

IR Presentation



For the Fiscal Period
Ended October 2020 (12th Fiscal Period)

Securities Code: 3451



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Overview of Financial Results

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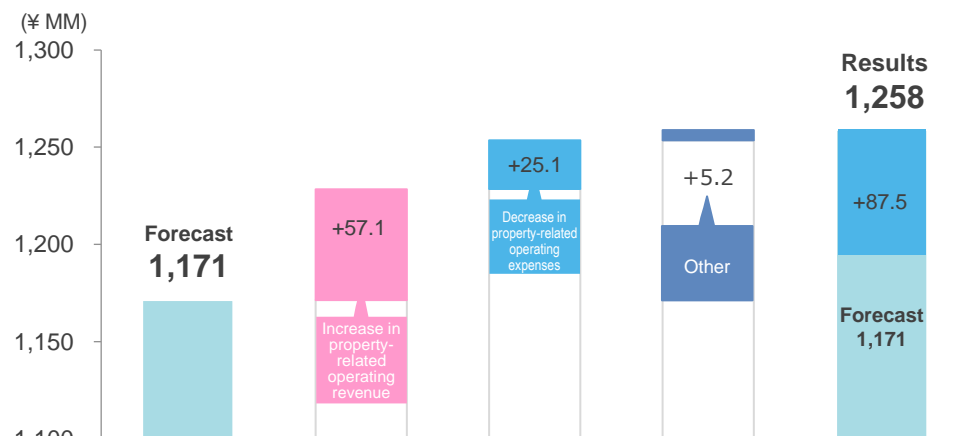
Overview of the 12th Fiscal Period

Results for the 12th Fiscal Period

(¥ MM)

	11th FP (Ended April 2020)	12th FP (Ended October 2020)		
		Forecast Announced June 15, 2020	Actual Results	Compared with Forecast
Days in operation	182	184	184	-
Operating revenue	2,996	3,040	3,097	+1.9%
Operating income	1,501	1,453	1,532	+5.5%
Ordinary income	1,244	1,172	1,259	+7.5%
Net income	1,243	1,171	1,258	+7.5%
Cash distribution per unit (¥)	3,696	3,520	3,697	+5.0%
Total assets	76,345	-	77,012	-

Main Factors of Change in Net Income (comparison with forecast)



(Note) The forecast is the forecast figure for the 12th FP ended October 2020 released on June 15, 2020.

Property-Related Operating Revenue (comparison with forecast)

(¥ MM)

	12th FP (Ended Oct. 2020)		
	Forecast Announced June 15, 2020	Actual Results	Differences
Property-related operating revenue	3,040.2	3,097.4	57.1
Rent, common service income, facility income	2,771.1	2,818.9	47.8
• Offices	1,322.8	1,342.1	19.2
• Retail facilities	237.0	242.0	4.9
• Residential properties	1,211.1	1,234.7	23.5
Utilities revenue	218.9	219.4	0.5
Other operating revenue (construction to restore properties to original state, renewal fees, cancellation penalties, etc.)	50.1	58.9	8.7

Property-Related Operating Expenses (comparison with forecast)

(¥ MM)

	12th FP (Ended Oct. 2020)		
	Forecast Announced June 15, 2020	Actual Results	Differences
Property-related operating expenses	1,313.2	1,288.1	-25.1
PMBM fees	292.0	293.7	1.7
Utilities expenses	236.8	222.4	-14.4
Repair and maintenance expenses	121.5	123.0	1.5
Property taxes	219.9	219.7	-0.1
Other (advertising expenses, etc.)	92.2	68.2	-24.0
Depreciation	350.6	360.8	10.1

Impact of COVID-19 and Response

■ Status of Request for Rent Reduction/Exemption, Etc. (reduction/exemption, postponement) and Future Outlook

● 12th FP

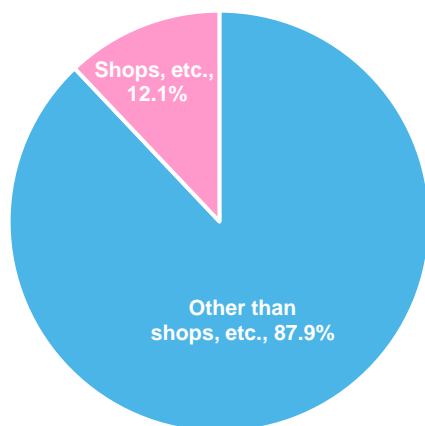
- Sincerely responded to each tenant based on the requests from shops, etc., and conducted rent reduction/exemption, etc. for 11 tenants
- Although rent revenue decreased due to rent reduction/exemption, etc., it fell below the expectations at the beginning of the period
- No specific issues have occurred regarding the status of rent payment after the end of the response to rent reduction/exemption, etc.

● 13th FP and 14th FP

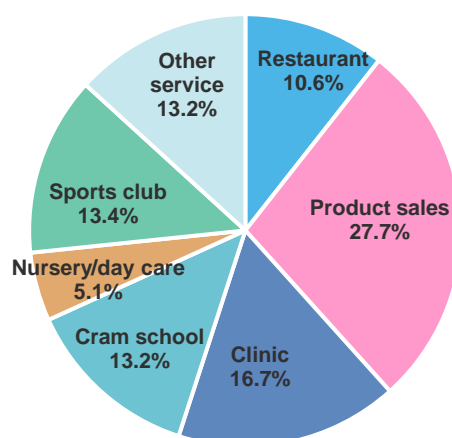
- Revise the currently expected amount as the period of rent reduction/exemption, etc. is long and the impact will continue to be seen until the 14th FP for some requests that were handled in the 12th FP
- Estimate a certain amount regarding the impact of the economic downturn caused by COVID-19 and record it in the 13th FP for the contracts that have not been actualized as of now

■ Ratio of the Leased Area of Shops, Etc. in Entire Portfolio (based on leasable area)

Ratio of Shops, Etc. in Entire Portfolio



Breakdown by Type of Shop, Etc.



(Note) Calculated for a total of 54 properties consisting of 50 properties owned as of the end of the 12th Fiscal Period and 4 properties acquired in the 13th Fiscal Period.

● Status of Response to Rent Reduction/Exemption, Etc. in 12th FP (¥ MM)

	Expectation	Results		
	Amount	Amount	Number of implemented cases	(Number of requests)
Total	12.5	4.4	11	(42)
Shops, etc.	12.5	4.4	11	(31)
Other than shops, etc.	0.0	0.0	0	(11)
Impact on cash distribution per unit (¥)	-37	-13	-	-

● Reflection on Earnings Forecast for the 13th and 14th Fiscal Periods (¥ MM)

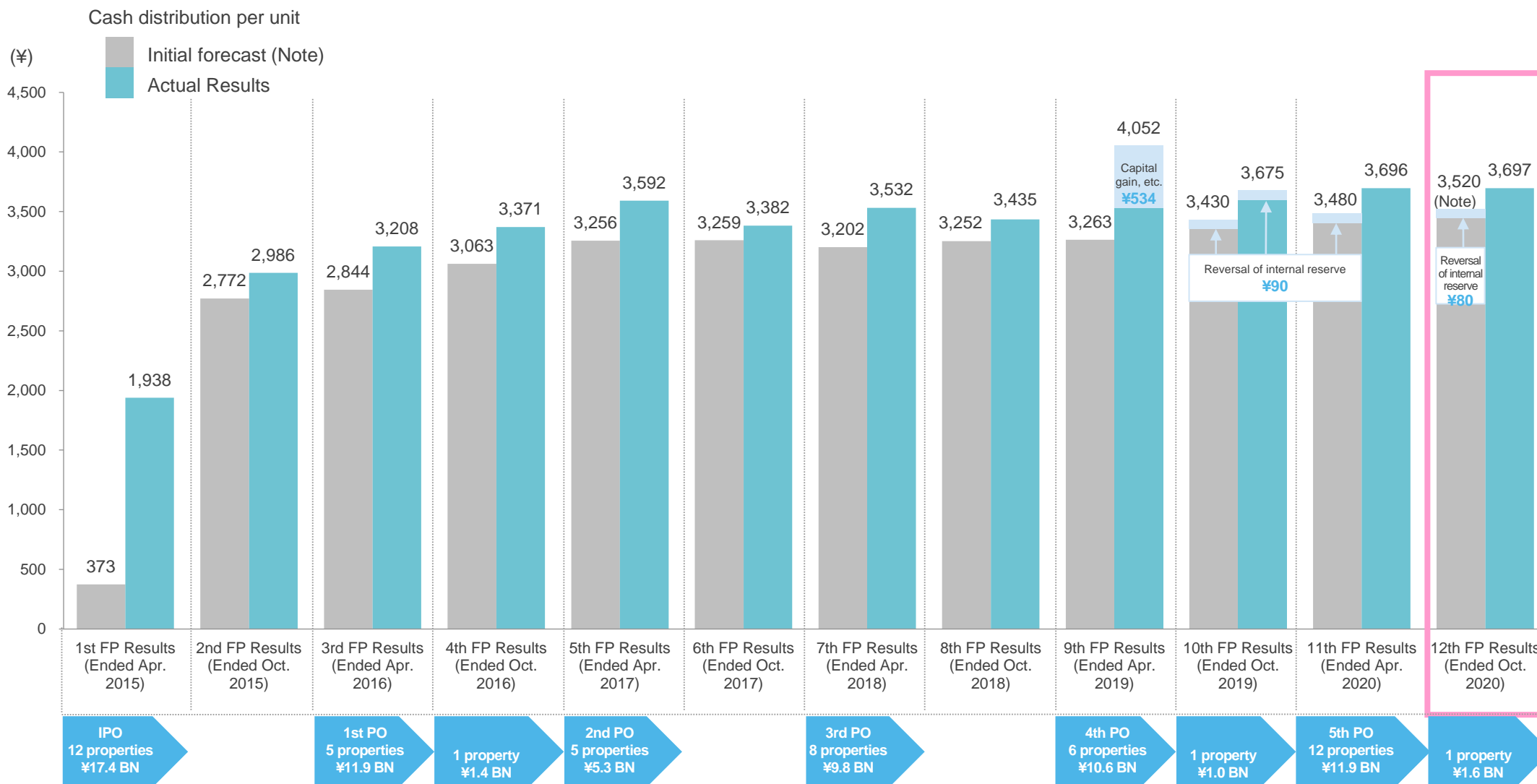
	13th FP		14th FP
	Initially expected amount	Currently expected amount	Expected amount
Direct impact due to rent reduction/exemption, etc.	0	8.1	3.9
Secondary impact due to economic downturn	13.8	5.1	-
Total	13.8	13.3	3.9
Impact on cash distribution per unit (¥)	-41	-39	-12

● Status of Response by Use

Use	Status of Response
Offices	<ul style="list-style-type: none"> Principally plans not to accept requests for rent reduction/exemption, etc. of the portion used as offices. Declined 7 requests in the 12th FP
Shops	<ul style="list-style-type: none"> Conduct hearing of business conditions including temporary closure from tenants using the property as shops, etc. and individually responding to them Agreement on rent reduction/exemption, etc. was reached with 11 out of the 31 tenants who made requests (cancelled lease contract with 1 tenant)
Residential properties	<ul style="list-style-type: none"> Principally plan not to accept requests for rent reduction/exemption, etc. from tenants using the property as residence. Declined 2 requests in the 12th FP
Parking lot and other	<ul style="list-style-type: none"> Declined 2 requests for rent reduction/exemption of parking lot

Cash Distribution per Unit

- Actual result for the 12th Fiscal Period was ¥3,697 per unit, +¥177 (+5.0%) from the most recent forecast
 - The portion scheduled to be distributed through the reversal of internal reserve (¥80) will be retained to prepare for the stabilization of future cash distribution payment



(Note) Initial forecast indicates figures initially announced. However, the initial forecast for 12th FP ended October 2020 is the figure released on June 15, 2020.

Operating Results

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Occupancy Rate

- The occupancy rate as of the end of the 12th Fiscal Period was 97.7%, remaining at the same level as that at the end of the previous fiscal period. The stable trend was also seen with the exertion of the strengths of diversified REITs

- For offices, successfully achieved 100% occupancy for 2 properties (Hon-Atsugi and Higashitotsuka)
- Refilled approximately 60% of the section where a large tenant at Kannai Tosei Building II vacated as of the end of the period, and already concluded lease contracts for approximately 51 tsubos out of the remaining approximately 175 tsubos of area
- Although the occupancy rate for offices and retail facilities decreased slightly, such decrease was covered by the increase for residential properties which remain relatively stable

Factors of Change in Occupancy Rate

- While full occupancy was achieved for two buildings through the acquisition of buildings that are fully occupied as well as occupancy by new tenants, the occupancy rate declined as the refilling of the entire section vacated by large tenants at Kannai Tosei Building II is not complete

[Factors of increase]

- Hachioji Tosei Building 100% New property acquisition
- Hon-Atsugi Tosei Building 94.3% → 100%
- Higashitotsuka West Building 93.7% → 100%

[Factors of decrease]

- Kannai Tosei Building II 100% → 91.7%
 - Approximately 430 tsubos of space was vacated by tenants at the end of August, and approximately 255 tsubos was occupied by new tenants in September
 - Approximately 51 tsubos of space was occupied by new tenants in December in addition to the above (94.1% after occupancy)
- Nishi Kasai Tosei Building 100% → 94.0%

- Demand for offices with a space of 100 tsubos or less seems relatively strong in general

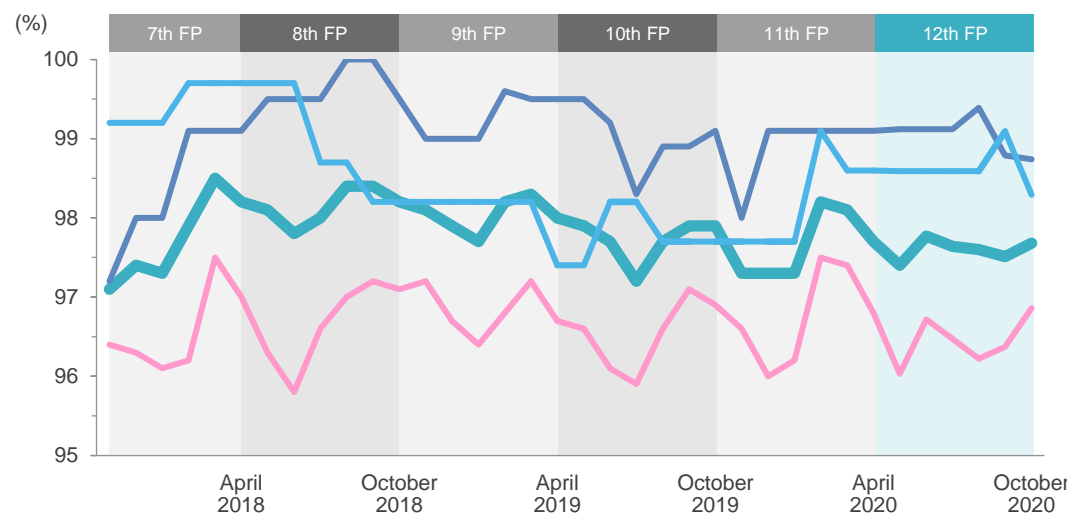
Retail facilities

- The occupancy rate of Inage Kaigan Building improved (97.3% → 98.7%), while that of Wako Building dropped (97.4% → 92.7%)

Residential properties

- There were no significant changes in the occupancy rate on an individual property basis and the operational status remained generally stable
- Demand for residential properties for families in the suburbs remained strong

Change in Occupancy Rate



	April 2018	October 2018	April 2019	October 2019	April 2020	October 2020
	7th FP End	8th FP End	9th FP End	10th FP End	11th FP End	12th FP End
Total	98.2%	98.2%	98.0%	97.9%	97.7%	97.7%
Offices	99.1%	99.5%	99.5%	99.1%	99.1%	98.7%
Retail facilities	99.7%	98.2%	97.4%	97.7%	98.6%	98.3%
Residential properties	97.0%	97.1%	96.7%	96.9%	96.8%	96.9%

Breakdown of Fluctuation in Occupancy Rate of Residential Properties (End of 11th FP → End of 12th FP)

	For families				For singles				Total			
	Number of properties	Occupancy rate (%)			Number of properties	Occupancy rate (%)			Number of properties	Occupancy rate (%)		
		11th FP End	12th FP End	Up/Down		11th FP End	12th FP End	Up/Down		11th FP End	12th FP End	Up/Down
Tokyo (23 wards)	6	97.7	97.3	-0.4	2	99.3	100.0	0.7	8	97.9	97.7	-0.2
Tokyo (excluding the 23 wards)	3	95.6	95.3	-0.3	3	98.1	96.3	-1.8	6	97.1	95.9	-1.2
Chiba, Kanagawa and Saitama	10	96.3	97.0	0.7	7	96.1	96.3	0.2	17	96.3	96.8	0.6
Total	19	96.6	96.9	0.3	12	97.1	96.7	-0.4	31	96.8	96.9	0.1

Rent Status - New Contracts and Cancellations

- The total monthly rents of tenants who newly concluded contracts and the total monthly rents of tenants who cancelled contracts in the 12th FP were both ¥23.1 MM, and the difference was almost zero
- Reasons for relocation by tenants are business expansion as well as response to COVID-19 including the improvement of office environment

■ Increase/Decrease and Change in Newly Contracted/Cancelled Monthly Rents

(Note 1)

12th FP	New rent (A)			Cancelled rent (B)			Increase/Decrease (A)-(B)		
	Number of contracts	Area (m ²)	Rent (¥ MM)	Number of contracts	Area (m ²)	Rent (¥ MM)	Number of contracts	Area (m ²)	Rent (¥ MM)
Offices total	10	1,848.48	6,219	4	2,096.37	6,344	6	-247.89	-126
Retail facilities total	1	82.91	213	1	132.63	500	-	-49.72	-287
Residential properties total	169	8,373.26	16,678	171	8,271.82	16,305	-2	101.44	373
Total	180	10,304.65	23,110	176	10,500.82	23,149	4	-196.17	-39

■ Reason for Relocation by Tenants (Offices and Retail Facilities)

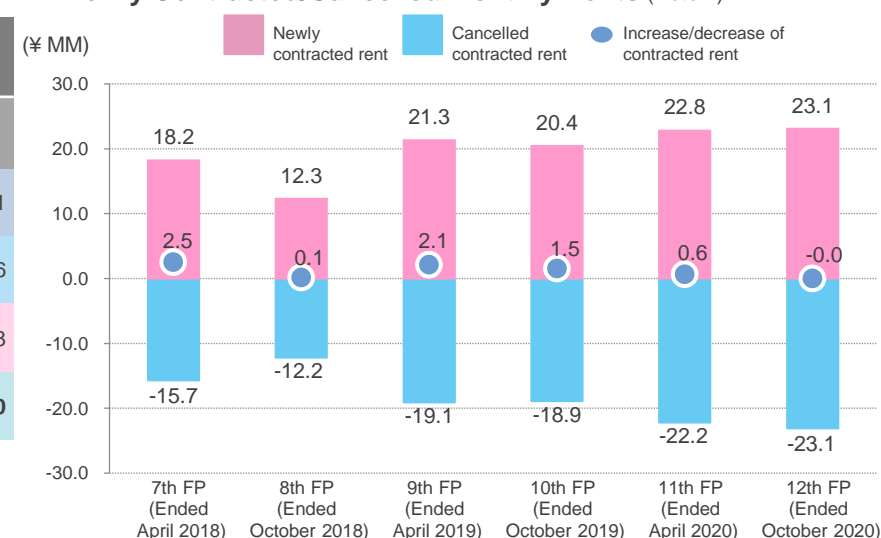
Offices	Move-in	<ul style="list-style-type: none"> • Relocation for extension due to business expansion (3 companies) • Relocation due to reconstruction of currently occupying building (3 companies) • Improvement of office environment (2 companies) • Establishment of satellite office • Relocation from central Tokyo for space reduction
	Move-out	<ul style="list-style-type: none"> • Relocation due to new construction of company building • Due to integration of bases (2 companies) • Partial cancellation due to business contraction (floor reduction)
Retail facilities	Move-in	• Relocation for extension due to business expansion
	Move-out	• Customers decreased or business withdrawal due to the impact of COVID-19

11th FP (Actual for previous fiscal period)	New rent (A)			Cancelled rent (B)			Increase/Decrease (A)-(B)		
	Number of contracts	Area (m ²)	Rent (¥ MM)	Number of contracts	Area (m ²)	Rent (¥ MM)	Number of contracts	Area (m ²)	Rent (¥ MM)
Offices total	3	831.81	2,801	2	740.26	2,120	1	91.55	681
Retail facilities total	1	223.71	300	1	77.82	224	-	145.89	76
Residential properties total	215	8,688.88	19,750	210	9,284.57	19,867	5	-595.69	-118
Total	219	9,744.40	22,851	213	10,102.65	22,211	6	-358.25	640

(Note 1) Amounts of rent in the table are rounded to the nearest one thousand yen.

