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For Immediate Release

REIT Issuer:

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Notice Concerning Change in Specified Affiliated Company

Daiwa House REIT Investment Corporation (“DHR”) hereby announces a change in DHR’s major related party (specified affiliated company) as follows.

1. Reason for the change

Daiwa Living Management Co., Ltd. is an interested party of Daiwa House Asset Management Co., Ltd. (the “Asset Manager”) to which DHR entrusts the management of its assets.

In the past three years from the last day of the fiscal period ended February 28, 2019 (from September 1, 2018 to February 28, 2019) the amount of transactions as set forth in Article 29-3, Paragraph 3, Item 3 and Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act conducted between Daiwa Living Management Co., Ltd. and DHR or trustees of DHR's specified assets in the form of trust beneficiary interests met the criteria prescribed in Article 55-8, paragraph 2 of the Cabinet Office Ordinance on Restrictions on Securities Transactions, etc., and Daiwa Living Management Co., Ltd. was categorized as a specified affiliated company.

In the past three years from the last day of the fiscal period ended August 31, 2019 (from March 1, 2019 to August 31, 2019) the amount of transactions did not meet the aforesaid criteria, and Daiwa Living Management Co., Ltd. is no longer categorized as a specified affiliated company.

2. Date of the change

September 1, 2019

3. Profile of the concerned specified affiliated company

(1) Name	Daiwa Living Management Co., Ltd.
(2) Location	Ariake Central Tower, 7th Floor, 3-7-18, Ariake, Koto-ku, Tokyo
(3) Representative	Masaru Akashi, President
(4) Business activities	Businesses related to rental housing
(5) Capital	100 million yen (as of March 31, 2019)
(6) Foundation date	January 27, 2012
(7) Net assets	23,587 million yen (as of March 31, 2019)
(8) Total assets	114,258 million yen (as of March 31, 2019)
(9) Major shareholder and shareholding ratio	Daiwa House Industry Co., Ltd. 100.0% (as of March 31, 2019)
(10) Relationships with DHR and the Asset Manager	
Capital relationship	There are no capital relationships between DHR and the company. The company is a wholly-owned subsidiary of Daiwa House Industry Co., Ltd., the parent company of the Asset Manager. The company falls under being an interested party, etc. of the Asset Manager as stipulated in the Act on Investment Trusts and Investment Corporations.
Personnel relationship	There are no personnel relationships to be disclosed between DHR or the Asset Manager and the company.

Business relationship	DHR has concluded master lease agreements or fixed term building lease agreements concerning part of the assets held by DHR (81 properties as of October 17, 2019).
Status of classification as related party	The company is not a related party of DHR. The company is a subsidiary of Daiwa House Industry Co., Ltd., the parent company of the Asset Manager, and a related party of the Asset Manager.

4. Outlook

This matter will have no impact on the forecast of results for the fiscal periods ending February 29, 2020 (from September 1, 2019 to February 29, 2020) and August 31, 2020 (from March 1, 2019 to August 31, 2020).

The notification and other procedures required by the Financial Instruments and Exchange Act, the Building Lots and Building Transactions Business Act, and other applicable laws and regulations will be performed promptly for this matter.

* 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>