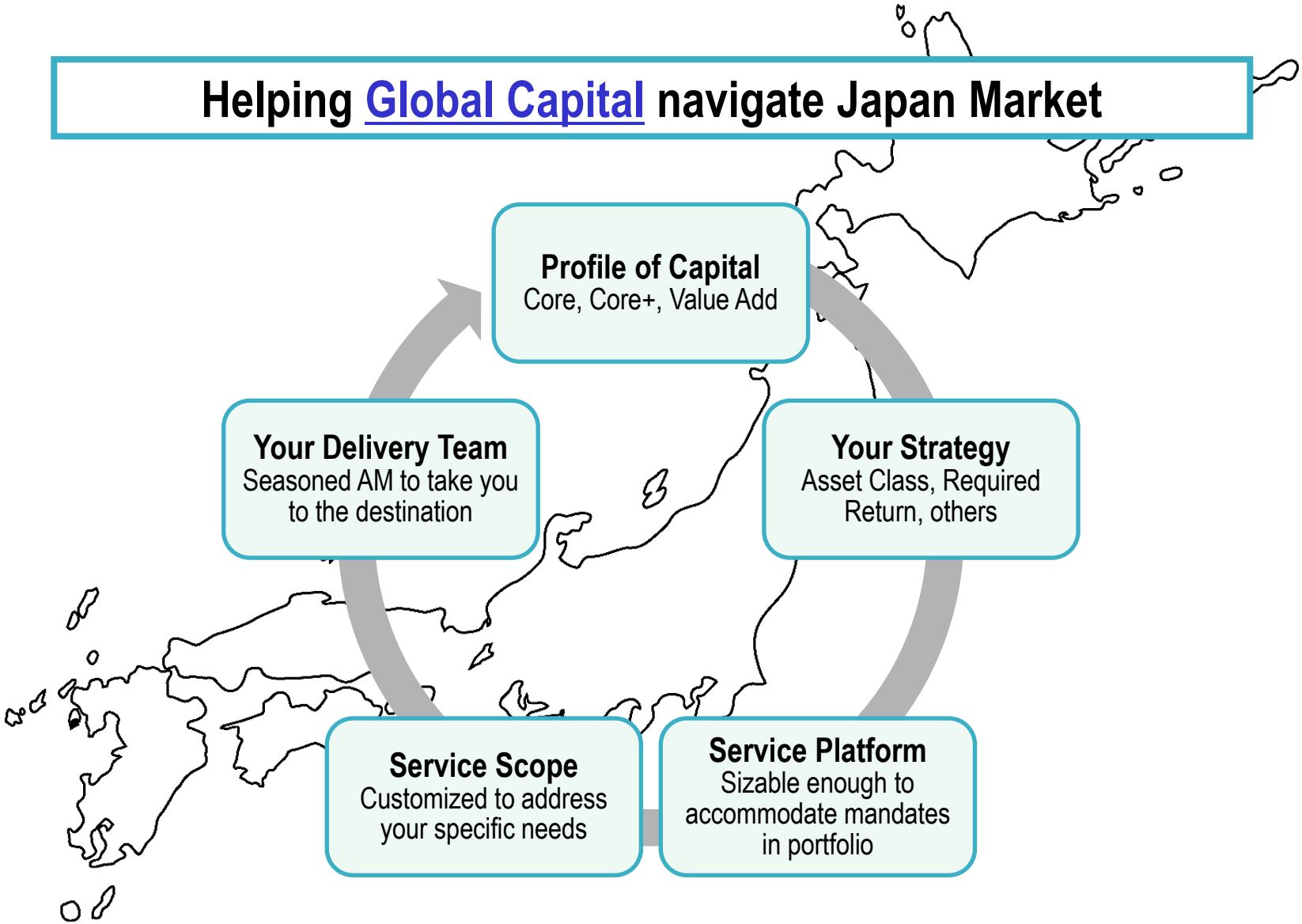
Tosei Asset Advisors, Inc.

Capability Statement

Our Priority

Helping Global Capital navigate Japan Market



Our Value Proposition

We are HANDS ON Real Estate Professionals

We are a big believer of HANDS-ON value creation – AND WE DELIVER!

Evolution of Our Business

Launching AM Business

- Established in 2005 as a REIT management company
- Launch of REIT was postponed due to unforeseen market downturn; focused on value enhancement as rescue AM

Enhancing Business Platform

- Gradual market recovery observed after 2011
- Re-established the organizations to address market demand for both private and public (REIT) funds
- REIT IPO in 2014

Expanding Platform

- Appointed as AM by Blackstone in 2015 (JPY 200 billion)
- Appointed as AM by Allianz in 2019 (JPY 120 billion)
- Ranked as No. 1 in terms of AUM as discretionary AM

Our Business Profile

- Maximizing the value of the underlying properties is our priority

Additional value Creation

- We manage various separate accounts for international and domestic clients

Clients of Diverse Profile

Public and Private Funds

- We manage public REIT as well as separate accounts

Rapidly Growing AUM

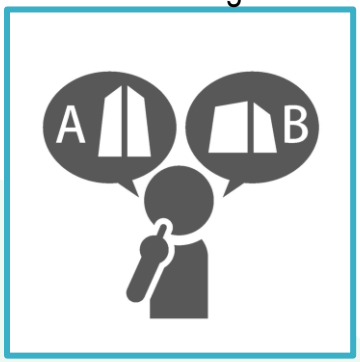
We are the largest discretionary AM (AUM over JPY 1.2 trillion)

Qualified Resources

86 RE Broker License Holder

30 ARES Certified Master

12 RE Consulting Master



We have over 80 AM professionals.

