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For Translation Purpose Only

For Immediate Release

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Notice Concerning Borrowings

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

Details

1. Use of Funds

JPR will undertake short-term borrowings to refinance existing corporate bond as detailed in 3. below.

2. Details of Borrowings

Lender	Amount
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,000 million
Resona Bank, Ltd.	¥2,000 million
Total	¥4,000 million

Note: The interest rate applicable to short-term 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 corporate bond.

1. Name	First Series of Corporate Bonds
2. Amount	¥10,000 million
3. Interest Rate	0.84%
4. Maturity Date	February 12, 2008

[For Reference]

1. Total Borrowings and Corporate Bonds Balance after the Borrowings

(Millions of yen)

	Borrowings Balance prior to Borrowings	Borrowings Balance after Borrowings	Change
Short-Term Borrowings	—	4,000	4,000
Current Portion of Long -Term Borrowings	—	—	—
Long -Term Borrowings	38,183	38,183	—
Current Portion of Corporate Bonds	10,000	10,000 (Note 1)	—
Corporate Bonds	51,500	51,500	—
Interest-Bearing Liabilities [Long-term interest-bearing liabilities portion (Note 2)]	99,683 [89,683]	103,683 [89,683]	4,000 [—]

Note1: The figure does not reflect upcoming repayment of the First Series Corporate bond on February 12, 2008.

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 the Borrowings

	Before Borrowings	After Borrowings	Percentage Point Change
Interest-Bearing Liabilities Ratio	38.9%	39.8%	0.9
Long-Term Interest-Bearing Liabilities Ratio	90.0%	86.5%	(3.5)

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.)
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.