

# HULIC REIT, INC.

Translation Purpose Only

August 30, 2016

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, August 30, 2016 – 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 2 and 3)	Drawdown date	Borrowing method	Repayment date	Repayment method (Note 4)	Security
Short-term	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note 1)	¥8.6 billion	Base rate of interest (JBA one-month Japanese Yen TIBOR) + 0.15%	September 1, 2016	Borrowing in accordance with individual term loan agreements entered into on August 30, 2016 with lenders shown on left	August 31, 2017	Lump-sum repayment	Unsecured and unguaranteed

Notes:

1. The syndicate of lenders consists of Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd.
2. The loan fees and other charges to be paid to the lenders are not included.
3. The first interest payment date will be October 7, 2016 and subsequently thereafter the interest payment date will fall on the 7th 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 for the acquisition of real estate trust beneficiary rights and part of the payment of certain related costs pertaining to “Hulic Toranomon Building (Additional Acquisition)” and “Trust Garden Tokiwamatsu” in “Notice concerning the Acquisition of Property” announced today.

## 3. Amount, use and planned disbursement date

### (1) Total amount of the proceeds

¥8.6 billion

### (2) Specific use of the proceeds

Funds will be allocated for the acquisition of “Hulic Toranomon Building (Additional Acquisition)” and “Trust Garden Tokiwamatsu” and part of certain related costs.

### (3) Planned disbursement date

September 1, 2016

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

(Millions of yen)

	Before borrowing	After borrowing	Change
Short-term borrowings (Note)	4,660	13,260	8,600
Long-term borrowings (Note)	74,810	74,810	0
Total borrowings	79,470	88,070	8,600
Investment corporation bonds	2,000	2,000	0
Total of borrowings and investment corporation bonds	81,470	90,070	8,600
Other interest-bearing debt	—	—	—
Total interest-bearing debt	81,470	90,070	8,600

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 31, 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