2 First Class Architect

1 RE Appraiser

As of September 1, 2021

Leadership

Akihiko Fujinaga – Chairperson
Joined TAA in 2017.
Prior to TAA he held various senior positions at real estate AM companies of both Japanese and global background. At Tokio Marine, he was involved in IPO of one of the first REITs 'Japan Real Estate Investment Corporation'. At LIM, he acted as COO.
He received B.E. from Keio University.

Kaname Wakabayashi – President
Joined Tosei Group in 2012. Appointed as President in Feb 2020.
Prior to TAA he led establishing the operating platform of Japan Rep (now known as Goodman Japan) and expanded its business as a senior officer.
He began his career at The Long-Term Credit Bank.
He received B.Econ from Keio University.

Yoshiyuki Tsukada – Private Fund Div. Head
Joined Tosei Group in 1999.
Since his secondment to TAA in 2011, he was the driver of business with focus on Hands On value creation to underlying assets. Currently he is responsible for business portfolio management as well as Strategic Direction as Division Head.
He received B.Econ from Chuo University.

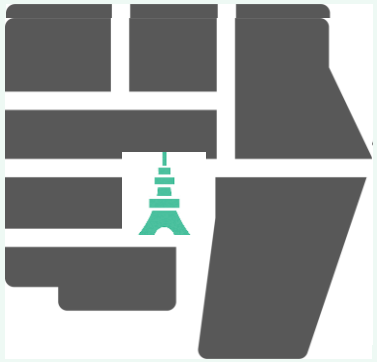
Eiji Kouya – Private Fund Div. Deputy Head
Joined Tosei Group in 2007.
Prior to TAA he worked for UFJ Tsubasa Securities (now known as Mitsubishi UFJ Morgan Stanley Securities) and some real estate developers.
At TAA he is responsible for quality AM service delivery and act as a senior RM for some key accounts..

Our Portfolio at a Glance *(JPY 1,246.0 billion)*

Tested Platform	Presence and Connection in Tokyo / Kanto	Track Record with Foreign Capital

61% in **residential sector**

We have tested operating platform to manage large apartment portfolio efficiently



50% in **Tokyo and 19% in Kanto**

We have strong presence in Tokyo / Kanto region

81% with **Foreign Capital**

We have worked with diverse clients and helped bridging the gap between global and local practice

as of May 31, 2021

We are one of the leading Residential Asset Managers

Tosei Asset Advisors has a solid platform for **maximizing** residential portfolio performance

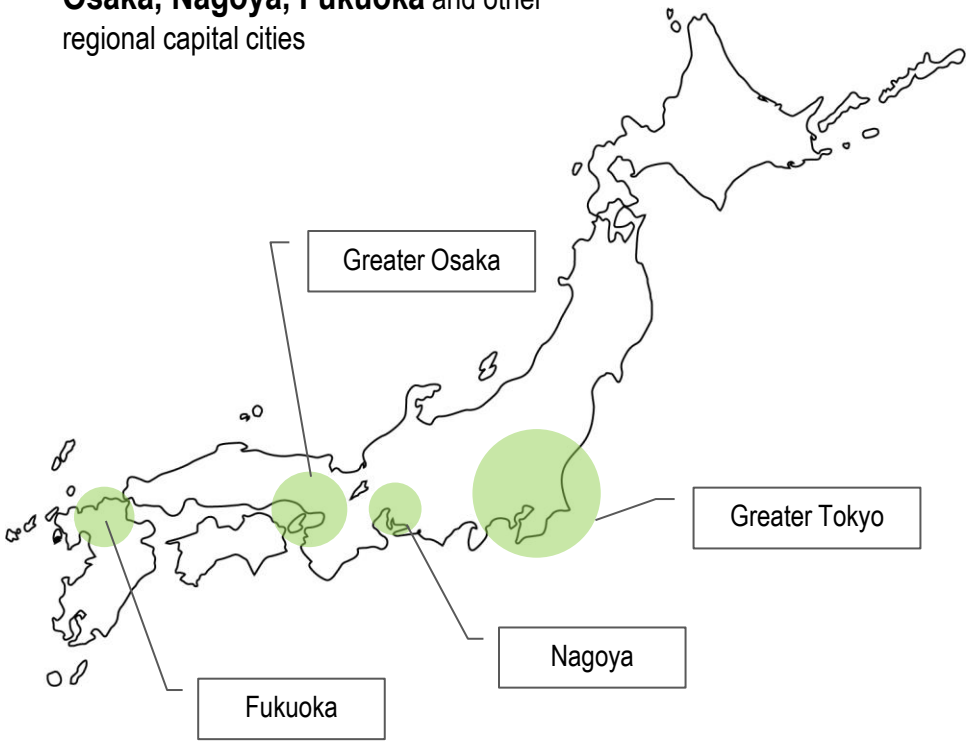
Extensive Presence and Connection

- **Ca. 540 properties** with nationwide footprints
- Connection with local PM, leasing agents and knowledge of local market practices

