

September 26, 2014

For Immediate Release

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Notice Concerning Debt Financing

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it will conduct debt financing. The details are as follows.

1. Details of Debt Financing

Category	Lender	Anticipated borrowing amount (millions of yen)	Borrowing period	Interest rate	Floating / fixed	Anticipated date of execution	Repayment due date	Method of repayment	Collateral
Long-term	Nippon Life Insurance Company	1,000	9 years	1.00% (Note 1)	Fixed	September 30, 2014	September 29, 2023	Bullet repayment	Unsecured and non-guaranteed
Short-term	Sumitomo Mitsui Banking Corporation	2,000	1 year	Base interest rate (JBA 1 month Japanese yen TIBOR) +0.20% (Note 2)	Floating	September 30, 2014	September 30, 2015	Bullet repayment	Unsecured and non-guaranteed
Total		3,000							

(Note 1) The first interest payment date will be February 27, 2015, subsequent interest payment dates will be the last day of August and February of every year and the principal repayment due date (in case such date is not a business day, the following business day will be the date, however, in case this following business day falls into the following month, the immediately preceding business day will be the date).

(Note 2) The first interest payment date will be October 27, 2014, subsequent interest payment dates will be the 25th day of every month until August 2015 and the principal repayment due date (in case such date is not a business day, the following business day will be the date, however, in case this following business day falls into the following month, the immediately preceding business day will be the date). JBA 1 month Japanese yen TIBOR as of 11 A.M. on two business days prior to the latest interest payment date (initially the anticipated date of execution) will be used as the base rate to calculate the applicable interest rate for the current calculation period. For the JBA Japanese yen TIBOR, please refer to the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/english/rate/>).

2. Reason for Conducting Debt Financing

The debt financing will be conducted so that the loans will be used as part of the funds for acquiring trust beneficiary interest in ACROSSPLAZA Miyoshi (land). For details, please refer to the press release “Notice Concerning Acquisition of Trust Beneficiary Interest in Domestic Real Estate (ACROSSPLAZA Miyoshi (Land))” announced today.

3. Total Amount, Purpose of Use and Scheduled Outlay Date of the Proceeds

(1) Total amount

3,000 million yen

(2) Specific purpose of use

Part of the funds for acquiring trust beneficiary interest in ACROSSPLAZA Miyoshi (land) and related expenses

(3) Scheduled outlay date

September 30, 2014

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	2,000	2,000
Long-term loans (Note)	74,500	75,500	1,000
Total loans	74,500	77,500	3,000
Investment corporation bonds	0	0	0
Total of loans and investment corporation bonds	74,500	77,500	3,000
Other interest-bearing liabilities	0	0	0
Total interest-bearing liabilities	74,500	77,500	3,000

(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.

5. Other

For the risks concerning repayment, etc., of the debt financing, there are no changes from the securities report submitted on May 27, 2014.

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