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For Translation Purposes Only

For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Borrowings

Japan Prime Realty Investment Corporation (JPR) today announced its decision to undertake borrowings as outlined below.

Details

1. Use of Funds

JPR will borrow funds under current loans receivable for short-term borrowings to repay existing short-term borrowings as detailed in 3. below.

2. Details of Borrowings

Lender	Amount
Shinsei Bank, Ltd.	¥3,000 million
Mizuho Corporate Bank, Ltd.	¥1,000 million
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥1,000 million
Aozora Bank, Ltd.	¥1,000 million
Resona Bank, Ltd.	¥1,000 million
Mitsubishi UFJ Trust and Banking Corporation	¥1,000 million
Total	¥8,000 million

Note: The interest rate applicable to borrowings and other terms and conditions will be disclosed as and when determined.

3. Itemization of Fund Use

JPR will use the funds to repay the following borrowings.

1. Lender	Shinsei Bank, Ltd.	Shinsei Bank, Ltd.
2. Amount	¥1,500 million	¥1,500 million
3. Interest Rate	0.39000%	0.38455%
4. Drawdown Date	September 27, 2005	March 30, 2006
5. Repayment Date	July 5, 2006	July 5, 2006

1. Lender	Mizuho Corporate Bank, Ltd.	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
2. Amount	¥1,000 million	¥1,000 million
3. Interest Rate	0.43455%	0.43455%
4. Drawdown Date	March 23, 2006	March 23, 2006
5. Repayment Date	July 5, 2006	July 5, 2006

1. Lender	Aozora Bank, Ltd.	Resona Bank, Ltd.
2. Amount	¥1,000 million	¥1,000 million
3. Interest Rate	0.43455%	0.43455%
4. Drawdown Date	March 23, 2006	March 23, 2006
5. Repayment Date	July 5, 2006	July 5, 2006

1. Lender	Mitsubishi UFJ Trust and Banking Corporation
2. Amount	¥1,000 million
3. Interest Rate	0.43455%
4. Drawdown Date	March 30, 2006
5. Repayment Date	July 5, 2006

[For Reference]

1. Total Borrowings and Corporate Bonds Balance after Additional Borrowings

(Yen in millions)

	Borrowings Balance prior to Additional Borrowings	Borrowings Balance after Additional Borrowings	Change
Short-Term Borrowings	14,000	14,000	—
Current Portion of Long-Term Borrowings	22,500	22,500	—
Long-Term Borrowings	18,966	18,966	—
Corporate Bonds	42,000	42,000	—
Interest-Bearing Liabilities (Long-term interest-bearing liabilities portion)	97,466 (60,966)	97,466 (60,966)	— (—)

(Note) Long-term interest-bearing liabilities does not include current portion of long-term borrowings.

2. Interest-Bearing Liabilities Ratio after Additional Borrowings

	Before Additional Borrowings	After Additional Borrowings	Percentage Point Change
Interest-Bearing Liabilities Ratio	45.8%	45.8%	—
Long-Term Interest-Bearing Liabilities Ratio	62.6%	62.6%	—

Notes:

- 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' capital) × 100
Unitholders' capital: ¥115,432 million
(Unitholders' capital is rounded to the nearest million yen)
- Long-term interest-bearing liabilities ratio (%) = Long-term interest-bearing liabilities ÷ Interest-bearing liabilities × 100
- Percentage figures are rounded to the nearest first decimal place.