Tailored Strategy in Investment Objective

- Client profile: **global institutional investors**
- Experience in formulating suitable management strategy to address client's specific investment objective (**Core, Core plus and Value Add**)

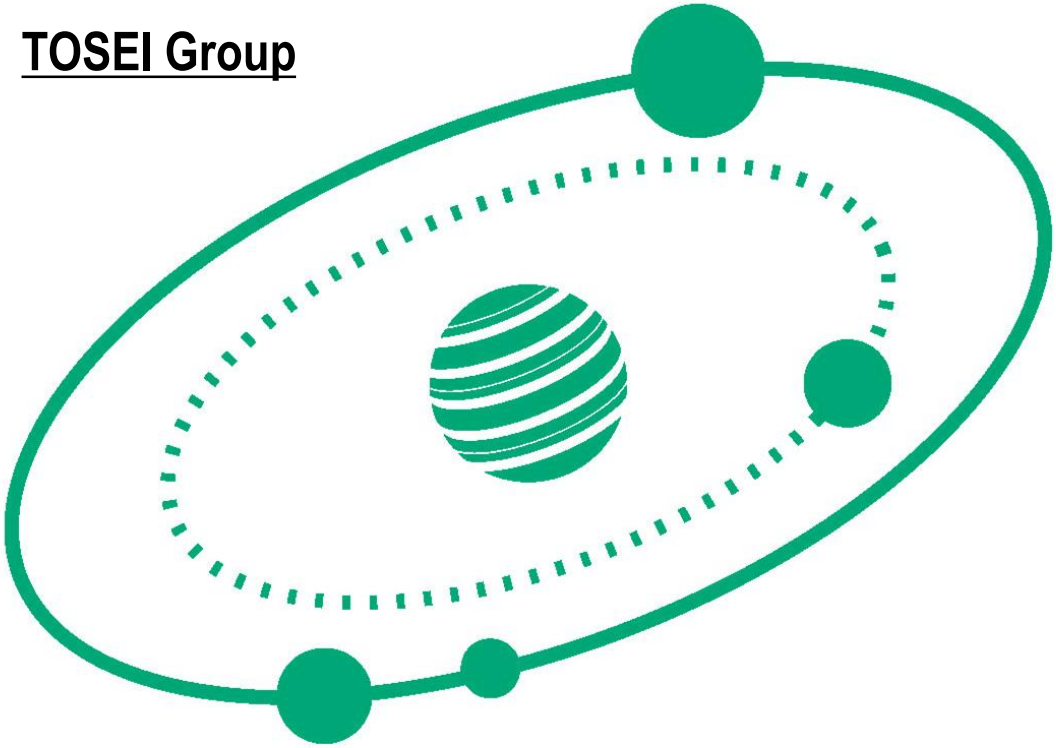
We have assets in **Greater Tokyo, Osaka, Nagoya, Fukuoka** and other regional capital cities



Our Approach to Logistics Development

Tosei Asset Advisors is a part of integrated **REAL ESTATE** professional firm

TOSEI Group



Sourcing

- Nation wide broker network
- Focus on Tokyo / Greater Tokyo
- Ability to identify suitable location and site

Development

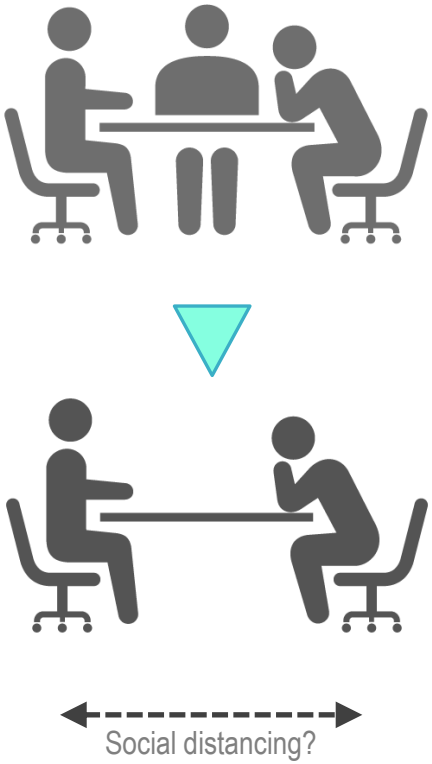
- Licensed Architectural Design Firm
- Thorough knowledge of retail supply chain and on site operation

