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For Immediate Release

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### Notice Concerning Acquisition of Trust Beneficiary Interests in Domestic Real Estate

Daiwa House REIT Investment Corporation (“DHR”) hereby announces the decision made today by Daiwa House Asset Management Co., Ltd. (the “Asset Manager”), the asset manager to which DHR entrusts the management of its assets, for DHR to acquire the following assets (the “Anticipated Acquisitions”) as described below.

The decision to acquire the Anticipated Acquisitions has been approved by the board of directors of DHR based on the Act on Investment Trust and Investment Corporations (Act No. 198 of 1951, as amended, the “Investment Trust Act”) and the Asset Manager’s voluntary rules concerning conflict of interest.

#### 1. Acquisition overview

##### (1) Anticipated Acquisitions

Property number	Real estate in trust (Property name)	Asset class	Location	Anticipated date of acquisition	Anticipated acquisition price (million yen) (Note 1)	Appraisal value (million yen) (Note 2)	NOI yield (Note 3)	NOI yield after depreciation (Note 4)
LM-007	DPL Tsukuba Yatabe	Logistics	Tsukuba City, Ibaraki	September 5, 2022	7,800	8,250	4.8%	3.6%
LM-008	DPL Hiroshima Kanon	Logistics	Hiroshima City, Hiroshima		18,800	19,600	4.8%	3.7%
LM-009	DPL Okinawa Tomigusuku I	Logistics	Tomigusuku City, Okinawa		8,200	8,220	5.8%	3.1%
LB-067	D Project Kadoma I	Logistics	Kadoma City, Osaka		3,150	3,420	6.3%	3.5%
Total / Average					37,950	39,490	5.1%	3.5%

(Note 1) Excluding such amounts as expenses related to acquisition, amounts equivalent to reimbursement of taxes and dues, etc., and amount equivalent to consumption taxes.

(Note 2) Appraisal value as of June 30, 2022.

(Note 3) “NOI yield” is represented by a figure calculated by dividing the stabilized net operating income, calculated by deducting operating expenses from operating income based on a direct capitalization method, as stated in the appraisal report (as of June 30, 2022) (the “Net Operating Income” in Note 4 below), by an anticipated acquisition price. Average is calculated by weighted average of NOI yield based on anticipated acquisition price.

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(Note 4) “NOI yield after depreciation” is calculated by dividing the figure, calculated by deducting depreciation estimated by the Asset Manager from the Net Operating Income in the appraisal report (as of June 30, 2022), by an anticipated acquisition price. Average is calculated by weighted average of NOI yield after depreciation based on anticipated acquisition price.

- (2) Execution date of the purchase agreements : Please refer to below “7. Acquisition schedule”  
 (3) Planned date of acquisition : Please refer to above table (1) “Anticipated date of acquisition”  
 (4) Seller : Please refer to below “4. Seller profile”  
 (5) Acquisition funds : Proceeds from issuance of new investment units (a public offering), debt financing and cash reserves (Note 1)  
 (6) Method of settlement : Payment of entire amount upon transfer  
 (7) Brokerage : None

(Note 1) Please refer to the press releases “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” and “Notice Concerning Debt Financing (Green Loan and Sustainability-Linked Syndicated Loan) and Debt Refinancing” dated today.

## 2. Rationale for acquisition

Based on the targets and policies prescribed in DHR’s Articles of Incorporation, the Asset Manager decided for DHR to acquire the Anticipated Acquisitions having deemed that the acquisition would expand the asset size, further increase the stability of cash flow through increased portfolio diversification and secure stable revenues in the long term. The Anticipated Acquisitions are recently built logistics facilities, proven by the average age of 1.1 years, all of which have obtained environmental certifications (including three rare ZEB (Net Zero Energy Building)-certified properties). All of the Anticipated Acquisitions will be through the pipeline of Daiwa House Group.

For the details of the Anticipated Acquisitions, please see “3. Details of the Anticipated Acquisitions”.

## 3. Details of the Anticipated Acquisitions

The following tables provide an overview of the trust beneficiary interests in real estate that are the Anticipated Acquisitions. Furthermore, unless otherwise stated, descriptions in each column in the “Property number”, “Asset class”, “Type”, “Anticipated date of acquisition”, “Anticipated acquisition price”, “Overview of specified asset”, “Overview of building condition evaluation”, “Soil contamination inspector”, “Designer, structural designer, contractor and inspection agency”, “Overview of leasing”, “Special items” and “Property characteristics” for each property indicated below are prepared in accordance with the following definitions, and are based on the information available as of May 31, 2022.

- “Property number” is numbered to each property owned under each asset class. “L” means logistics properties. “LB” means built-to-suit type logistics properties, and “LM” means multi-tenant type logistics properties.
- “Asset class” shows the asset class categories under our portfolio composition based on the DHR’s investment policy.
- “Type” shows the type of respective uses as follows for respective Anticipated Acquisitions in accordance with types of investment destination based on the DHR’s investment policy.

### <Logistics properties>

Type	BTS (Build-to-suit) type	Multi-tenant type
Description	Logistics properties customized to tenant needs, while maintaining general versatility to accommodate successor tenants in the future	Logistics properties located on sites suitable to the logistics needs of various businesses with optimal scale, grade and facilities for their respective site

- “Anticipated date of acquisition” shows the planned date of acquisition of the respective Anticipated Acquisitions indicated in the purchase agreements regarding the relevant acquisition, but such a date may be changed by mutual consent between DHR and the seller.
- “Anticipated acquisition price” shows the transaction price (excluding such amounts as expenses related to acquisition, amount equivalent to reimbursement of taxes and dues, etc., and amount equivalent to consumption taxes) of the respective Anticipated Acquisitions indicated in the purchase agreements regarding the relevant acquisition.
- “Trustee” is the trustee or the party that is scheduled to become the trustee of the respective Anticipated Acquisitions.
- “Trust maturity date” shows the trust maturity date for respective Anticipated Acquisitions defined in the trust agreement which is scheduled to have teeth when DHR acquires.

