

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

Loan Note Instrument (RTL Mortgage Super Senior Note)

<Affirmation>

Loan Note Instrument: 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 issued by Churchill Real Estate SPC. Churchill Investment Management LLC, which is the Investment Manager, has a good track record with an appropriate management system. As for effects of fall in real estate price, JCR confirmed that the Note could be redeemed even in cases where we assumed a very strong stress based on past trend of prices in the real estate market, thanks to the conservative LTV level and various kinds of security packages.

Kiichi Sugiura, Tomohiko Iwasaki

Rating

<Affirmation>

Instrument Name	Maximum Issue Amount	Scheduled Final Amortization Date	Coupon	Rating
Loan Note Instrument (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:	August 5, 2020
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
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Rating Assignment Date: August 25, 2021

The assumptions for the credit ratings and the definitions of the rating symbols 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 the rating methodology is shown as "Real Estate (Securitization)" (August 2, 2021), "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.



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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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