

June 12, 2017

To All Concerned Parties

REIT Securities Issuer
3-8-11 Kudan Minami, Chiyoda-ku, Tokyo
Sakura Sogo REIT Investment Corporation
Representative: Makoto Muranaka,
Executive Director:
(Securities Code 3473)

Asset Management Company:
Sakura Real Estate Funds Management, Inc.
Representative: Makoto Muranaka,
Representative Director and
President
Inquiries: Mayumi Kobiki,
Chief Financial Officer
Tel:+81-3-6272-6608

Notice Concerning Early Repayment of Bank Loans

Sakura Sogo REIT Investment Corporation (hereinafter the "Investment Corporation") announces that it is scheduled to prepay a bank loan (hereinafter the "Prepayment"), as outlined below:

1. Details of the early repayment
 - (1) Repayment Amount: 1.9 billion yen
 - (2) Original Repayment Date: August 31, 2017
 - (3) Revised Repayment Date: June 30, 2017
 - (4) Source of Funds for Repayment: Operating cash including consumption tax refund relating to the properties acquired on September 9, 2016

2. Details of the Bank Loans to be Repaid

Lender	Borrowing Amount	Borrowing Date	Repayment Method/Collateral
Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited			
Tranche F	1.0 billion yen	September 9, 2016	Paid in full / Unsecured and non-guaranteed
Tranche G	0.9 billion yen		

3. Loans Status after the Prepayment

(Unit: million yen)

	Before the Prepayment	After the Prepayment	Increase (Decrease)
Short-Term Loans (Note)	8,900	7,000	(1,900)
Long-Term Loans (Note)	22,000	22,000	-
Total Loans	30,900	29,000	(1,900)
Investment Corporation bonds	-	-	-
Total Interest-bearing liabilities	30,900	29,000	(1,900)

(Note) Short-term loans refer to loans with a maturity period of one year or less from today, and long-term loans refer to loans with a maturity period of more than one year from today.

4. Future Outlook

The financial impact of this early loan repayment is immaterial and the Investment Corporation makes no change in the future outlook of earnings or distribution forecasts for the fiscal period ending August 31, 2017 (from March 1, 2017 to August 31, 2017) and the fiscal period ending February 28, 2018 (from September 1, 2017 to February 28, 2018) disclosed in “Summary of Financial Results (REIT) for the 1st Fiscal Period Ending February 28, 2017” dated April 13, 2017. The ratio of interest-bearing liabilities to total assets (LTV) for the fiscal period ending February 28, 2017 (1st period) was 48.0%. Restated to reflect the repayment of these loans the LTV decreases to 46.0%.

Sakura Sogo REIT Investment Corporation website address: <http://sakurasogoreit.com/en/>