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- “Lot number” for location is the lot number as indicated in the register (only one location is indicated for properties that have several locations), and “Residence indication” for location is the residence indication of each property in trust as indicated in the register (for each property in trust without residence indication, the location of the building is as indicated in the register (only one location is indicated for properties that have several locations)).
- “Type of ownership” for the land and building indicates, for each of the Anticipated Acquisitions, the kind of rights held by the trustee or to be held by a party that is scheduled to become a trustee subject to a trust agreement which is scheduled to have teeth when DHR acquires.
- “Land area” is based on the descriptions in the registry, and may not match the present status.
- “Area classification” for the land indicates the type of zoning district depicted in Article 8, Paragraph 1, Item 1 of the City Planning Act (Act No. 100 of 1968, as amended) or the type of urban district classification depicted in Article 7 of the City Planning Act.
- “Building coverage ratio” for the land is the ratio of the building area of the building to the site area as stipulated in Article 53 of the Building Standards Act (Act No.201 of 1950, as amended) and is the maximum figure of the building coverage ratio determined by city planning in accordance with the zoning, etc. (designated building coverage ratio). Designated building coverage ratios may be relaxed / increased, or decreased, since the building is a fireproof building in a fire prevention district, or for other reasons. Therefore it may differ from the actual building coverage ratio to be applied.
- “Floor area ratio (FAR)” for the land is the ratio of the total floor area of the building to the site area as stipulated in Article 52 of the Building Standards Act and is maximum figure of the floor area ratio determined by city planning in accordance with the zoning, etc. (designated floor area ratio). Designated floor area ratios may be relaxed / increased, or decreased, since the width of the road adjacent to the site, or for other reasons. Therefore it may differ from actual floor area ratio to be applied.
- “Gross floor area” for the building is the sum total of the floor area recorded in the registry, excluding the areas of annex buildings, and may not match the present status.
- “Use” for the building shows the primary category described in the registry, and may not match the present status.
- “Structure” and “Number of floors” for the building are based on the descriptions in the registry, and excludes annex buildings.
- “Date of construction” for the building is the date of construction as written in the property registry of the main building.
- “Collateral” indicates the outline of the collateral for the respective Anticipated Acquisitions, if there is collateral scheduled to be borne by DHR after the acquisition.
- “Overview of building condition evaluation” is based on the descriptions in the engineering report prepared for the respective Anticipated Acquisitions.
- “Evaluation date” shows the date when the building condition evaluation report surveyed and prepared by the evaluation companies was prepared.
- “PML” represents the probable maximum loss from an earthquake as being the amount of probable loss of damage that may result from an earthquake having 0.21% annual exceedance probability (475-year return period) expressed as a percentage (%) of the replacement cost. (Note)  
(Note) Replacement cost: Expenses that will be incurred if the existing building is to be newly constructed at the time investigation.
- “Soil contamination inspector” is based on the descriptions in the engineering report prepared for the respective Anticipated Acquisitions.
- “Designer, structural designer, contractor and inspection agency” is based on the descriptions in the applications for building verification and applications for approval to change etc. for the Anticipated Acquisitions, and is described as the names of the companies at the time.
- “Overview of leasing” shows the content of respective lease agreements or lease reservation agreements as of August 18, 2022 for respective property in trust regarding the respective Anticipated Acquisitions. The items “Contract form”, “Contract period”, “Rent revision”, “Contract renewal” and “Early cancellation” are filled with the information about key tenants (of which leased area exceeds 50% of the leasable area of the whole building) for the portfolio assets. In the event that a pass-through type master lease agreement has been executed or is scheduled to be executed for each property in trust, the terms of a sublease agreement executed between a master lease company and a key end tenant. “Leased area (ratio to total leasable area)” is indicated only when there is more than one tenant (end tenant)”.
- “Leasable area” is the leasable area of the building (of the land, for land with leasehold interest properties) for each property in trust, and indicates the area which DHR recognizes to be leasable based on the lease agreements or lease reservation agreements or building drawings or other documents for the respective property in trust as of August 18, 2022.
- “Leased area” shows the leased area indicated in respective lease agreements or lease reservation agreements as of August 18, 2022 for respective property in trust regarding the respective Anticipated Acquisitions. However, if there is a master

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lease agreement or a planned master lease agreement concluded with the sublessee, it shows the leased area of end-tenants indicated in the sublease agreements concluded between the sublessee and end-tenants as of August 18, 2022 for respective property in trust regarding the respective Anticipated Acquisitions. Furthermore, as the respective lease agreements or lease reservation agreements may indicate leased area that includes portions not included in the gross floor area, the leased area may exceed the gross floor area. In particular, if eaves are included in the leased area for logistics facilities, the leased area may significantly surpass the gross floor area.

- “Occupancy rate” is the ratio of leased floor area to leasable floor area.
- “Number of tenants” indicates the number of tenants for each property of the Anticipated Acquisitions based on the lease agreements or lease reservation agreements, etc. as of August 18, 2022. However, “Number of tenants” enters the number of tenants as 1 if there is a master lease agreement or a planned master lease agreement concluded with the sublessee.
- “Annual rent” means the amount calculated by multiplying the monthly rent (excluding consumption taxes) of the building as indicated in respective lease agreement or lease reservation agreement in relation to each property in trust as of August 18, 2022 by 12 on an annual basis (as to properties in trust for which multiple lease agreements or lease reservation agreements are entered into, the total amount indicated in such lease agreements or lease reservation agreements). If a pass-through type master lease agreement is or is scheduled to be entered into, the annual rent is the amount calculated by multiplying the monthly rent (excluding consumption taxes) as indicated in each sublease agreement in relation to each property in trust as of August 18, 2022 by 12 on an annual basis (as to properties in trust for which multiple sublease agreements are entered into, the total amount indicated in such sublease agreements).
- “Tenant leasehold and security deposits” is calculated based on the leasehold and security deposits indicated in respective lease agreement or lease reservation agreement in relation to each property in trust as of August 18, 2022 (as to properties in trust for which multiple lease agreements or lease reservation agreements are entered into, the total amount indicated in such lease agreements or lease reservation agreements). If a pass-through type master lease agreement is or is scheduled to be entered into, leasehold and security deposits are those indicated in the sublease agreements of end-tenants as of August 18, 2022 (as to properties in trust for which multiple sublease agreements are entered into, the total amount indicated in such sublease agreements). Meanwhile, leasehold and security deposits that do not need to be returned to the tenant pursuant to the lease agreements or lease reservation agreements are excluded from this calculation.
- “Lease term” indicates what is specified in the respective lease agreements or lease reservation agreements as of August 18, 2022 for each property in trust (or, the sublease agreements concluded between the sublessee and end-tenants as of August 18, 2022, for each property in trust, in the event that a pass-through type master lease agreement has been executed or is to be executed with a master lease company). “Average lease term” indicates a weighted average of the lease term under the respective lease agreements or lease reservation agreements with the annual rent specified in the relevant agreements, respectively.
- “Remaining lease term” indicates the period from the respective anticipated date of acquisition to the expiration of the lease term specified in the respective lease agreements or lease reservation agreements as of August 18, 2022 for each property in trust (or the sublease agreements concluded between the sublessee and end-tenants as of August 18, 2022 for each property in trust, in the event that a pass-through type master lease agreement has been executed or is to be executed with a master lease company). “Average remaining lease term” indicates a weighted average of the remaining lease term under the respective lease agreements or lease reservation agreements with the annual rent specified in the relevant agreements, respectively.
- “Master lease company” is the lessee that has a blanket lease agreement concluded or scheduled to be concluded with the trustee for the purpose of re-letting to third parties.
- “Master lease type” shows either a “pass-through type” for those master lease agreements that DHR receives rents as-is, and “sublease type” for those master lease agreements that DHR receives a fixed amount of rent irrespective of the actual rent paid by the end-tenants. For a “pass-through type” DHR is entitled to receive rents when it is actually leased to an end-tenant.
- “Property management company” indicates the property management company consigned or scheduled to be consigned with property management services for respective property in trust.
- “Contract period” shows the contract period indicated in respective lease agreements or lease reservation agreements as of August 18, 2022 for respective property in trust.
- “Special items” presents matters recognized to be of importance in terms of the rights, use, etc. of respective Anticipated Acquisitions, as well as matters recognized to be of importance in consideration of the degree of impact on the appraised value, profitability and appropriation of assets, including the following matters:
  - (i) significant limitations or restrictions by laws, ordinances, rules and regulations;
  - (ii) significant burdens or limitations pertaining to rights, etc.;
  - (iii) significant cases where there are building, etc. crossing the boundaries of respective Anticipated Acquisitions

