



March 3, 2005

To whom it may concern:

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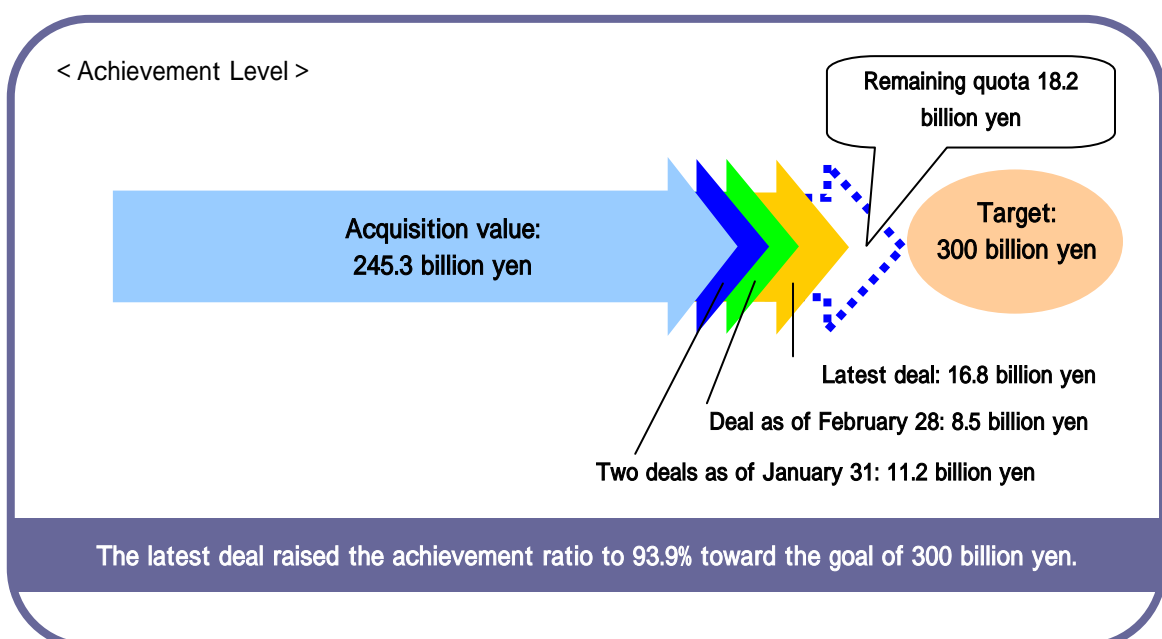
## Notice of Asset Acquisition

Announcement is hereby made that on March 3, 2005, Japan Real Estate Investment Corporation (the “Corporation”) decided to acquire Ginza Sanwa Building as follows:

### 1. Importance of asset acquisitions

Today, the Corporation decided to acquire Ginza Sanwa Building (acquisition price: 16, 830 million yen), which is an extremely rare property facing Ginza-Dori and located very close to the Ginza 4-Chome intersection, the very center of Ginza, Japan’s largest commercial district.

By the acquisition of this real estate property, the total assets under management of the Corporation amount to around 281.8 billion yen on an acquisition value basis as of March 10, 2005. As a result, with an additional amount of approximately 18.2 billion yen, the Corporation will be able to reach the 300 billion yen external growth target to be accomplished by March 31, 2006.



## 2. Outline of the acquisition

- |                                   |   |
|-----------------------------------|---|
| 1) Asset to be acquired:          | Real property<br>Land: Ownership (ownership and co-ownership)<br>Building: Compartmentalized building units (share of co-ownership) |
| 2) Name of property:              | Ginza Sanwa Building  |
| 3) Acquisition price:             | 16,830 million yen  |
| 4) Scheduled date of acquisition: | March 10, 2005  |
| 5) Seller:                        | Imabashi Jisho Corporation /Toyo Estate Corporation   |
| 6) Acquisition funds:             | Loan  |

## 3. Reason 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) Rare property

- This property is located very close to the Ginza 4-chome intersection, the very center of Ginza, Japan's prime commercial area.
- It is an extremely rare property facing three streets including Chuo-Dori (commonly known as "Ginza-Dori") and Matsuya-Dori, and having a substantial site area.

