

March 22, 2023

For Immediate Release

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Notice Concerning Debt Financing and Repayment of Loans

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it decided today to conduct debt financing and repayment of loans (collectively referred to as the “Transaction”) 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	Sumitomo Mitsui Trust Bank, Limited	2,000	TBD (Fixed) (Note 1)	7.0 years	March 27, 2023	March 29, 2030	Bullet repayment	Unsecured and non-guaranteed
	Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; Mizuho Bank, Ltd.; Aozora Bank, Ltd.; Resona Bank, Limited; SBI Shinsei Bank, Limited	10,400	TBD (Fixed) (Note 1)	8.5 years	March 31, 2023	September 30, 2031		
	Mitsui Sumitomo Insurance Company, Limited	1,000	TBD (Fixed) (Note 2)	5.5 years	March 31, 2023	September 29, 2028		
Total		13,400						

(Note 1) The interest rate will be announced once determined. The first interest payment date is the last day of May 2023 and subsequent interest payment dates are the last day of every three 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 will be announced once determined. The first interest payment date is the last day of August 2023 and subsequent interest payment dates are the last day of the months of February and August 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

DHR will conduct the debt financing to fund the repayment of long-term loans of 2,000 million yen due on March 27, 2023 and long-term loans of a total of 11,400 million yen due on March 31, 2023.

3. Details of the long-term loans to be repaid

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	2,000	1.49625% (Fixed) (Note)	10.0 years	March 27, 2013	March 27, 2023	Bullet repayment	Unsecured and non-guaranteed
	Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; Mizuho Bank, Ltd.; Aozora Bank, Ltd.; Resona Bank, Limited; SBI Shinsei Bank, Limited	10,400	0.40617% (Fixed)	6.5 years	September 30, 2016	March 31, 2023		
	Mitsui Sumitomo Insurance Company, Limited	1,000	0.44125% (Fixed)	5.0 years	March 27, 2018	March 31, 2023		
Total		13,400						

(Note) Although the term loan agreement is based on a floating interest rate, the interest rate is fixed in effect by entering into an interest rate swap agreement.

4. Status of interest-bearing debt after the Transaction

(Unit: million yen)

	Before (as of March 22, 2023)	After (as of March 31, 2023)	Increase / Decrease
Short-term loans	-	-	-
Current portion of long-term loans	42,100	40,700	(1,400)
Long-term loans	321,450	322,850	1,400
Total loans	363,550	363,550	-
Current portion of investment corporation bonds	-	-	-
Investment corporation bonds due after one year	44,000	44,000	-
Total investment corporation bonds	44,000	44,000	-
Total interest-bearing debt	407,550	407,550	-

5. Other

For the risks concerning this matter, there are no changes from the Japanese language securities report submitted on November 25, 2022.

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