



March 27, 2019

Real Estate Investment Trust Securities Issuer
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 (Securities Code: 3309)
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Notice Concerning Borrowing of Funds (Determination of Interest Rate) and
 Establishment of Interest Rate Swap

Sekisui House Reit, Inc. (“SHR”) announces today that, concerning the borrowing of funds (the “Borrowings”) announced in “Notice Concerning Borrowing of Funds and Early Repayment of Existing Borrowing” dated March 22, 2019, the interest rate of the fixed interest rate borrowing indicated to as “to be determined” in that press release has been determined, and SHR has established interest rate swap for long term borrowing with floating interest rate in that press release as described below.

I. Borrowing of Funds (Determination of Interest Rate)

<Fixed Interest Rate Borrowing>

Category	Lenders	Loan Amount (mm yen)	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Long term	MUFG Bank, Ltd.	500	0.29900%	March 29, 2019	Borrowing based on individual loan agreement, dated March 22, 2019. The lenders under the loan agreement are as indicated to the left of this table.	May 31, 2023	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	MUFG Bank, Ltd.	1,000	0.39580%			August 30, 2024		
	MUFG Bank, Ltd.	1,000	0.55600%			August 31, 2026		
	Shinkin Central Bank	200	0.41388%			February 29, 2028		
	MUFG Bank, Ltd.	1,400	0.68500%					
Total		4,100	—	—	—	—	—	—

(Note) For details of the above borrowing, please refer to the “Notice Concerning Borrowing of Funds and Early Repayment of Existing Borrowing” dated March 22, 2019.

II. Establishment of Interest Rate Swap
1. Reason for Establishment

Interest rate swap has been established in order to hedge the risk of interest rate fluctuations by converting the interest rate payable into a fixed rate for the floating interest rate borrowing based on the individual loan agreement concluded on March 22, 2019 stated in “2. Content of Interest Rate Swap” below.

2. Content of Interest Rate Swap
(1) Interest rate swap agreement (i)

(a) Counterparty	Mizuho Bank, Ltd.
(b) Notional principal	2,200 million yen
(c) Interest rate	Fixed interest rate payable 0.30900% Floating interest rate receivable JBA 1-month JPY TIBOR plus 0.185%
(d) Commencement date	March 29, 2019
(e) Termination date	May 31, 2023
(f) Interest payment date	The first interest payment date shall be the last day of April 2019, and subsequent interest payment dates shall be the last days of every month and the principal repayment date (however, if the concerned date is not a business day, then it shall be the next business day, and if that next business day falls into the next calendar month, then it shall be the business day immediately preceding the concerned date).

(Note) Conclusion of the interest rate swap agreement will, in effect, fix the interest rate for the below borrowing at 0.30900%. The floating interest rate receivable under the interest rate swap agreement stated above will not be less than 0% because the agreement is subject to a floor rate.

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Category	Lender	Loan amount (mm yen)	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Long term	Mizuho Bank, Ltd.	500	Base rate (JBA 1-month Japanese Yen TIBOR) plus 0.185%	March 29, 2019	Borrowing based on individual loan agreement, dated March 22, 2019. The lenders under the loan agreement are as indicated to the left of this table.	May 31, 2023	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Sumitomo Mitsui Banking Corporation	500						
	Sumitomo Mitsui Trust Bank, Limited	700						
	Mizuho Trust & Banking Co., Ltd.	200						
	Resona Bank, Limited.	200						
	The Norinchukin Bank	100						
Total		2,200	—	—	—	—	—	—

(Note) For details of the above borrowing, please refer to the “Notice Concerning Borrowing of Funds and Early Repayment of Existing Borrowing” dated March 22, 2019.

(2) Interest rate swap agreement (ii)

(a) Counterparty	Sumitomo Mitsui Trust Bank, Limited
(b) Notional principal	2,700 million yen
(c) Interest rate	Fixed interest rate payable 0.40580% Floating interest rate receivable JBA 1-month JPY TIBOR plus 0.240%
(d) Commencement date	March 29, 2019
(e) Termination date	August 30, 2024
(f) Interest payment date	The first interest payment date shall be the last day of April 2019, and subsequent interest payment dates shall be the last days of every month and the principal repayment date (however, if the concerned date is not a business day, then it shall be the next business day, and if that next business day falls into the next calendar month, then it shall be the business day immediately preceding the concerned date).

(Note) Conclusion of the interest rate swap agreement will, in effect, fix the interest rate for the below borrowing at 0.40580%. The floating interest rate receivable under the interest rate swap agreement stated above will not be less than 0% because the agreement is subject to a floor rate.

