

October 29, 2020

For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

Yutaka Yanagisawa, Executive Director

(TSE code: 8952)

Asset Management Company

Japan Real Estate Asset Management Co., Ltd.

Naoki Umeda, President & CEO

Contact: Masaru Motooka

Executive Officer & General Manager

Planning Department

Phone: +81-3-3211-7951

Announcement of Amendments to the Articles of Incorporation and the Election of Directors

Japan Real Estate Investment Corporation (“JRE”) hereby announces its decision made at the board of directors’ meeting today to propose the following agendas concerning the amendments to the Articles of Incorporation and the election of directors to the 12th General Unitholders’ Meeting to be held on December 10, 2020.

The proposals set out below will become effective upon approval at the General Unitholders’ Meeting.

1. The proposed amendments to the Articles of Incorporation and the reasons therefor

(1) Proposal 1: Amendments to Certain Provisions (Part 1)

- i) In order to secure more streamlined convocation procedures for the General Unitholders’ Meetings, amendments shall be made to provisions concerning convocation of the General Unitholders’ Meetings of JRE by establishing Paragraph 3 of Article 9 and partially amending Article 10.
- ii) In accordance with Article 93, Paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended, the “Investment Trust Act”), Article 14, Paragraph 1 of the current Articles of Incorporation of JRE provides a deemed approval clause, stating that “any Unitholder who does not attend a General Unitholders’ Meeting and does not exercise his/her voting rights shall be deemed to be in favor of any proposal submitted to such General Unitholders’ Meeting (provided, however, that in cases where two or more proposals are submitted and any such proposal is in conflict in its nature with another proposal, both of such proposals shall be excluded from such deemed approval).”

However, in the light of the controversies seen in today's real estate investment companies in regards to proposals submitted by minority unitholders, if there is a proposal that is so important to the point it may greatly impact the governance structures of an investment corporation, and, due to its nature, submission of other contradicting proposals is difficult, then, applying the current deemed approval clause to such proposal, and, thereby, assuming that a Unitholder is in favor of it merely due to the fact that he/she has not exercised his/her voting right may lead to an inappropriate passing of resolution that lacks decision-making driven by a careful deliberation of all Unitholders.

As such, for the purpose of directly and accurately reflecting the decisions of the Unitholders who have exercised their voting rights in regards to certain important agendas, namely (1) dismissal of an Executive Director or a Supervisory Director, (2) dissolution, (3) consent to the cancellation by the Asset Management Company of entrustment contracts for asset management, and (4) cancellation by JRE of entrustment contracts for asset management, each of which has a great impact on the governance structures of JRE, and, in connection with which submission of a counter-proposal, may pose difficulties, Paragraphs 3 and 4 of Article 14 shall be newly established to preclude the application of the "deemed approval" clause to those agendas.

- iii) A partial amendment shall be made to Article 15 to revise the provisions regarding the record date used to determine the Unitholders who can exercise their rights at a General Unitholders' Meeting.
 - iv) A partial amendment shall be made to Article 18, Paragraph 1, so that the terms of office of an Executive Director or a Supervisory Director may be extended or shortened by resolution of the General Unitholders' Meeting to the extent provided by laws and regulations.
 - v) A partial amendment shall be made to Article 35 to secure flexibility with respect to the timing of payments of remunerations to the accounting auditor.
- (2) Proposal 2: Amendments to Certain Provisions (Part 2)
- i) Given the growing importance of the purchase and sale of real estate in the portfolio in relation to the asset management fees payable to the Asset Management Company, the amendment to Article 37 aims to separate gains or losses on sales of real estate from the current distribution-linked fee, which is part of the asset management fees provided by Article 37, and introduce a new type of fee (distribution-linked fee II) that is linked to the gains on the sale of real estate (the positive value after taking into account the gains and losses on the sale of real estate), which is a distributable resource of a transient nature, in order to align the Asset Management Company's incentives more closely with the unitholders' interests.
 - ii) The revision of the Articles of Incorporation regarding the amendment to Article 37 under this Proposal shall take effect on April 1, 2021, as provided in Article 1 of the newly-established Supplementary Provisions, which shall be deleted upon the successful effectuation of the amendment. Further, Article 2 of the new Supplementary Provisions provides transitional measures for the calculation of distribution-linked fee I.

2. Summary of election of directors

For the purpose of adjusting their respective terms of office, Yutaka Yanagisawa, Executive Director of JRE, and Tomohiro Okanoya and Hiroaki Takano, Supervisory Directors of JRE, have tendered their resignation as their respective roles, effective as of the closing of the

12th General Unitholders' Meeting of JRE to be held on December 10, 2020. Therefore, JRE will propose the agenda to elect one Executive Director (Candidate: Yutaka Yanagisawa) and two Supervisory Directors (Candidates: Tomohiro Okanoya and Hiroaki Takano) at the said General Unitholders' Meeting.

In preparation for any unanticipated lack of an Executive Director, or an insufficient number of directors legally required, JRE will propose the agenda to elect two substitute Executive Directors (Primary Candidate: Naoki Umeda, Secondary Candidate: Masaaki Fujino), and in preparation for any unanticipated lack of a Supervisory Director, or an insufficient number of directors legally required, JRE will propose the agenda to elect one substitute Supervisory Director (Candidate: Yoshinori Kiya).

Naoki Umeda and Masaaki Fujino, the said candidates for the above substitute Executive Directors, are President and CEO, and Executive Officer & General Manager, Corporate Administration Department and Risk Management Department of Japan Real Estate Asset Management Co., Ltd., respectively, a company with which JRE has entered into the Agreement on the Delegation of Asset Management.

3. Schedule for the 12th General Unitholders' Meeting

October 29, 2020: Resolution at a board of directors' meeting on the agenda for the 12th General Unitholders' Meeting
November 18, 2020: Dispatch of "Convocation Notice of the 12th General Unitholders' Meeting" (Scheduled)
December 10, 2020: Holding of the 12th General Unitholders' Meeting (Scheduled)

<<Attachments>>

- Comparative table of the current Articles of Incorporation and proposed amendments
- The Articles of Incorporation after the amendments (translation)

This is the English translation of the announcement in Japanese dated October 29, 2020.
No assurance or warranties are given for the completeness or accuracy of this English translation.

Set out below are the proposed amendments to certain provisions of the current Articles of Incorporation.

(Amendments are shown in underlines.)

