Daiwa House REIT Investment Corporation

September 18, 2026

For Immediate Release

Investment Corporation:
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Notice Concerning Acquisition of Trust Beneficiary Interest in Domestic Real Estate

Daiwa House REIT Investment Corporation ("DHR") hereby announces the decision made today by Daiwa House Asset Management Co., Ltd. (the "Asset Manager"), the asset manager to which DHR entrusts the management of its assets, for DHR to acquire the following asset (the "Anticipated Acquisition") as described below (the "Transaction").

The decision to acquire the Anticipated Acquisition 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, the "Investment Trust Act") and the Asset Manager's voluntary rules regarding interested-party transactions.

1. Acquisition overview

(1) Anticipated Acquisition

Real estate in trust (Property name)	Urawa CulE (Bic Camera Urawa West Exit Store) (Note 1)	
Property number	RU-003	
Asset class	Retail	
Location	Saitama City, Saitama	
Anticipated date of acquisition (Note 2)	(1) September 29, 2026 (50% quasi co-ownership interest)	(2) March 1, 2027 (50% quasi co-ownership interest)
Anticipated acquisition price (Note 3)	9,500 million yen	
	(1) 4,750 million yen	(2) 4,750 million yen
Appraisal value (Note 4)	11,200 million yen	
NOI yield (Note 5)	5.4%	
Anticipated date of execution of the sale and purchase agreement	September 29, 2026	
Seller	Daiwa House Industry Co., Ltd.	
Acquisition funds	Cash reserves	
Method of settlement	Payment of entire amount upon transfer	
Intermediary	None	

(Note 1) The building of "Urawa CulE", a large-scale multi-use facility, is registered as a stratified ownership building comprising "residential portion", "retail portion", "public facility portion" and "parking portion", and the land of the property is registered as a right of site of such stratified ownership building. DHR plans to acquire the trust beneficiary interest, the trust assets of which are a part of the stratified ownership of the "retail portion" and 9.36% interest of the right of site.
(Note 2) DHR will acquire 50% quasi co-ownership interest in trust beneficiary interest in real estate on September 29, 2026, and the remaining 50% quasi co-ownership interest on March 1, 2026.
(Note 3) Excluding such amounts as expenses related to acquisition, amounts equivalent to reimbursement of taxes and dues, etc., and amount equivalent to consumption taxes.
(Note 4) Appraisal value as of August 31, 2026.

(Note 5) "NOI yield" is represented by a figure calculated by dividing the net operating income, calculated by deducting operating expenses from operating revenue based on a direct capitalization method, as stated in the appraisal report (as of August 31, 2026), by the anticipated acquisition price.

2. Rationale for acquisition

As part of the external growth strategy, DHR has been promoting continuous property replacement to improve portfolio quality by enhancing profitability and rejuvenating portfolio age. The Anticipated Acquisition, which is a part of the large-scale multi-use facility built in May 2026 and developed through a type one urban redevelopment project, is a newly built retail property offering a high NOI yield of 5.4% and located in a prime location right in front of the station and just a one-minute walk from Urawa Station on the JR Keihin-Tohoku and Utsunomiya Lines. Based on the targets and policies prescribed in DHR's Articles of Incorporation, the Asset Manager decided the acquisition having deemed that the acquisition of the Anticipated Acquisition would further increase the stability of cash flow and secure stable revenues in the long term. DHR will acquire the Anticipated Acquisition through the pipeline of Daiwa House Group. Daiwa House Industry Co., Ltd., DHR's sponsor, has been involved in the development of the Anticipated Acquisition as a member of the redevelopment project.

