大和証券リビング投資法人
Daiwa Securities Living Investment Corporation

July 18, 2025

To All Concerned Parties

REIT Issuer: Daiwa Securities Living Investment Corporation
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Tetsuo Akuzawa, Executive Director
(Securities Code: 8986)
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Notice Concerning Disposition of Domestic Real Estate (Rental Housing 2 Properties)

Daiwa Securities Living Investment Corporation (hereinafter referred to as the "Investment Corporation") hereby announces that Daiwa Real Estate Asset Management Co. Ltd. (hereinafter referred to as the "Asset Manager"), the asset manager of the Investment Corporation, has resolved to dispose the following properties (hereinafter referred to as the "Disposition"). Details are provided below.

I. General Outline of the Disposition

A general outline of the properties to be disposed of is detailed in the table below. On July 18, 2025, the Investment Corporation has concluded a sale agreement with the transferee for the Disposition, and the Disposition is scheduled to take place on October 1, 2025.

No.	Name of property (Location)	Book value (as of the end of March 2025) (A) (JPY thousand)	Appraisal value (as of the end of March 2025) (B) (JPY thousand)	Difference between book value and appraisal value (B) - (A) (JPY thousand)	Anticipated disposition Price (JPY thousand) (Note1)	Profit or Loss on Transfer (JPY thousand) (Note2)	Transferee
1	Stagea Kogane (Nagoya, Aichi)	448,628	568,000	119,371	568,000	93,256	REALIZE Co., Ltd.
2	willDo Takabata (Nagoya, Aichi)	358,005	494,000	135,994	494,000	112,509	
	Total	806,633	1,062,000	255,366	1,062,000	205,766	

(Note 1)The anticipated disposition price excludes disposition-related costs, fixed asset tax and city planning tax adjustments and national and local consumption taxes; the same shall apply hereinafter.
(Note 2) The profit or loss on transfer is a reference figure calculated as the difference between the anticipated disposition price, book value (as of the end of March 2025) and disposition-related expenses at the time, and may differ from the actual profit or loss on transfer.
(Note 3) The intermediary of the Disposition does not correspond to the interested party.
(Note 4) Amounts are rounded to the nearest unit and percentages are rounded to the first decimal place. Unless stated otherwise, the same applies hereinafter.

II. Reason for the Disposition

Based on the asset management objectives and policies set forth in the Investment Corporation Agreement, the Investment Corporation conducts business to ensure the steady growth of assets under management and stable earnings over the medium to long term.

The properties to be disposed have been selected after comprehensively considering the prospects for the future profitability, size and location of the properties and current trends in the real estate sales market, among other factors. The decision has been made to proceed with the Disposition since the total price offered by the transferee for the properties to be disposed exceeded the most recent book values and real estate appraisal values; hence the Disposition would enhance investors' value.

III. Details of the Disposition

Unless otherwise noted, the information on the date of appraisal regarding the appraisal value, lease and guarantee deposits and total leased area is as of March 31, 2025, and the information on the total rental revenue indicates that for the fiscal period ended March 31, 2025.

Name of Property (Property No.)		Stagea Kogane (O-5-057)				
Type of Asset		Real estate				
Type of Ownership		Proprietary ownership				
Location		5-15, Koganedori, Nakamura-ku, Nagoya-shi, Aichi				
Use		Condominium				
Constructed		February 17, 2007				
Appraisal Value		568,000 thousand yen				
Appraiser		Japan Real Estate Institute				
Details of Lease						
	Number of Tenants	1				
	Total Rental Revenue	22,033 thousand yen				
	Lease Deposits and Guarantee Deposits	657 thousand yen				
	Total Leasable Area	1,651.21 m^2				
	Total Leased Area	1,602.63 m^2				
Changes in Occupancy Rate		Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
		100%	100%	100%	100%	97.1%

Name of Property (Property No.)		willDo Takabata (O-5-088)				
Type of Asset		Real estate				
Type of Ownership		Proprietary ownership				
Location		4-16, Takabata, Nakagawa-ku, Nagoya-shi, Aichi				
Use		Condominium				
Constructed		March 8, 2008				
Appraisal Value		494,000 thousand yen				
Appraiser		Japan Real Estate Institute				
Details of Lease						
	Number of Tenants	1				
	Total Rental Revenue	18,508 thousand yen				
	Lease Deposits and Guarantee Deposits	1,980 thousand yen				
	Total Leasable Area	1,319.22 m^2				
	Total Leased Area	1,319.22 m^2				
Changes in Occupancy Rate		Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
		98.1%	98.1%	96.3%	100%	100%

