

June 17, 2016

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Hiroshi Nakajima, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

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Notice concerning New Loans

Japan Real Estate Investment Corporation hereby announces its decision on June 17, 2016 to procure funds as follows:

1. Reason for drawing down of loans

To allocate a part of the funds for repayment of the existing long-term loans of ¥24 billion executed on June 23, 2011 (Note 1).

2. Details of the loan

- (1) Start of loan period: June 23, 2016
 (2) Amount of loan: ¥20 billion (Note 1)
 (3) Lender, amount of loan, and principal repayment date:

Lender	Amount of loan	Principal repayment date (pre-payment possible)
Mizuho Bank, Ltd.	¥5,000 million	December 26, 2016
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥5,000 million	December 26, 2016
Sumitomo Mitsui Trust Bank, Limited	¥5,000 million	December 26, 2016
Mitsubishi UFJ Trust and Banking Corporation	¥5,000 million	December 26, 2016

- (4) Interest rate: Base rate (1-month JPY TIBOR by “JBA” (Japanese Bankers Association))+ 0.04% (Note 2)
 (5) Borrowing method: Loan based on overdraft agreements concluded with each lender
 Unsecured/unguaranteed loan
 (6) Interest payment date: 23rd of every month until the principal repayment date (Note 3)
 (7) Repayment of principal: Payment in full on the principal repayment date
 (pre-payment possible)

(Note1) ¥4 billion out of the total amount for scheduled repayment of the existing long-term loans of ¥24 billion will be paid by own funds.

(Note2) ・ Base rate to calculate the interest to pay on an interest payment day is 1-month JPY TIBOR released by JBA two business days before the interest payment date. (1-month JPY TIBOR by JBA on June 17, 2016 is 0.03364%)

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

(Note3) 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. Balance of interest-bearing debt after the new loans

(Units: millions of yen)

	Before new loans	After new loans	Increase/Decrease
Short-term loans	25,700	45,700	+ 20,000
Current portion of long-term loans	63,900	39,900	− 24,000
Long-term loans (except for current portion)	250,800	250,800	±0
Total loans	340,400	336,400	− 4,000
Current portion of investment corporation bonds	0	0	±0
Investment corporation bonds (except for current portion)	20,000	20,000	±0
Total investment corporation bonds	20,000	20,000	±0
Total interest-bearing debts	360,400	356,400	− 4,000

4. Others

Regarding loan repayment related risks, there is no important change to the “Investment risks” description in the latest securities report submitted on December 24, 2015.

This notice is the English translation of the announcement in Japanese dated June 17, 2016.

However, no assurance or warranties are given for the completeness or accuracy of this English translation.