

July 31, 2007

For Immediate Release**Real Estate Investment Fund Issuer**

Japan Logistics Fund, Inc.
5-1 Kanda Nishikicho 3-chome, Chiyoda-ku, Tokyo
Representative: Executive Director Ryo Yamakawa
(Securities Code: 8967)

Asset Management Company

Mitsui & Co., Logistics Partners Ltd.
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Notice Concerning the Acquisition of Properties

Japan Logistics Fund, Inc. (hereinafter referred to as the “Fund”) made the decision on July 31, 2007, to acquire 4 properties as detailed below:

1. Reason for the acquisition

The acquisition is made to enhance the Fund’s portfolio, in accordance with the investment targets and policies stipulated in its Articles of Incorporation.

All of the assets to be acquired are listed in the Fund’s Offering Circular for the Issue of New Investment Units and Secondary Offering (dated July 2007) as assets to be acquired.

2. Outline of the acquisition (Plan)

Beneficial interests in trusts holding real estate as assets (4 properties)

Property ID	Property Name	Seller	Acquisition Price (in million yen)
M-12	Yokohama Fukuura Logistics Center	KRF3 Ltd.	9,800
M-13	Yachiyo Logistics Center II	NS Lease Co., Ltd.	5,300
O-3	Kakogawa Logistics Center	NS Lease Co., Ltd.	2,023
O-4	Saitama Kisai Logistics Center	Logis Two Ltd.	4,010
Total			21,133

Note: This document is a public announcement regarding the acquisition of properties and has not been prepared as an inducement or invitation to investment. We caution readers to refer to the Fund’s offering circular for the Issue of new investment units and secondary offering and the notices of amendments thereto, and to undertake any investment decision at their own judgment and responsibility.

(1) M-12 Yokohama Fukuura Logistics Center
a. Outline of the properties to be acquired

Outline of the real estate which constitutes the trust asset			Outline of the appraisal	
Asset type		Trust beneficial right of real estate	Real estate appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Time of contract		September, 2007	Time of appraisal	June 1, 2007
Acquisition price		9,800,000,000 yen	Appraised value	9,820,000,000 yen
Trustee		Mizuho Trust & Banking Co., Ltd.	Income approach	9,820,000,000 yen
Expiration date of trust		January 26, 2016		
Land	Location (Lot Number)	3-1, Fukuura 2-chome, Kanazawa-ku, Yokohama-shi, Kanagawa	Discounted cash flow approach	9,760,000,000 yen
	Site area (Note 1)	20,080.79 m ²		
	Use district	Industrial area		
	Floor-area ratio	200%	Discount rate	5.6%
	Building-to-land ratio	70% (designated building-to-land ratio: 60%, plus corner-lot relaxation ratio: 10%)	Terminal cap rate	5.7%
	Type of ownership	Ownership	Direct capitalization approach	9,950,000,000 yen
Building	Structure/Story (Note 1)	Reinforced concrete and steel-framed structure, 6-story building	Cap rate	5.4%
	Time of construction (Note 1)	February 25, 2007	Cost approach	7,100,000,000 yen
	Total floor area (Note 1)	36,170.20 m ²		
	Total rentable area	35,882.64 m ²		
	Usage (Note 1)	Sorting room, Office, Warehouse	Land	2,850,000,000 yen
	Type of Ownership	Ownership	(Percentage)	(40.14%)
Property management company	Commercial RE Co., Ltd.	Building	4,250,000,000 yen	
Outline of the lease contract		Outline of the engineering report		
Number of tenants	3	Investigator	Shimizu Corporation	
Annual rent (excluding consumption tax)	537,588,000 yen	Time of engineering report	June 12, 2007	
Lease deposit	176,592,000 yen	Urgent repairs	—	

