



August 25, 2004

To whom it may concern:

Japan Real Estate Investment Corporation
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Notice of Asset Acquisition

Announcement is hereby made that on August 25, 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 (ownership – land and building)
- (2) Name of property: Shinwa Building
- (3) Acquisition price: 7,830 million yen
- (4) Scheduled date of acquisition: September 1, 2004
- (5) Seller: Mizuho Trust & Banking Co., Ltd.
- (6) Acquisition funds: loan

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 as an office building

The property is highly visible, being located on Koshu-kaido and lying directly between Tokyo Metropolitan City Hall and Shinjuku station in the prestigious

Nishi-Shinjuku area, which boasts one of the highest concentration of office buildings in Japan. Being located 7 minute walking distance from JR Shinjuku station, it is highly convenient. Another valuable advantage for this property is that it has underground access from the station to the building, which enables comfortable access without regard to weather changes.

(2) Well-balanced features as an office building

This property is equipped with facilities that will sufficiently meet the needs of tenants, including 60mm OA floor, separate air-conditioning system, and a 24-hour building entry system. With the completion of the renovation of the common area, including entrance hall, it offers a relaxing and elegant space. Therefore, it is very competitive in terms of design and facilities as an office building.

3. Details of the acquired property

The relevant information is as set out below; provided that the information on “area,” “structure,” and “completion date” derives from the land registry, and “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	3-141-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
	Building	3-141-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Address	3-2-4 Nishi-Shinjuku, Shinjuku-ku, Tokyo	
Usage	Office	
Areas		
Land	822.00 m ²	
Building	8,291.69 m ²	
Structure	Steel-framed reinforced concrete structure, flat roof Above ground: 10 floors Below ground: 1 floor	
Completion date	November 1989	
Type of ownership		
Land	Fee Simple	

Building	Ownership
Acquisition price	7,830 million yen
Appraisal value (appraisal method) (appraisal institution)	7,800 million yen (Discounted cash flow method: as of August 1, 2004) (Daiwa Real Estate Appraisal Co., Ltd.)
Mortgage	None

(2) Details of tenants

Total number of tenants	7	
Total revenues from the leasing of the portion	487 million yen /year	
Total rent space	5,516 m ²	
Total rentable space	6,267 m ²	
Occupancy rates	March 31, 2003	61.1%
	March 31, 2004	88.0%
	On the scheduled acquisition date	88.0%
<p>- Total number of tenants, total rent space, total rentable area, and occupancy rate on the scheduled acquisition date are projections as of September 1, 2004.</p> <p>- Total rental income is an estimate based on occupancy rate on the scheduled acquisition date and terms and conditions of lease agreements, etc.</p> <p>- The above figures are estimates based on data obtained from the seller.</p>		

4. Outline of Seller

Corporate name	Mizuho Trust & Banking Co., Ltd.
Address of registered head office	1-2-1 Yaesu, Chuo-ku, Tokyo
Representative	Teruhiko Ikeda
Paid-in capital	247, 232 million yen (as of March 31, 2004)
Principal business	Trust banking

5. Summary of financing

Scheduled to obtain loans for 8,000 million yen in total (5,000 million yen from Mitsui Life Insurance Company Limited and 3,000 million yen from the Bank of Fukuoka, Ltd. to be arranged on August 31, 2004). The fund is to be applied for the acquisition of this property.

6. Acquisition schedule

August 25, 2004 Acquisition of the property was determined.

September 1, 2004 Execution of an agreement for the acquisition of the property and property handover

7. Performance projection after the acquisition of the property

The impact on the performance projection for the term ending September 2004 (from April 1, 2004 through September 30, 2004) is minimal and there is no revision in performance projection.

Reference materials (attachments)

- Photo: Outside view of Shinwa 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 August 25, 2004 in our website. However, no assurance or warranties are given for the completeness or accuracy of English translations.

