

July 26, 2013

Real Estate Investment Trust Unit Issuer:  
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### Notice Concerning Acquisition of Properties

TOKYU REIT, Inc. (“TOKYU REIT”) today announced that it has decided to acquire trust beneficiary interest in real estate and real estate. Brief details are as follows.

#### 1. Acquisition Overview (1) Acquisition Details

Property Name	Location	Type of Acquisition	Seller	Planned Acquisition Price (million yen) (Note 1)	Estimated NOI Yield (Note 2)	Appraisal Value (million yen)	Appraisal Cap Rate (Note 3)
KALEIDO Shibuya Miyamasuzaka	Shibuya-ku, Tokyo	Trust beneficiary interest in real estate	G.K. OMCE Kaihatsu	5,150	5.20%	5,280	4.40%
Shibuya R Sankei Building	Shibuya-ku, Tokyo	Real estate	The Sankei Building Co., Ltd.	5,270	5.09%	5,430	4.60%
Tokyu Toranomon Building	Minato-ku, Tokyo	Real estate	Tokyu Corporation	15,000	4.00%	15,100	4.10%
Total				25,420	4.47%	25,810	4.37%

(Note 1) Planned acquisition price is excluding acquisition-related costs, property tax, city planning tax, etc.

(Note 2) Estimated NOI yield is calculated by dividing estimated NOI by planned acquisition price. Estimated NOI is the estimated annual figure exclusive of special items of the acquisition fiscal year (not the forecast figure for the current fiscal period) and is based on the following assumptions.

- 1) Total rental income is the projected figure of total income generated from the Property.
- 2) Property-related taxes are projected to be the same amount as the fiscal 2013 assessment amount.
- 3) Repairs and maintenance expenses are calculated based on expenses estimated for the next one-year period.
- 4) Concerning Shibuya R Sankei Building, a notice of cancellation has been received from one tenant and that tenant is scheduled to move out on September 14, 2013. The calculation assumes no refilling of the resulting vacancy (occupancy

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rate after the tenant moves out: 93.2%).

The total figure is the figure arrived at when the sum total of each property's estimated NOI is divided by the sum total of each property's planned acquisition price.

(Note 3) Appraisal cap rate is each property's capitalization rate based on the direct capitalization method. The total figure is the figure arrived at when the sum total of NCF based on the direct capitalization method is divided by the sum total of appraisal value.

- (2) Contract Date: July 26, 2013 (Friday)
- (3) Scheduled Acquisition Date: August 16, 2013 (Friday)
- (4) Financing: Proceeds from issuance of new investment units, debt financing and cash on hand (planned)

\*Debt financing will be announced once determined.

## 2. Rationale

The three properties are a retail property and office properties that meet the "Scope and Policy of Investment Management" as outlined in the Articles of Incorporation of TOKYU REIT, and the decision to undertake the acquisition was made in an aim to enhance TOKYU REIT's portfolio quality, future profit performance and asset value.

By acquiring properties located in Tokyo's Shibuya and Minato wards, the ratio of investment (based on appraisal value) in Central Tokyo (five central Tokyo wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards) and other major commercial and retail districts of Tokyo (the areas surrounding Ikebukuro, Koraku, Ueno and other areas)) will further increase from 68.3% to 72.0% of TOKYU REIT's portfolio. In addition, the view is that future long-term growth can be anticipated because large-scale redevelopment is planned for areas surrounding the respective properties. Each property has full occupancy as of the date of this document.

Furthermore, collaboration with TOKYU REIT's sponsor Tokyu Corporation led to the decision to acquire the three properties.

### (1) KALEIDO Shibuya Miyamasuzaka

The Property is a multi-tenant retail property located in the Shibuya area, which has the giant terminal Shibuya Station. The Property is situated approximately a one-minute walk from Shibuya Station on Tokyu Lines and Tokyo Metro Lines, and the Miyamasuzaka and surrounding area is recognized for its buildings that house eating and drinking establishments. The Property comprises seven tenants engaged in the restaurant business and one tenant engaged in the amusement business.

In the area where the Property stands, visitors and office workers are increasing as a result of the opening of Shibuya Hikarie nearby. In addition, a project to establish mutual direct train service between the Tokyu Toyoko Line and Tokyo Metro Fukutoshin Line in March 2013 led to the start of mutual direct train service operation by five companies. With progress of the "Urban Planning for Areas Surrounding Shibuya Station" large-scale development led by TOKYU REIT's sponsor Tokyu Corporation also ahead, enhancement of the Property's profit performance and other positive impact can be anticipated.

### (2) Shibuya R Sankei Building

The Property is a multi-tenant office property in Tokyo's Shibuya ward, where the vacancy rate is the lowest out of the five central Tokyo wards. With the vacancy rate of Tokyo's Shibuya ward at 4.1% as at March 2013, which is well below that of the five central Tokyo wards of 6.7% and that of Tokyo's 23 wards of 7.1%, the vacancy rate is markedly low even for Tokyo (Source: CBRE K.K.'s "Japan Office MarketView" (March 2013)). The Property faces Meiji-dori and is situated approximately a two-minute walk from the New South Exit of JR Shibuya Station. In addition, with 2,600mm ceiling height, 60mm raised flooring and individually controlled air-conditioning equipment, it features certain specifications demanded of office properties by tenants. With 7,289.38 m<sup>2</sup> in total floor area and 645.86 m<sup>2</sup> in floor area per standard floor, the size, too, is a level that adequately meets TOKYU REIT's investment criteria. TOKYU REIT believes the Property is a competitive property in terms of each of location, fixtures and size.

Access from Shibuya Station is expected to improve with the establishment of an east exit underground plaza, deck, elevator, etc. in the upgrading of the areas surrounding National Route 246 and Shibuya Station that are in the Property's surrounding area. In addition, with the Shibuya Station South Area Development Project (district 21 in Shibuya 3-chome) led by Tokyu Corporation slated for opening in fiscal 2017, positive impact can be anticipated for the south side of Shibuya Station, which to date has not had a strong impression as an area in front of Shibuya Station.

### (3) Tokyu Toranomom Building

The Property is a multi-tenant office property built about three years ago that is located in Toranomom 1-chome in Tokyo's Minato ward. The vacancy rate of the Toranomom zone was a high 11.1% in September 2010, but progress in rent adjustments and demand for relocations to vacant spaces in blocks resulted in it improving to 6.1% in March 2013, hovering at a level that is lower than the average for the five central Tokyo wards and Tokyo's 23 wards (Source: CBRE

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K.K.'s "Japan Office MarketView" (March 2013)). The Property has high visibility, as it faces Sakurada-dori, and highly convenient access, as it is approximately a three-minute walk from Toranomon Station on the Tokyo Metro Ginza Line. Completed in April 2010, the Property will become the youngest property in TOKYU REIT's portfolio. In addition, with 2,800mm ceiling height, 100mm raised flooring, individually controlled air-conditioning equipment and IC card key, it features the latest office specifications. In terms of size, too, the Property is a large property with 11,983.09 m<sup>2</sup> in total floor area and 984.55 m<sup>2</sup> in floor area per standard floor. As such, TOKYU REIT believes the Property is a highly competitive property.

With the estimated market rent level (Note 1) as of the date of this document being at a level that is above the Property's existing contract rent level, TOKYU REIT deems the Property to be a property with little rent downside risk. In addition, the Loop Road No. 2 Shimbashi-Toranomon District Type II Urban Redevelopment Project is underway near the Property.

As mentioned above, collaboration with TOKYU REIT's sponsor Tokyu Corporation led to the decision to acquire the three properties.

Of these, introduction of the seller from Tokyu Corporation led to the decision to acquire KALEIDO Shibuya Miyamasuzaka and brokerage by Tokyu Corporation led to the decision to acquire Shibuya R Sankei Building. Furthermore, in order to avoid the risk of incurrence of penalty charges in the event that TOKYU REIT does not acquire these properties because of inability to procure the funds required for the acquisition costs due to suspension, etc. of the issuance of new investment units and the secondary distribution of investment units announced today, there is an agreement to the effect that Tokyu Corporation shall acquire KALEIDO Shibuya Miyamasuzaka and Shibuya R Sankei Building by Tokyu Corporation succeeding TOKYU REIT's position as buyer in the event that penalty charges do apply ("purchase backup") (Note 2).

TOKYU REIT sees that securing a substitute buyer for the case where TOKYU REIT does not acquire these properties based on the purchase backup had some effect in the current owners agreeing to transfer these properties to TOKYU REIT. In addition, TOKYU REIT sees the purchase backup as part of an effective structure of support from the sponsor for asset acquisitions in the sense that, even if the inability to procure funds results in TOKYU REIT not acquiring these properties as above, the purchase backup ensures the possibility of TOKYU REIT acquiring these properties from the sponsor in the future (Note 3).

