



May 29, 2014

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Noritada Terasawa, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

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Notice on Acquisition of Domestic Real Estate

Japan Real Estate Investment Corporation (the “Company”) hereby announces that Japan Real Estate Asset Management Co., Ltd., an asset management company to which the Company entrusts the management of its assets, decided on May 29, 2014 to acquire the following domestic real estate.

1. Outline of the acquisition

- | | |
|--------------------------------|--|
| 1) Asset to be acquired: | Domestic Real Estate
Land: Ownership (share of co-ownership)
Building: Compartmentalized building units (share of co-ownership)
(share of ownership of the building: 11.5918%) (Note 1) |
| 2) Name of asset: | Nishiki Park Building |
| 3) Acquisition price: | ¥ 650 million |
| 4) Scheduled acquisition date: | June 9, 2014 |
| 5) Seller: | DYNAS, Ltd., 1 corporation and 5 individuals (Note 2) |
| 6) Method of Settlement: | Lump sum payment at closing of acquisition |
| 7) Acquisition funds: | Own funds (scheduled) |

(Note1) Share of ownership of the building means the percentage share in common areas as set forth under the building management bylaws.

(Note2) The details concerning one corporation and five individuals among the sellers are undisclosed due to their non-approval of disclosure.

(Note3) The Company acquired ownership (share of co-ownership) and term leasehold interest (quasi-co-ownership) in the land, and ownership of compartmentalized building units (share of co-ownership) in the building (share of ownership of the building: 57.04651%) as of October 2, 2006 and November 1, 2006. Following the above acquisition of an additional share, the Company's share of ownership of the building will be 68.63831%.

2. Reasons for the acquisition

The Company will acquire the asset based on the basic policies and investment attitude for acquisition under the Articles of Incorporation of the Company. In particular, the following points have been highly evaluated in the determination of the acquisition.

(1) Superior location

This property is located in the Fushimi zone, which has one of the highest concentrations of offices in the Nagoya district. With the nearest Marunouchi station located within a one-minute walk on the Subway Sakuradori Line and Tsurumai Line, the property boasts superior traffic convenience as well as high visibility from Sakuradori Avenue, which faces the building.

(2) Improvement of building operation and management efficiency, along with asset value

As the company's share of ownership of the building with regard to this property will increase from 57.04651% to 68.63831%, building operation and management efficiency along with asset value can be expected to improve.

3. Details of the asset to be acquired

The relevant information is as set out below. 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 real property

Location		
Address shown in land registry	Land	2-426 Nishiki, Naka-ku, Nagoya City, Aichi Prefecture, and 1 other lot
	Building	2-426 Nishiki, Naka-ku, Nagoya City, Aichi Prefecture, and others
Address		2-4-3 Nishiki, Naka-ku, Nagoya City, Aichi Prefecture
Usage		Offices, shops, and residence
Area		
Land		2,170.45 m ² (Total land area for the building site including leased land (term leasehold interest) of 384 m ²)
Building		25,091.91 m ² (Total floor space for the entire building)
Structure		Steel-framed, steel-framed concrete, and steel-reinforced concrete structure, flat roof Above ground: 22 floors Below ground: 4 floors
Completion date		August 1995
Architect		Housing and Urban Development Corporation and Aoshima Architects & Engineers Inc.
Constructor		Joint venture consisting of Takenaka Corporation, Toda Corporation, Konoike Construction Co., Ltd, and Asanuma Corporation
Building confirmation and inspection body		Nagoya City
Type of ownership		
Land		Ownership (137,135/1,000,000 co-ownership of 1 lot :1,786.45 m ²)

Building	Compartmentalized building units (share of co-ownership) (138,158/1,000,000 co-ownership from the 1st floor to the 20th floor in office and shop spaces:13, 296.06 m ²) * share of ownership of the building: 11.5918 %
Acquisition price	¥ 650 million
Appraisal value (Appraisal institution) (Appraisal date)	¥ 737 million (Daiwa Real Estate Appraisal Co., Ltd.) (as of May 15, 2014)
PML value	2.4 % (Based on an earthquake risk assessment report issued by Tokio Marine & Nichido Risk Consulting Co., Ltd.)
Collateral	None
Property management company	Mitsubishi Estate Co., Ltd. (Note)
Others	As a part of the right of use of land for this building, a portion of the unused plot ratio of the adjacent land is transferred to this property and an agreement has been concluded with the owner of the adjacent land on the use of the plot ratio until the building is demolished. The above acquisition price includes the consideration for the use of the plot ratio.