Photo: Outside view of Shinwa 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	2.0%	73.8%
	MD Kanda Building (Chiyoda-ku, Tokyo)	Real property	May 31, 2002	9,520	3.9%	
	Kandabashi Park Building (Chiyoda-ku, Tokyo)	Real property	August 15, 2002	4,810	2.0%	
	Mitsubishi Soken Building (Chiyoda-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	27,267	11.1%	
	Yurakucho Denki Building (Chiyoda-ku, Tokyo)	Real property	August 1, 2003	7,200	2.9%	
	Kodenmacho Shin-Nihonbashi Building (Chuo-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	3,173	1.3%	
	Burex Kyobashi Building (Chuo-ku, Tokyo)	Real property	July 22, 2002	5,250	2.1%	
	Aoyama Crystal Building (Minato-ku, Tokyo)	Real property	March 14, 2003	7,680	3.1%	
	Shiba 2-chome Daimon Building (Minato-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	4,859	2.0%	
	Cosmo Kanasugibashi Building (Minato-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	2,808	1.1%	
	Shinwa Building (Shinjuku-ku, Tokyo)	Real property	September 1, 2004	7,830	3.2%	
	Takanawadai Building (Shinagawa-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	2,738	1.1%	
	Higashi Gotanda 1-Chome Building(*) (Shinagawa-ku, Tokyo)	Real property	November 1, 2004	5,500	2.2%	
	JAL Travel Building (Meguro-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	1,362	0.6%	
	Omori-Eki Higashiguchi Building (Ota-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	5,123	2.1%	
	Nippon Brunswick Building (Shibuya-ku, Tokyo)	Real property	March 24, 2004	6670	2.7%	
	Yoyogi 1-Chome Building (Shibuya-ku, Tokyo)	Real property	April 1, 2004	8,700	3.5%	
	da Vinci Harajuku (Shibuya-ku, Tokyo)	Real property	November 22, 2002	4,885	2.0%	
	Jingumae Media Square Building (Shibuya-ku, Tokyo)	Real property	October 9, 2003	12,200	5.0%	
	Shibuya Cross Tower (Shibuya-ku, Tokyo)	Real property	November 30, 2001	34,600	14.1%	
Ebisu Neonato (Shibuya-ku Tokyo)	Real property	November 14, 2003	3,740	1.7%		
		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	1.4%	
	Ikebukuro YS Building (Toshima-ku, Tokyo)	Real property	August 2, 2004	4,500	1.8%	
	Ikebukuro 2-chome Building (Toshima-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	1,728	0.7%	
Tokyo Metropolitan Area (excluding 23 wards)	Saitama Urawa Building (Saitama City, Saitama Prefecture)	Real property	September 25, 2001	1,232	1.0%	3.6%
			October 11, 2001	1,342		
			Total	2,574		
	Shin-Yokohama First Building (Yokohama City, Kanagawa Prefecture)	Real property	January 28, 2002	3,000	1.2%	
Kawasaki Isago Building (Kawasaki City, Kanagawa Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	3,375	1.4%		
Total: Tokyo Metropolitan Area				189,993	77.4%	77.4%
Tohoku Region	Sendai Honcho Honma Building (Sendai City, Miyagi Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	2,924	1.2%	1.2%
Hokuriku Region	Niigata Ishizuecho Nishi-Bandaibashi Building (Niigata City, Niigata Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	1,010	0.4%	2.8%
	Kanazawa Park Building (Kanazawa City, Ishikawa Prefecture)	Real property	February 28, 2002	2,880	1.9%	
			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	0.5%		
Chubu Region	Nagoya Hirokoji Building (Nagoya City, Aichi Prefecture)	Real property	September 10, 2001	14, 533	5.9%	6.7%
	Nagoya Misono Building (Nagoya City, Aichi Prefecture)	Real property	August 8, 2003	1,865	0.8%	
Kinki Region	Kyoto Shijo Kawaramachi Building (Kyoto City, Kyoto Prefecture)	Real property	December 20, 2001	2,650	1.1%	9.2%
	Sakaisujihonmachi Building (Osaka City, Osaka Prefecture)	Real Property	September 25, 2001	2,264	1.7%	
			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	5.8%	
			February 28, 2002	7,380		
Total		14,314				
Kobe Itomachi Building (Kobe City, HyogoPrefecture)	Real estate investment trust beneficial interest	September 25, 2001	1,436	0.6%		

Chugoku Region	NHK Hiroshima Broadcasting Center Building (Hiroshima City, Hiroshima Prefecture)	Real Property	March 25, 2004	1,320	0.5%	0.5%
Kyushu Region	Tosei Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Real property	September 25, 2001	1,550	0.6%	2.1%
	Hinode Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Real estate investment trust beneficial interest	September 10, 2001	3,657	1.5%	
Total: Other major cities				55,334	22.6%	22.6%
Total: Portfolio				245,327	100.0%	100.0%

*Higashi Gotanda 1-Chome Building is to be acquired on November 1, 2004