Current Provisions	Proposed Amendments
<p>Article 9. Convocation of Meetings</p> <p>(Omitted)</p> <p>(Newly established)</p>	<p>Article 9. Convocation of Meetings</p> <p>(Unchanged)</p> <p>3. <u>The Investment Corporation shall convene a General Unitholders' Meeting on December 1, 2022 or later without delay, and on December 1 or later without delay every other year thereafter. In addition, the Investment Corporation may convene a General Unitholders' Meeting as needed.</u></p>
<p>Article 10. Public Notice and Notice of Convocation</p> <p>For convocation of a General Unitholders' Meeting, an Executive Director shall give a public notice of the date fixed for a meeting by two (2) months before such date and shall give its notice to Unitholders in writing by two (2) weeks before such date.</p>	<p>Article 10. Public Notice and Notice of Convocation</p> <p>For convocation of a General Unitholders' Meeting, an Executive Director shall give a public notice of the date fixed for a meeting by two (2) months before such date and shall give its notice to Unitholders in writing by two (2) weeks before such date. <u>However, such public notices are not required for General Unitholders' Meetings held before twenty-five (25) months have passed since the last General Unitholders' Meeting held in accordance with the first sentence of Paragraph 3 of the previous Article.</u></p>
<p>Article 14. Deemed Approval</p> <p>(Omitted)</p> <p>(Newly established)</p>	<p>Article 14. Deemed Approval</p> <p>(Unchanged)</p> <p>3. <u>The provisions of the preceding two paragraphs shall not apply to the resolution of proposals pertaining to the following matters:</u></p> <p>(1) <u>dismissal of an Executive Director or a Supervisory Director;</u></p> <p>(2) <u>dissolution;</u></p> <p>(3) <u>consent to the cancellation by the Asset</u></p>

Current Provisions	Proposed Amendments
<p>(Newly established)</p>	<p><u>Management Company of entrustment contracts for asset management; and</u></p> <p><u>(4) cancellation by the Investment Corporation of entrustment contracts for asset management.</u></p> <p>4. <u>The provisions of Paragraphs 1 and 2 of this Article shall not apply to the Proposal to amend this Article.</u></p>
<p>Article 15. Record Date</p> <p><u>By a resolution of the Board of Directors and upon giving prior public notice, the Investment Corporation may deem any Unitholder registered in writing or in digital format in the register of Unitholders as of the close of a specified date to be the Unitholder who is entitled to exercise his/her rights at a General Unitholders' Meetings.</u></p> <p>(Newly established)</p>	<p>Article 15. Record Date</p> <p>1. <u>In the case of a General Unitholders' Meeting held within three (3) months after the last day of the most recent fiscal period, the Investment Corporation may deem Unitholders registered in writing or in a digital format in the register of Unitholders as of the said date as the Unitholders who are entitled to exercise their rights at such General Unitholders' Meeting.</u></p> <p>2. <u>Notwithstanding the provision set forth in the preceding Paragraph, the Investment Corporation may, by resolution of the Board of Directors and by giving a prior public notice, deem Unitholders registered in writing or in a digital format in the register of Unitholders as of a specific date as the Unitholders who are entitled to exercise their rights at a General Unitholders' Meeting.</u></p>
<p>Article 18. Term of Office of Executive Directors and Supervisory Directors</p> <p>1. The term of office of an Executive Director and Supervisory Director shall be two (2) years from the date of assumption of such office; provided, however, that the term of office of an Executive Director and a Supervisory Director who are elected to fill in a vacancy or to increase the number thereof shall be the same as the remaining term of office of the predecessor or the persons then</p>	<p>Article 18. Term of Office of Executive Directors and Supervisory Directors</p> <p>1. The term of office of an Executive Director and Supervisory Director shall be two (2) years from the date of assumption of such office; provided, however, that <u>this shall not preclude the extension or shortening of the term of office by resolution of the General Unitholders' Meeting to the extent provided by laws and regulations.</u> The term of office of an Executive Director and a Supervisory</p>

Current Provisions	Proposed Amendments												
<p>in office.</p> <p>2. (Omitted)</p>	<p>Director who are elected to fill in a vacancy or to increase the number thereof shall be the same as the remaining term of office of the predecessor or the persons then in office.</p> <p>2. (Unchanged)</p>												
<p>Article 35. Standards for the Amount and Payment of the Remuneration to Accounting Auditors</p> <p>The remuneration amount to an accounting auditor for each fiscal period shall be determined by the Board of Directors within the maximum amount of twenty million (20,000,000) yen. The payment shall be made within <u>three (3) months from the last day of each fiscal period</u> by remittance into a bank account designated by the relevant accounting auditor.</p>	<p>Article 35. Standards for the Amount and Payment of the Remuneration to Accounting Auditors</p> <p>The remuneration amount to an accounting auditor for each fiscal period shall be determined by the Board of Directors within the maximum amount of twenty million (20,000,000) yen. The payment shall be made within <u>two (2) months of the receipt of a demand from the accounting auditor after the receipt of all audit report documents required pursuant to the Investment Trust Act and other laws and regulations</u> by remittance to a bank account designated by the relevant accounting auditor.</p>												
<p>Article 37. Standards for Payment of Asset Management Fees to Asset Management Company)</p> <p>Asset management fees to be paid to the Asset Management Company shall consist of a NOI-linked fee, distribution-linked fee, acquisition fee, disposition fee and merger fee. The calculation methods and time of payment of each fee shall be as follows:</p> <table border="1" data-bbox="245 1536 775 1968"> <thead> <tr> <th data-bbox="245 1536 475 1621">Fee</th> <th data-bbox="475 1536 775 1621">Calculation methods and time of payment</th> </tr> </thead> <tbody> <tr> <td data-bbox="245 1621 475 1706">NOI-linked fee</td> <td data-bbox="475 1621 775 1706">(Omitted)</td> </tr> <tr> <td data-bbox="245 1706 475 1968">Distribution-linked fee</td> <td data-bbox="475 1706 775 1968">An amount calculated by the following formula <u>based on the distributable amount and the dividend per Unit for the relevant fiscal period:</u></td> </tr> </tbody> </table>	Fee	Calculation methods and time of payment	NOI-linked fee	(Omitted)	Distribution-linked fee	An amount calculated by the following formula <u>based on the distributable amount and the dividend per Unit for the relevant fiscal period:</u>	<p>Article 37. Standards for Payment of Asset Management Fees to Asset Management Company)</p> <p>Asset management fees to be paid to the Asset Management Company shall consist of a NOI-linked fee, distribution-linked fee <u>I</u>, distribution-linked fee <u>II</u>, acquisition fee, disposition fee and merger fee. The calculation methods and time of payment of each fee shall be as follows:</p> <table border="1" data-bbox="834 1536 1364 1968"> <thead> <tr> <th data-bbox="834 1536 1064 1621">Fee</th> <th data-bbox="1064 1536 1364 1621">Calculation methods and time of payment</th> </tr> </thead> <tbody> <tr> <td data-bbox="834 1621 1064 1706">NOI-linked fee</td> <td data-bbox="1064 1621 1364 1706">(Unchanged)</td> </tr> <tr> <td data-bbox="834 1706 1064 1968">Distribution-linked fee <u>I</u></td> <td data-bbox="1064 1706 1364 1968">An amount calculated by the following formula:</td> </tr> </tbody> </table>	Fee	Calculation methods and time of payment	NOI-linked fee	(Unchanged)	Distribution-linked fee <u>I</u>	An amount calculated by the following formula:
Fee	Calculation methods and time of payment												
NOI-linked fee	(Omitted)												
Distribution-linked fee	An amount calculated by the following formula <u>based on the distributable amount and the dividend per Unit for the relevant fiscal period:</u>												
Fee	Calculation methods and time of payment												
NOI-linked fee	(Unchanged)												
Distribution-linked fee <u>I</u>	An amount calculated by the following formula:												

Current Provisions		Proposed Amendments	
	<p><Formula></p> <p>The distributable amount for the relevant fiscal period x 2.5% x (the dividend per Unit for the relevant fiscal period / the arithmetic average of the dividend per Unit during the most recent six fiscal periods including the relevant fiscal period)</p> <p>The term “distributable amount” used herein means the income before income taxes shown in the statement of income for the relevant fiscal period of the Investment Corporation (which shall be an amount before deduction of the NOI-linked fee and distribution-linked fee, and non-deductible consumption taxes); or, if any retained loss brought forward exists, an amount after supplementation of such amount. If the figure is negative, the distributable amount shall be zero.</p>		<p><Formula></p> <p>The distributable amount <u>after deduction of gains or losses on sales of real estate</u> for the relevant fiscal period x 2.5% x (the dividend per Unit <u>after deduction of gains or losses on sales of real estate</u> for the relevant fiscal period / the arithmetic average of the dividend per Unit <u>after deduction of gains or losses on sales of real estate</u> during the most recent six fiscal periods including the relevant fiscal period)</p> <p>The term “distributable amount <u>after deduction of gains or losses on sales of real estate</u>” used herein means the income before income taxes shown in the statement of income for the relevant fiscal period of the Investment Corporation (which shall be an amount before deduction of the NOI-linked fee, <u>distribution-linked fee I</u> and <u>distribution-linked fee II</u>, and non-deductible consumption taxes), <u>after (a) deduction of gains on sales of real estate, as recorded in the statement of income for the relevant fiscal period, which would be generated should the</u></p>

Current Provisions		Proposed Amendments	
			<p><u>Investment Corporation elect to dispose of specified assets (including real estate assets), as provided by Article 25, Paragraph 2, Items 1 through 5 hereof (the "gains on sales of real estate"), and (b) reversal of losses on sales of real estate, as recorded in the statement of income for the relevant fiscal period, which would be generated should the Investment Corporation elect to dispose of specified assets (including real estate assets), as provided by Article 25, Paragraph 2, Items 1 through 5 hereof (the "losses on sales of real estate"); or, if any retained loss brought forward exists, an amount after supplementation of such amount. If the figure is negative, the distributable amount shall be zero.</u></p> <p><u>Dividend per Unit after deduction of gains or losses on sales of real estate shall be calculated by dividing the distributable amount after deduction of gains or losses on sales of real estate by the total number of outstanding Units as at the end of each fiscal period.</u></p>
	<p>Dividend per Unit shall be calculated by dividing the distributable amount by the total number of outstanding Units as at the end of each fiscal period.</p>		

Current Provisions		Proposed Amendments	
	<p>If the Investment Corporation acquires Own Units and holds Own Units that are not disposed or canceled as at the end of each fiscal period, the figure excluding the number of Own Units held shall be deemed as the total number of outstanding Units as at the end of each fiscal period.</p> <p>In addition, if either of the below events occurs and the total number of outstanding Units increases or decreases during the most recent six fiscal periods including the relevant fiscal period, in order to exclude the effects of such increase or decrease on the dividend per Unit, the total number of outstanding Units as at the end of each fiscal period during the most recent six fiscal periods shall be adjusted by the method stated below.</p> <p>(i) Consolidation or Split of Units</p> <p>A consolidation or split of Units conducted during the most recent six fiscal periods, including the fiscal periods in which the effective date falls, shall be deemed to have occurred at the beginning of the</p>		<p>If the Investment Corporation acquires Own Units and holds Own Units that are not disposed or canceled as at the end of each fiscal period, the figure excluding the number of Own Units held shall be deemed as the total number of outstanding Units as at the end of each fiscal period.</p> <p>In addition, if either of the below events occurs and the total number of outstanding Units increases or decreases during the most recent six fiscal periods including the relevant fiscal period, in order to exclude the effects of such increase or decrease on the dividend per Unit, the total number of outstanding Units as at the end of each fiscal period during the most recent six fiscal periods shall be adjusted by the method stated below.</p> <p>(i) Consolidation or Split of Units</p> <p>A consolidation or split of Units conducted during the most recent six fiscal periods, including the fiscal periods in which the effective date falls, shall be deemed to have occurred at the beginning of the most</p>

Current Provisions		Proposed Amendments	
	<p>most recent six fiscal periods including the relevant fiscal period, and the total number of outstanding Units as at the end of each fiscal period shall be adjusted.</p> <p>(ii) Issuance of New Units upon Exercise of New Units Acquisition Rights concerning Allotment without Consideration for Unitholders</p> <p>The number of Units resulting from multiplying the number of Units increased by the issuance of new Units by the ratio resulting from dividing the amount to be paid per Unit at the time of the exercise of the new Units acquisition rights by the market value per Unit (or ratio which the Board of Directors prescribes according to such ratio) (in this paragraph, the “Deemed Number of Issuance of Units at Market Value”) shall be deemed as an issuance of new Units at market value. The number of Units resulting from subtracting the Deemed Number of</p>		<p>recent six fiscal periods including the relevant fiscal period, and the total number of outstanding Units as at the end of each fiscal period shall be adjusted.</p> <p>(ii) Issuance of New Units upon Exercise of New Units Acquisition Rights concerning Allotment without Consideration for Unitholders</p> <p>The number of Units resulting from multiplying the number of Units increased by the issuance of new Units by the ratio resulting from dividing the amount to be paid per Unit at the time of the exercise of the new Units acquisition rights by the market value per Unit (or ratio which the Board of Directors prescribes according to such ratio) (in this paragraph, the “Deemed Number of Issuance of Units at Market Value”) shall be deemed as an issuance of new Units at market value. The number of Units resulting from subtracting the Deemed Number of Issuance of Units at</p>

