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For Immediate Release

Japan Prime Realty Investment Corporation
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**Notice Concerning Execution of a Purchase Agreement in Connection with the
Acquisition of the BYGS Shinjuku Building**

Japan Prime Realty Investment Corporation (JPR) today announced its decision to acquire the BYGS Shinjuku Building, as detailed in brief below. The scheduled purchase date is November 9, 2004.

Details

1. Reason for Acquisition

The acquisition of the BYGS Shinjuku 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)

- | | |
|-----------------------------|------------------------------------------------------------------|
| 1. Type of Acquisition | Real estate |
| 2. Property Name | BYGS Shinjuku Building |
| 3. Acquisition Price | ¥2,900 million (excluding acquisition costs and consumption tax) |
| 4. Planned Contract Date | October 15, 2004 |
| 5. Planned Acquisition Date | November 9, 2004 |
| 6. Seller | Penta-Ocean Construction Co., Ltd. |
| 7. Funding | Debt funding and cash on hand |

3. Details of Property for Planned Acquisition

Location	Registered	Land	2-19-1, Shinjuku, Shinjuku-ku, Tokyo
		Bldg.	2-19-1, Shinjuku, Shinjuku-ku, Tokyo
	Residential		2-19-1, Shinjuku, Shinjuku-ku, Tokyo
Access		Above Shinjuku-3chome Station, Toei Shinjuku Subway Line	
Use		Office space, shops	
Type of Ownership		Land: Co-ownership (Co-ownership ratio 25%) Bldg.: Co-ownership (Co-ownership ratio 25%) Remainder owners: Mizuho Trust & Banking Co., Ltd., Central General Development Co., Ltd.	
Site Area	Land	Total site area	3,522.46m ²
		Net area to be acquired by JPR	880.62m ²
	Bldg.	Gross floor area	25,733.10m ²
		Net floor area to be acquired by JPR	6,433.28m ²
Type of Structure		SRC B2/14F	
Completion Date		April 15, 1985	
Architecture and Design		NIKKEN SEKKEI Ltd.	
Construction		Penta-Ocean Construction Co., Ltd.	
Building Specifications	Rentable floor space	911.60m ²	
	Ceiling height	2,500 mm	
	Air Conditioning System	Separate system on each floor	
	Type of flooring	Ducted flooring (partial OA flooring)	
Appraisal	Appraiser	Nippon Tochi-Tatemono Co., Ltd.	
	Appraisal Value	¥2,910 million	
	Appraisal Date	September 1, 2004	
Probable Maximum Loss		7.8% 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	
Number of Tenants		22	
Major Tenants		ACTUS CO., LTD., KIMOTO Co., Ltd.	
Forecast Rental Revenue (including common charges)		¥267 million	
Total Leasable Floor Space	15,151.13m ²		
	Net area to be acquired by JPR: 3,787.78m ²		
Total Leased Floor Space	13,281.12m ²		
	Net floor area to be acquired by JPR: 3,320.28m ²		
Occupancy Ratio on Planned Acquisition Date		87.7%	
Special Considerations		As the site is partly used for subway facilities, above ground rights are held by the Tokyo metropolitan government	
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 ratio of 93%. In addition, the number of tenants, total leasable floor space, total leased floor space, and occupancy ratio on planned acquisition date are projections as of November 9, 2004.			

4. Seller Profile

Company Name	Penta-Ocean Construction Co., Ltd.
Head Office Address	2-2-8 Koraku, Bunkyo-ku, Tokyo
Representative	Hideaki Kato, President & Representative Director
Capital	¥18,070 million (as of March 31, 2004)
Principal Shareholder	Mizuho Corporate Bank, Ltd. etc. (as of March 31, 2004)
Principal Activities	Construction industry
Relationship with JPR	None

5. Sales Agent Profile

1) Sales Agent: Tokyo Tatemono Real Estate Sales Co., Ltd.

Tokyo Tatemono Real Estate Sales Co., Ltd. is a wholly owned subsidiary of Tokyo Tatemono Co., Ltd., which maintains a 26% shareholding in Tokyo Realty Investment Management, Inc., the asset management company of Japan Prime Realty Investment Corporation. Tokyo Tatemono Real Estate Sales Co., Ltd. falls within the scope of Tokyo Realty Investment Management, Inc.'s related parties as defined in Investment Trust Law.

2) Brokerage fee: ¥87,000,000 (3% of the acquisition price excluding consumption tax)

6. Outlook

The impact on business results following the acquisition of the BYGS Shinjuku Building will be minimal. Operating forecasts for the Company's sixth fiscal period, the six months ending December 31, 2004 are unchanged.

