

October 10, 2013

For Immediate Release

Investment Corporation:
Daiwa House Residential Investment Corporation
7th Floor, Nissei Nagatacho Building
2-4-8 Nagatacho, Chiyoda-ku, Tokyo
Michio Taki, Executive Director
(Code Number: 8984)

Asset Manager:
Daiwa House Asset Management Co., Ltd.
Yuji Yamada, CEO & President
Inquiries:
Hirotaka Uruma, CFO & Director
Finance & Corporate Planning Department
TEL: +81-3-3595-1265

**Notice Concerning Amendments to the Articles of Incorporation and
Appointment of Directors of the Investment Corporation**

Daiwa House Residential Investment Corporation (“DHI”) announces that, at a meeting of the board of directors held today, a resolution was passed to submit a proposal concerning the following amendments to the Articles of Incorporation and appointment of directors of the investment corporation to the 8th General Meeting of Unitholders scheduled to be held on November 26, 2013 (the “General Meeting of Unitholders”).

The amendments to the Articles of Incorporation and appointment of directors will become effective upon approval by the General Meeting of Unitholders.

1. Amendments to the Articles of Incorporation

(1) Reasons for the Amendments

- (a) Clarifications are being made to the effect that matters concerning the handling of investment units shall be stipulated in investment unit handling rules (related to current Article 6).
- (b) In line with an act on revision of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended; the “Investment Trusts Act”) being approved and enacted by the Diet, the following provisions are being newly established or revised.
 - (i) Provisions to the effect that DHI investment units can be acquired for value by agreement with unitholders are being newly established (related to proposed amendment of Article 8, Paragraph 2).
 - (ii) In order to provide to the effect that the general meeting of unitholders shall be convened on a

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certain date or after that date without delay, provisions to the effect that the general meeting of unitholders of DHI shall be convened on November 5, 2015 or later date without delay and convened every two years thereafter on November 5 or later date without delay and, when necessary, the general meeting of unitholders shall be convened otherwise as needed are being newly established (related to proposed amendment of Article 9, Paragraph 3).

- (iii) Concerning the general meeting of unitholders convened based on the provisions of the first sentence of the proposed amendment of Article 9, Paragraph 3, provisions to the effect that a public notice of the date of the general meeting of unitholders shall not be required to be given are being newly established (related to current Article 9, Paragraph 3).
- (iv) Concerning the general meeting of unitholders convened based on the provisions of the first sentence of the proposed amendment of Article 9, Paragraph 3, provisions to the effect that stipulate that for the unitholders or registered pledgees of investment units who may exercise their rights at that general meeting of unitholders are being newly established (related to proposed amendment of Article 16, Paragraph 1).
- (v) Supplementary provisions to the effect that the newly-established and revised provisions above shall become effective on the date on which the revision of the Investment Trusts Act related to the newly-established and revised provisions above comes into effect are being newly established (related to proposed amendment of Chapter 12).
- (c) Provisions to allow the term of office of directors prescribed in the Articles of Incorporation to be extended or shortened within the scope provided by laws and regulations by resolution of the general meeting of unitholders are being established (related to current Article 19, Paragraph 2).
- (d) In line with The Investment Trusts Association, Japan's transition to a general incorporated association, effective January 4, 2013, necessary revision of the wording, etc. are being made (related to current Article 34, Paragraph 1, Item 10).
- (e) In addition to the above, organization of the text, change and clarification of the expressions, revision of the wording, etc. are being made.

(2) Content of the Amendments

Please refer to the "Notice of Convocation of the 8th General Meeting of Unitholders" (written by Japanese only) for the content of the amendments to the Articles of Incorporation.

2. Appointment of Directors of the Investment Corporation

The term of office of the one executive director (Michio Taki) will expire as of November 30, 2013, and DHI is thus newly submitting a proposal for the appointment of one executive director, effective December 1, 2013. The term of office of the two supervisory directors (Tetsuya Iwasaki and Isamu Yonekawa) will expire as of November 30, 2013, and DHI is thus further submitting a proposal for the appointment of two supervisory directors, effective December 1, 2013.

Furthermore, DHI is newly submitting a proposal for the appointment of one substitute executive director in case of a vacancy in the position of executive director or in case of a shortfall in the number of directors as provided by laws and regulations. DHI is submitting a proposal for the appointment of one substitute supervisory director in case of a vacancy in the position of supervisory director or in case of a shortfall in the number of directors as provided by laws and regulations.

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- (1) Executive director candidate
Tetsuji Tada (new appointment)
- (2) Supervisory director candidates
Tetsuya Iwasaki (reappointment)
Hiroshi Ishikawa (new appointment)
- (3) Substitute executive director candidate
Yuji Yamada (reappointment)
- (4) Substitute supervisory director candidate
Fusae Kakishima (new appointment)

Please note that the substitute executive director candidate above is CEO & President of the Asset Manager of DHL.

3. Schedule

October 10, 2013

Board of directors' approval of proposals to be submitted to the General Meeting of Unitholders

November 8, 2013

Delivery of notice of convocation of the General Meeting of Unitholders (scheduled)

November 26, 2013

Holding of the General Meeting of Unitholders (scheduled)

* This press release (original Japanese version) is to be distributed to the Kabuto Club (the press club of the Tokyo Stock Exchange); the Ministry of Land, Infrastructure, Transport and Tourism Press Club; and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.

* URL of the DHI's website: <http://daiwahouse-resi-reit.co.jp/eng/>

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