

HULIC REIT, INC.

Translation Purpose Only

August 25, 2015

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
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Notice concerning the Borrowing of Funds

TOKYO, August 25, 2015 – Hulic Reit, Inc. (hereinafter referred to as “Hulic Reit”) announced today 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 3 and 4)	Anticipated drawdown date	Borrowing method	Repayment date	Repayment method (Note 7)	Security
Long-term	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note 1)	¥3.356 billion	Base rate of interest (JBA three-month Japanese Yen TIBOR) + 0.35% (Note 5)	August 31, 2015	Borrowing in accordance with individual term loan agreements to be entered into on August 27, 2015 with lenders shown on left	August 31, 2022	Lump-sum repayment	Unsecured and unguaranteed
	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note 2)	¥0.414 billion	To be determined (Note 6)	August 31, 2015	Borrowing in accordance with individual term loan agreements to be entered into on August 27, 2015 with lenders shown on left	August 31, 2022	Lump-sum repayment	Unsecured and unguaranteed

Notes:

1. The syndicate of lenders consists of Mizuho Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Trust & Banking Co., Ltd., Sumitomo Mitsui Trust Bank, Limited, The Norinchukin Bank and Resona Bank, Limited.
2. The syndicate of lenders consists of Development Bank of Japan Inc.
3. The loan fees and other charges to be paid to the lenders are not included.
4. The first interest payment date will be November 30, 2015 and subsequently thereafter the interest payment date will fall on the last day of February, May, August and November of each year 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 three-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 three months or if the interest calculation period is more than three months, the

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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.

5. An interest rate swap agreement will be executed in order to effectively fix the interest rate for the borrowing. There will be an announcement regarding the interest rate fixed on the basis of the interest rate swap agreement to be arranged, once such details have been determined.
6. Funds will be borrowed at a fixed interest rate, which will be announced once it has been determined.
7. 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 to partial early repayment of certain short-term borrowings described in the “Notice concerning Early Repayment of Borrowings” announced on August 7, 2015 (hereinafter referred to as the “early repayment”). The remaining funds needed for the early repayment will be covered by investment corporation bonds described in the “Notice concerning Issuance of Investment Corporation Bonds” announced today and cash reserves.

3. Amount, use and planned disbursement date

- (1) Total amount of the proceeds
¥3.77 billion
- (2) Specific use of the proceeds
Funds will be allocated to a portion of the early repayment.
- (3) Planned disbursement date
August 31, 2015

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

(Millions of yen)

	Before the borrowing of funds (as of August 25, 2015)	After the borrowing of funds (as of August 31, 2015)	Change
Short-term borrowings (Note)	9,730	3,960	(5,770)
Long-term borrowings (Note)	58,740	62,510	3,770
Total borrowings	68,470	66,470	(2,000)
Investment corporation bonds	—	2,000	2,000
Total of borrowings and investment corporation bonds	68,470	68,470	0
Other interest-bearing debt	—	—	—
Total interest-bearing debt	68,470	68,470	0

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.

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 27, 2015.

*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