



June 27, 2016

For Immediate Release

Real Estate Investment Trust Securities Issuer:  
Comforia Residential REIT, Inc  
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(Code: 3282)

Asset Management Company:  
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### Notice Concerning Borrowing of Funds

Comforia Residential REIT, Inc (“Investment Corporation”) announces that it decided today to proceed with the borrowing of funds. Details are as follows:

#### 1. Description of New Borrowing

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

- |                              |   |  |
|------------------------------|---|--|
| ① Lender                     | : | Mizuho Bank, Ltd., The Bank of Tokyo Mitsubishi UFJ, Sumitomo Mitsui Banking Corporation.  |
| ② Loan amount                | : | 3,220 million yen  |
| ③ Interest rate              | : | Basic interest rate (JBA 1 month yen TIBOR) + 0.20% (Note)   |
| ④ Scheduled drawdown date    | : | June 30, 2016  |
| ⑤ Borrowing method           | : | Borrowing based on a loan agreement effective June 28, 2016, with the lender stated above.   |
| ⑥ Interest payment dates     | : | Interest payments will be made on July 29, 2016 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 method | : | Lump-sum repayment on principal repayment date   |
| ⑧ Principal repayment date   | : | June 30, 2017  |
| ⑨ Security                   | : | Unsecured and unguaranteed   |

(Note) 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/>).

#### 2. Reason for Borrowing

The Investment Corporation will appropriate the funds to acquire real estates (COMFORIA OJIMA and COMFORIA OMORI TROIS) as described in the press release titled “Notice Concerning Acquisition of Investment Assets (COMFORIA OJIMA, 2 other assets)” issued on June 23, 2016 and to pay the expenses related to the acquisition.

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

- (1) Amount of funds to be raised  
A total of 3,220 million yen
- (2) Specific use of funds to be raised  
Funds will be used to acquire the aforementioned real estate.
- (3) Time of disbursement  
June 30, 2016

4. Status of Borrowings and Investment Corporation Bonds after the Borrowing

(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)	9,050	9,050	-
Long-Term Loans (Note)	75,790	79,010	3,220
Total of Loans	84,840	88,060	3,220
Investment Corporation Bonds	3,000	3,000	-
Total of Loans and Investment Corporation Bonds	87,840	91,060	3,220
Other Interest-Bearing Debt	-	-	-
Total of Interest-Bearing Debt	87,840	91,060	3,220

(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 Investment Corporation: <http://comforia-reit.co.jp/english/>