Tokyu Toranomon Building is acquisition of a property developed by Tokyu Corporation from Tokyu Corporation. Furthermore, TOKYU REIT has agreed in the purchase agreement with Tokyu Corporation to the effect that penalty charges shall not apply in the event that TOKYU REIT cannot acquire the Property because of inability to procure the funds required for the acquisition costs due to suspension, etc. of the issuance of new investment units and the secondary distribution of investment units announced today.

Moving forward, TOKYU REIT will continue to acquire new properties while adhering to its investment policy and closely monitoring trends in capital and real estate investment markets. Furthermore, TOKYU REIT will carry out appropriate risk management and strive to form a portfolio that leads to an improvement in asset value and growth of net income per investment unit.

(Note 1) "Estimated market rent level" refers to the rent level thought to be appropriate in the case where implementing tenant leasing leads to tenants contracting on a floor basis, etc. as at May 2013, as estimated based on building owners' and market experts' opinions, etc. conducted by CBRE K.K. at the request of TOKYU REIT and Tokyu Real Estate Investment Management Inc. (new estimated contract rent level). Furthermore, CBRE K.K. estimates the rent level based on information concerning estimated contract rent it collected or it calculated in accordance with its prescribed estimation model. The rent level is an analysis by the party making the judgment using certain methods of judgment as at a certain point in time, and is not a guarantee of the objectivity of the analysis, validity and accuracy of the analysis content or the Property's actual contract rent amount or level.

(Note 2) There is no payment of charges or other fees to Tokyu Corporation by TOKYU REIT in the purchase backup agreement.

(Note 3) Tokyu Corporation is governed by a memorandum relating to the purchase and sale of real estate that states that, in the event Tokyu Corporation intends to sell real estate which TOKYU REIT may invest in, Tokyu Corporation – as a pipeline support company – shall first make an offer to sell it to TOKYU REIT through Tokyu Real Estate Investment Management Inc. (however, there is no obligation on the pipeline support company to sell to TOKYU REIT). As of the date of this document, whether or not TOKYU REIT will acquire the concerned properties in the event that the purchase backup is performed and the terms and conditions of such acquisition (including acquisition costs and various fees, etc.) have not been decided.

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### 3. Property Details

#### (1) KALEIDO Shibuya Miyamasuzaka

Property Name		KALEIDO Shibuya Miyamasuzaka				
Type of Specified Asset		Trust beneficiary interest in real estate				
Trustee Trust Period		Mitsubishi UFJ Trust and Banking Corporation From October 31, 2003 to July 31, 2023				
Location	Registered	Land 1-12-4, Shibuya, Shibuya-ku, Tokyo				
		Building 1-12-4, Shibuya, Shibuya-ku, Tokyo				
	Residential	1-12-1, Shibuya, Shibuya-ku, Tokyo				
Access		Approximately a one-minute walk from Shibuya Station, Tokyu Toyoko and Den-en-toshi Lines, and Tokyo Metro Ginza, Hanzomon and Fukutoshin Lines Approximately a three-minute walk from Shibuya Station, JR Lines				
Use		Retail and parking				
Area Classification		Commercial district				
Site/Floor Area (Registered)	Land	821.65 m <sup>2</sup>				
	Building	4,475.10 m <sup>2</sup>				
Structure (Registered)		S/RC B4/6F				
Completion Date (Registered)		January 1992				
Design Company		At time of new construction: K.K. Fukui & Kusumi Kenchiku Sekkei Jimusho At time of change of use: ZENIYA Co., Ltd.				
Construction Company		At time of new construction: Shimizu Corporation At time of change of use: Kumagai Gumi Co., Ltd., and K&E Corporation				
Inspection Authority		At time of new construction: Tokyo Metropolitan Government At time of change of use: Shibuya Municipal Government				
Earthquake Resistance		PML (Probable Maximum Loss) of 4.4% is based on an earthquake risk assessment report prepared by Engineering & Risk Services Corporation. PML refers to the expected damages caused by earthquakes. Although there is no single authoritative definition of PML, it refers to the percentage of expected damages caused by a small-to large-scale earthquake that may happen within the next 475 years to the replacement value. Calculations also include data relating to individual property surveys, assessment of building conditions, conformity to architectural design, ground condition of the relevant site, surveys of local areas and structural evaluation.				
Type of Ownership		Land Proprietary ownership				
		Building Proprietary ownership				
Current Owner		G.K. OMCE Kaihatsu				
Planned Acquisition Price		¥5,150 million				
Appraisal Value (Appraisal Method)		¥5,280 million (Capitalization method as of the appraisal date of May 31, 2013)				
		Appraiser: Japan Valuers Co., Ltd.				
Building Assessment Reporter		Engineering & Risk Services Corporation				
Date of Building Assessment Report		June 7, 2013				
Property Management Company		Tokyu Community Corporation				
Security/Guarantee		None				
Special Items		None				
Tenant Details	Total Number of Tenants	8				
	Major Tenants	K.K. Bagus, Apex, Inc., and Monteroza Co., Ltd.				
	Total Rental Income	¥363 million a year				
	Lease Deposits and Guarantee Deposits	¥216 million				
	Estimated NOI	¥267 million a year				
	Total Leased Area	3,399.30 m <sup>2</sup>				
	Total Rentable Area	3,399.30 m <sup>2</sup>				
	Occupancy Rate	100%				
	Occupancy Rates over the Last Five Years	As of June 30, 2009	As of June 30, 2010	As of June 30, 2011	As of June 30, 2012	As of June 30, 2013

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		87.2%	100%	100%	100%	100%
<p>*The total number of tenants, major tenants, total rental income and occupancy rate are based on projections as of the scheduled acquisition date (August 16, 2013).</p> <p>*Estimated NOI is the estimated annual figure exclusive of special items of the acquisition fiscal year (not the forecast figure for the current fiscal period) and is based on the following assumptions.</p> <p>1) Total rental income is the projected figure of total income generated from the Property.</p> <p>2) Property-related taxes are projected to be the same amount as the fiscal 2013 assessment amount.</p> <p>3) Repairs and maintenance expenses are calculated based on expenses estimated for the next one-year period.</p>						

## (2) Shibuya R Sankei Building

Property Name		Shibuya R Sankei Building				
Type of Specified Asset		Real estate				
Location	Registered	Land	3-10-2, 10-3, 10-4, 10-5, 10-15, 10-19, 10-20, 10-22, Shibuya, Shibuya-ku, Tokyo			
		Building	3-10-19, 10-20, 10-22, 10-2, 10-3, 10-4, 10-5, 10-15, Shibuya, Shibuya-ku, Tokyo			
	Residential	3-10-13, Shibuya, Shibuya-ku, Tokyo				
Access		Approximately a two-minute walk from Shibuya Station, JR Lines Approximately a four-minute walk from Shibuya Station, Tokyu Toyoko and Den-en-toshi Lines, and Tokyo Metro Ginza, Hanzomon and Fukutoshin Lines				
Use		Office, retail and parking				
Area Classification		Commercial district				
Site/Floor Area (Registered)		Land	1,077.45 m <sup>2</sup>	*Including other compartmentalized owners' ownership portion.		
		Building	7,289.38 m <sup>2</sup>	*Including other compartmentalized owners' ownership portion. *Including parking (41.18 m <sup>2</sup> ).		
Structure (Registered)		SRC B1/9F (Parking: S 1F)				
Completion Date (Registered)		March 1990				
Design Company		At time of new construction / extension: The Sankei Building Co., Ltd. At time of extension / change of use: Tokyu Construction Co., Ltd.				
Construction Company		At time of new construction / extension: Consortium of Tokyu Construction Corporation and Kitano Construction Corporation At time of extension / change of use: Tokyu Construction Co., Ltd., and The SANKEI BLDG TECHNO Co., Ltd.				
Inspection Authority		At time of new construction / extension: Tokyo Metropolitan Government At time of extension / change of use: Tokyo Metropolitan Town Creation Center for Disaster Prevention and Construction				
Earthquake Resistance		PML (Probable Maximum Loss) of 5.9% is based on an earthquake risk assessment report prepared by Engineering & Risk Services Corporation. PML refers to the expected damages caused by earthquakes. Although there is no single authoritative definition of PML, it refers to the percentage of expected damages caused by a small-to large-scale earthquake that may happen within the next 475 years to the replacement value. Calculations also include data relating to individual property surveys, assessment of building conditions, conformity to architectural design, general condition of the relevant site, surveys of local areas and structural evaluation.				
Type of Ownership *Refer to Attachment 6 for details		Land	Proprietary ownership (Partial ownership): 819.41 m <sup>2</sup>			
		Building	Compartmentalized ownership, and co-ownership of compartmentalized ownership (Parking: Partial ownership) Sole exclusive ownership area total: 3,882.86 m <sup>2</sup> Co-ownership area total: 666.78 m <sup>2</sup> *Including other co-owners' interest. *Including parking (41.18 m <sup>2</sup> ).			
Current Owner		The Sankei Building Co., Ltd.				
Planned Acquisition Price		¥5,270 million				
Appraisal Value (Appraisal Method)		¥5,430 million (Capitalization method as of the appraisal date of May 31, 2013)				
		Appraiser: Japan Valuers Co., Ltd.				
Building Assessment Reporter		Takenaka Corporation				
Date of Building Assessment Report		June 26, 2013				
Property Management Company		Tokyu Corporation				