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Total rent area	25,915.90 m ²	Short-term repairs	200 thousand yen
		Long-term repairs	59,755 thousand yen
Occupancy rate	72.2%	PML	16.3%
Income/Expense forecasts (Note 2)		Design company, construction company and building certification company	
Income (including auxiliary income)	672 million yen	Design company	Konoike Construction Co., Ltd.
NOI (Net Operating Income)	565 million yen	Construction Company	Konoike Construction Co., Ltd.
NOI yield (based on acquisition price)	5.8%	Building certification company	Urban Housing Evaluation Center Co., Ltd.
Special Remarks: This property is not believed to be subject to either the Soil Contamination Countermeasures Law or Kanagawa Prefectural Ordinance on Conservation of Living Environment. (which came into effect in October 1997). Surveys have revealed, however, that parts of the property have soil pollution that exceeds standard values. Because appropriate steps are being taken to abate the polluted soil, there is little danger that it will have a serious impact on the environment. Shimizu Corporation has confirmed that the entire property can be used as is for the facility. When polluted soil is transported to locations outside the property site, it will be necessary to dispose of it appropriately in accordance with relevant regulations. However, experts believe that if the facility is reconstructed, the polluted soil can be disposed of on the property site, without transporting it elsewhere. This has led to the conclusion that there is no need to estimate the costs of treating the polluted soil.			
Note: 1. According to the indication of the real estate register. 2. The above figures are annual income/expenses eliminating the special factors of the business period in which the acquisition is made, and also assumes full occupancy.			

b. Feature of the properties to be acquired

(1) Facility Characteristics

-In conjunction with the integration of the operations of the Sagawa Express Co., Ltd. in the Kanagawa region, a new collection and delivery center was constructed on the first floor of the facility dedicated to serving that geographical area. On the upper floors, a distribution center has been established, with a ramp that allows trucks to pull in directly to berths on the second floor. Depending on tenant needs, the upper area can be divided into three sections that can be leased separately. This makes the overall facility well-utilized as a multi-use logistics facility, with individualized tenant needs met on the first floor, and more generalized needs met on the upper floors.

-The standard ceiling height is 7.2m; the standard floor load is 1.5t/m². With a floor area of 36,170.20m², this is a large-scale logistics center equipped with three passenger elevators, six freight elevators, and two vertical conveyers.

(2) Site Characteristics

-The site is located about 15km south of the center of Yokohama, a high-consumption area. It is well-suited for the distribution of consumer goods as well as exports and imports passing through Yokohama Port. Also, because it is situated in Kanazawa Industrial Park, where manufacturing companies are concentrated, it is also expected to serve the distribution needs of manufacturers.

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-The site lies about 1km from the Sachiura Interchange of the Metropolitan Expressway Bay Shore Route, and about 2km from the Namiki Interchange. Because of this easy access to the expressway, the facility has a competitive edge in covering the Yokohama/Tokyo region. It also enjoys good access to logistics nodal points such as Yokohama Port, which is about 18km away, and to Yokohama Hazawa Station, a railway container station, about 21km away.

-Because the site is located in an industrial park, it fulfills the conditions appropriate for distribution operations. Being within walking distance from Fukuura Station of Yokohama New Transit system, it is also a convenient commute for employees.

c. Outline of the seller

Name of company	KRF3 Ltd.
Head office address	9, Shinbashi 2-chome, Minato-ku, Tokyo
Represented by	Director, Tadatsugu Ishimoto
Capital	3 million yen
Major shareholder	KRF3 LLC.
Main line of business	1. Acquisition, retention, disposition, rent and asset management on real estate 2. Acquisition, retention and disposition on trust beneficial right of real estate
Relation with the Fund	KRF3 Ltd. is a wholly-owned subsidiary of Kenedix, Inc. which is one of the shareholders in the Fund's asset management company and, therefore, the company is an interested party as defined by the asset management company's rule for avoiding conflict of interest. Consequently, an appropriate procedure prescribed by the rule was taken for the decision of the subject acquisition.

d. Conditions of property acquisition

	Previous owner	Owner before the previous owner
Name of company	KRF3 Ltd.	Other than specially related parties
Relationship with specially related parties	Please refer above to "Relation with the Fund" in "c. Outline of the seller".	—
Acquisition process and rationale	Development purpose	—
Acquisition price	Details omitted as previous owner has possessed for more than a year	—
Acquisition date	January 27, 2006	—

e. Outline of the broker

Not applicable

f. Payment method

Lump-sum payment on the date of closing

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g. Appearance picture of the building



h. Map of the property



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(2) M-13 Yachiyo Logistics Center II
a. Outline of the properties to be acquired

