

September 25, 2006

**For Immediate Release**

LCP Investment Corporation  
Nihon-bashi Nishikawa Bldg,  
1-5-3 Nihon-bashi, Chuo-ku, Tokyo  
Shunji Miyazaki: Executive Officer  
(Securities Code: 8980)

Inquiries:  
The LCP REIT Advisors Co., Ltd  
CFO Yuji Kubo  
TEL: +81-3-3272-7311

**Notice Concerning the Acquisition of Property**  
**( Loc Town Sukagawa I Bldg and K Bldg)**

LCP Investment Corporation (the “Investment Corporation”) announced its decision today to acquire the Loc Town Sukagawa I Bldg and K Bldg. Details are provided as follows.

**1, Outline of the Acquisition**

The Investment Corporation acquires a trust beneficiary interest concerning newly built I Bldg and K Bldg in the site of Loc Town Sukagawa which was acquired as of May 23, 2006 ( Acquisition Price : 2,510 million yen, Appraisal Value : 2,510 million yen at the base date for appraisal, January 31,2006). The trustee of trust beneficiary interest which the Investment Corporation has already acquired will additionally acquire the scheduled acquisition asset and it will be a part of trust property of the said trust beneficiary interest. (\*1)

Property Name : Loc Town Sukagawa I Bldg and K Bldg  
Type of Scheduled Acquisition : Trust beneficiary interest  
Category of Properties : Others ( Retail Properties)  
Scheduled Acquisition Price (\*2) : 53 million yen  
Scheduled Date of Purchase Agreement : September 27, 2006  
Scheduled Date of Acquisition : September 27, 2006  
Seller (\*3) : Loc Kaihatsu Co., Ltd  
Acquisition Funds : Imprest Fund is scheduled.

(\*1) Please refer to 6 “The matter related to the Additional Acquisition of the Property”

(\*2) Scheduled Acquisition Price excludes acquisition fee, fixed asset tax, city planning tax and consumption tax etc.  
The amount less than a million yen are rounded off to the nearest million yen . Same as follows.

(\*3) Please refer to 5 “Seller’s Profile”

## **2, Reason for Acquisition**

The Investment Corporation acquires this property to aim the combined management with the acquired assets, and to secure stabilized mid-to-long term profits and the steady growth of the operating assets in accordance with “Asset Management Target and Policy” prescribed for by the Articles of Incorporation of the Investment Corporation.

## **3, Summary of Property**

The additional property which the Investment Corporation acquires is I Bldg and K Bldg of Loc Town Sukagawa. The following chart shows the summary of the whole Loc Town Sukagawa including I Bldg and K Bldg unless specifically mentioned. The detail regarding I Bldg and K Bldg is described in the brackets.

Category of Properties: Others (Retail Properties)

Property Number: O-6

Property Name : Loc Town Sukagawa

**Property Feature**

This property is a shopping center located in the center of Sukagawa city in Fukushima. A part of south-west side of the property is closed to Shido Toubu Kanjo-line which is getting to be one of the most accumulated commercial areas in Sukagawa city. In this area, it is expected to be relatively stable market, considering the parking condition, the accessibility by car and End-tenant etc. The property is Annex of Loc Town Sukagawa which the Investment Corporation has already acquired and in the same area where the said acquired property exists.

