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For Immediate Release

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Notice Concerning Acquisition of Exclusive Negotiation Rights (LogiSquare Shiroi)

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 Shiroi (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”). Details are as follows.

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

Property name : LogiSquare Shiroi
Location : Naka, Shiroi-shi, Chiba
Construction start date : December 1, 2021
Scheduled completion time : Late December 2022
Total floor area (planned) : 30,807.72 m²
Structure : Steel structure, 3 floors above ground

Image of
the Property



The price, time, etc. of the acquisition of the Property have yet to be determined. CRE REIT plans to perform the necessary due diligence procedures before determining whether to proceed with 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 a consideration for the acquisition of exclusive negotiation rights.

2. Reason for acquisition and outline of exclusive negotiation rights

The subject matter refers to the 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 the Shiroy industrial park within inland Chiba Prefecture, and located in the industrial exclusive area that permits 24-hour operation, with large factories and warehouses. The property is located midway along National Route 16 between the Kashiwa Interchange of the Joban Expressway and Chiba Kita Interchange of the Higashi-Kanto Expressway, and the planned expansion of National Route 464 is expected to enhance transportation accessibility.

(2) Outline of facility plan

In the master plan for the facility, there is a driveway slope for large trucks to go directly up to the second floor, with truck bays for 36 large trucks to dock simultaneously. Among other features, the 1st floor is divided into 2 parts, as are the 2nd to 3rd duplexed floors, enabling to lease up to 4 tenants, with a minimum leasable area of about 4,776 m².

The basic specifications for the storage section are planned to include metal-faced insulating sandwich panels on the exterior walls, a floor weight capacity of 1.5 t/m² (2.0 t forklifts can be used) for the storage section, an effective ceiling height of no less than 5.5 m for each floor and an average luminous intensity of 300 lux. With regard to elevating equipment, four cargo elevators (movable load of 4.1 t) will be installed. Moreover, the specifications can accommodate the needs of future tenants to some extent, including a structure that enables the addition of two vertical conveyors and dock levelers while also securing pipe-laying routes, space for outdoor units for installing air conditioning equipment in the storage section, in addition to a legal response for increased office floor space. With that functionality and versatility, the facility plan will be able to meet every logistics need.

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. Certification of BELS(note 1) is planned to be acquired for the Property. Moreover, 100% of the electricity for the Property is planned to be supplied 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 2).

(Note 1) A third party certification system promoted by the Ministry of Land, Infrastructure, Transport and Tourism in Japan that displays the energy saving performance of buildings, an abbreviation for the Building Energy-efficiency Labeling System.

(Note 2) 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/>