

# HULIC REIT, INC.

Translation Purpose Only

October 25, 2017

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, October 25, 2017 – 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 1 and 2)	Drawdown date	Borrowing method	Repayment date	Repayment method (Note 3)	Security
Short-term	Mizuho Bank, Ltd.	¥5.0 billion	Base rate of interest (JBA one-month Japanese Yen TIBOR) + 0.15%	November 1, 2017	Borrowing in accordance with the individual term loan agreement scheduled to be entered into on October 30, 2017 with the lender shown on left	December 15, 2017	Lump-sum repayment	Unsecured and unguaranteed

Notes:

1. The loan fees and other charges to be paid to the lender are not included.
2. The interest payment date will be November 15, 2017 and the principal repayment date. 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.
3. 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.

#### 2. Reason for the borrowing of funds

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

Disclaimer: This press release is an announcement concerning the borrowing of funds of Hulic Reit and was not prepared for the purpose of soliciting investment. When investing, Hulic Reit advises investors to do so based on their own responsibility and discretion, after ensuring that they have read the prospectus on the issuance of new investment units and the secondary offering of investment units as well as any amendments prepared by Hulic Reit.

# HULIC REIT, INC.

described in “Notice concerning the Acquisition, Lease, and Transfer of Property” Hulic Reit announced on October 13, 2017. For details of the assets planned for acquisition, please see the above-mentioned “Notice concerning the Acquisition, Lease, and Transfer of Property”

### 3. Amount, use and planned disbursement date

#### (1) Total amount of the proceeds

¥5.0 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

November 1, 2017

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

(Millions of yen)

	Before the borrowing of funds (as of October 25, 2017)	After the borrowing of funds (as of November 1, 2017)	Change
Short-term borrowings (Note )	3,960	8,960	5,000
Long-term borrowings (Note)	106,890	106,890	0
Total borrowings	110,850	115,850	5,000
Investment corporation bonds	5,000	5,000	0
Total of borrowings and investment corporation bonds	115,850	120,850	5,000
Other interest-bearing debt	-	-	-
Total interest-bearing debt	115,850	120,850	5,000

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 2. Reference Information, Part 2. Supplementary Information about Reference Documents, 7. Investment Risks” of the securities registration statement submitted to the regulator on October 13, 2017.

\*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

Disclaimer: This press release is an announcement concerning the borrowing of funds of Hulic Reit and was not prepared for the purpose of soliciting investment. When investing, Hulic Reit advises investors to do so based on their own responsibility and discretion, after ensuring that they have read the prospectus on the issuance of new investment units and the secondary offering of investment units as well as any amendments prepared by Hulic Reit.