

For Translation Purposes Only

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(Securities Code: 3459)

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Notice Concerning Borrowing of Funds

Samty Residential Investment Corporation (“Samty Residential”) announces the decision made today to perform borrowing of funds (the “Borrowing”) as follows.

1. Details of the Borrowing

(1) Reasons for the Borrowing

Samty Residential will conduct the Borrowing to fund the repayment of existing borrowing with a repayment date of January 31, 2022. For an overview of the existing borrowing, please refer to “2. Repayment of Borrowing” below.

(2) Details of the Borrowing

Term Loan 18

1.	Lender(s)	Loan syndicate with Sumitomo Mitsui Banking Corporation as arranger
2.	Loan amount	3,850 million yen
3.	Interest rate	To be decided (fixed interest rate) ^(Note 1)
4.	Drawdown date	January 31, 2022
5.	Borrowing method	An individual loan agreement shall be concluded with the above lenders on January 27, 2022 (scheduled)
6.	Principal repayment date	January 31, 2028 ^(Note 2)
7.	Principal repayment method	Lump-sum repayment on principal repayment date
8.	Interest repayment date	The first interest payment shall be due on February 28, 2022, and subsequent interest payments shall be due at the end of every month thereafter and on the principal repayment date ^(Note 2)
9.	Security/guarantee	Unsecured and unguaranteed

(Note 1) The interest rate will be announced as soon as it is decided.

(Note 2) If the relevant day is not a business day, the business day immediately following the relevant day shall be the date. If the said business day is in the following month, the business day immediately preceding the relevant day shall be the date.

(3) Amount, Use and Scheduled Outlay of Funds to be Procured

i. Amount of funds to be procured

3,850 million yen

ii. Specific use of funds to be procured

For use as repayment funds for the existing borrowing described in “2. Repayment of Borrowing.” below.

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iii. Scheduled outlay
January 31, 2022

2. Repayment of Borrowing

Term loan	Lender(s)	Loan amount (million yen)	Drawdown date	Principal repayment date
7-B	Loan syndicate with Sumitomo Mitsui Banking Corporation and The Bank of Fukuoka, Ltd. as arrangers	5,350	February 1, 2018	January 31, 2022

(Note) For details, please refer to “Notice Concerning Borrowing of Funds, Partial Refinancing and Partial Early Repayment of Existing Borrowings” dated January 15, 2018.

3. Status of Interest-Bearing Debt after the Borrowing

(Unit: million yen)

	Before the Borrowing (as of today)	After the Borrowing (as of January 31)	Increase (Decrease)
Short-term loans ^(Note)	10,700	11,385	685
Long-term loans ^(Note)	63,535	61,350	(2,185)
Total borrowings	74,235	72,735	(1,500)
Investment corporation bonds	4,200	4,200	-
Total interest-bearing debt	78,435	76,935	(1,500)

(Note) Short-term loans refers to borrowings for which repayment is due in or within one year (including current portion of long-term loans payable), and long-term loans refers to borrowings for which repayment is due in more than a year.

4. Other

Concerning the risks associated with the Borrowing, they are described in “Chapter 1: Fund information, Section 1: Fund Status, 3. Investment Risks” in the Securities Report submitted by Samty Residential on October 28, 2021.

* Samty Residential Investment Corporation website: <https://www.samty-residential.com/en/>