

December 12, 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 December 12, 2006, Japan Real Estate Investment Corporation decided to repay an existing short-term loan before the due date and obtain funds through a new loan as follows:

[Early Repayment of the Loan]

1. Repayment date: December 15, 2006
2. Details of the loan to be repaid before the due date
 - (1) Loan amount: 2,000 million yen
 - (2) Lender: The Yamanashi Chuo Bank, Ltd.
 - (3) Interest rate: 0.5472%
(from June 15, 2006, through December 14, 2006)
 - (4) Start of the loan period: June 15, 2006
 - (5) Borrowing method: Loan agreement concluded on June 8, 2006
Unsecured/non-guaranteed loan
 - (6) Interest payment dates: December 15, 2006 and principal repayment date
 - (7) Repayment of principal: Payment in full on the principal repayment date
 - (8) Principal repayment date (planned): June 15, 2007

Note: There will be no outstanding balance upon repayment.

[New Loan]

1. Reason for taking out the loan: To apply the funds toward early repayment of the above short-term loan
2. Details of the loan
 - (1) Loan amount: 2,000 million yen
 - (2) Lender: The Yamanashi Chuo Bank, Ltd.
 - (3) Interest rate: 1.2875%
 - (4) Start of the loan period: December 15, 2006
 - (5) Borrowing method: Loan agreement concluded on December 12, 2006
Unsecured/non-guaranteed loan
 - (6) Interest payment dates: 15th 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): December 15, 2009

This notice is the English translation of the December 12, 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 loan (as of December 15, 2006)
(Units: millions of yen)

	Before early repayment	After early repayment	Increase/Decrease
Short-term loans	2,000	0	-2,000
Current portion of long-term loans	6,000	6,000	±0
Long-term loans	77,000	79,000	+2,000
Total loans	85,000	85,000	±0
Current portion of investment corporation bonds	25,000	25,000	±0
Investment corporation bonds (except for current portion)	30,000	30,000	±0
Total investment corporation bonds	55,000	55,000	±0
Total interest-bearing debt	140,000	140,000	±0