

November 19, 2020

To All Concerned Parties

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Notice concerning Borrowing of Funds and Early Repayment of Loans

Daiwa Securities Living Investment Corporation (hereinafter referred to as the “Investment Corporation”) has decided today to borrow 11,470 million yen in total (hereinafter referred to as the “Financing”) and repay 500 million yen of existing borrowings prior to the due date (hereinafter referred to as the “Early Prepayment” and collectively referred to as the “Financing, etc.” together with the Financing).

I. The Financing

1. Borrowing of Funds

(1) Reason for the Borrowings

- i). The fund is to be appropriated for the acquisition of assets acquired on September 30, 2020 and October 22, 2020 (hereinafter referred to as the “most recently acquired assets”) and assets to be acquired on December 10, 2020 (hereinafter referred to as the “assets to be acquired”) (the most recently acquired assets were temporarily purchased with own funds). For the most recently acquired assets, please refer to the press release, “Notice Concerning Acquisition of Assets (Leone Nihonbashi Hamacho)” dated September 18, 2020 and the press release, “Notice Concerning Acquisition of Assets (Solid Magome and 6 Other Properties)” dated October 21, 2020. For the assets to be acquired, please refer to the press release dated today entitled “Notice Concerning Acquisition and Leasing of Assets (2 Rental Apartments and 3 Healthcare Facilities)”.
- ii). The fund is to be appropriated for early prepayment of existing borrowings totaling 500 million yen under the loan agreement dated October 27, 2020 with Mizuho Bank, Ltd. As to the existing borrowings, please refer to the “Notice Concerning Refinancing of Loans” dated October 27, 2020.

(2) Summary of Borrowings

The Investment Corporation has decided to borrow a total of 11,470 million yen from financial institutions with existing transactions and new these.

< Long-Term Borrowings >

① Term Loan KK

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
MUFG Bank, Ltd.	5,800	3-month JBA Japanese Yen TIBOR+0.4825% (Note)	December 10, 2020	Unsecured, Lump-sum repayment on the due date	November 30, 2028
Shinsei Bank, Limited					
Resona Bank, Limited					
The 77 Bank, Ltd.					
Kansai Mirai Bank, Limited					
Mizuho Trust & Banking Co., Ltd.		3-month JBA Japanese Yen TIBOR+0.3575% (Note)			November 28, 2025

② Individual Loans

Individual Loans concerning (1) Reason for the Borrowings i)

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
The Dai-ichi Life Insurance Company, Limited.	300	0.5700% (fixed rate)	November 30, 2020	Unsecured, Lump-sum repayment on the due date	November 30, 2027
Sumitomo Mitsui Banking Corporation	2,000	3-month JBA Japanese Yen TIBOR+0.4825% (Note)	December 10, 2020		November 30, 2028
Yamaguchi Bank,Ltd.	1,500	3-month JBA Japanese Yen TIBOR+0.5825% (Note)			November 29, 2030
Sumitomo Mitsui Trust Bank, Limited	1,000	3-month JBA Japanese Yen TIBOR+0.3375% (Note)			November 29, 2024

Individual Loans concerning (1) Reason for the Borrowings ii)

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
Kansai Mirai Bank, Limited	500	3-month JBA Japanese Yen TIBOR+0.5825% (Note)	November 30, 2020	Unsecured, Lump-sum repayment on the due date	November 29, 2030

(Note) The Interest Payment Date is the last day of February, May, August, and November of each year after February 26, 2021 (if the relevant day is not a business day, the next business day, and if the next business day falls into the next month, the immediately preceding business day). The base interest rate applied to the calculation period for interest paid on the Interest Payment Date is calculated on the basis of the 3-month JBA TIBOR published two business days prior to the commencement of the calculation period for interest.

< Short-Term Borrowings >

① Individual Loans

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
MUFG Bank, Ltd.	370	1-month JBA Japanese Yen TIBOR+0.3000% (Note)	December 10, 2020	Unsecured, Lump-sum repayment on the due date	November 30, 2021

(Note) The Interest Payment Date shall be the first date on December 30, 2020, and thereafter shall be the last day of each month (if the applicable day is not a business day, it shall be the next business day, and if the following business day falls into the next month, it shall be the immediately preceding business day). The base interest rate applied to the calculation period for interest paid on the Interest Payment Date shall be calculated on the basis of the 1-month TIBOR of the JBA published two business days prior to the commencement of the calculation period for interest.

Please refer to the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/english/rate/>) for JBA Japanese Yen TIBOR information.

2. Summary of Early Repayment

Lenders	Mizuho Bank, Ltd.
Amount of borrowing (JPY million)	500
Amount of Repayment (JPY million)	500
Drawdown date	October 30, 2020
Due date	March 31, 2021
Scheduled Repayment date	November 30, 2020
Funds of Repayment	Appropriate from the Financing fund
Collateral	Unsecured and unguaranteed

3. The Date of This Agreement

November 19, 2020

II. Status of the Balance and Interest-bearing Debt Ratio Before and After the Financing, etc.

(Unit: JPY million)

	Before the Financing (November 29, 2020)	After the Financing (December 10, 2020)	Change
Short-term borrowings (Note1)	4,200	4,070	(130)
Long-term borrowings (Note1)	138,387	149,487	11,100
(Long-term borrowings due within one year) (Note2)	17,014	17,014	0
Total borrowings	142,587	153,557	10,970
Investment corporation bonds	10,100	10,100	0
Total interest-bearing debt	152,687	163,657	10,970

(Note1) The debt periods for short-term borrowings are within one year and long-term borrowings are over one year.

(Note2) Long-term borrowings due within one year represent borrowings due within one year from the respective dates indicated above.

III. Forecasts

Please refer to the press release “Notice Concerning Revision to Forecasts of Operating Results and Distribution for the Fiscal Period Ending March 2021 (30th Fiscal Period) and Forecasts of Operating Results and Distribution for the Fiscal Period Ending September 2021 (31st Fiscal Period)” announced today.

IV. Other

As for risks pertaining to the Financing etc., 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/>