### (2) Prosperous location and convenient access

- Shops mainly occupy the first to third floors and 2 stories below ground level. The needs of "Ginza brand" space is still high among shop owners and the location of this property between Matsuya and Mitsukoshi department stores is an absolute strength in terms of prosperous location.
- It is conveniently located for easy access. The Ginza Station entrance/exit for Ginza and Hibiya subway lines are located in front of this property and it is just three minute walk to the Marunouchi subway line's Ginza Station entrance. Higashi-Ginza and Ginza 1-Chome subway stations and JR Yurakucho Station are also within walking distance.

### (3) Well-balanced office building

- The Ginza area was also developed as a business center, in addition to the shopping town. This property has a substantial standard office space of 245 tsubo (810 m<sup>2</sup>) per floor and other facilities that meet the needs of tenants, while there are many relatively smaller buildings in this area.

#### 4. Details of the acquired property

The relevant information is as set out below; provided that the information on “area,” “structure” and “completion date” 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	4-1-1 Ginza, Chuo-ku, Tokyo (plus three other lots) (One lot among 4 lots is owned by the other co-owner of the building)			
		Building	4-1-1 Ginza, Chuo-ku, Tokyo (and other)			
	Address	4-6-1 Ginza, Chuo-ku, Tokyo				
Usage		Office, bank, and shops				
Area	Land	1,119.27 m <sup>2</sup> (total land area for the building site)				
	Building	8,851.00 m <sup>2</sup> (total floor space for the entire building)				
Structure		Steel-framed and steel reinforced concrete structure, flat roof Above ground 9 floors    Below ground: 2 floors				
Completion date		October 1982				
Type of ownership	Owner	Imabashi Jisho Corporation	Toyo Estate Corporation	Total		
	Land	Ownership (98.54% co-ownership of 2 lots/507.01 m <sup>2</sup> )	Ownership (1 lot: 247.41 m <sup>2</sup> )	Ownership (98.54% co-ownership of 2 lots/507.01 m <sup>2</sup> and ownership in 1 lot/247.41 m <sup>2</sup> )		
	Building	Compartmentalized building units (98.54% co-ownership in 1,905.35 m <sup>2</sup> of exclusive area in 1, 3, 4, and 5 floors)	Compartmentalized building units (45.31% co-ownership in 5,770.65 m <sup>2</sup> of exclusive area on 9 floors above ground and 2 floors below ground other than the area specified in the left column)	Compartmentalized building units (98.54% co-ownership in 1,905.35 m <sup>2</sup> of exclusive area in 1, 3, 4, and 5 floors and 45.31% co-ownership in 5,770.65 m <sup>2</sup> of exclusive area on 9 floors above ground and 2 floors below ground other than the area specified above.) *Share : 70.95%		
Acquisition price		From Imabashi Jisho Corporation 11,493 million yen	From Toyo Estate Corporation 5,337 million yen	Total 16, 830 million yen		
Appraisal value (Appraisal method) (Appraisal institution)		16, 840 million yen (Discounted cash flow method: as of February 1, 2005) (Daiwa Real Estate Appraisal Co., Ltd.)				
Mortgage		Flexible mortgage exists for the portion owned by Toyo Estate Corporation (The Corporation will purchase the property after the flexible mortgage is released.)				

