



March 17, 2004

To whom it may concern:

Name of Real Estate Investment Corporation

Japan Real Estate Investment Corporation

Yoneichiro Baba, Executive Director

(TSE code: 8952)

Contract: (Asset Management Contractor)

Japan Real Estate Asset Management Co., Ltd.

Takuro Yamanaka, General Manager, Planning Department

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## **Notice of Asset Acquisition**

Announcement is hereby made that on March 17, 2004, Japan Real Estate Investment Corporation (the “Corporation”) decided to acquire the following real estate property:

### **1. Outline of the acquisition**

- (1) Asset to be acquired: real property (land and building in fee simple)
- (2) Name of property: Nippon Brunswick Building
- (3) Acquisition price: 6,670 million yen
- (4) Scheduled date of acquisition: March 24, 2004
- (5) Seller: The Sumitomo Trust & Banking Co., Ltd.
- (6) Acquisition funds: funds borrowed

### **2. Reason for the acquisition**

The Corporation will acquire the property based on the basic policy and investment attitude for asset management under the articles of incorporation of the Corporation.

In particular, the following points have been highly evaluated in the determination of the acquisition:

#### **(1) Superior location**

This property is located in the noteworthy area of JR Shinjuku Station South Exit, where a highly sophisticated massive commercial complex was recently built and a future growth is expected as an urban agglomeration area. The location of this property enjoys a great advantage of convenient public transportation: about 300 meters or 4-minute walk from the South Exit of the JR Shinjuku Station, and multiple subway lines and private railway lines are also accessible on foot.

(2) Well-balanced specification as an office building

- 1) Although the property is almost 30 years old, it was confirmed as being adequately quake-proof in the quake-proof tests conducted in accordance with the Law concerning Promotion for Improved Quake-Resistant Structures. Also, renovation has been completed in the electricity, air-conditioning and sanitary systems.
- 2) The building has regular-shaped open-plan office spaces with almost no pillars and with a floor area of approximately 860 m<sup>2</sup> per standard floor, or total floor area of approximately 12,000 m<sup>2</sup>. Convenient layout for use of office.

3. Details of the acquired property

The relevant information is as set out below; provided that the information on "areas," "structure" and "completion date" derived from the land registry and the information on "usage" described below is among the main usages listed in the land registry

(1) Details of the acquired property

Location		
Address shown in land registry	Land	27-6, Sendagaya 5-chome, Shibuya-ku, Tokyo
	Building	27-6, Sendagaya 5-chome, Shibuya-ku, Tokyo
Address	27-7, Sendagaya 5-chome, Shibuya-ku, Tokyo	
Usage	Office	
Areas		
Land	1,497.52 m <sup>2</sup>	
Building	11,957.38 m <sup>2</sup>	
Structure	Steel-framed reinforced concrete structure, flat roof Above ground: 9 floors    Below ground: 2 floors	
Completion date	March 1974	
Type of ownership		
Land	Fee simple	
Building	Fee simple	
Acquisition price	6,670 million yen	
Appraisal value (appraisal method) (appraisal institution)	6,930 million yen (Discounted cash flow method: as of March 1, 2004) (Daiwa Real Estate Appraisal Co., Ltd.)	
Mortgage	None	

## (2) Details of tenants

Total number of tenants	16	
Total revenues from the leasing	674 million yen /year (from March 1, 2002 to February 28, 2003)	
Total rent space	6,549 m <sup>2</sup>	
Total rentable space	7,347 m <sup>2</sup>	
Occupancy rates	March 31, 2002	97.4 %
	March 31, 2003	96.4 %
	On the scheduled acquisition date	89.1 %
<p>( Note )</p> <p>- Total number of tenants, total rent space, total rentable area and occupancy rate on, which tenant is scheduled acquisition date are projections as of March 24, 2004.</p> <p>- The above figures are based on data provided by the seller.</p>		

## 4. Outline of Seller

Corporate name	The Sumitomo Trust & Banking Co., Ltd. (*)
Address of registered head office	5-33, Kitahama 4-chome, Chuo-ku, Osaka
Representative	Atsushi Takahashi, President & CEO
Paid-in capital	287,015 million yen (as of September 30, 2003)
Principal business	Trust bank

\* The Sumitomo Trust & Banking Co., Ltd. is a trustee of this property, and the beneficiary is a special purpose company established by Mitsubishi Estate Co., Ltd. and Mitsui & Co., Ltd., shareholders of Japan Real Estate Asset Management Co., Ltd., an asset management company. Mitsubishi Estate Co., Ltd. is an interested party of Japan Real Estate Asset Management Co., Ltd.

## 5. Outline of fund-raising

For acquisition of this property, the Corporation will borrow the total of 6,000 million yen on the scheduled acquisition date from three banks: 2,000 million yen from The Chugoku Bank, Ltd., 2,000 million yen from The Hachijuni Bank, Ltd. and 2,000 million yen from The Iyo Bank, Ltd.

## 6. Acquisition schedule

March 17, 2004	Acquisition of the property was determined.
March 24, 2004	Execution of an agreement for the acquisition of the property and closing of acquisition

The Corporation will make a detailed announcement regarding the borrowings of the acquisition fund when the interest rate is determined.

