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For Immediate Release

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Notice Concerning Acquisition of Asset (UNICUS Takasaki)

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it has decided to acquire an asset as follows.

1. Acquisition Details

- | | |
|---|---|
| (1) Asset type: | Trust beneficiary interest in real estate (Note 1) |
| (2) Name of property: | UNICUS Takasaki |
| (3) Planned acquisition price: | 2,570 million yen (excluding acquisition-related costs and consumption tax, etc.) |
| (4) Execution date of the purchase agreement: | March 27, 2013 (planned) |
| (5) Planned date of acquisition: | March 27, 2013 (planned date of settlement and transfer) |
| (6) Seller: | Domestic operating company (Note 2) |
| (7) Acquisition funds: | Borrowings and cash on hand (Note 3) |
| (8) Method of settlement: | Payment of entire amount upon transfer |

(Note 1) DHR has agreed in the purchase agreement with the seller that on the acquisition date the seller will establish the real estate as trust with Sumitomo Mitsui Trust Bank, Limited as of the same date and that DHR will take over the trust beneficiary interest in real estate as of the same date.

(Note 2) Undisclosed as consent for disclosure has not been obtained from the seller.

(Note 3) For details of the borrowings please refer to the press release “Notice Concerning Debt Financing” dated today.

2. Rationale

Based on the targets and policies of asset management prescribed in its Articles of Incorporation, DHR decided to acquire the property having deemed that the acquisition would expand the asset size, increase the portfolio’s stability and secure stable revenues in the long term.

3. Property Details

(1) Property Overview

| Property number | UNICUS Takasaki | | Use | Retail | |
|--|---|---|---|--|--|
| R-M-4 | | | Type | Mall type | |
| Overview of Specified Asset | | | | | |
| Type of specified asset | Trust beneficiary interest in real estate (planned) | | Overview of building condition evaluation | Evaluation company | TOKIO MARINE & NICHIDO RISK CONSULTING CO., LTD. |
| Planned date of acquisition | March 27, 2013 | | | Evaluation period | March 2013 |
| Planned acquisition price | 2,570 million yen | | | Urgent repair costs | 0 yen |
| Overview of trust beneficiary interest | Trust establishment | March 27, 2013 (planned) | | Short-term repair costs | 0 yen |
| | Trustee | Sumitomo Mitsui Trust Bank, Limited (planned) | Long-term repair costs | 77,378,000 yen/12 years (annual average: 6,448,000 yen) | |
| | Trust Maturity date | March 31, 2023 (planned) | PML | 1.0% | |
| Land | Location | 1150-5 Aza-Nishikanai, Iizukamachi, Takasaki-shi, Gunma, etc. | Building | Structure / floors | Steel frame, 2 floors |
| | Land area | 19,256.35m ² | | Date of construction | November 5, 2008 |
| | Area classification | Neighborhood commercial zone / Class II residential zone | | Gross floor area | 9,801.89m ² |
| | Building coverage ratio / FAR | 80% / 200% and 60% / 200% | | Use | Retail |
| | Type of ownership | Ownership | | Type of ownership | Ownership |
| Total leasable area | 9,277.08m ² | | Designer | Sumitomo Mitsui Construction Co., Ltd. | |
| Total leased area | 9,277.08m ² | | Structural designer | Sumitomo Mitsui Construction Co., Ltd. | |
| Occupancy rate | 100.0% | | Contractors | Sumitomo Mitsui Construction Co., Ltd. and Iwahori Construction Industry Co., Ltd. | |
| Master lease company | P & D Consulting Co., Ltd. | | Inspection agency | The Building Center of Japan | |
| Property management company | P & D Consulting Co., Ltd. | | Structural calculation evaluation agency | — | |
| Number of tenants | 1 | | Collateral | None | |
| Special items: None | | | | | |

(Note) DHR has agreed in the purchase agreement with the seller that on the acquisition date the seller will establish the real estate as trust with the above trustee as of the same date and that DHR will take over the trust beneficiary interest in real estate as of the same date.

