



April 26, 2024

Real Estate Investment Trust Securities Issuer
Sekisui House Reit, Inc.
Representative: Atsuhiro Kida, Executive Director
(Securities Code: 3309)
Asset Management Company
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Notice Concerning Changes in Matters Concerning Operational Procedures,
Organizational Changes, Change in Director's Responsibilities, and
Appointment of Key Employee at the Asset Management Company

Sekisui House Reit, Inc. ("SHR") announces that Sekisui House Asset Management, Ltd. ("SHAM"), to which SHR entrusts the management of its assets, has decided today to file a notification of partial change in matters concerning operational procedures related to the approval of entrustment-based agency services for transactions, etc. pursuant to the provisions of the Building Lots and Buildings Transaction Business Act, and in accordance with this change, SHR has decided to make changes in its organization, make changes in the responsibilities of its director, and appoint a key employee (hereinafter the partial change in matters concerning operational procedures, organizational change, change in director's responsibilities, and appointment of a key employee are collectively referred to as "the Change") as described below.

1. Reason of the Change

Due to socioeconomic changes caused by the spread of COVID-19 and the uncertain outlook for the office building rental market, which is one of the core assets of SHR, it has decided to change the investment ratio target for the portfolio as announced in the "Notice Concerning Partial Changes of the Internal Regulation of the Asset Management Company (Management Guideline)" dated December 21, 2023. In the announcement, SHR has revised its portfolio's target investment ratio to a portfolio centered on residential by leveraging the market superiority of SHR sponsored by Sekisui House, Ltd. ("Sekisui House"), one of Japan's leading house manufacturers.

Under these circumstances, in accordance with Article 33, Paragraph 2 of the Articles of Incorporation, while it is stipulated that the investment area shall be mainly domestic and that SHR may also invest in overseas properties, SHR has so far adopted a policy of taking a cautious stance on overseas real estate investment, considering various risks associated with such investment. However, in order to secure the future growth potential of SHR, the Change is being made to establish an organizational structure for the investment and management of overseas real estate.

Moreover, when investing in overseas real estate, SHR shall, in principle, invest only in real estate or assets that Sekisui House or an entity in which Sekisui House has a stake, etc., is involved in the development of and is operated by a reliable real estate operator in the country or region concerned. In addition, SHR is considering establishing its investment policy to invest only in residential properties for the time being.

2. Date of the Change
April 26, 2024

3. Overview of the Change

SHAM will establish an organizational structure for investing in real estate, etc. located outside of Japan or in real estate backed securities and other assets whose primary investment targets are real estate, etc. located outside of Japan (hereinafter collectively referred to as "overseas real estate, etc."), and will establish rules, etc. for making specific investments of overseas real estate, etc. In addition, as described below, SHAM will newly establish the "Corporate Strategy and Development Department" as a department in charge of drafting, planning, and promoting the management and business strategies of SHAM and SHR, as well as overseas real estate investment-related operations, and, along with this, the responsibilities of the director will be changed, and a key employee will be appointed.

In accordance with the Change, some of the matters concerning operational procedures related to the approval of entrustment-based agency services for transactions, etc. under the provisions of the Building Lots and Buildings Transaction Business Act, will be changed, and notification of such changes will be made in accordance with the conditions of the approval.

In addition, regarding the Change, procedures required by the Financial Instruments and Exchange Act, the Building Lots and Buildings Transaction Business Act, and other applicable laws and regulations will be taken.

(1) Change in Director's Responsibilities

Name	Title (After)	Title (Before)
Toshimitsu Fujiwara	Director, in charge of Corporate Strategy and Development Department	Director

(2) Appointment of Key Employee

Name	Title
Noriaki Maeda	Chief Manager, Corporate Strategy and Development Department

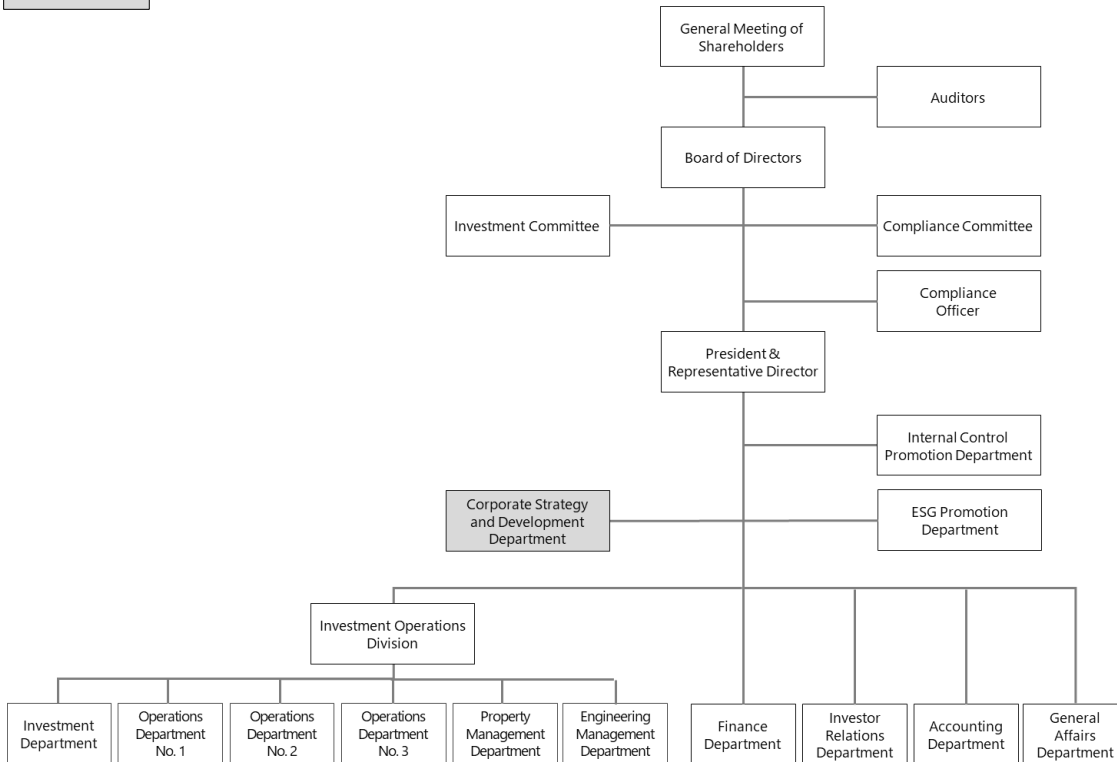
(3) Division of Duties within the "Corporate Strategy and Development Department"

