

October 14, 2003

For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Acquisition of the Fukuoka Building

Japan Prime Realty Investment Corporation (JPR) on October 14, 2003 announced its decision to acquire the Fukuoka Building, as detailed in brief below:

Details

1. Reason for Acquisition

The acquisition of the Fukuoka Building is in accordance with JPR's fundamental investment policies to acquire new office buildings in Tokyo Central Business Districts in an effort to enhance and stabilize its investment portfolio.

2. Acquisition Details (Planned)

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|-----------------------------|--|
| 1. Type of Acquisition | Beneficiary interest |
| 2. Asset Custodian | Mizuho Trust & Banking Co., Ltd |
| 3. Term of Trust | From October 15, 2003 to October 31, 2013 |
| 4. Property Name | The Fukuoka Building (unit ownership) |
| 5. Acquisition Price | ¥1,800 million (excluding acquisition costs, property tax, city planning tax, and consumption tax) |
| 6. Contract Date | October 15, 2003 |
| 7. Planned Acquisition Date | October 15, 2003 |
| 8. Seller | Land Business Co., Ltd and Interplanet Co., Ltd. |
| 9. Funding | Debt funding |

3. Property Details (Planned)

Location	Registered	Land	2-8-17, Yaesu, Chuo-ku, Tokyo
		Bldg.	2-8-17 and 2-8-18, Yaesu, Chuo-ku, Tokyo
	Residential		2-8-7, Yaesu, Chuo-ku, Tokyo
Access		6 minutes on foot from JR Tokyo Station, 2 minutes from Kyobashi Station on the Ginza Line	
Use		Office building, bank, parking facilities	

Type of Ownership		<p>Land: Co-ownership (Co-ownership ratio 14.3%)</p> <p>* Site comprises two sections. The first section (8-17) is co-owned (14.3%) with five other companies, and the second section is owned solely by The Bank of Fukuoka, Ltd. Other unit owners comprise five companies, including The Bank of Fukuoka, Ltd.</p> <p>Bldg.: Unit ownership (6F, 10F (Partial))</p> <p>* Partial (81.869%) ownership of 10F, with remainder owned by RKB Mainichi Broadcasting Corporation</p>		
Site Area		Land	Total site area	1,302.17m ²
		Bldg.	Gross floor area of one annex	11,627.74m ²
			Net floor area of one annex	7,679.60m ²
Type of Structure		SRC B2/10F		
Completion Date		May 31, 1990		
Architecture and Design		Nihon Sekkei, Inc.		
Construction		Kajima Corporation, Shimizu Corporation, Nissan Corporation (now Nissan Rinkai Construction Co., Ltd.)		
Appraisal	Appraiser	Nippon Tochi-Tatemono Co., Ltd.		
	Appraisal Value	¥1,800,000,000		
	Appraisal Date	October 1, 2003		
Probable Maximum Loss		<p>9.7% based on earthquake risk assessment report prepared by the Shinozuka Research Institute</p> <p>PML (Probable Maximum Loss) refers to the expected maximum loss ratio caused by earthquakes. There are two types of PML: PML for respective buildings and PML for property portfolios. Although there is no precise unified definition of PML, PML refers to the percentage of expected damages caused by a maximum-level earthquake that happened during an assumed period for the economic life of a building, to procurement cost for restoring the expected damages. The expected period for economic life of a building is 50 years, which is the useful life of a standard building. The expected maximum-level earthquake here means an earthquake that happens once every 50 years with 10% probability. This means that this level of an earthquake statistically happens once every 475 years.</p>		
Collateral		None (however, a right of pledge is to be established over the beneficiary interest, and JPR has pledged a mortgage over the beneficiary interest after acquisition)		
Number of Tenants		1		
Total Leasable Floor Space		1,250.05m ²		
Total Leased Floor Space		1,250.05m ²		
Occupancy Rate on Scheduled Acquisition Date		100%		
NOI (Forecast)		¥93 million (5.2% annualized)		
Notes		None		
<p>Note: The number of tenants, total leasable floor space, total leased floor space, and occupancy rate on scheduled acquisition date are projections as of October 15, 2003.</p>				
<p>Note: NOI figure above is not a forecast for the current fiscal period. The figure is based on forecast income for a full year for the entire building, after eliminating special factors applicable to the period in which the acquisition is made, and the following assumptions:</p> <p>1) Occupancy rate of 100%.</p> <p>2) Property and other taxes applicable to the fiscal year ending December 31, 2003.</p>				

