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For Translation purpose only

For Immediate Release

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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	Nippon Life Insurance Company
2. Amount	¥2,000 million
3. Interest Rate	0.493%
4. Loan Type	Fixed rate of interest. No collateral. No guarantee.
5. Drawdown Date	March 31, 2005
6. Repayment Method	Principal repayment in full on maturity
7. Repayment Date	April 13, 2007

[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	-	-	-
Long -Term Borrowings	29,966	31,966	2,000
Corporate Bonds	42,000	42,000	-
Interest-Bearing Liabilities (of which is long-term interest-bearing liabilities)	71,966 (71,966)	73,966 (73,966)	2,000 (2,000)

2. Interest-Bearing Liabilities Ratio after Additional Debt Funding

	Before Additional Debt Funding	After Additional Debt Funding	Percentage Point Change
Interest-Bearing Liabilities Ratio	38.4%	39.1%	0.7
Long-Term Interest-Bearing Liabilities Ratio	100.0%	100.0%	-

Notes:

1. The above interest-bearing liabilities ratios are calculated as a matter of convenience using the following formulas:
Interest-bearing liabilities ratio (%) = $\frac{\text{Interest-bearing liabilities}}{\text{Interest-bearing liabilities} + \text{Unitholders' equity}} \times 100$
Unitholders' equity: ¥115,432 million
(Unitholders' equity is rounded to the nearest million.)
2. Long-term interest-bearing liabilities ratio (%) = $\frac{\text{Long-term interest-bearing liabilities}}{\text{Interest-bearing liabilities}} \times 100$
3. Percentage figures are rounded to the nearest first decimal place.