

Information Memorandum

As of August 1, 2019

Investment Property Loan

Eligibility	<ul style="list-style-type: none">• Applicants must be at least 20 years old, and before or on 80-year-old birthday at the time of final repayment.• Applicants must be eligible for group credit life insurance.• Applicants must be citizens or residents of Japan.• Applicants must have a stable source of income and annual income must be over 7 million yen.<ul style="list-style-type: none">* All legal documents, including terms and conditions, are in Japanese.* English translations may be provided as a reference guide only.																																																											
Areas for which loans are available	<table><tr><td>Tokyo</td><td>Kanagawa</td><td>Saitama</td><td>Chiba</td></tr></table> <ul style="list-style-type: none">* As of September 28, 2016* The above areas are subject to change without notice at any time.						Tokyo	Kanagawa	Saitama	Chiba																																																		
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Currency	<ul style="list-style-type: none">• Japanese yen																																																											
Use of funds	<ul style="list-style-type: none">• Funds for the purchase or construction of investment property (including the refinance of investment property loans from other banks or companies).																																																											
Borrowing amount	<ul style="list-style-type: none">• Between 5 million yen and 100 million yen (in increments of 100,000 yen). The loan amount must be less than or equal to 80% of the purchase price or the assessed value of the collateral (as established by SMBC Trust Bank), whichever is lower.• In case of property purchase, property price must be equal to or more than 10 million yen.<ul style="list-style-type: none">* Please note that loan to value ratio will depend on annual income, property and other factors.																																																											
Loan term	<ul style="list-style-type: none">• 1 to 30 years																																																											
Interest rate terms	<ul style="list-style-type: none">• Fixed-rate loans of 1 year, 3 years, 5 years, 7 years or 10 years.• Interest rates will be based on the investment property loan base interest rate for the interest rate term (1, 3, 5, 7 and 10 years). For more information about interest rates, please visit your nearest SMBC Trust Bank branch, or call our dedicated Loan Promotion Dept. at 0120-004-847.																																																											
Initial interest rate change date	<ul style="list-style-type: none">• The initial interest rate change date will vary according to the loan date and bonus repayment month you have selected.• The new interest rate will be applied from the day following the day that the interest rate changes. <p>Re-price date for customers who do not select increased bonus repayments, or customers who select December and June for increased bonus repayments.</p> <table><tr><td>Interest rate term</td><td>1 year term</td><td>3 year term</td><td>5 year term</td><td>7 year term</td><td>10 year term</td></tr><tr><td>Borrowing by Aug 31</td><td>Dec 26 in current year</td><td>Dec 26 in 2 years</td><td>Dec 26 in 4 years</td><td>Dec 26 in 6 years</td><td>Dec 26 in 9 years</td></tr><tr><td>Borrowing on Sept 1 or thereafter</td><td>Dec 26 in 1 year</td><td>Dec 26 in 3 years</td><td>Dec 26 in 5 years</td><td>Dec 26 in 7 years</td><td>Dec 26 in 10 years</td></tr></table> <p>Re-price date for customers who select January and July for increased bonus repayments</p> <table><tr><td>Interest rate term</td><td>1 year term</td><td>3 year term</td><td>5 year term</td><td>7 year term</td><td>10 year term</td></tr><tr><td>Borrowing by Aug 31</td><td>Jan 26 in 1 year</td><td>Jan 26 in 3 years</td><td>Jan 26 in 5 years</td><td>Jan 26 in 7 years</td><td>Jan 26 in 10 years</td></tr><tr><td>Borrowing on Sept 1 or thereafter</td><td>Jan 26 in 2 years</td><td>Jan 26 in 4 years</td><td>Jan 26 in 6 years</td><td>Jan 26 in 8 years</td><td>Jan 26 in 11 years</td></tr></table> <p>Re-price date for customers who select February and August for increased bonus repayments</p> <table><tr><td>Interest rate term</td><td>1 year term</td><td>3 year term</td><td>5 year term</td><td>7 year term</td><td>10 year term</td></tr><tr><td>Borrowing by Aug 31</td><td>Feb 26 in 1 year</td><td>Feb 26 in 3 years</td><td>Feb 26 in 5 years</td><td>Feb 26 in 7 years</td><td>Feb 26 in 10 years</td></tr><tr><td>Borrowing on Sept 1 or thereafter</td><td>Feb 26 in 2 years</td><td>Feb 26 in 4 years</td><td>Feb 26 in 6 years</td><td>Feb 26 in 8 years</td><td>Feb 26 in 11 years</td></tr></table>						Interest rate term	1 year term	3 year term	5 year term	7 year term	10 year term	Borrowing by Aug 31	Dec 26 in current year	Dec 26 in 2 years	Dec 26 in 4 years	Dec 26 in 6 years	Dec 26 in 9 years	Borrowing on Sept 1 or thereafter	Dec 26 in 1 year	Dec 26 in 3 years	Dec 26 in 5 years	Dec 26 in 7 years	Dec 26 in 10 years	Interest rate term	1 year term	3 year term	5 year term	7 year term	10 year term	Borrowing by Aug 31	Jan 26 in 1 year	Jan 26 in 3 years	Jan 26 in 5 years	Jan 26 in 7 years	Jan 26 in 10 years	Borrowing on Sept 1 or thereafter	Jan 26 in 2 years	Jan 26 in 4 years	Jan 26 in 6 years	Jan 26 in 8 years	Jan 26 in 11 years	Interest rate term	1 year term	3 year term	5 year term	7 year term	10 year term	Borrowing by Aug 31	Feb 26 in 1 year	Feb 26 in 3 years	Feb 26 in 5 years	Feb 26 in 7 years	Feb 26 in 10 years	Borrowing on Sept 1 or thereafter	Feb 26 in 2 years	Feb 26 in 4 years	Feb 26 in 6 years	Feb 26 in 8 years	Feb 26 in 11 years
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Interest rate change rules after the initial applicable interest rate period ends		<ul style="list-style-type: none"> • After the initial interest rate period ends the interest rate for the fixed rate (1-year) loan will apply. This rate is based on the Investment Property Loan base rate as of the first of the month preceding each interest rate change. For example, if the interest rate change date is in December, the interest rate as of November 1st applies (or, alternatively, the next business day when this date falls on a bank holiday). • By applying during the period specified by SMBC Trust Bank, you can select an investment property loan with a fixed-rate for 3, 5, 7 or 10 years (called a “fixed rate reselection”). However, there is a fee for making this selection. Customers who choose 3, 5, 7 or 10-year fixed-rates will receive the investment property loan base interest rate for the applicable interest rate term. If you do not apply during the application period, your loan will be a fixed-rate loan (1-year) that is subject to review every year. • The Application period for fixed rate reselection. From the 8th day of the month preceding each interest rate change date to the 12th day of the month of the change date (by 4:30 p.m. by phone, by 3:00 p.m. at branches). *If the last day of the period falls on a bank holiday, the following business day applies. • The amount of repayment (total amount of interest and principal), and the interest rate will be revised according to the interest rate term you select. • You cannot change to another interest rate term during the period when a particular interest rate applies. • The change date for the fixed rate reselection will be December 26 of the year selected. For customers who select January and July for increased bonus repayments the date will be Jan 26 of the next year. For customers who select February and August for increased bonus repayments the date will be February 26 of the following year. If this date falls on a bank holiday, the following business day applies.
Repayment method	Scheduled payments	<ul style="list-style-type: none"> • Equal repayments of principal and interest. Payments will automatically be deducted from the repayment account on the 26th of each month (on the following business day if this date falls on a bank holiday). Repayment amounts (total of principal and interest), will be fixed until the loan interest rate changes. • Customers can make semiannual repayments in addition to monthly repayments. June and December, July and January, or August and February can be selected as the months for bonus time repayments. • A maximum of 50% of the loan amount can be repaid at bonus time.
	Early repayments	<p><Partial early repayments></p> <ul style="list-style-type: none"> • Reduced period type: Repayments can be made by phone, at branches (excluding mini branches), or by mail. • Repayment amount mitigation type: Repayments can be made at branches (excluding mini branches) or by mail only. (Repayments cannot be made by phone.) <p><Full advance repayments></p> <ul style="list-style-type: none"> • Full advance repayments can be made at branches (excluding mini branches), or through the mail. <p>* See the following section for details about fees.</p>
Security		<ul style="list-style-type: none"> • Customers will create a first mortgage on purchased or newly-built real estate, or on real estate which is subject to refinancing. (You will be charged separate fees for setting collateral.) • As a rule, fire insurance must be purchased for property. (The borrower must bear the cost of insurance premiums.)
Guarantor		<ul style="list-style-type: none"> • Not required.
Credit guarantee fees or surety fees		<ul style="list-style-type: none"> • Not required.
Group credit life insurance		<ul style="list-style-type: none"> • The borrower is required to enroll in the group credit life insurance policy specified by SMBC Trust Bank. (SMBC Trust Bank will bear the cost of the insurance premiums.) • The maximum amount covered by the group credit life insurance is 100 million yen (including disability coverage).

