

June 4, 2025

Diamond Realty Management Inc.

Announcement of Green Finance Procurement by DREAM Private REIT Inc.

Diamond Realty Management Inc. (hereinafter “DREAM”) is pleased to announce that DREAM Private REIT Inc. (hereinafter “DPR”), for which it is entrusted with asset management, has executed 13 new green finance procurements between October 2024 and March 2025.

1. Green Finance Procurement

DREAM and DPR have actively promoted ESG/SDGs initiatives based on the recognition that owning environmentally friendly and sustainable properties is an important factor in fund performance for private REITs with no fixed maturity date. The number of environmental certifications obtained has reached 52 (as of March 31, 2025). In terms of financing, DPR established the “DREAM Private REIT Inc. Green Finance Framework”^{*1} in January 2020 and has since accumulated a track record of green finance funding, marking the first such initiative among private REITs in Japan. As a result, as of March 31, 2025, the total number of green finance transactions under DPR including repaid loans stands at 53 (cumulative borrowing amount: 60.7 billion yen), with 11 lending institutions, and the green finance ratio^{*2} has reached 28.8%.

In August 2024, DPR received the highest rating, “Green 1 (F),” in the JCR Green Finance Framework Evaluation^{*3} conducted by Japan Credit Rating Agency, Ltd., for the framework established by the DPR. This rating allows DPR to apply for green finance loans without obtaining a third-party evaluation each time.

*1: For details, please refer to the Overview of the DREAM Private REIT Inc. Green Finance Framework below.

*2: “Green finance ratio” is calculated as green finance balance / interest-bearing debt x 100.

*3: Please refer to the following for JCR Green Finance Framework Evaluation Report. (Japanese only)

<https://www.jcr.co.jp/download/be1cec271a2e1ab6f277112c222614275eae61c81f62169ee1/24d0680.pdf>

The 13 new green finance transactions executed between October 2024 and March 2025 are limited to the acquisition of the target properties and their refinancing, and borrowed from MUFG Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Resona Bank, Limited, The Norinchukin Bank, The 77 Bank, Ltd., SBI Shinsei Bank, Limited, Sumitomo Mitsui Banking Corporation, Aozora Bank, Ltd. The target properties and financial institutions are as follows.

【Name of subject property and lender】

Property Name	Name of Borrowing Financial Institution
S.LOGI Ichikawa	MUFG Bank, Ltd.
LogiSquare Itami	MUFG Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Resona Bank, Limited, The Norinchukin Bank
Shinyamashita Logistics Center	MUFG Bank, Ltd.
LOGIPORT Nagareyama B	SBI Shinsei Bank, Limited, Sumitomo Mitsui Banking Corporation, Aozora Bank, Ltd.

【Summary of the subject property】

Property Name	S.LOGI Ichikawa	LogiSquare Itami
Location	3-17 Shiohama, Ichikawa-shi, Chiba	1-6-84 Kuwazu, Itami-shi, Hyogo, Japan
Type of Property	Logistics	Logistics
Site area (registered area)	6,754.02m ²	17,961.85m ²
Total floor area (registered area)	13,504.24m ²	29,761.38m ²
Number of floors	5 floors above ground	3 floors above ground
Type of certification ^{*4}	CASBEE ® S rank (2022)	BELS (FY2024 standard) Level 6 (2024)

Property Name	LOGIPORT Nagareyama B	Shinyamashita Logistics Center Center
Location	4-66-1, Morinorojisutikusupaku, Nagareyama-shi, Chiba	3-9-1, Shinyamashita, Naka-ku, Yokohama-shi, Kanagawa
Type of Property	Logistics	Logistics
Site area (registered area)	59,233.95m ²	38,272.37m ²
Total floor area (registered area)	133,421.01 m ²	53,233.20m ²
Number of floors	5 floors above ground	3 floors above ground
Type of certification ^{*4}	CASBEE ® S rank (2025)	5 stars of BELS (FY 2016 standard) (2022)

^{*4}: For more information on certification, please refer to the following



CASBEE® : <https://www.ibec.or.jp/CASBEE/>

BELS : <https://www.hyokakyokai.or.jp/bels/bels.html> (Japanese only)

Overview of the DREAM Private REIT Inc. Green Finance Framework

Item	Contents
Target Criteria	<p>Properties that have obtained or will obtain one of the following third-party certifications</p> <ul style="list-style-type: none">(1) 3 to 5 stars in DBJ Green Building Certification(2) B+ rank to S rank in CASBEE Certification(3) 3 to 5 stars in BELS certification (FY 2016 standard) <p>Excluding logistics facilities with a BEI of more than 0.75.</p> <ul style="list-style-type: none">(4) Level 4 to Level 6 in BELS certification (FY2024 standard) * <p>*Non-residential only.</p>
Financing type	<p>Borrowings (loans) *</p> <p>*Private REITs are limited to borrowings because they are not allowed to issue investment corporation bonds.</p>
Uses of procurement funds	<ul style="list-style-type: none">· Funds for acquisition and refinancing of properties that meet the criteria above.· In the case of refinancing loans where the properties to be acquired fall under and do not fall under the above-mentioned target criteria, the total amount of loans procured at the time of acquisition of the properties will be apportioned according to the ratio of the acquisition price of each property (hereinafter referred to as the “initially procured allocated loan amount”), and the refinancing amount and the initially procured allocated loan amount will be procured as green finance within the scope of the refinancing amount and the initially procured allocated loan amount.· After the procurement of green finance, the loan management form (outline of loans) shall be used to manage the loan, and if more than one refinance related to the same property is used as green financing, the total amount of refinancing of the relevant property shall not exceed the loan allotted at the time of initial procurement at the time of the second or subsequent refinancing.
Unallocated fund	<p>When the subject property is sold, etc., the loan will not be returned</p>



management	<p>immediately, but instead is shifted to cover all the properties owned by DPR that meet the target criteria.</p> <p>[Specific methods]</p> <p>A : Total value of real estate appraisal applicable to the subject properties at the end of the period × LTV *</p> <p>* LTV is based on the market value LTV of the entire DPR at the end of the same period.</p> <p>B : Green Loan Procurement Balance</p> <p>Continue borrowing under the condition of A = B or A > B</p>
Disclosure Policy	<p>Procurement information is disclosed on the DPR website.</p> <p>DPR's environmental certification status/energy consumption (GHG/energy consumption per unit) is disclosed on the same website *.</p> <p>* All of the above targets have been set as ESG targets for DPR, and the I results have already been disclosed.</p>

2. Outlook

DREAM and DPR will continue to promote ESG/SDG initiatives and diversify their financing methods through green finance that evaluates these initiatives, thereby providing investors with investment opportunities in green financial products.

Outline of DREAM Private REIT Inc.

Location : 16-1, Hirakawacho 2-chome, Chiyoda-ku, Tokyo
Representative : Masafumi Manno, Executive Officer
Established : July 2012

Outline of Diamond Realty Management, Inc.

Head Office : 16-1, Hirakawacho 2-chome, Chiyoda-ku, Tokyo
Business activities : Formation and management of real estate funds and advisory and consulting services
Shareholder composition : Mitsubishi Corporation (100%)
Representative : Masafumi Manno, President and Representative Director
Established : October 2004

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