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For Immediate Release

Investment Corporation:

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Notice Concerning Acquisition and Disposition of Trust Beneficiary Interests in Domestic Real Estate and Disposition of Domestic Real Estate

Daiwa House REIT Investment Corporation (“DHR”) hereby announces the decisions made today by Daiwa House Asset Management Co., Ltd. (the “Asset Manager”), the asset manager to which DHR entrusts the management of its assets, regarding the acquisition and the disposition of the following assets (respectively the “Acquisition” and the “Disposition,” and collectively the “Transactions”) by DHR as described below.

The decision on the disposition of Hapias Kaita (Land) among the Anticipated Dispositions has been approved by the board of directors of DHR based on the Act on Investment Trust and Investment Corporations (Act No. 198 of 1951, as amended, the “Investment Trust Act”) and the Asset Manager’s voluntary rules regarding interested-party transactions.

1. Acquisition overview

(1) Anticipated Acquisition

Property number	Property name	Asset class	Location	Anticipated date of acquisition	Anticipated acquisition price (million yen) (Note 1)	Appraisal value (million yen) (Note 2)	NOI yield (Note 3)
HO-010	MIMARU Tokyo Ikebukuro	Hotel	Toshima Ward, Tokyo	September 1, 2026	11,502	17,200	5.8%

(Note 1) “Anticipated acquisition price” excludes such amounts as expenses related to acquisition, amounts equivalent to reimbursement of taxes and dues, etc., and amount equivalent to consumption taxes.

(Note 2) “Appraisal value” is as of June 30, 2026.

(Note 3) “NOI yield” is represented by a figure calculated by dividing the net operating income, calculated by deducting operating expenses from operating revenue based on a direct capitalization method, as stated in the appraisal report (as of June 30, 2026), by the anticipated acquisition price.

- (2) Anticipated execution date of the sale and purchase agreement : September 1, 2026
- (3) Seller : Fuyo General Lease Co., Ltd.
- (4) Acquisition funds : Part of the proceeds from the Disposition and cash reserves
- (5) Method of settlement : Payment of entire amount upon transfer
- (6) Intermediary : None

2. Disposition overview

(1) Anticipated Dispositions

Property name	Anticipated date of disposition	Anticipated sale price (million yen) (Note 3)	Anticipated book value (million yen) (Note 4)	Gain or loss on sale (planned) (million yen) (Note 5)
Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi) (Note 1)	(1) August 31, 2026	Total 10,600	Total 6,647	Total 3,896
	(2) September 1, 2026	(1) 2,120	(1) 1,344	(1) 764
	(3) August 31, 2027	(2) 2,120	(2) 1,349	(2) 759
	(4) September 1, 2027	(3) 2,120	(3) 1,325	(3) 783
	(4) September 1, 2027	(4) 2,120	(4) 1,325	(4) 783
	(5) August 31, 2028	(5) 2,120	(5) 1,302	(5) 806
D Project Inuyama (Building B) (Note 2)	September 1, 2026	2,520	1,949	557
Hapias Kaita (Land)	September 28, 2026	1,590	1,471	114
Total		14,710	10,068	4,568

Property name	Property number	Asset class	Appraisal value (million yen) (Note 6)	Buyer
Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)	OT-003	Other	8,790	ORIX JREIT Inc.
D Project Inuyama (Building B)	LB-009	Logistics (BTS type)	2,520	Not disclosed (Note 7)
Hapias Kaita (Land)	RR-009	Retail	1,590	Daiwa House Realty Mgt. Co., Ltd.
Total			12,900	

(Note 1) As for Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi), DHR owns 50% quasi co-ownership interest in trust beneficiary interest in real estate. DHR plans to dispose of 10% quasi co-ownership interest in each of five transactions.

(Note 2) D Project Inuyama consists of two buildings (Building A and Building B) and their respective land, and trust beneficiary interests have been established for each building and its corresponding land. In this press release, out of the two trust beneficiary interests, information is provided on the trust beneficiary interest in Building B scheduled to be disposed of. The same applies hereinafter.

(Note 3) “Anticipated sale price” excludes such amounts as expenses related to disposition, amounts equivalent to reimbursement of taxes and dues, etc., and amount equivalent to consumption taxes.

(Note 4) “Anticipated book value” is as of each anticipated date of disposition.

(Note 5) “Gain or loss on sale (planned)” represents an approximate reference figure calculated at this time as the difference between the anticipated sale price and the sum of the anticipated book value and disposition-related expenses; therefore, the actual gain or loss on sale is subject to change.