(Note 2) Amounts of rent in the table are rounded down to one decimal place.

Newly Contracted/Cancelled Monthly Rents (Note 2)



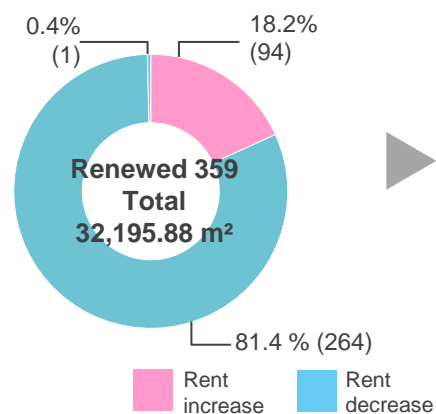
Rent Status - Rent Revision

- Conducted upward revision for 80 out of the 415 contracts to be renewed that expired in the 12th Fiscal Period (37 for offices, 5 for retail facilities and 373 for residential properties). The average rent increase rate through rent revision was 4.1%
- There were no case where rent was revised downward for contracts to be renewed that expired (excluding the response to COVID-19)

■ Status of Rent Revision (leased-area basis)

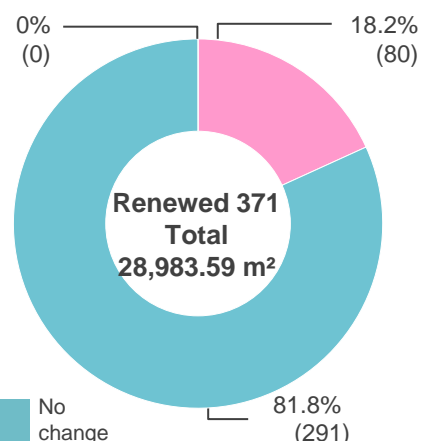
• 11th FP (Ended April 2020)

Contracts up for renewal: 418
Renewal rate: 86%



• 12th FP (Ended October 2020)

Contracts up for renewal: 415
Renewal rate: 89%

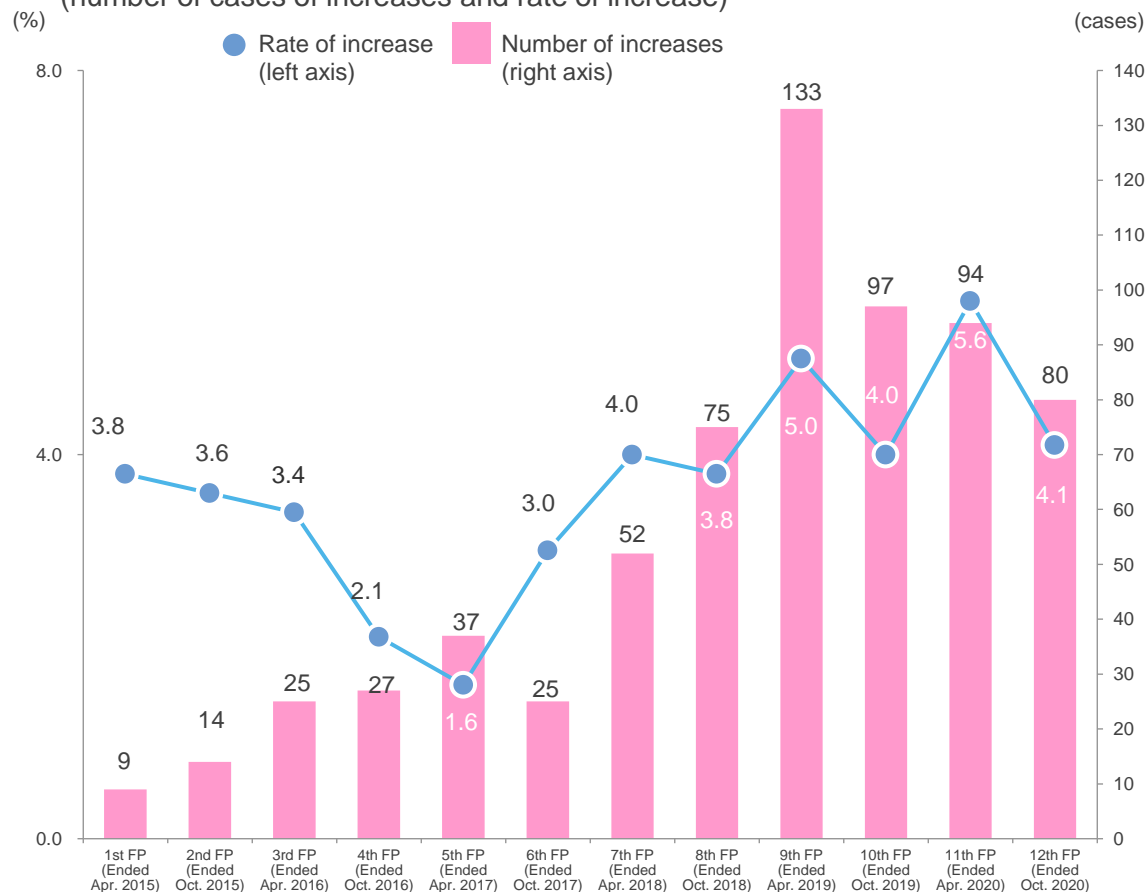


■ Breakdown of Rent Revisions (by asset type)

	Upward revision		Downward revision		Total
	Number of contracts	Increase rate (%)	Number of contracts	Decrease rate (%)	
Total	80	4.1	0	0	4.1
Offices	3	8.2	0	0	8.2
Retail facilities	0	0	0	0	0
Residential properties	77	2.4	0	0	2.4

■ Change in Upward Rent Revisions

(number of cases of increases and rate of increase)

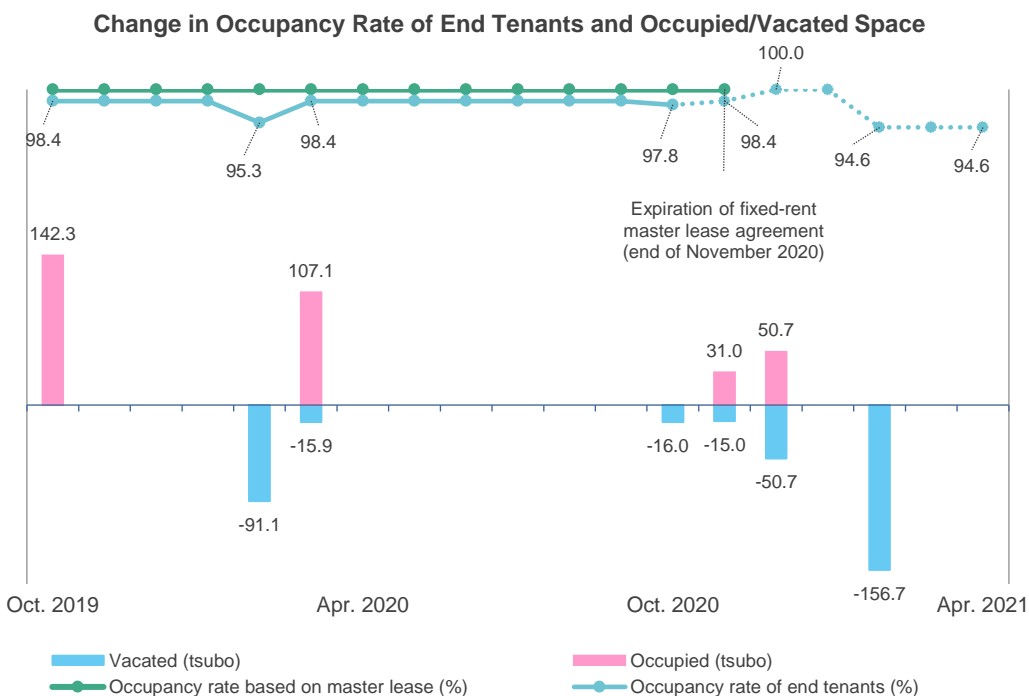


(Note) The graph above shows only the cases of upward rent revisions. Renewals with downward rent revisions appeared in the 3rd Fiscal Period (1 contract), 4th Fiscal Period (4 contracts), 5th Fiscal Period (4 contracts) and 11th Fiscal Period (1 contract).

Tama Center Tosei Building: Expiration of Fixed-Rent Master Lease Agreement

- The fixed-rent master lease agreement concluded by the sponsor of Tama Center Tosei Building expired at the end of November 2020 as scheduled
- The occupancy rate of end tenants as of the end of the 12th Fiscal Period is 97.8%. An increase in rent revenue is expected after the expiration of the master lease agreement as the occupancy break-even point of having or not having the master lease agreement is approximately 86%

■ Status of Occupancy Rate (Note)



Background of the introduction of fixed-rent master lease agreement

- The occupancy rate of the property was low when Tosei Reit considered acquiring it in November 2014, but it was acquired on condition that a 2-year fixed-rent master lease agreement until November 2016 will be introduced for the property at which results of efforts on value enhancement made by the sponsor can be expected
- After that, a large tenant moved out, and Tosei Reit additionally concluded a 4-year fixed-rent master lease agreement until November 2020 for the stabilization of medium- to long-term cash flow and pursuit of an upside after the improvement of occupancy rate

(Note) The figure was calculated by including the common conference room portion (159.86 m², 48.35 tsubos) in the leasable area until now, but adjustments have been made by deducting the said area from the total leasable area from December 1, 2020, due to the expiration of the fixed-rent master lease agreement concluded with Tosei Corporation.

■ Increase/Decrease in Rent Revenue

(¥ MM)

	12th FP Results (1)	13th FP Expectation (2)	Up/Down (2)-(1)	14th FP Expectation (3)	Up/Down (3)-(1)
Rent + common service income	164.3	175.9	+11.5	174.0	+9.6

■ Distribution of Tenants

	April 2015	April 2016	April 2018	April 2020	October 2020
Occupancy rate of end tenants	77.9%	66.9%	87.2%	98.4%	97.8%
Number of tenants	30	34	43	44	44
Average contracted area (tsubo)	76.1	58.0	60.0	66.3	65.9
Top 5 tenants (tsubo)	1,202.6	916.2	1,064.3	1,159.7	1,159.7
Percentage share by top 5 tenants	52.7%	46.4%	41.2%	39.8%	40.0%

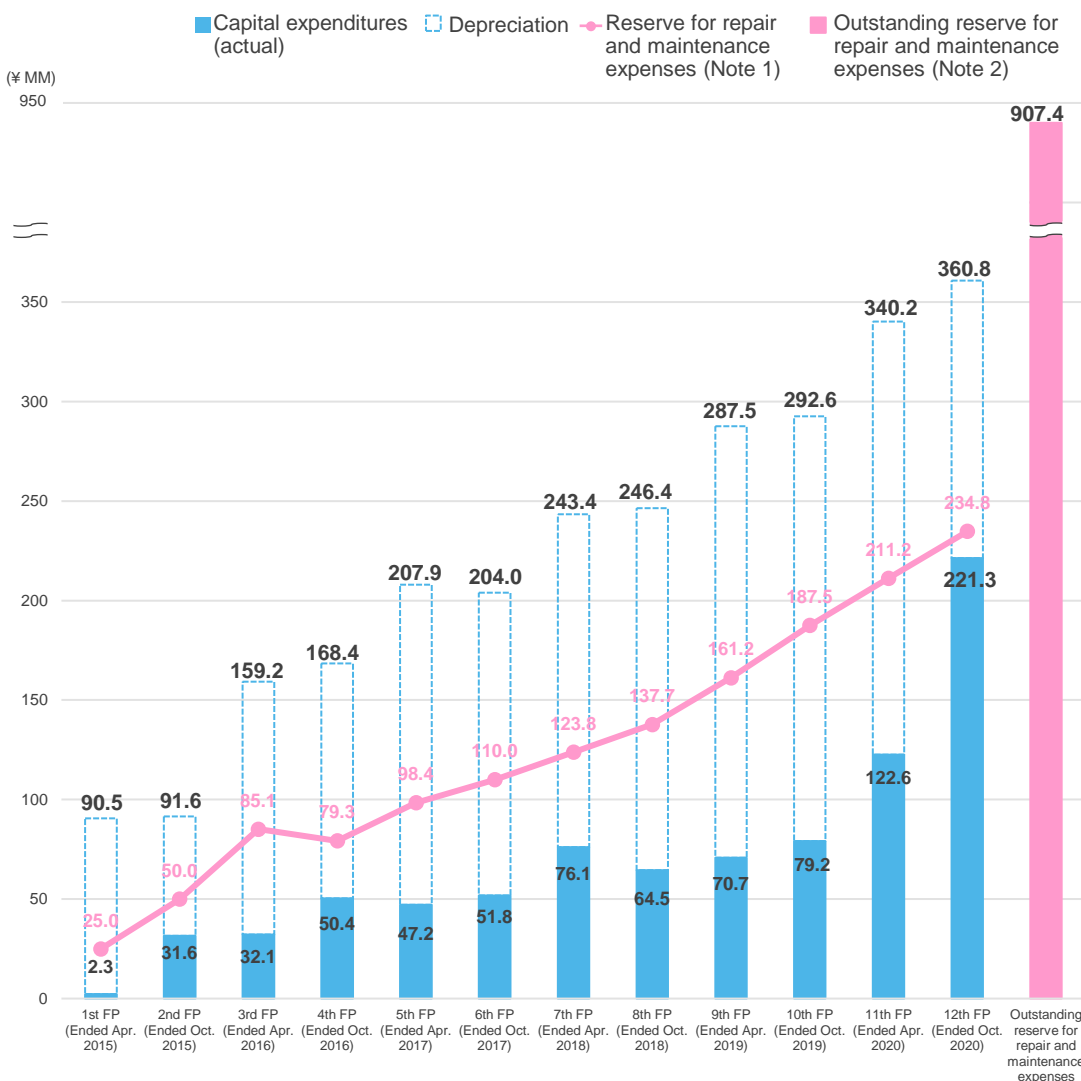
■ Future Measures for Maintaining and Enhancing Occupancy Rate

- Large-scale facility update
 - Air-conditioning work ¥37.0 MM
 - Update of car lift ¥17.5 MM
- Improvement of amenities inside buildings
 - Renovation of bathroom and kitchen
 - Renovation of floor surface
- Acquisition of environmental evaluation and certification



Initiatives for Maintaining and Enhancing Asset Value

Capital Expenditures and Depreciation



(Note 1) "Reserve for repair and maintenance expenses" indicates the amount excluding reserve for repair and maintenance and reserve additionally entrusted for MarLandFive, which was transferred on November 15, 2018.

(Note 2) "Outstanding reserve for repair and maintenance expenses" is as of October 31, 2020.

Examples of CAPEX for the 12th Fiscal Period

- Offices -

- Conducted work for fire alarm system and air-conditioning, etc.

Property name	Details of main expenditures	Value (¥ MM)
NU Kannai Building	Work on electrical facility for private use	15.7
JPT Motomachi Building	Update of automatic fire alarm system	9.7
Higashitotsuka West Building	Update of pressurization water supply pump unit	9.4
KM Shinjuku Building	Update of air-conditioning equipment	8.9
Kannai Tosei Building II	Update of mechanical parking facility	5.0

- Residential properties -

- Conducted renovation work of elevators at multiple properties

Property name	Details of main expenditures	Value (¥ MM)
Dormitory Haramachida	Update of mechanical parking facility	23.3
T's garden Ojima	Renovation work of elevator	21.8
T's garden Tanashi	Renovation work for exterior walls and common areas	20.2
Milestone Higashikurume	Renovation work of elevator	13.2
Quest Yamatedai	Renovation work of elevator	7.3

Breakdown of CAPEX (by Main Purpose)

(1st Fiscal Period to 12th Fiscal Period (cumulative))

Details	Value (¥ MM)	Percentage
Electrical and other facilities	308.1	36.2%
Air-conditioning work	259.3	30.5%
Refurbishment / Value enhancement work	216.7	25.5%
Mechanical parking facility	66.5	7.8%

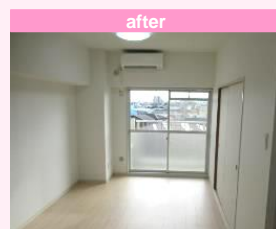
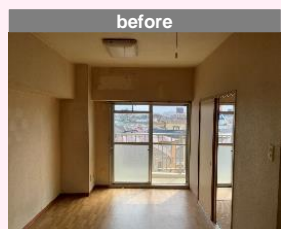
Initiatives for Maintaining and Enhancing Asset Value (Residential Properties)

■ T's garden Warabi III

- Construction to restore properties to their original state/renovation work ¥2.8 MM
- Occupancy period: 18 years and 11 months
- Rent ¥107,000 → **¥118,000 (+ ¥11,000)**



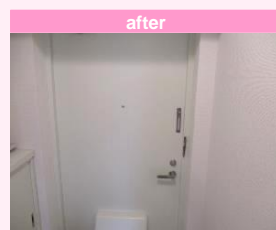
- Replacement of kitchen



- Repapering of wall and ceiling cloth, repapering of CF and replacement of air-conditioner



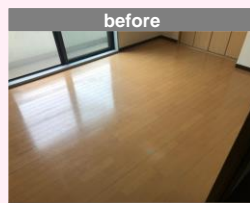
- Replacement of washstand



- Painting of entrance door, etc.