IV. Profile of the Counterparty

(1)	Company name	REALIZE Co., Ltd.
(2)	Location	3-2-2, Umeda, Kita-ku, Osaka-shi, Osaka
(3)	Title and name of representative	Representative Director Yasuyuki Asakura
(4)	Description of business	Real Estate Business
(5)	Amount of capital	JPY 100 million
(6)	Sales amount	Not disclosed because the transferee's consent has not been obtained.
(7)	Date of incorporation	January 18, 2007
(8)	Net assets	Not disclosed because the transferee's consent has not been obtained.
(9)	Total assets	Not disclosed because the transferee's consent has not been obtained.
(10)	Major shareholders	Not disclosed because the transferee's consent has not been obtained.
(11)	Relationship between the seller and the Investment Corporation/Asset Manager	
	Capital relationship	There is no capital relationship required to be disclosed between the Investment Corporation/Asset Manager and the transferee. In addition, there is no capital relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the transferee.
	Personnel relationship	There is no personnel relationship required to be disclosed between the Investment Corporation/Asset Manager and the transferee. In addition, there is no personnel relationship required to be disclosed between the affiliated parties and the affiliated

		companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the transferee.
	Business relationship	There is no business relationship required to be disclosed between the Investment Corporation/Asset Manager and the transferee. In addition, there is no business relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the transferee.
	Status of classification as related party	The transferee is not classified as related party with Investment Corporation/Asset Manager.

V. Schedule of the Disposition

- Decision of disposition and conclusion of disposition agreement: July 18, 2025
- Receipt and delivery: October 1, 2025

VI. Settlement Method

At the time of contract signing, Stagea Kogane received a deposit of 28 million yen, and willDo Takabata received a deposit of 24 million yen. The remaining balance, after deducting the deposit, is scheduled to be settled at the time of the Disposition.

VII. Forecasts

The Disposition will have no impact on the operating forecast for the fiscal period ending September 2025 (39th fiscal period), as the scheduled disposition date is October 1, 2025. Furthermore, the Disposition will have only a slight impact on the asset management condition for the fiscal period ending March 2026 (40th fiscal period) , and there is no change in the asset management forecast and distributions.

VIII. Summary of Appraisal Report

Property Name	Stagea Kogane
Appraisal Value	JPY 568,000,000
Appraiser	Japan Real Estate Institute
Date of Appraisal	March 31, 2025

Item			Details	Overview, etc.
Value indicated by income approach		JPY thousand	568,000	-
Value indicated by the Direct Capitalization Method		JPY thousand	570,000	-
(1) Total Operating Income: (a)-(b)		JPY thousand	41,041	-
(a)	Rental revenues including common service fees	JPY thousand	41,857	Appraised based on the unit price level of rent, etc. that can be stably received over the medium to long term.
(a)	Parking fees	JPY thousand	1,056	Appraised based on the unit price level of royalty fees that can be stably received over the medium to long term.
(a)	Other revenues	JPY thousand	850	Antenna installation fee and vending machine income etc. are recorded as Other revenues.
(b)	Losses from vacancies	JPY thousand	2,722	Appraised based on the assumption of a stable mid- to long-term occupancy rate level.
(b)	Bad debt losses	JPY thousand	-	Judged not to need to be recorded in consideration of the lessee's situation and other factors.
(2) Total Operating Expenses		JPY thousand	12,995	-
Operation costs		JPY thousand	1,582	Recorded with reference to the actual amounts in past fiscal years and maintenance costs of similar properties, and taking into consideration the individual characteristics of the subject property.
Utilities		JPY thousand	650	Recorded with reference to actual amounts from previous years and taking into account utilities costs of similar properties, individual characteristics of the subject property, etc.
Repairs and maintenance expense		JPY thousand	3,446	The amount was recorded by taking into account the actual amount in past fiscal years, the level of similar properties, and the annual average amount of repair and renewal expenses in the engineering report, etc.
Property management fees		JPY thousand	1,125	The fee is recorded with reference to the fee rate based on the contract conditions, etc., and taking into consideration the fee rate at similar properties, the individual characteristics of the subject property, etc.
Tenant promotion fees, etc.		JPY thousand	2,449	Appraisal based on contract terms, leasing terms of similar properties, etc.
Taxes and public dues		JPY thousand	2,828	(Land) Allocation is based on tax and public dues data, burden adjustment measures, etc. (Buildings, etc.) Recorded based on data related to taxes and public dues. (Depreciable assets) Recorded based on data related to taxes and public dues.
Nonlife insurance		JPY thousand	161	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.
Other expenses		JPY thousand	754	Internet usage fees, etc. are recorded as Other expenses.
(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	28,046	-
(4) Lump-sum Investment Return		JPY thousand	4	Investment income is appraised assuming an investment yield of 1.0%.
(5) Capital Expenditure		JPY thousand	4,124	Appraised, taking into account the level of capital expenditure of similar properties, the property age, and the average annual amount of repair and renewal expenses in the engineering report, etc.
(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	23,926	-
(7) Capitalization Rate		(%)	4.2	Appraised after adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions, as well as taking into account future uncertainties and transaction yields on similar properties, etc.
Value Indicated by DCF Method		JPY thousand	565,000	-
Discount Rate		(%)	4.0	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment cap rate, etc. of similar properties.
Terminal Capitalization Rate		(%)	4.3	Appraised by comprehensively considering future trends of investment yields, riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends of real estate prices and rents, etc., with reference to the transaction yields of similar properties.
Value indicated by cost approach		JPY thousand	505,000	-
Land Ratio		(%)	40.1	-
Property Ratio		(%)	59.9	-

