

July 25, 2007

For Immediate Release

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Notice Concerning Debt Finance

Premier Investment Corporation (“Premier”) announces the decision made at the meeting of its board of directors on July 25, 2007 to borrow funds as described below (hereinafter, the “Debt Finance”).

1. Reason for the Debt Finance

To fund the repayment of 11.5 billion yen in short-term loans. Please refer to 3. “Details of the Repayment” for details of the short-term loans.

The Debt Finance is a conversion of the short-term loans into long-term loans. By converting into long-term loans with fixed interest rates, Premier intends to reduce the impact of interest rate fluctuations on management performance over the medium to long term.

2. Details of the Debt Finance

The Debt Finance involves the borrowing of two term loans (long-term loans). The details are provided in the following table.

	Term loan 004	Term loan 005
A. Use of Funds	The repayment of short-term loans	The repayment of short-term loans
B. Lenders	The Chuo Mitsui Trust and Banking Co., Ltd. The Sumitomo Trust and Banking Co., Ltd. Bank of Tokyo-Mitsubishi UFJ, Ltd. Aozora Bank, Ltd. Mitsui Sumitomo Insurance Co., Ltd. Sumitomo Mitsui Banking Corporation	Development Bank of Japan
C. Amount of Debt Finance	10,500,000,000 yen (Note 1)	1,000,000,000yen
D. Expected Drawdown Date	July 31, 2007	July 31, 2007
E. Repayment Date	July 29, 2011	July 31, 2013
F. Repayment Period	4 years	6 years
G. Repayment Method	Lump-sum repayment upon maturity	Lump-sum repayment upon maturity
H. Interest Rate (p.a.), Etc.	Fixed interest rate: (Note 2)	Fixed interest rate: (Note 2)
I. Collateral/Guarantee	Unsecured and non-guaranteed	Unsecured and non-guaranteed

(Note 1) The breakdown is as follows.

The Chuo Mitsui Trust and Banking Co., Ltd.: 3,000 million yen; The Sumitomo Trust and Banking Co., Ltd.: 2,500 million yen; Bank of Tokyo-Mitsubishi UFJ, Ltd.: 2,000 million yen; .Aozora Bank, Ltd.: 1,000 million yen; Mitsui Sumitomo Insurance Co., Ltd.: 1,000 million yen; and Sumitomo Mitsui Banking Corporation: 1,000 million yen

(Note 2) The interest rate is scheduled to be finalized on July 27, 2007.

3. Details of the Repayment

The following three short-term loans will be repaid in full on July 31, 2007 prior to their maturity dates.

Lender	Amount of Debt Finance (yen)		Amount of Repayment (yen)	Principal Maturity Date
Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,800,000,000	(Note 1)	1,800,000,000	February 8, 2008
The Sumitomo Trust and Banking Co., Ltd. The Chuo Mitsui Trust and Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation	4,400,000,000	(Note 2)	4,400,000,000	May 16, 2008
The Chuo Mitsui Trust and Banking Co., Ltd.	5,300,000,000	(Note 3)	5,300,000,000	June 27, 2008
Total	11,500,000,000		11,500,000,000	

(Note 1) Debt finance borrowed on February 9, 2007 and announced in the "Notice Concerning Debt Finance" dated February 7, 2007.

(Note 2) Debt finance borrowed on May 18, 2007 and announced in the "Notice Concerning Debt Finance" dated May 16, 2007.

(Note 3) Debt finance borrowed on June 29, 2007 and announced in the "Notice Concerning Debt Finance" dated June 26, 2007.

[Attachment]

Reference: Interest-Bearing Liabilities Outstanding after Debt Finance

*The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange, Ministry of Land, Infrastructure and Transport and the construction trade newspaper of the Ministry of Land, Infrastructure and Transport.

*Premier Investment Corporation's website is <http://www.pic-reit.co.jp>

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

[Reference] Interest-Bearing Liabilities Outstanding after Debt Finance

(Unit: million yen)

		Prior to Debt Finance Execution	After Debt Finance Execution	Variation
Short-term loans	Revolving line of credit	11,500	-	(11,500)
	Debt finance based on commitment line agreement	900	900	-
Long-term loans	Series 2 term loan	9,400	9,400	-
	Term loan 001	6,000	6,000	-
	Term loan 002	3,650	3,650	-
	Term loan 003	2,850	2,850	-
	Term loan 004	-	10,500	10,500
	Term loan 005	-	1,000	1,000
Total loans		34,300	34,300	0
1st Unsecured Investment Corporation Bonds		15,000	15,000	-
2nd Unsecured Investment Corporation Bonds		10,000	10,000	-
Total investment corporation bonds		25,000	25,000	-
Total interest-bearing liabilities		59,300	59,300	-
Interest-bearing liabilities ratio (%) ^(Note)		53.6	53.6	-

(Note) Interest-bearing liabilities ratio = Interest-bearing liabilities ÷ (Interest-bearing liabilities + Unitholders' capital) × 100. The value used for the unitholders' capital is 51,434,852,000 yen, which is the value of the unitholders' capital as of the date of this notice. In addition, the Interest-bearing liabilities ratio has been rounded to the nearest one decimal place.