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**For Immediate Release**

June 6, 2006

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**ORIX JREIT announces repayment of the existing loan**

Tokyo, Japan, June 6, 2006 - ORIX JREIT Inc. (“OJR”) announced today that it decided to make partial repayment of JPY 3.5 billion for the existing floating rate loan.

**Debt Repayment**

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• Repayment amount	JPY 3.5 billion
• Repayment date	June 20, 2006
• Lenders	The Sumitomo Trust & Banking, The Mitsubishi UFJ Trust & Banking, The Chuo Mitsui Trust and Banking, The Chiba Bank, The Hachijuni Bank, The Norinchukin Bank, Tokio Marine & Nichido Fire Insurance Co., Ltd., The Mitsui Sumitomo Insurance, SOMPO JAPAN INSURANCE
• Remaining principal	JPY3.5 billion (Before this particular repayment.)
• Applicable Interest rate	0.74727%
• Loan terms	Secured, non-guaranteed, floating rate
• Draw down date	March 20, 2002
• Principal payment	Bullet payment at maturity
• Maturity	March 20, 2007

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Note: No penalty is required by this particular early repayment.

OJR will repay another existing loan (commitment line, short-term borrowings, borrowing amount : JPY 4 billion. Please refer to the announcement on April 12, 2006 “ORIX JREIT Announces a New Debt Financing”) on June 20, 2006 as maturity repayment. The following table summarizes the change in LTV from these repayments.

	Before	After	Change
Short-term debt	JPY 05,000 million	JPY 01,000 million	(JPY 4,000 million)
Long-term debt	JPY 79,650 million	JPY 76,150 million	(JPY 3,500 million)
Long-term debt due within one year	JPY 29,000 million	JPY 25,500 million	(JPY 3,500 million)
Total interest-bearing debt	JPY 84,650 million	JPY 77,150 million	(JPY 7,500 million)
Interest-bearing debt ratio	41%	39%	(2%)

Note : Interest-bearing debt ratio is calculated by dividing the total interest-bearing debt with the sum of interest bearing-debt and total equity. Individual numbers are rounded off to one % place.

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