

April 30, 2025

To All Concerned Parties

REIT Issuer: Daiwa Securities Living Investment Corporation  
 6-2-1 Ginza, Chuo-ku, Tokyo 104-0061  
 Tetsuo Akuzawa, Executive Director  
 (Securities Code: 8986)  
 Asset Manager: Daiwa Real Estate Asset Management Co. Ltd.  
 Yoshiki Nishigaki, President and Representative Director  
 Inquiries: Kentaro Azumi, General Manager, Acquisition and Asset  
 Management Division  
 Tel: +81-3-6757-9680

## Notice Concerning Disposition of Domestic Trust Beneficiary Interests (3 Healthcare Facilities)

Daiwa Securities Living Investment Corporation (hereinafter referred to as the “Investment Corporation”) hereby announces that Daiwa Real Estate Asset Management Co. Ltd. (hereinafter referred to as the “Asset Manager”), the asset manager of the Investment Corporation, has resolved to dispose the following properties (hereinafter referred to as the “Disposition”). Details are provided below.

### I. General Outline of the Disposition

A general outline of the properties to be disposed of is detailed in the table below. On April 30, 2025, the Investment Corporation has concluded a sale agreement with the transferee for the Disposition, and the Disposition is scheduled to take place on May 30, 2025.

No.	Name of property (Location)	Book value (as of the end of September 2024) (A) (JPY thousand)	Appraisal value (as of the end of September 2024) (B) (JPY thousand)	Difference between book value and appraisal value (B) - (A) (JPY thousand)	Anticipated disposition Price (JPY thousand) (Note1)	Profit or Loss on Transfer (JPY thousand) (Note2)	Transferee
1	Sawayaka Kaikyokan (Kitakyushu, Fukuoka)	777,605	991,000	213,394	1,030,000	239,393	Undisclosed (Note 3)
2	Sawayaka Hinodekan (Niigata, Niigata)	829,966	926,000	96,033	970,000	129,043	
3	Silver Heights Hitsujigaoka No.3 (Sapporo, Hokkaido)	1,275,138	1,380,000	104,861	1,460,000	171,910	
	Total	2,882,709	3,297,000	414,290	3,460,000	540,346	

(Note 1) The anticipated disposition price excludes disposition-related costs, fixed asset tax and city planning tax adjustments and national and local consumption taxes; the same shall apply hereinafter.

(Note 2) The profit or loss on transfer is a reference figure calculated as the difference between the anticipated disposition price, book value (as of the end of September 2024) and disposition-related expenses at the time, and may differ from the actual profit or loss on transfer.

(Note 3) The transferee in the Disposition is not disclosed as the consent has not been obtained. The seller, the Investment Corporation, does not fall under the category of “interested party, etc.” under the Enforcement Order of the Law Concerning Investment Trusts and Investment Corporations, nor does it fall under the category of “interested party, etc.” as stipulated in the Rules for Prevention of Conflicts of Interest, which are the internal rules of the Asset Manager.

(Note 4) There is no intermediary involved in the Disposition.

(Note 5) Amounts are rounded to the nearest unit and percentages are rounded to the first decimal place. Unless stated otherwise, the same applies hereinafter.

### II. Reason for the Disposition

Based on the asset management objectives and policies set forth in the Investment Corporation Agreement, the Investment Corporation conducts business to ensure the steady growth of assets under management and stable earnings over the medium to long term.

The properties to be disposed have been selected after comprehensively considering the prospects for the future profitability, size and location of the properties and current trends in the real estate sales market, among other factors. The decision has been made to proceed with the Disposition since the total price offered by the transferee for the

properties to be disposed exceeded the most recent book values and real estate appraisal values; hence the Disposition would enhance investors' value.

### III. Details of the Disposition

Unless otherwise noted, information on the date of appraisal regarding the appraisal value and total leased area is as of September 30, 2024. Total rental revenue and lease/guarantee deposits are not disclosed, as the tenant has not provided.

