

June 27, 2019

To All Concerned Parties

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Notice Concerning Borrowing of Funds (New Borrowing and Refinancing)

CRE Logistics REIT, Inc. (hereinafter “CRE REIT”) announces its decision today to borrow funds (new borrowing and refinancing, hereinafter “the Borrowings”).

1. Details of the Borrowings

(1) New Borrowing

Category	Lender (Note 1)	Loan amount (million yen)	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Notes
Long-term loans payable	Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Development Bank of Japan Inc. Resona Bank, Limited. The Nishi-Nippon City Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	2,900 (Note 2)	Base rate (Note 3) +0.40%	July 16, 2019	Borrowing based on individual loan agreement dated July 11, 2019, with the lenders	July 31, 2023	Lump-sum repayment at maturity	Unsecured/unguaranteed
	Sumitomo Mitsui Banking Corporation	267 (Note 4)	Base rate (Note 5) +0.30%	July 16, 2019		July 31, 2020	Lump-sum repayment at maturity	Unsecured/unguaranteed
Total		3,167	—	—	—	—	—	—

(Note 1) The loan syndicate consists of the following lenders: Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Development Bank of Japan Inc., Resona Bank, Limited, The Nishi-Nippon City Bank, Ltd., and Sumitomo Mitsui Trust Bank, Limited. The arranger is Sumitomo Mitsui Banking Corporation.

(Note 2) The breakdown is not yet determined but will be announced once this is the case.

(Note 3) The base interest rate is the three-month Japanese yen TIBOR (quoted on a 365-day basis) published by the JBA TIBOR Administration at 11:00 am two business days prior to an immediately preceding interest payment date of each interest payment date (the first interest payment date is the drawdown date). However, when there is no interest rate corresponding to the period, the base interest rate will be calculated using the method stipulated in each loan agreement. Details on the JBA Japanese TIBOR can be checked via the administration’s website (<http://www.jbatibor.or.jp/english/>). Note that commissions and fees paid to the above lenders are not included. In addition, the base interest rate will effectively be fixed by concluding an interest rate swap agreement. Details of the agreement will be announced when it is concluded.

(Note 4) It is the estimated loan amount as of today’s date, and the ultimate loan amount will be determined before the loan is executed after taking into account the amount of the proceeds from the issuance of new investment units through public

offering stated in the “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” released today. The same applies hereafter.

(Note 5) The base interest rate is the one-month Japanese yen TIBOR (quoted on a 365-day basis) published by the JBA TIBOR Administration at 11:00 am two business days prior to an immediately preceding interest payment date of each interest payment date (the first interest payment date is the drawdown date). However, when there is no interest rate corresponding to the period, the base interest rate will be calculated using the method stipulated in each loan agreement. Details on the JBA Japanese TIBOR can be checked via the administration’s website (<http://www.jbatibor.or.jp/english/>). Note that commissions and fees paid to the above lenders are not included.

(2) Refinancing

Category	Lender (Note 1)	Loan amount (million yen)	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Notes
Long-term loans payable	Sumitomo Mitsui Banking Corporation	936	Base rate (Note 2) +0.30%	July 31, 2019	Borrowing based on individual loan agreement dated July 26, 2019, with the lenders	July 30, 2021	Lump-sum repayment at maturity	Unsecured/unguaranteed
	Mizuho Bank, Ltd.	785						
	MUFG Bank, Ltd.	785						
	Development Bank of Japan Inc.	250						
	Resona Bank, Limited.	499						
	The Nishi-Nippon City Bank, Ltd.	319						
	Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. MUFG Bank, Ltd. Development Bank of Japan Inc. Resona Bank, Limited. The Nishi-Nippon City Bank, Ltd.	3,105 (Note 3)	Base rate (Note 2) +0.45%	July 31, 2019	Borrowing based on individual loan agreement dated July 26, 2019, with the lenders	July 31, 2024	Lump-sum repayment at maturity	Unsecured/unguaranteed
	Total	6,679	—	—	—	—	—	—

(Note 1) The loan syndicate consists of the following lenders: Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., MUFG Bank, Ltd., Development Bank of Japan Inc., Resona Bank, Limited, and The Nishi-Nippon City Bank, Ltd. The arranger is Sumitomo Mitsui Banking Corporation.

