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For Immediate Release

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Notice Concerning Acquisition of Property (Additional Ownership)

TOKYU REIT, Inc. ("TOKYU REIT") today announced its decision to acquire additional ownership in a property. Brief details are as follows.

1. Additional Acquisition Details

- | | | |
|-----|-----------------------------|---|
| (1) | Type of Acquisition: | Real Estate |
| (2) | Property Name: | TOKYU REIT Toranomom Building |
| | | Building area: 105 (Registered) |
| | Land: | Site rights (<i>shikeichi-ken</i>): 1,728.38 m ²
Interest: 1,166 / 100,000 |
| | Building: | Compartmentalized ownership (Individual Portion at 1st floor)
floor space: 93.93 m ²
Interest in registered exclusive area ownership: approx. 0.8% |
| | | (Please refer to Attachment 4 for details) |
| (3) | Acquisition Price: | ¥ 140,000,000
(Excluding acquisition-related costs, property tax, city planning tax
and consumption tax) |
| (4) | Contract Date: | October 26, 2007 (Friday) |
| (5) | Scheduled Acquisition Date: | October 26, 2007 (Friday) |
| (6) | Seller: | One individual |
| (7) | Financing: | Cash on hand |

2. Rationale

Anticipating improvements in both the value of its investment assets and its management efficiency, TOKYU REIT decided to acquire additional compartmentalized ownership of the TOKYU REIT Toranomom Building.

TOKYU REIT acquired a portion of the property on December 15, 2004, with land site rights totaling 73,585/100,000 and an interest in registered exclusive building area ownership amounting to approximately 79.5% under compartmentalized ownership including co-ownership portions. TOKYU REIT's Investment Management Company has continued to run the building's management association as the building manager. Another additional portion was acquired on September 21, 2007 (announced on September 20, 2007), raising the above figures to 83,486/100,000 and 87.8%, respectively.

This acquisition of an additional portion of the property raises TOKYU REIT's share of compartmentalized ownership including co-ownership portions, with land site rights to 84,652/100,000 and its interest in registered exclusive building area ownership to approximately 88.6%.

Moving ahead, TOKYU REIT plans to fully cooperate with each compartmentalized owner while pursuing effective building management, as part of its overall aim to further raise asset value.

3. Property Details

Property Name		TOKYU REIT Toranomom Building (Additional Ownership)				
Location	Registered	Land	3-45-6, Toranomom, Minato-ku, Tokyo			
	Residential	Buildings	Building area: 105 3-45-6-6 Toranomom, Minato-ku, Tokyo			
		3-17-1, Toranomom, Minato-ku, Tokyo				
Access		Approximately a one-minute walk from Kamiyacho Station on the Tokyo Metro Hibiya Line. Approximately a nine-minute walk from Toranomom Station on the Tokyo Metro Ginza Line. Approximately a nine-minute walk from Onarimon Station on the Toei Mita Line.				
Use		Retail				
Area Classification		Commercial district				
Land Space (Registered)	Land	Site rights area	1,728.38 m ²			
		Interest	1,166 / 100,000			
		Building	93.93 m ²			
Structure (Registered)		SRC/RC B2/9F (one building)				
Completion Date (Registered)		April 1988 (Proof of inspection documentation registered May 1998)				
Architect		Kanko Kikaku Sekkeisha				
Construction Companies		Obayashi Corporation, JDC Corporation, Dowa Construction Co., Ltd.				
Building Certification Authority		Tokyo city government				
Earthquake Resistance		<p>PML (Probable Maximum Loss) of 7.2% is based on an earthquake risk assessment report prepared by Engineering & Risk Services Corporation. (Note) This PML value applies to the existing portion owned and the portion scheduled for acquisition combined, calculated as a whole.</p> <p>PML refers to the expected maximum loss ratio caused by earthquakes. Although there is no single authoritative definition of PML, it refers to the percentage of expected damages caused by a small-to large-scale earthquake that happens within the next 475 years to the replacement value. Calculations also include data relating to individual property surveys, assessments of building conditions, conformity to architectural design, surveys of local areas and structural evaluations.</p>				
Type of Ownership		Land:	Site rights	Building: Compartmentalized ownership		
Acquisition Price		¥ 140,000,000				
Appraisal Value (Appraisal Method)		¥ 1400 million (Capitalization method as of July 31, 2007) Appraiser: Japan Real Estate Institute				
Building Evaluation Report		Engineering & Risk Services Corporation				
Building Evaluation Date		September 6, 2004				
Property Management Company		Tokyu Corporation				
Collateral		There are no plans to provide as collateral after additional acquisition.				
Special Items		There are no new special items as a result of additional acquisition.				
Tenant Details for Portion Acquired by TOKYU REIT	Number of Tenants *	1				
	Tenant	FORZA Co., Ltd. (Outlet name: ANZU)				
	Total Rental Income	¥ 8 million (annually)				
	Lease Deposits and Guarantee Deposits	¥ 13 million				
	Estimated NOI **	¥ 6 million (annually)				
	Total Leased Area	98.71 m ²				
	Total Rentable Area	98.71 m ²				
	Occupancy Rate *	100%				
Occupancy Rates over the Last Five Years	As of March 31, 2003	As of March 31, 2004	As of March 31, 2005	As of March 31, 2006	As of March 31, 2007	
	100%	100%	100%	100%	100%	

