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For Immediate Release

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Notice Concerning the Proposed Acquisition of Domestic Asset
(Castalia Kyoto Nishioji)

Daiwa House Residential Investment Corporation (“DHI”) announced a decision today by Daiwa House Asset Management Co., Ltd., the asset manager to which DHI entrusts the management of its assets (the “Asset Manager”), to acquire asset (“Asset Scheduled for Acquisition”) as follows.

1. Acquisition Rationale

DHI decided to acquire Castalia Kyoto Nishioji in order to enhance and diversify the portfolio and secure stable revenue over the medium to long term, etc. based on the investment policy set forth in DHI’s Articles of Incorporation.

2. Acquisition Details

(1) Asset Scheduled for Acquisition

Property name	Acquisition price (planned) (Note 2)	Seller
Castalia Kyoto Nishioji (FORECITY Nishioji) (Note 1)	¥973,000,000	Company engaged in general business in Japan (Note 3)

(Note 1) DHI is scheduled to change the property name of the asset above. Accordingly, the name after the change is shown with the name as of today shown in parentheses.

(Note 2) Excluding such amounts as expenses related to acquisition, amount equivalent to reimbursement of taxes and dues, etc., and amount equivalent to consumption taxes.

(Note 3) No name, etc. is shown as the seller has not consented to such disclosure. Please note that the seller does not constitute a party with particular vested interest in DHI or the Asset Manager.

- (2) Scheduled execution date of the sale and purchase agreement
October 15, 2015
- (3) Scheduled acquisition date
November 2, 2015 or on a date agreed upon by the seller and DHI.
- (4) Acquisition funds
Cash on hand
- (5) Method of settlement
Payment of entire amount upon delivery

3. Asset Scheduled for Acquisition Details

Name and Location, etc. of Respective Real Estate			
Type of specified asset	Real estate		
Present titleholder	Company engaged in general business in Japan (Note 1)		
Trustee	N/A		
Location	Lot number	100-1, Shichijyo Goshonouchi Minamimachi, Shimogyo-ku, Kyoto city, Kyoto Prefecture	
	Residence indication	100-1, Shichijyo Goshonouchi Minamimachi, Shimogyo-ku, Kyoto city, Kyoto Prefecture (Note 2)	
Land	Form of ownership	Proprietary ownership	
	Site area	420.92m ²	
	Zoning	Commercial zone	
	Building coverage ratio / Floor area ratio	80% / 500%	
Building	Form of ownership	Proprietary ownership	
	Usage	Apartment complex	
	Total floor area	2,318.47m ²	
	Structure / Number of floors	RC structure, 11F	
	Construction completion date	August 24, 2006	
Overview of Leasing (as of August 31, 2015)			
Total number of tenants	1	Monthly rent (incl. common area charges)	¥ 5,114 thousand
Number of leasable units	81	Deposits, guarantees, etc.	¥ 1,162 thousand
Number of leased units	78	Occupancy rate	96.2%
Leasable floor area	2,035.37m ²		
Leased floor area	1,958.42m ²	Breakdown of Residential Unit Type	
Type	As a percentage of total number of units	Property management company	Nakagawa Construction company (planned)
Compact Type	100%	Master lease company	Nakagawa Construction company (planned)
Family Type	0%	Master lease type	Pass-through type (planned)
Collateral	N/A		
Engineering Report			
Building investigation agency	Tokio Marine & Nichido Risk Consulting Co., Ltd.	Earthquake resistance investigation agency	Tokio Marine & Nichido Risk Consulting Co., Ltd.
Report date	September 2015	Report date	September 2015
Emergency repair expenses	0	Earthquake probable maximum loss	9.4%
Short-term repair expenses (within 1 year)	0	Soil environment investigation agency	Tokio Marine & Nichido Risk Consulting Co., Ltd.
Long-term repair expenses (next 12 years)	¥39,962 thousand	Report date	September 2015
Building replacement cost	¥577,500 thousand	Summary of engineering report	No matters were pointed out in particular.

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Building Developer, Designer, Structural Designer, Building Contractor and Building Confirmation Agency			
Building developer	NIHON ESLEAD CORPORATION	Building contractor	DAISUE CONSTRUCTION CO.,LTD.
Building designer	Ishizue Architect	Building confirmation agency	I-PEC
Structural designer	Ishizue Architect		
Other Information			
(Note 1) No name, etc. is shown as the company has not consented to such disclosure. Please note that the company does not constitute a party with particular vested interest in DHI or the Asset Manager.			
(Note 2) The address of the property does not comply with residence indication.			
Location Environment and Other Property Characteristics			
The property is located approximately a four-minute walk from Nishioji Station on the JR Tokaido Main Line, meaning that JR Kyoto Station is one station, taking approximately two minutes, from the nearest station. In addition to being highly convenient in terms of commuting to work or school, the neighborhood and JR Nishioji Station vicinity has ample eating/drinking establishments and convenience stores, making convenience in terms of lifestyle also favorable. The location is thus one that can expect strong rental demand from mainly one-person households.			
Matters of Special Note			
The City implemented a new landscape policy in September 2007, changing the height limit of height control districts and thereby making the property's building kizon futekikaku (structures that conformed to the law when constructed but no longer conform to the law as a result of subsequent laws or amendments, but are not categorized as illegal structures). There is thus the possibility that a building of the same size and same height may not be able to be built in the event that the property's building is to be rebuilt in the future.			

[Explanation of Entries in Table Above]

The summary of the respective real estate in trust is the information as of August 31, 2015, unless otherwise specified.

a. Explanation of "Name and Location, etc. of Respective Real Estate"

- (i) "Present titleholder" is the parties that sold the real estate, etc. to DHI.
- (ii) "Trustee" is the trustee or the party that is scheduled to become the trustee of the to-be-acquired asset.
- (iii) "Location (Lot number)" is the lot number as indicated in the register, and "Location (Residence indication)" is the residence indication of the asset to be acquired as indicated in the register (for properties without residence indication, the location of the building is as indicated in the register (only one location is indicated for properties that have several locations)).
- (iv) "Form of ownership" for the land and building are the kind of rights held by the trustee for the asset scheduled for acquisition.
- (v) "Site area" for the land is the area of the land recorded in the register.
- (vi) "Zoning" for the land is the zoning provided in Article 8, Paragraph 1, Item 1 of the City Planning Act.
- (vii) "Building coverage ratio" for the land is the ratio of the building area of the building to the site area as stipulated in Article 53 of the Building Standards Act and is the maximum figure of the building coverage ratio determined by city planning in accordance with the zoning, etc. (designated building coverage ratio). Designated building coverage ratios may be relaxed / increased, or decreased, since the building is a fireproof building in a fire prevention district, or for other reasons. Therefore it may differ from the actual building coverage ratio to be applied.
- (viii) "Floor area ratio" for the land is the ratio of the total floor area of the building to the site area as stipulated in Article 52 of the Building Standards Act and is the maximum figure of the floor area ratio determined by city planning in accordance with the zoning, etc. (designated floor area ratio). Designated floor area ratios may be relaxed / increased, or decreased, since the width of the road adjacent to the site, or for other reasons. Therefore it may defer from the actual floor area ratio to be applied.
- (ix) "Usage" for the building is the primary use out of the types recorded in the register.
- (x) "Total floor area" for the building is the sum total of the floor area recorded in the register.
- (xi) "Structure / Number of floors" for the building is the structure recorded in the register.
"Structure / Number of floors" entries use the following acronyms.
RC: Reinforced concrete structure SRC: Steel reinforced concrete structure S: Steel framed structure
- (xii) "Construction completion date" for the building is when construction was completed as recorded in the register.

b. Explanation of "Overview of Leasing"

