Activia Properties Inc.

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FOR IMMEDIATE RELEASE

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Notice Concerning Change in Tenant (A-PLACE Shinagawa Higashi)

In relation to A-PLACE Shinagawa Higashi (the "Property"), Activia Properties Inc. ("API") announces that it has agreed with an existing tenant an increase in leased area and concluded below lease agreement (the "Agreement") with the above tenant.

Details are as follows:

1. Overview of the Agreement

(1) Name of the tenant	Swing Corporation
(2) Date of the contract	October 31, 2019
(3) Term of the lease	February 1, 2020-April 30, 2022 (Non-fixed term)
(4) Area to be increased	387.90 m^2
(5) Total leased area after the increase	6,488.78 m^2
(6) Ratio of leased area to total leasable area of the Property	44.3% (Note 1)
(7) Ratio of leased area to total leasable area of API's portfolio	1.6% (Note 2)
(8) Monthly rent	- (Note 3)
(9) Tenant leasehold and security deposits	- (Note 3)

(Note 1) Calculated based on the total leasable area at the end of May 2019 (14,658.98 m^2).

(Note 2) Calculated based on the total leasable area of API's portfolio at the end of May 2019 (415,167.22 m^2).

(Note 3) Not disclosed because the tenant approval is not obtained.

2. Background of the conclusion of the Agreement

After receiving the notice of cancellation of lease agreement from a tenant of the Property, through interview conducted with existing tenants of the Property, API grasped the needs of Swing Corporation to extend rent area. And after several consultations, we consented to the increase in leased area with the above tenant.

API judges that the above tenant 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 August 30, 2019.

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, 2020 (the 17th fiscal period, from December 1, 2019 to May 31, 2020).

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