

March 29, 2021

Real Estate Investment Trust Securities Issuer

Sekisui House Reit, Inc.

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(Securities Code: 3309)

Asset Management Company

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Notice Concerning Borrowing of Funds

Sekisui House Reit, Inc. ("SHR") hereby announces that it has decided today to undertake new borrowings (the "Borrowing") as described below.

1. Terms of the Borrowing

Category	Lenders (Note 1)	Borrowing amount (mm yen)	Interest rate (Note 2) (Note 3) (Note 4)	Drawdown date	Borrowing method	Repayment date (Note 5)	Repayment method (Note 6)	Security
Short-term	MUFG Bank, Ltd.	1,160	Base rate (JBA 1-month Japanese Yen TIBOR) plus 0.170%	April 1, 2021	Borrowing based on individual loan agreement, dated March 29, 2021. The lenders under the loan agreement are as indicated to the left of this table.	March 31, 2022	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Mizuho Bank, Ltd.	960						
	Sumitomo Mitsui Banking Corporation	880						
Total		3,000	—	—	—	—	—	—

(Note 1) MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Banking Corporation are arrangers of the Borrowing.

(Note 2) The borrowing expenses and other charge payable to the lenders are not included.

(Note 3) The base rate applicable to the calculation period for the interest payable on an interest payment date shall be the Japanese Yen TIBOR (Tokyo Inter Bank Offered Rate), corresponding to the calculation period of the interest, two business days prior to the immediately preceding relevant interest payment date. The Japanese Yen TIBOR is published by the Japanese Bankers Association (JBA) TIBOR Administration. The base rate is subject to review every interest payment date. Where no rate that corresponds to the interest calculation period exists, the base rate shall be that which corresponds to the concerned period calculated based on the method provided for in the relevant individual loan agreement. For changes in the base rate (being the Japanese Yen TIBOR published by JBA), please check the website of JBA TIBOR Administration (<http://www.jbatibor.or.jp/english/rate/>).

(Note 4) The first interest payment date will be the last day of April 2021. Subsequent interest payment dates will be the last day of every month and the principal repayment date. Where the relevant date is not a business day, such date will be the immediately following business day or (if the immediately following business day falls into the next calendar month) the immediately preceding business day.

(Note 5) Where the repayment date is not a business day, such date will be the immediately following business day or (if the immediately following business day falls in the next calendar month) the immediately preceding business day.

(Note 6) SHR may, by giving prior written notice and if certain other terms and conditions are met, make early repayment of the borrowings (in whole or in part), in the period between the drawdown date and the repayment date.

2. Purpose of the Borrowing

The Borrowing is for as use partial payment for the acquisition of the assets to be acquired (the “Assets to be Acquired”) stated in the press release “Notice Concerning Acquisition of Trust Beneficiary Interest in Domestic Real Estate (MAST STYLE HIGASHIBETSUIN and Two Other Properties)” announced on January 21, 2021, as well as related expenses. For details of the Assets to be Acquired, please refer to the above-mentioned press release.

3. Amount, Use and Scheduled Outlay of Funds to be Procured from the Borrowing

(1) Amount of funds to be procured

3,000 million yen

(2) Specific use of funds to be procured

For use as part of funds for acquisition of the Assets to be Acquired, as well as related expenses.

(3) Scheduled outlay

April 1, 2021

4. Status of Borrowings, etc. after the Borrowing

(Unit: million yen)

	Before the Borrowing	After the Borrowing	Increase (Decrease)
Short-term borrowings (Note)	—	3,000	3,000
Long-term borrowings (Note)	217,442	217,442	—
(repayment due within one year)	35,590	35,590	—
Total borrowings	217,442	220,442	3,000
Investment corporation bonds	32,500	32,500	—
(redemption due within one year)	—	—	—
Total interest-bearing liabilities	249,942	252,942	3,000

(Note) Short-term borrowings refer to borrowings due for repayment within a period of one year or less from the relevant drawdown date, and long-term borrowings refer to borrowings due for repayment within a period of more than one year from the relevant drawdown date.

5. Other Matters Necessary for Investors’ Appropriate Understanding/Judgment of Relevant Information

With regard to risks associated with the Borrowing, there is no change from the contents of “Part 1. Fund Information; Section 1. Status of Fund; 3. Investment Risks” of the securities report submitted on January 28, 2021.

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