

Press Release

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Tenant Replacement at a GOR Property (cancellation of agreement and start of leasing)

15 March 2019 - Global One Real Estate Investment Corp. (“GOR”) announces today that there will be a tenant replacement in TK Minami-Aoyama Building, one of the GOR portfolio properties of which the trust beneficial interest is owned by GOR, as described below.

1. Overview of tenant replacement (cancellation of agreement and start of leasing)

As announced in the press release “Tenant Relocation from a GOR Property (Lease Termination with a Key Business Partner),” dated 8 November 2018, GOR received a written notice from the tenant described in 2. below (“the current tenant”) indicating their intention to not extend the fixed-term building lease agreement.

After that, GOR has agreed to conclude a new fixed-term building lease agreement with the tenant described in 3. below (“the new tenant”), and because of this, the fixed-term building lease agreement with the current tenant will be cancelled before the termination date. As of today, GOR concluded a “Cancellation Agreement” with the current tenant, and a “Fixed-Term Building Lease Agreement” with the new tenant.

2. Outline of lease contract to be cancelled(*1)

- | | | |
|--|---|---------------------------|
| (1) Name of tenant | : | Tokyu Land Corporation |
| (2) Name of property | : | TK Minami-Aoyama Building |
| (3) Leased area | : | 12,243.57 sqm |
| (4) Ratio in the gross rentable area of TK Minami-Aoyama Building (*2) | : | 87.4% |
| (5) Ratio in the gross rentable area of GOR portfolio (*3) | : | 9.9% |
| (6) Monthly rent | : | Undisclosed (*4) (*5) |
| (7) Security deposit | : | Undisclosed (*4) |
| (8) Lease termination date (original) | : | 31 May 2020 |

- (9) Agreement cancellation date : (1) 10,493.14 sqm: 1 October 2019
(2) 1,750.43 sqm: 31 October 2019

- *1) Areas and percentages are as of the end of February 2019.
 *2) The gross rentable area of TK Minami-Aoyama Building: 14,012.64 sqm
 *3) The gross rentable area of GOR portfolio properties: 123,897.35 sqm
 *4) Rent per month and security deposit remains undisclosed since the permission for disclosure has not been obtained from the tenant.
 *5) As of the end of February 2019, the total number of tenants at TK Minami-Aoyama Building is three, and the total monthly rent (including common area charges) is 118 million yen.

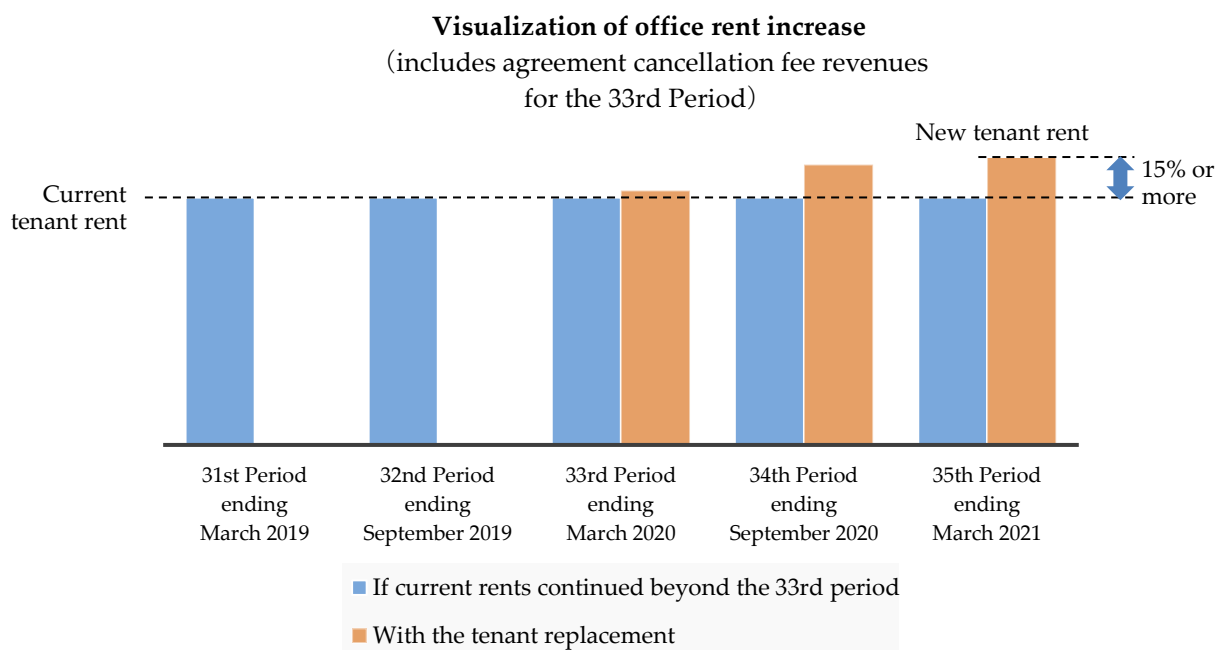
3. Outline of lease contract to be started