Outline of the real estate which constitutes the trust asset			Outline of the appraisal	
Asset type	Trust beneficial right of real estate		Real estate appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Time of contract	October, 2007		Time of appraisal	June 1, 2007
Acquisition price	5,300,000,000 yen		Estimated Value (Note 7)	5,810,000,000 yen
Trustee	The Chuo Mitsui Trust and Banking Co., Ltd.		Income Approach	5,810,000,000 yen
Expiration date of trust	January 31, 2017			
Land	Location (Lot Number)	2039-1, Kamikoya, Yachiyoshi, Chiba	Discounted cash flow approach	5,730,000,000 yen
	Site area (Note 1)	16,917.91 m ² (Note 2)		
	Use district	Restricted industrial area		
	Floor-area ratio	200%	Discount rate	1~10 years:5.3% 11 years:5.5%
	Building-to-land ratio	60%	Terminal cap rate	5.9%
	Type of ownership	Ownership	Direct capitalization approach	5,980,000,000 yen
Building	Structure/Story (Note 3)	Steel and CFT-framed structure, 5-story building (Note 4)	Cap rate	5.6%
	Time of construction (Note 3)	September 30, 2007 (preappointment)	Cost approach	3,640,000,000 yen
	Total floor area (Note 3)	34,145.80 m ²		
	Total rentable area	32,389.75 m ²		
	Usage (Note 3)	Logistics center	Land	760,000,000 yen
	Type of ownership	Ownership	(Percentage)	(20.88%)
Property management company	Taisay Corporation (preappointment)	Building	2,880,000,000 yen	
		(Percentage)	(79.12%)	
Outline of the lease contract			Outline of the engineering report	
Number of tenants	1		Investigator	Shimizu Corporation
Annual rent (excluding consumption tax)	387,996,840 yen (Note 5)		Time of engineering report	May 30, 2007
Lease deposit	129,332,280 yen		Urgent repairs	—
Total rent area	32,389.75 m ²		Short-term repairs	—
			Long-term repairs	72,222 thousand yen
Occupancy rate	100.0%		PML	7.6%

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Income/Expense forecasts (Notes)		Design company, construction company and building certification company	
Income (including auxiliary income)	388 million yen	Design company	Daiken Sekkei Inc.
NOI (Net Operating Income)	332 million yen	Construction company	Nippon Steel Engineering Co., Ltd.
NOI yield (based on acquisition price)	6.3%	Building certification company	Tokyo Bldg-Tech Center Co., Ltd.
Special remarks: Not applicable			
Note: <ol style="list-style-type: none"> According to the indication of the real estate register The planned site contains parcel 2038-5, which belongs to Yachiyo City. Plans are in place to exchange this parcel with property located along the road on the eastern side of the site. After the exchange has been made, the acreage will be re-registered; therefore, the publicly registered area of the site will change at the time of acquisition. According to the indication of building permit. The CFT (Concrete Filled Steel Tube) method involves filling circular or square steel tubes with high-strength concrete. The lease specifies a monthly rent of ¥32,333,070, but the monthly rent is ¥9,900,000 for the first six months, and ¥23,100,000 from the seventh month up to a year. The above figures are annual income/expenses eliminating the special factors of the business period in which the acquisition is made. Because the facility had not yet been built, it was difficult to ascertain the appraised value. Therefore, an appraiser was asked to apply standard appraisal methods to determine the value of the facility as of the time when the appraisal was made, based on the assumption that the facility would be constructed as planned. 			

b. Feature of the properties to be acquired

(1) Facility Characteristics

-This facility was newly constructed for use by Amazon Japan, a large Internet-based retailer, as a consumer-oriented distribution center (DC)* for handling daily goods.

-The standard ceiling height is 6.6m, and the standard floor load is 1.5t/m². With a floor area of 34,145.80m², this is a large-scale logistics center equipped with two passenger elevators, four freight elevators, and ten vertical conveyers.

-Each floor has more than 6,000m² of space that can be used efficiently for product storage, picking, and shipping operations. Dual-sided berths make it possible to design moving lines for smooth inbound and outbound product shipping. These and other attributes give the facility all of the basic specifications necessary for use as a distribution center.

(*) A distribution center is premised on short-term product storage.

(2) Site Characteristics

-The site is located in Chiba Prefecture's Kamikoya Industrial Park. A new housing development nearby makes it easy to build a labor force, making this a suitable site for distribution operations.

-Located about 8km from the Chiba-Kita Interchange on the Higashi-Kanto Expressway and about 2km from National Route 16, the site has good access to major roads.