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Category	Lender	Loan amount (mm yen)	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Long term	Mizuho Bank, Ltd.	800	Base rate (JBA 1-month Japanese Yen TIBOR) plus 0.240%	March 29, 2019	Borrowing based on individual loan agreement, dated March 22, 2019. The lenders under the loan agreement are as indicated to the left of this table.	August 30, 2024	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Sumitomo Mitsui Banking Corporation	700						
	Sumitomo Mitsui Trust Bank, Limited	400						
	Mizuho Trust & Banking Co., Ltd.	400						
	Resona Bank, Limited.	200						
	The Norinchukin Bank	200						
Total		2,700	—	—	—	—	—	—

(Note) For details of the above borrowing, please refer to the "Notice Concerning Borrowing of Funds and Early Repayment of Existing Borrowing" dated March 22, 2019.

(3) Interest rate swap agreement (iii)

(a) Counterparty	Mizuho Bank, Ltd.
(b) Notional principal	2,800 million yen
(c) Interest rate	Fixed interest rate payable 0.56600% Floating interest rate receivable JBA 1-month JPY TIBOR plus 0.340%
(d) Commencement date	March 29, 2019
(e) Termination date	August 31, 2026
(f) Interest payment date	The first interest payment date shall be the last day of April 2019, and subsequent interest payment dates shall be the last days of every month and the principal repayment date (however, if the concerned date is not a business day, then it shall be the next business day, and if that next business day falls into the next calendar month, then it shall be the business day immediately preceding the concerned date).

(Note) Conclusion of the interest rate swap agreement will, in effect, fix the interest rate for the below borrowing at 0.56600%. The floating interest rate receivable under the interest rate swap agreement stated above will not be less than 0% because the agreement is subject to a floor rate.

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Category	Lender	Loan amount (mm yen)	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Long term	Mizuho Bank, Ltd.	800	Base rate (JBA 1-month Japanese Yen TIBOR) plus 0.340%	March 29, 2019	Borrowing based on individual loan agreement, dated March 22, 2019. The lenders under the loan agreement are as indicated to the left of this table.	August 31, 2026	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Sumitomo Mitsui Banking Corporation	700						
	Sumitomo Mitsui Trust Bank, Limited	200						
	Mizuho Trust & Banking Co., Ltd.	400						
	Resona Bank, Limited.	200						
	The Norinchukin Bank	500						
Total		2,800	—	—	—	—	—	—

(Note) For details of the above borrowing, please refer to the "Notice Concerning Borrowing of Funds and Early Repayment of Existing Borrowing" dated March 22, 2019.

(4) Interest rate swap agreement (iv)

(a) Counterparty	Mizuho Bank, Ltd.
(b) Notional principal	5,200 million yen
(c) Interest rate	Fixed interest rate payable 0.69500% Floating interest rate receivable JBA 1-month JPY TIBOR plus 0.415%
(d) Commencement date	March 29, 2019
(e) Termination date	February 29, 2028
(f) Interest payment date	The first interest payment date shall be the last day of April 2019, and subsequent interest payment dates shall be the last days of every month and the principal repayment date (however, if the concerned date is not a business day, then it shall be the next business day, and if that next business day falls into the next calendar month, then it shall be the business day immediately preceding the concerned date).

(Note) Conclusion of the interest rate swap agreement will, in effect, fix the interest rate for the below borrowing at 0.69500%. The floating interest rate receivable under the interest rate swap agreement stated above will not be less than 0% because the agreement is subject to a floor rate.

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Category	Lender	Loan amount (mm yen)	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Long term	Mizuho Bank, Ltd.	2,400	Base rate (JBA 1-month Japanese Yen TIBOR) plus 0.415%	March 29, 2019	Borrowing based on individual loan agreement, dated March 22, 2019. The lenders under the loan agreement are as indicated to the left of this table.	February 29, 2028	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	Sumitomo Mitsui Banking Corporation	1,000						
	Sumitomo Mitsui Trust Bank, Limited	200						
	Mizuho Trust & Banking Co., Ltd.	400						
	Resona Bank, Limited.	300						
	The Bank of Fukuoka, Ltd.	300						
	The Senshu Ikeda Bank, Ltd.	200						
	The 77 Bank, Ltd.	200						
	The Yamaguchi Bank, Ltd.	200						
Total		5,200	—	—	—	—	—	

(Note) For details of the above borrowing, please refer to the "Notice Concerning Borrowing of Funds and Early Repayment of Existing Borrowing" dated March 22, 2019.

III. Other Matters Necessary for Investors' Appropriate Understanding/Judgment of Relevant Information

With regard to risks associated with the determination of interest rate and establishment of interest rate swap of the Borrowings, neither of them will result in any 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, 2019.

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

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