

May 25, 2007

For Immediate Release

REIT Issuer  
 Premier Investment Corporation  
 1-2-7 Nishi Azabu, Minato Ward, Tokyo  
 Executive Director Hiroshi Matsuzawa  
 (Securities Code 8956)  
 Investment Trust Management Company  
 Premier REIT Advisors Co., Ltd.  
 President & CEO Fumihiko Yasutake  
 [Contact]  
 Director & Head of REIT Management Division  
 Fumio Suzuki  
 TEL: +81-3-5772-8551

**Notice Concerning Property Acquisition**  
**<Premier Stage Otsuka>**

Premier Investment Corporation (“Premier”) announces its decision today to acquire the property outlined below and that a real estate trust beneficiary interests transfer agreement was executed.

**1. Overview of Acquisition**

(1) Property Name	Premier Stage Otsuka (hereinafter, the “Property”)
(2) Type of Acquisition	Beneficiary interests in a trust (real estate)
(3) Acquisition Price	1,310 million yen (excluding acquisition costs, fixed asset tax, city planning tax, consumption tax and local consumption tax) <Payment Schedule> No payment upon execution of real estate trust beneficiary interests transfer agreement. Pay 1,310 million yen (entire amount) upon transfer.
(4) Date of Acquisition	May 25, 2007 Execution of real estate trust beneficiary interests transfer agreement. June 29, 2007 (scheduled) Execution of transfer in accordance with the above-mentioned real estate trust beneficiary interests transfer agreement.
(5) Seller	Meiho Enterprise Co., Ltd. (refer to “4. Seller Profile” below)
(6) Financing	Cash on hand

**2. Reason for Acquisition**

The Property will be acquired for the following reason in accordance with the “Property Management Targets and Policies” stipulated in the Articles of Incorporation of Premier.

(1) Reason	To enhance the management balance of the overall portfolio by increasing the portfolio’s share of residences in the 23 Wards of Tokyo (Note).
(2) Property Characteristics	(i) Location and Convenience The Property is situated in close proximity to Otsuka Station on the JR Yamanote Line and Otsuka-Ekimae Station on the Toei Streetcar Arakawa Line, being only about a 1-minute walk away. With Ikebukuro Station about 3 minutes from Otsuka Station and Tokyo Station about 13 minutes from Shin-Otsuka Station on the Tokyo Metro Marunouchi Line, which is about an 8-minute walk from the Property, the Property is convenient in terms of public transport. (ii) Demand Trends, etc. The high level of convenience in terms of lifestyle in that it neighbors Ikebukuro (highly commercial district) and excellent access to the downtown area as mentioned above mean demand can be anticipated from primarily singles who commute to the downtown area.

(Note) The 23 Wards of Tokyo are the special wards of Tokyo excluding the 5 Central Wards of Tokyo (Chiyoda, Chuo, Minato, Shinjuku and Shibuya Wards).

### 3. Details of the Acquired Property

#### (1) Details of beneficiary interests in a real estate trust

Property Name	Premier Stage Otsuka
Name of Trustee	The Chuo Mitsui Trust and Banking Co., Ltd.
Agreement Term	From the date the trust is set up (a date no later than June 29, 2007 separately agreed to by the initial entrusting party and trustee) to June 30, 2017 (however, if such date is not a business day, the immediately preceding business day) (scheduled)
Acquisition Price	1,310 million yen (excluding acquisition costs, fixed asset tax, city planning tax, consumption tax and local consumption tax)
Date of Acquisition	May 25, 2007 Execution of real estate trust beneficiary interests transfer agreement. June 29, 2007 (scheduled) Execution of transfer in accordance with the above-mentioned real estate trust beneficiary interests transfer agreement.

