



May 1, 2018

Real Estate Investment Trust Securities Issuer
 Sekisui House Reit, Inc.
 Representative: Junichi Inoue, Executive Director
 (Securities Code: 3309)

Asset Management Company
 Sekisui House Asset Management, Ltd.
 Representative: Junichi Inoue,
 President & Representative Director

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Notice Concerning Change in Specified Associated Corporation

Sekisui House Reit, Inc. ("SHR") hereby announces that, as of today, there was change in a major related entity (specified associated corporation) ("Change") as set out below.

1. Events Leading up to the Change

SHR succeeded the trust beneficiary interests owned by Sekisui House Residential Investment Corporation ("SHI") due to an absorption-type merger, effective as of today, whereby SHR is the surviving corporation and SHI is the dissolved corporation.

As a result, the average total expected amount per fiscal period in three years from the first day of the fiscal period ending October 31, 2018 (May 1, 2018 to October 31, 2018) paid by Sekiwa Real Estate, Ltd. ("Sekiwa Real Estate" or "the Company") for leasing transactions of real estate and trust asset real estate to SHR and as trustee of the trust related to beneficiary interests of SHR's specified assets is equivalent to 20% or more of the total operating revenue of the fiscal period ended April 30, 2018 (November 1, 2017, to April 30, 2018), and Sekiwa Real Estate thus falls under the specified associated corporation (corporation engaged in transactions set forth in Article 29-3, Paragraph 3, Item 3 of the Order for Enforcement of the Financial Instruments and Exchange Act (Act No. 321 of 1965, as amended).

2. Date of Change

May 1, 2018

3. Overview of the Specified Associated Corporation subject to Change

Trade name	Sekiwa Real Estate, Ltd.
Head office address	2-1-1 Yoyogi, Shibuya-ku, Tokyo
Representative officer/name	Kotaro Asano, President
Business activities	<ol style="list-style-type: none"> 1. Brokerage and agent of real estate transaction, exchange and leasing 2. Transaction, exchange, leasing, management and appraisal of real estate 3. Survey, planning, design, supervision and consulting services on real estate use, etc. 4. Design, construction, contracting and supervision of general civil construction and landscaping 5. Type II financial instruments business 6. Non-life insurance agent business and life insurance sales business



	7. Security business, cleaning contracting business and industrial waste disposal business 8. Development, sale and leasing of computer software and information processing systems 9. Any and all business incidental to each of the above.
Capital	1,758 million yen (As of January 31, 2018)
Established	March 1, 1976
Net assets	55,671 million yen (As of January 31, 2018)
Gross assets	86,110 million yen (As of January 31, 2018)
Major Shareholder and Shareholding Ratio	Sekisui House, Ltd. / 100% (As of January 31, 2018)
Relationship between SHR/Asset Management Company and the Company	
Capital relationship	The Company is a wholly owned subsidiary of Sekisui House, Ltd., which holds 100% of the issued shares of Sekisui House Asset Management, Ltd. (“SHAM”), and constitutes an interested party under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including subsequent amendments, the “Investment Trust Act”), and is an interested party under the self-regulation for measures against conflicts of interest of SHR.
Personal relationship	Presently, the Company dispatches 1 officer to the Asset Management Company.
Business relationship	Based on an agreement concerning preferential negotiation rights, etc., particularly in regard to residential properties, the Company undertakes to provide support for acquisition of properties for external growth by granting preferential negotiation rights for sale of domestic real estate held or developed by Sekiwa Real Estate. Also, in regard to a part of the held assets, it has entered into a master lease and is a master lessee. In addition, for a part of the held assets it has entered into a property management business entrustment agreement and is the property manager.
Status as a related party	The Company is a subsidiary of Sekisui House Ltd., which is the parent company of the Asset Management Company and is the business relationship between SHR and the Company..

(Note) The figures of “Capital”, “Net assets” and “Gross assets” are rounded down to the nearest million yen.

4. Future Outlook

This matter will have no impact on the operating results for the fiscal period ending October 31 2018 (May 1, 2018 to October 31, 2018) and the fiscal period ending April 30,2019 (November 1, 2018 to April 30, 2019).

Regarding above Change, procedures required by the Financial Instruments and Exchange Act, the Building Lots and Buildings Transaction Business Act, and other applicable laws and regulations will be taken.

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