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For Immediate Release

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**ORIX JREIT Announces Compensation from ORIX Asset Management Corporation
Related to Round-Cross Aoyama**

TOKYO, December 21, 2007 — ORIX JREIT Inc, (“OJR”) announced today that it will accept the compensation described below from ORIX Asset Management Corporation (“OAM”), which provides asset management services for OJR.

1. Description of Compensation

As described in the Financial Report for the 11th Fiscal Period (March 1, 2007 – August 31, 2007), it has not yet been confirmed that a section of Round-Cross Aoyama (“the property”), which OJR is to sell, complies with Japan’s Building Standards Law. As OJR will dispose of the property in its current condition, OAM has estimated the expenses that were necessary for taking corrective action at the time of the acquisition of the property and will pay an equivalent amount as compensation.

- Name of property: Round-Cross Aoyama
- Amount: ¥25,163,225
- Projected period of payment: 12th fiscal period (September 1, 2007 – February 29, 2008)

2. Effect on OJR’s Performance

Please refer to the news release entitled “ORIX JREIT Revises Earnings Forecast for the 12th Fiscal Period (Ending February 29, 2008)” dated today for the effect of this on the financial results for the period ending February 2008 (12th fiscal period).

The effect of this on the earning forecasts for the period ending August 2008 (13th fiscal period: March 1, 2008 – August 31, 2008) is insignificant, and accordingly there are no changes to the earnings forecasts for that period (13th fiscal period) that were announced in the summary of results for the period ended August 2007 (11th fiscal period).

The original Japanese version of this material is being distributed today to the Kabuto Club, the Ministry of Land, Infrastructure and Transport Press Club, and the Ministry of Land, Infrastructure and Transport Press Club for Construction Publications.