



August 25, 2023

For Immediate Release

Real Estate Investment Trust Securities Issuer:
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Notice Concerning Borrowing of Funds and Repayment of Loan

Comforia Residential REIT, Inc (“CRR”) announces that it decided today to proceed with the borrowing of funds and repayment of loan. Details are as follows:

1. Description of New Borrowing and Repayment

(1) Description of New Borrowing

Long-term Loans (Term : 6 year, fixed rate)

- | | | |
|------------------------------|---|---|
| ① Lender | : | Development Bank of Japan Inc., Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited., MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation. |
| ② Loan amount | : | 2,330 million yen |
| ③ Interest rate | : | To be determined (Note) |
| ④ Scheduled drawdown date | : | August 31, 2023 |
| ⑤ Borrowing method | : | Borrowing based on a loan agreement effective August 29, 2023, with the lender stated above. |
| ⑥ Interest payment dates | : | Interest payments will be first made on September 29, 2023, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day). |
| ⑦ Principal repayment method | : | Lump-sum repayment on principal repayment date |
| ⑧ Principal repayment date | : | August 31, 2029 (If this date is not a business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.) |
| ⑨ Security and guarantee | : | Unsecured and unguaranteed |

(Note) Funds will be borrowed at a fixed interest rate, which will be announced once it has been determined.

(2) Description of Repayment of Loan

Current portion of long-term loans (Term : 7.6 year, fixed rate)

- ① Lender : Development Bank of Japan Inc., Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited., MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation.
- ② Loan amount : 2,330 million yen
- ③ Interest rate : 0.62460% (Note)
- ④ Drawdown date : February 2, 2016
- ⑤ Principal repayment date : August 31, 2023

(Note) The interest rate denotes the fixed rate after an interest-rate swap agreement because the interest rate swap agreement was executed in order to hedge the risk of fluctuation.

2. Reasons for Borrowing and Repayment

CRR will appropriate the funds to repay loans (refer to 1.(2) shown above for details).

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

(1) Amount of funds to be raised

A total of 2,330 million yen

(2) Specific use of funds to be raised

Funds will be used to repay loans (refer to 1.(2) shown above for details) .

(3) Scheduled time of disbursement

August 31, 2023

4. Status of Interest-Bearing Debt after the Borrowing

| | (million yen) | | |
|--|---|--|--------|
| | Before the borrowing (As of August 25, 2023) | After the borrowing (As of August 31, 2023) | Change |
| Short-Term Loans (Note) | 3,800 | 3,800 | - |
| Current portion of long-term loans (to be repaid within one year or less) | 15,980 | 13,650 | -2,330 |
| Long-Term Loans (Note) | 126,130 | 128,460 | 2,330 |
| Total of Loans | 145,910 | 145,910 | - |
| Current portion of investment corporation bonds (to be redeemed within one year or less) | 2,000 | 2,000 | - |
| Investment Corporation Bonds | 16,100 | 16,100 | - |
| Total of Loans and Investment Corporation Bonds | 164,010 | 164,010 | - |

(Note) Short-term loans are loans that will come due within one year, while long-term loans are loans that will come due after one year.

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