

August 2, 2016

For Translation Purposes Only

Real Estate Investment Trust Securities Issuer:
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Notice Concerning Execution of Borrowing of Funds

Samty Residential Investment Corporation (“Samty Residential”) announces that it is executed the new borrowing (the “Borrowing”) announced in “Notice Concerning Borrowing of Funds” dated July 11, 2016 and “Notice Concerning Borrowing of Funds (Determination of Conditions)” dated July 29, 2016, as described below.

1. Details of the Borrowings

(1) Long-term loan (Term Loan 4-A)

i	Lenders	Sumitomo Mitsui Banking Corporation, The Bank of Fukuoka, Ltd., Aozora Bank, Ltd., The Kagawa Bank, Ltd., Resona Bank, Ltd., Shinsei Bank Ltd., The Tokyo Star Bank, Ltd., The Shinwa Bank, Ltd., The Mie Bank Ltd. and The Bank of Saga, Ltd.
ii	Loan amount	3,500 million yen
iii	Interest rate	0.63182% ^(Note1) (floating interest rate)
iv	Drawdown date	August 2, 2016
v	Principal repayment date	August 2, 2019 ^(Note 5)
vi	Security	Unsecured and unguaranteed

(2) Long-term loan (Term Loan 4-B)

i	Lenders	Sumitomo Mitsui Banking Corporation, The Bank of Fukuoka, Ltd., Aozora Bank, Ltd., The Kagawa Bank, Ltd., Resona Bank, Ltd., Shinsei Bank, Ltd., The Tokyo Star Bank, Ltd., The Mie Bank, Ltd., The Shinwa Bank, Ltd., The Kumamoto Bank, Ltd. and The Bank of Saga, Ltd.
ii	Loan amount	3,500 million yen
iii	Interest rate	0.73182% ^(Note 2) (floating interest rate)
iv	Drawdown date	August 2, 2016
v	Principal repayment date	August 2, 2020 ^(Note 5)
vi	Security	Unsecured and unguaranteed

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(3) Long-term loan (Term Loan 4-C)

i	Lenders	The Bank of Fukuoka, Ltd., Aozora Bank, Ltd., Resona Bank, Ltd., Shinsei Bank, Ltd., The Tokyo Star Bank, Ltd., The Mie Bank, Ltd., The Shinwa Bank, Ltd., The Kumamoto Bank, Ltd., The Bank of Saga, Ltd., and Oita Bank co., Ltd.
ii	Loan amount	2,100 million yen
iii	Interest rate	0.67676% ^(Note 3) (Fixed interest rate)
iv	Drawdown date	August 2, 2016
v	Principal repayment date	August 2, 2019 ^(Note 5)
vi	Security	Unsecured and unguaranteed

(4) Long-term loan (Term Loan 4-D)

i	Lenders	The Bank of Fukuoka, Ltd., Aozora Bank, Ltd., Resona Bank, Ltd., Shinsei Bank, Ltd., The Tokyo Star Bank, Ltd., The Mie Bank, Ltd., The Shinwa Bank, Ltd., The Kumamoto Bank, Ltd., the Hiroshima Bank, Ltd., The Bank of Saga, Ltd., and Oita Bank co., Ltd.
ii	Loan amount	2,100 million yen
iii	Interest rate	0.77296% ^(Note 4) (Fixed interest rate)
iv	Drawdown date	August 2, 2016
v	Principal repayment date	August 2, 2020 ^(Note5)
vi	Security	Unsecured and unguaranteed

(Note1) Interest rate applicable for the period from August 2, 2016 to September 1, 2019. The applicable interest rate is one-month JPY TIBOR (base rate) +0.6%.

The base rate applicable to the interest rate calculation period for each interest payment date will be determined on the date two business days prior to the interest payment date. The relevant 1-month JBA Japanese Yen TIBOR will be available on the website of JBA TIBOR Administration (JBATA) (<http://www.jbatibor.or.jp/english/>).

(Note 2) Interest rate applicable for the period from August 2, 2016 to September 1, 2016. The applicable interest rate is one-month Japanese Yen TIBOR (base rate) +0.7%. The base rate applicable to the interest rate calculation period for each interest payment date will be determined on the date two business days prior to the interest payment date.

(Note 3) The applicable interest rate is +0.6% (fixed rate) calculated by adding the number (indicated in percentage and rounded up to the fifth decimal place) gained by multiplying 365 by the three-year yen-yen swap offered rate and the three-year offered rate of the spread difference of Japanese Yen TIBOR/LIBOR posted on page 9154 (or following page or alternative page) on the REUTERS screen as of 10 AM or the closest possible time to 10 AM after 10 AM Tokyo time on the date two business days prior to the drawdown date and dividing it by 360.

(Note 4) The applicable interest rate is +0.7% (fixed rate) calculated by adding the number (indicated in percentage and rounded up to the fifth decimal place) gained by multiplying 365 by the four-year yen-yen swap offered rate and the four-year offered rate of the spread difference of Japanese Yen TIBOR/LIBOR posted on page 9154 (or following page or alternative page) on the REUTERS screen as of 10 AM or the closest possible time to 10 AM after 10 AM Tokyo time on the date two business days prior to the drawdown date and dividing it by 360.

(Note5) if the relevant day is not a business day, the business day immediately following the relevant day shall be the date. If the said business day is in the following month, the business day immediately preceding the relevant day shall be the date.

2. Status of Borrowings, Etc., after the Borrowing

(Unit: million yen)

	Before the Borrowing	After the Borrowing	Increase (Decrease)
Short-term loans ^{(Note1)(Note2)}	1,012	550	-462
Long-term loans ^(Note1)	16,000	27,200	11,200
Total borrowings	17,012	27,750	10,738
Investment corporation bonds ^(Note3)	-	1,000	1,000
Sum total of borrowings and investment corporation bonds	17,012	28,750	11,738
Other interest-bearing debt	-	-	-
Total interest-bearing debt	17,012	28,750	11,738

(Note1) Short-term loans refer to borrowings for which the repayment dates are due in or within one year, and long-term loans refer to borrowings for which the repayment days are due in more than a year.

(Note2) The repayment amount announced in “Notice Concerning Execution of Borrowing of Funds” is reflected in the status and the increase (decrease) of the short-term loans after this execution of borrowing of funds.

(Note3) For details of the issuance of investment corporation bonds scheduled to take place on the same day as the Borrowings, please refer to “Notice concerning completion of payment for issuance of investment corporation bonds” announced today.

*This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism the Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

*Samty Residential Investment Corporation website: <http://www.samty-residential.com/en/>

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