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For Translation purpose only

For Immediate Release

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**Notice Concerning Execution of a Purchase Agreement in Connection with the
Acquisition of the Rise Arena Building (Higashi-Ikebukuro 4-chome
Redevelopment Project)**

Japan Prime Realty Investment Corporation (JPR) today announced its decision to acquire the Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project), as detailed in brief below. The acquisition is scheduled to take place in March 2007.

Details

1. Reason for Acquisition

The acquisition of the Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project) is in accordance with JPR's fundamental investment policies to acquire new office buildings in Greater Tokyo in an effort to enhance and stabilize its investment portfolio.

2. Acquisition Details (Planned)

- | | |
|------------------------|--|
| 1. Type of Acquisition | Real estate |
| 2. Property Name | Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project) |
| 3. Acquisition Price | ¥5,467 million
(excluding acquisition costs and consumption tax)
In the event profitability improves as a result of efforts by the seller to attract tenants, the acquisition price is subject to revision based on a predetermined formula. |
| 4. Contract Date | September 30, 2005 |
| 5. Completion Date | January 2007 (planned) |
| 6. Acquisition Date | March 2007 (planned) |
| 7. Seller | Taisei Corporation |
| 8. Funding | To be determined |

3. Details of Property for Planned Acquisition

Location	Registered	Land	4-82-10, Higashi-Ikebukuro, Toshima-ku, Tokyo	
		Bldg.	To be determined	
	Residential	To be determined		
Access		Nine minutes on foot from Ikebukuro Station, JR Yamanote Line, Saikyo Line and Seibu Ikebukuro Line, and one minute on foot from Higashi-Ikebukuro Station, Tokyo Metro Yurakucho Line		
Use		Office space, Parking facilities		
Type of Ownership		Land: Co-ownership (15.915% of the total site) Bldg.: Unit ownership (10F - 12F), co-ownership (9F(Partial*)) *Percentage ownership of 9F (Partial): 95.5% Remaining owners: Toshima Ward government and four others		
Site Area		Land	Total site area	9,377.28㎡
			Net site area to be acquired by JPR	1,492.41㎡
		Bldg.	Gross floor area	37,596.19㎡
			Proprietary floor area	21,964.58㎡
			Net floor area to be acquired by JPR	6,023.39㎡
Type of Structure		S・SRC・RC B2/15F		
Planned Completion Date		January 2007		
Architecture and Design		Nihon Sekkei, Inc.		
Construction		Joint construction project comprising Taisei Corporation and Fujita Corporation		
Building Specifications	Rentable floor space	1,752.47㎡		
	Ceiling height	2,700mm		
	Air Conditioning System	Separate system on each floor		
	Type of flooring	OA floor (100mm)		
Appraisal	Appraiser	IKOMA CB Richard Ellis		
	Appraisal Value	¥5,850 million		
	Appraisal Date	September 30, 2005		
Probable Maximum Loss		7.0% based on an 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		To be determined		
Major Tenants		To be determined		
Forecast Net Operating Income (Yield)		¥282 million (5.2%)		
Total Leasable Floor Space		6,023.39㎡		
Notes		None		
Note: Forecast Net Operating Income 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 95%. The building site area is the proposed area according to current plans and are subject to change. In addition, the Probable Maximum Loss, number of tenants, and total leasable floor space on planned acquisition date are projections as of March 2007.				

4. About the Acquisition of the Property

a. Development Risk Management Measures

The subject redevelopment project is currently under construction and is scheduled for completion in January 2007. JPR has executed an agreement with the seller to acquire a specified portion of the redevelopment subject to certain terms and conditions. These terms and conditions include construction completion as well as the number of secured tenants up to a predetermined level. In this manner, JPR has worked to adequately eliminate risks related to the occupancy rate and building construction including construction delay.

JPR had previously contracted to purchase a parcel of the Cupo-la Main Building (1-1 Kawaguchi Redevelopment Project). The scheduled purchase date is March 31, 2006. The execution of the agreement to acquire a portion of the Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project) is JPR's second development purchase. In the future, JPR will actively participate in statutory redevelopment projects, with a particular emphasis on proposals that offer a high level of public and social benefits and contribute to a better urban environment. At the same time, JPR will target rare prime properties in an effort to eliminate excessive competition.

b. Collaboration with Asset Management Company Shareholders

Taisei Corporation maintains an equity interest in the Company's asset management company and is also a participant in the urban redevelopment project, which includes the Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project). JPR plans to purchase a portion of Taisei Corporation's acquisition rights in this project.

5. Seller Profile

Company Name	Taisei Corporation
Head Office Address	1-25-1, Nishi-shinjuku Shinjuku-ku, Tokyo
Representative	Kanji Hayama, President & Chief Executive Officer
Capital	¥112,448 million (as of March 31, 2005)
Principal Shareholders	Japan Trustee Services Bank, Ltd. and others (as of March 31, 2005)
Principal Activities	Major general contractors
Relationship with JPR	Taisei Corporation is a shareholder of JPR's asset management company, Tokyo Realty Investment Management, Inc. (hereafter "TRIM"). Because Taisei Corporation falls under the category of interested parties as defined under the bylaws of JPR's board of directors, TRIM has acquired prior approval from JPR's board of directors regarding the acquisition. Taisei Corporation does not however fall within the scope of related parties as defined under the Investment Trust Law.

