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To All Concerned Parties

Real Estate Investment Trust Securities Issuer
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Notice Concerning Formulation of Green Finance Framework and Acquisition of Its Evaluation
and Borrowing of Funds Based on the Framework (Refinancing with Green Loan)

marimo Regional Revitalization REIT, Inc. (“marimo REIT”) announces today the formulation of the green finance framework (the “Framework”), the acquisition of a third-party evaluation for the Framework, and marimo REIT’s decision on borrowing of funds based on the Framework (the “Borrowing”) for the purpose of refinancing existing loans as described below.

1. Purpose and Background of the Framework Formulation

marimo REIT and Marimo Asset Management Co., Ltd. (the “Asset Manager”), to which marimo REIT entrusts management of its assets, recognize that addressing environmental, social, and governance (collectively, the “ESG”) issues is an important issue that will have a significant impact on management and business as a whole and that initiatives to promote a sustainable society will contribute to the sustainable growth of marimo REIT.

The Asset Manager formulated the Sustainability Policy in December 2023 and has been pursuing a series of activities related to ESG, including environmental burden mitigation and considerations to unitholders and other stakeholders. In addition, marimo REIT considers that appropriately disclosing such initiatives and establishing relationships of trust with unitholders and other stakeholders will lead to its medium- to long-term growth.

Under such policy, marimo REIT believes that implementing green bonds and green loans (“Green Finance”) will not only lead to a stronger fund procurement foundation through expansion of fundraising from investors who are interested in ESG investment but also contribute to the expansion of the ESG investment market. As a basic policy for implementing Green Finance, marimo REIT has therefore formulated the Framework.



2. Overview of the Framework

(1) Use of Procured Funds

1) Eligible projects for investments

Funds procured through Green Finance based on the Framework will be allocated to acquisition of green buildings that satisfy the following eligibility criteria, refinancing of such funds, or renovation work.

2) Eligibility Criteria

Funds procured through green bonds or green loans will be allocated to acquisition of green buildings that satisfy the following eligibility criteria, refinancing of such funds, or renovation work.

(i) Eligibility standards for green building certification

Properties that have obtained or will obtain one of the following certifications

- S rank to B+ rank of CASBEE Certification for Buildings and CASBEE Certification for Real Estate
- 5-star to 3-star of DBJ Green Building Certification
- 5-star to 3-star of BELS Certification (fiscal 2016 standards)
- *Excluding logistics facilities exceeding BEI = 0.75
- The following levels of BELS Certification (fiscal 2024 standards)

Non-residential buildings: level 6 to level 4

Residential buildings with renewable energy facilities: level 6 to level 3

Residential buildings without renewable energy facilities: level 4 to level 3

(ii) Renovation work

Renovation work that satisfies one of the following.

- Renovation work at a structure that obtained or will obtain one of the eligibility criteria certifications (i) to improve one or more stars, levels, or ranks of the certification
- Renovation work capable of reducing energy consumption, greenhouse gas emission, or water consumption by 30% or more

(2) Project selection process

1) Parties engaged in project selection

Projects for which procured funds will be used shall be reviewed for compliance with the eligibility criteria by the person(s) in charge at the Financial Management Department of the Asset Manager and selected upon internal approval, with the Financial Management Officer as the final decision maker.

2) Project selection process

After a draft for fund procurement through Green Finance to be used for a target project is proposed by the Financial Management Department of the Asset Manager, resolutions will be made at each of the following meetings.

- Investment Management Committee of the Asset Manager
- Board of Directors of the Asset Manager
- Board of Directors of marimo REIT

(3) Fund management methods

1) Plan for allocating procured funds

Funds procured through Green Finance will be promptly allocated to funds for (or renovation work of) properties satisfying eligibility criteria or refinancing of such funds. Until funds are allocated, they will be managed as cash or cash equivalents.

2) Management method for tracking procured funds

Procured funds are managed individually at the Financial Management Department, with their use, repayment date, balance, etc. prepared in an Excel file, so an operational structure that enables checking and tracking of deposit and withdrawal status is employed. Tracking is managed by the Financial Management Department, which is approved under an internal system, with the Financial Management Officer as the final decision maker.

3) Management method for unallocated funds

Until allocation of procured funds is decided, procured funds are managed as cash or cash equivalents. Even after all amounts are allocated, if funds will no longer be used for assets due to sale or impairment, etc. of said assets before redemption of the bonds subject to evaluation, the unallocated funds that temporarily arise will be allocated to acquisition funds of other property that satisfies eligibility criteria, repayment, or refinancing of such funds.

(4) Reporting

1) Disclosure status regarding allocation status of funds

The following information will be disclosed each fiscal period on marimo REIT's website.

- Green Finance balance and allocation status of funds
- Balance, custody method, and allocation plan to eligibility criteria when there is a fund not being allocated at the time of green bonds issuance and green loan execution

2) Disclosure status regarding impact reporting

The following information will be disclosed annually on marimo REIT's website.

(i) Green building

Number and type of environmental certifications and rank of acquired assets

(ii) Renovation work

- (a) Type of environmental certifications before and after execution of renovation work and change of certification level
- (b) Estimated reduction rate (%) of energy consumption, greenhouse gas emissions, or water consumption through implementation of renovation work, etc.

