

TRANSLATION

February 5, 2013

Real Estate Investment Trust Securities Issuer
Sekisui House SI Investment Corporation
2-12 Kojimachi, Chiyoda-ku, Tokyo
Representative: Junichi Inoue, Executive Director
(Securities Code: 8973)

Asset Management Company
Sekisui House SI Asset Management, Ltd.
2-12 Kojimachi, Chiyoda-ku, Tokyo
Representative: Junichi Inoue, President
Inquiries: Nobuyoshi Sato, General Manager
IR & Financial Affairs Department
TEL: +81-3-5215-8973 (main)

Notice Concerning Debt Financing

Sekisui House SI Investment Corporation (the “Investment Corporation”) hereby announces that it today reached an agreement with lenders for the debt financing (the “Borrowing”) as described below.

1. Borrowing of funds

(1) Reason for the Borrowing

The Investment Corporation is borrowing funds to use them for acquisition of domestic real estate trust beneficiary rights that are scheduled to be acquired on February 8, 2013 (the “Real Estate Trust Beneficiary Rights”) (Note), as well as related expenses to the acquisition and some other expenses.

(Note) An overview of the acquisition of the Real Estate Trust Beneficiary Rights will be announced when the acquisition is decided.

(2) Description of the Borrowing

<Individual loan contract (loan period: approximately 6 years and 1 month)>

- | | | |
|--------|-----------------------------|--|
| (i) | Lenders: | Mizuho Corporate Bank, Ltd. (individual agent), Mizuho Trust & Banking Co., Ltd., Sumitomo Mitsui Banking Corporation, and The Bank of Tokyo-Mitsubishi UFJ, Ltd. |
| (ii) | Loan amount: | 4,500,000,000 yen |
| (iii) | Interest rate, etc.: | To be determined (floating interest rate) (Note 1 and 2) |
| (iv) | Scheduled drawdown date: | February 8, 2013 |
| (v) | Borrowing method: | Based on the basic agreement dated July 27, 2010 (as amended) entered into with the lenders stated in (i) above and other parties, and the individual loan contract (February 2013 / 6 years and 1 month) dated February 5, 2013 entered into with the lenders stated in (i) above. |
| (vi) | Interest payment dates: | The first interest payment shall be due on the last day of February 2013, and subsequent interest payments shall be due on the last day of each of February, May, August and November of every year thereafter, until the final interest payment on February 28, 2019 (If the concerned date is not a business day, then the business day immediately preceding the concerned date will be due date.). |
| (vii) | Principal repayment method: | Lump-sum repayment on principal repayment date |
| (viii) | Principal repayment date: | February 28, 2019 |
| (ix) | Security: | Unsecured and unguaranteed |

This translation is for informational purpose only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail.

(Note 1) The interest rate will be announced when determined.

(Note 2) An interest rate swap contract signed today will, in effect, fix the floating interest rate for the Borrowing at 0.89900% until the principal repayment date. For details on the interest rate swap contract, please refer to the press release entitled “Notice Concerning Interest Rate Swap Contract” which is separately issued today.

(3) Use of funds

(i) Specific use of funds

For acquisition of the Real Estate Trust Beneficiary Rights, as well as its related expenses and other expenses.

(ii) Schedule of expenditure

February 8, 2013

2. Status of loans, etc. after the Borrowing

(Unit: million yen)

	Before the Borrowing	After the Borrowing (Note 1)	Increase (Decrease)
Short-term loans	3,800	3,800	0
Current portion of long-term loans (to be repaid within one year or less)	15,342	15,342	0
Long-term loans	42,233	46,733	4,500
Subtotal	61,375	65,875	4,500
Interest-bearing security deposits (Note 2)	381	381	0
Total interest-bearing debt	61,757	66,257	4,500
Interest-bearing debt ratio (Note 3)	51.7%	53.4%	1.7 points

(Note 1) Each amount and the percentage in the “After the Borrowing” column are the estimated figures as of February 8, 2013 that are calculated based on the assumption that there will be no new borrowing, etc. through to February 8, 2013.

(Note 2) This is the security deposit received from Ito-Yokado Co., Ltd. The principal of such security deposit is being returned over 120 equal installments starting from November 30, 2005 with 2% per annum interest charged on the balance outstanding at the end of every month, after a deferment period of five years started from the store opening date (November 30, 2000) (no interest during the deferment period).

(Note 3) Interest-bearing debt ratio is calculated as follows:

“interest-bearing debt ratio” =

$$\frac{\text{“interest-bearing debt”}}{\text{“interest-bearing debt”} + \text{“unitholders’ capital”}} \times 100\%;$$

and rounded to the first decimal place. For “unitholders’ capital”, the unitholders’ capital as of the date of this document, which is 57,755,115,550 yen, is used.

(Note 4) Amounts are rounded down to the nearest specified unit.

3. Others

Concerning the risks associated with the Borrowing, there is no change from the “Investment Risks” stated in the semi-annual securities report submitted on December 26, 2012 that would have material negative impact to the Investment Corporation.

* Sekisui House SI Investment Corporation website: <http://www.shsi-reit.co.jp/eng/>