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For Translation purpose only

For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Execution of a Purchase Agreement in Connection with the Acquisition of Kawasaki Dice Special Purpose Company Certificates

Japan Prime Realty Investment Corporation (hereafter “JPR” or “the Company”) today announced its decision to acquire the herein specified asset (preferred capital contribution certificates).

Details

1. Reason for Acquisition

The acquisition of Kawasaki Dice Special Purpose Company Certificates is in accordance with JPR’s fundamental investment policies to acquire new specified properties in an effort to enhance and stabilize its investment portfolio.

2. Acquisition Details (Planned)

- | | |
|-------------------------|---|
| 1) Type of Acquisition: | Preferred capital contribution certificates (hereafter “Certificates”) supported by cash flows and property value acquired from real estate |
| 2) Asset Name: | Kawasaki Dice Special Purpose Company (hereafter “TMK”) Certificates (8,490 units)
Note: TMK is defined as a special purpose company in accordance with the Law Concerning Asset Securitization. |
| 3) Property Name: | Kawasaki Dice Building |
| 4) Acquisition Price: | ¥1,553,670 thousand (excluding acquisition costs) |
| 5) Contract Date: | December 21, 2005 |
| 6) Completion Date: | December 21, 2005 |
| 7) Seller: | Tokyo Tatemono Co., Ltd. |
| 8) Funding: | Cash on hand (Planned) |

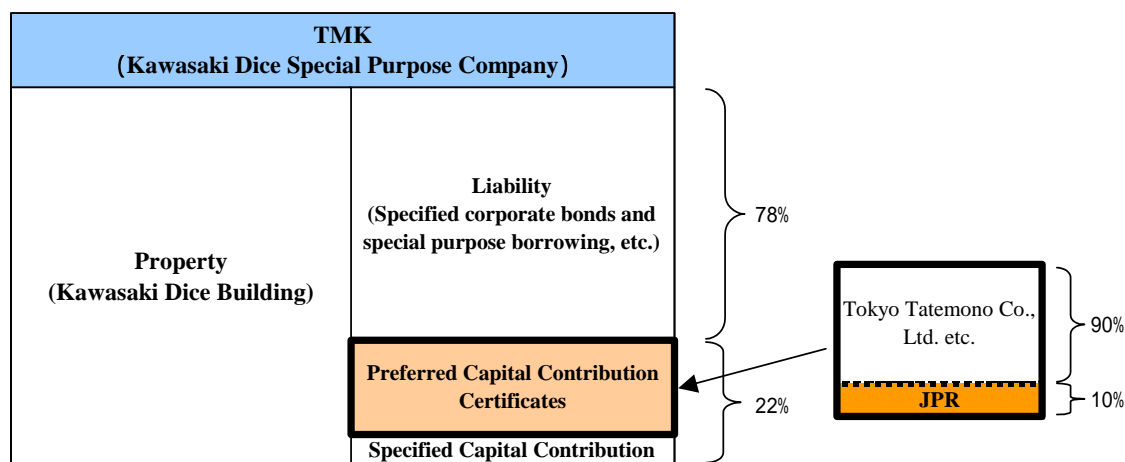
3. Details of the Certificates

As a result of attempting to gain support from real estate already under utilization, the Certificates as described under item 5. Property Summary, using cash flow received from Kawasaki Dice Building as capital, acquiring cash dividends¹ according to the preferred capital contribution rate of the Company has become possible. Moreover, with approximately 80%² of the building's tenants being stable, long-term lessees, the building's asset value and cash flows are expected to remain stable. In addition, because preferential rights to purchase the building (Preferential Purchase Negotiating Rights) will be decided among preferred capital contributors in the event that the building is to be sold, the acquisition of the Certificates will enable JPR to avoid exposure to excessive market competition in the event that JPR decides to acquire the building. It is the policy of the Company to apply methods such as these, as a way in which to add rare high-quality properties to its future portfolio.

