



September 24, 2020

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
(Code: 3282)

Asset Management Company:
TLC REIT Management Inc.
Hiroyuki Tohmata
President & CEO

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

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

A Long-term Loans (Term : 1 year 1 month, variable interest rate)

- | | | | |
|---|----------------------------|---|---|
| ① | Lender | : | Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, MUFG Bank, Ltd. |
| ② | Loan amount | : | 4,000 million yen |
| ③ | Interest rate | : | Basic interest rate (JBA 1 month yen TIBOR) +0.20% (Note 1) |
| ④ | Scheduled drawdown date | : | September 29, 2020 |
| ⑤ | Borrowing method | : | Borrowing based on a loan agreement effective September 25, 2020, with the lender stated above. |
| ⑥ | Interest payment dates | : | Interest payments will be made on October 31, 2020 first, 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 | : | October 31, 2021 (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 |

B Long-term Loans (Term : 9 year, fixed rate)

- | | | | |
|---|--------|---|--|
| ① | Lender | : | Development Bank of Japan Inc., Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd. |
|---|--------|---|--|

- ② Loan amount : 4,000 million yen
- ③ Interest rate : To be determined (Note 2)
- ④ Scheduled drawdown date : September 29, 2020
- ⑤ Borrowing method : Borrowing based on a loan agreement effective September 25, 2020, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on October 31, 2020 first, 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 : September 29, 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

C Long-term Loans (Term : 9 year, fixed rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation
- ② Loan amount : 2,800 million yen
- ③ Interest rate : To be determined (Note 2)
- ④ Scheduled drawdown date : September 30, 2020
- ⑤ Borrowing method : Borrowing based on a loan agreement effective September 28, 2020, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on October 31, 2020 first, 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 : September 30, 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 1) The base rate used for the calculation period for interest to be paid on interest payment dates is the 1-month Yen TIBOR announced by JBA TIBOR Administration (JBATA), two business days before the interest payment date immediately preceding each interest payment date. However, if the calculation period is not one month, the base rate will be the one corresponding to the period that will be calculated based on a method provided for in the agreement.

After this, the Investment Corporation will not announce the interest rate decisions for its borrowings on a floating-rate basis.

For changes in the yen TIBOR of the JBA, the base rate, please check the website of JBATA. (<http://www.jbatibor.or.jp/english/>).

(Note 2) 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 : 1.5 year, variable interest rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation
- ② Loan amount : 2,800 million yen

- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) +0.135%
- ④ Drawdown date : March 25, 2019
- ⑤ Principal : September 30, 2020
repayment date

2. Reason for Borrowing and Repayment

CRR will appropriate the funds to acquire the investment assets as described in the press release titled “Notice Concerning Acquisition of Investment Assets (COMFORIA TOYOCHO, and other 3 assets)” issued on September 15, 2020 and to pay the expenses related to the acquisition. Also 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 10,800 million yen

(Borrowing scheduled on September 29, 2020 : 8,000 million yen)

(Borrowing scheduled on September 30, 2020 : 2,800 million yen)

(2) Specific use of funds to be raised

Funds will be used ① to acquire the investment assets (refer to 2. shown above for details), and ② to repay loans (refer to 1.(2) shown above for details),

Funds raised by the borrowing scheduled on September 29, 2020 will be used to acquire the investment assets.

Funds raised by the borrowing scheduled on September 30, 2020 will be used to repay loans.

(3) Scheduled time of disbursement

① September 29, 2020

② September 30, 2020

4. Status of Interest-Bearing Debt after the Borrowing

(million yen)

| | Before the borrowing | After the borrowing | Change |
|--|----------------------|---------------------|--------|
| Short-Term Loans (Note) | - | - | - |
| Current portion of long-term loans (to be repaid within one year or less) | 18,845 | 16,045 | ▲2,800 |
| Long-Term Loans (Note) | 102,305 | 113,105 | 10,800 |
| Total of Loans | 121,150 | 129,150 | 8,000 |
| Current portion of investment corporation bonds (to be redeemed within one year or less) | 3,000 | 3,000 | - |
| Investment Corporation Bonds | 9,500 | 9,500 | - |
| Total of Loans and Investment Corporation Bonds | 133,650 | 141,650 | 8,000 |

(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/>