



November 26, 2021

Real Estate Investment Trust Securities Issuer  
 Sekisui House Reit, Inc.  
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 (Securities Code: 3309)

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Notice Concerning Borrowing of Funds (Determination of Interest Rate) and  
 Establishment of Interest Rate Swap

Sekisui House Reit, Inc. (“SHR”) announces today that, concerning the borrowing of funds (the “Borrowings”) announced in the press release “Notice Concerning Borrowing of Funds” dated November 25, 2021, the interest rate of the fixed interest rate borrowing indicated as “to be determined” in that press release has been determined, and SHR has established interest rate swap for a portion of the long-term borrowing with floating interest rate in that press release as described below.

1. Borrowing of Funds (Determination of Interest Rate)

Fixed Interest Rate Borrowing

Category	Lender	Borrowing amount (mm yen)	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Long-term	MUFG Bank, Ltd.	1,060	0.460%	November 30, 2021	Borrowing based on individual loan agreement, dated November 25, 2021. The lenders under the loan agreement are as indicated to the left of this table.	May 31, 2028	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Mizuho Bank, Ltd.	340						
	Sumitomo Mitsui Banking Corporation	760						
	Sumitomo Mitsui Trust Bank, Limited	1,500						
	Resona Bank, Limited.	1,400						
	Development Bank of Japan Inc.	800						
	The Norinchukin Bank	700						
Total	6,560	—	—	—	—	—	—	

Disclaimer: This translation is for informational purposes only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail.

## 2. Establishment of Interest Rate Swap

### (1) Reason for Establishment

Interest rate swap has been established in order to hedge the risk of interest rate fluctuations by converting the interest rate payable into a fixed rate for the floating interest rate borrowing based on the individual loan agreement concluded on November 25, 2021 stated in “(2) Content of Interest Rate Swap” below.

### (2) Content of Interest Rate Swap

Interest rate swap agreement (Contract period: 9 years)

(i) Counterparty	Mizuho Bank, Ltd.
(ii) Notional principal	6,440 million yen
(iii) Interest rate	Fixed interest rate payable 0.602% Floating interest rate receivable JBA 3-month JPY TIBOR plus 0.405%
(iv) Commencement date	November 30, 2021
(v) Termination date	November 29, 2030
(vi) Interest payment date	The first interest payment date shall be the last day of February 2022, and subsequent interest payment dates shall be the last days of every three months and the principal repayment date (however, if the concerned date is not a business day, then it shall be the next business day, and if that next business day falls into the next calendar month, then it shall be the business day immediately preceding the concerned date).

(Note) Conclusion of the interest rate swap agreement will, in effect, fix the interest rate for the below borrowing at 0.602%. The floating interest rate receivable under the interest rate swap agreement stated above will not be less than 0% because the agreement is subject to a floor rate.

#### <Hedge target>

Category	Lender	Borrowing amount (mm yen)	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Long-term	MUFG Bank, Ltd.	2,490	Base rate (JBA 3-month Japanese Yen TIBOR) plus 0.405%	November 30, 2021	Borrowing based on individual loan agreement, dated November 25, 2021. The lenders under the loan agreement are as indicated to the left of this table.	November 29, 2030	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Mizuho Bank, Ltd.	790						
	Sumitomo Mitsui Banking Corporation	1,760						
	Sumitomo Mitsui Trust Bank, Limited	500						
	Mizuho Trust & Banking Co., Ltd.	900						
Total		6,440	—	—	—	—	—	—

## 3. Other Matters Necessary for Investors' Appropriate Understanding/Judgment of Relevant Information

With regard to risks associated with the determination of interest rate and establishment of interest rate swap of the Borrowings, neither of them will result in any change from the contents of “Part 2. Reference Information; Section 2. Supplementary Information for Reference Documents; 3. Investment Risks” of the securities registration statement report submitted on October 18, 2021.

\* Sekisui House Reit, Inc. website: <https://sekisuihouse-reit.co.jp/en/>