- (1) Name of tenant : Undisclosed (*)
 (2) Name of property : TK Minami-Aoyama Building
 (3) Leased area : 12,243.57 sqm
 (4) Monthly rent : Undisclosed (*)
 (5) Security deposit : Undisclosed (*)
 (6) Lease start date : (1) 10,493.14 sqm: 2 October 2019
(2) 1,750.43 sqm: 1 November 2019
 (7) Lease termination date : 1 October 2029
 (8) Agreement renewal method : A fixed-term building lease agreement which concludes at the termination date and it does not renew.
(renewal based on agreement is possible)
 (9) Special notes on lease agreement : Although cancellation is possible with a written notice one year in advance, there is an obligation to pay the full amount of rent equivalent to up to 1 October 2024.

- *) The name of the tenant remains undisclosed since the permission for disclosure has not been obtained from the tenant. The tenant is not a special related party of GOR or the asset management company.

4. Impact on rent revenues, etc.

The rent per month of TK Minami-Aoyama Building's office wing (leased area of 12,243.57 sqm) for the new tenant will increase by 15% or more compared to the current tenant. The cancellation of agreement with the current tenant and the start of lease with the new tenant ("the tenant replacement") will bring about agreement cancellation fee revenue (the 33rd Period) and a rent-free period (part of the 33rd Period and the 34th Period). The total rent revenue (including agreement cancellation fee revenue in the 33rd Period) in the case of the tenant replacement is expected to exceed the total rent revenue if current rents had continued.



5. Conducting air conditioning improvement work, etc.

As TK Minami-Aoyama Building approaches 16 years since its construction, air conditioning equipment renewal work is scheduled to coincide with the replacement work of the current tenant and the new tenant. By utilizing the opportunity presented by tenant replacement and conducting these renewal works during the moving-in and moving-out of tenants, it is possible to shorten the construction period and cut costs compared to when a tenant is occupying the space. In addition, renewing all air condition equipment will lead to increased tenant satisfaction, and GOR expects the quality of the office building to improve.

6. Impact on business performance

While GOR expects leasing costs to occur during the six-month period ending September 2019, it has placed a partial reversal of reserve for reduction entry in its purview at the moment, and as the agreement cancellation date with the current tenant and the lease start date with the new tenant fall in October and November 2019 (during the six-month period ending March 2020), there is no revision to the business performance forecasts for the six-month period ending March 2019 and for the six-month period ending September 2019.

About GOR:

Global One Real Estate Investment Corporation (“GOR”) is a Japanese Real Estate Investment Trust (J-REIT) listed on the Tokyo Stock Exchange (TSE: 8958) with the ultimate goal of pursuing maximum returns for unitholders. GOR cautiously selects prime properties at prime locations with an eye on “strong and sustainable competitiveness in the marketplace.” The three key watchwords in selecting properties are: (1) *CLOSER* - easily accessible from nearby train stations; (2) *NEWER* - newly or recently built; and (3) *LARGER* - large office buildings with extensive office space.

For more information about GOR, please visit: <https://www.go-reit.co.jp/eng/>

Note: This document is the English version of “Press Release” that is written in Japanese. The English version is understood to be a translation of the Japanese version and is supplied as a convenience to investors who prefer to use English. This document, containing forward-looking statements, is not intended to be a solicitation of any particular investment transaction. Investors should consult with their own investment advisors regarding the appropriateness of investing in any of the securities or investment strategies.