Location	Address	105, Furukawa, Sukagawa-shi, Fukushima			
	Land No,	No. 105 and other 130 numbers in Furukawa, Sukagawa-shi, Fukushima			
Land	Type of Ownership	Leasehold			
	Area for use	Industrial area			
	Site area	74,076.2 m <sup>2</sup>	Summary of Engineering Report		
	Floor area ratio	200%	Investigation Company	Except I & K Bldg : Takenaka Corporation (I & K Bldg : Tokio Marine & Nichido Risk Consulting Co., Ltd)	
	Bldg coverage ratio	60%	Time of Investigation	Except I&K Bldg : Jan, 2006 (I&K Bldg : Aug, 2006)	
Bldg	Type of ownership	Proprietary Ownership	Repairing cost	Urgent	-
	Usage	Shops		Within 1 year	-
	Floor space	18,440.6 m <sup>2</sup> (I Bldg : 116.2 m <sup>2</sup> , K Bldg : 171.1 m <sup>2</sup> )		Average cost for 12 years	¥1,392,000 (I Bldg : ¥28,000, K Bldg : ¥34,000)
	Structure/Number of floor	Steel-flamed, 1F (I Bldg : S-1F, K Bldg : Wooden-1F)	Earthquake PML	10.6% (I Bldg : 8.7%, K Bldg : 8.7%)	
	Completion date	Except I & K Bldg : Oct, 2005 (I & K Bldg : Mar, 2006)	Summary of Real Estate Appraisal Report (* 2) (Unit : million yen)		
	Bldg Inspection Agency	Japan ERI Co., Ltd	Appraiser	Morii Appraisal & Investment Consulting, Inc	
	Architect	Daiwa House Industry Co., Ltd Hatou Atsuyuki Kenchiku Kobo (K Bldg only)	Appraisal Date	September 27, 2006	
	Constructor	Daiwa House Industry Co., Ltd	Appraisal Value	2,570	
Current Owner	Except I & K Bldg : the Investment Corporation (I&K Bldg : Loc Kaihatsu Co., Ltd)	Capitalization approach price	2,570		
Previous Owner	Except I&K Bldg : Loc Kaihatsu Co., Ltd (I&K Bldg : None)	Price calculated by the direct capitalization approach	2,340		
Trustee	The Chuo Mitsui Trust and Banking Company, Limited	Gross income	318		
Scheduled expiration date of trust term	December 30, 2015	Rental income	315		
PM Company	-				

Master Lease Company	Loc Kaihatsu Co., Ltd	Other income	3
Type of Contract	Net lease, Long-term contract, Fixed-rent Master lease	Total expenses	159
Main tenant	AEON Co., Ltd	NOI	164
Lease Details (unit:¥,000)		NCF	159
Investigation date	Except monthly rent, deposit, security deposit: August 31, 2006 Monthly rent, deposit, security deposit: September 25, 2006	Capitalization rate	6.8%
Total number of Tenant	1	Price calculated by the Discounted Cash Flow Approach	2,570
Leasable floor area	18,440.6 m <sup>2</sup> (I Bldg: 116.2 m <sup>2</sup> , K Bldg: 171.1 m <sup>2</sup> )	Discount rate	5.1%
Floor area	18,440.6 m <sup>2</sup> (I Bldg: 116.2 m <sup>2</sup> , K Bldg: 171.1 m <sup>2</sup> )	Terminal capitalization rate	7.0%
Monthly rent (scheduled) (* 1)	24,166	Cost approach price	1,870
Deposit/Security deposit (scheduled) (* 1)	159,971	Land Price	221
Occupancy rate (based on area)	100.0% (I Bldg: 100.0%, K Bldg: 100.0%)	Bldg Price	1,650
Notes			
<p>1. The property's land leasehold is subleased to trustee based on the leasehold which Loc Kaihatsu Co., Ltd rents from the land owner. Regarding the sublease, the provisional registration is fully provided except the sublease of the land ( 3,651.4 m<sup>2</sup>) which Sukagawa-shi owns and the land which "Nakajuku-ku" owns as described in 2. below. However, the definitive registration is not provided.</p> <p>2. "Nakajuku-ku" (land owner of a part of this property's land ( 67.0 m<sup>2</sup>) and lessee to Loc Kaihatsu Co.,Ltd) is a group of which Sukagawa-shi manages the assets. In the headline of the registration of real estate regarding the said land, "Nakajuku-ku" is shown as the owner. However, the registration of the preservation of the ownership has not been executed.</p>			

(\* 1) . The amounts of Monthly rent and Deposit/Security deposit is the amount expected on September 25, 2006. The amounts will be determined by an amendment agreement of the master lease agreement which will be executed along with the acquisition of this property. The amounts of Monthly rent and Deposit/Security deposit before the execution of this amendment agreement are 23,883,000 yen and 156,355,000 yen, respectively.

(\* 2) . The column "Summary of Real Estate Appraisal Report" describes information concerning the whole property of Loc Town Sukagawa including I Bldg and K Bldg.

