

July 8, 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

Fixed Interest Rate 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	Sumitomo Mitsui Trust Bank, Limited	550	To be determined	July 13, 2022	Borrowing based on individual loan agreement, dated July 8, 2022. The lenders under the loan agreement are as indicated to the left of this table.	February 26, 2027	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Mizuho Trust & Banking Co., Ltd.	350						
	Resona Bank, Limited.	500						
	The Norinchukin Bank	400						
	MUFG Bank, Ltd. (Note 7)	1,400	To be determined					
	Mizuho Bank, Ltd.	1,050						
	Sumitomo Mitsui Banking Corporation	600						
	Sumitomo Mitsui Trust Bank, Limited	500						
	Mizuho Trust & Banking Co., Ltd.	300						
	Resona Bank, Limited.	450						
	Development Bank of Japan Inc.	550						
	The Norinchukin Bank	350						
Total	7,000	—	—	—	—	—	—	

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 Borrowings.
- (Note 2) The interest rates will be announced once determined.
- (Note 3) The first interest payment date will be the last day of February 2023, and subsequent interest payment dates will be the last day of every six months thereafter 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 4) The first interest calculation period is from July 13, 2022 to the last day of February 2023.
- (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.

2. Purpose of the Borrowing

The Borrowing (7,000 million yen) is for use as repayment funds of the long-term borrowings (7,000 million yen) which is due for repayment on July 13, 2022 (the “Existing Borrowing”).

For details of the Existing Borrowing, please refer to “Notice Concerning Borrowing of Funds and Establishment of Interest Rate Swaps” announced on November 28, 2017.

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

- (1) Amount of funds to be procured
7,000 million yen
- (2) Specific use of funds to be procured
Funds for repayment of the Existing Borrowing
- (3) Scheduled outlay
July 13, 2022

4. Status of Borrowings, etc. after the Borrowing

(Unit: million yen)

	Before the Borrowing (Note 1)	After the Borrowing	Increase (Decrease)
Short-term borrowings (Note 2)	7,700	7,700	—
Long-term borrowings (Note 2)	224,442	224,442	—
(repayment due within one year)	33,200	26,200	(7,000)
Total borrowings	232,142	232,142	—
Investment corporation bonds	31,500	31,500	—
(redemption due within one year)	—	—	—
Total interest-bearing liabilities	263,642	263,642	—

(Note 1) Before the Borrowing indicates the balance after the borrowing described in “Notice Concerning Borrowing of Funds” announced on July 6, 2022

(Note 2) 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/>

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