



June 13, 2006

To whom it may concern:

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Notice Concerning the Sale of Assets

Announcement is hereby made that on June 13, 2006, Japan Real Estate Investment Corporation (the “Corporation”) decided to sell the following assets:

1. Outline of the sale
 - 1) Assets to be sold: Trust beneficiary rights in trust of real estate and a real property
 - 2) Name of assets: JAL Sales Building
Shin-Yokohama First Building
Niigata Ishizuecho Nishi-Bandaibashi Building
Kanazawa Minamicho Building
 - 3) Sale value: Total value for the four properties: 7,003,277,000 yen (Note 1)
(excluding any balance due or payment for fixed property and city planning taxes, and consumption tax, etc.)
 - 4) Book value: Total value for the four properties: 6,469, 137,162 yen (Note 1)
(As of March 31, 2006)
 - 5) Difference between sale value and book value: Total difference for the four properties: 534,139, 838 yen (Note 1)
(Difference between 3) and 4) in the above.)
 - 6) Scheduled contract dates: Three properties other than Shin-Yokohama First Building:
June 16, 2006
Shin-Yokohama First Building: June 28, 2006
 - 7) Scheduled handover date: June 28, 2006 for all four properties
 - 8) Sale method: Sell trust beneficiary rights in trust of real estate and real properties to the following buyers.
 - 9) Buyers: Speyside Limited (Three properties other than Shin-Yokohama First Building)
AIC Inc. (Shin-Yokohama First Building)

(Note 1) The breakdown for each property is as follows:

	Sale value (yen)	Book value (yen)	Difference (yen)
JAL Sales Building	2,593,000,000	1,260,787,509	1,332,212,491
Shin-Yokohama First Building	1,755,277,000	2,917,556,463	(1,162,279,463)
Niigata Ishizuecho Nishi-Bandaibashi Building	1,490,000,000	999,681,214	490,318,786
Kanazawa Minamicho Building	1,165,000,000	1,291,111,976	(126,111,976)

2. Reason for the sale

The Corporation will sell the properties based on the basic asset management policies and investment attitude under the articles of incorporation of the Corporation by comprehensively considering expected future returns of these properties, changes in asset value and its forecasts, and portfolio structure, etc.

3. Details of the assets to be sold

The relevant information is as set out below; provided that the information on “area”, “structure” and “completion date” is derived from the land registry and “usage” is among the main usages listed in the land registry. “Appraisal value at the end of the term” is the value researched by Daiwa Real Estate Appraisal, Co., Ltd. as of the date specified below.

(1) JAL Sales Building

Details of the asset to be sold			
Type of specified asset	Trust beneficiary right in trust of real estate		
Trustee	The Sumitomo Trust and Banking Co., Ltd.		
Location (address)	3-7-10 Shimomeguro, Meguro-ku, Tokyo		
Usage	Office		
Area	Land: 1,401.52 m ² Building: 5,269.58 m ²		
Structure	Steel-framed reinforced concrete structure, flat roof Above ground: 6 floors Below ground: 1 floor		
Completion date	September 1991		
Type of ownership	Land: ownership Building: ownership		
Tenant details (as of March 31, 2006)		Acquisition price and appraisal value at the end of the term	
Total number of tenants	1	Acquisition price	1,362 million yen
Total lease space	3,383 m ²	Acquisition date	September 10, 2001
Total leasable space	3,383 m ²	Appraisal value at the end of the term (reference date of the research)	1,490 million yen (March 31, 2006)
Occupancy rate	100.0%		

