



**Translation of Japanese Original**

March 8, 2012

To All Concerned Parties

Investment Corporation :  
Top REIT Inc.  
1-13-1 Nihonbashi, Chuo-Ward, Tokyo  
Executive Officer : Jumpei Norimatsu  
(Securities Code : 8982)

Asset Management Company :  
Top REIT Asset Management Co., Ltd.  
1-13-1 Nihonbashi, Chuo-Ward, Tokyo  
Nobuhito Endo  
President and Representative Director

Inquiries :  
Koji Murata  
Director, General Manager  
Financial Division  
(Phone : +81-(0)3-3243-2181)

**Notice of Acquisition of Real Estate Property in Japan**  
**(Shinkawa Chuo Building)**

Top REIT, Inc. (“Top REIT”) hereby announces that it today decided to acquire real estate in Japan (hereinafter, the “Property”), as described below.

**1. Overview of Acquisition**

Type of Title	Real estate in Japan
Name of Property	Shinkawa Chuo Building
Anticipated Acquisition Price	5,610 million yen (Note )
Date of Sales Agreement	March 9, 2012 (To be scheduled)
Anticipated Acquisition Date	March 30, 2012
Seller	Undisclosed since we were not able to obtain consent from the seller with respect to disclosure
Source of Funding	Cash on hand and Borrowing (To be scheduled)
Method of Settlement	Lump-sum payment on the acquisition date

(Note) The anticipated acquisition price is the price for sale planned to be specified in the sales agreement for real estate (hereinafter, the “Sales Agreement”) (excluding consumption tax and equivalents) which does not include acquisition expenses, real property tax, city planning tax, etc.

Furthermore, Top REIT plans to execute a trust agreement for real estate management and disposal (hereinafter, the “Trust Agreement”), in which the Property is set as a trust asset, as of the same date after acquiring the Property. The overview of the Trust Agreement is as follows.

Trustee	The Sumitomo Trust and Banking Co., Ltd. (To be scheduled) (Note)
Term of Trust Agreement	March 30, 2012 to March 30, 2022 (To be scheduled)

(Note) The Sumitomo Trust and Banking Co., Ltd plans to merge with The Chuo Mitsui Trust and Banking Company, Limited, and Chuo Mitsui Asset Trust and Banking Company, Limited, on April 1, 2012, and plans to change its corporate name to Sumitomo Mitsui Trust Bank, Limited.

## 2. Reason for Acquisition

This property is being acquired in accordance with the investment policy of Top REIT, as stipulated in its Articles of Incorporation. In making the investment decision on this acquisition, great emphasis was placed on the distance from the nearest station, the close proximity to the central business districts of Marunouchi, Otemachi, Yaesu and Nihonbashi, the visibility facing the main street of Eitai-dori, the scale and shape of leasable floor spaces adaptable to tenants needs. Details are indicated in the following table.

Features of the Location	<ul style="list-style-type: none"> <li>with sub-leasing conditionsThe Property is situated about a 4 minute walk from Kayabacho Station on the Tokyo Metro Tozai Line and Hibiya Line, and about a 6 minute walk from Suitengumae Station on the Tokyo Metro Hanzomon Line. The property has good access such as using 3 subway lines and 2 stations.</li> <li>As the Tokyo Stock Exchange is located close the property, and the Property has close proximity to the central business districts of Marunouchi, Otemachi, Yaesu and Nihonbashi, various tenant needs are expected such as affiliated companies and transaction partners of securities companies, large companies, and system engineering companies.</li> </ul>
Building	<ul style="list-style-type: none"> <li>Though it has been 24 years since the Property was built, the Property is equipped with a certain level of features such as office automation floors and the individually controllable air conditioning, etc.</li> <li>The Property has standard floor space of about 220 tsubo, realizing a U-shaped column-free space. It boasts high floor efficiency, and does not prevent floor efficiency by dividing space, and enjoys high competitiveness by flexibly addressing tenant needs.</li> </ul>

## 3. Description of the Asset being Acquired

Description of the Property (Trust Beneficiary Interest in Real Estate)