Reference materials (attachments)

- Photo: Outside view of Nippon Brunswick Building
- List of all the assets of the Corporation after the acquisition of this property

This notice is translation in English of the announcement in Japanese on March 17, 2004 in our website. However, no assurance or warranties are given for the completeness or accuracy of English translations.

Photo: Outside view of Nippon Brunswick Building



List of all the assets of the Corporation after the acquisition of this property

Area	Name (Location)	Type of asset	Acquisition date or scheduled acquisition date	Acquisition price (MM yen)	Percentage of portfolio	Percentage by area
Tokyo Metropolitan Area (23 wards)	Genki Medical Plaza (Chiyoda-ku, Tokyo)	Real property	October 31, 2002	5,000	2.2%	72.2%
	MD Kanda Building (Chiyoda-ku, Tokyo)	Real property	May 31, 2002	9,520	4.2%	
	Kandabashi Park Building (Chiyoda-ku, Tokyo)	Real property	August 15, 2002	4,810	2.1%	
	Mitsubishi Soken Building (Chiyoda-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	27,267	12.1%	
	Yurakucho Denki Building (Chiyoda-ku, Tokyo)	Real property	August 1, 2003	7,200	3.2%	
	Kodenmacho Shin-Nihonbashi Building (Chuo-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	3,173	1.4%	
	Burex Kyobashi Building (Chuo-ku, Tokyo)	Real property	July 22, 2002	5,250	2.3%	
	Aoyama Crystal Building (Minato-ku, Tokyo)	Real property	March 14, 2003	7,680	3.4%	
	Shiba 2chome Daimon Building (Minato-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	4,859	2.1%	
	Cosmo Kanasugibashi Building (Minato-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	2,808	1.2%	
	Takanawadai Building (Shinagawa-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	2,738	1.2%	
	JAL Travel Building (Meguro-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	1,362	0.6%	
	Omori-Eki Higashiguchi Building (Ohta-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	5,123	2.3%	
	Nippon Brunswick Building (Shibuya-ku, Tokyo)	Real property	March 24, 2004	6,670	2.9%	
	(tentative name) Yoyogi 1-Chome Building* (Shibuya-ku, Tokyo)	Real property	April 1, 2004	8,700	3.8%	
	da Vinci Harajuku (Shibuya-ku, Tokyo)	Real property	November 22, 2002	4,885	2.2%	
	Jingumae Media Square Building (Shibuya-ku, Tokyo)	Real property	October 9, 2003	12,200	5.4%	
	Shibuya Cross Tower (Shibuya-ku, Tokyo)	Real property	November 30, 2001	34,600	15.3%	
	Ebisu Neonato* (Shibuya-ku, Tokyo)	Real property	November 14, 2003	3,740	1.8%	
	April 1, 2004		360			
	Total		4,100			
	Otsuka Higashi-Ikebukuro Building (Toshima-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	3,541	1.6%	
	Ikebukuro 2chome Building (Toshima-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	1,728	0.8%	
Tokyo Metropolitan Area (excluding 23 wards)	Saitama Urawa Building (Saitama City, Saitama Prefecture)	Real property	September 25, 2001	1,232	1.1%	4.0%
	October 11, 2001		1,342			
	Total		2,574			
	Shin-Yokohama First Building (Yokohama City, Kanagawa Prefecture)	Real property	January 28, 2002	3,000	1.3%	
Kawasaki Isago Building (Kawasaki City, Kanagawa Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	3,375	1.5%		
Total: Tokyo Metropolitan Area				172,163	76.1%	76.1%
Other major cities	Sendai Honcho Honma Building (Sendai City, Miyagi Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	2,924	1.3%	1.3%
	Niigata Ishizuecho Nishi-Bandaibashi Building	Real estate investment trust beneficial interest	September 25, 2001	1,010	0.4%	
	Kanazawa Park Building (Kanazawa City, Ishikawa Prefecture)	Real property	February 28, 2002	2,880	2.0%	
	March 3, 2003		1,700			
	Total		4,580			
	Kanazawa Minamicho Building (Kanazawa City, Ishikawa Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	1,331	0.6%	7.3%
	Nagoya Hirokoji Building (Nagoya City, Aichi Prefecture)	Real property	September 10, 2001	14,533	6.4%	
	Nagoya Misono Building (Nagoya City, Aichi Prefecture)	Real property	August 8, 2003	1,865	0.8%	
	Kyoto Shijo Kawaramachi Building (Kyoto City, Kyoto Prefecture)	Real property	December 20, 2001	2,650	1.2%	10.0%
	Fukusuke Sakaisujihonmachi Building (Osaka City, Osaka Prefecture)	Real property	September 25, 2001	2,264	1.8%	
	December 26, 2003		1,900			
	Total		4,164			
	Midosuji Daiwa Building (Osaka City, Osaka Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	6,934	6.3%	
	February 28, 2002	7,380				
	Total	14,314				
	Kobe Itomachi Building (Kobe City, Hyogo Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	1,436	0.6%	2.3%
Tosei Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Real property	September 25, 2001	1,550	0.7%		
Hinode Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Real estate investment trust beneficial interest	September 10, 2001	3,657	1.6%		
Total: Other major cities				54,014	23.9%	23.9%
Total: Portfolio				226,177	100.0%	100.0%

\* (tentative name) Yoyogi 1-Chome Building and additional undivided shares of Ebisu Neonato are scheduled to be acquired on April 1, 2004.