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For Immediate Release

REIT Issuer

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Asset Management Company

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Notice Concerning Borrowing of Funds

Starts Proceed Investment Corporation (“Starts Proceed”) announces that it decided at its Board of Directors meeting held today to conduct borrowing of funds. The details are as follows.

1. Details of Borrowings

	Term Loan S (Term: 1 year/ Floating interest rate)
Lender	Aozora Bank, Ltd. Resona Bank, Ltd. The Chiba Bank, Ltd. The Musashino Bank, Ltd. Mizuho Bank, Ltd. The Kagawa Bank, Ltd. Sumitomo Mitsui Banking Corporation ORIX Bank Corporation Sumitomo Mitsui Trust Bank, Limited
Loan Amount	3,700 million yen
Scheduled Drawdown Date	May 23, 2014
Principal Repayment Date	May 22, 2015
Interest rate (Note 1)	Base interest rate (JBA 1-month Japanese Yen TIBOR) +0.55%
Interest Payment Date	The first interest payment date shall be the last day of May 2014, and for subsequent payments, the last day of every month (however, in the event that one of these days is not a business day, the business day immediately preceding it) and the principal repayment date.
Borrowing Method	Loan agreements will be individually concluded for Term Loan S as of May 21, 2014 based on the basic loan agreement (hereinafter referred to as the “Basic Loan Agreement,” including subsequent revisions and additions of lenders (Note 2)) executed on November 19, 2009.
Principle Repayment Method	Lump - sum repayment on repayment date
Collateral	Collateralized
Guarantee	Unguaranteed

(Note 1) The base interest rate applicable to the calculation period for the interest payable on an interest payment date is the 1-month Japanese Yen TIBOR published by JBA two business days preceding the interest payment date immediately preceding each interest payment date (drawdown date for the first interest payment date). After this, Starts Proceed will not announce the interest rates for the concerned borrowings. For fluctuations in the

Japanese Yen TIBOR of JBA, the base interest rate, please check the website of JBA (<http://www.zenginkyo.or.jp/en/tibor/>).

(Note 2) For the details of the Basic Loan Agreement, please refer to the “Notice Concerning Borrowing of Funds and Repayment of Borrowings” dated November 18, 2009.

2. Reason and Purpose of Borrowings

Borrowings will be conducted to allocate funds for the repayment of Term Loan K ((E) long-term loans payable of 1,318 million yen from Aozora Bank, Ltd., Resona Bank, Ltd., Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, ORIX Bank Corporation, Sumitomo Mitsui Trust Bank, Limited, The Chiba Bank, Ltd. and The Musashino Bank, Ltd.) and Term Loan N (short-term loans payable of 2,393 million yen from Aozora Bank, Ltd., Resona Bank, Ltd., The Chiba Bank, Ltd., The Musashino Bank, Ltd., The Kagawa Bank, Ltd. and Mizuho Bank, Ltd.) maturing on May 23, 2014. The 11 million yen difference between the total amount of loans subject for repayment of 3,711 million yen will be repaid with cash on hand.

3. Status of Interest-Bearing Liabilities After Borrowing (as of May 23, 2014)

(Unit: million yen)

	Before Borrowing (Note 1)	After Borrowing (Note 1)	Change (Note 1)
Short-term loans payable	2,393	3,700	1,307
Current portion of long-term loans payable	5,975	4,657	(1,318)
long-term loans payable	14,730	14,730	-
Total loans	23,098	23,087	(11)
Current portion of investment corporation bonds	2,000	2,000	-
Total investment corporation bonds	2,000	2,000	-
Total interest-bearing liabilities	25,098	25,087	(11)
LTV ratio (%) (Note 2)	49.8	49.8	(0.0)

(Note 1) All amounts indicated in the above table are rounded down to the nearest million.

(Note 2) LTV ratio is calculated as follows, and rounded to the nearest one decimal place.

$$\text{LTV ratio} = \text{Interest-bearing liabilities} \div (\text{Interest-bearing liabilities} + \text{Unitholders' capital}) \times 100$$

The unitholders' capital is 25,318 million yen as of the date of this document.

4. Other

The risks associated with the repayment of borrowings, etc. do not change significantly from those detailed in “Investment Risks” in the periodic securities report (*yuka shoken hokokusho*) for the 16th fiscal period, which was submitted on January 29, 2014.

*Distribution: Kabuto Club, Ministry of Land, Infrastructure, Transport and Tourism Press Club, and Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications

*Start Proceed website: <http://www.sp-inv.co.jp/en/>