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FOR IMMEDIATE RELEASE

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Notice Concerning Borrowings of Funds

Activia Properties Inc. ("API") announces today that it decided to borrow funds (the "Borrowings"). Details are as follows:

I. Borrowing①

1. Details of the borrowing

< Long-term borrowing >

Lender	Loan amount	Interest rate	Drawdown date (plan)	Due date (Note 1)	Borrowing and repayment methods, security, and guarantee
Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Development Bank of Japan Inc.	4.1 Billion yen	To be determined (Fixed rate) (Note 2) (Note 3)	May 31, 2019	May 31, 2028	Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed

(Note 1) If the due date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.
(Note 2) Interest rate of the borrowing will be announced upon the determination.
(Note 3) The interest payment will be made on the last day of November 2019 and the last days of May and November in each year thereafter as well as on the due date of the principal. (If an interest payment date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.)

2. Reasons for the borrowing

API will use the borrowing to redeem a short-term borrowing of 4.1 billion yen which becomes mature on May 31, 2019 (the "Existing Short-term Borrowing①"). For the details of the Existing Short-term Borrowing①, please refer to "Notice Concerning Borrowings of Funds" released on December 25, 2018.

3. Amount, use and schedule of disbursement of funds to be raised

(1) Total amount
4.1 billion yen in total

(2) Specific purpose of use
Funds will be used to redeem the Existing Short-term Borrowing①

(3) Scheduled date of disbursement
May 31, 2019

II. Borrowing②

1. Details of the borrowing

< Short-term borrowing >

Lender	Loan amount	Interest rate	Drawdown date (plan)	Due date (Note 1)	Borrowing and repayment methods, security, and guarantee
Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. MUFG Bank, Ltd.	5 billion yen	0.13% +Base rate (Note 2)	June 3, 2019	June 3, 2020	Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed

(Note 1) If the due date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.

(Note 2) The interest payment will be made on the last day of June 2019 and the last day of each month except for the end of May 2020 thereafter as well as on the due date of the principal. (If an interest payment date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.)
The base rate applicable to the period for the calculation of the interest payable on an interest payment date is the JBA one-month Japanese Yen TIBOR as of a date two business days prior to the interest payment date immediately preceding each interest payment date. (For the first interest payment, it will be on the drawdown date.) However, if the base rate applicable to the calculation period doesn't exist, the base rate will be the one corresponding to the period that will be calculated based on a method provided in the agreement.
After this, API will not announce the interest rate decisions for the borrowing. For changes in the JBA Japanese Yen TIBOR, the base rate, please check the website of the JBA TIBOR Administration (http://www.jbatibor.or.jp/english).

2. Reasons for the borrowing

API will use the borrowing to redeem a short-term borrowing of 5 billion yen which becomes mature on June 3, 2019 (the "Existing Short-term Borrowing②"). For the details of the Existing Short-term Borrowing②, please refer to "Notice Concerning Borrowings of Funds" released on May 28, 2018.

3. Amount, use and schedule of disbursement of funds to be raised

(1) Total amount
5 billion yen in total

(2) Specific purpose of use
Funds will be used to redeem the Existing Short-term Borrowing②

(3) Scheduled date of disbursement
June 3, 2019

III. Borrowing③

1. Details of the borrowing

< Long-term borrowing >

Lender	Loan amount	Interest rate	Drawdown date (plan)	Due date (Note 1)	Borrowing and repayment methods, security, and guarantee
Development Bank of Japan Inc.	6 billion yen	To be determined (Fixed rate) (Note 2) (Note 3)	June 13, 2019	December 13, 2028	Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed

(Note 1) If the due date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.
(Note 2) Interest rate of the borrowing will be announced upon the determination.
(Note 3) The interest payment will be made on the last day of December 2019 and the last days of June and December in each year thereafter as well as on the due date of the principal. (If an interest payment date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.)

2. Reasons for the borrowing

API will use the borrowing to redeem a long-term borrowing of 6 billion yen which becomes mature on June 13, 2019 (the "Existing Long-term Borrowing"). For the details of the Existing Long-term Borrowing, please refer to "Notice Concerning Borrowing of Funds" released on June 13, 2012.

3. Amount, use and schedule of disbursement of funds to be raised

(1) Total amount
6 billion yen in total

(2) Specific purpose of use
Funds will be used to redeem the Existing Long-term Borrowing

(3) Scheduled date of disbursement
June 13, 2019

IV. Status of borrowings payable, etc. after the Borrowings

1. Interest-bearing debt balance after the Borrowings

(In millions of yen)

	Before the Borrowings (As of May 28, 2019)	After the Borrowings (As of June 13, 2019)	Change
Short-term borrowings (Note)	18,100	14,000	(4,100)
Long-term borrowings to be repaid within one year (Note)	20,400	14,400	(6,000)
Long-term borrowings (Note)	181,850	191,950	10,100
Total amount of borrowings	220,350	220,350	0
Investment corporation bonds to be redeemed within one year	6,000	6,000	0
Investment corporation bonds	8,000	8,000	0
Total amount of borrowings and investment corporation bonds	234,350	234,350	0
Other interest-bearing debt	0	0	0
Total interest-bearing debt	234,350	234,350	0

(Note) Short-term borrowings refer to borrowings with a maturity period of one year or less, and long-term borrowings refer to borrowings with a maturity period of more than one year. A short term borrowing to be repaid, to the same extent as the amount of, and simultaneously with, the borrowing described in "Ⅰ. Borrowing①" on May 31, 2019. As a result, the amount of short-term borrowings will decrease by 4.1 billion yen and the amount of long-term borrowings will increase by 4.1 billion yen. In addition, a short term borrowing will be repaid, to the same extent as the amount of, and simultaneously with, the borrowing described in "Ⅱ. Borrowing②" on June 3, 2019. As a result, the amount of short-term borrowings will not change. In addition, a long term borrowing to be repaid within one year will be repaid, to the same extent as the amount of, and simultaneously with, the borrowing described in "Ⅲ. Borrowing③" on June 13, 2019. As a result, the amount of long-term borrowings due within one year will decrease by 6 billion yen and the amount of long-term borrowings will increase by 6 billion yen. Consequently, the amount of short-term borrowings will decrease by 4.1 billion yen, the amount of long-term borrowings to be repaid within one year will decrease by 6 billion yen, and the amount of long-term borrowings will increase by 10.1 billion yen, after the Borrowings as shown on the above table.

2. Basic financing information after the Borrowings

	Before the Borrowings (As of May 28, 2019)	After the Borrowings (As of June 13, 2019)	Change (point)
Long-term borrowing ratio (Note 1) (Note 4)	92.3%	94.0%	1.7
Long-term borrowing ratio (excluding the long-term borrowings to be repaid and investment corporation bonds to be redeemed within one year) (Note 2) (Note 4)	81.0%	85.3%	4.3
Fixed interest ratio (Note 3) (Note 4)	87.2%	89.0%	1.7

(Note 1) Long-term borrowing ratio is the ratio of the outstanding long-term borrowings (including the portion of long-term borrowings to be repaid within one year) and investment corporation bonds (including the investment corporation bonds to be redeemed within one year) to the total of outstanding interest-bearing debt.

(Note 2) Long-term borrowing ratio (excluding the long-term borrowings to be repaid and investment corporation bonds to be redeemed within one year) is the ratio of the outstanding long-term borrowings (excluding the long-term borrowings to be repaid within one year) and investment corporation bonds (excluding the investment corporation bonds to be redeemed within one year) to the total of outstanding interest-bearing debt.

(Note 3) Fixed interest ratio is the ratio of the total of outstanding interest-bearing debt with fixed interest rates to the total of outstanding interest-bearing debt. The total of outstanding interest-bearing debt with fixed interest rates includes debts whose interest rates were converted into fixed interest rates by interest rate swap agreements.

(Note 4) Figures are rounded to the first decimal place.

V. Other

Regarding the risks related to the repayment of the Borrowings, there are no significant changes in the "Investment Risk" section of the securities report submitted on February 26, 2019.

*Website of API: https://www.activia-reit.co.jp/en/