

March 31, 2017

To whom it may concern:

<Investment Corporation>  
 Japan Real Estate Investment Corporation  
 Hiroshi Nakajima, Executive Director  
 (TSE code: 8952)

<Asset Management Company>  
 Japan Real Estate Asset Management Co., Ltd.  
 Naoki Umeda, President & CEO  
 Contact: Ryuta Yoshida  
 Executive Officer & General Manager  
 Planning Department  
 Phone: +81-3-3211-7951

## Notice concerning New Loan

Japan Real Estate Investment Corporation (“JRE”) hereby announces its decision on March 31, 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 ¥5 billion executed on April 4, 2011.

### 2. Details of the loan

#### <Long-term loan>

- |                               |   |
|-------------------------------|---|
| (1) Amount of loan:           | ¥5,000 million  |
| (2) Lender                    | Mitsubishi UFJ Trust and Banking Corporation  |
| (3) Interest rate:            | Base rate (3-month EUR/JPY LIBOR by IBA (ICE Benchmark Administration)) + 0.07% (Note 1)  |
| (4) Start of loan period:     | April 4, 2017   |
| (5) Borrowing method:         | Loan agreement concluded on March 31, 2017<br>Unsecured/unguaranteed loan                 |
| (6) Interest payment date:    | 4th of every January, April, July and October until the principal repayment date (Note 2) |
| (7) Repayment of principal:   | Payment in full on the principal repayment date   |
| (8) Principal Repayment Date: | April 5, 2021 (pre-payment possible)  |

(Note 1) · Base rate to calculate the interest to pay on the interest payment date is 3-month EUR/JPY LIBOR released two bank business days in London before the latest interest payment date at 11:00 am (GMT) by IBA (3-month EUR/JPY LIBOR released by IBA on March 30, 2017 is 0.01364%).

· Please refer to “Loans and Bonds” under Financial Summary of JRE’s website (<http://www.j-re.co.jp/en/cms/finance/debt.html>) for interest rate of the new loan.

(Note 2) · 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 (Note 3)	After new loan	Increase/Decrease
Short-term loans	36,000	36,000	±0
Current portion of long-term loans	46,500	41,500	-5,000
Long-term loans (except for current portion)	256,500	261,500	+5,000
<b>Total loans</b>	<b>339,000</b>	<b>339,000</b>	<b>±0</b>
Current portion of investment corporation bonds	0	0	±0
Investment corporation bonds (except for current portion)	30,000	30,000	±0
<b>Total investment corporation bonds</b>	<b>30,000</b>	<b>30,000</b>	<b>±0</b>
<b>Total interest-bearing debts</b>	<b>369,000</b>	<b>369,000</b>	<b>±0</b>

(Note 3) This is the balance as of April 3, 2017 after the new loans in the release “Notice concerning New Loans” dated March 28, 2017.

### 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 March 31, 2017.

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