

November 22, 2012

For Immediate Release

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**Notice Concerning the Proposed Acquisition of
Trust Beneficiary Rights in Real Estate**

Daiwa House Residential Investment Corporation (“DHI”) announced its decision today to acquire trust beneficiary rights in real estate as follows:

1. Acquisition Background and Rationale

DHI decided to acquire Castalia Nakameguro (PROUD FLAT Nakameguro) (the “Acquisition”) in order to secure stable revenue over the medium to long term based on the investment policy set forth in DHI’s Articles of Incorporation.

2. Acquisition Details

Property Name (Note 1)	Castalia Nakameguro (PROUD FLAT Nakameguro)
Asset Type (Note 2)	Beneficiary right in trust that places real estate in trust
Execution date of Agreement (planned)	November 29, 2012
Acquisition Price (Note 3)	¥3,800,000,000
Seller (Note 4)	Nomura Real Estate Development Co., Ltd.
Acquisition Date (planned)	November 29, 2012
Method of Settlement	Payment of entire amount upon delivery
Acquisition funds (Note 5)	The property will be bought using funds from debt financing and cash on hand.

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

(Note 2) Although a real estate in kind as of today, plans are for the seller to place the property in trust by the scheduled acquisition date and then for DHI to acquire the beneficiary right in trust.

(Note 3) Excluding such amounts as expenses related to acquisition, amount equivalent to reimbursement of taxes and dues, etc., and amount equivalent to consumption taxes.

(Note 4) Please note that the seller does not constitute a party with particular vested interest in DHI or the Daiwa House Asset Management Co., Ltd. (“Asset Management Company”).

(Note 5) Please refer to the press release “Notice Concerning Debt Financing” announced today.

3. Asset Description

Name and Location, etc. of Respective Real Estate			
Type of specified asset	Beneficiary right in trust that places real estate in trust		
Present titleholder	Nomura Real Estate Development Co., Ltd.		
Most recent previous titleholder	-		
Trustee	Mitsubishi UFJ Trust and Banking Corporation (Note 1) (planned)		
Location	Lot number	1-154-2, Aobadai, Meguro-ku, Tokyo	
	Residence indication	1-18-7, Aobadai, Meguro-ku, Tokyo	
Land	Form of ownership	Proprietary ownership	
	Site area	1,679.91m ²	
	Zoning	Quasi-industrial zone	
	Building coverage ratio / Floor area ratio	60% / 200%	
Building	Form of ownership	Proprietary ownership	
	Usage	Apartment complex, Retail	
	Total floor area	3,436.01m ²	
	Structure / Number of floors	RC structure, 7F	
	Construction completion date	January 25, 2008	
Overview of Leasing (as of October 31, 2012)			
Total number of tenants	1	Monthly rent (incl. common area charges)	¥ 18,094 thousand
Number of leasable units	101	Deposits, guarantees, etc.	¥ 46,386 thousand
Number of leased units	95	Occupancy rate (based on floor area)	93.2%
Leasable floor area	3,166.71m ²	Occupancy rate (based on number of units)	94.1%
Leased floor area	2,951.16m ²	Breakdown of Residential Unit Type	
Type	As a percentage of total number of units	Property management company	MORIMOTO QUALITY Co., Ltd. (planned)
Compact Type	99%	Master lease	MORIMOTO QUALITY Co., Ltd., Nomura Living Support Co., Ltd. (Note 2) (planned)
Family Type	1%	Master lease type	Pass-through type
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	October 2012	Report date	October 2012
Emergency repair expenses	-	Earthquake probable maximum loss	3.6%
Short-term repair expenses (within 1 year)	-	Soil environment investigation agency	Tokio Marine & Nichido Risk Consulting Co., Ltd.
Long-term repair expenses (next 12 years)	¥32,332 thousand	Report date	October 2012
Building replacement cost	¥724,800 thousand	Summary of engineering report	No matters were pointed out in particular.
Building Developer, Designer, Structural Designer, Building Contractor and Building Confirmation Agency			