Management and Leasing

- Seasoned Asset / Property Management Resources
- Leasing Capability with extensive connection with Target Companies

Creative Solution in Navigating Today's Office Market

Tosei Asset Advisors addresses tenant's challenges in workplace strategy (key to success)



- Unforeseeable future - workplace in 'new normal' era
- Right sizing of Head Office
- Decentralization / Satellite Offices
- Lack of resources to launch new workplace
- Connectivity between employees

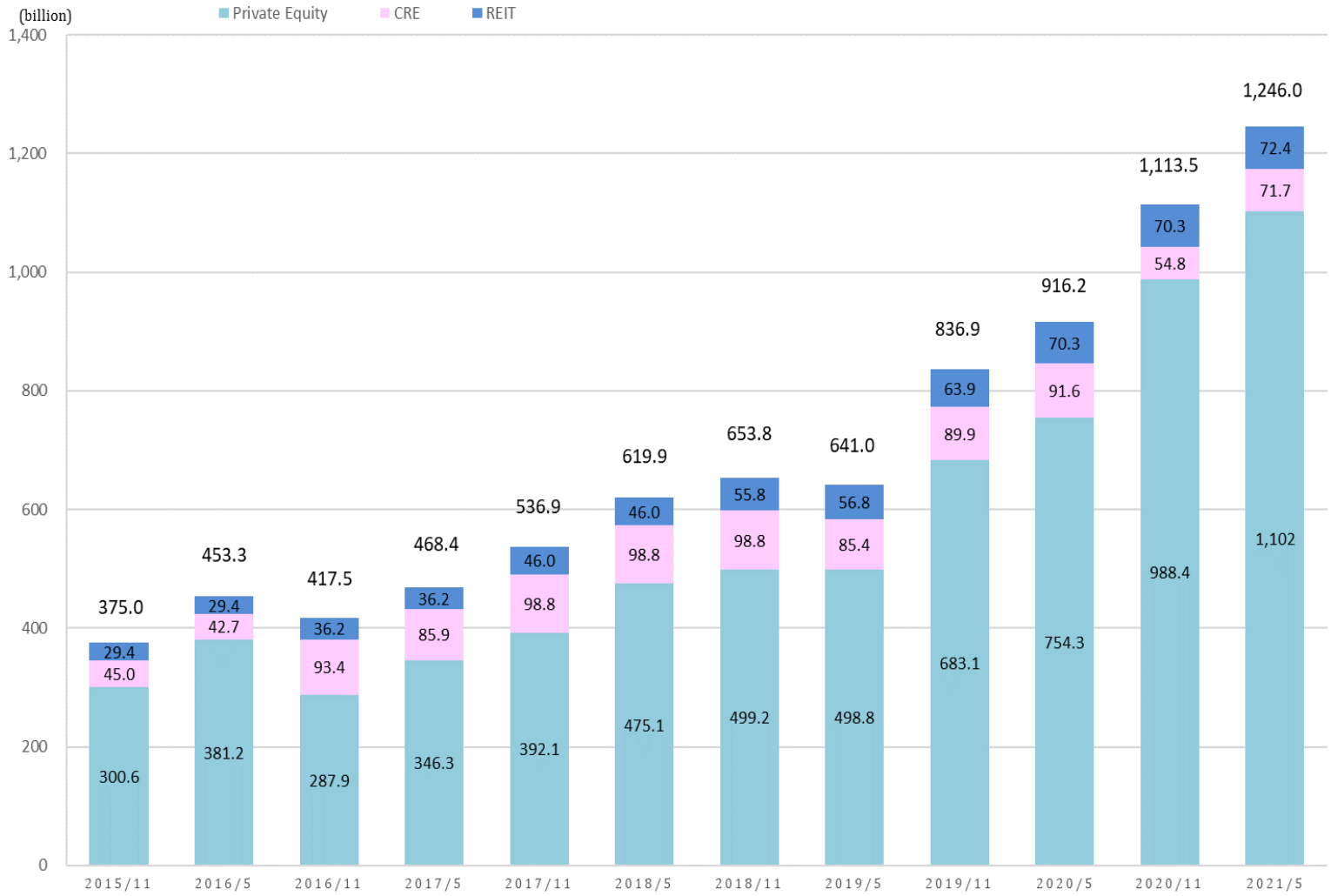
Appendix

Corporate Profile

Company Name	Tosei Asset Advisors, Inc.
Address	Tamachi Tosei Bldg, 4-5-4 Shibaura, Minato-ku, Tokyo
Capital	100 million yen
President	Kaname Wakabayashi (President & Representative Director)
Fiscal Year End	November 30
Employees	112 (As of September 1, 2021)
Field of Business	Investment Management Business
Licenses	■Type 2 Financial Instrument, Investment Advisor and Agency（Financial Instrument and Exchange law / Director of Kanto Financial Bureau Registration No.363） ■Discretionary Investment Management（Ministry of Land, Infrastructure and Transport No.52） ■Real Estate Business License（Governor of Tokyo（2）No. 85736） ■Real Estate Specified Joint Enterprise Act
Membership	The Investment Trust Association, Japan The Japan Investment Advisers Association The Association For Real Estate Securitization National Association for Real Estate Transaction Guaranty

