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For Immediate Release

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Notice Concerning Debt Financing (Determination of Interest Rates) and Signing of Interest Rate Swap Agreements

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that the interest rates for the loans to be executed on April 3, 2020 as announced in the press release “Notice Concerning Debt Financing and Refinancing” on February 7, 2020 were determined today as follows. DHR also announces that DHR signed the following interest rate swap agreements.

1. Determination of interest rates

Category	Lender	Anticipated borrowing amount (million yen)	Interest rate	Borrowing period	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Trust Bank, Limited; The Norinchukin Bank; The 77 Bank, Ltd.; The Chugoku Bank, Limited; Nippon Life Insurance Company; Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Mizuho Bank, Ltd.; The Chiba Bank, Ltd.; The Iyo Bank, Ltd.	6,000	0.34774% (Fixed) (Note 1)	4.6 years	April 3, 2020	October 31, 2024	Bullet repayment	Unsecured and non-guaranteed
	The Dai-ichi Life Insurance Company, Limited	500	0.400% (Fixed) (Note 2)	6.0 years		March 31, 2026		
	Mitsui Sumitomo Insurance Company, Limited	500	0.410% (Fixed) (Note 2)	6.5 years		September 30, 2026		
	Development Bank of Japan Inc.	1,000	0.50981% (Fixed) (Note 2)	8.5 years		September 29, 2028		

(Note 1) The first interest payment date is the last day of May 2020 and subsequent interest payment dates are the last day of every 3 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 2) The first interest payment date is the last day of August 2020 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 signing the interest rate swap agreements

DHR signed the interest rate swap agreements in order to fix interest rates of the floating interest rate loans to be executed on April 3, 2020 and hedge the risk of interest rate fluctuations.

3. Details of the interest rate swap agreements

(1) Long-term loans related to the interest rate swap agreements

Category	Lender	Anticipated borrowing amount (million yen)	Interest rate	Borrowing period	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Trust Bank, Limited; Resona Bank, Limited; Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Mizuho Bank, Ltd.; Shinsei Bank, Limited; Shinkin Central Bank; The Bank of Fukuoka, Ltd.; The Nishi-Nippon City Bank, Ltd.	5,000	JBA 3-month Japanese yen TIBOR +0.315% (Floating)	9.1 years	April 3, 2020	April 27, 2029	Bullet repayment	Unsecured and non-guaranteed
	MUFG Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; Mizuho Bank, Ltd.; Mizuho Trust & Banking Co., Ltd.; The Bank of Kyoto, Ltd.; The Yamanashi Chuo Bank Ltd.	10,000	JBA 3-month Japanese yen TIBOR +0.400% (Floating)	10.1 years		April 30, 2030		

(2) Overview of the interest rate swap agreements

Counterparty	Notional amount (million yen)	Interest rate (Note 1)		Contract agreement date	Contract period	
		Fixed interest rate payable	Floating interest rate receivable		From	To
Mizuho Bank, Ltd.	5,000	0.509% (Note 2)	JBA 3-month Japanese yen TIBOR +0.315%	April 1, 2020	April 3, 2020	April 27, 2029
Mizuho Bank, Ltd.	10,000	0.615% (Note 3)	JBA 3-month Japanese yen TIBOR +0.400%			April 30, 2030

(Note 1) The first interest payment date is the last day of May 2020 and subsequent interest payment dates are the last day of every 3 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 2) The interest rate of the loans will be fixed at 0.509% in effect by this interest rate swap agreement.

(Note 3) The interest rate of the loans will be fixed at 0.615% in effect by this interest rate swap agreement.

4. Other

For the risks concerning this matter, there are no changes from the security registration statement submitted on February 7, 2020.

* 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>