

TRANSLATION

August 29, 2016

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

Asset Management Company  
Sekisui House SI Asset Management, Ltd.  
3-1-31 Minami-Aoyama, Minato-ku, Tokyo  
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Notice Concerning Borrowing of Funds (Determination of Interest Rates)

Concerning borrowing of funds announced on August 26, 2016, Sekisui House SI Residential Investment Corporation (the “Investment Corporation”) hereby announces that applicable interest rates for the following period has been determined as described below.

New contract portion (dated August 26, 2016) (Note 1)

Contract	Lenders	Drawdown date	Loan amount	Repayment date	Interest rate (applicable period)
Individual loan contract dated Aug. 26, 2016 (Aug. 2016 / 1 year, 8 years and 9 years)	Tranche A Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Aug. 31, 2016 (Scheduled)	4.5 billion yen	Aug. 31, 2017	0.20682% <Base rate+0.175%> (from Aug. 31, 2016 to Sept. 30, 2016) (Note 2)
	Tranche B Mizuho Bank, Ltd. The Norinchukin Bank Mizuho Trust & Banking Co., Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited.	Aug. 31, 2016 (Scheduled)	1.9 billion yen	Aug. 30, 2024	0.49500% (from Aug. 31, 2016 to Aug. 30, 2024)
	Tranche C Mizuho Bank, Ltd. Development Bank of Japan Inc. Sumitomo Mitsui Banking Corporation Mitsubishi UFJ Trust and Banking Corporation	Aug. 31, 2016 (Scheduled)	3 billion yen	Aug. 29, 2025	0.59750% (from Aug. 31, 2016 to Aug. 29, 2025)
	Tranche D The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Aug. 31, 2016 (Scheduled)	0.6 billion yen	Aug. 29, 2025	0.57000% (from Aug. 31, 2016 to Aug. 29, 2025)

(Note 1) For details on the concerned borrowing of funds, please refer to the press release titled “Notice Concerning Borrowing of Funds” dated August 26, 2016 issued by the Investment Corporation.

(Note 2) 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 the 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 SI Residential Investment Corporation website: <http://www.shsi-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.