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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 JPR Jingumae 432**

Japan Prime Realty Investment Corporation (JPR) today announced its decision to acquire the JPR Jingumae 432, as detailed in brief below. The planned acquisition date is March 24, 2006.

Details

**1. Reason for Acquisition**

The acquisition of the JPR Jingumae 432 is in accordance with JPR's fundamental investment policies to acquire new retail properties in an effort to enhance and stabilize its investment portfolio.

**2. Acquisition Details (Planned)**

- |                                  |   |
|----------------------------------|---|
| 1. Type of Acquisition           | Beneficiary interest  |
| 2. Asset Custodian               | Mitsubishi UFJ Trust and Banking Corporation                        |
| 3. Term of Trust                 | From March 4, 2005 to March 4, 2010                                 |
| 4. Property Name                 | JPR Jingumae 432  |
| 5. Acquisition Price             | ¥4,460 million<br>(excluding acquisition costs and consumption tax) |
| 6. Contract Date                 | February 7, 2006  |
| 7. Acquisition Date<br>(Planned) | March 24, 2006 (following construction completion)                  |
| 8. Seller                        | OMCB Development Y.K.   |
| 9. Funding                       | Debt funding and cash on hand (planned)                             |

### 3. Details of Property for Planned Acquisition

|                                       |                 |  |                                      |  |
|---------------------------------------|-----------------|--|--------------------------------------|--|
| Location                              | Registered      | Land   | 4-32-35, Jingumae, Shibuya-ku, Tokyo |  |
|                                       |                 | Bldg.  | To be determined                     |  |
|                                       | Residential     | To be determined   |                                      |  |
| Access                                |                 | Three minutes on foot from Meiji-Jingumae Station on the Tokyo Metro Chiyoda Line  |                                      |  |
| Use                                   |                 | Shops  |                                      |  |
| Type of Ownership                     |                 | Land: Full ownership<br>Bldg.: Full ownership  |                                      |  |
| Site Area (Registered)                | Land            | Total site area  | 218.21 m <sup>2</sup>                |  |
|                                       | Bldg.           | Gross Total floor area   | 1,081.44 m <sup>2</sup>              |  |
| Type of Structure                     |                 | S, SRC, B1/7F  |                                      |  |
| Completion Date                       |                 | March 2006 (Planned)   |                                      |  |
| Architecture and Design               |                 | Tokyu Construction Co., Ltd.   |                                      |  |
| Construction                          |                 | Tokyu Construction Co., Ltd.   |                                      |  |
| Construction Verification Authority   |                 | Tokyo Metropolitan Town Creation Center for Disaster Prevention and Construction   |                                      |  |
| Appraisal                             | Appraiser       | Appraisal Firm A Square Ltd.   |                                      |  |
|                                       | Appraisal Value | ¥4,460 million   |                                      |  |
|                                       | Appraisal Date  | January 20, 2006   |                                      |  |
| Probable Maximum Loss                 |                 | <p>9.3% based on earthquake risk assessment report prepared by Shinozuka Research Institute.</p> <p>Probable Maximum Loss (PML) refers to the expected maximum loss ratio based on earthquake risk analysis 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.</p> |                                      |  |
| Collateral                            |                 | None   |                                      |  |
| Number of Tenants                     |                 | 5  |                                      |  |
| Major Tenants                         |                 | LaLa PLAN Co., Ltd., SportsHouse Mitsuhashi Co., Ltd.  |                                      |  |
| Total Leasable Floor Space            |                 | 1,029.48 m <sup>2</sup>  |                                      |  |
| Total Leased Floor Space              |                 | 1,029.48 m <sup>2</sup>  |                                      |  |
| Occupancy Rate                        |                 | 100%   |                                      |  |
| Forecast Net Operating Income (Yield) |                 | ¥154 million per annum (3.5%)  |                                      |  |
| Special Considerations                |                 | The road on the north-west side of the property (Meiji-dori) is an urban planning road with a width of 27 meters. On March 31, 2004, a business plan was approved for this frontage. Following future implementation of the business plan, an approximate area of 20 square meters of the land held in trust is scheduled for expropriation. Following expropriation, the building held in trust shall be deemed an existing unfair building.  |                                      |  |

- The number of tenants, total leasable floor space, total leased floor space, and the occupancy rate on the scheduled date of acquisition are projections as of the scheduled acquisition date of March 24, 2006.

