

December 17, 2014

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Noritada Terasawa, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

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Notice concerning Pre-payment of Loan

Announcement is hereby made that on December 17, 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: December 19, 2014
- (b) Total amount of pre-payment: ¥10,000 million
- (c) Details of loans to be pre-paid before the due date:

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

- 1) Start of the loan period: January 7, 2014
- 2) Total amount of loan: ¥ 1,500 million
- 3) Amount of pre-payment: ¥ 1,500 million
- 4) Balance: ¥ 0 million
- 5) Interest rate: 0.21270 % (From December 8, 2014 to January 6, 2015)
- 6) Borrowing method: Loan based on overdraft agreement concluded with lender
Unsecured/non-guaranteed loan
- 7) Interest repayment date: 7th of every month until the principal repayment date
- 8) Repayment of principal: Payment in full on the principal repayment date
- 9) Principal repayment date: January 7, 2015

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

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

- 1) Start of the loan period: March 24, 2014
- 2) Total amount of loan: ¥ 2,300 million (Note1)

- 3) Amount of pre-payment: ¥ 2,300 million
- 4) Balance: ¥ 0 million
- 5) Interest rate: 0.21360 % (From November 25, 2014 to December 23, 2014)
- 6) Borrowing method: Loan based on overdraft agreement concluded with lender
Unsecured/non-guaranteed loan
- 7) Interest repayment date: 24th of every month until the principal repayment date
- 8) Repayment of principal: Payment in full on the principal repayment date
- 9) Principal repayment date: March 24, 2015

(Note1) The total amount of loan is the balance after pre-payment of loan announced in “Notice concerning Pre-payment of Loan” dated April 17, 2014

* There will be a settlement fee of approx.¥7,435 upon this pre-payment.

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

- 1) Start of the loan period: March 31, 2014
- 2) Total amount of loan: ¥ 3,700 million
- 3) Amount of pre-payment: ¥ 3,700 million
- 4) Balance: ¥ 0 million
- 5) Interest rate: 0.20270 % (From November 28, 2014 to December 29, 2014)
- 6) Borrowing method: Loan based on overdraft agreement concluded with lender
Unsecured/non-guaranteed loan
- 7) Interest repayment date: End of every month until the principal repayment date
- 8) Repayment of principal: Payment in full on the principal repayment date
- 9) Principal repayment date: March 31, 2015

* There will be a settlement fee of approx.¥25,312 upon this pre-payment.

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

- 1) Start of the loan period: October 1, 2014
- 2) Total amount of loan: ¥ 3,000 million
- 3) Amount of pre-payment: ¥ 2,500 million
- 4) Balance: ¥ 500 million
- 5) Interest rate: 0.18270 % (From December 1, 2014 to January 4, 2015)
- 6) Borrowing method: Loan based on overdraft agreement concluded with lender
Unsecured/non-guaranteed loan
- 7) Interest repayment date: 1st of every month until the principal repayment date
- 8) Repayment of principal: Payment in full on the principal repayment date
- 9) Principal repayment date: October 1, 2015

* There will be a settlement fee of approx.¥26,431 upon this pre-payment.

2. Funds for pre-payment

Long-term loan starting on December 19, 2014 (scheduled)

3. Balance of interest-bearing debts after the pre-payment of the loans

(Units: millions of yen)

	Before pre-payment	After pre-payment (Note2)	Increase/Decrease
Short-term loans	31,500	21,500	-10,000
Current portion of long-term loans	16,600	16,600	±0
Long-term loans (except for current portion)	255,450	265,450	+10,000
Total loans	303,550	303,550	±0
Current portion of investment corporation bonds	20,000	20,000	±0
Investment corporation bonds (except for current portion)	20,000	20,000	±0
Total investment corporation bonds	40,000	40,000	±0
Total interest-bearing debts	343,550	343,550	±0

(Note2) The balance is the amount after the new loan and execution of currency swap agreement announced in “Notice concerning New Loan and Execution of Currency Swap Agreement” dated December17, 2014.

4. 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, 2014

This notice is the English translation of the announcement in Japanese dated December 17, 2014. However, no assurance or warranties are given for the completeness or accuracy of this English translation.