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For Immediate Release

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Notice Concerning Acquisition of Trust Beneficiary Interests in Domestic Real Estate and Leasing of Assets

Daiwa House REIT Management Co., Ltd. (the “Asset Manager”), the asset manager to which Daiwa House REIT Investment Corporation (“DHR”) entrusts the management of its assets, hereby announces that it has decided to acquire assets (hereinafter referred to as “Assets Scheduled for Acquisition”) and to lease Assets Scheduled for Acquisition as follows. The decision has been approved by the board of directors of DHR based on the Act on Investment Trust and Investment Corporations (Act No. 198 of 1951, as amended) and the Assets Manager’s voluntary rules concerning conflicts of interest.

1. Acquisition and leasing details

Property number	Real estate in trust (Property name)	Location	Planned date of acquisition	Planned acquisition price (millions of yen)	Seller
L-B-26	D Project Kuki III	Kuki, Saitama	April 1, 2015	7,340	Daiwa House Industry Co., Ltd.
L-B-27	D Project Kuki IV	Kuki, Saitama	April 1, 2015	5,300	DH Fund Four Godo Kaisha
L-B-28	D Project Kuki V	Kuki, Saitama	April 1, 2015	8,010	Daiwa House Industry Co., Ltd.
L-B-29	D Project Kuki VI	Kuki, Saitama	April 1, 2015	4,980	Daiwa House Industry Co., Ltd.
L-B-30	D Project Yashio	Yashio, Saitama	April 1, 2015	6,140	Daiwa House Industry Co., Ltd.
L-B-31	D Project Nishiyodogawa	Osaka, Osaka	April 1, 2015	9,660	Daiwa House Industry Co., Ltd.
L-B-32	D Project Matsudo	Matsudo, Chiba	June 1, 2015	6,990	Daiwa House Industry Co., Ltd.
Total	—	—	—	48,420	—

- (1) Execution date of the purchase agreement : March 3, 2015
 (2) Planned date of acquisition : Please refer to “Planned date of acquisition” above.
 (3) Seller : Please refer to 4. Seller Profile below.
 (4) Acquisition funds : Proceeds from issuance of new investment units, debt financing and cash reserves (Note)
 (5) Method of settlement : Payment of entire amount upon transfer
 (6) Sum total for annual rent : 2,895 million yen

Disclaimer: This announcement is prepared for the public disclosure of acquisition of trust beneficiary interests in domestic real estate and leasing of assets by DHR and has not been prepared for the purpose of soliciting investment. DHR requests that investors make an investment based on their own responsibility and on their own judgment after making sure to read the prospectus for the issue of new investment units and secondary offering of investment units, as well as any revisions thereto, prepared by DHR.

(7) Sum total for tenant leasehold and security deposit : 1,847 million yen

(Note) Please refer to the press releases “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” and “Notice Concerning Debt Financing” dated today.

2. Rationale

Based on the targets and policies of asset management prescribed in the Articles of Incorporation of DHR, DHR and the Asset Manager have decided to acquire and lease the Assets Scheduled for Acquisition comprising seven properties, judging that the acquisition should help expand the asset size, further increase the stability of cash flows through increased portfolio diversification and secure stable revenues in the long term. All of the Assets Scheduled for Acquisition will be acquired through the pipeline of the Daiwa House Group.

In addition, DHR believes that the lessees (tenants) of the Assets Scheduled for Acquisition meet DHR’s standards of tenant selection.

3. Property details

The following tables provide overview of the trust beneficiary interests in real estate that are the Assets Scheduled for Acquisition.

Furthermore, unless otherwise stated, descriptions in each column in the “Overview of Specified Asset,” “Overview of Leasing,” “Overview of Property Appraisal” and “Property Characteristics” for each property indicated below are prepared in accordance with the following definitions, and are based on the information available as of January 31, 2015.

- “Planned date of acquisition” shows the planned date of acquisition of the respective Assets Scheduled for Acquisition indicated in the purchase agreements regarding the relevant acquisition, but such a date may be changed by mutual consent between DHR and the seller.
- “Planned acquisition price” shows the transaction price of the respective Assets Scheduled for Acquisition indicated in the purchase agreements regarding the relevant acquisition. Furthermore, the transaction price does not include consumption tax, local consumption tax and costs that were or will be required for acquisition, and is rounded to the nearest million yen.
- “Trust establishment date” is the date when trust was or is planned to be established for respective Assets Scheduled for Acquisition.
- “Trustee” is the trustee or the party that is scheduled to become the trustee of the respective Assets Scheduled for Acquisition.
- “Trust maturity date” shows the expiration date of the trust period designated in the trust agreement or the expiration date of the trust period scheduled to be changed in accordance with DHR’s acquisition of the respective Assets Scheduled for Acquisition.
- “Overview of building condition evaluation” shows the overview of the report prepared by Tokio Marine & Nichido Risk Consulting Co., Ltd. concerning the results of the building condition evaluation, including building deterioration diagnosis survey, preparation of short-term and long-term repair plans, survey on compliance to the Building Standards Act and other laws and regulations and survey on hazardous substances contained in the building, for the respective Assets Scheduled for Acquisition, conducted by Tokio Marine & Nichido Risk Consulting Co., Ltd. on consignment from DHR. The content of the respective report represents the judgment and opinion of the above evaluation company at a certain point and does not guarantee the appropriateness and correctness of the statements. Furthermore, “Evaluation date” indicates the preparation date of the relevant building condition evaluation report surveyed and prepared by the evaluation company.
- “Location” for the land shows the residence indication and, if there is no residence indication, shows the location of the building described in the registry (if there are multiple locations, then one of them).
- “Area” for the land is based on the descriptions in the registry, and may not match the present status.
- “Area classification” for the land indicates the type of zoning district depicted in Article 8, Paragraph 1, Item 1 of the City Planning Act (Act No. 100 of 1968, as amended) (hereinafter, the “City Planning Act”) or the type of urban district classification depicted in Article 7 of the City Planning Act.
- “Building coverage ratio/FAR” for the land indicates the maximum figure of the building coverage ratio (designated building coverage ratio) and the maximum figure of the floor area ratio (designated floor area ratio) determined by city planning in accordance with the zoning, etc. (if there are multiple figures, all of

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them). The designated building coverage ratio may be relaxed, increased or decreased due to such reasons as the property being a fireproof building in a fire prevention district, and the designated floor area ratio may be relaxed, increased or decreased due to such reasons as the width of the road adjacent to the site. Thus, they may defer from the building coverage ratio and the floor area ratio to be applied actually.

- “Type of ownership” for the land and building shows the kind of rights held or scheduled to be held by DHR or the trustee for each of the Asset Scheduled for Acquisition.
- “Structure/floors” and “Date of construction” for the building are based on the descriptions in the registry, and excludes annex buildings.
- “Gross floor area” and “Use” for the building are based on the descriptions in the registry, excluding the areas of annex buildings, and may not match the present status.
- “Total leasable area” is the leasable area of the building for each real estate in trust, and indicates the area which DHR recognizes to be leasable based on the lease contracts or building drawings, etc. of respective real estate in trust as of January 31, 2015.
- “Master lease company” represents a lessee who has executed a blanket lease agreement with DHR or the trustee with the aim of subleasing the property to third parties.
- “Property management company” indicates the property management company consigned or scheduled to be consigned with property management (PM) services for respective Assets Scheduled for Acquisition.
- “Number of tenants” indicates the number of tenants for each property of the Assets Scheduled for Acquisition based on the lease agreements, etc. as of January 31, 2015.
- “Collateral” indicates the outline of the collateral for respective Assets Scheduled for Acquisition, if there is any scheduled to be borne by DHR after the acquisition.
- “Special items” describes matters that are thought to be important in terms of rights holding and use, etc. of respective Assets Scheduled for Acquisition as of today, as well as matters that are thought to be important when considering their impact on the appraisal value, profitability and disposability of the respective Assets Scheduled for Acquisition and other factors.
- “Overview of Leasing” shows the content of respective lease agreements or lease reservation agreements as of January 31, 2015 for respective real estate in trust regarding the respective Assets Scheduled for Acquisition.
- “Leased area” shows the leased area indicated in respective lease agreements or lease reservation agreements as of January 31, 2015 for respective real estate in trust regarding the respective Assets Scheduled for Acquisition. Furthermore, as the respective lease agreements or lease reservation agreements may indicate leased area that includes portions not included in the gross floor area, the leased area may exceed the gross floor area. In particular, if eaves are included in the leased area for logistics facilities, the leased area may significantly surpass the gross floor area.
- “Annual rent” shows the annual rent indicated in respective lease agreements or lease reservation agreements as of January 31, 2015 for respective real estate in trust regarding the respective Assets Scheduled for Acquisition, or the annualized amount obtained by multiplying the monthly rent by 12 (or the sum total for real estate in trust for which multiple lease agreements, etc. have been executed.)
- “Contract period” shows the contract period indicated in respective lease agreements or lease reservation agreements as of January 31, 2015 for respective real estate in trust regarding the respective Assets Scheduled for Acquisition.
- “Tenant leasehold and security deposit” shows the sum total of the scheduled balances of tenant leasehold and security deposits indicated in respective lease agreements or lease reservation agreements as of January 31, 2015 for respective real estate in trust (or the sum total of them for respective real estate in trust for which multiple lease agreements, etc. have been executed.)
- “Overview of Property Appraisal” shows the overview of the real estate appraisal report of the respective Assets Scheduled for Acquisition (the “appraisal report”) prepared by Japan Real Estate Institute or The Tanizawa Sogo Appraisal Co., Ltd. regarding the appraisal consigned by DHR pursuant to the important notices on real estate appraisal and real estate appraisal standards based on the Act on Investment Trusts and Investment Corporations and pursuant to the Act on Real Estate Appraisal (Act No. 152 of 1963, as amended). Furthermore, net operating income (NOI) and net cash flow (NCF) are rounded to the nearest million yen. The relevant appraisal report represents the judgment and opinion of the appraiser at a certain point, and does not guarantee the appropriateness and correctness of the statements and the possibility of trading at the appraisal value, etc. Furthermore, there is no relationship of special interest between Japan Real Estate Institute or The Tanizawa Sogo Appraisal Co., Ltd. and DHR.
- “Property Characteristics” shows the major items, including the fundamental nature, characteristics, and special features of the area where the location exists, of the respective Assets Scheduled for Acquisition stated

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in the respective evaluation reports for the respective Assets Scheduled for Acquisition prepared by CBRE K.K. on consignment from DHR of their evaluation. The evaluation of the respective Assets Scheduled for Acquisition represents the judgment and opinion of the evaluation company, and does not guarantee the appropriateness and correctness of the statements.