(Note 6) “Appraisal value” is as of February 28, 2026.

(Note 7) Not disclosed as consent for disclosure has not been obtained from the buyer.

- (2) Anticipated execution date of the sale and purchase agreements : Please see “10. Disposition schedule” below
- (3) Method of settlement : Payment of entire amount upon transfer
- (4) Intermediary : None

3. Rationale for the Transactions

As part of the external growth strategy, DHR is promoting continuous property replacement to improve portfolio quality by enhancing profitability and rejuvenating portfolio age.

For property acquisitions, DHR is particularly focused on pursuing opportunities to acquire hotel and residential properties with upside potential in future earnings through internal growth. The Anticipated Acquisition is a hotel located approximately a five-minute walk from Ikebukuro Station, a major transit hub station in central Tokyo. Offering a high appraisal NOI yield of 5.8% and built only four years ago, the property is highly inflation resistant by featuring a combination of a fixed rent and a variable rent linked to the gross operating profit (GOP). Considering the competition to acquire quality hotel properties is intensifying on the back of the post-covid recovery in business-related demand and increasing inbound tourism demand, DHR has judged acquisition of the Anticipated Acquisition with internal growth potential through the pipeline of Daiwa House Group will further

increase the stability of cash flow and improve portfolio diversification.

For property dispositions, DHR aims to dispose of the BTS type logistics properties, land properties and other properties with limited internal growth potential, return the abundant gain on the properties to the unitholders and improve the quality of our portfolio. DHR will conduct the Disposition in line with our growth strategy to pursue higher rents and target a highly inflation-resistant portfolio. The following factors were considered for each of the Anticipated Dispositions.

- (1) Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)
DHR and ORIX JREIT Inc. each own 50% quasi co-ownership interest in trust beneficiary interest in the property. The property is now 15 years old, and we are coming close to the point where we must make prompt decisions regarding capital expenditure and operational policies of the property going forward. In the course of discussions with ORIX JREIT Inc., quasi co-owner of the property, on the future management of the property, we have decided to sell our 50% quasi co-ownership interest to ORIX JREIT Inc. to centralize the management of the property.
- (2) D Project Inuyama (Building B)
The property is a BTS type logistics property consisting of two buildings: Building A which was acquired earlier and Building B which was acquired additionally. We have identified the BTS type logistics properties with limited internal growth potential as targets for sale and decided to sell Building B of the two buildings this time.
- (3) Hapias Kaita (Land)
The property is the land underlying a roadside retail property housing a food supermarket and other tenants. While earnings of the property have been stable with a fixed rent and long-term lease agreement, we have decided to sell the property to Daiwa House Realty Mgt. Co., Ltd., the owner of the building of the subject retail property and the lessee of the property, in accordance with our property replacement strategy.

DHR plans to return the gain on sale of the Disposition as distributions to unitholders and utilize the remainder of the net proceeds to various initiatives attentive to capital cost. While a total of 4.5 billion yen of gain on sale by the Disposition is expected, disposition of Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi) will be executed over five fiscal periods starting from the fiscal period ending August 31, 2026 to the fiscal period ending August 31, 2028, to stagger the timing of the dispositions, level off gain on sale and contribute to raising distribution levels continuously.

4. Details of the Anticipated Acquisition

Property number		MIMARU Tokyo Ikebukuro	Asset class	Hotel
HO-010			Type	-
Anticipated date of acquisition		September 1, 2026	Anticipated acquisition price	11,502 million yen
Overview of specified asset				
Type of specified asset		Trust beneficiary interest in real estate		
Trustee		Sumitomo Mitsui Trust Bank, Limited		
Trust maturity date		August 31, 2036		
Location	Lot number	2-61-1, Ikebukuro, Toshima Ward, Tokyo		
	Residence indication	2-61-1, Ikebukuro, Toshima Ward, Tokyo		
Land	Type of ownership	Ownership		
	Land area	770.23 m ²		
	Area classification	Retail district		
	Building coverage ratio	80%		
	FAR	600%/800%		
Building	Type of ownership	Ownership		
	Gross floor area	5,958.88 m ²		
	Use	Hotel and parking		
	Structure	Steel-frame building		
	Number of floors	14 floors		