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- without arrangements and cases where there are issues with boundary confirmation, etc.; and
- (iv) significant agreements, arrangements, etc. made with co-owners or condominium unit owners.
- “Property characteristics” of logistics properties is written based on the major items, including the fundamental nature, characteristics, and special features of the located area of the respective Anticipated Acquisitions stated in the respective evaluation reports for the respective Anticipated Acquisitions prepared by CBRE K.K. consigned from DHR of their evaluation. The evaluation of the respective Anticipated Acquisitions represents the judgment and opinion of the evaluation company, and does not guarantee the appropriateness and correctness of the statements.

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Property number	DPL Tsukuba Yatabe	Asset class	Logistics		
LM-007		Type	Multi-tenant type		
Anticipated date of acquisition	September 5, 2022	Anticipated acquisition price	7,800 million yen		
Overview of specified asset					
Type of specified asset	Trust beneficiary interest in real estate (Note 1)				
Trustee	Mitsubishi UFJ Trust and Banking Corporation	Trust maturity date	September 30, 2042		
Location	Lot number	23-1, Midorino Minami, Tsukuba City, Ibaraki			
	Residence indication	23-1, Midorino Minami, Tsukuba City, Ibaraki			
Land	Type of ownership	Ownership	Building	Type of ownership	Ownership
	Land area	37,065.93 m <sup>2</sup>		Gross floor area	37,188.22 m <sup>2</sup>
	Area classification	Quasi-industrial district		Use	Warehouse
	Building coverage ratio	60% (Note 2)		Structure	Steel-frame building
	FAR	200%		Number of floors	2F
Collateral	None		Date of construction	June 30, 2021	
Overview of building condition evaluation					
Evaluation company	Tokio Marine dR Co., Ltd.				
Urgent repair costs	0 thousand yen	Evaluation date	July 2022		
Short-term repair costs	0 thousand yen	PML	1.1%		
Long-term repair costs	103,723 thousand yen / 12 years				
Soil contamination inspector					
Inspector	Tokio Marine dR Co., Ltd.				
Designer, structural designer, contractor, inspection agency					
Designer	JDC Corporation (office of Class-1 Architects)				
Structural designer	JDC Corporation (office of Class-1 Architects)				
Contractor	JDC Corporation Tokyo Branch				
Inspection agency	JAPAN ERI CO., LTD.				
Structural calculation evaluation agency	-				
Overview of leasing					
Leasable area	37,102.71 m <sup>2</sup>	Number of tenants	1		
Leased area	37,102.71 m <sup>2</sup>	Annual rent	Not disclosed (Note 3)		
Occupancy rate	100.0%	Tenant leasehold and security deposit	Not disclosed (Note 3)		
Average lease term	Not disclosed (Note 3)	Average remaining lease term	Not disclosed (Note 3)		
Master lease company	Daiwa House Property Management Co., Ltd.				
Master lease type	Pass-through type				
Property management company	Daiwa House Property Management Co., Ltd.				
Lessee	NIPPON LOGISTECH CORPORATION				
Contract form	Fixed-term building lease agreement				

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Contract period	Not disclosed (Note 3)
Rent revision	Not disclosed (Note 3)
Contract renewal	Not disclosed (Note 3)
Early cancellation	Not disclosed (Note 3)
Special items	
N/A	
Property characteristics	
<p>■ Hub covering extensive areas in Tokyo Metropolitan area This property is situated at a location covering the entire eastern Japan, including northern Kanto region and central Tokyo, as located within approximately 5.5km and 7.5km from Yatabe IC on the Joban Expressway and Tsukuba Chuo IC on the Ken-O Expressway respectively. This property also has potential as a hub of broad area distribution network with accessibility to the Tomei Expressway, the Chuo Expressway, the Kan-etsu Expressway, the Tohoku Expressway, the Joban Expressway and the Higashi-Kanto Expressway via the Ken-O Expressway.</p> <p>■ Securing employment This property is located in Tsukuba City, which functions as a town of commuters to central Tokyo upon large-scale housing land development after Tsukuba Express Line started operation. It would be easy for tenants of this property to secure workforce as it is located within approximately 1.7km from Midorino Station on Tsukuba Express Line, the nearest station, and surrounded by populated residential districts.</p> <p>■ Versatile specifications ensuring high operational efficiency It is a two-story versatile facility with sufficient specifications in terms of ceiling height, floor weight capacity and pillar interval, equipped with 6 cargo elevators, ensuring operational convenience. Truck berths for 72 trucks on both sides of 1<sup>st</sup> floor and 3 entrances in the premises support high operational efficiency.</p>	

(Note 1) DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, the seller will entrust the property to the above trustee, and the seller will transfer the trust beneficiary interest to DHR as of the same date.

(Note 2) While the building coverage ratio of the property is essentially 60%, due to application of corner lot mitigation, it is set at 70%.

(Note 3) Not disclosed as consent for disclosure has not been obtained from the lessee.

