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The Japanese language press release should be referred to as the original.]

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To All Concerned Parties

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## **Notice concerning Waiver of Preferential Negotiation Rights to Acquire Properties**

Invincible Investment Corporation (“INV”) made an agreement today with affiliates of its sponsor, Fortress Investment Group LLC (“FIG”) to waive the preferential negotiation rights (the “Waiver”) pertaining to seven residential properties (the “Properties”), for which INV had been granted based on the Memorandum of Understanding on Preferential Negotiation Rights (the “MOU”) entered into between INV and affiliates of FIG.

### 1. Outline of the Properties

No.	Property Name	Location	Property Type (Note)	# of Rooms
1	Gran Charm Hiroo	Shibuya-ku, Tokyo	Small type	121
2	Gran Charm Kichijoji	Musashino, Tokyo	Small type	28
3	Dainichi F-45	Urayasu, Chiba	Small type	54
4	Gran Charm Urayasu	Urayasu, Chiba	Small type	54
5	Gran Charm Urayasu 5	Urayasu, Chiba	Small type	54
6	Gran Charm Minami Gyotoku I	Ichikawa, Chiba	Small type	52
7	Gran Charm Minami Gyotoku II	Ichikawa, Chiba	Small type	48

(Note) “Small type” refers to residential properties for which the majority of leasable units have a floor area of less than 30m<sup>2</sup>.

### 2. Reasons and background of the waiver

As announced in “Notice concerning Waiver of Preferential Negotiation Right to Acquire a Property” dated September 26, 2019, the MOU provided INV with preferential negotiation rights to acquire three hotel properties and seven residential properties as of September 26, 2019. As the result of the acquisition of the trust beneficiary interests in one of the hotel properties, Hotel MyStays Premier Narita, which was announced in “Notice concerning Acquisition and Sale of Domestic Trust Beneficiary Interests” dated December 9, 2019, before the Waiver, the MOU provides INV with preferential negotiation rights to acquire two hotel properties and seven residential properties.

INV was granted the opportunity to consider the acquisition of the Properties from the relevant affiliates of FIG, however, INV decided to waive the preferential negotiation rights after thorough analysis, concluding that the Properties do not suit INV’s overall portfolio composition in the current market and economic environment.

This English language notice is a translation of the Japanese-language notice released on April 3, 2020 and was prepared solely for the convenience of, and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

After waiving the preferential negotiation rights to the Properties, INV holds preferential negotiation rights as described in the Appendix below.

## Appendix – A list of properties covered by the MOU (after the Waiver)

No.	Property Name	Location	Property Type (Note 1)	# of Rooms
1	RIHGA Royal Hotel Kyoto	Kyoto, Kyoto	Full service hotel	489
2	Fusaki Beach Resort Hotel & Villas	Ishigaki, Okinawa	Resort hotel	333

(Note 1) “Full service hotel” are to hotels that have both restaurant facilities providing breakfast, lunch and dinner (including meals provided by reservation) and meeting facilities that can be used for banquet services.

“Limited service hotel” are to hotels other than full service hotels.

“Resort hotel” are to hotels located in areas where a substantial number of guests stay for sightseeing or recreational purposes and includes both full service hotels and limited service hotels.

With respect to a hotel that falls within the definition of both a full service hotel and a resort hotel, we categorize the hotel as full a service hotel if it has substantial demand for meeting room, banquet service, wedding service or food and beverage service from non-staying guests, and as a resort hotel in all other cases.

(Note 2) The term of validity of the MOU is from July 1, 2019 to June 30, 2020.

(Note 3) Regarding the two properties listed above, the affiliates of FIG do not intend to sell any of the properties listed above and INV does not intend to acquire any of the properties listed above as of today. There is no assurance that INV will be granted an opportunity for considering acquisition of the properties or be able to acquire the properties. INV does not hold preferential negotiation rights to acquire any overseas properties.

Website of INV: <https://www.invincible-inv.co.jp/en/>