
NEW LOAN FROM THE HIROSHIMASHI CREDIT COOPERATIVE

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**”) Gyosei, one of the TK operators of Saizen REIT, has entered into an agreement (the “**Loan Agreement**”) for a JPY 140.0 million (S\$2.3 million¹) loan (the “**Loan**”) from the Hiroshimashi Credit Cooperative (the “**HCC**”) on 14 October 2011.

The Loan Agreement is for a term of 30 years up to 30 September 2041. The Loan has an amortisation feature with approximately JPY 4.7 million (S\$0.1 million) of principal repayment per annum. The Loan carries a variable annual interest rate based on the lender’s long-term prime interest rate. The prevailing interest rate is 2.5% per annum.

The property Matoba Meijibashi II, which was valued at JPY 276.0 million (S\$4.6 million) based on its valuation as at 30 June 2011, has been pledged as security for the Loan.

The proceeds from the Loan may be deployed towards Saizen REIT’s working capital and/or for property acquisitions. GK Gyosei had previously obtained a JPY 76.0 million (S\$1.3 million) loan from HCC in August 2011. The Management Team is pleased that Saizen REIT is able to build on, and strengthen, its banking relationship with HCC.

None of the Directors or controlling shareholders of the Manager, or the Manager, HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee for Saizen REIT) 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 HCC.

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

Linus Koh (Mr.)
Co-Chief Executive Officer
14 October 2011

¹ Based on an exchange rate of S\$1.00 to JPY 60.44 as at 13 October 2011, which is applied throughout this announcement.

Important Notice

The value of units in 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 may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (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 REIT is not necessarily indicative of the future performance of Saizen REIT.