Current Provisions		Proposed Amendments	
	<p>Issuance of Units at Market Value from the number of Units increased upon the issuance of new Units shall be deemed to be the increase caused by the split.</p> <p>Payment shall be made within three (3) months from the last day of the relevant fiscal period.</p>		<p>Market Value from the number of Units increased upon the issuance of new Units shall be deemed to be the increase caused by the split.</p> <p>Payment shall be made within three (3) months from the last day of the relevant fiscal period.</p>
(Newly established)	(Newly established)	<u>Distribution-linked fee II</u>	<p><u>An amount obtained by deducting the losses on sales of real estate from the gains on sales of real estate, and further multiplying the resulting figure by 12.5%. If the figure is negative, the distribution-linked fee II shall be zero.</u></p> <p><u>Payment shall be made within three (3) months from the last day of the relevant fiscal period.</u></p>
Acquisition fee	(Omitted)	Acquisition fee	(Unchanged)
Disposition fee	(Omitted)	Disposition fee	(Unchanged)
Merger fee	(Omitted)	Merger fee	(Unchanged)
<p>Payment of each fee shall be made by remittance of the relevant amount, plus consumption tax and local consumption tax imposed thereon, into a bank account designated by the Asset Management Company.</p>		<p>Payment of each fee shall be made by remittance of the relevant amount, plus consumption tax and local consumption tax imposed thereon, into a bank account designated by the Asset Management Company.</p>	
(Newly established)		<u>Supplementary Provisions</u>	
		<u>Article 1. Effective date of Amendment</u>	
		<u>The amendment to Article 37 shall take effect on</u>	

Current Provisions	Proposed Amendments
	<p data-bbox="815 333 963 360"><u>April 1, 2021.</u></p> <p data-bbox="815 423 1390 524"><u>This supplementary provision shall be deleted upon the successful effectuation of the amendment to Article 37.</u></p> <p data-bbox="815 584 1390 685"><u>Article 2. Transitional Measures for Calculation of Distribution-Linked Fee I</u></p> <p data-bbox="815 745 1390 1137"><u>If the calculation of “the arithmetic average of the dividend per Unit after deduction of gains or losses on sales of real estate during the most recent six fiscal periods including the relevant fiscal period” set forth in the provisions of distribution-linked fee I in Article 37 involves fiscal period(s) ending in or before March 2021, then amounts recalculated in accordance with amended Article 37 shall be applied for the distributable amount per Unit after deduction of gains or losses on sales of real estate for each such relevant fiscal period.</u></p> <p data-bbox="815 1198 1390 1265"><u>This supplementary provision shall be deleted on December 31, 2023.</u></p>

[TRANSLATION]

ARTICLES OF INCORPORATION OF
JAPAN REAL ESTATE INVESTMENT CORPORATION

CHAPTER 1. GENERAL PROVISIONS

Article 1. Trade Name

The trade name of this investment corporation shall be Japan Real Estate Investment Corporation (Japan Real Estate *Toshi Hojin*) (the “Investment Corporation”) and it shall be expressed in English as Japan Real Estate Investment Corporation.

Article 2. Purpose

The purpose of the Investment Corporation shall be to manage assets of the Investment Corporation in accordance with the Act on Investment Trusts and Investment Corporations (the “Investment Trust Act”) through investment primarily in real estate, leaseholds of real estate, surface rights, and the trust beneficiary rights only in such assets among the assets such as real estate assets (meaning those as set forth in the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations; hereinafter the same).

Article 3. Location of Head Office

The head office of the Investment Corporation shall be located in Chiyoda-ku, Tokyo.

Article 4. Method of Public Notice

Public notices of the Investment Corporation shall be given electronically; provided, however, that, if public notice is unable to be given electronically due to an accident or other unavoidable circumstances, public notice shall be given by the method of publishing such notices in the *Nihon Keizai Shimbun*.

CHAPTER 2. UNITS

Article 5. Total Number of Units Issuable, etc.

1. The total number of Units issuable by the Investment Corporation shall be four million (4,000,000).
2. The aggregate issue price of Units offered in Japan shall represent more than 50% of the aggregate issue price of Units of the Investment Corporation.

Article 6. Repurchase for Units upon Request from Unitholders and Acquisition of Own Units upon Agreement

1. The Investment Corporation shall not repurchase Units upon request from any Unitholder.

2. The Investment Corporation may acquire its Units, with consideration, upon an agreement with the Unitholder.

Article 7. Unit Handling Regulations

Registration of Unitholders in the register of Unitholders of the Investment Corporation either in paper or in digital format and other procedures pertaining to Units shall be governed by the Unit Handling Regulations to be adopted by the Board of Directors.

Article 8. Minimum Net Asset Amount to be Maintained at All Times by Investment Corporation

The minimum net asset amount that the Investment Corporation shall maintain at all times shall be fifty million (50,000,000) yen.

CHAPTER 3. GENERAL UNITHOLDERS' MEETING

Article 9. Convocation of Meetings

1. General Unitholders' Meetings shall, unless otherwise stipulated by laws and regulations, be convened by an Executive Director in accordance with a resolution of the Board of Directors.
2. General Unitholders' Meetings shall be convened at the place where the head office is located or a neighboring place, or in any ward of Tokyo in accordance with a resolution of the Board of Directors.
3. The Investment Corporation shall convene a General Unitholders' Meeting on December 1, 2022 or later without delay, and on December 1 or later without delay every other year thereafter. In addition, the Investment Corporation may convene a General Unitholders' Meeting as needed.

Article 10. Public Notice and Notice of Convocation

For convocation of a General Unitholders' Meeting, an Executive Director shall give a public notice of the date fixed for a meeting by two (2) months before such date and shall give its notice to Unitholders in writing by two (2) weeks before such date. However, such public notices are not required for General Unitholders' Meetings held before twenty-five (25) months have passed since the last General Unitholders' Meeting held in accordance with the first sentence of Paragraph 3 of the previous Article.

Article 11. Chairperson

The chairperson of a General Unitholders' Meeting shall, when there is only one Executive Director, be such Executive Director, and when there are two Executive Directors, be one of such Executive Directors in accordance with an order of priority set in advance by the Board of Directors.

When all offices of the Executive Directors are vacant or all Executive Directors are unable to serve, one of the Supervisory Directors shall serve as chairperson in accordance with an order of priority set in advance by the Board of Directors.

Article 12. Resolutions

1. Resolutions of a General Unitholders' Meeting shall, unless otherwise stipulated by laws and regulations or these Articles of Incorporation, be adopted by a majority of voting rights of the Unitholders in attendance.
2. A Unitholder may exercise his/her voting rights by one (1) proxy, who shall be another Unitholder having voting rights.

Article 13. Exercise of Voting Right

1. A Unitholder not attending a General Unitholders' Meeting may exercise his/her voting rights in writing.
2. The number of voting rights exercised in writing shall be included in the number of voting rights of the Unitholders in attendance.
3. The Investment Corporation may, by a resolution of the Board of Directors, make a determination to the effect that a Unitholder not attending a General Unitholders' Meeting may exercise his/her voting rights through an Electromagnetic Method.
4. The number of voting rights exercised through an Electromagnetic Method shall be included in the number of voting rights of the Unitholders in attendance.

