Disclaimers

This document has been prepared solely for the purpose of providing U.K. and Dutch investors with certain information under Article 23 of the European Alternative Investment Fund Managers Directive (European Directive 2011/61/EU) (the "AIFMD") as implemented in their respective jurisdictions. Accordingly, you should not use this document for any other purpose.

Netherlands

The units of Daiwa House Residential Investment Corporation ("DHI" or the "AIF") are being marketed in the Netherlands under Section 1:13b of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, or the "Wft"). In accordance with this provision, Daiwa House Asset Management Co., Ltd. (the "AIFM") has submitted a notification with the Dutch Authority for the Financial Markets. The units of DHI will not, directly or indirectly, be offered, sold, transferred or delivered in the Netherlands, except to or by individuals or entities that are qualified investors (*gekwalificeerde beleggers*) within the meaning of Article 1:1 of the Wft, and as a consequence neither the AIFM nor DHI is subject to the license requirement pursuant to the Wft. The AIFM is therefore solely subject to limited ongoing regulatory requirements as referred to in Article 42 of the AIFMD.

United Kingdom

Units of DHI are being marketed in the United Kingdom pursuant to Article 59 of the United Kingdom Alternative Investment Fund Managers Regulations 2013. In accordance with this provision, the AIFM has submitted a notification with the Financial Conduct Authority (the "FCA") in the United Kingdom.

For the purposes of the United Kingdom Financial Services and Markets Act 2000 ("FSMA") DHI is an unregulated collective investment scheme which has not been authorized by the FCA.

Accordingly, any communication of an invitation or inducement to invest in DHI may be made to persons in the United Kingdom only if the communication falls within one or more of the categories of exempt financial promotions under the Financial Services and Markets Act (Financial Promotion) Order 2005 (the "Order"), such as financial promotions communicated to:

(1) persons who are investment professionals, as defined in article 19 of the Order;

(2) persons who are certified high net worth individuals, as defined in article 48 of the Order;

(3) persons who are high net worth companies, unincorporated associations, or other entities listed in article 49 of the Order; or

(4) persons who are certified sophisticated investors, as defined in article 50 of the Order,

or if the communication is made to persons to whom such an invitation or inducement may otherwise lawfully be communicated. The distribution of this document to any person in the United Kingdom in circumstances not falling within one of the above categories is not permitted and may contravene FSMA. No person falling outside those categories should treat this document as constituting a promotion to him, or act on it for any purposes whatever.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) no offer of units of DHI may be made to the public in that Relevant Member State except in circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of units shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive, or a supplement to a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression “an offer of units to the public” in relation to any units in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the units to be offered so as to enable an investor to decide to purchase or subscribe the units, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

Article 23 (1)(a)	
Objectives of the AIF	Daiwa House Residential Investment Corporation aims to secure stable mid-to-long term income and to achieve steady growth of its assets through primarily investing in Japanese domestic real estate primarily used for residential purposes in areas – mainly in the Tokyo Metropolitan area – with a certain population that are expected to maintain or increase their population level in the future.
Investment strategy	In addition to property acquisitions undertaken by DHI's asset manager, DHI aims to secure stable and continuous property acquisition opportunities to achieve its objectives through utilizing its supporting companies, which also possess experience, knowhow and a performance record in the development and operation of residential properties.
Types of assets the AIF may invest in	Real estate, trust beneficiary interests in real estate, real estate securities, specified assets and other assets.
Techniques it may employ and all associated risks	DHI focuses on investing in residential properties which DHI anticipates will provide steady rental revenue, especially in the Tokyo Metropolitan area where there will be continued population growth even though the population of Japan as a whole is expected to decline. The principal risks with respect to investment in DHI are as follows: • any adverse conditions in the Japanese economy could adversely affect DHI; • DHI may not be able to acquire properties to execute the growth and investment strategy in a manner that is accretive to earnings; • illiquidity in the real estate market may limit the ability to grow or adjust the portfolio; • the past experience of the asset manager (the “AIFM”) in the Japanese real estate market is not an indicator or guarantee of the future results; • DHI’s reliance on Daiwa House Industry Co., Ltd. (the “Sponsor”), its support companies, the AIFM and other third party service providers could have a material adverse effect on its business; • there are potential conflicts of interest between DHI, the Sponsor and its support companies as well as the AIFM; • DHI’s revenues largely comprise leasing revenues from the portfolio properties, which may be negatively affected by factors including vacancies, decreases in rent, and late or missed payments by tenants; • DHI invests primarily in residential properties, the market for which may be effected by macro-economic trends and other forces which DHI cannot control; • DHI faces significant competition in seeking tenants and it may be difficult to find replacement tenants; • tenants for DHI’s properties are mostly young individuals, who tend to have relatively short lease periods, and a significant percentage of these tenants are

non-Japanese expatriate residents who tend to move more frequently.