■ T's garden Nishihachioji West

- Construction to restore properties to their original state/renovation work ¥0.6 MM
- Occupancy period: 4 years and 3 months
- Rent ¥93,000 → **¥102,000 (+ ¥9,000)**



- Repapering of wall and ceiling cloth
- Repapering of CF

- Replacement of gas stove
- Replacement of bathroom faucet, etc.

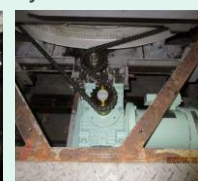
■ T's garden Tanashi

- Renovation work for exterior walls and common areas ¥ 20.2 MM



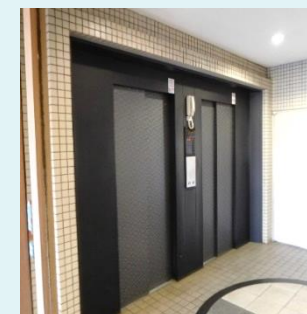
■ Dormitory Haramachida

- Update of mechanical parking facility ¥23.3 MM



■ Renovation work of elevator

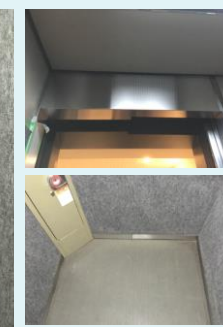
- Milestone Higashikurume ¥13.2 MM



- T's garden Ojima ¥21.8 MM



- Quest Yamatedai ¥7.3 MM



Status of Appraisal Value and Unrealized Gains at End of 12th Fiscal Period

- Appraisal value at end of period (Note 1) is ¥79,613 MM (+ ¥121 MM from the previous fiscal period)
- Unrealized gains is ¥10,094 MM (+ ¥253 MM from the previous fiscal period). By application, offices account for 58.7%, retail facilities 7.7%, and residential properties 33.6%

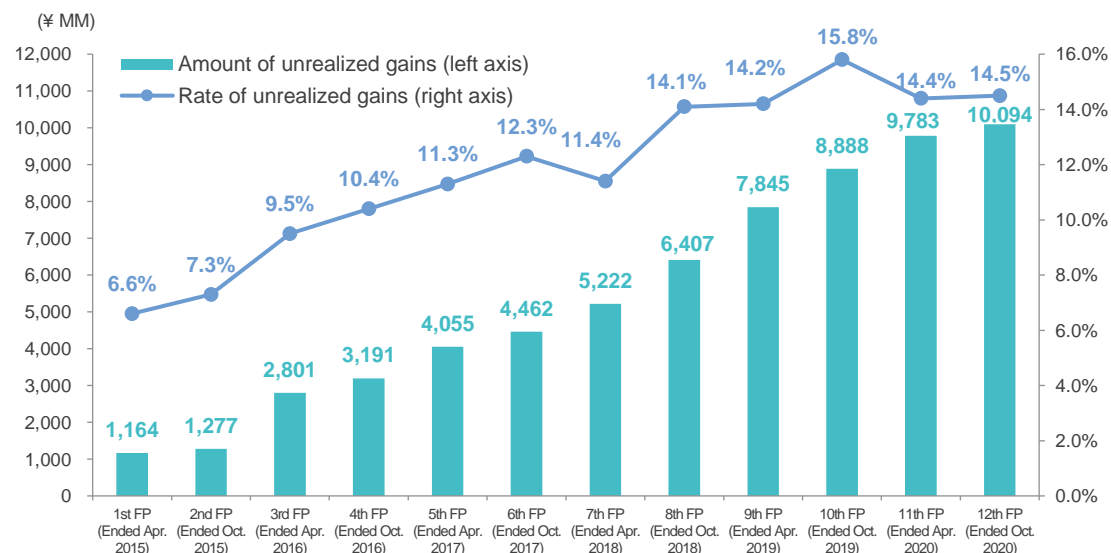
■ Status of Appraisal Value at End of Period

(Note 1)

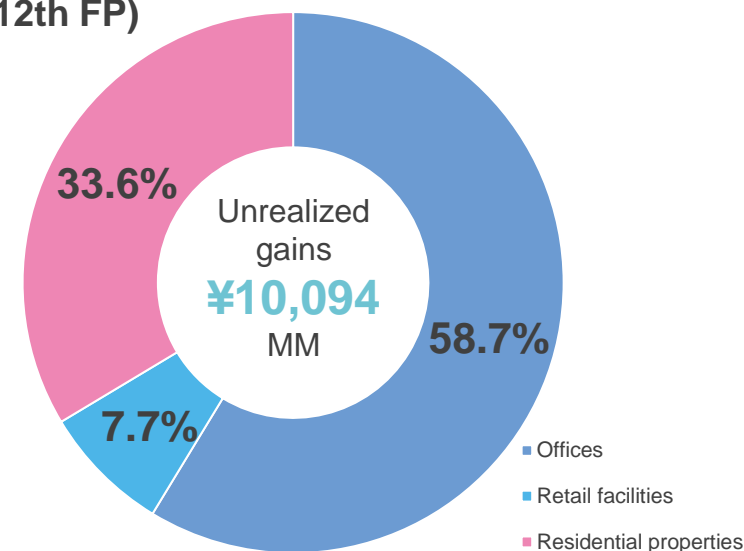
	Number of Properties	Acquisition Price	12th FP (Ended October 2020)			Period-on-Period Change (Note 1)	
			Book Value	Appraisal Value at End of Period	Unrealized Gains (Book Value Basis)	Appraisal Value at End of Period	Unrealized Gains (Book Value Basis)
Offices total	15	31,949	31,436	37,360	5,923	240	301
Retail facilities total	4	6,040	5,772	6,554	781	-160	-121
Residential properties total	31	32,393	32,308	35,699	3,390	41	73
Total	50	70,382	69,518	79,613	10,094	121	253

(¥ MM)

■ Unrealized Gains and Ratio of Unrealized Gains



■ Ratio of Unrealized Gains by Property Type (12th FP)



(Note 1) For the Appraisal Value at End of Period of each property, please refer to "Portfolio List" on page 37 and 38.

(Note 2) Period-on-Period Change indicates the comparison with the figures as of the end of the 11th Fiscal Period, and the figures for "Hachioji Tosei Building" which was acquired on May 29, 2020, are excluded.

Property Acquisition



Changes to Portfolio

Changes to Portfolio

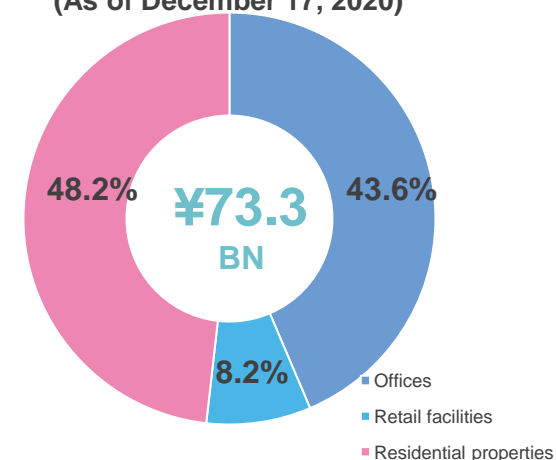
	Portfolio as of End of 11th Fiscal Period		Assets Acquired During 12th Fiscal Period (May 29, 2020)		Portfolio as of End of 12th Fiscal Period		Assets Acquired During 13th Fiscal Period (December 17, 2020)		Portfolio after Asset Acquisition
Number of Properties	49		1		50		4		54
Asset size (acquisition price)	¥68,782 MM		¥1,600 MM		¥70,382 MM		¥2,920 MM		¥73,302 MM
Total appraisal value	¥77,822 MM		¥1,670 MM (As of October 31, 2020)		¥79,613 MM		¥3,190 MM (As of September 30, 2020)		¥82,803 MM
Appraisal NOI Yield	5.93%	+	5.56% (As of October 31, 2020)	▶	5.93%	+	5.34% (As of September 30, 2020)	▶	5.91%
Average building age (As of October 31, 2020)	27.2 years		32.7 years		27.3 years		20.0 years		27.0 years
Portfolio Composition by Property Type (acquisition price basis)									
Offices	44.1%		100.0%		45.4%		-		43.6%
Retail facilities	8.8%		-		8.6%		-		8.2%
Residential properties	47.1%		-		46.0%		100.0%		48.2%

Overview of Acquired Assets (Note 1)

	Assets Acquired During 12th Fiscal Period
Property name	Hachioji Tosei Building
	
Address	Hachioji-shi, Tokyo
Type	Offices
Acquisition Price	¥1,600 MM
Appraisal Value	¥1,670 MM
Appraisal NOI Yield	5.56%
Age of Building	32.7 years
Occupancy Rate	100.0%

Assets Acquired During 13th Fiscal Period			
T's garden Center Minami	Boulevard Maioka	T's garden Koiwa	T's garden Tsuzuki-fureainooka II
			
Yokohama-shi, Kanagawa	Yokohama-shi, Kanagawa	Edogawa-ku, Tokyo	Yokohama-shi, Kanagawa
Residential properties	Residential properties	Residential properties	Residential properties
¥1,140 MM	¥810 MM	¥490 MM	¥480 MM
¥1,210 MM	¥854 MM	¥564 MM	¥562 MM
4.84%	5.61%	5.35%	6.03%
13.8 years	16.9 years	27.5 years	32.1 years
94.6%	100.0%	90.8%	76.0% (Note 2)

Portfolio Composition by Property Type After the Acquisition of Assets (As of December 17, 2020)



(Note 1) Figures in the table indicate those as of October 31, 2020. However, the appraisal value and appraisal NOI yield for the 4 properties acquired in the 13th Fiscal Period is as of September 30, 2020.

(Note 2) The occupancy rate of the property is 76.0% as of October 31, 2020, but the occupancy rate based on contracts concluded as of the end of November 2020 exceeds 90% as Tosei Corporation, the seller, improved the occupancy rate of the property after acquiring it as a corporate housing of a general corporation when it was fully vacant and conducting renovation work.

Newly Acquired Properties

Rd-33 T's garden Center Minami



Address	42-13 Chigasaki Chuo, Tsuzuki-ku, Yokohama-shi, Kanagawa
Access	Approx. 2-min. walk from Center Minami Station, Yokohama Municipal Subway Blue Line/Green Line
Acquisition Price	¥1,140 MM
Construction completion	January 2007
Site area	385.78 m ²
Total floor area	2,295.54 m ²
Occupancy Rate	94.6% (as of October 31, 2020)



Rd-34 Boulevard Maioka



Address	122-5 Maioka-cho, Totsuka-ku, Yokohama-shi, Kanagawa
Access	Approx. 22-min. walk from Maioka Station on the Yokohama Municipal Subway Blue Line and approx. 22-min. walk from Totsuka Station on the JR Tokaido main Line
Acquisition Price	¥810 MM
Construction completion	December 2003
Site area	3,399.49 m ²
Total floor area	3,144.11 m ²
Occupancy Rate	100.0% (as of October 31, 2020)



Rd-35 T's garden Koiwa



Address	6-10-13 Kitakoiwa, Edogawa-ku, Tokyo
Access	Approx. 2-min. walk from Keisei-Koiwa Station on the Keisei Dentetsu Main Line
Acquisition Price	¥490 MM
Construction completion	April 1993
Site area	480.94 m ²
Total floor area	1,330.30 m ²
Occupancy Rate	90.8% (as of October 31, 2020)



Value Enhancement by the Sponsor	
Work on entrance	<ul style="list-style-type: none"> Renovation of approach Replacement of intercom equipment, installation of delivery box

Rd-36 T's garden Tsuzuki-fureainooka II



Address	2-18-10 Edaminami, Tsuzuki-ku, Yokohama-shi, Kanagawa
Access	Approx. 15-min. walk from Tsuzuki-fureainooka Station on the Yokohama Municipal Subway Green Line and approx. 22-min. walk from Ichigao Station on the Tokyu Den-en-toshi Line
Acquisition Price	¥480 MM
Construction completion	September 1988
Site area	1,021.13 m ²
Total floor area	1,522.59 m ²
Occupancy Rate	76.0% (as of October 31, 2020) (Note)



Value Enhancement by the Sponsor	
Leasing	<ul style="list-style-type: none"> Improvement of occupancy rate from full vacancy
Work on entrance	<ul style="list-style-type: none"> Renovation of approach, windbreak room and corridors Replacement of mail box
Work inside rooms	<ul style="list-style-type: none"> Renovation of common area (cafeteria, laundry) into residential unit Replacement of equipment (air-conditioner, IH stove, faucet, intercom, etc.)

(Note) The occupancy rate of the property is 76.0% as of October 31, 2020, but the occupancy rate based on contracts concluded as of the end of November 2020 exceeds 90% as Tosei Corporation, the seller, improved the occupancy rate of the property after acquiring it as a corporate housing of a general corporation when it was fully vacant and conducting renovation work.

Financial Status



- Newly borrowed ¥3 BN to procure funds for the acquisition of 4 residential properties. Invited two new banks, and further strengthened lender formation
- Realized the extension of the average remaining maturity period of borrowings and improvement of the ratio of fixed rates through new refinancing

Details of New Borrowings

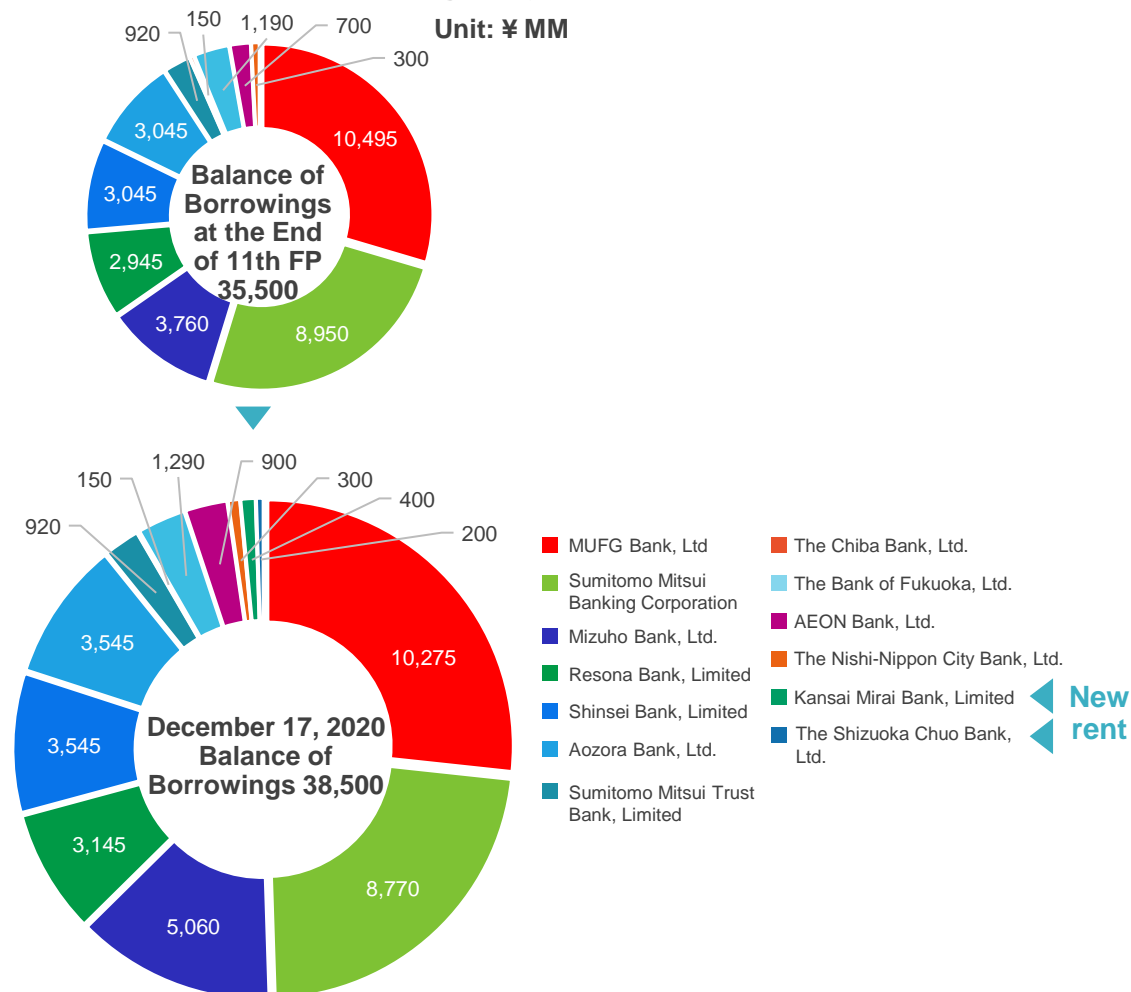
Details of New Borrowings						
Classification		Loan Amount (¥ MM)	Fixed/Floating	Interest Rate	Drawdown Date	Maturity Date
Long-term	5.5 years	1,500	Fixed	0.80134%	December 17, 2020	May 29, 2026
Long-term	6.0 years	1,500	Fixed	0.90759%	December 17, 2020	November 30, 2026
-		3,000	-	-	-	-

Details of Refinancing

Details before Refinancing						
Classification		Loan Amount (¥ MM)	Fixed/Floating	Interest Rate	Drawdown Date	Maturity Date
Long-term	5.0 years	1,500	Floating	Base rate (JBA 1-month JPY TIBOR) + 0.700%	November 17, 2015	November 30, 2020
Long-term	4.0 years	500	Fixed	0.84075%	November 30, 2016	November 30, 2020
-		2,000	-	-	-	-

Details after Refinancing						
Classification		Loan Amount (¥ MM)	Fixed/Floating	Interest Rate	Drawdown Date	Maturity Date
Long-term	5.0 years	2,000	Fixed	0.76273%	November 30, 2020	November 28, 2025
-		2,000	-	-	-	-

