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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 undertake short-term borrowings for certain purposes including the acquisition of specified assets.

2. Details of Borrowings

1. Lender	Sompo Japan Insurance Inc.	The Bank of Fukuoka, Ltd.
2. Amount	¥2,000 million	¥2,000 million
3. Interest Rate (p.a.)	1.676%	1.676%
4. Loan Type	Fixed rate of interest. No collateral. No guarantee.	Fixed rate of interest. No collateral. No guarantee.
5. Drawdown Date	April 11, 2007	April 11, 2007
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Repayment Date	April 11, 2012	April 11, 2012

1. Lender	The Chugoku Bank, Ltd	The Iyo Bank, Ltd.
2. Amount	¥2,000 million	¥1,000 million
3. Interest Rate (p.a.)	1.676%	1.676%
4. Loan Type	Fixed rate of interest. No collateral. No guarantee.	Fixed rate of interest. No collateral. No guarantee.
5. Drawdown Date	April 11, 2007	April 11, 2007
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Repayment Date	April 11, 2012	April 11, 2012

[For Reference]

1. Total Borrowings and Corporate Bonds Balance after Refinancing

(millions of yen)

	Borrowings Balance prior to Refinancing	Borrowings Balance after Refinancing	Change
Short-Term Borrowings	3,500	3,500	—
Current Portion of Long-Term Borrowings	6,500	— (Note1)	(6,500)
Long-Term Borrowings	35,966	42,966	7,000
Current Portion of Corporate Bonds	10,000	10,000	—
Corporate Bonds	36,500	36,500	—
Interest-Bearing Liabilities [Long-term interest-bearing liabilities portion] (Note2)	92,466 [72,466]	92,966 [79,466]	500 [7,000]

(Note1) Committed repayment of 6.5 billion yen, which is scheduled to be implemented on April 11, 2007 and April 13, 2007 has been reflected in the fund procurement through the additional issue of new investment units.

(Note2) Long-term interest-bearing liabilities does not include current portion of long-term borrowings and current portion of corporate bonds.

2. Interest-Bearing Liabilities Ratio after Refinancing

	Before Refinancing	After Refinancing	Percentage Point Change
Interest-Bearing Liabilities Ratio	37.1%	37.2%	0.1
Long-Term Interest-Bearing Liabilities Ratio	78.4%	85.5%	7.1

Notes:

1. 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: ¥156,725 million
(Unitholders' capital is rounded to the nearest million yen)
2. Long-term interest-bearing liabilities ratio (%) = Long-term interest-bearing liabilities ÷ Interest-bearing liabilities × 100
3. Percentage figures are rounded to the nearest first decimal place.