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For Immediate Release

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### Notice Concerning Debt Financing and Refinancing

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. Debt financing scheduled on March 27, 2019 and March 29, 2019

##### (1) Details of the debt financing

Category	Lender	Anticipated borrowing amount (million yen)	Borrowing period	Interest rate	Floating / fixed	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Mizuho Bank, Ltd.	4,000	3.4 years	Base interest rate +0.18% (Note 1)	Floating	March 27, 2019	August 31, 2022	Bullet repayment	Unsecured and non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited; Aozora Bank, Ltd.; The Norinchukin Bank; Sumitomo Mitsui Banking Corporation; The Chiba Bank, Ltd.; Mizuho Bank, Ltd.; The Bank of Fukuoka, Ltd.; The Shizuoka Bank, Ltd.	7,600	6.5 years	TBD (Note 2)	Fixed	March 29, 2019	September 30, 2025		
Total		11,600							

(Note 1) “Base interest rate” is the JBA 1-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/>). The first interest payment date is the last day of April 2019 and subsequent interest payment dates are the last day of every month 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 2) The interest rate will be announced once determined. The first interest payment date is the last day of May 2019 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).

Disclaimer: This announcement is prepared for the public disclosure of debt financing and refinancing of DHR and has not been prepared for the purpose of soliciting investment.

(2) Reason for conducting the debt financing

DHR will conduct the debt financing of 4,000 million yen on March 27, 2019 to repay its long-term loans maturing on March 27, 2019, and will conduct the debt financing of 7,600 million yen on March 29, 2019 to repay its long-term loans maturing on March 29, 2019.

(3) Details of the existing loan 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	MUFG Bank, Ltd.	4,000	7.0 years	1.07%	Fixed	March 27, 2012	March 27, 2019	Bullet repayment	Unsecured and non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited; Aozora Bank, Ltd.; The Norinchukin Bank; The Chiba Bank, Ltd.; Sumitomo Mitsui Banking Corporation; Mizuho Bank, Ltd.; The Bank of Fukuoka, Ltd.; The Shizuoka Bank, Ltd.	7,600	3.0 years	0.26091 % (Note)	Floating	March 31, 2016	March 29, 2019		
Total		11,600							

(Note) The interest rate applied from January 31, 2019 to February 27, 2019.

2. Debt financing scheduled on April 5, 2019 and April 10, 2019

(1) Details of the debt financing

Category	Lender	Anticipated borrowing amount (million yen)	Borrowing period	Interest rate	Floating/ fixed	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Mitsui Sumitomo Insurance Company, Ltd.	1,000	7.1 years	TBD (Note 1) (Note 2)	Fixed	April 5, 2019	April 30, 2026	Bullet repayment	Unsecured and non-guaranteed
	Nippon Life Insurance Company	500	8.1 years				April 30, 2027		
	Development Bank of Japan Inc.	1,500	9.1 years				April 28, 2028		
	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; MUFG Bank, Ltd.; Mizuho Bank, Ltd.	6,000	3.6 years	Base interest rate +0.23% (Note 3) (Note 4)	Floating	April 10, 2019	October 31, 2022		

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Category	Lender	Anticipated borrowing amount (million yen)	Borrowing period	Interest rate	Floating/fixed	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Banking Corporation; The Norinchukin Bank; Sumitomo Mitsui Trust Bank, Limited; Shinsei Bank, Limited; Shinkin Central Bank; The Bank of Fukuoka, Ltd; The Chiba Bank, Ltd.; The 77 Bank, Ltd.; The Nishi-Nippon City Bank, Ltd.; The Iyo Bank, Ltd.; The Chugoku Bank, Ltd.	8,100	5.6 years	TBD (Note 1) (Note 5)	Fixed	April 10, 2019	October 31, 2024	Bullet repayment	Unsecured and non-guaranteed
	Sumitomo Mitsui Banking Corporation; Mizuho Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited, Resona Bank, Limited; Mizuho Trust & Banking Co., Ltd.; MUFG Bank, Ltd.	10,400	10.0 years	Base interest rate +0.40% (Note 3) (Note 4)	Fixed (Note6)		April 27, 2029		
Total		27,500							

(Note 1) The interest rate will be announced once determined.

(Note 2) The first interest payment date is the last day of August 2019 and subsequent interest payment dates are the last day of the months of February and August 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 3) "Base interest rate" is the JBA 1-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 4) The first interest payment date is the last day of April 2019 and subsequent interest payment dates are the last day of every month 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 5) The first interest payment date is the last day of May 2019 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 6) 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 conducting the debt financing

DHR will conduct the debt financing of a total of 27,500 million yen long-term loans to use as part of the funds for acquiring the trust beneficiary interests of the anticipated acquisitions (13 properties with a total anticipated acquisition price of 67,090 million yen), as announced today in the press release "Notice Concerning Acquisition and Leasing of Trust Beneficiary Interests in Domestic Real Estate", and other related expenses.

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### 3. Status of interest-bearing debt after the Transaction

(Unit: million yen)

	Before (as of February 8, 2019)	After (as of April 10, 2019)	Increase / Decrease
Short-term loans	—	—	—
Current portion of long-term loans	40,510	36,810	(3,700)
Long-term loans	261,758	292,958	31,200
Total loans	302,268	329,768	27,500
Investment corporation bonds	19,000	19,000	—
Total interest-bearing debt	321,268	348,768	27,500

### 4. Other

For the risks concerning this matter, there are no changes from the security registration statement submitted on February 8, 2019.

\* Distribution of this material: This material is distributed to “Kabuto Club” (a media correspondents’ club at the Tokyo Stock Exchange), the press club at the Ministry of Land, Infrastructure, Transport and Tourism and the press club for construction trade newspapers at the Ministry of Land, Infrastructure, Transport and Tourism.

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

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