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Property number	DPL Hiroshima Kanon		Asset class	Logistics	
LM-008			Type	Multi-tenant type	
Anticipated date of acquisition	September 5, 2022		Anticipated acquisition price	18,800 million yen	
Overview of specified asset					
Type of specified asset	Trust beneficiary interest in real estate (Note1)				
Trustee	Sumitomo Mitsui Trust Bank, Limited		Trust maturity date	October 31, 2042	
Location	Lot number	4-2874-165, Kanon Shinmachi, Nishi Ward, Hiroshima City, Hiroshima			
	Residence indication	4-10-97-4, Kanon Shinmachi, Nishi Ward, Hiroshima City, Hiroshima			
Land	Type of ownership	Ownership		Type of ownership	Ownership
	Land area	39,376.62 m <sup>2</sup>		Gross floor area	78,159.61 m <sup>2</sup>
	Area classification	Quasi-industrial district		Use	Warehouse
	Building coverage ratio	60% (Note 2)		Structure	Steel-frame reinforced concrete and steel-frame building
	FAR	200%		Number of floors	5F
Collateral	None		Date of construction	October 29, 2021	
Overview of building condition evaluation					
Evaluation company	Tokio Marine dR Co., Ltd.				
Urgent repair costs	0 thousand yen		Evaluation date	July 2022	
Short-term repair costs	0 thousand yen		PML	2.4%	
Long-term repair costs	278,518 thousand yen / 12 years				
Soil contamination inspector					
Inspector	Tokio Marine dR Co., Ltd.				
Designer, structural designer, contractor, inspection agency					
Designer	Fujita Corporation Western Japan Development Division (office of Class-1 Architects) (New construction), Nissei Build Kogyo Co., Ltd. Hiroshima Branch (office of Class-1 Architects) (Extention)				
Structural designer	Fujita Corporation Western Japan Development Division (office of Class-1 Architects) (New construction), Nissei Build Kogyo Co., Ltd. Hiroshima Branch (office of Class-1 Architects) (Extention)				
Contractor	Fujita Corporation Hiroshima Branch (New construction), Nissei Build Kogyo Co., Ltd. Hiroshima Branch (Extention)				
Inspection agency	JAPAN ERI CO., LTD.				
Structural calculation evaluation agency	-				
Overview of leasing					
Leasable area	75,204.78 m <sup>2</sup>		Number of tenants	1	
Leased area	67,522.89 m <sup>2</sup>		Annual rent	Not disclosed (Note 3)	
Occupancy rate	89.8%		Tenant leasehold and security deposit	Not disclosed (Note 3)	
Average lease term	Not disclosed (Note 3)		Average remaining lease term	Not disclosed (Note 3)	
Master lease company	Daiwa House Property Management Co., Ltd.				

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Master lease type	Pass-through type
Property management company	Daiwa House Property Management Co., Ltd.
Lessee	NIPPON LOGISTECH CORPORATION, FUKUYAMA TRANSPORTING CO., LTD, ASAHI LOGI LTD., NIPPON EXPRESS CO., LTD. and KATO SANGYO CO., LTD.
Contract form	Not disclosed (Note 3)
Contract period	Not disclosed (Note 3)
Rent revision	Not disclosed (Note 3)
Contract renewal	Not disclosed (Note 3)
Early cancellation	Not disclosed (Note 3)

**Special items**

The land owner prior to the seller of the land of the property has agreed with Hiroshima Prefecture, under the sales agreement on the entire land acquired by the land owner prior to the seller from Hiroshima Prefecture (the part of which is the land of this property), to use such land for designated purposes for five years from the upcoming commencement date of usage, and not to establish any surface right, pledge or right over loan for use or leasehold right or any other right of usufruct, without consent from Hiroshima Prefecture, or not to transfer ownership of the relevant land or to implement any merger for the purpose of transferring ownership of the relevant land, and to have Hiroshima Prefecture buy back the relevant land in the event of any violation of the above contractual bans, etc. The special agreement under which Hiroshima Prefecture is a holder of the right to buy back the relevant land has been established and registered upon such agreement. The trustee will succeed the contractual status from the land owner prior to the seller of the land of the property.

**Property characteristics**

- **Largest logistics property in Chugoku region**  
This property, with the area per floor of approximately 15,000 m<sup>2</sup> and gross floor area of approximately 78,000 m<sup>2</sup>, is the largest logistics facility in Chugoku region as of today.
- **Favorable location with good traffic access**  
This property, located approximately 1km from Hiroshima South Road, the artery road in an east-west direction, approximately 3.5km and approximately 5km from Yoshijima IC and Nakahiro IC on the Hiroshima Expressway 3 and 4, respectively, as well as approximately 10km from Itsukaichi IC and Hatsukaichi IC on the Sanyo Expressway, enjoys good traffic convenience. It is situated at a rare and favorable location near the key consumption area of Hiroshima economic zone, within a 15-20 minute drive of the downtown of Hiroshima (approximately 5km and 7.5km from Hiroshima City Hall and JR Hiroshima Station, respectively), available for board area distribution via the port and expressways.
- **High specifications with versatility**  
It is a five-story facility with sufficient ceiling height, floor weight capacity and pillar interval, offering versatility for tenants of various business needs. It is a highly efficiently facility with truck berths that allow trucks direct access to each floor and accept 32 45-foot trailers, achieving efficiency.

(Note 1) DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, the seller will entrust the property to the above trustee, and the seller will transfer the trust beneficiary interest to DHR as of the same date.

(Note 2) While the building coverage ratio of the property is essentially 60%, due to application of corner lot mitigation, it is set at 70%.

(Note 3) Not disclosed as consent for disclosure has not been obtained from the lessee.

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Property number	DPL Okinawa Tomigusuku I	Asset class	Logistics		
LM-009		Type	Multi-tenant type		
Anticipated date of acquisition	September 5, 2022	Anticipated acquisition price	8,200 million yen		
Overview of specified asset					
Type of specified asset	Trust beneficiary interest in real estate (Note 1)				
Trustee	Sumitomo Mitsui Trust Bank, Limited	Trust maturity date	October 31, 2042		
Location	Lot number	50-110, Aza Yone Nishihara, Tomigusuku City, Okinawa (Note 2)			
	Residence indication	50-110, Aza Yone, Tomigusuku City, Okinawa			
Land	Type of ownership	Fixed-term land sublease right	Building	Type of ownership	Ownership
	Land area	29,762.76 m <sup>2</sup> (Note 2)		Gross floor area	39,518.10 m <sup>2</sup>
	Area classification	Quasi-industrial district		Use	Warehouse
	Building coverage ratio	60% (Note 3)		Structure	Steel-frame building
	FAR	200%		Number of floors	2F
Collateral	None		Date of construction	March 3, 2022	
Overview of building condition evaluation					
Evaluation company	Tokio Marine dR Co., Ltd.				
Urgent repair costs	0 thousand yen	Evaluation date	July 2027		
Short-term repair costs	0 thousand yen	PML	0.8%		
Long-term repair costs	122,521 thousand yen / 12 years				
Soil contamination inspector					
Inspector	Tokio Marine dR Co., Ltd.				
Designer, structural designer, contractor, inspection agency					
Designer	Asai Ken Architectural Research Inc. (office of Class-1 Architects)				
Structural designer	Asai Ken Architectural Research Inc. (office of Class-1 Architects)				
Contractor	OBAYASHI CORPORATION Kyushu Branch				
Inspection agency	Bureau Veritas Japan				
Structural calculation evaluation agency	-				
Overview of leasing					
Leasable area	34,858.47 m <sup>2</sup>	Number of tenants	1		
Leased area	30,506.19 m <sup>2</sup>	Annual rent	Not disclosed (Note 4)		
Occupancy rate	87.5%	Tenant leasehold and security deposit	Not disclosed (Note 4)		
Average lease term	Not disclosed (Note 4)	Average remaining lease term	Not disclosed (Note 4)		
Master lease company	Daiwa House Property Management Co., Ltd.				
Master lease type	Pass-through type				
Property management company	Daiwa House Property Management Co., Ltd.				
Lessee	NIPPON LOGISTECH CORPORATION and SUNTORY LOGISTICS Ltd., etc.				
Contract form	Not disclosed (Note 4)				

