

For Immediate Release

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Notice Concerning Debt Financing (Green Loan)

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it decided today to conduct debt financing (the “Debt Financing”) as described below.

1. Details of the Debt Financing

Category	Lender	Anticipated borrowing amount (million yen)	Interest rate	Borrowing period	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	SBI Shinsei Bank, Limited (Green Loan) (Note 1)	1,000	TBD (Fixed) (Note 2)	8.5 years	October 2, 2023	March 31, 2032	Bullet repayment	Unsecured and non-guaranteed
	Kansai Mirai Bank, Limited (Green Loan) (Note 1)	1,000	TBD (Fixed) (Note 2)	8.5 years	October 2, 2023	March 31, 2032		
Total		2,000						

(Note 1) The Debt Financing is scheduled to be conducted as a green loan based on the green finance framework designed by DHR (the “Green Loan”). The green finance framework has received an evaluation as “Green 1 (F)”, the highest rating among “JCR Green Finance Framework Evaluation” by Japan Credit Rating Agency, Ltd. (“JCR”). The Green Loan is complied with “Green Loan Principles” which is an international guideline. The Green Loan has also received a preliminary evaluation as “Green 1” among “JCR Green Loan Evaluation” by JCR. For details of the “JCR Green Loan Evaluation”, please refer to the JCR website (<https://www.jcr.co.jp/en/greenfinance/>).

(Note 2) The interest rate will be announced once determined. The first interest payment date is the last day of November 2023 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).

2. Reason for conducting the Debt Financing

The Debt Financing will be used as part of the funds for acquiring D Project Kadoma I (the anticipated acquisition price of 3,120 million yen), one of the anticipated acquisitions, as announced today in the press release “Notice Concerning Acquisition of Trust Beneficiary Interests in Domestic Real Estate”, and other related expenses.

3. Status of interest-bearing debt after the Debt Financing

Disclaimer: This announcement is prepared for the public disclosure of debt financing (Green Loan) of DHR and has not been prepared for the purpose of soliciting investment within or outside of Japan. This announcement does not constitute any offer of securities in the United States. The securities referred to have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be offered in the United States.

(Unit: million yen)

	Before (as of August 31, 2023)	After (as of October 2, 2023)	Increase / Decrease
Short-term loans	-	-	-
Long-term loans (Note)	363,550	365,550	2,000
Total loans	363,550	365,550	2,000
Investment corporation bonds	44,000	44,000	-
Total interest-bearing debt	407,550	409,550	2,000

(Note) Current portion of long-term loans is included in Long-term loans.

4. Other

For the risks concerning the Debt Financing, there are no changes from the Japanese language securities report submitted on May 25, 2023.

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

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