

January 22, 2004

For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Acquisition of the Doujima F Building

Japan Prime Realty Investment Corporation (JPR) announced its decision to acquire the Doujima F Building, as detailed in brief below:

Details

1. Reason for Acquisition

The acquisition of the Doujima F Building is in accordance with JPR's fundamental investment policies to enhance and stabilize its investment portfolio through the acquisition of prime real estate in major cities located in regional areas.

2. Acquisition Details (Planned)

- | | |
|-----------------------------|--|
| 1. Type of Acquisition | Beneficiary interest |
| 2. Asset Custodian | Mizuho Trust & Banking Co., Ltd |
| 3. Term of Trust | From January 23, 2004 to January 31, 2014 |
| 4. Property Name | Doujima F Building |
| 5. Acquisition Price | ¥2,140 million (excluding acquisition costs, property tax, city planning tax, and consumption tax) |
| 6. Contract Date | January 23, 2004 |
| 7. Planned Acquisition Date | January 23, 2004 |
| 8. Seller | NIHOMBASHI KOGYO Co., Ltd. |
| 9. Funding | Debt funding and cash on hand |

3. Property Details (Planned)

Location	Registered	Land	2-42, Sonezakisinchi, Kita-ku, Osaka-shi, Osaka
		Bldg.	2-42-1, Sonezakisinchi, Kita-ku, Osaka-shi, Osaka
	Residential	2-1-23, Sonezakisinchi, Kita-ku, Osaka-shi, Osaka	
Access		Two minutes on foot from Nishi-Umeda Station, Yotsubashi Subway Line	
Use		Office building, parking facilities	

Type of Ownership	Land: Full ownership Bldg.: Full ownership	
Site Area	Land	Total site area 668.11m ²
	Bldg.	Gross floor area 5,696.01m ²
Type of Structure	SRC B2/9F	
Completion Date	October 29, 1993	
Architecture and Design	MHS Planners, Architects & Engineers	
Construction	Takenaka Corporation and Tobishima Corporation	
Appraisal	Appraiser	Japan Real Estate Institute
	Appraisal Value	¥2,160,000,000
	Appraisal Date	December 1, 2003
Probable Maximum Loss	<p>10.2% 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	
Number of Tenants	10	
Major Tenants	GEOS Corporation	
Total Leasable Floor Space	3,941.27m ²	
Total Leased Floor Space	3,633.63m ²	
Occupancy Rate on Scheduled Acquisition Date	92%	
Notes	None	
Note: The number of tenants, total leasable floor space, total leased floor space, and occupancy rate on scheduled acquisition date are projections as of January 23, 2004.		

4. Seller Profiles

Company Name	NIHOMBASHI KOGYO Co., Ltd.
Head Office Address	2-5-13, Nihonbashi Chuo-ku, Tokyo
Representative	Kazushi Hara, President & Director
Capital	¥1,576 million
Principal Activities	Real estate leasing, purchase and sale, insurance agency services
Relationship with JPR	None

[Attachments]

1. Projected cash flow
2. Real estate portfolio after property acquisition
3. Photograph of the Doujima F Building

Attachment 1

Projected cash flow

(Millions of Yen)

Projected Cash Flow	
Operating revenues	251
Rental revenues and common charges	231
Other operating revenues	20
Operating expenses (excluding depreciation)	95
Property management fees	36
Utility charges	10
Property and other taxes	31
Other operating expenses	17
NOI(= -)	157

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. The projected cash flow has also been prepared based on the following assumptions.

- 1) Revenues are based on an estimated occupancy ratio of 90%.
- 2) Property and other taxes are the same as for fiscal 2003.

Attachment 2

Real estate portfolio after property acquisition (as of January 23, 2004)

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	11.5%
	Office	Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	2.0%
	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	2.8%
	Office	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	7.9%
	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	8.5%	
Subtotal					55,390	39.1%
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	4.1%
	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	1.4%
	Office	Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Sep. 2002	920	0.6%
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	7.2%
	Retail	Tsurumi fuga 1	Yokohama, Kanagawa	Nov. 2001	3,040	2.1%
Subtotal					27,357	19.3%
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	2.9%
	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	2.0%
	Office	Asahi-Life Fukuoka 3rd/4th Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,873	2.0%
	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	2.2%
	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	3.2%
	Office	Doujima F Bldg.	Osaka, Osaka	Jan. 2004	2,140	1.5%
	Retail	Kuraray Nissay Bldg.	Osaka, Osaka	May. 2003	8,000	5.6%
				Jul. 2003 (Provisional)	5,000	3.5%
				13,000	9.2%	
Subtotal					59,042	41.6%
Total					141,789	100.0%

Notes:

1. The “Acquisition Price” is the amount identified in the purchase and sale agreement and does not include related costs such as real estate purchase and sales commission.
2. Percentages and occupancy ratios are rounded to the nearest first decimal place.

Attachment 3

Photograph of the Doujima F Building

