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**LOAN FROM KUMAMOTO DAI-ICHI SHINKIN BANK**

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The Board of Directors of Japan Residential Assets Manager Limited, the manager (“**Manager**”) of Saizen Real Estate Investment Trust (“**Saizen REIT**”), wishes to announce that Godo Kaisha (“**GK**”) Gyokou, a new TK operator of Saizen REIT, has entered into an agreement (the “**Loan Agreement**”) for a JPY 500 million (S\$7.5 million<sup>1</sup>) loan (the “**Loan**”) from a Japanese financial institution, the Kumamoto Dai-ichi Shinkin Bank on 20 April 2011.

The Loan Agreement is for a term of almost 20 years up to 10 March 2031. The Loan has an amortisation feature with JPY 25.2 million (S\$0.4 million) of principal repayment per annum. The Loan carries a variable annual interest rate based on the lender’s short-term prime interest rate. The prevailing interest rate is 3.5% per annum.

Three properties<sup>2</sup> held by GK Gyokou, which were valued at an aggregate of JPY 1.1 billion (S\$16.5 million) based on valuations as at 30 June 2010, are pledged as security for the Loan.

The proceeds from the Loan will be deployed towards the repayment of the loan of YK Shintoku, which is another TK operator of Saizen REIT.

The Management Team is pleased that, despite the recent uncertainties in Japan after the earthquake in March 2011, Saizen REIT is able to establish a new banking relationship. The Management Team intends to continue its efforts on diversifying Saizen REIT’s sources of financing and working towards obtaining new loans with existing and new lenders.

None of the Directors or controlling shareholders of the Manager, or the Manager, the Trustee or controlling unitholder of Saizen REIT, as the case may be, has any interest, direct or indirect, in the above-mentioned loan transaction with the Kumamoto Dai-ichi Shinkin Bank.

By Order of the Board  
Japan Residential Assets Manager Limited  
(Company Registration No. 200712125H)  
As Manager of Saizen Real Estate Investment Trust

Chang Sean Pey (Mr.)  
Co-Chief Executive Officer  
20 April 2011

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<sup>1</sup> Based on an exchange rate of S\$1.00 to JPY 66.8 as at 20 April 2011, which is applied throughout this announcement.

<sup>2</sup> These three properties, namely EMYU Heisei Keyakidori Mansion, Rise Fujisaki Dai and Rise Kumamoto Station South, were previously held by YK Shingen, another TK operator of Saizen REIT, and were transferred to GK Gyokou for the purpose of securing the Loan.

## **Important Notice**

The value of units of Saizen REIT (“**Units**”) and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of Saizen REIT (the “**Unitholders**”) may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This publication is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Saizen is not necessarily indicative of the future performance of Saizen REIT.