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Building developer	Nomura Real Estate Development Co., Ltd.	Building contractor	K.K. Ichiken
Building designer	KENCHIKU DESIGN STUDIO	Building confirmation agency	Tokyo metropolitan disaster prevention, construction town development foundation
Structural designer	K.K. T&A Associates		
Other Information			
(Note 1) Although a real estate in kind as of today, plans are for the seller to place the property in trust by the scheduled acquisition date and then for DHI to acquire the beneficiary right in trust.			
(Note 2) Master Lease company will change to MORIMOTO QUALITY Co., Ltd. after the exit of part of the end tenant.			
Location Environment and Other Property Characteristics			
The property is located approximately five minutes walk from Nakameguro Station on the Tokyu Toyoko Line and Tokyo Metro Hibiya Line in a district where there is a mix of stores and residences. The areas along Yamate-dori and Meguro River are bustling with activity, being popular not only as a commercial district, but also highly popular for housing among one-person households and family households alike due to such factors as close proximity to downtown Tokyo, convenience and environment..			
Matters of Special Note			
Meguro Ward's city planning height control districts changed in November 2008, newly setting an absolute height limit on structures 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 October 31, 2012, 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, and "Most recent previous titleholder" is the previous titleholder.
- (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 October 31, 2012 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 October 31, 2012.
- (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 October 31, 2012.
- (v) "Leasable floor area" is the floor area of the real estate in trust that is leasable based on information as of October 31, 2012.
- (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 October 31, 2012. 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, the sum total amount of the monthly rent of the asset scheduled for acquisition (including common area charges, but excluding the monthly use fees for parking space, trunk room and other ancillary

facilities) entered in the lease contract concluded with end-tenants as of October 31, 2012, excluding consumption taxes, etc. and rounded down to the nearest thousand yen.

- (viii) “Deposits, guarantees, etc.” is, in principle, the sum total amount of the deposits, guarantees, etc. of the asset scheduled for acquisition that must be returned to end-tenants based on the lease contract concluded with end-tenants as of October 31, 2012, rounded down to the nearest thousand yen.
- (ix) “Occupancy rate (based on floor area)” is the ratio of leased floor area to leasable floor area of the asset scheduled for acquisition, rounded to one decimal place.
- (x) “Occupancy rate (based on number of units)” is the ratio of the number of leased units to the number of leasable units of the asset scheduled for acquisition, rounded to one decimal place.
- (xi) “Property management company” is the property management company that, as of today, is delegated property management services for the asset scheduled for acquisition.
- (xii) “Master lease” is the lessee that has a lease agreement concluded with the Present titleholder for the purpose of subleasing to third parties.
- (xiii) “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.
- (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

Trade name	Nomura Real Estate Development Co., Ltd.
Head office location	1-26-2, Nishi-shinjuku, Shinjuku-ku, Tokyo
Representative	Kamezo Nakai, President
Main line of business	Real estate business
Capital	¥2,000 million (As of April 1, 2012)
Established	April 15, 1957
Relationship with DHI and Asset Management Company	
Capital Relationship	There is no capital relationship to describe between DHI, asset management company and Nomura Real Estate Development Co., Ltd.

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Personnel Relationship	There is no personnel relationship to describe between DHI, asset management company and Nomura Real Estate Development Co., Ltd.
Business Relationship	There is no business relationship to describe between DHI, asset management company and Nomura Real Estate Development Co., Ltd.
Status of Classification as Related Party	The Company does not constitute a related party of DHI or the Asset Management Company. Furthermore, affiliated persons or affiliated companies of the Company do not constitute a related party of DHI or the Asset Management Company.

5. Broker Profile

N/A

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 Management Company.

7. Relationship with Interested Party

MORIMOTO QUALITY Co., Ltd. (Master lease and property management company) constitutes an interested party as set forth in the bylaws of the Asset Management Company. Consequently, such transactions have undergone the procedures required by the Interested-Party Transaction Rules bylaws of the Asset Management Company.