	Date of construction		April 28, 2022			
Collateral		None				
Overview of building condition evaluation						
Evaluation company		Tokio Marine dR Co., Ltd.				
Urgent repair costs		0 thousand yen	Evaluation date		July 2026	
Short-term repair costs		0 thousand yen	PML		1.7%	
Long-term repair costs		188,632 thousand yen / 12 years				
Soil contamination inspector						
Inspector		Tokio Marine dR Co., Ltd.				
Designer, structural designer, contractor, inspection agency						
Designer		Daiwa House Industry Co., Ltd.				
Structural designer		Daiwa House Industry Co., Ltd.				
Contractor		Daiwa House Industry Co., Ltd.				
Inspection agency		Urban Architecture Confirmation Center				
Structural calculation evaluation agency		Urban Housing Evaluation Center				
Overview of leasing (Note)						
Leasable area		5,857.06 m ²	Number of tenants		1	
Leased area		5,857.06 m ²	Tenant leasehold and security deposit		95,037 thousand yen	
Occupancy rate		100.0%				
Annual rent		Fixed rent: 247,795 thousand yen Variable rent: Calculated each month by the following formula and added to fixed rent (Monthly GOP - monthly fixed rent) multiplied by 56.55%				
Historical occupancy rate		February 2024	August 2024	February, 2025	August, 2025	February, 2026
		100.0%	100.0%	100.0%	100.0%	100.0%
Master lease company			Daiwa House Realty Mgt. Co., Ltd.			
Master lease type			Pass-through type			
Property management company			Daiwa House Realty Mgt. Co., Ltd.			
Lessee			Cosmos Hotel Management Co., Ltd.			
Contract form			Fixed-term building lease agreement			
Contract period			From September 1, 2026 to March 31, 2044			
Special items						
None						
Property characteristics						
■ Location						
The property is located approximately a five-minute walk from Ikebukuro Station, a major transit hub served by eight railway lines including JR Yamanote Line and Tokyo Metro Marunouchi Line. Several department stores and large-sized retail facilities are concentrated centered around Ikebukuro Station, and Ikebukuro area is popular also among inbound tourists as a mecca for pop culture such as anime and manga, enabling the entire Ikebukuro area to enjoy high ADR and occupancy rates. With Tokyo Metropolitan Theatre and Rikkyo University located nearby, the west side of Ikebukuro Station where the property is located has a distinctive cultural character and a certain sense of calm compared to the east side of Ikebukuro Station where retail and entertainment functions are concentrated, making it popular among hotel guests looking for transportation convenience, peace and safety.						
■ Property characteristics						
The property is an apartment hotel with 107 guest rooms and a room area of 45m ² on average accommodating four to six people per room, and all the guest rooms are equipped with a kitchen, catering to needs from inbound and domestic leisure tourists as well as for medium-to long-term stays. Free space, laundromats and vending machines are located on the second floor.						
■ Brand of the hotel						
The hotel brand “MIMARU” is an urban apartment hotel suitable for long-term stays with a room area of 40 m ² or more, and all rooms can accommodate several people. MIMARU hotels are located within a five-minute walk from major urban stations. All guest rooms have a small kitchen, with dishes and cooking utensils always available, and a capacity of four people or more per room. The hotel brand primarily targets inbound tourists staying for medium-to long-term stays.						

(Note) “Overview of leasing” is based on information anticipated as of September 1, 2026, which is the anticipated date of acquisition.

5. Details of the Anticipated Dispositions

Property number		Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)		Asset class		Other Asset	
OT-003				Acquisition price		7,600 million yen	
Type of specified asset				Trust beneficiary interest in real estate (Note 1)			
Trustee				Sumitomo Mitsui Trust Bank, Limited			
Trust maturity date				September 30, 2036			
Location	Lot number		1-1-2, Omoromachi, Naha City, Okinawa				
	Address		1-1-12, Omoromachi, Naha City, Okinawa				
Land	Type of ownership		Ownership (Note 1)				
	Land area		7,880.42 m ²				
	Area classification		Neighborhood commercial district				
	Building coverage ratio		80%				
	FAR		400%				
Building	Type of ownership		Stratified ownership (Note 1)				
	Gross floor area		34,180.43 m ² (Note 2)				
	Use		Office, retail, hotel				
	Structure		Steel-frame building				
	Number of floors		19 floors with 1 basement floor (Note 3)				
	Date of construction		July 14, 2011				
Collateral			None				
Overview of leasing (as of February 28, 2026)							
Leasable area		13,480.00 m ²		Number of tenants		1 (21 end tenants)	
Leased area		13,230.16 m ²		Annual rent		588 million yen	
Occupancy rate		98.1%		Tenant leasehold and security deposit		524 million yen	
Historical occupancy rate	February 2024	August 2024	February 2025		August 2025	February 2026	
	100.0%	99.4%	100.0%		100.0%	98.1%	
Master lease company			Daiwa LifeNext Co., Ltd.				
Master lease type			Pass-through type				
Property management company			Daiwa LifeNext Co., Ltd.				
Lessee			-				
Special items	DHR owns 50% quasi co-ownership interest in trust beneficiary interest in real estate. The other quasi co-owner is ORIX JREIT Inc. DHR has concluded a “Quasi Co-Ownership Agreement” with the other quasi co-owner regarding the future operation of the property.						

