

### **Launch of DREAM Mezzanine Debt Fund IX (JPY 24.4Bil)**

Diamond Realty Management Inc. (DREAM) announces it has launched DREAM Mezzanine Debt Fund IX (the Fund): the private fund specializing in the mezzanine debts collateralized by real estate assets in Japan.

The total of the equity investment commitment of the Fund amounts to JPY 24.4 Bil (USD 187Mil). The Fund is invested by several institutional investors, in Japan, such as corporate pension funds, financial institutions, corporations and educational institutions.

This fund has several features as follows:

- a) Full-blind pool fund: This Fund can invest in new mezzanine debts with contributions by capital calls. Furthermore, the redemption money during the investment term will be reallocated to new projects of this Fund.
- b) Tranching structure (Leveraged within the fund): In order to offer investors attractive investment returns under current competitive domestic real estate finance market, this Fund enables the debt financing in addition to the equity investment, which is collateralized by each mezzanine debt, therefore the available capital has reached over JPY35 Bil.
- c) Various Asset Type: This Fund can invest in many different kinds of the asset sectors; retail, logistics, residential, office, hotel, industrial properties including development projects by utilizing the asset management expertise of DREAM and the relation of the Mitsubishi Corporation Group.

On the ground that the LTV (Loan to Value) ratio of each asset is under 80%, the expected return is stable while the risk of principal loss is limited.

The Fund is the 9th mezzanine debt fund as a series of DREAM Mezzanine Debt Fund I launched in October 2011. In accord with the high needs of institutional investors, DREAM will make continuous efforts to provide investment opportunities for debts collateralized by real estate.

DREAM will provide domestic and overseas institutional investors with financial intermediary functions connecting with the real assets and continue to launch private real estate/mezzanine debt funds with superiority for the asset management company originated from Mitsubishi Corporation.

## Fund Summary

1USD=130JPY

Name	DREAM Mezzanine Debt Fund IX Investment Limited Partnership
Asset Type	Mezzanine debts collateralized by retail, logistics, residential, office, hotel, industrial properties (development projects included) , land lease and their complex or incidentals in Japan
LP Investment Commitment Size	JPY 24.4 Bil / USD 187Mil
Commencement Date of Investment Term	October , 2023 (1st closing) March , 2024 (2nd closing)
Term	Investment term: 2.5 years Management term: 7 years
Investor	24 Domestic institutional investors

### Outline of Diamond Realty Management Inc.

Head Office: 16-1, Hirakawa-cho 2-chome, Chiyoda-ku, Tokyo

Businesses Services: Real estate asset management business, advisory & consulting services

Shareholder: Wholly owned by Mitsubishi Corp.

Representative: Hisashi Ishiwata, President and CEO

Establishment: October 2004

Number of employees: 103 (as of the end of December 2023)

### For Comments or Inquiries on this Press Release

Diamond Realty Management Inc.

Mail : [ir@mc-dream.com](mailto:ir@mc-dream.com)

- This release is not an advertisement or other similar materials which are provided for in the Financial Instruments and Exchange Act of Japan, or in any other similar laws of applicable jurisdictions.
- This press release is not intended to provide us with investment management services or solicit specific investment products. In addition, by using this release, we do not engage in any solicitation for acquisition of securities issued by any funds or other entity referred to in this release.
- No representations or warranty, express or implied is made as to the consistency of future results or events with any estimate, forecast, projection or opinion contained in this release.

Please note that this document is a translation of the official announcement that was released in Tokyo. The translation is prepared and provided for the purpose of the readers' convenience only. All readers are strongly recommended to refer to the original Japanese version of the news release for complete and accurate information.