8. Matters Concerning Earthquake Resistance, etc.

DHI outsourced the examination/confirmation of earthquake-resistant structure content, including structural calculation documents, of the to-be-acquired assets 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. In addition, 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.

9. Future Prospects

The Acquisition will have only a minor impact on operating status forecasts for the fiscal period ending in February 28, 2013 (14th Fiscal Period: from September 1, 2012 to February 28, 2013) and

August 31, 2013 (15th Fiscal Period: from March 1, 2013 to August 31, 2013), there is no revision to the operating status forecasts.

* This press release 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. Summary of Real Estate Appraisal

Real estate appraiser	Morii Appraisal & Investment Consulting, Inc.	Date of value opinion: November 1, 2012 Date of appraisal: November 19, 2012
Final opinion of value	4,000,000,000	
A. Value indicated by the cost approach	2,640,000,000	
B. Value indicated by the income approach	4,000,000,000	
1. Value indicated by the income approach based on the direct capitalization method	4,060,000,000	
(1) Total revenue	233,846,000	①+②+③+④-⑤
① Rent income	216,732,000	
② Common area charges income	11,246,000	
③ Parking space income	8,640,000	
④ Other income	9,697,000	Utilities expenses, renewal fee, etc.
⑤ Losses from vacancies, etc.	12,469,000	
(2) Total expenses	37,712,000	Sum total of a. to h.
a. Maintenance and management expenses	5,211,000	
b. Utilities expenses	4,253,000	
c. Repair expenses	808,000	
d. Property management fee	6,775,000	
e. Leasing fee	7,979,000	
f. Taxes and dues	7,965,000	
g. Non-life insurance expenses	185,000	
h. Other expenses	4,536,000	Restore cost, renewal fee, etc.
(3) Operating income from property leasing	196,134,000	(1) - (2)
(4) Operating revenue from deposits/guarantees, etc.	764,000	
(5) Opportunity loss of operating revenue	0	
(6) Capital expenditures	1,886,000	Based on an assessment (taking into consideration the engineering report)
(7) Net operating income	195,012,000	(3) + (4) - (5) - (6)
(8) Cap rate	4.8%	
2. Value indicated by the income approach based on the DCF method	3,940,000,000	
Discount rate	4.5%	
Terminal cap rate	5.1%	