(Note 1) DHR owns 50% quasi co-ownership interest in trust beneficiary interest in real estate. The building of this property is registered as a stratified ownership building, and the land of the property is registered as the right of site of such stratified ownership building. The trust beneficiary interest includes both the stratified ownership interest and the right of site.

(Note 2) Gross floor area of the entire property on the real estate registry and not the gross floor area of the portion of the stratified ownership building owned.

(Note 3) Structure and number of floors of the entire property based on the real estate registry.

Property number		D Project Inuyama (Building B)	Asset class	Logistics (BTS type)
LB-001			Acquisition price	2,100 million yen
Type of specified asset		Trust beneficiary interest in real estate		
Trustee		Mitsubishi UFJ Trust and Banking Corporation		
Trust maturity date		April 30, 2038		
Location	Lot number	5-45, Aza Takanebora, Inuyama City, Aichi		
	Address	5-45, Aza Takanebora, Inuyama City, Aichi		
Land	Type of ownership	Ownership		
	Land area	10,497.00 m ²		
	Area classification	Exclusive industrial district		

	Building coverage ratio	60%			
	FAR	200%			
Building	Type of ownership	Ownership			
	Gross floor area	9,900.00 m ²			
	Use	Working space, office			
	Structure	Steel-frame building			
	Number of floors	3 floors			
	Date of construction	January 17, 2012			
Collateral		None			
Overview of leasing (as of February 28, 2026)					
Leasable area		10,474.10 m ²	Number of tenants		1
Leased area		10,474.10 m ²	Annual rent		Not disclosed (Note)
Occupancy rate		100.0%	Tenant leasehold and security deposit		Not disclosed (Note)
Historical occupancy rate	February 2024	August 2024	February 2025	August 2025	February 2026
	100.0%	100.0%	100.0%	100.0%	100.0%
Master lease company			-		
Master lease type			-		
Property management company			Daiwa House Property Management Co., Ltd.		
Lessee			Not disclosed (Note)		
Special items			None		

(Note) Not disclosed as consent for disclosure has not been obtained from the lessee.

Property number		Hapias Kaita (Land)		Asset class		Retail	
RR-009				Acquisition price		1,400 million yen	
Type of specified asset			Real estate				
Trustee			-				
Trust maturity date			-				
Location	Lot number		2-1262-11, Une, Kaita-cho, Aki District, Hiroshima				
	Address		-				
Land	Type of ownership		Ownership				
	Land area		13,415.52 m ²				
	Area classification		Quasi-industrial district				
	Building coverage ratio		60%				
	FAR		200%				
Building	Type of ownership		-				
	Gross floor area		-				
	Use		-				
	Structure		-				
	Number of floors		-				
	Date of construction		-				
Collateral			None				
Overview of leasing (as of February 28, 2026)							
Leasable area		13,415.52 m ²		Number of tenants		1	
Leased area		13,415.52 m ²		Annual rent		78 million yen	
Occupancy rate		100.0%		Tenant leasehold and security deposit		64 million yen	
Historical occupancy rate	February 2024	August 2024	February 2025		August 2025	February 2026	
	100.0%	100.0%	100.0%		100.0%	100.0%	
Master lease company				-			

Master lease type	-
Property management company	-
Lessee	Daiwa House Realty Mgt. Co., Ltd.
Special items	None

