

For Immediate Release

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Notice Concerning Debt Financing

TOKYU REIT, Inc. (“TOKYU REIT”) today announced that it has executed a debt financing agreement. Brief details are as follows.

1. Rationale

The decision to undertake debt financing is to fund the acquisition of real estate (CONZE Ebisu) and related costs. Please refer to the “Notice Concerning Acquisition of Property,” dated October 26, 2006, for details.

2. Details of Debt Financing

Lender	Debt financing amount (millions of yen)	Interest rate	Borrowing method Repayment method	Drawdown date Repayment date
The Sumitomo Trust and Banking Co., Ltd.	1,000	0.71545% (Floating interest rate)	Unsecured, Unguaranteed Lump-sum repayment on maturity	October 31, 2006 October 31, 2007
The Chuo Mitsui Trust and Banking Company, Limited	1,000			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000			
Mizuho Corporate Bank, Ltd.	1,000			
Mitsubishi UFJ Trust and Banking Corporation	1,000			
Total	5,000	—	—	—

The interest rate covers the period from October 31, 2006 to November 27, 2006. Interest rates after November 27, 2006 will be announced when determined.

Translation Purpose Only

<Reference>

1. Total Borrowings after Debt Financing

Short-Term Borrowings	¥24,900 million
Long-Term Borrowings	¥41,000 million
Interest-Bearing Debt	¥65,900 million

2. Interest-Bearing Debt Ratios after Debt Financing

Interest-Bearing Debt to Total Assets Ratio	35.7%
Interest-Bearing Debt to Total Appraisal Value Ratio	35.8%
Long-Term Interest-Bearing Debt Ratio	62.2%

Notes:

* The above interest-bearing debt ratios are calculated using the following formulas:

Interest-Bearing Debt to Total Assets Ratio (%) = Interest-Bearing Debt ÷ Total Assets × 100

For total assets, TOKYU REIT adopts the expectation of total assets on the close of the 7th financial period announced as of the 6th financial period settlement, plus debt financing already undertaken during the 7th financial period together with the debt financing amount that is the subject of this press release.

Interest-Bearing Debt to Total Appraisal Value Ratio (%) = (Interest-Bearing Debt + Security Deposits and Guarantee Money without Reserved Cash) ÷ (Total estimated value of specified assets as of the period-end or total appraisal value as of the acquisition date) × 100

Long-Term Interest-Bearing Debt Ratio (%) = Long-Term Borrowings ÷ Interest-Bearing Debt × 100

* Percentage figures are rounded to the nearest first decimal place.