Name of Property (Property No.)	Sawayaka Kaikyokan (H-2-002)				
Type of Asset	Trust beneficiary interests				
Type of Ownership	Proprietary ownership				
Location	1-11-13, Hamamachi, Wakamatsu-ku, Kitakyushu-shi, Fukuoka				
Use	Nursing home				
Constructed	October 23, 2003				
Appraisal Value	991,000 thousand yen				
Appraiser	Japan Real Estate Institute				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed				
Lease Deposits and Guarantee Deposits	Undisclosed				
Total Leasable Area	2,694.42 m <sup>2</sup>				
Total Leased Area	2,694.42 m <sup>2</sup>				
Changes in Occupancy Rate	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Sawayaka Hinodekan (H-2-005)				
Type of Asset	Trust beneficiary interests				
Type of Ownership	Proprietary ownership				
Location	2-2-33, Hinode, Chuo-ku, Niigata-shi, Niigata				
Use	Nursing home				
Constructed	July 11, 2007				
Appraisal Value	926,000 thousand yen				
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed				
Lease Deposits and Guarantee Deposits	Undisclosed				
Total Leasable Area	2,674.37 m <sup>2</sup>				
Total Leased Area	2,674.37 m <sup>2</sup>				
Changes in Occupancy Rate	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Silver Heights Hitsujigaoka No.3 (H-2-008)				
Type of Asset	Trust beneficiary interests				
Type of Ownership	Proprietary ownership				
Location	15-4-38, Tsukisamuhigashi4-jo, Toyohira-ku, Sapporo-shi, Hokkaido				
Use	Condominium				
Constructed	April 18, 2003				
Appraisal Value	1,380,000 thousand yen				
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed				
Lease Deposits and Guarantee Deposits	Undisclosed				
Total Leasable Area	7,267.56 m <sup>2</sup>				
Total Leased Area	7,267.56 m <sup>2</sup>				
Changes in Occupancy Rate	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024
	100%	100%	100%	100%	100%

## IV. Profile of the Counterparty

The information regarding the planned transferee for the Disposition, a domestic business entity, is not disclosed since the consent for the disclosure has not been obtained. The undisclosed company has no capital, personnel, or business relationships with the Investment Corporation/the Asset Manager and is not related parties of either the Investment Corporation or the Asset Manager.

In addition, the undisclosed company does not fall under the category of “interested party, etc.” under the Enforcement Order of the Law Concerning Investment Trusts and Investment Corporations, and the category of “interested party, etc.” as stipulated in the Rules for Prevention of Conflicts of Interest, which are the internal rules of the Asset manager.

## V. Schedule of the Disposition

- Decision of disposition and conclusion of disposition agreement: April 30, 2025
- Receipt and delivery: May 30, 2025

## VI. Settlement Method

A lump-sum settlement shall be made at the time of the Disposition.

## VII. Forecasts

The Disposition will have no impact on the operating forecast for the fiscal period ending March 2025 (38th fiscal period), as the scheduled disposition date is May 30, 2025. Furthermore, in the fiscal period ending September 2025 (39th fiscal period), a gain of JPY 2,002 million is expected on the Disposition to be recorded. However, the forecast for the operational result and distributions for that period is currently under review and is scheduled to be announced at the time of the financial results announcement for the fiscal period ending March 2025 (38th period), which is scheduled for May 22, 2025.