6. Seller profile

(1)	Name	Fuyo General Lease Co., Ltd.
(2)	Location	5-1-1, Kojimachi, Chiyoda Ward, Tokyo
(3)	Representative	Hiroaki Oda, President and Chief Executive Officer
(4)	Business activities	General leasing business
(5)	Capital	10,532 million yen (as of March 31, 2026)
(6)	Foundation date	May 1, 1969
(7)	Net assets	568,309 million yen (as of March 31, 2026)
(8)	Total assets	3,843,725 million yen (as of March 31, 2026)
(9)	Major shareholder and shareholding ratio	Hulic Co., Ltd. 13.94% The Master Trust Bank of Japan, Ltd. (Trust Account) 8.95% Meiji Yasuda Life Insurance Company 8.45% (as of March 31, 2026)
(10)	Relationships with DHR and the Asset Manager	
	Capital relationship	There is no capital relationship requiring disclosure between DHR/the Asset Manager and the subject company.
	Personnel relationship	There is no personnel relationship requiring disclosure between DHR/the Asset Manager and the subject company.
	Business relationship	DHR acquired one property from the subject company in the fiscal period ended February 28, 2026. There is no business relationship requiring disclosure between the Asset Manager and the subject company.
	Status of classification as related party	The subject company is not a related party of DHR/the Asset Manager.

7. Buyer profile

(1) Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)

(i)	Name	ORIX JREIT Inc.
(ii)	Location	2-3-1 Hamamatsu-cho, Minato-ku, Tokyo
(iii)	Representative	Yukako Oshimi, Executive Director
(iv)	Business activities	Management of investment assets based on the Investment Trust Act primarily in real estate and other assets of specified assets
(v)	Unitholders' capital	335,757 million yen (as of February 28, 2026)
(vi)	Foundation date	September 10, 2001
(vii)	Net assets	353,645 million yen (as of February 28, 2026)
(viii)	Total assets	743,354 million yen (as of February 28, 2026)
(ix)	Major shareholder and shareholding ratio	Custody Bank of Japan, Ltd. (Trust account) 25.90% The Master Trust Bank of Japan, Ltd. (Trust account) 18.38% The Nomura Trust and Banking Co., Ltd. (Investment Trust Account) 5.49% (as of February 28, 2026)
(x)	Relationships with DHR and the Asset Manager	
	Capital relationship	There is no capital relationship requiring disclosure between DHR/the Asset Manager and the subject corporation.
	Personnel relationship	There is no personnel relationship requiring disclosure between DHR/the Asset Manager and the subject corporation.
	Business relationship	There is no business relationship requiring disclosure between DHR/the Asset Manager and the subject corporation.
	Status of classification as related party	The subject company is not a related party of DHR/the Asset Manager.

(2) D Project Inuyama (Building B)

The buyer is a domestic corporation. However, name, etc. is not disclosed as consent for disclosure has not been

obtained from the buyer. There is no capital or personnel relationship requiring disclosure between DHR/the Asset Manager and the buyer. The buyer is not an interested party of DHR/the Asset Manager or a related party of DHR/the Asset Manager.

(3) Hapias Kaita (Land)

(i)	Name	Daiwa House Realty Mgt. Co., Ltd.
(ii)	Location	3-3-21, Kanda-Misakicho, Chiyoda Ward, Tokyo
(iii)	Representative	Mitsuhiro Ito, President
(iv)	Business activities	Leasing, management and operation of commercial real estate such as retail facilities, shopping centers and office buildings / Management of urban hotels
(v)	Capital	200 million yen (as of March 31, 2026)
(vi)	Foundation date	January 8, 1986
(vii)	Net assets	153,174 million yen (as of March 31, 2026)
(viii)	Total assets	503,691 million yen (as of March 31, 2026)
(ix)	Major shareholder and shareholding ratio	Daiwa House Industry Co., Ltd. 100% (as of March 31, 2026)
(x)	Relationships with DHR and the Asset Manager	
	Capital relationship	There is no capital relationship requiring disclosure between DHR/the Asset Manager and the subject company. The subject company is a subsidiary of Daiwa House Industry Co., Ltd., the parent company of the Asset Manager, and thus falls under the category of an interested party, etc. as defined in the Investment Trust Act.
	Personnel relationship	There is no personnel relationship requiring disclosure between DHR/the Asset Manager and the subject company.
	Business relationship	The subject company is a consignee of property management and other services for DHR and is a lessee of real estate owned by DHR. The subject company has executed a new basic agreement regarding new pipeline support and other matters with DHR and the Asset Manager.
	Status of classification as related party	The subject company is not a related party of DHR. The subject company is a subsidiary of Daiwa House Industry Co., Ltd., the parent company of the Asset Manager, and thus falls under the category of a related party of the Asset Manager.