(2) Shin-Yokohama First Building

Details of the asset to be sold			
Type of specified asset	Real property		
Location	1-2-1 Shin-Yokohama, Kohoku-ku, Yokohama City, Kanagawa Prefecture		
Usage	Office		
Area	Land: 1,528.00 m ² Building: 10,403.41 m ²		
Structure	Steel-framed reinforced concrete structure, flat roof Above ground: 10 floors Below ground: 2 floors		
Completion date	April 1992		
Type of ownership	Land: ownership Building: ownership		
Tenant details (as of March 31, 2006)		Acquisition price and appraisal value at the end of the term	
Total number of tenants	9	Acquisition price	3,000 million yen
Total lease space	6,925 m ²	Acquisition date	January 28, 2002
Total leasable space	6,925 m ²	Appraisal value at the end of the term (reference date of the research)	1,640 million yen (March 31, 2006)
Occupancy rate	100.0%		

(3) Niigata Ishizuecho Nishi-Bandaibashi Building

Details of the asset to be sold			
Type of specified asset	Trust beneficiary right in trust of real estate		
Trustee	The Sumitomo Trust and Banking Co., Ltd.		
Location	1945-1 Ichinocho Ishizuecho-dori, Niigata City, Niigata Prefecture		
Usage	Office		
Area	Land: 957.90 m ² Building: 6,410.33 m ²		
Structure	Steel-framed reinforced concrete structure, flat roof Above ground: 8 floors Below ground: 1 floor		
Completion date	November 1984		
Type of ownership	Land: ownership Building: ownership		
Tenant details (as of March 31, 2006)		Acquisition price and appraisal value at the end of the term	
Total number of tenants	10	Acquisition price	1,010 million yen
Total lease space	4,234 m ²	Acquisition date	September 25, 2001
Total leasable space	4,383 m ²	Appraisal value at the end of the term (reference date of the research)	729 million yen (March 31, 2006)
Occupancy rate	96.6%		

(4) Kanazawa Minamicho Building

Details of the asset to be sold			
Type of specified asset	Trust beneficiary right in trust of real estate		
Trustee	The Sumitomo Trust and Banking Co., Ltd.		
Location (address)	3-10 Oyama-cho, Kanazawa City, Ishikawa Prefecture		
Usage	Office		
Area	Land: 887.17 m ² Building: 5,163.19 m ²		
Structure	Steel-framed reinforced concrete and steel framed structure, flat roof Above ground: 9 floors		
Completion date	March 1987		
Type of ownership	Land: ownership Building: ownership		
Tenant details (as of March 31, 2006)		Acquisition price and appraisal value at the end of the term	
Total number of tenants	16	Acquisition price	1,331 million yen
Total lease space	3,568 m ²	Acquisition date	September 25, 2001
Total leasable space	3,777 m ²	Appraisal value at the end of the term (reference date of the research)	985 million yen (March 31, 2006)
Occupancy rate	94.5%		

4. Outline of the buyers

(1) JAL Sales Building, Niigata Ishizuecho Nishi-Bandaibashi Building and Kanazawa Minamicho Building

Corporate name	Speyside Limited
Address of the registered head office	6-2-1 Ginza, Chuo-ku, Tokyo
Representative	Tsutomu Ikeda, Director
Paid-in capital	3 million yen (as of June 13, 2006)
Principal business	Acquisitions, holding and disposition of trust beneficiary rights

(2) Shin-Yokohama First Building

Corporate name	AIC Inc.
Address of the registered head office	3-1-1 Higashi-ikebukuro, Toshima-ku, Tokyo
Representative	Yasuhisa Yanagihara, Director
Paid-in capital	3 million yen (as of June 13 2006)
Principal business	Sale, exchange and leasing of real properties and their brokerage and management

5. Sale schedule

June 13, 2006	Sale of assets was determined.
June 16, 2006	Execution of agreements for the sale of trust beneficiary rights (JAL Sales Building, Niigata Ishizuecho Nishi-Bandaibashi Building, and Kanazawa Minamicho Building) (scheduled)
June 28, 2006	Execution of an agreement for the sale of real property (Shin-Yokohama First Building) (scheduled)
June 28, 2006	Handover of four properties (scheduled)

6. Performance projection after the sale of the properties

The impact on earnings of the Corporation for the fiscal period from April 1, 2006 to September 30, 2006 from these sales is as follows:

