

HULIC REIT, INC.

Translation Purpose Only

June 25, 2018

To All Concerned Parties

Name of REIT Issuer:
Hulic Reit, Inc.
2-26-9 Hatchobori, Chuo-ku, Tokyo, Japan
Eiji Tokita, Executive Officer
(TSE Code: 3295)
Contact:
Asset Management Company
Hulic Reit Management Co., Ltd.
Eiji Tokita, President and CEO
Person to Contact:
Kazuaki Chokki, Director, General Manager of Corporate
Planning and Administration Department
Tel: +81-3-6222-7250

Notice concerning the Borrowing of Funds

TOKYO, June 25, 2018 – Hulic Reit, Inc. (hereinafter referred to as “Hulic Reit”) announced that it has decided to borrow funds (hereinafter referred to as the “borrowing of funds”) as follows.

I. Borrowing of funds

1. Details of the borrowing of funds

Term	Lender	Borrowing amount	Interest rate (Notes 2 and 3)	Drawdown date	Borrowing method	Repayment date	Repayment method (Note 4)	Security
Short-term	Syndicate of lenders arranged by Mizuho Bank, Ltd., etc. (Note 1)	¥7.55 billion	Base rate of interest (JBA one-month Japanese Yen TIBOR) + 0.25%	June 29, 2018	Borrowing in accordance with individual term loan agreements scheduled to be entered into on June 27, 2018 with the lenders shown on left	June 28, 2019	Lump-sum repayment	Unsecured and unguaranteed

Notes:

1. The syndicate of lenders consists of Mizuho Bank, Ltd., etc.
2. The loan fees and other charges to be paid to the lender are not included.
3. The first interest payment date will be July 31, 2018 and subsequently thereafter the interest payment date will fall on the last day of every month before the principal repayment date and on the principal repayment date (the repayment date will be the next business day if it falls on a non-business day or the prior business day if this next business day falls in the next month). The base rate of interest applied to the calculation period for the interest payable on the interest payment date will be the one-month Japanese Yen Tokyo Interbank Offered Rate (TIBOR) published by the General Incorporated Association JBA TIBOR Administration (JBATA) two business days prior to each interest payment date. These base rates of interest will be revised on each interest payment date. However, if the calculation period is less than one month or if the interest calculation period is more than one month, the base rate of interest for the applicable period calculated based on the method stipulated in the loan agreement will be used. Please refer to the JBATA website (<http://www.jbatibor.or.jp/rate/>) for the latest and historical JBA Japanese Yen TIBOR rates.
4. In cases where certain requirements, such as prior written notice of Hulic Reit, are met during the term after the execution of the borrowing shown above until the repayment date, Hulic Reit may repay the principal of the borrowing in part or in its entirety prior to the repayment date.

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2. Reason for the borrowing of funds

Funds will be allocated to the acquisition of assets planned for acquisition described in the “Notice concerning the Acquisition of Property ” announced today and to a portion of related costs. For details of the assets planned for acquisition, please see the above-mentioned “Notice concerning the Acquisition of Property .”

3. Amount, use and planned disbursement date

(1) Total amount of the proceeds

¥7.55 billion

(2) Specific use of the proceeds

Funds will be allocated for the acquisition of assets planned for acquisition and part of certain related costs.

(3) Planned disbursement date

June 29, 2018

4. Status of interest-bearing debt after the borrowing of funds

(Millions of yen)

	Before borrowing	After borrowing	Change
Short-term borrowings (Note)	3,960	11,510	7,550
Long-term borrowings (Note)	106,890	106,890	0
Total borrowings	110,850	118,400	7,550
Investment corporation bonds	5,000	5,000	0
Total of borrowings and investment corporation bonds	115,850	123,400	7,550
Other interest-bearing debt	-	-	-
Total interest-bearing debt	115,850	123,400	7,550

Note: “Short-term borrowings” refer to borrowings with a maturity of one year or less from the drawdown date. “Long-term borrowings” refer to borrowings with a maturity of more than one year. At any point in time, even when the time until maturity of long-term borrowings is less than one year, the outstanding balance is still included in “Long-term borrowings.”

II. Other necessary matters for investors to adequately understand and make an informed decision based on the above information

There are no changes to the risks pertaining to the repayment of the borrowing of funds listed in “Chapter 1. Fund Information, Part 1. Fund Status, 3. Investment Risks” of the securities report submitted to the regulator on May 24, 2018.

*This press release was distributed to:

The Tokyo Stock Exchange Press Club (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), and the press club for construction publications of the MLIT