Article 14. Deemed Approval

1. Any Unitholder who does not attend a General Unitholders' Meeting and does not exercise his/her voting rights shall be deemed to be in favor of any proposal submitted to such General Unitholders' Meeting (provided, however, that in cases where two or more proposals are submitted and any such proposal is in conflict in its nature with another proposal, both of such proposals shall be excluded from such deemed approval).
2. The number of voting rights owned by the Unitholder deemed to be in favor of a proposal in accordance with the preceding Paragraph shall be included in the number of voting rights of the Unitholders in attendance.
3. The provisions of the preceding two paragraphs shall not apply to the resolution of proposals pertaining to the following matters:
 - (1) dismissal of an Executive Director or a Supervisory Director;
 - (2) dissolution;
 - (3) consent to the cancellation by the Asset Management Company of entrustment contracts for asset management; and

- (4) cancellation by the Investment Corporation of entrustment contracts for asset management.
4. The provisions of Paragraphs 1 and 2 of this Article shall not apply to the Proposal to amend this Article.

Article 15. Record Date

1. In the case of a General Unitholders' Meeting held within three (3) months after the last day of the most recent fiscal period, the Investment Corporation may deem Unitholders registered in writing or in a digital format in the register of Unitholders as of the said date as the Unitholders who are entitled to exercise their rights at such General Unitholders' Meeting.
2. Notwithstanding the provision set forth in the preceding Paragraph, the Investment Corporation may, by resolution of the Board of Directors and by giving a prior public notice, deem Unitholders registered in writing or in a digital format in the register of Unitholders as of a specific date as the Unitholders who are entitled to exercise their rights at a General Unitholders' Meeting.

CHAPTER 4. EXECUTIVE DIRECTORS, SUPERVISORY DIRECTORS AND BOARD OF DIRECTORS

Article 16. Number of Executive Directors and Supervisory Directors

The number of Executive Directors shall be no more than two (2) and the number of Supervisory Directors shall be no more than three (3); provided, however, that the number of Supervisory Directors shall not be less than the number of Executive Directors plus one (1).

Article 17. Election of Executive Directors and Supervisory Directors

Executive Directors and Supervisory Directors shall be elected by a resolution of a General Unitholders' Meeting.

Article 18. Term of Office of Executive Directors and Supervisory Directors

1. The term of office of an Executive Director and Supervisory Director shall be two (2) years from the date of assumption of such office; provided, however, that this shall not preclude the extension or shortening of the term of office by resolution of the General Unitholders' Meeting to the extent provided by laws and regulations. The term of office of an Executive Director and a Supervisory Director who are elected to fill in a vacancy or to increase the number thereof shall be the same as the remaining term of office of the predecessor or the persons then in office.
2. The period during which the resolution on the election of a substitute Director to fill in a vacancy shall remain in force shall continue until the expiration of the term of office of the Director to be substituted who was elected at the General Unitholders' Meeting at which the aforementioned resolution was adopted (in cases where the Director was not elected at the General Unitholders' Meeting, then at the most recent General Unitholders'

Meeting at which the Director was elected); provided, however, that such period may be shortened by a resolution of a General Unitholders' Meeting.

Article 19. Resolutions of Board of Directors

Unless otherwise stipulated by laws and regulations or these Articles of Incorporation, resolutions of the Board of Directors shall be adopted by a majority of votes of the Directors in attendance at a meeting at which a majority of the total number of the members of the Board of Directors who are entitled to participate in the resolution are present.

Article 20. Convocation and Chairperson of Meetings of Board of Directors

1. When there is only one Executive Director, such Executive Director, and when there are two Executive Directors, the Executive Director authorized to convene a meeting of the Board of Directors (the "Convening Executive Director"), shall convene a meeting of the Board of Directors and serve as chairperson.
2. The Convening Executive Director shall be designated in advance by the Board of Directors.
3. An Executive Director other than the Convening Executive Director or a Supervisory Director may request to convene a meeting of the Board of Directors in accordance with the provisions of the Investment Trust Act.
4. Those who convene a meeting of the Board of Directors shall give a notice thereof to each Executive Director and Supervisory Director by three (3) days prior to the date set for such meeting; provided, however, that in case of urgency, this convocation period may be further shortened.

Article 21. Management of Board of Directors

The Board of Directors shall be governed by these Articles of Incorporation, as well as by the Regulations of the Board of Directors to be adopted by the Board of Directors.

Article 22. Standards for Payment of Remuneration to Executive Directors and Supervisory Directors

Standards for the payment of remuneration to the Executive Directors and the Supervisory Directors shall be as follows:

- (1) Remuneration for an Executive Director shall be no more than eight hundred thousand (800,000) yen per month, and the amount of the monthly remuneration shall be determined by the Board of Directors. The payment shall be made on the last day of each month by remittance into a bank account designated by the relevant Executive Director.
- (2) Remuneration for a Supervisory Director shall be no more than three hundred thousand (300,000) yen per month, and the amount of the monthly remuneration shall be determined by the Board of Directors. The payment shall be made on the

last day of each month by remittance into a bank account designated by the relevant Supervisory Director.

Article 22-2 Exemption of Liabilities of Executive Directors and Supervisory Directors

The Investment Corporation may, by a resolution of the Board of Directors, exempt any Executive Director or Supervisory Director from his/her liabilities, to the extent permitted by laws and regulations in accordance with the provisions of the Investment Trust Act.

CHAPTER 5. OBJECTS AND POLICIES OF ASSET MANAGEMENT

Article 23. Basic Asset Management Policies

The purpose of the Investment Corporation shall be to manage assets through investment primarily in real estate, leaseholds of real estate, surface rights, and trust beneficiary rights only in such assets among the assets such as real estate assets. The Investment Corporation shall invest in Specified Assets (meaning those as set forth in the Investment Trust Act; hereinafter the same), primarily consisting of Real Estate Assets (meaning the assets as set forth in each item of Article 25, Paragraph 2 hereof; hereinafter the same) and asset related securities which mainly invest in real estate assets (such securities meaning the assets as set forth in each item of Article 25, Paragraph 3 hereof; the “Real Estate Related Securities”) with the goals of stable growth in value over a medium- to long-term period.

Article 24. Investment Attitude

1. It is the Investment Corporation’s asset investment policy to make an investment, so that the ratio of the aggregate value of the Specified Real Estate, as defined below, to the aggregate value of the Specified Assets is at least 75%. The Specified Real Estate shall mean, among the Specified Assets, the real estate, leaseholds of real estate, surface rights or the beneficiary rights of trusts for ownership of real estate, leaseholds of land or surface rights.
2. The real estates, or the real estates entrusted in trust, to be invested by the Investment Corporation shall primarily be office buildings which are located in major cities in Japan, including those cabinet-order designated cities.
3. When investing in Real Estate Assets, the Investment Corporation shall make investment decisions, after it conducts thorough and sufficient due diligence (investigations in detail, etc.) on the relevant Real Estate Assets and evaluate the investment value, in light of the investment environments, etc.
4. The Investment Corporation shall invest principally in real estate and trust beneficiary rights in real estate trust, but may invest in other real estate assets (meaning any asset listed in Article 25, Paragraph 2 hereof, but excluding the real estate and the trust beneficiary rights in real estate trusts) and Real Estate Related Securities depending upon the investment environments from time to time and/or the size of the assets, etc.

