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For Immediate Release

REIT Issuer

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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. Reason and Purpose of Borrowings

Borrowing will be conducted to allocate funds for part of the acquisition and the related expenses of the specified assets (as defined in Paragraph 1 of Article 2 of the Act on Investment Trusts and Investment Corporations)^(Note) which are scheduled to be acquired on November 4, 2014.

(Note) For details of assets to be acquired, please refer to the press release “Notice Concerning Acquisition of Trust Beneficiary Interests in Domestic Real Estate and their Leases” dated October 10, 2014.

2. Details of Borrowings

	Term Loan U (Floating interest rate)
Lender	Resona Bank, Ltd. Aozora Bank, Ltd.
Loan Amount	5,200 million yen
Scheduled Drawdown Date	November 4, 2014
Principal Repayment Date	November 25, 2014
Interest Rate (Note 1)	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.3%
Interest Payment Date	Principal repayment date
Borrowing Method	Loan agreements will be individually concluded as of October 30, 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 applicable to the calculating of interest payable on the interest payment day is JBA 1-month Japanese Yen TIBOR two business days prior to the drawdown date.

•After this, Starts Proceed will not announce the determination of 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 TIBOR Administration (<http://www.jbatibor.or.jp/>).

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

3. Status of Interest-Bearing Liabilities After Borrowing (as of November 4, 2014)

(Unit: million yen)

	Before Borrowing (Note 1)	After Borrowing (Note 1)	Change (Note 1)
Short-term loans payable	5,700	10,900	5,200
Current portion of long-term loans payable	4,605	4,605	-
Long-term loans payable	14,651	14,651	-
Total loans	24,956	30,156	5,200
Investment corporation bonds	-	-	-
Total interest-bearing liabilities	24,956	30,156	5,200
LTV ratio (%) (Note 2)	49.6	50.1	0.4

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

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

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

The unitholders' capital is 25,318 million yen as of the date of this document for "before borrowing" and 30,096 million yen for "after borrowing" after adding 4,777 million yen which is to be procured on November 4, 2014 as described in the press release "Notice Concerning Determination on Prices and Other Items Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" dated October 21, 2014.

4. Future Outlook

The borrowings will have no impact on the management status of Starts Proceed for the fiscal period ending October 2014 (May 1, 2014 to October 31, 2014) announced in the Financial Report on June 13, 2014. Furthermore, no modification is made to the forecast of its financial results for the fiscal period ending April 2015 (November 1, 2014 to April 30, 2015) announced in the press release "Notice Concerning Revisions to Management Status Forecast and Distribution Forecast for the Fiscal Period Ending April 2015," dated October 10, 2014.

5. 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 latest fiscal period, which was submitted on October 10, 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/>