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Contract period	Not disclosed (Note 4)
Rent revision	Not disclosed (Note 4)
Contract renewal	Not disclosed (Note 4)
Early cancellation	Not disclosed (Note 4)
<b>Special items</b>	
1.	The land of this property is consisted of the temporary replotting land (subleased land) located within the area of the Yone Seaside land readjustment project of Tomigusuku City.
2.	The boundaries of the land of this property will be established and finalized after allocation of replotted land.
3.	The fixed-term land sublease right is outlined as below: The land lease right holder (the sublessor): MP Development Inc., Sublease period: from April 14, 2020 to October 31, 2062. If the land sublease right on this property is transferred, or if this property is re-subleased, consent from the sublessor needs to be obtained.
4.	The land lease right holder (the sublessor) and the seller who is the sublessee plan to execute a memorandum of understanding that stipulates the countermeasures to be taken by the sublessee to continue the use of this property in case of nonpayment of rent by the sublessor to the landowner, and DHR will succeed the status of the sublessee under the memorandum of understanding.
<b>Property characteristics</b>	
<p>■ Favorable location in proximity to Naha Airport This property is located within approximately 5km and 10km from Naha Airport as an international logistics hub and Shinko Wharf of Naha Port, respectively, enjoying traffic convenience to logistics infrastructure. It also has good road traffic access as located adjacent to National Route 331, one of the artery roads in Okinawa Prefecture, and within approximately 2.5km from Tomigusuku Nakachi IC on the Naha- Airport Expressway.</p> <p>■ Recently-built and versatile logistics property for handling of various types of cargo This property is a two-story weather-proof warehouse divided into two parts with the vehicle paths on the 1<sup>st</sup> and 2<sup>nd</sup> floors, which enhances resistance to strong rain and wind in Okinawa, and can be used efficiently as a one-story structure with large-area berths. It is a rare recently-built logistics property in the surrounding area in which most warehouses are aged and old.</p>	

(Note 1) DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, the seller will entrust the property to the above trustee, and the seller will transfer the trust beneficiary interest to DHR as of the same date.

(Note 2) The land is located within the area of the Yone Seaside land readjustment project of Tomigusuku City of which the contractor is Tomigusuku City Yone Seaside land readjustment union and the land of this property is temporary replotting land. Therefore, the lot number of the previous land is indicated, and the land area is represented by the total of area of temporary replotting land described in the notice of designation of rights for replotting land. The land area of temporary replotting land may be increased or decreased as a result of designation of replotting.

(Note 3) While the building coverage ratio of the property is essentially 60%, it is set at 70% due to application of corner lot mitigation.

(Note 4) Not disclosed as consent for disclosure has not been obtained from the lessee.

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Property number	D Project Kadoma I		Asset class	Logistics	
LB-067			Type	BTS type	
Anticipated date of acquisition	September 5, 2022		Anticipated acquisition price	3,150 million yen	
Overview of specified asset					
Type of specified asset		Trust beneficiary interest in real estate (Note 1)			
Trustee		Sumitomo Mitsui Trust Bank, Limited	Trust maturity date	September 30, 2042	
Location	Lot number	15, Kitajimahigashimachi, Kadoma City, Osaka			
	Residence indication	1-7, Kitajimahigashimachi, Kadoma City, Osaka			
Land	Type of ownership	Fixed-term land lease right, Fixed-term land sublease right	Building	Type of ownership	Ownership
	Land area	10,490.51 m <sup>2</sup> (Note 2)		Gross floor area	10,843.77 m <sup>2</sup>
	Area classification	Quasi-industrial district		Use	Warehouse
	Building coverage ratio	60%		Structure	Steel-frame building
	FAR	200%		Number of floors	4F
Collateral	None		Date of construction	February 15, 2019	
Overview of building condition evaluation					
Evaluation company		Tokio Marine dR Co., Ltd.			
Urgent repair costs		0 thousand yen	Evaluation date	July 2022	
Short-term repair costs		0 thousand yen	PML	9.9%	
Long-term repair costs		33,163 thousand yen / 12 years			
Soil contamination inspector					
Inspector		Tokio Marine dR Co., Ltd.			
Designer, structural designer, contractor, inspection agency					
Designer		Daiwa House Industry Co., Ltd.			
Structural designer		Daiwa House Industry Co., Ltd., ESPACE Architecture Office Co., Ltd.			
Contractor		Daiwa House Industry Co., Ltd.			
Inspection agency		JAPAN ERI CO., LTD.			
Structural calculation evaluation agency		-			
Overview of leasing					
Leasable area		12,194.39 m <sup>2</sup>	Number of tenants	1	
Leased area		12,194.39 m <sup>2</sup>	Annual rent	Not disclosed (Note 3)	
Occupancy rate		100.0%	Tenant leasehold and security deposit	Not disclosed (Note 3)	
Lease term		20.0 years	Remaining lease term	16.5 years	
Master lease company		-			
Master lease type		-			
Property management company		Daiwa House Property Management Co., Ltd.			
Lessee		YOSHINOYA HOLDINGS CO., LTD.			
Contract form		Fixed-term building lease agreement			

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Contract period	Not disclosed (Note 3)
Rent revision	Not disclosed (Note 3)
Contract renewal	No renewal; the lease agreement will end upon expiration of the lease period.
Early cancellation	Not disclosed (Note 3)
<b>Special items</b>	
1.	The land of the property is consisted of the leased land and subleased land the land lease right holder and land sublease right holder of which are the trustee. Since a part of the subleased land (approximately 118 m <sup>2</sup> ) is used as a parking space and no building exists on it, the trustee does not fulfill any perfection against a third party over the land sublease right over such portion.
2.	The fixed-term land lease right and fixed-term land sublease right are outlined as below: The lessor of the leased land and sublessor of the subleased land (the land lease right holder): Daiwa House Industry Co., Ltd., Lease period of the leased land and sublease period of the subleased land: 49 years and 9 months from March 1, 2018 If the land lease right over the leased land or land sublease right over the subleased land of the property is transferred, or if the leased land is subleased or subleased land is re-subleased, consent from the lessor of the leased portion of the land and the sublessor of the subleased portion of the land needs to be obtained.
<b>Property characteristics</b>	
<p>■ Key logistics infrastructure situated at a traffic hub with access to all directions including Osaka City This property has good access to key artery roads because of the location along Daini Keihan Road and National Route 1. This property is located within approximately 1.2km from Kadoma IC on Daini Keihan Road, enjoying traffic convenience for regional and inter-city delivery.</p> <p>■ Securing employment The property, located within walking distance from the nearest station, approximately 0.7km from Kadoma-minami Station on Osaka Metro Nagahori Tsurumi-ryokuchi Line, has good access to workforce from surrounding residential districts.</p> <p>■ Facility with automatic freezing/refrigerating warehouse It is a four-story logistics facility equipped with normal-temperature, automatic freezing/refrigerating and frozen storage warehouses, with specifications for efficient operation, with 3 cargo elevators and 2 vertical carriers, as well as truck berths on three sides at the 1<sup>st</sup> floor (including for normal- and low-temperature use) and 21 dock shelters.</p>	

(Note 1) DHR has agreed in the purchase agreement with the seller that, as of the same date with the acquisition date of the property, the seller will entrust the property to the above trustee, and the seller will transfer the trust beneficiary interest to DHR as of the same date.