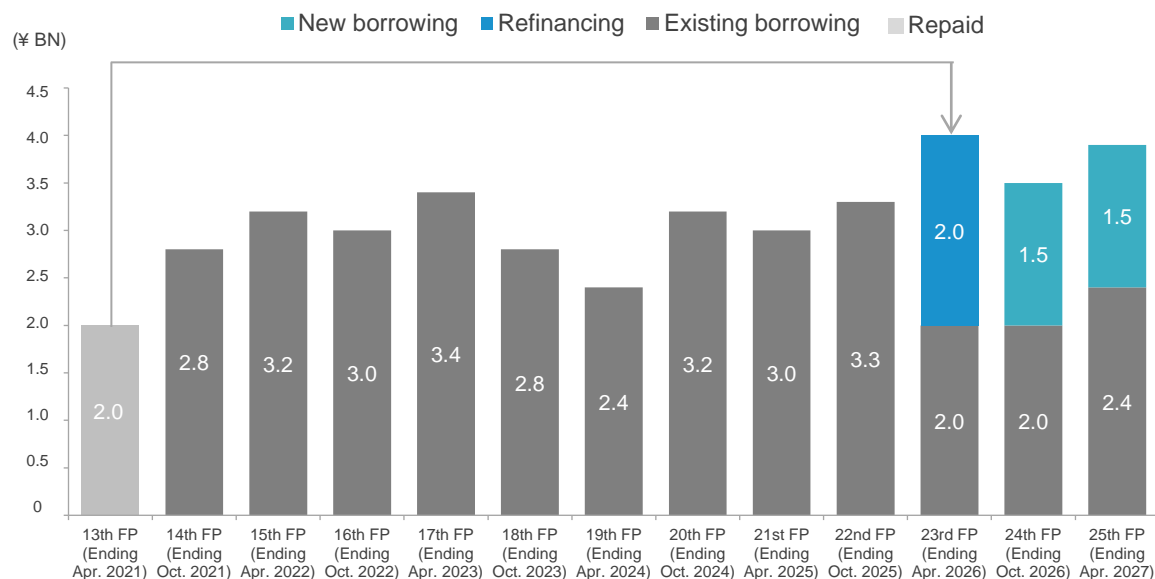
Balance of Borrowings (by lender)



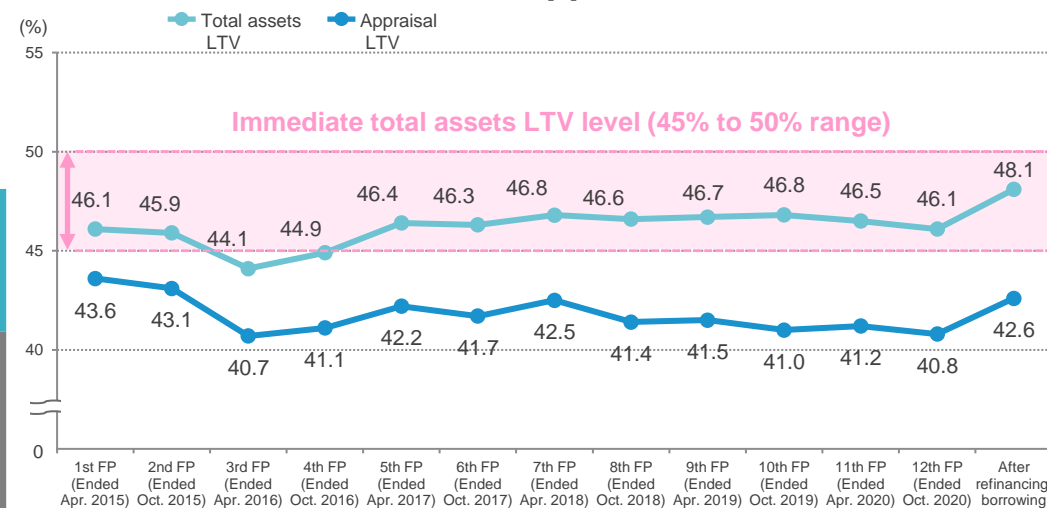
Financial Indicators

	11th FP (Ended April 2020)			12th FP (Ended October 2020) (A)			After refinancing/borrowing (December 17, 2020) (B)		Rate of change or difference (B)-(A)	
Interest-bearing debt	35,500	MM	➡	35,500	MM	➡	38,500	MM	+3,000	MM
Average loan interest rate	0.94	%	➡	0.98	%	➡	0.97	%	-0.01	%
Average remaining maturity period	3.1	years	➡	3.1	years	➡	3.4	years	+0.3	years
Ratio of fixed rates	79.4	%	➡	86.2	%	➡	91.2	%	+5.0	%
Ratio of long-term borrowings	100.0	%	➡	98.9	%	➡	99.0	%	+0.1	%
Total assets LTV	46.5	%	➡	46.1	%	➡	48.1	%	+2.0	%

Diversified Repayment Dates



Total Assets LTV and Appraisal LTV



(Note) Total assets LTV after refinancing/borrowing is the ratio of interest-bearing debt in the forecast total assets at the end of the 13th Fiscal Period. Appraisal LTV refers to the ratio of interest-bearing debt in the amount arrived at by adding unrealized gains to Tosei Reit's total assets. Figures for after refinancing/borrowing are projected figures and may differ from actual figures.

Earnings/Cash Distribution Forecast

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Basic Policy and Points of Management for the Near Term

Basic Policy

- Strive to stabilize profitability and cash distribution utilizing the portfolio characteristics of Tosei Reit given the impact of COVID-19 on shops, etc. and the change in needs for corporate offices
- Make efforts to maintain and improve property value, and continue to use also aged properties as profitable real estate

Point

Point	Recognition of Current Status				Response Policy	
■ Property Acquisition	<div>■ Ratio of Portfolio</div> <div>● Acquired 4 residential properties in December 2020 with the review of the maximum investment ratio of portfolio by asset type in July 2020. The ratio of residential portfolio increased from 46.0% to 48.2% (+ 2.2%)</div>				✓ Plans to accumulate assets centering on residential properties for the meantime	
■ Exert the strengths of the portfolio	■ Offices				✓ Assumes that many tenants will transfer due to the change in office strategies of corporations. Intends to take in needs for satellite offices and cost reduction without factoring in the refilling of vacant space for the earnings forecast, despite cancellation being forecast to precede for the meantime ✓ Expects stable rent revenue as well as conduct renovation work for the purpose of improving livability in addition to the restoration to original state upon move-ins and move-outs, and aims for the improvement and enhancement of rent levels	
		Address of office buildings		Number of Properties		Percentage of leasable area
		Tokyo (5 central wards)		2		10.0%
		Tokyo (excluding the 5 central wards)		5		32.9%
	■ Residential properties	Address of residential properties		Number of Properties		Percentage of leasable area
		Tokyo (23 wards)		8		20.8%
		Tokyo (excluding the 23 wards)		6		16.3%
		Chiba, Kanagawa and Saitama		17		62.9%
■ Tosei Reit's unique environmental efforts through CAPEX	<div>■ Recover the functions of aged properties and use them over the long term through appropriate CAPEX investment</div> <div>● Tosei Reit has a stance to contribute to environmental issues rather than neglecting redevelopments and deterioration of assets by utilizing them over the long term as investment properties</div>				✓ Tosei Reit continues to confirm the environmental performance of the facilities that will be newly introduced using checklists upon the update of air-conditioning equipment and electrical facilities and construction to restore properties to their original state	
■ Response to COVID-19	■ Already responded to each request for rent reduction/exemption, etc., and the situation is currently stable				✓ To individually respond to new requests for rent reduction/exemption, etc. made due to the spread of COVID-19. Already incorporated a certain decrease in revenue into the earnings forecast	

Earnings Forecast for the 13th and 14th Fiscal Periods

- **13th Fiscal Period:** Revenue will increase from the actual results for the 12th Fiscal Period as the increase in rent revenue for newly acquired properties and office buildings will exceed the amount of decrease for retail facilities. Profits will decrease in anticipation of the expensing of fixed asset tax and city planning tax and an increase in leasing expenses. However, both operating revenue and net income will increase from the initial forecast
- **14th Fiscal Period:** Conservatively assume the occupancy rate of offices based on the assumption that the downtime will be extended. Both operating revenue and income are expected to decrease from the forecast for the 13th Fiscal Period

Earnings Forecast for the 13th and 14th Fiscal Periods

	12th FP Results (Ended April 2020)	13th FP Forecast (Ending April 2021)				14th FP Forecast (Ending October 2021)	Compared with 13th FP Forecast
		Initial Forecast (Announced June 15, 2020)	Current Forecast (Announced December 17, 2020)	Compared with 12th Fiscal Period Results	Period Results Compared with Initial Forecast		
Operating revenue	3,097	3,009	3,123	+0.8%	+3.8%	3,084	-1.2%
Operating income	1,532	1,450	1,487	-3.0%	+2.5%	1,453	-2.3%
Net income	1,258	1,179	1,202	-4.5%	+2.0%	1,159	-3.6%
Cash distribution per unit (¥)	3,697	3,520	3,530	-4.5%	+0.3%	3,530	-

(¥ MM)

Factors of Increase/Decrease

(¥ MM)

Property-related operating revenue	Item	12th FP Results	13th FP Current Forecast	Difference	14th FP Forecast	Difference
	Rent revenue (rent, common service income, facility income)	2,818.9	2,865.6	46.7	2,849.5	-16.0
	• Offices	1,342.1	1,348.2	6.0	1,300.3	-47.8
	• Retail facilities	242.0	233.2	-8.8	233.0	-0.1
	• Residential properties	1,234.7	1,284.2	49.4	1,316.1	31.9
	(4 newly acquired properties)	(-)	(76.0)	(76.0)	(103.4)	(27.3)
	Utilities revenue	219.4	214.0	-5.4	217.6	3.5
	Other operating revenue (construction to restore properties to original state, renewal fees, etc.)	58.9	43.8	-15.1	17.5	-26.2

Expenses related to rent business	Item	12th FP Results	13th FP Current Forecast	Difference	14th FP Forecast	Difference
	PMBM fees	293.7	307.2	13.5	301.5	-5.6
	Utilities expenses	222.4	226.3	3.9	233.6	7.3
	Repair and maintenance expenses	123.0	122.0	-1.0	101.5	-20.5
	Property taxes	219.7	231.8	12.1	238.4	6.5
	Other (advertising expenses, etc.)	68.2	94.6	26.3	97.2	2.6
	Depreciation	360.8	367.2	6.3	375.3	8.1

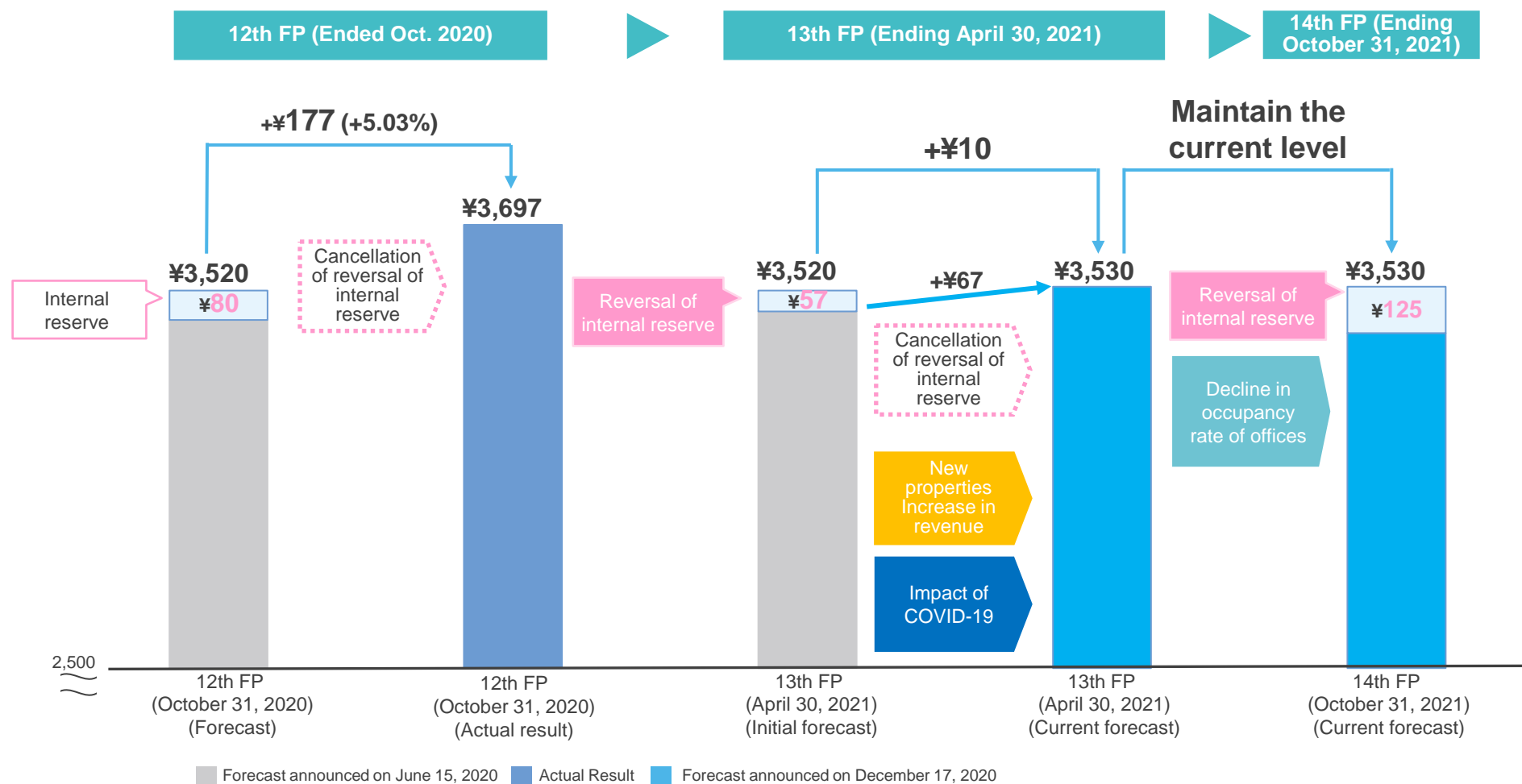
G&A expenses Non-operating revenue/expenses	Item	12th FP Results	13th FP Current Forecast	Difference	14th FP Forecast	Difference
	Asset management fee	183.0	179.9	-3.1	185.7	5.7
	Asset custody fee	3.3	3.3	-0.0	3.6	0.2
	Administrative service fees	11.3	12.2	0.8	11.4	-0.8
	Taxes and dues	29.5	34.0	4.4	30.0	-4.0
	Other	49.1	57.0	7.9	52.5	-4.4
	Non-operating income	2.8	-	-2.8	-	-
	Non-operating expenses	275.7	283.8	8.1	292.8	8.9
	• Interest expenses	174.4	183.2	8.8	189.8	6.5
	• Borrowing-related expenses	88.0	90.4	2.4	92.7	2.3

(¥ MM)

(Note) Cash distribution per unit (¥) for the fiscal periods ending April 30, 2021, and ending October 31, 2021, are forecasts and are subject to change as a result of future acquisition or sale of real estate, as well as fluctuations in the real estate market environment and other circumstances relevant to Tosei Reit. Moreover, these forecasts do not constitute a guarantee of the amount to be distributed.

- For the 13th Fiscal Period, we plan to realize cash distribution of initial forecast +¥10. Although the assumption of a decline in occupancy rates of offices will be a factor of decrease in cash distribution for the 14th Fiscal Period, we intend to maintain the distribution level by utilizing internal reserves
- We plan to flexibly utilize internal reserves for the stabilization of distribution level

■ Cash Distribution per Unit



ESG

T O S E I
Tosei Reit Investment Corporation



■ Thinking on Tosei Reit's Environmental Initiatives

Aim of Tosei Reit



Utilization and revitalization of the vast existing building stock in Japan's real estate market

- Tosei Reit believes that maintaining the asset value of aged properties and utilizing them over the long term as investment properties through the implementation of value enhancement work and such serves as a means for solving environmental issues.
- For instance, updating air-conditioning equipment and electrical facilities by replacing them with new equipment and devices contributes to improving energy efficiency.

■ Introducing “ESG Checklist for Construction” ~ Promotion of Introduction of Energy-Saving Products

- In general, the effect of reduction of electricity consumption can be expected by replacing old air-conditioning equipment, etc. with new models, but we also pay attention to the selection of models.
- The Asset Management Company established the “**ESG Checklist for Construction**” in February 2020, and decided to constantly check whether equipment and devices that are highly effective in terms of energy-saving and water-saving are selected and whether the construction method does not create any environmental burden when implementing all CAPEX and repair work. **A checklist for 293 cases was created during the 12th FP**

[Examples of items to be checked in ESG Checklist for Construction]

- ✓ Whether devices with high power-saving performance are introduced - LED lighting, air-conditioners, water heater, gas stove, IH heater, etc.
- ✓ Whether devices with high water-saving functions are introduced - kitchen faucet, bathroom faucet, toilet, etc.
- ✓ Whether they are materials with high heat insulation and moisture retaining performance - heat insulation sheet, thermal guard cloth, etc.
- ✓ Whether they fall under the category of construction work for legal compliance, work for enhancing safety functions, disaster prevention or work for enhancing resilience functions
- ✓ Mitigation measures against noise, vibration, muddy water, dust, smoke emission, gas emission, waste, etc. when they are forecasted to occur during construction work

- When selecting models of air-conditioning equipment and water heaters with high energy-saving efficiency, we refer to “Information Site of Energy-Saving Products.” (Agency for Natural Resources and Energy at the Ministry of Economy, Trade and Industry: <https://seihinjyoho.go.jp/>).

Change in updates of household equipment (number of units and devices)

	8th FP	9th FP	10th FP	11th FP	12th FP	Total
Air-conditioning equipment	25	19	34	49	108	235
Water heater	4	5	4	29	20	62
LED lighting	4	9	14	39	79	145
Faucet	47	44	62	94	88	335
Bidet toilet	12	15	31	18	22	98

■ Acquisition of Environmental Certification

DBJ Green Building Certification

Nishi Kasai Tosei Building



Properties with satisfactory environmental & social awareness

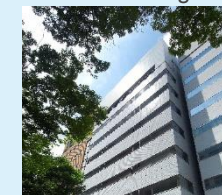
Nishidai NC Building



Properties with high environmental & social awareness

Building-Housing Energy-efficiency Labeling System (BELS)

Shin Yokohama Center Building



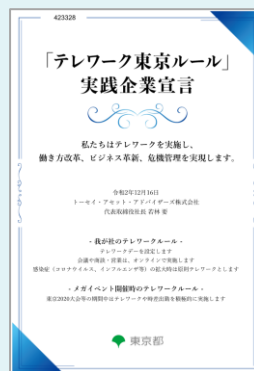
■ Tosei Group's Social Initiatives

Initiatives for Employees

● Infection Prevention Measures

The Asset Management Company improved its system to immediately enable remote work for the purpose of preventing employee infection and continuing to conduct stable businesses since the onset of the COVID-19 pandemic. It also started to review how meetings are held and commuting is done

- Limiting the attendance rate
- Lending laptop PCs/mobile terminals to all employees (83 people) (lending rate: 100%)
- Qualitative improvement of non-face-to-face communication through the standardization of business chats (utilization of online meetings and chats)
- Introduction of electronic signature system, promotion of the elimination of paper materials at conferences
- Installation of acrylic partition at conference rooms



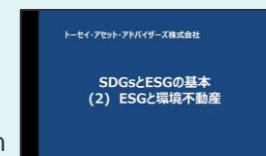
It was certified by the Tokyo Metropolitan Government as a company promoting remote work on December 16, 2020

● Personnel Development and Training

The Tosei Group has introduced the implementation of personnel development and training as well as a self-development assistance program and certification incentive program in order to support self-improvement and skill development of its employees.