- Gain from the sale of these properties: Approximately plus 390 million yen
- Loss to leasing business: Approximately minus 70 million yen

This notice is the English translation of the June 13, 2006, announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Reference material (attachment)

- List of all the assets of the Corporation after the sale of properties

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 (thousand yen)	Percentage of portfolio	Percentage by area
Tokyo Metropolitan Area (23 wards)	Genki Medical Plaza (Chiyoda-ku, Tokyo)	Real property	October 31, 2002	5,000,000	1.2%	82.5%
	Kitanomaru Square (Chiyoda-ku, Tokyo)	Real property	February 24, 2006	81,555,500	19.6%	
	MD Kanda Building (Chiyoda-ku, Tokyo)	Real property	May 31, 2002	9,520,000	2.3%	
	Kandabashi Park Building (Chiyoda-ku, Tokyo)	Real property	August 15, 2002	4,810,000	1.2%	
	Mitsubishi Soken Building (Chiyoda-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 25, 2001	27,267,000	6.5%	
	Nibancho Garden (Chiyoda-ku, Tokyo)	Real property	April 1, 2005	14,700,000	3.5%	
	Burex Kojimachi (Chiyoda-ku, Tokyo)	Real property	July 29, 2005	7,000,000	1.7%	
	Sanno Grand Building (Chiyoda-ku, Tokyo)	Real property	January 31, 2005	10,200,000	5.0%	
			April 3, 2006	10,700,000		
			Total	20,900,000		
	Yurakucho Denki Building (Chiyoda-ku, Tokyo)	Real property	August 1, 2003	7,200,000	1.7%	
	Kodenmacho Shin-Nihonbashi Building (Chuo-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 25, 2001	3,173,000	0.8%	
	Burex Kyobashi Building (Chuo-ku, Tokyo)	Real property	July 22, 2002	5,250,000	1.3%	
	Ginza Sanwa Building (Chuo-ku, Tokyo)	Real property	March 10, 2005	16,830,000	4.0%	
	Ryoshin Ginza East Mirror Building (Chuo-ku, Tokyo)	Real property	March 15, 2005	5,353,500	1.3%	
	Aoyama Crystal Building (Minato-ku, Tokyo)	Real property	March 14, 2003	7,680,000	1.8%	
	Shiba 2Chome Daimon Building (Minato-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 10, 2001	4,859,000	1.2%	
	Cosmo Kanasugibashi Building (Minato-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 25, 2001	2,808,000	0.7%	
	Shinwa Building (Shinjuku-ku, Tokyo)	Real property	September 1, 2004	7,830,000	1.9%	
	Tokyo Opera City Building (Shinjuku-ku, Tokyo)	Real property	September 13, 2005	9,350,000	2.2%	
	Takanawadai Building (Shinagawa-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 25, 2001	2,738,000	0.7%	
	Higashi-Gotanda 1Chome Building (Shinagawa-ku, Tokyo)	Real property	November 1, 2004	5,500,000	1.3%	
	Omori-Eki Higashiguchi Building (Ota-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 10, 2001	5,123,000	1.2%	
	Nippon Brunswick Building (Shibuya-ku, Tokyo)	Real property	March 24, 2004	6,670,000	1.6%	
	Yoyogi 1Chome Building (Shibuya-ku, Tokyo)	Real property	April 1, 2004	8,700,000	2.1%	
	da Vinci Harajuku (Shibuya-ku, Tokyo)	Real property	November 22, 2002	4,885,000	1.2%	
	Jingumae Media Square Building (Shibuya-ku, Tokyo)	Real property	October 9, 2003	12,200,000	2.9%	
	Shibuya Cross Tower (Shibuya-ku, Tokyo)	Real property	November 30, 2001	34,600,000	8.3%	
	Ebisu Neonato (Shibuya-ku Tokyo)	Real property	November 14, 2003	3,740,000	1.0%	
			April 1, 2004	360,000		
			Total	4,100,000		
	Harmony Tower (Nakano-ku Tokyo)	Real property	February 28, 2005	8,500,000	2.0%	
	Otsuka Higashi-Ikebukuro Building (Toshima-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 25, 2001	3,541,000	0.8%	
	Ikebukuro 2Chome Building (Toshima-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 25, 2001	1,728,000	0.4%	
	Ikebukuro YS Building (Toshima-ku, Tokyo)	Real property	August 2, 2004	4,500,000	1.1%	

