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For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Debt Funding

Japan Prime Realty Investment Corporation (JPR) today announced that it has decided to undertake debt funding as described below.

Details

1. Use of Funds

Acquisition of an asset (the BYGS Shinjuku Building)

2. Details of Debt Funding

1. Lender	Mizuho Corporate Bank, Ltd.	The Chugoku Bank, Ltd.
2. Amount	¥1,500 million	¥1,000 million
3. Interest Rate	0.48833% (From Nov. 9, 2004 to Feb. 15, 2005) Note	0.48833% (From Nov. 9, 2004 to Jan. 27, 2005) Note
4. Loan Type	Floating rate of interest. No collateral. No guarantee.	
5. Drawdown Date	November 8, 2004	
6. Repayment Method	Principal repayment in full on maturity	
7. Repayment Date	March 31, 2005	November 8, 2005

[For Reference]

1. Total Borrowings and Corporate Bonds Balance after Additional Debt Funding

(Yen in millions)

	Borrowings Balance prior to Additional Debt Funding	Borrowings Balance after Additional Debt Funding	Change
Short-Term Borrowings	18,600	21,100	2,500
Long -Term Borrowings	29,966	29,966	-
Corporate Bonds	42,000	42,000	-
Interest-Bearing Liabilities (of which is long-term interest-bearing liabilities)	90,566 (71,966)	93,066 (71,966)	2,500 (-)

2. Interest-Bearing Liabilities Ratio after Additional Debt Funding

	Before Additional Debt Funding	After Additional Debt Funding	Percentage Point Change
Interest-Bearing Liabilities Ratio	50.4%	51.1%	0.7
Long-Term Interest-Bearing Liabilities Ratio	79.5%	77.3%	(2.2)

Notes:

1. The above interest-bearing liabilities ratios are calculated as a matter of convenience using the following formulas:
Interest-bearing liabilities ratio (%) = Interest-bearing liabilities ÷ (Interest-bearing liabilities + Unitholders' equity) x 100
Unitholders' equity: ¥89,114 million
(Unitholders' equity is rounded to the nearest million.)
2. Long-term interest-bearing liabilities ratio (%) = Long-term interest-bearing liabilities ÷ Interest-bearing liabilities x 100
3. Percentage figures are rounded to the nearest first decimal place.