### Summary of Commercial Area

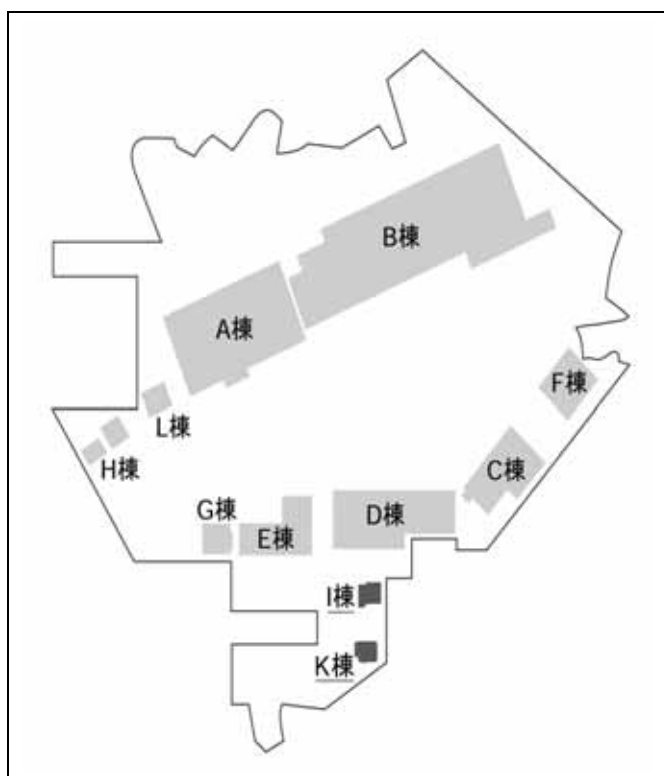
This property is closed to major highways “Tobu Kanjo-line” and “Kendo Nagaroku-cho・Emochi-line” and located in about 1,200 m from “Sukagawa” station (JR Tohoku-line) and about 1,800 m through Tobu Kanjo-line from Kokudo No.4. It is a possible market for wide-range of customer.

The commercial area of this property is consisted of 70,412 people/ 24,824 households within 5 km of radius range ( 10 mins driving), 141,398 people/ 48,422 households within 10 km of radius range ( 15 mins driving) and 180,431 people / 59,495 households within 15 km of radius range ( 20 mins driving) , which is supposed to be enough population. The population within 15 km radius range is slightly decreasing for last 6 years since 2001 when the population peaked. However, taking the uptrend of the number of households into consideration, it is considered that the purchasing power is expected to increase in future.

### Property Feature

This property is a large-scaled suburban shopping center, consisted in 29 shops such as principal tenants; “Max Value”(super market by AEON Group ) and “Denkodo”(house-use electric appliance shop) , other tenants; “UNIQLO”, “Yofuku-no-Aoyama”(cloth shop), variety shop, restaurant, amusement and cell phone shop etc. A wide-range of customer is expected due to the various types of tenants. It also has enough parking area (1,050 cars available) because it is anticipated that most of customer use the car.

### Building Arrangement Chart



Bldg	Principal Tenant
A	Max Value ( super market ) , Tsuruha Bldg Drug ( drug store )
B	Denkodo ( electric appliance shop ) Bldg Soyu Entertainment Studio ( amusement ) Restaurants etc
C	UNIQLO ( cloth shop ) A B C Mart Bldg ( shoes )
D	Mac House Plaza ( cloth shop )、 Bldg Nishimatsu-ya ( baby goods shop ) etc
E	Passport ( interior shop ) etc Bldg
F	Yofuku-no-AOYAMA ( men’s cloth Bldg shop )
G	Marumatsu ( restaurant ) Bldg
H	Koraku-en ( noodle restaurant )、 Bldg Shinobiya ( restaurant )
I	GAJA ( barbecue restaurant ) Bldg
K	Moss Burger ( fast-food shop )

	Bldg	
	L Bldg	Spalibur ( hair salon ) , and Ahiru-no-sentakuya-san Hyper laundry ( laundry )

(\*1) The column of “Summary of Commercial Area” and “Property Feature” above shows the whole Loc Town Sukagawa, not only I & K Bldg which are additionally acquired. It is extracted or summarized from the appraisal report by Urban Research Institute Corporation and the real estate appraisal report by Morii Appraisal & Investment Consulting Inc. Therefore, LCP Investment Corporation makes no warranties as to its accuracy or completeness.

