

November 28, 2012

For Immediate Release

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### Notice Concerning Debt Financing and Establishment of Commitment Line

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it will conduct debt financing through a syndicated loan where the lead arranger is Sumitomo Mitsui Banking Corporation, and will establish a commitment line which was arranged by Sumitomo Mitsui Trust Bank, Limited, as follows.

#### I Debt financing

##### 1. Details of debt financing

Category	Lenders	Anticipated borrowing amount (Note 4) (millions of yen)	Interest rate (Note 5)	Date of execution	Method	Repayment date	Method of repayment (Note 6)	Collateral
Long-term	Syndicate of lenders arranged by Sumitomo Mitsui Trust Bank, Limited and Sumitomo Mitsui Banking Corporation (Note 1)	20,000	0.72931% (Fixed)	November 29, 2012	Debt financing based on individual term loan agreements entered into on November 27, 2012 with the lenders shown left	November 30, 2015	Bullet repayment	Unsecured and non-guaranteed
	Syndicate of lenders arranged by Mizuho Corporate Bank, Ltd. and Sumitomo Mitsui Banking Corporation (Note 1)	15,000	0.83038% (Fixed)			November 29, 2016		
	Syndicate of lenders arranged by The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Sumitomo Mitsui Banking Corporation (Note 2)	16,000	0.95649% (Fixed)			November 29, 2017		
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation (Note 3)	10,000	1.28759% (Fixed)			November 29, 2019		

Cautions: This announcement is prepared for the public disclosure of debt financing and establishment of commitment line of DHR and has not been prepared for the purpose of soliciting investment. This announcement does not constitute an offer of securities for sale in the United States. The investment units of DHR have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The investment units may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. If any public offering of securities is made in the United States, it will be made by means of an English language prospectus that may be obtained from DHR or any selling security holder and that will contain detailed information about DHR and its management, as well as financial statements of DHR.

- (Note 1) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation and Resona Bank, Ltd.
- (Note 2) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Development Bank of Japan Inc. and Mitsubishi UFJ Trust and Banking Corporation.
- (Note 3) The syndicate of lenders consists of Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Development Bank of Japan Inc.
- (Note 4) “Anticipated borrowing amount” indicated above may change up until the final execution of the borrowing.
- (Note 5) “Interest rate” does not include loan fees, etc., to be paid to the lenders.
- (Note 6) If certain requirements including our advance written notice are met during the period between the date of executions of the debt financing and the repayment dates indicated above, each of the loans is repayable either in whole or in part prior to the maturity date.

## 2. Reason for conducting debt financing

The loans will be used to acquire trust beneficiary rights in 20 properties (real estate) (total acquisition price of ¥95,050 million)(Note), which are described as the anticipated acquisitions in “II Fund information, 1. Overview of the Fund, 2 Investment policy, (2) Investment objective, iii) Outline of current properties and anticipated acquisitions” of the Japanese language Securities Registration Statement submitted on October 24, 2012, as well as to cover a portion of the related expenses.

(Note) DHR acquired 10 of these properties as of November 28, 2012. For more details, please refer to the news release, “Notice Concerning Completion of Acquisition of Assets” announced on November 28, 2012.

## 3. Total amount, purpose of use and scheduled outlay date of the proceeds

### (1) Total amount

¥61 billion

### (2) Specific purpose of use

Acquisition of the trust beneficiary rights in 20 properties (real estate) and related expenses, as mentioned above

### (3) Scheduled outlay date

November 29, 2012

## 4. Status of balance of loans after the debt financing

(Unit: millions of yen)

	Before the debt financing	After the debt financing	Increase (Decrease)
Short-term loans (Note)	0	0	0
Long-term loans (Note)	0	61,000	61,000
Total loans	0	61,000	61,000
Investment corporation bonds	0	0	0
Total of loans and investment corporation bonds	0	61,000	61,000
Other interest-bearing liabilities	0	0	0
Total interest-bearing liabilities	0	61,000	61,000

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(Note) Short-term loans are loans with maturity periods of one year or less and long-term loans are loans with maturity periods of more than one year.

## II Establishment of the commitment line

### 1. Reason for establishment

The commitment line was established to provide for future fund procurements, which may be required for the acquisition of investment assets and other uses.

### 2. Outline of the commitment line

- |                                 |  |
|---------------------------------|--|
| (1) Committed credit line       | : ¥10 billion  |
| (2) Counterparties of agreement | : Sumitomo Mitsui Trust Bank, Limited, Mizuho Corporate Bank, Ltd., Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd. |
| (3) Date of execution           | : November 27, 2012  |
| (4) Term of agreement           | : From November 28, 2012 to November 28, 2013  |
| (5) Collateral                  | : Unsecured and non-guaranteed   |

## III Additional items required to ensure appropriate understanding and judgments about the information herein

For the risks concerning repayment, etc., of the debt financing, there are no significant changes in the “Investment Risks” stated in the Japanese language Securities Registration Statement submitted on October 24, 2012.

\* Distribution of this material: This material is distributed to “Kabuto Club” (a media correspondents’ club at the Tokyo Stock Exchange, Inc.), 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.jp>

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