Article 25. Types of Assets Targeted for Asset Investment

1. Real Estate Assets and Real Estate Related Securities in which the Investment Corporation may invest are as set forth in Paragraphs 2 and 3 below.
2. Real Estate Assets shall mean:
 - (1) Real estate;
 - (2) Leaseholds of real estate;
 - (3) Surface rights;
 - (4) Trust beneficiary rights in trust of real estate, leaseholds of real estate, or surface rights (including beneficiary rights in comprehensive trusts over real estate and moneys incidental thereto);
 - (5) Trust beneficiary rights in monetary trusts the purpose of which is to invest in real estate, leaseholds of real estate, or surface rights; and
 - (6) Equity interests relating to a contract under which (i) either party makes a financial contribution to the other party for purposes of management of the assets described in any of the items listed in (1) through (5) above, (ii) the other party manages the contribution as investments primarily in any of such assets, and (iii) the other party distributes the profits generated by such asset management (“Anonymous Partnership Equity Interest on Real Estates”).
3. Real Estate Related Securities shall mean the following, more than half of the underlying assets of which are invested in Real Estate Assets (including cases where certificates representing the rights have not been issued):
 - (1) Preferred capital contribution certificates (meaning those as set forth in the Act on Securitization of Assets (the “Asset Securitization Act”));
 - (2) Beneficiary certificates (meaning those as set forth in the Investment Trust Act);
 - (3) Investment securities (meaning those as set forth in the Investment Trust Act); and
 - (4) Beneficiary certificates of a special purpose trust (*Tokutei Mokuteki Shintaku*) (meaning those as set forth in the Asset Securitization Act (except for the beneficiary certificates invested in the assets referred to in Item (4) or (5) of the preceding Paragraph)).
4. The Investment Corporation may, in addition to the Specified Assets set forth in Paragraphs 2 and 3 above, invest in the following Specified Assets:
 - (1) Securities (meaning the “securities” as set forth in the Investment Trust Act other than those specified in Paragraphs 2 through 4 of this Article; hereinafter the same);

- (2) Monetary claims (meaning those as set forth in the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (the “Order”), including ordinary deposits, large time deposits and negotiable deposits);
 - (3) Rights in derivative transactions (meaning those as set forth in the Order); and
 - (4) Shares (including cases where certificates representing the rights have not been issued); provided, however, that investments may be made when deemed necessary or useful for the basic asset management policies as set forth in Article 23).
 - (5) Renewable energy generation facilities (meaning those as set forth in the Order)
5. In addition to the Specified Assets as set forth in the three preceding Paragraphs, the Investment Corporation may invest in trademark rights under the Trademark Act, exclusive licenses or ordinary use rights thereof, the rights to use sources of hot springs as set forth in the Hot Springs Law and facilities related to such hot springs, and carbon dioxide equivalent quotas based on the Act on Promotion of Global Warming Countermeasures and other similar emissions, emission rights and emission allowances (including those related to greenhouse gases), as well as other assets that are deemed necessary or useful for the basic asset management policies as set forth in Article 23 hereof.

Article 26. Investment Restrictions

1. The Investment Corporation shall not seek to invest aggressively in the securities and the monetary claims described in Paragraph 4, Items (1) and (2) of the preceding Article, but rather make investment taking safety and liquidity into consideration.
2. The Investment Corporation shall limit its trading activity in derivatives set forth in Paragraph 4, Item (3) of the preceding Article to the extent of hedging the interest rate volatility risks with regard to its debts, and other risks.

Article 27. Leasing of Holding Assets

The Investment Corporation shall enter into leasing contracts with third parties with regard to real estate being Specified Assets, for the purpose of asset management, and shall cause the trustees to enter into leasing contracts with third parties with regard to the underlying real estate of the trust beneficiary rights being Specified Assets. Also, the Investment Corporation may lease real estate from third party and lease such real estate to another third party as a part of the asset management.

Article 28. Method, Standards and Reference Dates for Asset Evaluation

1. The asset evaluation method of the Investment Corporation for each type of invested assets shall be as follows:

- (1) Real estate, leaseholds of real estate and surface rights as set forth in Article 25, Paragraph 2, Items (1) through (3) hereof:

Evaluation shall be made at the value obtained by deducting the accumulated depreciation amount from the acquisition price.

- (2) Trust beneficiary rights and Anonymous Partnership Equity Interests on Real Estate as set forth in Article 25, Paragraph 2, Items (4) through (6) hereof:

When the underlying assets of the trust or the anonymous partnership are real estate, evaluation shall be made by the same method as stated in Item (1) above. When such assets are financial assets, the value of the anonymous partnership equity interests or interests in the trust beneficiary rights shall be the relevant proportional amount of the aggregate value of such financial assets evaluated in accordance with generally accepted corporate accounting principles and practices less the amount of debts.

- (3) Real Estate Related Securities which are primarily invested in real estate assets as set forth in Article 25, Paragraph 3 hereof:

When there is any market price for such securities, evaluation shall be made at a value based on such market price (meaning the quoted price at a financial instruments exchange, the price announced by the Authorized Financial Instruments Dealers Association or the like, or any other transaction price similar to the foregoing that is established from time to time by a trading system enabling sales or encashment transactions; hereinafter the same). If there is no available market price, evaluation shall be made at a reasonably calculated price. Provided, however, that the preferred capital contribution certificates with no such market price or reasonably calculated price may be evaluated at the acquisition price.

- (4) Securities as set forth in Article 25, Paragraph 4, Items (1) and (4) hereof:

When there is any market price for such securities, evaluation shall be made at a value based on such market price. If there is no available market price, evaluation shall be made at a reasonably calculated price.

- (5) Monetary claims as set forth in Article 25, Paragraph 4, Item (2) hereof:

Evaluation shall be made at the amount equivalent to the acquisition price, less any allowance for bad debt; provided, however, that the monetary claims which have been acquired at a price lower or higher than the face amount thereof shall, if the difference between the acquisition price and the face amount is deemed to be attributable to interest adjustment, be evaluated at the amount equivalent to the value calculated based on the amortized cost method, less the allowance for bad debt.

