

October 13, 2017

For Translation Purpose Only

Real Estate Investment Trust Securities Issuer  
Tosei Reit Investment Corporation  
4-2-3 Toranomom, Minato-ku, Tokyo  
Representative: Hisaaki Kuroyama, Executive Director

(Securities Code: 3451)

Asset Management Company  
Tosei Asset Advisors, Inc.  
Representative: Akihiko Fujinaga, President & Representative Director  
Inquiries: Keiji Miyaishi  
General Manager, Treasury & Planning Department, REIT Division

(TEL: +81-3-3433-6320)

Notice Concerning Debt Financing (Refinance)

Tosei Reit Investment Corporation (“Tosei Reit”) announces today that it has decided to obtain debt financing (Refinance) (“Borrowings”), as described below.

1. Description of the Borrowings

(1) Term loan (4.9 years) (Note 1)

(1) Lenders	Syndicate of lenders with the Bank of Tokyo-Mitsubishi UFJ, Ltd. as an arranger
(2) Planned loan amount	JPY2,000 million
(3) Interest rate (Note 2)	To be decided (fixed interest rate) (Note 3)
(4) Planned drawdown date	November 30, 2017
(5) Interest payment date	The first payment date is December 29, 2017 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, 2017 (planned) with above lenders.
(7) Maturity date	October 31, 2022
(8) Repayment method	Lump-sum repayment on maturity date
(9) Security	Secured

(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 November 30, 2017.

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

(1) Amount to be procured

Disclaimer: This document is an English translation of a press release for public announcement concerning debt financing by Tosei Reit Investment Corporation, and has not been prepared for the purpose of solicitation of investment. We caution investors to refer to Tosei Reit's prospectus and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

JPY2,000 million

(2) Specific use of funds to be procured

To be allocated to the funds for repayment of long-term loans of 2,000 million yen that will become due on November 30, 2017. For the overview of the borrowings, please refer to the “1.Description of the Borrowings” in the “Notice Concerning Debt Financing” announced on November 28, 2014.

(3) Schedule of expenditure (planned)

November 30, 2017

4. Status of loans, etc. after the Borrowings (As of November 30, 2017)

(Unit: JPY million)

	Before the Borrowings	After the Borrowings	Increase (Decrease)
Short-term loans (Note 1) (Note 2)	1,600	1,600	0
Long-term loans (Note 1) (Note 3)	22,400	22,400	0
Total loans (Note 2)	24,000	24,000	0
Investment corporation bonds	—	—	—
Total interest-bearing debt (Note 2)	24,000	24,000	0

(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 JPY400 million, the upper limit of the planned loan amount through backup loan (1.0 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 (1.0 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.

5. Other

Concerning the risks associated with the Borrowings, 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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