- The total floor area, type of structure and date of construction completion are recorded in accordance with the Application for Approval to Change in Plan pursuant to Article 6.2 of the Buildings Standard Law.

- Net Operating Income (NOI) is based on forecast income for a full year after eliminating special factors applicable to the period in which the property was acquired. Accordingly, it is not a forecast for the current fiscal period. Assumptions that form the basis of calculations are as follows:

1) Occupancy rate of 100%

2) An annual amount for property and other taxes is calculated based on the property valuation certificate.

#### 4. Location of Subject Property

The JPR Jingumae 432 is located in an expansive and vibrant commercial area comprising Harajuku and Jingumae. Recognized in recent years for the large number of luxury brand stores that have opened in the area and its extensive renovation and renewal of commercial facilities, the area offers streets lined with leading fashion and brand stores. As an area noted for its high customer appeal, Harajuku and Jingumae have experienced a significant increase in the number of new store openings primarily as a hinterland for the youth market. As a result, the shift from a residential to a commercial district has been pronounced.

The area is also earmarked for further growth. Omotesando Hills, a large-scale redevelopment of the site previously occupied by the Dojyunkai Apartments, is scheduled to open in February 2006. Access will further be improved with the planned opening of Tokyo Metro (Subway) No. 13 Line in 2007. With ongoing development, the area offers increased vitality and opportunity.

#### 5. Seller Profile

|                       |   |
|-----------------------|---|
| Company Name          | OMCB Development Y.K.                       |
| Head Office Address   | 2-4-3, Nihonbashi Muromachi, Chuo-ku, Tokyo |
| Relationship with JPR | None  |

#### 6. Outlook

The impact on JPR's results for the ninth fiscal period ending June 30, 2006 will be disclosed together with the announcement of the Company's eighth fiscal period results.

#### [Attachments]

1. Projected cash flow
2. Portfolio after property acquisition
3. Image of the JPR Jingumae 432

## Attachment 1

### Projected cash flow

(Millions of yen)

| Projected Cash Flow                         |     |
|---|-----|
| Operating revenues                          | 176 |
| Rental revenues and common charges          | 173 |
| Other operating revenues                    | 3   |
| Operating expenses (excluding depreciation) | 21  |
| Property management fees                    | 4   |
| Utility charges                             | 2   |
| Property and other taxes                    | 8   |
| Other operating expenses                    | 8   |
| NOI ( = - )                                 | 154 |

#### Notes:

The above projected cash flow is an estimate for the fiscal year in which the property acquisition was made and is exclusive of extraordinary factors. The projected cash flow is not for the current period under review and has also been prepared based on the following assumptions.

- 1) Revenues are based on an estimated occupancy ratio of 100%.
- 2) An annual amount for property and other taxes is calculated based on the property valuation certificate.

