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For Immediate Release

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**Notice Concerning Completion of Property Acquisition**  
**<Premier Stage Shibakoen>**

Premier Investment Corporation (“Premier”) announces the completion today of its acquisition of the following property as announced in the “Notice Concerning Property Acquisition <Premier Stage Shibakoen>” issued on February 22, 2006.

**Outline of Acquisition**

(1) Property Name	Premier Stage Shibakoen
(2) Type of Acquisition	Beneficiary interests in a trust (real estate)
(3) Acquisition Price	1,585 million yen (excluding acquisition costs, fixed asset tax, city planning tax, consumption tax and local consumption tax)
(4) Construction Completion	September 2006
(5) Appraised Value	1,620 million yen
(6) Overview of Building Condition Evaluation	
Investigator	Takenaka Corporation
Earthquake PML	16.1%
	The PML, or probable maximum loss, refers to the probability of the maximum loss expected to result from an earthquake. Although there is no single precise definition of PML, PML herein is based on the event of the maximum earthquake that can be expected to occur in the region where the subject building is located (probable maximum earthquake = PME: an earthquake of a size that has 10% or greater probability of occurring within 50 years = occurs once every 475 years) occurring and is represented by expressing the construction costs required to restore the post-PME building to its pre-PME state as a percentage of the total construction costs required to reconstruct the building (= replacement cost). The concerned measurement does not take into account the impact of the collapse of neighboring buildings or fire, water and other damages. In addition, the PML is derived based on the building’s earthquake resistance and the results of a hazard analysis of the building’s site and its surrounding area (analysis based on data related to past earthquakes and active faults that impact the site of the subject real estate).
Emergency Repairs	-
Near-Future Repairs	-
Far-Future Repairs	2,633 thousand yen (average annual cost of repair over next 12 years)



Please refer to the “Notice Concerning Property Acquisition <Premier Stage Shibakoen>” dated February 22, 2006 for further details, etc. regarding the acquisition of the abovementioned property.

[Attachments]

- Reference 1 Overview of Appraisal Report
- Reference 2 Outside view of the Property

\*The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange, Ministry of Land, Infrastructure and Transport and the construction trade newspaper of the Ministry of Land, Infrastructure and Transport.

\*Premier Investment Corporation’s website is <http://www.pic-reit.co.jp>

\*\*Please note that this English translation of the Japanese original document is provided solely for information purposes. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

[Reference 1] Overview of Appraisal Report

(Unit: yen)

Overview of Appraisal Report		
Real-estate appraiser	Aoyama Realty Advisors Inc.	
Estimated value	1,620,000,000	
Survey date	October 1, 2006	
The value estimated by income approach		1,620,000,000
The value estimated by direct capitalization method (= (6) ÷ (7))		1,610,000,000
	Rental income, common expenses - area charge, etc.	96,864,000
	Profit from managing amortization of deposits and renewal fees	5,815,600
	Potential gross revenue (1)	102,679,600
	Estimated loss due to vacancy, etc. (Note 1) (2)	5,133,950
	Gross income from effective lease ((1) - (2)) (3)	97,545,650
	Maintenance costs, administrative management costs, utilities	8,422,700
	Taxes and other public charges (Note 2)	5,307,000
	Liability insurance premium	340,900
	Other expenses (tenant solicitation costs, etc.)	3,591,000
	Necessary expenses, etc. (4)	17,661,600
	Capital expenditure reserve (5)	2,633,000
	Net revenue ((3) - (4) - (5)) (6)	77,251,050
	Capitalization rate (7)	4.8%
The value estimated by Discounted Cash Flow (DCF) method		1,620,000,000
	Discount rate	4.6%
	Terminal capitalization rate	5.0%
The value estimated by cost approach		1,280,000,000
	Land ratio	60.6%
	Building ratio	39.4%

(Note 1) The vacancy rate is assumed to be 5.0% for residential units and 5.0% for parking lots.

(Note 2) Taxes and other public charges for the land are estimated with reference to the fixed asset valuation certificate for the fiscal year 2006 and with consideration given to special tax reduction for small building lots. The taxes and other public charges for the building are estimated without consideration given to special tax reductions in fixed asset taxes in relation to newly built buildings. This was decided from the perspective of seeking the standard net revenue after posting the estimated amount based on the building repurchasing cost using the cost accounting method.

[Reference 2] Outside View of the Property

