

September 25, 2020

For Immediate Release

REIT Issuer:

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Notice Concerning Debt Financing

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it decided today to conduct debt financing as described below.

1. Details of the debt financing

Category	Lender	Anticipated borrowing amount (million yen)	Interest rate	Borrowing period	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	The Dai-ichi Life Insurance Company Limited	1,000	TBD (Fixed) (Note)	5.5 years	September 30, 2020	March 31, 2026	Bullet repayment	Unsecured and non-guaranteed
	Shinsei Bank, Limited	1,000	TBD (Fixed) (Note)	7.0 years		September 30, 2027		
Total		2,000						

(Note) The interest rate will be announced once determined. The first interest payment date is the last day of February 2021 and subsequent interest payment dates are the last day of every February and August 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).

2. Reason for the debt financing

DHR will conduct the debt financing to use as part of the funds for acquiring the trust beneficiary interest of the anticipated acquisition (Candeo Hotels Nagasaki Shinchi Chinatown with an anticipated acquisition price of 3,140 million yen) as announced today in the press release “Notice Concerning Acquisition of Trust Beneficiary Interest in Domestic Real Estate” and other related expenses.

3. Status of interest-bearing debt after the debt financing

(Unit: million yen)

	Before (as of September 25, 2020)	After (as of September 30, 2020)	Increase / Decrease
Short-term loans	—	—	—
Current portion of long-term loans	16,000	16,000	—
Long-term loans	330,558	332,558	2,000
Total loans	346,558	348,558	2,000
Current portion of investment corporation bonds	3,000	3,000	—
Investment corporation bonds due after one year	27,000	27,000	—
Total investment corporation bonds	30,000	30,000	—
Total interest-bearing debt	376,558	378,558	2,000

4. Other

For the risks concerning this matter, there are no changes from the Japanese language securities report submitted on May 28, 2020.

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