



November 14, 2007

To whom it may concern:

Japan Real Estate Investment Corporation
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Notice of Asset Acquisition

Announcement is hereby made that on November 14, 2007, Japan Real Estate Investment Corporation (the “Corporation”) decided to acquire the following asset:

1. Outline of the acquisition

- | | |
|--------------------------------|---|
| 1) Asset to be acquired: | Real property
(Land: Ownership, Building: Ownership) |
| 2) Name of asset: | Harumi Center Building |
| 3) Acquisition price: | 26,800 million yen
<Payment schedule>
Upon concluding the agreement
for the acquisition of the property: 1,000 million yen (Deposit)
On the scheduled acquisition date: 25, 800 million yen (Balance due) |
| 4) Scheduled acquisition date: | December 18, 2007 |
| 5) Seller: | Harumi Front Special Purpose Company (Harumi Front TMK) |
| 6) Acquisition funds: | Deposit: Own funds
Balance due: To be determined |

2. Reasons for the acquisition

The Corporation will acquire the asset 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) Superior location

- The property is located in the Harumi area of Chuo-ku, which is well recognized as a new business district, having Harumi Triton Square in the vicinity among other office buildings, and future development can be expected.
- Located within an 8-minute walking distance of Kachidoki Station of the Toei Subway Oedo Line, the property on Harumi St. also offers quick automobile access to the Ginza area as well as Odaiba and Haneda Airport as a result of the extension of Harumi St., enjoying high traffic convenience.

(2) Large and Newer Building in one of the three central wards of Tokyo

The property is a large and newer building that was built one year ago, located in one of the three central wards of Tokyo. It is therefore a rare property that offers a competitive edge in office building market.

(3) Competitive specifications that respond to the needs of tenants

The property is equipped with specifications that can satisfy a variety of facility needs for tenants as an office building for lease, including regular-shaped office space of 648 tsubo for standard floor, individual air conditioning system that can be controlled in 49 zones per floor, ceiling height of 2.8 meters, 100mm office automation floor, and no contact IC card security system.

3. Details of the asset to be acquired

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 asset to be acquired

Location		
Address shown in land registry	Land	2-25-2 Harumi, Chuo-ku, Tokyo
	Building	2-25-2 Harumi, Chuo-ku, Tokyo
Address		2-5-24 Harumi, Chuo-ku, Tokyo
Usage		Office, shop
Area		
Land		4,664.63 m ²
Building		26,447.27 m ²
Structure		Steel-framed structure, flat roof Above ground: 10 floors
Completion date		November 2006
Architect		Mitsubishi Jisho Sekkei Inc.
Constructor		Taisei Corporation
Building confirmation and inspection body		Urban Housing Evaluation Center
Type of ownership		
Land		Ownership
Building		Ownership
Acquisition price		26,800 million yen
Appraisal value (Appraisal institution) (Evaluation method)		26,300 million yen (Daiwa Real Estate Appraisal Co., Ltd.) (Capitalization method: as of November 1, 2007) <Reference> Capitalization yield in direct capitalization method : 4.7% Discount rate in DCF method : 4.4% Final capitalization yield : 4.9%
PML value		5.82% (Based on an earthquake risk assessment report issued by Tokio Marine & Nichido Risk Consulting Co., Ltd.)
Collateral		Flexible mortgage (The mortgage will be released before the acquisition of the property)
Property management company (Note 1)		Mitsubishi Estate Co., Ltd. (Note 2)

(Note 1) The property management company to be entrusted after the acquisition shall be described.

(Note 2) Outline of the 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 and CEO
Paid in capital	136,534 million yen (as of September 30, 2007)
Major shareholders	The Master Trust Bank of Japan, Ltd. (Trust account) Meiji Yasuda Life Insurance Company State Street Bank and Trust Company (as of March 31, 2007)
Principal business	Real estate business
Relationship with the Corporation or the asset management company	A principal shareholder (holding 36% of shares) of Japan Real Estate Asset Management Co. Ltd. (the asset management company) in which the Corporation entrusts the management of its assets As of September 30, 2007, Mitsubishi Estate, Co., Ltd. holds 10,160 investment units of the Corporation (2.48% of total outstanding investment units).

(2) Tenant details

The number of tenants	7
Total leasable space	20,812 m ²
Total leased space	20,425 m ²
Occupancy rate on the scheduled acquisition date	98.1% (projection)
NOI (Net Operating Income)	1,172 million yen per year
(Note)	<ul style="list-style-type: none"> - Total number of tenants, total leasable space, total leased space, and occupancy rate on the scheduled acquisition date are projections as of the scheduled acquisition date. - NOI is the estimate amount under the normal operation based on the terms and conditions of lease agreements as of the scheduled acquisition date, etc. * Estimated occupancy rate: 99.0% - The above figures (except NOI) are based on the data provided by the seller. - The office spaces of the building are subleased to end-tenants by Mitsubishi Estate Co., Ltd., which leased the office space from Harumi Front TMK. The Corporation intends to continue the current lease arrangement after the acquisition of the subject property. - The Corporation intends to assume the position of the lessor in the currently existing lease agreement between Harumi Front TMK and Mitsubishi Estate Co., Ltd. on the scheduled acquisition date of the property. In accordance with the lease agreement, the Corporation will receive rent, parking fees, common service charges and other charges collected by Mitsubishi Estate from tenants. The rent, etc. to be paid to the Corporation by Mitsubishi Estate Co., Ltd. are based on the rent, etc. that Mitsubishi Estate Co., Ltd. receives from tenants and Mitsubishi Estate Co., Ltd. does not guarantee the amount of rent, etc. to the Corporation.