(2) Tenant details

Total number of tenants	12	
Total revenue from the leasing of the portion	747 million yen/year (January 1, 2004 to December 31, 2004)	
Total rent space	4,204 m <sup>2</sup>	
Total rentable space	4,329 m <sup>2</sup>	
Occupancy rates	March 31, 2003	94.2%
	March 31, 2004	93.4%
	On the scheduled acquisition date	97.1% (portion applicable to the Corporation)
(Notes)	<ul style="list-style-type: none"> <li>• Total number of tenants, total rent space, total rentable area and occupancy rates on the scheduled acquisition date are projections as of March 10, 2005.</li> <li>• The above figures are the estimates based on the data obtained from the seller, and total revenue from the leasing of the portion, total rent space, total rentable space and occupancy rates on the scheduled acquisition date are computed for the portion applicable to the Corporation based on the data provided by the seller.</li> <li>• Occupancy rates on March 31, 2003 and March 31, 2004 are occupancy rates for the entire building.</li> </ul>	

**5. Outline of seller**

(1) Imabashi Jisho Corporation

Address of registered head office	1-13-3 Toranomom, Minato-ku, Tokyo
Representative	Shunsaku Yahata
Paid-in capital	300 million yen (as of March 31, 2004)
Principal business	Real estate

(2) Toyo Estate Corporation

Address of registered head office	1-4-2 Toranomom, Minato-ku Tokyo
Representative	Keizo Matsumoto
Paid-in capital	40 million yen (as of March 31, 2004)
Principal business	Real estate

**6. Summary of financing**

Total borrowings of 14 billion yen (3 billion yen from the Chugoku Bank, Ltd., 3 billion yen from the Daishi Bank, Ltd., 2 billion yen from the Hachijuni Bank, Ltd., 2 billion yen from the Kagoshima Bank, Ltd., 2 billion yen from the Joyo Bank, Ltd., and 2 billion yen from the Iyo Bank, Ltd.) will be obtained on March 9, 2005. The funds will be applied for the acquisition of the subject property.

## **7. Acquisition schedule**

March 3, 2005	Acquisition of the property was determined.
March 10, 2005	Execution of an agreement for the acquisition of the property and property handover

## **8. Performance Projection after the acquisition of this property**

As the impact of this property acquisition on the Corporation's management performance for the fiscal period from October 1, 2004 to March 31, 2005 is expected to be minor, no revision of the forecast for performance will be made.

Information on the loan for the acquisition of this property will be provided when the interest rate is determined for the loan.

This notice is the English translation of March 3, 2005 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 Ginza Sanwa Building
- List of all the assets of the Corporation after the acquisition of this property

Reference materials

- Photo: Outside view of Ginza Sanwa 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	1.8%	76.8%
	MD Kanda Building (Chiyoda-ku, Tokyo)	Real property	May 31, 2002	9,520	3.4%	
	Kandabashi Park Building (Chiyoda-ku, Tokyo)	Real property	August 15, 2002	4,810	1.7%	
	Mitsubishi Soken Building (Chiyoda-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	27,267	9.7%	
	Sanno Grand Building (Chiyoda-ku, Tokyo)	Real property	January 31, 2005	10,200	3.6%	
	Yurakucho Denki Building (Chiyoda-ku, Tokyo)	Real property	August 1, 2003	7,200	2.6%	
	Kodenmachi Shin-Nihonbashi Building (Chuo-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	3,173	1.1%	
	Burex Kyobashi Building (Chuo-ku, Tokyo)	Real property	July 22, 2002	5,250	1.9%	
	Ginza Sanwa Building (Chuo-ku, Tokyo)	Real property	March 10, 2005	16,830	6.0%	
	Aoyama Crystal Building (Minato-ku, Tokyo)	Real property	March 14, 2003	7,680	2.7%	
	Shiba 2Chome Daimon Building (Minato-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	4,859	1.7%	
	Cosmo Kanasugibashi Building (Minato-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	2,808	1.0%	
	Shinwa Building (Shinjuku-ku, Tokyo)	Real property	September 1, 2004	7,830	2.8%	
	Takanawadai Building (Shinagawa-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	2,738	1.0%	
	Higashi Gotanda 1Chome Building(*) (Shinagawa-ku, Tokyo)	Real property	November 1, 2004	5,500	2.0%	
	JAL Travel Building (Meguro-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	1,362	0.5%	
	Omori-Eki Higashiguchi Building (Ota-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	5,123	1.8%	
	Nippon Brunswick Building (Shibuya-ku, Tokyo)	Real property	March 24, 2004	6,670	2.4%	
	Yoyogi 1Chome Building (Shibuya-ku, Tokyo)	Real property	April 1, 2004	8,700	3.1%	
	da Vinci Harajuku (Shibuya-ku, Tokyo)	Real property	November 22, 2002	4,885	1.7%	
	Jingumae Media Square Building (Shibuya-ku, Tokyo)	Real property	October 9, 2003	12,200	4.3%	
	Shibuya Cross Tower (Shibuya-ku, Tokyo)	Real property	November 30, 2001	34,600	12.3%	
	Ebisu Neonato (Shibuya-ku Tokyo)	Real property	November 14, 2003	3,740	1.5%	
			April 1, 2004	360		
			Total	4,100		
	Harmony Tower (Nakano-ku Tokyo)	Real property	February 28, 2005	8,500	3.0%	

