

August 26, 2011

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Noritada Terasawa, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

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Notice concerning New Loan

Announcement is hereby made that on August 26, 2011, Japan Real Estate Investment Corporation will procure funds through the following loans:

1. Reason for drawing down of the loans

To apply the funds toward the repayment of existing loan (long-term loan of ¥5,000 million executed on August 31, 2004 and short-term loan of ¥1,500 million executed on September 1, 2010)

2. Details of loan

<Long-term loan (i) >

- | | |
|-------------------------------|---|
| (1) Start of the loan period: | August 31, 2011 |
| (2) Amount of loan: | ¥3,000 million |
| (3) Lender: | Shinsei Bank, Limited |
| (4) Interest rate: | To be determined |
| (5) Borrowing method: | Loan agreement concluded with the lender on August 29, 2011
Unsecured/non-guaranteed loan |
| (6) Interest payment date: | The last day of February and August of every year until the principal repayment date (including the principal repayment date) |
| (7) Repayment of principal: | Payment in full on the principal repayment date |
| (8) Principal repayment date: | August 31, 2018 (pre-payment possible) |

<Long-term loan (ii) >

- | | |
|-------------------------------|---|
| (1) Start of the loan period: | August 31, 2011 |
| (2) Amount of loan: | ¥2,000 million |
| (3) Lender: | The bank of Fukuoka, Ltd. |
| (4) Interest rate: | To be determined |
| (5) Borrowing method: | Loan agreement concluded with the lender on August 29, 2011
Unsecured/non-guaranteed loan |
| (6) Interest payment date: | The last day of February and August of every year until the principal repayment date (including the principal repayment date) |

- (7) Repayment of principal: Payment in full on the principal repayment date
 (8) Principal repayment date: August 31, 2017 (pre-payment possible)

<Short-term loan >

- (1) Start of the loan period: September 1, 2011
 (2) Total amount of loan: ¥1,500 million
 (3) Lender, amount of loan, and principal repayment date:

Lender	Amount of loan	Principal repayment date (pre-payment possible)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥1,000 million	September 3, 2012
Mitsubishi UFJ Trust and Banking Corporation	¥500 million	September 3, 2012

- (4) Interest rate: Basic interest rate (JPY TIBOR for 1 month in Japanese Bankers Association (“JBA”)) + 0.20%
 (5) Borrowing method: Loan based on overdraft agreements concluded separately with respective lenders
 Unsecured/non-guaranteed loan
 (6) Interest payment date: 1st of every month until the principal repayment date (including the principal repayment date)
 (7) Repayment of principal: Payment in full on the principal repayment date
 • In the event that the interest payment date does not fall on a business day, the interest shall be paid on the next business day thereafter. If the next business day, however, falls in the following month, the payment shall be made on the business day immediately prior to the interest payment date.
 • Basic interest rate for applicable rate is calculated based on Japanese Yen TIBOR for one month which JBA releases two business days before. (As of August 26, 2011, Japanese Yen TIBOR for one month is 0.18%)
 • With regard to Japanese Yen TIBOR of JBA, please refer to the website of JBA.
 (<http://www.zenginkyo.or.jp/en/tibor/>)

3. Balance of interest-bearing debt after the new loan agreements

(Units: millions of yen)

	Before new loan	After new loan	Increase/Decrease
Short-term loans	22,000	22,000	±0
Current portion of long-term loans	12,100	8,100	-4,000
Long-term loans	180,300	184,300	+4,000
Total loans	214,400	214,400	±0
Current portion of investment corporation bonds	10,000	10,000	±0
Investment corporation bonds (except for current portion)	45,000	45,000	±0
Total investment corporation bonds	55,000	55,000	±0
Total interest-bearing debts	269,400	269,400	±0

4. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks” description in the latest securities report submitted on June 24, 2011.

We will inform you of the interest rates for the long-term loan of ¥5,000 million once they have been decided.

This notice is the English translation of the announcement in Japanese dated August 26, 2011 on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.