(Note 2) DHR plans to acquire the building, and land leasehold and land subleasehold of the property. The above land area indicates the area to which such land lease right and land sublease right are established, excluding the area out of the scope of such land lease right and land sublease right even though it is included in the land under the lot number that includes the area to which such land lease right and land sublease right are established.

(Note 3) Not disclosed as consent for disclosure has not been obtained from the lessee.

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#### 4. Seller profile

##### (1) DPL Tsukuba Yatabe and D Project Kadoma I

(1)	Name	Daiwa House Industry Co., Ltd.
(2)	Location	3-3-5, Umeda, Kita Ward, Osaka City, Osaka
(3)	Representative	Keiichi Yoshii, President and CEO
(4)	Business activities	General contractor
(5)	Capital	161,699 million yen (as of March 31, 2022)
(6)	Foundation date	March 4, 1947
(7)	Net assets	2,111,385 million yen (as of March 31, 2022)
(8)	Total assets	5,521,662 million yen (as of March 31, 2022)
(9)	Major shareholder and shareholding ratio	The Master Trust Bank of Japan, Ltd. (Trust) 18.28% Custody Bank of Japan, Ltd. (Trust) 6.27% (as of March 31, 2022)
(10)	Relationships with DHR and the Asset Manager	
	Capital relationship	The seller holds 8.2% of DHR's investment units outstanding as of February 28, 2022. The seller also holds 100.0% of shares issued and outstanding of the Asset Manager as of today, and thus falls under the category of an interested party, etc. as defined in the Investment Trust Act.
	Personnel relationship	Of the officers and employees of the Asset Manager, 13 people have been seconded from the seller as of today.
	Business relationship	The seller is a consignee of PM and other services for DHR, and is a lessee of real estate owned by DHR. The seller has executed a new basic agreement regarding new pipeline support and other matters with DHR and the Asset Manager.
	Status of classification as related party	The seller is not a related party of DHR. The seller is a parent company of the Asset Manager and thus falls under the category of a related party of the Asset Manager.

##### (2) DPL Hiroshima Kanon

(1)	Name	Hiroshima Kanon Tokutei Mokuteki Kaisha
(2)	Location	1-4-1, Nihonbashi, Chuo Ward, Tokyo
(3)	Representative	Yasuhiro Nishikawa, Director
(4)	Business activities	(a) Acquisition of specified assets according to an asset liquidation plan based on the act on the securitization of assets, and management and disposal of such assets (b) All other businesses incidental or related to the above business
(5)	Capital	900 million yen (as of April 30, 2022)
(6)	Foundation date	April 20, 2020
(7)	Net assets	490 million yen (as of April 30, 2022)
(8)	Total assets	11,826 million yen (as of April 30, 2022)
(9)	Major shareholder and shareholding ratio	Daiwa House Industry Co., Ltd. 100.0% (as of April 30, 2022)
(10)	Relationships with DHR and the Asset Manager	
	Capital relationships	There is no capital relationship requiring disclosure between DHR/the Asset Manager and the seller. The seller is a subsidiary of Daiwa House Industry Co., Ltd., which is a parent company of the Asset Manager and thus falls under the category of an interested party, etc. as defined in the Investment Trust Act.
	Personnel relationship	There is no personnel relationship requiring disclosure between DHR/the Asset Manager and the seller.
	Business relationship	There is no business relationship requiring disclosure between DHR/the Asset Manager and the seller.
	Status of classification as related party	The seller is not a related party of DHR. The seller is a subsidiary of Daiwa House Industry Co., Ltd. and thus falls under the category of a related party of the Asset Manager.

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(3) DPL Okinawa Tomigusuku I

(1) Name	Okinawa Tomigusuku Tokutei Mokuteki Kaisha
(2) Location	Yuwa Tax Office, 4-7-1, Iidabashi, Chiyoda Ward, Tokyo
(3) Representative	Masanori Nakatsu, Representative Director
(4) Business activities	(a) Acquisition of specified assets according to an asset liquidation plan based on the act on the securitization of assets, and management and disposal of such assets (b) All other businesses incidental or related to the above
(5) Capital	980 million yen (as of April 30, 2022)
(6) Foundation date	January 12, 2021
(7) Net assets	468 million yen (as of April 30, 2022)
(8) Total assets	9,422 million yen (as of April 30, 2022)
(9) Major shareholder and shareholding ratio	Daiwa House Industry Co., Ltd. 100% (as of April 30, 2022)
(10) Relationships with DHR and the Asset Manager	
Capital relationships	There is no capital relationship requiring disclosure between DHR/the Asset Manager and the seller. The seller is a subsidiary of Daiwa House Industry Co., Ltd., which is a parent company of the Asset Manager and thus falls under the category of an interested party, etc. as defined in the Investment Trust Act.
Personnel relationship	There is no personnel relationship requiring disclosure between DHR/the Asset Manager and the seller.
Business relationship	There is no business relationship requiring disclosure between DHR/the Asset Manager and the seller.
Status of classification as related party	The seller is not a related party of DHR. The seller is a subsidiary of Daiwa House Industry Co., Ltd. and thus falls under the category of a related party of the Asset Manager.

5. Interested party transactions

The following companies are defined as interested parties, etc. in the Investment Trust Act: Daiwa House Industry Co., Ltd. as the seller of DPL Tsukuba Yatabe and D Project Kadoma I and the lessor and sublessor for D Project Kadoma I; Hiroshima Kanon Tokutei Mokuteki Kaisha as the seller of DPL Hiroshima Kanon; Okinawa Tomigusuku Tokutei Mokuteki Kaisha as the seller of DPL Okinawa Tomigusuku I; Daiwa House Property Management Co., Ltd. as the master lease and property management company of DPL Tsukuba Yatabe, DPL Hiroshima Kanon and DPL Okinawa Tomigusuku I and the property management company of D Project Kadoma I.

The Asset Manager has gone through the necessary discussion and resolution procedures in accordance with its internal rules regarding related party transactions.

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## 6. Status of the seller

Property acquisitions from parties with particular interests are as follows. The table below notes (1) the name of the party; (2) the relationship with the party that has a particular interest; and (3) the backgrounds and reason for the acquisition.