Note: 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	Hiroataka Sugiyama, President & CEO
Paid-in capital	¥141,373 million (as of March 31, 2014)
Major shareholder	The Master Trust Bank of Japan Ltd. (trust account) Meiji Yasuda Life Insurance Company Japan Trustee Services Bank, Ltd. (trust account) (as of September 30, 2013)
Principal business	Real estate business
Relationship with the Company or the asset management company	Mitsubishi Estate Co., Ltd. (“Mitsubishi Estate”) is the parent company and it holds a 63 % stake of Japan Real Estate Asset Management Co., Ltd. (the “asset management company”), to which the Company entrusts the management of its assets. Mitsubishi Estate falls within the definition of related party of the asset management company under the Order for Enforcement of the Japanese Act on Investment Trusts and Investment Corporations, and also falls within the definition of related party under the internal rules of the asset management company. As of March 31, 2014, Mitsubishi Estate holds 20,320 investment units of the Company (1.71% of total outstanding investment units).

(2) Tenant detail

Total number of tenants	59	
Total leasable space	1,820 m ²	
Total leased space	1,784 m ²	
Trend in occupancy rates	March 31, 2010	97.4%
	March 31, 2011	97.4%
	March 31, 2012	92.7%
	March 31, 2013	93.8%
	March 31, 2014	96.3%
	Scheduled acquisition date	98.0%
Total rent revenue	Undisclosed due to non-approval of disclosure by tenants	
Security Deposit	Undisclosed due to non-approval of disclosure by tenants	
NOI (Net Operating Income)	¥ 55 million per year (Estimated under normal leasing operation)	
Depreciation	¥ 13 million per year (Estimated under normal leasing operation)	
(Notes)	-The Company, upon acquisition of the building, will lease the entire space in the building to Mitsubishi Estate Co., who will sublease the space to tenants in the same way as the share of ownership of the building acquired as of October 2, 2006 and November 1, 2006. -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 an estimated amount under normal operation given the fixed property taxes and city planning taxes based on the terms and conditions of lease agreements as of the scheduled acquisition date, etc. *Estimated occupancy rate: 96.1 % - Depreciation represents the estimated amount under normal operation. - The above figures (with the exception of NOI and depreciation) are based on the data provided by the seller. However, here, the figures are calculated only for the shares acquired this time.	

(3) Specifications for rental floor space

Ceiling height	2,550 mm (After laying 50 mm OA floor)
Standard floor area	692 m ²
Office automation floor	Yes (Partially not equipped)
Electric capacity	44 VA/ m ²
Air conditioning system	Individual air conditioning (8 zoning 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	May 20, 2014	
Preparer of report	Shimizu Corporation	
Repairing expenses/Capital expenditure for the next 15 years (Annual average for the share to be acquired by the company)	Repairing expenses	¥ 2 million
	Capital expenditure	¥ 18 million
	Total	¥ 20 million

ii. Description concerning utilization status of asbestos

(Description on the possible use of asbestos)

Sprayed materials with asbestos	None
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4. Outline of seller

Corporate name	DYNAS, Ltd.
Address of the registered head office	3-4-10 Marunouchi, Naka-ku, Nagoya-city, Aichi Prefecture
Representative	Kazushiro Ito Representative Director
Paid-in capital	¥10 million (as of March 31, 2014)
Major shareholder (Percentage of total shares)	YAMATAKE, Ltd. (100%) (As of March 31, 2014)
Principal business	Consignment of fruits and vegetable wholesale operations, consignment of accounting operations and computer processing, worker dispatch business, event planning and management, management consulting business, real estate sales transactions, leasing management and intermediary services, etc.
Net Assets and Total Assets in the preceding taxable year	Not published
Relationship with the Company or the asset management company	
Capital relationship	None in particular
Personal relationship	None in particular
Business relationship	None in particular
Applicability to related parties	None in particular

(Note) The details concerning one corporation and five individuals among the sellers are undisclosed due to their non-approval of disclosure.

5. Information on property owners, etc.

This domestic real estate was not acquired from an interested party having a special relationship to the asset management company.

6. Outline of brokerage

Not applicable

7. Acquisition schedule

May 29, 2014	The acquisition of the property was determined.
June 2, 2014	Execution of agreement for the acquisition of the property (scheduled)
June 9, 2014	Closing of acquisition (scheduled)

8. Performance projection

As the impact of this property acquisition on the Company's management performance for the 26th period from April 1, 2014 to September 30, 2014 and the 27th period from October 1, 2014 to March 31, 2015 is expected to be minor, no revision of the forecast for performance will be made.