## Attachment 2

### 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                              | 7.5%          |
|                 | Office          | Kanematsu Bldg. Annex  | Chuo-ku, Tokyo           | Dec. 2001                           | 2,874                               | 1.3%          |
|                 | Office          | JPR Ningyo-cho Bldg.   | Chuo-ku, Tokyo           | Nov. 2001                           | 2,100                               | 1.0%          |
|                 | Office          | Shin-Kojimachi Bldg.   | Chiyoda-ku, Tokyo        | Nov. 2001<br>Nov. 2002<br>Nov. 2004 | 2,420                               | 1.1%          |
|                 | Office          | JPR Crest Takebashi Bldg.  | Chiyoda-ku, Tokyo        | Jun. 2002                           | 4,000                               | 1.8%          |
|                 | Office          | MS Shibaura Bldg.  | Minato-ku, Tokyo         | Mar. 2003                           | 11,200                              | 5.2%          |
|                 | Office          | Gotanda First Bldg.  | Shinagawa-ku, Tokyo      | Jul. 2003                           | 2,920                               | 1.4%          |
|                 | Office          | Fukuoka Bldg.  | Chuo-ku, Tokyo           | Oct. 2003<br>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                               | 1.6%          |
|                 | Office          | Shinjuku Square Tower  | Shinjuku-ku, Tokyo       | Jul. 2004                           | 10,000                              | 4.6%          |
|                 | Office          | BYGS Shinjuku Bldg.  | Shinjuku-ku, Tokyo       | Nov. 2004<br>Apr. 2005              | 11,821                              | 5.5%          |
|                 | 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                              | 5.5%          |
|                 | Retail          | JPR Daikanyama   | Shibuya-ku, Tokyo        | Oct. 2004                           | 2,160                               | 1.0%          |
|                 | <b>Retail</b>   | <b>JPR Jingumae 432</b>  | <b>Shibuya-ku, Tokyo</b> | <b>Mar. 2006 (Planned)</b>          | <b>4,460</b>                        | <b>2.1%</b>   |
|                 | <b>Subtotal</b> |  |                          |                                     |                                     | <b>94,461</b> |
| Greater Tokyo   | Office          | Arca East  | Sumida-ku, Tokyo         | Nov. 2001                           | 5,880                               | 2.7%          |
|                 | 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                               | 3.7%          |
|                 | 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.<br>(Higashi-Ikebukuro 4-chome<br>Redevelopment Project) | Toshima-ku, Tokyo        | Mar. 2007<br>(Planned)              | 5,467                               | 2.5%          |
|                 | Retail          | Tanashi ASTA   | Nishitokyo, Tokyo        | Nov. 2001                           | 10,200                              | 4.7%          |
|                 | Retail          | Tsurumi fuga 1   | Yokohama, Kanagawa       | Nov. 2001                           | 3,040                               | 1.4%          |
|                 | Retail          | The Cupo-la Main Bldg.<br>(1-1 Kawaguchi Redevelopment Project)          | Kawaguchi,<br>Saitama    | Mar. 2006<br>(Planned)              | 2,100                               | 1.0%          |
|                 | Retail          | Kawasaki Dice Special Purpose Company<br>Certificates                    | Kawasaki,<br>Kanagawa    | Dec. 2005                           | 1,553                               | 0.7%          |
| <b>Subtotal</b> |                 |  |                          |                                     | <b>46,675</b>                       | <b>21.6%</b>  |

| 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                               | 3.8%          |
|              | Office          | Tokyo Tatemono Honmachi Bldg.         | Osaka, Osaka       | Nov. 2001             | 4,150                               | 1.9%          |
|              | Office          | JPR Takamatsu Bldg.                   | Takamatsu, Kagawa  | Dec. 2001             | 2,130                               | 1.0%          |
|              | Office          | JPR Hakata Bldg.                      | Fukuoka, Fukuoka   | Nov. 2001             | 2,900                               | 1.3%          |
|              | 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                               | 1.9%          |
|              | Retail          | JPR Umeda Loft Bldg.                  | Osaka, Osaka       | May 2003<br>Jul. 2003 | 13,000                              | 6.0%          |
|              | Retail          | Strasse Ichibancho                    | Sendai, Miyagi     | Feb. 2005             | 4,200                               | 1.9%          |
|              | Retail          | Benetton Shinsaibashi Bldg.           | Osaka, Osaka       | May. 2005             | 5,430                               | 2.5%          |
|              | Retail          | Housing Design Center Kobe            | Kobe, Hyogo        | Sep. 2005             | 7,220                               | 3.3%          |
|              | <b>Subtotal</b> |                                       |                    |                       |                                     | <b>75,107</b> |
| <b>Total</b> |                 |                                       |                    |                       | <b>216,243</b>                      | <b>100.0%</b> |

Notes:

1. The "Acquisition Price" is the amount identified in the purchase agreement and does not include acquisition costs and consumption tax.
2. Percentages 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. Kawasaki Dice Special Purpose Company (TMK) is a special purpose company established in accordance with the Law Concerning Asset Securitization. JPR holds 10.0% of TMK's outstanding preferred capital contribution certificates.

### Attachment 3

Image of the JPR Jingumae 432



Note: The image of the JPR Jingumae 432 is based on architectural designs and plans. The actual property may differ from the image provided following construction completion.