* Figures for the number of tenants and occupancy rate are forecasts as of the scheduled acquisition date of October 26, 2007.

** Estimated NOI is forecast exclusive of special items related to the acquisition. Figures are based on the following assumptions:

1) Total rental income is calculated based on the occupancy rate as of the scheduled acquisition date.

2) Calculations are based on the assumption that there will be no change in public taxes and dues from fiscal 2007.

(Note) With respect to this acquisition of additional ownership, and in contrast to the acquisition of additional ownership on September 21, 2007, TOKYU REIT has no master lease agreement.

4. Seller Profile

One individual

The seller has not provided their consent to disclose profile details, and accordingly, this information has been omitted. The seller has no relationship with TOKYU REIT or its Investment Management Company.

5. Transactions with Related Parties

Commissioned to serve as a property manager for the subject property, Tokyu Corporation falls under the definition of a “related party” as outlined in enforcement regulations of the Law Concerning Investment Trusts and Investment Corporations. At the time property management functions were commissioned, TOKYU REIT and Tokyu Corporation concluded a property management contract on December 15, 2004, based on measures to prevent conflicts of interest established by TOKYU REIT. With the additional acquisition, both companies plan to exchange a memorandum amending the scope of the contract.

6. Brokerage

No brokerage transaction will be undertaken for the additional acquisition.

7. Acquisition Schedule

October 25, 2007	Decision of acquisition
October 26, 2007	Execution of real estate purchase and sale agreement (planned)
	Settlement (planned)
	Lump-sum property acquisition payment (planned)

8. Financing Details

TOKYU REIT intends to acquire the additional ownership using cash on hand.

9. Outlook

As the acquisition of the property will have little effect on operating conditions, there are no changes to the forecasts for the ninth fiscal period ending January 31, 2008.

Attachments

1. Property appraisal summary
2. Property portfolio of TOKYU REIT
3. Photograph and location map of the TOKYU REIT Toranomom Building
4. Overview of the TOKYU REIT Toranomom Building

