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For Immediate Release

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Notice Concerning Debt Refinancing (Including Sustainability Loan) and Partial Prepayment of Loans

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it decided today to conduct debt refinancing (the “Debt Refinancing”) and repay part of the existing loans before the due date (the “Prepayment”, in conjunction with the Debt Refinancing, collectively the “Transaction”) as described below. As part of DHR’s efforts to pursue sustainability, a portion of the loans concerning the Debt Refinancing is financed via sustainability loan.

1. Overview of the Debt Refinancing

(1) Details of refinancing

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 Banking Corporation; The Norinchukin Bank; Sumitomo Mitsui Trust Bank, Limited; SBI Shinsei Bank, Limited; Shinkin Central Bank; The Chiba Bank, Ltd.; The Nishi-Nippon City Bank, Ltd.; The Bank of Fukuoka, Ltd.; The 77 Bank, Ltd.; The Chugoku Bank, Limited; The Iyo Bank, Ltd.	8,100	TBD (Fixed) (Note 1)	6.5 years	October 31, 2024	April 30, 2031	Bullet repayment	Unsecured and non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited; The Norinchukin Bank; The 77 Bank, Ltd.; The Chugoku Bank, Limited; Resona Bank, Limited; Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Mizuho Bank, Ltd.; The Chiba Bank, Ltd.; The Iyo Bank, Ltd. (Sustainability Loan) (Note 2)	6,000	TBD (Fixed) (Note 1)	8.0 years	October 31, 2024	October 29, 2032		
Total		14,100						

(Note 1) The initial interest rate will be announced once determined. The first interest payment date is the last day of November 2024 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).

(Note 2) This refinancing is scheduled to be conducted as a sustainability loan based on the sustainability finance framework designed by DHR (the “Sustainability Loan”). The sustainability finance framework has received the highest evaluation of “SU 1 (F)” in the “JCR Sustainability Finance Framework Evaluation” by Japan Credit Rating Agency, Ltd. (“JCR”). The Sustainability Loan complies with “Green Loan Principles”, “Social Loan Principles”, and “Green Loan Guideline”, which are international guidelines. In addition, the Sustainability Loan has received a preliminary evaluation of “SU 1” in the “JCR Sustainability Loan Evaluation” by JCR. For details of the evaluation, please refer to the JCR website (<https://www.jcr.co.jp/en/greenfinance/>).

(2) Reason for refinancing

DHR will conduct the Debt Refinancing to repay long-term loans of a total of 14,100 million yen due on October 31, 2024.

(3) Details of the long-term loans to be repaid

Category	Lender	Borrowing amount (million yen)	Interest rate	Borrowing period	Date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Sumitomo Mitsui Banking Corporation; The Norinchukin Bank; Sumitomo Mitsui Trust Bank, Limited; SBI Shinsei Bank, Limited; Shinkin Central Bank; The Bank of Fukuoka, Ltd.; The Chiba Bank, Ltd.; The 77 Bank, Ltd.; The Nishi-Nippon City Bank, Ltd.; The Iyo Bank, Ltd.; The Chugoku Bank, Limited	8,100	0.39138% (Fixed)	5.6 years	April 10, 2019	October 31, 2024	Bullet repayment	Unsecured and non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited; The Norinchukin Bank; The 77 Bank, Ltd.; The Chugoku Bank, Limited; Resona Bank, Limited; Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Mizuho Bank, Ltd.; The Chiba Bank, Ltd.; The Iyo Bank, Ltd.	6,000	0.34774% (Fixed)	4.6 years	April 3, 2020	October 31, 2024		
Total		14,100						

2. Overview of the Prepayment

(1) Details of the Prepayment

Category	Lender	Balance before prepayment (million yen)	Prepayment amount (million yen)	Balance after prepayment (million yen)	Interest rate	Borrowing date	Repayment due date	Prepayment date
Short-term	Sumitomo Mitsui Trust Bank, Limited	2,500	750	1,750	JBA 1-month yen TIBOR +0.175% (Floating) (Note 1)	March 1, 2024	February 28, 2025	October 31, 2024
	Sumitomo Mitsui Banking Corporation	2,500	750	1,750				
	Mizuho Bank, Ltd.	2,500	750	1,750				
	MUFG Bank, Ltd.	2,500	750	1,750				
Total		10,000	3,000	7,000				

(Note 1) Base interest rate is the Japanese Bankers Association (“JBA”) 1-month Japanese yen TIBOR (Tokyo Interbank Offered Rate) at 11 a.m. as of two business days prior to the loan disbursement date and subsequently the latest interest payment date. For the JBA Japanese yen TIBOR, which is the base interest rate, please refer to the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/english/rate/>).

(2) Source of funds for the Prepayment

Cash on hand will be allocated for the Prepayment.

3. Status of interest-bearing debt after the Transaction

(Unit: million yen)

	Before	After	Increase / Decrease
Short-term loans	10,000	7,000	(3,000)
Long-term loans (Note)	365,550	365,550	—
Total loans	375,550	372,550	(3,000)
Investment corporation bonds	44,000	44,000	—
Total interest-bearing debt	419,550	416,550	(3,000)

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

4. Other

For the risks concerning the Transaction, there are no changes from the securities report in Japanese submitted on May 24, 2024.

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