

September 21, 2011

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Noritada Terasawa, Executive Director

(TSE code: 8952)

<Asset Management Company>

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## Notice concerning Pre-payment of Loan and New Loan

Announcement is hereby made that on September 21, 2011, Japan Real Estate Investment Corporation decided to procure funds through the following loan and make the pre-payment of the following existing loan prior to the principal repayment date.

### 1. Pre-payment of loan

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|--|--|
| (1) Pre-payment date                                   | September 26, 2011   |
| (2) Details of loan to be pre-paid before the due date |  |
| 1) Total amount of loan:                               | ¥5,000 million   |
| 2) Lender:   | The Sumitomo Trust & Banking Co., Ltd.   |
| 3) Interest rate:                                      | 0.38% (from September 21, 2011 to October 20, 2011)  |
| 4) Start of the loan period:                           | December 21, 2010  |
| 5) Borrowing method:                                   | Loan Agreement concluded on December 17, 2010<br>Unsecured/non-guaranteed loan                     |
| 6) Interest payment date:                              | 21st of every month until the principal repayment date<br>(including the principal repayment date) |
| 7) Repayment of principal:                             | Payment in full on the principal repayment date  |
| 8) Principal repayment date:                           | December 21, 2011  |

\*There will be a settlement fee of ¥163,904 upon this pre-payment.

### 2. New loan

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|--|--|
| (1) Reason for drawing down of the loan  |  |
| To apply the funds toward pre-payment of the above-mentioned short-term loan of ¥5,000 million and the existing short-term loan of ¥500 million executed on March 24, 2011 |  |
| (2) Details of loan  |  |
| 1) Total amount of loan:   | ¥5,500 million                         |
| 2) Lender:   | The Sumitomo Trust & Banking Co., Ltd. |
| 3) Interest rate:  | 1.16% (fixed)                          |

- 4) Start of the loan period: September 26, 2011
- 5) Borrowing method: Loan Agreement concluded on September 21, 2011  
Unsecured/non-guaranteed loan
- 6) Interest payment date: 26th of March and September of every year until the  
principal repayment date
- 7) Repayment of principal: Payment in full on the principal repayment date
- 8) Principal repayment date: September 26, 2019 (pre-payment possible)

**3. Balance of interest-bearing debts after the pre-payment of the loan and the new loan (as of September 26, 2011)**

(Units: millions of yen)

	Before new loan/ pre-payment	After new loan/pre-payment	Increase/Decrease
Short-term loans	22,000	16,500	-5,500
Current portion of long-term loans	8,100	8,100	±0
Long-term loans	184,300	189,750	+5,450
<b>Total loans</b>	<b>214,400</b>	<b>214,350</b>	<b>-50</b>
Current portion of investment corporation bonds	10,000	10,000	±0
Investment corporation bonds (except for current portion)	45,000	45,000	±0
<b>Total investment corporation bonds</b>	<b>55,000</b>	<b>55,000</b>	<b>±0</b>
<b>Total interest-bearing debts</b>	<b>269,400</b>	<b>269,350</b>	<b>-50</b>

**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.

This notice is the English translation of the announcement in Japanese dated September 21, 2011 on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.