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May 22, 2012

REIT Issuer

Ichigo Real Estate Investment Corporation (8975)

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

Representative: Yoshihiro Takatsuka, Executive Director

Asset Management Company

Ichigo REIT Management Co., Ltd.

Representative: Wataru Orii, President & Representative Director

Inquiries: Masaya Hiruta, Senior Executive Managing Director

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Sale of Portfolio Asset

Ichigo Real Estate Investment Corporation (“Ichigo REIT”) has sold the below portfolio asset.

1. Sale Summary

O-36 Solon Keyakidori Building

Asset	Real Estate
Acquisition Date (acquisition date by pre-merger Ichigo REIT)	November 1, 2011 (July 3, 2007)
Sale Price	590,000,000 yen (plus taxes)
Book Value	786,444,649 yen (estimated as of April 30, 2012)
Difference between Sale Price and Book Value	-196,444,649 yen
Contract Date	May 22, 2012
Settlement Date (expected)	June 5, 2012
Settlement Method	Transaction by trust fiduciary (Mizuho Trust & Banking Co., Ltd.)

(Note) As of today, Ichigo REIT holds the assets as a trust beneficiary right with Mizuho Trust & Banking Co., Ltd. as the trust fiduciary. In this sale, the trust assets are to be sold by instructing the trust fiduciary.

2. Reason for the Sale

Following its merger with the former Ichigo Real Estate Investment Corporation on November 1, 2011, Ichigo REIT has been proactively taking actions to further its growth as a comprehensive J-REIT and pursue stable and steady profitability. Ichigo REIT has defined the period until October 2012 as “Stage I” under this growth strategy, aiming to “Lay the Foundation for Growth” by improving portfolio quality via the strategic use of its negative goodwill.

Today's asset sale was determined after analyzing the future potential of all of Ichigo REIT's properties based on criteria such as property age, occupancy, and maintenance cost. The sale will contribute to improving the quality of Ichigo REIT's portfolio, thereby helping achieve one of the goals of Stage I.

3. Use of Funds

The funds obtained through the sale will be used for partial repayment of existing borrowings and funding future growth.

4. Summary of Property

O-36 Solon Keyakidori Building

Asset		Real Estate
Location		2-17-30 Keigo, Chuo-ku, Fukuoka
Land	Property Right	Ownership (fee simple)
	Size	685.12 m ²
	Zoning	Commercial
	Coverage Ratio / Floor Area Ratio	80% / 400%
Building	Property Right	Ownership (fee simple)
	Use	Retail, Office, Parking
	Structure	RC 7F
	Total Floor Area	2,786.09 m ²
	Construction Date	September 14, 1989
Number of Tenants		9 (as of April 30, 2012)
Monthly Rent ¹		3,586 thousand yen (as of April 30, 2012)
Deposit ¹		31,604 thousand yen (as of April 30, 2012)
Leasable Space		1,969.05 m ² (as of April 30, 2012)
Leased Space		1,053.59 m ² (as of April 30, 2012)
Occupancy		53.5 % (as of April 30, 2012)
Acquisition Price		788 million yen
Appraisal	Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
	Date	April 30, 2012
	Value	668 million yen

(Note 1) Monthly Rent and Deposit include rental income and common area fees as specified in the lease contracts.

5. Buyer Profile

Name	ALBA CREATE CO., LTD.
Address	4-4-21, Hakataekimae, Hakata-ku, Fukuoka
Representative	President Kouki Shioyama
Capital	50 million yen
Principal Businesses	Developer
Relationship with Ichigo REIT or Asset Management Company	None

(Note) The buyer is not a "related party" as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law and the internal rules of the asset management company.

6. Broker Profile

(1) Summary

Name	Ichigo Solutions Co., Ltd. (“ISL”)
Address	The Imperial Hotel Tower, 1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Takuma Hasegawa, President & Representative Director
Capital	500 million yen
Principal Businesses	Financial Instruments Dealer, Moneylending Business, Real Estate Business
Relationship with Ichigo REIT or Asset Management Company	ISL is a 100% subsidiary of Ichigo Group Holdings Co., Ltd., the parent company of Ichigo REIT Management (“IRM”), to which Ichigo REIT entrusts its asset management operation. In addition, ISL has in place an agreement to support both Ichigo REIT and IRM.