3. Details of the Anticipated Acquisition

<table>
<tr><td colspan="2">Property number</td><td colspan="2" rowspan="2">Urawa CulE (Bic Camera Urawa West Exit Store)</td><td>Asset class</td><td>Retail</td></tr>
<tr><td colspan="2">RU-003</td><td>Type</td><td>Urban type</td></tr>
<tr><td colspan="2">Anticipated acquisition price</td><td colspan="4">9,500 million yen</td></tr>
<tr><td colspan="2">Anticipated date of acquisition</td><td colspan="4">September 29, 2026 (50% quasi co-ownership interest)
March 1, 2027 (50% quasi co-ownership interest)</td></tr>
<tr><td colspan="6">Overview of specified asset</td></tr>
<tr><td colspan="2">Type of specified asset</td><td colspan="4">Trust beneficiary interest in real estate (Note 1)</td></tr>
<tr><td colspan="2">Trustee</td><td colspan="4">Mitsubishi UFJ Trust and Banking Corporation</td></tr>
<tr><td colspan="2">Trust maturity date</td><td colspan="4">September 30, 2036</td></tr>
<tr><td rowspan="2">Location</td><td>Lot number</td><td colspan="4">1-1000, Takasago, Urawa Ward, Saitama City, Saitama</td></tr>
<tr><td>Residence indication</td><td colspan="4">1-10-1, Takasago, Urawa Ward, Saitama City, Saitama</td></tr>
<tr><td rowspan="5">Land</td><td>Type of ownership</td><td>Ownership (site rights) (Note 1)</td><td rowspan="6">Building (Note 3)</td><td>Type of ownership</td><td>Stratified ownership</td></tr>
<tr><td>Land area</td><td>10,564.45 m^2 (Note 2)</td><td>Gross floor area</td><td>7,186.71 m^2</td></tr>
<tr><td>Area classification</td><td>Retail district</td><td>Use</td><td>Store</td></tr>
<tr><td>Building coverage ratio</td><td>80%</td><td>Structure</td><td>Steel-frame, reinforced concrete building</td></tr>
<tr><td>FAR</td><td>700%</td><td>Number of floors</td><td>3 floors</td></tr>
<tr><td colspan="2">Collateral</td><td>None</td><td>Date of construction</td><td>May 7, 2026</td></tr>
<tr><td colspan="6">Overview of building condition evaluation</td></tr>
<tr><td colspan="2">Evaluation company</td><td colspan="4">Tokio Marine dR Co., Ltd.</td></tr>
<tr><td colspan="2">Urgent repair costs</td><td>0 thousand yen</td><td colspan="2">Evaluation date</td><td>September 2026</td></tr>
<tr><td colspan="2">Short-term repair costs</td><td>0 thousand yen</td><td colspan="2">PML</td><td>2.1%</td></tr>
<tr><td colspan="2">Long-term repair costs</td><td colspan="4">21,964 thousand yen / 12 years</td></tr>
<tr><td colspan="6">Soil contamination inspector</td></tr>
<tr><td colspan="2">Inspector</td><td colspan="4">Tokio Marine dR Co., Ltd.</td></tr>
<tr><td colspan="6">Designer, structural designer, contractor, inspection agency</td></tr>
<tr><td colspan="2">Designer</td><td colspan="4">Yasui Architects & Engineers, Inc., Tokyo Office, Office of Class-1 Architects</td></tr>
<tr><td colspan="2">Structural designer</td><td colspan="4">Yasui Architects & Engineers, Inc., Tokyo Office, Office of Class-1 Architects</td></tr>
<tr><td colspan="2">Contractor</td><td colspan="4">Joint Venture of Maeda Corporation, Saito Construction Company Ltd., and Takara Leben Co., Ltd.</td></tr>
<tr><td colspan="2">Inspection agency</td><td colspan="4">Japan ERI Co., Ltd.</td></tr>
</table>

