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For Immediate Release

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Notice Concerning Acquisition of the Kenwa Building

Japan Prime Realty Investment Corporation (JPR) today announced its decision to acquire the Kenwa building, as detailed in brief below:

Details

1. Reason for Acquisition

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

2. Acquisition Details (Planned)

1. Type of Acquisition	Beneficiary interest
2. Asset Custodian	The Mitsubishi Trust and Banking Corporation
3. Term of Trust	From August 27, 2001 to May 31, 2014
4. Property Name	Kenwa Building
5. Acquisition Price	¥5,100 million (excluding acquisition costs, property tax, city planning tax, and consumption tax)
6. Planned Contract Date	May 28, 2004
7. Planned Acquisition Date	May 28, 2004
8. Seller	Seishin Co., Ltd.
9. Funding	Debt funding

3. Planned Property Details

Location	Registered	Land	4-13-3, Kudan-minami, Chiyoda-ku, Tokyo
		Bldg.	4-13-3, Kudan-minami, Chiyoda-ku, Tokyo
	Residential		4-7-15, Kudan-minami, Chiyoda-ku, Tokyo
Access		Three minutes on foot from Ichigaya Station, JR Soubu Line One minute on foot from Ichigaya Station, Toei Shinjuku Subway Line	
Use		Office space, shops, residence, parking facilities	
Type of Ownership		Land: Full ownership Bldg.: Full ownership	
Site Area	Land	Total site area	1,058.04m ²
	Bldg.	Gross floor area	5,888.82m ²
Type of Structure		SRC B1/9F	
Completion Date		March 31, 1989	
Architecture and Design		Nishihara Planning Systems inc., Shimizu Corporation	
Construction		Shimizu Corporation	
Appraisal	Appraiser	Nippon Tochi-Tatemono Co., Ltd.	
	Appraisal Value	¥5,080 million	
	Appraisal Date	May 1, 2004	
Probable Maximum Loss		<p>14.6% 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		The property is currently pledge. This pledge will be discharged prior to acquisition by the Company. JPR does not at this time intend to provide collateral over the subject property subsequent to its purchase.	
Number of Tenants		9	
Major Tenants		The Nikko Building Co., Ltd., Staff Service Holdings Co., Ltd.	
Forecast Rental Revenue (including common charges)		¥346,198,000	
Total Leasable Floor Space		4,181.50m ²	
Total Leased Floor Space		4,181.50m ²	
Occupancy Rate on Planned Acquisition Date		100%	
Special Considerations		none	
<p>Note: Forecast rental revenue 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 an assumed occupancy rate of 100%. In addition, the number of tenants, total leasable floor space, total leased floor space, and occupancy rate on planned acquisition date are projections as of May 28, 2004.</p>			

4. Seller Profile

Company Name	Seishin Co., Ltd.
Head Office Address	2-27-20, Minami-aoyama Minato-ku, Tokyo
Representative	Nobuo Nemoto, President & Representative Director
Capital	¥102,000,000
Principal Activities	Real estate leasing
Relationship with JPR	None

5. Outlook

The impact on business results following the acquisition of the Kenwa Building will be minimal. Operating forecasts for the Company's fifth fiscal period, the six months ending June 30, 2004, are unchanged.

[Attachments]

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

Attachment 1

Projected cash flow

(Millions of Yen)

Projected Cash Flow	
Operating revenues	371
Rental revenues and common charges	346
Other operating revenues	25
Operating expenses (excluding depreciation)	98
Property management fees	23
Utility charges	23
Property and other taxes	35
Other operating expenses	16
NOI(= -)	274

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 100%.
- 2) Property and other taxes are the same as for fiscal 2003.

Attachment 2

Real estate portfolio after property acquisition

As of June 1, 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	10.1%
	Office	Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	1.8%
	Office	JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Nov. 2001	2,100	1.3%
	Office	Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 2001 Nov. 2002	1,670 550	1.0% 0.3%
					2,220	1.4%
	Office	Crest Yasuda Bldg.	Chiyoda-ku, Tokyo	Jun. 2002	4,000	2.5%
	Office	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	6.9%
	Office	Gotanda First Bldg.	Shinagawa-ku, Tokyo	Jul. 2003	2,920	1.8%
	Office	Fukuoka Bldg.	Chuo-ku, Tokyo	Oct. 2003	1,800	1.1%
	Office	Oval Court Ohsaki Mark West	Shinagawa-ku, Tokyo	Jun. 2004	3,500	2.2%
	Office	Kenwa Bldg.	Chiyoda-ku, Tokyo	May. 2004	5,100	3.2%
	Retail	Jinnan 1-chome Bldg.	Shibuya-ku, Tokyo	Jun. 2003	12,000	7.4%
Subtotal					63,990	39.6%
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	3.6%
	Office	JPR Chiba Bldg.	Chiba, Chiba	Dec. 2001	2,350	1.5%
	Office	Asahi-Life Yokohama Nihon Odori Bldg.	Yokohama, Kanagawa	Nov. 2001	2,927	1.8%
	Office	JPR Ikebukuro Bldg.	Toshima-ku, Tokyo	Jun. 2002	2,040	1.3%
	Office	Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Sep. 2002	920	0.6%
	Office	Kawaguchi Center Bldg.	Kawaguchi, Saitama	Feb. 2004	8,100	5.0%
	Office	SEF Bldg.	Taito-ku, Tokyo	Mar. 2004	3,250	2.0%
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	6.3%
	Retail	Tsurumi fuga 1	Yokohama, Kanagawa	Nov. 2001	3,040	1.9%
	Subtotal					38,707

Area	Type	Property Name	Location	Acquired	Acquisition Price (yen in millions)	% of Total
Other Cities	Office	Niigata Ekinan Center Bldg.	Niigata, Niigata	Nov. 2001	2,140	1.3%
	Office	Meiji Yasuda-Life Osaka Umeda Bldg.	Osaka, Osaka	Dec. 2001	8,300	5.1%
	Office	Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Nov. 2001	4,150	2.6%
	Office	Asahi-Life Takamatsu 2nd Bldg.	Takamatsu, Kagawa	Nov. 2001	872	0.5%
	Office	JPR Takamatsu Bldg.	Takamatsu, Kagawa	Dec. 2001	2,130	1.3%
	Office	JPR Hakata Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,900	1.8%
	Office	Asahi-Life Fukuoka 3rd/4th Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,873	1.8%
	Office	JPR Naha Bldg.	Naha, Okinawa	Nov. 2001	1,560	1.0%
	Office	North 33 Bldg.	Sapporo, Hokkaido	Jun. 2002	3,700	2.3%
	Office	Park East Sapporo	Sapporo, Hokkaido	Jun. 2002	2,150	1.3%
	Office	Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 2002	3,150	1.9%
	Office	Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 2002	1,670	1.0%
	Office	Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 2002	2,810	1.7%
	Office	SK Hiroshima Bldg.	Hiroshima, Hiroshima	Oct. 2002	947	0.6%
	Office	Nagoya Kowa Bldg.	Nagoya, Aichi	Sep. 2003	4,550	2.8%
	Office	Doujima F Bldg.	Osaka, Osaka	Jan. 2004	2,140	1.3%
	Retail	Kuraray Nissay Bldg.	Osaka, Osaka	May. 2003 Jul. 2003 (Provisional)	8,000 5,000 13,000	4.9% 3.1% 8.0%
	Subtotal					59,042
Total					161,739	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 commissions.
2. Percentages and occupancy ratios are rounded to the nearest first decimal place.

Attachment 3

Photograph of the Kenwa Building