[D Project Kuki III]

Property number		D Project Kuki III	Use		Logistics	
L-B-26			Category		BTS type	
Overview of Specified Asset						
Type of specified asset		Trust beneficiary interest in real estate		Overview of building condition evaluation	Evaluation company	Tokio Marine & Nichido Risk Consulting Co., Ltd.
Planned date of acquisition		April 1, 2015			Evaluation date	February 2015
Planned acquisition price		7,340 million yen			Urgent repair costs	0 yen
Overview of trust beneficiary interest	Trust establishment date	April 1, 2015 (planned)			Short-term repair costs	0 yen
	Trustee	Sumitomo Mitsui Trust Bank, Limited			Long-term repair costs	42,950,000 yen/ 12 years (annual average: 3,579,000 yen)
	Trust maturity date	April 30, 2035			PML	0.1%
Land	Location	6004-1, Aza Taikoda, Shobu, Shobu-machi, Kuki-shi, Saitama		Building	Structure / floors	Reinforced concrete, 4 floors
	Land area	13,885.92 m ²			Date of construction	June 28, 2013
	Area classification	Exclusive industrial district			Gross floor area	26,651.77 m ²
	Building coverage ratio (Note 1) / FAR	50%/200%			Use	Warehouse
	Type of ownership	Ownership			Type of ownership	Ownership
Total leasable area		26,937.41 m ²		Designer	Daiwa House Industry Co., Ltd.	
Total leased area		26,937.41 m ²		Structural designer	Daiwa House Industry Co., Ltd.	
Occupancy rate		100.00%		Contractor	Daiwa House Industry Co., Ltd.	
Master lease company		—		Inspection agency	Saitama Housing Inspection Center General Foundation	
Property management company		Daiwa House Industry Co., Ltd.		Structural calculation evaluation agency	—	
Number of tenants		1		Collateral	None	
Special items:						
With respect to the part of the boundaries of the land which has not yet been established as of this date, DHR has agreed with the seller that the seller will promptly establish such boundaries at its own responsibility and cost.						

(Note 1) The building coverage ratio of the property is essentially 50%, however, due to application of corner lot mitigation, it is set at 60%.

(Note 2) As of the date of this announcement, the land and the building of this property are owned by the seller and Hitachi Capital Corporation, respectively, and a fixed-term leasehold for business has been established for the land with Hitachi Capital Corporation set as the leaseholder for the purpose of owning the building of the property. DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, Hitachi Capital Corporation will entrust the building and the fixed-term leasehold for business to the above trustee, and that the seller will take over the trust beneficiary interest and, after additionally entrusting the land of the property to the trustee, will transfer such trust beneficiary interests to DHR. Furthermore, the above fixed-term leasehold for business will cease to exist upon the additional entrustment of the land.

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Overview of Leasing				
Lessee	Leased area	Annual rent (excluding consumption tax)	Contract period	Tenant leasehold and security deposit
S.D.Logi CO., LTD.	26,937.41 m ²	— (Note)	From June 28, 2013 to June 30, 2033	— (Note)
Contract form:	Fixed-term building lease agreement			
Rent revision:	Rent shall be revised every five years from the starting date of the lease period, and shall be determined by discussion, comprehensively taking into account taxes and public dues on the building and the land of the property, fire insurance premiums, increase or decrease in land rent and long-term prime rates for every five years.			
Next rent revision:	June 28, 2018			
Contract renewal:	No renewal; the contract will end upon expiration of the lease period.			
Early cancellation:	The lessee may not be able to cancel the lease agreement as a rule. However, the lessee may cancel the lease agreement by June 30, 2023 if, when it does so, it notifies the lessor in writing by at least 12 months prior to the date of cancellation and pay pre-determined cancellation penalty.			

(Note) The figures are not disclosed as consent for disclosure has not been obtained from the lessee.

Property Characteristics
<p>■ Location</p> <p>Located in close proximity to the Kuki interchange on the Tohoku Expressway, the Shiraoka-Shobu interchange on the Metropolitan Inter-City Expressway, or Ken-O Expressway and National Route 122. This property's location features superior traffic access to major roads compared to other parts of the area. Given such excellent traffic access, the property allows freight collection and delivery within Saitama Prefecture and over the entire Tokyo metropolitan area. In addition, the property can function as a relay point from the Tohoku region where many plants operate. Future extension of the Ken-O Expressway is a positive factor in terms of expanding the delivery areas, where concentration of companies is progressing in recent years. As for the operation environment, there is little concern for complaints arising from residents living in the vicinity, as the property stands on an area having a concentration of logistics facilities. Around-the-clock operation is also possible, making it a favorable location from a long-term perspective. With regard to securing workforce, It's not within walking distance from the nearest station (Kuki station on JR Utsunomiya Line and Tobu Isesaki Line), but there is a bus stop within walking distance. Therefore, it is possible to secure workforce from the surrounding residential districts.</p> <p>■ Specifications</p> <p>This four-story logistics facility has a gross floor area of 8,060 <i>tsubo</i> and is leased to a logistics company. The warehouse part of the building comprises three layers (the first layer: first floor, the second layer: second/third floor, and the third layer: fourth floor). Basic building specifications are as follows: Ceiling height is 7.6m on the first layer, 7.3m on the second layer and 6.7m on the third layer. Floor loading capacity is 1.5t/m² and pillar interval spacing is 12.0m × 10.0m. These specifications make the property highly versatile and adaptable to the needs of a wide range of tenants. With two cargo elevators, four vertical carrier machines, and an automated warehouse located in a section of the second layer, the property has sufficient capability for moving cargo within the warehouse. The building features an earthquake resistant structure, which, given the high importance of earthquake resistant construction in recent business continuity planning (BCP), should be highly attractive to tenants. A set of car berths is located on one side of the first floor, and there are seven truck levelers to ensure efficiency. The property has generous parking space for 50 employee vehicles and 18 10-ton trucks.</p>

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Overview of Property Appraisal	
Appraisal value	7,350 million yen
Appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
Appraisal date	December 31, 2014

Item	Content	Basis
Value based on income method	7,350 million yen	Estimate by combining the value calculated by using direct capitalization method and the value calculated by using discounted cash flow method.
Value based on direct capitalization method	7,440 million yen	(Note)
Operating revenue	—	
Effective gross revenue	—	
Loss from vacancy	—	
Operating expense	—	
Maintenance	—	
Utility cost	—	
Repair	—	
Property management fee	—	
Advertisement and other leasing cost	—	
Tax	—	
Insurance	—	
Other cost	—	
Net operating income (NOI)	396 million yen	
Investment income of lump sum	—	
Capital expenditure	—	
Net cash flow (NCF)	394 million yen	Compare the multiple transaction yields in the neighboring areas and the similar areas of the same supply and demand, also, assess by taking into account the change prediction of net cash flow in the future, considering the relationship with the discount rate.
Cap rate	5.3%	
Value based on discounted cash flow method	7,310 million yen	Estimate base yield of the warehouse by build-up approach based on yields of the financial products, and assess taking into account specific risks related to the property.
Discount rate	(from first to eighth year) 5.2% (from ninth to tenth year) 5.3%	
Terminal cap rate	5.5%	
Value based on cost method	5,300 million yen	
Proportion of land	34.4%	
Proportion of building	65.6%	
Items applied to adjustments in approaches to the value and the determination of the appraisal value		None

(Note) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder value, and, except in certain instances where it was deemed that no harm would result from disclosure, these items are not disclosed.

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【D Project Kuki IV】

Property number	D Project Kuki IV		Use	Logistics	
L-B-27			Category	BTS type	
Overview of Specified Asset					
Type of specified asset	Trust beneficiary interest in real estate		Overview of building condition evaluation	Evaluation company	Tokio Marine & Nichido Risk Consulting Co., Ltd.
Planned date of acquisition	April 1, 2015			Evaluation date	February 2015
Planned acquisition price	5,300 million yen			Urgent repair costs	0 yen
Overview of trust beneficiary interest	Trust establishment date	February 28, 2011		Short-term repair costs	0 yen
	Trustee	Mitsubishi UFJ Trust and Banking Corporation		Long-term repair costs	11,712,000 yen/ 12 years (annual average: 976,000 yen)
	Trust maturity date	April 30, 2035		PML	1.7%
Land	Location	6201-5, Aza Kazarimen, Sanga, Shobu-machi, Kuki-shi, Saitama		Building	Structure / floors
	Land area	22,599.78 m ²	Date of construction		June 30, 2009
	Area classification	Exclusive industrial district and quasi-industrial district	Gross floor area		26,460.00m ²
	Building coverage ratio / FAR	50%/200% and 60%/200%	Use		Warehouse
	Type of ownership	Ownership	Type of ownership		Ownership
Total leasable area	26,460.00 m ²		Designer	Daiwa House Industry Co., Ltd.	
Total leased area	26,460.00 m ²		Structural designer	Daiwa House Industry Co., Ltd.	
Occupancy rate	100.00%		Contractor	Daiwa House Industry Co., Ltd.	
Master lease company	—		Inspection agency	Saitama Housing Inspection Center General Foundation	
Property management company	Daiwa House Industry Co., Ltd.		Structural calculation evaluation agency	—	
Number of tenants	1		Collateral	None	
Special items: None					

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Overview of Leasing				
Lessee	Leased area	Annual rent (excluding consumption tax)	Contract period	Tenant leasehold and security deposit
Chuo Bussan Corporation	26,460.00 m ²	— (Note)	From August 1, 2013 to June 30, 2029	— (Note)
Contract form:	Fixed-term building lease agreement			
Rent revision:	The provisions of Article 32 of the Act on Land and Building Leases in respect of a lessee's right to request a reduction of rent do not apply and the rent will not be revised. However, if, for example, due to a surge in the value of the land and building, a large increase in taxes and public charges, changes in the rents of neighboring properties, or other significant change in economic conditions, the level of rent were to become inappropriate, the parties may agree to revise the rent. The rent will be revised only if it results in an increase in the rent. This ability to revise the rent in no way constitutes an acceptance of the provisions of Article 32 of the Act on Land and Building Leases.			
Contract renewal:	No renewal; the contract will end upon expiration of the lease period.			
Early cancellation:	The lessee may cancel the lease agreement by June 30, 2024 if, when it does so, it notifies the lessor in writing by at least six months prior to the date of cancellation and pay pre-determined cancellation penalty.			