6. Outlook

Operating forecasts for the Company's eighth fiscal period, the six months ending December 31, 2005, are unchanged.

[Attachments]

1. Real estate portfolio after property acquisition
2. Image of the Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project)
3. Plan of property facilities and cross-section drawing

Attachment 1

Real estate portfolio after property acquisition

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	7.7%
	Office	Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	1.4%
	Office	JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Nov. 2001	2,100	1.0%
	Office	Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 2001 Nov. 2002 Nov. 2004	2,420	1.2%
	Office	JPR Crest Takebashi Bldg.	Chiyoda-ku, Tokyo	Jun. 2002	4,000	1.9%
	Office	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	5.3%
	Office	Gotanda First Bldg.	Shinagawa-ku, Tokyo	Jul. 2003	2,920	1.4%
	Office	Fukuoka Bldg.	Chuo-ku, Tokyo	Oct. 2003 Apr. 2005	2,920	1.4%
	Office	JPR Ichigaya Bldg.	Chiyoda-ku, Tokyo	May 2004	5,100	2.4%
	Office	Oval Court Ohsaki Mark West	Shinagawa-ku, Tokyo	Jun. 2004	3,500	1.7%
	Office	Shinjuku Square Tower	Shinjuku-ku, Tokyo	Jul. 2004	10,000	4.8%
	Office	BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Nov. 2004 Apr. 2005	11,821	5.6%
	Office	Across Shinkawa Bldg. Annex	Chuo-ku, Tokyo	Nov. 2004	710	0.3%
	Retail	JPR Shibuya Tower Records Bldg.	Shibuya-ku, Tokyo	Jun. 2003	12,000	5.7%
	Retail	JPR Daikanyama	Shibuya-ku, Tokyo	Oct. 2004	2,160	1.0%
Subtotal					90,001	42.8%
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	2.8%
	Office	JPR Chiba Bldg.	Chiba, Chiba	Dec. 2001	2,350	1.1%
	Office	JPR Yokohama Nihon Odori Bldg.	Yokohama, Kanagawa	Nov. 2001	2,927	1.4%
	Office	Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Sep. 2002	920	0.4%
	Office	Kawaguchi Center Bldg.	Kawaguchi, Saitama	Feb. 2004	8,100	3.9%
	Office	JPR Ueno East Bldg.	Taito-ku, Tokyo	Mar. 2004	3,250	1.5%
	Office	Tachikawa Business Center Bldg.	Tachikawa, Tokyo	Sep. 2005	888	0.4%
	Office	Rise Arena Bldg. (Higashi-Ikebukuro 4-chome Redevelopment Project)	Toshima-ku, Tokyo	Mar. 2007 (Planned)	5,467	2.6%
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	4.9%
	Retail	Tsurumi fuga 1	Yokohama, Kanagawa	Nov. 2001	3,040	1.4%
	Retail	The Cupo-la Main Bldg. (1-1 Kawaguchi Redevelopment Project)	Kawaguchi, Saitama	Mar. 2006 (Planned)	2,100	1.0%
Subtotal					45,122	21.5%

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	1.0%
	Office	Meiji Yasuda Life Osaka Umeda Bldg.	Osaka, Osaka	Dec. 2001	8,300	3.9%
	Office	Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Nov. 2001	4,150	2.0%
	Office	JPR Takamatsu Bldg.	Takamatsu, Kagawa	Dec. 2001	2,130	1.0%
	Office	JPR Hakata Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,900	1.4%
	Office	JPR Naha Bldg.	Naha, Okinawa	Nov. 2001	1,560	0.7%
	Office	North 33 Bldg.	Sapporo, Hokkaido	Jun. 2002	3,700	1.8%
	Office	Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 2002	3,150	1.5%
	Office	Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 2002	1,670	0.8%
	Office	Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 2002	2,810	1.3%
	Office	JPR Nagoya Sakae Bldg.	Nagoya, Aichi	Sep. 2003	4,550	2.2%
	Office	Dojima F Bldg.	Osaka, Osaka	Jan. 2004	2,140	1.0%
	Office	Semba Fukuoka Bldg.	Fukuoka, Fukuoka	Jun. 2004	1,920	0.9%
	Office	UFJ Central Leasing Head Office Bldg.	Nagoya, Aichi	Mar. 2005	4,137	2.0%
	Retail	JPR Umeda Loft Bldg.	Osaka, Osaka	May 2003 Jul. 2003	13,000	6.2%
	Retail	Strasse Ichibancho	Sendai, Miyagi	Feb. 2005	4,200	2.0%
	Retail	Benetton Shinsaibashi Bldg.	Osaka, Osaka	May. 2005	5,430	2.6%
	Retail	Housing Design Center Kobe	Kobe, Hyogo	Sep. 2005	7,220	3.4%
	Subtotal					75,107
Total					210,230	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.
3. JPR contracted to purchase a parcel of the Cupo-la Main Building (1-1 Kawaguchi Redevelopment Project) on November 25, 2004. The planned acquisition date, however, is in March 2006.
4. JPR contracted to purchase a parcel of the Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project) on September 30, 2005. The planned acquisition date, however, is in March 2007.
5. The real estate portfolio after property acquisition does not include the Park East Sapporo, which is scheduled for sale on November 30, 2005.

Attachment 2

Image of the Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project)



Note: The image of the Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project) is based on architectural designs and plans. The actual property may differ from the image provided following construction completion.

Attachment 3

Plan of property facilities and cross-section drawing

