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For Immediate Release

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Notice Concerning Introduction of Unitholder Benefits Program

Daiwa House Residential Investment Corporation (“DHI”) announces the following decision today to introduce a unitholder benefits program.

1. Purpose of Introduction of Unitholder Benefits Program

DHI is introducing a unitholder benefits program with the cooperation of the Daiwa House Group, which is DHI’s sponsor group, to return the continued support received from unitholders, along with pursuing expansion of unitholder base and other purposes.

2. Overview of Unitholder Benefits Program

(1) Eligible Unitholders

One pass for accommodation at a special room rate will be distributed per DHI unitholder stated or recorded in the unitholders registry at the end of fiscal periods (last day of February and last day of August), regardless of the number of investment units held by the unitholder.

(2) Eligible Persons

DHI unitholder and his/her family, as well as their companions.

(3) Benefits Description

Valid for accommodation (double (or more) occupancy) for an unlimited number of times during the period of validity at any of the following 27 Daiwa Royal Hotels operated across Japan by DAIWA RESORT Co.,Ltd. (“DAIWA RESORT” is a wholly-owned subsidiary of DHI’s sponsor Daiwa House Industry Co., Ltd.).

Period	Room rate (rate per person)	
	Based on single occupancy	Based on double (or more) occupancy
From November 1, 2013 to December 30, 2013	—	7,620 yen
From December 31, 2013 to January 2, 2014	—	—
From January 3, 2014 to March 31, 2014	—	7,620 yen

(Note 1) Rates are quoted for accommodation for one night with breakfast, inclusive of service charges, consumption tax, etc. and exclusive of bathing tax.

(Note 2) Aside from the periods above, the period from November 2 to November 3 is a blackout period for Karatsu Royal Hotel.

(Note 3) Aside from the periods above, the period from December 29 to December 30 is a blackout period for Okinawa Zanzanmisaki Royal Hotel.

(Note 4) Kashihara Royal Hotel, Karatsu Royal Hotel and Kirishima Royal Hotel will be available also during the period from December 31 to January 2.

(Note 5) Shikabe Royal Hotel will be closed from October 1 to March 31 and thus will not be available during that period.

(4) Applicable Hotels

Shikabe Royal Hotel, Hachimantai Royal Hotel, Miyagi-Zao Royal Hotel, Urabandai Royal Hotel, Rindoko Royal Hotel, Minamiboso-Tomiura Royal Hotel, Oizumi Kogen Yatsugatake Royal Hotel, Shinshu-Matsushiro Royal Hotel, Hamanako Royal Hotel, Tonami Royal Hotel, Noto Royal Hotel, Yamanakaonsen-Kajikaso Royal Hotel, Ise-Shima Royal Hotel, Nagahama Royal Hotel, Amanohashidate Miyazu Royal Hotel, Kashihara Royal Hotel, Kushimoto Royal Hotel, Kishu-Minabe Royal Hotel, Minami Awaji Royal Hotel, Daisen Royal Hotel, Tosa Royal Hotel, Kitakyushu-Yahata Royal Hotel, Genkai Royal Hotel, Karatsu Royal Hotel, Beppu-wan Royal Hotel, Kirishima Royal Hotel and Okinawa Zanzanmisaki Royal Hotel, for a total of 27 hotels.

(5) Schedule of Sending and Period of Validity of Pass

Schedule of sending (scheduled): Mid May and mid November of every year

Period of validity (scheduled): Period of six months starting from the month after each month in which the pass is sent as above
(With the exception of the first time, in which case the period will be from the date of arrival of the pass to March 31, 2014)

(6) Commencement Schedule

At the time of implementation, the DHI unitholders stated or recorded in the unitholders registry as of August 31, 2013 will be eligible. Please note that the final trading day on the Tokyo Stock Exchange for eligibility was August 27, 2013.

3. DHI's Burden of Expenses

DHI has reached an agreement with DAIWA RESORT to allow a DHI unitholder and his/her family, as well as their companions, to stay at a special room rate. Aside from expenses associated with notice of the unitholder benefits program (including printing expenses), DHI is not liable for any expenses. Furthermore, because the pass will be sent to unitholders by printing the pass in the Asset Management Report (*shisan unyo hokokusho*), additional printing expenses, etc. are not expected to be incurred. In effect, DHI will bear no expenses and no impact on distributions is

thus envisioned.

Please note that DAIWA RESORT constitutes an interested party as set forth in the bylaws of the asset manager. Consequently, such transactions have undergone the procedures required by the Interested-Party Transaction Rules bylaws of the asset manager.

4. Future Prospects

There will be no impact on the operation status for the 15th Fiscal Period (from March 1, 2013 to August 31, 2013) and 16th Fiscal Period (from September 1, 2013 to February 28, 2014).

(Note) Implementation, description, etc. of the unitholder benefits program are subject to change in the future.

* 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/>