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c. Outline of the seller

Name of company	NS Lease Co., Ltd.
Head office address	7-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo
Represented by	President, Yutaka Okazoe
Capital	4 billion yen
Major shareholder	ORIX Corporation
Main line of business	Lease, finance and other financial services
Relation with the Fund	None

d. Conditions of property acquisition

	Previous owner
Name of company	Other than specially related parties
Relationship with specially related parties	—
Acquisition process and rationale	—
Acquisition price	—
Acquisition date	—

e. Outline of the broker

Name of company	Kenedix, Inc.
Head office address	2-9, Shimbashi 2-chime, Minato-ku, Tokyo
Represented by	CEO, Atsushi Kawashima
Relation with the Fund	Kenedix, Inc. is a shareholders in the Fund`s asset management company and, therefore, the company is an interested party as defined by the asset management company`s rule for avoiding conflict of interest. Consequently, an appropriate procedure prescribed by the rule was taken for the decision of the subject acquisition.
Commission	159,000,000 yen (excluding consumption tax)

f. Payment method

Lump-sum payment on the date of closing

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g. Appearance picture of the building



h. Map of the property



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(3) O-3 Kakogawa Logistics Center
a. Outline of the properties to be acquired

Outline of the real estate which constitutes the trust asset			Outline of the appraisal	
Asset type	Trust beneficial right of real estate		Real estate appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Time of contract	August, 2007		Time of appraisal	June 1, 2007
Acquisition price	2,023,000,000 yen		Estimated value (Note 4)	2,070,000,000 yen
Trustee	The Chuo Mitsui Trust and Banking Co., Ltd.		Income approach	2,070,000,000 yen
Expiration date of trust	February 28, 2017			
Land	Location (Lot Number)	1897-7, Ikeda, Onoe-cho, Kakogawa-shi, Hyogo	Discounted cash flow approach	2,050,000,000 yen
	Site area (Note 1)	16,528 m ²		
	Use district	Industrial area		
	Floor-area ratio	200%	Discount rate	5.9%
	Building-to-land ratio	60%	Terminal cap rate	6.0%
	Type of ownership	Ownership	Direct capitalization approach	2,120,000,000 yen
Building	Structure/Story (Note 2)	Steel-framed structure, 2-story building	Cap rate	5.7%
	Time of construction (Note 2)	August 31, 2007	Cost approach	1,560,000,000 yen
	Total Floor area (Note 2)	9,867.39 m ²		
	Total rentable area	9,867.39 m ²		
	Usage (Note 2)	Delivery center		
	Type of Ownership	Ownership		
Property management company	CB Richard Ellis Asset Services K.K.		Land (Percentage)	720,000,000 yen (46.15%)
Outline of the lease contract			Outline of the engineering report	
Number of tenants	1		Investigator	Shimizu Corporation
Annual rent (excluding consumption tax)	140,400,000 yen		Time of engineering report	May 29, 2007
Lease deposit	70,200,000yen		Urgent repairs	—
Total rent area	9,867.39 m ²		Short-term repairs	—
			Long-term repairs	10,886 thousand yen
Occupancy rate	100.0%		PML	4.7%

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Income/Expense forecasts (Note 3)		Design company, construction company and building certification company	
Income (including auxiliary income)	140 million yen	Design company	Nippon Steel Engineering Co., Ltd.
NOI (Net Operating Income)	122 million yen	Construction company	Nippon Steel Engineering Co., Ltd.
NOI yield (based on acquisition price)	6.0%	Building certification company	Center of International Architectural Standard
Special remarks Not applicable			
Note: <ol style="list-style-type: none"> 1. According to the indication of the real estate register. 2. According to the indication of building permit. 3. The above figures are annual income/expenses eliminating the special factors of the business period in which the acquisition is made. 4. Because the facility had not yet been built, it was difficult to ascertain the appraised value. Therefore, an appraiser was asked to apply standard appraisal methods to determine the value of the facility as of the time when the appraisal was made, based on the assumption that the facility would be constructed as planned. 			

b. Feature of the properties to be acquired

(1) Facility Characteristics

-This facility was newly constructed for use by Takayama Co., Ltd., a trading company that specializes in sweets and foods, as a distribution center for the joint delivery of products to convenience stores in the region west of Kobe.

-The facility offers plenty of space for the installation of product storage and material handling equipment for efficient sorting, picking, and shipment operations. Dual-sided berths make it possible to design moving lines for smooth inbound and outbound product shipping. Of the 27 shipping entrances, 12 feature dock shelters,* with an additional spacious parking lot and stand-by vehicle area. These and other attributes give the facility all of the basic specifications necessary for use as a distribution center that will maintain product freshness, improve onsite operational efficiency, and reduce costs.