- increases in interest rates may increase the interest expense and may result in a decline in the market price of the units;
- DHI may be adversely affected by defective title, design, construction or other defects or problems in the properties; for example, in March 2015, DHI suspended an equity financing transaction to purchase new properties, because it was discovered that one of its DHI's existing properties uses seismic isolation rubber products manufactured by Toyo Tire & Rubber Co., Ltd. that do not meet government-mandated safety standards;
- DHI may suffer large losses if any of the properties incurs damage from a natural or man-made disaster;
- most of the properties in the portfolio are concentrated in Tokyo Metropolitan area;
- any inability to obtain financing for future acquisitions could adversely affect the growth of the portfolio;
- DHI's failure to satisfy a complex series of requirements pursuant to Japanese tax regulations would disqualify DHI from certain taxation benefits and significantly reduce the cash distributions to the unitholders;
- the ownership rights in some of the properties may be declared invalid or limited; and
- the offer of special discounts at Daiwa Royal Hotels to the unitholders may be amended or terminated without notice.

In addition, we are subject to the following risks:

- risks related to increasing operating costs;
- risks related to DHI's dependence on the efforts of the AIFM's key personnel;
- risks related to the restrictive covenants under debt financing arrangement;
- risks related to entering into forward commitment contracts;
- risks related to third party leasehold interests in the land underlying DHI's properties;
- risks related to holding the property in the form of stratified ownership (*kubun shoyū*) interests or co-ownership interests (*kyōyū-mochibun*);
- risks related to properties not in operation (including properties under development);
- risks related to suffering impairment losses relating to the properties;
- risks related to decreasing tenant leasehold deposits and/or security deposits;
- risks related to tenants' default as a result of financial difficulty or insolvency;
- risks related to the insolvency of master lessor;
- risks related to relying on expert appraisals and engineering, environmental and

	seismic reports as well as industry and market data; • risks related to the presence of hazardous or toxic substances in the properties, or the failure to properly remediate such substances; • risks related to the strict environmental liabilities for the properties; • risks related to the insider trading regulations; • risks related to the amendment of the applicable administrative laws and local ordinances; • risks related to infringing third party's intellectual property right; • risks related to holding Japanese anonymous association (*tokumei kumiai*) interests; • risks related to investments in trust beneficiary interest; • risks related to the tight supervision by the regulatory authorities and compliance with applicable rules and regulations; • risks related to the tax authority disagreement with the AIFM's interpretations of the Japanese tax laws and regulations; • risks related to being unable to benefit from reductions in certain real estate taxes enjoyed by qualified J-REITs; • risks related to changes in Japanese tax laws; and • the risk of dilution as a result of further issuances of units.
Any applicable investment restrictions	DHI is subject to investment restrictions under Japanese laws and regulations (e.g., the Act on Investment Trusts and Investment Corporations (the "ITA"), the Financial Instruments and Exchange Act (the "FIEA")) as well as its articles of incorporation. DHI must invest primarily in specified assets as defined in the ITA. Specified assets include, but are not limited to, securities, real estate, leaseholds of real estate, surface rights (*chijō-ken*) (i.e., right to use land for the purpose of having a structure on it) or trust beneficiary interests for securities or real estate, leaseholds of real estate or surface rights. Furthermore, a listed J-REIT must invest substantially all of its assets in real estate, real estate-related assets and liquid assets as provided by the listing requirements. Real estate in this context includes, but is not limited to, real estate, leaseholds of real estate, surface rights, and trust beneficiary interests for these assets, and real estate-related assets in this context include, but are not limited to, anonymous association (*tokumei kumiai*) interests for investment in real estate. Pursuant to the ITA, investment corporations may not independently develop land for housing or to construct buildings, but may outsource such activities in certain circumstances. Investment restrictions DHI places in its articles of incorporation are as follows:

