

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

Loan Note Instrument (RTL Mortgage Super Senior Note Series II)

<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"), to which JCR assigned a rating to the facility for issuing Notes for Churchill Real Estate SPC. Churchill Investment Management LLC, the investment manager, has a good track record that suggests its appropriate management structure. For the impacts of falls in real estate prices, JCR ensured that the Notes can be redeemed even under a strong stress scenario based on the real estate market price trend in the past, etc., thanks to a conservative LTV level and various security packages.

Kiichi Sugiura, Hiroki Ishizaki

Rating

<Affirmation>

Instrument Name	Maximum Issue Amount (bn)	Establishment Date	Coupon	Rating
Loan Note Instrument (RTL Note Series SS II)	USD 3	Feb. 15, 2022	Based on Performance	AA-

<Information on Outline of Issue>

Maturity Redemption Date:

Final Redemption Date:

Date when 3 years have passed from the issue (Scheduled) Final Amortization Date (*) or Early Redemption Date, whichever comes first
(*) 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 in 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:

Loan Receivables

Rating Assignment Date: August 9, 2022

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.)