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2. 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	3.6%		
		1002	Castalia Azabujuban Shichimenzaka	March 22, 2006	4,500	2.1%		
		1003	Castalia Shibakoen	March 22, 2006	2,630	1.2%		
		1004	Castalia Ginza	March 22, 2006	2,520	1.2%		
		1005	Castalia Hiroo	March 22, 2006	2,220	1.0%		
		1006	Castalia Nihonbashi	March 22, 2006	1,200	0.6%		
		1007	Castalia Hacchobori	March 7, 2007	2,300	1.1%		
		1008	Castalia Azabujuban	June 21, 2007	2,910	1.4%		
		1009	Castalia Azabujuban II	June 21, 2007	2,690	1.3%		
		1010	Castalia Shinjuku Natsumezaka	June 21, 2007	1,865	0.9%		
		1011	Castalia Ginza II	June 21, 2007	1,800	0.8%		
		1012	Castalia Shibuya Sakuragaoka	June 21, 2007	1,400	0.7%		
		1015	Castalia Nishi Azabu Kasumicho	April 1, 2010	2,143	1.0%		
		1016	Castalia Ochanomizu	April 1, 2010	1,770	0.8%		
		1017	Castalia Sangubashi	April 1, 2010	1,393	0.7%		
		1018	Castalia Suitengu	April 1, 2010	1,279	0.6%		
		1019	Castalia Suitengu II	April 1, 2010	1,138	0.5%		
		1020	Castalia Shintomicho	April 1, 2010	932	0.4%		
		1021	Castalia Shintomicho II	April 1, 2010	825	0.4%		
		1022	Castalia Harajuku	April 1, 2010	887	0.4%		
		1023	Castalia Yoyogi Uehara	April 1, 2010	608	0.3%		
		1024	Castalia Sendagaya	April 1, 2010	555	0.3%		
		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	0.5%		
		1029	Castalia Shin-Ochanomizu	April 1, 2010	914	0.4%		
		1030	Castalia Higashi Nihonbashi II	April 1, 2010	1,370	0.6%		
		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	1.3%		
		1034	Castalia Takanawadai	April 1, 2010	860	0.4%		
		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	0.6%		
		1039	Castalia Minami Azabu	April 1, 2010	642	0.3%		
		1040	Castalia Ginza III	April 1, 2010	2,880	1.3%		
		1041	Castalia Kayabacho	April 1, 2010	2,707	1.3%		
		1042	Castalia Takanawa	April 1, 2010	7,430	3.5%		
		1043	Castalia Higashi Nihonbashi	April 1, 2010	3,520	1.6%		
		1045	Castalia Shinjuku	April 1, 2010	2,950	1.4%		
		1046	Castalia Ichigaya	June 29, 2010	940	0.4%		
		1047	Shibaura Island Bloom Tower	October 18, 2011	7,580	3.5%		
		1048	Castalia Hatsudai	December 19, 2011	2,030	0.9%		
		Subtotal					88,816	41.6%
			Area 2	2001	Castalia Meguro Kamurozaka	December 20, 2005	4,500	2.1%
				2002	IPSE Toritsudaigaku	March 22, 2006	648	0.3%
				2004	Castalia Yukigaya	March 7, 2007	1,110	0.5%
	2005	Castalia Yutenji		June 21, 2007	1,450	0.7%		
	2006	Castalia Otsuka		June 21, 2007	1,480	0.7%		
	2007	Castalia Kikukawa		June 21, 2007	817	0.4%		
	2008	Castalia Meguro		April 1, 2010	844	0.4%		
	2009	Castalia Otsuka II		April 1, 2010	1,040	0.5%		
	2010	Castalia Jiyugaoka		April 1, 2010	1,200	0.6%		
	2011	Castalia Mejiro		April 1, 2010	988	0.5%		
	2012	Castalia Ikebukuro		April 1, 2010	2,570	1.2%		
	2013	Castalia Kaname-cho		April 1, 2010	1,140	0.5%		