- (6) Rights in derivative transactions as set forth in Article 25, Paragraph 4, Item (3) hereof:

Claims and liabilities arising from the derivatives listed on a financial instruments exchange shall be evaluated at the final price at the relevant financial instruments exchange (meaning the closing price, or, if there is no such closing price, an indicative price (the lowest announced indicative offer price or highest announced indicative bid price, or when both are announced, the mean of such prices)). If there is no such final price on the relevant date, evaluation shall be made based on the final price available immediately prior to such date. Claims and liabilities arising from derivatives not listed on any financial instruments exchange shall be evaluated, if available, at a value reasonably calculated as a value equivalent to the market price. If it is extremely difficult to calculate the fair value of derivatives, the derivatives shall be evaluated at the acquisition price; provided, however, that in accordance with the generally accepted corporate accounting principles and practices, the hedge accounting shall be applicable to the claims and liabilities arising from transactions that are deemed to be hedge transactions.

- (7) Unless otherwise provided for above, the assets shall be evaluated at the appraisals in accordance with the generally accepted corporate accounting principles and practices.

2. When using a method different from those set forth in the preceding Paragraph for the purpose of stating values in asset management reports and the like, evaluation shall be made as follows:

- (1) Real estate, leaseholds of real estate and surface rights as set forth in Article 25, Paragraph 2 hereof:

Valuation based on appraisal by the real estate appraiser, in principle.

- (2) Trust beneficiary rights and Anonymous Partnership Equity Interests on Real Estates as set forth in Article 25, Paragraph 2, Items (4) through (6) hereof:

When the underlying assets of the trust or the anonymous partnership are real estate, evaluation shall be made by the same method as stated in Item (1) above. When such assets are financial assets, the value of the anonymous partnership equity interests or interests in the trust beneficiary rights shall be the relevant proportional amount of the aggregate value of such financial assets evaluated in accordance with generally accepted corporate accounting principles and practices less the amount of debts.

3. The reference date for asset evaluation shall be the last day of each fiscal period (March 31 or September 30) in principle; provided, however, that in the case of assets as set forth in Paragraph 1, Items (3) and (4) above which may be evaluated at a value based on a market price, the reference date shall be the last day of each month.

Article 29. Method of Depreciation Calculation of Real Estate Held

Depreciation amount of the facilities, etc. of the real estate held shall be calculated on a straight-line basis; provided, however, that if calculation in the method so adopted becomes inappropriate due to any justifiable reason, a different calculation method may be used for such calculation, as long as no problem may be found, in a reasonable judgment, with regard to the protection of investors.

Article 30. Borrowings and Bonds Issued by Investment Corporation

1. In order to manage the portfolio of the Investment Corporation in an efficient and stable manner, the Investment Corporation may make borrowings or issue corporate bonds with a view to utilizing the proceeds thereof toward acquisitions of Specified Assets, capital improvements of the real estate for lease and the underlying real estate of trust beneficiary rights, funds for debt repayments (including security deposits and guarantee deposits, and funds for debt repayments such as borrowings and corporate bonds (including short-term bonds; hereinafter the same)) and working capital, etc. Provided, however, that the utilization or purpose of funds raised by the issuance of short-term bonds shall be limited to the extent provided by laws and regulations.
2. The total amount of loans and corporate bonds of the Investment Corporation shall not exceed one trillion (1,000,000,000,000) yen.
3. The Investment Corporation shall borrow only from qualified institutional investors as set forth in the Financial Instruments and Exchange Act (limited to institutional investors as set forth in Article 67-15 of the Act on Special Measures Concerning Taxation).
4. In the case of Paragraph 1 of this Article, the Investment Corporation may pledge the invested assets.

CHAPTER 6. CALCULATION

Article 31. Closing of accounts

The fiscal periods of the Investment Corporation shall be from April 1 of each year to September 30 of the same year and from October 1 of each year to March 31 of the following year.

Article 32. Cash Distribution Policy

1. The Investment Corporation will make cash distributions subsequent to each closing of accounts in accordance with the following policy:
 - (1) In connection with the total cash amount to be distributed to the Unitholders, accounting profits will be calculated in accordance with generally accepted corporate accounting principles and practices in Japan.

- (2) In making cash distributions to the extent of accounting profits, the Investment Corporation will distribute profits as cash distributions in excess of 90% of the “amount of distributable profit” as set forth in Article 67-15 of the Act on Special Measures Concerning Taxation (however, if the method of calculation, etc., is changed due to the amendment of laws and regulations, such method of calculation, etc., shall be deemed to refer to the method of calculation, etc., after such change).
 - (3) At the appropriate discretion of the Board of Directors, or in the case where it is possible to suppress the accrual of corporate income taxation for the Investment Corporation, etc, the Investment Corporation may, in accordance with the Investment Trust Law, make cash distributions to the Unitholders in excess of accounting profits based on the Cash Distribution Statement approved pursuant to the Investment Trust Law.
 - (4) The Investment Corporation is allowed to make distributions in excess of accounting profits to the extent of the amount equivalent to the aggregate of the amount of accounting profits and the amount prescribed by the rules of the Investment Trusts Association, Japan.
 - (5) Distributions to the Unitholders shall be made in cash in proportion to the number of Units to the Unitholders as appearing on the register of Unitholders in paper or in digital format or the registered Unit pledgees as of the close of the last day of the relevant fiscal period.
2. In the event that the dividends provided for in Paragraph 1 of this Article are unclaimed for a period of three (3) full years after the date on which such dividends first become payable, the Investment Corporation shall be discharged from its payment obligation thereof. Any outstanding and unpaid dividends shall bear no interest.

CHAPTER 7. ACCOUNTING AUDITORS

Article 33. Election of Accounting Auditors

Accounting auditors shall be elected by a resolution of a General Unitholders’ Meeting.

Article 34. Term of Office of Accounting Auditors

1. The term of office of an accounting auditor shall expire upon the close of the first General Unitholders’ Meeting held after the first fiscal period following the elapse of one (1) year from such accounting auditor’s assumption of office.
2. An accounting auditor shall, unless otherwise resolved at the General Unitholders’ Meeting stated in the preceding Paragraph, be deemed to have been reelected at such General Unitholders’ Meeting.

Article 35. Standards for the Amount and Payment of the Remuneration to Accounting Auditors

The remuneration amount to an accounting auditor for each fiscal period shall be determined by the Board of Directors within the maximum amount of twenty million (20,000,000) yen. The payment shall be made within two (2) months of the receipt of a demand from the accounting auditor after the receipt of all audit report documents required pursuant to the Investment Trust Act and other laws and regulations by remittance to a bank account designated by the relevant accounting auditor.

CHAPTER 8. ASSET MANAGEMENT COMPANY, ASSET HOLDING COMPANY AND ADMINISTRATION OUTSOURCEE

Article 36. Commission of Management and Custody of Assets, and Any Other Administrative Services

The Investment Corporation shall, in accordance with the Investment Trust Act, commission the management of its assets to the Asset Management Company, and the custody thereof to the Asset Holding Company. The Investment Corporation shall commission any administrative services other than the management and custody of its assets that are prescribed to be commissioned to a third party pursuant to the Investment Trust Act to a third party.

