

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

TRANSLATION

September 21, 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 Partial Repayment (Early Repayment) of Loan

Sekisui House SI Residential Investment Corporation (the "Investment Corporation") hereby announces that it decided today to conduct early repayment of part of the existing loan (the "Repayment") as described below.

1. Partial Repayment of Existing Loan

(1) Description of the Repayment

- (i) Amount to be repaid: 1,500,000,000 yen  
(Note) For details of the existing loan to be repaid, please refer to the "(2) Description of the Existing Loan to be Repaid" written below.
- (ii) Scheduled repayment date: September 30, 2016
- (iii) Source for repayment: Cash on hand  
(Note) Proceeds from the disposition of "b-town MINAMIAOYAMA" implemented on September 16, 2016 will be allotted to the Repayment. For details of the disposition of "b-town MINAMIAOYAMA", please refer to the press release titled "Notice Concerning Disposition of Trust Beneficiary Interest in Domestic Real Estate (b-town MINAMIAOYAMA)" dated August 31, 2016.

(2) Description of the Existing Loan to be Repaid

The amount to be repaid (1.5 billion yen) which the Investment Corporation will repay is the part of the existing loan (4.5 billion yen) described below.

<Individual loan contract (August 2016 / 1 year, 8 years and 9 years) >

-Tranche A (loan period: approximately 1 year / Borrowing with floating interest rate)-

- (i) Lenders: Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (ii) Loan amount: 4,500,000,000 yen
- (iii) Interest rate, etc. : 0.20682% (Floating interest rate) (from August 31, 2016 to September 30, 2016)
- (iv) Drawdown date: August 31, 2016
- (v) Borrowing method: The Investment Corporation borrows the fund based on the basic agreement dated July 27, 2010 (as amended) entered into with the lenders stated in (i) above and other parties, and the individual loan contract (August 2016 / 1 year, 8 years and 9 years) dated August 26, 2016 entered into with the lenders stated in (i) above and other parties, assigning Mizuho Bank, Ltd. as individual agent.
- (vi) Principal repayment method: Lump-sum repayment on principal repayment date
- (vii) Principal repayment date: August 31, 2017
- (viii) Security: Unsecured and unguaranteed

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.

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### 2. Status of Interest-bearing Debt after the Repayment

(Unit: million yen)

	Before the Repayment (Note 1)	After the Repayment (Note 1)	Increase (Decrease)
Short-term loans	4,500	3,000	(1,500)
Current portion of long-term loans (to be repaid within one year or less)	12,205	12,205	-
Long-term loans	79,004	79,004	-
Investment corporation bonds	14,500	14,500	-
<b>Total interest-bearing debt</b>	<b>110,209</b>	<b>108,709</b>	<b>(1,500)</b>
Interest-bearing debt ratio (Note 2)	55.3%	55.0%	(0.3 points)

(Note 1) Each of the amount and the percentage in the above is the estimated figure as of September 30, 2016 based on the assumption that the Investment Corporation will obtain no new borrowings, etc. by such date.

(Note 2) In this document, the interest-bearing debt ratio is calculated by using the formula: “interest-bearing debt ratio” (%) = “interest-bearing debt” / (“interest-bearing debt” + “unitholders’ capital”) × 100, and rounded to the first decimal place. The unitholders’ capital used in this calculation is 88,925,149,945 yen, which is the amount as of the date of this document.

(Note 3) Amounts are rounded down to the nearest specified unit.

### 3. Others

Concerning the risks associated with the Repayment, etc., there is no change from the “Investment Risks” stated in the semi-annual securities report submitted on June 24, 2016 that would have a material adverse effect on the Investment Corporation.

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