8. Interested-party transactions

Daiwa House Realty Mgt. Co., Ltd. as the master lease and property management company of the Anticipated Acquisition and the buyer of Hapias Kaita (Land) is defined as an interest party, etc. in the Investment Trust Act. The Asset Manager has gone through the necessary discussion and resolution procedures including the approval of the board of directors of DHR in accordance with Article 201-2 of the Investment Trust Act (Note) as well as its voluntary rules regarding interested-party transactions.

(Note) This refers to the article stipulated in Article 201-2 of the Investment Trust Act.

“If an asset management company invests assets as entrusted by a registered investment corporation, before dealings as referred to in Article 193, paragraph (1), item (i) through item (iv) (other than those that Cabinet Office Order prescribes as having only a minor influence on the assets of the registered investment corporation) come to be entered into between the registered investment corporation and an interested person or other close affiliate of the asset management company, the asset management company must first obtain the consent of the registered investment corporation.”

9. Acquisition schedule

Property name	Acquisition decision date	Execution date of the sale and purchase agreement (planned)	Payment date and delivery date (planned)
MIMARU Tokyo Ikebukuro	August 26, 2026	September 1, 2026	September 1, 2026

10. Disposition schedule

Property name	Disposition decision date	Execution date of the sale and purchase agreement (planned)
Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)	August 26, 2026	August 26, 2026
D Project Inuyama (Building B)		September 1, 2026
Hapias Kaita (Land)		September 28, 2026

Property name	Payment date and delivery date (planned)
Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)	(1) August 31, 2026 10% quasi co-ownership interest
	(2) September 1, 2026 10% quasi co-ownership interest
	(3) August 31, 2027 10% quasi co-ownership interest
	(4) September 1, 2027 10% quasi co-ownership interest
	(5) August 31, 2028 10% quasi co-ownership interest
D Project Inuyama (Building B)	September 1, 2026
Hapias Kaita (Land)	September 28, 2026

11. Outlook

For the forecasts of results for the fiscal periods ending August 31, 2026 and February 28, 2027 with the Transactions factored in, please refer to the “Notice Concerning Revision to Forecast of Results and Distributions for the Fiscal Periods Ending August 31, 2026 and February 28, 2027” announced today.

12. Overview of property appraisal of the Anticipated Acquisition

Property name	MIMARU Tokyo Ikebukuro
Appraisal value	17,200 million yen
Appraiser	The Tanizawa Sōgō Appraisal Co., Ltd.
Appraisal date	June 30, 2026

Item	Content	Basis
Value based on income method	17,200 million yen	Estimated the value based on income method by judging the value based on discounted cash flow method was more convincing and also by verifying the value based on direct capitalization method.
Value based on direct capitalization method	17,400 million yen	
Operating revenue	706 million yen	
Effective gross revenue	706 million yen	Based on estimated market rent of the hotel.
Loss from vacancy	-	Not recorded as the property is leased in its entirety.
Operating expense	37 million yen	
Maintenance	-	Not recorded as borne by the lessee.
Utility cost	-	Not recorded as borne by the lessee.
Repair	4 million yen	Assessed by allocating the figures based on the engineering report and comparison with similar properties to the ratio of 30% for repairs and 70% for capital expenditures.
Property management fee	3 million yen	Based on the master lease and property management agreement.
Advertisement and other leasing cost	-	Assessed annual tenant turnover at 0 %.
Tax	29 million yen	Assessed based on the 2026 tax data.
Insurance	0 million yen	Based on the insurance data.
Other cost	0 million yen	Assessed based on actual income and expenses.
Net operating income (NOI)	669 million yen	
Investment income of lump sum	0 million yen	Assessed with the investment yield set at 1.0%.
Capital expenditure	10 million yen	Assessed by allocating the figures based on the engineering report and comparison with similar properties

		to the ratio of 30% for repairs and 70% for capital expenditures.
Net cash flow (NCF)	659 million yen	
Cap rate	3.8%	Assessed by comparing multiple transaction yields in neighboring areas or similar areas with the same supply and demand and also taking into account the expected future fluctuation of net cash flow, as well as the relationship with the discount rate.
Value based on Discounted Cash Flow method	17,100 million yen	
Discount rate	(from first to eighth year) 3.9% (from ninth year) 4.0%	Assessed by determining the real estate investment yield of the hotel using the accumulation method of yields of financial instruments and the case comparison method, and by factoring in the specific risks of the property to the base yield.
Terminal cap rate	4.0%	Assessed based on the cap rate in consideration of the prediction uncertainty.
Value based on cost method	14,800 million yen	
Proportion of land	87.4%	
Proportion of building	12.6%	
Other items considered by the appraiser in the appraisal		None

