

February 7, 2006

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
(excluding acquisition costs and consumption tax) |
| 6. Contract Date | February 7, 2006 |
| 7. Acquisition Date
(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 Bldg.: Full ownership	
Site Area (Registered)	Land	Total site area	218.21 m ²
	Bldg.	Gross Total floor area	1,081.44 m ²
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 ²	
Total Leased Floor Space		1,029.48 m ²	
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 Nov. 2002 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 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 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%
	Retail	JPR Jingumae 432	Shibuya-ku, Tokyo	Mar. 2006 (Planned)	4,460	2.1%
	Subtotal					94,461
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. (Higashi-Ikebukuro 4-chome Redevelopment Project)	Toshima-ku, Tokyo	Mar. 2007 (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. (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	21.6%

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 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%
	Subtotal					75,107
Total					216,243	100.0%

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.