



September 19, 2006

To whom it may concern:

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Notice of Asset Acquisition

Announcement is hereby made that on September 19, 2006, Japan Real Estate Investment Corporation (the “Corporation”) decided to acquire the following asset:

1. Outline of the acquisition

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|-----------------------------------|---|
| 1) Asset to be acquired: | Real Property
Land: Ownership, Building: Compartmentalized building units
Ownership share in the building: (Note 1): 13.15180% |
| 2) Name of property: | Nishiki Park Building (Note 2) |
| 3) Acquisition price: | 1,300 million yen
<Payment schedule>
Upon concluding the agreement for the acquisition of the property: 130 million yen (deposit)
On the scheduled acquisition date: 1,170 million yen (remaining balance) |
| 4) Scheduled date of acquisition: | November 1, 2006 |
| 5) Seller: | Sun Star Co., Ltd. |
| 6) Acquisition funds: | Own funds |
- (Note 1) Ownership share in the building means the percentage share in common areas as per set forth under the building management bylaws.
- (Note 2) The Corporation is scheduled to acquire ownership (co-ownership) and term leasehold interest (quasi-co-ownership) in the land, and compartmentalized building units in the building (co-ownership) (ownership share in the building: 43.89471%) for Nishiki Park Building as of October 2, 2006. With the additional acquisition at this time, our ownership share in the building will be 57.04651%.

2. Reasons for the acquisition

The Corporation will acquire the property based on the basic policies and investment attitude for acquisition under the Articles of Incorporation of the Corporation. In particular, the following points have been highly evaluated in the determination of the acquisition.

- (1) Efficiency in operation and management of the building and improvement in asset value
As the Corporation's ownership share in the building of this property increases to 57.04651% from 43.89471%, efficient building operation and management as well as improvement in asset value can be expected.
- (2) Superior location
Located in the Fushimi area, one of the areas in the Nagoya region where a large number of office buildings are concentrated, steady demand for office spaces is expected into the future. The building commands good access to public transportation at only a 1-minute walk from Marunouchi Station on the Sakuradori and Tsurumai subway lines. Also, it boasts a high level of visibility facing Sakura Street.

3. Details of the acquired property

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” 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	2-426 Nishiki, Naka-ku, Nagoya City, Aichi Prefecture, and one other lot
	Building	2-426 Nishiki, Naka-ku, Nagoya City, Aichi Prefecture, and others
Address		2-4-3 Nishiki, Naka-ku, Nagoya City, Aichi Prefecture
Usage		Offices, shops, and residence
Area		
Land	2,170.45 m ² (Total land area for the building site including leased land (term leasehold interest) of 384 m ²)	
	Building	
		25,091.91 m ² (Total floor space for the entire building)
Structure		Steel-framed, steel-framed steel-reinforced concrete, and steel-reinforced concrete structure/flat roof Above ground: 22 floors Below ground: 4 floors
Completion date		August 1995
Architect		Housing and Urban Development Corporation and Aoshima Architects & Engineers Inc.
Constructor		Joint venture consisting of Takenaka Corporation, Toda Corporation, Konoike Construction Co., Ltd, and Asanuma Corporation
Building permit agency		Nagoya City
Type of ownership		
Land	Ownership (155,589/1,000,000 co-ownership in 1 lot/1,786.45 m ²)	
	Building	
		Compartmentalized building units (156,751/1,000,000 co-ownership in office and shop spaces on floors one through 20/13,296.06 m ²) Share in the building: 13.15180%
Acquisition price		1,300 million yen
Appraisal value (Appraisal method) (Appraisal institution)		1,300 million yen (Discounted cash flow method: as of August 31, 2006) (Daiwa Real Estate Appraisal Co., Ltd.)
Earthquake PML		5.26% (Based on an earthquake risk assessment report by Tokio Marine & Nichido Risk Consulting Co., Ltd. It is 5.83% for the share of the building to be acquired on October 2, 2006, and 5.70% for both shares combined.)
Mortgage		Flexible mortgage (Flexible mortgage will be released upon acquisition. Flexible mortgage exists for the interests of other co-owners.)
Property management company (Note 1)		Mitsubishi Estate Co., Ltd. (Note 2)
Others		As a part of the right of use of land for this building, a portion of the unused plot ratio of the adjacent land is transferred to this property and an agreement has been concluded with the owner of the adjacent land on the use of the plot ratio until the building is demolished. The above acquisition price includes the consideration for the use of the plot ratio.