Our Steady Growth in AUM

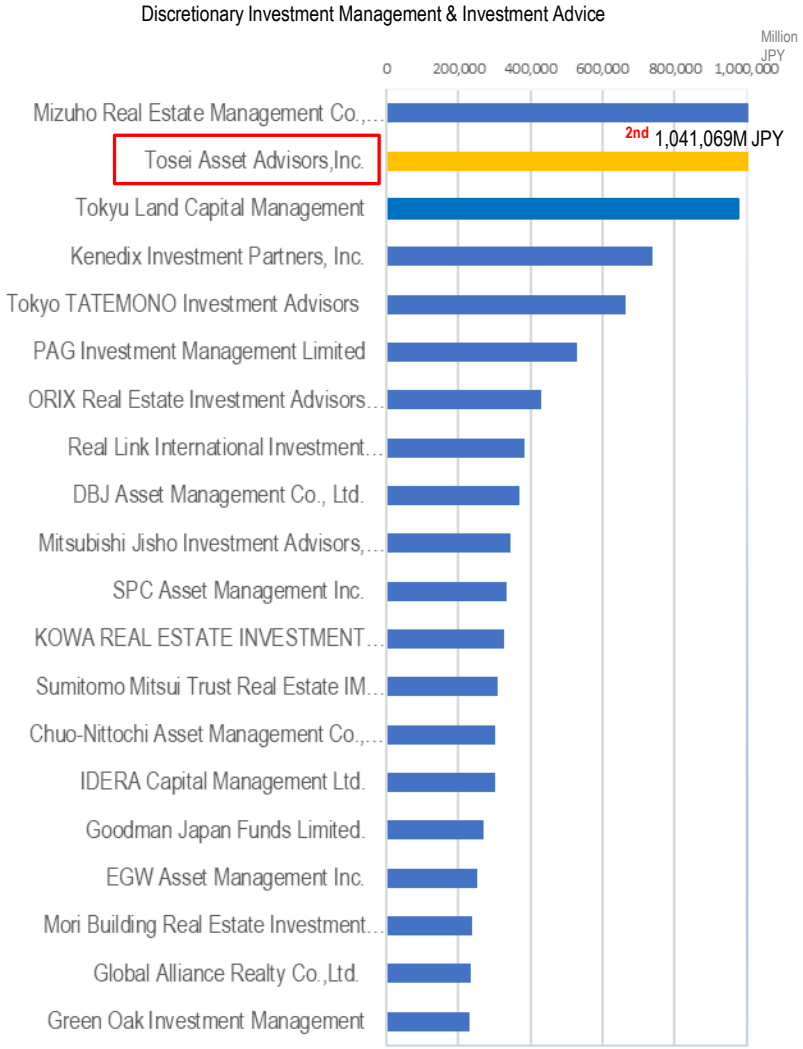
Total: JPY 1,246.0 billion

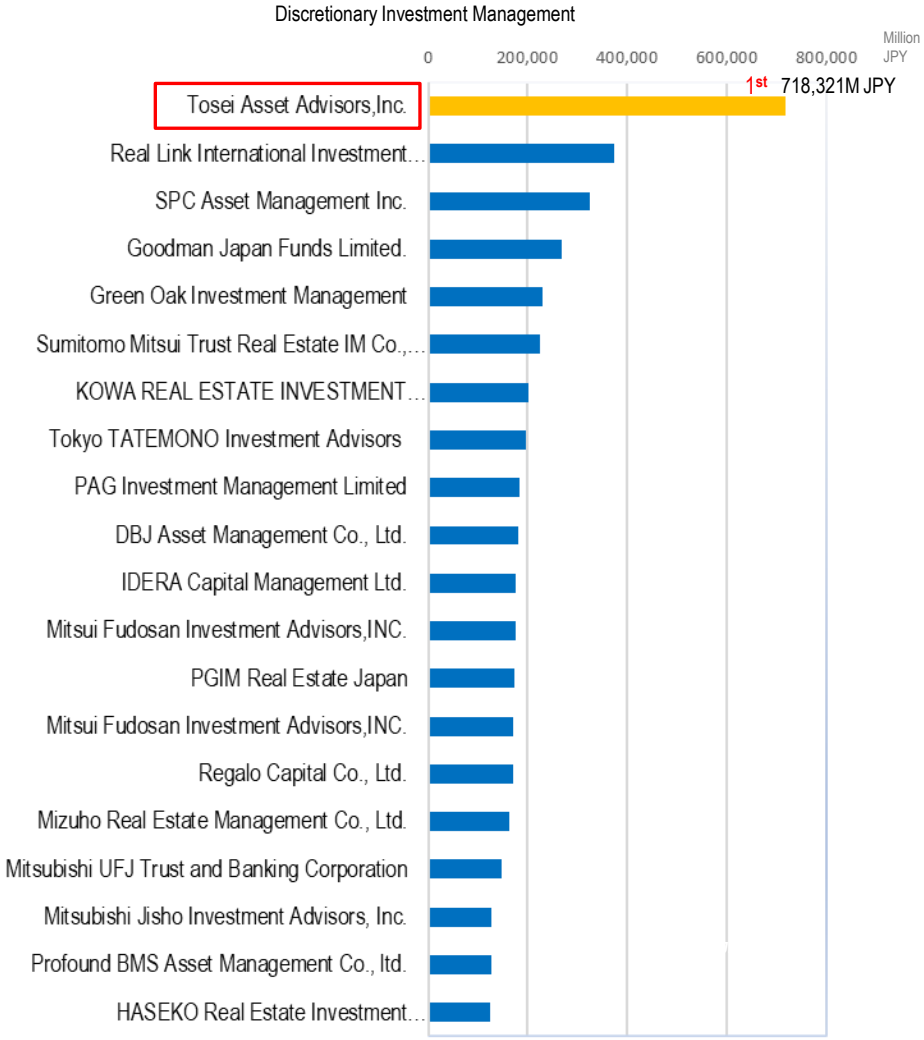


as of May 31, 2021

Our Competitive Position (Private Fund)

"The 2nd largest AUM nationwide" & "The 1st largest AUM in Discretionary Investment Management category"





Source: Japan Investment Advisors Association "Asset Under Management " as of June 2021

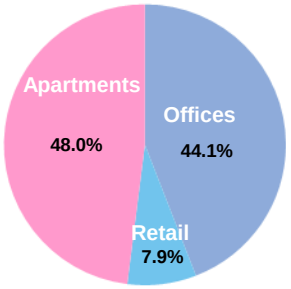
Overview of Tosei REIT Portfolio *(52 properties of JPY 72.3 billion)*