(Note) The broker is a “related party” as defined in the Enforcement Ordinance of the Investment Trust and Investment Corporation Law and the internal rules of the asset management company. Therefore, the sale procedure follows the internal rules of the asset management company.

(2) Brokerage Fee

13,275,000 yen

7. Schedule

May 22, 2012

Contract signing

June 5, 2012 (expected)

Settlement and partial repayment of Term Loan I

8. Future Outlook

This sale will generate a loss of c. 214 million yen, and the lowered rental income after selling this property is expected to decrease Ichigo REIT’s operating, current, and net profit relative to its forecasts for the fiscal period ending October 2012. However, because Ichigo REIT expects to offset these by using its negative goodwill (which totals 16.5 billion yen as of November 1, 2011), there is no change in the dividend forecast.

Portfolio Reference Information

1. Post-Sale Portfolio Summary

	Before Sale (A)	After Sale (B)	Difference (B-A)
Occupancy (as of March, 31 2012)	94.0%	94.5%	+0.5%
Average Building Age (as of June 5, 2012)	21.0 years	21.0 years	0 years
Diversification by Area ¹ (Tokyo Metropolitan Area/Other Areas) (as of June 5, 2012)	72.8% / 27.2%	73.4% / 26.6%	+0.6% / -0.6%

(Note 1) “Tokyo Metropolitan Area” refers to “Central Tokyo” and “Tokyo Metropolitan Area.” “Other Areas” refers to “Four Major Regional Cities” and “Other Regional Cities.”

2. Post-Sale Portfolio Assets

No.	Property	Area	Acquisition Price (mm yen)	% of Portfolio
O-01	COI Shinbashi Building	Central Tokyo	6,110	5.87%
O-02	COI Nishisando Building	Central Tokyo	3,254	3.13%
O-03	MTC Building	Central Tokyo	2,740	2.63%
O-04	COI Nanpeidai Building	Central Tokyo	1,920	1.85%
O-05	Joware Hanzomon	Central Tokyo	1,550	1.49%
O-06	COI Hijirizaka Building	Central Tokyo	1,200	1.15%
O-07	COI Shibuya Kamiyamacho Building	Central Tokyo	1,505	1.45%
O-08	COI Akasaka 5 Chome Building	Central Tokyo	735	0.71%
O-09	COI Shibazonobashi Building	Central Tokyo	1,100	1.06%
O-10	COI Ebisu Nishi Building	Central Tokyo	1,917	1.84%
O-11	COI Ginza 612	Central Tokyo	1,773	1.70%
O-12	COI Uchikanda Building	Central Tokyo	1,140	1.10%
O-13	COI Kudan-Minami Building	Central Tokyo	387	0.37%
O-14	COI Yotsuya 4 Chome Building	Central Tokyo	550	0.53%
O-15	COI Akasaka Tameike Building	Central Tokyo	580	0.56%
O-16	DSM Jimbocho Building	Central Tokyo	1,820	1.75%
O-17	DSM Nihonbashi Kakigaracho Building	Central Tokyo	1,150	1.11%
O-18	COI Kudan 2 Chome Building	Central Tokyo	763	0.73%
O-19	COI Kudan 3 Chome Building	Central Tokyo	844	0.81%
O-20	COI Gotanda Building	Central Tokyo	5,060	4.86%
O-21	Benex S-2	Tokyo Metropolitan Area	1,816	1.75%
O-22	COI Minami-Ikebukuro Building	Tokyo Metropolitan Area	1,460	1.40%
O-23	Technos Nakano Building	Tokyo Metropolitan Area	764	0.73%
O-24	COI Eitai Building	Tokyo Metropolitan Area	1,490	1.43%
O-25	COI Yokosuka Bayside Building	Tokyo Metropolitan Area	971	0.93%
O-26	Chitose Building	Tokyo Metropolitan Area	2,030	1.95%
O-27	Route Ikebukuro Building	Tokyo Metropolitan Area	639	0.61%
O-28	Nishi-Gotanda Access	Central Tokyo	765	0.74%
O-29	TK Kichijoji Building	Tokyo Metropolitan Area	2,160	2.08%
O-30	Ibaraki Kowa Building	Other Regional Cities	604	0.58%
O-33	COI Mei-Eki Building	Four Major Regional Cities	837	0.80%
O-34	COI Nagoya Plaza Building	Four Major Regional Cities	4,705	4.52%
O-35	COI Sendai Chuo Building	Other Regional Cities	510	0.49%
O-37	CRD Marunouchi	Four Major Regional Cities	6,710	6.45%
O-38	Toyamaeki Nishi Building	Other Regional Cities	1,650	1.59%
O-39	Daihyaku Mirai-Shinkin Building	Other Regional Cities	1,100	1.06%
O-40	Kearney Place Saga	Other Regional Cities	659	0.63%
O-42	COI Takamatsu Building	Other Regional Cities	3,010	2.89%
O-44	Akita Sanno 21 Building	Other Regional Cities	560	0.54%
O-45	COI Niigata Building	Other Regional Cities	1,830	1.76%
Subtotal - Office (40 Properties)			70,368	67.65%

