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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 beneficiary interests in real estate property (the Benetton Shinsaibashi Building)

2. Details of Debt Funding

1. Lender	Mizuho Corporate Bank, Ltd.	Shinsei Bank, Limited
2. Amount	¥3,200 million	¥2,000 million
3. Interest Rate	0.33% (From May 28, 2005 to Aug. 27, 2005)	0.33% (From May 28, 2005 to Aug. 27, 2005)
4. Loan Type	Floating rate of interest. No collateral. No guarantee.	Floating rate of interest. No collateral. No guarantee.
5. Drawdown Date	May 27, 2005	May 27, 2005
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Repayment Date	May 27, 2006	May 27, 2006

[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	-	5,200	5,200
Long -Term Borrowings	36,466	36,466	-
Corporate Bonds	42,000	42,000	-
Interest-Bearing Liabilities (of which is long-term interest-bearing liabilities)	78,466 (78,466)	83,666 (78,466)	5,200 (-)

2. Interest-Bearing Liabilities Ratio after Additional Debt Funding

	Before Additional Debt Funding	After Additional Debt Funding	Percentage Point Change
Interest-Bearing Liabilities Ratio	40.5%	42.0%	1.5
Long-Term Interest-Bearing Liabilities Ratio	100.0%	93.8%	(6.2)

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: ¥115,432 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.