

HULIC REIT, INC.

Translation Purpose Only

March 29, 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:
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Notice concerning the Borrowing of Funds

TOKYO, March 29, 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.	¥12.0 billion	Base rate of interest (JBA one-month Japanese Yen TIBOR) + 0.23%	March 31, 2017	Borrowing in accordance with the individual term loan agreement entered into on March 29, 2017 with the lender shown on left	October 31, 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 first interest payment date will be April 28, 2017 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.
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.

HULIC REIT, INC.

2. Reason for the borrowing of funds

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

3. Amount, use and planned disbursement date

(1) Total amount of the proceeds

¥12.0 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

March 31, 2017

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	15,960	12,000
Long-term borrowings (Note)	88,500	88,500	0
Total borrowings	92,460	104,460	12,000
Investment corporation bonds	5,000	5,000	0
Total of borrowings and investment corporation bonds	97,460	109,460	12,000
Other interest-bearing debt	-	-	-
Total interest-bearing debt	97,460	109,460	12,000

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 1. Fund Information, Part 1. Fund Status, 3. Investment Risks” of the securities report submitted to the regulator on November 24, 2016.

*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