

For Immediate Release

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**ORIX JREIT Inc. announces changes for
Asset Management Agreement and others**

Tokyo, Japan, August 10, 2005- ORIX JREIT Inc. (“OJR”) announced today that its Board of Directors approved to make changes (revisions, additions or deletions) for Asset Management Agreement (“AM Agreement”) between OJR and ORIX Asset Management Corporation (“OAM”), and OAM’s internal regulation on related party transactions (“Related Party Regulation”), the annex of AM Agreement. Changes for OJR’s internal regulation was also approved by OJR’s Board of Directors. OJR aims to deal with current real estate market circumstances, and to further streamline its operation through these changes. All of these changes were approved today on August 10, 2005.

1. Changes for AM Agreement

(1) Article 12

Unnecessary and obsolete provisions that solely relate to the first fiscal period are deleted.

(2) Other clerical changes were made.

2. Changes for Related Party Regulation

(1) Article 2

To cope with tough competition for property acquisition, following change is made. As a result, OJR will be able to acquire assets based on its own reasonable judgment taking into account various factors in addition to appraisal values and investigated prices.

[New]

When real estate assets are traded among related parties, appraisal values or investigated prices shall be treated as the reference for the transaction prices.

[Current]

When real estate assets are traded among related parties, appraisal values or investigated prices shall be treated as the basis for the transaction prices.

(Note)

Any related party transactions* shall be subject to approval of OJR’s Board of Directors that shall require majority approval of Supervisory Directors of OJR.

*Certain deal types that have been approved in advance by OJR’s Board of Directors shall be excluded.

(2) Article 3

(2)-1

<Background>

‘Excluded Transactions’ means related party transactions that are considered to have minimal risk to cause damage to OJR. Therefore, Excluded Transactions shall not be required to obtain prior approval of OJR’s board of directors. Since Excluded Transactions are considered to have minimal risk to cause damage to OJR, following revision is made to promote timely decision-making.

[New]

Excluded Transactions shall not be required discussion at Risk Compliance Committee of OAM.

[Current]

Excluded Transactions shall be discussed at Risk Compliance Committee.

(2)-2

<Background>

Before this particular change, OAM has been required to submit written notice on any related party transactions to OJR upon completion. To streamline operational process, following revision is made to define particular deal types of Excluded Transactions for which OAM shall not be required to make written notice to OJR.

[New]

OAM shall not be required to make written notice for particular deal types of Excluded Transactions to OJR. These particular deal types shall be approved by OJR's Board of Directors in advance.

[Current]

OAM shall make written notice on any related party transactions to OJR.

(3) Attachment 3. Real Estate-related Assets

As stocks have been added to the investment objects through revision of OJR's articles of incorporation, the stock is added to real estate-related assets.

(4) Other clerical changes are made.

3. Changes for OJR's internal regulation

(1) Establishment of particular deal types relating to the provision in Article 3, Provision 1 of Related Party Regulation and deletion of particular deal types relating to the provision in Article 3, Provision 2 of Related Party Regulation

Provision 1 was deleted and replaced by Provision 2.

(2) Establishment of particular deal types relating to the provision in Article 3, Provision 4 of Related Party Regulation

Out of Excluded Transactions, particular deal types are newly stipulated, for which OAM shall be not required to make written notice to OJR.

(3) Internal regulation relating to Article 4, Item 3 of Related Party Regulation

<Background>

Restricted Transactions shall require prior approval of OJR's board of directors. Out of Restricted Transactions, there are particular deal types that shall not be required to be disclosed.

[Addition]

Additional deal types, that shall not be required to be disclosed, are stipulated to reduce unnecessary disclosure.

* Please note that this English translation of the original Japanese document is provided solely for informational purposes. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

* OJR is a real estate investment corporation (commonly referred to as a J-REIT) listed on the Tokyo Stock Exchange JREIT Section (TSE:8954) whose objective is to provide stable income returns to investors over the mid- to long-term through investing in diversified types of quality real estate, mostly in Greater Tokyo Metropolitan area. ORIX Asset Management Corp, a wholly owned subsidiary of ORIX Corp. (TSE: 8591), provides the asset management services for OJR.