(Note 1) Property management company to be commissioned after the acquisition of the property

(Note 2) Outline of property management company

Corporate Name	Mitsubishi Estate, Co., Ltd.
Address of the registered head office	1-6-1 Otemachi, Chiyoda-ku, Tokyo
Representative	Keiji Kimura, President
Paid in capital	129,736 million yen (As of March 31, 2006)
Principal business	Real estate business
Relationship with the Corporation or the asset management company	Under the enforcement regulations of the Law Concerning Investment Trusts and Investment Corporations, the property management company is a stakeholder, etc., of Japan Real Estate Asset Management Co., Ltd., the asset management company for the Corporation's assets. Mitsubishi Estate, Co., Ltd. holds a 36% stake in Japan Real Estate Asset Management Co., Ltd. As of March 31, 2006, Mitsubishi Estate, Co., Ltd. holds 10,160 investment units of the Corporation (2.94% of total outstanding investment units).

(2) Tenant details

Total number of tenants		48
Total lease space		2,038 m ²
Total leasable space		2,073 m ²
Occupancy rates	March 31, 2002	98.7%
	March 31, 2003	95.6%
	March 31, 2004	88.3%
	March 31, 2005	100.0%
	March 31, 2006	98.7%
	On the scheduled acquisition date	98.3%
NOI (Net Operating Income)		90 million yen per year (Applicable for the share to be acquired by the Corporation this time)
(Note)	<ul style="list-style-type: none"> - Total number of tenants, total lease space, total leasable space and occupancy rates on the scheduled acquisition date are projections as of the scheduled acquisition date. - The total number of tenants includes the co-owners' own use. - NOI is the estimate under the normal operation based on the terms and conditions of lease agreements as of the scheduled acquisition date, etc. * Estimated occupancy rates: Offices and shops: 97.1% - The above figures (except NOI) are based on the data provided by the seller. However, total lease space, total leasable space and occupancy rates were computed only for the share to be acquired by the Corporation based on the data provided by the seller. - Mitsubishi Estate Co., Ltd, the co-owner of this property, is leasing the entire space in the building to tenants, combining all the space from other co-owners in addition to its own space. With the share in the property to be acquired on October 2, 2006, the Corporation shall also lease this additional share of the space to Mitsubishi Estate Co., Ltd after the acquisition of the share and take part in the joint leasing. 	

(3) Specifications for rental floor space

Ceiling height	2,550 mm (After laying 50 mm OA floor)
Standard floor area	692 m ²
OA floor	Yes (Partially not equipped)
Electric capacity	44 VA/m ²
Air conditioning system	Separate air conditioning systems (Maximum of 8 zones per floor)
Floor load	500 kg/m ²
Others	around-the-clock entry and exit

4. Outline of the seller

Corporate name	Sun Star Co., Ltd.
Address of the registered head office	2-247 Deguchi-cho, Handa City, Aichi Prefecture
Representative	Toshimasa Nakanishi, Representative director
Paid in capital	45 million yen (As of August 31, 2006)
Principal business	Auto repair, real estate leasing and property management

5. Acquisition schedule

September 19, 2006	The acquisition of the property was determined.
September 21, 2006	Execution of an agreement for the acquisition of the property, deposit payment (planned)
November 1, 2006	Property handover, balance payment (planned)

6. Performance projection after the acquisition of the property

As the scheduled date of acquisition of Nishiki Park Building is November 1, 2006, there is no impact on the Corporation's management performance for the fiscal period from April 1, 2006 to September 30, 2006.

This notice is the English translation of the September 19, 2006, announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Reference materials (Attachments)

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

(Reference) Photo: Outside view of Nishiki Park 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 (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%	81.1%
	Kitanomaru Square (Chiyoda-ku, Tokyo)	Real property	February 24, 2006	81,555,500	19.2%	
	MD Kanda Building (Chiyoda-ku, Tokyo)	Real property	May 31, 2002	9,520,000	2.2%	
	Kandabashi Park Building (Chiyoda-ku, Tokyo)	Real property	August 15, 2002	4,810,000	1.1%	
	Mitsubishi Soken Building (Chiyoda-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 25, 2001	27,267,000	5.5%	
	Nibancho Garden (Chiyoda-ku, Tokyo)	Real property	April 1,2005	14,700,000	3.5%	
	Burex Kojimachi Building (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	4.9%	
			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	0.7%	
	Burex Kyobashi Building (Chuo-ku, Tokyo)	Real property	July 22, 2002	5,250,000	1.2%	
	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	1.1%	
	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	1.8%	
	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	0.6%	
	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	8.2%	
	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	83.3%	83.3%
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	0.7%	
			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	Nishiki Park Building (Nagoya City, Aichi Prefecture)	Real property	October 2, 2006	3,850,000	1.2 %	5.5%
			November 1, 2006	1,300,000		
			Total	5,150,000		
	Hirokoji Tokio Marine Nichido Building (Nagoya City, Aichi Prefecture)	Real property	September 22, 2006	1,680,000	0.4%	
	Nagoya Hirokoji Building (Nagoya City, Aichi Prefecture)	Real property	September 10, 2001	14,533,000	3.4%	
	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%	5.3%
	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				70,723,000	16.7%	16.7%
Total: Portfolio				423,843,000	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 “Harumi Center Building” after the completion of the building.