3. Evaluation of External Organizations Concerning the Framework

marimo REIT obtained Green 1 (F), the highest rank of the Green Finance Framework Evaluation, from Japan Credit Rating Agency, Ltd. as a third-party evaluation for the Framework. For details of Green Finance Framework Evaluation, please refer to the following website.

JCR Green Finance Framework Evaluation: <https://www.jcr.co.jp/en/greenfinance/green/>

4. Details of the Borrowing

Long-term loan (Tranche 14)(green loan)(Note 5)

1)	Lender	Loan syndicate with Sumitomo Mitsui Banking Corporation as arranger ^(Note 1)
2)	Loan amount	2,015 million yen
3)	Interest rate ^(Note 2)	Base rate (JBA 3-month Japanese Yen TIBOR) ^(Note 3) + 0.75% (floating rate)
4)	Drawdown date	August 1, 2024
5)	Borrowing method	Borrowing based on individual term loan agreement scheduled to be concluded with the lenders shown above on July 30, 2024
6)	Maturity date	August 1, 2029
7)	Principle repayment method	Lump-sum repayment at maturity
8)	Interest payment	The first interest payment date shall be November 1, 2024, and subsequent interest payment dates shall be the 1st of every third calendar month thereafter as well as the maturity date ^(Note 4)
9)	Security	Unsecured and unguaranteed

(Note 1) The loan syndicate will consist of Sumitomo Mitsui Banking Corporation, The Hiroshima Bank, Ltd., Sumitomo Mitsui Trust Bank, Ltd., Resona Bank, Ltd., Aozora Bank, Ltd., SBI Shinsei Bank, Limited, The Chugoku Bank, Limited and San ju San Bank, Ltd.

(Note 2) Not including borrowing expenses, etc. payable to the lender.

(Note 3) The base rate applicable to the calculation period for the interest payable on each interest payment date shall be decided two business days prior to each interest payment date (the drawdown date in the case of the first interest calculation period). For the JBA Japanese Yen TIBOR, please check the website of JBA TIBOR Administration (<http://www.jbatibor.or.jp/english/>). If the JBA 3-month Japanese Yen TIBOR falls below 0%, then the base rate shall be 0%.

(Note 4) If the concerned date is not a business day, then it shall be the next business day, but if that next business day falls on the next calendar month, then it shall be the business day preceding the concerned date.

(Note 5) The loan will be allocated to the refinancing of the acquisition funds of a green building satisfying eligibility criteria based on the green finance framework formulated by marimo REIT as of July 26, 2024.

5. Reason for the Borrowing

The funds procured through the Borrowing will be allocated to the refinancing of the acquisition funds of Artiza Sendai Kakyoin and Artiza Hakata PREMIER, specified assets that satisfy the eligibility criteria set forth in the green finance framework formulated as of July 26, 2024. Summaries of the loans for which repayment will be made are as follows.

Long-term loan (Tranche 4-B)

1)	Lender	Loan syndicate with Sumitomo Mitsui Banking Corporation as arranger ^(Note 1)
2)	Balance	2,015 million yen
3)	Planned repayment date	August 1, 2024
4)	Drawdown date	August 1, 2019
5)	Repayment date	August 1, 2024

(Note 1) The loan syndicate will consist of Sumitomo Mitsui Banking Corporation, The Hiroshima Bank, Ltd., Sumitomo Mitsui Trust Bank, Ltd., SBI Shinsei Bank, Limited (trade name at the time of borrowing: Shinsei Bank, Limited), San ju San Bank, Ltd. (trade name at the time of borrowing: The Mie Bank, Ltd.), Resona Bank, Ltd., Chugoku Bank, Ltd. and Aozora Bank, Ltd.

(Note 2) For details of long-term loan, please refer to "Notice Concerning Borrowing of Funds (Refinancing)" as of July 23, 2019.

6. Amount, Use, and Planned Outlay Schedule of Funds to Be Procured

(1) Amount of funds to be procured

2,015 million yen

(2) Specific use of funds to be procured

It will be allocated to the repayment funds of long-term loan indicated in above 5.

(3) Planned outlay schedule

August 1, 2024

7. Status of Loans, Etc. After the Borrowing

(Unit: million yen)

	Before the Borrowing, etc.	After the Borrowing, etc.	Increase (Decrease)
Short-term loans	1,000	1,000	-
Long-term loans	26,820	26,820	-
Total loans	27,820	27,820	-
Investment corporation bonds	-	-	-
Total loans and investment corporation bonds	27,820	27,820	-
Other interest-bearing liabilities	-	-	-
Total interest-bearing liabilities	27,820	27,820	-

(Note 1) "Borrowing, etc." collectively refers to the Borrowing and the refinancing of an existing loan, which will allocate funds procured through the Borrowing, scheduled to take place on August 1, 2024.

(Note 2) Amounts are rounded down to the nearest specified unit.

8. Future Outlook

The impact of the Borrowing on marimo REIT's management status is minimal, and there is no change to the operating forecasts announced in "Notice Concerning Revision of Operating and Dividend Forecasts for the Fiscal Period Ending June 2024 and the Fiscal Period Ending December 2024" dated March 29, 2024.

9. Other Matters Necessary for Investors to Properly Understand and Determine the Information

Concerning the risks associated with the Borrowing, there is no material change from the content of "Investment Risks" in the securities report submitted on March 28, 2024.

* Website of marimo REIT: <https://www.marimo-reit.co.jp/en/>