

Daiwa Office Investment Corporation

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

May 16, 2011

REIT Issuer:

Daiwa Office Investment Corporation
6-2-1 Ginza, Chuo-ku, Tokyo
Representative: Kazuo Otaka, Executive Director
(Stock Code No.: 8976)

Asset Manager:

Daiwa Real Estate Asset Management Co., Ltd.
Representative: Akira Yamanouchi,
President and Representative Director
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Notice concerning Borrowing of Fund

We hereby give notice that Daiwa Office Investment Corporation (the “Investment Corporation”) decided to borrow funds as outlined below. And we changed the method of description in interest rate from this time.

1. Borrowing Details

Scheduled Lender	Loan Amount	Interest Rate (Note 1)	Scheduled Drawdown Date	Borrowing / Repayment Method	Repayment Date
Shinsei Bank, Limited.	1,000 million yen	1 month Japanese Yen TIBOR +0.55%	May 25, 2011	Unsecured Repayment in lump sum	Nov.29, 2013

(Note 1) * Interest Rate is paid at the end of every month (on the last business day of the end of each month if interest payment date is not business day). Interest Rate is calculated based on 1 month Japanese Yen TIBOR which Japanese Bankers Association (“JBA”) releases two business days prior to interest payment date. (The applicable interest rate from May 25, 2011 to June 30, 2011 is calculated based on 1 month Japanese Yen TIBOR which JBA is going to release on May 23, 2011)

* You can find 1 month Japanese Yen TIBOR on website of JBA (<http://www.zenginkyo.or.jp/en/tibor/>)

2. Reason for Borrowing

The fund is being borrowed to provide for the portion of the repayment amount of the existing loan which was borrowed on September 18, 2009.

3. Repayment of Existing loan (borrowed on September 18, 2009)

Lender	Repayment Amount	Repayment Date
Mizuho Bank, Ltd.	1,400 million yen	May 25, 2011

* The balance of 400 million yen in Repayment Amount is going to be paid from cash reserves.

4. Status of Interest-Bearing Liabilities after Drawdown of the Loans and Repayment of the Existing Loan

Please refer to “Reference Material” for the status of interest-bearing liabilities after drawdown of the loans and repayment of the existing loan.

5. Other Matters Required for Investors to Appropriately Understand and Evaluate the Above Information

There is no change to the content of the investment risks described “1. Fund Information, 1-1 Status of Fund, 1-1-3 Investment Risk” of the Financial Report filed as of February 24, 2011 with respect to the risks involved in repayment etc.

- End -

Note: This press release was prepared as a public announcement regarding borrowing of fund and was not prepared with the aim of soliciting investments.

[Reference Material]

Balance of Interest-Bearing Liabilities after Drawdown of the Loans and Repayment of the Existing Loan (as of May 25 2011)

(Unit: million yen)

	Before drawdown and repayment	After drawdown and repayment	Increase/ Decrease
Short-term loans (loan period: 1 year or less)	19,358.75	19,358.75	0
Long-term loans (loan period: over 1 year) (*)	58,875.625	58,475.625	▲ 400
Total loans	78,234.375	77,834.375	▲ 400
Investment corporation bonds	5,000	5,000	0
Subordinated investment corporation bonds	3,500	3,500	0
Total interest-bearing liabilities	86,734.375	86,334.375	▲ 400

* Of the long-term loans, there is no balance of the current portion of long-term loans other than amounts to be repaid in 1 year or less.

Ratio of Floating-Rate and Fixed-Rate Interest-Bearing Liabilities (as of May 25, 2011)

(Unit: million yen)

	Aggregate amount of interest-bearing liabilities	Ratio
Floating-rate interest-bearing liabilities (*)	52,685	61.02%
Fixed-rate interest-bearing liabilities	33,649.375	38.98%

*Of the floating-rate interest-bearing liabilities, the interest rate has been capped for 7,100 million yen through the purchase of an interest rate cap. That portion as a percentage of the interest-bearing liabilities amount is 8.22%. The aggregate amount of interest-bearing liabilities for fixed-rate loans and loans for which the interest rate has been capped through the purchase of an interest rate cap as a percentage of the interest-bearing liabilities amount is 47.20%.

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