(Note) The figures are not disclosed as consent for disclosure has not been obtained from the lessee.

Property Characteristics
<p>■ Location</p> <p>Located in close proximity to the Kuki interchange on the Tohoku Expressway, the Shiraoka-Shobu interchange on the Metropolitan Inter-City Expressway, or Ken-O Expressway and National Route 122. This property's location features superior traffic access to major roads compared to other parts of the area. Given such excellent traffic access, the property allows freight collection and delivery within Saitama Prefecture and over the entire Tokyo metropolitan area. In addition, the property can function as a relay point from the Tohoku region where many plants operate. Future extension of the Ken-O Expressway is a positive factor in terms of expanding the delivery areas, where concentration of companies is progressing in recent years. As for the operation environment, there is little concern for complaints arising from residents living in the vicinity, as the property stands on an area having a concentration of logistics facilities. Around-the-clock operation is also possible, making it a favorable location from a long-term perspective. With regard to securing workforce, It's not within walking distance from the nearest station (Kuki station on JR Utsunomiya Line and Tobu Isesaki Line), but there is a bus stop within walking distance. Therefore, it is possible to secure workforce from the surrounding residential districts.</p> <p>■ Specifications</p> <p>This three-story logistics facility has a gross floor area of 8,000 <i>tsubo</i> and is leased to a logistics company. Basic building specifications are as follows: Ceiling height is 7.6m on the first and second floors and 4.6m on the third floor. Floor loading capacity is 1.5t/m² on the first and second floors and 1.0t/m² on the third floor. Pillar interval spacing is 10.5m × 10.5m. With four cargo elevators, the property has sufficient capability for moving cargo within the warehouse. A set of L-shaped car berths is located on two sides of the first floor to ensure efficiency. The property has generous parking space for 133 employee vehicles and nine trucks.</p>

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Overview of Property Appraisal	
Appraisal value	5,360 million yen
Appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
Appraisal date	December 31, 2014

Item	Content	Basis
Value based on income method	5,360 million yen	Estimate by combining the value calculated by using direct capitalization method and the value calculated by using discounted cash flow method.
Value based on direct capitalization method	5,270 million yen	(Note)
Operating revenue	—	
Effective gross revenue	—	
Loss from vacancy	—	
Operating expense	—	
Maintenance	—	
Utility cost	—	
Repair	—	
Property management fee	—	
Advertisement and other leasing cost	—	
Tax	—	
Insurance	—	
Other cost	—	
Net operating income (NOI)	280 million yen	
Investment income of lump sum	—	(Note)
Capital expenditure	—	
Net cash flow (NCF)	279 million yen	
Cap rate	5.3%	Compare the multiple transaction yields in the neighboring areas and the similar areas of the same supply and demand, also, assess by taking into account the change prediction of net cash flow in the future, considering the relationship with the discount rate.
Value based on discounted cash flow method	5,400 million yen	Estimate base yield of the warehouse by build-up approach based on yields of the financial products, and assess taking into account specific risks related to the property.
Discount rate	(from first to ninth year) 5.2% (tenth year) 5.3%	
Terminal cap rate	5.5%	
Value based on cost method	5,030 million yen	
Proportion of land	43.9%	
Proportion of building	56.1%	
Items applied to adjustments in approaches to the value and the determination of the appraisal value		None

(Note) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder value, and, except in certain instances where it was deemed that no harm would result from disclosure, these items are not disclosed.

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【D Project Kuki V】

Property number	D Project Kuki V		Use	Logistics		
L-B-28			Category	BTS type		
Overview of Specified Asset						
Type of specified asset	Trust beneficiary interest in real estate		Overview of building condition evaluation	Evaluation company	Tokio Marine & Nichido Risk Consulting Co., Ltd.	
Planned date of acquisition	April 1, 2015			Evaluation date	February 2015	
Planned acquisition price	8,010 million yen			Urgent repair costs	0 yen	
Overview of trust beneficiary interest	Trust establishment date	April 1, 2015 (planned)		Short-term repair costs	0 yen	
	Trustee	Sumitomo Mitsui Trust Bank, Limited		Long-term repair costs	59,385,000 yen/ 12 years (annual average: 4,949,000 yen)	
	Trust maturity date	April 30, 2035		PML	2.8%	
Land	Location	6201-6, Aza Kazarimen, Sanga, Shobu-machi, Kuki-shi, Saitama		Structure / floors	Steel frame, reinforced concrete and steel frame, 6 floors	
	Land area	29,602.02 m ²		Date of construction	May 21, 2012	
	Area classification	Exclusive industrial district and quasi-industrial district		Gross floor area	44,091.37 m ²	
	Building coverage ratio / FAR	50%/200% and 60%/200%		Use	Warehouse and office	
	Type of ownership	Ownership		Type of ownership	Ownership	
Total leasable area	47,320.89 m ²		Designer	Daiwa House Industry Co., Ltd.		
Total leased area	47,320.89 m ²		Structural designer	Daiwa House Industry Co., Ltd.		
Occupancy rate	100.00%		Contractor	Daiwa House Industry Co., Ltd.		
Master lease company	—		Inspection agency	Saitama Housing Inspection Center General Foundation		
Property management company	Daiwa House Industry Co., Ltd.		Structural calculation evaluation agency	—		
Number of tenants	1		Collateral	None		
Special items: With respect to the part of the boundaries of the land which has not yet been established as of this date, DHR has agreed with the seller that the seller will promptly establish such boundaries at its own responsibility and cost.						

(Note) DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, that the seller will entrust the property to the above trustee, and that the seller will transfer such trust beneficiary interests to DHR.

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Overview of Leasing				
Lessee	Leased area	Annual rent (excluding consumption tax)	Contract period	Tenant leasehold and security deposit
Hitachi Transport System, Ltd.	47,320.89 m ²	— (Note)	From July 1, 2012 to June 30, 2022	— (Note)
Contract form:	Fixed-term building lease agreement			
Rent revision:	Rent shall be revised every five years from the starting date of the lease period, and shall be determined by discussion, comprehensively taking into account taxes and public dues on the building and the land of the property, fire insurance premiums, increase or decrease in land rent and long-term prime rates for every five years.			
Next rent revision:	July 1, 2017			
Contract renewal:	No renewal; the contract will end upon expiration of the lease period.			
Early cancellation:	The lessee may not be able to cancel the lease agreement as a rule. However, the lessee may cancel the lease agreement by June 30, 2022 if, when it does so, it notifies the lessor in writing by at least 12 months prior to the date of cancellation and pay pre-determined cancellation penalty.			

(Note) The figures are not disclosed as consent for disclosure has not been obtained from the lessee.

Property Characteristics
<p>■ Location</p> <p>Located in close proximity to the Kuki interchange on the Tohoku Expressway, the Shiraoka-Shobu interchange on the Metropolitan Inter-City Expressway, or Ken-O Expressway and National Route 122. This property's location features superior traffic access to major roads compared to other parts of the area. Given such excellent traffic access, the property allows freight collection and delivery within Saitama Prefecture and over the entire Tokyo metropolitan area. In addition, the property can function as a relay point from the Tohoku region where many plants operate. Future extension of the Ken-O Expressway is a positive factor in terms of expanding the delivery areas, where concentration of companies is progressing in recent years. As for the operation environment, there is little concern for complaints arising from residents living in the vicinity, as the property stands on an area having a concentration of logistics facilities. Around-the-clock operation is also possible, making it a favorable location from a long-term perspective. With regard to securing workforce, It's not within walking distance from the nearest station (Kuki station on JR Utsunomiya Line and Tobu Isesaki Line), but there is a bus stop within walking distance. Therefore, it is possible to secure workforce from the surrounding residential districts.</p> <p>■ Specifications</p> <p>This six-story logistics facility has a gross floor area of 13,340 <i>tsubo</i> and is leased to a logistics company. The warehouse part of the building comprises four layers (the first layer: first/second floor, the second layer: third/fourth floor, the third layer: fifth floor and the fourth layer: sixth floor). There is a refrigeration facility in a section of the first layer. Basic building specifications are as follows: Ceiling height is 7.6m on the first layer, the second layer and the third layer, and 7.1m on the fourth layer in the warehouse part of the building. Floor loading capacity is 1.5t/m² and pillar interval spacing is 11.0m × 9.7m. These specifications make the property highly versatile. With two cargo elevators, ten vertical carrier machines, the property has sufficient capability for moving cargo within the warehouse. A set of L-shaped car berths on two sides of the first layer with a piloti allows for smooth operation even in rainy weather. The property has parking space for 100 employee vehicles and more.</p>