(Note 2) The base interest rate is the three-month Japanese yen TIBOR (quoted on a 365-day basis) published by the JBA TIBOR Administration at 11:00 am two business days prior to an immediately preceding interest payment date of each interest payment date (the first interest payment date is the drawdown date). However, when there is no interest rate corresponding to the period, the base interest rate will be calculated using the method stipulated in each loan agreement. Details on the JBA Japanese TIBOR can be checked via the administration’s website (<http://www.jbatibor.or.jp/english/>). Note that commissions and fees paid to the above lenders are not included. In addition, the base interest rate will effectively be fixed by concluding an interest rate swap agreement. Details of the agreement will be announced when it is concluded.

(Note 3) The breakdown is not yet determined but will be announced once this is the case.

2. Reason for the Borrowings

(1) New Borrowing

The Borrowings are to provide for the acquisition funds and incidental expenses for two properties to be acquired (hereinafter “the property to be acquired”) stated in the “Notice Concerning Acquisition of Trust Beneficiary Rights to Real Estate in Japan and Loans” released today.

(2) Refinancing

The Borrowings are to fund the repayment of 6,680 million yen loans that will become due on July 31, 2019.

Category	Lender	Loan amount (million yen)	Drawdown date	Repayment date
Long-term loans payable	Sumitomo Mitsui Banking Corporation	1,200	July 27, 2016	July 31, 2019
	MUFG Bank, Ltd.	1,000		
	Mizuho Bank, Ltd.	1,000		
	Resona Bank, Limited.	500		
	The Nishi-Nippon City Bank, Ltd.	300		
	Sumitomo Mitsui Banking Corporation	586	April 2, 2018	July 31, 2019
	MUFG Bank, Ltd.	465		
	Mizuho Bank, Ltd.	465		
	Development Bank of Japan Inc.	465		
	Resona Bank, Limited.	419		
	The Nishi-Nippon City Bank, Ltd.	279		
Total		6,680	—	—

3. Amount, Use and Scheduled Disbursement Date of Funds

(1) New Borrowing

(i) Amount of funds to be procured: 3,167 million yen

(ii) Specific use of funds to be procured: Acquisition funds and incidental expenses for the property to be acquired

(iii) Scheduled disbursement date: July 16, 2019

(2) Refinancing

(i) Amount of funds to be procured: 6,679 million yen

(ii) Specific use of funds to be procured: Repayment of existing loans

(iii) Scheduled disbursement date: July 31, 2019

4. Status of Loans, etc. after the Borrowings

(Million yen)

	Before drawdown	After drawdown	Increase or decrease
Short-term loans payable	—	—	—
Long-term loans payable	23,820	26,986	3,166
Total loans	23,820	26,986	3,166
Investment corporation bonds	—	—	—
Total interest-bearing debt	23,820	26,986	3,166

(Note) Short-term loans payable are loans with a borrowing period of a year or less, and long-term loans payable are loans with a borrowing period of more than a year. Long-term loans payable include the current portion of loans payable.

5. Future Outlook

The impact of the Borrowings and repayment was reflected in the forecasts of performance for the fiscal periods ending December 2019 and June 2020, announced in the “Notice Concerning Revised Forecasts of

Performance for the Fiscal Period Ending December 2019 and Forecasts of Performance for the Fiscal Period Ending June 2020” released today.

6. Other Matters Necessary for Investors to Understand and Assess This Information Properly

The risks related to the Borrowings and repayments have not been changed significantly from those stated in “Part 2: Reference information, 2. Reference material: Supplementary information, (3) Investment risk” of the securities registration statement submitted today.

* CRE Logistic REIT, Inc. website: <https://cre-reit.co.jp/en/>