

February 25, 2015

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.

Hiroshi Katayama, CEO & President

Contact: Ryuta Yoshida,

Executive Officer, General Manager, Planning Department

Phone: +81-3-3211-7921

Notice concerning New Loans and Execution of Interest Rate Swap Agreement

Japan Real Estate Investment Corporation hereby announces its decision on February 25, 2015, to procure funds and enter into interest rate swap agreement on the part of the new loans relating thereto as follows:

1. Reason for drawing down of the loans

To apply the part of the funds toward the purchase of the trust beneficiary right in trust of domestic real estate (Ginza 1chome East Building) announced on February 25, 2015.

2. Details of the loans

<Short-term loan >

(1) Start of the loan period: March 2, 2015

(2) Total amount of loan: ¥3,500million

(3) Lender, amount of loan, and principal repayment date:

Lender	Amount of loan	Principal repayment date (pre-payment possible)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥3,500million	March 2, 2016

(4) Interest rate: Base rate (Japanese Bankers Association ("JBA")
JPY TIBOR for 1 month) +0.05% (Note 1)

(5) Borrowing method: Loan based on overdraft agreement concluded with lender
Unsecured / non-guaranteed loan.

(6) Interest payment date: 2nd of every month until the principal repayment (Note 2)

(7) Repayment of principal: Payment in full on the principal repayment date
(pre-payment possible)

(Note1) • Base rate to calculate the interest to pay on an interest payment day is Japanese Yen TIBOR for one month which is released by JBA two business days before the interest payment day. (Japanese Yen TIBOR as of February 25, 2015 for one month is 0.1300%).

• Please refer to JBA TIBOR administration's website (<http://www.jbatibor.or.jp/english/rate/>) for more information regarding Japanese Yen TIBOR of JBA.

(Note2) • In the event that the 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 preceding business day of the interest payment date.

<Long-term loan >

(1) Total amount of loan: ¥3,000million
(2) Lender: Mizuho Trust & Banking Co., Ltd.
(3) Interest rate: Base rate (ICE Benchmark Administration ("IBA")
EUR/JPY LIBOR for one month) + 0.09% (Note 3)
(4) Start of the loan period: March 2nd, 2015
(5) Borrowing method: Loan agreement concluded with the lender on February 25,
2015
Unsecured/non-guaranteed loan
(6) Interest payment day: 2nd of every month until the principal repayment date.
(Note 4)
(7) Repayment of principal: Payment in full on the principal repayment day
(8) Principal payment day: March 3, 2025 (pre-payment possible)

(Note3) • Base rate to calculate the interest to pay on an interest payment day is "IBA" one-month EUR/JPY LIBOR which IBA releases at 11:00 am (GMT) on the two bank business days in London before the interest payment date. (The "IBA" one-month EUR/JPY LIBOR on February 24, 2015 is 0.075 %.)

(Note4) • In the event that the 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 preceding business day of the interest payment date.

3. Interest Rate Swap Agreement

(1) Reason for execution of interest rate swap agreement

To hedge against risks of interest rate fluctuations on the above long-term loan starting from March 2nd, 2015

(2) Details of the interest rate swap agreement

<Interest rate swap agreement for Long-term loan >

- (1) Counterparty: The bank of Tokyo-Mitsubishi UFJ, Ltd.
(2) National amount: ¥30,000million
(3) Interest rate, etc: Fixed interest payment:
0.5585%
Variable interest receipt:
("IBA" one month EUR/JPY LIBOR) + 0.09%
(4) Contract start date: March 2nd, 2015
(5) Contract end date: March 3rd, 2025
(6) Interest payment date: 2nd of every month until the contract end date (Note 5)
Interest rate of the long-term loan (3,000million yen with 10-year maturity) will be fixed at 0.5585 by executing the above interest rate swap agreement. Therefore, the ensuring fixing of the "IBA" one-month EUR/JPY LIBOR will not be announced going forward.

(Note 5) In the event that the 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 preceding business day of the interest payment date.

4. Balance of interest-bearing debt after the new loan agreement

(Units: millions of yen)

	Before new loan	After new loan	Increase/Decrease
Short-term loans	21,500	25,000	+3,500
Current portion of long-term loans	18,600	18,600	±0
Long-term loans (except for current portion)	263,450	266,450	+3,000
Total loans	303,550	310,050	+6,500
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	350,050	+6,500

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, 2014.

This notice is the English translation of the announcement in Japanese dated February 25 2015. However, no assurance or warranties are given for the completeness or accuracy of this English translation.