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For Immediate Release

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Notice Concerning Debt Financing

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it decided today to conduct debt financing as described below.

1. Details of the debt financing

Category	Lender	Anticipated borrowing amount (million yen)	Borrowing period	Interest rate	Floating / fixed	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Mitsui Sumitomo Insurance Company, Ltd.	1,000	5.0 years	TBD (Note 1) (Note 2)	Fixed	March 27, 2018	March 31, 2023	Bullet repayment	Unsecured and non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,500	9.5 years				September 30, 2027		
	Nippon Life Insurance Company	1,000	4.4 years	TBD (Note 1) (Note 2)	Fixed	April 10, 2018	September 9, 2022	Bullet repayment	Unsecured and non-guaranteed
	Development Bank of Japan, Inc.	2,000	8.1 years				April 30, 2026		

Disclaimer: This announcement is prepared for the public disclosure of debt financing of DHR and has not been prepared for the purpose of soliciting investment.

Category	Lender	Anticipated borrowing amount (million yen)	Borrowing period	Interest rate	Floating / fixed	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; Mizuho Bank, Ltd.; The Bank of Fukuoka, Ltd.; The Chiba Bank, Ltd.; The 77 Bank, Ltd.; The Nishi-Nippon City Bank, Ltd.; The Shizuoka Bank, Ltd.; The Iyo Bank, Ltd.; The Bank of Kyoto, Ltd.; The Chugoku Bank, Limited	6,500	4.0 years	TBD (Note 1) (Note 3)	Fixed	April 10, 2018	April 28, 2022	Bullet repayment	Unsecured and non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; Mizuho Bank, Ltd.; Aozora Bank, Ltd.; The Norinchukin Bank; Shinsei Bank, Limited; Shinkin Central Bank	5,000	6.1 years				April 30, 2024		
	Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; Mizuho Bank, Ltd.; Aozora Bank, Ltd.; The Norinchukin Bank; Resona Bank, Limited; Shinsei Bank, Limited; Shinkin Central Bank	5,000	7.1 years				April 30, 2025		
	Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; Mizuho Bank, Ltd.; Mizuho Trust & Banking Co., Ltd.; Resona Bank, Limited	10,000	10.1 years				April 28, 2028		
Total		32,000							

(Note 1) Interest rate will be announced once determined.

(Note 2) The first interest payment date will be the last day of August 2018 and subsequent interest payment dates will be the last day of February and August as well as the principal repayment date (in case such date is not a business day, the following business day will be the interest payment date; however, in case this following business day falls into the following month, the immediately preceding business day will be the interest payment date).

(Note 3) The first interest payment date will be the last day of May 2018 and subsequent interest payment dates will be the last day of the months of each of the following three months and the principal repayment date (in case such date is not a business day, the following business day will be the interest payment date; however, in case this following business day falls into the following month, the immediately preceding business day will be the interest payment date).

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2. Reason for conducting the debt financing

DHR will conduct the debt financing to use as part of the funds for acquiring the trust beneficiary interests of the anticipated acquisitions (16 properties with total anticipated acquisition price of 96,980 million yen), as announced today in the press release “Notice Concerning Acquisition and Leasing of Trust Beneficiary Interests in Domestic Real Estate”, and other related expenses.

3. Status of interest-bearing debt after the debt financing

(Unit: million yen)

	Before (as of February 28, 2018)	After (as of April 10, 2018)	Increase / Decrease
Short-term loans	0	0	0
Current portion of long-term loans	0	11,600	11,600
Long-term loans	266,268	286,668	20,400
Total loans	266,268	298,268	32,000
Investment corporation bonds	16,000	16,000	0
Total interest-bearing debt	282,268	314,268	32,000

4. Other

For the risks concerning this matter, there are no changes from the security registration statement submitted on February 28, 2018.

* Distribution of this material: This material is distributed to “Kabuto Club” (a media correspondents’ club at the Tokyo Stock Exchange), the press club at the Ministry of Land, Infrastructure, Transport and Tourism and the press club for construction trade newspapers at the Ministry of Land, Infrastructure, Transport and Tourism.

* DHR’s website: <http://www.daiwahouse-reit.co.jp/en/>

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