

July 15, 2010

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

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<Asset Management Company>

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Notice concerning Pre-payment of Loan

Announcement is hereby made that on July 15, 2010, Japan Real Estate Investment Corporation decided to make the pre-payment of the following existing loans prior to the principal repayment dates:

1. Pre-payment of loan

- (1) Pre-payment date: July 26, 2010
- (2) Total amount of pre-payment: ¥10,000 million
- (3) Details of loans to be pre-paid before the due dates:

<Short-term loan from The Bank of Tokyo-Mitsubishi UFJ, Ltd.>

- 1) Start of the loan period: September 24, 2009
- 2) Amount of loan: ¥2,500 million
- 3) Amount of pre-payment: ¥2,500 million
- 4) Balance after the pre-payment of loan: ¥0 million
- 5) Interest rate: 0.5246% (from June 24, 2010 to July 25, 2010)
- 6) Borrowing method: Loan based on overdraft agreement
Unsecured/non-guaranteed loan
- 7) Interest payment date: 24th of every month until the principal repayment date
(including the principal repayment date)
- 8) Repayment of principal: Payment in full on the principal repayment date
- 9) Principal repayment date: September 24, 2010

* There will be no outstanding balance upon repayment.

<Short-term loan from Mizuho Corporate Bank, Ltd.>

- 1) Start of the loan period: March 24, 2010
- 2) Amount of loan: ¥4,500 million
- 3) Amount of pre-payment: ¥2,500 million
- 4) Balance after the pre-payment of loan: ¥2,000 million
- 5) Interest rate: 0.5246% (from June 24, 2010 to July 25, 2010)
- 6) Borrowing method: Loan based on overdraft agreement
Unsecured/non-guaranteed loan
- 7) Interest payment date: 24th of every month until the principal repayment date
(including the principal repayment date)
- 8) Repayment of principal: Payment in full on the principal repayment date
- 9) Principal repayment date: March 24, 2011

* There will be no outstanding balance upon repayment.

<Short-term loan from Mitsubishi UFJ Trust and Banking Corporation>

Start of the loan period	September 1, 2009	March 24, 2010
Amount of loan	¥2,000 million	¥2,000 million
Amount of pre-payment	¥500 million *1	¥2,000 million *2
Balance after the pre-payment of loan	¥1,500 million	¥0 million
Interest rate	0.523% (from July 1, 2010 to August 1, 2010)	0.5246% (from June 24, 2010 to July 25, 2010)
Borrowing method	Loan based on overdraft agreements Unsecured/non-guaranteed loan	Loan agreement concluded on March 19, 2010 Unsecured/non-guaranteed loan
Interest payment date	1st of every month until the principal repayment date (including the principal repayment date)	24th of every month until the principal repayment date (including the principal repayment date)
Repayment of principal	Payment in full on the principal repayment date	Payment in full on the principal repayment date
Principal repayment date	September 1, 2010	March 24, 2011

*1 There will be a break-funding cost upon pre-payment. The break-funding cost amount (amount below the minimum unit is disregarded) is calculated by multiplying the principal amount by a difference between 0.223% (one-month Japanese Yen TIBOR announced by Japanese Bankers Association (JBA) on June 29, 2010, percentage after the fourth decimal point is truncated) and the one-week Japanese Yen TIBOR to be announced by JBA on July 22, 2010 (percentage after the fourth decimal point will be truncated), for the 7 days from July 26, 2010 (pre-payment date) to August 1, 2010 (a day prior to the next interest payment date)

inclusive, calculated on a per-diem basis, assuming that there are 365 days per year. The break-funding cost amount will be confirmed on July 22, 2010.

The estimated break-funding cost is ¥7,000 for the principal repayment of ¥500 million, as calculated based on the one-week Japanese Yen TIBOR announced by JBA as of July 15, 2010.

*2 There will be no outstanding balance upon repayment.

<Short-term loan from The Sumitomo Trust & Banking Co., Ltd.>

Start of the loan period	September 24, 2009	March 24, 2010
Amount of loan	¥1,000 million	¥2,000 million
Amount of pre-payment	¥1,000 million	¥1,500 million
Balance after the pre-payment of loan	¥0 million	¥500 million
Interest rate	0.5246% (from June 24, 2010 to July 25, 2010)	0.5246% (from June 24, 2010 to July 25, 2010)
Borrowing method	Loan based on overdraft agreements Unsecured/non-guaranteed loan	Loan agreement concluded on March 19, 2010 Unsecured/non-guaranteed loan
Interest payment date	24th of every month until the principal repayment date (including the principal repayment date)	24th of every month until the principal repayment date (including the principal repayment date)
Repayment of principal	Payment in full on the principal repayment date	Payment in full on the principal repayment date
Principal repayment date	September 24, 2010	March 24, 2011

* There will be no outstanding balance upon repayment.

2. Funds for pre-payment Proceeds from the investment corporation bonds to be issued on July 23, 2010 and own funds

3. Balance of interest-bearing debts after the pre-payment of the loans (as of July 26, 2010)

(Units: millions of yen)

	Before pre-payment	After pre-payment	Increase/Decrease
Short-term loans	39,000	29,000	-1,000
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	-1,000
Current portion of investment corporation bonds (Note)	0	0	±0
Investment corporation bonds (except for current portion)	55,000	55,000	±0
Total investment corporation bonds	55,000	55,000	±0
Total interest-bearing debts	272,500	262,500	-1,000

We will inform you of the interest rates of the short-term loans of total ¥2,500 million on and after July 26, 2010 and the interest rate of the short-term loan of ¥1,500 million on and after August 2, 2010 after the pre-payment of the loans mentioned above once they have been decided.

This notice is the English translation of the announcement in Japanese dated July 15, 2010 on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.