

June 15, 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 Obtainment of Preferential Negotiating Rights Pertaining to Acquisition of  
Investment Assets

Tosei Reit Investment Corporation (“Tosei Reit”) announces that it obtained today preferential negotiating rights pertaining to two residential poroperties from Tosei Corporation (the “Sponsor”), the sponsor of Tosei Reit, as described below.

1. Obtainment of preferential negotiating rights

Property name: Milestone Higashi-Kurume  
Date of obtainment: June15, 2017  
Preferential negotiating period: From the date of obtainment above to November 30, 2017  
If no request is made by the Sponsor or Tosei Reit for cancellation of the preferential negotiating rights before one month prior to the expiry date of the above negotiating period, it shall be automatically renewed every two months.

Property name: Sancerre Yono-Honmachi  
Date of obtainment: June15, 2017  
Preferential negotiating period: From the date of obtainment above to November 30, 2017  
If no request is made by the Sponsor or Tosei Reit for cancellation of the preferential negotiating rights before one month prior to the expiry date of the above negotiating period, it shall be automatically renewed every two months.

2. Preferential negotiating rights

The preferential negotiating rights are granted in accordance with the “Sponsor Support Agreement” concluded among Tosei Reit, the Asset Management Company and the Sponsor. Through the above, Tosei Reit aims to achieve external growth by securing opportunities for future property acquisitions and realizing timely acquisitions.

The acquisition price, acquisition date, etc. for the properties which preferential negotiating rights were granted (Note) have yet to be determined. It is not guaranteed that Tosei Reit will be able to

acquire the Properties nor is Tosei Reit obliged to acquire the Properties.

Tosei Reit will perform the necessary due diligence upon actual acquisition of the Property and make decisions in compliance with the Asset Management Company's interested-party transaction rules.

No consideration from Tosei Reit to the Sponsor will accrue concerning the obtainment of the preferential negotiating rights.

(Note) The total number of properties for which preferential negotiating rights have been granted by the Sponsor as of today is five (Twin Avenue, Wako Building, Lumiere No.3, Milestone Higashi-Kurume, Sancerre Yono-Honmachi).

### 3. Overview of properties for which preferential negotiating rights were granted as of today



Property Name	Twin Avenue
Address	Sekimachi-kita, Nerima-ku, Tokyo
Property type	Residence / Shops
Site area / Total floor area	2,475.07 m <sup>2</sup> / 4,563.79m <sup>2</sup>
Construction	SRC, flat roof 8F
Completed	March 1992



Property Name	Wako Building
Address	Takasu, Mihama-ku, Chiba-shi, Chiba
Property type	Shops / Office
Site area / Total floor area	1,104.14m <sup>2</sup> / 4,059.79m <sup>2</sup>
Construction	S, flat roof, B1,5F
Completed	May 1986



Property Name	Lumier No.3
Address	Shiba, Kawaguchi-shi, Saitama
Property type	Residence / Shops
Site area / Total floor area	3,129.63m <sup>2</sup> / 5,812.86m <sup>2</sup>
Construction	RC, roofing, 7F
Completed	September 1994



Property Name	Milestone Higashi-Kurume
Address	Higashi-honcho, Higashi-kurume-shi, Tokyo
Property type	Residence / Shops
Site area / Total floor area	1,057.78m <sup>2</sup> / 4,374.55m <sup>2</sup>
Construction	SRC, flat roof 10F
Completed	September 1989



Property Name	Sancerre Yono-Honmachi
Address	Shimo-ochiai, Chuo-ku, Saitama-shi, Saitama
Property type	Residence
Site area / Total floor area	1,060.29 m <sup>2</sup> / 1,978.93m <sup>2</sup>
Construction	RC, flat roof 4F
Completed	November 1990

#### 4. Future outlook

There is no impact on the operating results and no changes to the operating results forecast for the fiscal period ending October 31, 2017 (6th fiscal period) and April 30, 2018(7th fiscal period) due to the obtainment of the preferential negotiating rights.

\* 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/>