Notes:

- Forecast of fiscal year cash dividends for the holdings of the Company: ¥68 million.
This forecast is based on information currently available to the Company. Dividend distribution is scheduled to occur twice a year. (TMK's fiscal terms end in March and September.)
- A percentage of the total area leased to the aforesaid tenants in relation to leasable floor space.

Diagram of the Acquisition Scheme



Note: The percentages of liability (specified corporate bonds and special purpose borrowing, etc.) and capital contribution (preferred capital contribution, specified capital contribution) are based on the September 30, 2005 financial statements of TMK (Kawasaki Dice Special Purpose Company).

4. Details of the Property

The Kawasaki Dice Building houses a collection of commercial facilities, restaurants, and a cinema complex, and is ideally located within close proximity to the JR Kawasaki Station and Keikyu Kawasaki Station. Although JPR, in addition to investing in office buildings, had also invested in high-grade prominently located commercial facilities, the Kawasaki Dice Building is considered a rare investment choice for the Company.

This property is owned through a joint partnership between TMK and other landowners, and was constructed under a statutory business redevelopment project (Redevelopment Project targeting the west third district of the north area of Kawasaki Station). Owing to this, TMK holds co-ownership of the property's land as well as the surface rights for the total land area, and in relation to the building, unit ownership of B2-10F. However, co-ownership of B2 is shared between TMK and other landowners, and a portion of 1-2F is owned by other landowners. Furthermore, its co-owners, TMK included, have entrusted B2F to trustee Mitsubishi UFJ Trust and Banking Corporation. The trustee then leases (master lease) B2F to TMK, and TMK eventually grants subleases to tenants. In accordance with this entrustment, beneficiary rights of the property and leasehold rights according to the master lease are both part of the property's makeup.

5. Property Summary (Note 1)

Building Name		Kawasaki Dice Building	
Location	Address Shown in Land Registry	Land	8-1 Ekimae-Honchou, Kawasaki-ku, Kawasaki, Kanagawa
		Building	8-3 Ekimae Honchou, Kawasaki-ku, Kawasaki, Kanagawa
	Address	8 Ekimae-Honchou, Kawasaki-ku, Kawasaki, Kanagawa	
Access		1-min. walk from Keikyu Kawasaki Station, Keihin Kyuko Honsen Line; 5-min. walk from Kawasaki Station, JR Tokaido Line and Nanbu Line	
Intended Use		Shops	
Type of Ownership		<p>Land: Ownership of land and co-ownership of surface rights (ownership ratio: 83.85%, rounded off to the second decimal place)</p> <p>*TMK is the owner of 4 parcels among a total of 13, while the remaining 9 parcels are owned by other landowners. Surface rights for the total land area have been established, and all landowners including TMK hold co-ownership of those surface rights. Space rights within the building are set in proportion to surface rights.</p> <p>Building: Unit ownership (B1-10F), co-ownership (B2F) *All co-owners including TMK establish trustee agreements for B2F.</p> <p>Building leasehold rights: (B2) *As described in item 7. Outline of Master Lease and Sublease Related Leasing</p>	
Site Area (Registered)	Land	Total Land Area	4,475.45m ²
		Area Owned by TMK	3,895.42m ²
	Building	Total Floor Space	36,902.01m ²
		Total Floor Space Owned by TMK	26,779.84m ²
Type of Structure		S SRC RC B2/11F	
Completion		August 28, 2003	
Architecture and Design		Research Institute of Architecture	
Construction		Taisei Corporation, Rinkai Nissan Construction Co., Ltd.	
Appraisal	Appraiser	Appraisal by Appraisal Firm A Square Ltd.	
	Appraisal Value	¥ 29,300 million	
	Appraisal Date	December 1, 2005	
Total TMK Asset Value		¥ 31,826 million (Note 2)	
Value of Real Estate and Real Estate Equivalents Surrounding TMK		¥ 29,000 million (Note 2)	
Probable Maximum Loss		<p>10.0% (Based on the earthquake risk assesment report prepared by Shinozuka Research Institute)</p> <p>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 happen during the 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 a 10% probability. This means that this level of an earthquake statistically happens once every 475 years.</p>	
Number of Tenants		20	
Major Tenants		Sakuraya Co., Ltd., Toho Cinemas, Ltd.	
Total Leasable Floor Space		27,581.82m ²	
Total Leased Floor Space		27,581.82m ²	
Occupancy Rate		100.0%	
Forecast Net Operating Income		¥ 1,390 million	
Special Considerations		None	

Note 1 The aforesaid is a description of the entire property.

