

JCR Assigned AA- Rating to Bonds of Daiwa House Residential Investment Corporation

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

Rationale

- (1) Daiwa House Residential Investment Corporation (the "Corporation") invests its funds primarily in residential facilities (rental housing) with the current portfolio consisting of 125 properties and the total acquisition price being 210,282 million yen. Its asset management company Daiwa House Asset Management Co., Ltd. is fully owned by Daiwa House Industry Co., Ltd.
- (2) JCR announced the assignment of "AA-" rating and "Stable" outlook on the Corporation's senior debts on December 12, 2011. Since then there have been no significant changes in JCR's view on the Corporation's creditworthiness.
- (3) The proceeds from the bond issue are to be appropriated for repayment of the borrowings. Therefore, the debt issue will not have any significant impact on the financial health.

Rating

Issuer: Daiwa House Residential Investment Corporation (security code: 8984)

<Assignment>

Issue	Amount (bn)	Issue Date	Due Date	Coupon	Rating
bonds no.1	Y3	Mar. 9, 2012	Mar. 9, 2017	1.12%	AA-

Negative Pledge: Covers other domestic unsecured corporate bonds the Corporation issued or may issue in the future, except those with a change of security status clause.

Other Covenants: Not Attached

Bond Administrator: Not Appointed

Shelf Registration:

Maximum: Y100 billion

Valid: two years effective from December 20, 2011

<Reference>

Senior debts: AA- Outlook: Stable

Outline of methodology for determination of the credit rating is shown as "J-REIT" (April 1, 2004) in Structured Finance, Rating Methodology on JCR's home page (<http://www.jcr.co.jp>).

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