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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 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 Borrowing

Borrowing will be conducted to allocate funds for the repayment of borrowings of 12,960 million yen maturing on December 9, 2016.

2. Details of Borrowing

	Term Loan 2F	Term Loan 2G	Term Loan 2H
Lender	Resona Bank, Ltd Aozora Bank, Ltd. Mizuho Bank, Ltd. The Musashino Bank, Ltd. The Chiba Bank, Ltd. The Kagawa Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	Resona Bank, Ltd Aozora Bank, Ltd. Mizuho Bank, Ltd. The Musashino Bank, Ltd. The Chiba Bank, Ltd. The Kagawa Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	Resona Bank, Ltd Aozora Bank, Ltd. Mizuho Bank, Ltd. The Musashino Bank, Ltd. The Chiba Bank, Ltd. The Kagawa Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited
Loan Amount	4,320 million yen	4,320 million yen	4,320 million yen
Scheduled Drawdown Date	December 9, 2016	December 9, 2016	December 9, 2016
Principal Repayment Date	May 22, 2020	May 24, 2021	November 24, 2021
Interest Rate (Note 1)	Floating rate (Base interest rate (JBA 1-month Japanese Yen TIBOR) +0.26%)	Floating rate (Base interest rate (JBA 1-month Japanese Yen TIBOR) +0.29%)	Floating rate (Base interest rate (JBA 1-month Japanese Yen TIBOR) +0.32%)
Interest Payment Date	The first interest payment date shall be the last day of December 2016, and for subsequent payments, the last day of every month thereafter (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 as of December 7, 2016 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	Unsecured		
Guarantee	Unguaranteed		

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

	Term Loan D
Lender	Resona Bank, Ltd
Repayment Amount	12,960 million yen
Drawdown Date	November 21, 2016
Principal Repayment Date	December 9, 2016
Interest Rate	Floating rate (Base interest rate (JBA 1-month Japanese Yen TIBOR) +0.29%)

4. Status of Interest-Bearing Liabilities after Borrowing (as of November 21, 2016)

		(Unit: million yen)		
		Before Borrowing	After Borrowing	Change
	Short-term loans payable	12,960	-	(12,960)
	Current portion of long-term loans payable	8,224	8,224	-
	Long-term loans payable	21,596	34,556	12,960
Total loans		42,780	42,780	-
Investment corporation bonds		-	-	-
Total interest-bearing liabilities		42,780	42,780	-
LTV ratio (%) (Note 2)		50.3	50.3	-

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

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

The unitholders' capital is 42,230 million yen as of the date of this document.

4. Future Outlook

The borrowings will have no impact on the management status of Starts Proceed for the fiscal period ended October 2016 (May 1, 2016 to October 31, 2016) announced in the Financial Report on June 14, 2016. Furthermore, since the details of the borrowings have been factored in in “Notice Concerning Revisions to Management Status Forecast for the Fiscal Period Ending April 2017 and Forecast of Management Status for the Fiscal Period Ending October 2017” separately announced on November 4, 2016, there is no change to the revisions to management status forecast for the fiscal period ending April 2017 and forecast of management status for the fiscal period ending October 2017.

5. Other

The risks associated with the repayment of borrowings, etc. do not change significantly from those detailed in “Chapter 2. Reference Information No.2 Supplementary Information to Reference Document 3. Investment Risks” in the security registration statement (yuka shoken todokedesho) submitted on November 4, 2016.

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