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FOR IMMEDIATE RELEASE

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## Notice Concerning Borrowing of Funds

Activia Properties Inc. (“API”) hereby announces that it has decided to borrow funds today. Details are as follows:

### I . Borrowing①

#### 1. Borrowing of Funds

##### <Long-term borrowing>

Lender	Loan Amount	Interest rate	Drawdown date (plan)	Due date (Note 2)	Borrowing and repayment methods, security, and guarantee
Sumitomo Mitsui Trust Bank, Limited	12.5 billion	0.2675% + Base rate (Note 1,2)	September 30, 2015	March 30, 2023	Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed
Mitsubishi UFJ Trust and Banking Corporation	12.5 billion				
Mizuho Bank, Ltd.	12.5 billion				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	12.5 billion				

(Note 1) The first interest payment will be made on the last day of October 2015 and the last day of each month thereafter, as well as on the due date of the principal (if this day is a non-business day, the following business day. If such day comes in the following month, the immediately preceding business day). The base rate used for the calculation period for interest to be paid on interest payment dates is the JBA one-month Japanese Yen TIBOR, two business days before the interest payment date immediately preceding each interest payment date. The base rate corresponding to the first interest calculation period is based on the drawdown date. However, if the calculation period is less than 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, API will not announce the interest rate decisions for its borrowings on a floating-rate basis. For changes in the JBA Japanese Yen TIBOR, the base rate, please check the website of the JBA TIBOR Administration (<http://www.jbatibor.or.jp/>).

(Note 2) Regarding the borrowing, API will conclude an interest rate swap agreement with the financial institutions on September 28, 2015, in order to fix the interest rate.

(Note 3) If this day is a non-business day, the following business day. If such day is in the following month, the immediately preceding business day.

## 2. Reasons for the borrowing

To redeem a short-term borrowing of 5 billion yen on the due date of September 30, 2015 (“the Existing Short-term Borrowing”).

## 3. Amount, use and schedule of disbursement of funds to be raised

### (1) Amount of funds to be raised

A total of 5 billion yen

### (2) Specific use of funds to be raised

Funds will be used to redeem the Existing Short-term Borrowing.

### (3) Time of disbursement

September 30, 2015

## II. Borrowing②

### 1. Borrowing of Funds

#### <Short-term borrowing>

Lender	Loan Amount	Interest rate	Drawdown date (plan)	Due date (Note 2)	Borrowing and repayment methods, security, and guarantee
Sumitomo Mitsui Trust Bank, Limited	2.4 billion	0.14% + Base rate (Note 1)	October 1, 2015	June 30, 2016	Borrowing based on a borrowing agreement with the lender shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed

#### <Long-term borrowing>

Lender	Loan Amount	Interest rate	Drawdown date (plan)	Due date (Note 2)	Borrowing and repayment methods, security, and guarantee
Sumitomo Mitsui Trust Bank, Limited	2.4 billion	0.142% + Base rate (Note 1)	October 1, 2015	December 26, 2016	Borrowing based on a borrowing agreement with the lender shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed

(Note 1) The first interest payment will be made on the last day of October 2015 and the last day of each month thereafter, as well as on the due date of the principal (if this day is a non-business day, the following business day. If such day comes in the following month, the immediately preceding business day). The base rate used for the calculation period for interest to be paid on interest payment dates is the JBA one-month Japanese Yen TIBOR, two business days before the interest payment date immediately preceding each interest payment date. The base rate corresponding to the first interest calculation period is based on the drawdown date. However, if the calculation period is less than 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, API will not announce the interest rate decisions for its borrowings on a floating-rate basis. For changes in the JBA Japanese Yen TIBOR, the base rate, please check the website of the JBA TIBOR Administration (<http://www.jbatibor.or.jp/>).

(Note 2) If this day is a non-business day, the following business day. If such day is in the following month, the immediately preceding business day.

## 2. Reasons for the borrowing

API will appropriate the borrowed funds for acquiring the real estate trust beneficiary interest to Shibuya Konnoh Building as well as the related expenses. For details of the property to be acquired, please refer to the “Notice of Acquisition of Asset (Shibuya Konnoh Building)” which is announced on September 25, 2015.

## 3. Amount, use and schedule of disbursement of funds to be raised

### (1) Amount of funds to be raised

A total of 48 billion yen

### (2) Specific use of funds to be raised

Funds will be used for a part of the acquisition price of Shibuya Konnoh Building and the related expenses.

### (3) Time of disbursement

October 1, 2015

## III. Status of borrowings payable, etc. after the borrowing

### 1. Interest-bearing debt after the borrowing

(In millions of yen)

	Before the borrowing (As of September 25, 2015)	After the borrowing (As of October 1, 2015)	Change
Short-term borrowings payable (Note)	5,000	2,400	△2,600
Long-term borrowings to be repaid within a year (Note)	19,000	19,000	0
Long-term borrowings payable (Note)	100,100	107,500	7,400
Total borrowings payable	124,100	128,900	4,800
Investment corporation bonds	8,000	8,000	0
Total borrowings payable and investment corporation bonds	132,100	136,900	4,800
Other interest-bearing debt	0	0	0
Total interest-bearing debt	132,100	136,900	4,800

(Note) Short-term borrowings payable refer to the borrowings with a maturity period of one year or less, and long-term borrowings payable refer to the borrowings with a maturity period of more than one year.

(2) Basic financing information after the borrowing

	Before the borrowing (As of September 25, 2015)	After the borrowing (As of October 1, 2015)	Change (point)
Long-term borrowing ratio (Note 1) (Note 4)	96.2%	98.2%	2.0%
Long-term borrowing ratio (excluding long-term borrowings to be repaid within a year) (Note 2) (Note 4)	81.8%	84.4%	2.5%
Fixed interest ratio (Note 3) (Note 4)	81.8%	82.6%	0.8%

(Note 1) Long-term borrowing ratio is the ratio of the outstanding long-term borrowings including the portion of long-term borrowings to be repaid within a year and investment corporation bonds to the total of outstanding interest-bearing debt.

(Note 2) Long-term borrowing ratio (excluding long-term borrowings to be repaid within a year) is the ratio of the outstanding long-term borrowings (excluding the portion of long-term borrowings to be repaid within a year) and investment corporation bonds to the total of outstanding interest-bearing debt.

(Note 3) Fixed interest ratio is the ratio of the total of outstanding interest-bearing debt of fixed interest ratio to the total of outstanding interest-bearing debt and calculated after fixing the interest rate by interest rate swap agreement.

(Note 4) Figures are rounded to the first decimal place.

#### IV. Other

Regarding to the risks related to the repayment of the borrowing, there are no significant changes in the “Investment Risk” section of the securities report submitted on August 26, 2015.

\*Distribution of this material: This material is distributed to the Kabuto Club; the press club for the Ministry of Land, Infrastructure, Transport, and Tourism; and the press club for construction trade newspapers at the Ministry of Land, Infrastructure, Transport, and Tourism.

\*Website of the Investment Corporation: <http://www.activia-reit.co.jp/english>