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For Immediate Release

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Notice concerning Acquisition of Exclusive Negotiation Rights (LogiSquare Hirakata)

CRE Logistics REIT, Inc. (“CRE REIT”) hereby announces that CRE Inc. (“CRE”), the sponsor company of CRE REIT, has granted CRE REIT the right to exclusively provide information regarding LogiSquare Hirakata (the “Property”), a logistics facility, to CRE REIT Advisers, Inc. (the “Asset Manager”) and enter into sale and purchase negotiations ahead of third parties (“exclusive negotiation rights”), as described below.

1. General description of the Property in relation to exclusive negotiation rights

Property name	: LogiSquare Hirakata
Location	: 1-chome, Kasugakita-machi, Hirakata-shi, Osaka
Construction start date	: October 1, 2021
Scheduled completion time	: Late January 2023
Total floor area (planned)	: 45,841.68 m ²
Structure	: Steel structure, 4 floors above ground

Image of
the Property



The price, time, etc. of the acquisition of the Property have not been determined. CRE REIT plans to perform necessary due diligence procedures before determining the acquisition of the Property in accordance with the Regulations for Transactions with Interested Parties, etc. of the Asset Manager. It should be noted that CRE REIT may not be able to acquire the Property, despite the exclusive negotiation rights granted. In addition, CRE REIT is not obliged to acquire the Property, and will not pay CRE consideration for the acquisition of exclusive negotiation rights.

2. Reason for acquisition and outline of exclusive negotiation rights

The subject matter refers to receipt of new exclusive negotiation rights with respect to the Property in accordance with the sponsor support agreement among CRE REIT, the Asset Manager and CRE. This will allow CRE REIT to secure opportunities for acquiring properties in the future and aim at achieving external growth by acquiring the Property at the right time.

3. Features of the Property in relation to exclusive negotiation rights

(1) Location

The Property is situated in central part of Hirakata-shi, Osaka Prefecture, in an industrial zone where 24-hour operations are possible, with large factories surrounding the Property. The location approximately 1.5 km from the National Route 1 on the west side of the Property, as well as approximately 3.0 km from the Katano Kita Interchange and approximately 4.1 km from the Hirakata Gakken Interchange, both of the Daini-Keihan Road (the National Route 1 Bypass) on the east side of the Property enables easy access to main roads. The Property can be used as a wide-area logistics base for distribution not only to Osaka-shi and Kyoto-shi but to the entire Kansai area, based on the access via the Daini-Keihan Road to the Kinki Expressway, Chugoku Expressway and Hanshin Expressway. In FY2023, the planned connection of Daini-Keihan Road and Shin-Meishin Expressway is expected to enhance transportation accessibility. Moreover, the Property can be accessed from more than one railroad station, as it is located approximately 2.3 km from Tsuda Station on the JR Gakkentoshi Line and approximately 2.4 km from Kozu Station on the Keihan Katano Line.

Hirakata-shi has nearly 0.4 million residents (as of September 30, 2021), and the Property enjoys advantages in securing employees, given a growing population in the vicinity.

(2) Outline of facility plan

In the master plan for the facility, there is a driveway slope for large trucks to directly go up to the second floor, truck births for 48 trucks to dock simultaneously (22 on the first floor and 26 on the second floor) and truck waiting space for 5 trucks in the truck yard on the first floor.

The basic specifications for the storage section are planned to include metal faced insulating sandwich panels on the exterior walls, floor weight capacity of 1.5 t/m² (2.5 t forklifts can be used) for the storage section, effective ceiling height of no less than 5.5 m for each floor and average luminous intensity of 250 lux. With regard to elevating equipment, four cargo elevators (movable load of 4.1 t, 45 m/min) will be installed for the second to fourth floor (of which two elevators may be used for the first to fourth floor). Moreover, the specifications will allow to accommodate the needs of future tenants to some extent, including a structure that enables the addition of three vertical conveyors (may be used for the first to fourth floors) and dock levelers while also securing pipe-laying routes, space for outdoor units and cubicles for installing air conditioning equipment in the storage section, in addition to a legal response for increased office floor space. Further, there will be parking space in the premises for 119 standard-sized cars, 10 motorcycles and 53 bicycles, offering convenience for commuting.

The facility plan will be environmentally friendly and there will be LED lighting throughout the

entire building, human detecting sensors and water-saving sanitary fixtures as environmental measures, and certification of CASBEE for New Construction is planned to be acquired for the Property. Moreover, the electricity for the Property is planned to be supplied 100% from green energy, including that from solar power generation systems for the entire roof-top for self-consumption and recyclable energy procured from EnBio C Energy, Inc. (note).

(Note) A new company established in September 2021 through the joint investment of CRE and Enbio Holdings, Inc. Its main business is supplying green energy.

* CRE Logistic REIT, Inc. website: <https://cre-reit.co.jp/en/>