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Overview of Property Appraisal	
Appraisal value	8,070 million yen
Appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
Appraisal date	December 31, 2014

Item	Content	Basis
Value based on income method	8,070 million yen	Estimate by combining the value calculated by using direct capitalization method and the value calculated by using discounted cash flow method.
Value based on direct capitalization method	8,030 million yen	
Operating revenue	—	(Note)
Effective gross revenue	—	
Loss from vacancy	—	
Operating expense	—	
Maintenance	—	
Utility cost	—	
Repair	—	
Property management fee	—	
Advertisement and other leasing cost	—	
Tax	—	
Insurance	—	
Other cost	—	
Net operating income (NOI)	432 million yen	
Investment income of lump sum	—	(Note)
Capital expenditure	—	
Net cash flow (NCF)	426 million yen	
Cap rate	5.3%	Compare the multiple transaction yields in the neighboring areas and the similar areas of the same supply and demand, also, assess by taking into account the change prediction of net cash flow in the future, considering the relationship with the discount rate.
Value based on discounted cash flow method	8,080 million yen	
Discount rate	(from first to seventh year) 5.2% (from eighth to tenth year) 5.3%	Estimate base yield of the warehouse by build-up approach based on yields of the financial products, and assess taking into account specific risks related to the property.
Terminal cap rate	5.5%	In consideration of the prediction uncertainty, estimate on the basis of capitalization rate.
Value based on cost method	7,810 million yen	
Proportion of land	36.7%	
Proportion of building	63.3%	
Items applied to adjustments in approaches to the value and the determination of the appraisal value		None

(Note) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder value, and, except in certain instances where it was deemed that no harm would result from disclosure, these items are not disclosed.

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[D Project Kuki VI]

Property number	D Project Kuki VI		Use	Logistics		
L-B-29			Category	BTS type		
Overview of Specified Asset						
Type of specified asset	Trust beneficiary interest in real estate		Overview of building condition evaluation	Evaluation company	Tokio Marine & Nichido Risk Consulting Co., Ltd.	
Planned date of acquisition	April 1, 2015			Evaluation date	February 2015	
Planned acquisition price	4,980 million yen			Urgent repair costs	0 yen	
Overview of trust beneficiary interest	Trust establishment date	April 1, 2015 (planned)		Short-term repair costs	0 yen	
	Trustee	Sumitomo Mitsui Trust Bank, Limited		Long-term repair costs	41,380,000 yen/ 12 years (annual average: 3,448,000 yen)	
	Trust maturity date	April 30, 2035		PML	2.0 %	
Land	Location	48-3, Kiyoku-cho, Kuki-shi, Saitama		Building	Structure / floors	Steel frame and reinforced concrete, 3 floors
	Land area	19,834.60 m ²			Date of construction	August 9, 2013
	Area classification	Industrial district			Gross floor area	29,495.85 m ²
	Building coverage ratio (Note 1) / FAR	60%/200%			Use	Warehouse
	Type of ownership	Ownership			Type of ownership	Ownership
Total leasable area	29,244.66 m ²		Designer	Daiwa House Industry Co., Ltd.		
Total leased area	29,244.66 m ²		Structural designer	Daiwa House Industry Co., Ltd.		
Occupancy rate	100.00%		Contractor	Daiwa House Industry Co., Ltd.		
Master lease company	—		Inspection agency	Saitama Housing Inspection Center General Foundation		
Property management company	Daiwa House Industry Co., Ltd.		Structural calculation evaluation agency	—		
Number of tenants	1		Collateral	None		
Special items: None						

(Note 1) The building coverage ratio of the property is essentially 60%, however, due to application of corner lot mitigation, it is set at 70%.

(Note 2) As of the date of this announcement, the land and the building of this property are owned by the seller and Hitachi Capital Corporation, respectively, and a fixed-term leasehold for business has been established for the land with Hitachi Capital Corporation set as the leaseholder for the purpose of owning the building of the property. DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, Hitachi Capital Corporation will entrust the building and the fixed-term leasehold for business to the above trustee, and that the seller will take over the trust beneficiary interest and, after additionally entrusting the land of the property to the trustee, will transfer such trust beneficiary interests to DHR. Furthermore, the above fixed-term leasehold for business will cease to exist upon the additional entrustment of the land.

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Overview of Leasing				
Lessee	Leased area	Annual rent (excluding consumption tax)	Contract period	Tenant leasehold and security deposit
Sagawa Global Logistics Co., Ltd.	29,244.66 m ²	— (Note)	From August 9, 2013 to February 9, 2024	— (Note)
Contract form:	Fixed-term building lease agreement			
Rent revision:	Rent shall be revised every five years from the starting date of the lease period, and shall be determined by discussion, comprehensively taking into account taxes and public dues on the building and the land of the property, fire insurance premiums, increase or decrease in land rent and long-term prime rates for every five years.			
Next rent revision:	August 9, 2018			
Contract renewal:	No renewal; the contract will end upon expiration of the lease period. If the lessee desires to continue using the property, the lessee has a preferential right to negotiate with the lessor, ahead of other prospective lessees, a new lease agreement to start on the day following the expiration of the current lease period. If an agreement is reached with the lessor, the lessee may conclude a new lease agreement with the lessor. However, if a new contract is not agreed by at least 6 months before the expiration of the current lease period, the lessee shall forfeit its preferential right to negotiate.			
Early cancellation:	The lessee may not be able to cancel the lease agreement. However, the lessee may cancel the lease agreement, when it does so, it notifies the lessor in writing by the date of cancellation in advance and pay pre-determined cancellation penalty.			

(Note) The figures are not disclosed as consent for disclosure has not been obtained from the lessee.

Property Characteristics
<p>■ Location</p> <p>Located in close proximity to the Kuki interchange on the Tohoku Expressway, the Shiraoka-Shobu interchange on the Metropolitan Inter-City Expressway, or Ken-O Expressway and National Route 122. This property's location features superior traffic access to major roads compared to other parts of the area. Given such excellent traffic access, the property allows freight collection and delivery within Saitama Prefecture and over the entire Tokyo metropolitan area. In addition, the property can function as a relay point from the Tohoku region where many plants operate. Future extension of the Ken-O Expressway is a positive factor in terms of expanding the delivery areas, where concentration of companies is progressing in recent years. As for the operation environment, there is little concern for complaints arising from residents living in the vicinity, as the property stands on an area having a concentration of logistics facilities. Around-the-clock operation is also possible, making it a favorable location from a long-term perspective. With regard to securing workforce, It's not within walking distance from the nearest station (Kuki station on JR Utsunomiya Line and Tobu Isesaki Line), but there is a bus stop within walking distance. Therefore, it is possible to secure workforce from the surrounding residential districts.</p> <p>■ Specifications</p> <p>This four-story logistics facility has a gross floor area of 8,920 <i>tsubo</i> and is leased to a logistics company. Basic building specifications are as follows: Ceiling height is 6.6m on the first and second floors, 6.0m on the third floor. Floor loading capacity is 1.5t/m² on all floors. Pillar interval spacing is 11.5m × 10.0m. With two cargo elevators, four vertical carrier machines, the property has sufficient capability for moving cargo within the warehouse. A set of car berths located on two sides of the first floor provides excellent convenience for tenants with frequent delivery operation. There are two entrances that allow for efficient operation. The property has parking space for 100 employee vehicles. Environmental consideration is made with greenery on the rooftop of the building.</p>

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Overview of Property Appraisal	
Appraisal value	4,980 million yen
Appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
Appraisal date	December 31, 2014

Item	Content	Basis
Value based on income method	4,980 million yen	Estimate by combining the value calculated by using direct capitalization method and the value calculated by using discounted cash flow method.
Value based on direct capitalization method	5,000 million yen	
Operating revenue	—	
Effective gross revenue	—	
Loss from vacancy	—	
Operating expense	—	(Note)
Maintenance	—	
Utility cost	—	
Repair	—	
Property management fee	—	
Advertisement and other leasing cost	—	
Tax	—	
Insurance	—	
Other cost	—	
Net operating income (NOI)	268 million yen	
Investment income of lump sum	—	(Note)
Capital expenditure	—	
Net cash flow (NCF)	265 million yen	
Cap rate	5.3%	Compare the multiple transaction yields in the neighboring areas and the similar areas of the same supply and demand, also, assess by taking into account the change prediction of net cash flow in the future, considering the relationship with the discount rate.
Value based on discounted cash flow method	4,970 million yen	
Discount rate	(from first to ninth year) 5.2% (tenth year) 5.3%	Estimate base yield of the warehouse by build-up approach based on yields of the financial products, and assess taking into account specific risks related to the property.
Terminal cap rate	5.5%	In consideration of the prediction uncertainty, estimate on the basis of capitalization rate.
Value based on cost method	5,070 million yen	
Proportion of land	26.3%	
Proportion of building	73.7%	
Items applied to adjustments in approaches to the value and the determination of the appraisal value		None

(Note) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder value, and, except in certain instances where it was deemed that no harm would result from disclosure, these items are not disclosed.

