



December 21, 2023

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 Partial Changes of the Internal Regulation of the Asset Management Company
(Management Guideline)**

Sekisui House Reit, Inc. (“SHR”) announces that Sekisui House Asset Management, Ltd., to which SHR entrusts its asset management, has determined today to change part of its internal regulation, the Management Guideline, as described below.

1. Reason for the Changes

SHR has been conducting real estate investment and management with long aim to build a portfolio characterized by both high stability and high quality as a diversified REIT with core assets in residences and office buildings, and also invests in hotels with growth potential.

However, due to socioeconomic changes accompanying the expansion of COVID-19, the office building rental market is uncertainty surrounding the future. On the other hand, in the rental residential market, the recovery of occupancy rate and the rate of change in rent at the time of new contracts is on an upward trend, thus internal growth is expected. In light of this current investment environment, by constructing a portfolio centered on residential properties about the medium term target investment ratio, SHR, which is sponsored by Sekisui House, one of Japan’s leading house manufacturers, will be able to further demonstrate its market advantage and contribute to the improvement of unitholder value. Due to these reasons SHR has decided to change its portfolio construction policy.

2. Main Changes

Change in the Portfolio Development Policy

SHR changed the portfolio investment ratio (acquisition price basis) and the target investment ratio for each asset category as follows.

Investment ratio by asset category after the changes (changes are indicated by underline)

Main investment target assets	Asset type	Examples of specific asset types	Portfolio investment ratio (acquisition price basis)	Medium term target investment ratio
Residential properties	Residence	Residences Student dormitories Company housings	<u>50% - 80%</u>	<u>Approx. 65%</u>
Commercial properties	Office building	Office buildings Data centers	<u>15% - 45%</u>	<u>Approx. 30%</u>

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.

	Hotel	Hotels	0% - 15%	Approx. 5%
	Retail and other properties	Retail properties Serviced apartments Senior housing (Note)		

(Note) Senior housing includes serviced housing for the elderly, paid nursing homes, and adult daycare centers. The same will apply hereinafter.

Reference: Investment ratio by asset category before the changes

Main investment target assets	Asset type	Examples of specific asset types	Portfolio investment ratio (acquisition price basis)	Medium to long term target investment ratio
Residential properties	Residence	Residences Student dormitories Company housings	30% - 55%	Approx. 45%
Commercial properties	Office building	Office buildings Data centers	30% - 55%	Approx. 45%
	Hotel	Hotels	0% - 30%	Approx. 15% (The ratio of Hotel is Approx. 10%)
	Retail and other properties	Retail properties Serviced apartments Senior housing	0% - 10%	

3. Date of the Change of the Management Guideline

December 21, 2023

4. Others

An extraordinary report has been submitted to Kanto Local Finance Bureau on December 21, 2023.

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