

July 20, 2020

To All Concerned Parties

REIT Issuer: Daiwa Securities Living Investment Corporation
6-2-1 Ginza, Chuo-ku, Tokyo 104-0061
Ikuo Shoda, Executive Director
(Securities Code: 8986)
Asset Manager: Daiwa Real Estate Asset Management Co. Ltd.
Toshio Fukushima, President and Chief Executive Officer
Inquiries: Takashi Chiba, General Manager, Corporate Division
Tel: +81-3-6757-9680

Notice Concerning Interest-Rate Swap Agreements

Daiwa Securities Living Investment Corporation (hereinafter referred to as the “Investment Corporation”) hereby announces that the Investment Corporation executed interest-rate swap agreements. Details are provided as follows.

I. Purpose of the Interest-Rate Swap Agreements

The Investment Corporation has executed interest-rate swap agreements to fix the interest rate for the 7,349 million yen borrowings to be refinanced on July 22, 2020 and existing 4,200 million yen, as a hedge against possible increase of the interest rates in future.

II. Summary of the Interest-Rate Swap Agreements

Borrowing Loan:	Individual loan agreements(“Term Loan JJ 1st”) signed with MUFG Bank, Ltd., and others on July 20, 2020 (Please refer to the press release “Notice Concerning Refinancing of Loans” dated July 20, 2020)
Counterparty:	Mizuho Bank, Ltd.
Notional Amount:	1,767 million yen
Interest Rate:	Fixed interest rate payable: 0.0915% Floating interest rate receivable: Base rate (3-month JBA Japanese Yen TIBOR)
Commencement Date:	July 22, 2020
Termination Date:	January 30, 2026
Payment Date:	First on October 30, 2020, and thereafter on the last day of January, April, July and October of each year, and on the expiration date (if not a business day, the next business day, and if the next business day falls in the next month, the business day immediately prior will be the interest payment date).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.4740%.

Borrowing Loan:	Individual loan agreements signed with Sumitomo Mitsui Banking Corporation on July 20, 2020 (Please refer to the press release “Notice Concerning Refinancing of Loans” dated July 20, 2020)
Counterparty:	Nomura Securities Co.,Ltd.
Notional Amount:	824 million yen
Interest Rate:	Fixed interest rate payable: 0.092% Floating interest rate receivable: Base rate (3-month JBA Japanese Yen TIBOR)
Commencement Date:	July 22, 2020
Termination Date:	January 30, 2026
Payment Date:	First on October 30, 2020, and thereafter on the last day of January, April, July and October of each year, and on the expiration date (if not a business day, the next business day, and if the next business day falls in the next month, the business day immediately prior will be the interest payment date).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.4745%.

Borrowing Loan:	Individual loan agreements(“Term Loan JJ 2nd”) signed with MUFG Bank, Ltd., and others on July 20, 2020 (Please refer to the press release “Notice Concerning Refinancing of Loans” dated July 20, 2020)
Counterparty:	Mizuho Bank, Ltd.

Notional Amount:	3,758 million yen
Interest Rate:	Fixed interest rate payable: 0.104% Floating interest rate receivable: Base rate (3-month JBA Japanese Yen TIBOR)
Commencement Date:	July 22, 2020
Termination Date:	July 30, 2027
Payment Date:	First on October 30, 2020, and thereafter on the last day of January, April, July and October of each year, and on the expiration date (if not a business day, the next business day, and if the next business day falls in the next month, the business day immediately prior will be the interest payment date).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.5365%.

Borrowing Loan:	Individual loan agreements signed with Sumitomo Mitsui Banking Corporation on July 20, 2020 (Please refer to the press release “Notice Concerning Refinancing of Loans” dated July 20, 2020)
Counterparty:	Daiwa Securities Co. Ltd.
Notional Amount:	1,000 million yen
Interest Rate:	Fixed interest rate payable: 0.108% Floating interest rate receivable: Base rate (3-month JBA Japanese Yen TIBOR)
Commencement Date:	July 22, 2020
Termination Date:	July 30, 2027
Payment Date:	First on October 30, 2020, and thereafter on the last day of January, April, July and October of each year, and on the expiration date (if not a business day, the next business day, and if the next business day falls in the next month, the business day immediately prior will be the interest payment date).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.5405%.

Borrowing Loan:	Individual loan agreements (“Term Loan HH 2nd”) signed with MUFG Bank, Ltd., and others on March 20, 2020 (Please refer to the press release “Notice Concerning Refinancing of Loans” dated February 19, 2020)
Counterparty:	Nomura Securities Co., Ltd.
Notional Amount:	2,300 million yen
Interest Rate:	Fixed interest rate payable: 0.127% Floating interest rate receivable: Base rate (1-month JBA Japanese Yen TIBOR)
Commencement Date:	July 22, 2020
Termination Date:	March 31, 2027
Payment Date:	First on August 22, 2020, and thereafter on the 22nd of every month of each year (if not a business day, the next business day, and if the next business day falls in the next month, the business day immediately prior will be the interest payment date).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.5595%.

Borrowing Loan:	Individual loan agreements (“Term Loan II 2nd”) signed with MUFG Bank, Ltd., and others on March 26, 2020 (Please refer to the press release “Notice Concerning Refinancing of Loans” dated March 24, 2020)
Counterparty:	Nomura Securities Co., Ltd.
Notional Amount:	1,900 million yen
Interest Rate:	Fixed interest rate payable: 0.129% Floating interest rate receivable: Base rate (1-month JBA Japanese Yen TIBOR)
Commencement Date:	July 22, 2020
Termination Date:	March 31, 2027
Payment Date:	First on August 22, 2020, and thereafter on the 22nd of every month of each year (if not a business day, the next business day, and if the next business day falls in the next month, the business day immediately prior will be the interest payment date).

(Note1) Based on this interest-rate swap agreement, basically, the interest rate is fixed at 0.5615%.

III. Forecast

There is minimal impact from these interest-rate swap agreements on asset management conditions for the fiscal period ending September 30, 2020 (April 1, 2020 to September 30, 2020) and the fiscal period ending March 31, 2021 (October 1, 2020 to March 31, 2021).

IV. Other

As for risks pertaining to the Interest-Rate Swap Agreements, there are no material changes to the “Investment risks” stated in the most recent semiannual securities report (submitted June 19, 2020).

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