This notice is the English translation of the announcement in Japanese dated May 29, 2014. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Reference materials (attachments)

- Outline of appraisal report
- Information map
- Photo: Outside view of Nishiki Park Building
- List of all the assets of the Company after the acquisition of this asset

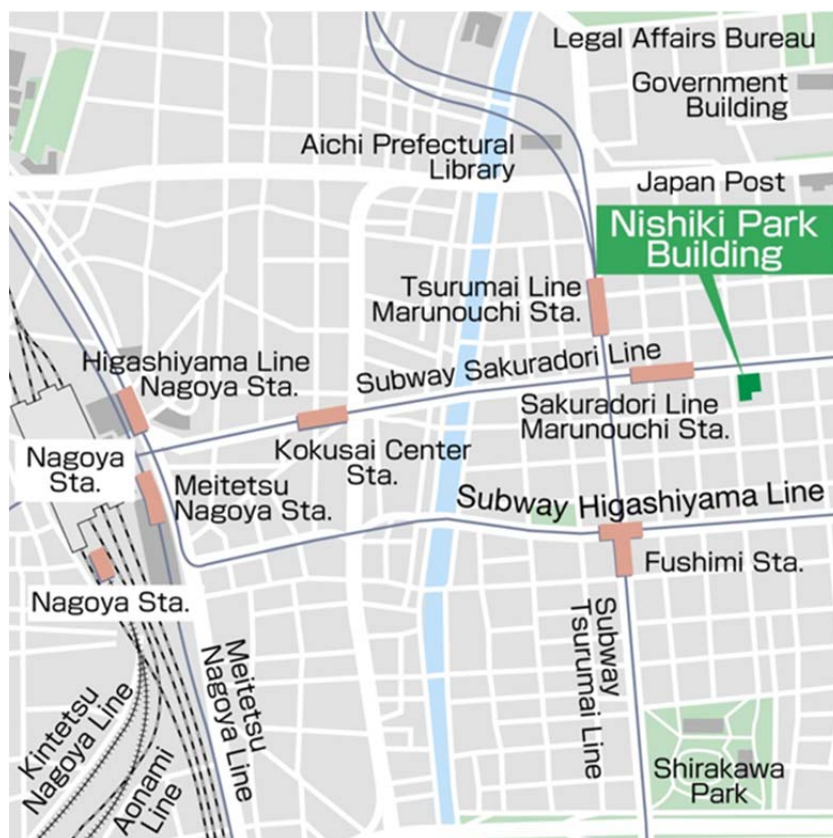
(Reference) Outline of appraisal report

Appraisal value	¥737 million
Appraisal institution	Daiwa Real Estate Appraisal Co., Ltd.
Date of appraisal	May 15, 2014

Item	Value/%
Capitalized value	¥737,000 thousand
Value in direct capitalization method	¥766,000 thousand
Net cash flow	¥49,024 thousand
Cap rate	6.4%
Value in DCF method	¥724,000 thousand
Discount rate	6.2%
Terminal cap rate	6.6%
Integration value	¥709,000 thousand
Percentage for land	58.3%
Percentage for building	41.7%

* Values below a thousand yen are cut off.

(Reference) Information map



(Reference) Photo: Outside view of Nishiki Park Building



(Reference) List of all the assets of the Company after the acquisition of this asset