Property name (Location)	Previous owner / trust beneficiary / sublessee	Owner before previous owner / trust beneficiary / sublessee before previous sublessee	Owner before owner before previous owner / trust beneficiary / land sublease right settlor
	(1), (2), (3)	(1), (2), (3)	(1), (2), (3)
	Acquisition price	Acquisition price	Acquisition price
	Acquisition date	Acquisition date	Acquisition date
LM-007 DPL Tsukuba Yatabe (23-1, Midorino Minami, Tsukuba City, Ibaraki)	(1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes	A party which does not have any particular interests	—
	Omitted as the previous owner/trust beneficiary has owned the property for over one year	—	—
	May 2016	—	—
LM-008 DPL Hiroshima Kanon (4-10-97-4, Kanon Shinmachi, Nishi Ward, Hiroshima City, Hiroshima)	(Land) (1) Hiroshima Kanon Tokutei Mokuteki Kaisha (2) Subsidiary of the parent company of the Asset Manager (3) Acquisition for sale purposes (Building) (1) Hiroshima Kanon Tokutei Mokuteki Kaisha (2) Subsidiary of the parent company of the Asset Manager (3) Development	(Land) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes	(Land) A party which does not have any particular interests
	(Land) 6,640 million yen (Building) Omitted as the building was developed by the previous owner	(Land) Omitted as the owner before previous owner/trust beneficiary has owned the property for over one year	—
	(Land) September 2022 (planned) (Building) October 2021	(Land) May 2019	—
LM-009 DPL Okinawa Tomigusuku I (50-110, Aza Yone, Tomigusuku City, Okinawa)	(Land (Sublease right)) (1) Okinawa Tomigusuku Tokutei Mokuteki Kaisha (2) Subsidiary of the parent company of the Asset Manager (3) Acquisition for development purposes (Building) (1) Okinawa Tomigusuku Tokutei Mokuteki Kaisha (2) Subsidiary of the parent company of the Asset Manager (3) Development	(Land (Sublease right)) (1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for development purposes	(Land (Sublease right)) A party which does not have any particular interests
	(Land (Sublease right)) Omitted as the previous owner/trust beneficiary has held the right for over one year	—	—

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Property name (Location)	Previous owner / trust beneficiary / sublessee	Owner before previous owner / trust beneficiary / sublessee before previous sublessee	Owner before owner before previous owner / trust beneficiary / land sublease right settlor
	(1), (2), (3)	(1), (2), (3)	(1), (2), (3)
	Acquisition price	Acquisition price	Acquisition price
	Acquisition date	Acquisition date	Acquisition date
	(Building) Omitted as the building was developed by the previous owner		
	(Land (Sublease right)) February 2021 (Building) March 2022	(Land (Sublease right)) April 2020	—
LB-067 D Project Kadoma I (1-7, Kitajimahigashimachi, Kadoma City, Osaka)	(1) Daiwa House Industry Co., Ltd. (2) The parent company of the Asset Manager (3) Acquisition for sale purposes	A party which does not have any particular interests	—
	2,497 million yen	—	—
	September 2022 (planned)	—	—

#### 7. Acquisition schedule

Property name	Acquisition decision date and Execution date of the purchase agreements	Date of payment and Delivery date
DPL Tsukuba Yatabe	August 18, 2022	September 5, 2022 (planned)
DPL Hiroshima Kanon		
DPL Okinawa Tomigusuku I		
D Project Kadoma I		

#### 8. Outlook

For the forecasts of results for the fiscal period ending February 28, 2023 (from September 1, 2022 to February 28, 2023) and the fiscal period ending August 31, 2023 (from March 1, 2023 to August 31, 2023) with the acquisition of the Anticipated Acquisitions factored in, please refer to the press release “Notice Concerning Revision to Forecast of Results for the Fiscal Period Ending February 28, 2023 and Announcement of Forecast of Results for the Fiscal Period Ending August 31, 2023” separately announced today.

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## 9. Overview of property appraisal

“Overview of Property Appraisal” shows the overview of the real estate appraisal report of the Anticipated Acquisitions prepared by DAIWA REAL ESTATE APPRAISAL CO., LTD., The Tanizawa Sōgō Appraisal Co., Ltd. or Japan Real Estate Institute regarding the appraisal consigned by DHR pursuant to the important notices on real estate appraisal based on the Investment Trust Act, and real estate appraisal standards and the Act on Real Estate Appraisal (Act No. 152 of 1963, as amended). The relevant appraisal report represents the judgment and opinion of the appraiser at a certain point, and does not guarantee the appropriateness and correctness of the statements and the possibility of trading at the appraisal value, etc. Furthermore, there is no relationship of special interest between DAIWA REAL ESTATE APPRAISAL CO., LTD., The Tanizawa Sōgō Appraisal Co., Ltd. or Japan Real Estate Institute and DHR.

DPL Tsukuba Yatabe	
Appraisal value	8,250 million yen
Appraiser	Japan Real Estate Institute
Appraisal date	June 30, 2022

Item	Content	Basis	
Value based on income method	8,250 million yen	Estimated the value based on the capitalization method by treating equally the value calculated using the direct capitalization method and the value calculated using the discounted cash flow method and correlating these two values	
Value based on direct capitalization method	8,320 million yen		
Operating revenue	-	Not disclosed (Note)	
Effective gross revenue	-		
Loss from vacancy	-		
Operating expense	-		
Maintenance	-		
Utility cost	-		
Repair	-		
Property management Fee	-		
Advertisement and other leasing cost	-		
Tax	-		
Insurance	-		
Other cost	-		
Net operating income (NOI)	371 million yen		
Investment income of lump sum	-		Not disclosed (Note)
Capital expenditure	-		
Net cash flow (NCF)	365 million yen		
Cap rate	4.4%	Assessed by adjusting basic yields in the area with spreads attributable to the property’s location, the characteristics of the building, the contract terms and conditions and other characteristics, in consideration of uncertainty in the future and other transaction yields for similar properties	
Value based on Discounted Cash Flow method	8,180 million yen		
Discount rate	4.2%	Assessed by comprehensively taking into account characteristics unique to the property, etc., by reference to investment returns of similar properties, etc.	
Terminal cap rate	4.6%	Assessed by comprehensively taking into account upcoming changes in investment returns, risks associated with the	

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		property as an investment target, general prediction of economic growth rates, trends in real estate prices and rent rates and all other applicable factors, by reference to investment returns of similar properties, etc.
Value based on cost method	8,350 million yen	
Proportion of land	38.5%	
Proportion of building	61.5%	
Items applied to adjustments in valuation approach and the determination of the appraisal value		None

(Note) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder value, and, except in certain instances where it was deemed that no harm would result from disclosure, these items are not disclosed.

