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For Immediate Release

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**Notice Concerning Acquisition of the Kuraray Nissay Building,
and Repayment of Existing Short-Term Borrowings**

Japan Prime Realty Investment Corporation (JPR) today announced it has acquired the beneficiary interest held by Nippon Life Insurance Company, in line with its agreement on May 22, 2003 to purchase the Kuraray Nissay Building.

And it announced it has repaid existing short-term borrowings provided by Mizuho Corporate Bank, on July 15, 2003.

1. Acquisition Details of the Kuraray Nissay Building

Please refer to the Company's press release dated May 15, 2003 "Notice Concerning Acquisition of the Kuraray Nissay Building" for details. Funds for the acquisition of the subject property will be provided from a portion of proceeds raised through an additional issue of new investment units totaling ¥30,758,649,600. Payments for the purchase of new investment units closed on July 14, 2003. Following acquisition of the beneficiary interest as per this announcement, JPR's beneficiary interest in the Kuraray Nissay Building totals 100%.

2. Details of Short-Term Borrowings Repayment

(Details of borrowings balance after repayment are provided under separate schedule)

1.	Lender	Mizuho Corporate Bank, Ltd.
2.	Amount	¥12.8 billion
3.	Interest Rate	0.81% (From July 1, 2003 to July 15, 2003)
4.	Loan Type	Floating rate of interest. First registered mortgage over the beneficiary interests in the Yasuda-Life Osaka Building and the Jinnan 1-chome Building, and a first provisionally registered mortgage over the Shinyokohama 2 nd Center Building. (Note 1)
5.	Drawdown Date	June 30, 2003
6.	Repayment Method	Principal repayment in full on maturity
7.	Repayment Date	July 31, 2003 (Note 2)

Notes:

1. All pledges have been discharged in full and concluded after repayment.
2. Although the repayment date was July 31, 2003, the loan was repaid in advance on July 15, 2003, on the first interest payment date.

[For Reference]

1. Borrowings Balance after Repayment

(Yen in billions)

	Borrowings Balance prior to Repayment	Borrowings Balance after Repayment	Change
Short-Term Borrowings	29.5	16.7	(12.8)
Medium-Term Borrowings	25.0	25.0	-
Long-Term Borrowings	15.0	15.0	-
Total Borrowings	69.5	56.7	(12.8)

2. Interest-Bearing Liabilities Ratio after Repayment

	Before Repayment	After Repayment	Percentage Point Change
Interest-Bearing Liabilities Ratio (*1)	54.9%	39.3%	(15.6)
Medium- to Long-Term Interest-Bearing Liabilities Ratio (*2)	57.6%	70.5%	12.9

Notes:

*1. The above interest-bearing liabilities ratios are calculated as a matter of convenience using the following formulas:

Interest-bearing liabilities ratio (%) = Interest-bearing liabilities ÷ (Interest-bearing liabilities + Unitholders' equity) × 100

(1) Unitholders' equity before repayment: 56,982 billion yen

(2) Unitholders' equity after repayment: 87,741 billion yen

Note (2): Unitholders' equity equals existing unitholders' equity plus ¥30,758,649,600, representing proceeds from the additional issue of new investment units, for which payment closed on July 14, 2003. The unit is recorded in billions of yen rounded to the nearest third decimal point.

*2. Medium- to long-term interest-bearing liabilities ratio (%) = Medium- to long-term interest-bearing liabilities ÷ Interest-bearing liabilities × 100

3. Percentage figures are rounded to the nearest first decimal point.