[Attachments]

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

Attachment 1

Projected cash flow

(Millions of Yen)

Projected Cash Flow	
Operating revenues	307
Rental revenues and common charges	267
Other operating revenues	41
Operating expenses (excluding depreciation)	124
Property management fees	42
Utility charges	35
Property and other taxes	33
Other operating expenses	15
NOI(= -)	183

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 93%.
- 2) Property and other taxes are the same as for fiscal 2004.

Attachment 2

Real estate portfolio after property acquisition

As of November 9, 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	9.1%
	Office	Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	1.6%
	Office	JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Nov. 2001	2,100	1.2%
	Office	Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 2001 Nov. 2002	1,670 550 2,220	0.9% 0.3% 1.2%
	Office	Crest Yasuda Bldg.	Chiyoda-ku, Tokyo	Jun. 2002	4,000	2.2%
	Office	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	6.3%
	Office	Gotanda First Bldg.	Shinagawa-ku, Tokyo	Jul. 2003	2,920	1.6%
	Office	Fukuoka Bldg.	Chuo-ku, Tokyo	Oct. 2003	1,800	1.0%
	Office	Kenwa Bldg.	Chiyoda-ku, Tokyo	May. 2004	5,100	2.9%
	Office	Oval Court Ohsaki Mark West	Shinagawa-ku, Tokyo	Jun. 2004	3,500	2.0%
	Office	Shinjuku Square Tower	Shinjuku-ku, Tokyo	Jul. 2004	10,000	5.6%
	Office	BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Nov. 2004	2,900	1.6%
	Retail	Jinnan 1-chome Bldg.	Shibuya-ku, Tokyo	Jun. 2003	12,000	6.7%
	Retail	SS Daikanyama	Shibuya-ku, Tokyo	Oct. 2004	2,160	1.2%
Subtotal					79,050	44.2%
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	3.3%
	Office	JPR Chiba Bldg.	Chiba, Chiba	Dec. 2001	2,350	1.3%
	Office	Asahi-Life Yokohama Nihon Odori Bldg.	Yokohama, Kanagawa	Nov. 2001	2,927	1.6%
	Office	JPR Ikebukuro Bldg.	Toshima-ku, Tokyo	Jun. 2002	2,040	1.1%
	Office	Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Sep. 2002	920	0.5%
	Office	Kawaguchi Center Bldg.	Kawaguchi, Saitama	Feb. 2004	8,100	4.5%
	Office	SEF Bldg.	Taito-ku, Tokyo	Mar. 2004	3,250	1.8%
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	5.7%
	Retail	Tsurumi fuga 1	Yokohama, Kanagawa	Nov. 2001	3,040	1.7%
Subtotal					38,707	21.7%

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	1.2%	
	Office	Meiji Yasuda-Life Osaka Umeda Bldg.	Osaka, Osaka	Dec. 2001	8,300	4.6%	
	Office	Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Nov. 2001	4,150	2.3%	
	Office	Asahi-Life Takamatsu 2nd Bldg.	Takamatsu, Kagawa	Nov. 2001	872	0.5%	
	Office	JPR Takamatsu Bldg.	Takamatsu, Kagawa	Dec. 2001	2,130	1.2%	
	Office	JPR Hakata Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,900	1.6%	
	Office	Asahi-Life Fukuoka 3rd/4th Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,873	1.6%	
	Office	JPR Naha Bldg.	Naha, Okinawa	Nov. 2001	1,560	0.9%	
	Office	North 33 Bldg.	Sapporo, Hokkaido	Jun. 2002	3,700	2.1%	
	Office	Park East Sapporo	Sapporo, Hokkaido	Jun. 2002	2,150	1.2%	
	Office	Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 2002	3,150	1.8%	
	Office	Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 2002	1,670	0.9%	
	Office	Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 2002	2,810	1.6%	
	Office	SK Hiroshima Bldg.	Hiroshima, Hiroshima	Oct. 2002	947	0.5%	
	Office	Nagoya Kowa Bldg.	Nagoya, Aichi	Sep. 2003	4,550	2.5%	
	Office	Doujima F Bldg.	Osaka, Osaka	Jan. 2004	2,140	1.2%	
	Office	Semba Fukuoka Bldg.	Fukuoka, Fukuoka	Jun. 2004	1,920	1.1%	
	Retail	Kuraray Nissay Bldg.	Osaka, Osaka	May. 2003 Jul. 2003 (Provisional)	8,000 5,000 13,000	4.5% 2.8% 7.3%	
	Subtotal					60,962	34.1%
	Total					178,719	100.0%

Notes:

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

Attachment 3

Photograph of the BYGS Shinjuku Building