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Security/Guarantee	None				
Special Items	<ul style="list-style-type: none"> <li>• The Building is a building under compartmentalized ownership. Concerning the site, which has been divided into several parcels, the current owner and other compartmentalized owners each solely own rights to use the site (so-called partial ownership). However, the compartmentalized ownership bylaws prohibit disposition separate from one's exclusive ownership portion and one's rights to use the site.</li> <li>• Concerning the site of the Building, the compartmentalized ownership bylaws provide to the effect that the current owner and other compartmentalized owners can use, free of charge, each other's land within the scope of their respective exclusive ownership portion and interest in common-use portion.</li> <li>• The current owner leases from other compartmentalized owners of the Building a part of their exclusive ownership portion and the exclusive ownership portion co-owned with the concerned compartmentalized owners (the current owner pays lease deposits for such) and leases that out to tenants combined with the Building (subleasing for other compartmentalized owners' exclusive ownership portion, etc.). In the acquisition of the Property, TOKYU REIT has agreed with the current owner to succeed such position of the current owner.</li> <li>• The compartmentalized ownership bylaws provide to the effect that, when the compartmentalized owners of the Property are to transfer each compartmentalized ownership, they shall mutually preferentially make a transfer offer.</li> </ul>				
Tenant Details	Total Number of Tenants	12			
	Major Tenants	K.K. Japan Distribution System, The Gibraltar Life Insurance Co., Ltd., and J-COM Holdings Co., Ltd.			
	Total Rental Income	¥421 million a year			
	Lease Deposits and Guarantee Deposits	¥289 million			
	Estimated NOI	¥268 million a year			
	Total Leased Area	5,246.68 m <sup>2</sup>			
	Total Rentable Area	5,246.68 m <sup>2</sup>			
	Occupancy Rate	100%			
	Occupancy Rates over the Last Five Years	As of June 30, 2009	As of June 30, 2010	As of June 30, 2011	As of June 30, 2012
	94.5%	94.5%	100%	87.7%	100%
<p>*The total number of tenants, major tenants, total rental income and occupancy rate are based on projections as of the scheduled acquisition date (August 16, 2013).</p> <p>*Estimated NOI is the estimated annual figure exclusive of special items of the acquisition fiscal year (not the forecast figure for the current fiscal period) and is based on the following assumptions.</p> <ol style="list-style-type: none"> <li>1) Total rental income is the projected figure of total income generated from the Property.</li> <li>2) Property-related taxes are projected to be the same amount as the fiscal 2013 assessment amount.</li> <li>3) Repairs and maintenance expenses are calculated based on expenses estimated for the next one-year period.</li> <li>4) A notice of cancellation has been received from one tenant and that tenant is scheduled to move out on September 14, 2013. The calculation assumes no refilling of the resulting vacancy (occupancy rate after the tenant moves out: 93.2%).</li> </ol>					

### (3) Tokyu Toranomon Building

Property Name	Tokyu Toranomon Building				
Type of Specified Asset	Real estate				
Location	Registered	Land	1-216-2, 217-1, 217-2, 217-3, 217-4, 220-2, 220-5, 220-6, 220-7, 220-8, 220-9, 220-11, 220-13, 220-14, 220-15, Toranomon, Minato-ku, Tokyo		
		Building	1-216-2, 217-1, 217-2, 217-3, 217-4, 220-2, 220-5, 220-6, 220-7, 220-9, 220-11, 220-13, 220-14, 220-15, Toranomon, Minato-ku, Tokyo		
	Residential	1-21-19, Toranomon, Minato-ku, Tokyo			
Access	Approximately a three-minute walk from Toranomon Station, Tokyo Metro Ginza Line Approximately a seven-minute walk from Kasumigaseki Station, Tokyo Metro Chiyoda and Hibiya Lines Approximately an eight-minute walk from Kamiyacho Station, Tokyo Metro Hibiya Line Approximately a nine-minute walk from Kasumigaseki Station, Tokyo Metro Marunouchi Line				
Use	Office, retail and parking				
Area Classification	Commercial district				
Site/Floor Area (Registered)	Land	1,764.92 m <sup>2</sup>			

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	Building	11,983.09 m <sup>2</sup>			
Structure (Registered)	S 10F				
Completion Date (Registered)	April 2010				
Design Company	Tokyu Architects & Engineers Inc.				
Construction Company	Tokyu Construction Co., Ltd.				
Inspection Authority	The Building Center of Japan				
Earthquake Resistance	PML (Probable Maximum Loss) of 5.4% is based on an earthquake risk assessment report prepared by Engineering & Risk Services Corporation. PML refers to the expected damages caused by earthquakes. Although there is no single authoritative definition of PML, it refers to the percentage of expected damages caused by a small-to large-scale earthquake that may happen within the next 475 years to the replacement value. Calculations also include data relating to individual property surveys, assessment of building conditions, conformity to architectural design, ground condition of the relevant site, surveys of local areas and structural evaluation.				
Type of Ownership	Land	Proprietary ownership			
	Building	Proprietary ownership			
Current Owner	Tokyu Corporation				
Planned Acquisition Price	¥15,000 million				
Appraisal Value (Appraisal Method)	¥15,100 million (Capitalization method as of the appraisal date of May 31, 2013)				
	Appraiser: Japan Real Estate Institute				
Building Assessment Reporter	Engineering & Risk Services Corporation				
Date of Building Assessment Report	May 27, 2013				
Property Management Company	Tokyu Corporation				
Security/Guarantee	None				
Special Items	<ul style="list-style-type: none"> <li>In 1946, a city planning decision was made to the effect that the road facing the west side of the Land will be widened from the boundary as of the date of this document toward the Land side. Therefore, building restrictions pursuant to the City Planning Act (Act No. 100 of 1968, including amendments thereto) ("City Planning Act") apply to the concerned portion (about 26.76 m<sup>2</sup>). The Building has been constructed in a form that can respond in the event that a project does become decided (specific timing, etc. of project decision have not been made as of the date of this document).</li> </ul>				
Tenant Details	Total Number of Tenants	4			
	Major Tenants	Vendor Service Co., Ltd., NTT DATA Corporation, and exsa Corporation			
	Total Rental Income	¥789 million a year			
	Lease Deposits and Guarantee Deposits	¥628 million			
	Estimated NOI	¥600 million a year			
	Total Leased Area	9,016.59 m <sup>2</sup>			
	Total Rentable Area	9,016.59 m <sup>2</sup>			
	Occupancy Rate	100%			
	Occupancy Rates over the Last Five Years	As of June 30, 2009	As of June 30, 2010	As of June 30, 2011	As of June 30, 2012
	—	1.7%	100%	100%	100%
<p>*The total number of tenants, major tenants, total rental income and occupancy rate are based on projections as of the scheduled acquisition date (August 16, 2013).</p> <p>*Estimated NOI is the estimated annual figure exclusive of special items of the acquisition fiscal year (not the forecast figure for the current fiscal period) and is based on the following assumptions.</p> <ol style="list-style-type: none"> <li>Total rental income is the projected figure of total income generated from the Property.</li> <li>Property-related taxes are projected to be the same amount as the fiscal 2013 assessment amount.</li> <li>Repairs and maintenance expenses are calculated based on expenses estimated for the next one-year period.</li> </ol>					

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4. Seller Profile

(1) KALEIDO Shibuya Miyamasuzaka

Company Name	G.K. OMCE Kaihatsu
Head Office Address	1-9-13, Nihonbashi Honcho, Chuo-ku, Tokyo
Representative	General Incorporated Association OMCE
Capital	¥100,000
Business Activities	1. Acquisition, holding and disposal of real estate 2. Leasing and management of real estate 3. Acquisition, holding and disposal of trust beneficiary interests in real estate 4. Other business incidental or related to the above items
Foundation Date	April 6, 2007
Net Assets of the Previous Business Year	Disclosure is omitted
Total Assets of the Previous Business Year	Disclosure is omitted
Relationship between the Investment Corporation or its Investment Management Company and the Company	
Capital Relationship	There is no capital relationship to state between TOKYU REIT or its investment management company and the Company. In addition, there is no capital relationship to note between the affiliated persons or affiliated companies of TOKYU REIT or its investment management company and the affiliated persons or affiliated companies of the Company.
Personnel Relationship	There is no personnel relationship to state between TOKYU REIT or its investment management company and the Company. In addition, there is no personnel relationship to note between the affiliated persons or affiliated companies of TOKYU REIT or its investment management company and the affiliated persons or affiliated companies of the Company.
Business Relationship	There is no business relationship to state between TOKYU REIT or its investment management company and the Company. In addition, there is no business relationship to note between the affiliated persons or affiliated companies of TOKYU REIT or its investment management company and the affiliated persons or affiliated companies of the Company.
Status of Classification as Related Party	The Company does not fall under the category of related party of TOKYU REIT or its investment management company. In addition, the affiliated persons or affiliated companies of the Company do not fall under the category of related party of TOKYU REIT or its investment management company.