(2) Overview of Leasing

| Overview of Leasing | | | | |
|----------------------------|--|---|---|---------------------------------------|
| Lessee | Leased area | Annual rent (excluding consumption tax) | Contract period | Tenant leasehold and security deposit |
| P & D Consulting Co., Ltd. | 9,277.08m ² | 259,740,000 yen | From November 20, 2008 to November 19, 2028 | 151,515,000 yen |
| Contract form: | Sublease-type master lease agreement | | | |
| Rent revision: | Rent will be revised in principal every three years with the lease agreement date as the starting date by consultation taking into consideration changes in the economic climate upon consideration of increase or decrease of taxes and public dues, rise or fall in the land and building prices, rental conditions of neighboring buildings, etc. | | | |
| Contract renewal: | No renewal; the contract will end upon expiration of the lease period. | | | |
| Early cancellation: | Cancellation of the lease agreement is prohibited for 10 years from the day that leasing begins. | | | |

(3) Overview of Property Appraisal

| Overview of Property Appraisal | |
|---|-----------------------------|
| Appraiser | Japan Real Estate Institute |
| Appraisal value | 2,690 million yen |
| Appraisal date | February 28, 2013 |
| Value based on direct capitalization method | 2,690 million yen |
| Net operating income (NOI) | 195 million yen |
| Net cash flow (NCF) | 194 million yen |
| Direct cap rate | 7.2% |
| Value based on DCF method | 2,680 million yen |
| Discount rate | 6.9% |
| Terminal cap rate | 7.4% |
| Value based on cost method | 2,680 million yen |
| Proportion of land | 63.6% |
| Proportion of building | 36.4% |

(Note) NOI and NCF are rounded to the nearest million yen.

(4) Property Characteristics

| Property Characteristics | | | | |
|---|----------------------------|----------------|----------------|----------------|
| <p>■ Location The property is located 2km north of JR Takasaki Station. The parking lot is easily accessible as cars can directly enter from the four-lane residential road (Chuo-dori) that connects central Takasaki to the Takasaki loop route. The parking lot accommodates approx. 345 cars on ground and rooftop.</p> | | | | |
| <p>■ Tenant composition With the supermarket Yaoko as the core tenant, the property also has Sugi Pharmacy (drug store), SHOO-LA-RUE, Honeys (apparel), ABC Mart (shoes), Daiso (100 yen shop) and other daily life service providers.</p> | | | | |
| <p>■ Trade area characteristics There is a population of 16,000 in the 1km trade area, 115,000 in the 3km trade area and 220,000 in the 5km trade area. This is a standard population size for a central regional city. Furthermore, the drive-time trade area is sufficiently wide as the 3km area can be traveled in 15 minutes by car. There are many single food supermarkets nearby but few shopping centers that have a collection of specialty shops, and the property's locational conditions are sufficient.</p> | | | | |
| Trade area population | Distance from the property | 1km trade area | 3km trade area | 5km trade area |
| 2011 | Population | 16,424 | 114,734 | 219,634 |
| | Number of households | 7,569 | 51,055 | 93,909 |
| 2012 | Population | 16,304 | 114,868 | 219,657 |
| | Number of households | 7,541 | 51,381 | 94,561 |

Source: Basic Resident Register

(5) Seller Profile

The seller is a domestic operating company. The name of the seller is not disclosed as consent for disclosure has not been obtained from the seller. Furthermore, the seller is not a related party, etc. as defined in the Act on Investment Trusts and Investment Corporations and is not a related party as defined in the Asset Management Company's regulations concerning conflicts of interest.

4. Status of the Seller

The acquisition is not from a seller which is a related party, etc. as defined in the Act on Investment Trusts and Investment Corporations or a related party as defined in the Asset Management Company's regulations concerning conflicts of interest.

5. Brokerage

(1) Overview of the Broker

| | |
|--|--|
| 1. Name | Sumitomo Mitsui Trust Bank, Limited |
| 2. Location | 1-4-1 Marunouchi, Chiyoda-ku, Tokyo |
| 3. Representative | Hitoshi Tsunekage, President |
| 4. Business activities | Trust banking business |
| 5. Capital | 342,037 million yen |
| 6. Foundation date | July 28, 1925 |
| 7. Relationship with DHR or its Asset Management Company | |
| Capital relationship | There is no capital relationship required to be stated between DHR/the Asset Management Company and Sumitomo Mitsui Trust Bank. Furthermore, the affiliated persons and affiliated companies of Sumitomo Mitsui Trust Bank do not fall under the Capital Relationship of DHR/the Asset Management Company's affiliated persons and affiliated companies. |
| Personnel relationship | As of February 28, 2013, three of the Asset Management Company's employees have been seconded from Sumitomo Mitsui Trust Bank. The affiliated persons and affiliated companies of Sumitomo Mitsui Trust Bank do not fall under the Personnel Relationship of DHR/the Asset Management Company's affiliated persons and affiliated companies. |
| Business relationship | Sumitomo Mitsui Trust Bank has been entrusted with DHR's custodian, general administrator, transfer agent and lender. The affiliated persons and affiliated companies of Sumitomo Mitsui Trust Bank do not fall under the Business Relationship of DHR/the Asset Management Company's affiliated persons and affiliated companies. |
| Status of classification as related party | Sumitomo Mitsui Trust Bank does not fall under the Related Party of DHR/the Asset Management Company. Furthermore, the affiliated persons and affiliated companies of Sumitomo Mitsui Trust Bank do not fall under the Related Party of DHR/the Asset Management Company. |

(2) Details and Amount of Brokerage Fees, etc.