Department name	Scope of operations
Corporate Strategy and Development Department	<ul style="list-style-type: none"> a. Operations related to the drafting, planning, and promotion of management and business strategies of SHAM and SHR b. Operations related to operational reform proposals for SHAM c. Operations of real estate market trend research, and new business consideration and analysis d. The following operations related to overseas real estate, etc. <ul style="list-style-type: none"> (a) Operations related to the formulation of SHR's investment policy, disposition policy, and asset management policy for overseas real estate, etc. (b) Operations related to the formulation of SHR's investment plans, disposition plans, and asset management plans for overseas real estate, etc. (c) Operations related to the research and analysis of overseas real estate markets (d) Operations related to property investigation for the acquisition of overseas real estate, etc., and the execution of acquisition or disposition of properties and the conclusion of various contracts (e) Operations related to maintaining and improving the value of overseas real estate, etc., property inspections and monitoring property management conditions, and concluding various contracts (f) Operations related to directing and supervising the PM operators for overseas real estate, etc. (g) Operations related to handling complaints from lessees of overseas real estate, etc.

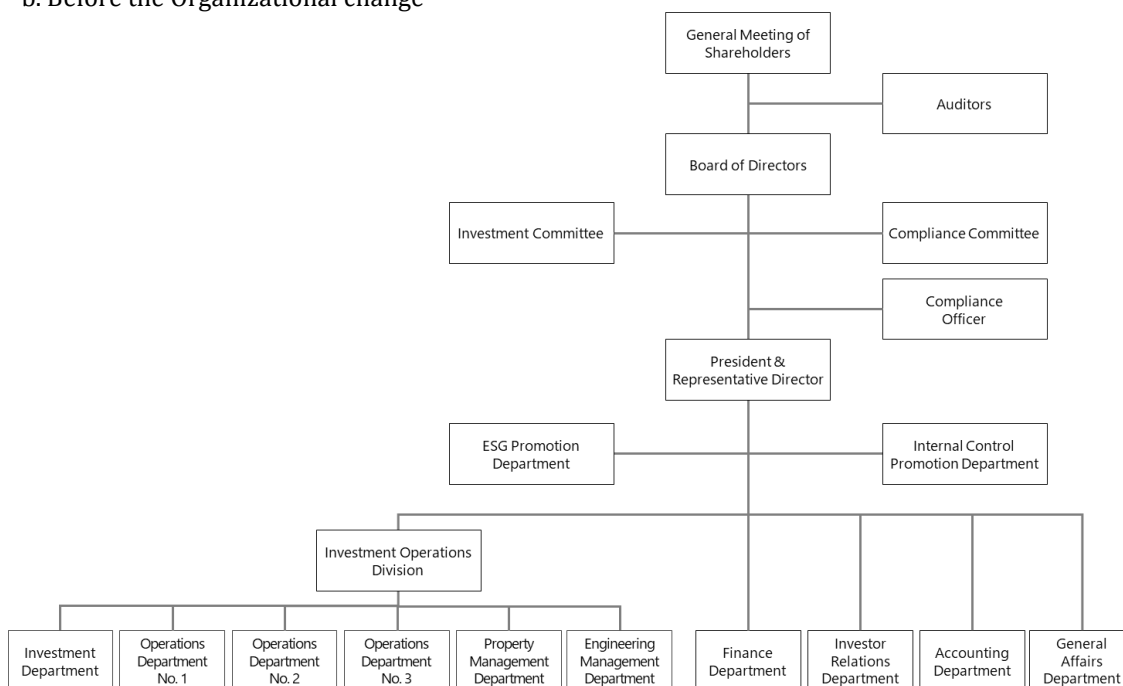
	<p>(h) Operations related to forecasting and managing the actual performance of SHR's overseas real estate, etc.</p> <p>(i) Operations related to portfolio management of SHR's overseas real estate, etc.</p> <p>(j) Operations related to the formulation and implementation management of long-term repair plans for overseas real estate, etc., as well as technical review and advice on various types of construction work</p> <p>(k) Operations related to professional investigations concerning overseas real estate, etc.</p> <p>(l) Operations related to the conclusion of derivative contracts and the execution of derivative transactions for overseas real estate, etc.</p> <p>e. Other incidental operations</p>
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(4) Organizational Structure
a. After the Organizational change

Changes



b. Before the Organizational change



4. Future Outlook

The Change has no effect on the performance of SHR, and there is no impact on the forecasts of performance for the fiscal period ending April 30, 2024 (November 1, 2023 – April 30, 2024) and the fiscal period ending October 31, 2024 (May 1, 2024 – October 31, 2024) as mentioned in the "Notice Concerning Revisions to the Forecast of Operating Results and Distributions for the Fiscal Period Ending April 30, 2024 and the Fiscal Period Ending October 31, 2024" announced on March 19, 2024.

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