Tosei REIT invests in 15 offices, 3 retail buildings and 34 apartments (as of April 30, 2021)

Note: "Tokyo 5 central wards" collectively refers to Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards.

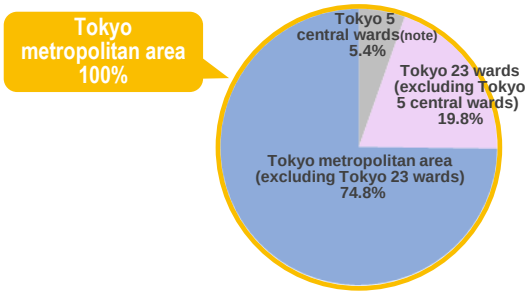
Portfolio Composition by Property Type

(acquisition price basis)



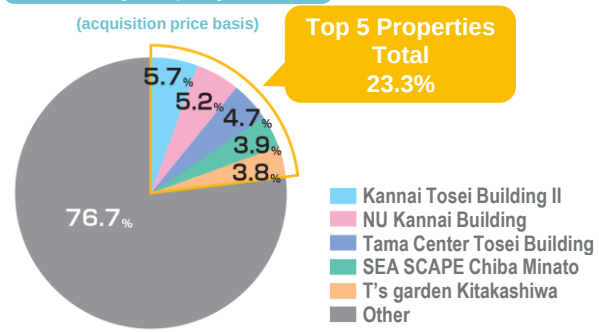
Portfolio Composition by Area

(acquisition price basis)



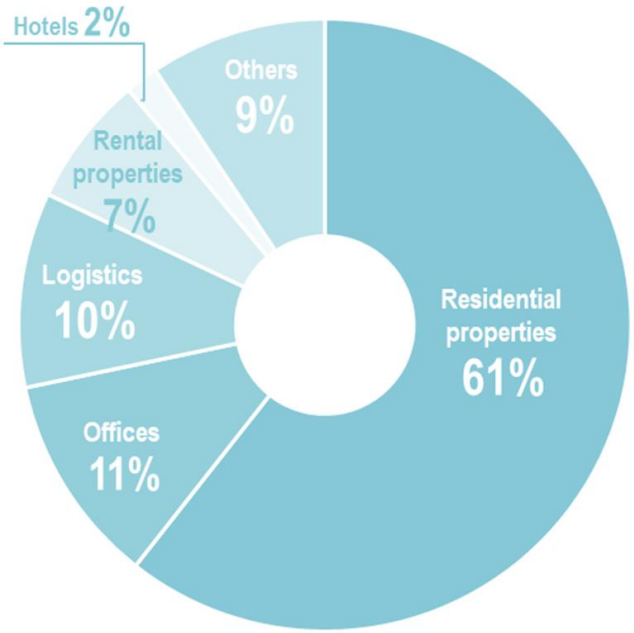
Investment Ratio by Property

(acquisition price basis)