Address	(Registered Address) 1-5-3, Shinkawa, Chuo Ward, Tokyo (Residential Building Address) 1-17-24, Shinkawa, Chuo Ward, Tokyo	
Access	Approximately 4-minute walk from the Kayabacho Station on the Tokyo Metro Tozai Line and Hibiya Line. Approximately 6-minute walk from the Suitengumae Station on the Tokyo Metro Hanzomon Line.	
Usage	Office and Parking	
Structure/Floors	Steel and reinforced concrete structure with a flat roof, 1 basement floor and 9 floors above ground	
Area	Land	1,117.61m <sup>2</sup>
	Building	7,981.27m <sup>2</sup> (total floor area)
Type of Title	Land	Ownership
	Building	Ownership
Completion Date	July 1987	
Architect	Takenaka Corporation, Tokyo Main Office. First class authorized architect office	
Constructor	Takenaka Corporation Tokyo Main Office	
Construction Confirmation	Construction Inspector (Tokyo Prefecture)	
Total Leasable Area	6,032.24m <sup>2</sup>	
Total Leased Area	5,271.68m <sup>2</sup> (as of the end of January 2012)	
	6,032.24m <sup>2</sup> (as of March 30, 2012) (To be scheduled) (Note 1)	
Occupancy Rate	87.39% (as of the end of January 2012)	
	100.0% (as of March 30, 2012) (To be scheduled) (Note 1)	

Number of Tenants	1 (as of the end of January 2012) 1 (as of March 30, 2012) (To be scheduled) (Note 1)
Major Tenants	Xymax Axis Corporation (To be scheduled) (Note 1)
Monthly Rent	31,161 thousand yen (Note 1)
Deposits and Guarantees	279,132 thousand yen (As of the end of January 2012)
Anticipated Acquisition Price	5,610 million yen
Appraisal Value (Appraisal Institution/Appraisal Date)	5,790 million yen (Daiwa Real Estate Appraisal Co., Ltd. : dated January 25, 2012) (Please refer to Appendix 1 for an overview of the appraisal.)
PML Value (Earthquake)	7.0% (based on the earthquake risk evaluation reports(detail) as of February 15, 2012 issued by Engineering & Risk Service Corporation and Oyo RMS Corporation)
Collateral (Y/N)	No
Property Manager	Xymax Axis Corporation (To be Scheduled) (Note2)
Remarks	①The trustee plans to execute a fixed-term lease agreement with sub-leasing conditions with Xymax Axis Corporation on March 30, 2012 for the leasable second floor and part of fifth floor of the Property. ②With respect to the Property's building, Top REIT was informed that "there are a few items that should be addressed by the periodical inspections of building facilities and fire equipment." The said items should be addressed completely by the seller's responsibilities and burdens and the Property will be delivered after confirmation of such corrections by Top REIT.

\*The Address (excluding the Residential Building Address), Usage, Structure and Floors, Area, Completion Date and Total Floor Area, are based on the descriptions in the real estate registry.

(Note 1) The Trustee plans to execute a master-lease agreement with Xymax Axis Corporation as of March 30, 2012, and the fixed-term leasing agreement with sub-leasing conditions as described under Remarks above①. Furthermore, Monthly Rent is indicated as of April 1, 2012 (To be scheduled). In addition, Monthly Rent (including common service fees) and Deposits and Guarantees do not include income from parking lots, utilities and others.

(Note 2) The Trustee plans to execute a trust agreement for property management with the property manager on March 30, 2012.

#### 4. Specifications of Facilities in Leased Spaces

Private Use Area in a Standard Floor Area	741.96m <sup>2</sup>
Ceiling Height	2,500mm
Office Automation Floor	50mm~80mm
Floor Load	300kg/m <sup>2</sup>
Air-conditioning System	Individually controllable air conditioning
Security	Automated security system (entry/exit possible 24 hours/7 days)

#### 5. Overview of the Seller

Undisclosed, since we are not able to obtain consent from the seller with respect to disclosure.

## 6. Status of the Seller

The Property has not been acquired from any party that has a special interest relationship with Top REIT and/or TRAM.