(3) Specifications for rental floor space

Ceiling height	2,800mm
Standard floor area	2,141 m ²
Office automation floor	100mm
Electric capacity	50VA/m ² (It can be expanded to 70VA/m ²)
Air conditioning system	Individual air conditioning system (Maximum of 49 zones per floor)
Floor load	500 kg/m ²
Others	Around-the-clock entry and exit

(4) Outline of the engineering report

i. Outline of repair items

Date of report	November 5, 2007	
Preparer of report	Shimizu Corporation	
Early repair items	Emergency repair items	None
	Short-term repair items (within 1 year)	None
Repairing expenses/Capital expenditure for the next 15 years (Annual average for the share to be acquired by the Corporation)	Repairing expenses	9 million yen
	Capital expenditure	13 million yen
	Total	22 million yen

ii. Description concerning utilization status of asbestos

(Description on the possible use of asbestos)

Sprayed materials with asbestos	None
Materials with asbestos other than the above	None

4. Outline of seller

Corporate name	Harumi Front Special Purpose Company (Harumi Front TMK)
Address of the registered head office	1-9-13 Nihonbashi Honcho, Chuo-ku, Tokyo
Representative	Katsunori Nonaka, Director
Paid in capital	2,545 million yen (Total of specified capital and preferred capital) (as of September 30, 2007)
Principal business	Undertaking, managing, and disposing of specified assets in accordance with an asset securitization plan under the Act on Securitization of Assets
Relationship with the Corporation or the asset management company	The seller is a Special Purpose Company (TMK) set up in accordance with the Act on Securitization of Assets. The Corporation holds approximately 49.9% of the preferred capital contribution certificates issued by the Harumi Front TMK. Mitsubishi Estate Co., Ltd., the major shareholder of the asset management company of the Corporation, also holds preferred capital contribution certificates issued by the Harumi Front TMK, as well as engaging in the business of managing and disposing the specified assets held by the Harumi Front TMK.

5. History of Property Owners

Name of property (Location)	Harumi Center Building (2-5-24 Harumi, Chuo-ku, Tokyo)
Previous owner	
Corporate name	Harumi Front Special Purpose Company (Harumi Front TMK)
Relationship with the party with special interests	Mitsubishi Estate Co., Ltd., the major shareholder of the asset management company of the Corporation, engages in the business of managing and disposing of the specified assets held by the Harumi Front TMK.
Reasons for acquisition, etc.	Newly built in November 2006
Acquisition price	-
Date of acquisition	-

6. Acquisition schedule

November 14, 2007	The acquisition of the asset was determined.
November 26, 2007	Execution of an agreement for the acquisition of the asset, deposit payment (scheduled)
December 18, 2007	Closing of acquisition, balance payment (scheduled)

7. Dividend on preferred capital contribution to Harumi Front TMK

Harumi Front TMK will pay dividends to investors in accordance with its asset securitization plan as described in the schedule below.

The Corporation will record the applicable dividend income as revenue in the fiscal term in which the amount of dividend is confirmed by resolution at the general meeting of members of Harumi Front TMK.

<Future schedule (scheduled)>

	Harumi Front TMK	Japan Real Estate Investment Corporation
December 18, 2007	Transfer of the specified asset	Acquisition of the specified asset
March 2008	Resolution by the general meeting of members (decision on dividend payment)	Record of dividends as revenue
April 2008	Dividend payment	Receipt of dividends

Please refer to “Announcement of 12th Fiscal Period Results (from April 1, 2007 through September 30, 2007),” announced on November 14, 2007, for forecast performance of the 13th Period (from October 1, 2007 through March 31, 2008), which assumes the dividend income from preferred capital contribution to Harumi Front TMK and the acquisition of the subject property hereunder.