Area	Name	Location	Type of asset	Acquisition date	Acquisition price (Note 1) (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, 0 0 0, 0 0 0	0. 6 %	7 6. 7 %
	Kitanomaru Square	Chiyoda-ku, Tokyo	Real property	February 24, 2006	8 1, 5 5 5, 5 0 0	9. 7 %	
	MD Kanda Building	Chiyoda-ku, Tokyo	Real property	May 31, 2002	9, 5 2 0, 0 0 0	1. 1 %	
	Kandabashi Park Building	Chiyoda-ku, Tokyo	Real property	August 15, 2002	4, 8 1 0, 0 0 0	0. 6 %	
	Otemachi Financial City North Tower	Chiyoda-ku, Tokyo	Real property	March 31, 2014	1 5, 4 6 2, 9 0 0	1. 8 %	
	Nibancho Garden	Chiyoda-ku, Tokyo	Real property	April 1, 2005	1 4, 7 0 0, 0 0 0	1. 8 %	
	Mitsubishi UFJ Trust and Banking Building	Chiyoda-ku, Tokyo	Real property	March 28, 2007	4 4, 7 0 0, 0 0 0	5. 3 %	
	Burex Kojimachi Building	Chiyoda-ku, Tokyo	Real property	July 29, 2005	7, 0 0 0, 0 0 0	0. 8 %	
	Sanno Grand Building	Chiyoda-ku, Tokyo	Real property	January 31, 2005	1 0, 2 0 0, 0 0 0	2. 5 %	
				April 3, 2006	1 0, 7 0 0, 0 0 0		
				Total	2 0, 9 0 0, 0 0 0		
	Yurakucho Denki Building	Chiyoda-ku, Tokyo	Real property	August 1, 2003	7, 2 0 0, 0 0 0	0. 9 %	
	Kodenmacho Shin-Nihonbashi Building	Chuo-ku, Tokyo	Trust beneficiary right in trust of real estate	September 25, 2001	3, 1 7 3, 0 0 0	0. 4 %	
	Kyodo Building (Kayabacho 2Chome)	Chuo-ku, Tokyo	Trust beneficiary right in trust of real estate	March 1, 2011	4, 4 1 0, 0 0 0	0. 5 %	
	Burex Kyobashi Building	Chuo-ku, Tokyo	Real property	July 22, 2002	5, 2 5 0, 0 0 0	0. 6 %	
	Ginza Sanwa Building	Chuo-ku, Tokyo	Real property	March 10, 2005	1 6, 8 3 0, 0 0 0	2. 0 %	
	Ryoshin Ginza East Mirror Building	Chuo-ku, Tokyo	Real property	March 15, 2005	5, 3 5 3, 5 0 0	1. 0 %	
				May 24, 2010	2, 6 4 5, 9 2 2		
				Total	7, 9 9 9, 4 2 2		
	Harumi Front	Chuo-ku, Tokyo	Real property	January 7, 2013	3 1, 3 0 0, 0 0 0	3. 7 %	
	Harumi Center Building	Chuo-ku, Tokyo	Real property	December 18, 2007	2 6, 8 0 0, 0 0 0	3. 2 %	
	Akasaka Park Building	Minato-ku, Tokyo	Real property	November 15, 2011	6 0, 8 0 0, 0 0 0	7. 3 %	
	Aoyama Crystal Building	Minato-ku, Tokyo	Real property	March 14, 2003	7, 6 8 0, 0 0 0	0. 9 %	
	Shiodome Building	Minato-ku, Tokyo	Trust beneficiary right in trust of real estate	December 19, 2008	2 1, 2 5 0, 0 0 0	9. 1 %	
				January 15, 2010	5 4, 6 0 0, 0 0 0		
				Total	7 5, 8 5 0, 0 0 0		
	Shiba 2Chome Daimon Building	Minato-ku, Tokyo	Trust beneficiary right in trust of real estate	September 10, 2001	4, 8 5 9, 0 0 0	0. 6 %	
	Cosmo Kanasugibashi Building	Minato-ku, Tokyo	Trust beneficiary right in trust of real estate	September 25, 2001	2, 8 0 8, 0 0 0	0. 3 %	
	Shinwa Building	Shinjuku-ku, Tokyo	Real property	September 1, 2004	7, 8 3 0, 0 0 0	0. 9 %	
	Tokyo Opera City Building	Shinjuku-ku, Tokyo	Real property	September 13, 2005	9, 3 5 0, 0 0 0	3. 8 %	
