

February 23, 2017

To whom it may concern:

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 Japan Real Estate Investment Corporation
 Hiroshi Nakajima, Executive Director
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<Asset Management Company>
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Notice concerning New Loan

Japan Real Estate Investment Corporation hereby announces its decision on February 23, 2017 to procure funds as follows:

1. Reason for drawing down of loan

To allocate the funds for repayment of the existing long-term loan of ¥2 billion executed on March 1, 2011.

2. Details of the loan

- (1) Start of loan period: March 1, 2017
 (2) Amount of loan: ¥2,000 million
 (3) Lender, amount of loan, and principal repayment date:

Lender	Amount of loan	Principal repayment date (pre-payment possible)
Resona Bank, Limited	¥2,000 million	March 1, 2018

- (4) Interest rate: Base rate (1-month JPY TIBOR by “JBA” (Japanese Bankers Association)) + 0.04% (Note 1)
 (5) Borrowing method: Loan based on overdraft agreement concluded with the lender
 Unsecured/unguaranteed loan
 (6) Interest payment date: 1st of every month until the principal repayment date (Note 2)
 (7) Repayment of principal: Payment in full on the principal repayment date
 (pre-payment possible)

(Note1) · Base rate to calculate the interest to pay on an interest payment day is 1-month JPY TIBOR released by JBA two business days before the interest payment date (1-month JPY TIBOR by JBA on February 23, 2017 is 0.03%).

- Please refer to JBA TIBOR administration's website (<http://www.jbatibor.or.jp/english/rate/>) for more information regarding Japanese Yen TIBOR of JBA.

(Note2) In the event that the interest payment date does not fall on a business day, the interest shall be paid on the following business day. If the following business day, however, falls in the following month, the payment shall be made on the preceding business day of the interest payment date.

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

(Units: millions of yen)

	Before new loan	After new loan	Increase/Decrease
Short-term loans	34,000	36,000	+2,000
Current portion of long-term loans	42,850	40,850	-2,000
Long-term loans (except for current portion)	258,500	258,500	±0
Total loans	335,350	335,350	±0
Current portion of investment corporation bonds	0	0	±0
Investment corporation bonds (except for current portion)	20,000	20,000	±0
Total investment corporation bonds	20,000	20,000	±0
Total interest-bearing debts	355,350	355,350	±0

4. Others

Regarding loan repayment related risks, there is no important change to the "Investment risks" description in the latest securities report submitted on December 26, 2016.

This notice is the English translation of the announcement in Japanese dated February 23, 2017.

However, no assurance or warranties are given for the completeness or accuracy of this English translation.