13. Overview of property appraisal of the Anticipated Dispositions

Property name	Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)
Appraisal value	8,790 million yen (Note)
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal date	February 28, 2026

Item	Content	Basis
Value based on income method	8,790 million yen	Estimated the value based on income method by judging the value based on discounted cash flow method was more convincing and also by verifying the value based on direct capitalization method.
Value based on direct capitalization method	8,740 million yen	
Operating revenue	1,356 million yen	
Effective gross revenue	1,408 million yen	Recorded based on the rent level in the current lease contract, new rent level and trend of similar properties with the same supply and demand, and also by considering the medium-to long-term competitiveness of the property.
Loss from vacancy	51 million yen	Recorded based on the actual vacancy rate of the property and the standard vacancy rate of similar properties, and also by considering the competitiveness of the property.
Operating expense	392 million yen	
Maintenance	102 million yen	Judged the current property management contract was at the standardized level and recorded the actual amount in the contract after verifying the level of maintenance cost of similar properties.
Utility cost	151 million yen	Recorded in reference to the level of utility cost of similar properties and the actual amounts in the past years.
Repair	23 million yen	Recorded based on the annual average amount of medium-to long-term repairs and maintenance expenses in the engineering report.
Property management fee	10 million yen	Judged the current contract as reasonable and recorded the contract amount.
Advertisement and other leasing cost	7 million yen	Recorded the advertisement and other leasing costs for rental space and car parking space based on the estimated move-out rates in reference to the actual costs in the past years and the level of costs of similar properties.
Tax	88 million yen	Land: Recorded based on the actual amounts for the fiscal

		year 2025 in consideration of the level of burden and trend of land price. Building and other: Recorded based on the actual amounts for the fiscal year 2025.
Insurance	2 million yen	Assessed based on the materials obtained from the requester.
Other cost	5 million yen	Assessed reserve funds for maintenance and other miscellaneous expenses at 60 yen per <i>tsubo</i> of the leasable area per month.
Net operating income (NOI)	964 million yen	
Investment income of lump sum	9 million yen	Assessed with the investment yield set at 1.0%.
Capital expenditure	65 million yen	Recorded based on the annual average amount of medium- to long-term repairs and maintenance expenses in the engineering report in consideration of construction management fees.
Net cash flow (NCF)	908 million yen	
Cap rate	5.2%	Assessed in reference to the trading cap rates of similar properties and other factors.
Value based on Discounted Cash Flow method	8,810 million yen	
Discount rate	5.0%	Assessed in reference to the trading discount rates of similar properties and yields of other financial instruments.
Terminal cap rate	5.4%	Assessed based on the cap rate and by adjusting with the marketability of the property upon expiration of the holding period.
Value based on cost method	8,380 million yen	
Proportion of land	66.3%	
Proportion of building	33.7%	
Other items considered by the appraiser in the appraisal		None

(Note) Appraisal value is based on the 50% quasi co-ownership interest owned.

Property name	D Project Inuyama (Building B)
Appraisal value	2,520 million yen (Note 1)
Appraiser	The Tanizawa Sōgō Appraisal Co., Ltd.
Appraisal date	February 28, 2026

Item	Content	Basis
Value based on income method	2,520 million yen	Estimated the value based on income method with the value based on discounted cash flow method as the standard and also by verifying the value based on direct capitalization method.
Value based on direct capitalization method	2,530 million yen	
Operating revenue	-	Not disclosed (Note 2)
Effective gross revenue	-	
Loss from vacancy	-	
Operating expense	-	
Maintenance	-	
Utility cost	-	
Repair	-	
Property management Fee	-	
Advertisement and other leasing cost	-	
Tax	-	
Insurance	-	
Other cost	-	
Net operating income (NOI)	109 million yen	

Investment income of lump sum	-	Not disclosed (Note 2)
Capital expenditure	-	
Net cash flow (NCF)	106 million yen	
Cap rate	4.2%	Assessed by comparing the multiple transaction yields in the neighboring areas or similar areas of the same supply and demand, and also by considering the volatility of net cash flow in the future and the relationship with the discount rate.
Value based on Discounted Cash Flow method	2,520 million yen	
Discount rate	(1st year) 4.1% (from 2nd year) 4.2%	Assessed the base yield of warehouses, which is determined by the build-up approach based on yields of financial products, and factoring in the specific risks of the property.
Terminal cap rate	4.4%	Assessed based on the cap rate in consideration of the prediction uncertainty.
Value based on cost method	2,420 million yen	
Proportion of land	58.0%	
Proportion of building	42.0%	
Other items considered by the appraiser in the appraisal	None	

(Note 1) D Project Inuyama consists of two buildings (Building A and Building B) and their respective land, and trust beneficiary interests have been established for each building and its corresponding land. Appraisal value is based on the trust beneficiary interest in Building B scheduled to be disposed of out of the two trust beneficiary interests.

