

July 5, 2017

For Immediate Release

Real Estate Investment Trust Securities Issuer
Star Asia Investment Corporation
Representative: Atsushi Kato, Executive Officer (Code: 3468)

Asset Management Company
Star Asia Investment Management Co., Ltd.
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Notice Concerning Conclusion of Memorandum on the Change of Sponsor Support Agreement

Star Asia Investment Corporation (SAR) and Star Asia Investment Management Co., Ltd. (the Asset Manager) announced today that they concluded a memorandum on the change of the sponsor support agreement (including the changes made afterwards) concluded with Star Asia Management Limited (the Sponsor) as of January 14, 2016, as described below.

1. Content of memorandum on the change of sponsor support agreement

The Asset Manager stipulated that advice can be sought from the Sponsor Group for the following items if necessary.

- (1) Creation, consideration, management, etc. of repair plans and long-term repair plans of real estate, etc. that are already owned by SAR or that SAR is considering acquiring.
- (2) Consideration, assessment, management, etc. of repair and renewal work and large-scale repair work of real estate, etc. that are already owned by SAR or that SAR is considering acquiring.

2. Reasons for the conclusion of memorandum on the change of sponsor support agreement

Star Asia Management Japan Limited, a member of the Sponsor Group (*1), intended to enhance the functions at foreign real estate funds by hiring personnel who were in charge of ① implementing capital expenditure and making repair plans with an aim to enhance value and maintain functions upon acquiring real estate and ② supervising construction work such as renewal and repair work after the acquisition of real estate (refer to the "career summary of the person to be appointed" in the attachment) as the Director of Construction Management department, and decided to do the same for the Asset Manager.

SAR and the Asset Manager have decided to conclude the memorandum on the change of sponsor support agreement as they can constantly receive advice on maintenance and improvement of building values from the Sponsor Group, and more support for implementing capital expenditure and making repair plans of properties SAR is considering acquiring as well as for planning renewal work of properties owned by SAR that are highly appealing to tenants in addition to more strategic repair plans.

(*1) The Sponsor Group is Star Asia Asset Management LLC, Star Asia Management Japan Limited, Star Asia Group LLC, Malcolm F. MacLean IV, Taro Masuyama and investment vehicles in Japan that are the investment destination of funds (excluding minority investments) for which Malcolm F. MacLean IV and Taro Masuyama make investment decisions (a) that are in Japan and own or acquire investment assets such as real estate or (b) that own or acquire investment units of SAR.

* Star Asia Investment Corporation website address: <http://starasia-reit.com/en/>

(Attachment)

Career summary of the person to be appointed

Name: Tatsuji Ishii

Career summary:

Director of Star Asia Management Japan Limited and Director of Construction Management department of the Sponsor Group.

In charge of technologies for correction of illegality, repair, renovation, value enhancement, etc. of all real estate assets as a cross-functional coordinator within the Sponsor Group.

Engaged in the correction of illegality and creation of value enhancement plans and rough estimates as well as adjustment and realization of plans concerning real estate assets acquired for real estate funds over 10 years before entering Star Asia Management Japan Limited. Also engaged in various new construction and extension work from the aspects of construction, electricity and construction work of facilities for 15 years at a general contractor business.

Brief career summary is as follows

Name	Brief Career History		
Tatsuji Ishii	April 1987	Joined Kumagaigumi Co., Ltd.	Engaged in new construction and extension work for various uses.
	April 2002	Joined Index Consulting Inc.	Engaged in the following projects as a consultant of real estate construction. <ul style="list-style-type: none"> • Project of new construction work • Redevelopment project in special urban renaissance districts utilizing the Act on Special Measures concerning Urban Reconstruction • Renovation project for managing office buildings at REITs • Renovation project for enhancing the value of commercial facilities and reviewing legal compliance • Concept making and renovation project aiming to rebrand hotels and increase occupancy rate Review concerning capital expenditure, bidding and selection of building management company and assessment of estimated costs of construction work.
	June 2006	Joined Capmark Japan (formerly GMAC Commercial Mortgage Japan)	Engaged in overall construction management business concerning assets at real estate investment groups (consideration of capital expenditure, construction management concerning renovation, assessment and price negotiation of estimated costs of construction work, and businesses to restore soundness concerning legal compliance, reinforcement of earthquake resistance and handling of asbestos).
	June 2007	Joined Morgan Stanley Capital	Improved legal compliance upon acquisition of assets purchased at real estate funds and established and implemented value enhancement plans. Planned a correction method by investigating illegality and soil contamination at the stage of actual inspection upon due diligence. Made a rough estimate and planned a schedule assuming a renovation plan by imagining hotel grade operators for hotels. Had a discussion with the government in parallel and completed the renovation.
	July 2017	Joined Star Asia Management Japan Limited	Appointed as Director of Construction Management department of Sponsor Group (current position)