Structural calculation evaluation agency	The Building Center of Japan		
Overview of leasing (Note 4)			
Leasable area	7,245.68 m^2	Number of tenants	1
Leased area	7,245.68 m^2	Annual rent	Not disclosed (Note 5)
Occupancy rate	100.0% (Note 6)	Tenant leasehold and security deposit	Not disclosed (Note 5)
Master lease company		-	
Master lease type		-	
Property management company		Daiwa House Realty Mgt. Co., Ltd. (Note 7)	
Lessee		BIC CAMERA INC.	
Special items			
DHR plans to acquire 50% quasi co-ownership interest in trust beneficiary interest in real estate on September 29, 2026. Another quasi co-owner of the interest is Daiwa House Industry Co., Ltd. until DHR acquires the remaining 50% quasi co-ownership interest on March 1, 2027. DHR will enter into a letter of agreement with the other quasi co-owner regarding future management of the property.			
Property characteristics			
■ Location The property, located in a prime location right in front of the station adjacent to the rotary at the West Exit of Urawa Station on the JR Keihin Tohoku and Utsunomiya Lines and just a one-minute walk from the station, is considered to enjoy the best accessibility among the retail facilities around Urawa Station. Saitama City is expected to see an upward trend in future population growth, and Urawa Station is a transportation hub with excellent access to the city center via local buses, in addition to trains such as the JR Keihin-Tohoku, Utsunomiya, Takasaki, Shonan-Shinjuku, and Ueno Tokyo Lines. The area around Urawa Station is visited by people in a wide range of age groups including commuters and local residents, as administrative and retail functions are concentrated in the area in front of the station. ■ Property characteristics Urawa CulE, of which the property is a part, is a large-scale multi-use facility built in May 2026 and developed through a type one urban redevelopment project, and comprises 525 residential units, community and public facilities, retail and office facilities, and parking space. Urawa CulE consists of West Building, which has two basement floors and 27 above-ground floors, and East Building, which has two basement floors and four above-ground floors. Of the retail facility spanning from the first basement floor to the fourth floor above ground of the East Building, the first basement floor and part of the first and second floors above ground are the premises acquired, and the third and fourth floors are occupied by a city hall scheduled to open in 2027. The tenant of the property is Bic Camera, a major consumer electronics retailer.			

(Note 1) The building of Urawa CulE is registered as a stratified ownership building comprising “residential portion”, “retail portion”, “public facility portion” and “parking portion”, and the land of the property is registered as a right of site of such stratified ownership building. DHR plans to acquire the trust beneficiary interest, the trust assets of which are a part of the stratified ownership of the “retail portion” and 9.36% interest of the right of site.
As of the date of this document, the property is owned as real estate. However, the current owner (seller) plans to place the property in trust as of September 29, 2026, and DHR plans to agree on the acquisition of 50% quasi co-ownership interest on the same date and remaining 50% quasi co-ownership interest on March 1, 2027.
(Note 2) “Land area” is a sum of the land area subject to site rights based on the descriptions in the registry.
(Note 3) “Building” section indicates the descriptions in the registry for the portion of the stratified ownership building DHR plans to acquire and not the whole stratified ownership building.
(Note 4) “Overview of leasing” is based on the lease agreement regarding the Anticipated Acquisition as of August 31, 2026.
(Note 5) Not disclosed as consent for disclosure has not been obtained from the lessee.
(Note 6) Historical occupancy rates are omitted as the property was newly built as of May 7, 2026.
(Note 7) DHR plans to conclude a property management agreement with the property management company on the same day as the first anticipated date of acquisition.

4. Seller profile

(1)	Name	Daiwa House Industry Co., Ltd.
(2)	Location	3-3-5, Umeda, Kita Ward, Osaka City, Osaka
(3)	Representative	Hirotsugu Otomo, President and COO
(4)	Business activities	General contractor
(5)	Capital	162,602 million yen (as of March 31, 2026)
(6)	Foundation date	March 4, 1947
(7)	Net assets	3,022,275 million yen (as of March 31, 2026)
(8)	Total assets	8,412,419 million yen (as of March 31, 2026)
(9)	Major shareholder and	The Master Trust Bank of Japan, Ltd. (Trust) 16.09%

	shareholding ratio	Custody Bank of Japan, Ltd. (Trust) 5.62% (as of March 31, 2026)
(10)	Relationships with DHR and the Asset Manager	
	Capital relationship	The seller holds 5.8% of DHR's investment units outstanding as of August 31, 2026. The seller also holds 100.0% of the Asset Manager's shares issued and outstanding as of today and thus falls under the category of an interested party, etc. as defined in the Investment Trust Act.
	Personnel relationship	Among the officers and employees of the Asset Manager, one is on secondment from the seller, and one is on secondment to the seller as of today.
	Business relationship	The seller is a consignee of property management and other services for DHR and is a lessee of real estate owned by DHR. The seller has executed a new basic agreement regarding new pipeline support and other matters with DHR and the Asset Manager.
	Status of classification as related party	The seller is not a related party of DHR. The seller is the parent company of the Asset Manager and thus falls under the category of a related party of the Asset Manager.

