

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

TRANSLATION

April 28, 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 Change in Property Management Companies and Master Lease Companies

Sekisui House SI Residential Investment Corporation (the “Investment Corporation”) hereby announces that it decided today to change the property management companies (the “PM Companies”) and the master lease companies (the “ML Companies”) for some of its properties, as described below.

1. Overview of the Change

As of May 1, 2016, the Investment Corporation will change the PM Companies and the ML Companies for the eight residential properties it owns, as follows.

Property No	Property Name	the PM Companies and the ML Companies	
		Before Change	After Change (scheduled)
Residence-23	Esty Maison MINAMIHORIE	Sekiwa Real Estate Kansai Co., Ltd.	Sekiwa Kanri Kansai Co., Ltd.
Residence-28	Esty Maison JOTO		
Residence-29	Esty Maison TSUKAMOTO		
Residence-41	Esty Maison NISHINAKAJIMA		
Residence-59	Prime Maison YUHIGAOKA		
Residence-60	Prime Maison KITATANABE		
Residence-72	Esty Maison KAWARAMACHI		
Residence-73	Esty Maison NISHITENMA		

2. Reason for the Change

The Investment Corporation has consolidated the PM Companies and ML Companies of 78 properties out of 110 residential properties owned as of present to the Sekiwa Real Estate Group (Note 1) in order to maintain and improve the medium- to long-term performance of its portfolio by taking advantage of the comprehensive strengths of the Sekisui House Group (Note 2) having Sekisui House, Ltd. (“Sekisui House”), the main sponsor of the Investment Corporation, as its core company. Out of the above 78 properties, 10 properties have had Sekiwa Real Estate Kansai Co., Ltd. (“Sekiwa Real Estate Kansai”), which has its sales base in the Kansai region, as their PM company and ML company. In line with the reviewing of management system concerning property management by Sekiwa Real Estate Kansai, the Investment Corporation has decided to change PM Companies and ML Companies for 8 residential properties described in the above “1. Overview of the Change” out of the above 10 properties to Sekiwa Kanri Kansai Co., Ltd. (“Sekiwa Kanri Kansai”), a wholly-owned subsidiary of Sekiwa Real Estate Kansai.

(Note 1) “Sekiwa Real Estate Group” represents a group of companies comprising, as the core, the Sekiwa Real Estate companies (which means Sekiwa Real Estate, Ltd., Sekiwa Real Estate Kanto, Ltd., Sekiwa Real Estate Tohoku, Ltd., Sekiwa Real Estate Chubu, Ltd., Sekiwa Real Estate Kansai, Sekiwa Real Estate Chugoku, Ltd. and Sekiwa Real Estate Kyushu, Ltd.) which are wholly-owned subsidiaries of Sekisui House and expanding nationwide presence in Japan, and their subsidiaries and affiliates (as of January 31, 2016).

(Note 2) “Sekisui House Group” represents a group of companies comprising Sekisui House and its 205 subsidiaries and 23 affiliates (as of January 31, 2016).

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3. Overview of Consignee

(1) Name	Sekiwa Kanri Kansai Co., Ltd.
(2) Location	5-13 Koyochi Naka, Higashinada-ku, Kobe-shi, Hyogo
(3) Representative	Saburo Matsuyoshi, President
(4) Business activities	Management services of condominium and rental apartments; Building management; renovation of apartments; sales of furniture, interior goods, household electrical appliances; household equipment and everyday sundries; non-life insurance agent; real estate transaction; security business; sales of newspapers; operation of sports facilities
(5) Capital	418 million yen (as of January 31, 2016)
(6) Established	July 1987
(7) Net assets	2,013 million yen (as of January 31, 2016)
(8) Total assets	2,464 million yen (as of January 31, 2016)
(9) Major shareholder (shareholding ratio)	Sekiwa Real Estate Kansai (100%)
(10) Relationships with the Investment Corporation and the Asset Management Company	
Capital relationship	All outstanding shares of the company are owned by Sekiwa Real Estate Kansai, a wholly-owned subsidiary of Sekisui House which owns 75% of the total number of outstanding shares of Sekisui House SI Asset Management, Ltd. (the "Asset Management Company") to which the management of the Investment Corporation's assets is entrusted. Furthermore, the company falls under the scope of the interested parties as defined in the Act on Investment Trusts and Investment Corporations (the "Investment Trusts Act"), and under the definition of the interested parties of the Investment Corporation as defined in the Investment Corporation's internal rules on conflict of interests.
Personal relationship	The company has no personal relationship with the Investment Corporation or the Asset Management Company that needs to be specified.
Business relationship	As of today, the Investment Corporation entrusts the company with property management and work as a ML company for 1 property owned by the Investment Corporation. The company has no business relationship with the Asset Management Company that needs to be specified.
Related party or not	All outstanding shares of the company are owned by Sekiwa Real Estate Kansai, a wholly-owned subsidiary of Sekisui House which owns 75% of the total number of outstanding shares of the Asset Management Company; and falls within the definition of a related party.

4. Transaction with Interested Party

Sekiwa Kanri Kansai, which will be the PM company and ML company after the change described above, falls under the scope of the interested parties of the Investment Corporation as defined in the Investment Trusts Act, and under the definition of the interested parties of the Investment Corporation as defined in the Investment Corporation's internal rules on conflict of interests, as stated above. Therefore, in accordance with the above internal rules, the change of the PM Companies and the ML Companies to Sekiwa Kanri Kansai by the Investment Corporation has been approved by the Risk Management and Compliance Office of the Asset Management Company, as well as deliberated, decided or resolved by the Investment Committee, the Compliance Committee and the Board of Directors of the Asset Management Company and by the Board of Directors of the Investment Corporation.

5. Future Outlook

The change of PM Companies and ML Companies at this time will not have an impact on the Investment Corporation's management status forecast. The forecast for the fiscal period ending September 2016 (April 1, 2016 to September 30, 2016) will be announced in the "Summary of Financial Report for the Fiscal Period ended March 31, 2016 (October 1, 2015 to March 31, 2016)" scheduled to be released on May 16, 2016.

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

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