DPL Hiroshima Kanon	
Appraisal value	19,600 million yen
Appraiser	The Tanizawa Sōgō Appraisal Co., Ltd.
Appraisal date	June 30, 2022

Item	Content	Basis
Value based on income method	19,600 million yen	Estimated value based on income method by using value based on discount cash flow method, with value based on direct capitalization method used as a reference
Value based on direct capitalization method	19,800 million yen	
Operating revenue	-	Not disclosed (Note)
Effective gross revenue	-	
Loss from vacancy	-	
Operating expense	-	
Maintenance	-	
Utility cost	-	
Repair	-	
Property management Fee	-	
Advertisement and other leasing cost	-	
Tax	-	
Insurance	-	
Other cost	-	
Net operating income (NOI)	909 million yen	
Investment income of lump sum	-	Not disclosed (Note)
Capital expenditure	-	
Net cash flow (NCF)	888 million yen	
Cap rate	4.5%	Estimated by comparing with the multiple transaction yields in the similar areas of the same supply and demand, and also by taking into account the volatility of net cash flow in the future, considering the relationship with the discount rate
Value based on Discounted Cash Flow method	19,500 million yen	
Discount rate	(from first to fourth year) 4.4% (from fifth year)	Estimated by the base yield of the warehouse, which is determined by build-up approach based on yields of financial products, and by taking into account specific risks related to the property

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		4.6%	
	Terminal cap rate	4.7%	Estimated on the basis of capitalization rate, in consideration of the prediction uncertainty
Value based on cost method		21,800 million yen	
	Proportion of land	35.2%	
	Proportion of building	64.8%	
Items applied to adjustments in valuation approach and the determination of the appraisal value			None

(Note) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder value, and, except in certain instances where it was deemed that no harm would result from disclosure, these items are not disclosed.

DPL Okinawa Tomigusuku I	
Appraisal value	8,220 million yen
Appraiser	The Tanizawa Sōgō Appraisal Co., Ltd.
Appraisal date	June 30, 2022

Item	Content	Basis
Value based on income method	8,220 million yen	Estimated value based on income method by using value based on discount cash flow method, with value based on direct capitalization method used as a reference
Value based on direct capitalization method	8,320 million yen	Not disclosed (Note)
Operating revenue	-	
Effective gross revenue	-	
Loss from vacancy	-	
Operating expense	-	
Maintenance	-	
Utility cost	-	
Repair	-	
Property management Fee	-	
Advertisement and other leasing cost	-	
Tax	-	
Insurance	-	
Other cost	-	
Net operating income (NOI)	472 million yen	
Investment income of lump sum	-	Not disclosed (Note)
Capital expenditure	-	
Net cash flow (NCF)	461 million yen	
Discount rate	4.8%	Estimated by the base yield of the warehouse, which is determined by build-up approach based on yields of financial products, and also by taking into account specific risks related to the property, and the prediction uncertainty during the earning period upon comparison with other transactions
Value based on Discounted Cash Flow method	8,180 million yen	Estimated by the base yield of the warehouse, which is determined by build-up approach based on yields of financial products, and by taking into account specific risks related to the property
Period earning rate	(from first to fifth year) 4.5% (from sixth	

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	year)	
	4.7%	
Cap rate to the price as of return	5.0%	Estimated on the basis of period earning rate, in consideration of the prediction uncertainty
Value based on cost method	8,360 million yen	
Proportion of land	25.2%	
Proportion of building	74.8%	
Items applied to adjustments in valuation approach and the determination of the appraisal value		None

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D Project Kadoma I	
Appraisal value	3,420 million yen
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Appraisal date	June 30, 2022

Item	Content	Basis
Value based on income method	3,420 million yen	Estimated the value based on the income method by verifying such value based on the direct capitalization method, based on the determination that the value based on the discounted cash flow method is more convincing
Value based on direct capitalization method	3,380 million yen	
Operating revenue	-	
Effective gross revenue	-	
Loss from vacancy	-	
Operating expense	-	
Maintenance	-	
Utility cost	-	
Repair	-	
Property management Fee	-	Not disclosed (Note)
Advertisement and other leasing cost	--	
Tax	-	
Insurance	-	
Other cost	--	
Net operating income (NOI)	198 million yen	
Investment income of lump sum	-	Not disclosed (Note)
Capital expenditure	-	
Net cash flow (NCF)	194 million yen	
Discount rate	5.1%	Assessed by comprehensively taking into account upcoming changes in investment returns, risks associated with the property as an investment target, general prediction of economic growth rates, trends in real estate prices and other factors, in consideration of discount rates in the appraisal of J-REIT properties in the same supply-demand areas, etc., by reference to discount rates for similar transactions
Value based on Discounted Cash Flow method	3,440 million yen	

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	Discount rate (from the first year to tenth year)	4.9%	Assessed by taking into account prediction uncertainties and other differences due to the estimated ownership period of 10 years under the discounted cash flow method and other reasons, by reference to the discount rate based on the direct capitalization method
	Discount rate (from the eleventh year to the expiry of the land lease agreement)	5.3%	Assessed by, upon consideration of potential increase in capital expenditure due to aging of the building, etc. and uncertainties in the market to sell and purchase logistics facilities and buildings with land leasehold, comprehensively taking into account upcoming changes in investment returns, risks associated with the property as an investment target, general prediction of economic growth rates, trends in real estate prices and all other applicable factors, by reference to prediction uncertainties during the period up to the expiry of the land lease
	Value based on cost method	2,570 million yen	
	Proportion of land	26.3%	
	Proportion of building	73.7%	
	Items applied to adjustments in valuation approach and the determination of the appraisal value		None

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

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<Attachments>

1. Photograph, location map and environmental certification of the Anticipated Acquisitions

LM-007 DPL Tsukuba Yatabe (BELS ★★★★★ · ZEB Ready)

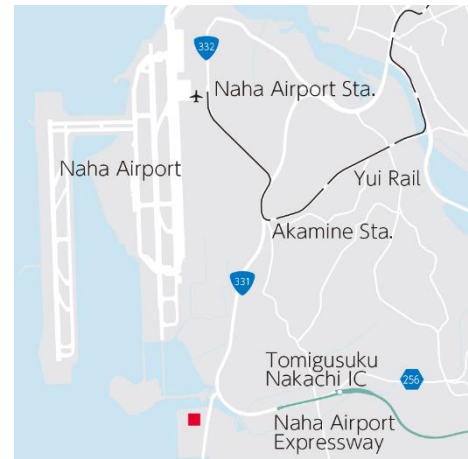


LM-008 DPL Hiroshima Kanon (BELS ★★★★★ · ZEB Ready)



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LM-009 DPL Okinawa Tomigusuku I (BELS ★★★★★ • ZEB Ready)



LB-067 D Project Kadoma I (BELS ★★★★★)



2. Portfolio status after the acquisition of the Anticipated Acquisitions.

Asset class	Number of properties	(Anticipated) acquisition price (million yen)	Investment ratio (Note)
Logistics properties	70 properties	508,071	54.4%
Residential properties	130 properties	241,043	25.8%
Retail properties	23 properties	123,219	13.2%
Hotel properties	5 properties	19,110	2.0%
Other assets	6 properties	41,660	4.5%
<b>Portfolio Total</b>	<b>234 properties</b>	<b>933,103</b>	<b>100.0%</b>

(Note) “Investment ratio” indicates the ratio of the (anticipated) acquisition price for each asset to the total (anticipated) acquisition price, rounded to the nearest tenth.

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