



July 14, 2005

To whom it may concern:

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Notice of Asset Acquisition

Announcement is hereby made that on July 14, 2005, Japan Real Estate Investment Corporation (the “Corporation”) decided to acquire Burex Kojimachi Building.

1. Outline of the Acquisition

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| 1) Asset to be acquired | : Real Estate (Land: Ownership, Building: Ownership) |
| 2) Name of property | : Burex Kojimachi Building |
| 3) Acquisition price | : 7 billion yen |
| 4) Scheduled date of acquisition | : July 29, 2005 |
| 5) Seller | : Space Design, Inc. |
| 6) Acquisition funds | : Own funds and loans |

2. 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:

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|----------------------------|--|
| <New building> | • The property is a new building constructed in January 2005. |
| <Stable profitability> | • The conclusion of a ten-year fixed-term rent contract with the seller will contribute to the stable profitability of the portfolio. |
| <Location and convenience> | • This property is located in the Kojimachi and Kioicho area, which is a cultural and academic area with a quiet and calm atmosphere. There are strong demands for rental offices in this area from lawyers, accountants, publishers, and others, and the area is also popular among ventures and other companies seeking for reputable locations.
• Stations of five subway lines and JR Yotsuya Station are accessible from the property on foot. It is only one-minute walk from the property to the nearest station (Kojimachi Station of the Yurakucho Line) and three-minute walk to Hanzomon Station of the Hanzomon Line. |

- <Specifications>
- Glassy, symbolic building with a sophisticated interior design
 - Flexibility to meet tenants' needs (with a wide range of floor space available from approximately 26m² to approximately 434m²)
 - This property meets the highest specifications for an office, including an OA floor (40mm), around-the-clock individual air conditioning, electric capacity (162VA/m²), floor weight capacity (500kg/m²), around-the-clock entry and exit control system using card keys, and optical cable equipment
 - Substantial amenity space for tenants, including a multi-purpose lounge and meeting space for exclusive use by tenants

3. Details of the acquired property

The relevant information is as set 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	3-5-2 Kojimachi, Chiyoda-ku, Tokyo and other 2 lots
	Building	3-5-2 Kojimachi, Chiyoda-ku, Tokyo, etc.
Address	3-5-2 Kojimachi, Chiyoda-ku, Tokyo	
Usage	Offices, Shops	
Area		
Land	967.67m ²	
Building	6,526.64m ²	
Structure	Steel-framed and steel-reinforced concrete structure, flat roof Above ground: 11 floors Below ground: 1 floor	
Completion date	January 2005	
Type of ownership		
Land	Ownership	
Building	Ownership	
Acquisition price	7,000 million yen	
Appraisal value (appraisal method) (appraisal institution)	6,880 million yen (Discounted cash flow method: as of July 1, 2005) (Daiwa Real Estate Appraisal Co., Ltd.)	
Mortgage	Flexible mortgage (The Corporation will purchase the property after the flexible mortgage is released.)	

(2) Tenant details

Total number of tenants	1
Total revenue from leasing	324 million yen/year
Total rent space	4,495m ²
Total rentable space	4,495m ²
Occupancy rates	On the scheduled acquisition date 100.0%
(Note)	<ul style="list-style-type: none">• The Corporation will conclude a ten-year, fixed-term rent contract with the seller. Based on the contract, the seller will become a sole tenant of the entire building and sublease it to third parties.• Total revenue from leasing is calculated based on the fixed-term rent contract to be concluded with the seller.• Costs will be shared as follows:<ul style="list-style-type: none"><Costs to be paid by the lender (the Corporation)><ul style="list-style-type: none">● Taxes and public dues related to the property● Non-life insurance premiums● Repair and renewal cost<Costs to be paid by the tenant (the seller)><ul style="list-style-type: none">● General maintenance cost for the building (including utilities cost)● Sublease-related cost• Total number of tenants, total rent space, total rentable space and occupancy rates on the scheduled acquisition date are projections as of July 29, 2005.• Total rent space and total rentable space are estimates based on data obtained from the seller.

4. Outline of seller

Corporate name	Space Design, Inc.
Address of registered head office	2-2-1, Uchisaiwai-cho, Chiyoda-ku, Tokyo
Representative	Yasuhiro Iwafuji
Paid-in capital	6,000 million yen (as of July 31, 2004)
Principal business	Real estate business

5. Outline of fund-raising

For acquisition of this property, the Corporation will borrow the total of 3,000 million yen from The Mitsubishi Trust and Banking Corporation on July 29, 2005.

6. Acquisition schedule

July 14, 2005	Acquisition of the property was determined.
July 15, 2005	Execution of an agreement for the acquisition of the property
July 29, 2005	Scheduled property handover

7. Performance projection after the acquisition of the property

As the impact of this property acquisition on the Corporation's management performance for the fiscal period from April 1, 2005 to September 30, 2005 is expected to be minor, no revision of the forecast for performance will be made.

We will inform you of the loan to be taken out for the purchase of the property once the interest rate has been decided.

This notice is the English translation of the July 14, 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 Burex Kojimachi Building
- List of all the assets of the Corporation after the acquisition of this asset

(Reference) Photo: Outside view of Burex Kojimachi 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	1.6%	76.8%
	MD Kanda Building (Chiyoda-ku, Tokyo)	Real property	May 31, 2002	9,520,000	3.0%	
	Kandabashi Park Building (Chiyoda-ku, Tokyo)	Real property	August 15, 2002	4,810,000	1.5%	
	Mitsubishi Soken Building (Chiyoda-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	27,267,000	8.6%	
	Nibancho Garden (Chiyoda-ku, Tokyo)	Real property	April 1,2005	14,700,000	4.6%	
	Burex Kojimachi Building (Chiyoda-ku, Tokyo)	Real property	July 29, 2005	7,000,000	2.2%	
	Sanno Grand Building (Chiyoda-ku, Tokyo)	Real property	January 31, 2005	10,200,000	3.2%	
	Yurakucho Denki Building (Chiyoda-ku, Tokyo)	Real property	August 1, 2003	7,200,000	2.3%	
	Kodenmacho Shin-Nihonbashi Building (Chuo-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	3,173,000	1.0%	
	Burex Kyobashi Building (Chuo-ku, Tokyo)	Real property	July 22, 2002	5,250,000	1.7%	
	Ginza Sanwa Building (Chuo-ku, Tokyo)	Real property	March 10,2005	16,830,000	5.3%	
	Ryoshin Ginza East Mirror Building (Chuo-ku, Tokyo)	Real property	March 15,2005	5,353,500	1.7%	
	Aoyama Crystal Building (Minato-ku, Tokyo)	Real property	March 14, 2003	7,680,000	2.4%	
	Shiba 2Chome Daimon Building (Minato-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	4,859,000	1.5%	
	Cosmo Kanasugibashi Building (Minato-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	2,808,000	0.9%	
	Shinwa Building (Shinjuku-ku, Tokyo)	Real property	September 1, 2004	7,830,000	2.5%	
	Takanawadai Building (Shinagawa-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	2,738,000	0.9%	
	Higashi Gotanda 1Chome Building (Shinagawa-ku, Tokyo)	Real property	November 1, 2004	5,500,000	1.7%	
	JAL Travel Building (Meguro-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	1,362,000	0.4%	
	Omori-Eki Higashiguchi Building (Ota-ku, Tokyo)	Real estate investment trust beneficial interest	September 10, 2001	5,123,000	1.6%	
	Nippon Brunswick Building (Shibuya-ku, Tokyo)	Real property	March 24, 2004	6,670,000	2.1%	
	Yoyogi 1Chome Building (Shibuya-ku, Tokyo)	Real property	April 1, 2004	8,700,000	2.7%	
	da Vinci Harajuku (Shibuya-ku, Tokyo)	Real property	November 22, 2002	4,885,000	1.5%	
	Jingumae Media Square Building (Shibuya-ku, Tokyo)	Real property	October 9, 2003	12,200,000	3.8%	
	Shibuya Cross Tower (Shibuya-ku, Tokyo)	Real property	November 30, 2001	34,600,000	10.9%	
	Ebisu Neonato (Shibuya-ku Tokyo)	Real property	November 14, 2003	3,740,000	1.3%	
			April 1, 2004	360,000		
			Total	4,100,000		
	Harmony Tower (Nakano-ku Tokyo)	Real property	February 28, 2005	8,500,000	2.7%	
	Otsuka Higashi-Ikebukuro Building (Toshima-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	3,541,000	1.1%	