## 7. Transactions with Interested Parties

The following transaction with interested parties has been discussed and resolved at meetings of TRAM's Risk and Compliance Committee, Investment and Management Committee and the Board of Directors in compliance with TRAM's internal rules on "Transactions with Interested Parties."

Trust of management and disposal of the property	Top REIT plans to execute a Trust Agreement with the Sumitomo Trust and Banking Co., Ltd. and the management and disposal of the property will be entrusted to the Sumitomo Trust and Banking Co., Ltd.
--	---

## 8. Overview of Brokerage

### 1) Overview of Broker

Broker	Xymax Axis Corporation
Address	1-13-10, Tsukiji, Chuo Ward, Tokyo
Representative	Hideo Karashima, President and CEO
Principal Business	Operations and management of office buildings and datacenter buildings, tenant marketing and recruiting for office buildings.
Paid-in Capital	300 million yen
Establishment Date	April 2, 2001
Relationship with Top REIT and TRAM	The broker does not fall under the definition of related parties of Top REIT and/or TRAM. The related parties or affiliates of the broker do not fall under the definition of related parties of Top REIT and/or TRAM.

### 2) Breakdown and Amount of Commission

Commission	Undisclosed since we are not able to obtain consent from the broker with respect to disclosure.
------------	---

## 9. Acquisition Schedule

Date of Decision on Acquisition	March 8, 2012
Date of Sales Agreement	March 9, 2012 (To be scheduled)
Date of Payment	March 30, 2012 (To be scheduled)
Date of Delivery	March 30, 2012 (To be scheduled)

## 10. Forecast on Business Results

Since the Property will be acquired on March 30, 2012, the impact of the acquisition of the Property on the business results for the fiscal period ending April 2012 (the Twelfth Fiscal Period: from November 1, 2011 to April 30, 2012) is minimal. Regarding the impact of acquisition of the Property on the business results for the fiscal period ending October 2012 (the Thirteenth Fiscal Period: from May 1, 2012 to October 31, 2012), please refer to the press release "Notice of Revised Forecast on Business Result and Dividend for the Thirteenth Fiscal Period Ending October 31, 2012" separately announced today.

<Attachments>

Appendix 1	Overview of Property Appraisal Statement and Engineering Report
Appendix 2	Assumed Income and Expenditure of the Property
Appendix 3	Exterior and Interior Photographs and Location Map of the Property
Appendix 4	Portfolio of Top REIT after Acquisition of the Property

\* Top REIT's internet website address is <http://www.top-reit.co.jp/english/>

**DISCLAIMER:**

Top REIT, Inc. makes no assurance or warranty with respect to the completeness or accuracy of this English translation. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail. For complete and accurate information, please refer to the Japanese original.

## Appendix 1 Overview of Property Appraisal Statement and Engineering Report

### Overview of Property Appraisal Statement

Appraisal Institution	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal Date	January 25, 2012
Appraisal Value	5,790,000 thousand yen
Capitalized Value through Direct Capitalization Method	5,790,000 thousand yen
Net Operating Income (NOI)	295,926 thousand yen
Net Cash Flow (NCF)	283,901 thousand yen
Cap Rate	4.9%
Capitalized Value through Discounted Cash Flow (DCF) Method	5,790,000 thousand yen
Discount Rate	4.7%
Terminal Cap Rate	5.0%
Indicated Value by Cost Approach	3,460,000 thousand yen
Ratio of Land	74.7%
Ratio of Building	25.3%
Characteristics	
The Property is located about a 4 minute walk from Kayabacho Station in a quiet commercial business district along Eitai-dori where medium and high rise office buildings and hotels concentrate. The area the Property is in enjoys good location with proximity to the nearest station, accessibility to central Tokyo and good visibility, etc.	

