

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

RTL Mortgage Super Senior Note

<Assignment>
Note: Preliminary AA-

Rationale

This is an investment project through Churchill Real Estate SPC for loans collateralized by residential properties, land, etc. in the U.S. ("real estate collateralized loan"), for which JCR has assigned a rating to the maximum issue amount of the Note to be issued by Churchill Real Estate SPC.

The super senior loan that is collateralized by the real estate collateralized loan to be made to the loan originator SPV is to be managed by Churchill Investment Management LLC as the Investment Manager. As Churchill Investment Management LLC has a good track record of management and appropriate management system, JCR assumes that it will appropriately manage the super senior loan.

As a result of stress tests, JCR judged that the Note has sufficient tolerance against fall of the real property price for the principal redemption thanks to the conservative LTV level.

Based on the above, JCR assigned a preliminary AA- rating to the maximum issue amount of the Note.

Kiichi Sugiura, Naoki Okada

Rating

<Assignment>

Instrument Name	Maximum Issue Amount	Scheduled Final Amortization Date	Coupon	Preliminary Rating
RTL Note Series SS	USD 2 bn	(*)	Based on Performance	AA-

(*) Date when 4 years have passed from the issue (however, the amortization period can be extended for additional 6 months by agreement)

<Information on Outline of Issue>

Issue Date: March 31, 2020 (Scheduled)
Maturity Date: Date when 3 years have passed from the issue
Final Redemption Date: Scheduled Final Amortization Date or Early Redemption Date, whichever comes first
Redemption Method: lump-sum cash settlement or amortization method for the given period
Credit Enhancement & Liquidity Facility: Reserve

<Information on Structure and Stakeholders>

Issuer: Churchill Real Estate SPC
Arranger: Churchill Finance LLC,
Simplex Asset Management Co., Ltd.
Investment Manager: Churchill Investment Management LLC

<Information on Underlying Assets>

Outline of Underlying Assets: Loans Receivables

Rating Assignment Date: March 3, 2020

The criteria used for identifying matters which serve as assumptions for the assessment of the credit status, and the criteria used for setting of grades indicating the results of the assessments of the credit status are published as "Types of Credit Ratings and Definitions of Rating Symbols" (January 6, 2014) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>).

Outline of methodology for determination of the credit rating is shown as "Real Estate (Securitization)" (August 1, 2018), "ABL (Asset-based Lending)" (February 22, 2018) and "Investment Funds" (November 22, 2019) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>). Rating methodologies for other ancillary points such as eligible deposit accounts and bankruptcy remoteness are also shown within the same page.

Glossary:

A preliminary rating is a credit rating assigned as a preliminary evaluation while material terms for issue to be rated are not yet finalized. When the issuing terms are finalized, JCR will confirm them and will assign a credit rating anew. The rating level of the final rating may be different from that of the preliminary rating, depending on the final content of the terms, etc.

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JCR publishes its press releases regarding the rating actions both in Japanese and in English on the same day. In case that it takes time to translate rating rationale, JCR may publicize the summary version, which will be replaced by the full translated version within three business days. (Regarding Structured Finance products, JCR only publicize the summary version in English.)

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