- (i) "Overview of Leasing" numerical figures and information are based on information as of August 31, 2015 and have been derived based on numerical figures and information granted us from the previous owner of the asset scheduled for acquisition.
- (ii) "Total number of tenants" enters the number of tenants as 1 if there is a master lease agreement concluded with the sublessee. In the foregoing case, the number of leased units is calculated on the assumption that consent for the sublessee to become the lessor has been obtained from all end-tenants. The entry is 1 tenant when 1 party leases multiple rental units.
- (iii) "Number of leasable units" is the number of units of the asset scheduled for acquisition that is leasable as of August 31, 2015.
- (iv) "Number of leased units" is the number of units for which a lease agreement has been concluded with an end-tenant for the asset scheduled for acquisition as of August 31, 2015.
- (v) "Leasable floor area" is the floor area of the real estate in trust that is leasable based on information as of August 31, 2015.
- (vi) "Leased floor area" is the sum total of the floor area of the asset scheduled for acquisition entered in the lease contract concluded with end-tenants as of August 31, 2015. However, where there is clearly an error in the lease contract entry, that based on information received from the previous titleholder of the acquired asset, completion drawings, etc. is shown.
- (vii) "Monthly rent (incl. common area charges)" is, in principle, in the case where the master lease type is the pass-through type, the sum total amount of the monthly rent (including common area charges, but excluding the monthly use fees for parking space, trunk room and other ancillary facilities and consumption taxes etc.) entered in the lease contract, etc. concluded between the master lease company or the titleholder of the real estate / real estate in trust and end-tenants. In addition, in the case where the master lease type is the

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rent-guaranteed type, it is the sum total amount of the guaranteed amount of monthly rent (including common area charges, but excluding the monthly use fees for parking space, trunk room and other ancillary facilities and consumption taxes, etc.) entered in the rent-guaranteed lease contract concluded between the master lease company and the titleholder of the real estate / real estate in trust or the rent-guaranteed sublease contract concluded between the master lease company and the sublessee to which the master lease company is blanket subleasing. However, in the case where agreements of different master lease types are concluded, it is the sum total amount of the monthly rent of the pass-through type and monthly rent of the rent-guaranteed type. Amounts are rounded down to the nearest thousand yen.

- (viii) “Deposits, guarantees, etc.” is, in principle, in the case where the master lease type is the pass-through type, the sum total of the balance of the deposits, guarantees, etc. that must be returned to end-tenants based on the lease agreement concluded between the master lease company or the titleholder of the real estate / real estate in trust and end-tenants, rounded down to the nearest thousand yen. However, in the case where there is a portion that need not be returned due to special provisions for non-refundable deposits, amortization of deposits, etc. in lease agreements, the amount after deducting the concerned amount is shown. In addition, in the case where the master lease type is the rent-guaranteed type, it is the balance of the deposits, guarantees, etc. based on the rent-guaranteed lease contract concluded between the master lease company and the titleholder of the real estate / real estate in trust or the rent-guaranteed sublease contract concluded between the master lease company and the sublessee to which the master lease company is blanket subleasing. However, in the case where agreements of different master lease types are concluded, it is the sum total amount of the deposits, guarantees, etc. of the pass-through type and deposits, guarantees, etc. of the rent-guaranteed type. Amounts are rounded down to the nearest thousand yen.
 - (ix) “Occupancy rate” is the ratio of leased floor area to leasable floor area of the asset scheduled for acquisition, rounded to one decimal place.
 - (x) “Property management company” is the property management company that, as of today, is delegated property management services for the asset scheduled for acquisition.
 - (xi) “Master lease company” is the lessee that has a blanket lease agreement concluded with the Present titleholder for the purpose of subleasing to third parties.
 - (xii) “Master lease type” is “Pass-through type” when the master lease agreement concluded is not one based on payment of a guaranteed amount of rent, while it is “Rent-guaranteed type” when the master lease agreement concluded is one based on payment of a guaranteed amount of rent. With “Pass-through type,” rent is received only when subleasing actually takes place.
- c. Explanation of “Breakdown of Residential Unit Type”
- (i) “Breakdown of Residential Unit Type” is based on the following classification.

