

【 To whom it may concern 】

June 14, 2024
Tosei Corporation

~ Achieved a high yield of approximately 8% on the distribution rate ~
**Notice Regarding Completion of Redemption of
“TOSEI Real Estate Crowd TREC FUNDING” No. 3 Fund**

Tosei Corporation (Head Office: Minato-ku, Tokyo; President and CEO: Seiichiro Yamaguchi; Securities Code: 8923) has completed early redemption of the “TREC No. 3 Condominium Units Fund Asakusa/Tsukishima” (“the Fund”) today. The Fund is one of Tosei Real Estate Crowd TREC FUNDING, a real estate crowdfunding service that enables online real estate investment. The final distribution rate was 7.97% on an annualized basis, far exceeding the initial assumption of 5.00%. Only investors that are residents of Japan are permitted to invest in the Fund and use our services related to investing in the Fund. Investors that are non-residents of Japan are not permitted to invest in the Fund or otherwise receive our services, so we cannot accept investment requests from any investors that are non-residents of Japan.

The Fund is the first multi-property fund in the TREC series, incorporating 8 condominium units. Since the start of management in March 2022, we have sought to maximize profits by utilizing our strengths, such as our assessment ability and information network, to identify good opportunities for each property and sell them in sequence, and we have distributed income including gains on sales and partially redeemed the principal during the management period. This time, we completed the sale of the last one of the properties in the portfolio, bringing an early end to the management in about 2 years and 2 months, before the originally scheduled end date. The final distribution rate was 7.97% (annualized interest rate), far exceeding the initial assumption of 5.00%.

We will continue to strive to provide real estate investment management services that maximize returns for our investors by monitoring market trends, providing accurate asset management, and formulating flexible exit strategies.

【 Redemption details of the Fund 】

Fund Name	TREC No. 3 Condominium Units Fund Asakusa/Tsukishima
Property Type	8 condominium units
Total Amount of Fund	309 million yen
Total Amount of Offering (Preferred Equity)	135 million yen
Management Period	March 24, 2022 – May 20, 2024 (About 2 years and 2 months)
Distribution Rate (Annualized)*	7.97% (initial expected distribution rate: 5.00%)
Distribution per unit	1,235 yen (total amount distributed during the management period)
Redemption per unit	10,000 yen (no loss)

*The distribution rate (annualized) is calculated by the following formula:
(Total preferred equity distributions / average preferred equity principal balance) / management period (years)

Average preferred equity principal balance is the average of preferred equity principal balance calculated for each accounting period, taking into account the fact that some principal will be returned through the sale of properties during the investment management period.

< TOSEI CORPORATION Corporate Data >
(As of the end of November 2023)

Company Name: TOSEI CORPORATION
<https://www.toseicorp.co.jp/english/>
President and CEO: Seiichiro Yamaguchi
Address: Tamachi Tosei Bldg., 4-5-4 Shibaura, Minato-ku, Tokyo
Capital: 6.6 billion yen
Employees: 727 (consolidated); 268 (non-consolidated)
Business Fields: Revitalization; Development; Rental; Funds and Consulting; Property Management; Hotels

Contact

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