

Translation of Japanese Original

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To All Concerned Parties

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Notice Concerning the Proposal of Succession to Status in the Main Operator (Activa Biwa)

Japan Senior Living Investment Corporation (“JSL”) announced today that it was proposed about succession to status (“the proposal”) by UNIMAT Retirement Community Co., Ltd. in Activa Biwa (S-6) (“the property”), the main property of JSL, as follows.

It is necessary for JSL to agree the proposal in advance to success to status of operator (“the succession”) in the leasing contract of the property (“the leasing contract”).

1. Overview of the Proposal

	Before the change	After the change
Operator (end tenant)	UNIMAT Retirement Community Co., Ltd.	Activa Co., Ltd.
Date of conclusion of the succession, etc.	February 14, 2017	
Date of the succession	April 1, 2017 (scheduled)	
Leased area	39,649.84 m ² (the percentage of the leased area against the property’s total leasable area: 100%)	
The percentage of the leased area against JSL’s total leasable area	37.9%	
Rent, lease and guarantee and contract period, etc.	Undisclosed	No change ^(Note)
Lease and guarantee	Undisclosed	No change ^(Note)
Contract period	From August 31, 2007 to August 30, 2027	No change ^(Note)
Other	Activa Co., Ltd. was established in December 2016 invested all by UNIMAT Retirement Community Co., Ltd. Activa Co., Ltd. today concluded the company absorption agreement containing the succession only of the business as the property in UNIMAT Retirement Community Co., Ltd. on the date of the succession and proposed for JSL’s agreement in advance based on the leasing contract because Activa Co., Ltd. intends to success some conditions and employees, etc. Activa Co., Ltd. is scheduled to become the wholly-owned subsidiary of Resorttrust, Inc. (details are as 3.) because all of its issued shares are transferred to Resorttrust, Inc. on the date of the succession.	

(Note) In the proposal, UNIMAT Retirement Community Co., Ltd., Activa Co., Ltd. and Resorttrust, Inc. propose the succession with no change in

some basic conditions such as rent, lease and guarantee and contract, etc.

2. Circumstances of the Proposal

UNIMAT Retirement Community Co., Ltd. has operated the property from 2008 but agreed transferring the operation of the property and carried out the succession because interests of UNIMAT Retirement Community Co., Ltd. as selecting and consolidating business field and Resorttrust, Inc. as progressive expansion of high class senior life business facilities matched.

JSL considers the succession as basically good because of contribution to JSL's stable earnings by maintaining the operation, comprehensive service for residents making use of the operation resources in the parent company's group of the new operator and maintain and improve occupancy rate by the new operator in case that the existing contract such as the leasing contract is smoothly succeeded. So, JSL plans to agree the succession by the date of the succession and carry out procedures necessary to success if JSL could confirm that the new operator matches JSL's investment standard and agree some conditions about the succession.

3. Overview of the New Operator and the Parent Company of the New Operator as the Proposal

Overview of the company and business (as of February 14, 2017)

Name	Activa Co., Ltd.
Address	6-17-17 Ogoto, Otsu, Shiga
Representative	Representative director Yasufumi Irie ^(Note)
Business description	Operation of "Activa Biwa" (fee-based homes for the elderly (with nursing care)), etc.
Capital stock	1 million yen
Date established	December 28, 2016
Sales	- (not starting business)
No. of facilities	1
No. of rooms or capacity	384

(Note) It is scheduled to be changed to a staff of the new operator after the date of the succession.

Overview of the company and business of the parent company of the new operator (as of December 31, 2016)

Name	Resorttrust, Inc. (listed company on the First Section of the Tokyo Stock Exchange and Nagoya Stock Exchange)
Address	2-18-31 Higashisakura, Naka-ward, Nagoya
Representative	President & CEO Masayasu Ito
Business description	Membership, hotel and restaurant and medical business
Capital stock	19,588 million yen
Sales ^(Note 1)	142,249 million yen (as of the period ending March 2016) (Medical business: 21,806 million yen)
No. of facilities ^(Note 2)	13 (Chukyo and Kansai: 4)
No. of rooms or capacity ^(Note 2)	1,075 (Chukyo and Kansai: 411)

(Note 1) The figure is based on the consolidated financial statements on stock report of Resorttrust, Inc. as of the period ending March 2016.

(Note 2) The figures are based on information from UNIMAT Retirement Community Co., Ltd. and Resorttrust, Inc. as of February 14, 2017. The figures of facilities and rooms are including that of Trustgarden, Inc. and Trustgrace, Inc. conducting senior life business as consolidated subsidiaries of Resorttrust, Inc. but not including that of the property. No. of facilities is 15 and No. of rooms is 1,513 in case that the property succeeded and "Trust Garden Kyoro Sijo (scheduled)" Trustgarden, Inc. plans to open in March 2018 are added to figures above.

4. Forecast

The forecast of financial results for the period ending February 2017 (September 1, 2016 to February 28, 2017) and August 2017 (March 1, 2017 to August 31, 2017) remains unchanged by the succession.

* This announcement is distributed to the Kabuto Club; the Ministry of Land, Infrastructure, Transport and Tourism Press Club; and the Ministry of Land, Infrastructure, Transport and Tourism Construction Specialty Publication Press Club

* Websites:

Japan Senior Living Investment Corporation

<http://www.jsl-reit.com/>

[Provisional Translation Only]

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