## VIII. Summary of Appraisal Report

Property Name		Sawayaka Kaikyokan		
Appraisal Value		JPY 991,000,000		
Appraiser		Japan Real Estate Institute		
Date of Appraisal		September 30, 2024		
Item		Details	Overview, etc.	
Value indicated by income approach		JPY thousand	991,000	-
Value indicated by the Direct Capitalization Method		JPY thousand	996,000	-
(1) Total Operating Income: (a)-(b)		JPY thousand	Undisclosed	(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.
(a) Rental revenues including common service fees		JPY thousand	Undisclosed	
(a) Parking fees		JPY thousand	Undisclosed	
(a) Other revenues		JPY thousand	Undisclosed	
(b) Losses from vacancies		JPY thousand	Undisclosed	
(b) Bad debt losses		JPY thousand	Undisclosed	
(2) Total Operating Expenses		JPY thousand	Undisclosed	
Operation costs		JPY thousand	Undisclosed	
Utilities		JPY thousand	Undisclosed	
Repairs and maintenance expense		JPY thousand	Undisclosed	
Property management fees		JPY thousand	Undisclosed	
Tenant promotion fees, etc.		JPY thousand	Undisclosed	
Taxes and public dues		JPY thousand	Undisclosed	
Nonlife insurance		JPY thousand	Undisclosed	
Other expenses		JPY thousand	Undisclosed	
(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	51,126	-
(4) Lump-sum Investment Return		JPY thousand	237	Investment income is appraised assuming an investment yield of 1.0%.
(5) Capital Expenditure		JPY thousand	2,568	Appraised, taking into account the level of capital expenditure of similar properties, the property age, and the average annual amount of repair and renewal expenses in the engineering report, etc.
(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	48,795	-
(7) Capitalization Rate		(%)	4.9	Appraised after adding/subtracting the spread resulting from the subject property's location, building conditions, and other conditions, as well as taking into account future uncertainties and transaction yields on similar properties, etc.
Value Indicated by DCF Method		JPY thousand	985,000	-
Discount Rate		(%)	4.7	Appraised by comprehensively taking into account the individual characteristics of the subject property, etc., with reference to the investment cap rate, etc. of similar properties.
Terminal Capitalization Rate		(%)	5.0	Appraised by comprehensively considering future trends of investment yields, riskiness of the subject property as an investment, general forecasts of future economic growth rates, and trends of real estate prices and rents, etc., with reference to the transaction yields of similar properties.
Value indicated by cost approach		JPY thousand	584,000	-
Land Ratio		(%)	17.5	-
Property Ratio		(%)	82.5	-
Other items of note by appraiser		None		

# 大和証券リビング投資法人

Daiwa Securities Living Investment Corporation

Property Name		Sawayaka Hinodekan		
Appraisal Value		JPY 926,000,000		
Appraiser		DAIWA REAL ESTATE APPRAISAL CO., LTD.		
Date of Appraisal		September 30, 2024		
Item		Details	Overview, etc.	
Value indicated by income approach		JPY thousand	926,000	-
Value indicated by the Direct Capitalization Method		JPY thousand	938,000	-
(1) Total Operating Income: (a)-(b)		JPY thousand	Undisclosed	(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.
(a)	Rental revenues including common service fees	JPY thousand	Undisclosed	
	Parking fees	JPY thousand	Undisclosed	
	Other revenues	JPY thousand	Undisclosed	
(b)	Losses from vacancies	JPY thousand	Undisclosed	
	Bad debt losses	JPY thousand	Undisclosed	
(2) Total Operating Expenses		JPY thousand	Undisclosed	
Operation costs		JPY thousand	Undisclosed	
Utilities		JPY thousand	Undisclosed	
Repairs and maintenance expense		JPY thousand	Undisclosed	
Property management fees		JPY thousand	Undisclosed	
Tenant promotion fees, etc.		JPY thousand	Undisclosed	
Taxes and public dues		JPY thousand	Undisclosed	
Nonlife insurance		JPY thousand	Undisclosed	
Other expenses		JPY thousand	Undisclosed	
(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	46,307	-
(4) Lump-sum Investment Return		JPY thousand	221	Investment income is appraised assuming an investment yield of 1.0%.
(5) Capital Expenditure		JPY thousand	1,513	The annual average amount of mid- to long-term renewal costs described in the ER was determined to be appropriate and recorded.
(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	45,015	-
(7) Capitalization Rate		(%)	4.8	Based on the method of comparing with transaction cases of similar real estate as a standard, we considered various factors related to location conditions, building conditions, contract conditions, and other conditions, and also used interviews with investors as a reference.
Value Indicated by DCF Method		JPY thousand	921,000	-
Discount Rate		(%)	4.6	Assessed the discount rate, taking into account discount rates used in transactions of similar properties, comparison with yields from other financial instruments and so forth.
Terminal Capitalization Rate		(%)	5.0	Assessed terminal capitalization rate, taking into account factors such as the marketability of the property at the maturity of the holding period in relation to capitalization rate.
Value indicated by cost approach		JPY thousand	670,000	-
Land Ratio		(%)	60.8	-
Property Ratio		(%)	39.2	-
Other items of note by appraiser		None		

