

October 11, 2018

For Translation Purpose Only

Real Estate Investment Trust Securities Issuer
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Notice Concerning Debt Financing (Refinance) and Prepayment of Existing Debt

Tosei Reit Investment Corporation (“Tosei Reit”) announces today that it has decided to obtain debt financing (the “Borrowings”) and execute prepayment of existing debt (“Prepayment”), as described below.

1. Description of the Borrowings

(1) Term loan (4.1 years) (Note 1)

(1) Lenders	Syndicate of lenders with MUFG Bank, Ltd. as an arranger
(2) Planned loan amount	JPY1,600 million
(3) Interest rate (Note 2)	To be decided (fixed interest rate) (Note 3)
(4) Planned drawdown date	October 31, 2018
(5) Interest payment date	The first payment date is November 30, 2018 and interest payment dates are the end of each month and on the maturity date (If such date is not a business day, the immediately following business date; if such a date is in the next month, the immediately preceding business date.)
(6) Borrowing method	Borrowing based on the individual loan agreements concluded on October 29, 2018 (planned) with above lenders.
(7) Maturity date	November 30, 2022
(8) Repayment method	Lump-sum repayment on maturity date
(9) Security	Unsecured

(2) Term loan (3.5 years) (Note 1)

(1) Lenders	Syndicate of lenders with MUFG Bank, Ltd. as an arranger
(2) Planned loan amount	JPY1,000 million
(3) Interest rate (Note 2)	Base rate (JBA 1 month JPY TIBOR) +0.450%(Note 3)
(4) Planned drawdown date	November 30, 2018
(5) Interest payment date	The first payment date is December 28, 2018 and interest payment dates are the end of each month and on the maturity date (If such date is not a business day, the immediately following business date; if such a date is in the next month, the immediately preceding business date.)
(6) Borrowing method	Borrowing based on the individual loan agreements concluded on

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	November 28, 2018 (planned) with above lenders.
(7) Maturity date	May 31, 2022
(8) Repayment method	Lump-sum repayment on maturity date
(9) Security	Unsecured

(3) Term loan (4.5 years) (Note 1)

(1) Lenders	Syndicate of lenders with MUFG Bank, Ltd. as an arranger
(2) Planned loan amount	JPY1,000 million
(3) Interest rate (Note 2)	To be decided (fixed interest rate) (Note 3)
(4) Planned drawdown date	November 30, 2018
(5) Interest payment date	The first payment date is December 28, 2018 and interest payment dates are the end of each month and on the maturity date (If such date is not a business day, the immediately following business date; if such a date is in the next month, the immediately preceding business date.)
(6) Borrowing method	Borrowing based on the individual loan agreements concluded on November 28, 2018 (planned) with above lenders.
(7) Maturity date	May 31, 2023
(8) Repayment method	Lump-sum repayment on maturity date
(9) Security	Unsecured

(Note 1) The Borrowings will be conditional on fulfilling all of the separately set preconditions for granting loans, in addition to completion of decision making in loan-granting assessments by financial institutions that comprise a syndicate of lenders as well as other factors.

(Note 2) Figures indicated do not include borrowing related expenses, etc. to be paid to the lenders.

(Note 3) The interest rate shall be announced once it is determined.

2. Reason for the Borrowings

Tosei Reit is using the borrowed funds for repayment of loans that will become due on October 31, 2018 and November 30, 2018.

3. Amount to be procured, use of funds and schedule of expenditure

(1) Amount to be procured

JPY3,600 million

(2) Specific use of funds to be procured

To be allocated to the funds for repayment of long-term loans of 3,600 million yen that will become due on October 31, 2018 and November 30, 2018. For the overview of the borrowings, please refer to the "Description of the Borrowings" in the "Notice Concerning Debt Financing" announced on November 28, 2014 and October 13, 2017.

(3) Schedule of expenditure (planned)

October 31, 2018 and November 30, 2018

4. Description of the Prepayment

(1) The Planned prepayment of existing borrowing

(1) Term	Long-term loans (Note)
(2) Lenders	MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Resona Bank, Limited., Shinsei Bank, Limited, Aozora Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited
(3) Loan amount	JPY 2,000 million
(4) Prepayment amount	JPY 800 million

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(5)	Drawdown date	November 17, 2015
(6)	Maturity date	May 31, 2019
(7)	Planned prepayment date	November 30, 2018
(8)	Security	Unsecured

(Note) Long-term loans refer to loans with the period from the drawdown date to the maturity date being more than one year.

(2) Funds for prepayment

Part of the proceeds from transfer of “MarLandFive,” announced on September 28, 2018 in “Notice Concerning Asset Transfer”

5. Status of loans, etc. after the Borrowings and Prepayment (As of November 30, 2018)

(Unit: JPY million)

	Before (Note 4)	After	Increase (Decrease)
Short-term loans (Note 1)	0	0	0
Long-term loans (Note 1) (Note 2) (Note 3)	30,000	29,200	-800
Total loans(Note 2)	30,000	29,200	-800
Investment corporation bonds	—	—	—
Total interest-bearing debt (Note 2)	30,000	29,200	-800

(Note 1) Short-term loans refer to loans with the period from the drawdown date to the maturity date being one year or less, and long-term loans refer to loans with the period from the drawdown date to the maturity date being more than one year.

(Note 2) Short-term loans, total loans and total interest-bearing debt indicate amounts excluding JPY300 million, the upper limit of the planned loan amount through backup loan (1.1 year). Execution of the Borrowing and the loan amount when executing the Borrowing will be decided after taking into account the amount of proceeds from the public offering (the public offering indicated in “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” separately announced today) and other factors. For details of the backup loan (1.1 year), please refer to “1. Description of the Borrowings” in “Notice Concerning Debt Financing” separately announced today.

(Note 3) Figures including the borrowings that are scheduled to be repaid within one year from today are indicated.

(Note 4) As of November 2, 2018

6. Other

Concerning the risks associated with the Borrowings and Prepayment, there is no material change from the content of “Part II. Reference Information; Section 2. Information Supplementary to Reference Documents; 4. Investment Risks” of the securities registration statement submitted today.

* This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

* Tosei Reit Investment Corporation website: <http://www.tosei-reit.co.jp/en/>

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