

FOR IMMEDIATE RELEASE

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Notice Concerning Making All Contractual Documents in Electronic Form with Individual Customers – Promoting Real Estate Tech through Proving Test for Online Contractual Procedures

Leopalace21 Corporation (Headquarters: Nakano-ku, Tokyo; President and CEO: Bunya Miyao; the “Company”) announced that the Company expanded operation of digitized contractual procedures for the individual customers and started to include parking rental contracts as an added electronic service from June 16, 2021. It is a part of the Company’s initiatives to promote Real Estate Tech through combining real estate business with IT. It enabled the full-scale digitized processing and promoting paperless operation of contractual procedures with the customers excluding fixed-term lease contracts which require document delivery in accordance with the applicable law.

The Company started the proving experiment aiming at realizing comprehensive online procedures with the individual customers in the future.



■ Development of digitized contractual documents

Ordinary real-estate agencies are required to fulfill their statutory obligation of meeting the customers in person and delivering contractual documents and therefore are not able to introduce electronic business transactions. In contrast, the sublessors are eligible for introducing digitized processing of contractual documents related to the real-estate transactions as they are deemed to offer the leasing as a lessor. The Company started the series of initiatives by introducing paperless leasing contracts as the first case in the industry in 2015 and has been gradually employing digitized or online contractual procedures tailoring

them to satisfy the needs of individual and corporate customers through careful verifications.

<Contractual steps from application to conclusion for individual customers>

	Application for lease contract	Customer service and room viewing	New contract conclusion	Contract renewal
Leopalace21	Doable via web system 24/7 from Jun 24, 2019	Online doable from Oct 27, 2020 • Online customer service • Online room viewing	Digitized* from Nov 24, 2015 • Initial information provision at the reception • Quotation • Application for tenant examination • Lease contract • Confirmation on handing over keys and others * Applicable for procedures using tablet devices in the leasing office Room Digitized from Jun 16, 2021 • Car parking rental contract Parking	Digitized from March 2021 for renewal • Renewal contract
Ordinary real-estate agencies	In-person method is dominant	In-person method is dominant	(Room) Document delivery is mandatory (Parking) Digitized at some agencies	Digitized at some agencies

(Note) Leopalace21 can adapt the method in line with what the customers want including conventional in-person and paper-based contract conclusion.

■ Expected effect resulting from the introduction

The Company expects following effects as a result of starting service for electronic parking rental contracts for the individual customers.

1. Enhance the customer convenience

Electronic contractual document is forwarded by e-mail as a true and correct copy of the original at the time of contract conclusion.

2. Reduce workload and save cost

Estimated reduced working hours by approximately 2,150 hours and cost saving of approximately JPY 9.7 million.

3. Environmentally friendly operation by paper elimination

No printing and no storing documents at the leasing offices and others which contribute to the sustainable society.

■ Future Outlook

The Company started the proving experiment so that it can complete all contractual procedures online without any document delivery for the individual customers in the autumn

of 2021 through including the parking rental contracts in the other applicable online services. In the Japanese real estate market, conventional business practices remain deeply rooted in the industry as a whole, and DX promotion is still at a developing stage compared to the practices in the other industries or by the world's peers. We became the first company in the industry to introduce the digitized lease contracts from November 2015 and will continue to promote Real Estate Tech, which combines the real estate business and IT as a leading company in the industry, and contribute to the creation of a more comfortable and affluent society.

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