SEKISUI HOUSE REIT, INC.

December 16, 2024

Real Estate Investment Trust Securities Issuer
Sekisui House Reit, Inc.
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(Securities Code: 3309)
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Notice Concerning Investment Units Buyback Program (Buyback Based on the Provisions of Article 80-5 of the Act on Investment Trusts and Investment Corporations)

Sekisui House Reit, Inc. ("SHR") hereby announces that at the Board of Directors Meeting held today, the investment units buyback program ("the Buyback") based on the provisions of Article 80-2 of the Act on Investment Trusts and Investment Corporations, which is applied by replacing the terms and phrases pursuant to the provisions of Article 80-5, Paragraph 2 of the said Act, has been resolved as described below. Moreover, all of the acquired investment units are scheduled to be cancelled during the fiscal period ending April 30, 2025 (21st Fiscal Period).

1. Reason for the Buyback

SHR recognizes that the price of its investment units continues to remain below the NAV (Net Asset Value) per unit (Note), which is relatively low compared to its historical performance.

Under such circumstances, SHR has sought to improve the profitability of its portfolio through the acquisition and disposition of assets. However, SHR's investment unit price remains below the NAV per unit as of current, and after comprehensively considering the cash on hand, financial condition, market environment, etc., SHR has determined that increasing the NAV per unit through the acquisition and cancellation of its own investment units and improving the distribution per unit ("DPU") will contribute to improving unitholder value, thus determined the Buyback.

In order to increase unitholder value, SHR will continue to improve the quality and profitability of its portfolio by acquiring and disposing assets, while closely monitoring the market environment and promptly considering the acquisition of own investment units.

(Note) NAV (Net Asset Value) per unit is calculated by subtracting the total amount of distributions from the net asset value on the balance sheet and dividing the amount reflecting unrealized gains and losses on assets held (the difference between the book value of real estate, etc. and the appraisal value, etc.) by the total number of investment units issued and outstanding. Moreover, the NAV per unit as of the end of the fiscal period ending October 30, 2024 (20th Fiscal Period) is 86,741 yen.

2. Details of the Matters Concerning the Buyback

(1) Planned total number of investment units to be acquired	Up to 35,000 units (0.8% of the total number of investment units issued and outstanding (excluding the number of the investment units owned by SHR))
(2) Planned total acquisition price of the investment units	Up to 2,000,000,000 yen
(3) Acquisition period	From December 17, 2024 to March 31, 2025

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

SHR will terminate the transaction regarding the Buyback when either the total number of acquired investment units or the total acquisition price of the investment units reaches the maximums mentioned above, or when the acquisition period ends. With respect to the planned total acquisition price of the investment units, the amount has been determined by considering the cash on hand, the LTV level following the Buyback, and the time needed to cancel the acquired investment units during the fiscal period ending April 30, 2025 (21st Fiscal Period).

(Note) Depending on SHR's investment unit price level, liquidity, market trends, etc., the total number of investment units to be acquired and total amount of acquisition price may not reach the maximums mentioned above, or there may be no acquisition at all.

3. Methods of the Buyback

SHR plans to enter into a discretionary transaction contract with a securities company and entrust the purchase of the investment units to be acquired via the Tokyo Stock Exchange.

In addition, after the completion of the Buyback, SHR plans to cancel all acquired own investment units during the fiscal period ending April 30, 2025 (21st Fiscal Period) upon the resolution of the Board of Directors of SHR.

4. Others

An extraordinary report has been submitted to Director-General of the Kanto Local Finance Bureau on December 16, 2024.

(Reference)

1. Number of Investment Units owned by SHR as of today

Total number of investment units issued and outstanding (excluding the number of investment units owned by SHR)	4,381,482 units
Number of investment units owned by SHR	0 units

2. Expected Impact on Forecasted DPU from the Buyback and cancellation ("the Acquisition, etc.") of Investment Units (Estimate)

	21st Fiscal Period (Fiscal period ending Apr. 2025)	22nd Fiscal Period (Fiscal period ending Oct. 2025)
(1) DPU forecasts (without considering the Acquisition, etc.) (Note 1)	2,320 yen	2,200 yen
(2) Adjusted DPU forecasts (considering the Acquisition, etc.) (Note 2)	2,332 yen	2,212 yen
(3) = (2)-(1) Impact on DPU forecasts from the Acquisition, etc. (Note 2)	+12 yen	+12 yen

(Note 1) "DPU forecasts (without considering the Acquisition, etc.)" are calculated based on the certain conditions as of today. The actual DPU amount may differ in accordance with changes in situation; additionally, this notice does not guarantee the DPU amount stated above. For details, please refer to the "Financial Report for the Fiscal Period Ended October 31, 2024" announced separately today.

(Note 2) "Adjusted DPU forecasts (considering the Acquisition, etc.)" are calculated under the premise of the DPU forecasts (without considering the Acquisition, etc.) as mentioned in (Note 1) above and based on the closing price of SHR's investment units on November 29, 2024, which was 73,100 yen, along with the assumption that the total number of investment units acquired is 27,359 units and all acquired own investment units are cancelled during the fiscal period ending April 30, 2025 (21st Fiscal Period). The actual "Adjusted DPU forecasts (considering the Acquisition, etc.)" and "Impact on DPU forecasts from the Acquisition, etc." may differ depending on the actual total number of investment units acquired and total acquisition price of the investment units, etc.

* Sekisui House Reit, Inc. website: https://sekisuihouse-reit.co.jp/en/

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