

For Translation Purposes Only

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For Immediate Release

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Notice Concerning New Lease Agreement (Nishi-Shimbashi 1-chome Building)

As announced in the press release “Notice Concerning Tenant Change at the Property (Hitachi High-Tech Building)” dated July 31, 2019 and “(Update) Notice Concerning Tenant Change at the Property (Hitachi High-Tech Building)” dated February 19, 2020, Japan REIT Advisors Co., Ltd. (“JRA”), the asset management company to which United Urban Investment Corporation (“United Urban”) entrusts asset management services, has been seeking new tenants after the departure of the previous tenant at Nishi-Shimbashi 1-chome Building (former Hitachi High-Tech Building, the “Property”). United Urban hereby announced that today JRA has entered into new fixed term lease agreements with a new tenant (the “New Agreement”) as set forth below.

1. Overview of the New Agreement

The New Agreement consist of two agreements in accordance with spaces to be let and contract term. Each contract is described as “Contract (a)” and “Contract (b)”. (The same applies below.)

- (1) Name of the Tenant : Undisclosed (Note 1)
- (2) Leased Area : Total: 15,809.61m²
(Leased Area as a Percentage of the Property’s Total Leasable Area: 100.0%)
(Leased Area as a Percentage of United Urban’s Total Leasable Area: 1.02% (Note 2))
<Breakdown>
Contract (a) 10,630.95m² (Leased Area as a Percentage of the Property’s Total Leasable Area: 67.2%)
Contract (b) 5,178.66m² (Leased Area as a Percentage of the Property’s Total Leasable Area: 32.8%)
- (3) Rental Revenues (Annual) : Undisclosed (Note 1)
- (4) Security Deposit : Undisclosed (Note 1)
- (5) Agreement Date : September 30, 2020
- (6) Contract Term : Contract (a) From March 1, 2021 to February 28, 2026
Contract (b) From June 16, 2021 to February 28, 2026

(Notes)

1. Not disclosed, due to unavoidable circumstances where consent for the disclosure has not been obtained from the new tenant.
2. The total leasable area of the properties owned by United Urban is 1,543,079.62m² as of August 31, 2020.

Prior to the conclusion of the New Agreement, a part of the spaces has been let by two tenants under the fixed term lease agreements (the “Current Agreement”). The occupancy rate of the Property was 32.8% and 49.1% as of the end of July and August 2020 respectively. Please refer to the following for the expected changes in the occupancy rate of the Property.

[Changes in the occupancy rate of the Property (scheduled)]

34th FP (From Jun. 1, 2020 to Nov. 30, 2020)		35th FP (From Dec. 1, 2020 to May 31, 2021)			36th FP (From Jun. 1, 2021 to Nov. 30, 2021)
	Sep. 30 As of today	Dec. 1	Mar. 1	Apr. 1	Jun. 16
Occupancy rate	49.1%	32.8%	100%	67.2%	100%
Leased Area as a Percentage of the Property’s Total Leasable Area: 67.2%					
	50.8%	Vacancy		New Agreement (Contract (a))	
	16.4%	Current Agreement	Vacancy (Restoration work)		
Leased Area as a Percentage of the Property’s Total Leasable Area: 32.8%					
	Current Agreement			Vacancy (Restoration work)	New Agreement (Contract (b))

2. Outlook of Operating Condition

The latest business forecast the thirty-fourth fiscal period (period ending November 30, 2020) and the thirty-fifth fiscal period (period ending May 31, 2021) dated July 17, 2020 incorporates a certain degree of recovery in the occupancy rate of the Property, thus United Urban does not make any changes to the forecast.