\* Omitted because consent for the disclosure of “Net Assets of the Previous Business Year” and “Total Assets of the Previous Business Year” has not been received from the Company.

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## (2) Shibuya R Sankei Building

Company Name	The Sankei Building Co., Ltd.
Head Office Address	1-7-2, Otemachi, Chiyoda-ku, Tokyo
Representative	Kazunobu Iijima, President
Capital	¥14,120 million
Business Activities	<ol style="list-style-type: none"> <li>1. Leasing of real estate</li> <li>2. Transaction of real estate</li> <li>3. Design, supervision and contracting of civil engineering and construction work</li> <li>4. Management and appraisal of real estate</li> <li>5. Management, planning and operation of fee-based homes for the elderly, etc., and provision of long-term care services</li> <li>6. Planning and production of plays, movies and other events, and management of rental venues</li> <li>7. Management of restaurants</li> <li>8. General leasing, and buying/selling of art objects and brokerage/mediation of art objects</li> <li>9. Investment, as well as buying/selling, brokerage and management of investment interests, in tokutei mokuteki kaisha, special purpose companies (companies as defined in the Ordinance on Terminology, Forms, and Preparation Methods of Financial Statements, etc.) and real estate investment trusts</li> <li>10. Any business incidental or related to the above items</li> </ol>
Foundation Date	June 11, 1951
Net Assets of the Previous Business Year	¥59,094 million (as of March 31, 2013)
Total Assets of the Previous Business Year	¥190,741 million (as of March 31, 2013)
Relationship between the Investment Corporation or its Investment Management Company and the Company	
Capital Relationship	There is no capital relationship to state between TOKYU REIT or its investment management company and the Company. In addition, there is no capital relationship to note between the affiliated persons or affiliated companies of TOKYU REIT or its investment management company and the affiliated persons or affiliated companies of the Company.
Personnel Relationship	There is no personnel relationship to state between TOKYU REIT or its investment management company and the Company. In addition, there is no personnel relationship to note between the affiliated persons or affiliated companies of TOKYU REIT or its investment management company and the affiliated persons or affiliated companies of the Company.
Business Relationship	There is no business relationship to state between TOKYU REIT or its investment management company and the Company. In addition, there is no business relationship to note between the affiliated persons or affiliated companies of TOKYU REIT or its investment management company and the affiliated persons or affiliated companies of the Company.
Status of Classification as Related Party	The Company does not fall under the category of related party of TOKYU REIT or its investment management company. In addition, the affiliated persons or affiliated companies of the Company do not fall under the category of related party of TOKYU REIT or its investment management company.

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## (3) Tokyu Toranomom Building

Company Name	Tokyu Corporation
Head Office Address	5-6, Namepidai-cho, Shibuya-ku, Tokyo
Representative	Hirofumi Nomoto, President & Representative Director
Capital	¥121,724 million (as of March 31, 2013)
Business Activities	Railway business and real estate business
Foundation Date	September 2, 1922
Net Assets of the Previous Business Year	¥499,545 million (as of March 31, 2013)
Total Assets of the Previous Business Year	¥1,964,476 million (as of March 31, 2013)
Relationship between the Investment Corporation or its Investment Management Company and the Company	
Capital Relationship	As of the last day of January 2013, the Company holds TOKYU REIT investment units (5.78% of the number of investment units issued and outstanding). In addition, the Company is the parent company (100% stake) of the investment management company, and falls under the category of interested person, etc. as defined in the Law Concerning Investment Trust and Investment Corporation ("Investment Trust Law") and the Order for Enforcement of the Investment Trust Law.
Personnel Relationship	The Company falls under the category of company from which officers/employees of the investment management company are seconded.
Business Relationship	The Company falls under the category of property management company of TOKYU REIT, and lessee, etc. of real estate held by TOKYU REIT.
Status of Classification as Related Party	The Company falls under the category of interested person, etc. as defined in the Investment Trust Law and the Order for Enforcement of the Investment Trust Law.

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5. Status of Property Acquirers, etc.

(1) KALEIDO Shibuya Miyamasuzaka

The Property is not an acquisition from a party that has particular vested interest in TOKYU REIT or its investment management company.

(2) Shibuya R Sankei Building

The Property is not an acquisition from a party that has particular vested interest in TOKYU REIT or its investment management company.

(3) Tokyu Toranomom Building

	Current Owner	Previous Owner
Name	Tokyu Corporation	No previous owner because the Property was a development project.
Relationship with Party that has Particular Vested Interest	Please refer to “4. Seller Profile; (3) Tokyu Toranomom Building; Relationship between the Investment Corporation or its Investment Management Company and the Company” above.	
Acquisition Process, Rationale, etc.	Investment management purpose	
Acquisition Price	Details omitted because the Property was a development project and there was no previous owner.	
Acquisition Date	Dec. 2005: Acquisition of land and building Nov. 2008: Acquisition of land Apr. 2010: Construction completion of the Property	

6. Transactions with Interested Persons, etc.

(1) KALEIDO Shibuya Miyamasuzaka

(i) Execution of Property Management Agreement

Tokyu Community Corporation, the company to which TOKYU REIT is to outsource property management services of KALEIDO Shibuya Miyamasuzaka, falls under the category of interested person, etc. of TOKYU REIT. Accordingly, in the execution of the property management agreement, TOKYU REIT implemented procedures in accordance with its self-imposed rules for preventing conflicts of interest upon entering into the property management agreement with acquisition of the Property by TOKYU REIT as a condition precedent. Concerning the fees for the property management services, TOKYU REIT has received an opinion report from Urban Research Institute Corporation stating that, upon a comparison with the range set by other investment corporations, etc. listed on the Tokyo Stock Exchange, the fees are within the standard range.

(ii) Purchase Backup in Purchase Agreement

In order to avoid the risk of incurrance of penalty charges in the event that TOKYU REIT does not acquire KALEIDO Shibuya Miyamasuzaka because of inability to procure the funds required for the acquisition costs due to suspension, etc. of the issuance of new investment units and the secondary distribution of investment units for which resolution was adopted today, there is an agreement to the effect that Tokyu Corporation shall acquire KALEIDO Shibuya Miyamasuzaka by Tokyu Corporation succeeding TOKYU REIT's position as buyer in the event that penalty charges do apply. The purchase backup is conducted as part of sponsor collaboration and there is no payment of charges or other fees to Tokyu Corporation by TOKYU REIT in the purchase backup agreement.

(2) Shibuya R Sankei Building

(i) Execution of Property Management Agreement

Tokyu Corporation, the company to which TOKYU REIT is to outsource property management services of Shibuya R Sankei Building, falls under the category of interested person, etc. of TOKYU REIT. Accordingly, in the execution of the property management agreement, TOKYU REIT implemented procedures in accordance with its self-imposed rules for preventing conflicts of interest upon entering into the property management agreement with acquisition of the Property by TOKYU REIT as a condition precedent. Concerning the fees for the property management services, TOKYU REIT has received an opinion report from Urban Research Institute Corporation stating that, upon a comparison with the range set by other investment corporations, etc. listed on the Tokyo Stock Exchange, the fees are within the standard range.

(ii) Execution of General Brokerage Agreement

Tokyu Corporation, the broker of Shibuya R Sankei Building, falls under the category of interested person, etc. of TOKYU REIT. Accordingly, in the execution of the general brokerage agreement, TOKYU REIT

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implemented procedures in accordance with its self-imposed rules for preventing conflicts of interest upon entering into the agreement. Furthermore, in the event that TOKYU REIT does not acquire Shibuya R Sankei Building because of inability to procure funds due to suspension, etc. of the issuance of new investment units and the secondary distribution of investment units announced today, there will obviously be no payment of brokerage fees.

(iii) Agreement on Purchase Backup in Purchase Agreement

In order to avoid the risk of incurrence of penalty charges in the event that TOKYU REIT does not acquire Shibuya R Sankei Building because of inability to procure the funds required for the acquisition costs due to suspension, etc. of the issuance of new investment units and the secondary distribution of investment units for which resolution was adopted today, there is an agreement to the effect that Tokyu Corporation shall acquire Shibuya R Sankei Building by Tokyu Corporation succeeding TOKYU REIT's position as buyer in the event that penalty charges do apply. The purchase backup is conducted as part of sponsor collaboration and there is no payment of charges or other fees to Tokyu Corporation by TOKYU REIT in the purchase backup agreement.