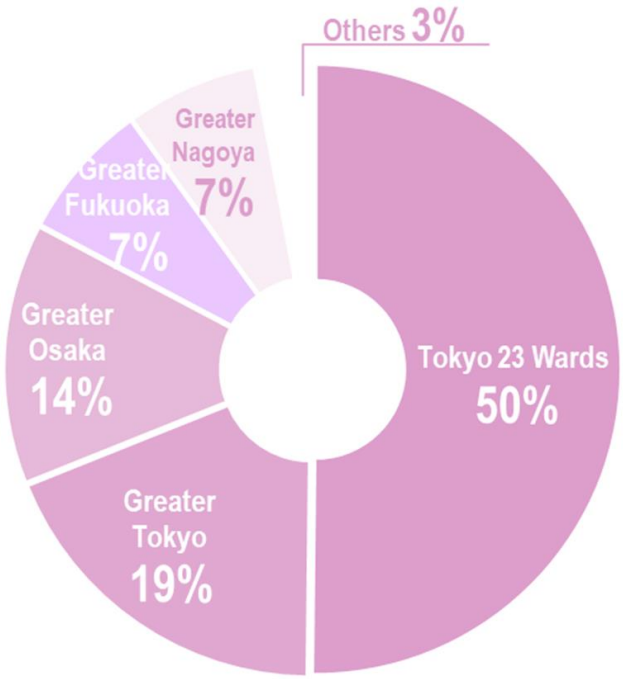


Our Business Portfolio *(JPY 1,246.0 billion)*

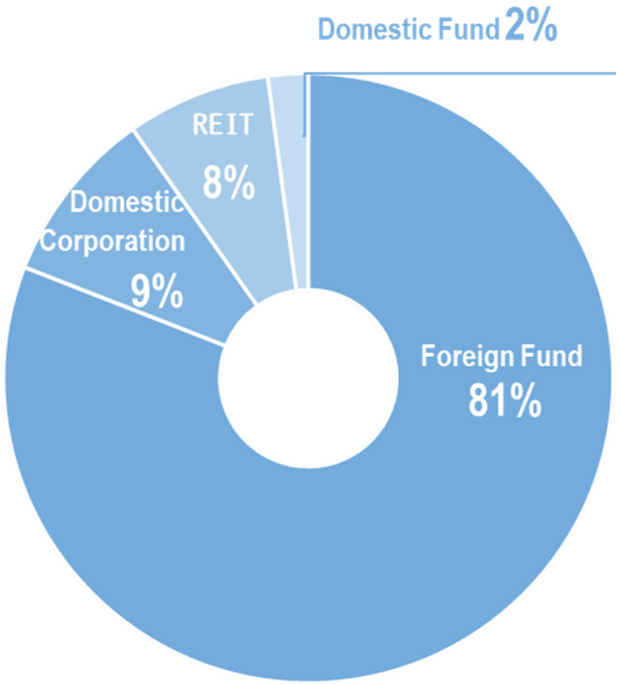
By Asset Type



By Location



By Investor Type



Tested Platform in Residential Properties

Presence and Connection in Tokyo / Kanto

Track Record with Foreign Capital

as of May 31, 2021

Strategic Relationship – *Core Investor*

Execution of Agreements to Provide Asset Management Services for 18 Residential Properties in central locations – New Mandate from Leading Global Investor, Allianz Real Estate

Tosei Asset Advisors, Inc. ("TAA"; Registered Office – Minato-ku, Tokyo, President & Representative Director – Kaname Wakabayashi) executed agreements to provide asset management (AM) services for residential properties acquired by Allianz Real Estate today. The target properties are 18 residential properties centrally located in the 23 wards of Tokyo. They are characterized by their newness and convenient access to the nearest station. The total value of these properties is around 17.2 billion yen. This is the third AM mandate for TAA from Allianz Real Estate since the first one for 82 residential properties with the total value of 130 billion yen in December 2019. Residential properties in central Tokyo are favored by overseas investors as resilient assets from which stable revenue can be expected. We see that this asset class will continue to capture the strong attention of the investors.

TAA has built up a significant track record in AM services with investors community around the world, including the United States, Europe and Singapore. Its assets under management have exceeded 1 trillion yen (as of September 2020). Capitalizing on its ability to flexibly address the needs of investors, TAA aims to further enhance the connection with investors locally and globally going forward.

(Tosei Corporation Oct. 30, 2020 press release)

Strategic Relationship – *Core Plus Investor*

Announcement of Execution of Agreements Regarding Logistics Properties with Blackstone and Daiwa House Industry

Tosei Corporation (Head Office: Minato-ku, Tokyo; President & CEO: Seiichiro Yamaguchi; Securities Code: 8923) is pleased to announce that real estate funds ("the Funds") managed and advised by affiliates of The Blackstone Group Inc. (NYSE: BX) ("Blackstone") and Tosei Asset Advisors, Inc. (Head Office: Minato-ku, Tokyo; President & CEO: Kaname Wakabayashi; "TAA"), a wholly owned subsidiary of Tosei Corporation, have entered into purchase agreements with Daiwa House Industry Co., Ltd. (Head Office: Osaka, Osaka Prefecture; President & CEO: Keiichi Yoshii; "Daiwa House Industry") to acquire large scale logistics properties owned by Daiwa House Industry （"Daiwa House Industry").