### Overview of Engineering Report

Building Condition Investigation	
Investigator	Tokio Marine & Nichido Risk Consulting Co.,Ltd.
Date of Investigation	January 2012
Short-term Repair Expenses	0 thousand yen
Long-term Repair Expenses	21,113 thousand yen
Investigation of Building Earthquake Risk	
Investigator	Engineering & Risk Service Corporation Oyo RMS Corporation
Date of Investigation	February 2012
PML	7.0%
Reproduction Cost	2,081,200 thousand yen
Remarks	
<ul style="list-style-type: none"> <li>•With respect to the Property's land, Top REIT was informed that "it is assessed that the investigated site has a low possibility of having soil contamination."</li> <li>•With respect to the Property's building, Top REIT was informed that "there are a few items that should be addressed by the periodical inspections of building facilities and fire equipments."</li> </ul>	

\*Short-term repair expenses indicate the sum of emergency repair expenses and expenses for repairs carried out within one year based on the Engineering Report. Furthermore, the repair expenses concerning items that should be addressed with respect to the Property (5,430 thousand yen) are not indicated, as the said

items should be addressed by the seller’s responsibilities and burdens as described under Remarks in “3. Description of the Asset being Acquired ” above.

\*Medium to long-term repair expenses indicate the yearly average amount of the forecasted medium to long-term repair expenses for the 20 years hereafter based on the Engineering Report, with the figure rounded to the nearest one thousand yen.

**\*Results of Asbestos Investigation**

Investigator	Earth-Appraisal Co., Ltd.
Date of Investigation	February 2012
Results of Investigation	Top REIT was informed that “it was confirmed there is no existence of sprayed asbestos within visual investigation. It was also confirmed there is no existence of sprayed rock wool at the back of roof drain described in existing documents.”

**Appendix 2: Assumed Income and Expenditure for the Property**

Assumed Rental Revenue (annual)	391 million yen
Assumed Rental Expenses (annual)	89 million yen
Assumed NOI (annual)	302 million yen

**Preconditions of Assumed Income and Expenditure**

For the figure above table, the assumed rental revenue and the assumed rental expenses respectively represent the operating revenues and operating expenses of the Property for the initial year, as calculated by the DCF method described in the real estate appraisal report prepared upon the acquisition, and the difference between the two is entered as the assumed NOI. (These figures are not forecast figures for the next fiscal period)

Appendix 3 Exterior and Interior Photographs and Location Map of the Property

(1) Exterior and Common Areas Photographs of the Property

Exterior Photograph



Photographs of Common Areas



(2) Location Map





Appendix 4 Portfolio of Top REIT after Acquisition of the Property

Portfolio after Acquisition of the Property

Asset Class	Area	Property Name	(Anticipated) Acquisition Price (million yen) (Note 1)	Investment Breakdown (%) (Note 2)
Office Buildings	Central Tokyo	NEC Head Office Building	41,950	22.8
		Harumi Island Triton Square Office Tower Y	33,000	17.9
		Harumi Island Triton Square Office Tower Z	20,000	10.8
		Kanda Nishiki-cho 3-chome Building	12,700	6.9
		Akasaka Oji Building	9,660	5.2
		Shiba-Koen Building	5,770	3.1
		Shinkawa Chuo Building	5,610	3.0
	Kanda Park Plaza	5,156	2.8	
	Tokyo Metropolitan Area	Faret East Building	2,091	1.1
Subtotal (9 properties)			135,937	73.7
Retail Properties	Tokyo Metropolitan Area	Sagamihara Shopping Center	12,000	6.5
		Ito-Yokado Higashi-Narashino Store	8,900	4.8
		Musashiurawa Shopping Square	4,335	2.4
	Subtotal (3 properties)			25,235
Residential Properties	Central Tokyo	TOP Residence Nihonbashi Kayabacho	2,400	1.3
	Tokyo Metropolitan Area	Fukasawa House Tower H&I	10,635	5.8
		Ecology Toyosu Procentry	5,160	2.8
		Impress Musashi-Koganei	1,223	0.7
		TOP Residence Yoga	1,165	0.6
Subtotal (5 properties)			20,583	11.2
Others	Central Tokyo	OAK PLAZA	2,590	1.4
	Subtotal (1 property)			2,590
Total 18 properties			184,345	100.0

(Note 1) The (anticipated) acquisition price indicates the transaction price (pre-tax price) described in the real estate sales agreement or the trust beneficiary interest transfer agreement concluded upon acquiring each of the properties, including properties planned for acquisition.

(Note 2) The investment breakdown indicates the ratio of each property and each asset class to the total (anticipated) acquisition price, and is rounded to the first decimal place.