	(1) Restrictions relating to securities and monetary claims DHI will place importance on stability and convertibility of investments into securities and monetary claims, and it will not make investments aimed only at gaining positive management profits. (2) Restrictions relating to derivatives transactions DHI will invest in rights associated with derivatives transactions only for the purpose of hedging against interest risks arising from DHI's liabilities and other related risks. (3) DHI will restrict its real estate investment targets to real estate located in Japan. (4) DHI will not invest in assets denominated in a foreign currency.
Circumstances in which the AIF may use leverage	DHI may take out loans or issue long-term or short-term corporate bonds for the purpose of investing in properties, conducting repairs, paying cash distributions, repaying obligations (including repayment of tenant leasehold or security deposits, and obligations related to loans or long-term or short-term corporate bonds) and other activities.
The types and sources of leverage permitted and associated risks	Loans or corporate bonds. DHI currently does not have any outstanding guarantees, but may be subject to restrictive covenants in connection with any future indebtedness that may restrict the operations and limit the ability to make cash distributions to unitholders, to dispose of the properties or to acquire additional properties. Furthermore, DHI may violate restrictive covenants contained in the loan agreements DHI executes, such as the maintenance of debt service coverage or loan-to-value ratios, which may entitle the lenders to require DHI to collateralize the properties or demand that the entire outstanding balance be paid. Further, in the event of an increase in interest rates, to the extent that DHI has any debt with unhedged floating rates of interest or DHI incurs new debt, interest payments may increase, which in turn could reduce the amount of cash available for distributions to unitholders. Higher interest rates may also limit the capacity for short- and long-term borrowings, which would in turn limit the ability to acquire properties, and could cause the market price of the units to decline.
Any restrictions on leverage	The maximum amount of each loan and corporate bond issuance will be one trillion yen, and the aggregate amount of all such debt will not exceed one trillion yen.
Any restrictions on collateral and asset reuse arrangements	No applicable arrangements.
Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF	DHI has set an upper limit of 60% as a general rule for its loan-to-value, or LTV, ratio in order to operate with a stable financial condition. Additionally, DHI strives to maintain its LTV within a conservative range of 50 – 55%. DHI may, however, temporarily exceed any such levels as a result of property acquisitions or other events.

Article 23(1) (b)	
Procedure by which the AIF may change its investment strategy / investment policy	Amendment of the articles of incorporation. Amendment requires a quorum of a majority of the total issued units and at least a two-thirds vote of the voting rights represented at the meeting. Unitholders should note, however, that under the ITA and our articles of incorporation, unitholders who do not attend and exercise their voting rights at a general meeting of unitholders are deemed to be in agreement with proposals submitted at the meeting, except in cases where contrary proposals are also being submitted. Additionally, the guidelines of the AIFM, which provide more detailed policies within DHI's overall investment strategy and policy, can be modified without such formal amendment of the articles of incorporation.
Article 23(1) (c)	
Description of the main legal implications of the contractual relationship entered into for the purpose of investment, including jurisdiction, applicable law, and the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established	DHI has entered into the following support agreements with the Sponsor or either of the support companies, which are Morimoto Co., Ltd. And Initia Co., Ltd., each of which is governed by Japanese law: • New Basic Agreement Regarding Pipeline Support, Etc. dated as of September 5, 2011 by and between DHI, the AIFM and the Sponsor; • Various asset sale and purchase agreements with the Sponsor; • Basic Agreement Regarding Pipeline Support, Etc. dated as of June 29, 2011 by and between DHI, the AIFM and Morimoto Co., Ltd., one of the support companies; and • Basic Agreement Regarding Pipeline Support, Etc. dated as of June 28, 2014 by and between DHI, the AIFM and Cosmos Initia Co., Ltd., the other support company of DHI. Additionally, subsidiaries or affiliated companies provide property management services to DHI with respect to each of the portfolio properties. DHI is not involved in or threatened by any legal arbitration, administrative or other proceedings, the results of which might, individually or in the aggregate, be material.
Article 23(1) (d)	
The identity of the AIFM, AIF's depository, auditor and any other service providers and a description of their duties and the investors' rights thereto	• AIFM (Asset Manager): Daiwa House Asset Management Co., Ltd. • Auditor: Ernst & Young ShinNihon LLC • Custodian and Transfer Agent: Sumitomo Mitsui Trust Bank, Limited • General Administrators: Sumitomo Mitsui Trust Bank, Limited Service providers owe contractual obligations under their respective agreements with the AIF or AIFM, as the case may be. In addition, the FIEA provides that the Asset Manager owes the AIF a fiduciary duty and must conduct its activities as the asset manager in good faith. The FIEA also prohibits the Asset Manager from engaging in certain specified conduct,

