

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

<Asset Securitization Products> Toyonosato Senior Beneficial Interest, Other Beneficial Interest and ABL

<Affirmation>

Beneficial Interest

Class A3 Senior Beneficial Interest:	AAA
Mezzanine Beneficial Interest:	BBB-
Servicer Beneficial Interest:	BBB-

Rationale

The Howa Bank, Ltd. assigns the housing loans receivable to a trust of Mizuho Trust & Banking Co., Ltd., which then sets up Class A1 Senior Beneficial Interest, Class A2 Senior Beneficial Interest, Class A3 Senior Beneficial Interest, Mezzanine Beneficial Interest, Servicer Beneficial Interest and Subordinated Beneficial interest. Mizuho Trust & Banking Co., Ltd. takes out Class A1 ABL and redeems a part of Class A1 Senior Beneficial Interest using proceeds from this loan.

JCR affirmed the rating on Class A3 Senior Beneficial Interest at “AAA” because it is considered to have creditworthiness equivalent to “AAA” as a result of the stress test. Ratings on the Mezzanine Beneficial Interest and Servicer Beneficial Interest are considered converged and linked to creditworthiness of the guarantor and Howa Bank, respectively. JCR thus evaluated these ratings to be affirmed at “BBB-.”

Hideyuki Shoji, Yusuke Koguchi

Rating

<Affirmation>

Instrument Name	Initial Issue Amount	Initial Subordination Ratio		
Class A3 Senior Beneficial Interest	JPY 4.0 bn	20.75%		
Mezzanine Beneficial Interest	JPY 2.003 bn	3.31%		
Servicer Beneficial Interest	JPY 0.3155 bn	-		
	Trust Termination Date*	Coupon Type	Rating	
Class A3 Senior Beneficial Interest	July 31, 2047	Fixed	AAA	
Mezzanine Beneficial Interest	July 31, 2047	Fixed	BBB-	
Servicer Beneficial Interest	July 31, 2047	OTC Ordinary Deposit Interest Rate	BBB-	

<Information on Outline of Issue>

Trust Establishment Date: March 12, 2012

Senior Beneficial Interest Assignment Date/ABL Execution Date**: March 21, 2012

Redemption Method:

Monthly pass-through

(Suspension of Mezzanine Beneficial Interest, Servicer Beneficial Interest and Subordinated Beneficial Interest dividend payment upon occurrence of accelerated redemption events.)

(Cleanup call clause in cases where total principal balance of Class A1 through Class A3 senior beneficial interest becomes below 10% of the initial total principal balance of Class A1 through Class A3 senior beneficial interest and ABL is attached.)

Credit Enhancement and Liquidity Facility Measures:

- Class A3 Senior Beneficial Interest & ABL:

Senior-subordinated structure <Initial Subordination Ratio: 20.75%> and Cash Reserve

Subordination Ratio: 1 - (Class A1 through Class A3 Senior Beneficial Interest & ABL Principal) / Initial Trust Receivable Principal

- Mezzanine Beneficial Interest:
Senior-subordinated structure <Initial Subordination Ratio: 3.31%>
Subordination Ratio: 1 - (Class A1 through Class A3 Senior Beneficial Interest & ABL and Mezzanine Beneficial Interest Principal)/ Initial Trust Receivable Principal

- Servicer Beneficial Interest: None

Disclosure Requirements for Securitization Transaction Ratings with respect to Basel II have been met.

*Legal Final Maturity Date

**Issue Date

<Information on Structure and Stakeholders>

Originator: The Howa Bank, Ltd.
Trustee: Mizuho Trust & Banking Co., Ltd.
Arranger: Mizuho Securities Co., Ltd.
Backup Servicer: Japan Collection Service Co., Ltd.
Guarantor: KYU SO SHIN, Mitsubishi UFJ NICOS Co., Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Housing loans receivable held by originator

Rating Assignment Date: April 22, 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 "Housing Loans" (June 2, 2014) 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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