The details and amount of brokerage fees, etc. is not shown as consent for disclosure has not been obtained from the broker.

6. Acquisition Schedule

| | |
|----------------------------|--------------------------|
| Acquisition decision date: | March 22, 2013 |
| Purchase agreement date: | March 27, 2013 (planned) |
| Payment date: | March 27, 2013 (planned) |
| Delivery date: | March 27, 2013 (planned) |

7. Outlook

Forecasts of results for the 11th fiscal period (ending August 2013) given the impact of the property acquisition are under examination and are scheduled to be announced by the release of the financial results for the 10th fiscal period (ended February 2013) scheduled for April 12, 2013.

* 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>

< Attachments >

1. Photographs and location map
2. Property portfolio after acquisition

< Attachments >

1. Photographs and location map



2. Property portfolio after acquisition

| Property Number | Property Name | (Planned) Acquisition Price (yen in millions) | Portfolio Share (%) | (Planned) Acquisition Date (year/month/day) |
|-----------------------------------|---------------------------|---|---------------------------|---|
| L-B-1 | D Project Machida | 7,600 | 6.5 | 2012/11/29 |
| L-B-2 | D Project Hachioji | 12,600 | 10.8 | 2012/11/29 |
| L-B-3 | D Project Aikawa-Machi | 2,600 | 2.2 | 2012/11/28 |
| L-B-4 | D Project Shin-Misato | 4,440 | 3.8 | 2012/11/29 |
| L-B-5 | D Project Urayasu I | 7,700 | 6.6 | 2012/11/28 |
| L-B-6 | D Project Urayasu II | 21,400 | 18.3 | 2012/11/29 |
| L-B-7 | D Project Akanehama | 2,550 | 2.2 | 2012/11/28 |
| L-B-8 | D Project Noda | 5,100 | 4.4 | 2012/11/28 |
| L-B-9 | D Project Inuyama | 6,650 | 5.7 | 2012/11/28 |
| L-B-10 | D Project Gifu | 900 | 0.8 | 2012/11/29 |
| L-B-11 | D Project Neyagawa | 4,600 | 3.9 | 2012/11/28 |
| L-B-12 | D Project Sapporo Minami | 600 | 0.5 | 2012/11/28 |
| L-B-13 | D Project Morioka | 1,000 | 0.9 | 2012/11/29 |
| L-B-14 | D Project Sendai Minami | 1,250 | 1.1 | 2012/11/28 |
| L-B-15 | D Project Tsuchiura | 2,880 | 2.5 | 2012/11/29 |
| L-B-16 | D Project Gotenba | 950 | 0.8 | 2012/11/28 |
| L-B-17 | D Project Nishi-Hiroshima | 990 | 0.8 | 2012/11/28 |
| L-B-18 | D Project Fukuoka Umi | 3,100 | 2.6 | 2012/11/29 |
| L-B-19 | D Project Tosu | 2,100 | 1.8 | 2012/11/29 |
| Logistics Properties Total | | 89,010 | 76.0 | — |
| R-M-1 | ACROSSMALL Shinkamagaya | 7,419 | 6.3 | 2007/12/12 |
| R-M-2 | FOLEO Hirakata | 5,040 | 4.3 | 2008/12/11 |
| R-M-3 | QiZ GATE URAWA | 5,360 | 4.6 | 2008/12/11 |
| R-M-4 | UNICUS Takasaki | 2,570 | 2.2 | 2013/3/27 |
| R-R-1 | LIFE Sagamihara Wakamatsu | 1,650 | 1.4 | 2008/12/11 |
| R-R-2 | FOLEO Sendai Miyanomori | 6,040 | 5.2 | 2012/11/29 |
| Retail Properties Total | | 28,079 | 24.0 | — |
| Portfolio Total | | 117,089 | 100.0 | — |

(Note) Figures of less than one million yen are rounded down from (planned) acquisition price, and ratios are rounded off to the first decimal places.