4. Seller Profiles

Company Name	Land Business Co., Ltd.
Head Office Address	Kasumigaseki Building, 3-2-5, Kasumigaseki Chiyoda-ku, Tokyo
Representative	Masamichi Kamei, President & Representative Director
Capital	¥50 million
Principal Activities	Consulting and architecture
Relationship with JPR	None

Company Name	Inter-Planet Co., Ltd.
Head Office Address	3-15-8, Ginza, Chuo-ku, Tokyo
Representative	Masamichi Kamei, President & Representative Director
Capital	¥30 million
Principal Activities	Real estate leasing
Relationship with JPR	None

[Attachments]

1. Real estate portfolio after property acquisition
2. Photograph of the Fukuoka Building

Attachment 1

Real estate portfolio after property acquisition (as of October 15, 2003)

Area	Type	Property Name	Location	Acquired	Acquisition Price (yen in millions)	% of Total
Tokyo CBDs	Office	Kanematsu Bldg.	Chuo-ku, Tokyo	Dec. 2001	16,276	11.7%
	Office	Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	2.1%
	Office	Yasuda-Life Ningyo-cho Bldg.	Chuo-ku, Tokyo	Nov. 2001	2,100	1.5%
	Office	Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 2001	1,670	1.2%
				Nov. 2002	550	0.4%
					2,220	1.6%
	Office	Crest Yasuda Bldg.	Chiyoda-ku, Tokyo	Jun. 2002	4,000	2.9%
	Office	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	8.0%
	Office	Gotanda First Bldg.	Shinagawa-ku, Tokyo	Jul. 2003	2,920	2.1%
Office	Fukuoka Bldg.	Chuo-ku, Tokyo	Oct. 2003	1,800	1.3%	
Retail	Jinnan 1-chome Bldg.	Shibuya-ku, Tokyo	Jun. 2003	12,000	8.6%	
Subtotal					55,390	39.7%
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	4.2%
	Office	JPR Chiba Bldg.	Chiba, Chiba	Dec. 2001	2,350	1.7%
	Office	Asahi-Life Yokohama Nihon Odori Bldg.	Yokohama, Kanagawa	Nov. 2001	2,927	2.1%
	Office	Yasuda-Life Ikebukuro Bldg.	Toshima-ku, Tokyo	Jun. 2002	2,040	1.5%
	Office	Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Sep. 2002	920	0.7%
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	7.3%
	Retail	Tsurumi fuga 1	Yokohama, Kanagawa	Nov. 2001	3,040	2.2%
Subtotal					27,357	19.6%
Other Cities	Office	Niigata Ekinan Center Bldg.	Niigata, Niigata	Nov. 2001	2,140	1.5%
	Office	Yasuda-Life Osaka Bldg.	Osaka, Osaka	Dec. 2001	8,300	5.9%
	Office	Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Nov. 2001	4,150	3.0%
	Office	Asahi-Life Takamatsu 2nd Bldg.	Takamatsu, Kagawa	Nov. 2001	872	0.6%
	Office	JPR Takamatsu Bldg.	Takamatsu, Kagawa	Dec. 2001	2,130	1.5%
	Office	Yasuda-Life Hakata Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,900	2.1%
	Office	Asahi-Life Fukuoka 3rd/4th Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,873	2.1%
	Office	Yasuda-Life Naha Bldg.	Naha, Okinawa	Nov. 2001	1,560	1.1%
	Office	North 33 Bldg.	Sapporo, Hokkaido	Jun. 2002	3,700	2.6%
	Office	Park East Sapporo	Sapporo, Hokkaido	Jun. 2002	2,150	1.5%
	Office	Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 2002	3,150	2.3%
	Office	Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 2002	1,670	1.2%
	Office	Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 2002	2,810	2.0%
	Office	SK Hiroshima Bldg.	Hiroshima, Hiroshima	Oct. 2002	947	0.7%
	Office	Nagoya Kowa Bldg.	Nagoya, Aichi	Sep. 2003	4,550	3.3%
	Retail	Kuraray Nissay Bldg.	Osaka, Osaka	May. 2003	8,000	5.7%
Jul. 2003				5,000	3.6%	
(Provisional)				13,000	9.3%	
Subtotal					56,902	40.7%
Total					139,649	100.0%

Attachment 2

Photograph of the Fukuoka Building

