

January 25, 2023

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 (Green Loan)

Sekisui House Reit, Inc. (“SHR”) hereby announces that it has decided today to undertake new borrowings (the “Borrowing”) as described below. The Borrowing is a green loan (the “Green Loan”) to be conducted under the Green Finance Framework established by SHR in December 2022. The Green Loan will be SHR’s first financing conducted through a green loan.

For details of the Green Finance Framework, please refer to “Notice Concerning Formulation of Green Finance Framework and Acquisition of Green Finance Framework Evaluation” announced by SHR on December 16, 2022. SHR aims to promote asset management with consideration to ESG (Environment, Social and Governance) and strengthen the financial base through green finance.

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	Mizuho Bank, Ltd.	200	To be determined	January 31, 2023	Borrowing based on individual loan agreement, dated January 25, 2023. 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
	Sumitomo Mitsui Banking Corporation	400						
	Sumitomo Mitsui Trust Bank, Limited	200						
	Mizuho Trust & Banking Co., Ltd.	200						
	Resona Bank, Limited.	200						
	The Shizuoka Bank, Ltd.	200						
	The Hiroshima Bank, Ltd.	200						
	Aozora Bank, Ltd.	200						
	The Joyo Bank, Ltd.	200						
	MUFG Bank, Ltd. (Note 6)	500	To be determined					

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.

Long-term	Mizuho Bank, Ltd.	500	To be determined	January 31, 2023	Borrowing based on individual loan agreement, dated January 25, 2023. The lenders under the loan agreement are as indicated to the left of this table.	February 28, 2031	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	The Norinchukin Bank	500						
	Shinkin Central Bank	600						
	The 77 Bank, Ltd.	500						
	The Yamaguchi Bank, Ltd.	500						
	Nippon Life Insurance Company	500	To be determined					
	THE NISHI-NIPPON CITY BANK, LTD.	500						
	Sumitomo Mitsui Banking Corporation	300						
	THE BANK OF FUKUOKA, LTD.	500	To be determined					
	The Juhachi - Shinwa Bank, Ltd.	500						
	MUFG Bank, Ltd. (Note 6)	300	To be determined					
Total	7,700	—	—	—	—	—	—	

(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 (7,700 million yen) is for use as repayment funds of the short-term borrowings (7,700 million yen) which is due for repayment on January 31, 2023 (the “Existing Borrowing”).

For details of the Existing Borrowing, please refer to “Notice Concerning Borrowing of Funds” announced by SHR on January 24, 2022.

The Existing Borrowing was used for repayment of borrowings procured as part of the funds for the acquisition of assets fulfilling the eligibility criteria (Eligible Green Projects), based on SHR’s Green Finance Framework.

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

(1) Amount of funds to be procured

7,700 million yen

(2) Specific use of funds to be procured

Funds for repayment of the Existing Borrowing

(3) Scheduled outlay

January 31, 2023

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	226,742	7,700
Total borrowings	226,742	226,742	—
Investment corporation bonds	31,500	31,500	—
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/>