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For Immediate Release

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**Notice Concerning Acquisition of the Gotanda First Building,
and Repayment of Existing Short-Term Borrowings**

Japan Prime Realty Investment Corporation (JPR) today announced it has acquired a beneficiary interest in the Gotanda First Building, in line with its initial decision to purchase the subject property. And it today announced it has repaid existing short-term borrowings provided by Aozora Bank.

1. Acquisition Details of the Gotanda First Building

Please refer to the Company's press release dated June 17, 2003 "Notice Concerning Acquisition of the Gotanda First 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.

2. Details of Short-Term Borrowings Repayment

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

1.	Lender	Aozora Bank, Ltd.
2.	Amount	¥8.0 billion
3.	Interest Rate	0.92917% (From May 15, 2003 to July 31, 2003)
4.	Loan Type	Floating rate of interest. First registered mortgage over the beneficiary interests in the Kuraray Nissay Building, the North 33 Building, and the SK Hiroshima Building. (Note 1)
5.	Drawdown Date	May 15, 2003
6.	Repayment Method	Principal repayment in full on maturity
7.	Repayment Date	May 14, 2004 (Note 2)

Notes:

1. All pledges have been discharged in full and concluded after repayment.
2. Although the repayment date was May 14, 2004, the loan was repaid in advance on July 23, 2003.

[For Reference]

1. Borrowings Balance after Repayment

(Yen in billions)

	Borrowings Balance prior to Repayment	Borrowings Balance after Repayment	Change
Short-Term Borrowings	16.7	8.7	(8.0)
Medium-Term Borrowings	25.0	25.0	-
Long-Term Borrowings	15.0	15.0	-
Total Borrowings	56.7	48.7	(8.0)

2. Interest-Bearing Liabilities Ratio after Repayment

	Before Repayment	After Repayment	Percentage Point Change
Interest-Bearing Liabilities Ratio	39.3%	35.7%	(3.6)
Medium- to Long-Term Interest-Bearing Liabilities Ratio	70.5%	82.1%	11.6

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

Unitholders' equity after repayment: 87,741 billion yen

Note: Unitholders' equity equals pre-offering 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.