Exclusive-use floor area	
Compact Type	60m ² or less
Family Type	More than 60m ²
 - (ii) “As a percentage of total number of units” is the ratio of the number of leasable units of the residential unit type to the number of leasable units of the asset scheduled for acquisition, rounded to one decimal place. Accordingly, the sum total of the entered percentages does not necessarily add up to 100.0%.
- d. Explanation of “Engineering Report”
- (i) “Engineering Report” is based on the entries in the engineering report prepared for the asset scheduled for acquisition. The pointed matters that will be resolved until acquisition are excluded from “Matters of Special Note”.
 - (ii) “Earthquake probable maximum loss” represent the probable maximum loss from an earthquake as being the amount of probable loss of damage that may result from an earthquake having 0.21% annual exceedance probability (475-year return period) expressed as a percentage (%) of the replacement cost (Note).
(Note) Replacement cost: Refers to the expenses that will be incurred if the existing building is to be newly constructed at the time of investigation.
- e. Explanation of “Other Information”
- “Other Information” provides an explanation of matters that need to be noted with respect to the entries of the items in the summary of the asset scheduled for acquisition.
- f. Explanation of “Location Environment and Other Property Characteristics”
- “Location Environment and Other Property Characteristics” is, in principle, based on the entries of real estate appraisal reports for the asset scheduled for acquisition.
- g. Explanation of “Matters of Special Note”
- “Special Notation” presents matters recognized to be of importance in terms of the rights, use, etc. of assets, as well as matters recognized to be of importance in consideration of the degree of impact on the appraised value, profitability and appropriation of assets, including the following matters.
- (i) Significant limitations or restrictions by laws, ordinances, rules and regulations
 - (ii) Significant burdens or limitations pertaining to rights, etc.
 - (iii) Significant cases where there are buildings, etc. crossing the boundaries of real estate in trust and cases where there are issues with boundary confirmation, etc.; and related arrangements, etc.
 - (iv) Significant agreements, arrangements, etc. made with co-owners or condominium unit owners

4. Seller Profile

The seller is a company engaged in general business in Japan. No name, etc. is shown as the seller has not consented to such disclosure. Please note that the seller does not constitute a party with

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particular vested interest in DHI or the Asset Manager.

5. Broker Profile

No name, etc. is shown as the broker has not consented to such disclosure. Please note that the broker does not constitute a party with particular vested interest in DHI or the Asset Manager.

6. Status of Property Owners, etc.

Entry is omitted since the property is not acquired from a party with particular vested interest in DHI or the Asset Manager.

7. Matters Concerning Earthquake Resistance, etc.

Of the to-be-acquired asset, DHI outsourced the examination/confirmation of earthquake-resistant structure content, including structural calculation documents, to a professional third party institution (Tokio Marine & Nichido Risk Consulting Co., Ltd.) and has received a statement that no willful alteration of the structural calculation documents by the building designer is suspected of the building of the to-be-acquired asset.

DHI has received a statement concerning the structural design and it is judged that the design is generally in accordance with the provisions of earthquake resistance of the Building Standards Act and its ordinances for enforcement, etc.

In addition, in the course of due diligence upon property acquisition, DHI has earthquake risk analyses conducted separate to the investigation of examination/confirmation conducted by the confirmation and investigation agencies. The analyses are based on a design drawing review, ground survey, etc. using structural drawings, structural calculation documents and other materials.

8. Future Prospects

Please refer to “Financial Report for the 19th Fiscal Period” announced today.

