

August 25, 2016

For Immediate Release

Investment Corporation:  
Daiwa House REIT Investment Corporation  
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(Code number 3263)

Asset Manager:  
Daiwa House REIT Management Co., Ltd.  
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### Notice Concerning Interested Party Transactions

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it has decided today to conduct the following transactions with interested parties, etc. (the “interested parties, etc.”) as stipulated in the Act on Investment Trusts and Investment Corporations (the “Investment Trust Act”).

#### 1. Summary of transactions with the interested parties, etc.

##### (1) D Project Machida

In an effort to reduce power consumption and CO<sub>2</sub> emission as part of energy-saving and electricity-saving measures, DHR will conclude a renewal construction service contract to install LED lighting.

- |                                     |   |  |
|-------------------------------------|---|--|
| (a) Property name                   | : | D Project Machida  |
| (b) Contractor                      | : | Daiwa Energy Co., Ltd.   |
| (c) Content of construction service | : | Installation of LED lighting   |
| (d) Contract execution date         | : | August 31, 2016 (planned)  |
| (e) Contract value                  | : | 87,500,000 yen (excluding consumption tax, etc.)<br>Most part of the amount will be booked as capital expenditure. |
| (f) Construction period             | : | From October 1, 2016 to November 30, 2016 (planned)  |

##### (2) D Project Kuki V

In an effort to reduce power consumption and CO<sub>2</sub> emission as part of energy-saving and electricity-saving measures, DHR will conclude a renewal construction service contract to install LED lighting.

- |                                     |   |  |
|-------------------------------------|---|--|
| (a) Property name                   | : | D Project Machida  |
| (b) Contractor                      | : | Daiwa Energy Co., Ltd.   |
| (c) Content of construction service | : | Installation of LED lighting   |
| (d) Contract execution date         | : | September 30, 2016 (planned)   |
| (e) Contract value                  | : | 58,500,000 yen (excluding consumption tax, etc.)<br>Most part of the amount will be booked as capital expenditure. |
| (f) Construction period             | : | From November 1, 2016 to January 31, 2017 (planned)  |

##### (3) D Project Hachioji

DHR conducted the following repair work of roof waterproofing.

- |                                     |   |                                   |
|-------------------------------------|---|-----------------------------------|
| (a) Property name                   | : | D Project Hachioji                |
| (b) Contractor                      | : | Daiwa House Industry Co., Ltd.    |
| (c) Content of construction service | : | Repair work of roof waterproofing |

- (d) Contract execution date : August 31, 2016 (planned)  
 (e) Contract value : 90,000,000 yen (excluding consumption tax, etc.)  
 All of the amount will be booked as capital expenditure.  
 (f) Construction period : From March 28, 2016 to July 15, 2016

#### (4) D Project Inuyama

DHR will conclude the following installment contract of solar power system to lease the rooftop, etc. of D Project Inuyama for Daiwa Energy Co., Ltd. to conduct solar power generation business. DHR will receive rental fees from Daiwa Energy Co., Ltd.

- (a) Property name : D Project Inuyama  
 (b) Content of transaction : Installment contract of solar power system on the rooftop, etc.  
 (c) Lessee : Daiwa Energy Co., Ltd.  
 (d) Contract execution date : September 2, 2016 (planned)  
 (e) Contract period : From April 1, 2017 to March 31, 2037 (planned)  
 (f) Annual rental fees : 1,200,000 yen (excluding consumption tax, etc.)

### 2. Company profile of the interested parties, etc.

#### (1) Daiwa Energy Co., Ltd.

a. Company name	Daiwa Energy Co., Ltd.
b. Location of headquarters	1-1-43 Abenosuji, Abeno-ku, Osaka
c. Representative	Takashi Hama, President
d. Paid-in capital	50 million yen (as of March 31, 2016)
e. Scope of business	Environment business
f. Relationships with DHR and the Asset Manager	Daiwa Energy Co., Ltd. is a subsidiary of the Asset Manager's parent company, Daiwa House Industry Co., Ltd. and falls under being an interested party, etc. stipulated in the Investment Trust Act. Daiwa Energy Co., Ltd. is a lessee of real estate owned by DHR.

#### (2) Daiwa House Industry Co., Ltd.

a. Company name	Daiwa House Industry Co., Ltd.
b. Location of headquarters	3-3-5 Umeda, Kita-ku, Osaka-shi, Osaka
c. Representative	Naotake Ohno, President and COO
d. Paid-in capital	161,699 million yen (as of March 31, 2016)
e. Scope of business	General contractor
f. Relationships with DHR and the Asset Manager	Daiwa House Industry Co., Ltd. holds 12.2% of DHR's investment units outstanding and 100.0% of shares outstanding of the Asset Manager as of February 29, 2016. Daiwa House Industry Co., Ltd. is a consignee of PM and other services for DHR, and is a lessee of real estate owned by DHR. Daiwa House Industry Co., Ltd. has executed a memorandum of understanding regarding pipeline support and other matters with DHR and the Asset Manager.

### 3. Procedures concerning transactions with interested parties, etc.

The transactions outlined above have gone through the necessary discussion and resolution procedures in accordance with the Asset Manager's voluntary rules to avoid transactions with conflicts of interest.

### 4. Outlook

This matter will have no impact on the forecast of operating results for the fiscal period ending August 2016 (from March 1, 2016 to August 31, 2016).

\* 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: <http://www.daiwahouse-reit.jp/english/>