Fees	Administrative fees at time of loan	<ul style="list-style-type: none"> • 150,000yen (excluding tax) for new loans * The borrower must bear all associated costs, including revenue stamps, registration fees, etc.
	Fees for partial early repayment	By phone: Free of charge *Reduced period type only. In writing or at the counter: (excluding mini branches) or through the mail: 5,000 yen (excluding tax) will be charged for each payment.* Reduced period type and repayment amount mitigation type.
	Fees for full early repayment	<ul style="list-style-type: none"> • Only at branches (excluding mini branches) and through the mail: 1.0% of outstanding balance (excluding tax)
	Other fees	<ul style="list-style-type: none"> • Fees for fixed rate reselection: 5,000 yen (excluding tax)
Branches and contact information		<ul style="list-style-type: none"> • Branches and mini branches of SMBC Trust Bank Ltd.(belonging to the PRESTIA) that are set up to handle said transactions. Please note that certain branches and mini branches do not handle cash or check transactions. * For more information, please visit our branches, mini branches, or call our dedicated Loan Promotion Dept. at 0120-004-847.
SMBC Trust Bank uses the following Designated Dispute Resolution Organization:		Japanese Bankers Association Contact: Japanese Bankers Association Service Desk Phone: 0570-017109 or 03-5252-3772
Other matters that might be of importance:		<ul style="list-style-type: none"> • Loans cannot be combined with loans from other banks or companies. • Staff at our branches and Loan Promotion Dept. would be glad to calculate sample investment property loan repayment scenarios. Please feel free to ask. • Please be aware that the decision to extend the loan is based on screening of applications. We may not always be able to meet your request.

SMBC Trust Bank Ltd.