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For Immediate Release

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### Notice Concerning Debt Financing and Repayment of Loan

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

#### 1. Details of debt financing

Category	Lender	Anticipated borrowing amount (millions of yen)	Borrowing period	Interest rate	Floating/ fixed	Anticipated date of execution	Repayment due date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mizuho Bank, Ltd.; Mitsubishi UFJ Trust and Banking Corporation; Resona Bank, Limited	7,000	6 years	Base interest rate +0.275% (Note 1)	Fixed (Note 2)	November 30, 2015	November 30, 2021	Bullet repayment	Unsecured and non-guaranteed
	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mizuho Bank, Ltd.	4,000	7.5 years	Base interest rate +0.375% (Note 1)	Fixed (Note 2)		May 31, 2023		
	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mizuho Bank, Ltd.	4,000	9.5 years	Base interest rate +0.50% (Note 1)	Fixed (Note 2)		May 30, 2025		
	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mizuho Bank, Ltd.	4,000	10.5 years	Base interest rate +0.55% (Note 1)	Fixed (Note 2)		May 29, 2026		
Total/weighted average (Note 3)		19,000	8.0 years						

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

(Note 2) Although the individual term loan agreement is based on floating interest rate, DHR intends to fix the interest rate for anticipated date of execution and thereafter by entering into interest rate swap agreement. Execution of interest rate swap agreement will be announced once determined.

(Note 3) Weighted average figure based on anticipated borrowing amounts is indicated.

## 2. Reason for conducting the debt financing

DHR will conduct the debt financing to partly refinance its existing loan due November 30, 2015. By conducting the debt financing, DHR aims to improve stability of the financial base through extending repayment periods of interest-bearing debt and diversifying repayment maturities.

## 3. Details of the existing loan to be repaid

Category	Lender	Borrowing amount (millions of yen)	Borrowing period	Interest rate	Floating/fixed	Date of execution	Repayment due date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mizuho Bank, Ltd.; Mitsubishi UFJ Trust and Banking Corporation; Resona Bank, Limited	20,000	3 years	0.72931%	Fixed	November 29, 2012	November 30, 2015	Bullet repayment	Unsecured and non-guaranteed

(Note) The balance of 1,000 million yen between the repayment amount of 20,000 million yen and the debt financing amount of 19,000 million yen described in section 1 above will be repaid by cash on hand.

## 4. Status of interest-bearing debt after the debt financing

(Unit: millions of yen)

	Before	After	Increase/Decrease
Short-term loans (Note)	4,000	4,000	0
Long-term loans (Note)	97,000	96,000	-1,000
Total loans	101,000	100,000	-1,000
Investment corporation bonds	2,000	2,000	0
Total of loans and investment corporation bonds	103,000	102,000	-1,000
Other interest-bearing debt	0	0	0
Total interest-bearing debt	103,000	102,000	-1,000

(Note) Short-term loans are loans with maturity periods of one year or less and long-term loans are loans with maturity periods of more than one year. Further, long-term loans with maturity periods of less than one year until the repayment due date as of each date are also included in long-term loans.

## 5. Other

For the risks concerning repayment, etc., of the debt financing, there are no changes in the “Investment Risks” stated in the Japanese language securities report submitted on November 25, 2015.

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