This notice is the English translation of the announcement in Japanese dated November 14, 2007 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 Harumi Center Building
- Information Map
- List of all the assets of the Corporation after the acquisition of this asset

(Reference) Photo: Outside view of Harumi Center Building



(Reference) Information map



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

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	1.1%	81.9%
	Kitanomaru Square (Chiyoda-ku, Tokyo)	Real property	February 24, 2006	81,555,500	17.2%	
	MD Kanda Building (Chiyoda-ku, Tokyo)	Real property	May 31, 2002	9,520,000	2.0%	
	Kandabashi Park Building (Chiyoda-ku, Tokyo)	Real property	August 15, 2002	4,810,000	1.0%	
	Nibancho Garden (Chiyoda-ku, Tokyo)	Real property	April 1,2005	14,700,000	3.1%	
	Mitsubishi UFJ Trust and Banking Building (Chiyoda-ku, Tokyo)	Real property	March 28, 2007	44,700,000	9.4%	
	Burex Kojimachi Building (Chiyoda-ku, Tokyo)	Real property	July 29, 2005	7,000,000	1.5%	
	Sanno Grand Building (Chiyoda-ku, Tokyo)	Real property	January 31, 2005	10,200,000	4.4%	
			April 3, 2006	10,700,000		
			Total	20,900,000		
	Yurakucho Denki Building (Chiyoda-ku, Tokyo)	Real property	August 1, 2003	7,200,000	1.5%	
	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	1.1%	
	Ginza Sanwa Building (Chuo-ku, Tokyo)	Real property	March 10, 2005	16,830,000	3.6%	
	Ryoshin Ginza East Mirror Building (Chuo-ku, Tokyo)	Real property	March 15, 2005	5,353,500	1.1%	
	Harumi Center Building (Chuo-ku, Tokyo)	Real property	December 18, 2007	26,800,000	5.7%	
	Aoyama Crystal Building (Minato-ku, Tokyo)	Real property	March 14, 2003	7,680,000	1.6%	
	Shiba 2Chome Daimon Building (Minato-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 10, 2001	4,859,000	1.0%	
	Cosmo Kanasugibashi Building (Minato-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 25, 2001	2,808,000	0.6%	
	Shinwa Building (Shinjuku-ku, Tokyo)	Real property	September 1, 2004	7,830,000	1.7%	
	Tokyo Opera City Building (Shinjuku-ku, Tokyo)	Real property	September 13, 2005	9,350,000	2.0%	
	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	1.2%	
	Omori-Eki Higashiguchi Building (Ota-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 10, 2001	5,123,000	1.1%	
	Nippon Brunswick Building (Shibuya-ku, Tokyo)	Real property	March 24, 2004	6,670,000	1.4%	
	Yoyogi 1Chome Building (Shibuya-ku, Tokyo)	Real property	April 1, 2004	8,700,000	1.8%	
	da Vinci Harajuku (Shibuya-ku, Tokyo)	Real property	November 22, 2002	4,885,000	1.0%	
	Jingumae Media Square Building (Shibuya-ku, Tokyo)	Real property	October 9, 2003	12,200,000	2.6%	
	Shibuya Cross Tower (Shibuya-ku, Tokyo)	Real property	November 30, 2001	34,600,000	7.3%	
	Ebisu Neonato (Shibuya-ku Tokyo)	Real property	November 14, 2003	3,740,000	0.9%	
			April 1, 2004	360,000		
			Total	4,100,000		
	Harmony Tower (Nakano-ku Tokyo)	Real property	February 28, 2005	8,500,000	1.8%	
	Otsuka Higashi-Ikebukuro Building (Toshima-ku, Tokyo)	Trust beneficiary right in trust of real estate	September 25, 2001	3,541,000	0.7%	
	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	0.9%	

Tokyo Metropolitan Area (excluding 23 wards)	Hachioji First Square (Hachioji City, Tokyo)	Real property	March 31, 2005	3,300,000	0.7%	2.0%
	Saitama Urawa Building (Saitama City, Saitama Prefecture)	Real property	September 25, 2001	1,232,000	0.5%	
			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	0.7%		
Total: Tokyo Metropolitan Area				397,353,000	83.9%	83.9%
Hokkaido	8.3 Square Kita Building (Sapporo City, Hokkaido)	Real property	June 1, 2007	7,100,000	1.5%	1.5%
Tohoku Region	Jozenji Park Building (Sendai City, Miyagi Prefecture)	Real property	January 31, 2005	1,000,000	0.2%	0.9%
	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	1.0%	1.0%
			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	1.1%	4.9%
			November 1, 2006	1,300,000		
			Total	5,150,000		
	Hirokoji Sakae 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	3.1%	
	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%	4.5%
	Sakaisujihonmachi Building (Osaka City, Osaka Prefecture)	Real Property	September 25, 2001	2,264,000	0.9%	
			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	3.0%	
			February 28, 2002	7,380,000		
Total			14,314,000			
Chugoku Region	Lit City Building (Okayama City, Okayama Prefecture)	Real Property	February 1, 2006	4,650,000	1.0%	1.3%
	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	0.3%	2.2%
	Tenjin Crystal Building (Fukuoka City, Fukuoka Prefecture)	Real property	June 1, 2005	5,000,000	1.1%	
	Hinode Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Trust beneficiary right in trust of real estate	September 10, 2001	3,657,000	0.8%	
Total: Other major cities				76,387,000	16.1%	16.1%
Total: Portfolio				473,740,000	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, November 24, 2005, and November 24, 2006 for a total acquisition price of 1,270 million yen.