Attachment 1
Property appraisal summary

Property Name : TOKYU REIT Toranomon Building (Individual Portion at 1st Floor)	Details	Specific Notes
Appraisal Firm	Japan Real Estate Institute	-
Effective Date of Value	31-Jul-07	-
Value Indicated by Income Approach	140,000	-
Value Indicated by Direct Capitalization Method	140,000	-
(1) Effective Gross Income(①-②)	8,342	-
①Potential Gross Income	8,779	Based on current and projected lease conditions
②Vacancy Loss and Collection Loss Allowances	437	Consideration of leasing situations and market's vacancy
(2) Total Expenses (③+④+⑤+⑥)	1,709	-
③Building Maintenance/Utilities/PM Fee, etc.	1,071	Based on historical payment
④Property Taxes	612	Based on actual payment of FY2007
⑤Property Insurance	26	Based on comparable insurance premium rates
⑥Other Expenses	0	None
(3) Net Operating Income ((1)-(2))	6,633	-
(4) Investment Profits from Refundable Deposits	186	-
(5) Capital Expenditure	123	Consideration of 15-year average of long-term improvements repairs provided by ER report
(6) Net Cash Flow ((3)+(4)-(5))	6,696	-
(7) Overall Capitalization Rate	4.80%	Based on market cap rates
Value Indicated by DCF Method	139,000	-
Discount Rate	4.30%	-
Terminal Capitalization Rate	5.00%	-
Value Indicated by Cost Approach	113,000	-
Ratio of Land Value	87.4%	-
Ratio of Building Value	12.6%	-
Value of Subject Property before Allocation of Increased Value	140,000	Determined by Income Approach
Allocated Portion of Increased Value	169	Allocated by proportion of total values
Appraisal Value Conclusion	140,000	
Particular Attention Paid to Appraisal Methods and Appraisal Value Conclusion	<p>The subject was a retail portion occupied at a part of an office building located at the CBD of stable demand. We estimated "the value of the subject property before allocation of increased value" considering incomes based on the current and projected lease conditions and the credibility of tenants.</p> <p>We first obtained the increased value by subtracting component values from the whole value by assemblage, and then determined the appraisal value conclusion by allocating the increased value by proportion of total values.</p>	

The appraisal value conclusion is a value opinion as of the effective date of value, indicated by licensed real estate appraisers in conformity with the Japanese Real Estate Appraisal Act and Real Estate Appraisal Standards. The real estate appraisers do not make any warranty in respect of the possible discrepancies in value of the same property appraised under different parties, conditions or timing. Neither does this appraisal make warranty of any sales transactions at the concluded value at any time.

Attachment 2

Property portfolio of TOKYU REIT

Use	Property Name	Location	Acquisition Date	Acquisition Price (Millions of Yen)	Ratio (%)	
					*1	*2
R	QFRONT	Central Tokyo and Tokyu Areas (Shibuya)	September 10, 2003	15,100	8.7	8.3
R	Lexington Aoyama	Central Tokyo	September 11, 2003	4,800	2.8	2.6
R	TOKYU REIT Omotesando Square	Central Tokyo and Tokyu Areas (Shibuya)	September 10, 2003	5,770	3.3	3.2
R	Tokyu Saginuma Building (Saginuma Tokyu Store)	Tokyu Areas	September 10, 2003	6,920	4.0	3.8
R	Tokyu Saginuma 2 Building	Tokyu Areas	September 11, 2003	1,290	0.7	0.7
R	TOKYU REIT Shibuya Udagawa-cho Square	Central Tokyo and Tokyu Areas (Shibuya)	March 1, 2004	6,600	3.8	3.6
R	Beacon Hill Plaza (Ito-Yokado Noukendai Store)	Other	August 3, 2004	9,520	5.5	5.2
R	cocoti	Central Tokyo and Tokyu Areas (Shibuya)	April 6, 2005 *3 August 2, 2005 *4	14,700 9,800	14.1	13.5
R	Shonan Mall Fill (<i>sokochi</i>)	Other	April 28, 2006	6,810	3.9	3.7
R	CONZE Ebisu	Central Tokyo and Tokyu Areas	October 31, 2006	5,116	3.0	2.8
	Subtotal			86,426	49.9	47.6
O	Setagaya Business Square	Tokyu Areas	September 11, 2003	22,400	12.9	12.3
O	Tokyu Nampeidai-cho Building	Central Tokyo and Tokyu Areas (Shibuya)	September 11, 2003	4,660	2.7	2.6
O	Tokyu Sakuragaoka-cho Building	Central Tokyo and Tokyu Areas (Shibuya)	September 11, 2003	6,620	3.8	3.6
O	Tokyo Nissan Taito Building	Central Tokyo	September 11, 2003	4,450	2.6	2.4
O	TOKYU REIT Akasaka Hinokicho Building	Central Tokyo	September 10, 2003	3,570	2.1	2.0
O	TOKYU REIT Kamata Building	Tokyu Areas	September 10, 2003	4,720	2.7	2.6
O	Resona Maruha Building	Central Tokyo	January 15, 2004	23,260	13.4	12.8
O	TOKYU REIT Toranomom Building	Central Tokyo	December 15, 2004	8,630	5.8	5.5
			September 21, 2007	1,300		
			October 26, 2007 (Planned)	140		
O	Sigma Hatchobori Building	Central Tokyo	September 29, 2006	7,000	4.0	3.9
O	Akasaka 4-chome Building (Tokyu Agency Inc. Head Office Building)	Central Tokyo	January 31, 2008 (Planned)	8,500		4.7
	Subtotal			95,250	50.1	52.4
	19 properties as of October 26, 2007 including property planned to be acquired			173,176	100.0	
	20 properties as of January 31, 2008 including property planned to be acquired			181,676		100.0

*1 Properties as of October 26, 2007.