Property Name	Silver Heights Hitsujigaoka No.3
Appraisal Value	JPY 1,380,000,000
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Date of Appraisal	September 30, 2024

Item	Details	Overview, etc.	
Value indicated by income approach	JPY thousand	1,380,000	-
Value indicated by the Direct Capitalization Method	JPY thousand	1,400,000	-
(1) Total Operating Income: (a)-(b)	JPY thousand	Undisclosed	(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.
(a) Rental revenues including common service fees	JPY thousand	Undisclosed	
(a) Parking fees	JPY thousand	Undisclosed	
(a) Other revenues	JPY thousand	Undisclosed	
(b) Losses from vacancies	JPY thousand	Undisclosed	
(b) Bad debt losses	JPY thousand	Undisclosed	
(2) Total Operating Expenses	JPY thousand	Undisclosed	
Operation costs	JPY thousand	Undisclosed	
Utilities	JPY thousand	Undisclosed	
Repairs and maintenance expense	JPY thousand	Undisclosed	
Property management fees	JPY thousand	Undisclosed	
Tenant promotion fees, etc.	JPY thousand	Undisclosed	
Taxes and public dues	JPY thousand	Undisclosed	
Nonlife insurance	JPY thousand	Undisclosed	
Other expenses	JPY thousand	Undisclosed	
(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	68,162	-
(4) Lump-sum Investment Return	JPY thousand	422	Investment income is appraised assuming an investment yield of 1.0%.
(5) Capital Expenditure	JPY thousand	4,100	Appraised and recorded based on the level of renewal cost of similar real estate.
(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	64,485	-
(7) Capitalization Rate	(%)	4.6	Based on the method of comparing with transaction cases of similar real estate as a standard, we considered various factors related to location conditions, building conditions, contract conditions, and other conditions, and also used interviews with investors as a reference.
Value Indicated by DCF Method	JPY thousand	1,370,000	-
Discount Rate	(%)	4.4	Assessed the discount rate, taking into account discount rates used in transactions of similar properties, comparison with yields from other financial instruments and so forth.
Terminal Capitalization Rate	(%)	4.8	Assessed terminal capitalization rate, taking into account factors such as the marketability of the property at the maturity of the holding period in relation to capitalization rate.
Value indicated by cost approach	JPY thousand	1,830,000	-
Land Ratio	(%)	66.1	-
Property Ratio	(%)	33.9	-
Other items of note by appraiser	None		

(Additional Material) Overview of the Portfolio accompanying the Disposition

<Number of properties, etc.>

	Properties owned as of today (a)	Assets to be disposed (b)	(a) - (b)
Total number of properties	245 properties	3 properties	242 properties
Total number of leasable units	18,307 units	224 units	18,083 units
Total leasable area	750,329.52 m <sup>2</sup>	12,636.35 m <sup>2</sup>	737,693.17 m <sup>2</sup>

<Asset size, etc.>

	Properties owned as of today (a)	Assets to be disposed (b)	(a) - (b)
Total (anticipated) acquisition price	JPY 399.0 billion	JPY 3.1 billion	JPY 395.9 billion
Appraisal value	JPY 489.7 billion	JPY 3.2 billion	JPY 486.4 billion

(Note 1) “Total (anticipated) acquisition price is calculated based on the (anticipated) acquisition price.

(Note 2) The appraised value includes the appraised value as of September 1, 2024, for Gran Casa Higashinakano and Gran Casa Ayase, as of March 1, 2025, for Gran Casa Saitamashintoshin, as of February 1, 2025, for Gran Casa Sendai Bansui Dori, Serenite Nihonbashi Miracle and Gran Casa Kawaguchi Namiki, and as of September 30, 2024, for other properties.

<Amount and rate of investment by type (based on anticipated acquisition price) >

	Properties owned as of today (a)	Assets to be disposed (b)	(a) - (b)
Studio	JPY 209.1 billion (52.4 %)	-	JPY 209.1 billion (52.8 %)
Family	JPY 79.7 billion (20.0 %)	-	JPY 79.7 billion (20.1 %)
Healthcare	JPY 110.1 billion (27.6 %)	JPY 3.1 billion	JPY 106.9 billion (27.0 %)

End