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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 borrowings to refinance existing short-term borrowings.

2. Details of Borrowings

1. Lender	Sumitomo Life Insurance Company	Taiyo Life Insurance Company
2. Amount	¥2,000 million	¥1,000 million
3. Interest Rate (p.a.)	2.257%	2.035%
4. Loan Type	Fixed rate of interest. No collateral. No guarantee.	Fixed rate of interest. No collateral. No guarantee.
5. Drawdown Date	June 4, 2008	June 4, 2008
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Repayment Date	June 4, 2015	June 4, 2013

3. Use of Proceeds

- 1) Detailed use of proceeds: Repayment of short-term borrowings
- 2) Repayment day: June 2008 (planned)

4. Situation of Borrowings after Additional Borrowings

1) Total Borrowings and Corporate Bonds Balance after Additional Borrowings

(millions of yen)

	Borrowings Balance prior to Additional Borrowings	Borrowings Balance after Additional Borrowings	Change
Short-Term Borrowings	20,800	20,800	—
Current Portion of Long-Term Borrowings	—	—	—
Long-Term Borrowings	51,183	54,183	3,000
Current Portion of Corporate Bonds	—	—	—
Corporate Bonds	54,500	54,500	—
Interest-Bearing Liabilities [Long-term interest-bearing liabilities portion (Note1)]	126,483 [105,683]	129,483 [108,683]	3,000 [3,000]

(Note1) Long-term interest-bearing liabilities do not include current portion of long-term borrowings and current portion of corporate bonds.

2) Interest-Bearing Liabilities Ratio after Additional Borrowings

	Before Borrowings	After Borrowings	Percentage Point Change
Interest-Bearing Liabilities Ratio	44.7%	45.2%	0.5
Long-Term Interest-Bearing Liabilities Ratio	83.6%	83.9%	0.3

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: ¥156,725 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.