5. Interested party transactions

Daiwa House Industry Co., Ltd. as the seller and Daiwa House Realty Mgt. Co., Ltd. as the property management company of the Anticipated Acquisition are defined as interested parties, etc. in the Investment Trust Act. The Asset Manager has gone through the necessary discussion and resolution procedures including the approval of the board of directors of DHR in accordance with Article 201-2 of the Investment Trust Act (Note) as well as its voluntary rules regarding interested party transactions.

(Note) This refers to the article stipulated in Article 201-2 of the Investment Trust Act.
"If an asset management company invests assets as entrusted by a registered investment corporation, before dealings as referred to in Article 193, paragraph (1), item (i) through item (iv) (other than those that Cabinet Office Order prescribes as having only a minor influence on the assets of the registered investment corporation) come to be entered into between the registered investment corporation and an interested person or other close affiliate of the asset management company, the asset management company must first obtain the consent of the registered investment corporation."

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
	(1), (2), (3)	(1), (2), (3)
	Acquisition price	Acquisition price
	Acquisition date	Acquisition date
RU-003 Urawa CulE (Bic Camera Urawa West Exit Store) (1-10-1, Takasago, Urawa Ward, Saitama City, 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) Development	(Land) Parties which do not have any particular interests
	(Land) Omitted as the previous owner has owned the property for over one year (Building) Omitted as the building was developed by the previous owner	-
	(Land) March 2022 (Rights conversion by urban redevelopment project) (Building) May 2026 (Newly built)	-

7. Acquisition schedule

Acquisition decision date	Execution date of the sale and purchase agreement	Date of payment and delivery date
September 18, 2026	September 29, 2026 (planned)	(1) September 29, 2026 (planned) 50% quasi co-ownership interest
		(2) March 1, 2027 (planned) 50% quasi co-ownership interest

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

The sale and purchase agreement of the trust beneficiary interest in the Anticipated 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 by the seller due to DHR's breach before the execution date of the agreement, the seller may demand DHR as the buyer to pay a penalty. Details of the penalty are as follows.

(1) The penalty shall be the amount equal to approximately 20% of the sale and purchase price of the quasi co-ownership interest subject to cancellation net of consumption tax and local consumption tax.
(2) The seller or the buyer can claim the breaching party for a penalty equal to approximately 20% of the sale and purchase price net of consumption tax and local tax, if either of them breaches the clauses for the exclusion of anti-social forces.

In terms of fulfillment of obligations to pay the purchase price, DHR judges it is unlikely that DHR will need to pay the penalty by failing to obtain financing for the purchase price, considering the status of cash on hand as well as the maximum borrowing limit of 25 billion yen set by the commitment line agreement.

(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.

9. Outlook

The impact of the Transaction will be minimal, and there are no revisions to the forecast of results for the fiscal period ending February 28, 2027 (from September 1, 2026 to February 28, 2027).

10. Overview of property appraisal

Property name	Urawa CulE (Bic Camera Urawa West Exit Store)
Appraisal value	11,200 million yen
Appraiser	Japan Real Estate Institute
Appraisal date	August 31, 2026