*2 Properties as of January 31, 2008.

*3 Details of the 60% portion of trust beneficiary interests acquired under co-ownership.

*4 Details of the 40% portion of trust beneficiary interests acquired under co-ownership.

*5 Ratios are rounded to the nearest first decimal place. Accordingly, subtotal and totals may not exactly match the sum of relevant items.

*6 Acquisition prices are the acquisition prices identified in purchase and sale agreements for each relevant property. Acquisition prices are exclusive of acquisition expenses, property tax, city planning tax and consumption tax.

*7 The overall portfolio PML is 4.0% and is recorded in a PML Report prepared by Engineering & Risk Services Corporation and OYO RMS Corporation.

Attachment 3

Photograph and location map of the TOKYU REIT Toranomon Building



Location	:	3-17-1, Toranomon, Minato-ku, Tokyo
Nearest Station	:	Approximately a one-minute walk from Kamiyacho Station, Tokyo Metro Hibiya Line. Approximately a nine-minute walk from Toranomon Station, Tokyo Metro Ginza Line. Approximately a nine-minute walk from Onarimon Station, Toei Mita Line.
Total land area	:	1,728.38m ²
Total floor area	:	15,343.73m ²
Structure	:	SRC/RC B2/9F
Completion	:	April 1988
Type of ownership	:	(Land) Co-ownership of site rights (Building) Compartmentalized ownership and co-ownership of compartmentalized ownership
Tenant	:	Japan Nuclear Energy Safety Organization Takihyo Co., Ltd. Anzco Foods Japan Ltd.

Attachment 4

Overview of the TOKYU REIT Toranomon Building

9F	Office	Compartmentally owned by TOKYU REIT 1,140.99m ²					Compartmentally owned by two individuals		
8F	Office	Compartmentally owned by TOKYU REIT 1,140.99 m ²							
7F	Office	Compartmentally owned by TOKYU REIT 1,140.99 m ²							
6F	Office	Compartmentally owned by TOKYU REIT 1,140.99 m ²							
5F	Office	Compartmentally owned by TOKYU REIT 1,140.99 m ²							
4F	Office	Co-owned compartmentalized ownership between TOKYU REIT and an individual (TOKYU REIT owns 90% of 1,140.99 m ²)							
3F	Office	Co-owned compartmentalized ownership between TOKYU REIT and two individuals (TOKYU REIT owns 24% of 1,140.99 m ²)							
2F	"	Compartmentally owned by TOKYU REIT 1,005.07 m ²							
1F	Stores	Co-owned compartmentalized ownership between TOKYU REIT and an individual (TOKYU REIT owns 62% of 278.21 m ²)	Co-owned compartmentalized ownership between TOKYU REIT and an individual (TOKYU REIT owns 52% of 355.37 m ²)	Compartmentally owned by TOKYU REIT 18.36 m ²	Compartmentally owned by TOKYU REIT 55.57 m ²	Compartmentally owned by a individual 93.93 m ²		Compartmentally owned by a individual	Compartmentally owned by a individual
B1F	Parking	Compartmentally owned by TOKYU REIT 1,150.68 m ²							
B2F	Parking	Compartmentally owned by TOKYU REIT 1,091.66 m ²							

TOKYU REIT plans to acquire the first floor portion highlighted in the chart.

As the chart shows, the subject property is currently owned by TOKYU REIT together with 10 other compartmentalized owners. With the additional acquisition, this number will reduce to 9.

Furthermore, the compartmentalized ownership portion co-owned with TOKYU REIT shown in the chart is leased by TOKYU REIT and subleased to tenants.