

October 8, 2019

To All Concerned Parties

Real Estate Investment Trust Securities Issuer
1-1-21 Toranomom, Minato-ku, Tokyo
marimo Regional Revitalization REIT, Inc.
Representative: Takashi Kitagata, Executive Director
(Securities Code: 3470)

Asset Manager
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Notice Concerning Waiver of Preferential Negotiation Rights for Sales Transactions Regarding Property Acquisition

marimo Regional Revitalization REIT, Inc. (“marimo REIT”) hereby announces that Marimo Asset Management Co., Ltd. (“the Asset Manager”), to which marimo REIT entrusts management of its assets, decided at its Board of Directors’ meeting held today to waive the preferential negotiation rights for sales transactions (Note 2) pertaining to the acquisition of Hotel Resol Kyoto Kawaramachi Sanjo (“the Property”) granted by Marimo Co., Ltd., the sponsor (Note 1) of marimo REIT, and waived the rights on the same day.

(Note 1) “Sponsor” refers to a party with which marimo REIT and the Asset Manager have entered into a sponsor pipeline and support agreement.
(Note 2) When intending to sell real estate owned or operated by Marimo Co., Ltd. or its subsidiaries, real estate trust beneficiary rights, real estate securities or silent partnership equity interests, etc. backed by real estate (including real estate at the development phase) and conforming to the investment policy stipulated by marimo REIT and the Asset Manager (“the Eligible Real Estate, etc.”), information on Eligible Real Estate, etc. will be provided to marimo REIT and the Asset Manager in preference to third parties, and a period when marimo REIT and the Asset Manager can preferentially consider sale and purchase (10 banking days from the date of receipt of information (including the date of receipt) or until the day extended from the date of receipt of information based on the agreement between marimo REIT or the Asset Manager and Marimo Co., Ltd.) will be set.

1. Background and Reason for Waiver of Preferential Negotiation Rights for Sales Transactions

marimo REIT had assumed the acquisition of the Property upon or after the confirmation of smooth operation and creation of stable revenue and cash flow, but decided to waive the preferential negotiation rights for sales transactions pertaining to the Property as a result of comprehensively taking into consideration the rise in real estate transaction prices against the background of increasing hotel demand due to the increase in the number of foreign visitors to Japan, etc. as well as the forecasted status of income and expenditures and various other statuses.

2. Future Outlook

Since no penalty, etc. will arise in the waiver of the preferential negotiation rights for sales transactions pertaining to the Property, there will be no change to the operating forecasts for the fiscal period ending December 2019 announced on August 19, 2019.

*Website of marimo REIT: <https://www.marimo-reit.co.jp/en/>