(3) Tokyu Toranomom Building

(i) Execution of Purchase Agreement

Tokyu Corporation, the seller of Tokyu Toranomom Building, falls under the category of interested person, etc. of TOKYU REIT. Accordingly, TOKYU REIT implemented procedures in accordance with its self-imposed rules for preventing conflicts of interest upon acquisition at no more than the property appraisal value. Furthermore, TOKYU REIT has received a second opinion report from Japan Valuers Co., Ltd. stating that the value and valuation process for the subject property was generally adequate.

(ii) Execution of Lease Agreement

Concerning the 1F retail portion for which a notice of cancellation has been received, TOKYU REIT has entered into a fixed-term building lease agreement subject to a condition precedent with Tokyu Corporation with the period until August 31, 2014 as the lease period and acquisition of the Property by TOKYU REIT as a condition precedent. Furthermore, the terms and conditions of the fixed-term building lease agreement were decided after obtaining approval at a meeting of TOKYU REIT's Board of Directors in accordance with its self-imposed rules for preventing conflicts of interest. Tokyu Corporation falls under the category of interested person, etc. of TOKYU REIT. Accordingly, in the execution of the agreement, TOKYU REIT implemented procedures in accordance with its self-imposed rules for preventing conflicts of interest. The lease agreement is a master lease agreement in which TOKYU REIT leases the concerned compartment to a lessee and the lessee subleases to a sublessee with December 3, 2013 to August 31, 2014 as the lease period.

(iii) Execution of Property Management Agreement

Tokyu Corporation, the company to which TOKYU REIT is to outsource property management services of Tokyu Toranomom Building, falls under the category of interested person, etc. of TOKYU REIT. Accordingly, in the execution of the property management agreement, TOKYU REIT implemented procedures in accordance with its self-imposed rules for preventing conflicts of interest upon entering into the property management agreement with acquisition of the Property by TOKYU REIT as a condition precedent. Concerning the fees for the property management services, TOKYU REIT has received an opinion report from Urban Research Institute Corporation stating that, upon a comparison with the range set by other investment corporations, etc. listed on the Tokyo Stock Exchange, the fees are within the standard range.

Implementation of multiple checks in accordance with rules for preventing conflicts of interest and the results above served as the basis for the transactions with interested persons, etc. above being approved at a meeting of TOKYU REIT's Board of Directors.

Furthermore, of these transactions, execution of the property management agreement for all properties, execution of the general brokerage agreement for Shibuya R Sankei Building and execution of the purchase agreement for Tokyu Toranomom Building were verified by an audit firm other than TOKYU REIT's independent auditor in accordance with rules for preventing conflicts of interest for compliance with the procedures prescribed in the rules for preventing conflicts of interest that apply to the transactions.

7. Brokerage

(1) KALEIDO Shibuya Miyamasuzaka

No brokerage transaction will be undertaken for this acquisition.

(2) Shibuya R Sankei Building

- |                           |  |
|---------------------------|--|
| (i) Broker:               | Tokyu Corporation                                    |
| (ii) Location:            | 5-6, Nampeidai-cho, Shibuya-ku, Tokyo                |
| (iii) Representative:     | Hirofumi Nomoto, President & Representative Director |
| (iv) Business Activities: | Railway business and real estate business            |
| (v) Capital:              | ¥121,724 million (as of March 31, 2013)              |

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(vi) Foundation Date: September 2, 1922

(vii) Relationship with TOKYU REIT or its Investment Management Company

Capital Relationship	As of the last day of January 2013, the Company holds TOKYU REIT investment units (5.78% of the number of investment units issued and outstanding). In addition, the Company is the parent company (100% stake) of the investment management company, and falls under the category of interested person, etc. as defined in the Law Concerning Investment Trust and Investment Corporation (“Investment Trust Law”) and the Order for Enforcement of the Investment Trust Law.
Personnel Relationship	The Company falls under the category of company from which officers/employees of the investment management company are seconded.
Business Relationship	The Company falls under the category of property management company of TOKYU REIT, and lessee, etc. of real estate held by TOKYU REIT.
Status of Classification as Related Party	The Company falls under the category of interested person, etc. as defined in the Investment Trust Law and the Order for Enforcement of the Investment Trust Law.

(viii) Brokerage Charges: ¥94,860,000

(excluding consumption tax, etc.) (1.8% of planned acquisition price)

(3) Tokyu Toranomom Building

No brokerage transaction will be undertaken for this acquisition.

8. Acquisition Schedule (planned)

Property Name	Date of Execution of Purchase Agreement	Date of Execution of Property Management Agreement	Date of Payment of Acquisition Costs and Date of Property Delivery
KALEIDO Shibuya Miyamasuzaka	July 26, 2013		August 16, 2013
Shibuya R Sankei Building			
Tokyu Toranomom Building			

9. Settlement Method

Lump-sum payment on date of payment of acquisition costs

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## 10. Financing Details

TOKYU REIT will fund the acquisition using proceeds from issuance of new investment units, debt financing and cash on hand. Please refer to the “Notice Concerning Issuance of New Investment Units and Secondary Distribution of Investment Units” announced today for details.

## 11. Outlook

Please refer to the “Notice Concerning Revision to Distribution Forecast and Expected Operating Condition for the Twenty-First Fiscal Period (Ending January 31, 2014) and Distribution Forecast and Expected Operating Condition for the Twenty-Second Fiscal Period (Ending July 31, 2014)” announced today for the expected operating condition for the Twenty-First fiscal period and Twenty-Second fiscal period that reflects the impact of the acquisition of the three properties planned to be acquired.

## Attachments

1. Property appraisal summary (KALEIDO Shibuya Miyamasuzaka, Shibuya R Sankei Building and Tokyu Toranomom Building)
2. Second opinion summary (Tokyu Toranomom Building)
3. Property portfolio after acquisition (as of August 16, 2013)
4. Photograph (KALEIDO Shibuya Miyamasuzaka, Shibuya R Sankei Building and Tokyu Toranomom Building)
5. Location map (KALEIDO Shibuya Miyamasuzaka, Shibuya R Sankei Building and Tokyu Toranomom Building)
6. Facility overview (KALEIDO Shibuya Miyamasuzaka and Shibuya R Sankei Building)
7. Portfolio before/after acquisition

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## Attachment 1

**Property Appraisal Summary (KALEIDO Shibuya Miyamasuzaka)**

(JPY in thousands)

Property Name: KALEIDO Shibuya Miyamasuzaka	Estimation	Notes
Appraisal Firm	Japan Valuers Co., Ltd.	-
Appraisal Value	5,280,000	Applied value indicated by DCF method
Effective Date of Value	31-May-2013	-
Value Indicated by Income Approach	5,280,000	-
Value Indicated by Direct Capitalization Method	5,610,000	-
(1) Operating Revenue	351,019	-
(i) Potential Gross Income	358,785	Assessed income amount based on current and future agreement terms and conditions
(ii) Vacancy Loss	7,766	Assessed based on leasing situation and market vacancy rate
(2) Operating Expenses	97,869	-
(iii) Management/Repairs/PM Fee, etc.	78,989	Assessed based on actual amount and planned amount for the future, etc.
(iv) Property Taxes / Property Insurance	18,881	Property taxes based on actual amount and insurance based on assessment
(3) Net Operating Income	253,150	-
(4) Investment Profits from Refundable Deposits	2,123	Assessed at investment yield of 1% based on actual amount of refundable deposits
(5) Capital Expenditure	8,493	Applied 15-year average renewal costs in the engineering report
(6) Net Cash Flow	246,780	-
(7) Overall Capitalization Rate	4.40%	Assessed using market cap rate, etc. as reference
Value Indicated by DCF Method	5,280,000	-
Discount Rate	4.40%	-
Terminal Capitalization Rate	4.70%	-
Value Indicated by Cost Approach	3,200,000	-
Ratio of Land Value	83.2%	-
Ratio of Building Value	16.8%	-
Reconciliation before Arriving at the Value Conclusion	The appraisal value was determined by taking into consideration such factors as the subject property being a retail building that is relatively close to Shibuya Station, income that can be generated based on current and future lease terms and conditions, condition of building and other maintenance and management, degree of market competitiveness from location conditions, etc.	

The above appraisal value conclusion is a value opinion as of the effective date of value, indicated by the licensed real estate appraiser in conformity with the Japanese Real Estate Appraisal Act and Real Estate Appraisal Standards. A reappraisal of the same property could result in another value if it were carried out either by a different appraiser, with different methods, or at a different time. This appraisal does not guarantee or assure, at present or in the future, any sales transactions at the concluded value.