Certificate holders (as of November 30, 2020; among employee of Tosei Asset Advisors, Inc.)

- | | |
|--|-------------------------------------|
| ■ Real estate notary
(including employees who passed
the written exam): 67 | ■ Real estate consulting master: 10 |
| ■ ARES Certified Master: 28 | ■ First-class architect: 3 |
| | ■ Real estate appraiser: 1 |



Example of online training "Basics of SDGs and ESG" (able to participate in real time or watch recorded video)

● Support for Work-Life Balance of Employees

The Tosei Group implements initiatives for managing the physical and mental health of its employees by obligating yearly health examinations for the preservation of employee health as well as through the implementation of questionnaires for all employees concerning mental health care and training under the instruction of partnered industrial physicians.

Regional and Social Contribution

Tosei Asset Advisors, Inc., the asset management company of Tosei Reit Investment Corporation, participates in the following Tosei Group activities as a group company of the Tosei Group.

● Volunteer Cleaning Activity



"Nishinagisa-Hatsu Tokyo-Satoumi-Aid"
Activity Results in Fiscal 2020

17 **11**
Number of participants bags

of debris collected
(45-liter garbage bag)

The Tosei Group has been taking part in a local volunteer activities since 2009, and took part in "Nishinagisa-Hatsu Tokyo-Satoumi-Aid," a cleaning event of marine debris at Kasai Kaihin Park, for four consecutive years with the participation in 2020.

● Donation to Tokyo Coronavirus Medical Support Fund

The Tosei Group donated money to the "Tokyo Coronavirus Medical Support Fund" in May 2020 to support the medical field and those engaged in medical care in Tokyo. It started raising funds from the employees of all group companies and donated them in June



Letter of gratitude

● Green Fund-Raising



● Recycling of Caps



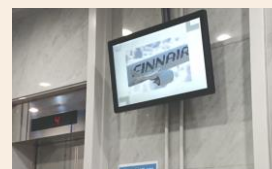
● Provision of Lounge Space



Tama Center Tosei Building 4F

■ Initiatives at Owned Properties

● Installation of a digital signage display



NU Kannai Building

The display installed in front of the elevator communicates messages during an emergency and provides information on disaster prevention. The display has been installed at 12 out of 15 office properties owned.

● Installation of a "lifeline" vending machine



KM Shinjuku Building


A vending machine which supplies those afflicted and such with drinks for free in case of a blackout during a natural disaster or other emergency situations

Same-Boat Investment by the Sponsor (Tosei)

Alignment of Unitholder Interest and Sponsor Interest

- Same-boat investment was implemented by Tosei Corporation in order to promote the alignment of interest among Tosei Reit's unitholders and the Tosei Group and increase the effectiveness of sponsor support.
- The sponsor additionally acquired 4,000 units through third-party allotment (June 25, 2020 resolution). As of 12th fiscal period ended, it owns 31,051 units of Tosei Reit's investment units (9.11% of the total number of investment units issued and outstanding). (Note)

Unitholding ratio of the sponsor (Note)

As of April 30, 2020 8.03%  After third-party allotment 9.11%

Introduction of Cumulative Investment Unit Investment Program

Alignment of Unitholder Interest and the Interest of Officers and Employees of the Tosei Group

- The cumulative investment unit investment program was introduced for the purpose of further enhancing the awareness of Tosei Group officers and employees regarding the enhancement of Tosei Reit's business performance and for their contribution to the continuous growth of Tosei Reit and enhancement of medium- to long-term unitholder value (contribution started in December 2016).

Management Fee System for the Asset Management Company and Its Officers and Employees

Fee System to Ensure Avoidance of Competition with the Tosei Group

- The Asset Management Company introduced management fees (management fee II) linked to net income of Tosei Reit, in addition to management fees (management fee I) linked to total assets of Tosei Reit.
- The Asset Management Company introduced an incentive bonus partially linked to distribution per unit in the fee system for officers and employees

ESG Promotion System

ESG Committee Established in the Asset Management Company

- The Asset Management Company established the ESG Committee with the Head of REIT Division as the Committee Chairperson to promote ESG initiatives. The committee engages in planning, informing, executing and monitoring of energy-saving, greenhouse gas emission reduction, water-saving, waste reduction, green procurement, implementation of tenant questionnaires, etc.

Details of Tosei Reit's ESG initiatives are available on its website.

<http://www.tosei-reit.co.jp/en/>



The screenshot shows the Tosei Reit website with the following sections highlighted:

- ESG Section:** Features a link to "Details of Tosei Reit's ESG initiatives" and a QR code to find the website.
- Cash Distributions:** Shows the distribution per unit (Actual) for the 12th fiscal period ending October 31, 2020, at 3,697 yen, and the cash distributions forecast for the 13th fiscal period ending April 30, 2021, at 3,530 yen.
- Portfolio Map:** A map showing the locations of Tosei Reit's properties.
- Environmental Initiatives:** A section detailing the company's commitment to environmental protection, including energy-saving measures, greenhouse gas emission reduction, and water-saving measures.

(Note) "Number of Investment Units Owned as a Percentage of Total Number of Investment Units Issued and Outstanding" refers to the ratio of the number of investment units owned to the total number of units issued, and figures are rounded down to two decimal places.

- Among Tosei Reit's issues, key issues with high priority, such as “Revive/use existing real estate,” have been identified and connected to the 17 SDGs.

E

■ Revive/use existing real estate

- Rather than always demolishing or rebuilding old properties, maintain asset value and extend investment property lifespan through maintenance and construction for value enhancement.

■ Reduce GHG emissions/energy consumption/water use

- Add improvement of energy efficiency and effects on resource-saving, etc. to process of device selection when replacing HVAC, power and residential equipment.
- Choose environmentally friendly construction methods.



S

■ Collaborate with tenants, increase tenant satisfaction

- Collaborate with tenants to improve office and residential environments and increase tenant satisfaction through thorough tenant communication and surveys to understand their needs.



G

■ Align with investor interests/avoid conflict of interest

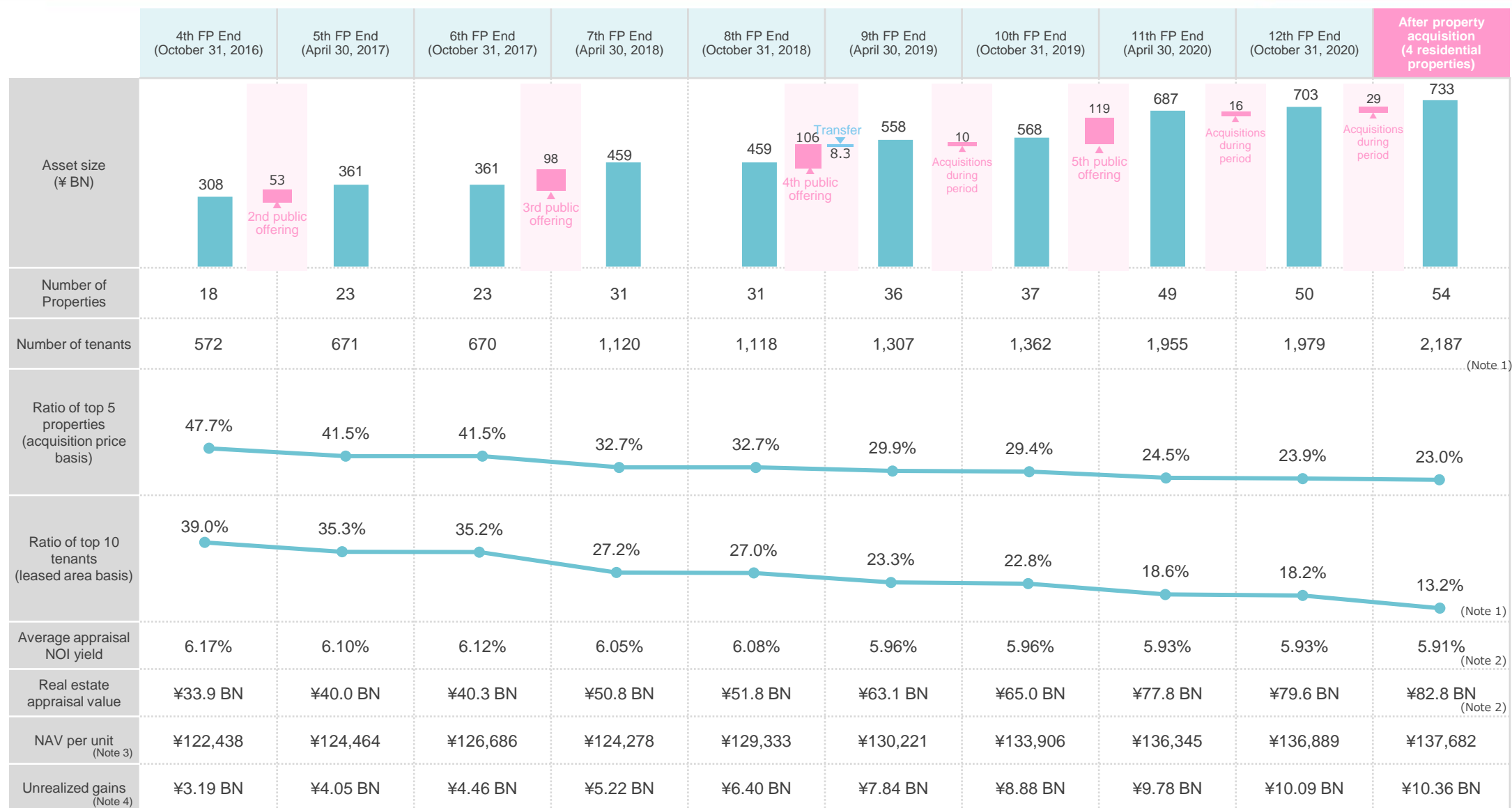
- Work for client-oriented operations, ensure compliance and eliminate conflict-of-interest transactions.
- Align with investor interests through REIT interest-linked management compensation programs, “same-boat” investment by the sponsor and a program for cumulative investment unit investment by asset management company executives and employees



Appendix



Changes in Portfolio



(Note 1) "Number of tenants" and "Ratio of top 10 tenants" after property acquisition are calculated using the number of tenants and leased area based on lease agreements as of the end of October 2020. As the master lease agreements for Tama Center Tosei Building and JPT Motomachi Building have expired on November 30, 2020, the figures are calculated using the number of tenants and the total leased area based on the lease agreements concluded between Tosei Corporation and end tenants as of October 31, 2020.

(Note 2) "Average appraisal NOI yield" and "Real estate appraisal value" after property acquisition are calculated using the figures stated in real estate appraisal reports as of the end of October 2020 for the 50 properties owned as of the end of the 12th Fiscal Period; and those as of September 30, 2020, for the 4 properties acquired in the 13th Fiscal Period.

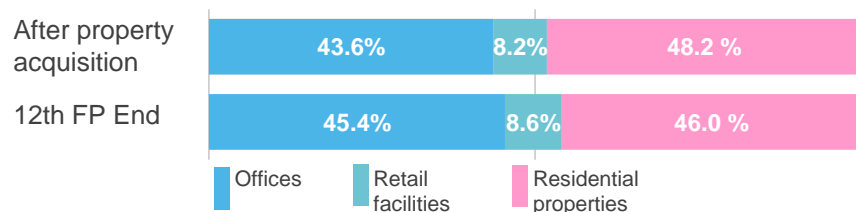
(Note 3) "NAV per unit" is calculated as: NAV at the end of each period ÷ Total number of units issued and outstanding, and NAV is calculated as: Total issue value of investment units issued at the end of each period + Unrealized gains (Total appraisal value - Total book value).

(Note 4) "Unrealized gains" is calculated as: Total appraisal value of owned assets - Total book value of owned assets, as of the end of each period. "Unrealized gains" after property acquisition is calculated as: Total real estate appraisal value of owned assets as of the end of the 12th Fiscal Period (¥79,613 MM) - Total book value of owned assets as of the end of the 12th Fiscal Period (¥69,518 MM) + Real estate appraisal value of the 4 properties acquired in the 13th Fiscal Period (¥3,190 MM) - Total acquisition price of the 4 properties acquired in the 13th Fiscal Period (¥2,920 MM).

Main Portfolio Indicators

Change at the end of 12th FP and after property acquisition (Note 1)

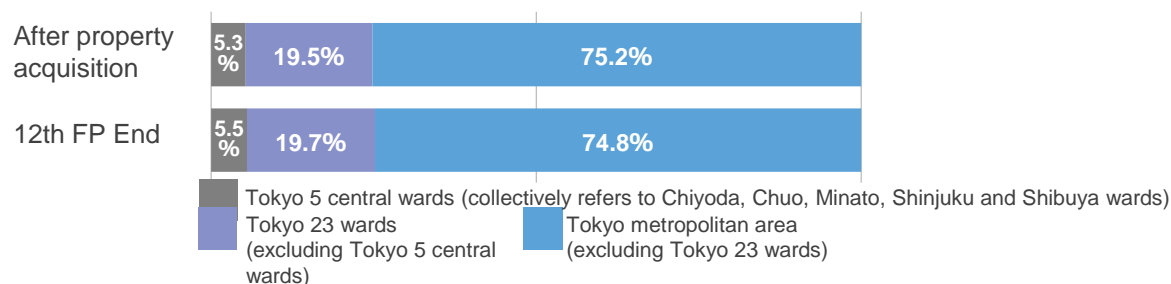
Portfolio Composition by Property Type (acquisition price basis)



Average Appraisal NOI Yield by Property Type (Note 2)

	12th FP End	After property acquisition
Offices	6.07%	6.07%
Retail facilities	6.15%	6.15%
Residential properties	5.75%	5.72%

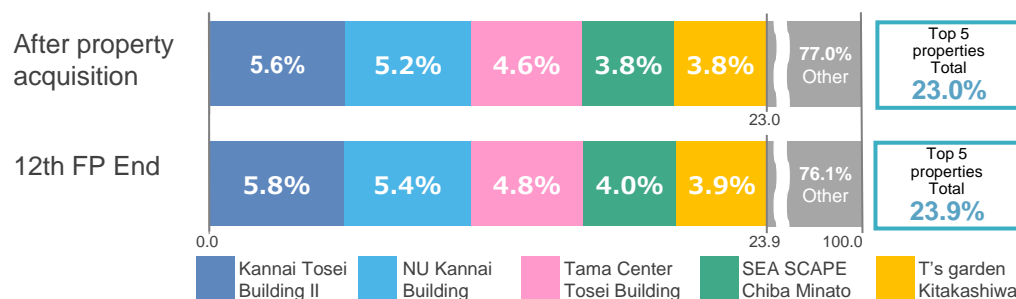
Portfolio Composition by Area (acquisition price basis)



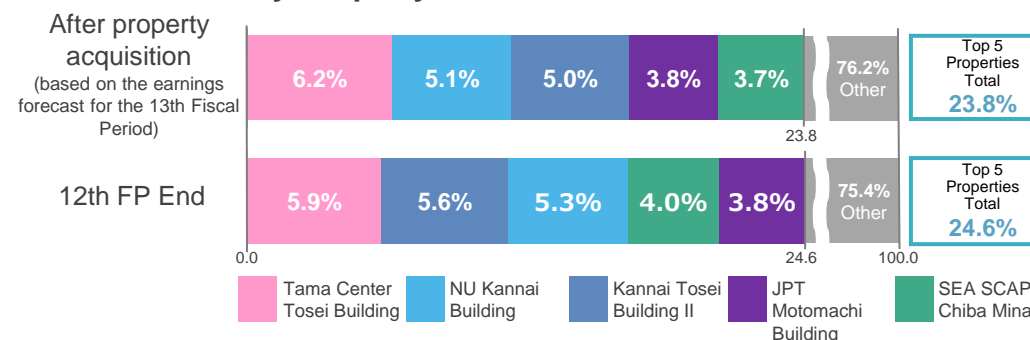
Average Appraisal NOI Yield by Area (Note 2)

	12th FP End	After property acquisition
Tokyo 5 central wards (collectively refers to Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)	6.47%	6.47%
Tokyo 23 wards (excluding Tokyo 5 central wards)	5.68%	5.67%
Tokyo metropolitan area (excluding Tokyo 23 wards)	5.96%	5.93%

Investment Ratio by Property (acquisition price basis)



NOI Ratio by Property



(Note 1) "After property acquisition" is calculated by adding the figure for the 4 properties acquired in the 13th Fiscal Period to the figure as of the end of the 12th Fiscal Period for the 50 properties owned as of the same point in time.

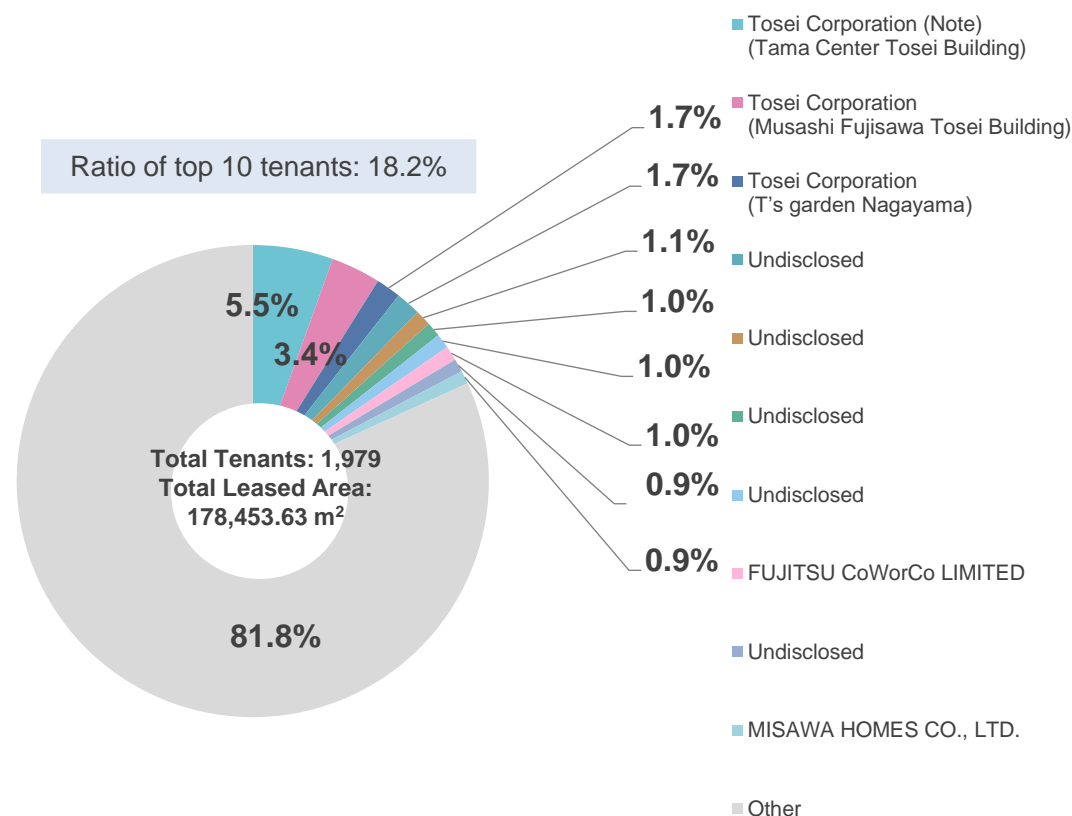
(Note 2) Appraisal NOI Yield is calculated using the figure as of October 31, 2020, for the 50 properties owned as of the end of the 12th Fiscal Period and the figure as of September 30, 2020, for the 4 properties acquired in the 13th Fiscal Period.

