April 11, 2014

To whom it may concern:

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Japan Real Estate Investment Corporation
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Notice concerning Pre-payment of Loan

Announcement is hereby made that on April 11, 2014, Japan Real Estate Investment Corporation decided to make the pre-payment of the following existing loans prior to the principal repayment date:

1. Pre-payment of loan

(a) Pre-payment date: April 15, 2014
(b) Total amount of pre-payment: ¥5,000 million
(c) Details of loans to be pre-paid before the due date:

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

1) Total amount of loans: ¥5,000 million

2) Lender, amount of loan, amount of pre-payment, balance after the pre-payment of loan, start of the loan period and principal repayment date:

Lender	Mitsubishi UFJ Trust and Banking Corporation
Amount of loan	¥5,000 million
Amount of pre-payment	¥5,000 million
Balance	¥0 million
Start of the loan period	January 15, 2014
Principal repayment date	January 15, 2015

3) Interest rate: 0.2263% (From March 17, 2014 to April 14, 2014)

4) Borrowing method: Loan based on overdraft agreement concluded separately with lender
Unsecured/non-guaranteed loan

5) Interest payment date: 15th of every month until the principal repayment date

6) Repayment of principal: Payment in full on the principal repayment date

* There will be no outstanding balance upon this pre-payment.

2. Pre-payment of loan

(a) Pre-payment date: April 18, 2014

(b) Total amount of pre-payment: ¥7,000 million

(c) Details of loans to be pre-paid before the due date:

<Short-term loans from Mizuho Bank, Ltd. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. >

1) Total amount of loans: ¥7,000 million

2) Lender, amount of loan, amount of pre-payment, balance after the pre-payment of loan, start of the loan period and principal repayment date:

Lender	Mizuho Bank, Ltd.	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Amount of loan	¥3,500 million	¥3,500 million
Amount of pre-payment	¥3,500 million	¥3,500 million
Balance	¥0 million	¥0 million
Start of the loan period	February 18, 2014	
Principal repayment date	February 18, 2015	

3) Interest rate: 0.2263% (From March 18, 2014 to April 17, 2014)

4) Borrowing method: Loan based on overdraft agreements concluded separately with respective lenders
Unsecured/non-guaranteed loan

5) Interest payment date: 18th of every month until the principal repayment date

6) Repayment of principal: Payment in full on the principal repayment date

* There will be no outstanding balance upon this pre-payment.

3. Funds for pre-payment

Part of the proceeds from the issuance of new units received on April 15, 2014 (scheduled).

4. Balance of interest-bearing debts after the pre-payment of the loans (as of April 18, 2014)

(Units: millions of yen)

	Before pre-payment	After pre-payment	Increase/Decrease
Short-term loans	56,800	44,800	-12,000
Current portion of long-term loans	5,100	5,100	±0
Long-term loans (except for current portion)	242,000	242,000	±0
Total loans	**303,900**	**291,900**	**-12,000**
Current portion of investment corporation bonds	15,000	15,000	±0
Investment corporation bonds (except for current portion)	40,000	40,000	±0
Total investment corporation bonds	**55,000**	**55,000**	**±0**
Total interest-bearing debts	**358,900**	**346,900**	**-12,000**

5. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks” description in the latest securities report submitted on December 25, 2013

This notice is the English translation of the announcement in Japanese dated April 11, 2014. However, no assurance or warranties are given for the completeness or accuracy of this English translation.