

July 19, 2021

To All Concerned Parties

Investment Corporation  
 ESCON JAPAN REIT Investment Corporation  
 Representative: Satoshi Omori, Executive Director  
 (Securities Code: 2971)

Asset Manager  
 ES-CON ASSET MANAGEMENT Ltd.  
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Notice Concerning Debt Financing (Determination of Lenders and Borrowing Amount)

Regarding the new debt financing disclosed on July 9, 2021 in the press release “Notice Concerning Debt Financing”, ESCON JAPAN REIT Investment Corporation (hereinafter, “ESCON REIT”) announces today that details for the debt financing (hereinafter, the “Borrowings”) have been determined as described below.

1. Details of Borrowings

Details of Borrowings							
Term* <sup>1</sup>	Lenders	Borrowing amount (million yen)	Interest rate* <sup>2</sup>	Scheduled drawdown date	Maturity date* <sup>4</sup>	Repayment method* <sup>5</sup>	Remarks
Short-term borrowings	Mizuho Bank, Ltd.	354	Base rate* <sup>3</sup> +0.20%	August 3, 2021	The last day of July, 2022	Bullet repayment	Secured / Unguaranteed* <sup>6</sup>
Long-term borrowings	Mizuho Bank, Ltd.	1,092	Base rate* <sup>3</sup> +0.35%	August 3, 2021	The last day of July, 2025		
	The Bank of Yokohama, Ltd.	450					
	Sumitomo Mitsui Banking Corporation	400					
	Sumitomo Mitsui Trust Bank, Limited	400					
	The Aichi Bank, Ltd.	300					
	Resona Bank, Limited	250					
	The Minato Bank, Ltd.	200					
	Mizuho Trust & Banking Co., Ltd.	200	Base rate* <sup>3</sup> +0.45%	August 3, 2021	The last day of July, 2026		
	Sumitomo Mitsui Banking Corporation	500					
	Sumitomo Mitsui Trust Bank, Limited	400					
	MUFG Bank, Ltd.	400					
	The Yamaguchi Bank, Ltd.	400					

Disclaimer: This press release is prepared solely for the purpose of public disclosure concerning debt financing of ESCON REIT and does not constitute a solicitation for investment. Investors shall ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units prepared by ESCON REIT, including any amendments thereto, before making their investment decisions, which shall be made at their sole discretion and responsibility.

	Resona Bank, Limited	350					
	Mizuho Bank, Ltd.	337					
	The Hyakugo Bank, Ltd.	300					
	The Minato Bank, Ltd.	200					
	Mizuho Bank, Ltd.	737					
	The Chukyo Bank, Ltd.	500					
	AEON Bank, Ltd.	400					
	The Yamaguchi Bank, Ltd.	400	Base rate* <sup>3</sup> +0.50%	August 3, 2021	The last day of July, 2027		
	The Bank of Yokohama, Ltd.	350					
	The Minato Bank, Ltd.	300					
	MUFG Bank, Ltd.	200					

#### Notes

- \*1 “Short-term borrowings” refers to those with a maturity of one year or less from the drawdown date. “Long-term borrowings” refers to those with a maturity of more than one year from the drawdown date. The same shall apply hereafter.
- \*2 Loan fees and other charges to be paid to the above lenders are not included.
- \*3 “Base rate” refers to the three-month Japanese yen Tokyo Interbank Offered Rate (TIBOR) published by the Japanese Bankers Association (JBA) TIBOR Administration. The first interest payment date shall be the end of October 2021, and subsequent interest payment dates shall be the end of January, April, July and October of each year thereafter, and the principal repayment date (if any of the interest payment date is not a business day, payment will be made on the next business day; if such payment day falls in the next month, payment will be made on the immediately preceding business day). The base rate applied to the calculation period of each interest payment date is determined two business days prior to the drawdown date for the first payment, and then two business days before the interest payment date immediately before the interest calculation period. For the three-month Japanese yen TIBOR published by the JBA TIBOR Administration, please refer to the administration’s website at <http://www.jbatibor.or.jp/>.
- \*4 If the maturity date is not a business day, repayment will be made on the next business day; if such repayment day falls in the next month, repayment will be made on the immediately preceding business day.
- \*5 If certain requirements, such as advance notification in writing by ESCON REIT, are met during the period between the drawdown date and the maturity date indicated above, ESCON REIT is eligible to repay the borrowed amounts either in whole or in part prior to the date of maturity.
- \*6 Based on the basic agreement dated February 8, 2019, ESCON REIT will conclude an individual loan agreement with the above lenders effective until immediately after the closing of primary offering and third-party allotment to acquire eleven properties announced on July 9, 2021 in the press release “Notice Concerning Acquisition and Leasing of Real Estate Trust Beneficial Interest in Japan” (hereinafter, the “Assets to be Acquired”). In the individual loan agreement, a right of pledge will be established, with ESCON REIT as the pledger, on beneficiary rights already acquired and to be acquired by ESCON REIT, with some financial restrictions, such as maintaining certain financial indicator figures based on assets and liabilities.
- \*7 The Borrowings are subject to conclusion of an agreement related to loans where the lenders are reasonably content to the terms and conditions and fulfillment of the entire conditions precedent that are separately prescribed.

## 2. Reason for Borrowings

The funds will partially be used for the acquisition of the Assets to be Acquired\* and related expenses.

\* For a summary of the Assets to be Acquired, please refer to “Notice Concerning Acquisition and Leasing of Real Estate Trust Beneficial Interest in Japan” announced on July 9, 2021.

## 3. Total amount of loan proceeds, purpose of use and outlay date

### (1) Total amount of loan proceeds

9,420 million yen

### (2) Specific purpose of use of loan proceeds

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The funds will partially be used for the acquisition of the Assets to be Acquired and related expenses.

- (3) Scheduled outlay date  
August 3, 2021

4. Status of interest-bearing debt after Borrowings

(million yen)

	Before Borrowings	After Borrowings	Change
Short-term borrowings	-	354	+354
Long-term borrowings	24,430	33,496	+9,066
Total borrowings	24,430	33,850	+9,420
Investment corporation bonds	-	-	-
Total borrowings and investment corporation bonds	24,430	33,850	+9,420
Other interest-bearing debt	-	-	-
Total interest-bearing debt	24,430	33,850	+9,420

5. Other

The risks of the Borrowings are stated in the “Investment Risks” section in the Securities Registration Statement submitted on July 9, 2021.

\* Translation for reference purpose only. ESCON REIT has not published an English version of its Securities Registration Statement.

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