

November 20, 2007

To All Concerned Parties

REIT Issuer:
re-plus residential investment inc.
Toranomom Towers Office
4-1-28 Toranomom
Minato-ku, Tokyo 105-0001
Takao Sakuma, Executive Director
(Securities Code : 8986)
Asset Management Company:
re-plus REIT management inc.
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Notice Concerning Sales of Assets: Takenotsuka Flat

re-plus residential investment inc. (the “Investment Corporation”) is pleased to announce that the board meeting held today resolved to sell assets (the “Assets”) as set out below.

1. Background of sale

The Investment Corporation acquired trust beneficiary rights in Takenotsuka Flat (the “Real Estate”) with effect December 15, 2005, and since then has leased the whole building to Central Japan Railway Company (the “Lessee”). The Lessee has used the Real Estate as company housing, but it was decided that with the expiration of the fixed-term building lease agreement, effective May 31, 2008 the Lessee would vacate the building. The Investment Corporation examined large-scale refurbishment to change the building specifications to meet the needs of the area, but given that, if the Investment Corporation is unable to earn any rental income during the long construction period, this will have a serious impact on its earnings from next year, the Investment Corporation decided to sell the trust beneficiary rights in the Real Estate to the Godo Kaisha shown below (the “GK”), which is financed by a consolidated subsidiary of the Investment Corporation’s sponsor company re-plus inc. Upon acquisition the Buyer plans to carry out the large-scale refurbishment of the Real Estate.

Under the Agreement on the Purchase & Sale of Trust Beneficiary Interests (the “Agreement”) concluded by the Investment Corporation and the Buyer at the time of the Sale, the Investment Corporation is given the preferential right, such that when the Buyer sells the Real Estate in the future the Investment Corporation is entitled to negotiate its sale with the Buyer ahead of other third parties, and if, as a result of the Buyer’s refurbishment of the Real Estate, the Real Estate becomes compatible with the Investment Corporation’s investment criteria, the Investment Corporation may consider acquiring the Real Estate.

2. Summary of sale

①	Assets being sold	Trust beneficiary interests in real estate
②	Name of assets	Takenotsuka Flat
③	Date of acquisition of assets being sold	December 15, 2005
④	Sale price	2,270,000,000 yen (See Note 1)
⑤	Book value	2,108,06,000 yen (as of September 30, 2007)
⑥	Difference between sale price and book value	161,931,000 yen (Difference between ④ and ⑤ above)
⑦	Conclusion date of agreement	November 20, 2007
⑧	Scheduled date of sale	Date agreed separately between the Buyer (see ⑨ below) and the Investment Corporation before March 31, 2008
⑨	Buyer	GK re-plus residential construction management 2 (see 4 below)
⑩	Sale method	Sale of trust beneficiary interests in real estate to Buyer (See Note 2)

(Note 1) Excludes sale expenses, fixed asset tax and city planning tax adjustments as well as consumption tax and local consumption tax. Shown with any fraction less than one thousand yen discarded.

(Note 2) In the event of notification from the Buyer to the effect that it wishes to buy the actual real estate, on the condition that the Buyer bears all expenses incurred as a result of the conversion of the trust property into actual real estate (include but are not limited to expenses necessary for cancellation, registration expenses, real estate acquisition tax and registration and license tax), the Investment Corporation and the Buyer may agree to cancel the Agreement and conclude a new real estate purchase and sale agreement.

3. Details of assets to be sold

Name of assets	Takenotsuka Flat		
Type of specified assets	Trust beneficiary interests in real estate	Trustee	Mitsubishi UFJ Trust and Banking Corporation
Location	(Residential address) 5-1-5 Minamihanahata, Adachi-ku, Tokyo (No.s) 5-1-1, 5-1-3, 5-1-4, 5-1-5, 5-1-6, 5-1-7, 5-1-8, 5-1-9, 5-1-10, 5-1-11, 5-1-12 Minamihanahata, Adachi-ku, Tokyo		
Land	Ownership	Freehold	Type
	Area	3,597.68m ²	Floor area ratio/Coverage
Building	Ownership	Freehold	Type
	Gross building area	8,594.90m ²	Built date
	Structure	SRC with flat roof, 8F	
	Number of rentable units	111 units in total (2LDK: 6 units, 3LDK: 103 units, 4LDK: 2 units)	
Date of acquisition	December 15, 2005		
Acquisition price	2,051,809,000 yen		
Appraised value at acquisition	2,110,000,000 yen	(Value at September 30, 2005)	
Appraised value	2,070,000,000 yen	(Value at September 30, 2007)	
Appraised by	Morii Appraisal & investment Consulting Inc.		

4. Profile of Buyer

①	Company name	GK re-plus residential construction management 2
②	Location of head office	Toranomon Towers Office 4-1-28 Toranomon, Minato-ku, Tokyo
③	Representative	Managing member : re-plus investment inc. Operator : Yoshifumi Okamura
④	Capital	100,000 yen
⑤	Main businesses	1. Sale, transfer, lease and ownership of real estate, and intermediation and management thereof 2. Sale, transfer, holding and management of trust beneficiary interests in real estate 3. Acquisition and disposal of the units and shares of companies whose purpose is to conduct the businesses specified in 1. and 2. above. 4. All business incidental to the foregoing
⑥	Relationship with the Investment Corporation or the Asset Management Company	GK re-plus residential construction management 2 is a consolidated subsidiary of re-plus inc. and is wholly financed by re-plus investment inc., which is a consolidated subsidiary of re-plus inc.; re-plus inc. is the parent company of re-plus REIT management inc. (“the Asset Management Company”), the investment manager to which the Investment Corporation entrusts business relating to the management of its assets. GK re-plus residential construction management 2 falls under the category of an interested party, etc. of the Asset Management Company as defined in the Law Concerning Investment Trusts and Investment Corporations (Law No. 198 of 1951, including subsequent amendments). re-plus inc.’s investment ratio in the Asset Management Company is 90%.

5. Profile of brokerage

Name of company	re-plus inc.
Location of head office	Toranomon Towers Office 4-1-28 Toranomon, Minato-ku, Tokyo
Representative	CEO Hirofumi Kang
Fee	100,000 yen (excluding consumption tax and local consumption tax)
Relationship with the Investment Corporation or the Asset Management Company	re-plus inc. is a shareholder of the Asset Management Company and falls under the category of an interested party, etc. of the Asset Management Company as defined in the Law Concerning Investment Trusts and Investment Corporations (Law No. 198 of 1951, including subsequent amendments). re-plus inc.’s investment ratio in the Asset Management Company is 90%.

6. Interest of the Asset Management Company in the assets to be sold

The aforementioned Buyer falls under the category of an interested party as defined in the internal rules of the Asset Management Company. The Agreement on the Purchase & Sale of Trust Beneficiary Interests has therefore been concluded via the prescribed procedure in accordance with internal regulations.

7. Forecasts

Section 2. Estimate of Management Situation in the Accounting Period Ending March 2008 (October 1, 2007 to March 31, 2008) of the Financial Results for the Accounting Period Ending September 2007 (April 1, 2007 to September 30, 2007) announced today takes into account the effect of the sale of the Real Estate on the Asset Management Company's management situation in the accounting period ending March 2008 .

- URL : <http://www.re-plus-ri.co.jp/>