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【D Project Yashio】

Property number		D Project Yashio		Use		Logistics	
L-B-30				Category		BTS type	
Overview of Specified Asset							
Type of specified asset		Trust beneficiary interest in real estate		Overview of building condition evaluation	Evaluation company		Tokio Marine & Nichido Risk Consulting Co., Ltd.
Planned date of acquisition		April 1, 2015			Evaluation date		February 2015
Planned acquisition price		6,140 million yen			Urgent repair costs		0 yen
Overview of trust beneficiary interest	Trust establishment date	April 1, 2015 (planned)			Short-term repair costs		0 yen
	Trustee	Mitsubishi UFJ Trust and Banking Corporation			Long-term repair costs		69,618,000 yen/ 12 years (annual average: 5,802,000 yen)
	Trust maturity date	April 30, 2035		PML		1.6%	
Land	Location	50-1, Oaza Shin-machi, Yashio-shi, Saitama		Building	Structure / floors		Reinforced concrete and steel frame, 3 floors
	Land area	15,350.07 m ²			Date of construction		August 1, 2011
	Area classification	Exclusive industrial district			Gross floor area		21,923.78m ²
	Building coverage ratio (Note 1) / FAR	60%/200%			Use		Warehouse
	Type of ownership	Ownership			Type of ownership		Ownership
Total leasable area		21,965.04 m ²		Designer		Daiwa House Industry Co., Ltd.	
Total leased area		21,965.04 m ²		Structural designer		Daiwa House Industry Co., Ltd.	
Occupancy rate		100.00%		Contractor		Daiwa House Industry Co., Ltd.	
Master lease company		—		Inspection agency		Saitama Housing Inspection Center General Foundation	
Property management company		Daiwa House Industry Co., Ltd.		Structural calculation evaluation agency		—	
Number of tenants		2		Collateral		None	
Special items: The land on 1-16-15 Chuo, Yashio-shi holds an easement over a part of the land (covering 53.97 m ²), which prohibits the construction of buildings and planting of trees that will interfere with any electric power transmission lines.							

(Note 1) The building coverage ratio of the property is essentially 60%, however, due to application of corner lot mitigation, it is set at 70%.

(Note 2) As of the date of this announcement, the land and the building of this property are owned by the seller and Hitachi Capital Corporation, respectively, and a fixed-term leasehold for business has been established for the land with Hitachi Capital Corporation set as the leaseholder for the purpose of owning the building of the property. DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, Hitachi Capital Corporation will entrust the building and the fixed-term leasehold for business to the above trustee, and that the seller will take over the trust beneficiary interest and, after additionally entrusting the land of the property to the trustee, will transfer such trust beneficiary interests to DHR. Furthermore, the above fixed-term leasehold for business will cease to exist upon the additional entrustment of the land.

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Overview of Leasing				
Lessee	Leased area	Annual rent (excluding consumption tax)	Contract period	Tenant leasehold and security deposit
Tohto Co-Op	7,400.61 m ²	— (Note)	From August 1, 2011 to July 31, 2031	— (Note)
Ryutsu Service Co., Ltd.	14,564.43 m ²	— (Note)	From August 1, 2011 to July 31, 2031	— (Note)
<p>• Tohto Co-Op</p> <p>Contract form: Standard building lease agreement</p> <p>Rent revision: Rent shall be revised every five years from the starting date of the lease period, and shall be determined by discussion, comprehensively taking into account taxes and public dues on the building and the land of the property, fire insurance premiums, increase or decrease in land rent and change long-term prime rates for every five years.</p> <p>Next rent revision: August 1, 2016</p> <p>Contract renewal: No agreement on renewal.</p> <p>Early cancellation: The lessee may not be able to cancel the lease agreement as a rule. However, the lessee may cancel the lease agreement if, when it does so, it notifies the lessor in writing by at least 12 months prior to the date of cancellation and pay pre-determined cancellation penalty.</p> <p>• Ryutsu Service Co., Ltd.</p> <p>Contract form: Standard building lease agreement</p> <p>Rent revision: Rent shall be revised every five years from the starting date of the lease period, and shall be determined by discussion, comprehensively taking into account taxes and public dues on the building and the land of the property, fire insurance premiums, increase or decrease in land rent and change long-term prime rates for every five years.</p> <p>Next rent revision: August 1, 2016</p> <p>Contract renewal: No agreement on renewal.</p> <p>Early cancellation: — (Note)</p>				

(Note) Information is not disclosed as consent for disclosure has not been obtained from the lessee.

Property Characteristics
<p>■ Location</p> <p>The property has easy access to the Tokyo Gaikan Expressway via the Misato Nishi interchange and Soka interchange, enabling broad coverage of interior areas of Tokyo Metropolitan area, as well as convenient access to central Tokyo via Route 4. The property is extremely well positioned as a logistics center, enabling coverage of not only central Tokyo but also central Saitama City, with possible routes extending in all directions. Tokyo Gaikan Expressway currently extends from Misato junction to Misato-Minami interchange. In future, it is expected that it will connect with the Bayshore Route to strengthen access to the Chiba area, further increasing the location potential of the property by extending its distribution area. The area is home to many large logistics facilities, so the possibility of trouble from noise, etc., should not be a concern, and round-the-clock operation is possible. Furthermore, accessibility to trunk roads increases the attractiveness of the area from a logistics operations perspective. While the property is not within walking distance of the closest train station (Soka Station on Tobu Isesaki Line), it should be comparatively easy to find employees from residential areas in nearby Soka City and Yashio City.</p> <p>■ Specifications</p> <p>This three-story logistics facility has a gross floor area of 6,630 <i>tsubo</i> and is leased to a logistics company. A refrigeration facility and dock-shelter are located on the first floor. Basic building specifications are as follows: Ceiling height is 7.0m on the first floor, 7.2m on the second floor and 6.8m on the third floor. Floor loading capacity is 1.5t/m² on all floors. Pillar interval spacing is 10.8m × 9.1m. These specifications make the property highly versatile and adaptable to the needs of a wide range of tenants. With three cargo elevators, two vertical carrier machines, the property has sufficient capability for moving cargo within the warehouse. A set of L-shaped car berths is located on two sides of the first floor to ensure efficiency. The property has parking space for 57 employee vehicles. While the property is not within walking distance of the nearest train station, parking space is sufficient considering that many employees commute using the adjacent bus stop.</p>

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Overview of Property Appraisal	
Appraisal value	6,160 million yen
Appraiser	Japan Real Estate Institute
Appraisal date	December 31, 2014

Item	Content	Basis
Value based on income method	6,160 million yen	Estimate by treating equally the value calculated using the direct capitalization method and the value calculated using the discounted cash flow method.
Value based on direct capitalization method	6,190 million yen	
Operating revenue	—	
Effective gross revenue	—	
Loss from vacancy	—	
Operating expense	—	(Note)
Maintenance	—	
Utility cost	—	
Repair	—	
Property management fee	—	
Advertisement and other leasing cost	—	
Tax	—	
Insurance	—	
Other cost	—	
Net operating income (NOI)	309 million yen	
Investment income of lump sum	—	(Note)
capital expenditure	—	
Net cash flow (NCF)	309 million yen	
Cap rate	5.0%	Considering prediction uncertainty and transaction yields for similar properties, assess by taking into account moderating spread caused by the property's location, the characteristics of the building, the contract condition and other characteristics.
Value based on discounted cash flow method	6,120 million yen	
Discount rate	4.5%	While reflecting investment returns of similar properties, assess by taking into account the property's unique characteristics.
Terminal cap rate	5.3%	While reflecting transaction yields for similar properties, assess by taking into account upcoming changes in investment returns, risks associated with the property to be acquired, general prediction of economic growth rate, trends in real estate prices and rent rates, and all other applicable factors.
Value based on cost method	5,340 million yen	
Proportion of land	46.6%	
Proportion of building	53.4%	
Items applied to adjustments in approaches to the value and the determination of the appraisal value		None

(Note) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder value, and, except in certain instances where it was deemed that no harm would result from disclosure, these items are not disclosed.

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【D Project Nishiyodogawa】

Property number	D Project Nishiyodogawa		Use	Logistics		
L-B-31			Category	BTS type		
Overview of Specified Asset						
Type of specified asset	Trust beneficiary interest in real estate		Overview of building condition evaluation	Evaluation company	Tokio Marine & Nichido Risk Consulting Co., Ltd.	
Planned date of acquisition	April 1, 2015			Evaluation date	February 2015	
Planned acquisition price	9,660 million yen			Urgent repair costs	0 yen	
Overview of trust beneficiary interest	Trust establishment date	April 30, 2015 (planned)		Short-term repair costs	0 yen	
	Trustee	Mitsubishi UFJ Trust and Banking Corporation		Long-term repair costs	20,912,000 yen/ 12 years (annual average: 1,743,000 yen)	
	Trust maturity date	April 30, 2035		PML	7.3%	
Land	Location	7-48 Nakashima 2-chome, Nishiyodogawa-ku, Osaka-shi, Osaka		Building	Structure / floors	Reinforced concrete and steel frame, 4 floors
	Land area	20,253.00 m ²			Date of construction	April 15, 2011
	Area classification	Exclusive industrial district			Gross floor area	37,579.31 m ²
	Building coverage ratio (Note 1)/ FAR	60%/200%			Use	Office, Warehouse and plant
	Type of ownership	Ownership			Type of ownership	Ownership
Total leasable area	39,584.80 m ²		Designer	Daiwa House Industry Co., Ltd.		
Total leased area	39,584.80 m ²		Structural designer	Daiwa House Industry Co., Ltd.		
Occupancy rate	100.00%		Contractor	Daiwa House Industry Co., Ltd.		
Master lease company	—		Inspection agency	Osaka Building Disaster Prevention Center		
Property management company	Daiwa House Industry Co., Ltd.		Structural calculation evaluation agency	—		
Number of tenants	1		Collateral	None		
Special items: None						

(Note 1) The building coverage ratio of the property is essentially 60%, however, due to application of corner lot mitigation, it is set at 70%.

(Note 2) As of the date of this announcement, the land and the building of this property are owned by the seller and Sumitomo Mitsui Finance and Leasing Company, Limited respectively, and a fixed-term leasehold for business has been established for the land with Sumitomo Mitsui Finance and Leasing Company, Limited set as the leaseholder for the purpose of owning the building of the property. DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, Sumitomo Mitsui Finance and Leasing Company, Limited will entrust the building and the fixed-term leasehold for business to the above trustee, and that the seller will take over the trust beneficiary interest and, after additionally entrusting the land of the property to the trustee, will transfer such trust beneficiary interests to DHR. Furthermore, the above fixed-term leasehold for business will cease to exist upon the additional entrustment of the land.