#### **4, The Matter related to Resistance against Earthquake**

Regarding I Bldg (floor space is less than 200 m<sup>2</sup> and structure /number of floor is Steel-framed / 1F) and K Bldg (structure/number of floor is wooden / 1 F), the structural calculation is not necessary under Building Standard Law. Therefore, the structure calculation has not been investigated. However, according to Earthquake Risk Diagnosis Report (Probable Maximum Loss) by the investigation institution below, it is reported that this property was designed in accordance with the current cabinet order of Building Standard Law ( New Earthquake Resisting Design Law) and secured enough earthquake resistance.

Company Name	Kozo Keikaku Engineering ,Inc
Head Office Address	4-38-13, Honcho, Nakano-ku, Tokyo
Representative	Shota Hattori
Capital	1,010,200 thousand yen ( as of August 31,2006)
Business Activities	Structure design / Analysis etc of Bldg and Structure
Relationship with the Investment Corporation	None

Regarding each acquired Bldg (excludes the Bldg which is not necessary to prepare the structure calculation under Building Standard Law), the structure design has been reappraised by Tokio Marine & Nichido Risk Consulting Co., Ltd. As a result, it is reported that the structural calculation has not been faked intentionally and the property is designed in accordance with Building Standard Law as well as secured enough earthquake resistance prescribed for by the current regulation.

### 5, Seller's Profile

Company Name	Loc Kaihatsu Co., Ltd
Head Office Address	67 Kanda-sakumagashi , Chiyoda-ku, Tokyo
Representative	Kazuhiko Hazama
Capital	100,000 thousand yen ( as of August 31, 2006)
Business Activities	* Project development, construction management and consulting regarding each shop of shopping center * Lease, management and management consultant etc of real estate
Relationship with the Investment Corporation	None

### 6, The Matter related to the Additional Acquisition of the Property

The Investment Corporation acquired the trust beneficiary interest of Loc Town Sukagawa as of May 23, 2006 (Acquisition price: 2,510 million yen). The Investment Corporation and the trustee of the property will amend articles of the relevant trust agreement and the Investment Corporation additionally trusts fund to the trustee. Trustee pays the fund to the seller as purchase payment and acquires the scheduled acquisition asset from the seller. Based on this transaction, the scheduled acquisition asset is planned to be a part of trust asset of the said beneficiary interest which the Investment Corporation holds.

### 7, Brokerage Profile

No Brokerage agency was used during the transaction of the Property.

### 8, Form of Payment

At the time of the scheduled date of acquisition, the Investment Corporation plans a package payment of the acquisition price to the seller.

### 9, Forecasts of Financial Results

The Investment Corporation will announce the forecasts for the fiscal period ending February 28, 2007 (from September 1, 2006 to February 28, 2007) and August 31, 2007 (from March 1, 2007 to August 31, 2007), considering the additional acquisition of the property, at the time of Financial Results Announcement concerning the fiscal period ending August 31, 2006.

\* This document is being distributed to the Kabuto Club (the press club of the TSE) as well as to the press club for the Ministry of Land, Infrastructure and Transport and the press club for specialty construction newspapers at the Ministry of Land, Infrastructure and Transport.

\* Website of the Investment Corporation : <http://www.lcp-reit.co.jp>

\* This English language is a translation of the Japanese language notice issued on the same day was prepared solely for the convenience of, and reference by overseas investors. LCP Investment Corporation makes no warranties as to its accuracy or completeness.



