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## J-REIT Listing Schedule

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The listing of J-REITs, which have been delayed due to the tax-related issue concerning distributions to investors, has finally been announced to be on the second week of September.

It is interesting to note that the first two J-REIT funds will be listed on TSE on the same day, 10<sup>th</sup> September 2001.

Both “Japan Real Estate Investment Company” and “Office Building Fund of Japan” placed a scotch page advertisement on Nihon Keizai Shimbun this week with a day difference. Both J-REITs are close-ended, no-par value, corporate type real estate investment trusts.

Even though the detailed schedules of two funds are different, both funds will announce the temporary conditions in late August, fixed the price through book building method by beginning of September, and will be listed on the 10<sup>th</sup> September.

Price seems to be around 500,000 yen according to the issued amount and number of units, however, it would be interesting to know the final price based on the investor’s judgment through book building method.

Fund’s prospectus indicates the property descriptions, which have been veiled within the Japanese real estate market. It is interesting to compare the portfolio of two funds, such as portion of the properties located in regional cities varies from 10% to 40%. Disclosure being the major issue of J-REIT, especially from the overseas investors, I would like to know if they have reached the satisfactory level or not.

J-REIT may face difficulties in the initial stage such as US REIT have experienced in the past, however, I believe that J-REIT will increase liquidity and transparency to the Japanese real estate market in a long term.