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Overview of Leasing				
Lessee	Leased area	Annual rent (excluding consumption tax)	Contract period	Tenant leasehold and security deposit
VANTEC CORPORATION	39,584.80 m ²	— (Note)	From April 15, 2011 to August 15, 2026	— (Note)
Contract form:	Fixed-term building lease agreement			
Rent revision:	Rent shall be revised every five years from the starting date of the lease period, and shall be determined by discussion, comprehensively taking into account taxes and public dues on the building and the land of the property, fire insurance premiums, financial benchmarks such as long-term prime rates, and increase or decrease in land rent.			
Next rent revision:	April 15, 2016			
Contract renewal:	No renewal; the contract will end upon expiration of the lease period.			
Early cancellation:	The lessee may not be able to cancel the lease agreement. However, the lessee may cancel the lease agreement if, when it does so, it notifies the lessor in writing by at least six months prior to the date of cancellation and pay pre-determined cancellation penalty with consent of lessor.			

(Note) The figures are not disclosed as consent for disclosure has not been obtained from the lessee.

Property Characteristics
<p>■ Location</p> <p>The property is located near central Osaka and Osaka Bay. Via the Nakajima interchange, located close by, and the Hanshin Expressway 5 Bayshore Route, the property provides convenient access to Osaka, a major consumption center, and the Kobe region. With easy access to Kansai Airport via Hanshin Expressway Route 4 Bayshore Route, the area has great potential as a logistics center, and has seen the development of a number of large logistics facilities in recent years. As there are a number of logistics facilities in the area, trouble with noise, etc., should not be a concern and round-the-clock operation is possible, making the area attractive from a logistics operations perspective. While the property is not within walking distance of the nearest train station (Dekijima station on Hanshin Namba Line), it is within walking distance of bus stops, and it should be comparatively easy to find employees from the population in the surrounding region.</p> <p>■ Specifications</p> <p>This four-story logistics facility has a gross floor area of 11,370 <i>tsubo</i> and is leased to a logistics company. There are freezing and refrigeration facilities in a section of the first, second, and third floors, and dock-shelter on the first floor. Basic building specifications are as follows: Ceiling height is 7.4m on the first floor, 7.1m on the second floor, 6.8m on the third floor and 6.2m on the fourth floor. Floor loading capacity is 1.5t/m² on all floors. Pillar interval spacing is 10.5m × 10.1m. With six cargo elevators, six vertical carrier machines, the property has sufficient capability for moving cargo within the warehouse. A set of car berths on two sides of the first floor with a piloti allows for smooth cargo operation even in rainy weather. The property has parking space for 103 employee vehicles, for 15 large-sized vehicles and for 39 small-to medium sized vehicles.</p>

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Overview of Property Appraisal	
Appraisal value	9,700 million yen
Appraiser	Japan Real Estate Institute
Appraisal date	December 31, 2014

Item	Content	Basis
Value based on income method	9,700 million yen	Estimate by treating equally the value calculated using the direct capitalization method and the value calculated using the discounted cash flow method.
Value based on direct capitalization method	9,710 million yen	
Operating revenue	—	(Note)
Effective gross revenue	—	
Loss from vacancy	—	
Operating expense	—	
Maintenance	—	
Utility cost	—	
Repair	—	
Property management fee	—	
Advertisement and other leasing cost	—	
Tax	—	
Insurance	—	
Other cost	—	
Net operating income (NOI)	515 million yen	
Investment income of lump sum	—	(Note)
Capital expenditure	—	
Net cash flow (NCF)	515 million yen	
Cap rate	5.3%	Considering prediction uncertainty and transaction yields for similar properties, assess by taking into account moderating spread caused by the property's location, the characteristics of the building, the contract condition and other characteristics.
Value based on discounted cash flow method	9,690 million yen	
Discount rate	5.0%	While reflecting investment returns of similar properties, assess by comprehensively taking into account the property's unique characteristics and other factors.
Terminal cap rate	5.4%	While reflecting transaction yields for similar properties, assess by comprehensively taking into account upcoming changes in investment returns, risks associated with the property to be acquired, general prediction of economic growth rate, trends in real estate prices and rent rates, and all other applicable factors.
Value based on cost method	7,940 million yen	
Proportion of land	40.3%	
Proportion of building	59.7%	
Items applied to adjustments in approaches to the value and the determination of the appraisal value		None

(Note) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder value, and, except in certain instances where it was deemed that no harm would result from disclosure, these items are not disclosed.

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【D Project Matsudo】

Property number		D Project Matsudo	Use		Logistics
L-B-32			Category		BTS type
Overview of Specified Asset					
Type of specified asset		Trust beneficiary interest in real estate		Overview of building condition evaluation	Evaluation company Tokio Marine & Nichido Risk Consulting Co., Ltd.
Planned date of acquisition		June 1, 2015			Evaluation date February 2015
Planned acquisition price		6,990 million yen			Urgent repair costs 0 yen
Overview of trust beneficiary interest	Trust establishment date	June 1, 2015 (planned)			Short-term repair costs 0 yen
	Trustee	Sumitomo Mitsui Trust Bank, Limited			Long-term repair costs 20,868,000 yen/ 12 years (annual average: 1,739,000 yen)
	Trust maturity date	June 30, 2035			PML 3.1%
Land	Location	700-3, Aza Nishinooda, Kamihongo, Matsudo-shi, Chiba		Building	Structure / floors Reinforced concrete and steel frame, 5 floors
	Land area	16,973.19 m ²			Date of construction April 9, 2011
	Area classification	Exclusive industrial district			Gross floor area 19,837.61 m ²
	Building coverage ratio / FAR	60%/200%			Use Warehouse
	Type of ownership	Ownership			Type of ownership Ownership
Total leasable area		26,776.67 m ²		Designer	Daiwa House Industry Co., Ltd.
Total leased area		26,776.67 m ²		Structural designer	Daiwa House Industry Co., Ltd.
Occupancy rate		100.00%		Contractor	Daiwa House Industry Co., Ltd.
Master lease company		—		Inspection agency	JAPAN ERI CO., LTD.
Property management company		Daiwa House Industry Co., Ltd.		Structural calculation evaluation agency	—
Number of tenants		1		Collateral	None
Special items: While the building condition evaluation report revealed multiple findings to be remedied, DHR has agreed with the seller that the seller will remedy such findings at its own cost and responsibility by the time of DHR's acquisition.					

(Note) As of the date of this announcement, the land and the building of this property are owned by the seller and Hitachi Capital Corporation, respectively, and a fixed-term leasehold for business has been established for the land with Hitachi Capital Corporation, set as the leaseholder for the purpose of owning the building of the property. DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, Hitachi Capital Corporation, will entrust the building and the fixed-term leasehold for business to the above trustee, and that the seller will take over the trust beneficiary interest and, after additionally entrusting the land of the property to the trustee, will transfer such trust beneficiary interests to DHR. Furthermore, the above fixed-term leasehold for business will cease to exist upon the additional entrustment of the land.

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Overview of Leasing				
Lessee	Leased area	Annual rent (excluding consumption tax)	Contract period	Tenant leasehold and security deposit
Asahi Logistics Corp.	26,766.67 m ²	— (Note)	From April 9, 2011 to April 30, 2031	— (Note)
Contract form:	Fixed-term building lease agreement			
Rent revision:	Rent shall be revised every three years from the starting date of the lease period, and shall be determined by discussion, comprehensively taking into account taxes and public dues on the building and the land of the property, fire insurance premiums and increase or decrease in long-term prime rates.			
Next rent revision:	April 9, 2017			
Contract renewal:	No renewal; the contract will end upon expiration of the lease period. Twelve to six months before the end of the lease period, the lessor shall notify the lessee in writing of the fact that the lease shall expire at the end of the lease period. At the same time, if the lessor so desires, the lessor may notify the lessee of its desire to enter a new lease agreement beginning on the day after the expiration of the current lease term, and if the lessee is agreeable and the two sides agree to terms for a new contract, they may enter into a new lease agreement. Unless a new lease has been agreed, the lessee must vacate the premises by the end of the lease period.			
Early cancellation:	The lessee may not be able to cancel the lease agreement during the contract term of lease contract. However, the lessee may cancel the lease agreement by the end of the month if, when it does so, it notifies the lessor in writing by at least six months prior to the date of cancellation and pay pre-determined cancellation penalty.			

(Note) The figures are not disclosed as consent for disclosure has not been obtained from the lessee.

