

For Translation Purposes Only

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For Immediate Release

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Notice Concerning Tenant Change at the Property (the b fukuoka tenjin)

United Urban Investment Corporation (“United Urban”) hereby announces that Japan REIT Advisors Co., Ltd. (“JRA”), the asset management company to which United Urban entrusts its asset management services, has reached an agreement on a cancellation of the fixed-term lease agreement with the current tenant of the b fukuoka tenjin (hereinafter referred to as the “Property”), and decided to conclude a fixed-term lease agreement (hereinafter referred to as the “New Agreement”) with a new tenant as set forth below.

1. Overview of the Tenant Change

	New Tenant	Current Tenant
Name of the Tenant:	GREENS Co., LTD.	K.K. Ishin Tenjin Operations
Leased Area/ Cancelled Area:	3,397.70m ² (Note 3)	3,567.22m ² (Note 6)
Leased Area/ Cancelled Area as a Percentage of the Property’s Total Leasable Area (Note 1):	95.2% (Note 3)	100.0% (Note 6)
Leased Area/ Cancelled Area as a Percentage of United Urban’s Total Leasable Area (Note 2):	0.22% (Note 3)	0.23% (Note 6)
Rental Revenues (Annual):	Fixed rent + Variable rent Fixed Rent: ¥92 million Variable Rent: Excess of annual GOP (Note 4) standard amount (Undisclosed (Note 5)) × Fixed rate (Undisclosed (Note 5))	Undisclosed (Note 7)
Security Deposit	Undisclosed (Note 5)	¥31,443 thousand (Note 8)
Contract Term:	From February 1, 2021 to January 31, 2031	From May 16, 2017 to May 15, 2037
Date of Cancellation (Scheduled):	-	January 31, 2021 (Note 9)

(Notes)

- The ratio of each area to the leasable area 3,567.22m² of the Property.
- The ratio of each area to the total leasable area 1,543,065.88m² of the properties owned by United Urban as of October 30, 2020.
- This area does not include the sublease portion of the current tenant. For the sublease portion, United Urban plan to contract with the sublessee.
- “GOP” stands for Gross Operating Profit, indicating the amount deducting expenses relating to the hotel operations (personnel, utilities, advertising and other miscellaneous costs) and management service fee payable to the operator (if any) from the amount of sales of the

- hotel.
5. Not disclosed, due to unavoidable circumstances where the consent for the disclosure has not been obtained from the new tenant.
 6. Inclusive of area attributable to the sublessee of the current tenant.
 7. JRA has deemed that disclosing this information would have an adverse effect on United Urban's competitive position and may harm the interests of the unitholders. Therefore, this information will not be disclosed.
 8. Inclusive of amount attributable to the sublessee of the current tenant.
 9. The hotel operation by the current tenant is scheduled to be ended on January 12, 2021.

2. Overview of the New Tenant

The new tenant, GREENS Co., LTD. ("GREENS"), is a hotel operator listed on the First Section of the Tokyo Stock Exchange and the First Section of the Nagoya Stock Exchange. The new tenant has been engaged in the CHOICE HOTELS Business under the global brand of more than 7,000 hotel chains by Choice Hotels International, Inc. in 40 countries and the GREENS HOTELS Business with a track record of more than 60 years of hotel operations. The new tenant operates 94 hotels nationwide as of the end of June 2020 under Comfort HOTEL, Comfort INN and Comfort SUITES, as well as their original brands such as Hotel Econo. The new tenant has been occupying "Comfort Inn Tokyo Roppongi" owned by United Urban since October 2020, and is preparing for the start of hotel operations in January 2021.

While the Japanese economy has been greatly affected by the COVID-19, GREENS has strived to continue their stable business operations. Also, as GREENS has set up a committed credit line with financial institutions, it is judged that there is little concern about credit.

Company Name	GREENS Co., LTD.
Headquarters Address	Humanitec Plaza 5F 1-4-28 Unomori, Yokkaichi, Mie
Representative	Yuya Muraki, President & CEO
Main Business	Hotel and restaurant management and other incidental operations
Capital (Fund)	¥1,948 million (as of June 30, 2020)
Date of Foundation	January 1964
Net Assets	¥5,913 million (as of June 30, 2020)
Total Assets	¥17,319 million (as of June 30, 2020)
Relationship with United Urban or JRA	
Capital Ties	There are no capital ties.
Personal Relationship	There are no personal relationships.
Business Relationship	GREENS is a tenant of "Comfort Inn Tokyo Roppongi" owned by United Urban.

3. Impact on the Property

The impact of the new tenant is as follows:

- The fixed rent under the New Agreement is lower than the fixed rent of the current tenant, but if the business plan for a stable period envisioned by the new tenant at the time of the conclusion of the New Agreement is achieved, United Urban will be able to collect the same amount of rents (including variable rents) as what the current tenant has paid.
- The rent collection from the new tenant is arranged to start from April 2021.
- The name of the Property is scheduled to change and will be announced as soon as it is confirmed.

4. Reasons for Cancellation

The Property is a limited service type hotel in the Fukuoka's Tenjin area, which is the largest commercial district in Kyushu region. Since acquired in 2018, the Property has been receiving business and tourism demand from domestic and overseas travelers thanks to its location. And it has been enjoying a stable operation backed by an increase of foreign visitors to Japan.

However, the spread of COVID-19 from the beginning of 2020 is currently in the third wave in Japan. Domestic accommodation demand was gradually recovering with the help of the Go To Travel campaign. But with a re-expansion of the infection spread, the campaign has been reviewed in some areas and it is most likely that it will take more time for further demand recovery. In addition, except for some countries, restrictions on foreigners entering Japan have not been lifted yet.

Under such business environment, United Urban received the cancellation from the current tenant, and both parties have reached agreement.

5. Outlook of Operating Condition

The impact of cancellation on the latest business forecast is minor. United Urban will announce the forecast including the effect of the cancellation for the thirty-fifth fiscal period (period ending May 31, 2021) and the thirty-sixth fiscal period (period ending November 30, 2021) in its Summary of Financial Report for the thirty-fourth fiscal period (period ended November 30, 2020) on January 15, 2021.