

Translation Purpose Only

For Immediate Release

REIT Issuer

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Asset Management Company

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Notice Concerning Borrowing of Funds

Starts Proceed Investment Corporation (“SPI”) announces that it decided at its Board of Directors’ meeting held today to conduct borrowing of funds. The details are as follows.

1. Reason and Purpose of Borrowings

Borrowings will be conducted to allocate funds as repayment of borrowings totaling 4,190 million yen maturing on November 24, 2022.

2. Details of Borrowings

	Term Loan 2Y
Lender	Mizuho Bank, Ltd. The Musashino Bank, Ltd. The Chiba Bank, Ltd. Sumitomo Mitsui Banking Corporation The Nishi-Nippon City Bank, Ltd. Resona Bank, Limited Higashi-Nippon Bank, Ltd. Aozora Bank, Ltd. Asahi Shinkin Bank The Bank of Kyoto, Ltd. Mizuho Trust & Banking Co., Ltd.
Loan Amount	4,190 million yen
Scheduled Drawdown Date	November 24, 2022
Principal Repayment Date	May 24, 2029
Interest Rate (Note 1)	Base interest rate (JBA 3-month Japanese Yen TIBOR) + 0.68%
Interest Payment Date	The first interest payment date shall be the last day of October 2022, and for subsequent payments, the last day of February, May, August and November thereafter (however, in the event that one of these days is not a business day, the business day immediately preceding it) and the principal repayment date.
Borrowing Method	Loan agreements will be individually concluded for Term Loans 2Y as of November 21, 2022, based on the basic loan agreement (hereinafter referred to as the “Basic Loan Agreement,” including subsequent revisions and addition of lenders (Note 2)) executed on November 19, 2009.
Principle Repayment Method	Lump-sum repayment on repayment date

Collateral	Unsecured
Guarantee	Unguaranteed

(Note 1) • The base interest rate applicable to the calculation of interest payable on the interest payment day is the JBA 3-month Japanese Yen TIBOR published two business days prior to the interest payment date immediately preceding each interest payment date (drawdown date for the first interest payment date).

• After this, SPI will not announce the determination of interest rates for the concerned borrowings. For fluctuations in the Japanese Yen TIBOR of JBA, the base interest rate, please check the website of JBA TIBOR Administration (<https://www.jbatibor.or.jp/english/>).

(Note 2) For the details of the Basic Loan Agreement, please refer to the press release “Notice Concerning Borrowing of Funds and Repayment of Borrowings” dated November 18, 2009.

3. Borrowings to Be Repaid

	Term Loan 2I
Lender	Mizuho Bank, Ltd. The Chiba Bank, Ltd. The Nishi-Nippon City Bank, Ltd. Sumitomo Mitsui Banking Corporation The Musashino Bank, Ltd. Resona Bank, Limited Higashi-Nippon Bank, Ltd. Aozora Bank, Ltd. ORIX Bank Corporation Mizuho Trust & Banking Co., Ltd.
Repayment Amount	4,190 million yen
Drawdown Date	May 24, 2017
Principal Repayment Date	November 24, 2022
Interest Rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.67%

4. Status of Interest-Bearing Liabilities After Borrowing (as of November 24, 2022)

(Unit: million yen)

	Before Borrowing	After Borrowing	Change
Short-term loans payable	-	-	-
Current portion of long-term loans payable	13,222	9,032	(4,190)
Long-term loans payable	35,124	40,314	4,190
Total loans	49,346	49,346	-
Investment corporation bonds	3,500	3,500	-
Total interest-bearing liabilities	52,846	52,846	-
LTV ratio (%) (Note)	52.6	52.6	-

(Note) LTV ratio is calculated as follows, rounded to the first decimal place.

LTV ratio = Interest-bearing liabilities ÷ (Interest-bearing liabilities + Unitholders' capital) × 100
 Unitholders' capital is 47,536 million yen as of the date of this document.

5. Other

The risks associated with the repayment, etc. of the Borrowings, do not change significantly from those detailed in “Part 2. Reference Information, (2) Supplementary Information to Reference Documents, 3. Investment Risks” in the periodic securities report (yuka shoken hokokusho) for the latest fiscal period, which was submitted on October 14, 2022.

*SPI website: <https://www.sp-inv.co.jp/en/>