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For Immediate Release

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### Notice Concerning Borrowing of Funds, Repayment of Loans and Early Repayment

Comforia Residential REIT, Inc (“CRR”) announces that it decided today to proceed with the borrowing of funds, repayment of loans and early repayment. Details are as follows:

#### 1. Description of Borrowing and Repayment

##### (1) Description of New Borrowing

###### A Long-term Loans (Term : 1 year, variable interest rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd.
- ② Loan amount : 2,500 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) + 0.20% (Note 1)
- ④ Scheduled drawdown date : March 20, 2019
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 18, 2019, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 26, 2019 first, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day).
- ⑦ Principal repayment : Lump-sum repayment on principal repayment date
- ⑧ Principal repayment date : March 31, 2020
- ⑨ Security and guarantee : Unsecured and unguaranteed

###### B Long-term Loans (Term : 1 year, variable interest rate)

- ① Lender : Mizuho Trust & Banking Co., Ltd.
- ② Loan amount : 2,300 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) + 0.20% (Note 1)

- ④ Scheduled drawdown date : March 20, 2019
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 18, 2019, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 26, 2019 first, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day).
- ⑦ Principal repayment : Lump-sum repayment on principal repayment date
- ⑧ Principal repayment date : March 31, 2020
- ⑨ Security and guarantee : Unsecured and unguaranteed

C Long-term Loans (Term : 7 year, variable interest rate)

- ① Lender : Shinkin Central Bank, The Norinchukin Bank, The Bank of Fukuoka, Ltd., Mizuho Trust & Banking Co., Ltd.
- ② Loan amount : 2,100 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) +0.24% (Note 1)
- ④ Scheduled drawdown date : March 20, 2019
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 18, 2019, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 26, 2019 first, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day).
- ⑦ Principal repayment : Lump-sum repayment on principal repayment date
- ⑧ Principal repayment date : March 31, 2026
- ⑨ Security and guarantee : Unsecured and unguaranteed

D Long-term Loans (Term : 1.5 year, variable interest rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation
- ② Loan amount : 2,800 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) +0.135% (Note 1)
- ④ Scheduled drawdown date : March 25, 2019
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 20, 2019, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 26, 2019 first, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day).
- ⑦ Principal repayment : Lump-sum repayment on principal repayment date

- ⑧ Principal repayment date : September 30, 2020
- ⑨ Security and guarantee : Unsecured and unguaranteed

E Long-term Loans (Term : 3 year, variable interest rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation
- ② Loan amount : 2,800 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) +0.18% (Note 1)
- ④ Scheduled drawdown date : March 25, 2019
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 20, 2019, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 26, 2019 first, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day).
- ⑦ Principal repayment : Lump-sum repayment on principal repayment date
- ⑧ Principal repayment date : March 31, 2022
- ⑨ Security and guarantee : Unsecured and unguaranteed

F Long-term Loans (Term : 6.5 year, variable interest rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation
- ② Loan amount : 3,500 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) +0.27% (Note 1)
- ④ Scheduled drawdown date : March 25, 2019
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 20, 2019, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 26, 2019 first, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day).
- ⑦ Principal repayment : Lump-sum repayment on principal repayment date
- ⑧ Principal repayment date : September 30, 2025
- ⑨ Security and guarantee : Unsecured and unguaranteed

G Long-term Loans (Term : 8.5 year, variable interest rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation
- ② Loan amount : 3,395 million yen

- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) +0.339% (Note 1)
- ④ Scheduled drawdown date : March 25, 2019
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 20, 2019, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 26, 2019 first, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day).
- ⑦ Principal repayment : Lump-sum repayment on principal repayment date
- ⑧ Principal repayment date : September 30, 2027
- ⑨ Security and guarantee : Unsecured and unguaranteed

#### H Long-term Loans (Term : 7.5 year, variable interest rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd.
- ② Loan amount : 2,100 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) +0.303% (Note 1)
- ④ Scheduled drawdown date : April 5, 2019
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 29, 2019, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 26, 2019 first, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day).
- ⑦ Principal repayment : Lump-sum repayment on principal repayment date
- ⑧ Principal repayment date : September 30, 2026
- ⑨ Security and guarantee : Unsecured and unguaranteed

#### I Long-term Loans (Term : 7.5 year, fixed rate)

- ① Lender : Development Bank of Japan Inc.
- ② Loan amount : 700 million yen
- ③ Interest rate : To be determined (Note 2)
- ④ Scheduled drawdown date : April 5, 2019
- ⑤ Borrowing method : Borrowing based on a loan agreement effective March 29, 2019, with the lender stated above.
- ⑥ Interest payment dates : Interest payments will be made on April 26, 2019 first, the last day of each month thereafter, and the principal repayment date (or the business day immediately preceding the concerned date if any concerned date is not a business day).
- ⑦ Principal repayment : Lump-sum repayment on principal repayment date

- ⑧ Principal repayment date : September 30, 2026
- ⑨ Security and guarantee : Unsecured and unguaranteed

(Note 1) The base rate used for the calculation period for interest to be paid on interest payment dates is the 1-month Yen TIBOR announced by JBA TIBOR Administration (JBATA), two business days before the interest payment date immediately preceding each interest payment date. However, if the calculation period is not one month, the base rate will be the one corresponding to the period that will be calculated based on a method provided for in the agreement.