Tokyo Metropolitan Area (excluding 23 wards)	Hachioji First Square (Hachioji City, Tokyo)	Real property	March 31, 2005	3,300,000	0.8%	2.2%
	Saitama Urawa Building (Saitama City, Saitama Prefecture)	Real property	September 25, 2001	1,232,000	0.6%	
			October 11, 2001	1,342,000		
			Total	2,574,000		
Kawasaki Isago Building (Kawasaki City, Kanagawa Prefecture)	Trust beneficiary right in trust of real estate	September 25, 2001	3,375,000	0.8%		
Total: Tokyo Metropolitan Area				353,120,000	84.7%	84.7%
Tohoku Region	Jozenji Park Building (Sendai City, Miyagi Prefecture)	Real property	January 31, 2005	1,000,000	0.2%	1.0%
	Sendai Honcho Honma Building (Sendai City, Miyagi Prefecture)	Trust beneficiary right in trust of real estate	September 25, 2001	2,924,000	0.8%	
			June 28, 2006	250,000		
			Total	3,174,000		
Hokuriku Region	Kanazawa Park Building (Kanazawa City, Ishikawa Prefecture)	Real property	February 28, 2002	2,880,000	1.1%	1.1%
			March 3, 2003	1,700,000		
			Total	4,580,000		
Chubu Region	Nagoya Hirokoji Building (Nagoya City, Aichi Prefecture)	Real property	September 10, 2001	14, 533,000	3.5%	3.9%
	Nagoya Misono Building (Nagoya City, Aichi Prefecture)	Real property	August 8, 2003	1,865,000	0.4%	
Kinki Region	Kyoto Shijo Kawaramachi Building (Kyoto City, Kyoto Prefecture)	Real property	December 20, 2001	2,650,000	0.6%	5.4%
	Sakaisujihonmachi Building (Osaka City, Osaka Prefecture)	Real Property	September 25, 2001	2,264,000	1.0%	
			December 26, 2003	1,900,000		
			Total	4,164,000		
	Midosuji Daiwa Building (Osaka City, Osaka Prefecture)	Trust beneficiary right in trust of real estate	September 25, 2001	6,934,000	3.4%	
			February 28, 2002	7,380,000		
	Total	14,314,000				
Kobe Itomachi Building (Kobe City, Hyogo Prefecture)	Trust beneficiary right in trust of real estate	September 25, 2001	1,436,000	0.3%		
Chugoku Region	Lit City Building (Okayama City, Okayama Prefecture)	Real Property	February 1, 2006	4,650,000	1.1%	1.4%
	NHK Hiroshima Broadcasting Center Building (Hiroshima City, Hiroshima Prefecture)	Real Property	March 25, 2004	1,320,000	0.3%	
Kyushu Region	Tosei Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Real property	September 25, 2001	1,550,000	0.4%	2.4%
	Tenjin Crystal Building (Fukuoka City, Fukuoka Prefecture)	Real property	June 1, 2005	5,000,000	1.2%	
	Hinode Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Trust beneficiary right in trust of real estate	September 10, 2001	3,657,000	0.9%	
Total: Other major cities				63,893,000	15.3%	15.3%
Total: Portfolio				417,013,000	100.0%	100.0%

(Note) In addition to the assets outlined in the above list, the Corporation acquired the preferred capital contribution certificates issued by Harumi Front Special Purpose Company on March 29, 2005 and November 24, 2005 for a total acquisition price of 1,002 million yen, and acquired a preferential right to purchase assets such as real property etc. related to “(tentative name) Harumi Center Building” after the completion of the building.