

October 6, 2009

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Taketo Yamazaki, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

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Notice concerning Lawsuit

Announcement is hereby made that with respect to the extension to Ryoshin Ginza East Mirror Building (the “Building”) owned by Japan Real Estate Investment Corporation (the “Company”), which was announced on June 12, 2008 and July 31, 2009, two of the leaseholders of the Building filed a lawsuit against the Company as plaintiffs seeking to suspend the extension work of the Building (the “Lawsuit”) on September 8, 2009 as mentioned below, and that the Company decided on October 6, 2009 to defend itself in the Lawsuit based on the understanding that there is no just cause to suspend the extension work.

1. Parties who instituted the Lawsuit (plaintiffs)
Two leaseholders of the Building
2. Purpose of the Lawsuit
 - (1) Filing day of the Lawsuit: September 8, 2009
 - (2) Claim: Suspension of extension work of the Building
3. Background of the Lawsuit
 - The Company acquired the Building on March 15, 2005, and thereafter made a plan to extend the Building, acquired the land and buildings adjacent to the Building on July 4, 2008, and completed the demolition of the acquired building and began the extension work as of today.
 - The two plaintiffs, who are leaseholders of the Building, instituted a lawsuit against the Company seeking to suspend extension work of the Building, claiming that the act to proceed with the extension work without their consent would infringe upon their leasehold and right of possession.
4. Defense in the Lawsuit
The Company believes that the plaintiffs’ action to suspend the extension work of the Building is groundless and, therefore, there is no just cause for the Company to suspend the work. The Company will thus defend itself in the Lawsuit.

5. Influence on business performance, etc.

The influence of the Lawsuit on the Company's business performance is not known as of today. The Company will immediately provide the proper notification if anything to be disclosed should occur in the future.

(Reference) Outline of Ryoshin Ginza East Mirror Building and the extension plan to the Building

<Outline of Ryoshin Ginza East Mirror Building>

Acquisition date	March 15, 2005
Acquisition price	¥5,353,500,000
Address	3-15-10 Ginza, Chuo-ku, Tokyo
Structure	Steel-framed structure, flat roof Above ground: 8 floors Below ground: 1 floor
Completion date	October 1998
Site Area (Note 1)	615.25 m ²
Floor area of building (Note 1)	4,104.71 m ²
Leasable space	2,875 m ²

<Outline of the extension plan>

Acquisition date of land and a building adjacent to the Building	July 4, 2008
Acquisition price of land and a building adjacent to the Building	¥1,800,000,000
Total project cost	¥2,723 million (rough estimation) (The figure includes the acquisition cost of the land and building, the demolition cost of the acquired building and the amount of extension building work costs, excluding overhead costs such as brokerage commission, etc.)
Date of completion of extension and closing of the extension contract	May 24, 2010 (scheduled)
Site area after extension (Note 1)	864.91 m ²
Floor area of building after extension (Note 2)	Approx. 5,889 m ²
Leasable space after extension (Note 2)	Approx. 4,246 m ²

(Note 1) The information on site area and floor area of building before extension is derived from the land registry.

(Note 2) The figures for floor area of building and leasable space as extended were projections as of October 6, 2009, calculated based on the relevant drawings and specifications, and therefore may be subject to change.

This notice is the English translation of the announcement in Japanese dated October 6, 2009 on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.