

November 25, 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.

 Representative: Toru Abe,
President & Representative Director

 Inquiries: Koichi Saito, Chief Manager,
Investor Relations Department
TEL: +81-3-6447-4870 (main)

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)	Drawdown date	Borrowing method	Repayment date (Note 4)	Repayment method (Note 5)	Security
Long-term	MUFG Bank, Ltd. (Note 6)	700	To be determined	November 30, 2022	Borrowing based on individual loan agreement, dated November 25, 2022. The lenders under the loan agreement are as indicated to the left of this table.	November 29, 2030	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Mizuho Bank, Ltd.	350						
	Sumitomo Mitsui Banking Corporation	650						
	Sumitomo Mitsui Trust Bank, Limited	350						
	Resona Bank, Limited.	300						
	Development Bank of Japan Inc.	650						
Total		3,000	—	—	—	—	—	—

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

(Note 2) The interest rate will be announced once determined.

(Note 3) The first interest payment date will be the last day of May 2023. Subsequent interest payment dates will be the last day of every six 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 4) 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 5) 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 6) The borrowing from MUFG Bank, Ltd. is ESG Loan for J-REIT.

2. Purpose of the Borrowing

The Borrowing (3,000 million yen) is for use as repayment funds of the long-term borrowings (3,000 million yen) which is due for repayment on November 30, 2022 (the “Existing Borrowing”).

For details of the Existing Borrowing, please refer to “Notice Concerning Borrowing of Funds, Establishment of Interest Rate Swaps and Early Repayment of Existing Borrowing” announced by SHR on July 24, 2015.

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.

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

- (1) Amount of funds to be procured
3,000 million yen
- (2) Specific use of funds to be procured
Funds for repayment of the Existing Borrowing
- (3) Scheduled outlay
November 30, 2022

4. Status of Borrowings, etc. after the Borrowing

(Unit: million yen)

	Before the Borrowing	After the Borrowing	Increase (Decrease)
Short-term borrowings (Note)	7,700	7,700	—
Long-term borrowings (Note)	219,042	219,042	—
(repayment due within one year)	44,650	41,650	(3,000)
Total borrowings	226,742	226,742	—
Investment corporation bonds	31,500	31,500	—
(redemption due within one year)	—	—	—
Total interest-bearing liabilities	258,242	258,242	—

(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 July 28, 2022 (available in Japanese only).

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