



February 22, 2022

Real Estate Investment Trust Securities Issuer
Sekisui House Reit, Inc.

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

Asset Management Company

Sekisui House Asset Management, Ltd.

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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)	Drawdown date	Borrowing method	Repayment date (Note 5)	Repayment method (Note 6)	Security
Long-term	MUFG Bank, Ltd. (Note 7)	480	Base rate (JBA 3-month Japanese Yen TIBOR) plus 0.265%	February 28, 2022	Borrowing based on individual loan agreement, dated February 22, 2022. The lenders under the loan agreement are as indicated to the left of this table.	February 29, 2028	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Mizuho Bank, Ltd.	360						
	Sumitomo Mitsui Banking Corporation	390						
	Sumitomo Mitsui Trust Bank, Limited	900						
	Resona Bank, Limited.	750						
	THE BANK OF FUKUOKA, LTD.	500						
	MUFG Bank, Ltd. (Note 7)	1,120	Base rate (JBA 3-month Japanese Yen TIBOR) plus 0.355%			February 28, 2030		
	Mizuho Bank, Ltd.	840						
	Sumitomo Mitsui Banking Corporation	910						
	Sumitomo Mitsui Trust Bank, Limited	1,000						
	Mizuho Trust & Banking Co., Ltd.	980						
	Resona Bank, Limited.	800						
	The Norinchukin Bank	800						
Total	9,830	—	—	—	—	—	—	

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.

- (Note 1) MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Banking Corporation are arrangers of the above borrowings.
- (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, two business days prior to the immediately preceding relevant interest payment date. The Japanese Yen TIBOR is published by the Japanese Bankers Association (JBA) TIBOR Administration. 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 (<https://www.ibatibor.or.jp/english/rate/>). In addition, SHR plans to effectively fix the interest rate of the above borrowings through interest rate swap agreement. There will be an announcement regarding the interest rate fixed on the basis of the interest rate swap agreement to be arranged, once such details have been determined.
- (Note 4) The first interest payment date will be the last day of May 2022. Subsequent interest payment dates will be the last day of every three months 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) 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 in the next calendar month) the immediately preceding business day.
- (Note 6) SHR may, by giving prior written notice and if certain other terms and conditions are met, make early repayment of the borrowings (in whole or in part), in the period between the drawdown date and the repayment date.
- (Note 7) The borrowing from MUFG Bank, Ltd. is ESG Loan for J-REIT. For details, please refer to the “Notice Concerning Acquisition of the highest rank of “S” in “MUFG ESG Rating Certificate for J-REIT supported by JCR”” dated April 26, 2019.

2. Purpose of the Borrowing

The Borrowing (9,830 million yen) is for use as repayment funds of a long-term borrowings (9,830 million yen) which shall be due for repayment on February 28, 2022 (the “Existing Borrowing”).

For details of the Existing Borrowing, please refer to “Notice Concerning Borrowing of Funds” announced by Sekisui House Residential Investment Corporation (“SHI”) (Note) on January 28, 2014, “Notice Concerning Borrowing of Funds” announced on February 25, 2014, and “Notice Concerning Borrowing of Funds” announced on February 24, 2015.

(Note) SHR executed an absorption-type merger, with May 1, 2018 as the effective date, whereby SHR was the surviving company and SHI was the dissolving company in the merger. Therefore, the debt obligation of SHI related to the Existing Borrowings was succeeded by SHR.

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

- (1) Amount of funds to be procured
9,830 million yen
- (2) Specific use of funds to be procured
Funds for repayment of the Existing Borrowing
- (3) Scheduled outlay
February 28, 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)	33,330	23,500	(9,830)
Total borrowings	229,142	229,142	—
Investment corporation bonds	34,500	34,500	—
(redemption due within one year)	3,000	3,000	—
Total interest-bearing liabilities	263,642	263,642	—

(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 1. Fund Information; Section 1. Status of Fund; 3. Investment Risks" of the securities report submitted on January 25, 2022.

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