

July 14, 2010

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Taketo Yamazaki, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

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Notice concerning Issuance of Investment Corporation Bonds

Announcement is hereby made that Japan Real Estate Investment Corporation decided to issue investment corporation bonds in accordance with the Act on Book-Entry Transfer of Company Bonds, Shares, etc. ("Bonds Transfer Act"), based on the comprehensive resolution adopted at the board of directors' meeting held on July 7, 2010, as follows:

1. Summary of Investment Corporation Bonds

(1) Name of the bonds

Japan Real Estate Investment Corporation Eighth Unsecured Bond

(No finance-related special covenants, such as negative pledge)

(2) Total amount of the bond issue

¥10 billion

(3) Form of bond certificate

The Bonds Transfer Act is applicable to the bonds, thus investment corporation bond certificates will not be issued.

(4) Payment amount

¥100 per face value of ¥100

(5) Redemption price

¥100 per face value of ¥100

(6) Yield on the bonds

1.05% per annum

(7) Denomination of each bond

¥100 million

(8) Subscription method

Public offering

(9) Offering period

July 14, 2010

(10) Payment due date

July 23, 2010

(11) Collateral

There is no secured mortgage or guarantee on the bonds. There are no assets reserved as security for the bonds.

(12) Redemption method and date

(1) Final redemption date

July 23, 2015

(2) Redemption by purchase may be accomplished anytime from the date following the payment date unless otherwise specified by Japan Securities Depository Center, Inc.

(13) Interest payment dates

January 23 and July 23 of every year

(14) Finance-related special covenants

No finance-related special covenants are attached to the bonds.

(15) Ratings

AA-: Standard & Poor's Ratings Services

A1: Moody's Investors Service, Inc.

AA: Rating and Investment Information, Inc.

(16) Fiscal agent/Issuing and payment agent

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(17) Underwriter

Mizuho Securities Co., Ltd.

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

(18) Use of the fund

Repayment of the existing loans

2. Reason for the issuance of the bond

To rise the ratio of long-term debt and investment corporation bonds to total interest-bearing debt though the issuance of the bonds

3. Total amount to be procured, specific use of proceeds and scheduled outlay period

(1) Total amount to be procured (approximate net balance)

¥9,941,000,000

(2) Specific use of proceeds and scheduled outlay period

To apply the funds toward the pre-payment of the short-term loans (¥ 10 billion) on July 26, 2010

*Own funds will be allocated to cover any difference between the total amount to be procured and funds required for the repayment of the short-term loans (¥ 10 billion).

4. Balance of interest-bearing debt after the issuance of the bonds (as of July 26, 2010) (Note)

(Units: millions of yen)

| | Before the issuance | After the issuance | Increase/Decrease |
|---|---------------------|--------------------|-------------------|
| Short-term loans | 39,000 | 29,000 | -10,000 |
| Current portion of long-term loans | 59,100 | 59,100 | ±0 |
| Long-term loans | 119,400 | 119,400 | ±0 |
| Total loans | 217,500 | 207,500 | -10,000 |
| Current portion of investment corporation bonds | 0 | 0 | ±0 |
| Investment corporation bonds (except for current portion) | 45,000 | 55,000 | +10,000 |
| Total investment corporation bonds | 45,000 | 55,000 | +10,000 |
| Total interest-bearing debt | 262,500 | 262,500 | ±0 |

(Note)Balance after the repayment of the above- mentioned short-term loans under 3.

5. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks” description in the latest securities report submitted on June 25, 2010.

This notice is the English translation of the July 14, 2010, announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.