After this, the Investment Corporation will not announce the interest rate decisions for its borrowings on a floating-rate basis.

For changes in the yen TIBOR of the JBA, the base rate, please check the website of JBATA. (<http://www.jbatibor.or.jp/english/>).

(Note 2) Funds will be borrowed at a fixed interest rate, which will be announced once it has been determined.

## (2) Description of Repayment of Loans

Current portion of long-term loans (Term : 8 year, variable interest rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation
- ② Loan amount : 12,495 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) + 0.50%
- ④ Scheduled drawdown date : March 23, 2011
- ⑤ Principal repayment date : March 23, 2019 (Note)

(Note) As March 23, 2019 which is the principal repayment date in the loan agreement, is a non-business day, the actual principal repayment date will be March 25, 2019, the following business day.

## 2. Early Repayment

### Description of Early Repayment

Long-term Loans (Term : 1 year 1 month, variable interest rate)

- ① Lender : Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd.
- ② Loan amount : 2,100 million yen
- ③ Interest rate : Basic interest rate (JBA 1 month yen TIBOR) + 0.20%
- ④ Scheduled drawdown date : September 25, 2018
- ⑤ Scheduled date of early repayment : March 20, 2019 (Note 1)

(Note 1) The maturity of the borrowing stated above is October 31, 2019.

(Note 2) For further details of the loans, please refer to the "Notice Concerning Borrowing of Funds" issued on September 19, 2018.

## 3. Reason for Borrowing and Repayment

CRR will appropriate the funds for a part of the acquisition price and the related expenses of the beneficial interests in real estate trust in six properties, COMFORIA HIGASHINIHONBASHI, COMFORIA ASAKUSAKOMAGATA, COMFORIA OMORIKASHIMA, COMFORIA OMORIMACHI, COMFORIA KAMIIKEDAI, and CAMPUS VILLAGE SHIINAMACHI, as described in the press release titled "Notice Concerning Acquisition of Investment Assets and their Leases (COMFORIA SHIBUYA WEST and other 8 assets)" issued on January 7, 2019 and one property as described in the press release titled "Notice Concerning Acquisition of Investment Assets (COMFORIA TAMA-PLAZA)" issued today. Also CRR will appropriate the funds to repay loans (refer to 1.(2) shown above for details), and to make early repayment of loans (refer to 2. shown above for details).

#### 4. Amount, Use, and Scheduled Time of Disbursement of Funds to Be Raised

##### (1) Amount of funds to be raised

A total of 22,195 million yen

(Borrowing scheduled on March 20, 2019 : 6,900 million yen)

(Borrowing scheduled on March 25, 2019 : 12,495 million yen)

(Borrowing scheduled on April 5, 2019 : 2,800 million yen)

##### (2) Specific use of funds to be raised

Funds will be used ① to acquire the beneficial interest in real estate trust described in 3., and ② to repay loans (refer to 1.(2) shown above for details), and ③ to make early repayment of loans (refer to 2. shown above for details).

Funds raised by the borrowing scheduled on March 20, 2019 will be used to acquire the beneficial interest in real estate trust and to make early repayment of loans.

Funds raised by the borrowing scheduled on March 25, 2019 will be used to repay loans.

Funds raised by the borrowing scheduled on April 5, 2019 will be used to acquire the beneficial interest in real estate trust.

##### (3) Scheduled time of disbursement

① March 20, 2019, and April 5, 2019

② March 25, 2019

③ March 20, 2019

#### 5. Status of Interest-Bearing Debt after the Borrowing (As of April 5, 2019)

	(million yen)		
	Before the borrowing	After the borrowing	Change
Short-Term Loans (Note)	-	-	-
Current portion of long-term loans (to be repaid within one year or less)	15,945	6,150	▲9,795
Long-Term Loans (Note)	91,485	108,880	17,395
Total of Loans	107,430	115,030	7,600
Investment Corporation Bonds	8,500	8,500	-
Total of Loans and Investment Corporation Bonds	115,930	123,530	7,600
Other Interest-Bearing Debt	-	-	-
Total of Interest-Bearing Debt	115,930	123,530	7,600

(Note) Short-term loans are loans that will come due within one year, while long-term loans are loans that will come due after one year.

\*Website of CRR: <https://www.comforia-reit.co.jp/en/>