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August 29, 2012

REIT Issuer

Ichigo Real Estate Investment Corporation (8975)

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Representative: Yoshihiro Takatsuka, Executive Director

Asset Management Company

Ichigo Real Estate Investment Advisors Co., Ltd.

Representative: Wataru Orii, President & Representative Statutory Executive Officer

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Notice of Refinancing and Repayment of Existing Loan

Ichigo Real Estate Investment Corporation (“Ichigo REIT”) today decided to borrow funds and repay an existing loan. Details are per the below.

1. Reason for Refinancing

Following its merger with the former Ichigo Real Estate Investment Corporation on November 1, 2011, Ichigo REIT has pursued strategies to further its growth as a comprehensive J-REIT while securing stable and steady profitability. Ichigo REIT has declared the period until October 2012 as “Stage I” of this growth strategy, with the aim of creating a foundation for growth by strengthening its financial position, broadening its lender base, and reducing borrowing costs. As an external growth strategy, Ichigo REIT is also striving to improve the quality of its portfolio.

In accordance with this strategy, Ichigo REIT has decided to borrow 5,664 million yen as a syndicated loan (term: 2.5 years) with Aozora Bank as the arranger. Ichigo REIT will use this loan to refinance the Aozora Bank Loan of 3,664 million yen, which will mature on August 31, 2012. The rest of the loan will be used to acquire “M’s SQUARE” as disclosed in the release “Acquisition of Portfolio Asset (M’s SQUARE)” today.

The acquisition of M’s SQUARE will constitute an important step in the improvement of the Ichigo REIT asset portfolio. Further, the loan will be used to extend Ichigo REIT’s debt maturities and diversify its lender base, which will additionally strengthen Ichigo REIT’s financial position. Ichigo REIT borrowed the new loan at a lower interest rate than the prior loan, and the lowered borrowing costs, along with the new revenue generated from M’s SQUARE, will contribute to dividend increases and the enhancement of unitholder value over time.

2. Details of New Loan

Aozora Bank Syndicate Loan (2.5 years)

Lenders	Aozora Bank, Ltd., Shinsei Bank, Limited, ORIX Bank Corporation
Loan Amount	JPY 5,664 million
Use of Proceeds	Repayment of existing loans and acquisition of new property
Loan Date	August 31, 2012
Principal Repayment Date	February 27, 2015
Principal Repayment Terms	JPY 17,500,000 of the principal will be repaid on each Partial Principal Repayment Date, and the remainder will be repaid in full on the Principal Repayment Date.
Partial Principal Repayment Date	Same as the Interest Payment Date
Interest Rate	1.60269 % (p.a.)
Interest Payment Date	Final business day of February, May, August and November following the Loan Date (The first payment date will be end of November 2012, and the last payment date will be the same as the Principal Repayment Date)
Collateralized	Yes

3. Details of Existing Loans

Aozora Bank Loan

Lender	Aozora Bank, Ltd.
Outstanding Balance before Repayment	JPY 3,664 million (after partial principal repayment on August 31, 2012)
Outstanding Balance after Repayment	None
Loan Date	February 29, 2008
Repayment Date	August 31, 2012 (expected)
Interest Rate	3M JPY TIBOR +2.25%
Collateralized	Yes

4. Future Outlook

Ichigo REIT is making no amendment to the earnings forecast for the fiscal period ending October 2012 (May 1, 2012 – October 31, 2012) and April 2013 (November 1, 2012 – April 30, 2013), as announced in “Financial Report for the Fiscal Period ending April 2012” on June 18, 2012.

5. Other

Risks related to this transaction have no material impact on the “Investment Risks” described in the latest Securities Report (submitted on July 27, 2012).

Reference

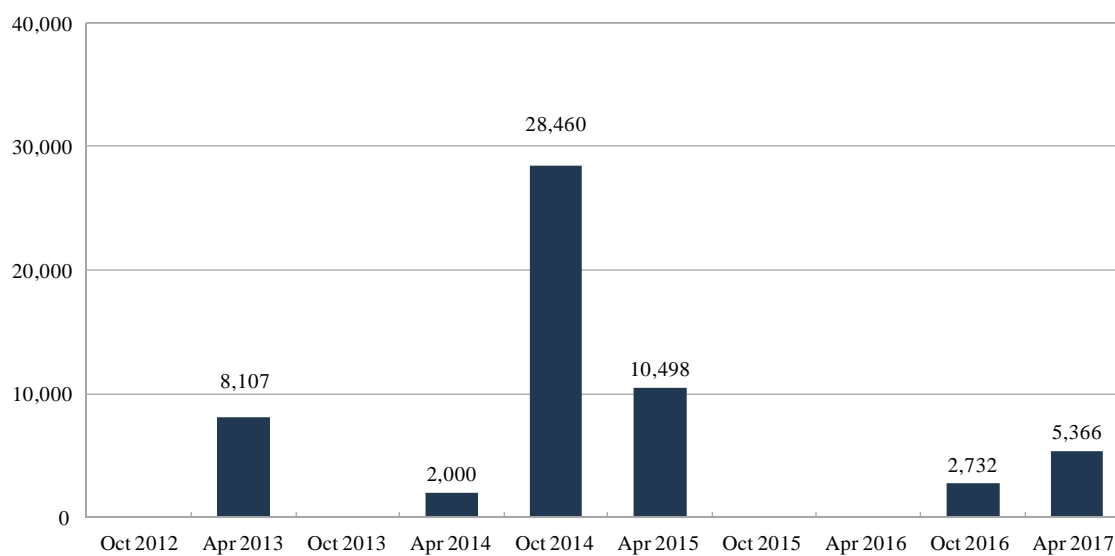
Outstanding Loan Balance (as of August 31, 2012)

(million yen)

	Balance
GE Japan Corporation	28,460
Aozora Bank, Ltd.	4,583
Shinsei Bank, Limited	4,419
Gibraltar Life Insurance Co., Ltd.	3,800
Resona Bank, Limited	2,953
Mizuho Trust & Banking Co., Ltd. (Loan Backed by Trust Assets) / Prudential LPS	2,910
The Tokyo Star Bank, Limited	2,895
Sumitomo Mitsui Banking Corporation	2,879
Mizuho Trust & Banking Co., Ltd.	2,879
The Kagawa Bank, Ltd.	1,412
ORIX Bank Corporation	500
Total	57,693

Distribution of Repayment Dates (as of August 31, 2012)

(million yen)



Website of Ichigo REIT: www.ichigo-reit.co.jp/english