9. Summary of Real Estate Appraisal

Real estate appraiser	Morii Appraisal & Investment Consulting, Inc.	Date of value opinion: August 31, 2015 Date of appraisal: September 30, 2015
Item	Content	Details
Final opinion of value	1,000,000,000 yen	
A. Value indicated by the cost approach	708,000,000 yen	
Land ratio	53.4%	
Building ratio	46.6%	
B. Value indicated by the income approach	1,000,000,000 yen	
1. Value indicated by the income approach based on the direct capitalization method	1,020,000,000 yen	
(1) Total revenue	69,716,000 yen	①+②+③+④+⑤-⑥
① Rent income	60,422,000 yen	
② Common area charges income	5,832,000 yen	
③ Utilities expenses income	1,625,000 yen	
④ Parking space income	2,016,000 yen	
⑤ Other income	3,641,000 yen	
⑥ Losses from vacancies, etc.	3,820,000 yen	
(2) Total expenses	15,316,000 yen	Sum total of a. to h.
a. Maintenance and management expenses	2,912,000 yen	
b. Utilities expenses	2,586,000 yen	
c. Repair expenses	2,243,000 yen	Including restore expenses
d. Property management fee	1,621,000 yen	
e. Leasing fee	1,888,000 yen	
f. Taxes and dues	3,289,000 yen	
g. Non-life insurance expenses	127,000 yen	
h. Other expenses	650,000 yen	
(3) Operating income from property leasing	54,400,000 yen	(1) - (2)
(4) Operating revenue from deposits/guarantees, etc.	96,000 yen	
(5) Capital expenditures	2,350,000 yen	Based on an assessment (taking into consideration the engineering report)
(6) Net operating income	52,146,000 yen	(3) + (4) - (5)
(7) Cap rate	5.1%	
2. Value indicated by the income approach based on the DCF method	988,000,000 yen	
Discount rate	4.9%	
Terminal cap rate	5.3%	
Other matters the real estate appraiser considered for appraisal	After considering the characteristics of the approaches applied, the contents in the processes of application, etc. the final opinion of value was decided by employing the value indicated by the income approach and using the value indicated by the cost approach as reference.	

* 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/>

[Reference Information]