【Attachment 1】 Photograph of the Scheduled Acquisition Property

【 I Bldg】



【 K Bldg】



**【Attachment 2】 Portfolio after Acquisition of the Property**

Category of Properties	Number of Properties	Property Name	Area (*1)	(Scheduled) Acquisition Date	(Scheduled) Acquisition Price(*2) ( million yen )	Investment Ratio (*3) ( % )	
Residential	R-1	City House Tokyo Shinbashi	Greater Tokyo	May 25,2006	2,790	6.0%	
	R-2	Pure City Roppongi	Greater Tokyo	May 23,2006	525	1.2%	
	R-3	Winbell Kagurazaka	Greater Tokyo	May 23,2006	3,690	8.1%	
	R-4	Nishiwaseda Crescent Mansion	Greater Tokyo	May 23,2006	2,190	4.8%	
	R-5	Lexington Square Akebonobashi	Greater Tokyo	May 25,2006	1,600	3.5%	
	R-6	Montserrat Yotsuya	Greater Tokyo	May 23,2006	557	1.2%	
	R-7	Casa Eremitaggio	Greater Tokyo	May 25,2006	1,240	2.7%	
	R-8	Homest East Hills	Greater Tokyo	May 23,2006	521	1.1%	
	R-9	Lexington Square Shimokitazawa	Greater Tokyo	May 25,2006	2,700	5.9%	
	R-10	Homest Ikejiri	Greater Tokyo	May 23,2006	806	1.8%	
	R-11	Towa City Coop Shinotsuka	Greater Tokyo	May 25,2006	937	2.1%	
	R-12	Towa City Coop Asukayamakoen	Greater Tokyo	May 25,2006	529	1.2%	
	R-13	Bichsel Musashiseki	Greater Tokyo	May 23,2006	703	1.5%	
	R-14	Lexel Mansion Ueno Matsugaya	Greater Tokyo	May 23,2006	1,130	2.5%	
	R-15	Cosmos Nishiojima Grand Stage	Greater Tokyo	May 25,2006	909	2.0%	
	R-16	Towa City Cope Sengencho	Greater Tokyo	May 25,2006	1,240	2.7%	
	R-17	Royal Park Omachi	Tohoku	May 25,2006	564	1.2%	
	R-18	Lexington Square Haginomachi	Tohoku	May 23,2006	411	0.9%	
	R-19	Visconti Kakuozan	Chubu	May 23,2006	397	0.9%	
	R-20	Lexington Square Kitahorie	Kansai	May 25,2006	596	1.3%	
	R-21	Lexington Square Shinmachi	Kansai	May 25,2006	421	0.9%	
	R-22	Luna Court Tsukamoto	Kansai	May 23,2006	632	1.4%	
Subtotal					25,088	55.1%	
Senior	S-1	Bon Sejour Chitose Funabashi	Greater Tokyo	May 25,2006	791	1.7%	
	S-2	Bon Sejour Yotsugi	Greater Tokyo	May 25,2006	765	1.7%	
	S-3	Bon Sejour Hino	Greater Tokyo	May 25,2006	699	1.5%	
Subtotal					2,255	4.9%	
Others	Office	O-1	Otsuka Centcore Building	Greater Tokyo	May 25,2006	2,540	5.6%
	Office	O-2	Ueno Fujita Estate 1	Greater Tokyo	May 23,2006	1,840	4.0%
	Office	O-3	Cross Square NAKANO	Greater Tokyo	May 23,2006	1,038	2.3%
	Retail	O-4	Lexington Plaza Hachiman	Tohoku	May 23,2006	4,760	10.4%
	Office	O-5	Ohki Aoba Building	Tohoku	May 25,2006	847	1.9%
	Retail	O-6	Loc Town Sukagawa (*4)	Tohoku	September 27,2006	2,563	5.6%
	Office	O-7	Lexington Plaza Sakaeminami	Chubu	May 25,2006	2,400	5.2%
	Retail	O-8	Valor Takinomizu	Chubu	May 23,2006	2,230	4.9%
Subtotal					18,218	40.0%	
Total					45,561	100.0%	

- (\*1) “Area “ is divided into four sub-areas which consists of prefectures shown below:
- Tohoku area : Aomori, Miyagi, Akita, Iwate, Yamagata, Fukushima
  - Greater Tokyo area : Tokyo, Kanagawa, Saitama, Chiba
  - Chubu area : Shizuoka, Nagano, Aichi, Niigata, Fukui, Ishikawa, Toyama, Mie, Gifu
  - Kansai area : Kyoto, Osaka, Hyogo, Shiga, Nara, Wakayama
- (\*2) In the column of “(Scheduled) Acquisition Price”, the sales price provided in Transfer Agreement with precedent condition is shown. (excluding consumption tax, etc), and rounded off to the nearest million yen.
- (\*3) In the column of “Investment Ratio”, each ratio equals each scheduled acquisition price divided by grand total scheduled acquisition price and is rounded off to the nearest tenth.
- (\*4) Loc Town Sukagawa (O-6) has been acquired initially on May 23, 2006. The column of (Scheduled) Acquisition Price and Investment Ratio shows the price after the additional acquisition of the property.