#### (2) Details of the real estate comprising the trust property

Property Name	Premier Stage Otsuka	
Location (Note 1)	Land	3-34-21 Minami-Otsuka, Toshima Ward, Tokyo
	Building	3-34-21 Minami-Otsuka, Toshima Ward, Tokyo <Residential Indication> 3-34-8 Minami-Otsuka, Toshima Ward, Tokyo
Access	About a 1-minute walk from Otsuka Station on the JR Yamanote Line About a 1-minute walk from Otsuka-Ekimae Station on the Toei Streetcar Arakawa Line About an 8-minute walk from Shin-Otsuka Station on the Tokyo Metro Marunouchi Line	
Use of Building (Note 1)	Apartment and store	
Area (Note 1)	Land	254.76 m <sup>2</sup>
	Building (Total Floor Space)	1,894.61 m <sup>2</sup>
Structure of Building (Note 1)	Reinforced concrete structure with a flat-topped roof; 14 stories	
Type of Ownership	Fee simple ownership for both land and building	
Former Owner	Meiho Enterprise Co., Ltd.	
Total No. of Units	Residential: 58 units (1R: 58 units); Store: 1 lot	
Construction Completion (Note 1)	August 2006	
Matters Concerning Design, etc.	Developers	Meiho Enterprise Co., Ltd.
	Building Contractor	Ichiken Co., Ltd.
	Architectural Design Company	Ichiken Co., Ltd.
	Structural Design Company	Dai-ichi Engineering, Ltd.
	Building Inspection Agency	Center of International Architectural Standard
Acquisition Price	1,310 million yen (excluding acquisition costs, fixed asset tax, city planning tax, consumption tax and local consumption tax)	
Appraisal Method	Method	Appraisal by Nippon Tochi-Tatemono Ltd.
	Estimated Value	1,410 million yen
	Overall Cap Rate Based on Direct Capitalization Method	4.9%
	Survey Date	May 7, 2007

Tenant Details (Note 2)	Total Number of Tenants	Apartment: 56 Store: 1 (This is the total number of tenants (sublessees) who have executed a sublease agreement with the master lessee, who has entered into a master lease agreement with the seller)	
	Monthly Rent (including common expenses)	7 million yen	
	Deposits/Guarantee	20 million yen	
	Total Leasable Space	1,644.64 m <sup>2</sup>	
	Total Leased Space	1,595.03 m <sup>2</sup>	
	Occupancy Rate	97.0 %	
Building Condition Evaluation Report	Investigator	Takenaka Corporation	
	Earthquake PML	22.5 %	
		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.	
		Priority Repairs	-
		Near-Future Repairs	-
Far-Future Repairs	3,115 thousand yen (average annual cost of repairs over the next 12 years)		
Other Special Notes		Premier REIT Advisors Co., Ltd., to which Premier entrusts the management of its assets (hereinafter, the "Asset Management Company"), stipulates the basic policy on asset management for Premier in its internal regulations, the "Asset Management Guidelines." The Guidelines provide as an investment standard the implementation of seismic strengthening work or other measures to be one of the conditions to acquiring properties with earthquake PMLs of 20% or higher. Pursuant to this standard, the Property is scheduled to be placed under earthquake insurance for probable losses where earthquake PML exceeds 20%.	

(Note 1) Information that appears on the registry was used for the items of "Location (excluding residential indication)," "Use of Building," "Area," "Structure of Building" and "Construction Completion."

(Note 2) "Tenant Details" indicate the figure as of May 25, 2007. The yen amounts are rounded down to the nearest million yen and percentage rounded to the nearest one decimal place.

#### 4. Seller Profile

Company Name	Meiho Enterprise Co., Ltd.
Head Office Address	2-12-19 Shibuya, Shibuya Ward, Tokyo
Representative	Atsuo Umeki, President and CEO
Paid-in Capital	1,681 million yen (Note)
Major Shareholders	Eisuke Tsukamoto Masahiro Takashima The Master Trust Bank of Japan, Ltd.
Principal Business	Selling, leasing and brokering real estate
Relationship with Premier or Investment Trust Management Company	None

(Note) As of May 23, 2007

#### 5. Overview of Intermediary

Company Name	The Chuo Mitsui Trust and Banking Co., Ltd.
Head Office Address	3-33-1 Shiba, Minato Ward, Tokyo
Representative	Kazuo Tanabe, President
Amount of Reward	39,300,000 yen (excluding consumption tax and local consumption tax)
Relationship with Premier or Investment Trust Management Company	The Chuo Mitsui Trust and Banking Co., Ltd. is a stockholder of the Asset Management Company.