R-01	ForeCity Roppongi	Central Tokyo	1,730	1.66%
R-02	ForeCity Azabujuban	Central Tokyo	1,140	1.10%
R-03	ForeCity Azabujuban No.2	Central Tokyo	1,250	1.20%
R-04	Bureau Takanawadai	Central Tokyo	1,360	1.31%
R-05	ForeCity Shirokanedai	Central Tokyo	824	0.79%
R-06	B-Site Hamamatsucho	Central Tokyo	701	0.67%
R-07	ForeCity Akihabara	Central Tokyo	2,520	2.42%
R-08	Sweet One Court	Central Tokyo	786	0.76%
R-09	B-site Ginza East	Central Tokyo	946	0.91%
R-10	ForeCity Sasazuka	Central Tokyo	1,050	1.01%
R-11	Gran Presso Kawadacho	Central Tokyo	592	0.57%
R-12	ForeCity Sakurashinmachi	Tokyo Metropolitan Area	932	0.90%
R-13	ForeCity Shinkamada	Tokyo Metropolitan Area	1,040	1.00%
R-14	ForeCity Nakaochiai	Central Tokyo	435	0.42%
R-15	ForeCity Tomigaya	Central Tokyo	1,341	1.29%
R-16	ForeCity Ryogoku	Tokyo Metropolitan Area	1,080	1.04%
R-17	ForeCity Toyosu	Tokyo Metropolitan Area	1,349	1.30%
R-18	ForeCity Nishihonmachi	Four Major Regional Cities	927	0.89%
Subtotal - Residence (18 Properties)			20,005	19.23%
Z-01	Falcon Shinsaibashi Building	Four Major Regional Cities	3,410	3.28%
Z-02	Fiesta Shibuya	Central Tokyo	1,970	1.89%
Z-03	Burc Omori	Tokyo Metropolitan Area	3,218	3.09%
Z-04	Pagoda Asakusa	Tokyo Metropolitan Area	1,640	1.58%
Z-05	Regalo Building	Tokyo Metropolitan Area	1,310	1.26%
Z-06	Lespoir 296	Tokyo Metropolitan Area	903	0.87%
Z-07	El Centro Sapporo	Four Major Regional Cities	558	0.54%
Z-08	Daimyo Balcony	Four Major Regional Cities	638	0.61%
Subtotal - Others (8 Properties)			13,647	13.12%
Total			104,020	100.00%

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Website of Ichigo REIT: www.ichigo-reit.co.jp/english