Other items of note by appraiser	None

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Property Name	willDo Takabata
Appraisal Value	JPY 494,000,000
Appraiser	Japan Real Estate Institute
Date of Appraisal	March 31, 2025

Item			Details	Overview, etc.
Value indicated by income approach		JPY thousand	494,000	-
Value indicated by the Direct Capitalization Method		JPY thousand	496,000	-
(1) Total Operating Income: (a)-(b)		JPY thousand	37,016	-
(a)	Rental revenues including common service fees	JPY thousand	37,733	Appraised based on the unit price level of rent, etc. that can be stably received over the medium to long term.
	Parking fees	JPY thousand	990	Appraised based on the unit price level of royalty fees that can be stably received over the medium to long term.
	Other revenues	JPY thousand	-	-
(b)	Losses from vacancies	JPY thousand	1,707	Appraised based on the assumption of a stable mid- to long-term occupancy rate level.
	Bad debt losses	JPY thousand	-	Judged not to need to be recorded in consideration of the lessee's situation and other factors.
(2) Total Operating Expenses		JPY thousand	11,847	-
Operation costs		JPY thousand	1,585	Recorded with reference to the actual amounts in past fiscal years and maintenance costs of similar properties, and taking into consideration the individual characteristics of the subject property.
Utilities		JPY thousand	500	Recorded with reference to actual amounts from previous years and taking into account utilities costs of similar properties, individual characteristics of the subject property, etc.
Repairs and maintenance expense		JPY thousand	3,140	The amount was recorded by taking into account the actual amount in past fiscal years, the level of similar properties, and the annual average amount of repair and renewal expenses in the engineering report, etc.
Property management fees		JPY thousand	1,036	The fee is recorded with reference to the fee rate based on the contract conditions, etc., and taking into consideration the fee rate at similar properties, the individual characteristics of the subject property, etc.
Tenant promotion fees, etc.		JPY thousand	2,206	Appraisal based on contract terms, leasing terms of similar properties, etc.
Taxes and public dues		JPY thousand	2,668	(Land) Allocation is based on tax and public dues data, burden adjustment measures, etc. (Buildings, etc.) Recorded based on data related to taxes and public dues. (Depreciable assets) Recorded based on data related to taxes and public dues.
Nonlife insurance		JPY thousand	142	Recorded in consideration of premiums based on insurance policies and premium rates for buildings similar to the subject building.
Other expenses		JPY thousand	570	Internet usage fees, etc. are recorded as Other expenses.
(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	25,169	-
(4) Lump-sum Investment Return		JPY thousand	27	Investment income is appraised assuming an investment yield of 1.0%.
(5) Capital Expenditure		JPY thousand	4,346	Appraised, taking into account the level of capital expenditure of similar properties, the property age, and the average annual amount of repair and renewal expenses in the engineering report, etc.
(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	20,850	-
(7) Capitalization Rate		(%)	4.2	Appraised after adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions, as well as taking into account future uncertainties and transaction yields on similar properties, etc.
Value Indicated by DCF Method		JPY thousand	491,000	-
Discount Rate		(%)	4.0	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment cap rate, etc. of similar properties.
Terminal Capitalization Rate		(%)	4.3	Appraised by comprehensively considering future trends of investment yields, riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends of real estate prices and rents, etc., with reference to the transaction yields of similar properties.
Value indicated by cost approach		JPY thousand	449,000	-
Land Ratio		(%)	38.5	-
Property Ratio		(%)	61.5	-

Other items of note by appraiser	None

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

End

(Additional Material) Overview of the Portfolio accompanying the Disposition

<Number of properties, etc.>

	Properties owned as of today (a)	Assets to be disposed (b)	(a) - (b)
Total number of properties	243 properties	2 properties	241 properties
Total number of leasable units	18,261 units	121 units	18,140 units
Total leasable area	742,506.01 m^2	2,970.43 m^2	739,535.58 m^2

<Asset size, etc.>

	Properties owned as of today (a)	Assets to be disposed (b)	(a) - (b)
Total (anticipated) acquisition price	JPY 399.1 billion	JPY 1.0 billion	JPY 398.0 billion
Appraisal value	JPY 489.9 billion	JPY 1.0 billion	JPY 488.9 billion

(Note 1) "Total (anticipated) acquisition price is calculated based on the (anticipated) acquisition price.
(Note 2) The appraised value includes the appraised value as of February 1, 2025, for Gran Casa Sendai Bansui Dori, Serenite Nihonbashi Miracle and Gran Casa Kawaguchi Namiki, as of May 1, 2025, for Gran Casa Takaida, and as of March 31, 2025, for other properties.

<Amount and rate of investment by type (based on anticipated acquisition price) >

	Properties owned as of today (a)	Assets to be disposed (b)	(a) - (b)
Studio	JPY 212.3 billion (53.2 %)	JPY 1.0 billion	JPY 211.2 billion (53.1 %)
Family	JPY 79.7 billion (20.0 %)	-	JPY 79.7 billion (20.0 %)
Healthcare	JPY 106.9 billion (26.8 %)	-	JPY 106.9 billion (26.9 %)

End