Announcement of Debt Financing

Japan Real Estate Investment Corporation hereby announces its decision today to procure funds as follows:

1. Reason for the borrowing
   Repayment of the existing long-term loan of ¥10.5 billion executed on January 15, 2013.

2. Outline of the borrowing
   <Long-term loan (1)>
   (1) Amount of loan: ¥5,500 million
   (2) Lender: MUFG Bank, Ltd.
   (3) Interest rate: 0.3625% (Fixed)
   (4) Borrowing date: January 15, 2020
   (5) Method of borrowing: Loan agreement dated January 10, 2020
      Unsecured/unguaranteed loan
   (6) Interest payment date: 15th of every January and July until the principal repayment date (Note)
   (7) Method of principal repayment: Lump-sum repayment on the principal repayment date
   (8) Principal repayment date: January 15, 2030
<Long-term loan (2)>
(1) Amount of loan:  ¥5,000 million
(2) Lender: Shinkin Central Bank
(3) Interest rate: 0.325% (Fixed)
(4) Borrowing date: January 15, 2020
(5) Method of borrowing: Loan agreement dated January 10, 2020
Unsecured/unguaranteed loan
(6) Interest payment date: 15th of every January and July until the principal repayment date (Note)
(7) Method of principal repayment: Lump-sum repayment on the principal repayment date
(8) Principal repayment date: January 15, 2029

(Note) In the event that an 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 immediately preceding business day of the interest payment date.

3. Balance of interest-bearing debt after the debt financing
(Units: millions of yen)

<table>
<thead>
<tr>
<th></th>
<th>Before</th>
<th>After</th>
<th>Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term loans payable</td>
<td>14,000</td>
<td>14,000</td>
<td>±0</td>
</tr>
<tr>
<td>Long-term loans payable (Variable interest rate)</td>
<td>23,000</td>
<td>23,000</td>
<td>±0</td>
</tr>
<tr>
<td>Long-term loans payable (Fixed interest rate)</td>
<td>317,000</td>
<td>317,000</td>
<td>±0</td>
</tr>
<tr>
<td>Total loans</td>
<td>354,000</td>
<td>354,000</td>
<td>±0</td>
</tr>
<tr>
<td>Investment corporation bonds</td>
<td>32,993</td>
<td>32,993</td>
<td>±0</td>
</tr>
<tr>
<td>Total investment corporation bonds</td>
<td>32,993</td>
<td>32,993</td>
<td>±0</td>
</tr>
<tr>
<td>Total interest-bearing debt</td>
<td>386,993</td>
<td>386,993</td>
<td>±0</td>
</tr>
</tbody>
</table>

4. Others
Regarding risks pertaining to these loan repayments, there is no material change to the “Investment risks” description in the latest securities report submitted on December 25, 2019.

This is the English translation of the announcement in Japanese dated January 10, 2020.
No assurance or warranties are given for the completeness or accuracy of this English translation.