



March 17, 2016

For Immediate Release

Real Estate Investment Trust Securities Issuer:
Comforia Residential REIT, Inc
1-16-3 Dogenzaka, Shibuya-ku, Tokyo
Hiroyuki Tohmata, Executive Director
(Code: 3282)

Asset Management Company:
TLC Comforia Investment Management INC.
Hiroyuki Tohmata, President & CEO

Inquiries:
Nobuhide Kashiwagi, Director, General Manager
of Finance & Accounting department
(TEL: +81-3-6415-6200)

Notice Concerning Borrowing of Funds and Repayment of Loan

Comforia Residential REIT, Inc (“Investment Corporation”) announces that it decided today to proceed with the borrowing of funds and repayment of loan. Details are as follows:

1. Description of borrowing and repayment

(1) Description of New Borrowing

A Long-term Loans (Term : 5 years, variable interest rate)

- ① Lender : Development Bank of Japan Inc., Mitsubishi UFJ Trust and Banking Corporation, The Tokyo Tomin Bank, Limited, Sumitomo Mitsui Trust Bank, Ltd.
- ② Loan amount : 4,925 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) +0.24% (Note)
- ④ Scheduled drawdown date : March 23, 2016
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 18, 2016, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 28, 2016 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 : March 31, 2021
- ⑨ Security : Unsecured and unguaranteed

B Long-term Loans (Term : 9 years, variable interest rate)

- ① Lender : Development Bank of Japan Inc., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Trust Bank, Ltd.
- ② Loan amount : 5,000 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) +0.43% (Note)

- ④ Scheduled drawdown date : March 23, 2016
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 18, 2016, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 28, 2016 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 : March 31, 2025
- ⑨ Security : Unsecured and unguaranteed

(Note) 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/>).

(2) Description of Repayment of Loans

Current portion of long-term loans (Term : 5 year, fixed-interest rate)

- ① Lender : Development Bank of Japan Inc., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Trust Bank, Ltd., The Tokyo Momin Bank, Limited,
- ② Loan amount : 9,925 million yen
- ③ Interest rate : 1.25502% (Note)
- ④ Scheduled drawdown date : March 23, 2011
- ⑤ Principal repayment date : March 23, 2016

(Note) The interest rate denotes the fixed rate after an interest-rate swap agreement because the interest rate swap agreement was executed in order to hedge the risk of fluctuation,

2 . Reason for Borrowing

The Investment Corporation will appropriate the funds to repay loans (refer to 1.(2) shown above for details).

3 . Amount, Use, and Time of Disbursement of Funds to Be Raised

(1) Amount of funds to be raised

A total of 9,925 million yen

(2) Specific use of funds to be raised

The Investment Corporation will appropriate the funds to repay loans (refer to 1.(2) shown above for details).

(3) Time of disbursement

March 23, 2016

4 . Status of Borrowings and Investment Corporation Bonds 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)	18,975	9,050	▲9,925

Long-Term Loans (Note)	65,865	75,790	9,925
Total of Loans	84,840	84,840	-
Investment Corporation Bonds	3,000	3,000	-
Total of Loans and Investment Corporation Bonds	87,840	87,840	-
Other Interest-Bearing Debt	-	-	-
Total of Interest-Bearing Debt	87,840	87,840	-

(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 Investment Corporation: <http://comforia-reit.co.jp/english/>