	including entering into transactions outside the ordinary course of business or with related parties of the Asset Manager that are contrary to or violate the AIF's interests. Pursuant to the ITA, the unitholders have the right to approve the execution or termination of the asset management agreement at a general meeting of unitholders.
Article 23(1) (e)	
Description of how the AIFM complies with the requirements to cover professional liability risks (own funds / professional indemnity insurance)	Not applicable.
Article 23(1) (f)	
Description of any delegated management function such as portfolio management or risk management and of any safekeeping function delegated by the depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations	Not applicable. There is no delegation of such functions beyond the AIFM, which is responsible for portfolio and risk management, and the Custodian, which is responsible for safekeeping activities.
Article 23(1) (g)	
Description of the AIF's valuation procedure and pricing methodology, including the methods used in valuing hard-to-value assets	DHI makes investment decisions based on the valuation of properties, upon consideration of the property appraisal value. DHI shall evaluate assets in accordance with its Article of Incorporation. The methods and standards that DHI uses for the evaluation of assets shall be based on the Regulations Concerning the Calculations of Investment Corporations, as well as the Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations and other regulations stipulated by ITA, in addition to Japanese GAAP. J-REITs may only use the valuation methods prescribed in the rules of the Investment

	Trusts Association, Japan, which emphasize market price valuation.
Article 23(1) (h)	
Description of the AIF's liquidity risk management, including redemption rights in normal and exceptional circumstances and existing redemption arrangements with investors	The AIFM stipulates basic provisions of risk management in its risk management rules. Additionally, the AIF uses various financing methods, including investment corporation bonds and long-term loans, to finance acquisitions and repayment obligations. DHI controls related risk by maintaining the ratio of interest-bearing debt to total assets under a certain percentage, diversifying repayment deadlines, and retaining a certain amount of highly liquid cash and deposits. For floating rate borrowings exposed to the risk of interest rate fluctuations, DHI closely monitors the movement of interest rates, and intends to increase the proportion of its obligations subject to fixed rate loans and similar instruments. Risks related to deposits are managed through the use of liquid deposits. As DHI is a closed-end investment corporation, unitholders are not entitled to request the redemption of their investment.
Article 23(1) (i)	

Description of all fees, charges and expenses and a maximum amount which is directly / indirectly borne by the investors	Compensation: The articles of incorporation provide that DHI may pay its executive officer up to 800 thousand yen per month and each of its supervisory officers up to 350 thousand yen per month. The board of officers is responsible for determining a reasonable compensation amount for the executive officer and each of the supervisory officers.
	
	Asset Manager:
	
	• Asset Management Fee: DHI will pay the Asset Manager an asset management fee as follows:
	  ○ Asset Management Fee 1
	  DHI will, within 1 month after the end of each fiscal period, pay an amount up to a maximum of the amount (calculated pro rata based on the actual number of days in the relevant fiscal period, taking one year as being 365 days; the same applies to calculations of the base fee below) calculated by multiplying total asset value (as assessed under our Articles of Incorporation and in accordance with Article 131, Paragraph 2 of the Investment Trusts Act), as of the closing of the latest fiscal period, by 0.40% p.a..
	  ○ Asset Management Fee 2
	  DHI will pay, by the end of the month following that of the day of the approval of the financial statements for the previous fiscal period, an amount not exceeding the

amount calculated by multiplying the total of real estate rental business income after subtracting the total of the real estate rental business expenses (excluding gain on negative goodwill) for the relevant fiscal period by 5.0%.

- Acquisition/Disposition Fee

  When real estate or real-estate-backed securities are newly acquired or sold, DHI will pay the Asset Manager, by the end of the month following the month of acquisition/sale, an amount not exceeding the amount calculated by multiplying the purchase/sale price of the asset acquired by 0.8%, or 0.4% if acquired from/sold to a related party. No amount will be paid for a sale that does not result in any profit from sale, where "profit from sale" means the positive difference in amount between the sale price and the sum of sale related expenses and the book value of the relevant asset to be sold.

- Merger Fee

  If the AIFM conducts a survey or valuation of the assets held by a possible merger partner for DHI and DHI inherits these assets held by the merger partner through a merger, an amount multiplied by a rate not exceeding 0.8% of real estate and real estate-backed securities on the merger effective date shall be paid to the Asset Manager by the end of the month following that of the effective date of the merger.