#### 6. Settlement Method

Refer to “1. Overview of Acquisition (3)” above.

#### 7. Acquisition Schedule

Refer to “1. Overview of Acquisition (4)” above.

#### 8. Outlook

The impact of the acquisition of the Property on Premier’s operating conditions for the fiscal term ending in October 2007 (May 1, 2007 – October 31, 2007) is negligible and thus there are no changes to the outlook on operating conditions.

#### [Attachments]

- Reference 1 Overview of Appraisal Report
- Reference 2 Table of Real Estate Portfolio Following Acquisition of the Property
- Reference 3 Outside View of the Property
- Reference 4 Map

\*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	Nippon Tochi-Tatemono Ltd.
Appraised value	1,410,000,000
Survey date	May 7, 2007
The value estimated by income approach	1,410,000,000
The value estimated by direct capitalization method (7)÷(8)	1,440,000,000
Rental income (store and apartment) (at full occupancy)	88,932,000
Estimated loss of above due to vacancy (Note)	(4,061,000)
Parking lot income	804,000
Estimated loss of above due to vacancy (Note)	(241,000)
Annual gross income (Subtotal) (1)	85,434,000
Operating profit from deposits and amortization (Subtotal) (2)	3,380,000
Annual gross revenues (1)+(2) (3)	88,814,000
Utilities	2,415,000
Operation and management entrustment costs	4,272,000
Building maintenance costs	2,950,000
Tax and other public charges	4,955,000
Liability insurance premium	380,000
Other expenses	407,000
Annual expenses on rental operation (Subtotal) (4)	15,379,000
Capital expenses, etc.	3,115,000
Other expenses	0
Other annual expenses (Subtotal) (5)	3,115,000
Annual gross expenses (4)+(5) (6)	18,494,000
NOI (1)-(4)	70,055,000
NCF (3)-(6) (7)	70,320,000
Capitalization rate (8)	4.90%
The value estimated by discounted cash flow (DCF) method	1,400,000,000
Discount rate	4.70%
Terminal capitalization rate	5.30%
The value estimated by cost approach	991,000,000
Land ratio	55.50%
Building ratio	44.50%

(Note) The vacancy rate is assumed to be 5.0% for the apartment area, 3.0% for the store and 30.0% for the parking lot.

[Reference 2] Table of Real Estate Portfolio Following Acquisition of the Property