1. Real Estate Portfolio List after Acquisition of Property

	Area (Note 1)	Property No.	Property Name	Acquisition Date (planned) (Note 2)	Acquisition Price (planned) (Note 3)	Investment Ratio (Note 4)
Residential	Area 1	1001	Qiz Ebisu	March 22, 2006	7,650	3.0%
		1002	Castalia Azabujuban Shichimenzaka	March 22, 2006	4,500	1.8%
		1003	Castalia Shibakoen	March 22, 2006	2,630	1.0%
		1004	Castalia Ginza	March 22, 2006	2,520	1.0%
		1005	Castalia Hiroo	March 22, 2006	2,220	0.9%
		1006	Castalia Nihonbashi	March 22, 2006	1,200	0.5%
		1007	Castalia Hacchobori	March 7, 2007	2,300	0.9%
		1008	Castalia Azabujuban	June 21, 2007	2,910	1.1%
		1009	Castalia Azabujuban II	June 21, 2007	2,690	1.0%
		1010	Castalia Shinjuku Natsumezaka	June 21, 2007	1,865	0.7%
		1011	Castalia Ginza II	June 21, 2007	1,800	0.7%
		1012	Castalia Shibuya Sakuragaoka	June 21, 2007	1,400	0.5%
		1015	Castalia Nishi Azabu Kasumicho	April 1, 2010	2,143	0.8%
		1016	Castalia Ochanomizu	April 1, 2010	1,770	0.7%
		1017	Castalia Sangubashi	April 1, 2010	1,393	0.5%
		1018	Castalia Suitengu	April 1, 2010	1,279	0.5%
		1019	Castalia Suitengu II	April 1, 2010	1,138	0.4%
		1020	Castalia Shintomicho	April 1, 2010	932	0.4%
		1021	Castalia Shintomicho II	April 1, 2010	825	0.3%
		1022	Castalia Harajuku	April 1, 2010	887	0.3%
		1023	Castalia Yoyogi Uehara	April 1, 2010	608	0.2%
		1024	Castalia Sendagaya	April 1, 2010	555	0.2%
		1025	Castalia Shinjuku 7 chome	April 1, 2010	464	0.2%
		1027	Castalia Ningyocho	April 1, 2010	947	0.4%
		1028	Castalia Ningyocho II	April 1, 2010	1,070	0.4%
		1029	Castalia Shin-Ochanomizu	April 1, 2010	914	0.4%
		1030	Castalia Higashi Nihonbashi II	April 1, 2010	1,370	0.5%
		1031	Castalia Jinbocho	April 1, 2010	1,160	0.5%
		1032	Castalia Shintomicho III	April 1, 2010	675	0.3%
		1033	Castalia Shinjuku Gyoen	April 1, 2010	2,720	1.1%
		1034	Castalia Takanawadai	April 1, 2010	860	0.3%
		1035	Castalia Higashi Nihonbashi III	April 1, 2010	666	0.3%
		1036	Castalia Shinjuku Gyoen II	April 1, 2010	486	0.2%
		1037	Castalia Shintomicho IV	April 1, 2010	400	0.2%
		1038	Castalia Takanawadai II	April 1, 2010	1,190	0.5%
	1039	Castalia Minami Azabu	April 1, 2010	642	0.3%	
	1040	Castalia Ginza III	April 1, 2010	2,880	1.1%	
	1041	Castalia Kayabacho	April 1, 2010	2,707	1.1%	
	1042	Castalia Takanawa	April 1, 2010	7,430	2.9%	
	1043	Castalia Higashi Nihonbashi	April 1, 2010	3,520	1.4%	
	1045	Castalia Shinjuku	April 1, 2010	2,950	1.2%	
	1046	Castalia Ichigaya	June 29, 2010	940	0.4%	
	1047	Shibaura Island Bloom Tower	October 18, 2011	7,580	3.0%	
	1048	Castalia Hatsudai	December 19, 2011	2,030	0.8%	
	1049	Castalia Hatsudai II	September 27, 2013	1,900	0.7%	
1050	Castalia Ebisu	September 27, 2013	1,420	0.6%		
		Subtotal			92,136	35.9%
	Area 2	2001	Castalia Meguro Kamurozaka	December 20, 2005	4,500	1.8%
		2002	IPSE Toritsudaigaku	March 22, 2006	648	0.3%
		2004	Castalia Yukigaya	March 7, 2007	1,110	0.4%
		2005	Castalia Yutenji	June 21, 2007	1,450	0.6%
		2006	Castalia Otsuka	June 21, 2007	1,480	0.6%
		2007	Castalia Kikukawa	June 21, 2007	817	0.3%
		2008	Castalia Meguro	April 1, 2010	844	0.3%
		2009	Castalia Otsuka II	April 1, 2010	1,040	0.4%
		2010	Castalia Jiyugaoka	April 1, 2010	1,200	0.5%
		2011	Castalia Mejiro	April 1, 2010	988	0.4%
		2012	Castalia Ikebukuro	April 1, 2010	2,570	1.0%
		2013	Castalia Kaname-cho	April 1, 2010	1,140	0.4%