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## Property Appraisal Summary (Shibuya R Sankei Building)

(JPY in thousands)

Property Name: Shibuya R Sankei Building	Estimation	Notes
Appraisal Firm	Japan Valuers Co., Ltd.	-
Appraisal Value	5,430,000	Applied value indicated by DCF method
Effective Date of Value	31-May-2013	-
Value Indicated by Income Approach	5,430,000	-
Value Indicated by Direct Capitalization Method	5,600,000	-
(1) Operating Revenue	429,294	-
(i) Potential Gross Income	451,175	Assessed income amount based on current and future agreement terms and conditions
(ii) Vacancy Loss	21,881	Assessed based on leasing situation and market vacancy rate
(2) Operating Expenses	156,610	-
(iii) Management/Repairs/PM Fee, etc.	122,775	Assessed based on actual amount and planned amount for the future, etc.
(iv) Property Taxes / Property Insurance	33,836	Assessed based on actual amount
(3) Net Operating Income	272,684	-
(4) Investment Profits from Refundable Deposits	1,986	Assessed at investment yield of 1% based on actual amount of refundable deposits
(5) Capital Expenditure	17,004	Assessed based on annual average repair and renewal costs in the engineering report
(6) Net Cash Flow	257,666	-
(7) Overall Capitalization Rate	4.60%	Assessed using market cap rate, etc. as reference
Value Indicated by DCF Method	5,430,000	-
Discount Rate	4.40%	-
Terminal Capitalization Rate	4.90%	-
Value Indicated by Cost Approach	5,140,000	-
Ratio of Land Value	85.9%	-
Ratio of Building Value	14.1%	-
Reconciliation before Arriving at the Value Conclusion	The appraisal value was determined by taking into consideration such factors as the subject property being an office building with retail space situated within walking distance of Shibuya Station and located in an area that has strong lease demand, income that can be generated based on current and future lease terms and conditions, condition of building and other maintenance and management, degree of market competitiveness from location conditions, etc.	

The above appraisal value conclusion is a value opinion as of the effective date of value, indicated by the licensed real estate appraiser in conformity with the Japanese Real Estate Appraisal Act and Real Estate Appraisal Standards. A reappraisal of the same property could result in another value if it were carried out either by a different appraiser, with different methods, or at a different time. This appraisal does not guarantee or assure, at present or in the future, any sales transactions at the concluded value.

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**Property Appraisal Summary (Tokyu Toranomon Building)**

(JPY in thousands)

Property Name: Tokyu Toranomon Building	Estimation	Notes
Appraisal Firm	Japan Real Estate Institute	—
Appraisal Value	15,100,000	—
Effective Date of Value	31-May-2013	—
Value Indicated by Income Approach	15,100,000	—
Value Indicated by Direct Capitalization Method	15,200,000	—
(1) Effective Gross Income ((i)-(ii))	811,918	—
(i) Potential Gross Income	845,397	Assessed stable income amount based on current and future agreement terms and conditions and by taking into consideration new rent level and future trends
(ii) Vacancy Loss and Collection Loss Allowances	33,479	Assessed based on leasing situation and market vacancy rate
(2) Total Expenses ((iii)+(iv)+(v)+(vi))	199,101	—
(iii) Building Maintenance/Utilities/PM Fee, etc.	124,601	Assessed based on past actual amount, etc.
(iv) Property Taxes	72,687	Assessed based on standard taxable value in FY2013
(v) Property Insurance	1,800	Assessed using insurance premium rates of similar properties, etc. as reference
(vi) Other Expenses	13	Assessed based on past actual amount, etc.
(3) Net Operating Income ((1)-(2))	612,817	—
(4) Investment Profits from Refundable Deposits	13,130	—
(5) Capital Expenditure	3,290	Assessed based on building age, annual average of renewal costs in the engineering report, etc.
(6) Net Cash Flow ((3)+(4)-(5))	622,657	—
(7) Overall Capitalization Rate	4.10%	Assessed using market cap rate, etc. as reference
Value Indicated by DCF Method	14,900,000	—
Discount Rate	3.80%	—
Terminal Capitalization Rate	4.20%	—
Value Indicated by Cost Approach	14,400,000	—
Ratio of Land Value	77.8%	—
Ratio of Building Value	22.2%	—
Reconciliation before Arriving at the Value Conclusion	Based on the judgment that the subject property is an office building with retail space located in the Toranomon area that classifies as an investment-grade property and that the value indicated by the income approach, which reflects income-generating potential from also the perspective of principal demanders, would be more credible, the appraisal value was determined by applying the value indicated by the income approach and noting the value indicated by the cost approach as reference.	

The above appraisal value conclusion is a value opinion as of the effective date of value, indicated by the licensed real estate appraiser in conformity with the Japanese Real Estate Appraisal Act and Real Estate Appraisal Standards. A reappraisal of the same property could result in another value if it were carried out either by a different appraiser, with different methods, or at a different time. This appraisal does not guarantee or assure, at present or in the future, any sales transactions at the concluded value.

Note: This press release provides information regarding TOKYU REIT's acquisition of trust beneficiary interest in real estate and real estate and is not provided as an inducement or invitation for investment. We caution readers to refer to TOKYU REIT's Prospectus for the Issuance of New Investment Units and the Secondary Distribution of Investment Units (and amendments thereto) and to undertake investment decisions subject to individual determination.

**Second Opinion Summary (Tokyu Toranomom Building)**

(Summarized Written Statement of Opinion)

Property name	Tokyu Toranomom Building
Item	Opinion Summary
Opinions on the property value	Judged to be appropriate on the whole.
Assumptions and basic matters	Judged to be appropriate.
Highest and best use of the subject property	Judged to be appropriate. The existing use as a high-rise store/office complex was judged to be the highest and best use of the subject property.
Value indicated by the income approach	Judged to be appropriate on the whole.
Value indicated by the cost approach	Judged to be appropriate on the whole.
Reconciliation of the indicated values	Judged to be appropriate.

The above is a summary of the “Written Statement of Opinion” in which Japan Valuers Co., Ltd. verified the propriety of each item of the appraisal report on “Issuance No.: Kensho 10816” issued by Japan Real Estate Institute. Please note that the “Written Statement of Opinion” is not a real estate appraisal provided by the Real Estate Appraisal Law.

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## Attachment 3

## Property Portfolio after Acquisition (as of August 16, 2013)

Use	Property Name	Area	(Scheduled) Acquisition Date	(Planned) Carrying Amount (million yen)	Ratio (%) ((planned) carrying amount basis)	(Planned) Acquisition Price (million yen)	Ratio (%) ((planned) acquisition price basis)
R	QFRONT	Central Tokyo and Tokyu Areas (Shibuya)	September 10, 2003	14,059	6.4	15,100	6.6
R	Lexington Aoyama	Central Tokyo	September 11, 2003	4,743	2.2	4,800	2.1
R	TOKYU REIT Omotesando Square	Central Tokyo and Tokyu Areas	September 10, 2003	5,698	2.6	5,770	2.5
R	Tokyu Saginuma Building	Tokyu Areas	September 10, 2003	6,739	3.1	6,920	3.0
R	Tokyu Saginuma 2 Building	Tokyu Areas	September 11, 2003	1,184	0.5	1,290	0.6
R	TOKYU REIT Shibuya Udagawa-cho Square	Central Tokyo and Tokyu Areas (Shibuya)	March 1, 2004	6,616	3.0	6,600	2.9
R	Beacon Hill Plaza (Ito-Yokado Noukendai Store)	Other	August 3, 2004	8,406	3.8	9,520	4.1
R	cocoti	Central Tokyo and Tokyu Areas (Shibuya)	April 6, 2005 *1 August 2, 2005 *2	23,019	10.5	14,700 9,800	10.7
R	Shonan Mall Fill ( <i>sokochi</i> )	Other	April 28, 2006	7,026	3.2	6,810	3.0
R	CONZE Ebisu	Central Tokyo and Tokyu Areas	October 31, 2006	4,918	2.2	5,116	2.2
R	Daikanyama Forum	Central Tokyo and Tokyu Areas	April 22, 2008	4,124	1.9	4,136	1.8
R	KALEIDO Shibuya Miyamasuzaka	Central Tokyo and Tokyu Areas (Shibuya)	August 16, 2013	5,165	2.4	5,150	2.2
	Subtotal			91,703	41.8	95,712	41.7
O	Setagaya Business Square	Tokyu Areas	September 11, 2003	18,274	8.3	22,400	9.8
O	Tokyu Nampeidai-cho Building	Central Tokyo and Tokyu Areas (Shibuya)	September 11, 2003	4,218	1.9	4,660	2.0
O	Tokyu Sakuragaoka-cho Building	Central Tokyo and Tokyu Areas (Shibuya)	September 11, 2003	6,517	3.0	6,620	2.9
O	Tokyo Nissan Taito Building	Central Tokyo	September 11, 2003	3,820	1.7	4,450	1.9
O	TOKYU REIT Akasaka Hinokicho Building	Central Tokyo	September 10, 2003	3,478	1.6	3,570	1.6
O	TOKYU REIT Kamata Building	Tokyu Areas	September 10, 2003	4,079	1.9	4,720	2.1
O	TOKYU REIT Toranomom Building	Central Tokyo	December 15, 2004 *3 September 21, 2007 *4 September 21, 2007 *5 October 26, 2007 *6	9,988	4.6	8,630 1,100 200 140	4.4
O	TOKYU REIT Hatchobori Building	Central Tokyo	September 29, 2006	6,837	3.1	7,000	3.0
O	Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	Central Tokyo	January 31, 2008	8,178	3.7	8,500	3.7
O	Tokyu Ikejiri-ohashi Building	Tokyu Areas	March 28, 2008	5,465	2.5	5,480	2.4
O	Kojimachi Square	Central Tokyo	March 19, 2010	8,730	4.0	9,030	3.9
O	TOKYU REIT Shinjuku Building	Central Tokyo	March 26, 2010	9,154	4.2	9,000	3.9
O	Akihabara Sanwa Toyo Building	Central Tokyo	October 29, 2010	4,650	2.1	4,600	2.0
O	TOKYU REIT Kiba Building	Other	October 29, 2010	3,993	1.8	4,000	1.7
O	Tokyu Ginza 2-chome Building	Central Tokyo	February 15, 2011	4,926	2.2	5,010	2.2
O	OKI System Center ( <i>sokochi</i> )	Other	March 27, 2013	4,772	2.2	4,530	2.0
O	Shibuya R Sankei Building	Central Tokyo and Tokyu Areas (Shibuya)	August 16, 2013	5,429	2.5	5,270	2.3
O	Tokyu Toranomom Building	Central Tokyo	August 16, 2013	15,156	6.9	15,000	6.5
	Subtotal			127,674	58.2	133,910	58.3
	Total			219,378	100.0	229,622	100.0

