

Green Bond Fact Sheet

United Urban Investment			Date: 23/05/2019
Issue date: 23-05-2019 Maturity date: 22-05-2026 Tenor: 7			
Issuer Name	United Urban Investment	Amount Issued	JPY10bn/USD90.5m
Country of risk	Japan	CBI Database	Included
Issuer Type ¹	Financial Corporate	Bond Type	N/A
Green Bond Framework	N/A	Second party opinion	N/A
Certification Standard	Not certified	Assurance report	N/A
Certification Verifier	N/A	Green bond rating	Green1
Use of Proceeds			
<input type="checkbox"/> Energy	<input type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input type="checkbox"/> Hydro	<input type="checkbox"/> Tidal <input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid	<input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Buildings	<input checked="" type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input type="checkbox"/> Energy performance	<input type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Transport	<input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input type="checkbox"/> Urban rail	<input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Flood protection <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Waste management	<input type="checkbox"/> Recycling <input type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control	<input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input type="checkbox"/> Waste to energy <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> Land remediation <input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> FSC Forestry <input type="checkbox"/> Energy/water efficiency <input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> FSC Cellulose & paper
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> ICT <input type="checkbox"/> Industry: process
Issue details	
Reporting	<p>The issuer will disclose a proceed allocation plan as well as annual reporting of unallocated proceeds on their website after obtaining management approval. Additionally, the issuer will disclose the number of properties that obtained external certification, along with their electric power consumption, gas consumption, CO₂ emissions, and water usage on their website annually. UUR stated that they will also consider obtaining a third-party review of the accuracy of the reporting status once a year from the Japan Credit Rating Agency until the bond matures.</p>
Company information	<p>United Urban Investment (UUR) is a Real Estate Investment Trust (REIT), which was listed on the Tokyo Stock Exchange J-REIT section in December 2003 as a diversified J-REIT, investing in a varied property portfolio. As of November 30th, 2018, its asset AUM was YPN613.9bn (USD5.6bn), making United Urban is one of the largest among all J-REITs.</p> <p>UUR is actively aiming to strengthen its ESG efforts to achieve "sustainable growth". It has already achieved its target of raising the coverage ratio of various types of environmental certifications for properties owned to 50% by 2020. In addition, JRA has for example signed the Principles for Responsible Investment (PRI) and implemented an environmental management system (EMS), ISO 14001.</p>
Firsts, records and certifications	
Proceeds description	<p>UUR will use the bond to finance and refinance a pre-defined portfolio of properties in Japan. These include five office buildings, two hotels, a retail unit and a shopping centre. The assets must have acquired or be expected to obtain DBJ Green Building certification (three stars or more), CASBEE real estate certification (A rank or higher), and BELS evaluation (two stars or more).</p>
Climate Bonds view	<p>Japanese REIT issuance continues growing: United Urban Investment's bond is the seventh, bringing total volume from this issuer segment in the country to JPY40.6bn/USD367m. UUR has followed market best practice by obtaining a Green Bond Rating from JCR as well as having committed to reporting on the environmental impacts of its asset portfolio (and any changes to it post-issuance). We encourage the issuer to seek third-party verification for its reporting to further enhance its credibility and transparency.</p>
Underwriters	
Deal comments	
Credit Rating	
Pricing summary	<p>Coupon: 0.448% p.a.</p>
Investors summary	

¹ Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign