



September 6, 2007

To whom it may concern:

Japan Real Estate Investment Corporation
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Notice concerning Transfer of Asset

Announcement is hereby made that on September 6, 2007, Japan Real Estate Investment Corporation (the “Corporation”) decided to transfer the following asset:

1. Outline of the transfer

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|---|---|
| 1) Asset to be transferred | Trust beneficiary right in trust of real estate |
| 2) Name of asset: | Kobe Itomachi Building |
| 3) Transfer value: | 1,770,000,000 yen
(excluding any balance due or payment for fixed property and city planning taxes, and consumption tax, etc.) |
| 4) Book value: | 1,341,011,773 yen
(As of March 31, 2007) |
| 5) Difference between transfer value and book value | 428,988,227 yen (Difference between 3) and 4) in the above) |
| 6) Scheduled contract date: | September 14, 2007 |
| 7) Scheduled handover date: | September 14, 2007 |
| 8) Transfer method: | Transfer the trust beneficiary right in trust of real estate to the following transferee. |
| 9) Transferee: | MID Urban Development Co., Ltd. |

2. Reason for the transfer

The Corporation will transfer the asset based on the basic asset management policies and investment attitude under the articles of incorporation of the Corporation by comprehensively considering expected future returns of this asset, changes in asset value and its forecasts, and portfolio structure, etc.

3. Details of the asset to be transferred

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” is among the main usages listed in the land registry. In addition, “Appraisal value” is the value researched by Daiwa Real Estate Appraisal, Co., Ltd. as of the date specified below.

Details of the asset to be transferred			
Type of specified asset	Trust beneficiary right in trust of real estate		
Trustee	The Sumitomo Trust and Banking Co., Ltd.		
Location	121 Itomachi, Chuo-ku, Kobe City, Hyogo Prefecture		
Usage	Office		
Area	Land:808.55 m ² Building:4,894.09 m ²		
Structure	Steel-framed reinforced concrete and steel framed structure, flat roof Above ground: 10 floors		
Completion date	September 1989		
Type of ownership	Land: ownership Building: ownership		
Tenant details (as of March 31, 2007)		Outline of acquisition price and appraisal value	
Total number of tenants	17	Acquisition price	1,436 million yen
Total leased space	3,279 m ²	Acquisition date	September 25, 2001
Total leasable space	3,478 m ²	Appraisal value (reference date of the research)	1,240 million yen (September 1, 2007)
Occupancy rate	94.3%		

4. Outline of the transferee

Corporate name	MID Urban Development Co., Ltd.
Address of the registered head office	1-4-4 Dojimahama, Kita-ku, Osaka City, Osaka Prefecture
Representative	Isao Yamamoto, Representative Director and President
Paid-in capital	7,500 million yen (as of end of March, 2007)
Major shareholders	Perseus Financial, LLC, Themis Financial, LLC, and others
Principal business	Building, housing, and investment and development businesses
Relation to the Corporation or the Asset Management Contractor	None in particular

5. Outline of brokerage

- (1) Broker: The Sumitomo Trust and Banking Co., Ltd.
- (2) Relation to the Corporation or the Asset Management Contractor

The Sumitomo Trust and Banking is the administrator (related to Paragraphs 2 to 6, Article 117 of the Law concerning the Investment Trusts and Investment Corporations of Japan, excluding administrative works related to investment corporation bonds) and custodian of the Corporation. The Trust Bank holds the Corporation’s 120 investment units (0.03% of outstanding units) as of March 31, 2007.

(3) Commissions

The information is not disclosed because an agreement was not achieved with the broker on the disclosure of commissions.

6. Transfer schedule

September 6, 2007	Transfer of the asset was determined.
September 14, 2007	Execution of agreement for the sale of trust beneficiary right (scheduled)
September 14, 2007	Handover (scheduled)

Please refer to the September 6, 2007, News Release, “Notice of Revision of Forecast Results for the 12th Period,” regarding the Corporation’s management operation for the 12th Period (April 1, 2007 through September 30, 2007) after the transfer of this asset.

This notice is the English translation of the September 6, 2007, announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Reference material (attachment)

- List of all the assets of the Corporation after the transfer of this asset.

List of all the assets of the Corporation after the transfer 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%	80.8%
	Kitanomaru Square (Chiyoda-ku, Tokyo)	Real property	February 24, 2006	81,555,500	18.2%	
	MD Kanda Building (Chiyoda-ku, Tokyo)	Real property	May 31, 2002	9,520,000	2.1%	
	Kandabashi Park Building (Chiyoda-ku, Tokyo)	Real property	August 15, 2002	4,810,000	1.1%	
	Nibancho Garden (Chiyoda-ku, Tokyo)	Real property	April 1,2005	14,700,000	3.3%	
	Mitsubishi UFJ Trust and Banking Building (Chiyoda-ku, Tokyo)	Real property	March 28, 2007	44,700,000	10.0%	
	Burex Kojimachi Building (Chiyoda-ku, Tokyo)	Real property	July 29, 2005	7,000,000	1.6%	
	Sanno Grand Building (Chiyoda-ku, Tokyo)	Real property	January 31, 2005	10,200,000	4.7%	
			April 3, 2006	10,700,000		
			Total	20,900,000		
	Yurakucho Denki Building (Chiyoda-ku, Tokyo)	Real property	August 1, 2003	7,200,000	1.6%	
	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	3.8%	
	Ryoshin Ginza East Mirror Building (Chuo-ku, Tokyo)	Real property	March 15, 2005	5,353,500	1.2%	
	Aoyama Crystal Building (Minato-ku, Tokyo)	Real property	March 14, 2003	7,680,000	1.7%	
	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	0.6%	
	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	2.1%	
	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	1.5%	
	Yoyogi 1Chome Building (Shibuya-ku, Tokyo)	Real property	April 1, 2004	8,700,000	1.9%	
	da Vinci Harajuku (Shibuya-ku, Tokyo)	Real property	November 22, 2002	4,885,000	1.1%	
	Jingumae Media Square Building (Shibuya-ku, Tokyo)	Real property	October 9, 2003	12,200,000	2.7%	
	Shibuya Cross Tower (Shibuya-ku, Tokyo)	Real property	November 30, 2001	34,600,000	7.7%	
	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	1.9%	
	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	1.0%	
Tokyo Metropolitan Area (excluding 23 wards)	Hachioji First Square (Hachioji City, Tokyo)	Real property	March 31, 2005	3,300,000	0.7%	2.1%
	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				370,553,000	82.9%	82.9%
Hokkaido	8.3 Square Kita Building (Sapporo City, Hokkaido)	Real property	June 1, 2007	7,100,000	1.6%	1.6%
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	1.2%	5.2%
			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	3.3%	
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%	4.7%
	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	3.2%	
			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%	2.3%
	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	17.1%	17.1%
Total: Portfolio				446,940,000	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, and acquired a preferential right to purchase assets such as real property etc. related to "Harumi Center Building" after the completion of the building.