

February 22, 2021

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”) announces today that it has decided to borrow 7,814 million yen in total (hereinafter referred to as the “Financing”) and repay 2,070 million yen of existing borrowings prior to the due date (hereinafter referred to as the “Early Repayment”) and collectively referred to as the “Financing, etc.” together with the Financing).

I. The Financing, etc.

1. Borrowing of Funds

(1) Reason for the Borrowings

- (i) The fund is to be appropriated for the asset acquired on December 28, 2020 (hereinafter referred to as the “latest acquired asset”) and the asset to be acquired on March 1, 2021 ((Tentative name) Minamioi Project, hereinafter referred to as the “asset to be acquired”) (The latest acquired asset was temporarily acquired with cash on hand). As for the latest acquired asset, please refer to the press release dated December 23, 2020, entitled “Notice Concerning Acquisition of Asset (Hulic Residence Senriyama)”, and as for the asset to be acquired, please refer to the release “Notice Concerning Acquisition of Assets (Solid Magome and 6 Other Properties)” announced on October 21, 2020.
- (ii) The fund is to be appropriated for the early repayment of existing borrowing of 6,814 million yen due on March 22, 2021.

(2) Summary of Borrowings

The Investment Corporation has decided to borrow a total of 7,814 million yen from financial institutions with existing transactions and new these.

Individual loans

Individual Loans for the Use of (i)

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
The Bank of Kyoto, Ltd.	500	3-month JBA Japanese Yen TIBOR+0.5075% (Note)	February 26, 2021	Unsecured, Lump-sum repayment	August 31, 2028
The Higo Bank, Ltd.	500	3-month JBA Japanese Yen TIBOR+0.5325% (Note)	March 1, 2021		February 28, 2029

(Note) The Interest Payment Date is the last day of February, May, August, and November of each year after May 31, 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.

Individual Loans for the Use of (ii)

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
Sumitomo Mitsui Banking Corporation	666	3-month JBA Japanese Yen TIBOR+0.5075% (Note)	March 22, 2021	Unsecured, Lump-sum repayment	September 29, 2028
	1,500	3-month JBA Japanese Yen TIBOR+0.5575% (Note)			September 28, 2029

(Note) The Interest Payment Date is the last day of March, June, September, and December of each year after March 31, 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.

Term Loan LL

Term Loans for the Use of (ii)

Lenders	Amount of borrowing (JPY million)	Interest rate	Drawdown date	Method	Due date
MUFG Bank, Ltd.	2,094	3-month JBA Japanese Yen TIBOR+0.5075% (Note)	March 22, 2021	Unsecured, Lump-sum repayment	September 29, 2028
Shinsei Bank, Limited					
Aozora Bank, Ltd.					
MUFG Bank, Ltd.	2,554	3-month JBA Japanese Yen TIBOR+0.5575% (Note)			September 28, 2029
Aozora Bank, Ltd.					

(Note) The Interest Payment Date is the last day of March, June, September, and December of each year after March 31, 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.

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	MUFG Bank, Ltd.	Sumitomo Mitsui Banking Corporation	MUFG Bank, Ltd.
Amount of borrowing (JPY million)	1,000	700	370
Amount of repayment (JPY million)	1,000	700	370
Drawdown date	July 27, 2020		December 10, 2020
Due date	July 27, 2021		November 30, 2021
Repayment date	February 26, 2021		
Repayment source	Funds procured through the investment corporation bonds issued on January 28, 2021 and February 9, 2021 (Note)		
Security	Unsecured and unguaranteed		

(Note) As for the funds procured through the investment corporation bonds, please refer to the press release, “Notice Concerning Issuance of Investment Corporation Bonds” announced on January 21, 2021.

3. The Date of the Agreement

February 22, 2021

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

(Unit: JPY million)

	Before the Financing, etc. (February 25, 2021)	After the Financing, etc. (March 22, 2021)	Change
Short-term borrowings (Note1)	2,070	-	▲ 2,070
Long-term borrowings (Note1)	150,637	151,637	1,000
(Long-term borrowings due within one year) (Note2)	17,014	13,700	▲ 3,314
Total borrowings	152,707	151,637	▲ 1,070
Investment corporation bonds	20,100	20,100	0
Total interest-bearing debt	172,807	171,737	▲ 1,070

(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

There is minimal impact from the Financing, etc. on asset management conditions for the fiscal period ending March 31, 2021 (October 1, 2020 to March 31, 2021) and the fiscal period ending September 30, 2021 (April 1, 2021 to September 30, 2021).

IV. Other

As for risks pertaining to the Financing etc., there are no material changes to the “Investment risks” stated in the 29th Financial Period Securities Report submitted on December 23, 2020.