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2014	Castalia Tower Shinagawa Seaside	April 1, 2010	7,380	2.9%	
2015	Castalia Yakumo	April 1, 2010	857	0.3%	
2016	Castalia Togoshiekimae	April 1, 2010	1,560	0.6%	
2018	Castalia Honjo Azumabashi	April 1, 2010	996	0.4%	
2019	Castalia Kitazawa	April 1, 2010	742	0.3%	
2020	Castalia Monzenkakacho	April 1, 2010	503	0.2%	
2023	Castalia Kamiikedai	April 1, 2010	198	0.1%	
2024	Castalia Morishita	April 1, 2010	832	0.3%	
2025	Castalia Wakabayashi koen	April 1, 2010	776	0.3%	
2026	Castalia Asakusabashi	April 1, 2010	792	0.3%	
2027	Castalia Iriya	April 1, 2010	546	0.2%	
2028	Castalia Kita Ueno	April 1, 2010	2,641	1.0%	
2029	Castalia Morishita II	April 1, 2010	686	0.3%	
2030	Castalia Minowa	April 1, 2010	1,430	0.6%	
2031	Castalia Oyamadai	April 1, 2010	533	0.2%	
2032	Castalia Nakano	April 1, 2010	1,060	0.4%	
2033	Castalia Yoga	April 1, 2010	923	0.4%	
2034	Castalia Sumiyoshi	April 1, 2010	948	0.4%	
2035	Castalia Monzenkakacho II	April 1, 2010	2,160	0.8%	
2036	Castalia Oshiage	April 1, 2010	1,100	0.4%	
2037	Castalia Kuramae	April 1, 2010	1,260	0.5%	
2038	Castalia Nakanobu	June 29, 2010	1,790	0.7%	
2039	Royal Parks Toyosu	November 1, 2010	7,360	2.9%	
2040	Castalia Togoshi	November 1, 2010	1,770	0.7%	
2041	Castalia Ooimachi	June 30, 2011	1,181	0.5%	
2042	Castalia Omori	August 2, 2011	1,500	0.6%	
2043	Castalia Mishuku	October 7, 2011	1,900	0.7%	
2044	Castalia Arakawa	March 28, 2012	1,660	0.6%	
2045	Castalia Omori II	March 29, 2012	2,370	0.9%	
2046	Castalia Nakameguro	November 29, 2012	3,800	1.5%	
2047	Castalia Meguro Chojyamaru	September 27, 2013	2,030	0.8%	
2048	Castalia Meguro Takaban	September 27, 2013	1,750	0.7%	
2049	Castalia Omori III	September 27, 2013	1,520	0.6%	
2050	Morino Tonari	July 1, 2014	1,020	0.4%	
2051	Castalia Meguro Tairamachi	September 26, 2014	1,165	0.5%	
2052	Royal Parks SEASIR	May 1, 2015	4,350	1.7%	
2053	Castalia Honkomagome	May 1, 2015	1,520	0.6%	
Subtotal			82,396	32.1%	
Area 3	3001	Cosmo Heim Musashikosugi	March 22, 2006	1,674	0.7%
	3002	Castalia Tsurumi	June 21, 2007	666	0.3%
	3003	Castalia Funabashi	April 1, 2010	704	0.3%
	3006	Castalia Nishi Funabashi	April 1, 2010	783	0.3%
	3007	Castalia Maihama	April 1, 2010	670	0.3%
	3008	Castalia Ichikawamyoden	April 1, 2010	671	0.3%
	3010	Castalia Urayasu	April 1, 2010	592	0.2%
	3011	Castalia Minamigyotoku	April 1, 2010	543	0.2%
	3012	Castalia Minamigyotoku II	April 1, 2010	385	0.2%
	3013	Castalia Nogeeyama	April 1, 2010	325	0.1%
	3017	Castalia Ichikawa	April 1, 2010	461	0.2%
	3018	Royal Parks Hanakoganei	October 7, 2011	5,300	2.1%
	3019	Castalia Musashikosugi	September 27, 2013	1,680	0.7%
	3020	Royal Parks Wakabadai	March 28, 2014	4,360	1.7%
	3021	Pacific Royal Court Minatomirai Urban Tower	May 1, 2015	9,100	3.5%
3022	L-Place Shinkoyasu	May 1, 2015	1,720	0.7%	
3023	Royal Parks Musasikosugi	May 1, 2015	1,060	0.4%	
Subtotal			30,694	12.0%	
Area 4	4001	Castalia Shinsakae	December 20, 2005	1,920	0.7%
	4008	Aprile Tarumi	April 1, 2010	1,340	0.5%
	4009	Crest Kusatsu	April 1, 2010	3,004	1.2%
	4010	Castalia Sakaisuji Honmachi	April 1, 2010	1,490	0.6%
	4011	Castalia Shin-Umeda	April 1, 2010	1,376	0.5%
	4012	Castalia Abeno	April 1, 2010	4,368	1.7%
	4014	Castalia Sakae	April 1, 2010	1,010	0.4%
	4015	Castalia Nipponbashi Kouzu	April 1, 2010	3,570	1.4%