	Ikebukuro 2Chome Building (Toshima-ku, Tokyo)	Real estate investment trust beneficial interest	September 25, 2001	1,728,000	0.5%	
	Ikebukuro YS Building (Toshima-ku, Tokyo)	Real property	August 2, 2004	4,500,000	1.4%	
Tokyo Metropolitan Area (excluding 23 wards)	Hachioji Dai-ichi-Seimei Building (Hachioji City, Tokyo)	Real property	March 31, 2005	3,300,000	1.0%	3.9%
	Saitama Urawa Building (Saitama City, Saitama Prefecture)	Real property	September 25, 2001	1,232,000	0.8%	
			October 11, 2001	1,342,000		
			Total	2,574,000		
	Shin-Yokohama First Building (Yokohama City, Kanagawa Prefecture)	Real property	January 28, 2002	3,000,000	0.9%	
Kawasaki Isago Building (Kawasaki City, Kanagawa Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	3,375,000	1.1%		
Total: Tokyo Metropolitan Area				255,876,500	80.7%	80.7%
Tohoku Region	Jozenji Park Building (Sendai City, Miyagi Prefecture)	Real property	January 31, 2005	1,000,000	0.3%	1.2%
	Sendai Honcho Honma Building (Sendai City, Miyagi Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	2,924,000	0.9%	
Hokuriku Region	Niigata Ishizuecho Nishi-Bandaibashi Building (Niigata City, Niigata Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	1,010,000	0.3%	2.2%
	Kanazawa Park Building (Kanazawa City, Ishikawa Prefecture)	Real property	February 28, 2002	2,880,000	1.4%	
			March 3, 2003	1,700,000		
			Total	4,580,000		
Kanazawa Minamicho Building (Kanazawa City, Ishikawa Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	1,331,000	0.4%		
Chubu Region	Nagoya Hirokoji Building (Nagoya City, Aichi Prefecture)	Real property	September 10, 2001	14, 533,000	4.6%	5.2%
	Nagoya Misono Building (Nagoya City, Aichi Prefecture)	Real property	August 8, 2003	1,865,000	0.6%	
Kinki Region	Kyoto Shijo Kawaramachi Building (Kyoto City, Kyoto Prefecture)	Real property	December 20, 2001	2,650,000	0.8%	7.1%
	Sakaisujihonmachi Building (Osaka City, Osaka Prefecture)	Real Property	September 25, 2001	2,264,000	1.3%	
			December 26, 2003	1,900,000		
			Total	4,164,000		
	Midosuji Daiwa Building (Osaka City, Osaka Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	6,934,000	4.5%	
			February 28, 2002	7,380,000		
Total			14,314,000			
Kobe Itomachi Building (Kobe City, Hyogo Prefecture)	Real estate investment trust beneficial interest	September 25, 2001	1,436,000	0.5%		
Chugoku Region	NHK Hiroshima Broadcasting Center Building (Hiroshima City, Hiroshima Prefecture)	Real Property	March 25, 2004	1,320,000	0.4%	0.4%
Kyushu Region	Tosei Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Real property	September 25, 2001	1,550,000	0.5%	3.2%
	Tenjin Crystal Building (Fukuoka City, Fukuoka Prefecture)	Real property	June 1, 2005	5,000,000	1.6%	
	Hinode Tenjin Building (Fukuoka City, Fukuoka Prefecture)	Real estate investment trust beneficial interest	September 10, 2001	3,657,000	1.2%	
Total: Other major cities				61,334,000	19.3%	19.3%
Total: Portfolio				317,210,500	100.0%	100.0%

(Note) 1. 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. (Acquisition price: 956 million yen, equity in senior investment: 49.87%)
At the same time, the Corporation also acquired a preferential right to purchase real property etc. related to “(tentative name) Harumi Center Building” after the completion of the building.