Distribution of Tenants (at End of 12th Fiscal Period)

■ Top 10 Tenants (by leased floor area)

	Name	Tenanted Property	Leased Area (m ²)	%
1	Tosei Corporation	Tama Center Tosei Building (Note)	9,737.49	5.5%
2	Tosei Corporation	Musashi Fujisawa Tosei Building	6,089.72	3.4%
3	Tosei Corporation	T's garden Nagayama	3,102.25	1.7%
4	Undisclosed	Inage Kaigan Building	2,989.01	1.7%
5	Undisclosed	Kannai Wise Building	2,039.51	1.1%
6	Undisclosed	JPT Motomachi Building	1,852.02	1.0%
7	Undisclosed	Selection Hatsutomi	1,839.45	1.0%
8	FUJITSU CoWorCo LIMITED	Shin Yokohama Center Building	1,822.20	1.0%
9	Undisclosed	Undisclosed	1,549.35	0.9%
10	MISAWA HOMES CO., LTD.	Higashitotsuka West Building	1,544.92	0.9%
Total			32,565.92	18.2%

(Note) The master lease agreement concluded with Tosei Corporation at Tama Center Tosei Building expired on November 30, 2020.



Unitholder Composition (at End of 12th Fiscal Period)

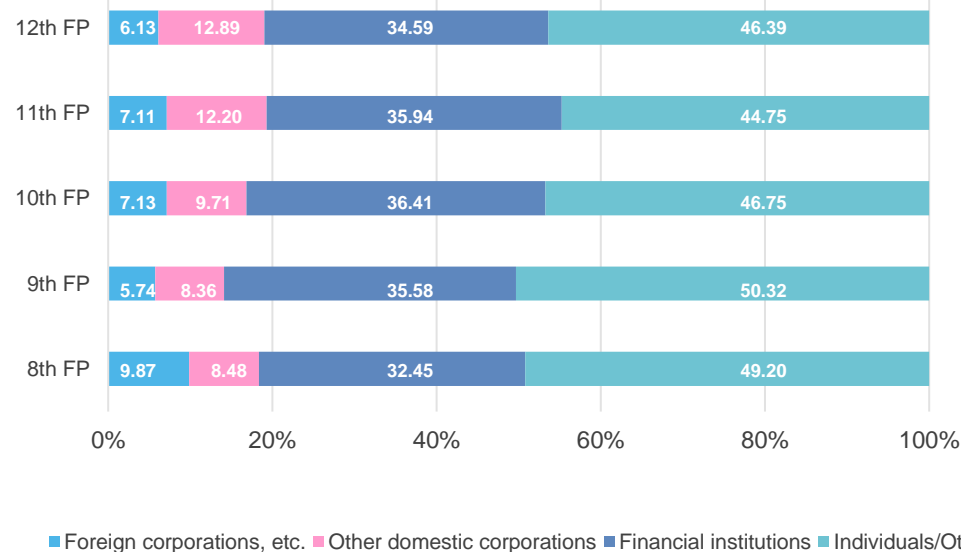
■ Number of Units by Unitholder Type/Number of Unitholders (Note 1)

	Number of Investment Units				Number of Unitholders			
	11th FP End (April 30, 2020)		12th FP End (October 31, 2020)		11th FP End (April 30, 2020)		12th FP End (October 31, 2020)	
	Number of Investment Units (units)	Percentage	Number of Investment Units (units)	Percentage	Number of Unitholders (people)	Percentage	Number of Unitholders (people)	Percentage
Individuals/Other	150,576	44.75%	157,956	46.39%	16,420	97.59%	16,693	97.50%
Financial institutions (including financial instruments dealers)	120,938	35.94%	117,795	34.59%	68	0.40%	65	0.38%
Other domestic corporations	41,063	12.20%	43,895	12.89%	253	1.50%	269	1.57%
Foreign corporations, etc.	23,928	7.11%	20,859	6.13%	85	0.51%	94	0.55%
Total	336,505	100.00%	340,505	100.00%	16,826	100.00%	17,121	100.00%

■ Top 10 Unitholders (Note 2)

	Name	Number of Investment Units Owned (units)	Number of Investment Units Owned as a Percentage of Total Number of Investment Units Issued and Outstanding
1	Tosei Corporation	31,051	9.11%
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	29,104	8.54%
3	Custody Bank of Japan, Ltd. (Trust Account)	22,793	6.69%
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	13,813	4.05%
5	Individuals	8,254	2.42%
6	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	7,841	2.30%
7	Morgan Stanley MUFG Securities Co., Ltd.	6,602	1.93%
8	NORTHERN TRUST CO.(AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT	6,500	1.90%
9	SMBC Nikko Securities Inc.	4,468	1.31%
10	Kinki Sangyo Credit Union	4,340	1.27%
Total		134,766	39.57%

■ Fluctuations in percentage of units held by investor categories



(Note 1) "Percentage" of the number of investment units and number of unitholders are rounded to two decimal places.

(Note 2) Based on the unitholder registry as of October 31, 2020. "Number of Investment Units Owned as a Percentage of Total Number of Investment Units Issued and Outstanding" refers to the ratio of the number of investment units owned to the total number of units issued, and figures are rounded down to two decimal places.

Balance Sheet

(JPY thousand)

	11th FP (Ended Apr. 2020)	12th FP (Ended Oct. 2020)
Assets		
Current assets		
Cash and deposits	2,463,231	1,470,633
Cash and deposits in trust	5,077,584	5,496,219
Operating accounts receivable	15,993	9,608
Prepaid expenses	201,373	157,359
Consumption taxes receivable	161,633	-
Total current assets	7,919,816	7,133,821
Non-current assets		
[Property, plant, and equipment]	(67,168,685)	(68,648,714)
Buildings in trust	19,051,682	19,490,613
Accumulated depreciation	-2,038,732	-2,361,792
Buildings in trust, net	17,012,949	17,128,820
Structures in trust	185,380	185,808
Accumulated depreciation	-49,110	-54,170
Structures in trust, net	136,270	131,637
Machinery and equipment in trust	338,278	376,179
Accumulated depreciation	-126,520	-142,377
Machinery and equipment in trust, net	211,758	233,802
Tools, furniture and fixtures in trust	223,105	245,464
Accumulated depreciation	-66,342	-83,188
Tools, furniture and fixtures in trust, net	156,762	162,275
Land in trust	49,650,945	50,992,179
[Intangible assets]	(869,627)	(869,627)
Land leasehold interests in trust	869,627	869,627
[Investments and other assets]	(352,271)	(326,018)
Long-term prepaid expenses	342,254	316,003
Deferred tax assets	17	14
Lease and guarantee deposits	10,000	10,000
Total non-current assets	68,390,585	69,844,361
Investment unit issuance expenses	35,093	34,147
Total deferred assets	35,093	34,147
Total assets	76,345,496	77,012,330

	11th FP (Ended Apr. 2020)	12th FP (Ended Oct. 2020)
Liabilities		
Current liabilities		
Operating accounts payable	178,680	167,512
Current portion of long-term loans payable	4,800,000	4,800,000
Accounts payable	141,637	144,776
Income taxes payable	956	909
Accrued consumption taxes	12,997	79,414
Advances received	489,103	496,030
Other	316,487	352,625
Total current liabilities	5,939,862	6,041,269
Non-current liabilities		
Long-term loans payable	30,700,000	30,700,000
Tenant leasehold and security deposits in trust	2,307,265	2,437,891
Total non-current liabilities	33,007,265	33,137,891
Total liabilities	38,947,127	39,179,161

Net assets		
Unitholders' equity		
Unitholders' capital	36,097,061	36,516,661
Surplus	(1,301,306)	(1,316,507)
Unappropriated retained earnings (undisposed loss)	1,301,306	1,316,507
Total unitholders' equity	37,398,368	37,833,169
Total net assets	37,398,368	37,833,169
Total liabilities and net assets	76,345,496	77,012,330

Statement of Income

(JPY thousand)

	11th FP (Ended Apr. 2020)	12th FP (Ended Oct. 2020)
Operating revenue		
Lease business revenue	2,721,172	2,818,952
Other lease business revenue	275,128	278,465
Total operating revenue	2,996,301	3,097,418
Operating expenses		
Expenses related to rent business	1,240,112	1,288,113
Asset management fee	167,788	183,098
Asset custody fee	2,865	3,387
Administrative service fees	19,145	19,216
Directors' compensation	2,460	2,460
Other operating expenses	62,565	68,380
Total operating expenses	1,494,936	1,564,657
Operating income	1,501,364	1,532,760
Non-operating income		
Interest income	32	34
Insurance claim income	901	2,344
Miscellaneous income	162	444
Total non-operating income	1,096	2,823
Non-operating expenses		
Interest expenses	161,790	174,451
Borrowing-related expenses	84,936	88,022
Other	10,932	13,269
Total non-operating expenses	257,659	275,743
Ordinary income	1,244,801	1,259,840
Profit before income taxes	1,244,801	1,259,840
Income taxes - current	961	914
Income taxes - deferred	-17	2
Total income taxes	943	916
Net income	1,243,857	1,258,923
Retained earnings brought forward	57,449	57,584
Unappropriated retained earnings (undisposed loss)	1,301,306	1,316,507

Portfolio List (54 properties) (1)

Property No.	Property Name (● = properties acquired during the 13th fiscal period)	Age of Building (years)	Address	Acquisition Price (¥ MM)	Investment Ratio (%)	(A) Real Estate Appraisal Value (¥ MM)	(B) Book Value (¥ MM)	(A)-(B) Unrealized Gains (Book Value Basis) (¥ MM)	Real Estate Appraisal Value Compared with Previous Fiscal Period End (¥ MM)	Unrealized Gains (Book Value Basis) Compared with Previous Fiscal Period End (¥ MM)	Appraisal NOI Yield (%)	Total Leasable Area (m ²)	Occupancy Rate (%)	PML (%)
O-01	Tama Center Tosei Building	31.3	Tama-shi, Tokyo	3,370	4.6	3,810	3,264	545	0	13	7.19	9,737.49	100.0 (97.8)	4.36
O-02	KM Shinjuku Building	29.1	Shinjuku-ku, Tokyo	2,057	2.8	2,840	1,995	844	70	61	5.88	3,403.95	100.0	5.52
O-03	Nihonbashi-Hamacho Building	30.0	Chuo-ku, Tokyo	1,830	2.5	2,680	1,770	909	0	5	7.13	3,334.40	100.0	6.11
O-04	Kannai Tosei Building II	36.7	Yokohama-shi, Kanagawa	4,100	5.6	4,690	3,939	750	50	62	6.04	6,920.63	91.7	11.54
O-05	Nishi Kasai Tosei Building	26.8	Edogawa-ku, Tokyo	1,710	2.3	2,060	1,648	411	0	9	6.31	3,187.97	94.0	3.84
O-06	Shin Yokohama Center Building	29.9	Yokohama-shi, Kanagawa	1,364	1.9	1,810	1,334	475	0	8	6.93	3,888.28	100.0	6.47
O-07	Nishidai NC Building	28.6	Itabashi-ku, Tokyo	1,481	2.0	1,800	1,473	326	0	10	6.20	3,798.48	100.0	5.25
O-08	JPT Motomachi Building	29.0	Yokohama-shi, Kanagawa	2,377	3.2	2,960	2,328	631	50	53	6.16	5,453.13	100.0 (100.0)	6.06
O-09	Hakusan Asanomi Building	27.3	Bunkyo-ku, Tokyo	1,380	1.9	1,680	1,362	317	0	6	5.51	1,860.51	100.0	7.31
O-10	Chojamachi Duo Building	27.3	Yokohama-shi, Kanagawa	1,300	1.8	1,430	1,292	137	0	8	5.27	2,204.74	100.0	3.56
O-11	NU Kannai Building	33.7	Yokohama-shi, Kanagawa	3,800	5.2	4,070	3,804	265	50	46	5.67	8,025.76	99.0	4.56
O-12	Higashitotsuka West Building	27.7	Yokohama-shi, Kanagawa	2,650	3.6	2,770	2,664	105	10	4	5.39	5,664.69	100.0	5.22
O-13	Kannai Wise Building	29.7	Yokohama-shi, Kanagawa	2,050	2.8	2,180	2,062	117	10	7	5.27	3,568.43	100.0	6.83
O-14	Hon-Atsugi Tosei Building	27.8	Atsugi-shi, Kanagawa	880	1.2	910	882	27	0	2	6.39	2,651.90	100.0	8.92
O-15	Hachioji Tosei Building	32.7	Hachioji-shi, Tokyo	1,600	2.2	1,670	1,612	57	-	-	5.56	3,530.42	100.0	5.01
Offices subtotal		-	-	31,949	43.6	37,360	31,436	5,923	240	301	6.07	67,230.78	98.7	-
Rt-01	Inage Kaigan Building	27.9	Chiba-shi, Chiba	2,380	3.2	2,590	2,194	395	-160	-140	6.00	5,890.90	98.7	6.49
Rt-02	Musashi Fujisawa Tosei Building	23.2	Iruma-shi, Saitama	1,950	2.7	2,190	1,907	282	0	7	6.56	6,089.72	100.0 (94.0)	5.85
Rt-03	Selection Hatsutomi	17.4	Kamagaya-shi, Chiba	310	0.4	364	310	53	0	1	6.64	1,839.45	100.0	7.98
Rt-04	Wako Building	34.5	Chiba-shi, Chiba	1,400	1.9	1,410	1,359	50	0	10	5.74	2,827.26	92.7	9.32
Retail facilities subtotal		-	-	6,040	8.2	6,554	5,772	781	-160	-121	6.15	16,647.33	98.3	-
Offices and retail facilities subtotal		-	-	37,989	51.8	43,914	37,209	6,704	80	179	6.08	83,878.11	98.6	-

(Note) The figures in this table are as of October 31, 2020, except "Real Estate Appraisal Value" and "Appraisal NOI Yield" for the 4 residential properties acquired in the 13th Fiscal Period, which are the figures as of September 30, 2020.

The "Occupancy Rate" figure in the parenthesis is the percentage of the total area for which lease agreements (the "ML Agreements") have been concluded between the master lease company and the end tenants, and that is actually being leased.

The ML Agreements for "Tama Center Tosei Building" and "JPT Motomachi Building" have expired on November 30, 2020.

Portfolio List (54 properties) (2)








Property No.	Property Name (● = properties acquired during the 13th fiscal period)	Age of Building (years)	Address	Acquisition Price (¥ MM)	Investment Ratio (%)	(A) Real Estate Appraisal Value (¥ MM)	(B) Book Value (¥ MM)	(A)-(B) Unrealized Gains (Book Value Basis) (¥ MM)	Real Estate Appraisal Value Compared with Previous Fiscal Period End (¥ MM)	Unrealized Gains (Book Value Basis) Compared with Previous Fiscal Period End (¥ MM)	Appraisal NOI Yield (%)	Total Leasable Area (m ²)	Occupancy Rate (%)	PML (%)
Rd-01	T's garden Koenji	9.8	Suginami-ku, Tokyo	1,544	2.1	2,040	1,499	540	0	5	5.35	2,169.38	100.0	7.91
Rd-02	Live Akabane	31.6	Kita-ku, Tokyo	1,227	1.7	1,550	1,196	353	0	3	6.41	3,876.44	95.8	7.45
Rd-03	Gekkocho Apartment	12.6	Meguro-ku, Tokyo	1,000	1.4	1,230	982	247	0	1	5.28	1,392.13	100.0	8.98
Rd-04	T's garden Kawasaki-daishi	11.8	Kawasaki-shi, Kanagawa	980	1.3	1,140	938	201	0	4	5.81	2,067.85	100.0	7.38
Rd-05	Abitato Kamata	29.4	Ota-ku, Tokyo	836	1.1	932	829	102	0	1	5.44	1,768.23	96.3	7.82
Rd-07	Avenir Shirotai	25.7	Yokohama-shi, Kanagawa	780	1.1	962	729	232	0	5	6.81	2,499.93	87.2	7.57
Rd-08	Dormitory Haramachida	28.3	Machida-shi, Tokyo	600	0.8	757	628	128	3	-15	7.09	1,866.62	95.2	5.29
Rd-09	SEA SCAPE Chiba Minato	12.6	Chiba-shi, Chiba	2,800	3.8	3,150	2,631	518	-30	-6	5.96	6,758.52	95.7	7.30
Rd-10	Prime Garden	25.7	Kamagaya-shi, Chiba	600	0.8	626	611	14	0	0	6.14	3,687.98	100.0	9.42
Rd-11	T's garden Shinkoiwa	22.6	Katsushika-ku Tokyo	670	0.9	747	668	78	1	3	5.35	1,652.93	100.0	4.41
Rd-12	Twin Avenue	28.7	Nerima-ku, Tokyo	1,880	2.6	2,010	1,882	127	0	3	5.39	4,558.96	98.6	5.70
Rd-13	Milestone Higashikurume	31.1	Higashikurume-shi, Tokyo	1,650	2.3	1,730	1,637	92	0	-5	5.69	3,546.73	93.8	4.34
Rd-14	Lumiere No.3	26.1	Kawaguchi-shi, Saitama	1,420	1.9	1,580	1,411	168	10	13	6.14	5,644.16	96.7	2.58
Rd-15	T's garden Nishifunabashi	29.7	Funabashi-shi, Chiba	860	1.2	878	863	14	0	0	5.70	2,643.84	100.0	7.50
Rd-16	Quest Yamatedai	31.7	Yokohama-shi, Kanagawa	710	1.0	748	718	29	0	-7	5.89	2,802.74	97.5	9.66
Rd-17	Sancere Yonohonmachi	30.0	Saitama-shi, Saitama	600	0.8	625	600	24	3	3	5.79	1,419.39	98.6	4.13
Rd-18	Rising Place Kawasaki No.2	3.7	Kawasaki-shi, Kanagawa	1,812	2.5	1,880	1,876	3	20	33	5.04	2,962.48	95.6	3.94
Rd-19	J Palace Sakuradai	26.7	Nerima-ku, Tokyo	1,090	1.5	1,170	1,096	73	0	1	4.89	2,395.49	97.6	5.38
Rd-20	Personnage Yokohama	29.9	Yokohama-shi, Kanagawa	740	1.0	795	746	48	1	3	6.06	1,988.93	90.3	4.65
Rd-21	T's garden Nishihachioji West	23.8	Hachioji-shi, Tokyo	600	0.8	654	603	50	1	3	6.28	2,315.99	97.6	7.44
Rd-22	T's garden Ojima	31.0	Koto-ku, Tokyo	1,020	1.4	1,100	1,049	50	20	0	5.90	2,705.70	95.9	5.35
Rd-23	T's garden Kitakashiwa	26.5	Kashiwa-shi, Chiba	2,770	3.8	2,850	2,797	52	0	14	5.49	13,377.44	95.9	4.32
Rd-24	Century Urawa	31.6	Saitama-shi, Saitama	980	1.3	1,050	993	56	0	0	5.86	4,201.77	98.8	4.54
Rd-25	T's garden Nagayama	34.4	Tama-shi, Tokyo	850	1.2	889	860	28	0	1	6.13	4,286.89	98.8 (90.1)	7.72
Rd-26	Grandeur Fujimino	23.7	Fujimi-shi, Saitama	822	1.1	839	832	6	0	1	5.89	2,144.34	99.0	4.14
Rd-27	T's garden Hitotsubashi-gakuen	32.4	Kodaira-shi, Tokyo	760	1.0	794	768	25	0	2	5.79	2,845.88	93.3	10.05
Rd-28	T's garden Warabi II	33.6	Kawaguchi-shi, Saitama	750	1.0	810	758	51	2	4	6.07	3,051.82	100.0	4.43
Rd-29	T's garden Warabi III	30.9	Kawaguchi-shi, Saitama	655	0.9	695	665	29	0	-0	5.91	2,461.90	97.8	3.03
Rd-30	T's garden Kashiwa	28.6	Kashiwa-shi, Chiba	595	0.8	628	604	23	0	0	5.74	3,265.29	97.9	8.26
Rd-31	Suning Kitamatsudo	14.7	Matsudo-shi, Chiba	482	0.7	504	488	15	0	2	5.32	1,194.14	97.4	3.17
Rd-32	T's garden Tanashi	29.1	Nishitokyo-shi, Tokyo	310	0.4	336	335	0	10	-8	5.90	1,263.32	95.3	8.83
Rd-33	● T's garden Center Minami	13.8	Yokohama-shi, Kanagawa	1,140	1.6	1,210	-	-	-	-	4.84	1,938.69	94.6	8.65
Rd-34	● Boulevard Maioka	16.9	Yokohama-shi, Kanagawa	810	1.1	854	-	-	-	-	5.61	3,002.40	100.0	9.79
Rd-35	● T's garden Koiwa	27.5	Edogawa-ku, Tokyo	490	0.7	564	-	-	-	-	5.35	1,188.31	90.8	6.29
Rd-36	● T's garden Tsuzuki-fureainooka II	32.1	Yokohama-shi, Kanagawa	480	0.7	562	-	-	-	-	6.03	1,048.06	76.0	9.07
Residential properties subtotal		-	-	35,313	48.2	38,889	32,308	3,390	41	73	5.72	105,994.67	96.6	-
Total/Average		27.0	-	73,302	100.0	82,803	69,518	10,094	121	253	5.91	189,872.78	97.5	3.34

