

HULIC REIT, INC.

Translation Purpose Only

September 14, 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
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Notice concerning the Borrowing of Funds

TOKYO, September 14, 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	Planned borrowing amount	Interest rate (Notes 3 and 4)	Drawdown date	Borrowing method	Repayment date	Repayment method (Note 5)	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)	¥5.42 billion	Base rate of interest (JBA one-month Japanese Yen TIBOR) + 0.15%	September 16, 2016	Borrowing in accordance with individual term loan agreements entered into on September 14, 2016 with lenders shown on left	August 31, 2017	Lump-sum repayment	Unsecured and unguaranteed
		¥0.77 billion (Note 2)	Base rate of interest (JBA one-month Japanese Yen TIBOR) + 0.15%	October 4, 2016				

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 planned borrowing amount stated above may change up until the time the borrowing is taken out on the basis of giving consideration to matters such as the amount of proceeds from the primary offering described in “Notice concerning the Issuance of New Investment Units and Secondary Offering of Investment Units” announced today.
3. The loan fees and other charges to be paid to the lenders are not included.
4. The first interest payment date will be the 7th of the next month of each drawdown date 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

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.

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Offered Rate (TIBOR) published by the General Incorporated Association JBA TIBOR Administration (JBATA) two business days prior to each drawdown and 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.

5. 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 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

¥6.19 billion (Anticipated)

(2) Specific use of the proceeds and planned disbursement date

Specific use	Amount (Millions of yen)	Planned disbursement date
i) Acquisition of assets planned for acquisition and part of related costs	5,420	September 2016
ii) Acquisition of assets planned for acquisition and part of related costs	770	October 2016

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

(Millions of yen)

	Before borrowing (As of September 14, 2016)	After borrowing (As of October 4, 2016)	Change
Short-term borrowings (Note)	13,260	19,450	6,190
Long-term borrowings (Note)	74,810	74,810	0
Total borrowings	88,070	94,260	6,190
Investment corporation bonds	2,000	2,000	0
Total of borrowings and investment corporation bonds	90,070	96,260	6,190
Other interest-bearing debt	—	—	—
Total interest-bearing debt	90,070	96,260	6,190

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.”

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- 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, 6. Investment Risks” of the securities registration statement submitted to the regulator today.

*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

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