Article 37. Standards for Payment of Asset Management Fees to Asset Management Company

Asset management fees to be paid to the Asset Management Company shall consist of a NOI-linked fee, distribution-linked fee I, distribution-linked fee II, acquisition fee, disposition fee and merger fee. The calculation methods and time of payment of each fee shall be as follows:

Fee	Calculation methods and time of payment
NOI-linked fee	<p>An amount equivalent to NOI (Net Operating Income) for the relevant fiscal period multiplied by 4.0%.</p> <p>The term “NOI” used herein means an amount obtained by deducting the property-related expenses (excluding depreciation expenses and loss on retirement of non-current assets) from the property-related revenues shown in the statement of income for the relevant fiscal period of the Investment Corporation.</p> <p>Payment shall be made within three (3) months from the last day of the relevant fiscal period.</p>
Distribution-linked fee I	<p>An amount calculated by the following formula: <Formula></p> <p>The distributable amount after deduction of gains or losses on sales of real estate for the relevant fiscal period x 2.5% x (the dividend per Unit after deduction of gains or losses on sales of real estate for the relevant fiscal period / the arithmetic average of the dividend per Unit after deduction of gains or losses on sales of real estate during the most recent six fiscal periods including the relevant fiscal period)</p>

The term “distributable amount after deduction of gains or losses on sales of real estate” used herein means the income before income taxes shown in the statement of income for the relevant fiscal period of the Investment Corporation (which shall be an amount before deduction of the NOI-linked fee, distribution-linked fee I and distribution-linked fee II, and non-deductible consumption taxes), after (a) deduction of gains on sales of real estate, as recorded in the statement of income for the relevant fiscal period, which would be generated should the Investment Corporation elect to dispose of specified assets (including real estate assets), as provided by Article 25, Paragraph 2, Items 1 through 5 hereof (the “gains on sales of real estate”), and (b) reversal of losses on sales of real estate, as recorded in the statement of income for the relevant fiscal period, which would be generated should the Investment Corporation elect to dispose of specified assets (including real estate assets), as provided by Article 25, Paragraph 2, Items 1 through 5 hereof (the “losses on sales of real estate”); or, if any retained loss brought forward exists, an amount after supplementation of such amount. If the figure is negative, the distributable amount shall be zero.

Dividend per Unit after deduction of gains or losses on sales of real estate shall be calculated by dividing the distributable amount after deduction of gains or losses on sales of real estate by the total number of outstanding Units as at the end of each fiscal period.

If the Investment Corporation acquires Own Units and holds Own Units that are not disposed or canceled as at the end of each fiscal period, the figure excluding the number of Own Units held shall be deemed as the total number of outstanding Units as at the end of each fiscal period.

In addition, if either of the below events occurs and the total number of outstanding Units increases or decreases during the most recent six fiscal periods including the relevant fiscal period, in order to exclude the effects of such increase or decrease on the dividend per Unit, the total number of outstanding Units as at the end of each fiscal period during the most recent six fiscal periods shall be adjusted by the method stated below.

(i) Consolidation or Split of Units

A consolidation or split of Units conducted during the most recent six fiscal periods, including the fiscal periods in which the effective date falls, shall be deemed to have occurred at the beginning of the most recent six fiscal periods including the relevant fiscal period, and the total number of outstanding Units as at the end of each fiscal period shall be adjusted.

(ii) Issuance of New Units upon Exercise of New Units Acquisition Rights concerning Allotment without Consideration for Unitholders

The number of Units resulting from multiplying the number of Units increased by the issuance of new Units by the ratio resulting from dividing the amount to be paid per Unit at the time of the exercise of the new Units acquisition rights by the market value per Unit (or ratio which the Board of Directors prescribes according to such ratio) (in this paragraph, the “Deemed Number of Issuance of Units at Market Value”) shall be deemed as an issuance of new Units at market value. The number of Units resulting from subtracting the Deemed Number of Issuance of Units at Market Value from the number of Units increased upon the issuance of new Units shall be deemed to be the increase caused by the split.

	Payment shall be made within three (3) months from the last day of the relevant fiscal period.
Distribution-linked fee II	An amount obtained by deducting the losses on sales of real estate from the gains on sales of real estate, and further multiplying the resulting figure by 12.5%. If the figure is negative, the distribution-linked fee II shall be zero. Payment shall be made within three (3) months from the last day of the relevant fiscal period.
Acquisition fee	In the case of acquisition of Real Estate Assets or other Specified Assets set forth in Article 25, Paragraph 2, Items (1) through (5), an amount equivalent to the purchase price (excluding the consumption tax and local consumption tax imposed on buildings; hereinafter the same) multiplied by a rate no higher than 0.5%. Payment shall be made within three (3) months from the end of the month in which the date of acquisition of the relevant assets (being the date on which transfer of ownership or other right becomes effective) falls.
Disposition fee	In the case of disposition of Real Estate Assets or other Specified Assets set forth in Article 25, Paragraph 2, Items (1) through (5), an amount equivalent to the sale price multiplied by a rate no higher than 0.5%. Payment shall be made within three (3) months from the end of the month in which the date of disposition of the relevant assets (being the date on which transfer of ownership or other right becomes effective) falls.
Merger fee	In the case of a merger by the Investment Corporation, an amount equivalent to the valuation of real estate, etc. at the time of the merger succeeded to by the investment corporation, which is a counterparty to the merger multiplied by a rate no higher than 0.5%. Payment shall be made within three (3) months from the end of the month in which the effective date of the merger falls.

Payment of each fee shall be made by remittance of the relevant amount, plus consumption tax and local consumption tax imposed thereon, into a bank account designated by the Asset Management Company.

Article 38. Name of the Asset Management Company for Asset Management

The name of the Asset Management Company for asset management of the Investment Corporation shall be as follows:

Asset Management Company:

Japan Real Estate Asset Management Co., Ltd.

Supplementary Provisions

Article 1. Effective date of Amendment

The amendment to Article 37 shall take effect on April 1, 2021.

This supplementary provision shall be deleted upon the successful effectuation of the amendment to Article 37.

Article 2. Transitional Measures for Calculation of Distribution-Linked Fee I

If the calculation of “the arithmetic average of the dividend per Unit after deduction of gains or losses on sales of real estate during the most recent six fiscal periods including the relevant fiscal period” set forth in the provisions of distribution-linked fee I in Article 37 involves fiscal period(s) ending in or before March 2021, then amounts recalculated in accordance with amended Article 37 shall be applied for the distributable amount per Unit after deduction of gains or losses on sales of real estate for each such relevant fiscal period.

This supplementary provision shall be deleted on December 31, 2023.

- Constituted on: May 7, 2001
- Amended on: August 29, 2001
- March 28, 2003
- May 10, 2005
- March 27, 2007
- March 17, 2009
- March 15, 2011
- March 19, 2013
- January 1, 2014
- February 19, 2014
- March 17, 2015
- March 28, 2017
- March 20, 2019
- December 10, 2020