

May 29, 2006

To whom it may concern:

Japan Real Estate Investment Corporation
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Notice concerning Early Repayment of Loan and New Loan

Announcement is hereby made that on May 29, 2006, Japan Real Estate Investment Corporation decided to repay an existing short-term loan before the due date and obtain funds for it through a new loan as follows:

[Early Repayment of the Loan]

- | | |
|---|---|
| 1. Repayment date: | June 1, 2006 |
| 2. Details of the loan to be repaid | |
| (1) Loan amount: | 22,000 million yen |
| (2) Lender: | Mitsubishi UFJ Trust and Banking Corporation |
| (3) Interest rate: | 0.2745%
(from February 23, 2006, through November 23, 2006) |
| (4) Start of the loan period: | February 23, 2006 |
| (5) Borrowing method: | Loan agreement concluded on January 30, 2006
Unsecured/non-guaranteed loan |
| (6) Interest payment date : | November 24, 2006 and principal repayment date |
| (7) Repayment of principal: | Payment in full on the principal repayment date |
| (8) Principal repayment date (planned): | February 23, 2007 |

The balance due upon the early repayment of the loan, including whether there is any balance, will be determined on May 30, 2006, and we will inform you of such balance once it has been decided, if any.

[New Loan]

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|---|--|
| 1. Reason for taking out the loan | To apply the funds toward the early repayment of the above short-term loan |
| 2. Details of the loan | |
| (1) Loan amount: | 22,000 million yen |
| (2) Lender: | Mitsubishi UFJ Trust and Banking Corporation |
| (3) Interest rate: | To be determined |
| (4) Start of the loan period: | June 1, 2006 |
| (5) Borrowing method: | Plan to conclude a loan agreement on May 30, 2006
Unsecured/non-guaranteed loan |
| (6) Interest payment date : | First of June and December every year until principal repayment date |
| (7) Repayment of principal: | Payment in full on the principal repayment date |
| (8) Principal repayment date (planned): | June 1, 2011 |

We will inform you of the interest rate once it has been decided.

This notice is the English translation of the May 29, 2006, announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

[Reference]

- Balance of interest-bearing debt after the early repayment of the short-term loan and new loan agreement

(Units: millions of yen)

	Before these arrangements	After these arrangements	Increase/Decrease
Short-term loans	114,500	92,500	(22,000)
Long-term loans	37,000	59,000	+22,000
Total loans	151,500	151,500	±0
Investment corporation bonds	55,000	55,000	±0
Total interest-bearing debt	206,500	206,500	±0