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4016	Castalia Maruyama Urasando	April 1, 2010	411	0.2%		
4017	Castalia Maruyama Omotesando	April 1, 2010	1,740	0.7%		
4018	Castalia Higashi Hie	April 1, 2010	960	0.4%		
4019	Castalia Tower Nagahoribashi	April 1, 2010	3,400	1.3%		
4020	Castalia Sannomiya	April 1, 2010	1,230	0.5%		
4021	Castalia Kotodaikoen	April 1, 2010	481	0.2%		
4022	Castalia Ichibancho	April 1, 2010	783	0.3%		
4023	Castalia Omachi	April 1, 2010	656	0.3%		
4024	Castalia Uemachidai	April 1, 2010	2,190	0.9%		
4025	Castalia Tower Higobashi	April 1, 2010	2,670	1.0%		
4026	Big Tower Minami Sanjo	November 1, 2010	1,740	0.7%		
4027	Castalia Fushimi	January 14, 2011	2,260	0.9%		
4028	Castalia Meieki Minami	August 1, 2011	720	0.3%		
4029	Castalia Yakuin	September 26, 2011	930	0.4%		
4030	Castalia Mibu	December 22, 2011	1,193	0.5%		
4031	Castalia Tsutsujigaoka	September 3, 2012	1,209	0.5%		
4032	Castalia Ohori Bay Tower	March 25, 2013	2,910	1.1%		
4033	Royal Parks Namba	March 29, 2013	2,830	1.1%		
4034	Castalia Shigahondori	June 26, 2013	1,730	0.7%		
4035	Castalia Kyoto Nishioji	November 2, 2015 (planned)	973	0.4%		
Subtotal			49,093	19.2%		
Subtotal			254,319	99.2%		
Residential	Area 3	6001	Urban Living Inage	June 24, 2013	930	0.4%
		6002	Aburatsubo Marina HILLS	September 1, 2014	1,100	0.4%
(Residential properties for the elderly)		Subtotal			2,030	0.8%
Total			256,349	100.0%		

(Note 1) Under “Area,” “Area 1” refers to the 5 major wards of Tokyo (Chiyoda, Chuo, Minato, Shibuya and Shinjuku Wards), “Area 2” refers to the wards of Tokyo excluding “Area 1,” “Area 3” refers to the Tokyo metropolitan area (Tokyo (excluding “Areas 1” and “Area 2”), Kanagawa, Saitama and Chiba Prefectures), and “Area 4” refers to other cities (areas with populations of approximately 100,000 people or more).

(Note 2) “Acquisition Date (planned)” is entered as the effective date of the merger (April 1, 2010) for properties that were held by the former New City Residence Investment Corporation.

(Note 3) “Acquisition Price (planned)” is excluding such amounts as expenses related to acquisition, reimbursement of taxes and dues, etc., and consumption taxes. For properties that were held by the former New City Residence Investment Corporation, the price at which the properties were succeeded at the time of the merger (the appraisal value as of February 28, 2010) is shown. Amounts are rounded to the nearest million yen.

(Note 4) “Investment Share” is the ratio of the acquisition price to the total amount of acquisition prices, rounded to one decimal place.

2. Photograph of the Property Planned for Acquisition



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