(*)Dock shelters prevent outside air from entering the facility when trucks are docked for loading and unloading, and also keep the cold air inside the facility from escaping outside. By tightly sealing the space between the truck and the dock entryway, the shelters also keep out the weather and dust, and prevent air flow. This not only helps to keep the food products fresh but also reduces energy consumption for heating and cooling, and improves the working environment for employees.

(2) Site Characteristics

-This site is well-suited as a focal point for deliveries in the western Kobe, Kakogawa, and Himeji areas. Also, because it is located within an industrial area with a high concentration of steel makers and other manufacturers along the coast of the Harima Sea, it can accommodate the distribution needs of manufacturers.

-Located about 3km from National Route 250 and about 6km from the Kakogawa entrance to the Kakogawa Bypass, which connects to the Second Shinmei Road, the site has good access to major roads.

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c. Outline of the seller

Name of company	NS Lease Co., Ltd.
Head office address	7-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo
Represented by	President, Yutaka Okazoe
Capital	4 billion yen
Major shareholder	ORIX Corporation
Main line of business	Lease, finance and other financial services
Relation with the Fund	None

d. Conditions of property acquisition

	Previous owner
Name of company	Other than specially related parties
Relationship with specially related parties	—
Acquisition process and rationale	—
Acquisition price	—
Acquisition date	—

e. Outline of the broker

Name of company	Kenedix, Inc.
Head office address	2-9, Shimbashi 2-chime, Minato-ku, Tokyo
Represented by	CEO, Atsushi Kawashima
Relation with the Fund	Kenedix, Inc. is a shareholders in the Fund`s asset management company and, therefore, the company is an interested party as defined by the asset management company`s rule for avoiding conflict of interest. Consequently, an appropriate procedure prescribed by the rule was taken for the decision of the subject acquisition.
Commission	60,690,000 yen (excluding consumption tax)

f. Payment method

Lump-sum payment on the date of closing

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g. Appearance picture of the building



h. Map of the property



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(4) O-4 Saitama Kisai Logistics Center
a. Outline of the properties to be acquired

Outline of the real estate which constitutes the trust asset		Outline of the appraisal					
Asset type	Trust beneficial right of real estate	Real estate appraiser	Tanizawa Sogo Appraisal Co., Ltd.				
Time of acquisition	November, 2007	Time of appraisal	June 1, 2007				
Acquisition price	4,010,000,000 yen	Appraised value	4,020,000,000 yen				
Trustee	Mitsubishi UFJ Trust and Banking Corporation	Income approach	4,020,000,000 yen				
Expiration date of trust	April 30, 2016						
Land	Location (Lot number)	Discounted cash flow approach	4,000,000,000 yen				
	Site area (Note 1)			Discount rate	1~5 years:5.6% 6 years ~:5.7%		
	Use district					Terminal cap rate	5.9%
	Floor-area ratio						
	Building-to-land ratio			Cap rate	5.6%		
	Type of ownership					Ownership	
Building	Structure/Story (Note 1)	Cost approach	3,030,000,000 yen				
	Time of construction (Note 1)			Land (Percentage)	1,160,000,000 yen (38.28%)		
	Total floor area (Note 1)					Building (Percentage)	1,870,000,000 yen (61.72%)
	Total rentable area			Warehouse			
	Usage (Note 1)				Ownership		
	Property management company			Taisay Corporation			
Outline of the lease contract		Outline of the engineering report					
Number of tenants	1	Investigator	Shimizu Corporation				
Annual rent (excluding consumption tax)	—(Note 2)	Time of engineering report	May 25, 2007				
Lease deposit	—(Note 2)	Urgent repairs	—				
Total rent area	12,287.20 m ²	Short-term repairs	—				
		Long-term repairs	28,812 thousand yen				
Occupancy rate	50.0%	PML	10.5%				

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Income/Expense forecasts (Note 3)		Design company, construction company and building certification company	
Income (including auxiliary income)	281 million yen	Design company	Obayashi Corporation
NOI (Net Operating Income)	240 million yen	Construction company	Obayashi Corporation
NOI yield (based on acquisition price)	6.0%	Building certification company	Saitama Housing Inspection Center
Special remarks: Not applicable			
Note: <ol style="list-style-type: none"> 1. According to the indication of the real estate register. 2. The Fund has not obtained consent from the tenant to disclose the information. 3. The above figures are annual income/expenses eliminating the special factors of the business period in which the acquisition is made, and also assumes full occupancy. 			

b. Feature of the properties to be acquired

(1) Facility Characteristics

-This facility has a standard ceiling height of 6.3m~7.0m, and a standard floor load of 1.5t/m². It features three freight elevators and four vertical conveyers, with space to install five additional vertical conveyers. Since each floor of the storage section has a floor area of 11,828.40m² and the second floor has no pillars, it can accommodate the needs of a centralized distribution center with a highly flexible internal layout and specifications that make rapid and efficient distribution operations possible.