				March 24, 2010	2 2, 4 2 6, 8 3 1		
				Total	3 1, 7 7 6, 8 3 1		
	TIKTOWER UENO	Taito-ku, Tokyo	Real property	June 15, 2012	2 2, 0 0 0, 0 0 0	2. 6 %	
	Higashi-Gotanda 1Chome Building	Shinagawa-ku, Tokyo	Real property	November 1, 2004	5, 5 0 0, 0 0 0	0. 7 %	
	Osaki Front Tower	Shinagawa-ku, Tokyo	Real property	February 1, 2011	1 2, 3 0 0, 0 0 0	1. 5 %	
	Omori-Eki Higashiguchi Building	Ota-ku, Tokyo	Trust beneficiary right in trust of real estate	September 10, 2001	5, 1 2 3, 0 0 0	0. 6 %	
	Nippon Brunswick Building (Land with leasehold interest)	Shibuya-ku, Tokyo	Real property	March 24, 2004	6, 6 7 0, 0 0 0	0. 7 %	
				August 23, 2013	1, 1 7 0, 0 0 0		
				Total	5, 5 0 0, 0 0 0		
	Yoyogi 1Chome Building	Shibuya-ku, Tokyo	Real property	April 1, 2004	8, 7 0 0, 0 0 0	1. 0 %	
da Vinci Harajuku	Shibuya-ku, Tokyo	Real property	November 22, 2002	4, 8 8 5, 0 0 0	0. 6 %		
Jingumae Media Square Building	Shibuya-ku, Tokyo	Real property	October 9, 2003	1 2, 2 0 0, 0 0 0	1. 5 %		
Shibuya Cross Tower	Shibuya-ku, Tokyo	Real property	November 30, 2001	3 4, 6 0 0, 0 0 0	4. 1 %		
Ebisu Neonato	Shibuya-ku, Tokyo	Real property	November 14, 2003	3, 7 4 0, 0 0 0	1. 7 %		
			April 1, 2004	3 6 0, 0 0 0			
			February 18, 2014	1 0, 5 1 2, 0 0 0			
			Total	1 4, 6 1 2, 0 0 0			
Harmony Tower	Nakano-ku Tokyo	Real property	February 28, 2005	8, 5 0 0, 0 0 0	1. 1 %		
			December 19, 2012	5 2 0, 0 0 0			
			Total	9, 0 2 0, 0 0 0			
Otsuka Higashi-Ikebukuro Building	Toshima-ku, Tokyo	Trust beneficiary right in trust of real estate	September 25, 2001	3, 5 4 1, 0 0 0	0. 4 %		
Ikebukuro 2Chome Building	Toshima-ku, Tokyo	Trust beneficiary right in trust of real estate	September 25, 2001	1, 7 2 8, 0 0 0	0. 2 %		
Ikebukuro YS Building	Toshima-ku, Tokyo	Real property	August 2, 2004	4, 5 0 0, 0 0 0	0. 5 %		
Tokyo metropolitan area (excluding 23 wards)	Hachioji First Square	Hachioji City, Tokyo	Real property	March 31, 2005	3, 3 0 0, 0 0 0	0. 7 %	8. 4 %
				March 19, 2008	2, 3 7 9, 1 1 2		
				Total	5, 6 7 9, 1 1 2		
	Saitama Urawa Building	Saitama City, Saitama Prefecture	Real property	September 25, 2001	1, 2 3 2, 0 0 0	0. 3 %	
				October 11, 2001	1, 3 4 2, 0 0 0		
				Total	2, 5 7 4, 0 0 0		
	MM Park Building	Yokohama City, Kanagawa Prefecture	Real property	March 24, 2008	3 7, 4 0 0, 0 0 0	4. 5 %	
	Queen's Tower A	Yokohama City, Kanagawa Prefecture	Trust beneficiary right in trust of real estate	January 31, 2014	1 7, 2 0 0, 0 0 0	2. 1 %	
Kawasaki Isago Building	Kawasaki City, Kanagawa Prefecture	Trust beneficiary right in trust of real estate	September 25, 2001	3, 3 7 5, 0 0 0	0. 4 %		
Musahi Kosugi STM Building	Kawasaki City, Kanagawa Prefecture	Real property	March 25, 2008	4, 0 0 0, 0 0 0	0. 5 %		
Total: Tokyo metropolitan area					7 1 2, 6 5 1, 7 6 6	8 5. 0 %	8 5. 0 %

