

February 10, 2021

For Immediate Release

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Notice Regarding Conclusion of Fixed-term Lease Agreement for Domestic Real Estate Trust  
Beneficial Interest (One Hotel Property) and Change of Property Name

Takara Leben Real Estate Investment Corporation (the "Investment Corporation") and Takara PAG Real Estate Advisory Limited (the "Asset Manager") announces that contracting a fixed-term lease agreement (the "Lease Agreement") with Solare Hotels and Resorts Co., Ltd. (the "Operator") about Arietta Hotel Nagoya ("the Property"), announced on October 13, 2020 in "Notice of Conclusion of Termination of Lease Agreement for Domestic Real Estate Trust Beneficial Interest (One Hotel Property)". And the Investment Corporation and the Asset Manager decided to change the name of the Property.

1. Contracting the Lease Agreement

(1) Reason for Contracting the Lease Agreement

The Investment Corporation and the Asset Manager examined various options for the utilization of the Property, including changes in the use of the Property. As a result, the Investment Corporation and the Asset Manager decided that it would be optimal to select the new operator. The Investment Corporation and the Asset Manager have discussed economic conditions, etc. with multiple new operator candidates who meet the tenant selection criteria in order to select a new operator that contributes most to unitholders' interests, and today, decided the lease agreement with the operator.

The operator has a track record of operating REIT properties, and as of today, operates hotels at 51 locations in Japan and overseas. In addition, by utilizing the know-how of this operator accumulated in the hotel management business for so far, the Investment Corporation and the Asset Manager judged that stable operation of this hotel would be realized, and decided to select this operator.

(2) Overview of the Lease Agreement

- |   |   |
|---|---|
| (1) Name of operator (tenant)   | :Solare Hotels and Resorts Co., Ltd.  |
| (2) Leased area   | :2,478.23 m <sup>2</sup>  |
| (3) Percentage of the total leasable area of the Property               | :100.0%   |
| (4) Percentage of the total leasable area of the Investment Corporation | : 1.8% (Note1)  |
| (5) Monthly rent  | : The amount equivalent to GOP (Note 2) for each month due to the operation of the property multiplied by the predetermined ratio (Not disclosed (Note3)), plus the consumption tax and local consumption tax equivalent amount will do. However, if the amount is less than zero yen, it will be zero yen. |
| (6) Lease and guarantee deposits, etc.                                  | : None (Note4)  |
| (7) Contract Date   | : February 10, 2021   |
| (8) Lease Start Date  | : March 15, 2021  |
| (9) Contract period   | : From March 15, 2021 to March 14, 2031   |

Note : This press release is an announcement concerning Conclusion of Fixed-term Lease Agreement for Domestic Real Estate Trust Beneficial Interest (One Hotel Property) and Change of Property Name has not been prepared for the purpose of solicitation for investment.

(Note1) The ratio of the assets held by the Investment Corporation to the total leasable area as of December 31, 2020 is rounded to the nearest second decimal place.

(Note2) "GOP" is the amount obtained by subtracting the necessary expenses (excluding consumption tax and local consumption tax equivalent) related to the operation such as cost of sales and labor costs from the hotel sales (excluding consumption tax and local consumption tax equivalent).

(Note3) Marked "not disclosed" when the operator's consent to disclosure has not been obtained.

(Note4) No security deposit or security deposit will be given or received under the Lease Agreement.

### (3) Overview of the Operator

(1) Name	Solare Hotels and Resorts Co., Ltd.
(2) Location	5-12, Shiba1-chome, Minato-ku, Tokyo
(3) Representative	Tadashi Inoue, President & CEO
(4) Business	- Hotel management, asset management and franchise operation in 50 locations in Japan and 1 location overseas. Management covers hotel rooms, retail outlets, food & beverage outlets, public baths and spas.
(5) Capital	100 million yen (as of the end of December 2020)
(6) Date of Establishment	September 1, 1989
(7) Net Assets	Not disclosed (Note)
(8) Total Assets	Not disclosed (Note)
(9) Major Shareholders and Equity Positions	Not disclosed (Note)
(10) Relationship with the Investment Corporation and/or the Asset Management Company	
Capital Relationship	No relevant capital relationship exists.
Personnel Relationship	No relevant personnel relationship exists.
Business Relationship	No relevant business relationship exists.
Whether or not it falls under affiliated parties	The operator is not an affiliated party to either the Investment Corporation or the Asset Management Company.

(Note) Marked "not disclosed" when the operator's consent to disclosure of "Net Assets", "Total Assets" or "Major Shareholders and Equity Positions" has not been obtained.

## 2. Change of Property Name

### (1) Property Name

Current Property Name	New Property Name
Arietta Hotel Nagoya	ACCESS by LOISIR HOTEL Nagoya

### (2) Effective Date

March 15, 2021

### (3) Reason for Change

The property name will be changed as part of the brand strategy of the Operator.

## 3. Future Outlook

The effect of the Contracting the Lease Agreement is expected to be minor, and there are no changes to the operating status and the expected distribution for the period ending February 2021 (September 1, 2020 to February 28, 2021) and the period ending August 2021 (February 1, 2021 to August 31, 2021), which were published in REIT Report for the Year Ending August 2020 on October 13, 2020.

The Investment Corporation's website : <https://takara-reit.co.jp/>

This notice is the English translation of the Japanese announcement on February 10, 2021. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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