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For Translation Purposes Only
For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Repayment of Borrowings

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

Details

1. Details of Borrowings Repaid

(1) Short-term borrowings

1. Lender	Mizuho Corporate Bank, Ltd.	Resona Bank, Ltd.
2. Amount	¥2,500 million	¥1,000 million
3. Interest Rate	0.87333%	0.87333%
4. Drawdown Date	July 5, 2007	July 5, 2007
5. Repayment Date	September 25, 2007	September 25, 2007

1. Lender	Mizuho Corporate Bank, Ltd.	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
2. Amount	¥1,400 million	¥1,400 million
3. Interest Rate	0.87167%	0.87167%
4. Drawdown Date	July 9, 2007	July 9, 2007
5. Repayment Date	September 25, 2007	September 25, 2007

1. Lender	Mitsubishi UFJ Trust and Banking Corporation	Shinsei Bank, Ltd
2. Amount	¥1,400 million	¥1,400 million
3. Interest Rate	0.87167%	0.87167%
4. Drawdown Date	July 9, 2007	July 9, 2007
5. Repayment Date	September 25, 2007	September 25, 2007

1. Lender	Resona Bank, Ltd.
2. Amount	¥1,300 million
3. Interest Rate	0.87167%
4. Drawdown Date	July 9, 2007
5. Repayment Date	September 25, 2007

(2) Long-term borrowings

1. Lender	Meiji Yasuda Life Insurance Company
2. Amount	¥4,783 million
3. Interest Rate	1.70000%
4. Drawdown Date	December 27, 2001
5. Repayment Date	December 26, 2008

2. Date of Repayment

July 27, 2007 (planned)

3. Funds for Repayment

Funds for the repayment of the borrowings were provided from the amounts paid-in for JPR's Eighth Series of Unsecured Corporate Bonds (total issue amount: ¥9,000 million; payments closed: July 23, 2007), JPR's Ninth Series of Unsecured Corporate Bonds (total issue amount: ¥6,000 million; payments closed: July 23, 2007) and funds on hand.

4. Details of Discharge of Security as a Result of Repaying Borrowings Described in 1. Above

(1) Date of security discharge

July 27, 2007 (planned)

(2) Security over trust beneficial interests in real estate will be discharged in the following real estate in trust:

Tanashi ASTA, JPR Yokohama Nihon Odori Bldg., Tenjin 121 Bldg.

(Note) The above properties have secured both debt that will be repaid this time and debt exhibited in (4) below (repayment date: June 21, 2011). As for Tanashi ASTA, it will secure the debt exhibited in (4) below (repayment date: June 21, 2011) hereafter.

(3) Type of discharged security

- Pledge over trust beneficial interests in real estate for the above real estate in trust
- Undertaking to provide mortgage over the above real estate in trust

(4) Details of secured borrowings after the above discharges

1. Lender	Meiji Yasuda Life Insurance Company	
2. Amount	¥4,783 million	¥4,400 million
3. Interest Rate	2.050%	1.750%
4. Drawdown Date	June 21, 2002	March 28, 2003
5. Loan Type	Fixed rate of interest. Secured. No guarantee.	Fixed rate of interest. Secured. No guarantee.
6. Repayment Date	June 21, 2011	March 28, 2013
7. Collateral	Tanashi ASTA	JPR Ichigaya Bldg., Niigata Ekinan Center Bldg.

(Note) The type of collateral on the above properties is a pledge over trust beneficial interests in real estate for each collateralized property (real estate in trust). In addition, an unregistered mortgage has been provided for each real estate in trust.

[For Reference]

1. Total Borrowings and Corporate Bonds Balance After Repayment of Borrowings
(Yen in millions)

	Balance Before Repayment of Borrowings	Balance After Repayment of Borrowings	Change
Short-Term Borrowings	10,400	—	(10,400)
Current Portion of Long-Term Borrowings	—	—	—
Long-Term Borrowings	42,966	38,183	(4,783)
Current Portion of Corporate Bonds	10,000	10,000	—
Corporate Bonds	51,500	51,500	—
Interest-Bearing Liabilities [Long-term interest-bearing liabilities portion]	114,866 [94,466]	99,683 [89,683]	(15,183) [4,783]

(Note) 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 Repayment of Borrowings

	Before Repayment of Borrowings	After Repayment of Borrowings	Percentage Point Change
Interest-Bearing Liabilities Ratio	42.3%	38.9%	(3.4%)
Long-Term Interest-Bearing Liabilities Ratio	82.2%	90.0%	7.8%

(Note)

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)

Long-term interest-bearing liabilities ratio (%) = Long-term interest-bearing liabilities ÷ Interest-bearing liabilities × 100

2. Percentage figures are rounded to the nearest first decimal place.