Area	Name	Location	Type of asset	Acquisition date	Acquisition price (Note 1) (thousand yen)	Percentage of portfolio	Percentage by area
Hokkaido	8・3 Square Kita Building	Sapporo City, Hokkaido	Real property	June 1, 2007	7, 1 0 0, 0 0 0	0. 8 %	0. 8 %
Tohoku region	Jozenji Park Building	Sendai City, Miyagi Prefecture	Real property	January 31, 2005	1, 0 0 0, 0 0 0	0. 1 %	1. 7 %
	Higashi Nibancho Square	Sendai City, Miyagi Prefecture	Real property	January 7, 2013	9, 9 5 0, 0 0 0	1. 2 %	
	Sendai Honcho Honma Building	Sendai City, Miyagi Prefecture	Trust beneficiary right in trust of real estate	September 25, 2001	2, 9 2 4, 0 0 0	0. 4 %	
				June 28, 2006	2 5 0, 0 0 0		
Hokuriku region	Kanazawa Park Building	Kanazawa City, Ishikawa Prefecture	Real property	total	3, 1 7 4, 0 0 0	0. 5 %	0. 5 %
				February 28, 2002	2, 8 8 0, 0 0 0		
				March 3, 2003	1, 7 0 0, 0 0 0		
				total	4, 5 8 0, 0 0 0		
Chubu region	Nishiki Park Building	Nagoya City, Aichi Prefecture	Real property	October 2, 2006	3, 8 5 0, 0 0 0	0. 7 %	3. 9 %
				November 1, 2006	1, 3 0 0, 0 0 0		
				June 9, 2014	6 5 0, 0 0 0		
				total	5, 8 0 0, 0 0 0		
	Nagoya Hirokoji Place	Nagoya City, Aichi Prefecture	Trust beneficiary right in trust of real estate	July 31, 2013	8, 5 6 7, 0 0 0	1. 0 %	
	Hirokoji Sakae Building	Nagoya City, Aichi Prefecture	Real property	September 22, 2006	1, 6 8 0, 0 0 0	0. 2 %	
	Nagoya Hirokoji Building	Nagoya City, Aichi Prefecture	Real property	September 10, 2001	1 4, 5 3 3, 0 0 0	1. 7 %	
	Nagoya Misono Building	Nagoya City, Aichi Prefecture	Real property	August 8, 2003	1, 8 6 5, 0 0 0	0. 2 %	
Kinki region	Shijo Karasuma Center Building	Kyoto City, Kyoto Prefecture	Real property	September 3, 2013	4, 4 0 0, 0 0 0	0. 5 %	5. 9 %
	Kyoto Shijo Kawaramachi Building	Kyoto City, Kyoto Prefecture	Real property	December 20, 2001	2, 6 5 0, 0 0 0	0. 3 %	
	Shin-Fujita Building	Osaka City, Osaka Prefecture	Trust beneficiary right in trust of real estate	September 1, 2008	2 4, 0 0 0, 0 0 0	2. 9 %	
	Sakaisujihonmachi Building	Osaka City, Osaka Prefecture	Real property	September 25, 2001	2, 2 6 4, 0 0 0	0. 5 %	
				December 26, 2003	1, 9 0 0, 0 0 0		
	total	4, 1 6 4, 0 0 0					
Midosuji Daiwa Building	Osaka City, Osaka Prefecture	Trust beneficiary right in trust of real estate	September 25, 2001	6, 9 3 4, 0 0 0	1. 7 %		
			February 28, 2002	7, 3 8 0, 0 0 0			
			total	1 4, 3 1 4, 0 0 0			
Chugoku region	Lit City Building	Okayama City, Okayama Prefecture	Real property	February 1, 2006	4, 6 5 0, 0 0 0	0. 6 %	0. 9 %
	NHK Hiroshima Broadcasting Center Building	Hiroshima City, Hiroshima Prefecture	Real property	March 25, 2004	1, 3 2 0, 0 0 0	0. 3 %	
March 3, 2008				1, 4 5 0, 0 0 0			
total				2, 7 7 0, 0 0 0			
Kyushu region	Tosei Tenjin Building	Fukuoka City, Fukuoka Prefecture	Real property	September 25, 2001	1, 5 5 0, 0 0 0	0. 2 %	1. 2 %
	Tenjin Crystal Building	Fukuoka City, Fukuoka Prefecture	Real property	June 1, 2005	5, 0 0 0, 0 0 0	0. 6 %	
	Hinode Tenjin Building	Fukuoka City, Fukuoka Prefecture	Trust beneficiary right in trust of real estate	September 10, 2001	3, 6 5 7, 0 0 0	0. 4 %	
Total: Other major cities					1 2 5, 4 0 4, 0 0 0	1 5. 0 %	1 5. 0 %
Total: Portfolio					8 3 8, 0 5 5, 7 6 6	1 0 0. 0 %	1 0 0. 0 %

(Note1) Acquisition prices are expressed by cutting off the numbers below a thousand.

(Note2) The transfer price of Nippon Brunswick Building (building) dated August 23, 2013 is indicated minus ¥1,170 million, which is the building acquisition price on the date of the acquisition as of March 24, 2004.

(Note3) The acquisition price of Jingumae Media Square Building is the price of the property on the date of acquisition (October 9, 2003), including the sales cost (¥614 million) of the part of the property that was transferred on October 30, 2009.