<u>Custodian</u>:

- Custodian Fee: DHI will pay the Custodian a fee per operational period calculated as follows:

  The amount of total assets for the prior period x 0.02% p.a.

<u>General Administrators</u>:

- General Administrators Fee: DHI will pay the General Administrators a fee per operational period calculated as follows:

  The amount of total assets for the prior period x 0.085% p.a.

<u>Transfer Agent</u>:

- Transfer Agent Fee (Standard Fee):

  Standard transfer agent fees are for services such as preparation, maintenance and storage of DHI's unitholder register; preparation and reporting of the end-of-period unitholders register and unitholder statistical data.

  The monthly standard fees will be the total of the amount calculated using the

following table divided by 6, with a minimum monthly fee of 200,000 yen.

Number of Unitholders	Fees per Unitholder
first 5,000 unitholders	480 yen
over 5,000 to 10,000	420 yen
over 10,000 to 30,000	360 yen
over 30,000 to 50,000	300 yen
over 50,000 to 100,000	260 yen
over 100,000	225 yen

- Other fees:
  DHI pays the transfer agent other fees for various other services, including in connection with the issuance of dividends.

Auditor:

- Auditor Fee:
  DHI may pay the independent auditor up to 25 million yen per fiscal period. The board of officers is responsible for determining the actual compensation amount.

The AIF may also incur other miscellaneous fees in connection with the issuance of units, investment corporation bonds and the operation, acquisition or disposition of properties.

Article 23(1) (j)	
Description of the AIFM's procedure to ensure fair treatment of investors and details of any preferential treatment received by investors, including detailing the type of investors and their legal or economic links with the AIF or AIFM	Under Article 77 paragraph 4 of the Act on Investment Trusts and Investment Corporations of Japan, which applies the requirements of Article 109 paragraph 1 of the Companies Act to investment corporations, investment corporations are required to treat unitholders equally depending on the number and content of units held. In addition, upon liquidation, the allotment of residual assets to unitholders is required to be made equally depending on the number units held under Article 77 paragraph 2 item 2 and Article 158 of the ITA.
Article 23(1) (k)	
The latest annual report referred to in Article 22(1)	Not applicable. (The semiannual reports of DHI are, however, available at http://daiwahouse-resi-reit.co.jp/eng/cms/doc.html)

Article 23(1) (l)	
The procedure and conditions for the issue and sale of the units	DHI is authorized under the articles of incorporation to issue up to 4,000,000 units. Its units have been listed on the Tokyo Stock Exchange since March 22, 2006. Secondary market sales and transfers of units will be conducted in accordance with the rules of the Tokyo Stock Exchange. Unit prices on the Tokyo Stock Exchange are determined on a real-time basis by the equilibrium between bids and offers. The Tokyo Stock Exchange sets daily price limits, which limit the maximum range of fluctuation within a single trading day. Daily price limits are set according to the previous day's closing price or special quote.
Article 23(1) (m)	
Latest net asset value of the AIF or latest market price of the unit or share of the AIF	DHI's unit's latest market price is publicly available at the Tokyo Stock Exchange or from financial information venders (including Reuters, which can be viewed at http://www.reuters.com/finance/stocks/overview?symbol=8984.T).
Article 23(1) (n)	
Details of the historical performance of the AIF, where available	The units of DHI were listed on the Tokyo Stock Exchange on March 22, 2006. The most recent five fiscal periods' performance of the units is as follows.

Fiscal period	Total Assets (JPY million)	Total Net Assets (JPY million)	Total unitholders' equity per unit (base value) (JPY)
14th Fiscal Period (September 1, 2012 to February 28, 2013)	221,779	91,846	286,063*1
15th Fiscal Period (March 1, 2013 to August 31, 2013)	229,781	103,406	293,878
16th Fiscal Period (September 1, 2013 to February 28, 2014)	237,934	111,789	299,006
17th Fiscal Period (March 1, 2014 to August 31, 2014)	238,092	111,622	149,280*2
18th Fiscal Period (September 1, 2014 to February 28, 2015)	238,730	111,455	149,056*2

*1 DHI implemented a 2-for-1 split of investment units on March 1, 2013 as the effective date. Unitholders' equity per unit was calculated under the assumption that the split was implemented at the beginning of the 13th fiscal period.