	Otsuka Higashi-Ikebukuro Building (Toshima-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	3,541	1.3%			
	Ikebukuro 2Chome Building (Toshima-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	1,728	0.6%			
	Ikebukuro YS Building (Toshima-ku, Tokyo)	Real property	August 2, 2004	4,500	1.6%			
Tokyo Metropolitan Area (excluding 23 wards)	Saitama Urawa Building (Saitama City, Saitama Prefecture)	Real property	September 25, 2001	1,232	0.9%	3.2%		
			October 11, 2001	1,342				
			Total	2,574				
	Shin-Yokohama First Building (Yokohama City, Kanagawa Prefecture)	Real property	January 28, 2002	3,000	1.1%			
	Kawasaki Isago Building (Kawasaki City, Kanagawa Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	3,375	1.2%			
Total: Tokyo Metropolitan Area				225,523	80.0%	80.0%		
Tohoku Region	Jozenji Park Building (Sendai City, Miyagi Prefecture)	Real property	January 31, 2005	1,000	0.4%	1.4%		
	Sendai Honcho Honma Building (Sendai City, Miyagi Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	2,924	1.0%			
Hokuriku Region	Niigata Ishizuecho Nishi-Bandaibashi Building (Niigata City, Niigata Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	1,010	0.4%	2.5%		
			Kanazawa Park Building (Kanazawa City, Ishikawa Prefecture)	Real property	February 28, 2002		2,880	1.6%
					March 3, 2003		1,700	
	Kanazawa Minamicho Building (Kanazawa City, Ishikawa Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	Total	4,580		0.5%	
				1,331				
Chubu Region	Nagoya Hirokoji Building (Nagoya City, Aichi Prefecture)	Real property	September 10, 2001	14, 533	5.2%	5.8%		
	Nagoya Misono Building (Nagoya City, Aichi Prefecture)	Real property	August 8, 2003	1,865	0.7%			
Kinki Region	Kyoto Shijo Kawaramachi Building (Kyoto City, Kyoto Prefecture)	Real property	December 20, 2001	2,650	0.9%	8.0%		
			Sakaisujihonmachi Building (Osaka City, Osaka Prefecture)	Real Property	September 25, 2001		2,264	1.5%
					December 26, 2003		1,900	
	Total	4,164						
	Midosuji Daiwa Building (Osaka City, Osaka Prefecture)	Real estate investment trust beneficial	September 25, 2001	6,934	5.1%			
			February 28, 2002	7,380				
			Total	14,314				
Kobe Itomachi Building (Kobe City, Hyogo Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	1,436	0.5%				
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	0.5%	1.8%		
	Hinode Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Real estate investment trust beneficial interest	September 10, 2001	3,657	1.3%			
Total: Other major cities				56,334	20.0%	20.0%		

Total: Portfolio	281,857	100.0%	100.0%
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