Use	Area	Property No.	Property Name	Acquisition Date	Acquisition Price (yen) (Note 1)	Portfolio Share (%) (Note 2)	
Office	5 Central Wards of Tokyo	A-1	Landic Shimbashi Building 1	Sep 11, 2002	6,341,000,000	5.7%	
		A-2	Landic Shimbashi 2 Building	Sep 11, 2002	7,045,000,000	6.4%	
		A-3	Fuji Building No.37	Sep 10, 2002	1,727,000,000	1.6%	
		A-4	KN Shibuya No.3	Sep 11, 2002	5,348,000,000	4.8%	
		A-5	Takadanobaba Center Building	Sep 11, 2002	5,118,000,000	4.6%	
		A-6	Rokubancho Building	Mar 26, 2004	7,860,000,000	7.1%	
		A-7	Ougaku Building	Jun 1, 2005	1,796,000,000	1.6%	
		A-8	YS Kaigan Building	Jun 29, 2007 (scheduled)	5,100,000,000	4.6%	
	23 Wards of Tokyo	B-1	IPB Ochanomizu Building	Sep 11, 2002	1,456,000,000	1.3%	
		B-2	Premier Toyochō Building	May 18, 2007	4,310,000,000	3.9%	
	Surrounding Regions	C-1	Nisso No.3 Building	Sep 11, 2002	3,558,000,000	3.2%	
		C-2	The Kanagawa Science Park R&D Building	Sep 11, 2002	6,556,000,000	5.9%	
		C-3	NARA BUILDING 2	Feb 26, 2003	1,580,000,000	1.4%	
	Office Sub-Total					57,795,000,000	52.4%
	Residential	5 Central Wards of Tokyo	D-1	Park Axis Yotsuya Stage	Sep 11, 2002	5,208,000,000	4.7%
D-2			Park Axis Meiji-Jingumae	Sep 11, 2002	2,604,000,000	2.4%	
D-3			Sun Palace Minami-Azabu	Sep 10, 2002	1,150,000,000	1.0%	
D-4			Cabin Arena Akasaka	Apr 4, 2003	1,330,000,000	1.2%	
D-5			Cabin Arena Minami-Aoyama	Sep 1, 2003	1,070,000,000	1.0%	
D-6			Bureau Kioicho	Jul 1, 2003	1,840,000,000	1.7%	
D-7			Homat Woodville	Nov 18, 2003	5,090,000,000	4.6%	
D-8			Roppongi Green Terrace	Nov 18, 2003	4,678,000,000	4.2%	
D-9			B-Site Shibakoen	Nov 18, 2003	2,181,000,000	2.0%	
D-10			Premier Stage Nihonbashi Kayabacho	Mar 26, 2004	2,430,000,000	2.2%	
D-11			Langue Tower Kyobashi	Dec 22, 2003	927,606,900	0.8%	
D-12			Premier Stage MitaKeidaimae	Nov 30, 2004	1,580,000,000	1.4%	
D-13			Premier Rosso	Jan 14, 2005	1,662,469,729	1.5%	
D-14			Premier Blanc Yoyogikouen	Jul 15, 2005	2,330,000,000	2.1%	
D-15			Premier Stage Uchikanda	Sep 20, 2005	1,723,750,000	1.6%	
D-16			Premier Stage Ichigayakawadacho	Jul 21, 2005	1,460,000,000	1.3%	
D-17			Walk Akasaka	Jun 1, 2005	2,043,000,000	1.9%	
D-18			Premier Stage Shibakoen	Oct 13, 2006	1,585,000,000	1.4%	
D-19			MEW	Jul 31, 2006	1,556,000,000	1.4%	
23 Wards of Tokyo		E-1	B-Site Osaki	Nov 18, 2003	1,072,000,000	1.0%	
		E-2	Premier Garden Hongo	Apr 1, 2004	975,000,000	0.9%	
		E-3	Premier Grande Magome	Jun 1, 2005	1,560,000,000	1.4%	
		E-4	Premier Nozze Yutenji	Mar 28, 2006	1,525,000,000	1.4%	
		E-5	Across Yushima	Sep 1, 2006	1,803,000,000	1.6%	
		E-6	Premier Stage Komagome	Feb 9, 2007	1,830,000,000	1.7%	
		E-7	Premier Stage Otsuka	Jun 29, 2007 (scheduled)	1,310,000,000	1.2%	
Residence Sub-Total					52,523,826,629	47.6%	
Total					110,318,826,629	100.0%	

(Note 1) Under “Acquisition Price,” an amount excluding various costs required for the acquisition of the relevant real estate (real estate sale intermediary fees, etc.) and taxes and other public charges has been given (based on the sale and purchase price provided in the Sale and Purchase Agreement, etc.).

(Note 2) “Portfolio Share” has been rounded to the nearest one decimal place.

[Reference 3]

Outside View of the Property



[Reference 4] Map

For a map of the area surrounding the acquired property, please refer to:  
<http://www.pic-reit.co.jp/cms/kaiji/2007-0525-01.pdf>