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For Translation purpose only

For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Debt Funding

Japan Prime Realty Investment Corporation (JPR) today announced its decision to undertake debt funding. JPR has also determined the interest rate applicable to short-term borrowings from Shinsei Bank, Limited identified in its press release "Notice Concerning Debt Funding," dated September 16, 2005. Details are provided as follows.

Details

1. Use of Funds

JPR will undertake debt funding for the acquisition of beneficiary interests in real estate property (the Housing Design Center Kobe).

2. Details of Debt Funding

1. Lender	The Mitsubishi Trust and Banking Corp.	The Hachijuni Bank, Ltd.
2. Amount	¥5,000 million	¥1,000 million
3. Interest Rate	0.32% (From Sep. 28, 2005 to Nov. 25, 2005)	0.33% (From Sep. 28, 2005 to Nov. 25, 2005)
4. Loan Type	Floating rate of interest. No collateral. No guarantee.	Floating rate of interest. No collateral. No guarantee.
5. Drawdown Date	September 27, 2005	September 27, 2005
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Repayment Date	September 27, 2006	September 27, 2006

1. Lender	Shinsei Bank, Limited
2. Amount	¥1,500 million
3. Interest Rate	0.33% (From Sep. 28, 2005 to Nov. 25, 2005)
4. Loan Type	Floating rate of interest. No collateral. No guarantee.
5. Drawdown Date	September 27, 2005
6. Repayment Method	Principal repayment in full on maturity
7. Repayment Date	July 5, 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	12,700	7,500
Long -Term Borrowings	36,466	36,466	-
Corporate Bonds	42,000	42,000	-
Interest-Bearing Liabilities (Long-term interest-bearing liabilities portion)	83,666 (78,466)	91,166 (78,466)	7,500 (-)

2. Interest-Bearing Liabilities Ratio after Additional Debt Funding

	Before Additional Debt Funding	After Additional Debt Funding	Percentage Point Change
Interest-Bearing Liabilities Ratio	42.0%	44.1%	2.1
Long-Term Interest-Bearing Liabilities Ratio	93.8%	86.1%	(7.7)

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.