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2014	Castalia Tower Shinagawa Seaside	April 1, 2010	7,380	3.5%	
2015	Castalia Yakumo	April 1, 2010	857	0.4%	
2016	Castalia Togoshiekimae	April 1, 2010	1,560	0.7%	
2018	Castalia Honjo Azumabashi	April 1, 2010	996	0.5%	
2019	Castalia Kitazawa	April 1, 2010	742	0.3%	
2020	Castalia Monzennakacho	April 1, 2010	503	0.2%	
2023	Castalia Kamiikedai	April 1, 2010	198	0.1%	
2024	Castalia Morishita	April 1, 2010	832	0.4%	
2025	Castalia Wakabayashi koen	April 1, 2010	776	0.4%	
2026	Castalia Asakusabashi	April 1, 2010	792	0.4%	
2027	Castalia Iriya	April 1, 2010	546	0.3%	
2028	Castalia Kita Ueno	April 1, 2010	2,641	1.2%	
2029	Castalia Morishita II	April 1, 2010	686	0.3%	
2030	Castalia Minowa	April 1, 2010	1,430	0.7%	
2031	Castalia Oyamadai	April 1, 2010	533	0.2%	
2032	Castalia Nakano	April 1, 2010	1,060	0.5%	
2033	Castalia Yoga	April 1, 2010	923	0.4%	
2034	Castalia Sumiyoshi	April 1, 2010	948	0.4%	
2035	Castalia Monzennakacho II	April 1, 2010	2,160	1.0%	
2036	Castalia Oshiage	April 1, 2010	1,100	0.5%	
2037	Castalia Kuramae	April 1, 2010	1,260	0.6%	
2038	Castalia Nakanobu	June 29, 2010	1,790	0.8%	
2039	Royal Parks Toyosu	November 1, 2010	7,360	3.4%	
2040	Castalia Togoshi	November 1, 2010	1,770	0.8%	
2041	Castalia Ooimachi	June 30, 2011	1,181	0.6%	
2042	Castalia Omori	August 2, 2011	1,500	0.7%	
2043	Castalia Mishuku	October 7, 2011	1,900	0.9%	
2044	Castalia Arakawa	March 28, 2012	1,660	0.8%	
2045	Castalia Omori II	March 29, 2012	2,370	1.1%	
2046	Castalia Nakameguro	November 29, 2012	3,800	1.8%	
Subtotal			69,041	32.3%	
Area 3	3001	Cosmo Heim Musashikosugi	March 22, 2006	1,674	0.8%
	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	0.4%
	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	0.3%
	3011	Castalia Minamigyotoku	April 1, 2010	543	0.3%
	3012	Castalia Minamigyotoku II	April 1, 2010	385	0.2%
	3013	Castalia Nogeeyama	April 1, 2010	325	0.2%
	3017	Castalia Ichikawa	April 1, 2010	461	0.2%
	3018	Royal Parks Hanakoganei	October 7, 2011	5,300	2.5%
Subtotal			12,774	6.0%	
Area 4	4001	Castalia Shinsakae	December 20, 2005	1,920	0.9%
	4008	Aprile Tarumi	April 1, 2010	1,340	0.6%
	4009	Crest Kusatsu	April 1, 2010	3,004	1.4%
	4010	Castalia Sakaisuji Honmachi	April 1, 2010	1,490	0.7%
	4011	Castalia Shin-Umeda	April 1, 2010	1,376	0.6%
	4012	Castalia Abeno	April 1, 2010	4,368	2.0%
	4014	Castalia Sakae	April 1, 2010	1,010	0.5%
	4015	Castalia Nipponbashi Kouzu	April 1, 2010	3,570	1.7%
	4016	Castalia Maruyama Urasando	April 1, 2010	411	0.2%
	4017	Castalia Maruyama Omotesando	April 1, 2010	1,740	0.8%
	4018	Castalia Higashi Hie	April 1, 2010	960	0.4%
	4019	Castalia Tower Nagahoribashi	April 1, 2010	3,400	1.6%
	4020	Castalia Sannomiya	April 1, 2010	1,230	0.6%
	4021	Castalia Kotodaikoen	April 1, 2010	481	0.2%
	4022	Castalia Ichibancho	April 1, 2010	783	0.4%
	4023	Castalia Omachi	April 1, 2010	656	0.3%
	4024	Castalia Uemachidai	April 1, 2010	2,190	1.0%
4025	Castalia Tower Higobashi	April 1, 2010	2,670	1.2%	

This English language notice is a translation of the Japanese language notice issued on the same day and was prepared solely for the convenience of, and reference by, overseas investors. DHI makes no warranties as to its accuracy or completeness.

		4026	Big Tower Minami Sanjo	November 1, 2010	1,740	0.8%
		4027	Castalia Fushimi	January 14, 2011	2,260	1.1%
		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	0.6%
		4031	Castalia Tsutsujigaoka	September 3, 2012	1,209	0.6%
		Subtotal			40,651	19.0%
		Subtotal			211,282	98.9%
Retail	Area 3	8001	INAGEYA Yokohama Nishigaoka	September 27, 2007	1,000	0.5%
	Area 4	8002	FOLEO TOWN Tsutsui	March 23, 2007	1,410	0.7%
	Subtotal				2,410	1.1%
Total					213,692	100.0%

(Note 1) Under “Area,” “Area 1” refers to the 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” 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” 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 the end of February 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.

3. Photograph of the Property Planned for Acquisition



