

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

<Asset Securitization Products> Alice LTL Bond 2026/1

<Rating Change>
Bonds: from Preliminary BBB- to Preliminary A-

Rationale

- (1) Alice LTL Bond 2026/1 is a real estate securitization instrument. JCR initially announced a preliminary rating of "BBB-" on June 9, 2026; however, following revisions to the financing scheme and business plan, JCR has upgraded the preliminary rating to "A-".
- (2) The LTV based on JCR's appraised values of the subject properties is 62.8%. The valuation reflects the properties' locations, income profiles, and quality, together with growth expectations under JCR's base-case scenario through maturity. If there is a shortfall in cash available to pay the bond coupons on any payment date, the obligation to pay such unpaid amounts may be deferred until maturity, and such deferral will not constitute an event of default.

Tetsuya Nakagawa, Hisao Hamaguchi

Rating

<Rating Change>

Instrument Name: Bonds
Issue Amount: USD 250 million
Subordination Ratio: 37.2%
Final Maturity Date: Ten years from the Issue Date
Coupon Type: Fixed and performance based
Preliminary Rating: A-
Subordination Ratio = 1 - LTV ratio, which is calculated by the debt principal divided by JCR's appraised value of the subject properties

< Information on Outline of Issue>

Issue Date: July 15, 2026(Scheduled)
Scheduled Maturity Date: Five years from the Issue Date
Redemption Method: Bullet Redemption
Credit Enhancement & Liquidity Facility: Reserves
Disclosure Requirements for Securitization Transaction Ratings with respect to Basel II have been met.

< Information on Structure and Stakeholders>

Issuer: LTL Multifamily II B.V.
Arranger: LTL Multifamily Group II LLC

< Information on Underlying Assets>

Outline of Underlying Assets: Multifamily properties for lease located in the United States

Rating Assignment Date: June 30, 2026

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) 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.

The rating stakeholder participated in the rating process of the aforementioned credit ratings.

A preliminary rating is a credit rating assigned as a preliminary evaluation while material terms for issue to be rated are not yet finalized. When the issuing terms are finalized, JCR will confirm them and will assign a credit rating anew. The rating level of the final rating may be different from that of the preliminary rating, depending on the final content of the terms, etc.



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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.)
