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FOR IMMEDIATE RELEASE

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Notice Concerning Borrowing of Funds

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

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
Mizuho Trust & Banking Co., Ltd. Shinkin Central Bank	3 billion yen	To be determined (Fixed rate) (Note 2) (Note 3)	August 29, 2019	February 27, 2026	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 determination.
(Note 3) The interest payment will be made on the last day of February 2020 and the last days of February and August 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 3 billion yen which becomes mature on August 29, 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 August 26, 2014.

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

(1) Total amount
3 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
August 29, 2019

4. Status of borrowings payable, etc. after the Borrowing

(1) Interest-bearing debt balance after the Borrowing

(In millions of yen)

	Before the Borrowing (As of August 26, 2019)	After the Borrowing (As of August 29, 2019)	Change
Short-term borrowings (Note)	9,000	9,000	0
Long-term borrowings to be repaid within one year	10,300	7,300	(3,000)
Long-term borrowings (Note)	196,050	199,050	3,000
Total amount of borrowings	215,350	215,350	0
Investment corporation bonds to be redeemed within one year	6,000	6,000	0
Investment corporation bonds	13,000	13,000	0
Total amount of borrowings and investment corporation bonds	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.

(2) Basic financing information after the Borrowing

	Before the Borrowing (As of August 26, 2019)	After the Borrowing (As of August 29, 2019)	Change (point)
Long-term borrowing ratio (Note 1) (Note 4)	96.2%	96.2%	0
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)	89.2%	90.5%	1.3
Fixed interest ratio (Note 3) (Note 4)	91.1%	91.1%	0

(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.

5. Other

Regarding the risks related to the repayment of the Borrowing, 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/