Property Characteristics
<p>■ Location</p> <p>The area is a distribution hub serving the Saitama and Chiba regions, centering on the area around Matsudo City. Delivery to Tokyo and the greater National Capital region is possible via major trunk road Route 6 (Mito Kaido) and also using the Joban Expressway, Tokyo Gaikan Expressway and Shuto Expressway via Misato interchange from Misato Minami interchange located just 3.8km away. In future, it is expected that it will connect with the Bayshore Route to strengthen access to the Chiba area, further increasing the location potential of the property by extending its distribution area. As the property is located inside the Kitamatsudo Industrial Park, the potential for trouble with nearby residents due to noise, etc., is not a concern, and round-the-clock operation is possible. With superb access to area trunk roads from the front access road, the property is attractively located from a logistics operations perspective. Furthermore, being only a three-minute walk from the nearest train station (Kitamatsudo station on JR Joban Line), it should be easy to attract employees.</p>
<p>■ Specifications</p> <p>This five-story logistics facility has a gross floor area of 6,000 <i>tsubo</i> and is leased to a logistics company. The warehouse part of the building comprises three layers (the first layer: first/second floor, the second layer: third/fourth floor, and the third layer: fifth floor). There are freezing and refrigeration facilities and dock-shelter in a section of the first layer. Basic building specifications are as follows: Ceiling height is 7.2m and floor loading capacity is 1.5t/m² on all layers. Pillar interval spacing is 11.0m × 11.1m. With two cargo elevators, four vertical carrier machines, the property has sufficient capability for moving cargo within the warehouse. A set of car berths is located on two sides of the first floor to ensure efficiency. There are two entrances that allow for efficient operation. The property has parking space for 44 employee vehicles and 20 trucks.</p>

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Overview of Property Appraisal	
Appraisal value	7,050 million yen
Appraiser	Japan Real Estate Institute
Appraisal date	December 31, 2014

Item	Content	Basis
Value based on income method	7,050 million yen	Estimate by treating equally the value calculated using the direct capitalization method and the value calculated using the discounted cash flow method.
Value based on direct capitalization method	7,060 million yen	
Operating revenue	—	(Note)
Effective gross revenue	—	
Loss from vacancy	—	
Operating expense	—	
Maintenance	—	
Utility cost	—	
Repair	—	
Property management fee	—	
Advertisement and other leasing cost	—	
Tax	—	
Insurance	—	
Other cost	—	
Net operating income (NOI)	350 million yen	
Investment income of lump sum	—	(Note)
capital expenditure	—	
Net cash flow (NCF)	353 million yen	
Cap rate	5.0%	Considering prediction uncertainty and transaction yields for similar properties, assess by taking into account moderating spread caused by the property's location, the characteristics of the building, the contract condition and other characteristics.
Value based on discounted cash flow method	7,040 million yen	
Discount rate	4.7%	While reflecting investment returns of similar properties, assess by comprehensively taking into account the property's unique characteristics and other factors.
Terminal cap rate	5.1%	While reflecting transaction yields for similar properties, assess by comprehensively taking into account upcoming changes in investment returns, risks associated with the property to be acquired, general prediction of economic growth rate, trends in real estate prices and rent rates, and all other applicable factors.
Value based on cost method	6,690 million yen	
Proportion of land	57.8%	
Proportion of building	42.2%	
Items applied to adjustments in approaches to the value and the determination of the appraisal value		None

(Note) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder.

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4. Seller profile

L-B-26 D Project Kuki III, L-B-28 D Project Kuki V, L-B-29 D Project Kuki VI,
L-B-30 D Project Yashio, L-B-31 D Project Nishiyodogawa, L-B-32 D Project Matsudo

1.	Name	Daiwa House Industry Co., Ltd.
2.	Location	3-3-5 Umeda, Kita-ku, Osaka-shi, Osaka
3.	Representative	Naotake Ohno, President and COO
4.	Business activities	General contractor
5.	Capital	161,699 million yen (as of December 31, 2014)
6.	Foundation date	March 4, 1947
7.	Net assets	1,059,894 million yen (as of December 31, 2014)
8.	Total assets	2,931,525 million yen (as of December 31, 2014)
9.	Major shareholder and shareholding ratio	The Master Trust Bank of Japan, Ltd. (Trust) 5.0% (as of September 30, 2014)
10.	Relationships with DHR and the Asset Manager	
	Capital relationship	The seller holds 12.8% of DHR's investment units outstanding as of February 28, 2015. The seller also holds 100.0% of shares issued and outstanding of the Asset Manager as of February 28, 2015.
	Personnel relationship	Of the officers and employees of the Asset Manager, 12 people have been dispatched from the seller as of February 28, 2015.
	Business relationship	The seller is a consignee of PM and other services for DHR, and is a lessee of real estate owned by DHR. The seller has executed a memorandum of understanding regarding pipeline support and other matters with DHR and the Asset Manager.
	Status of classification as affiliated party	The seller falls under the category of an affiliated party of DHR/the Asset Manager.

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L-B-27 D Project Kuki IV

1.	Name	DH Fund Four Godo Kaisha
2.	Location	1-4-1 Nihonbashi, Chuo-ku, Tokyo
3.	Representative	Executive member : Asset Holdings General Incorporated Association Enforcer : Akira Sugai
4.	Business activities	(1) Acquisition, holding, leasing, management, operation and disposal of real estate assets (2) Acquisition, holding and disposal of trust beneficiary interests (3) Additionally all businesses attendant or related to the above
5.	Capital	100,000 yen
6.	Foundation date	March 18, 2010
7.	Net assets	We have not obtained permission from DH Fund Four Godo Kaisha to release the information.
8.	Total assets	We have not obtained permission from DH Fund Four Godo Kaisha to release the information.
9.	Investor profile	We have not obtained permission from DH Fund Four Godo Kaisha to release the information.
10.	Relationships with DHR and the Asset Manager	
	Capital relationships	There is no capital relationship requiring disclosure between DHR/the Asset Manager and DH Fund Four Godo Kaisha. Daiwa House Industry Co., Ltd., the parent company of the Asset Manager, has an anonymous association investment in DH Fund Four Godo Kaisha.
	Personnel relationship	There is no personnel relationship requiring disclosure between DHR/the Asset Manager and DH Fund Four Godo Kaisha.
	Business relationship	There is no business relationship required to be stated between DHR/the Asset Manager and DH Fund Four Godo Kaisha.
	Status of classification as affiliated party	DH Fund Four Godo Kaisha is not an affiliated party of DHR/the Asset Manager. DH Fund Four Godo Kaisha is a special purpose company in which Daiwa House Industry Co., Ltd. has an anonymous association investment.

5. Related party transactions

As Daiwa House Industry Co., Ltd., which is the seller of D Project Kuki III, D Project Kuki V, D Project Kuki VI, D Project Yashio, D Project Nishiyodogawa, and D Project Matsudo and the property management company for each of the Assets Scheduled for Acquisition, is a related party, etc. as defined in the Act on Investment Trusts and Investment Corporations, and DH Fund Four Godo Kaisha, which is the seller of D Project Kuki IV, is a related party as defined in the Asset Manager's rules regarding related-party transactions, the Asset Manager has gone through the necessary discussion and resolution procedures in accordance with its voluntary rules based on its regulations concerning conflicts of interest. DH Fund Four Godo Kaisha is special purpose company with the aim to acquire, hold and dispose of trust beneficiaries in which Daiwa House Industry Co., Ltd. partially invests and is a related party as defined in the Asset Manager's rules regarding related-party transactions, however, is not a related party, etc., as defined in the Act on Investment Trusts and Investment Corporations.

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6. Status of the seller

Property acquisitions from parties with particular interests are as follows. The table below notes (1) the name of the party; (2) the relationship with the party that has a particular interest; and (3) the backgrounds and reason for the acquisition.

Property name (Location)	Previous owner / trust beneficiary	Owner before previous owner / trust beneficiary	Owner before owner before previous owner / trust beneficiary
	(1), (2), (3)	(1), (2), (3)	(1), (2), (3)
	Acquisition (transfer) price	Acquisition (transfer) price	Acquisition (transfer) price
	Acquisition (transfer) date	Acquisition (transfer) date	Acquisition (transfer) date
L-B-26 D Project Kuki III (6004-1, Aza Taikoda, Shobu, Shobu-machi, Kuki-shi, Saitama)	(Land) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes (Building) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for sales purposes	A party which does not have any particular interests	—
	(Land) Omitted as the previous owner/trust beneficiary has owned the land for over one year (Building) 4,729 million yen	—	—
	(Land) March 2012 (Building) April 2015 (planned)	—	—
L-B-27 D Project Kuki IV (6201-5, Aza Kazarimen, Sanga, Shobu-machi, Kuki- shi, Saitama)	(1) DH Fund Four Godo Kaisha (2) Special purpose company in which Daiwa House Industry Co., Ltd., the parent company of the Asset Manager, partially invests (3) Acquisition for investment management purposes	(1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes	A party which does not have any particular interests
	Omitted as the previous owner/trust beneficiary has owned the property for over one year	—	—
	March 2012	March 2012	—
L-B-28 D Project Kuki V (6201-6, Aza Kazarimen, Sanga, Shobu-machi, Kuki- shi, Saitama)	(1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes	A party which does not have any particular interests	—
	Omitted as the previous owner/trust beneficiary has owned the property for over one year	—	—
	March 2012	—	—
L-B-29 D Project Kuki VI (48-3 Kiyoku-cho, Kuki-shi, Saitama)	(Land) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes (Building) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for sales purposes	A party which does not have any particular interests	—

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Property name (Location)	Previous owner / trust beneficiary	Owner before previous owner / trust beneficiary	Owner before owner before previous owner / trust beneficiary
	(1), (2), (3)	(1), (2), (3)	(1), (2), (3)
	Acquisition (transfer) price	Acquisition (transfer) price	Acquisition (transfer) price
	Acquisition (transfer) date	Acquisition (transfer) date	Acquisition (transfer) date
L-B-29 D Project Kuki VI (48-3 Kiyoku-cho, Kuki-shi, Saitama)	(Land) Omitted as the previous owner/trust beneficiary has owned the land for over one year (Building) 2,871 million yen	—	—
	(Land) December 2011 (Building) April 2015 (planned)	—	—
L-B-30 D Project Yashio (50-1 Oaza Shin- machi, Yashio-shi, Saitama)	(Land) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes (Building) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for sales purposes	A party which does not have any particular interests	—
	(Land) Omitted as the previous owner/trust beneficiary has owned the land for over one year (Building) 2,417 million yen	—	—
	(Land) October 2010 (Building) April 2015 (planned)	—	—
L-B-31 D Project Nishiyodogawa (7-48 Nakashima 2- Chome, Nishiyodogawa-ku, Osaka-shi, Osaka)	(Land) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes (Building) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for sales purposes	A party which does not have any particular interests	—
	(Land) Omitted as the previous owner/trust beneficiary has owned the land for over one year (Building) 4,631 million yen	—	—
	(Land) September 2009 (Building) April 2015 (planned)	—	—
L-B-32 D Project Matsudo (700-3, Aza Nishinooda, Kamihongo, Matsudo -shi, Chiba)	(Land) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes (Building) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for sales purposes	A party which does not have any particular interests	—
	(Land) Omitted as the previous owner/trust beneficiary has owned the land for over one year (Building) 1,977 million yen	—	—
	(Land) August 2008 (Building) June 2015 (planned)	—	—

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7. Brokerage

None

8. Acquisition schedule

L-B-26 D Project Kuki III, L-B-27 D Project Kuki IV, L-B-28 D Project Kuki V,
L-B-29 D Project Kuki VI, L-B-30 D Project Yashio, L-B-31 D Project Nishiyodogawa

Acquisition decision date	:	March 3, 2015
Execution date of the purchase agreement	:	March 3, 2015
Payment date	:	April 1, 2015 (planned)
Delivery date	:	April 1, 2015 (planned)

L-B-32 D Project Matsudo

Acquisition decision date	:	March 3, 2015
Execution date of the purchase agreement	:	March 3, 2015
Payment date	:	June 1, 2015 (planned)
Delivery date	:	June 1, 2015 (planned)

9. Impact on DHR's finance in the event of failure of fulfillment of the forward commitment, etc.

DHR entered into a trust beneficiary interest purchase agreement, dated as of March 3, 2015 (the "Purchase Agreement"), to secure the acquisition of D Project Matsudo, an Asset Scheduled for Acquisition. The Purchase Agreement is a "forward commitment, etc." (Note) as defined in the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc." established by the Financial Services Agency.