(Note 2) Consent has not been obtained from the lessee for disclosure of certain figures in relation to the direct capitalization method, including information that could be used to deduce these amounts. Disclosure of this information could damage the relationship with the lessee, potentially resulting in claims being brought against DHR for breach of confidentiality and/or termination and endangering the long-term contractual relationship. Therefore, DHR believes that disclosure of this information could be detrimental to unitholder value, and, except in certain instances where it was deemed that no harm would result from disclosure, these items are not disclosed.

Property name	Hapias Kaita (Land)
Appraisal value	1,590 million yen
Appraiser	The Tanizawa Sōgō Appraisal Co., Ltd.
Appraisal date	February 28, 2026

Item	Content	Basis
Value based on income method	1,590 million yen	Applied the value based on discounted cash flow method by judging the value based on discount cash flow method was more convincing as it derives the value by explicitly showing fluctuations in future net income.
Value based on direct capitalization method	-	
Operating revenue	-	
Effective gross revenue	-	
Loss from vacancy	-	
Operating expense	-	
Maintenance	-	
Utility cost	-	
Repair	-	
Property management fee	-	
Advertisement and other leasing cost	-	
Tax	-	
Insurance	-	
Other cost	-	
Net operating income (NOI)	-	
Investment income of	-	

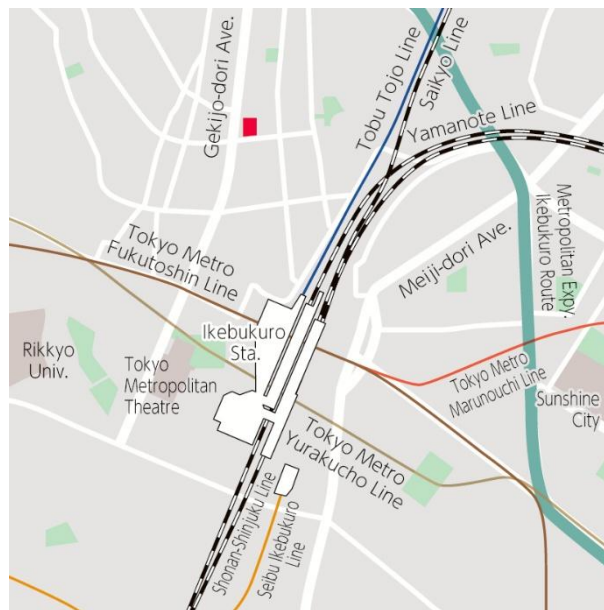
		lump sum		
		Capital expenditure	-	
		Net cash flow (NCF)	-	
		Cap rate	-	
		Value based on Discounted Cash Flow method	1,590 million yen	
		Discount rate	4.8%	Assessed by comparing with the transaction yields of the land transactions in consideration of the characteristics (location, contract terms, etc.) of the property.
		Discount rate applied to the reversionary value of the vacant land	4.9%	Based on the discount rate during the current contract in consideration of the potential for sale as vacant land.
		Value based on cost method	-	
		Proportion of land	-	
		Proportion of building	-	
		Other items considered by the appraiser in the appraisal		None

* DHR's website: <https://www.daiwahouse-reit.co.jp/en/>

<Attachments>

1. Photograph and location map of the Anticipated Acquisition

HO-010 MIMARU Tokyo Ikebukuro



2. Portfolio status after the Transactions (planned as of August 31, 2028)

Asset class	Number of properties	(Anticipated) acquisition price (million yen)	Investment ratio (Note)
Logistics properties	64 properties	470,919	51.2%
Residential properties	131 properties	244,602	26.6%
Retail properties	21 properties	117,239	12.7%
Hotel properties	10 properties	53,766	5.8%
Other assets	5 properties	34,060	3.7%
Portfolio Total	231 properties	920,586	100.0%

(Note) "Investment ratio" indicates the ratio of the (anticipated) acquisition price for each asset to the total (anticipated) acquisition price, rounded to the nearest tenth.