\*1 Details of the 60% portion of trust beneficiary interests acquired under co-ownership.

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- \*2 Details of the 40% portion of trust beneficiary interests acquired under co-ownership.
- \*3 Floor area: 9,688.59 m<sup>2</sup>; Interest of site rights: 73,585/100,000
- \*4 Floor area: 865.14 m<sup>2</sup>; Interest of site rights: 8,579/100,000
- \*5 Floor area: 139.93 m<sup>2</sup>; Interest of site rights: 1,322/100,000
- \*6 Floor area: 93.93 m<sup>2</sup>; Interest of site rights: 1,166/100,000
- \*7 Ratio is rounded to one decimal place. Accordingly, the subtotal and total may not exactly match the sum of relevant items.
- \*8 (Planned) Acquisition price is the acquisition price identified in the purchase agreement for each relevant property at the time of acquisition (excluding acquisition-related costs, property tax, city planning tax, consumption tax, etc.).
- \*9 The PML for the entire portfolio above based on earthquake risk assessment reports prepared by Engineering & Risk Services Corporation is 4.2%.
- \*10 (Planned) Carrying amount for the 26 acquired properties, with the exception of OKI System Center (*sokochi*), is the figure as at the end of January 2013. Concerning OKI System Center (*sokochi*) and the three to-be-acquired properties, appraisal value is the appraisal value at the time of acquisition and (planned) carrying amount is calculated by the following calculation.  
 OKI System Center (*sokochi*): Acquisition price in the amount of ¥4,530 million, plus acquisition-associated costs in the amount of ¥242 million, to total ¥4,772 million  
 KALEIDO Shibuya Miyamasuzaka: Planned acquisition price in the amount of ¥5,150 million, plus property-related taxes in the amount of ¥7 million and due diligence and other related costs in the amount of ¥8 million, to total ¥5,165 million  
 Shibuya R Sankei Building: Planned acquisition price in the amount of ¥5,270 million, plus property-related taxes in the amount of ¥57 million, due diligence and other related costs in the amount of ¥7 million and brokerage charges in the amount of ¥94 million, to total ¥5,429 million  
 Tokyu Toranomom Building: Planned acquisition price in the amount of ¥15,000 million, plus property-related taxes in the amount of ¥147 million and due diligence and other related costs in the amount of ¥8 million, to total ¥15,156 million  
 The figures above are estimates and the projected amounts as of the date of this document. In addition, there may be cases of asset capitalization of acquisition-associated costs other than the above. Accordingly, the figures above may not necessarily match the actual figures.

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Photograph of KALEIDO Shibuya Miyamasuzaka



Photograph of Shibuya R Sankei Building



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**Photograph of Tokyu Toranomom Building**



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**Location Map of KALEIDO Shibuya Miyamasuzaka**



Location	:	1-12-1, Shibuya, Shibuya-ku, Tokyo
Nearest Station	:	Approximately a one-minute walk from Shibuya Station on the Tokyu Toyoko and Den-en-toshi Lines, and Tokyo Metro Ginza, Hanzomon and Fukutoshin Lines Approximately a three-minute walk from Shibuya Station on the JR Lines
Total Land Area	:	821.65 m <sup>2</sup> (registered)
Total Floor Area	:	4,475.10 m <sup>2</sup> (registered)
Structure	:	S/RC B4/6F
Completion	:	January 1992
Type of Ownership	:	Land: Proprietary ownership Building: Proprietary ownership
Major Tenants	:	K.K. Bagus Apex, Inc. Monterozza Co., Ltd.

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**Location Map of Shibuya R Sankei Building**



Location	:	3-10-13, Shibuya, Shibuya-ku, Tokyo
Nearest Station	:	Approximately a two-minute walk from Shibuya Station on the JR Lines Approximately a four-minute walk from Shibuya Station on the Tokyu Toyoko and Den-en-toshi Lines, and Tokyo Metro Ginza, Hanzomon and Fukutoshin Lines
Total Land Area	:	1,077.45 m <sup>2</sup> (registered) *Including other compartmentalized owners' ownership portion.
Total Floor Area	:	7,289.38 m <sup>2</sup> (registered) *Including other compartmentalized owners' ownership portion. *Including parking (41.18 m <sup>2</sup> ).
Structure	:	SRC B1/9F (Parking: S 1F)
Completion	:	March 1990
Type of Ownership	:	Land: Proprietary ownership (Partial ownership) Building: Compartmentalized ownership, and co-ownership of compartmentalized ownership (Parking: Partial ownership)
Major Tenants	:	K.K. Japan Distribution System The Gibraltar Life Insurance Co., Ltd. J-COM Holdings Co., Ltd.

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**Location Map of Tokyu Toranomon Building**



Location	: 1-21-19, Toranomon, Minato-ku, Tokyo
Nearest Station	: Approximately a three-minute walk from Toranomon Station on the Tokyo Metro Ginza Line Approximately a seven-minute walk from Kasumigaseki Station on the Tokyo Metro Chiyoda and Hibiya Lines Approximately an eight-minute walk from Kamiyacho Station on the Tokyo Metro Hibiya Line Approximately a nine-minute walk from Kasumigaseki Station on the Tokyo Metro Marunouchi Line
Total Land Area	: 1,764.92 m <sup>2</sup> (registered)
Total Floor Area	: 11,983.09 m <sup>2</sup> (registered)
Structure	: S 10F
Completion	: April 2010
Type of Ownership	: Land: Proprietary ownership Building: Proprietary ownership
Major Tenants	: Vendor Service Co., Ltd. NTT DATA Corporation exsa Corporation

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## Attachment 6

**Facility Overview of KALEIDO Shibuya Miyamasuzaka**

6F	Buccigiri Sakaba (restaurant tenant)	Doma Doma (restaurant tenant)
5F	Gyoro Gyoro (restaurant tenant)	
4F	Kin no Kura Jr. (restaurant tenant)	Yakiniku Dining Taijuen (restaurant tenant)
3F	Tsuki no Utage (restaurant tenant)	
2F	Dining Sai (restaurant tenant)	
1F	Kokappo Ohashi (restaurant tenant)	
B1F	BaneBAGUS (amusement tenant)	
B2F		

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**Facility Overview of Shibuya R Sankei Building**

