

September 26, 2022

To All Concerned Parties

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Notice Concerning Borrowing of Funds

Daiwa Securities Living Investment Corporation (hereinafter referred to as the “Investment Corporation”) has decided today to borrow 6,450 million yen in total (hereinafter referred to as the “Financing”).

I. The Financing

1. Borrowing of Funds

(1) Reason for the Borrowings

The fund is to be appropriated for the assets to be acquired on October 4, 2022 (hereinafter referred to as the “assets to be acquired”). For the assets to be acquired, please refer to the press release dated September 9, 2022 entitled “Notice Concerning Acquisition and Leasing of Assets (6 Rental Apartments and 1 Healthcare Facility)”.

(2) Summary of Borrowings

The Investment Corporation has decided to borrow a total of 6,450 million yen from financial institutions with existing transactions and a new institution.

i). Term Loans SS

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
MUFG Bank, Ltd. (Social Loan (Note 1))	1,050	3-month JBA Japanese Yen TIBOR+0.5575% (Note 2)	October 4, 2022	Unsecured, Lump-sum repayment on the due date	March 31, 2031

ii). Term Loans TT

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
The Norinchukin Bank (Social Loan (Note 1))	800	3-month JBA Japanese Yen TIBOR+0.5075% (Note 2)	October 4, 2022	Unsecured, Lump-sum repayment on the due date	March 29, 2030

iii). Term Loans UU

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
Resona Bank, Limited	800	3-month JBA Japanese Yen TIBOR+0.4825% (Note 2)	October 4, 2022	Unsecured, Lump-sum repayment on the due date	September 28, 2029
The Senshu Ikeda Bank, Ltd.	500				

Note: This press release is a document for making a public announcement concerning borrowing of funds, and it has not been prepared for the purpose of soliciting investments. Investors are asked to ensure that they read the prospectus for the issuance of new investment units, as well as the amendments thereto, prepared by the Investment Corporation before they invest and that they make decisions on investment at their own discretion.

iv). Individual Loans

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
Sumitomo Mitsui Banking Corporation (Social Loan (Note 1))	1,000	3-month JBA Japanese Yen TIBOR+0.5575% (Note 2)	October 4, 2022	Unsecured, Lump-sum repayment on the due date	March 31, 2031
Sumitomo Mitsui Trust Bank, Limited. (Social Loan (Note 1))	800	3-month JBA Japanese Yen TIBOR+0.5325% (Note 2)			September 30, 2030
Kansai Mirai Bank, Limited	500	3-month JBA Japanese Yen TIBOR+0.4825% (Note 2)			September 28, 2029
THE DAI-ICHI LIFE INSURANCE COMPANY, LIMITED. (Social Loan (Note 1))	500	0.7550% (fixed rate) (Note 3)			September 29, 2028
The Yamanashi Chuo Bank, Ltd.	500	3-month JBA Japanese Yen TIBOR+0.4825% (Note 2)			September 28, 2029

(Note1) The Financing will be procured as a “Social Loan” based on the social finance framework that has been evaluated by Japan Credit Rating Agency, Ltd. for the JCR Social Finance Framework Evaluation. For the JCR Social Finance Framework, please refer to the press release dated May 20, 2021 entitled “Notice Concerning Establishment of Social Finance Framework and Acquisition of JCR Social Finance Framework Evaluation”.

(Note2) The Interest Payment Date is the last day of March, June, September and December of each year after December 30, 2022 (if the relevant day is not a business day, the next business day, and if the next business day falls into the next month, the immediately preceding business day). The base interest rate applied to the calculation period for interest paid on the Interest Payment Date is calculated on the basis of the 3-month JBA TIBOR published two business days prior to the commencement of the calculation period for interest.

(Note3) The Interest Payment Date is the last day of March, June, September and December of each year after December 30, 2022 (if the relevant day is not a business day, the next business day, and if the next business day falls into the next month, the immediately preceding business day).

Please refer to the JBA TIBOR Administration website (<https://www.jbatibor.or.jp/english/rate/>) for JBA Japanese Yen TIBOR information.

2. The Date of This Agreement

September 26, 2022

II. Status of the Balance and Interest-bearing Debt Ratio Before and After the Financing.

(Unit: JPY million)

	Before the Financing (Oct. 3, 2022)	After the Financing (Oct. 4, 2022)	Change
Short-term borrowings (Note1)	0	0	0
Long-term borrowings (Note1)	159,587	166,037	6,450
(Long-term borrowings due within one year) (Note2)	18,400	18,400	0
Total borrowings	159,587	166,037	6,450
Investment corporation bonds	22,100	22,100	0
Total interest-bearing debt	181,687	188,137	6,450

(Note1) The debt periods for short-term borrowings are within one year and long-term borrowings are over one year.

(Note2) Long-term borrowings due within one year represent borrowings due within one year from the respective dates indicated above.

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III. Forecasts

There is minimal impact from the Financing on asset management conditions for the fiscal periods ending March, 2023 (October 1, 2022 to March 31, 2023) and the fiscal period ending September, 2023 (April 1, 2023 to September 30, 2023).

IV. Other

As for risks pertaining to the Financing, there are no material changes from the content described in “Part 2 Reference Information, 2 Supplementary Information for Reference Documents, 4 Investment Risks” in the Securities Registration Statement (including subsequent corrections) submitted on September 9, 2022.

End

*URL: <https://www.daiwa-securities-living.co.jp/en/>

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