



March 1, 2023

For Immediate Release

Real Estate Investment Trust Securities Issuer:
Comforia Residential REIT, Inc
21-1 Dogenzaka 1-chome, Shibuya-ku, Tokyo
Takehiro Izawa
Executive Director
(TSE Code: 3282)

Asset Management Company:
TLC REIT Management Inc.
Masaoki Kanematsu
President & CEO

Inquiries:
Daisuke Kawauchi
General Manager of Strategy Department
Comforia Management Division
(TEL: +81-3-6455-3388)

Notice Concerning Issuance of Investment Corporation Bonds

Comforia Residential REIT, Inc ("CRR") announces that it decided today to issue investment corporation bonds ("the Investment Corporation Bonds"). Details are as follows:

1. Summary of the Investment Corporation Bonds

- | | | |
|---------------------------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) Name | : | Comforia Residential REIT, Inc 12th unsecured bonds (with pari passu clause among specified investment corporation bonds) |
| (2) Total amount of bonds | : | 3,000 million yen |
| (3) Form of bonds | : | Under the Act on Book-Entry Transfer of Company Bonds, Shares, etc., there are no bond certificates. |
| (4) Issue price | : | 100 yen per 100 yen of each bond |
| (5) Redemption price | : | 100 yen per 100 yen of each bond |
| (6) Coupon rate | : | 0.730% per annum |
| (7) Principal amount of each bond | : | 100 million yen |
| (8) Offering method | : | Public offering |
| (9) Application period | : | March 1, 2023 (Wednesday) |
| (10) Payment date | : | March 8, 2023 (Wednesday) |
| (11) Collateral/Guarantee | : | Neither collateral nor guarantee is provided for the Investment Corporation Bonds, and no assets are reserved as security specifically for the Investment Corporation Bonds. |
| (12) Redemption method and date | : | The entire principal shall be redeemed on March 8, 2028. The Investment Corporation Bonds may be purchased and cancelled at any time on or after the day following the payment date unless otherwise stipulated by the depository. |
| (13) Interest payment date | : | March 8 and September 8 every year (The first payment date is September 8, 2023. If the interest payment date is a bank holiday, the interest shall be paid on the bank business day immediately preceding the date.) |
| (14) Financial Covenants | : | Negative pledge among unsecured bonds |
| (15) Credit rating | : | AA- (Japan Credit Rating Agency, Ltd.) |
| (16) Depository | : | Japan Securities Depository Center, Inc. |
| (17) Fiscal, issuing and paying agent | : | MUFG Bank, Ltd. |
| (18) Underwriter | : | SMBC Nikko Securities Inc. |



2. Reasons for the Issuance

CRR has decided to issue the Investment Corporation Bonds, to decentralize repayment dates, to extend the average remaining maturity, and to diversify the financing methods.

3. Amount, Use, and Time of Disbursement of Funds to Be Raised

(1) Amount of funds to be raised (estimated amount of net proceeds)

2,981 million yen

(2) Specific use of funds to be raised and time of disbursement

On March 15, 2023, CRR will appropriate 1,000 million yen for the partial early repayment of loan (2,000 million yen in total) that will come due on April 4, 2023 (the “Existing Loan①”) and appropriate 999 million yen for the early repayment of loan (999 million yen in total) that will come due on July 14, 2023 (the “Existing Loan②”), and appropriate the rest of the funds for part of the partial early repayment of loan (1,800 million yen in total) that will come due on September 29, 2023 (the “Existing Loan③”).

For further details of the early repayment of loan, please refer to “Notice Concerning Early Repayment” released as of today.

4. Status of Borrowings and Investment Corporation Bonds after the Issuance of the Investment Corporation Bonds

(million yen)

	Before the issuance (As of March 1, 2023)	After the issuance (As of March 15, 2023) (Note 1)	Change
Short-Term Loans (Note 2)	2,999	1,000	-1,999
Current portion of long-term loans (to be repaid within one year or less)	20,390	19,390	-1,000
Long-Term Loans (Note 2)	116,540	116,540	-
Total of Loans	139,929	136,930	-2,999
Current portion of investment corporation bonds (to be redeemed within one year or less)	1,000	1,000	-
Investment Corporation Bonds	14,100	17,100	3,000
Total of Loans and Investment Corporation Bonds	155,029	155,030	1

(Note 1) The status after the issuance is calculated on the basis of the assumption that the early repayment of the Existing Loan① (1,000 million yen), the Existing Loan② (999 million yen), the Existing Loan③ (1,000 million yen) will be executed on March 15, 2023.

(Note 2) Short-term loans are loans with a maturity of one year or less from the date of drawdown to the date of repayment, while long-term loans are loans with a maturity of more than one year from the date of drawdown to the date of repayment.

*Website of CRR: <https://www.comforia-reit.co.jp/en/>