9F	Office	TOKYU REIT's compartmentalized ownership (planned) 625.60 m <sup>2</sup>	Multi-level parking  TOKYU REIT's and 1 compartmentalized owner's co-ownership (planned)  Of 41.18 m <sup>2</sup> , 1,521/2,000 interest to be acquired by TOKYU REIT
8F	Office	TOKYU REIT's compartmentalized ownership (planned) 625.60 m <sup>2</sup>	
7F	Office	TOKYU REIT's compartmentalized ownership (planned) 625.60 m <sup>2</sup>	
6F	Office	TOKYU REIT's compartmentalized ownership (planned) 625.60 m <sup>2</sup>	
5F	Office	TOKYU REIT's compartmentalized ownership (planned) 625.60 m <sup>2</sup>	
4F	Office	TOKYU REIT's and 1 compartmentalized owner's co-ownership of compartmentalized ownership (planned) Of 625.60 m <sup>2</sup> , 6,119/7,820 interest (about 489.52 m <sup>2</sup> ) to be acquired by TOKYU REIT	
3F	Office	1 other compartmentalized owner's ownership	
2F	Office		
1F	Retail	TOKYU REIT's compartmentalized ownership (planned) 303.88 m <sup>2</sup>	
B1F	Office	TOKYU REIT's compartmentalized ownership (planned) 450.98 m <sup>2</sup>	

TOKYU REIT will acquire the bold framed portions of the figure above. The current owner leases from other compartmentalized owners of the Building the 3F and 4F (co-ownership of compartmentalized ownership with 1 other compartmentalized owner) and the multi-level parking (the current owner pays lease deposits for such) and leases those out to tenants combined with the other compartmentalized ownership portions (subleasing for other compartmentalized owners' exclusive ownership portion, etc.). In the acquisition of the Property, TOKYU REIT has agreed with the current owner to succeed such position of the current owner.

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## Attachment 7

## Portfolio before/after Acquisitions

	As of date of this document	Acquisition	After acquisition (Note 6)
Number of properties	27 properties	3 properties	30 properties
Sum total of (planned) acquisition price	¥204.2 billion	¥25.4 billion	¥229.6 billion
Occupancy rate	97.7% (as of end of May 2013)	100% (as of end of May 2013)	97.9% (Note 7)
NOI yield ((planned) acquisition price basis) (Note 1)	4.26%	4.48%	4.28%
Portfolio cap rate (appraisal value basis) (Note 2)	4.73%	4.37%	4.69%
Ratio of top 3 properties (appraisal value basis)	QFRONT: 11.0% Setagaya Business Square: 10.2% cocoti: 8.7%	—	QFRONT: 9.7% Setagaya Business Square: 9.0% cocoti: 7.7%
Number of tenants	181 (as of end of May 2013)	24 (as of end of May 2013)	205
Unrealized gain (appraisal value – book value) (Note 3)	¥520 million	¥50 million	¥580 million
Ratio of properties within approximately a 3-minute walk from station (planned) acquisition price basis (Note 4)	71.3%	100%	74.5%
Ratio of investment in Central Tokyo and Tokyo Areas (appraisal value basis) (Note 5)	88.3%	100%	89.7%

(Note 1) “NOI yield ((planned) acquisition price basis)” is the result of calculation by the following calculation formula, rounded to two decimal places.

$$\text{NOI yield ((planned) acquisition price basis)} = \frac{\text{Sum total of NOI (Revenue from property leasing – Rental service expenses + Depreciation and amortization)}}{\text{Sum total of (planned) acquisition price}}$$

Furthermore, the calculation for the 26 acquired properties, with the exception of OKI System Center (*sokochi*), uses the NOI based on the annualized amount of actual results for the 19th fiscal period, and that for OKI System Center (*sokochi*) uses the NOI from the assessment of the value indicated by the DCF method stated in the appraisal report at the time of acquisition with March 15, 2013 as the effective date of value.

In addition, the calculation for the to-be-acquired properties uses the NOI from the assessment of the value indicated by the direct capitalization method stated in the to-be-acquired properties’ appraisal report at the time of acquisition with May 31, 2013 as the effective date of value.

(Note 2) “Portfolio cap rate (appraisal value basis)” refers to the capitalization rate in the appraisal for the entire portfolio calculated for convenience from each property’s appraisal report that is the result of calculation by the following calculation formula, expressed as a percentage and rounded to two decimal places.

$$\text{Portfolio cap rate (appraisal value basis)} = \frac{\text{Sum total of NCF stated in each property’s appraisal report}}{\text{Sum total of appraisal value stated in each property’s appraisal report}}$$

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Furthermore, the calculation of portfolio cap rate for the 26 acquired properties, with the exception of OKI System Center (*sokochi*), uses the NCF from the assessment of the value indicated by the direct capitalization method stated in the appraisal report as at the end of January 2013, and that for OKI System Center (*sokochi*) uses the NCF from the assessment of the value indicated by the DCF method stated in the appraisal report at the time of acquisition.

In addition, the calculation for the three to-be-acquired properties uses the NCF from the assessment of the value indicated by the direct capitalization method stated in the to-be-acquired properties' appraisal report at the time of acquisition with May 31, 2013 as the effective date of value.

(Note 3) TOKYU REIT defines unrealized gain as the difference between the most recent appraisal value and book value (unrealized loss when the difference is negative). Please note that it is not a guarantee that this unrealized gain will necessarily be realized.

Furthermore, the calculation of unrealized gain for the 26 acquired properties, with the exception of OKI System Center (*sokochi*), uses the appraisal value and book value figures as at the end of January 2013. The calculation for OKI System Center (*sokochi*) and the three to-be-acquired properties uses the appraisal value based on the appraisal value at the time of acquisition and the book value based on the following calculation.

OKI System Center (*sokochi*): Acquisition price in the amount of ¥4,530 million, plus acquisition-associated costs in the amount of ¥242 million, to total ¥4,772 million

KALEIDO Shibuya Miyamasuzaka: Planned acquisition price in the amount of ¥5,150 million, plus property-related taxes in the amount of ¥7 million and due diligence and other related costs in the amount of ¥8 million, to total ¥5,165 million

Shibuya R Sankei Building: Planned acquisition price in the amount of ¥5,270 million, plus property-related taxes in the amount of ¥57 million, due diligence and other related costs in the amount of ¥7 million and brokerage charges in the amount of ¥94 million, to total ¥5,429 million

Tokyu Toranomon Building: Planned acquisition price in the amount of ¥15,000 million, plus property-related taxes in the amount of ¥147 million and due diligence and other related costs in the amount of ¥8 million, to total ¥15,156 million

The figures above are estimates and the projected amounts as of the date of this document. In addition, there may be cases of asset capitalization of acquisition-associated costs other than the above. Accordingly, the figures above may not necessarily match the actual figures.

(Note 4) "Ratio of properties within approximately a 3-minute walk from station" is the ratio of the sum total amount of (planned) acquisition price of those properties out of TOKYU REIT's acquired properties and the three to-be-acquired properties for which the minutes taken to walk from the nearest station is within three minutes to the sum total amount of (planned) acquisition price of TOKYU REIT's acquired properties and the three to-be-acquired properties, expressed as a percentage and rounded to one decimal place. Furthermore, "minutes taken to walk from the nearest station" uses the minutes calculated by TOKYU REIT's investment management company based on it taking one minute to walk a road distance of 80 meters pursuant to the Fair Competition Codes Regarding the Description of Real Estate.

(Note 5) "Ratio of investment in Central Tokyo and Tokyu Areas (appraisal value basis)" is the ratio of the sum total amount of appraisal value of those properties out of TOKYU REIT's acquired properties and the three to-be-acquired properties of which are located in Central Tokyo and Tokyu Areas to the sum total amount of appraisal value of TOKYU REIT's acquired properties and the three to-be-acquired properties, expressed as a percentage and rounded to one decimal place. Furthermore, the calculation of appraisal value for the 26 acquired properties, with the exception of OKI System Center (*sokochi*), uses the appraisal value as at the end of January 2013, and the calculation for OKI System Center (*sokochi*) and the three to-be-acquired properties uses the appraisal value at the time of acquisition.

(Note 6) The figures for after the acquisition are calculated based on certain assumptions as a simple sum of each of the figures as at the dates stated pertaining to the acquired properties and the figures as at the dates stated pertaining to the to-be-acquired properties. Accordingly, the figures may not necessarily match the actual figures after the acquisition.

(Note 7) Occupancy rate for after the acquisition is calculated based on the occupancy rate for the acquired properties and the three to-be-acquired properties as of the end of May 2013.

(Note 8) "Appraisal value" for the three to-be-acquired properties uses the appraisal value (appraisal value at the time of acquisition) with May 31, 2013 as the effective date of value. In addition, that for the acquired properties uses the appraisal value as at the end of January 2013.

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This notice may contain forward-looking statements, such as current plans, strategies, and future performance. These forward-looking statements are based on judgments obtained from currently available information. Please be advised that, for a variety of reasons, actual results may differ materially from those discussed in the forward-looking statements. Events that might affect actual results include, but are not limited to, fluctuations of the real estate market in Japan, general conditions of the Japanese economy, competitive pressures and relevant regulations.  
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