The Funds will acquire four large domestic logistics facilities(Total: Worth Around ¥55 Billion) developed by Daiwa House Industry. The balance of assets managed through the Tosei Group's Fund and Consulting Business will surpass ¥950 billion as of the end of july 2020, and this latest development is expected to drive further growth.

In light of growing demand for logistics facilities associated with the rise of e-commerce, the Tosei Group has established an extensive track record throughout the Group, including the provision of asset management and property management under services. With changes to people's way of life due to the recent spread of COVID-19 coronavirus infections, demands for logistics facilities are predicted to experience even more growth, and logistics facilities have also become increasingly attractive as investment targets that promise to achieve stable growth in the medium-to-long-term in terms of utilization rates and rent. This transaction demonstrates Tosei's capabilities in making arrangements as an intermediary and TAA's operational expertise. By continually expanding through similar arrangements, the Tosei Group aims to form a logistics facility fund and expand its business.

Moving forward, the Tosei Group will create new business opportunities that will lead to investment in excellent and profitable real estate in Japan, making every effort to earn the trust of investors from Japan and abroad.

(Tosei Corporation July 31, 2020 press release)

Our Approach to ESG – *external certification*

REIT Division

～Acquired green building certification for 2 properties

Nishi Kasai Tosei Building

DBJ Green Building 2019

Nishidai NC Building

DBJ Green Building 2019

Tama-Center Tosei Bldg.

DBJ Green Building 2020

T's garden Kitakashiwa 3

DBJ Green Building 2020

Kannai Tosei Bldg. Ⅱ

DBJ Green Building 2020

Private Fund Division

Acquired GRESB and green building certification for two funds

Office building in Sumida Ward

GRESB ★★★★☆ 2018

DBJ Green Building 2017

GRESB ★★★★☆ 2019

Office building in Yokohama City

GRESB ★★★★☆ 2019

DBJ Green Building 2018

GRESB ★★★★☆ 2020

・GRESB is an annual benchmark which measures environmental, social, and governance ("ESG") considerations in real assets including real estate and infrastructure
・DBJ Green Building Certification is a certification system established by the Development Bank of Japan (DBJ) in April 2011 to support real estate ("Green Buildings") with high environmental and social awareness.

Our Approach to ESG – *case study*

Private Fund Division

Environmental Initiatives at an Office Building in Yokohama City

Structure	SRC /steel
No. of floors	B1/18F
Constructed	1993
Gross floor area	50,304㎡

•"**Yokohama City Office Building ESG Plan**" and "Environmental Management Plan"
•Works for energy conservation
•**Quarterly monitoring of energy, water consumption, GHG and waste emissions**
•Audit by external professionals on the data on energy and water consumption, GHG emissions, etc.
•Energy conservation examination
•Environmental risk assessment
•Assessed subcontractors for green procurement
•**Implementation the BEMS (Building Energy Management System)**
•Distributed sustainability handbook to tenants
•Posted environmental conservation educational messages in common area
•Executed **a green lease agreement** (a lease contract which includes articles on environmental consideration)
•Energy management
Reduced energy consumption, GHG emissions, and water consumption by 5% over 5 years, 1% reduction in intensity per year
2.5% reduction waste emissions over five years, 0.5% reduction each year

REIT Division

Environmental Initiatives at Nishidai NC Building

Structure	SRC
No. of floors	B1/7F
Constructed	1992
Gross floor area	6,214㎡

・**Energy-saving** by installing energy recovery ventilators on all floors
・Construction work for water -saving (automatic faucets for hand basins in restrooms, etc.)
・Waste reduction achieved by **construction work for extending useful life of buildings based on long-term repair plans**
・Greening of building exterior
・Monitoring of energy data
・Implementation of tenant surveys
・Posting of waste reduction and separation messages in common areas
・Posting of messages encouraging use of stairs
・Distribution of sustainability handbook to all tenants
・ESG training to all tenants
・Execution of MOU to add articles on environmental considerations to existing lease agreements

Disclaimer

1. This document is provided for general discussion purposes only and is not intended to be a solicitation for investment or other type of transaction related to the individual matters described herein. In addition, the execution of the matters described herein is subject to the future decisions of each decision-making body of Tosei Asset Advisors, Inc. and any other relevant parties.

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   (1) its directors and employees (limited to the persons related to this transaction)

   (2) directors of subsidiaries or affiliated companies of you or Tosei Asset Advisors, Inc. (limited to the persons related to this transaction)

   (3) lawyers, certified public accountants, certified tax accountants, real estate appraisers or any other outside experts who are subject to confidentiality obligations in the course of their duties.

TOSEI

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