	*2 DHI implemented a 2-for-1 split of investment units on March 1, 2015 as the effective date. Unitholders' equity per unit was calculated under the assumption that the split was implemented at the beginning of the 17th fiscal period.
Article 23(1) (o)	
Identity of the prime broker, any material arrangements of the AIF with its prime brokers, how conflicts of interest are managed with the prime broker and the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets, and information about any transfer of liability to the prime broker that may exist	No applicable prime broker.
Article 23(1) (p)	
Description of how and when periodic disclosures will be made in relation to leverage, liquidity and risk profile of the assets, pursuant to Articles 23(4) and 23(5)	The AIFM will disclose the matters described in Articles 23(4) and 23(5) periodically through the AIF Internet website and fiscal report.
Article 23(2)	
The AIFM shall inform the investors before they invest in the AIF of any arrangement made by the depository to	Not applicable.

contractually discharge itself of liability in accordance with Article 21(13)	
The AIFM shall also inform investors of any changes with respect to depositary liability without delay	Not applicable.
Article 23(4)(a)	
Percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature. The percentage shall be calculated as the net value of those assets subject to special arrangements divided by the net asset value of the AIF concerned	There are no assets that are subject to special arrangements arising from their illiquid nature.
Overview of any special arrangements, including whether they relate to side pockets, gates or other arrangements	There are no such special arrangements.
Valuation methodology applied to assets which are subject to such arrangements	There are no such special arrangements.
How management and performance fees apply to such assets	There are no such special arrangements.
Article 23(4)(b)	
Any new arrangements for managing the liquidity of the AIF	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

For each AIF that the AIFM manages that is not an unleveraged closed-end AIF, notify to investors whenever they make changes to its liquidity management systems (which enable an AIFM to monitor the liquidity risk of the AIF and to ensure the liquidity profile of the investments of the AIF complies with its underlying obligations) that are material in accordance with Article 106(1) of Regulation (EU) No 231/2013 (i.e. there is a substantial likelihood that a reasonable investor, becoming aware of such information, would reconsider its investment in the AIF, including because such information could impact an investor's ability to exercise its rights in relation to its investment, or otherwise prejudice the interests of one or more investors in the AIF).	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Immediately notify investors where they activate gates, side pockets or similar special arrangements or where they decide to suspend redemptions	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Overview of changes to liquidity arrangements, even if not special arrangements	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Terms of redemption and circumstances where management discretion applies, where relevant	DHI is a closed-end investment corporation, and unitholders are not entitled to request the redemption of their investment.
Also any voting or other restrictions exercisable, the length of any lock-up or any provision concerning 'first in line' or 'pro-rating' on gates and suspensions shall be included	There are no voting or other restrictions on the rights attaching to units.

Article 23(4)(c)	
The current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks	The AIFM stipulates basic provisions of risk management in their risk management rules. Investment corporation bonds and long-term loans are used to finance rehabilitation obligations, acquisition of real estate and repayment of loans. These financial instruments are exposed to liquidity risk. DHI controls such risk by maintaining the ratio of interest-bearing debt to total assets under a certain percentage, diversifying repayment deadlines, and retaining a certain amount of highly liquid cash and deposits. For floating rate borrowings exposed to the risk of interest rate fluctuations, DHI, in order to reduce the impact caused by rising interest rates, closely monitors the movement of interest rates, and intends to increase the ratio of fixed rate loans compared to floating rate loans. Deposits are exposed to credit risks, including collapse of the financial institutions where deposits are made, and, thus, are managed through the use of liquid deposits.
Measures to assess the sensitivity of the AIF's portfolio to the most relevant risks to which the AIF is or could be exposed	No such measures have been implemented.
If risk limits set by the AIFM have been or are likely to be exceeded and where these risk limits have been exceeded a description of the circumstances and the remedial measures taken	No such situation has occurred.
Article 23(5)(a)	
Any changes to the maximum amount of leverage which the AIFM may employ on behalf of the AIF, calculated in accordance with the gross and commitment methods. This shall include the original and revised maximum level of leverage calculated in accordance with Articles 7 and 8 of	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

Regulation (EU) No 231/2013, whereby the level of leverage shall be calculated as the relevant exposure divided by the net asset value of the AIF.	
Any right of the reuse of collateral or any guarantee granted under the leveraging agreement, including the nature of the rights granted for the reuse of collateral and the nature of the guarantees granted	No such right or guarantee exists.
Details of any change in service providers relating to the above.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Article 23(5)(b)	
Information on the total amount of leverage employed by the AIF calculated in accordance with the gross and commitment methods	The aggregate amount of debt with interest is JPY 122,463 million as of February 28, 2015.