



TRANSLATION

February 23, 2018

Real Estate Investment Trust Securities Issuer
 Sekisui House Residential Investment Corporation
 3-1-31 Minami-Aoyama, Minato-ku, Tokyo
 Representative: Osamu Minami, Executive Director
 (Securities Code: 8973)

Asset Management Company
 Sekisui House Asset Management, Ltd.
 3-1-31 Minami-Aoyama, Minato-ku, Tokyo
 Representative: Osamu Minami,
 President & Representative Director
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Notice Concerning Borrowing of Funds (Determination of Interest Rate)

Concerning borrowing of funds (Tranche A) announced on February 21, 2018, Sekisui House Residential Investment Corporation (the “Investment Corporation”) hereby announces that applicable interest rate has been determined as described below.

New contract portion (dated February 21, 2018) (Note 1)

Contract		Lenders	Drawdown date	Loan amount	Repayment date	Interest rate (applicable period)
Individual loan contract dated Feb. 21, 2018 (Feb. 2018 / 1 year and 8 years)	Tranche A	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Feb. 27, 2018 (Scheduled)	4.0 billion yen	Feb. 28, 2019	0.23545% <base rate + 0.180%> (from Feb. 27, 2018 to Mar. 30, 2018) (Note 2)

(Note 1) For details on the concerned borrowing of funds, please refer to the press release titled “Notice Concerning Borrowing of Funds” dated February 21, 2018 issued by the Investment Corporation.

(Note 2) The first interest payment shall be due on March 30, 2018, and subsequent interest payments shall be due on the last day of every month thereafter, until the final interest payment on February 28, 2019 (or the business day immediately preceding the concerned date if the concerned date is not a business day). The base rate applicable to the interest rate calculation period for each interest payment date will be the 1-month Japanese Yen TIBOR announced by JBA TIBOR Administration (JBATA) on the date two business days prior to each interest payment date immediately before each interest payment date (or, prior to the drawdown date for the first interest payment date). The relevant base rate will be available on the website of JBATA (<http://www.jbatibor.or.jp/english/>). Moreover, the subsequent floating interest rates on this borrowing will be disclosed on the website of the Investment Corporation.

*Sekisui House Residential Investment Corporation website: <http://www.shi-reit.co.jp/eng/>

This translation is for informational purpose only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail.