

March 11, 2013

For Immediate Release

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**Notice Concerning Decision on Price, etc. for
Issuance of New Investment Units and Secondary Offering of Investment Units**

Daiwa House Residential Investment Corporation (“DHI”) announces that, at a meeting of the board of directors of DHI held today, DHI decided on matters, including the issue price and selling price, as follows concerning issuance of new investment units and secondary offering of investment units for which resolution was passed at a meeting of the board of directors of DHI held on March 1, 2013.

1. Issuance of New Investment Units through Public Offering (Primary Offering)

(1) Issue price (Offer price):	386,100 yen per unit
(2) Total issue price (offer price):	10,810,800,000 yen
(3) Paid-in amount (Issue value):	373,428 yen per unit
(4) Total paid-in amount (issue value):	10,455,984,000 yen
(5) Subscription period:	From March 12, 2013 (Tuesday) to March 13, 2013 (Wednesday)
(6) Payment date:	March 18, 2013 (Monday)
(7) Transfer date:	March 19, 2013 (Tuesday)

(Note) The Underwriters shall purchase and underwrite at the paid-in amount (issue value) and conduct an offering at the issue price (offer price).

2. Secondary Offering (Secondary Offering through Over-Allotment)

<Disclaimer> This document is a press release to make a public announcement of the issuance of new investment units and secondary offering of investment units of Daiwa House Residential Investment Corporation, and has not been prepared as a solicitation for investment. DHI cautions investors to ensure that they refer to the prospectus for notification of the issuance of new investment units and secondary offering of investment units as well as amendments thereto prepared by DHI (if such have been prepared) before undertaking investments and investments be made at their own discretion and responsibility.

(1) Number of investment units to be sold:	2,800 units
(2) Selling price:	386,100 yen per unit
(3) Total selling price:	1,081,080,000 yen
(4) Subscription period:	From March 12, 2013 (Tuesday) to March 13, 2013 (Wednesday)
(5) Transfer date:	March 19, 2013 (Tuesday)

3. Issuance of New Investment Units by Way of Third-Party Allotment

(1) Paid-in amount (Issue value):	373,428 yen per unit
(2) Total paid-in amount (issue value) (maximum):	1,045,598,400 yen
(3) Subscription period (Subscription date):	April 16, 2013 (Tuesday)
(4) Payment date:	April 17, 2013 (Wednesday)

<Reference>

1. Calculation of Issue Price and Selling Price

(1) Calculation record date and price:	March 11, 2013 (Monday)	396,000 yen
(2) Discount rate:	2.50%	

2. Syndicate Covering Transaction Period

From March 14, 2013 (Thursday) to April 12, 2013 (Friday)

3. Use of Funds Procured This Time

The proceeds from this primary offering and third-party allotment (11,501,582,400 yen at maximum), will be used to fund the acquisition including such amounts as expenses related to acquisition of specified assets announced in the “Notice Concerning the Proposed Acquisition of Trust Beneficiary Rights in Real Estate” dated March 1, 2013 (6.2 billion yen), and the repayment of a short-term loan accompanying the acquisition of “Castalia Nakameguro” (3.8 billion yen). Please note that, if there are any funds remaining, the funds will be used as cash reserves to fund part of future acquisition of specified assets or fund part of other repayment of loans.

- * This press release is to be distributed to the Kabuto Club (the press club of the Tokyo Stock Exchange); the Ministry of Land, Infrastructure, Transport and Tourism Press Club; and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.
- * URL of the DHI's website: <http://daiwahouse-resi-reit.co.jp/eng/>

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