



積水ハウス・SI レジデンシャル投資法人
Sekisui House SI Residential Investment Corporation

TRANSLATION

January 26, 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
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Notice Concerning Interest Rate Swap Contract

Sekisui House SI Residential Investment Corporation (the “Investment Corporation”) hereby announces that, concerning the borrowing of funds announced in the press release titled “Notice Concerning Borrowing of Funds” separately issued today, it reached an agreement with the counterparty for entering into an interest rate swap contract (the “Interest Rate Swap Contract”) as described below.

1. Reason for Entering into the Interest Rate Swap Contract

The Investment Corporation seeks to hedge the risks of interest rate hikes by fixing the future interest payments payable for the floating-rate borrowing totaling 1.9 billion yen under the individual loan contract (January 2016 / 7 years and 7 months / Tranche A) signed today among the borrowings totaling 4.1 billion yen scheduled to be made on January 29, 2016.

2. Overview of the Interest Rate Swap Contract

<Hedge target: Individual loan contract (January 2016 / 7 years and 7 months / Tranche A (Borrowing with Floating interest rate)) >

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| (i) Counterparty: | Mizuho Bank, Ltd. |
| (ii) Notional principal: | 1,900,000,000 yen |
| (iii) Interest rates, etc.: | Fixed interest rate payable: 0.28030%
Floating interest rate receivable: JBA Japanese Yen TIBOR (1-month rate) |
| (iv) Scheduled commencement date: | January 29, 2016 (same date as the relevant borrowing’s scheduled drawdown date) |
| (v) Scheduled termination date: | August 31, 2023 (same date as the relevant borrowing’s principal repayment date) |
| (vi) Interest payment dates: | Interest payments shall be due on February 29, 2016, and the last business day of each month thereafter until the final interest payment on August 31, 2023. |

*The Interest Rate Swap Contract will, in effect, fix the interest rate for the relevant borrowing at 0.68030% until the principal repayment date.

* 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.