(Note) The figures in this table are as of October 31, 2020, except "Real Estate Appraisal Value" and "Appraisal NOI Yield" for the 4 residential properties acquired in the 13th Fiscal Period, which are the figures as of September 30, 2020.








The "Occupancy Rate" figure in the parenthesis is the percentage of the total area for which lease agreements (the "ML Agreements") have been concluded between the master lease company and the end tenants, and that is actually being leased.

The ML Agreements for "Tama Center Tosei Building" and "JPT Motomachi Building" have expired on November 30, 2020.








Overview of Portfolio and Earnings Performance of Properties (at End of 12th Fiscal Period) (1)

	O-01 Tama Center Tosei Building	O-02 KM Shinjuku Building	O-03 Nihonbashi-Hamacho Building	O-04 Kannai Tosei Building II	O-05 Nishi Kasai Tosei Building	O-06 Shin Yokohama Center Building	O-07 Nishidai NC Building
							
Address	Ochiai, Tama-shi, Tokyo	Kabuki-cho, Shinjuku-ku, Tokyo	Nihonbashi-hama-cho, Chuo-ku, Tokyo	Sumiyoshi-cho, Naka-ku, Yokohama-shi, Kanagawa	Nishikasai, Edogawa-ku, Tokyo	Shin-Yokohama, Kohoku-ku, Yokohama-shi, Kanagawa	Takashimadaira, Itabashi-ku, Tokyo
Access	Approx. 4-min. walk from Odakyu Tama Center Station, Odakyu Tama Line	Approx. 1-min. walk from Seibu-Shinjuku Station, Seibu Shinjuku Line	Approx. 3-min. walk from Hamacho Station, Toei Subway Shinjuku Line	Approx. 3-min. walk from Kannai Station, Yokohama Municipal Subway Line	Approx. 2-min. walk from Nishi-kasai Station, Tokyo Metro Tozai Line	Approx. 5-min. walk from Shin-Yokohama Station, JR Tokaido Shinkansen Line and Yokohama Line	Approx. 1-min. walk from Nishidai Station, Toei Subway Mita Line
Acquisition price	¥3,370 MM	¥2,057 MM	¥1,830 MM	¥4,100 MM	¥1,710 MM	¥1,364 MM	¥1,481 MM
Structure	S, SRC	SRC	SRC, S	SRC	SRC	SRC, RC	S, RC
Floors	B1/7F	B1/9F	9F	B1/12F	B1/8F	B2/9F	B1/7F
Total floor area	16,212.96 m ²	5,240.41 m ²	4,583.48 m ²	9,383.81 m ²	4,271.38 m ²	5,809.25 m ²	6,214.11 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	209,056	93,928	104,987	177,051	76,412	76,223	80,011
Lease business revenue	168,276	86,191	93,707	147,959	67,923	72,328	74,260
Other lease business revenue	40,780	7,737	11,279	29,092	8,489	3,895	5,750
Property-related expenses (2)	81,364	29,092	28,878	55,483	27,557	22,308	29,910
Property management fees	24,243	6,807	8,054	17,886	6,680	8,048	8,981
Trust fees	300	300	300	300	300	300	300
Utilities expenses	35,478	7,298	10,240	16,003	7,145	5,048	10,088
Insurance premiums	384	129	127	229	102	142	140
Repair and maintenance expenses	2,304	3,818	604	1,707	5,087	1,367	1,384
Property taxes	17,460	10,013	8,262	13,419	6,510	7,124	8,294
Other expenses	1,191	726	1,288	5,936	1,730	278	719
NOI (3) [(1)-(2)]	127,692	64,835	76,109	121,568	48,855	53,915	50,101
Depreciation (4)	18,074	9,889	10,997	19,161	9,435	8,768	11,425
Rental operating income (5) [(3)-(4)]	109,617	54,946	65,111	102,406	39,420	45,147	38,675
Capital expenditures (6)	4,208	18,107	5,841	6,369	210	-	959
NCF (7) [(3)-(6)]	123,484	46,728	70,268	115,198	48,645	53,915	49,141








Overview of Portfolio and Earnings Performance of Properties (at End of 12th Fiscal Period) (2)

	O-08 JPT Motomachi Building	O-09 Hakusan Asanomi Building	O-10 Chojamachi Duo Building	O-11 NU Kannai Building	O-12 Higashitotsuka West Building	O-13 Kannai Wise Building	O-14 Hon-Atsugi Tosei Building
							
Address	Yamashita-cho, Naka-ku, Yokohama-shi, Kanagawa	Hakusan, Bunkyo-ku, Tokyo	Chojamachi, Naka-ku, Yokohama-shi, Kanagawa	Yamashita-cho, Naka-ku, Yokohama-shi, Kanagawa	Kawakami-cho, Totsuka-ku, Yokohama-shi, Kanagawa	Furo-cho, Naka-ku, Yokohama-shi, Kanagawa	Tamura-cho, Atsugi-shi, Kanagawa
Access	Approx. 5-min. walk from Ishikawacho Station, JR Keihin-Tohoku Line and Negishi Line	Approx. 1-min. walk from Hakusan Station, Toei Subway Mita Line	Approx. 1-min. walk from Isezaki-chojamachi Station, Yokohama Municipal Subway Blue Line	Approx. 6-min. walk from Kannai Station, JR Negishi Line and Yokohama Line	Approx. 2-min. walk from Higashi-Totsuka Station, JR Yokosuka Line and Shonan-Shinjuku Line	Approx. 2-min. walk from Kannai Station, JR Keihin Tohoku Line/JR Negishi Line	Approx. 12-min. walk from Hon-Atsugi Station, Odakyu Odawara Line
Acquisition price	¥2,377 MM	¥1,380 MM	¥1,300 MM	¥3,800 MM	¥2,650 MM	¥2,050 MM	¥880 MM
Structure	S, SRC, RC	S, SRC	RC, SRC	SRC	SRC, S	SRC	S, SRC
Floors	B2/8F	B1/10F	B1/7F	B1/10F	B1/11F	B1/8F	7F
Total floor area	7,924.98 m ²	2,374.87 m ²	3,091.23 m ²	10,963.91 m ²	8,758.32 m ²	4,960.49 m ²	3,818.84 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	116,947	58,757	52,934	169,581	114,082	83,820	47,201
Lease business revenue	102,565	52,890	48,067	156,754	98,055	73,960	43,305
Other lease business revenue	14,382	5,866	4,867	12,827	16,026	9,859	3,895
Property-related expenses (2)	33,905	13,421	13,938	55,212	40,316	20,509	15,471
Property management fees	10,639	4,093	5,273	21,913	13,282	8,743	7,241
Trust fees	300	300	300	300	300	300	300
Utilities expenses	11,351	3,673	4,672	15,442	12,264	7,386	2,811
Insurance premiums	173	68	77	322	216	154	102
Repair and maintenance expenses	1,286	1,210	296	2,141	2,501	392	495
Property taxes	9,464	4,030	3,158	13,451	10,276	3,013	4,390
Other expenses	689	44	161	1,641	1,474	519	130
NOI (3) [(1)-(2)]	83,042	45,335	38,996	114,369	73,765	63,310	31,730
Depreciation (4)	13,524	6,253	10,617	12,031	10,305	5,585	4,289
Rental operating income (5) [(3)-(4)]	69,517	39,082	28,379	102,338	63,459	57,725	27,440
Capital expenditures (6)	9,710	-	1,722	15,770	15,581	8,354	2,113
NCF (7) [(3)-(6)]	73,332	45,335	37,274	98,599	58,183	54,956	29,616








Overview of Portfolio and Earnings Performance of Properties (at End of 12th Fiscal Period) (3)

	O-15 Hachioji Tosei Building	Rt-01 Inage Kaigan Building	Rt-02 Musashi Fujisawa Tosei Building	Rt-03 Selection Hatsutomi	Rt-04 Wako Building	Rd-01 T's garden Koenji	Rd-02 Live Akabane
							
Address	Yokoyama-cho, Hachioji-shi, Tokyo	Takasu, Mihama-ku, Chiba-shi, Chiba	Higashi Fujisawa, Iruma-shi, Saitama	Kita-Hatsutomi, Kamagaya-shi, Chiba	Takasu, Mihama-ku, Chiba-shi, Chiba	Koenjikota, Sugunami-ku, Tokyo	Ukima, Kita-ku, Tokyo
Access	Approx. 5-min. walk from Hachioji Sta., JR Chuo Line/JR Yokohama Line/JR Hachiko Line	Approx. 1-min. walk from Inagekaigan Station, JR Keiyo Line	Approx. 9-min. walk from Musashi-Fujisawa Station, Seibu Ikebukuro Line	Approx. 3-min. walk from Kita-Hatsutomi Station, Shin-Keisei Railway Shin-Keisei Line	Approx. 1-min. walk from Inagekaigan Station, JR Keiyo Line	Approx. 5-min. walk from Koenji Station, JR Chuo Line	Approx. 4-min. walk from Kita-Akabane Station, JR Saikyo Line
Acquisition price	¥1,600 MM	¥2,380 MM	¥1,950 MM	¥310 MM	¥1,400 MM	¥1,544 MM	¥1,227 MM
Structure	SRC	SRC	S, galvanized steel	S	S	RC	SRC
Floors	B1/9F	7F	2F	2F	B1/5F	6F	12F
Total floor area	4,972.00㎡	7,175.12 m ²	6,131.07 m ²	1,827.75 m ²	4,059.79 m ²	2,445.31 m ²	4,484.24 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	62,685	120,195	72,258	14,250	64,927	53,477	54,612
Lease business revenue	55,919	99,127	72,258	14,250	56,392	52,288	52,808
Other lease business revenue	6,766	21,068	-	-	8,534	1,189	1,804
Property-related expenses (2)	19,736	43,231	12,145	4,069	21,982	9,439	14,224
Property management fees	9,368	7,708	1,222	1,104	8,985	4,107	5,102
Trust fees	255	300	300	300	300	300	300
Utilities expenses	6,724	21,428	-	-	7,884	388	689
Insurance premiums	110	202	81	31	103	54	97
Repair and maintenance expenses	2,840	979	4,754	275	1,385	968	3,467
Property taxes	-	11,395	5,762	2,231	3,116	3,010	3,350
Other expenses	438	1,217	23	127	206	610	1,218
NOI (3) [(1)-(2)]	42,948	76,963	60,113	10,180	42,945	44,038	40,388
Depreciation (4)	7,016	20,583	8,566	1,288	10,157	5,855	3,959
Rental operating income (5) [(3)-(4)]	35,932	56,380	51,546	8,891	32,788	38,182	36,428
Capital expenditures (6)	-	647	1,375	-	-	275	929
NCF (7) [(3)-(6)]	42,948	76,316	58,738	10,180	42,945	43,763	39,458








Overview of Portfolio and Earnings Performance of Properties (at End of 12th Fiscal Period) (4)

	Rd-03 Gekkocho Apartment	Rd-04 T's garden Kawasaki-daishi	Rd-05 Abitato Kamata	Rd-07 Avenir Shirotae	Rd-08 Dormitory Haramachida	Rd-09 SEA SCAPE Chiba Minato	Rd-10 Prime Garden
							
Address	Shimomeguro, Meguro-ku, Tokyo	Ise-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Chuo, Ota-ku, Tokyo	Shirotae-cho, Minami-ku, Yokohama-shi, Kanagawa	Haramachida, Machida-shi, Tokyo	Chuoko, Chuo-ku, Chiba-shi, Chiba	Kita-Hatsutomi, Kamagaya-shi, Chiba
Access	Approx. 13-min. walk from Musashi-koyama Station, Tokyu Meguro Line	Approx. 8-min. walk from Suzukicho Station, Keikyu Daishi Line	Approx. 18-min. walk from Kamata Station, JR Keihin-Tohoku Line	Approx. 4-min. walk from Bandobashi Station, Yokohama Municipal Subway Blue Line	Approx. 6-min. walk from Machida Station, JR Yokohama Line	Approx. 1-min. walk from Chibaminato Station, JR Keiyo Line	Approx. 4-min. walk from Kita-Hatsutomi Station, Shin-Keisei Railway Shin-Keisei Line
Acquisition price	¥1,000 MM	¥980 MM	¥836 MM	¥780 MM	¥600 MM	¥2,800 MM	¥600 MM
Structure	RC	S	RC	SRC	SRC, S	RC	RC
Floors	6F	3F	6F	11F	B1/12F	B1/13F	6F
Total floor area	1,547.03 m ²	2,105.59 m ²	2,062.09 m ²	3,001.81 m ²	2,239.50 m ²	7,571.58 m ²	3,962.71 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	37,399	36,611	28,053	34,417	30,940	127,851	31,148
Lease business revenue	35,942	35,082	26,725	33,192	29,929	110,601	30,108
Other lease business revenue	1,457	1,529	1,327	1,224	1,010	17,250	1,040
Property-related expenses (2)	7,203	7,919	8,322	10,919	8,527	41,411	12,528
Property management fees	3,250	2,483	2,555	2,766	2,665	9,903	3,972
Trust fees	300	300	300	300	300	300	300
Utilities expenses	403	230	598	713	582	9,020	400
Insurance premiums	41	48	44	61	57	203	85
Repair and maintenance expenses	833	1,679	1,887	3,415	1,886	10,082	4,134
Property taxes	2,112	1,935	1,535	2,053	2,370	9,034	2,408
Other expenses	263	1,242	1,401	1,610	665	2,867	1,227
NOI (3) [(1)-(2)]	30,195	28,692	19,731	23,497	22,412	86,439	18,620
Depreciation (4)	3,544	5,147	3,488	6,550	5,560	24,030	4,210
Rental operating income (5) [(3)-(4)]	26,650	23,545	16,242	16,947	16,852	62,409	14,409
Capital expenditures (6)	2,157	301	2,437	559	24,118	783	3,469
NCF (7) [(3)-(6)]	28,038	28,390	17,293	22,938	(1,706)	85,656	15,151








Overview of Portfolio and Earnings Performance of Properties (at End of 12th Fiscal Period) (5)

	Rd-11 T's garden Shinkoiwa	Rd-12 Twin Avenue	Rd-13 Milestone Higashikurume	Rd-14 Lumiere No.3	Rd-15 T's garden Nishifunabashi	Rd-16 Quest Yamatedai	Rd-17 Sancerre Yonohonmachi
							
