

Translation of Japanese Original

November 12, 2014

To All Concerned Parties

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Top REIT Inc.
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(Securities Code: 8982)

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Notice concerning Disposition of Trust Beneficiary Interest in Real Estate in Japan
(Kanda Park Plaza and OAK PLAZA)

Top REIT Asset Management Co., Ltd., which is the asset management company of Top REIT Inc. (“Top REIT”), hereby announces that it has decided today to dispose trust beneficiary interests in real estate in Japan (hereinafter, the “Beneficiary Interests in Trust”), as described below.

1. Overview of Disposition

Name of Property	(1) Kanda Park Plaza	(2) OAK PLAZA
Property Type to be Disposed	Trust beneficiary interests in real estate in Japan	
Sales Agreement Date	November 12, 2014	
Planned Disposition Date	November 13, 2014	
Purchaser	Undisclosed (Note 1)	NIPPON STEEL KOWA REAL ESTATE CO., LTD.
Planned Disposition Price (Note 2)	JPY 5,350 million	JPY 2,900 million
Assumed Book Value (as of the end of October, 2014)	JPY 5,052 million	JPY 2,686 million
Difference between Disposition Price and Book Value (Note 3)	JPY 297 million	JPY 213 million

(Note 1) The information is undisclosed since we were not able to obtain consent from the purchaser with respect to disclosure.

(Note 2) The planned disposition price is the price for sale planned to be specified in the sales agreement for trust beneficiary interests in real estate (excluding consumption tax and equivalents) which does not include disposition expenses, money of adjustment such as taxes, etc.

(Note 3) The amounts indicate the value calculated by subtracting the above Assumed Book Value from the planned Disposition Price, and may differ from the actual amounts.

2. Reason for Disposition

As a result of comprehensive consideration of such factors as portfolio formulation, future profitability prospects and the mid- to long-term impact on dividends, while taking into account the current trend of the real estate market pursuant to the investment target and policies stipulated in the articles of incorporation, Top REIT decided on the disposition of the Beneficiary Interests in Trust.

As to the proceeds from the disposition of the Beneficiary Interests in Trust, Top REIT intends to use it for early repayment of the existing borrowings, etc.

3. Description of the Asset being Disposed

(1) Kanda Park Plaza

Property Type to be Disposed		Trust beneficiary interest in real estate in Japan				
Trustee		Sumitomo Mitsui Trust Bank, Limited				
Address (Residential Building Address)		2-2-2 Kajicho, Chiyoda-ku, Tokyo				
Usage (Note 1)		Office, retail				
Structure/Floors (Note 1)		SRC structure with a flat roof, 1 basement floor, 9 floors above ground				
Area (Note 1)	Land	632.98 m ²				
	Building	5,511.83 m ² (total floor area)				
Type of Title	Land	Ownership				
	Building	Ownership				
Completion Date (Note 1)		November 1959				
Usage of Area		Commercial district				
Acquisition Date		March 1, 2006				
Acquisition Price		JPY 5,156 million				
Appraisal Value	Appraisal Value	JPY 5,080 million				
	Date of Appraisal	October 31, 2014				
	Appraiser	Japan Real Estate institute				
Tenant Details	Number of Tenants	9				
	Rent Revenue	JPY 282 million (Note 2)				
	Leasehold/ Security Deposit	JPY 202 million (Note 3)				
	Occupancy Rate	End of June 2014	End of July 2014	End of August 2014	End of September 2014	End of October 2014
		90.2%	90.2%	90.2%	90.2%	90.2%
	Total Leasable Floor Area	4,095.02 m ²				
Total Leased Floor Area	4,537.66 m ²					

(2) OAK PLAZA

Property Type to be Disposed		Trust beneficiary interest in real estate in Japan				
Trustee		Sumitomo Mitsui Trust Bank, Limited				
Address (Residential Building Address)		2-10-6 Kanda Awajicho, Chiyoda-ku, Tokyo				
Usage (Note 1)		Hotel				
Structure/Floors (Note 1)		SRC structure with a flat roof, 1 basement floor, 10 floors above ground				

