

May 12, 2008

To whom it may concern:

Name of the Issuer of the Real Estate Investment Fund:
LaSalle Japan REIT Inc.
4-1-7 Kudankita, Chiyoda-ku, Tokyo
Name of Representative:
Masayuki Tanaka, Executive Director
(Code Number: 8974)

Name of Asset Management Company:
LaSalle Investment Advisors K.K.
Name of Representative:
Masayuki Tanaka, Representative Director

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Notice Concerning the Partial Prepayment of Borrowings

LaSalle Japan REIT Inc. (“LaSalle Japan”) today announces the partial prepayment of its long-term borrowings (“the Borrowings”). Details are provided below.

1. Outline of the prepayment

The Borrowings

- | | |
|--|-------------------|
| (1) Lender: | Aozora Bank, Ltd. |
| (2) Amount of prepayment: | ¥25 million |
| (3) Total borrowings after the prepayment: | ¥85 million |
| (4) Prepayment date: | April 24, 2008 |

*This prepayment was made by the proceeds from the property sale (totaled ¥26 million) announced in the “Notice Concerning Completion of Asset Transfer (Hotel Nikko Ibaraki Osaka)” dated April 24, 2008.

For an overview of the Borrowings, please refer to the “Notice Concerning Borrowings (Term Loan) and Interest Rate Cap Purchase” released on September 18, 2007.

Reference: Total amount of borrowings after the prepayment

(Millions of yen)

	Before the Prepayment	After the Prepayment	Increase/Decrease
Short-term borrowings	61,700	61,700	—
Long-term borrowings	11,000	8,500	-2,500
Total	72,700	70,200	-2,500