

[Provisional Translation Only]

This English translation of the original Japanese document is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

For Immediate Release

September 5, 2006

ORIX JREIT Inc. (TSE: 8954)
Hiroshi Ichikawa
Executive Director

Inquiries:

ORIX Asset Management Corporation
Hirofumi Yatsuduka
Corporate Senior Vice President
TEL: +81 3 3435 3285

ORIX JREIT announces repayment of the existing loan

Tokyo, Japan, September 5, 2006 - ORIX JREIT Inc. ("OJR") announced today that it decided to make partial repayment of JPY 462 million for the existing fixed rate loan.

Debt Repayment

• Repayment amount	JPY 462 million
• Repayment date	September 20, 2006
• Lenders	The Sumitomo Trust & Banking, The Mitsubishi UFJ Trust & Banking, The Chuo Mitsui Trust and Banking, The Norinchukin Bank, Tokio Marine & Nichido Fire Insurance Co., Ltd., SOMPO JAPAN INSURANCE
• Remaining principal	JPY17.5 billion (Before this particular repayment.)
• Applicable Interest rate	1.34146%
• Loan terms	Secured, non-guaranteed, fixed rate
• Draw down date	March 20, 2002
• Principal payment	Bullet payment at maturity
• Maturity	March 20, 2007

The following table summarizes the change in LTV from these repayments.

	Before	After	Change
Short-term debt	JPY 1,000 million	JPY 1,000 million	-
Long-term debt	JPY 76,150 million	JPY 75,688 million	(JPY 462 million)
Long-term debt due within one year	JPY 25,500 million	JPY 25,038 million	(JPY 462 million)
Total interest-bearing debt	JPY 77,150 million	JPY 76,688 million	(JPY 462 million)
Interest-bearing debt ratio	39%	39%	(0%)

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.