Note 2 Figures showing value of real estate and real estate equivalents surrounding TMK (hereafter, "the calculated value") are based upon future earnings forecasts calculated by Tokyo Realty Investment Management Inc., JPR's asset management company, related to the subject real estate, etc. In addition, figures showing total assets for TMK were calculated by substituting the calculated value for the book value of TMK's tangible fixed assets, as recorded in TMK's earnings report as of September 30, 2005.

Note 3 Total number of tenants, major tenants, total leasable floor space, total leased floor space, occupancy rate and forecast NOI are forecasts for the date of the planned acquisition of Certificates (December 21, 2005) of the entire property.

6. Seller Profile

Corporate Name	Tokyo Tatemono Co., Ltd.
Address of Registered Head Office	1-9-9 Yaesu, Chuo-ku, Tokyo
Representative	Keisuke Minami, President and CEO
Paid-in Capital	¥ 54,430 million (as of June 30, 2005)
Principal Business	Real estate
Relationship with the Investment Corporation	Tokyo Tatemono Co., Ltd. is a shareholder of JPR's asset management company, Tokyo Realty Investment Management, Inc. (hereafter "TRIM"). Because Tokyo Tatemono Co., Ltd. falls under the category of interested parties as defined under internal rules of JPR's board of directors, TRIM has acquired prior approval from JPR's board of directors regarding the acquisition. Tokyo Tatemono Co., Ltd. does not however fall within the scope of related parties as defined under the Investment Trust Law.

7. Outline of Master Lease and Sublease Related Leasing

Object of Lease	Unit ownership (B2F)
Site Area (Registered)	3,129.45m ²

1. Outline of Leasing Contract (Master Lease)

Lessor	Mitsubishi UFJ Trust and Banking Corporation
Lessee	Kawasaki Dice Special Purpose Company
Term of Lease	August 2003 - August 2023
Rent Review	Negotiable every 3 years
Cancellation Prior to Lease Termination Date	Nonnegotiable by lessee within the term of lease

2. Outline of Leasing Contract (Sublease)

Lessor	Kawasaki Dice Special Purpose Company
Lessee	Matahari Co., Ltd.
Term of Lease	August 2003 - August 2023
Rent Review	Negotiable every 3 years; reductions nonnegotiable
Cancellation Prior to Lease Termination Date	Negotiable after 10 years

8. Outlook

There are no changes to the Company's operating forecasts for the 8th fiscal period, the six months ending December 31, 2005, due to the acquisition of the Certificates.

Moreover, the Company shall today announce current operating forecasts for its 8th fiscal period (ending December 31, 2005), and 9th fiscal period ending June 30, 2006. For further details refer to the "Notice Concerning Revisions to Operating Forecasts for the Fiscal Periods Ending December 31, 2005 and June 30, 2006."

[Attachments]

1. Real estate portfolio after asset acquisition
2. Exterior view of the property (composite picture)

Attachment 1

Real estate portfolio after asset 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	1.1%
	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	4.7%
	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	42.5%
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	3.8%
	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	4.8%
	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%
	Retail	Kawasaki Dice Special Purpose Company Certificates	Kawasaki, Kanagawa	Dec. 2005	1,553	0.7%
Subtotal					46,675	22.0%

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	1.7%
	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	2.1%
	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	6.1%
	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					211,783	100.0%

Note:

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. TMK is defined as a special purpose company in accordance with the Law Concerning Asset Securitization. JPR plans to acquire 10.0% of TMK's outstanding preferred capital contribution certificates.

Attachment 2

Exterior view of the property (composite picture)