Item	Content	Basis
Value based on income method	11,200 million yen	Estimated the value based on income method by treating the value based on direct capitalization method and the value based on discounted cash flow method equally and correlating the two values
Value based on direct capitalization method	11,200 million yen	
Operating revenue	-	Not disclosed (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	-	Not disclosed (Note)
Net operating income (NOI)	510 million yen	
Investment income of lump sum	-	
Capital expenditure	-	
Net cash flow (NCF)	458 million yen	
Cap rate	4.1%	Assessed by using the yield of properties considered to have the smallest investment risks as a standard, adjusting with spreads attributable to the property's location, competitiveness as a retail property including the characteristics of the building, the contract terms and conditions and other characteristics, in consideration of prediction uncertainties, transaction yields of similar properties and results of interviews with investors, etc.
Value based on Discounted Cash Flow method	11,200 million yen	
Discount rate	3.8%	Assessed by comprehensively taking into account the characteristics unique to the property, etc., by reference to investment returns of similar properties, etc.
Terminal cap rate	4.2%	Assessed by comprehensively taking into account upcoming changes in investment returns, risks associated with the property as an investment target, general prediction of economic growth rates, trends in real estate prices and rent rates and all other applicable factors, by reference to investment returns of similar properties, etc.
Value based on cost method	10,300 million yen	
Proportion of land	67.9%	
Proportion of building	32.1%	
Other items considered by the appraiser in the appraisal		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.

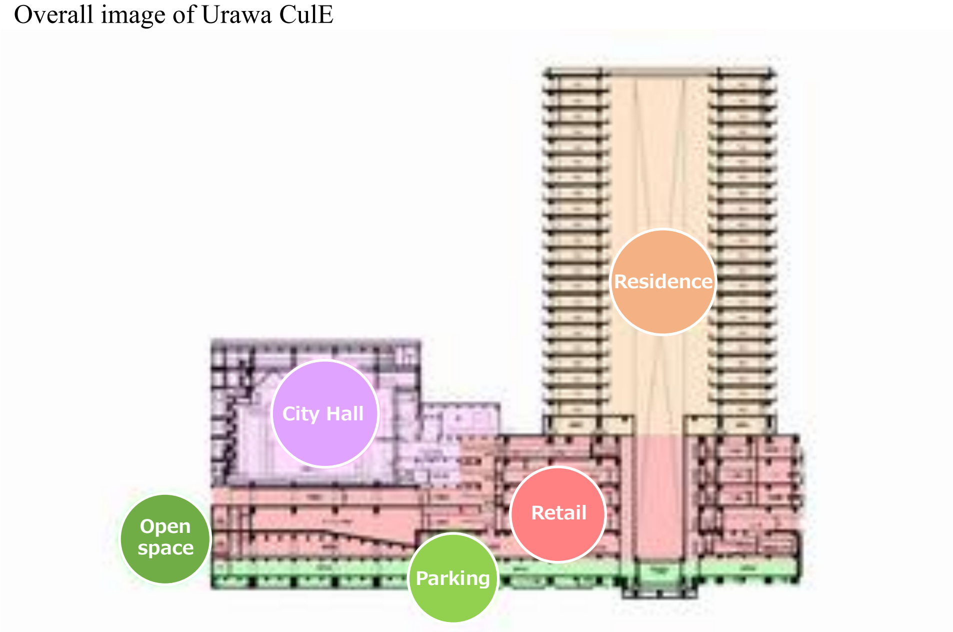
* DHR's website: https://www.daiwahouse-reit.co.jp/en/

<Attachments>

1. Photograph and location map of the Anticipated Acquisition

RU-003 Urawa CulE (Bic Camera Urawa West Exit Store)

Overall image of Urawa CulE



Source: “Urawa Station West Exit Minami Takasago Area Type One Urban Redevelopment Project”
Saitama City Website

2. Portfolio status after the acquisition of the Anticipated Acquisition

Asset class	Number of properties		(Anticipated) acquisition price (million yen)	Investment ratio (Note)
Logistics properties	64	properties	470,919	50.4%
Residential properties	131	properties	244,602	26.2%
Retail properties	22	properties	126,739	13.6%
Hotel properties	10	properties	53,766	5.8%
Other assets	6	properties	38,620	4.1%
Portfolio Total	233	properties	934,646	100.0%

(Note) “Investment ratio” indicates the ratio of the (anticipated) acquisition price for each asset to the total (anticipated) acquisition price, rounded to the nearest tenth.