-Because the facility can be divided and leased, it can flexibly meet tenant needs, with berths that can accommodate 52 large trucks, a large yard, and a spacious parking lot that make it well-suited to consumer-oriented distribution operations that require frequent incoming and outgoing deliveries, making for a generalized design that can accommodate industrial distribution.

(2) Site Characteristics

-The site is convenient as a distribution center covering a wide area via the Tohoku Expressway. The Metropolitan Inter-City Expressway is scheduled to open nearby as well, making the area more attractive as a consumer-oriented distribution center.

-Located about 8km from the Kazo Interchange on the Tohoku Expressway, and about 1km from National Route 122, the site has good transport access. Its placement in Kisai Fujinodai Industrial Park also satisfies the siting requirements for distribution operations.

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c. Outline of the seller

Name of company	Logis Two Ltd.
Head office address	2-3, Marunouchi 3-chome, Chiyoda-ku, Tokyo
Represented by	Director, Takeshi Morita
Capital	100,000 yen
Major shareholder	Logis Two LLC.
Main line of business	Transfer of specified assets in accordance with asset securitization plans based on the Law Concerning Asset Securitization and related management and disposal
Relation with the Fund	Logis Two Ltd. is a special purpose company established by Mitsui & Co., Ltd. which is shareholders in the Fund's asset management company and, therefore, the company is an interested party as defined by the asset management company's rule for avoiding conflict of interest. Consequently, an appropriate procedure prescribed by the rule was taken for the decision of the subject acquisition.

d. Conditions of property acquisition

	Previous owner	Owner before the previous owner
Name of company	Logis Two Ltd.	Other than specially related parties
Relationship with specially related parties	Please refer above to "Relation with the Fund" in "c. Outline of the seller".	—
Acquisition process and rationale	Development purpose	—
Acquisition price	Details omitted as previous owner has possessed for more than a year	—
Acquisition date	April 21, 2006	—

e. Outline of the broker

Not applicable

f. Payment method

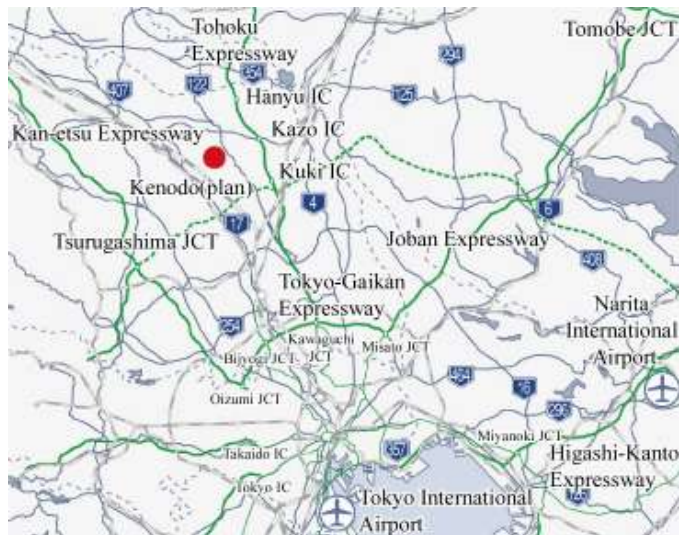
Lump-sum payment on the date of closing

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g. Appearance picture of the building



h. Map of the property



3. Future prospect:

The Fund has announced “Notice Concerning Revisions of Forecasts of Financial Results for the Fiscal Periods Ending July 31, 2007 and January 31, 2008” on July 31, 2007.

(End)

*The Fund’s website: <http://8967.jp/eng/>

Note: This document is a public announcement regarding the acquisition of properties and has not been prepared as an inducement or invitation to investment. We caution readers to refer to the Fund’s offering circular for the Issue of new investment units and secondary offering and the notices of amendments thereto, and to undertake any investment decision at their own judgment and responsibility.