyo	2,520	2.1%
R-08	Suite One Court	Central Tokyo	786	0.7%
R-09	B-site Ginza East	Central Tokyo	946	0.8%
R-10	ForeCity Sasazuka	Central Tokyo	1,050	0.9%
R-11	Gran Presso Kawadacho	Central Tokyo	592	0.5%
R-12	ForeCity Sakurashinmachi	Tokyo Metropolitan Area	932	0.8%
R-13	ForeCity Shinkamada	Tokyo Metropolitan Area	1,040	0.9%
R-14	ForeCity Nakaochiai	Central Tokyo	435	0.4%
R-15	ForeCity Tomigaya	Central Tokyo	1,341	1.1%
R-16	ForeCity Ryogoku	Tokyo Metropolitan Area	1,080	0.9%
R-17	ForeCity Toyosu	Tokyo Metropolitan Area	1,349	1.1%
R-18	ForeCity Nishihonmachi	Four Major Regional Cities	927	0.8%
Subtotal - Residence (18 Properties)			20,005	16.6%
Z-01	Falcon Shinsaibashi Building	Four Major Regional Cities	3,410	2.8%
Z-02	Fiesta Shibuya	Central Tokyo	1,970	1.6%
Z-03	Burg Omori	Tokyo Metropolitan Area	3,218	2.7%
Z-04	Pagoda Asakusa	Tokyo Metropolitan Area	1,640	1.4%
Z-05	Regalo Building	Tokyo Metropolitan Area	1,310	1.1%
Z-06	Ichigo Yokohama-Nishiguchi Building	Tokyo Metropolitan Area	903	0.7%
Z-07	El Centro Sapporo	Four Major Regional Cities	558	0.5%
Z-08	Daimyo Balcony	Four Major Regional Cities	638	0.5%
Z-09	Konami Sports Club Izumi Fuchu	Other Regional Cities	1,210	1.0%
Z-10	Ichigo Shibuya Bunkamura-Dori Building	Central Tokyo	2,400	2.0%
Z-11	Twicere Yokohama Isogo (Retail Section)	Tokyo Metropolitan Area	1,620	1.3%
Subtotal - Others (11 Properties)			18,877	15.7%
Total			120,501	100.0%

(Note 28) Acquisition Price is either the actual acquisition price (excluding consumption tax) or the acquisition price (excluding consumption tax) as described in the sales and purchase agreement of the trust beneficiary interest with the exception of 45 assets (O-01 to O-44 and Z-02 to Z-08) which are listed with their appraised value as of October 31, 2011 reflecting acquisition via a REIT merger.

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(Note 29) % of Portfolio is the Acquisition Price as a percentage of the Total Acquisition Price and rounded to the nearest second decimal place.

(Note 30) Signed the sales and purchase agreement on November 15, 2013.

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