Area (Note 1)	Land	1,013.49 m ²				
	Building	6,121.85 m ² (total floor area)				
Type of Title	Land	Ownership				
	Building	Ownership				
Completion Date (Note 1)		April 1985				
Usage of Area		Commercial district				
Acquisition Date		March 20, 2007				
Acquisition Price		JPY 2,590 million				
Appraisal Value	Appraisal Value	JPY 2,660 million				
	Date of Appraisal	October 31, 2014				
	Appraiser	Japan Real Estate institute				
Tenant Details	Number of Tenants	1				
	Rent Revenue	JPY 189 million (Note 2)				
	Leasehold/ Security Deposit	JPY 94 million (Note 3)				
	Occupancy Rate	End of June 2014	End of July 2014	End of August 2014	End of September 2014	End of October 2014
		100%	100%	100%	100%	100%
	Total Leasable Floor Area	6,121.85 m ²				
	Total Leased Floor Area	6,121.85 m ²				

(Note 1) The usage, structure and floors, area (total floor area) and completion date are based on the descriptions in the real estate registry.

(Note 2) The rent revenue is obtained by multiplying the monthly rent revenue of October 2014 by 12.

(Note 3) The leasehold/security deposit is based on currently effective rent agreements and is the total of the leasehold/security deposit obligations as repayments to tenants rounded down to the nearest unit.

4. Overview of the Purchaser

(1) Kanda Park Plaza

The information of the purchaser is undisclosed since we were not able to obtain consent from the purchaser with respect to disclosure. The purchaser is a company in Japan and holds investment units of Top REIT as of April 30, 2014. However, the purchaser does not fall under the definition of an interested party of Top REIT and/or the asset management company. In addition, there is no special capital relationship between the related parties or affiliates of the asset management company and the related parties or affiliates of the purchaser.

(2) OAK PLAZA

Corporate Name	NIPPON STEEL KOWA REAL ESTATE CO., LTD.
Address	1-15-5 Minami-aoyama, Minato-ku, Tokyo
Representative	Mikito Nagai, President and CEO

Principal Business	(1) Development/leasing/management of office buildings (2) Development/sale/leasing of condominiums and standalone housing (3) Development/leasing/management of retail properties, logistics properties (4) Leasing/management of high-end condominiums for foreigners (5) Purchase/sale/brokerage/appraisal/consulting of real estate (6) Planning/investment of real estate securitized products
Paid-in Capital	JPY 19,800 million (as of March 31, 2014)
Establishment Date	March 24, 1997 (Foundation: October 15, 1952)
Net Assets	Undisclosed since we were not able to obtain consent from the purchaser with respect to disclosure
Total Assets	Undisclosed since we were not able to obtain consent from the purchaser with respect to disclosure
Major Shareholders and Shareholding Ratio	Undisclosed since we were not able to obtain consent from the purchaser with respect to disclosure
Relationship with Top REIT and/or Top REIT Asset Management Company Co., Ltd. (TRAM)	
Capital Relationship	The purchaser holds 3,162 units (1.8% of the total number of units issued and outstanding) of investment units of Top REIT as of April 30, 2014. There is no special capital relationship between the related parties or affiliates of TRAM and the related parties or affiliates of the purchaser.
Personnel Relationship	There is no personnel relationship between the purchaser and Top REIT and/or TRAM that must be disclosed. In addition, there is no special personnel relationship between the related parties or affiliates of the purchaser and related parties or affiliates of Top REIT and/or TRAM.
Business Relationship	As of today, the purchaser has concluded a master lease agreement with the lessor (Sumitomo Mitsui Trust Bank, Limited who is the trustee) and has leased the property in its entirety as a master lessee, while also concluding a property management agreement with the lessor and TRAM. Furthermore, the purchaser has concluded a master lease agreement and a property management agreement for part of the property which is owned by Top REIT in forms of real estate and trust beneficiary right.
Status as a Related Parties	The purchaser does not fall under the definition of related parties of Top REIT and/or TRAM. The related parties of the purchaser and its affiliates also do not fall under the definition of related parties of Top REIT and/or TRAM.

5. Overview of Brokerage

(1) Kanda Park Plaza

1) Overview of broker

Corporate Name	Sumitomo Mitsui Trust Bank, Limited
Address	1-4-1 Marunouchi , Chiyoda-ku, Tokyo
Representative	Hitoshi Tsunekage, President and CEO
Principal Business	Trust and Banking Business
Paid-in Capital	JPY 342,000 million
Establishment Date	July 1925
Relationship with Top REIT and TRAM	Sumitomo Mitsui Trust Bank, Limited is a parent company (investment ratio of 69%) of TRAM, to which Top REIT entrusts management of its assets, and falls within the definition of interested party under the Trust and Investment Corporation Law.