Under the Purchase Agreement, if a party breaches the Purchase Agreement, then the non-breaching party may cancel the Purchase Agreement upon notice to the breaching party, but only if the non-breaching party is no longer able to fulfill the purpose of the Purchase Agreement due to the other party's breach. In the event the Purchase Agreement is cancelled, the non-breaching party may demand the breaching party to pay a penalty in the amount equal to approximately 20% of the purchase price (as such penalty is expected to constitute damage payment, the non-breaching party may not claim for damages in the amount exceeding such penalty amount).

DHR's payment of the purchase price, however, is subject to DHR completing the financing necessary to pay the purchase price. Hence, if DHR is unable to complete the financing necessary to pay the purchase price, the Purchase Agreement will expire without DHR assuming any obligations under the Purchase Agreement, including payment of any penalty. Thus, if DHR cannot fulfill the forward commitment, etc. for failing to complete the financing, it is unlikely that such non-fulfillment will have any material impact on DHR's finance.

(Note) Forward commitment, etc. is a purchase and sale agreement signed one month or more in advance of the actual date on which the purchase price is paid and the property is transferred to the purchaser, as well as certain other similar contracts.

10. Outlook

For the forecasts of results for the fiscal period ending August 2015 (from March 1, 2015 to August 31, 2015) and the fiscal period ending February 2016 (from September 1, 2015 to February 29, 2016), please refer to the press release "Notice Concerning Revision to Forecast of Results for the Fiscal Period Ending August 2015 and Announcement of Forecast of Results for the Fiscal Period Ending February 2016" separately announced today.

< Attachments >

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

* 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.jp>

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<Attachments>

1. Photographs and location maps

(Property number) L-B-26 D Project Kuki III



(Property number) L-B-27 D Project Kuki IV



(Property number) L-B-28 D Project Kuki V



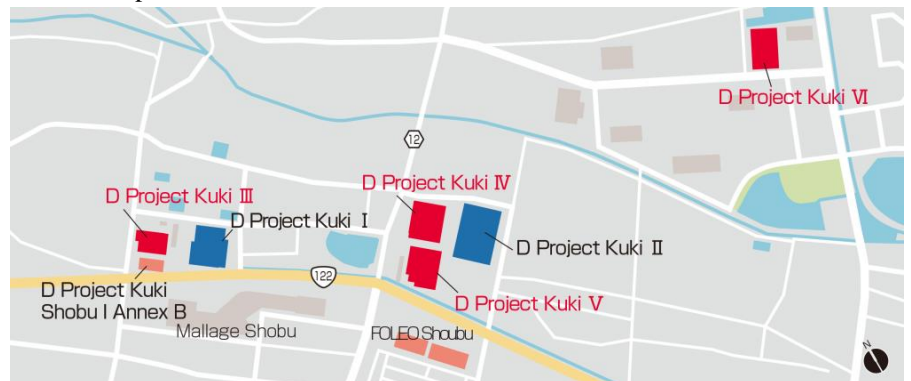
(Property number) L-B-29 D Project Kuki VI



Broad area map

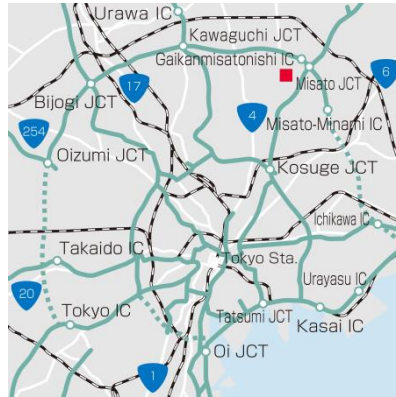


Detailed map

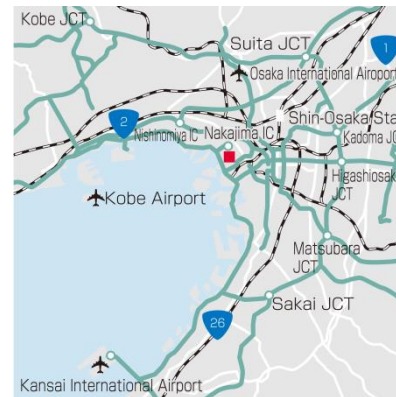


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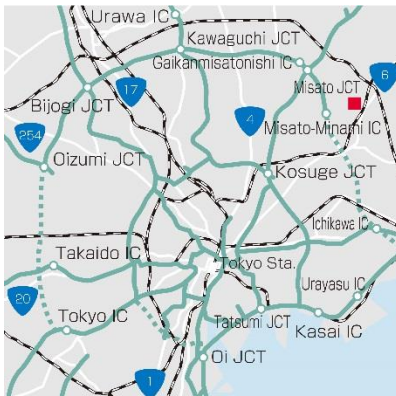
(Property number) L-B-30 D Project Yashio



(Property number) L-B-31 D Project Nishiyodogawa



(Property number) L-B-32 D Project Matsudo



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2. Property portfolio after acquisition

Property number	Property name	Acquisition price (planned) (yen in millions) (Note)	Investment ratio (%) (Note)	Acquisition Date (planned) (year/month/day)
L-B-1	D Project Machida	7,600	3.9	2012/11/29
L-B-2	D Project Hachioji	12,600	6.4	2012/11/29
L-B-3	D Project Aikawa-Machi	2,600	1.3	2012/11/28
L-B-4	D Project Shin-Misato	4,440	2.3	2012/11/29
L-B-5	D Project Urayasu I	7,700	3.9	2012/11/28
L-B-6	D Project Urayasu II	21,400	10.9	2012/11/29
L-B-7	D Project Akanehama	2,550	1.3	2012/11/28
L-B-8	D Project Noda	5,100	2.6	2012/11/28
L-B-9	D Project Inuyama	6,650	3.4	2012/11/28
L-B-10	D Project Gifu	900	0.5	2012/11/29
L-B-11	D Project Neyagawa	4,600	2.3	2012/11/28
L-B-12	D Project Sapporo Minami	600	0.3	2012/11/28
L-B-13	D Project Morioka	1,000	0.5	2012/11/29
L-B-14	D Project Sendai Minami	1,250	0.6	2012/11/28
L-B-15	D Project Tsuchiura	2,880	1.5	2012/11/29
L-B-16	D Project Gotenba	950	0.5	2012/11/28
L-B-17	D Project Nishi-Hiroshima	990	0.5	2012/11/28
L-B-18	D Project Fukuoka Umi	3,100	1.6	2012/11/29
L-B-19	D Project Tosu	2,100	1.1	2012/11/29
L-B-20	D Project Kuki I	3,500	1.8	2014/4/1
L-B-21	D Project Kuki II	7,200	3.7	2014/4/1
L-B-22	D Project Kawagoe I	3,100	1.6	2014/4/1
L-B-23	D Project Kawagoe II	4,250	2.2	2014/4/1
L-B-24	DPL Inuyama	3,380	1.7	2014/4/1
L-B-25	D Project Fukuoka Hakozaki	3,700	1.9	2014/4/1
L-B-26	D Project Kuki III	7,340	3.7	2015/4/1
L-B-27	D Project Kuki IV	5,300	2.7	2015/4/1
L-B-28	D Project Kuki V	8,010	4.1	2015/4/1
L-B-29	D Project Kuki VI	4,980	2.5	2015/4/1
L-B-30	D Project Yashio	6,140	3.1	2015/4/1
L-B-31	D Project Nishiyodogawa	9,660	4.9	2015/4/1
L-B-32	D Project Matsudo	6,990	3.6	2015/6/1
32 Logistics Properties Total		162,560	83.0	—
R-M-1	ACROSSMALL Shinkamagaya	7,419	3.8	2007/12/12
R-M-2	FOLEO Hirakata	5,040	2.6	2008/12/11
R-M-3	QiZ GATE URAWA	5,360	2.7	2008/12/11
R-M-4	UNICUS Takasaki	2,570	1.3	2013/3/27
R-M-5	ACROSSPLAZA Miyoshi (land)	3,390	1.7	2014/9/30
R-R-1	LIFE Sagamihara Wakamatsu	1,650	0.8	2008/12/11
R-R-2	FOLEO Sendai Miyanomori	6,040	3.1	2012/11/29
R-R-3	ACROSSPLAZA Inazawa (land)	1,944	1.0	2014/2/25
8 Retail Properties Total		33,413	17.0	—
Portfolio Total of 40 Properties		195,973	100.0	—

(Note) Figures of acquisition price (planned) are rounded to the nearest million yen and investment ratios are rounded to the nearest tenth.

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