



January 24, 2022

Real Estate Investment Trust Securities Issuer

Sekisui House Reit, Inc.

Representative: Atsuhiko Kida, Executive Director
(Securities Code: 3309)

Asset Management Company

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Notice Concerning Borrowing of Funds

Sekisui House Reit, Inc. (“SHR”) hereby announces that it has decided today to undertake new borrowings (the “Borrowing”) as described below.

1. Terms of the Borrowing

Category	Lenders (Note 1)	Borrowing amount (mm yen)	Interest rate (Note 2) (Note 3) (Note 4) (Note 5)	Drawdown date	Borrowing method	Repayment date (Note 6)	Repayment method (Note 7)	Security
Short-term	MUFG Bank, Ltd.	5,310	Base rate (JBA 1-month Japanese Yen TIBOR) plus 0.170%	February 1, 2022	Borrowing based on individual loan agreement, dated January 24, 2022. The lenders under the loan agreement are as indicated to the left of this table.	January 31, 2023	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Mizuho Bank, Ltd.	4,360						
	Sumitomo Mitsui Banking Corporation	4,030						
Total		13,700	—	—	—	—	—	—

(Note 1) MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Banking Corporation are arrangers of the Borrowing.

(Note 2) The borrowing expenses and other charge payable to the lenders are not included.

(Note 3) The base rate applicable to the calculation period for the interest payable on an interest payment date shall be the Japanese Yen TIBOR (Tokyo Inter Bank Offered Rate), corresponding to the calculation period of the interest published by the Japanese Bankers Association (JBA) TIBOR Administration, two business days prior to the immediately preceding relevant interest payment date. The base rate is subject to review every interest payment date. Where no rate that corresponds to the interest calculation period exists, the base rate shall be that which corresponds to the concerned period calculated based on the method provided for in the relevant individual loan agreement. For changes in the base rate (being the Japanese Yen TIBOR published by JBA), please check the website of JBA TIBOR Administration (<http://www.ibatibor.or.jp/english/rate/>).

(Note 4) The first interest payment date will be the last day of February 2022. Subsequent interest payment dates will be the last day of every month and the principal repayment date. Where the relevant date is not a business day, such date will be the immediately following business day or (if the immediately following business day falls into the next calendar month) the immediately preceding business day.

(Note 5) The first interest calculation period is from February 1, 2022 to the last day of February 2022.

(Note 6) Where the repayment date is not a business day, such date will be the immediately following business day or (if the immediately following business day falls into the next calendar month) the immediately preceding business day.

(Note 7) SHR may, by giving prior written notice and if certain other terms and conditions are met, make early repayment of the Borrowing (in whole or in part), in the period between the drawdown date and the repayment date.

2. Purpose of the Borrowing

The Borrowing is to partially fund the acquisition of two residential properties (Prime Maison Nakameguro and Prime Maison Itabashi) (the “Assets to be Acquired”) and to allocate related expenses described in the “Notice Concerning Acquisition and Disposition of Trust Beneficiary Interest in Domestic Real Estate (Acquisition of Prime Maison Shimokitazawa and Four Other Properties and Disposition of Esty Maison Tsukamoto and Eight Other Properties)” announced on July 30, 2021.

Please refer to the above press release for details of the Assets to be Acquired.

3. Amount, Use and Scheduled Outlay of Funds to be Procured from the Borrowing

- (1) Amount of funds to be procured
13,700 million yen
- (2) Specific use of funds to be procured
Part of funds to acquire the Assets to be Acquired and to allocate related expenses
- (3) Scheduled outlay
February 1, 2022

4. Status of Borrowings, etc. after the Borrowing

(Unit: million yen)

	Before the Borrowing	After the Borrowing	Increase (Decrease)
Short-term borrowings (Note)	—	13,700	13,700
Long-term borrowings (Note)	215,442	215,442	—
(repayment due within one year)	25,230	25,230	—
Total borrowings	215,442	229,142	13,700
Investment corporation bonds	34,500	34,500	—
(redemption due within one year)	3,000	3,000	—
Total interest-bearing liabilities	249,942	263,642	13,700

(Note) Short-term borrowings refer to borrowings due for repayment within a period of one year or less from the relevant drawdown date, and long-term borrowings refer to borrowings due for repayment within a period of more than one year from the relevant drawdown date.

5. Other Matters Necessary for Investors’ Appropriate Understanding/Judgment of Relevant Information

With regard to risks associated with the Borrowing, there is no change from the contents of “Part 2. Reference Information; Section 2. Supplementary Information for Reference Documents; 3. Investment Risks” of the securities registration statement submitted on October 18, 2021.

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