2) Breakdown and amount of commission

Commission	JPY 160.5 million (excluding consumption tax)
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(2) OAK PLAZA

None applicable.

6. Transactions with Interested Parties

Transactions with interested parties stipulated by the Act on Investment Trusts and Investment Corporations will be conducted with the disposition of the beneficiary interests in trust. In order to thoroughly verify the terms and other factors of the transaction, the transaction has been discussed and resolved at meetings of TRAM's Risk and Compliance Committee, Investment and Management Committee in compliance with TRAM's internal rules on "Transactions with Interested Parties."

Brokerage of the Beneficial Interests in Trust	Concerning the disposition of the trust beneficiary interests in Kanda Park Plaza, Top REIT plans to entrust the brokerage of the transaction of the trust beneficiary interests in real estate and to pay brokerage commission to Sumitomo Mitsui Trust Bank, Limited.
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7. Method of Settlement

Kanda Park Plaza	OAK PLAZA
Lump-sum payment on the disposition date	

8. Schedule of Disposition

Decision-making Date	November 12, 2014
Sales Agreement Date	November 12, 2014
Payment Date	November 13, 2014
Transfer Date of Trust Beneficiary Interests (Disposition Date)	November 13, 2014

9. Forecast on Business Results

Since the planned disposition date is November 13, 2014, there is no effect of the disposition of the Beneficiary Interests in Trust on the Earning Results for the Seventeenth Fiscal Period ended October 2014 (May 1, 2014 to October 31, 2014).

There is no change in the Forecast of Earning Results for the Eighteenth Fiscal Period ending April 2015 (November 1, 2014 to April 30, 2015) as a result of taking into account the impact of the early repayment of borrowings described in the press release "Notice concerning Partial Early Repayment of Borrowings" separately announced today and the disposition of the Beneficiary Interests in Trust.

As for the gains on disposal of the Beneficiary Interests in Trust, a maximum of 60% of gains on disposal of land is planned to be reserved by utilizing special taxation measure "Special Provisions for Taxation in the Event of Advance Acquisition of Land, etc. in 2009 and 2010."

<Attachments>

Appendix Portfolio of Top REIT after Disposition of the Beneficiary Interests in Trust

*Top REIT's Internet website 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 Portfolio of Top REIT after Disposition of the Beneficiary Interests in Trust

Asset Class	Area	Property Name	Acquisition Price (million yen) (Note 1)	Investment Breakdown (%) (Note 2)
Office Buildings	Central Tokyo	NEC Head Office Building	41,950	22.1
		Harumi Island Triton Square Office Tower Y	33,000	17.4
		Harumi Island Triton Square Office Tower Z	20,000	10.5
		Kanda Nishiki-cho 3-chome Building	12,700	6.7
		Akasaka Oji Building	9,660	5.1
		Shinjuku EAST Building	5,800	3.1
		Shiba-Koen Building	5,770	3.0
		Shinkawa Chuo Building	5,610	3.0
		Ginza Oji Building	2,000	1.1
	Tokyo Metropolitan Area	Faret East Building	2,091	1.1
Subtotal (10 properties)			138,581	72.9
Retail Properties	Tokyo Metropolitan Area	Sagamihara Shopping Center	12,000	6.3
		Ito-Yokado Higashi-Narashino Store	8,900	4.7
		Kojima × Bic Camera Kashiwa Store	4,500	2.4
		Musashiurawa Shopping Square	4,335	2.3
	Other Major Cities	MEL Building	1,210	0.6
Subtotal (5 properties)			30,945	16.3
Residential Properties	Central Tokyo	TOP Residence Nihonbashi Kayabacho	2,400	1.3
	Tokyo Metropolitan Area	Fukasawa House Tower H&I	10,635	5.6
		Ecology Toyosu Procentury	5,160	2.7
		Impress Musashi-Koganei	1,223	0.6
		TOP Residence Yoga	1,165	0.6
Subtotal (5 properties)			20,583	10.8
Total (20 properties)			190,109	100.0

(Note 1) The acquisition price indicates the transaction price (excluding consumption tax) described in the real estate sales agreement or the sales agreement for trust beneficiary interests in real estate concluded upon acquiring each of the properties.

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