

November 26, 2019

For Immediate Release

REIT Issuer:

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Notice Concerning Debt Financing and Repayment of Loans

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

1. Details of the debt financing

Category	Lender	Anticipated borrowing amount (million yen)	Borrowing period	Interest rate	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; MUFG Bank, Ltd. (Note 1); Mizuho Bank, Ltd.; Development Bank of Japan Inc.	10,000	10 years	Base interest rate +0.40% (Floating) (Note 2) (Note 3) (Note 4)	November 29, 2019	November 30, 2029	Bullet repayment	Unsecured and non-guaranteed

(Note 1) The anticipated loans from MUFG Bank, Ltd. apply to “ESG Loans for J-REITs”. For details, please refer to the press release “Notice Concerning Acquisition of the Highest Rank of “S” in “MUFG ESG Rating Certificate for J-REITs supported by JCR”” dated September 10, 2019.

(Note 2) “Base interest rate” is the JBA 3-month Japanese yen TIBOR (Tokyo Interbank Offered Rate) at 11 a.m. as of two business days prior to the loan disbursement date and subsequently the latest interest payment date. For the JBA Japanese yen TIBOR, which is the base interest rate, please refer to the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/english/rate/>).

(Note 3) The first interest payment date is the last day of February 2020 and subsequent interest payment dates are the last day of every three months thereafter and the principal repayment date (in case such date is not a business day, the following business day will be the interest payment date; however, in case this following business day falls into the following month, the immediately preceding business day will be the interest payment date).

(Note 4) Although the term loan agreement is based on a floating interest rate, DHR intends to fix the interest rate for the anticipated date of execution and thereafter by entering into an interest rate swap agreement. The execution of the interest rate swap agreement will be announced once determined.

2. Reason for the debt financing

DHR will use the funds on November 29, 2019 for prepayment of the long-term loans (prepayment amount: 6,000 million yen) as described in the press release “Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds) and Prepayment of Long-Term Loans” dated November 15, 2019. DHR will use the remainder of the funds for repayment of part of the long-term loans maturing on November 29, 2019 described below.

3. Details of the long-term loans to be repaid

Category	Lender	Borrowing amount (million yen)	Borrowing period	Interest rate	Floating/ fixed	Date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; MUFG Bank, Ltd.; Mizuho Bank, Ltd.; Development Bank of Japan Inc.	10,000	7 years	1.28759%	Fixed	November 29, 2012	November 29, 2019	Bullet repayment	Unsecured and non-guaranteed

4. Status of interest-bearing debt after the Transaction and prepayment of the long-term loans

(Unit: million yen)

	Before (as of November 26, 2019)	After (as of November 29, 2019)	Increase / Decrease
Short-term loans	0	0	—
Current portion of long-term loans	36,810	26,810	(10,000)
Long-term loans	292,958	296,958	4,000
Total loans	329,768	323,768	(6,000)
Investment corporation bonds	25,000	25,000	—
Total interest-bearing debt	354,768	348,768	(6,000)

5. Other

For the risks concerning this matter, there are no changes from the Japanese language securities report submitted on November 26, 2019.

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* DHR’s website: <https://www.daiwahouse-reit.co.jp/en>