Address	Nishi-Shinkoiwa, Katsushika-ku Tokyo	Sekimachikita, Nerima-ku, Tokyo	Higashihoncho, Higashikurume-shi, Tokyo	Shiba, Kawaguchi-shi, Saitama	Futagocho, Funabashi-shi, Chiba	Nishigaoka, Izumi-ku, Yokohama-shi, Kanagawa	Shimoochiai, Chuo-ku, Saitama-shi, Saitama
Access	Approx. 4-min. walk from Shin-Koiwa Station, JR Sobu Line	Approx. 8-min. walk from Musashi-Seki Station, Seibu Shinjuku Line	Approx. 5-min. walk from Higashi-Kurume Station, Seibu Ikebukuro Line	Approx. 16-min. walk from Warabi Station, JR Keihin-Tohoku Line	Approx. 9-min. walk from Shimousa-Nakayama Station, JR Sobu Line	Approx. 10-min. walk from Yayoidai Station, Sotetsu Izumino Line	Approx. 8-min. walk from Yonohonmachi Sta., JR Saikyo Line
Acquisition price	¥670 MM	¥1,880 MM	¥1,650 MM	¥1,420 MM	¥860 MM	¥710 MM	¥600 MM
Structure	SRC	SRC	SRC	RC	RC	RC	RC
Floors	10F	8F	10F	7F	6F	7F	4F
Total floor area	1,976.90 m ²	4,563.79 m ²	4,374.55 m ²	5,812.86 m ²	2,871.43 m ²	2,905.27 m ²	1,978.93 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	26,048	64,400	65,166	59,340	33,970	29,491	24,887
Lease business revenue	24,666	63,043	61,264	57,689	32,806	29,126	24,225
Other lease business revenue	1,381	1,356	3,901	1,651	1,163	364	661
Property-related expenses (2)	7,801	12,271	18,378	12,830	8,613	7,763	9,084
Property management fees	2,714	3,780	5,285	4,198	2,931	2,871	2,301
Trust fees	300	300	300	300	300	300	300
Utilities expenses	531	724	3,531	501	585	393	479
Insurance premiums	44	105	100	126	60	60	42
Repair and maintenance expenses	2,500	2,488	5,671	3,060	1,599	1,929	3,246
Property taxes	1,440	4,520	2,688	4,069	2,373	1,916	1,653
Other expenses	269	351	802	572	764	290	1,060
NOI (3) [(1)-(2)]	18,246	52,129	46,787	46,510	25,356	21,728	15,802
Depreciation (4)	2,888	4,040	7,948	6,528	2,733	3,046	2,010
Rental operating income (5) [(3)-(4)]	15,357	48,088	38,838	39,981	22,623	18,682	13,792
Capital expenditures (6)	849	324	13,707	2,893	2,027	10,127	1,816
NCF (7) [(3)-(6)]	17,397	51,804	33,079	43,616	23,328	11,600	13,986






Overview of Portfolio and Earnings Performance of Properties (at End of 12th Fiscal Period) (6)

	Rd-18 Rising Place Kawasaki No.2	Rd-19 J Palace Sakuradai	Rd-20 Personnage Yokohama	Rd-21 T's garden Nishihachioji West	Rd-22 T's garden Ojima	Rd-23 T's garden Kitakashiwa	Rd-24 Century Urawa
							
Address	Hama-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Sakuradai, Nerima-ku, Tokyo	Katsura-cho, Sakae-ku, Yokohama-shi, Kanagawa	Daimachi, Hachioji-shi, Tokyo	Kitasuna, Koto-ku, Tokyo	Takanodai Aza Nedo Kashiwa-shi, Chiba	Minamimotojuku, Sakura-ku, Saitama-shi, Saitama
Access	Approx. 10-min. walk from Hama-Kawasaki Station, JR Nambu Line and Tsurumi Line	Approx. 6-min. walk from Hikawadai Station, Tokyo Metro Yurakucho Line and Fukutoshin Line	Approx. 12-min. walk from Hongodai Station, JR Negishi Line	Approx. 12-min. walk from Nishi-Hachioji Station, JR Chuo Line	11-min. walk from Nishi-Ojima Station, Toei Subway Shinjuku Line	Approx. 12-min. walk from Kita-Kashiwa Station, JR Joban Line	Approx. 13-min. walk from Minamiyono Station, JR Saikyo Line
Acquisition price	¥1,812 MM	¥1,090 MM	¥740 MM	¥600 MM	¥1,020 MM	¥2,770 MM	¥980 MM
Structure	RC	RC	RC	RC	SRC	① ② ③: SRC, ④: RC	RC
Floors	9F	B1/7F	6F	B1/5F	B1/9F	①: 9F, ②: 13F, ③: 4F, ④: 1F	7F
Total floor area	3,697.17 m ²	2,483.20 m ²	2,408.94 m ²	2,679.43 m ²	3,002.99 m ²	13,796.50 m ²	4,327.24 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	62,097	37,398	28,726	26,271	41,062	114,019	39,792
Lease business revenue	59,487	35,936	26,504	25,696	40,628	99,683	37,758
Other lease business revenue	2,609	1,462	2,221	574	434	14,335	2,033
Property-related expenses (2)	12,633	8,776	9,694	7,493	10,603	36,040	13,622
Property management fees	4,242	3,539	2,568	2,275	3,856	9,910	3,738
Trust fees	300	300	300	300	300	300	300
Utilities expenses	493	599	1,647	594	547	10,029	410
Insurance premiums	94	58	58	63	72	320	91
Repair and maintenance expenses	1,352	1,904	2,353	1,827	1,808	8,479	5,482
Property taxes	5,126	2,077	1,605	1,827	1,616	4,397	2,388
Other expenses	1,023	296	1,161	603	2,402	2,603	1,209
NOI (3) [(1)-(2)]	49,463	28,621	19,032	18,777	30,459	77,978	26,170
Depreciation (4)	13,956	2,204	3,606	3,741	3,022	18,471	4,012
Rental operating income (5) [(3)-(4)]	35,507	26,417	15,425	15,035	27,436	59,507	22,158
Capital expenditures (6)	-	821	950	814	22,922	4,220	3,474
NCF (7) [(3)-(6)]	49,463	27,799	18,082	17,962	7,536	73,757	22,695

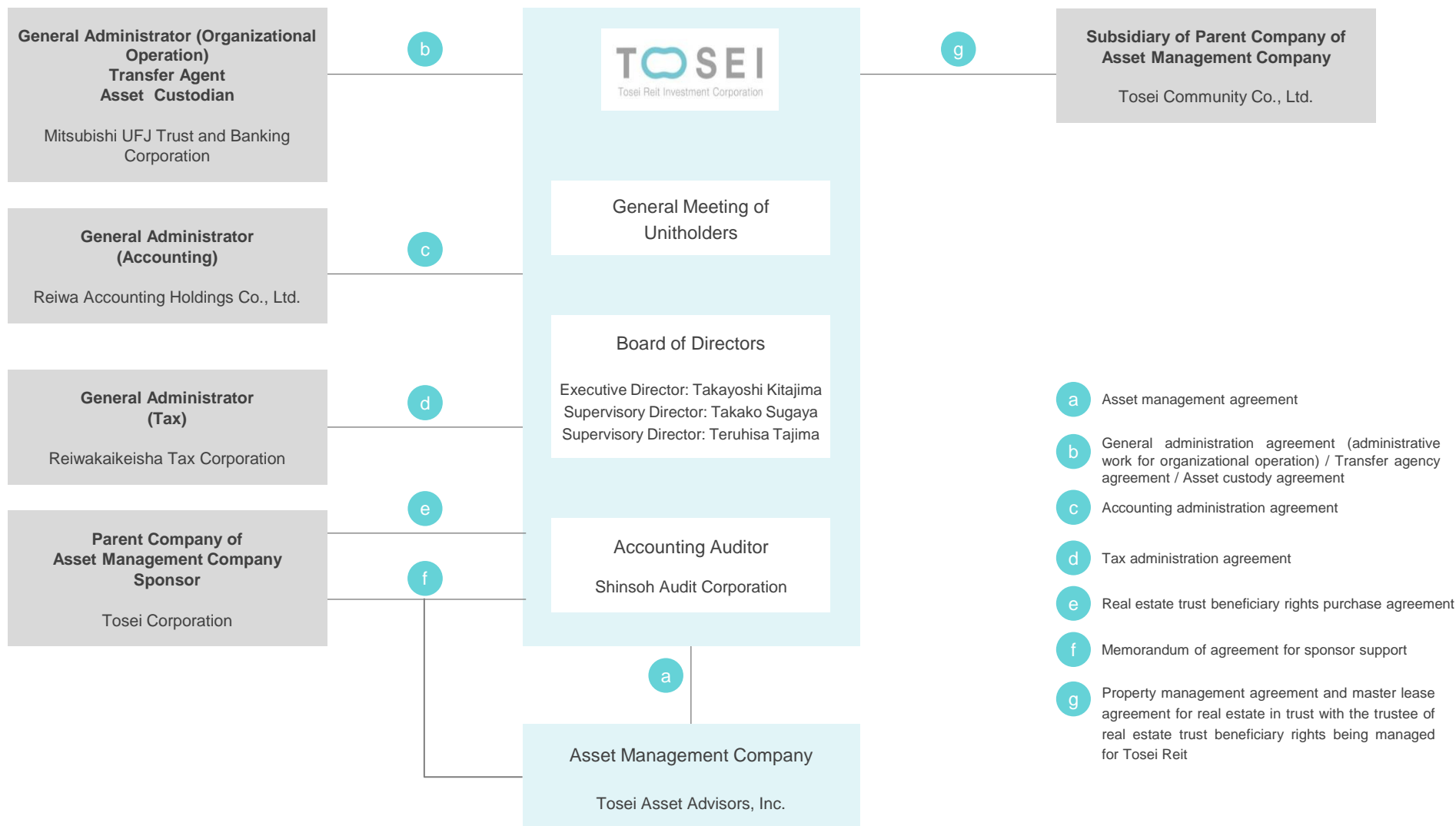
Overview of Portfolio and Earnings Performance of Properties (at End of 12th Fiscal Period) (7)

	Rd-25 T's garden Nagayama	Rd-26 Grandeur Fujimino	Rd-27 T's garden Hitotsubashi-gakuen	Rd-28 T's garden Warabi II	Rd-29 T's garden Warabi III	Rd-30 T's garden Kashiwa	Rd-31 Suning Kitamatsudo
							
Address	Nagayama, Tama-shi, Tokyo	Fujimino Higashi, Fujimi-shi, Saitama	Kihei-cho, Kodaira-shi, Tokyo	Shiba, Kawaguchi-shi, Saitama	Shibanakada, Kawaguchi-shi, Saitama	Tomisato, Kashiwa-shi, Chiba	Hanashita, Aza Kamihongo, Matsudo-shi, Chiba
Access	Approx. 6-min. walk from Keio-Nagayama Station, Keio Sagami Line and Odakyu-Nagayama Station, Odakyu Tama Line	Approx. 8-min. walk from Fujimino Station, Tobu Tojo Line	Approx. 12-min. walk from Hitotsubashi-gakuen Station, Seibu Tamako Line	Approx. 15-min. walk from Warabi Station, JR Keihin Tohoku Line	Approx. 15-min. walk from Warabi Station, JR Keihin Tohoku Line	Approx. 14-min. walk from Kashiwa Station, JR Joban Line	Approx. 3-min. walk from Kita-Matsudo Station, JR Joban Line
Acquisition price	¥850 MM	¥822 MM	¥760 MM	¥750 MM	¥655 MM	¥595 MM	¥482 MM
Structure	RC	RC	RC	RC	RC	RC	S
Floors	B1/6F	5F	6F	6F	7F	6F	6F
Total floor area	5,854.83 m ²	2,308.96 m ²	3,168.04 m ²	3,052.87 m ²	2,615.04 m ²	3,569.02 m ²	1,531.86 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	36,991	32,666	28,760	32,041	26,585	24,793	18,188
Lease business revenue	36,786	32,110	28,067	30,918	25,957	23,885	17,346
Other lease business revenue	204	556	693	1,122	627	907	841
Property-related expenses (2)	10,239	7,355	7,712	7,580	7,533	13,151	4,515
Property management fees	4,605	3,126	2,339	3,083	2,733	2,952	1,531
Trust fees	300	300	300	300	300	300	300
Utilities expenses	1,036	364	505	269	335	402	248
Insurance premiums	123	54	76	73	62	73	38
Repair and maintenance expenses	1,112	1,129	1,622	1,679	2,020	6,870	1,218
Property taxes	3,039	1,792	1,835	1,853	1,701	1,038	523
Other expenses	21	587	1,033	321	379	1,515	654
NOI (3) [(1)-(2)]	26,752	25,310	21,048	24,460	19,051	11,642	13,672
Depreciation (4)	4,688	2,896	2,501	2,134	1,619	3,344	3,100
Rental operating income (5) [(3)-(4)]	22,064	22,413	18,547	22,326	17,431	8,297	10,571
Capital expenditures (6)	3,302	1,006	410	-	1,881	2,458	403
NCF (7) [(3)-(6)]	23,450	24,304	20,638	24,460	17,169	9,183	13,269

Overview of Portfolio and Earnings Performance of Properties (at End of 12th Fiscal Period) (8)

	Rd-32 T's garden Tanashi	Rd-33 T's garden Center Minami	Rd-34 Boulevard Maioka	Rd-35 T's garden Koiwa	Rd-36 T's garden Tsuzuki-fureainooka II
					
Address	Minami-cho, Nishitokyo-shi, Tokyo	Chigasaki Chuo, Tsuzuki-ku, Yokohama-shi, Kanagawa	Maioka-cho, Totsuka-ku, Yokohama-shi, Kanagawa	Kitakoiwa, Edogawa-ku, Tokyo	Edaminami, Tsuzuki-ku, Yokohama-shi, Kanagawa
Access	Approx. 6-min. walk from Seibu-Yagisawa Station, Seibu-Shinjuku Line	Approx. 2-min. walk from Center Minami Station, Yokohama Municipal Subway Blue Line/Green Line	Approx. 22-min. walk from Maioka Station on the Yokohama Municipal Subway Blue Line	Approx. 2-min. walk from Keisei-Koiwa Station on the Keisei Dentetsu Main Line	Approx. 15-min. walk from Tsuzuki-fureainooka Station on the Yokohama Municipal Subway Green Line
Acquisition price	¥310 MM	¥1,140 MM	¥810 MM	¥490 MM	¥480 MM
Structure	RC	RC	RC	S	RC
Floors	B1/7F	11F	5F	8F	B1/5F
Total floor area	1,672.02m ²	2,295.54 m ²	3,144.11 m ²	1,330.30 m ²	1,522.59 m ²
Earnings Performance of Properties (JPY thousand)					
Rental and other operating revenue (1)	14,890	-	-	-	-
Lease business revenue	14,486	-	-	-	-
Other lease business revenue	404	-	-	-	-
Property-related expenses (2)	4,560	-	-	-	-
Property management fees	2,100	-	-	-	-
Trust fees	300	-	-	-	-
Utilities expenses	214	-	-	-	-
Insurance premiums	40	-	-	-	-
Repair and maintenance expenses	545	-	-	-	-
Property taxes	1,060	-	-	-	-
Other expenses	299	-	-	-	-
NOI (3) [(1)-(2)]	10,329	-	-	-	-
Depreciation (4)	2,008	-	-	-	-
Rental operating income (5) [(3)-(4)]	8,321	-	-	-	-
Capital expenditures (6)	20,972	-	-	-	-
NCF (7) [(3)-(6)]	(10,643)	-	-	-	-

Profile of Tosei Reit



Profile of Tosei Asset Advisors, Inc.

T O S E I

Tosei Reit Investment Corporation

Company Name	Tosei Asset Advisors, Inc.
Date of Establishment	September 28, 2005
Capital	¥100 MM
President & Representative Director	Kaname Wakabayashi
Number of Officers and Employees	83 persons

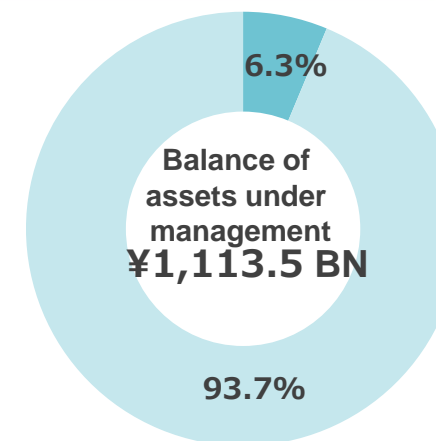
Licenses/Registrations

Type II Financial Instruments Business, Investment Advisory and Agency Business, and Investment Management Business:
Director-General of Kanto Local Finance Bureau (Financial Instruments) Registration No. 363

Entrustment-Based Agency Services For Transactions:
Minister of Land, Infrastructure, Transport and Tourism, License No. 52

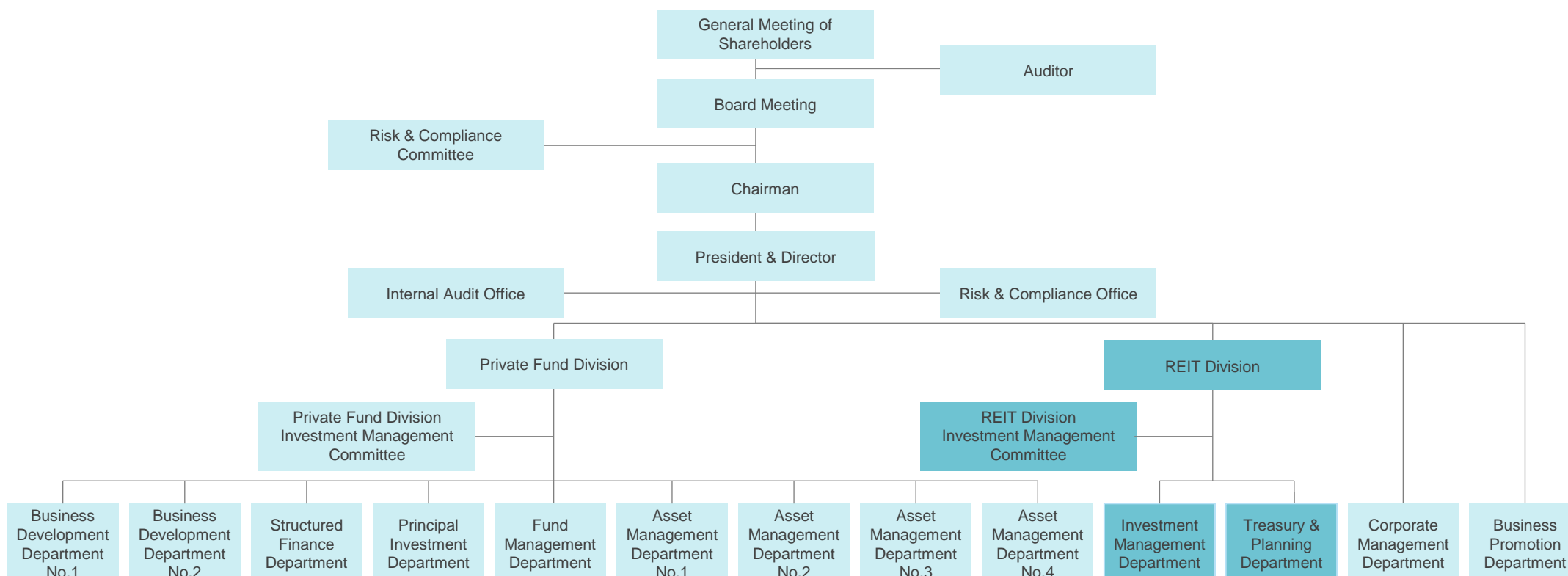
Real Estate Brokerage Business:
Governor of Tokyo (3) Registration No. 85736

Real Estate Specified Joint Enterprise License:
Commissioner of the Financial Services Agency, Minister of Land, Infrastructure, Transport and Tourism No. 70



As of November 30, 2020

- REITs
¥70.3 BN (6.3%)
- Private placement funds
¥1,043.2 BN (93.7%)



(Note) The organization was changed on December 1, 2020.

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