

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 assigned a rating to the maximum issue amount of a Note issued by Churchill Real Estate SPC. The maximum issue amount has changed from USD 2 billion to USD 3 billion this time, but there is no change in the management policy by Investment Manager, and the LTV in the Master Repurchase Agreement and the portfolio level is basically within the range initially assumed.

Kiichi Sugiura, Hiroki Ishizaki

Rating

<Affirmation>

| Instrument Name | Maximum Issue Amount (bn) | Establishment Date | Coupon | Rating |
|---|---------------------------|--------------------|----------------------|--------|
| Loan Note Instrument (RTL Note Series SS) | USD 3 | Aug. 3, 2020 | Based on Performance | AA- |

<Information on Outline of Issue>

| | |
|--|--|
| Maturity Redemption Date: | Date when three years have passed from the issue (Scheduled) Final Amortization Date or Early Redemption Date, whichever comes first |
| Final Redemption Date: | (*) Date when 4 years have passed from the issue (however, the amortization period can be extended for additional 6 months by agreement) |
| Redemption Method: | Lump-sum cash settlement or amortization method for the given period |
| Credit Enhancement & Liquidity Facility: | Reserves |

<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: November 26, 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.)