

October 27, 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 Pre-payment of Loan and New Loan

Announcement is hereby made that on October 27, 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 | November 1, 2011 |
| (2) Details of loan to be pre-paid before the due date | |
| 1) Total amount of loan: | ¥1,000 million |
| 2) Lender: | The Gunma Bank, Ltd. |
| 3) Interest rate: | 0.38% (from October 24, 2011 to November 23, 2011) |
| 4) Start of the loan period: | March 24, 2011 |
| 5) Borrowing method: | Loan based on overdraft agreement concluded with the lender
Unsecured/non-guaranteed loan |
| 6) Interest payment date: | 24th 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 |
| 8) Principal repayment date: | March 26, 2012 |

*There will be a settlement fee of ¥30,183 (estimated amount) 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 ¥1,000 million and the existing long-term loan of ¥5,000 million executed on November 1, 2004 | |
| (2) Details of loan | |
| 1) Total amount of loan: | ¥6,000 million |
| 2) Lender: | Mizuho Corporate Bank, Ltd. |
| 3) Interest rate: | To be determined |

- 4) Start of the loan period: November 1, 2011
- 5) Borrowing method: Loan Agreement concluded on October 28, 2011
Unsecured/non-guaranteed loan
- 6) Interest payment date: 1st of November and May of every year until the
principal repayment date
- 7) Repayment of principal: Payment in full on the principal repayment date
- 8) Principal repayment date: November 1, 2019 (pre-payment possible)

3. Balance of interest-bearing debts after the pre-payment of the loan and the new loan (as of November 1, 2011)

(Units: millions of yen)

	Before new loan/ pre-payment	After new loan/pre-payment	Increase/Decrease
Short-term loans	16,500	15,500	-1,000
Current portion of long-term loans	10,100	5,100	-5,000
Long-term loans	187,750	193,750	+6,000
Total loans	214,350	214,350	±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	269,350	269,350	±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.

This notice is the English translation of the announcement in Japanese dated October 27, 2011 on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.