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For Immediate Release

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Notice Concerning Acquisition of MS Shibaura Building

Japan Prime Realty Investment Corporation (JPR) today announced its decision to acquire the MS Shibaura Building, as detailed in brief below.

1. Rationale

The acquisition of the MS Shibaura Building is in accordance with JPR's fundamental policy to enhance its investment portfolio through the acquisition of prime real estate, including those properties located in Tokyo's Central Business Districts (CBDs).

2. Acquisition Details (Provisional)

1	Type of Acquisition	Beneficiary interest
2	Property Name	MS Shibaura Building
3	Acquisition Price	¥11.2 billion (excluding acquisition costs, property tax, and city planning tax)
4	Planned Acquisition Date	March 28, 2003
5	Seller	Benirei Corporation
6	Funding	Debt funding
7	Sales Agent	Tokyo Tatemono Co., Ltd. etc.

3. Property Details (Provisional)

Location	Registered	Land	4-2-11 Shibaura, Minato-ku, Tokyo
		Bldg.	4-2-11, 2-2 Shibaura, Minato-ku, Tokyo
	Residential		4-13-23 Shibaura, Minato-ku, Tokyo
	Access		JR Yamate Line/Keihin Tohoku Line, Tamachi Station, 8 minutes on foot
	Use		Office building, parking facilities

Type of Ownership	Land	Leasehold (36.03%) Other owners : Shuwa Co., Ltd., Urban Development Corporation, Minato-ku
	Bldg.	Unit ownership (2F ~ 8F/1 F (Partial))/ Co-ownership (Underground parking facility) Other owner : Shuwa Co., Ltd.
Site Area	Land	Total site area 8,992.18m ²
	Bldg.	Gross total floor area 31,020.21m ²
		Net total floor area 26,624.72m ²
		Net floor area to be acquired by JPR 14,305.05m ²
		Co-owned floor area (underground parking facility area) 1,134.92m ²
Type of Structure	SRC・RC・S B2/13F	
Completion Date	February 26, 1988	
Architecture and Design	Marubeni Corporation, Shuwa Co., Ltd.	
Construction	Kajima Corporation, Shimizu Corporation, Taisei Corporation	
Appraisal	Appraiser	Nippon Tochi-Tatemono Co., Ltd.
	Appraisal Value	\12.0 billion
	Appraisal Date	April 1, 2003
Probable Maximum Loss	12.2% based on earthquake risk assessment report prepared by the Shinozuka Research Institute 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.	
Collateral	None (however, a right of pledge is to be established over the entrusted real estates, and JPR has pledged a mortgage over the beneficiary interest after acquisition.	
Number of Tenants	6	
Major Tenants	Tohmatsu & Co., Mitsubishi Electric Information Systems Corporation	
Total Leasable Floor Space	14,429.08m ²	
Total Leased Floor Space	14,429.08m ²	
Occupancy Rate on Scheduled Acquisition Date	100%	
Note: The number of tenants, total leasable floor space, total leased floor space, and occupancy rate on scheduled acquisition date are projections as of March 28, 2003.		

4. Seller Profile

Company Name	Benirei Corporation
Head Office Address	4-9-25 Shibaura, Minato-ku Tokyo
Representative	Shugo Ikeda, President & Representative Director
Capital	¥350.6 million
Principal Shareholder	Marubeni Corporation
Principal Activities	Wholesale of fresh seafood and refrigerated storage
Relationship with JPR	None

5. Sales Agent Profile

1. Sales Agent - Tokyo Tatemono Co., Ltd. etc.

Tokyo Tatemono Co., Ltd. maintains a 26% shareholding in Tokyo Realty Investment Management, Inc., JPR's external asset management company and is a related party in accordance with the Investment Trust Law.

2. Commission Payable - ¥56 million for Tokyo Tatemono Co., Ltd.
(0.5% of the acquisition price exclusive of consumption tax)

[Attachments]

1. Estimated cash flow
2. Real estate portfolio after property acquisition
3. Photograph of the MS Shibaura Building
4. MS Shibaura Building - Floor plan

Attachment 1

Estimated cash flow (Yen in Million)

(Yen in Million)

Projected Cash Flow	
Operating revenues	1,121
Rental revenues and common charges	989
Other operating revenues	132
Operating expenses (excluding depreciation)	381
Property management fees	214
Utility charges	53
Property and other taxes	61
Other operating expenses	53
NOI(= -)	741

Notes:

The above projected cash flow is an estimate for the fiscal year in which property acquisition was made and is exclusive of extraordinary factors. The projected cash flow is not for the current period under review.

- 1) Revenues are based on an estimated occupancy ratio of 93%.
- 2) Property and other taxes are the same as for fiscal 2002.

Attachment 2

Real estate portfolio after property acquisition (as of March 28, 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	15.4%
	Office	Kanematsu Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	2.7%
	Office	Yasuda-Life Ningyocho Bldg.	Chuo-ku, Tokyo	Nov. 2001	2,100	2.0%
	Office	Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 2001	1,670	1.6%
				Nov. 2002	550	0.5%
					2,220	2.1%
Office	Crest Yasuda Bldg.	Chiyoda-ku, Tokyo	Jun. 2002	4,000	3.8%	
Office	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	10.6%	
Subtotal					38,670	36.6%
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	5.6%
	Office	JPR Chiba Bldg.	Chiba, Chiba	Dec. 2001	2,350	2.2%
	Office	Asahi-Life Yokohama Nihon Odori Bldg.	Yokohama, Kanagawa	Nov. 2001	2,927	2.8%
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	9.6%
	Retail	Tsurumi fuga 1	Yokohama, Kanagawa	Nov. 2001	3,040	2.9%
	Office	Yasuda-Life Ikebukuro Bldg.	Toshima-ku, Tokyo	Jun. 2002	2,040	1.9%
	Office	Shinyokohama 2 nd Center Bldg.	Yokohama, Kanagawa	Sep. 2002	920	0.9%
Subtotal					27,357	25.9%
Other Cities	Office	Niigata Ekinan Center Bldg.	Niigata, Niigata	Nov. 2001	2,140	2.0%
	Office	Yasuda-Life Osaka Bldg.	Osaka, Osaka	Dec. 2001	8,300	7.8%
	Office	Yasuda-Life Tenroku Bldg.	Osaka, Osaka	Nov. 2001	418	0.4%
	Office	Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Nov. 2001	4,150	3.9%
	Office	Asahi-Life Takamatsu 2nd Bldg.	Takamatsu, Kagawa	Nov. 2001	872	0.8%
	Office	JPR Takamatsu Bldg.	Takamatsu, Kagawa	Dec. 2001	2,130	2.0%
	Office	Yasuda-Life Hakata Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,900	2.7%
	Office	Asahi-Life Fukuoka 3rd/4th Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,873	2.7%
	Office	Yasuda Life Naha Bldg.	Naha, Okinawa	Nov. 2001	1,560	1.5%
	Office	North 33 Bldg.	Sapporo, Hokkaido	Jun. 2002	3,700	3.5%
	Office	Park East Sapporo	Sapporo, Hokkaido	Jun. 2002	2,150	2.0%
	Office	Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 2002	3,150	3.0%
	Office	Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 2002	1,670	1.6%
	Office	Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 2002	2,810	2.7%
Office	SK Hiroshima Bldg.	Hiroshima, Hiroshima	Oct. 2002	947	0.9%	
Subtotal					39,770	37.6%
Total					105,797	100.0%

Attachment 3
Photograph of the MS Shibaura Building



Attachment 4
MS Shibaura Building—Floor plan

Standard Floor Plan

