

July 26, 2006

For Translation Purposes Only

For Immediate Release

Japan Prime Realty Investment Corporation
Hirohito Kaneko
Executive Officer
(Securities Code: 8955)

Inquiries:
Tokyo Realty Investment Management, Inc.
Yasuo Furuya
Director and Chief Financial Officer
TEL: +81-3-3516-1591

Notice Concerning Sale of Tsurumi Fuga 1 and JPR Takamatsu Bldg.

Japan Prime Realty Investment Corporation (JPR) today announced its decision to sell two of its properties, as outlined below, on January 11, 2007.

Details

1. Reason for Sale

The decision to sell the two properties has been made in accordance with JPR's investment policy, and after giving due consideration to the current status of the relevant properties, an evaluation of their future earnings and variations in property values, composition of the entire portfolio, regional diversification and the impact of such a sale on cash distributions (dividends).

2. Sale Details (Planned)

- | | |
|--|--|
| 1. Asset Type | Beneficiary interest in real estate |
| 2. Property Names | Tsurumi fuga 1, JPR Takamatsu Bldg. |
| 3. Acquisition Dates | Tsurumi fuga 1: November 16, 2001
JPR Takamatsu Bldg.: December 18, 2001 |
| 4. Sale Price | ¥5,800,000,000 (excluding pro rata property tax and urban planning tax and consumption tax)
Breakdown:
Tsurumi fuga 1: ¥4,270,000,000
JPR Takamatsu Bldg.: ¥1,530,000,000 |
| 5. Book Value | ¥5,203,735,036 (as of December 31, 2005)
Breakdown:
Tsurumi fuga 1: ¥2,898,305,668
JPR Takamatsu Bldg.: ¥2,305,429,368 |
| 6. Difference Between Sale Price and Book Value | ¥596,264,964 (difference between 4 and 5)
Breakdown:
Tsurumi fuga 1: ¥1,371,694,332
JPR Takamatsu Bldg.: ¥-775,429,368 |

7. **Contract Date** July 26, 2006
8. **Planned Settlement Date** January 11, 2007
9. **Buyer** The buyer has requested to not be disclosed.
10. **Sale Method** Beneficiary interest in the relevant properties is sold to the buyer.
11. **Brokerage Fee** ¥116,000,000 (excluding consumption tax)

3. Details of Properties

[Tsurumi fuga 1]

Asset Type		Beneficiary interest in real estate	Acquisition Price	¥3,040 million
Term of Trust		March 16, 2001 to March 31, 2011	Asset Custodian	Mizuho Trust & Banking Co., Ltd.
Acquisition Date		November 16, 2001	Appraisal Value	¥3,720 million (As of June 30, 2006)
Land	Location	2-1, Toyookacho, Tsurumi-ku, Yokohama-shi, Kanagawa	Site Area	Total Site Area 1,962.18m ²
				Area for Sale 1,264.43m ²
	Ownership	Sectional ownership (ownership interest: 64.4%)	Site Classification	Commercial/Retail
Bldg.	Structure	SRC B2/7F (Representation of a sectionally owned building)	Floor Space	Total Bldg. 13,543.32m ²
				Area for Sale 7,422.67m ²
	Ownership	Unit ownership	Construction Completion Date	September 1985
	Total Leasable Floor Space	9,578.60m ²	Use	Commercial/Retail
	Total Leased Floor Space	9,578.60m ²	PML	4.8% (As of June 30, 2006)

Notes: 1. The appraisal value has been provided by Daiwa Real Estate Appraisal Co., Ltd. In addition, the Probable Maximum Loss (PML) figure is based on the earthquake risk report issued by the Shinozuka Research Institute.

2. A pledge, together with an unregistered mortgage over the subject beneficiary interest has been provided as collateral for long-term debt. Following acquisition, the pledge and unregistered mortgage will be cancelled as of the settlement date.

[JPR Takamatsu Bldg.]

Asset Type		Beneficiary interest in real estate	Acquisition Price	¥2,130 million
Term of Trust		December 18, 2001 to December 31, 2011	Asset Custodian	Mizuho Trust & Banking Co., Ltd.
Acquisition Date		December 18, 2001	Appraisal Value	¥1,400 million (As of June 30, 2006)
Land	Location	2-2-10 Kotobukicho, Takamatsu-shi, Kagawa	Site Area	Total Site Area 1,407.78m ²
				Area for Sale 1,407.78m ²
	Ownership	Fee simple	Site Classification	Commercial/Retail
Bldg.	Structure	SRC B1/10F Steel-framed, structure with steel plated roof 1F (garage)	Floor Space	Total Bldg. 7,409.08m ²
				Area for Sale 7,409.08m ²
	Ownership	Fee simple	Construction Completion Date	September 1982 Expanded in March 1984
	Total Leasable Floor Space	5,037.06m ²	Use	Office
	Total Leased Floor Space	4,055.52m ²	PML	14.7% (As of June 30, 2006)

Note: The appraisal value has been provided by CB Richard Ellis K.K. In addition, the Probable Maximum Loss (PML) figure is based on the earthquake risk report issued by the Shinozuka Research Institute.

4. Description

Details of the buyer have not been disclosed at the request of the buyer. The buyer is a special purpose company incorporated by a publicly listed company. The buyer neither falls within the definition of a related party as identified in the Investment Trusts and Investment Corporations Law Enforcement Order, nor within the definition of an interested party as stipulated in the rules and regulations prescribed by JPR's Board of Directors.

5. Sales Agent Profile

1) Sales Agent: Tokyo Tatemono Co., Ltd.

Tokyo Tatemono Co., Ltd. is a shareholder of JPR's asset management company, Tokyo Realty Investment Management, Inc. (TRIM), and acting in its capacity as sales agent, falls within the scope of interested parties as defined by JPR's Board of Directors. JPR has provided its authorization to TRIM for this transaction. Interested parties differ from related parties as defined in the Enforcement Order for Investment Trusts and Investment Corporations Law.

2) Brokerage Fee: ¥116,000,000 (2% of the sale price, excluding consumption tax)

6. Sale Schedule

July 26, 2006	Decision by JPR to sell the two properties
July 26, 2006	Conclusion of beneficiary interest sale contract
January 11, 2007	Planned Settlement Date

7. Outlook

Operating forecasts for the Company's 10th fiscal period, six months ending December 31, 2006 are unchanged.

[Attachments]

1. Real estate portfolio after selling the two properties

Attachment 1

Real estate portfolio after property sale

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	1.3%
	Office	Fukuoka Bldg.	Chuo-ku, Tokyo	Oct. 2003 Apr. 2005	2,920	1.3%
	Office	JPR Ichigaya Bldg.	Chiyoda-ku, Tokyo	May 2004	5,100	2.3%
	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	5.4%
	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	4,460	2.1%
Subtotal					94,461	43.5%
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	1.3%
	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	The Cupo-la Main Bldg.	Kawaguchi, Saitama	Mar. 2006	2,100	1.0%
	Retail	Kawasaki Dice Special Purpose Company Certificates	Kawasaki, Kanagawa	Dec. 2005	1,553	0.7%
Subtotal					43,635	20.1%

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 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%
	Retail	Chayamachi Grande Bldg.	Osaka, Osaka	Aug. 2006 (planned)	6,000	2.8%
Subtotal					78,977	36.4%
Total					217,073	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 Rise Arena Building (Higashi-Ikebukuro 4-chome Redevelopment Project) on September 30, 2005. The planned acquisition date, however, is in March 2007.
4. 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.